KION

Annual Report 2025

Shaping world trade.
20 years of KION.

KEY FIGURES

KION Group – Overview financial figures

in € million	2025	2024	2023	Change 2025/2024
Revenue and financial performance				
Revenue	11,297.2	11,503.2	11,433.7	–1.8%
EBITDA	1,700.6	1,917.0	1,713.6	–11.3%
Adjusted EBITDA[1]	1,867.5	1,945.0	1,748.7	–4.0%
Adjusted EBITDA margin[1]	16.5%	16.9%	15.3%	–
EBIT	500.9	777.8	660.6	–35.6%
Adjusted EBIT[1]	788.6	917.2	790.5	–14.0%
Adjusted EBIT margin[1]	7.0%	8.0%	6.9%	–
Net income	240.5	369.2	314.4	–34.9%
Basic earnings per share (in €)	1.75	2.75	2.33	–36.1%
Dividends per share (in €)[2]	0.62	0.82	0.70	–24.4%
ROCE[3]	7.7%	8.7%	7.7%	–
Financial position[4]				
Total assets	18,294.9	18,805.4	17,388.4	–2.7%
Equity	6,123.0	6,207.1	5,772.7	–1.4%
Net working capital[5]	1,508.5	1,783.2	2,009.0	–15.4%
Net financial debt[6]	584.0	913.2	1,210.6	–36.0%
Cash flow				
Free cash flow[7]	709.5	702.0	715.2	1.1%
Capital expenditure[8]	395.7	462.9	442.8	–14.5%
Orders				
Order intake	11,705.5	10,320.9	10,849.9	13.4%
Order book[4]	4,683.7	4,635.1	6,045.2	1.0%

1 Adjusted for PPA items and non-recurring items

2 For 2025: Proposed dividend for the fiscal year 2025

3 ROCE is calculated as the ratio of adjusted EBIT on an annualized basis to the average capital employed for the past five quarterly reporting dates

4 Figures as at balance sheet date Dec. 31

5 Net working capital comprises inventories, trade receivables and contract assets less trade payables and contract liabilities

6 Key figure comprises financial liabilities less cash and cash equivalents

7 Free cash flow is defined as cash flow from operating activities plus cash flow from investing activities

8 Capital expenditure in property, plant and equipment and intangible assets, including capitalized development costs

KION Group – Overview sustainability figures

	2025	2024	2023	Change 2025/2024
Environment				
GHG emissions (scope 1+2) (in kt CO_2eq)[1]	112	147	146	–23.3%
GHG emissions (scope 3) (in kt CO_2eq)[1]	14,694	16,011	17,581	–8.2%
Energy consumption (in MWh)	627,531	630,191	638,042	–0.4%
Waste produced (in tons)	83,639	84,446	75,617	–1.0%
ISO 14001 certification rate (all locations)	99%	99%	90%	–
Social				
Employees[2]	42,175	42,719	42,325	–1.3%
Proportion of female employees[3, 6]	18.9%	18.9%	18.6%	–
Lost time injury frequency rate (LTIFR)[4]	4.2	4.4	5.2	–5.0%
ISO 45001 certification rate[5]	99%	99%	89%	–
Governance				
Proportion of women in Administrative, Management and Supervisory Bodies of KION Group (AMSB)[6]	27.3%	27.3%	27.3%	–
ESG targets incorporated into Executive Board remuneration	Yes	Yes	Yes	–

1 Greenhouse gas emissions (GHG) in thousand tons CO_2 equivalents (CO_2e) in accordance with GHG protocol (location-based for scope 1 and scope 3, market-based for scope 2)

2 Number of employees (full-time equivalents; incl. apprentices; excl. inactive employees) as at balance sheet date Dec. 31

3 According to ESRS

4 Occupational accidents of active employees with one or more working days lost per million hours worked

5 ISO 45001 or equivalent occupational health and safety standards, based on all sites

6 Headcount as at balance sheet date Dec. 31

All amounts in this annual report are disclosed in millions of euros (€ million) unless stated otherwise. All percentage changes and key figures were calculated using the unrounded primary data. Financial key figures were calculated on the basis of values in thousands of euros (€ thousand), while non-financial key figures were calculated on the basis of the respective relevant units of measurement. Due to rounding effects, addition of the individual amounts shown may result in minor rounding differences to the totals.

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COMPANY PROFILE

The KION Group is among the world's leading providers of industrial trucks and supply chain solutions.* Its portfolio encompasses industrial trucks, such as forklift trucks and warehouse trucks, as well as integrated automation technology and software solutions for the optimization of supply chains, including all related services. Across more than 100 countries worldwide, the KION Group's logistics solutions improve the flow of material and information within factories, warehouses, and distribution centers. The KION Group, which is included in the MDAX, is the largest manufacturer of industrial trucks in the EMEA region. In China, it is the leading foreign manufacturer. In the market for warehouse automation, the KION Group is the world's leading provider.

The KION Group's world-renowned brands are well established. Dematic is the global leader in intelligent supply chain and automation solutions. The Linde and STILL brands serve the premium and higher value segments of the industrial truck market. Baoli focuses on industrial trucks in the lower value and economy segments. The regional industrial truck brand Fenwick is one of the leading suppliers of material handling products in France, while OM is among the leading vendors in the Indian market.

With more than 1.9 million industrial trucks worldwide as at December 31, 2024, the KION Group counts companies of various sizes in numerous industries on six continents among its customers.

We keep the world moving.

* The market position of the KION Group as a whole, its market position in China, and Dematic's market position are measured by the respective volumes of revenue generated in 2024; unit sales in 2024 serve as the basis for determining the market position in the EMEA region and the market positions of Fenwick and OM

ORGANIZATION

Industrial Trucks & Services

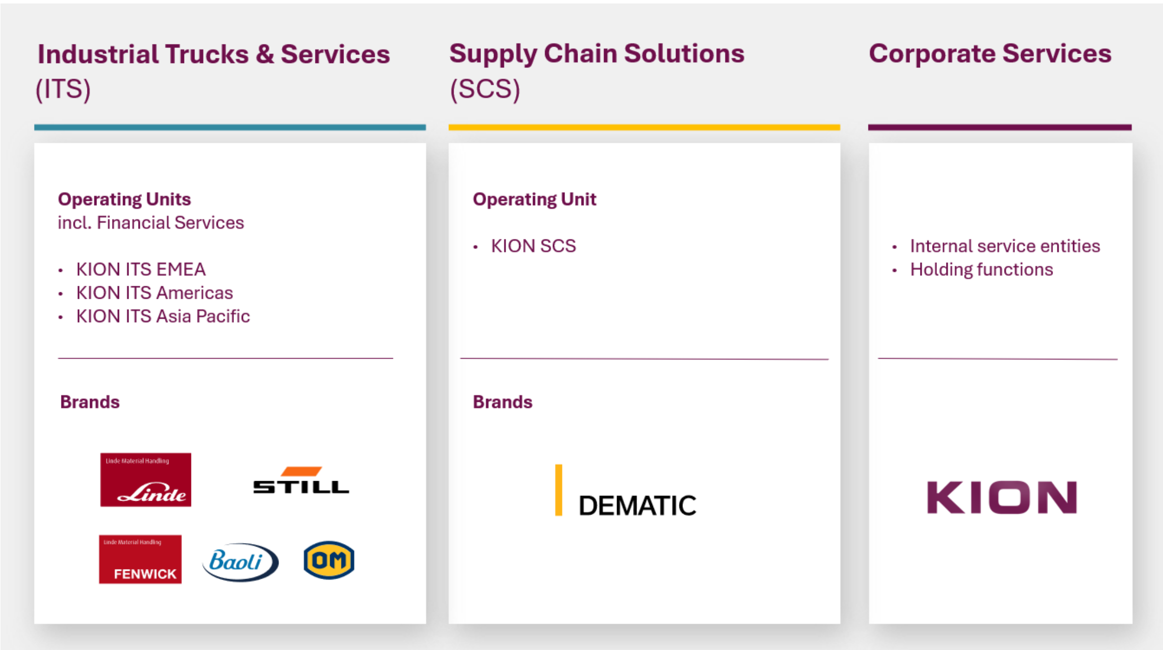
The Industrial Trucks & Services segment encompasses forklift trucks, warehouse technology, and related services, including complementary financial services. It pursues a multi-brand strategy involving the three international brands Linde, STILL, and Baoli plus the regional brands Fenwick and OM.

Supply Chain Solutions

The Supply Chain Solutions segment encompasses integrated technology and software solutions that are used to optimize supply chains. Manual and automated solutions are provided for all functions along customers' supply chains, from goods inward and Multishuttle warehouse systems through to order picking. The Supply Chain Solutions segment comprises the Operating Unit KION SCS with the Dematic brand.

Corporate Services

Corporate Services comprises holding companies and other service companies that provide services such as IT, and general administration across all segments.



TO OUR SHAREHOLDERS

LETTER TO OUR SHAREHOLDERS

Dear shareholders, customers, partners, and friends of KION,

World trade today is more digitally and physically interconnected than ever: raw materials, food, components, industrial and consumer goods move across continents, oceans, and time zones, with billions of single movements every day. This massively complex system has grown and been refined over decades. And today, it's under pressure. From blockages of important trade routes to pandemic shutdowns and geopolitical issues: recent years have shown that rising complexity makes global supply chains more vulnerable. To make them future-ready, we need to make them resilient and flexible – and the whole complex orchestra needs a conductor.

KION is present at every crucial point of the world's supply chains: in factories, warehouses, ports, hubs and distribution centers. Building on the strong heritage of our brands and driving our industry with automation and digitalization, our focus is clear: we offer our customers reliable, intelligent solutions and shape the future of global supply chains with confidence and responsibility.

As a decisive part of our ongoing transformation to become 'The Supply Chain Solutions Company', we strongly believe our business is an integrated one. We combine everything modern supply chains rely on: industrial trucks, automation, robotics, software and AI, with systems and solutions that learn in real-time, adapt within seconds, and plan ahead. This transformation is reflected in the strategic renaming of our Supply Chain Solutions (SCS) segment to 'Intelligent Automation Solutions' (IAS). We position our Dematic brand to an even larger extent in the supply chain orchestration space, integrating all key aspects that underpin and drive KION's strategic vision.

Industrial Trucks & Services and Intelligent Automation Solutions will offer end-to-end solutions to our customers with an integrated approach, starting a new chapter in KION's history. In 2016, we were creating the intralogistics industry with the acquisition of Dematic. In 2026, it is now our vision to become 'The Supply Chain Solutions Company'.

Resilient performance in a volatile global environment

Looking back on the 2025 financial year, in a challenging geopolitical and macroeconomic environment, customer demand increased and order intake in all of KION's business lines was considerably higher year on year. Our core key performance indicators were in line with our updated outlook, with free cash flow slightly exceeding expectations. For our Industrial Trucks & Services segment, 2025 was a look-through year as expected. Our Supply Chain Solutions segment improved all main key performance indicators on its sustainable continuous improvement journey.

To prepare now for the next, and to protect the cycle of competitiveness, order intake, profitability, and investment in innovation, in 2025 we introduced a leaner, simpler and faster organization in EMEA to best serve our customers – all in line with our 'Playing to Win' strategy, driving our industry leadership and securing the long-term success of our company.

In a globally volatile stock market environment, the development of our share price significantly outperformed the reference indices DAX (22 percent) and MDAX (19 percent): The increase of 114 percent over the year 2025 was a strong signal of trust amongst our investor community in KION, our strategy and our markets. The Executive Board and Supervisory Board of KION GROUP AG will propose a dividend of €0.62 (2024: €0.82) per share with an increased payout ratio of 35 percent (2024: 30 percent) at the Annual General Meeting on May 28, 2026.

Rob Smith

Chief Executive Officer of KION GROUP AG

Shaping our industry with strong ecosystem partners

In late 2024, we started our work with NVIDIA and Accenture bringing AI and digital twins to the physical world in the supply chain. KION is redefining how automation is designed, tested, and leveraged through physical AI, as demonstrated at international trade fairs in 2025 with our Kick-off at CES in Las Vegas, USA, at LogiMAT in Stuttgart, Germany, at GTC AI conference in San Jose, USA, and CeMAT in Shanghai, China. In 2026, lighthouse projects are underway.

Adding now our partnership with Siemens, we are taking this forward further and faster, seamlessly integrating engineering data, automation logic, and physical assets into digital twins in the NVIDIA Omniverse. The vision is ambitious: We are scaling up physical AI and automation solutions to orchestrate our customers’ supply chains – inside the four walls of a warehouse or distribution center and up and down the supply chain.

A new supply chain solution will begin its life as a digital twin compressing solutioning from years to months, containing all the automation elements and mature system software to simulate, emulate and prove the solution upfront, and then serves as the blueprint to install and commission the physical twin. For customers, it will translate into shorter project timelines, lower risk, and more resilient performance.

Sophisticated software solutions are the foundation of such ecosystems – and customers expect an increasing share of these solutions to support their automation journey, especially with integration of AI, from managing their truck fleet to orchestrating multiple lights-out warehouses. In line with our ‘Playing to Win’ strategy, we drive and implement innovative software solutions as an integral part of our business and a key differentiator in our industry.

Driving sustainability forward

Sustainability continues to be an integral part of KION’s journey. It is firmly anchored in our products, solutions, and our ‘Playing to Win’ strategy. We continue to pursue our goal of achieving net-zero emissions across our entire value chain by 2050 at the latest, as formally validated by the Science-Based Targets Initiative (SBTi) in 2024.

We are electrifying our production processes and service fleet, increasing the share of renewable energies. Additionally, we are integrating circular design concepts into practical solutions, and working with suppliers in the area of sustainable procurement in 2025.

Our progress in sustainability was again recognized in 2025: with 69 out of 100 points, we achieved our best result to date in the S&P Global Corporate Sustainability Assessment. The rating is a key factor for inclusion in the Dow Jones Best-in-Class Europe Index, which we have been part of since last year.

In addition, KION received the EcoVadis ‘Platinum’ rating for the first time in 2025 and, with 86 out of a possible 100 points, ranks among the top one percent of the more than 150,000 companies assessed by EcoVadis across all industries and countries. A further significant achievement was the Cradle to Cradle Bronze certification for the Dematic Multishuttle 2, which is the first supply chain solution to receive this award for a waste-free circular economy.

20 years of KION – building on a strong heritage

KION’s roots go back more than 200 years – the heritage of our KION brands has been shaped by decades of engineering excellence, innovation, and customer trust. Building on this long legacy, our company was founded as a carve-out from Linde AG in 2006 as a leader in material handling, and this year, we celebrate KION’s 20th anniversary. A milestone that highlights how far we’ve come – and how much potential lies ahead. Two decades that reflect our ability to adapt, grow, and create value in an increasingly complex global environment.

Our people in EMEA, the Americas and the Asia-Pacific region are passionate about innovating, automating and orchestrating our customers' supply chains in an increasingly complex world. KION's strategy is about delivering growth and profitability – and about shaping the future of our industry. It means opportunity and responsibility.

Our partnerships, our technology and our people give us the strength to accelerate innovation and unlock new opportunities – in a market that is evolving at incredible speed. And most importantly: The work we're doing today is building the foundation for the next decade of KION. What started as a bold step in 2006 has grown into a global journey shaped by our people, our brands and our innovations. KION is shaping world trade – globally, regionally, and locally.

Best regards

Rob Smith

Chief Executive Officer

KION GROUP AG

EXECUTIVE BOARD OF KION GROUP AG

Dr. Richard Robinson Smith

- Chief Executive Officer (CEO)
- Born in 1965 in Augsburg, Germany

Christian Harm

- Chief Financial Officer (CFO)
- Born in 1968 in St. Pölten, Austria

Valeria Gargiulo

- Chief People & Sustainability Officer (CPSO) & Labor Relations Director
- Born in 1972 in Lomas de Zamora, Argentina

Andreas Krinninger

- President KION ITS EMEA
- Born in 1967 in Bergisch Gladbach, Germany

Ching Pong Quek

- Chief Technology Officer (CTO) &
  President KION ITS Asia Pacific
- Born in 1967 in Batu Pahat/Johor, Malaysia

Hans Michael Larsson

- President KION Supply Chain Solutions & KION ITS Americas
- Born in 1965 in Västerås, Sweden

REPORT OF THE SUPERVISORY BOARD OF KION GROUP AG

Dear shareholders,

The 2025 financial year was characterized by a challenging geopolitical and macroeconomic environment, with global supply chains remaining volatile. Nevertheless, KION achieved a significant increase in order intake across all business segments and maintained its key financial metrics within expectations. Through the implementation of organizational adjustments and the continuation of the 'Playing to Win' strategy, important foundations were laid for the Company's long-term competitiveness. At the same time, the Company continued to advance its technological development through strategic partnerships in the areas of digitalization, automation, and physical AI. Significant progress in sustainability and the further improvement of key ESG ratings underscore the Group's long-term strategic orientation.

The Supervisory Board advised and supported the Executive Board at all times in its management and strategic development of KION, and fully performed the tasks and duties incumbent upon it in accordance with the law, the Company's articles of association, and the rules of procedure.

Focus of the Supervisory Board's work

At the total of eleven Supervisory Board meetings held in the year under review, the Supervisory Board thoroughly discussed all matters of relevance to the Company and checked whether the Company was being run lawfully, purposefully, and properly. In addition, one resolution was adopted through circulation procedure.

Source/Image credit: Martin Joppen

Dr. Mohsen Sohi
Chairman of the Supervisory Board of KION GROUP AG

The Supervisory Board's work in the reporting year focused on the corporate strategy (particularly in view of the competitive environment in individual markets and the dynamically developing geopolitical risks), the Group's reporting and its financial situation, sustainability matters, and compliance and corporate governance topics. The Supervisory Board also received regular reports on the progress of the efficiency programs initiated by the Executive Board to reduce product costs, optimize internal processes, and strengthen competitiveness and innovative capacity.

At each quarter, the Supervisory Board was given a report on the Company's economic position and on any material business transactions. Regular reports on compliance (including data protection), internal audit, and information security were also provided at Supervisory Board meetings.

At the meeting on February 26, 2025, the Supervisory Board studied the financial reporting, the sustainability reporting, and other reporting obligations of the Company relating to the 2024 financial year and adopted the concerning resolutions, including the proposal for the appropriation of profit. Further, it adopted resolutions on the target achievement for the Executive Board members' variable remuneration, and the preparations for the 2025 Annual General Meeting, including the approval of nominations for new Supervisory Board members.

Topics of relevance to the Annual General Meeting, along with transactions requiring consent, governance topics and an editorial adjustment to the articles of association, were also on the agenda at the Supervisory Board's meetings held on April 29, 2025 and before the Annual General Meeting on May 27, 2025. At its ordinary meeting held the same day after the Annual General Meeting, the Supervisory Board was constituted with its newly elected members. It also elected the chairman of the Supervisory Board, his deputy, and the members and chairmen of its committees.

The Supervisory Board deliberated extensively on the reporting related to compliance (including data protection) at its meeting on June 26, 2025.

At its strategy meeting on September 26, 2025, the Supervisory Board received reports from the CTO organization and on personnel planning and succession planning. It also took a close look at the 'Playing to Win' corporate strategy and progress with its implementation in terms of the Company's growth, automation, artificial intelligence (AI), and software, as well as at organizational development and strategic personnel planning.

At its five meetings in the last quarter of the year 2025, the topics included the Supervisory Board's discussion of and adoption of a resolution on the budget planning for 2026, various corporate governance matters (including the 2025 declaration of conformity), a number of transactions requiring consent, the Company-wide Business Transformation program for standardizing the ERP system, information security, corporate governance and personnel matters relating to the Executive Board and Supervisory Board, and the setting of the 2026 targets for the Executive Board's variable remuneration.

The Supervisory Board also decided on personnel matters relating to the Executive Board by adopting a resolution through circulation procedure.

Collaboration between Supervisory Board and Executive Board

In the reporting year, the Supervisory Board continued to fulfill the tasks and responsibilities imposed on it by the law, the Company's articles of association, and the German Corporate Governance Code (GCGC) with dedication and diligence.

The Supervisory Board worked intensively to oversee and monitor the Executive Board and advise it on how to manage the Company.

Both during meetings and between meetings, the Executive Board provided the Supervisory Board and its committees with regular written and oral reports on the Company's economic position and material business transactions. Similarly, it kept them updated on the planning and strategy, plus progress with their implementation.

As in previous years, the Supervisory Board – in addition to the areas of focus mentioned above – discussed numerous other issues and transactions requiring consent and made necessary decisions. It was always fully involved in major decisions affecting the Company from an early stage. All members of the Supervisory Board had the opportunity to examine the documents, reports, and proposed resolutions that were presented in the full meetings or in the committees and to analyze and discuss them in detail.

Between meetings of the Supervisory Board and between those of its committees, the chairmen of the Supervisory Board and Audit Committee remained in close contact at all times with the Chief Executive Officer and Chief Financial Officer. There were also regular discussions between the chairman of the Audit Committee and those responsible for internal audit and corporate compliance in the Company, as well as the auditor.

Work of the committees

During the reporting period, five standing committees supported the Supervisory Board's work and prepared resolutions to be adopted by the full Supervisory Board, enabling it to perform its tasks with the necessary degree of care and efficiency: the Mediation Committee pursuant to section 27 (3) of the German Codetermination Act (MitbestG), the Executive Committee, the Audit Committee, the Nomination Committee, and the Remuneration Committee. At the full Supervisory Board meeting following a committee meeting, the chairmen of the committees each reported on the outcome of their committee's work and the main discussion points. The preparatory, in-depth work carried out by the committees was always considered by the Supervisory Board in its deliberations.

The Executive Committee held four meetings in the year under review. In 2025, the Executive Committee mainly focused on preparations for the full Supervisory Board meetings, on the Company's financial position and financial performance, on personnel and organizational matters relating to the Executive Board, and on corporate governance matters relating to the Supervisory Board.

The Audit Committee, which is also the committee responsible for all sustainability and ESG-related matters, held five meetings in 2025. The meetings focused on the KION Group's business performance and financial planning, on the Company's risk situation, on matters related to the audit, its quality control, and the independence of the auditor, on the audit of the separate and consolidated financial statements of KION GROUP AG, on sustainability matters and on the interim financial reporting of the group. It also addressed financial and non-financial reporting and the compliance and internal audit reports. Particular attention was paid to matters relating to the KION Group's financing strategy and its internal control and risk management system. The committee satisfied itself that there were no conflicts of interest in respect of the auditor. Supervisory Board resolutions required in this regard were prepared by the Audit Committee and reported to the Supervisory Board. The auditor reported regularly to the Audit Committee on its audit work and findings. The Audit Committee regularly held discussions without the Executive Board. In light of the Audit Committee's wide range of duties and the importance to the Company of the topics dealt with by the Audit Committee, the Supervisory Board decided to increase the Audit Committee from four to six members with effect from January 1, 2026.

The Remuneration Committee, which held three meetings in 2025, discussed the setting and achievement of targets for the Executive Board members' variable remuneration and the 2024 remuneration report.

The Nomination Committee convened for one meeting in 2025. The committee dealt with the succession planning for shareholder representatives on the Supervisory Board whose term of office was due to finish at the end of the 2025 Annual General Meeting. It also prepared the nominations for new Supervisory Board members to be presented to the Annual General Meeting.

There was no need for the Mediation Committee to meet in 2025.

Due to the accelerating pace of digital transformation and the growing strategic importance of technology and innovation to the Group, the role of the Supervisory Board increasingly includes the monitoring and proactive examination of technological innovations, the Company's digital strategy and data governance, and the resulting risks. With effect from January 1, 2026, the Supervisory Board therefore established a Technology & Innovation Committee (T&I Committee), in order to fulfill these obligations with a high degree of efficiency, expertise, and quality and to bring together and maintain the requisite competencies within the Supervisory Board. The T&I Committee supports and advises the Supervisory Board with regard to monitoring the Company's technology strategy for new and existing products (both hardware and software), innovation initiatives, the internal IT strategy, cybersecurity risks, and artificial intelligence (AI), as well as with regard to aligning technological resources with the Company's goals. It can also provide advice to the Executive Board in this context.

Details of the committees' members are provided in the 'Corporate governance statement'.

Summary of the nature of, and members' participation in, the meetings of the Supervisory Board and its committees during the reporting period

Because of the composition of the Supervisory Board and its committees with members from Germany and abroad, meetings of both the Supervisory Board and its committees were held as either entirely virtual meetings or in a hybrid format with a combination of attendance in person and video conferencing.

There were also a number of working sessions, information events, and telephone and video conference calls for the purpose of providing the members of the Supervisory Board or the relevant committees with advance information. The employee representatives held separate preliminary discussions to deliberate on the agenda items of the full meetings of the Supervisory Board. In some cases, preparatory discussion took place between individual Supervisory Board or committee members as well.

The rate of participation for the meetings of the Supervisory Board and its committees stood at around 96 percent overall.

Overview of attendance at meetings of the Supervisory Board and committees in fiscal year 2025

Supervisory Board/committee	Meeting attendance	Percentage
SUPERVISORY BOARD PLENARY		
Dr. Mohsen Sohi (Chairman)[1]	8/8	100
Hans Peter Ring (previous Chairman)[2]	3/3	100
Özcan Pancarci (Deputy Chairman)	11/11	100
Sherry A. Aaholm[1]	7/8	88
Birgit A. Behrendt	10/11	91
Dr. Alexander Dibelius	9/11	82
Kui Jiang	11/11	100
Peter Kameritsch[1]	8/8	100
Dr. Christina Reuter[2]	3/3	100
Dr. Nicolas Peter[2]	3/3	100
Dr. Shaojun Sun	11/11	100
Ping Xu[2]	2/3	67
Dominique Lembke	10/11	91
Martin Fahrendorf	11/11	100
Jan Bergemann	11/11	100
Jörg Milla	11/11	100
Alexandra Schädler	10/11	91
Thomas Mainka	10/11	91
Claudia Wenzel	11/11	100
Xiaomei Zhang[1]	8/8	100
EXECUTIVE COMMITTEE		
Dr. Mohsen Sohi (Chairman)[1]	3/3	100
Hans Peter Ring (previous Chairman)[2]	1/1	100
Özcan Pancarci (Deputy Chairman)	4/4	100
Dr. Alexander Dibelius	4/4	100
Kui Jiang	4/4	100
Peter Kameritsch[1]	3/3	100
Jörg Milla	4/4	100
Dr. Nicolas Peter[2]	1/1	100
Alexandra Schädler	4/4	100
Claudia Wenzel	4/4	100

Overview of attendance at meetings of the Supervisory Board and committees in fiscal year 2025 (continued)

Supervisory Board/committee	Meeting attendance	Percentage
AUDIT COMMITTEE		
Peter Kameritsch (Chairman)[1]	3/3	100
Dr. Nicolas Peter (previous Chairman)[2]	2/2	100
Alexandra Schädler (Deputy Chairman)	5/5	100
Kui Jiang[3]	3/3	100
Hans Peter Ring[2]	2/2	100
Jörg Milla	5/5	100
REMUNERATION COMMITEE		
Dr. Mohsen Sohi (Chairman)[1]	2/2	100
Hans Peter Ring (previous Chairman)[2]	1/1	100
Özcan Pancarci (Deputy Chairman)	3/3	100
Kui Jiang	2/3	67
Peter Kameritsch[1]	2/2	100
Dr. Nicolas Peter[2]	1/1	100
Alexandra Schädler	3/3	100
NOMINATION COMMITTEE		
Dr. Mohsen Sohi (Chairman)[1]	0/0	–
Hans Peter Ring (previous Chairman)[2]	1/1	100
Dr. Alexander Dibelius (Deputy Chairman)	1/1	100
Birgit A. Behrendt	1/1	100
Kui Jiang[4]	1/1	100
Dr. Shaojun Sun[3]	0/0	–
MEDIATION COMMITTEE		
Dr. Mohsen Sohi (Chairman)[1]	0/0	–
Hans Peter Ring (previous Chairman)[2]	0/0	–
Özcan Pancarci (Deputy Chairman)	0/0	–
Jörg Milla	0/0	–
Peter Kameritsch[1]	0/0	–
Dr. Nicolas Peter[2]	0/0	–

1 Member since 27 May 2025
2 Member until 27 May 2025
3 Committee member since 27 May 2025
4 Committee member until 27 May 2025

The members of the Executive Board generally participated in the meetings of the Supervisory Board and its committees. The Supervisory Board and its committees also met regularly without the Executive Board to discuss individual matters.

Personnel matters relating to the Executive Board

In 2024, the Supervisory Board had adopted resolutions that extended the Executive Board service contract and appointment of Dr. Richard Robinson Smith (CEO) with effect from January 1, 2025 by a further five years until December 31, 2029 and extended the Executive Board service contract and appointment of Ching Pong Quek (CTO & President KION ITS Asia Pacific) with effect from July 1, 2025 by a further five years until June 30, 2030.

In 2025, the Supervisory Board extended the Executive Board service contract and appointment of Valeria Gargiulo (CPSO) with effect from May 1, 2026 until April 30, 2030 and extended the Executive Board service contract and appointment of Christian Harm (CFO) with effect from July 6, 2026 until July 5, 2029.

Following preparatory work by its Executive Committee, the Supervisory Board closely monitored these personnel matters and discussed them in detail.

Self-assessment by the Supervisory Board

The Supervisory Board carries out a regular self-assessment every two to three years in accordance with recommendation D.12 GCGC. The next self-assessment is currently scheduled for 2027.

Corporate governance matters handled by the Supervisory Board

In the declaration of conformity pursuant to section 161 of the German Stock Corporation Act (AktG), which was issued on December 16/17, 2025, the Supervisory Board and Executive Board declared that KION GROUP AG had complied with all the recommendations in the GCGC since the issue of the previous declaration of conformity and would also comply with them all in the future. The most recent declaration of conformity and previous versions are permanently available to the public on the KION GROUP AG website at www.kiongroup.com/conformity.

The Supervisory Board reviewed the content of the non-financial Group report, which the Company is obliged to publish in accordance with section 315b of the German Commercial Code (HGB). The Company fulfills this obligation by publishing a voluntary Group sustainability report that also includes the sustainability statement according to the European Sustainability Reporting Standards (ESRS). The Supervisory Board engaged the Company’s auditor, KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, to prepare a voluntary limited assurance review of this report for 2025. After reviewing this report, the Supervisory Board did not raise any objections.

The Executive Board and Supervisory Board provide a detailed report on corporate governance at KION GROUP AG in the 'Corporate governance statement', which can also be found on the KION GROUP AG website at www.kiongroup.com/en/About-us/Management. The corporate governance statement includes information on topics such as the objectives for the composition of the Supervisory Board, including its diversity plan and profile of skills and expertise, and reports on progress with achieving them. Supported by an external consultant, the Supervisory Board thoroughly reviewed and updated this profile of skills and expertise in 2025.

Following the new constitution of the Supervisory Board after the 2025 Annual General Meeting, the Supervisory Board took a close look at its internal organizational structures, the frequency and length of its meetings, and the responsibilities and composition of its committees. It then decided to make changes in order to reflect the current situation, for example by establishing the new T&I Committee and expanding the Audit Committee from four to six members.

The Company supports the members of the Supervisory Board in the performance of their tasks by providing suitable training and development opportunities. New members of the Supervisory Board are given special onboarding information in order to familiarize them with the KION Group and its internal structures and processes. In the reporting period, for example, such onboarding events were held for all newly elected Supervisory Board members.

The Supervisory Board did not become aware of any conflicts of interest involving Executive Board or Supervisory Board members during the year under review.

Relationships with affiliated entities (dependency report)

The Supervisory Board examined the report concerning relationships with affiliated entities (dependency report), which the Executive Board signed off on February 24, 2026. The auditor reviewed this report and issued an auditor’s report. Based on its audit, which it completed on February 24, 2026 without having identified any deficiencies, the auditor issued the following opinion:

‘Based on our audit and assessment in accordance with professional standards, we confirm that

1. the facts in the report are stated accurately;
2. the consideration given by the entity for the transactions specified in the report was not unreasonably high;
3. there are no circumstances in respect of the measures specified in the report that would justify an opinion materially different from the opinion of the Executive Board.’

The dependency report and the auditor’s report about it were distributed to all the members of the Supervisory Board in good time. Both reports were discussed in detail in the presence of the auditor at the Supervisory Board meeting on February 25, 2026, after the auditor had presented its report in person. The Supervisory Board approved the findings of the audit conducted by the independent auditor and, based on the final outcome of its own review, did not raise any objections to the Executive Board’s declaration at the end of the dependency report.

Engagement of the auditor; audit of the separate and consolidated financial statements

The Company's independent auditor, KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, audited the separate financial statements, the consolidated financial statements, and the combined management report for KION GROUP AG and the Group for the year ended December 31, 2025 following its election by the Annual General Meeting on May 27, 2025.

The auditor was also engaged to conduct a voluntary review of the Group sustainability report.

The auditor was appointed by the chairman of the Supervisory Board on October 15, 2025. The key audit matters were discussed and set out accordingly at the Audit Committee's meeting on October 29, 2025.

The auditor submitted its report relating to the 2025 separate financial statements, consolidated financial statements, and combined management report (including the Group sustainability report) to the members of the Audit Committee and the members of the Supervisory Board, in each case with the required lead time. The Audit Committee and Supervisory Board each discussed the report extensively in the presence of the auditor and, in some cases, without the Executive Board being present. The auditor reported in detail on the main findings of the audit on each occasion.

On February 24, 2026, the auditor issued an unqualified audit opinion on the separate financial statements, consolidated financial statements, and group management report, which was combined with the Company's management report, and an unqualified conclusion on the Group sustainability report. Having itself scrutinized the Company's separate financial statements, consolidated financial statements, and combined management report (including the Group sustainability report) for the year ended December 31, 2025, the Supervisory Board – on the basis of a recommendation from the Audit Committee – agreed with the findings of the audit by the auditor after further discussing these findings at its meeting on February 25, 2026 and did not raise any objections. The Supervisory Board approved the Company's separate financial statements and consolidated financial statements for the year ended December 31, 2025 prepared by the Executive Board, thereby adopting the annual financial statements.

At its meeting on February 25, 2026, the Supervisory Board also discussed and approved the proposal made by the Executive Board that the distributable profit of KION GROUP AG be appropriated for the payment of a dividend of €0.62 per no-par-value share. In doing so, the Supervisory Board took account of the Company's financial situation and performance, its medium-term financial and capital-expenditure planning, and the interests of the shareholders. The Supervisory Board believes the proposed dividend is appropriate.

Personnel changes on the Supervisory Board of KION GROUP AG

The terms of office of Supervisory Board members Hans Peter Ring (former chairman of the Supervisory Board), Dr. Shaojun Sun, Dr. Christina Reuter, and Ping Xu ended at the close of the Annual General Meeting on May 27, 2025. Furthermore, Dr. Nicolas Peter resigned from the Supervisory Board of KION GROUP AG with effect from the end of the Annual General Meeting on May 27, 2025. At the Annual General Meeting on May 27, 2025, Dr. Mohsen Sohi, Peter Kameritsch, Sherry A. Aaholm, and Xiaomei Zhang were elected as new members of the Supervisory Board. Dr. Mohsen Sohi, Sherry A. Aaholm and Xiaomei Zhang were elected for a term of office ending at the close of the 2030 Annual General Meeting. Peter Kameritsch and Dr. Shaojun Sun were elected until the end of the Annual General Meeting in 2027, since at that time the regular term of office of their respective predecessors would have ended.

The Supervisory Board would like to thank all employees and the members of the Executive Board for their commitment over the past financial year.

This report was discussed thoroughly and in detail at the Supervisory Board meeting on February 25, 2026, when it was adopted.

Dr. Mohsen Sohi

Chairman

KION SHARES

KION outperforms the DAX significantly

Amid the generally positive yet highly volatile stock market conditions that prevailed in 2025, KION shares put in an encouraging performance, gaining 114.2 percent and thereby far outstripping the DAX (22.3 percent) and the MDAX (18.9 percent) benchmark indices.

The capital markets were heavily influenced by geopolitical, economic, and monetary policy factors. The widespread expectation at the start of the year of a rapid upturn in the economy – partly due to the investment program that Germany adopted in June 2025 – provided a tangible boost for the DAX and for KION shares in the first quarter.

Mounting concerns about US tariff policy and a looming transatlantic trade dispute were exacerbated by import duties on steel, aluminum, and automotive products, as well as by the country-specific punitive tariffs announced at the start of April 2025. In the wake of ensuing share price corrections around the world, KION shares then also fell sharply, bottoming out at €29.84 on April 9, 2025.

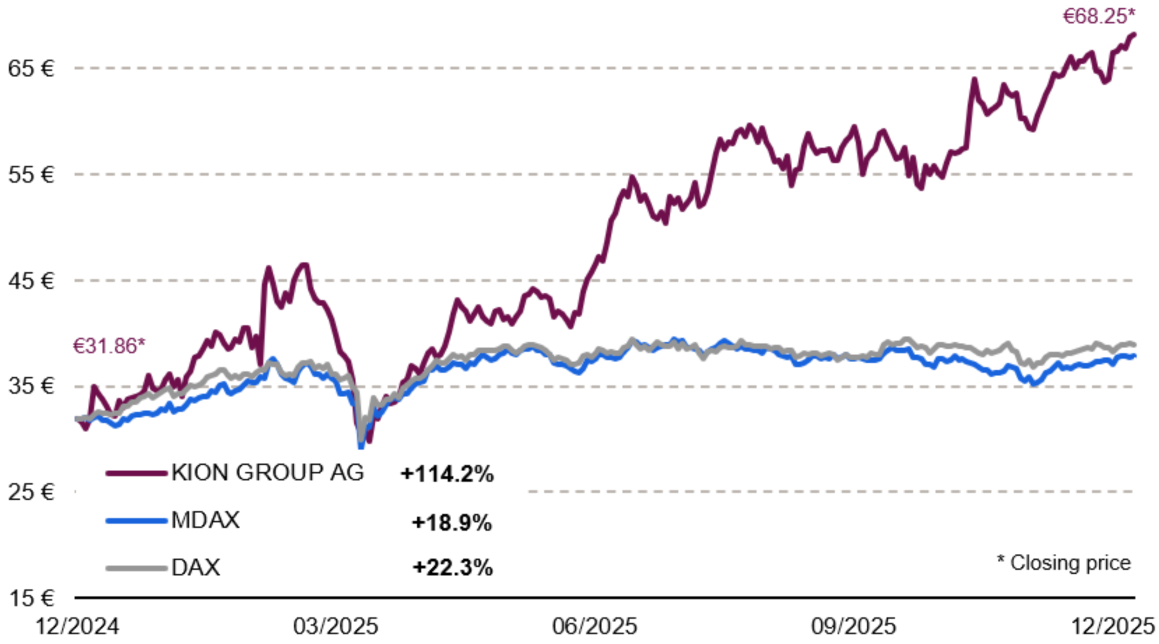
Over the further course of the year, hopes that the tariff problems would be resolved through bilateral trade agreements alternated with new fears of further escalation, serving to further exacerbate the volatility of the stock markets. Due to the potential for a shortage of critical raw materials and input products, the sporadic escalation in tensions between the US and China increasingly took center stage. However, the stock markets were buoyed by persistently optimistic expectations for the US and Chinese economies as well as by a reduction in interest rates amid a waning risk of inflation.

Due to the interplay of positive and negative factors, the DAX only recovered briefly from the US tariff policy shock and started to trend sideways from the end of May 2025. Having reached their low for the year, KION shares were able to rapidly escape this stock market stagnation. They were aided by a recovery – as anticipated by market experts – in the market for warehouse automation solutions and by the KION Group's own performance. The increase in order intake in the Supply Chain Solutions (SCS) segment, which was recorded in every quarter, played a key part in this. As a result, the share price reached its high for the year of €68.25 on December 30, 2025.

All in all, KION shares delivered a disproportionately strong performance in 2025, boosted by the market's strengthened faith in the business model and the Group's long-term growth prospects under its new 'Playing to Win' strategy.

The closing price on December 30, 2025, based on around 131.1 million outstanding shares, equates to market capitalization of €8.9 billion, of which approximately €4.8 billion was attributable to shares in free float.

Share price performance in 2025 compared with the DAX and MDAX (both indexed to KION)



Dividend proposal reflects financial performance

KION GROUP AG's 2025 Annual General Meeting was held as an in-person event in Frankfurt am Main, Germany, on May 27, 2025. Approximately 80 percent of the share capital was represented and all of the motions were approved by a majority of votes. The proposals approved by the Annual General Meeting included the distribution of a dividend of €0.82 per share, resulting in a total distribution to shareholders of around €107.5 million and an addition of €116.0 million to retained earnings.

The Executive Board and Supervisory Board of KION GROUP AG will propose a dividend for 2025 of €0.62 per share to the Annual General Meeting on May 28, 2026. This corresponds to a total dividend payout of €81.3 million. The reduction in the dividend compared with the prior-year primarily reflects the lower net income. In view of the continued strong free cash flow, the payout rate was increased to 35 percent (previous year: 30 percent) based on earnings per share for 2025 of €1.75. This is once again within the target corridor of between 25 percent and 40 percent.

KION shares recommended as a buy by majority of analysts

As at December 31, 2025, 20 brokerage houses were following and regularly reporting on the KION Group (December 31, 2024: 22). Of this total, 13 analysts recommended KION shares as a buy and seven rated them as neutral. The average target price specified by the sell-side analysts was €65.30 (December 31, 2024: €46.11). The reduction in the number of analyst recommendations reflects the ongoing consolidation within sell-side research.

Current credit ratings

In May 2025, Fitch Ratings confirmed the long-term issuer default rating of BBB with a stable outlook and a short-term issuer default rating of F2. Standard & Poor's lowered its rating by one notch to BB+ with a stable outlook in June 2025.

SERVICES FOR INVESTORS

Active investor relations

KION GROUP AG's investor relations team was once again a reliable point of contact for the capital markets in 2025. The new 'Playing to Win' strategy and the consequences of the current trade disputes on the supply chain industry and the KION Group were among the topics that prompted extensive, active dialogue with the capital markets.

With the publication of the 2024 annual report on February 27, 2025, the Executive Board of KION GROUP AG elaborated the results at the financial statements press conference and at a conference call for analysts and investors. In addition, the Executive Board held conference calls to report on each set of quarterly results. Transcripts from the conference calls for the 2024 annual results and 2025 quarterly results, along with the associated presentations, form part of the extensive information for analysts and investors that is available on the Company's website.

KION GROUP AG's 2025 Annual General Meeting was held as an in-person event in Frankfurt am Main, Germany, on May 27, 2025. A total of around 120 shareholders were represented. All questions were answered individually during the meeting. There were no countermotions, nominations, or requests for additions to the agenda. The speech made by Chief Executive Officer Dr. Richard Robinson Smith is available at www.kiongroup.com/en/Investor-Relations/Shareholders-Meeting.

The KION Group's consistent implementation of its sustainability strategy garnered recognition in several different ways in the reporting year. In September 2025, the KION Group was awarded a Platinum rating by EcoVadis for the first time, positioning it among the top 1 percent of the companies assessed. In February 2025, KION GROUP AG was included in the Dow Jones Best-in-Class Europe Index, which comprises European sustainability leaders.

Information on the website

Detailed information on KION shares as well as press releases, reports, presentations, and information about annual general meetings can be found at www.kiongroup.com/ir. The KION Group's annual report is also available here, both as a PDF file and as an interactive online version. The contact details of the investor relations team can be found under IR Contact. Information on corporate governance, the sustainability strategy, and the remuneration report are published at www.kiongroup.com/governance, www.kiongroup.com/sustainability, and www.kiongroup.com/remuneration.

kiongroup.com/
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COMBINED MANAGEMENT REPORT

Preliminary remarks

The combined management report published in the 2025 annual report includes the group management report and the management report of KION GROUP AG. Sections that only contain information on KION GROUP AG are indicated as such. The combined management report includes a separate section containing disclosures for KION GROUP AG in accordance with the German Commercial Code (HGB).

The Group sustainability report is part of the combined management report and provides comprehensive information on the sustainable corporate governance of the KION Group. To comply with individual disclosure requirements, the Group sustainability report refers to other sections of the combined management report in accordance with ESRS 1.119 (a). Information incorporated by reference is labeled as such in the corresponding reporting sections and states the sources in accordance with the relevant ESRS. These disclosures are part of the Group sustainability report of KION GROUP AG for the financial year from January 1 to December 31, 2025.

Where the combined management report makes reference to sources outside the combined management report or outside the consolidated financial statements (e.g. websites), the content of these sources constitutes unaudited, voluntary disclosures and does not form part of the combined management report. It serves solely to provide additional information.

Fundamentals of the KION Group

Organizational structure

The KION Group comprises the parent company KION GROUP AG, which is a public limited company under German law, and its subsidiaries. The KION Group's strategic management holding company, KION GROUP AG, is listed on the Frankfurt Stock Exchange and is part of the MDAX, MSCI World, MSCI Germany Small Cap, STOXX Europe 600, FTSE EuroMid, and other indices. It is also included in sustainability indices, namely the FTSE4Good Index Series, STOXX Europe Sustainability, DAX 50 ESG, and the Dow Jones Best-in-Class Europe Index.

The parent company of KION GROUP AG is Weichai Power (Luxembourg) Holding S.à r.l., Luxembourg ('Weichai Power'), a subsidiary of Weichai Power Co. Ltd., Weifang, People's Republic of China, which, to the knowledge of the Company, held 46.5 percent of the shares at the end of 2025. This percentage was unchanged on the end of 2024. The free float accounted for 53.4 percent of the shares, while the remaining 0.1 percent were treasury shares. Details of treasury shares pursuant to section 160 (1) no. 2 of the German Stock Corporation Act (AktG) are disclosed in note 7 of the published separate financial statements of KION GROUP AG for the year ended December 31, 2025.

Business model and organizational structure

The KION Group’s business model is designed so that customers of all sizes and from all sectors can obtain a comprehensive range of material handling products and services for different degrees of automation from a single source. Thanks to its broad technology base, diversified product portfolio, and worldwide service network, the KION Group is able to bring a comprehensive portfolio of such products and services to the market.

For internal management purposes, the KION Group has divided its operating business into two segments that correspond to the operating segments as required by international financial reporting standards (IFRS 8). The Industrial Trucks & Services (ITS) segment encompasses the industrial truck business and the related automation and lifecycle solutions, including financial and logistics services in support of sales. The Supply Chain Solutions (SCS) segment offers services and solutions that cater to every level of automation, right up to full automation. The two segments complement each other in terms of their portfolios and access to regional markets, while the marketing of stand-alone automation solutions covers both segments.

The KION Group’s market activities were divided into four Operating Units in 2025: KION ITS EMEA, KION ITS APAC, KION ITS Americas, and KION SCS. The KION ITS EMEA Operating Unit focuses on the ITS business in Europe, the Middle East, and Africa and takes a cross-brand approach. KION ITS APAC and KION ITS Americas hold cross-brand responsibility for the ITS business in the Asia-Pacific region and the Americas respectively. KION SCS, featuring the Dematic brand, is the global warehouse automation solutions business. While KION GROUP AG is the strategic management holding company and is responsible for the groupwide strategy, the allocation of resources, and groupwide business standards, the Operating Units have full commercial responsibility for their business.

Corporate Services includes activities other than those of the operating business and the holding functions of the KION Group. These include service companies that provide services such as IT and general administration across all segments.

Industrial Trucks & Services segment

The KION Group’s portfolio of industrial trucks and services makes it one of the world’s leading providers of industrial trucks and the market leader in the EMEA region, based on the number of units sold in 2024 and backed by data from research institute Interact Analysis (Interact Analysis, December 2025). Based on its revenue in 2024, it is the world’s second-largest supplier (Modern Material Handling, August 2025). In China, the KION Group is still the leading non-domestic manufacturer and number three overall in terms of revenue (China Forklift Network, April 2025). The segment also partners with customers on stand-alone automation solutions, offering autonomous mobile robots (AMRs), automated guided vehicle systems (AGVs), and other solutions.

The segment encompasses the activities of the international brand companies Linde, STILL and Baoli, the local brand companies Fenwick and OM, plus the financial services business.

- Linde is an international and technologically innovative premium brand that manufactures forklift and warehouse trucks and provides accompanying automation solutions, software for fleet management, driver assistance systems, and service options, meeting demanding customer requirements in terms of technology, efficiency, functionality, and design. In France, Linde products are sold under the Fenwick brand.

- STILL, a provider of forklift trucks, warehouse trucks, intralogistics systems, and automation solutions, drives innovation in its field and has a particular focus on the European market and Brazil.
- Baoli is the international brand for the lower end of the volume segment and the economy segment.
- OM is the local brand company for the Indian market, through which the KION India Pvt. Ltd. subsidiary manufactures and sells electric and IC industrial trucks and warehouse trucks.
- KION Financial Services is an internal funding partner for the Industrial Trucks & Services segment, providing finance solutions to support sales.

The business model of the Industrial Trucks & Services segment covers all of the key steps of the value chain that are required to fully cater to the needs of customers worldwide. These are product development, manufacturing, sales and service, truck rental and used trucks, fleet management, and financial services that support the industrial truck operating business.

The segment generated nearly half of its revenue in 2025 from sales of new industrial trucks, including stand-alone automation solutions. In this field, the KION Group operates 21 production facilities for industrial trucks and components in ten countries around the world. The segment's global research and development activities focus on automation solutions and sustainable, energy-efficient drive systems.

Some of the products in the multi-brand portfolio are built on a modular platform for diesel and electric forklift trucks, which is intended to ensure a high standard of quality at competitive costs. Key modular components are mostly produced in the segment's own manufacturing facilities. This allows it to ensure security of supply for special customer requirements and to provide a reliable supply of major components for its spare parts business. Energy-efficient lithium-ion battery systems are manufactured by KION Battery Systems GmbH (KBS). Other standard modules are purchased through a global procurement organization.

As at December 31, 2025, the segment had a sales and service network that comprised more than 2,000 outlets in over 100 countries and was staffed by some 9,400 service employees and a large number of external service engineers. The worldwide vehicle fleet, which consisted of more than 2.0 million industrial trucks at the end of 2025, provides a broad base for the service business. This helps to smooth out fluctuations in the segment's revenue and is aimed at reducing dependency on market cycles and supporting new truck sales by maintaining long-term customer relationships. The service business has a broad range of offerings that even extends to digital fleet management. It also handles individual orders for repairs and maintenance work as well as for spare parts. In addition, the Operating Units have a complementary used truck and rental truck business, allowing peaks in capacity requirements to be met and customers to be supported after their leases have expired.

Financial services support the sale of new trucks in many markets, forming another pillar of the service business. Its activities comprise the financing of long-term lease business for external customers and the internal financing of the short-term rental business, as well as the related risk management. In the large sales markets with a high volume of financing and lease activities, legally independent KION Financial Services companies handle this business. Offering financial services is therefore part of the truck sales process. Leases are generally linked to a service contract covering the term of the finance agreement.

Supply Chain Solutions segment

The Supply Chain Solutions segment, featuring the Dematic brand, remains the world's leading provider in the market for warehouse automation solutions, based on revenue figures for 2024 and data from Interact Analysis (Interact Analysis, December 2025). The data also shows that Dematic has achieved particularly strong market share in the general merchandise sector. In addition, the KION Group was ranked as one of the leading vendors in the fast-growing AMR segment in 2024 (Interact Analysis, December 2025).

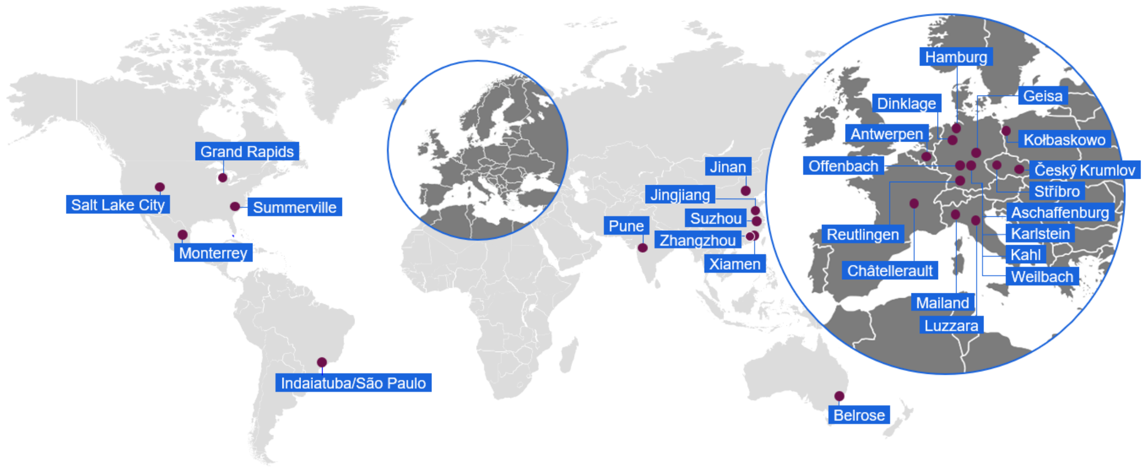
Dematic provides stand-alone solutions and end-to-end solutions for manual processes and for the automation of all operational processes, predominantly piece picking, storage and transportation of pallets, transportation, picking, and storage of cartons, and sorting and palletizing of goods.

Warehouse automation solutions are managed using Dematic's proprietary software, which can be integrated into the customer's existing application landscape. Dematic software enables material flow data to be visualized and order fulfillment processes to be optimized.

Customers can use Dematic solutions to boost efficiency, scale up sustainably, and maintain a clear overview of their machinery and equipment. Dematic continually deploys innovative technologies and integrates software into operating solutions in order to help customers to achieve their growth targets.

The KION Group's SCS segment mainly caters for customer-specific, longer-term project business. The (new) project business (business solutions) covers every phase of a new installation. Automation solutions are planned and implemented worldwide by nine production sites in North America, Europe, China and Australia and by teams of experts at regional level. The system components, which are specified for each customer project, such as automated guided vehicle systems, palletizers, storage and picking equipment including automated storage and retrieval systems, sorters, and conveyors, are manufactured mainly inhouse or, in some cases, by third parties. As at the end of 2025, modernization work and services (customer services) were being provided to customers at their sites by around 2,500 employees and other external staff in 25 countries.

Production sites of the KION Group



Industrial Trucks & Services

Belgium	
Antwerp	Automated guided vehicle systems
Brazil	
Indaiatuba/São Paulo	Counterbalance trucks with electric drive or IC engine, warehouse trucks
People’s Republic of China	
Jinan	Counterbalance trucks with electric drive or IC engine
Jingjiang	Component production
Xiamen	Counterbalance trucks with electric drive or IC engine, heavy trucks, warehouse trucks
Zhangzhou	Warehouse trucks
Germany	
Aschaffenburg	Counterbalance trucks with electric drive or IC engine
Dinklage	Component production
Geisa	Component production
Hamburg	Counterbalance trucks with electric drive or IC engine, warehouse trucks, component production
Kahl am Main	Spare parts center, component production
Karlstein am Main	Lithium-ion batteries
Reutlingen	Very narrow aisle trucks
Weilbach	Component production
France	
Châtellerault	Warehouse trucks
India	
Pune	Counterbalance trucks with electric drive or IC engine, warehouse trucks
Italy	
Luzzara	Warehouse trucks
Poland	
Kołbaskowo	Counterbalance trucks with electric drive or IC engine
Czech Republic	
Český Krumlov	Component production
Stříbro	Warehouse trucks
United States	
Summerville	Counterbalance trucks with electric drive or IC engine, warehouse trucks

Supply Chain Solutions

Australia	
Belrose	Conveyor and sortation systems, automated guided vehicle systems, system components and racking
People's Republic of China	
Suzhou	Sortation, storage and retrieval systems
Jinan	Conveyor systems
Germany	
Offenbach	Conveyor, sortation, storage and retrieval systems
Italy	
Milan	Sortation systems
Mexico	
Monterrey	Conveyor, sortation, storage and retrieval systems, system components
Czech Republic	
Stříbro	Conveyor, sortation, storage and retrieval systems
United States	
Grand Rapids	Automated guided vehicle systems
Salt Lake City	Sortation, storage and retrieval systems, system components

Market and influencing factors

The material handling market comprises the market for industrial trucks and the market for warehouse automation solutions, including related services in both markets.

In the past, the market was heavily influenced by macroeconomic factors. Economic conditions in the different regions and the rates of growth in global trade have a major effect on customers' willingness to invest. Regional differences in inflation trends and in the level of interest rates help to shape the market environment as well.

Volatility in the commodity markets and in exchange rates also affects conditions in the market. Movement in procurement prices for commodities and intermediate products and translation effects caused by fluctuations in exchange rates can have a significant impact on the financial performance of individual market participants. Economic trends within individual customer sectors are another influencing factor.

Influencing factors in the Industrial Trucks & Services segment

Historically, new business in the industrial truck market has shown a very strong correlation with the performance of broad economic indicators, such as the volume of global trade, gross domestic product, industrial output, and consumer spending. The service business, meanwhile, is more stable than the product business as it is linked to the installed base of trucks over their entire lifetime.

The KION Group believes that sustainability and electrification are among the main driving factors in the market for industrial trucks and services. Customers are increasingly demanding solutions, primarily in the form of electric trucks, for environmentally friendly supply chains.

Consequently, the strongest market growth in the new truck business in recent years, including in the first nine months of 2025 (2020 to September 2025), has been for forklift trucks and warehouse trucks powered by an electric drive (World Industrial Truck Statistics, January 2026). Alongside the growth in electric forklift trucks, much of the additional volume in the market for new industrial trucks is attributable to the electrification of hand pallet trucks, which are being replaced by entry-level electric trucks in the lower weight categories.

In the KION Group's view, demand for counterbalance trucks with an electric drive and for warehouse facilities is also receiving a boost from stricter emissions standards, the range of new energy solutions available, and customers' efforts to be more sustainable by using lithium-ion batteries and fuel cells.

Furthermore, the increasing automation of production and warehousing processes against the backdrop of a steadily growing shortage of skilled workers combined with rising wage costs is pushing up demand for automated industrial trucks (AGVs) with an electric drive, including in the form of hybrid solutions that combine automated and manual solutions.

The industrial truck market is also benefiting from customers' growing requirements regarding quality and efficiency and from higher expectations in terms of service, availability of spare parts, and flexible rental solutions. This includes optimization of the total cost of ownership and the ability to integrate the trucks into fully automated intralogistics solutions. The degree of automation is determined by the customer's processes.

Competitive pressure remains high around the world as some manufacturers in the economy and volume segments based in China have been pursuing an international expansion strategy for a number of years now. The large number of industrial trucks already in use in the market also provides a strong base for replacement business and rising demand for services.

Influencing factors in the Supply Chain Solutions segment

According to the KION Group's estimates and backed by data from research institute Interact Analysis (Interact Analysis, December 2025), the market for warehouse automation solutions generated growth (measured in terms of order intake) in recent years (2020 to 2025) owing to increasing demand in the main customer industries. These primarily included general merchandise, durable goods, grocery retail, and the food and beverage industry. Both the project business (business solutions) and downstream services (customer services) have contributed to this expansion. The service business benefits from the growing number and the rising complexity of installed systems.

According to Interact Analysis, the significant customer industries for the warehouse automation solutions market are general merchandise, durable goods, grocery retail, and the food and beverage industry (Interact Analysis, December 2025).

Projects involving warehouse automation solutions take a long time, often extending over several years. The service business is generally more stable than the project business as it is linked to the installed base of systems over their entire lifetime.

The growth of e-commerce in recent years has had a major influence on demand for warehouse automation solutions. Global online trade (B2C) has expanded at an average rate of 12 percent per annum in recent years (2020 to 2025) according to estimates by research institute eMarketer

(eMarketer, February 2025). The KION Group believes that expectations around rapid delivery times coupled with the growing shortage of skilled workers has made companies more willing to invest in warehouse automation and digital solutions (Gartner, 2025).

The combination of smaller order volumes and large numbers of orders requires efficient and automated solutions. This is driving demand for decentralized and smaller warehouse and logistics facilities in urban areas that speed up delivery times and, due to automated processes, reduce personnel expenses and floor space costs. Consequently, the research institute Interact Analysis is predicting above-average growth of the market for micro-fulfillment automation in the years ahead (Interact Analysis, August 2024). At the same time, the focus of technological progress is increasingly shifting toward software and robotics solutions. Interact Analysis anticipates that this will lead to disproportionately strong growth in the market for AMRs and AGVs (Interact Analysis, December 2025).

Strategy of the KION Group*

In the reporting year 2025, the KION Group started implementing the new ‘Playing to Win’ strategy. With ‘Playing to Win’, the KION Group is strategically positioned to address the increasing global demand for speed in delivery and full traceability throughout the supply chain. The KION Group’s integrated and orchestrated supply chain solutions, ranging from intelligent industrial trucks and automation solutions to innovative software and comprehensive services, address a broad market of automation – from partial to full. The KION Group empowers customers in optimizing their supply chains by providing efficient, reliable, adaptable, and sustainable solutions that deliver enhanced speed and operational performance. The new strategy translates into the vision pursued by the Company: The KION Group is ‘The Supply Chain Solutions Company’.

Objectives of the ‘Playing to Win’ strategy

By pursuing its new strategy, the KION Group aims to benefit from global megatrends that are fueling demand for supply chain solutions such as artificial intelligence (AI), automation, digitalization, urbanization, and skilled worker shortages. With a focus on strategic investments in strategic action fields, ‘Playing to Win’ aims to capitalize on growth opportunities and drive greater value for all stakeholders.

The key strategic goals include targeting significant revenue growth, aiming for a double-digit profitability margin (based on adjusted EBIT) by the end of 2027, increasing customer and employee satisfaction, and improving occupational health and safety. As part of the new strategy, the Supply Chain Solutions (SCS) segment is to be renamed Intelligent Automation Solutions (IAS) at the start of 2026.

‘Playing to Win’ is intended to enable the Industrial Trucks & Services (ITS) and Intelligent Automation Solutions (IAS) segments to complement each other more effectively, thereby addressing greater market potential based on the degree of automation and customer requirements.

* The content of this chapter/section is disclosed voluntarily and is therefore unaudited

Strategic action fields and measures in 2025

The KION Group has defined three core focus themes to implement its strategy with clarity of purpose.

Innovation and Growth

Through its commitment to 'Innovation and Growth', the KION Group is focused on strengthening its global and regional presence in the growing automation market by focusing on innovative technologies and solutions and delivering increasingly tailored solutions to its customers. This approach helps both segments to position themselves in the growing market for automation solutions, supports sustainability strategies with targeted products and solutions, and underpins the expansion of the portfolio.

The Industrial Trucks & Services segment aims to achieve organic growth across all regions by further differentiating KION brands addressing various customer segments and enhancing the regional production and sales network. In the service business, the focus will be on systematic lifecycle management and service coverage expansion. For the Supply Chain Solutions segment, efforts will concentrate on further improving project execution and expanding customer service in key sectors. Additionally, growth potential in stand-alone automation solutions is intended to be unlocked through a targeted cross-segment sales approach.

A key priority is the implementation and deployment of innovative technologies and solutions. In 2025, for example, the KION Group made significant progress in developing AI-based networks to control complex processes, coordinate the interaction of individual systems, and manage the use of resources. The KION Group's AI and software strategy is aimed at delivering customer-facing solutions – from managing manual fleets to controlling multiple lights-out warehouses – based on one common software architecture. It is designed to support an efficient flow of goods and a seamless flow of information that provides the necessary data in real time.

Driving forward its innovation agenda, the KION Group forged a strategic partnership with NVIDIA and Accenture in January 2025 to develop cutting-edge AI-powered solutions. A key outcome of this collaboration is the advanced physical AI-powered Omniverse solution. This technology is expected to enhance customer-facing applications like AI-driven industrial trucks and digital twins, thereby contributing to improved warehouse flow, enhanced safety, and optimized space utilization.

Sustainable Performance

'Sustainable Performance' highlights KION Group's commitment to continuously improving profitability and competitiveness, setting the stage for future investments. In 2025, significant cost reductions were achieved in both direct and indirect purchasing, supported by ongoing product cost optimization initiatives designed to further enhance competitiveness across various customer segments. The ongoing Business Transformation project, which harmonizes processes, data, and systems across the Group, will further enhance cross-functional cooperation, achieve efficiency gains, and create economies of scale.

The KION Group further improved its development processes to accelerate time-to-market and leveraged strategic partnerships to drive innovation and competitiveness. It also advanced its holistic approach to risk and capacity management, strengthening its ability to respond proactively to changing market conditions.

'Sustainable Performance' also reflects the KION Group's ongoing refinement of its sustainability strategy and the identification of key levers within both operating segments to support customers and suppliers on their sustainability journey. The KION Group continues to pursue its goal of achieving net-zero emissions across the entire value chain by 2050 at the latest, as formally validated by the Science Based Targets initiative (SBTi) in 2024. In 2025, the KION Group received the highest award from EcoVadis, the Platinum rating, highlighting the Company’s steadfast commitment to its sustainability strategy.

Organizational Development

‘Organizational Development’ is dedicated to the further activation of groupwide management principles in the KION Group. It focuses on refining and applying groupwide leadership principles and behaviors embedded in business and HR processes to support the ‘Playing to Win’ strategy.

The HR agenda was enhanced and adapted to the ‘Playing to Win’ objectives in 2025 in order to fully support implementation of the strategy and achievement of the underlying long-term business goals. One of the key action fields refers to effective operational and strategic workforce planning, including taking account of external workforce trends and anticipating future skills requirements. This is complemented by the launch of a new employer branding campaign, designed to attract and retain top talent, and by the building of new capabilities in the business around the KION Group’s defined ‘winning behaviors’.

Implementation of the ‘winning behaviors’ is aimed at strengthening collaboration across the Group and segments. These behaviors complement the existing KION values of integrity, collaboration, courage, and excellence. The ‘winning behaviors’ are designed to establish exemplary behavior and methods to be implemented across the Group, creating significant added value. These initiatives are designed to keep the KION Group’s workforce at the forefront of industry knowledge and expertise, enabling dynamic operation at all levels and contributing to success in a rapidly changing environment.

Management system

Core key performance indicators

The KION Group’s strategy, which centers on value and growth, is reflected in how the Company is managed. The performance targets of the Group and the segments are based on selected financial indicators, as is the performance-related remuneration paid to managers. The KION Group uses four core key performance indicators (KPIs) to continuously monitor growth, earnings power, profitability, financial strength, and liquidity. The KPIs used to manage the segments are revenue and adjusted EBIT. Free cash flow and ROCE are only used as KPIs for the Group as a whole. The KPIs are mainly measured and made available to the Executive Board on a monthly basis as part of the internal reporting process.

Core key performance indicators

in € million	2025	2024
Revenue	11,297.2	11,503.2
Adjusted EBIT[1]	788.6	917.2
Free cash flow	709.5	702.0
ROCE	7.7%	8.7%

1 Adjusted for PPA items and non-recurring items

To increase transparency, the definition of the ROCE KPI was adjusted with effect from the 2025 financial year (see the information under ‘Capital employed’ and ‘ROCE (return on capital employed)’ in this section). Since 2025, the ROCE KPI has been measured at the end of each quarter and made available to the Executive Board as part of the internal reporting process. The corresponding adjustments to the prior-year figures did not have a material impact on the ROCE KPI.

In addition, the definition of the free cash flow KPI has been broadened with effect from the 2026 financial year (see the information under 'Free cash flow' in this section). This adjustment would not have had an impact on the free cash flow KPI reported for the 2025 financial year.

Alternative performance measures

The KION Group’s financial reports are prepared in line with International Financial Reporting Standards (IFRS). As well as reporting on the financial key performance indicators defined under IFRS, the KION Group also uses alternative performance measures (APMs). APMs are Company-specific indicators that are not directly based on any laws or accounting standards. Some are Company-specific adjustments of certain financial KPIs, for example the adjustment of financial KPIs for non-recurring items. APMs are used both internally for management purposes and externally for communicating and reporting to a range of stakeholders.

Order book

The order book provides a record of all legally binding customer orders as at the reporting date for which the revenue has not yet been recognized. In the Industrial Trucks & Services segment, this only includes orders for new trucks. For long-term construction contracts in the Supply Chain Solutions segment, services that have already been rendered are deducted from the total value of the contract with the customer.

Order intake

Order intake comprises all legally binding customer orders less any subsequent cancellations for the reporting period. Order intake is a leading indicator for future revenue. The length of time between receipt and invoicing of an order varies depending on the segment, region, and product category.

EBIT (earnings before interest and tax)

EBIT is earnings before net financial income/expenses and tax for the reporting period.

Adjusted EBIT

Adjusted EBIT for the reporting period is EBIT adjusted for Company-specific purchase price allocation effects and non-recurring items. Purchase price allocation effects result from the updating of the adjustments made to the fair value of the assets acquired and liabilities assumed as part of business acquisitions. Other non-recurring items in the adjustment of EBIT relate to one-off events in connection with restructuring and reorganization, M&A transactions, and other exceptional transactions. Adjusted EBIT is the key figure used for operational management and analysis of financial performance. A reconciliation of EBIT to adjusted EBIT is presented in the > table ‘EBIT’ (in the section ‘Financial position and financial performance of the KION Group’).

Adjusted EBIT margin

The adjusted EBIT margin is the ratio of adjusted EBIT to revenue for the reporting period.

EBITDA (earnings before interest, tax, depreciation, and amortization)

EBITDA is earnings before net financial income/expenses and tax plus amortization, depreciation, and impairment less reversals of impairment on leased and rental assets, other property, plant and equipment, and intangible assets for the reporting period.

Adjusted EBITDA

Adjusted EBITDA for the reporting period is EBITDA adjusted for Company-specific purchase price allocation effects and non-recurring items. Purchase price allocation effects mainly result from the disposal of assets acquired and liabilities assumed as part of business acquisitions. Other non-recurring items in the adjustment of EBITDA relate to one-off events in connection with restructuring and reorganization, M&A transactions, and other exceptional transactions. A reconciliation of EBITDA to adjusted EBITDA is presented in the > table ‘EBITDA’ (in the section ‘Financial position and financial performance of the KION Group’).

Adjusted EBITDA margin

The adjusted EBITDA margin for the reporting period is the ratio of adjusted EBITDA to revenue.

Earnings before tax

Earnings before tax for the reporting period is EBIT plus net financial income/expenses.

Net financial debt

Net financial debt as at the reporting date is the sum of non-current and current financial liabilities less cash and cash equivalents. It is an indicator of the Company’s liquidity situation and capital structure. Net financial debt is presented in the > table ‘Industrial net debt’ (in the section ‘Financial position and financial performance of the KION Group’).

Leverage on net financial debt

Leverage on net financial debt is the ratio of net financial debt to adjusted EBITDA on an annualized basis.

Industrial net operating debt (INOD)

Industrial net operating debt as at the reporting date is defined as net financial debt plus liabilities from the short-term rental business and liabilities from procurement leases. It is an indicator of the liquidity situation and capital structure for the operating business excluding the liabilities from the lease business and the net obligation under defined benefit pension plans. A reconciliation of net financial debt to industrial net operating debt is presented in the > table 'Industrial net debt' (in the section 'Financial position and financial performance of the KION Group').

Leverage on industrial net operating debt

Leverage on industrial net operating debt is the ratio of industrial net operating debt to adjusted EBITDA on an annualized basis.

Industrial net debt (IND)

Industrial net debt as at the reporting date is defined as industrial net operating debt plus the net obligation under defined benefit pension plans. It is an indicator of the liquidity situation and capital structure for the operating business excluding the liabilities from the lease business. A reconciliation of industrial net operating debt to industrial net debt is presented in the > table 'Industrial net debt' (in the section 'Financial position and financial performance of the KION Group').

Leverage on industrial net debt

Leverage on industrial net debt is the ratio of industrial net debt to adjusted EBITDA on an annualized basis.

Capital employed

Capital employed comprises net working capital and the following line items in the statement of financial position: 'goodwill', 'other intangible assets', 'leased assets', 'rental assets', 'other property, plant and equipment', and 'equity-accounted investments' less 'other provisions' and 'other liabilities'. Capital employed is the capital that is required for operations.

ROCE (return on capital employed)

Return on capital employed (ROCE) is the ratio of adjusted EBIT on an annualized basis to the average capital employed for the past five quarters. ROCE is a measure of the profitability and efficiency of the capital employed. The > table 'Return on capital employed (ROCE)' (in the section 'Financial position and financial performance of the KION Group') shows how the figure for ROCE is calculated.

Free cash flow

Free cash flow for the reporting period is the sum of cash flow from operating activities and cash flow from investing activities. It indicates financial strength and is the main KPI for managing the KION Group's liquidity and financing. Free cash flow describes the cash flow that is available to pay dividends and interest and to repay liabilities. Free cash flow is shown in the > table 'Core key performance indicators' in this section.

The definition of free cash flow has been broadened with effect from the 2026 financial year. It now also includes cash flows resulting from additions to, and repayments of, financial liabilities relating to instruments used for the Company's general funding, including the associated interest and borrowing costs, to the extent that they are used solely for the financing of the lease and short-term rental business.

Capital expenditure

For the KION Group, this item covers spending on property, plant and equipment and spending on intangible assets, including capitalized development costs, during the reporting period (excluding right-of-use assets in each case).

Net working capital

Net working capital as at the reporting date is defined as the sum of inventories, trade receivables, and contract assets less trade payables and contract liabilities.

R&D spending

Spending on research and development (R&D) is the sum of the research and development expenditure recognized in the consolidated income statement and the capitalized development costs for the reporting period. It is presented in the > table 'Research and development (R&D)' (in the section 'Business situation and financial performance of the KION Group').

R&D spending as a percentage of revenue

The item R&D spending as a percentage of revenue is the ratio of expenditure on R&D to revenue for the reporting period and is shown in the > table 'Research and development (R&D)' (in the section 'Business situation and financial performance of the KION Group').

Currency-adjusted changes

Currency-adjusted changes shows the percentage change in a KPI (e.g. order intake, revenue) for the reporting period excluding the effects of changes in exchange rates.

Projected KPIs

The projected KPIs reflect the Company's expectations regarding future developments and are therefore forward-looking. They are calculated in the same way as the APMs that are described in this section.

Corporate governance statement

Corporate governance

Good corporate governance in the sense of responsible, values-based, and transparent corporate management and control aimed at long-term value creation covers the whole system of managing and monitoring an enterprise, the business principles, processes, and guidelines, and the system of internal and external control and monitoring mechanisms. The Executive Board and Supervisory Board of KION GROUP AG believe that corporate governance in accordance with the accepted standards is essential to the long-term success of the entire KION Group and therefore expressly support the aims and objectives pursued in the version of the German Corporate Governance Code (GCGC) dated April 28, 2022. Compliance with these standards also promotes the trust that investors, employees, business partners, and the public have in the management and supervision of the Company.

In accordance with principle 23 of the GCGC, the Supervisory Board and Executive Board jointly report on the Company's corporate governance (which goes beyond the statutory requirements) in this corporate governance statement in accordance with sections 289f and 315d of the German Commercial Code (HGB). The Supervisory Board and Executive Board are each responsible for the parts of the report that relate to them. As a key tool for reporting on corporate governance, the corporate governance statement pursuant to sections 289f and 315d HGB is included in the combined (group) management report. According to section 317 (2) sentence 6 HGB, however, the information provided pursuant to sections 289f and 315d HGB does not have to be reviewed by the auditor. Instead, the auditor merely checks whether all of the required disclosures have been included in the corporate governance statement.

The corporate governance statement can be viewed and downloaded on the KION Group website.

1. Declaration of conformity pursuant to section 161 (1) AktG

Section 161 (1) of the German Stock Corporation Act (AktG) requires the executive board and supervisory board of a publicly listed company to issue an annual declaration stating that the company has complied with, and intends to comply with, the recommendations in the prevailing version of the GCGC or – if necessary – stating the recommendations with which it has not complied or does not intend to comply, and the reasons why.

The Executive Board and Supervisory Board of KION GROUP AG submitted the Company's previous declaration of conformity on December 16/18, 2024.

Both decision-making bodies again considered the recommendations and suggestions of the GCGC in detail and, on December 16/17, 2025, issued the following declaration of conformity for KION GROUP AG as required by section 161 (1) AktG:

> Since issuing the last declaration of conformity in December 2024, KION GROUP AG has complied with, and in the future will comply with, all recommendations of the German Corporate Governance Code in the version dated April 28, 2022.
>
> KION GROUP AG also complies with the non-mandatory suggestions of the German Corporate Governance Code.

Frankfurt am Main, December 16/17, 2025

For the Executive Board:

Dr. Rob Smith | Christian Harm

For the Supervisory Board:

Dr. Mohsen Sohi

The declaration of conformity is permanently available to the public on the KION Group website at www.kiongroup.com/conformity. KION GROUP AG's declarations of conformity for the previous ten years are also permanently available to the public via this link on the KION Group website.

2. Corporate governance practices

The corporate governance of KION GROUP AG is essentially determined by the provisions of the German Stock Corporation Act and the German Codetermination Act. It also follows the recommendations and suggestions of the GCGC. KION GROUP AG complied with all of the GCGC's recommendations in the reporting period.

Another aspect of key importance besides these fundamental principles is the KION Group's own understanding of responsible, values-based, and transparent corporate governance, taking account of the societal expectations of all stakeholders in each of the markets in which the Company operates. The KION Group's actions are therefore guided by environmental, social, and economic considerations. Details of the KION Group's sustainability strategy as required by law can be found in the 2025 Group sustainability report, which is published in the combined management report.

2.1 Human rights

The KION Group is committed to respecting human rights worldwide. Within the scope of its corporate responsibility and sphere of influence, the KION Group wants to play its part in promoting and protecting human rights, primarily in the way that it treats its employees, suppliers, and customers. The KION Group adheres to external standards and adopts its own policies and guidelines in order to prevent violations of human rights. In its employment and commercial relationships – and therefore both internally and in the supply chain – the KION Group views human rights as the minimum standard to be upheld as a matter of course. It follows the definition set out in the United Nations' Guiding Principles on Business and Human Rights, i.e. in the Universal Declaration of Human Rights (available on the UN website at www.un.org/en/our-work/protect-human-rights), as codified by the signatory states in the International Covenant on Civil and Political Rights (ICCPR), the International Covenant on Economic, Social and Cultural Rights (ICESCR), and the principles and rights at work prescribed in the ten fundamental conventions of the International Labour Organization (ILO) (available from the ILO website: conventions and protocols [ilo.org]).

Details of the processes used by the KION Group to protect human rights can be found in the 2025 Group sustainability report, which is published in the combined management report, and on the KION Group website at www.kiongroup.com/responsibility.

2.2 Compliance, risk management, and internal control system

To maintain its long-term success, the KION Group applies a set of practices and processes that are standardized across the Group and are based on the compliance management system (CMS), a risk-oriented internal control system, and forward-looking risk management.

Compliance management system

As a company with operations around the world, the KION Group has corporate social responsibility toward its customers, suppliers, employees, financial backers, other business partners, and the general public. This corporate social responsibility requires the KION Group, everywhere and at all times, to comply with all applicable laws and internal policies – some of which go further than the law. To help it to do this, the KION Group has put in place a comprehensive CMS, centering around the KION Group Code of Compliance. The CMS provides a methodological, structured framework for the performance of early-warning, risk control, advisory, and monitoring tasks.

Details of the CMS can be found on the KION Group website at www.kiongroup.com/en/About-us/Compliance.

Internal control system

The KION Group has an internal control system designed to meet the specific needs of the Company. Its processes are intended to ensure the correctness of the internal and external financial reporting, the efficiency of the Company's business operations, and compliance with key legal provisions and internal policies.

For its accounting process, the KION Group has defined appropriate structures and processes as part of its internal control and risk management system that are required to be implemented throughout the Group. The accounting-based internal control and risk management system includes written policies and procedures, compliance with the double-checking principle, and approval procedures. Another particularly important aspect, the separation of functions, has been integrated into processes and systems. The overarching aim is for the separate financial statements, consolidated financial statements, and combined management report to be fully compliant with the relevant statutory and regulatory requirements and, in particular, the applicable financial reporting standards. Changes to these requirements and standards are analyzed on an ongoing basis and taken into account as appropriate.

Details of the key features of the internal control system can be found in the 'Risk report' and the 'Group sustainability report' which are part of the combined management report.

Risk management system

For the Company to be managed professionally and responsibly, the Executive Board of KION GROUP AG must use the risk management system established in the Company to regularly gather information about current risks and how they are evolving, and then report on this to the Audit Committee. The risks that have been recorded are managed on an ongoing basis, reviewed quarterly, and reassessed after action to mitigate them has been taken.

The procedures governing the KION Group's risk management system are laid down in a groupwide risk management policy. This policy defines the tasks, processes, and responsibilities and sets out the rules for identifying, assessing, reporting, and managing risks. The risk management policy features a comprehensive risk catalog, which also covers environmental, social, and corporate governance (ESG) risks. Specific individual risks are then reported by each Group entity. Reporting on cross-segment risks and groupwide risks is carried out at Group level by the central Risk Management function and the relevant Group functions. Further details on the risk management system can be found in the ‘Risk report’, which is part of the combined management report.

Appropriateness and effectiveness

The Executive Board of KION GROUP AG has created a framework based on three systems – the internal control system, the risk management system, and the compliance management system – that is designed to make internal control and risk management and the measures implemented under the systems both appropriate and effective. In addition, the systems are subject to regular monitoring and reviews by third parties. External audits are carried out, as are reviews by the Internal Audit function, which reports on its findings to the Executive Board and the Supervisory Board’s Audit Committee.

The internal control system and the risk management system are dynamic systems that are adapted on an ongoing basis, for example to reflect changes to the business model, the nature and scope of business transactions, and the allocation of responsibilities. Furthermore, indications of a need for improvement may potentially be identified during the annual assessments conducted by those in charge of the control functions, during the analyses conducted by Internal Audit, and in connection with the auditor’s audit work. These indications are then used as the basis for taking steps to eliminate the weaknesses identified and continually improve the processes and systems.

Based on the examination of internal control and risk management and on Internal Audit’s reporting, and taking the Company’s business activities and risk position into consideration, there were no indications for the Executive Board of KION GROUP AG in 2025 that the internal control system and the risk management system are, overall, not appropriate or not effective. Nonetheless, restrictions that are inherent in any control and risk management system must be taken into account. A system that is judged to be appropriate and effective, for example, does not guarantee that all risks that materialize will have been identified beforehand. Nor does it guarantee that risks that are identified beforehand will not materialize.

2.3 Financial reporting and the audit of the financial statements

Pursuant to section 315e (1) HGB, the KION Group's financial reporting is based on International Financial Reporting Standards (IFRS) as adopted by the European Union. KION GROUP AG's separate financial statements are prepared in accordance with the requirements of German law, taking German accounting standards into consideration.

The Company's independent auditor, which is appointed by means of a resolution of the Annual General Meeting, audits the separate financial statements prepared by the Executive Board of KION GROUP AG, the consolidated financial statements, and the combined management report.

At the Annual General Meeting on May 27, 2025, KPMG AG Wirtschaftsprüfungsgesellschaft (KPMG), Berlin, was appointed to audit the separate and consolidated financial statements for 2025 and to review the condensed consolidated financial statements and interim group management report for the first half of 2025 (initial appointment in 2023). Kathrin Rienecker has been the KPMG lead auditor since 2024. The Supervisory Board also engaged KPMG to perform a voluntary limited assurance engagement in respect of the 2025 Group sustainability report.

The separate financial statements, consolidated financial statements, and combined management report (including the Group sustainability report) are discussed by the Audit Committee and then reviewed and approved by the Supervisory Board.

The independent auditor reviews the condensed consolidated interim financial statements and condensed interim group management report in the half-year financial report. The Executive Board discusses the two quarterly statements and the half-year financial report with the Audit Committee before they are published.

2.4 Avoiding conflicts of interest

Conflicts of interest between the governing bodies and other decision-makers in the Company or significant shareholders go against the principles of good corporate governance and may be harmful to the Company. Even the mere appearance of such a conflict of interest must be avoided. KION GROUP AG and its governing bodies therefore adhere strictly to the GCGC's recommendations on this subject. The employees of KION GROUP AG and its subsidiaries are made aware of the problem of possible conflicts of interest as part of compliance training and are bound by rules on how to behave in the event of actual or potential conflicts of interest.

Every Executive Board member must disclose potential conflicts of interest to the chairman of the Supervisory Board and the Chief Executive Officer without undue delay and must also inform the other Executive Board members. Members of the Executive Board may only take on other posts, especially on supervisory boards at companies outside the KION Group, with the approval of the Supervisory Board. All transactions between KION GROUP AG and Executive Board members or related parties must be disclosed and concluded on an arm's-length basis.

Every Supervisory Board member must disclose potential conflicts of interest to the chairman of the Supervisory Board without undue delay; the chairman of the Supervisory Board must disclose such conflicts of interest to the chairman of the Audit Committee without undue delay. Where a conflict of interest is material and not merely temporary, the Supervisory Board member in question must resign.

The Company attaches high priority to preventing the risk of possible conflicts of interest from occurring in the first place. This is especially important given that Weichai Power Co., Ltd., Weifang, People's Republic of China, indirectly holds a stake of 46.5 percent (as at December 31, 2025) in KION GROUP AG. The Company achieves these aims by avoiding business scenarios or personnel structures that could give the impression of a possible conflict of interest and by setting internal rules for communications. All business partnerships, for example for procurement purposes, are formed solely on arm's-length terms. Every year, the Executive Board also publishes a dependency report in line with the relevant requirements that is reviewed by the Supervisory Board and the statutory auditor. The report contains information on all legal transactions and activities conducted in the reporting year between KION GROUP AG and Weichai Power Co., Ltd., as well as their subsidiaries, and on any requirement to compensate for disadvantages that have arisen.

In the reporting year, the members of the Executive Board and Supervisory Board did not have any conflicts of interest that they would have needed to disclose to the Supervisory Board without undue delay. There were also no consultancy contracts or other service contracts or contracts for work that had been entered into between the members of the Supervisory Board and the Company. The posts that the members of the Executive Board and Supervisory Board hold on supervisory boards that are required to be formed by law and on comparable supervisory bodies of commercial enterprises in Germany and abroad are listed in the notes to the published separate financial statements of KION GROUP AG. Related party disclosures are made in the notes to the KION Group's consolidated financial statements under 'Related party disclosures'.

2.5 Managers' transactions

Under the EU Market Abuse Regulation, the members of the Executive Board and Supervisory Board, and persons closely associated with them, are obliged to notify both KION GROUP AG and the German Federal Financial Supervisory Authority (BaFin) without delay of the transactions that they carry out involving shares or debt instruments of KION GROUP AG or related derivatives or other related financial instruments. Such a notification is always required as soon as the total volume of the purchase and/or sale transactions of the individual member exceeds €20 thousand (€50 thousand from January 1, 2026) within a calendar year. These notifications are published on the KION Group website at www.kiongroup.com/en/Investor-Relations/Financial-News.

KION GROUP AG was notified of the following transactions in 2025:

Directors' dealings in 2025

Transaction date	Name of person required to disclose transaction	Governing body	Financial instrument	Purchase/ sale	Quantity	Price (€)[1]	Transaction volume (€)[1]
Sep. 26, 2025	Hans Michael Larsson	Executive Board	Share	Purchase	5,918	€56.12[2]	€332,138.08[3]
Dec. 17, 2025	Hans Michael Larsson	Executive Board	Share	Purchase	5,920	€65.46[4]	€387,513.18[5]

1 Aggregate information

2 Purchase price reported in the original at USD 65.6900 per share and converted into EUR at an exchange rate of 1 EUR = 1.1705 USD (as at September 26, 2025)

3 Transaction volume reported in the original at USD 388,767.62 and converted into EUR at an exchange rate of 1 EUR = 1.1705 USD (as at September 26, 2025)

4 Purchase price reported in the original at USD 76.8546 per share and converted into EUR at an exchange rate of 1 EUR = 1.1741 USD (as at December 17, 2025)

5 Transaction volume reported in the original at USD 454,979.23 and converted into EUR at an exchange rate of 1 EUR = 1.1741 USD (as at December 17, 2025)

As far as KION GROUP AG is aware, the only members of the Supervisory Board with shares in KION GROUP AG as at December 31, 2025 were Martin Fahrendorf and Jan Bergemann. Members of the Supervisory Board have not entered into any commitment to purchase shares in KION GROUP AG.

2.6 Corporate communications and transparency

Transparent corporate governance has a high priority for the Executive Board and Supervisory Board. Regular and timely information about the KION Group's situation and results, as well as material changes to its business, is provided to shareholders, shareholders' groups, all capital market participants, financial analysts, relevant media, members of the public with an interest in the Company, and employees. The separate financial statements of KION GROUP AG, the consolidated financial statements and the combined management report of the KION Group are generally published within 90 days of the end of the financial year to which they relate. The half-year financial report and the quarterly statements of the KION Group are published within 30 days of the end of the quarter to which they relate. KION GROUP AG makes further information available at the financial statements press conference and Annual General Meeting, during regular conference calls for analysts and investors, in press releases, on the Company's website, and on social media. Company news with potential relevance for the share price is published as an ad hoc disclosure to ensure that all capital market participants are treated equally.

In connection with its reporting, the KION Group also publishes extensive supplementary information about the Group on its website at www.kiongroup.com/en. In addition to the financial reports, the information available online includes the rules of procedure for the Supervisory Board, KION GROUP AG's articles of association, and all press releases. The KION Group's website also features a financial calendar that is kept updated with the dates of significant publications and events, such as annual reports, half-year financial reports, and quarterly statements, Annual General

Meetings, financial statements press conferences, and analysts' meetings. The updated financial calendar is available on the KION Group website at www.kiongroup.com/en/Investor-Relations/Financial-Calendar.

2.7 Shareholders and Annual General Meeting

The shareholders of KION GROUP AG exercise their rights during the Annual General Meeting, i.e. their right to speak and their right to vote. Every shareholder is entitled to participate in the Annual General Meeting.

Each share confers one vote in the voting at the Annual General Meeting. Shareholders can either exercise their voting rights themselves or appoint a third party to exercise their voting rights for them. The Executive Board is authorized to determine that shareholders can cast their votes in writing or by means of electronic communication (absentee voting). Resolutions of the Annual General Meeting require a simple majority of the votes cast, unless stipulated otherwise by mandatory provisions of law.

The Annual General Meeting, at which the Executive Board and Supervisory Board give an account of the previous year, is held in the first eight months of each financial year. The German Stock Corporation Act also states that an Extraordinary General Meeting can be held in special cases. The chairman of the Supervisory Board chairs the Annual General Meeting. The notice and agenda for the Annual General Meeting, including the reports and documents required for the Annual General Meeting by law, are published on the Company's website from the day on which notice is given.

The Annual General Meeting votes on all matters set out in the agenda on which it is required by law to vote, primarily the appropriation of profit, the election of Supervisory Board members, formal approval of the acts of the Supervisory Board and Executive Board members, the appointment of the independent auditor, changes to the Company's articles of association, and corporate actions. It also decides on whether to approve the Executive Board remuneration system presented by the Supervisory Board, on the remuneration of the Supervisory Board, and on whether to approve the remuneration report prepared by the Executive Board and Supervisory Board.

The Annual General Meeting was held as an in-person event in accordance with statutory requirements in 2025. KION GROUP AG's shareholders were able to submit recommendations or other opinions by letter or email or by presenting them in person. The Executive Board and/or Supervisory Board responded directly during the Annual General Meeting. Shareholders were also able to shape proceedings at the Annual General Meeting by submitting countermotions or requests for additions to the agenda.

3. Working methods of the Executive Board and Supervisory Board

3.1 Working methods of the Executive Board

The Executive Board of KION GROUP AG is responsible for the operational management of the KION Group. It is responsible for managing the Company in accordance with the law, the Company's articles of association, and the rules of procedure for the Executive Board in the Company's interest and taking account of the concerns of shareholders, customers, employees, and other stakeholders with the aim of creating sustainable added value. The Executive Board as a whole is collectively responsible for the KION Group's business, which it manages in accordance with uniform policies. It also has general control over all Group subsidiaries. Every Executive Board member is responsible for his or her own area of responsibility within the scope of the rules of procedure for the Executive Board and the defined thresholds for business transactions, and keeps the other Executive Board members informed of developments on an ongoing basis.

The Executive Board makes decisions in all cases stipulated by law and the articles of association. It also ensures compliance with statutory requirements and internal policies. To this end, it takes the steps that are needed to make sure that the relevant internal policies are drawn up, implemented, and applied. The remit of the Executive Board primarily involves determining the strategic direction (in consultation with the Supervisory Board) and the management of the Company, the allocation of resources, accounting and corporate reporting, control and risk management (including compliance management), the orderly organization of the business, systematic identification and assessment of the environmental and social impact of the Company's activities, and control of the Group. The Executive Board decides on appointments at the management level below the Executive Board, particularly the appointment of global key post holders. It also considers diversity when appointing people to management roles in the Group, which includes striving for the appropriate representation of women (further details can be found in the section 'Appointments to management positions below the level of the Executive Board of KION GROUP AG' in this corporate governance statement).

The Executive Board maintains a relationship of trust with the Supervisory Board of KION GROUP AG, the employee representatives, and the governing bodies of the Group companies.

Changes to the Executive Board; current composition

The Executive Board of KION GROUP AG comprised six members in 2025.

The Supervisory Board of KION GROUP AG reappointed Valeria Gargiulo as an Executive Board member for a further four years with effect from May 1, 2026.

On December 17, 2025, the Supervisory Board of KION GROUP AG extended the term of appointment of Executive Board member Christian Harm by a further three years with effect from July 6, 2026.

The table below contains detailed information about the six current members of the Executive Board of KION GROUP AG, including their responsibilities according to the current schedule of responsibilities.

Current Responsibilities within the KION Executive Board

Executive Board member	Areas of responsibility
Dr. Richard Robinson Smith Year of birth: 1965 Nationality: German/US-American Initial appointment: January 1, 2022 Appointed until: December 31, 2029	**CEO KION GROUP AG** Corporate Office Corporate Strategy Corporate Communications Legal Corporate Compliance Business Transformation Internal Audit
Christian Harm Year of birth: 1968 Nationality: Austrian Initial appointment: July 6, 2023 Appointed until: July 5, 2029	**CFO KION GROUP AG** Corporate Accounting & Tax Corporate Controlling Corporate Finance/M&A KION GROUP IT Investor Relations Finance KION ITS EMEA Finance KION ITS APAC Finance KION SCS
Valeria Gargiulo Year of birth: 1972 Nationality: Argentinian/Italian Initial appointment: May 1, 2023 Appointed until: April 30, 2030	**CPSO/Labor Relations Director KION GROUP AG** Corporate Human Resources Health & Safety Sustainability HR KION ITS EMEA HR KION ITS APAC HR KION SCS
Andreas Krinninger Year of birth: 1967 Nationality: Austrian Initial appointment: January 1, 2021 Appointed until: December 31, 2028	**President KION ITS EMEA** OU KION ITS EMEA Sales & Services Operations Multi Brand and Product Management Business Development

Current Responsibilities within the KION Executive Board (continued)

Executive Board member	Areas of responsibility
Ching Pong Quek Year of birth: 1967 Nationality: Malaysian Initial appointment: January 11, 2013 Appointed until: June 30, 2030	**President KION ITS APAC** OU KION ITS APAC KION ITS China KION ITS Rest of APAC Operations Strategy, M&A **CTO KION GROUP AG** Product Strategy & New Technologies Product Creation Processes, Tools & Data Module & Component Development Product Development Procurement Quality New Energy Mobile Automation
Hans Michael Larsson Year of birth: 1965 Nationality: Swedish/US-American Initial appointment: January 1, 2024 Appointed until: December 31, 2026	**President KION SCS & KION ITS Americas** OU KION SCS (Americas, EMEA & APAC) Global SCS Supply Chain KION SCS Global Execution & Sustainability KION SCS Global Commercial & Strategy KION SCS Global Products & Solutions KION SCS Marketing & Communications KION Digital Solutions OU KION ITS Americas KION ITS North America KION ITS South America

Further information on the members of the Executive Board and their résumés, which are updated annually or more frequently if required, can be found at www.kiongroup.com/en/About-us/Management. The résumés also provide details of any additional posts held by the Executive Board members.

Working methods of the Executive Board; cooperation with the Supervisory Board

The rules of procedure laid down by the Supervisory Board define the areas of responsibility of the Executive Board members and the way in which they work together. The full Executive Board normally meets twice a month and meetings are chaired by the Chief Executive Officer. Due to the international composition of the Executive Board, some of the meetings of the Executive Board in 2025 were held in a hybrid format (i.e. with a combination of attendance in person and video conferencing). At the meetings, the board members discuss measures and business that, under the Executive Board's rules of procedure, must be approved by the full Executive Board. Resolutions of the full Executive Board are passed by simple majority unless a greater majority is required by law. The Chief Executive Officer has a casting vote in the event of a tied vote. Resolutions of the Executive Board may also be adopted between meetings. All resolutions are documented. The Corporate Office carries out the preparations and follow-up work for all Executive Board meetings. Company employees regularly participate in the meetings as guests.

In accordance with its articles of association, the Company is represented by two members of the Executive Board or by one member of the Executive Board acting conjointly with a Prokurist (person with full commercial power of representation).

Taking account of the requirements of section 90 AktG, the Executive Board provides the Supervisory Board with regular, timely, and comprehensive information on all matters of relevance to the business as a whole relating to the intended operating policy, strategic planning, business performance, financial position, financial performance, and business risks. The Chief Executive Officer also discusses matters regularly with the chairman of the Supervisory Board, just as the CFO keeps in contact with the chairman of the Audit Committee. The Executive Board's rules of procedure specify that important transactions are subject to approval by the Supervisory Board. Budget planning, major acquisitions, or capital expenditure, for example, require the consent of the Supervisory Board.

Executive Board committees

The Executive Board establishes various committees to provide support and advice in the context of its work. These committees are made up of senior representatives from various departments, chosen because of their experience, remit, and expertise in relation to aspects of the Executive Board's work. The following list is not exhaustive; the Executive Board establishes further committees as required. The following committees are permanent:

The KION capital markets committee deals with matters relating to the publication of information relevant to the financial markets. Its duties include ensuring accurate and timely publication of all inside information in this area.

The Executive Board has also set up a compliance committee, which is staffed by the heads of the Legal and Internal Audit departments and chaired by the Chief Compliance Officer. It operates as a cross-functional committee that primarily advises on and examines reported incidents of non-compliance and, if appropriate, imposes sanctions in the event of misconduct.

In addition, a risk committee ensures that the statutory requirements pursuant to section 91 AktG are applied and implemented correctly. The risk committee's remit includes monitoring the risk strategies and analyzing risks in terms of their impact on the Company's business objectives. The committee also monitors the KION Group's risk situation, focusing on early detection of developments that might jeopardize the Company's ability to continue as a going concern. Risk minimization strategies are another area of responsibility. An effectively functioning risk committee is thus a key element of successful corporate governance and helps to maintain the Company's long-term competitiveness.

The human rights committee receives and processes notifications and complaints about violations of human rights and environmental regulations. It also monitors the processes set up to identify, prevent, and mitigate the risk of violations of human rights and environmental regulations and monitors the implementation of any mitigation measures initiated. The human rights committee reports to the Executive Board of KION GROUP AG on its work at least once a year.

The sustainability committee was established in 2023 to succeed the sustainability steering group. The committee, which is chaired by the CPSO, is staffed by action field leads, the sustainability leads in the segments, regions, and functions, and members of Corporate Sustainability. It discusses strategic sustainability matters, prepares related decision proposals for the Executive Board, and oversees implementation of the groupwide sustainability program.

3.2 Working methods and composition of the Supervisory Board

The Supervisory Board of KION GROUP AG appoints the members of the Executive Board and advises and monitors the Executive Board in its management of the Company. This includes monitoring and providing advice on sustainability topics. The Supervisory Board is fully involved from an early stage in all decisions that are fundamental to KION GROUP AG. There is also a list of transactions for which the Executive Board requires approval. The Executive Board and Supervisory Board of KION GROUP AG have a close and trusting working relationship focused on ensuring the sustained success of the Company. The Supervisory Board also met regularly without the Executive Board during the reporting period.

The Supervisory Board has drawn up rules of procedure for its work that apply in addition to the requirements of the articles of association of KION GROUP AG. They were last amended on December 17, 2025. These rules of procedure are published on the KION Group website at www.kiongroup.com/Rules-of-Procedure. According to these rules, the chairman of the Supervisory Board coordinates its work and the cooperation with the Executive Board, chairs the meetings of the Supervisory Board, and represents it externally. The Supervisory Board generally meets in person at least twice in each half of a calendar year, and adopts its resolutions at these meetings. In 2025, there were eleven Supervisory Board meetings in total. The focus of the Supervisory Board’s advisory activities in 2025 is set out in detail in the Supervisory Board’s report to the Annual General Meeting along with information about meeting attendance at individual level. Between these meetings, resolutions may also be adopted in writing, by telephone, or by other similar forms of voting, provided that the chairman of the Supervisory Board or, in his absence, his deputy, decides on this procedure for the individual case concerned. The Supervisory Board adopts resolutions by a simple majority of the votes cast unless a different procedure is prescribed by law. If a vote is tied, the matter will only be renegotiated if the majority of the Supervisory Board vote in favor of this option. Otherwise the Board must vote again without delay. If this new vote on the same matter also results in an equal number of votes for and against, the chairman of the Supervisory Board has a casting vote.

Ahead of Supervisory Board meetings, the employee representatives regularly meet with the Executive Board in order to hold preliminary discussions without the presence of the shareholder representatives. The shareholder representatives hold such preliminary discussions with the Executive Board as and when required.

Changes to the Supervisory Board; current composition

The Supervisory Board of KION GROUP AG has 16 members. In accordance with the German Codetermination Act, it comprises equal numbers of shareholder representatives and employee representatives. The shareholder representatives are elected by the Annual General Meeting by simple majority. The eight employee representatives are elected by the employees in accordance with the German Codetermination Act.

In accordance with the articles of association, Supervisory Board members are elected for the period until the end of the Annual General Meeting that resolves on the formal approval of its acts for the fourth financial year after commencement of the term of office. The year in which the term of office begins is not included in this calculation. The articles of association stipulate different rules in the event of a member of the Supervisory Board stepping down prematurely.

Dr. Nicolas Peter resigned from the Supervisory Board with effect from the end of the Annual General Meeting on May 27, 2025.

The terms of office of Supervisory Board members Hans Peter Ring, Kui Jiang, Dr. Christina Reuter, and Ping Xu ended at the close of the Annual General Meeting on May 27, 2025.

The Annual General Meeting on May 27, 2025 elected Dr. Mohsen Sohi, Sherry A. Aaholm, Xiaomei Zhang, Kui Jiang, and Peter Kameritsch as members of the Supervisory Board. Dr. Mohsen Sohi was elected as chairman of the Supervisory Board. Dr. Shaojun Sun, who had previously been appointed by the courts, was elected as a member of the Supervisory Board by the Annual General Meeting.

The current members of the Supervisory Board of KION GROUP AG are listed below:

Current composition of the Supervisory Board of KION GROUP AG

Shareholder Representatives	Representatives of the employees
Dr. Mohsen Sohi (Chairman)	Özcan Pancarci (Deputy chairman)
Sherry A. Aaholm	Jan Bergemann
Birgit A. Behrendt	Martin Fahrendorf
Dr. Alexander Dibelius	Dominique Lembke
Kui Jiang	Thomas Mainka
Peter Kameritsch	Jörg Milla
Dr. Shaojun Sun	Alexandra Schädler
Xiaomei Zhang	Claudia Wenzel

3.3 Corporate governance in the Executive Board and Supervisory Board

In 2025, the Executive Board and the Supervisory Board (or its committees) regularly discussed corporate governance issues in accordance with a rolling schedule of topics. This ensured that the key elements of corporate governance within the KION Group were always on the agenda at meetings of the Company’s main decision-making bodies. The Supervisory Board in particular complied with the supervisory duties incumbent upon it under the German Stock Corporation Act. The Supervisory Board’s Audit Committee, which was appointed to support this task in relation to finance, accounting, and auditing, received regular reports on the accounting standards and associated processes, on changes to the regulatory environment and the internal control and risk management systems, and on the audit of financial statements and the effectiveness and quality of this, and then reported back to the Supervisory Board on these matters.

3.4 Self-assessment by the Supervisory Board

The Supervisory Board regularly assesses the effectiveness of its work and that of its committees (self-assessment), with support from an external advisor if required. The Supervisory Board last carried out self-assessments in 2021 and 2024, with support from an external advisor in each case. The findings of these self-assessments are routinely reported on at full meetings of the Supervisory Board. Any identified need for improvement is actioned. The organizational arrangements and processes for the Supervisory Board's work are updated on an ongoing basis.

The Supervisory Board expects to carry out its next self-assessment in 2027.

3.5 Working methods and composition of the committees of the Supervisory Board

Some of the Supervisory Board's work is carried out by committees. KION GROUP AG's Supervisory Board had five standing committees in the reporting year. The Supervisory Board set up an additional committee, the Technology & Innovation Committee, with effect from January 1, 2026. All the committees except for the Remuneration Committee and Nomination Committee have an equal number of shareholder and employee representatives. Their composition and tasks are specified in the rules of procedure for the Supervisory Board. The committees' tasks, responsibilities, and work processes comply with the provisions of the German Stock Corporation Act and the recommendations and suggestions of the GCGC.

The chairman of each committee reports regularly to the full Supervisory Board on the committee's work. The minutes of the committee meetings are made available to all Supervisory Board members. The standing committees have each drawn up their own rules of procedure that define their tasks and working methods. Details of the committees' activities and working methods in 2025 can be found in the Supervisory Board report.

Executive Committee

The Executive Committee consists of four shareholder representatives and four employee representatives. Its chairman is always the chairman of the Supervisory Board. The main task of the Executive Committee is to prepare the meetings of the Supervisory Board and to handle ongoing matters between Supervisory Board meetings. Specifically, it prepares the Supervisory Board's decisions relating to corporate governance, particularly amendments to the annual declaration of conformity pursuant to section 161 AktG reflecting changed circumstances and the checking of adherence to the declaration of conformity that has been issued. The Executive Committee also prepares documents for the Supervisory Board regarding personnel measures affecting Executive Board members and, if applicable, when a new Chief Executive Officer is to be appointed. In addition, it is responsible for resolutions concerning the conclusion, amendment, and termination of Executive Board employment contracts and agreements with Executive Board members governing pensions, severance packages, consultancy, and other matters and for resolutions on any matters arising as a result of such contracts and agreements, unless they relate to remuneration. In consultation with the Executive Board, the Executive Committee regularly discusses long-term succession planning for the Executive Board. The responsibilities of the Executive Committee also include resolutions about the extension of loans to Executive Board members, Supervisory Board members, and parties related to them within the meaning of sections 89 and 115 AktG, as well as resolutions to approve contracts with Supervisory Board members outside their Supervisory Board remit.

Current members of the Executive Committee:

- Dr. Mohsen Sohi (chairman)
- Özcan Pancarci (deputy chairman)
- Dr. Alexander Dibelius
- Kui Jiang
- Peter Kameritsch
- Jörg Milla
- Alexandra Schädler
- Claudia Wenzel

The chairman of the Executive Committee, Dr. Mohsen Sohi, is a Supervisory Board member who is independent of the Company and Executive Board.

Mediation Committee

The Mediation Committee comprises the chairman of the Supervisory Board, his deputy, an employee representative, and a shareholder representative. It only convenes in exceptional cases if a resolution concerning the appointment or dismissal of an Executive Board member by the Supervisory Board is not approved with the majority specified by law. If the two-thirds-of-votes majority required by section 27 (3) and section 31 (3) MitbestG is not reached in a vote by the Supervisory Board on the appointment of an Executive Board member, the Mediation Committee must propose candidates for the post to the Supervisory Board within one month. The chairman of the Supervisory Board does not have a casting vote on the candidates proposed.

Current members of the Mediation Committee:

- Dr. Mohsen Sohi (chairman)
- Özcan Pancarci (deputy chairman)
- Peter Kameritsch
- Jörg Milla

Audit Committee (also deals with sustainability matters)

Since January 1, 2026, the Audit Committee has comprised six members (four members until December 31, 2025), all of whom are elected by the Supervisory Board. Its task is to monitor financial reporting (including the Group sustainability report), the accounting process, the appropriateness and effectiveness of the internal control system, the risk management system, the internal audit system, the auditing of the financial statements, and compliance, thereby supporting the Supervisory Board in its task of monitoring the Company’s management. The Audit Committee also reviews the work carried out by the independent auditor and checks that the independent auditor is qualified and independent. It is responsible for preparing the engagement of the independent auditor, determining the focus of the audit, and agreeing the fee. On a regular basis, the Audit Committee evaluates and reviews the quality of the audit and discusses with the auditor the assessment of the audit risk, the audit strategy, the audit planning, and the audit findings. It advises and monitors the Executive Board with regard to the sustainability topics of relevance to the Company in the areas environmental, social, and corporate governance (ESG). These topics include the Company's sustainability strategy, the sustainability-related opportunities, risks, and objectives of the Company's business activities, and sustainability reporting and its auditing. The further expansion of sustainability management is a particular priority. This can be understood as the structures and processes that will help to systematically develop and anchor the social, environmental, and economic aspects of sustainability within the Company. It also prepares all Supervisory Board resolutions required in this regard. In addition, the Audit Committee exercises the rights in investee companies set forth in section 32 (1) MitbestG.

The Audit Committee also routinely holds discussions with the auditor that do not include the Executive Board.

Outside of the Supervisory Board and Audit Committee meetings, and without the involvement of representatives from KION GROUP AG, the chairman of the Audit Committee and the independent auditor hold discussions, when required, on the latest developments in the Company and the findings from the audit.

The heads of the Internal Audit and Corporate Compliance departments regularly report to the chairman of the Audit Committee outside the Audit Committee meetings and without the participation of the Executive Board.

Current members of the Audit Committee:

- Peter Kameritsch (chairman)
- Alexandra Schädler (deputy chairwoman)
- Sherry A. Aaholm (since January 1, 2026)
- Kui Jiang
- Jörg Milla
- Özcan Pancarci (since January 1, 2026)

The members of the Supervisory Board's Audit Committee are all familiar with the sector in which the KION Group operates. The chairman of the Audit Committee, Peter Kameritsch, is a Supervisory Board member who is independent of the Company, the Executive Board, and the controlling shareholder. The many years of service he has given as CFO of a large listed company mean that he has the required expertise in accounting and auditing specified in section 100 (5) alt. 1 and section 107 (4) AktG. Another member of the Supervisory Board and Audit Committee, Ms. Alexandra Schädler, has the required expertise in auditing specified in section 100 (5) alt. 2 and section 107 (4) AktG on account of her long period of service for a major auditing firm.

Remuneration Committee

The Remuneration Committee comprises five members. Three of its members are shareholder representatives and two are employee representatives. It is always chaired by the chairman of the Supervisory Board. The Remuneration Committee focuses mainly on issues relating to the Executive Board's remuneration but also deals with the annual remuneration report and the preparations for the report's approval by the Annual General Meeting. It also prepares all Supervisory Board resolutions required in this regard, especially in connection with the Executive

Board members' variable remuneration components (setting of targets and target achievement for the short-term and long-term bonuses).

Current members of the Remuneration Committee:

- Dr. Mohsen Sohi (chairman)
- Özcan Pancarci (deputy chairman)
- Peter Kameritsch
- Kui Jiang
- Alexandra Schädler

Nomination Committee

The Nomination Committee has four members, all of whom are shareholder representatives and are elected by the shareholder representatives on the Supervisory Board. The Nomination Committee's task is to propose candidates for the election of shareholder representatives on the Supervisory Board to the Company's Annual General Meeting.

Current members of the Nomination Committee:

- Dr. Mohsen Sohi (chairman)
- Dr. Alexander Dibelius (deputy chairman)
- Birgit A. Behrendt
- Dr. Shaojun Sun

Technology & Innovation Committee (T&I Committee)

The Technology & Innovation Committee, which was established with effect from January 1, 2026, has six members. Shareholders and employees are equally represented on the committee, with three shareholder representatives and three employee representatives. The Supervisory Board set up the committee to help it to monitor the Company's technology strategy for new and existing products (hardware and software), innovation initiatives, the internal IT strategy, cybersecurity risks, and artificial intelligence (AI) and to provide support and advice with regard to aligning technological resources with the Company's goals. The committee also ensures that new technologies and actions related to the digital transformation are assessed and managed appropriately. All of the Supervisory Board's resolutions in relation to the aforementioned topics are prepared by the committee, which consults closely with the Audit Committee regarding financial risks from IT and cybersecurity incidents and from cybersecurity violations.

Current members of the Technology & Innovation Committee:

- Sherry A. Aaholm (chairwoman)
- Jan Bergemann (deputy chairman)
- Birgit A. Behrendt
- Martin Fahrendorf
- Thomas Mainka
- Xiaomei Zhang

4. Remuneration of the Executive Board and Supervisory Board

KION GROUP AG's remuneration report for 2025 and the related opinion of the independent auditor pursuant to section 162 AktG, a full description of the remuneration systems that are currently in place for the Executive Board and Supervisory Board, and the Annual General Meeting's voting on (a) the remuneration system of the Supervisory Board of KION GROUP AG pursuant to section 113 (3) AktG, (b) the remuneration system of the Executive Board pursuant to section 120a (1) AktG, and (c) the 2025 remuneration report pursuant to section 120a (4) AktG are published on the KION Group website at www.kiongroup.com/remuneration. The remuneration reports published since 2021, including the related opinion of the independent auditor, are also available under this link. Remuneration reports for years prior to 2021 are contained in the respective annual reports.

The total amounts for Executive Board remuneration and Supervisory Board remuneration in the year under review are also reported in the notes to the consolidated financial statements (note [44]). The Supervisory Board's remuneration, which was most recently adjusted on May 27, 2025, is not performance-based.

5. Diversity

One of the main concerns of good corporate governance is to ensure that appointments to the two governing bodies, i.e. the Supervisory Board and Executive Board, and to the two management levels below the Executive Board are appropriate to the specific needs of the business. To this end, the Executive Board and Supervisory Board of KION GROUP AG developed a joint diversity concept in 2017 that was most recently amended at the beginning of 2022.

Key criteria in this regard include, on the one hand, the professional and personal skills and qualifications of the members of the Supervisory Board, the Executive Board, and the two management levels below the Executive Board and, on the other hand, diversity in the composition of these two boards and two management levels – including an appropriate degree of female representation – and the independence of the Supervisory Board. Further details are provided below.

Composition of the Supervisory Board

The individuals who make up the current Supervisory Board, each with a different professional background, reflect the multitude of tasks assigned to the Supervisory Board and satisfy the related requirements for a supervisory board's composition (see below, for example 'Objectives for the composition of the Supervisory Board' and 'Profile of skills and expertise for the Supervisory Board').

Composition of the Supervisory Board from a diversity perspective

	Sohi	Pancarci	Aaholm	Behrendt	Bergemann	Dr. Dibelius
Length of service						
– Member of Supervisory Board since	05/2025	06/2013	05/2025	01/2015	05/2022	03/2007
Diversity						
– Year of birth	1959	1969	1962	1959	1966	1959
– Gender[1]	m	m	f	f	m	m
– Nationality	US-American/ German	German	US-American	German	German	German

	Fahrendorf	Jiang	Kameritsch	Lembke	Mainka	Milla
Length of service						
– Member of Supervisory Board since	05/2018	12/2012	05/2025	05/2022	05/2022	11/2015
Diversity						
– Year of birth	1965	1964	1969	1987	1982	1967
– Gender[1]	m	m	m	m	m	m
– Nationality	German	Chinese	German	German	German	German

	Schädler	Dr. Sun	Wenzel	Zhang
Length of service				
– Member of Supervisory Board since	10/2013	10/2024	11/2016	05/2025
Diversity				
– Year of birth	1971	1965	1966	1985
– Gender[1]	f	m	f	f
– Nationality	German	Chinese	German	Chinese

1 f = female / m = male / d = diverse

The résumés of the current members of the Supervisory Board, which are updated annually or more frequently if required, can be found at www.kiongroup.com/en/About-us/Management. The résumés also provide details of any additional posts held by the Supervisory Board members.

Objectives for the composition of the Supervisory Board

In 2017, in accordance with section 5.4.1 of the GCGC as amended on February 7, 2017, the Supervisory Board laid down specific requirements and objectives for its composition in recognition of the responsibilities and obligations assigned to it and taking into account the business needs of KION GROUP AG. These requirements and objectives were reviewed and adjusted in February 2022. Besides having the minimum professional skills required to be a Supervisory Board member, as specified by law and the highest courts and in line with the recommendations of the GCGC, all members of the Supervisory Board of KION GROUP AG should meet the following criteria:

- Identification with the fundamental values and beliefs of KION GROUP AG: integrity, collaboration, courage, and excellence
- Positive attitude toward the basic principles of responsible corporate governance
- Personal integrity and a responsible approach to dealing with potential conflicts of interest
- Ability to devote the expected amount of time required and compliance with the limit on the number of mandates that may be held at any one time

A further target set by the Supervisory Board with regard to its composition is a standard age limit of no more than 70 at the time of appointment/election to the Supervisory Board (target age limit). The Supervisory Board has consciously decided to have a flexible target age limit so that it has sufficient latitude to take account of circumstances on a case-by-case basis.

All of the current Supervisory Board members meet these requirements.

Profile of skills and expertise for the Supervisory Board

In connection with the objectives for its composition, the Supervisory Board also defined a profile of skills and expertise for itself in 2017. This profile is regularly reviewed as part of the Supervisory Board's self-assessment or as necessary in order to ensure the board's strategic development. The Supervisory Board's current profile of skills and expertise was last reviewed in December 2025 when it was extensively adjusted in line with the Company's current requirements. In order to remain equipped for the future, the new profile of skills and expertise more strongly reflects skills relating to digitalization, software, and artificial intelligence. Two new strategic competencies were added to the profile too: transformation experience – both in technology and in the business model – and geopolitics. Competencies such as risk management, compliance and legal, and human capital have also been given a higher weighting.

Besides professional skills, the profile of skills and expertise also includes aspects of diversity and expertise in sustainability topics. The Supervisory Board considers this to be a material contribution to the Company's long-term growth. To illustrate progress on implementing the profile of skills and expertise, a qualification matrix was created that compares the existing knowledge and experience of the Supervisory Board members with the defined competencies. The matrix has been presented in accordance with recommendation C.1 of the GCGC. The Supervisory Board believes that, in its present composition, it covers all competencies of relevance to the Company. Specific competencies, especially in the field of digitalization and sustainability, were enhanced through the targeted selection of candidates for election to the Supervisory Board in 2025.

Self-evaluation – Profile of skills and expertise for the Supervisory Board

#	Competency profile/experience and/ or expertise in the areas	Dr. Sohi	Pancarci	Aaholm	Behrendt	Berge-mann	Dr. Dibelius
1	Board Governance	☒	☒	☒	☒	☐	☒
2	Knowledge within KION Group	☐	☒	☐	☒	☒	☒
	Functional Competencies						
3	Manufacturing & supply chain management	☒	☒	☒	☒	☒	☐
4	Product management, marketing & sales	☒	☒	☐	☐	☐	☐
5	Service/aftersales business	☒	☐	☒	☒	☐	☐
6	Financial management	☒	☒	☒	☒	☐	☒
7	Financial expert in Accounting	☒	☐	☐	☐	☐	☐
8	Financial expert in Auditing	☐	☐	☐	☐	☐	☐
9	Risk management (financial and non-financial risks)	☒	☒	☒	☒	☐	☒
10	Legal and compliance	☒	☐	☐	☒	☐	☒
11	Human capital, including corporate culture	☒	☐	☒	☒	☐	☐
	Strategic Competencies						
12	Industry experience relevant for KION's current and future business	☒	☒	☐	☒	☒	☐
13	Transformation (technology and business model)	☒	☒	☒	☒	☒	☒
14	M&A/strategic alliances	☒	☒	☒	☒	☐	☒
15	Capital market and investor relations	☒	☒	☐	☐	☐	☒
16	Digitalization, AI, software and cybersecurity	☒	☐	☒	☐	☐	☐
17	Geopolitics (and their impact on KION's business)	☒	☒	☐	☒	☐	☒
18	Sustainability – Environmental protection	☒	☒	☒	☒	☐	☐
19	Sustainability – Social & labor conditions, including equal opportunities, social partnership, co-determination and transformation skills	☒	☒	☒	☒	☒	☐
	International experience						
20	EMEA	☒	☒	☐	☒	☒	☒
21	North and South America	☒	☒	☒	☒	☐	☒
22	China	☒	☒	☐	☒	☐	☒
23	Rest of Asia	☒	☐	☐	☒	☐	☐

Self-evaluation – Profile of skills and expertise for the Supervisory Board (continued)

#	Competency profile/experience and/ or expertise in the areas	Fahrendorf	Jiang	Kame-ritsch	Lembke	Mainka	Milla
1	Board Governance	☒	☒	☒	☐	☐	☒
2	Knowledge within KION Group	☒	☒	☐	☐	☒	☒
	Functional Competencies						
3	Manufacturing & supply chain management	☐	☒	☐	☐	☐	☒
4	Product management, marketing & sales	☒	☒	☐	☐	☐	☐
5	Service/aftersales business	☒	☒	☐	☐	☒	☐
6	Financial management	☐	☐	☒	☐	☒	☒
7	Financial expert in Accounting	☐	☐	☒	☐	☐	☐
8	Financial expert in Auditing	☐	☐	☒	☐	☐	☐
9	Risk management (financial and non-financial risks)	☐	☐	☒	☐	☐	☐
10	Legal and compliance	☐	☐	☒	☐	☐	☒
11	Human capital, including corporate culture	☒	☒	☐	☒	☒	☒
	Strategic Competencies						
12	Industry experience relevant for KION's current and future business	☒	☒	☐	☐	☒	☒
13	Transformation (technology and business model)	☒	☐	☐	☐	☐	☐
14	M&A/strategic alliances	☐	☒	☒	☐	☐	☐
15	Capital market and investor relations	☐	☒	☒	☐	☐	☐
16	Digitalization, AI, software and cybersecurity	☒	☒	☐	☐	☒	☐
17	Geopolitics (and their impact on KION's business)	☐	☒	☐	☐	☐	☐
18	Sustainability – Environmental protection	☒	☐	☒	☐	☐	☒
19	Sustainability – Social & labor conditions, including equal opportunities, social partnership, co-determination and transformation skills	☒	☒	☒	☒	☒	☒
	International experience						
20	EMEA	☒	☒	☒	☒	☒	☒
21	North and South America	☐	☒	☒	☐	☐	☐
22	China	☐	☒	☒	☐	☐	☐
23	Rest of Asia	☐	☒	☐	☐	☐	☐

Self-evaluation – Profile of skills and expertise for the Supervisory Board (continued)

#	Competency profile/experience and/ or expertise in the areas	Schädler	Dr. Sun	Wenzel	Zhang
1	Board Governance	☒	☒	☒	☐
2	Knowledge within KION Group	☒	☒	☒	☐
	Functional Competencies				
3	Manufacturing & supply chain management	☐	☒	☐	☐
4	Product management, marketing & sales	☐	☒	☐	☐
5	Service/aftersales business	☐	☒	☐	☐
6	Financial management	☒	☒	☒	☐
7	Financial expert in Accounting	☒	☐	☐	☐
8	Financial expert in Auditing	☒	☐	☐	☐
9	Risk management (financial and non-financial risks)	☒	☐	☐	☒
10	Legal and compliance	☐	☐	☐	☒
11	Human capital, including corporate culture	☒	☐	☒	☐
	Strategic Competencies				
12	Industry experience relevant for KION's current and future business	☒	☒	☐	☐
13	Transformation (technology and business model)	☐	☒	☐	☐
14	M&A/strategic alliances	☐	☒	☐	☒
15	Capital market and investor relations	☐	☐	☐	☐
16	Digitalization, AI, software and cybersecurity	☐	☒	☐	☐
17	Geopolitics (and their impact on KION's business)	☒	☐	☐	☐
18	Sustainability – Environmental protection	☐	☐	☐	☒
19	Sustainability – Social & labor conditions, including equal opportunities, social partnership, co-determination and transformation skills	☒	☐	☒	☐
	International experience				
20	EMEA	☒	☒	☒	☐
21	North and South America	☐	☒	☐	☒
22	China	☐	☒	☐	☒
23	Rest of Asia	☐	☒	☐	☒

The information in the qualification matrix is based on self-assessment by the Supervisory Board members. The matrix is updated annually.

Independence of the Supervisory Board members

To ensure that it is able to monitor and advise the Executive Board objectively, the Supervisory Board should also have an appropriate number of independent members, not just overall but also among the members elected by the shareholders (shareholder representatives). The German Stock Corporation Act and the detailed provisions of the GCGC provide the basis for making decisions on this matter.

In 2020, the Supervisory Board therefore defined what it considers to be an adequate number of independent Supervisory Board members. Accordingly, five shareholder representatives on the Supervisory Board should be independent of the Company and Executive Board (see recommendation C.7 of the GCGC). The Supervisory Board believes that five shareholder representatives are currently independent of the Company and Executive Board: Dr. Mohsen Sohi, Sherry A. Aaholm, Birgit A. Behrendt, Dr. Alexander Dibelius, and Peter Kameritsch. Dr. Alexander Dibelius and Birgit A. Behrendt have been members of the Supervisory Board of KION GROUP AG since 2007 and 2015 respectively, but the Supervisory Board still considers them to be independent. They have no business or financial ties to the Company or Executive Board.

Two shareholder representatives on the Supervisory Board should also be independent of the controlling shareholder (see recommendation C.9 of the GCGC). The Supervisory Board believes that five of the eight shareholder representatives are currently independent of anchor investor Weichai: Dr. Mohsen Sohi, Sherry A. Aaholm, Birgit A. Behrendt, Dr. Alexander Dibelius, and Peter Kameritsch.

As regards the employee representatives (particularly the representatives of the German Metalworkers' Union and the Hans Böckler Foundation), the Supervisory Board believes their role as representatives of the employees does not, per se, compromise their independence.

Minimum gender representation on the Supervisory Board

Section 96 (2) AktG stipulates that at least 30 percent of the Supervisory Board members must be female and at least 30 percent must be male. The KION GROUP AG Supervisory Board met this statutory requirement regarding gender representation on supervisory boards in 2025 as 31.25 percent of its members were female (five of the 16 members).

The shareholder representatives and the employee representatives are agreed that attaining the objectives in relation to diversity, in particular the objectives relating to the involvement of women and people from different cultural backgrounds, is considered to be in the interests of KION GROUP AG and a task that forms part of the collective responsibility of the entire Supervisory Board. The Supervisory Board therefore supports the inclusion of additional female members and of members from different cultural backgrounds who meet the above criteria insofar as the skills requirements are met.

Nomination of Supervisory Board members

When proposing candidates to the Annual General Meeting in the future, the Nomination Committee and Supervisory Board will take all of the aforementioned targets and the diversity concept into account and strive to ensure that the profile of skills and expertise continues to be achieved.

The Nomination Committee and Supervisory Board have no influence on the composition of the group of employee representatives on the Supervisory Board because the employees in Germany are free to choose whom they elect.

Composition of the Executive Board

The Supervisory Board strives to ensure that the Executive Board also has a diverse composition. This includes, in particular, appropriate gender representation, but also a broad range of experience, skills, expertise, cultural and international backgrounds, and personal qualities. The German Stock Corporation Act and the detailed provisions of the GCGC provide the basis for making decisions on this matter.

When implementing these objectives during the process of appointing successors or recruiting for a new position, the Supervisory Board draws up a shortlist of candidates who appear to be suitable for the Company as a result of their strategic management experience, expertise, skills, and qualifications. Demographic criteria (including the standard retirement age of 65 for Executive Board members) and diversity criteria are then also taken into account.

Minimum gender representation on the Executive Board

It is also the job of the Supervisory Board to ensure that the composition of the Executive Board meets the statutory requirement for minimum gender representation. The statutory requirement pursuant to section 76 (3a) AktG stipulates that in a listed company with a supervisory board on which shareholders and employees are equally represented, the executive board must have at least one woman and one man as members if it has more than three members in total. The KION GROUP AG Executive Board meets this statutory minimum representation requirement. It comprised six members in 2025. Ms. Valeria Gargiulo has held the role of Chief People and Sustainability Officer (CPSO) since May 2023, which meant that the statutory minimum representation requirement was met in the year under review.

Long-term succession planning for the Executive Board

With support from the Executive Committee, the Supervisory Board ensures that long-term succession planning is in place for the Executive Board. The Executive Committee is responsible for the long-term succession planning for the Executive Board (section 7 (4) of the rules of procedure for the Supervisory Board), helping the Supervisory Board to find candidates for posts on the Executive Board. The Executive Committee holds four regular meetings per year. When required, long-term succession planning is included on the agenda for Executive Committee meetings. Under this agenda item, the committee discusses general parameters, such as the planning horizon, the identification of required skills and qualifications, and the internal talent pool. An external consultancy assists the Executive Committee with long-term succession planning where required.

Further details on the current composition of the Executive Board can be found in the section ‘Changes to the Executive Board; current composition’.

Appointments to management positions below the level of the Executive Board of KION GROUP AG

When selecting candidates for senior management levels, the Executive Board generally considers that it is under an obligation to make such selections on the basis of capability, diversity, and professional experience. The Executive Board considers diversity to primarily relate to gender, cultural background, age, and personal qualities. Measures to promote diversity are taken solely in line with applicable laws, while maintaining the principle of merit and taking individual expertise into account.

In the design of its diversity strategy, the Executive Board takes the differing legal frameworks in the KION Group's international markets into account, especially the latest developments in the US, without infringing the equal treatment and anti-discrimination rules that apply in Germany and the EU.

The Executive Board undertakes to comply with statutory requirements, especially those in the German General Act on Equal Treatment (AGG) and the statutory provisions on the advancement of women in leadership positions (German Act on the Equal Participation of Women and Men in Leadership Positions in the Private and Public Sectors (FüPoG II)). Furthermore, the Executive Board of KION GROUP AG considers diversity to be an integral element of its ESG strategy and takes into account the expectations of its international investors of a balanced and inclusive management culture. The KION Group intends to continue to fill more management positions with candidates with an international background in order to better match the Company's increasingly global focus and complexity.

Targets for the management levels below the Executive Board and current figures

In November 2021, the Executive Board therefore set a target of 10.5 percent (equivalent to two female managers) for the first management level below the Executive Board of KION GROUP AG and of 29.2 percent (27 female managers) for the second management level, to be achieved by December 31, 2026.

At the end of 2025, five of the 22 executives at the first management level (equivalent to 22.7 percent; year-on-year increase of 1.9 percentage points) and 19 of the 94 executives at the second management level (equivalent to 20.2 percent; year-on-year decrease of 0.2 percentage points) were female.

Action to increase diversity, especially the proportion of women

The Executive Board continues to believe in supporting the development of male and female high-potential employees within the Group. The aim is to grow female talent, in particular, in order to meet the targets set for December 31, 2026.

A range of instruments is used to this end. These instruments either prevent potential discrimination* due to their objective structure and supervision or they systematically help women to build on their personal strengths. The main instruments in the first category are the annual Organization Capability Talent Review (OCTR) and structured employee development programs, such as the KION Leadership Horizons Program (KLHP) (formerly KION Transition to Management Program (KTMP)). An example in the second category is the Women's Mentoring Program, in which the Company's high-potential female employees are systematically coached by managers from the highest management level in the Company. The program's target group was significantly expanded once again in 2025. We also explicitly encourage potential female candidates interested in applying to KION to do so, whether directly or through the KION Management Trainee Program. Particular attention is also paid to the advancement of women in professional development for skilled workers and managers, as a special module is included in the 'Fundamentals of people management' program that is designed to raise managers' awareness of diversity and integration, both on a general basis and specifically in relation to ensuring equal opportunities for women. The use of

* These initiatives make it clear that protection from discrimination does not have the opposite effect of giving rise to preferential treatment on account of gender or any other protected characteristic. All hiring decisions are made exclusively on the basis of individual skills and personal merit

LinkedIn Learning and a special LinkedIn Learning theme month on intercultural collaboration provided further opportunities for individual professional development.

Efforts to strengthen diversity – including the advancement of women – have been underlined by the creation of the Diversity and Inclusion Council, a cross-functional, Company-wide committee whose job is to define and implement measures that support these goals and to monitor the progress of the measures.

The KION Group also supports the establishment of networking groups and employee resource groups, which are represented on the council. These groups are run by employees with similar characteristics or backgrounds and help to strengthen the perspectives and representation of these groups, which are often underrepresented. One example is the Ladies Power @KION Group for female managers at KION GROUP AG.

KION GROUP AG is also a member of the 'Chef:innensache' initiative, in which it is represented by Valeria Gargiulo. This network of companies and leaders from industry and science, the public sector, and the media advocates equal opportunities for women and men. By participating in this initiative, KION GROUP AG's ambition and objective is to promote the necessary societal change by exploring new concepts and approaches. KION GROUP AG underpinned these efforts by signing the Diversity Charter, in which it has publicly committed to championing a working environment that is free of prejudice and that supports the respect, appreciation, and integration of the diversity that employees bring to the workplace.

Report on the economic position

Macroeconomic and sector-specific conditions

Macroeconomic conditions

The pace of global economic growth remained moderate in 2025. In its January 2026 outlook, the International Monetary Fund (IMF) estimates that global economic output grew by 3.3 percent in 2025 and was thus on a par with the prior year. Economic conditions were influenced by a variety of factors, both positive and negative, in the year under review. Trade conflicts weighed heavily on the global economy, as did structural challenges such as high government debt in some countries. At the same time, however, economic growth received a boost from brisk investment in technology- and AI-related sectors and from continued favorable financing conditions.

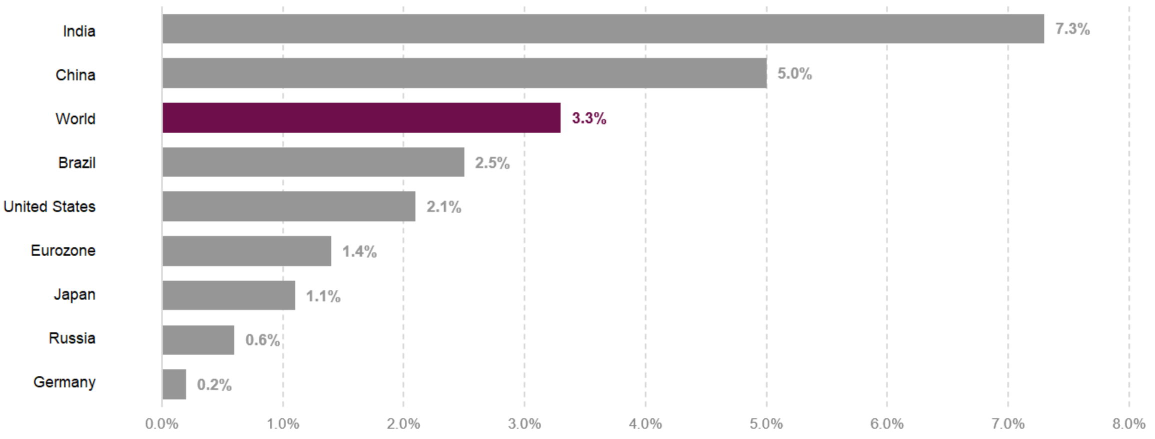
Advanced economies grew by 1.7 percent in 2025 (2024: 1.8 percent). The rate of expansion in the eurozone edged up to 1.4 percent (2024: 0.9 percent) but remained muted overall. In the US, growth slowed to 2.1 percent following a strong prior year (2024: 2.8 percent).

Emerging markets and developing countries expanded by 4.4 percent (2024: 4.3 percent). At 5.0 percent, China maintained its growth rate at the prior-year level (2024: 5.0 percent).

According to the IMF, overall global inflation fell from 5.8 percent in 2024 to 4.1 percent in 2025. At 2.5 percent, the inflation rate in advanced economies continued to move closer to the relevant target corridor. Emerging markets and developing countries recorded an inflation rate of 5.2 percent, which was down significantly on the prior-year rate of 7.9 percent. Overall, inflation declined more slowly than originally expected, which meant that monetary policy remained cautious and, on the whole, restrictive in most major economies.

The volume of global trade, which had increased by a moderate 3.6 percent in 2024, grew by 4.1 percent in 2025. This growth was primarily attributable to trade activities brought forward amid elevated uncertainty regarding tariffs.

Gross domestic product in 2025 – year-on-year change in real terms



Source: International Monetary Fund (as at January 19, 2026)

Sectoral conditions

Industrial Trucks & Services

According to the KION Group, order numbers in the global market for industrial trucks were up noticeably year on year in 2025.

Based on official figures (World Industrial Trucks Statistics, January 2026), the EMEA region recorded a slight increase in order numbers in the period January to September 2025. The APAC region saw significant growth, while the Americas region achieved a strong rise.

Order numbers in the electric forklift truck market rose sharply year on year, while order numbers for IC trucks grew marginally. New orders for warehouse trucks registered strong growth, mainly due to exceptional demand for entry-level models. Overall, order numbers in the worldwide market were thus significantly higher in the first nine months of 2025 than in the prior-year period. Because the average price of warehouse trucks is significantly lower than that of counterbalance trucks, the sharp rise in global order numbers is not reflected in the change in the value of the market (World Industrial Truck Statistics, January 2026). According to the KION Group, the growth in value of the overall market for industrial trucks (as measured by order intake) was therefore below the growth in order numbers during the reporting year.

Based on market data published by the relevant trade association on new industrial truck orders, the share of the global market attributable to electric forklift trucks and warehouse trucks increased to 78 percent in the first nine months of 2025 (Q1–Q3 2024: 76 percent). Conversely, the share attributable to IC counterbalance trucks declined to 22 percent (World Industrial Truck Statistics, January 2026).

Official figures for the growth trend in the overall market for industrial trucks in 2025 as a whole were not available at the time this report was published.

Supply Chain Solutions

According to the KION Group, and backed up by data from research institute Interact Analysis, the global market for warehouse automation solutions (measured by order intake) expanded markedly in 2025 (Interact Analysis, December 2025). In the Americas region, the overall market saw strong growth. The EMEA region recorded a noticeable increase, while the APAC region remained at the prior-year level owing to the slower recovery of the Chinese market for automation solutions (Interact Analysis, December 2025).

The market for warehouse automation solutions performed particularly well in the customer segments general merchandise and food and beverages, whereas demand in the customer segments durable goods, parcel delivery services, and grocery retail was up only slightly year on year (Interact Analysis, December 2025).

Procurement markets

The commodity markets presented a mixed picture in the reporting year. Steel prices experienced volatility throughout the reporting year and finished above the level recorded at the start of the year. Having risen to more than US$ 70 per barrel at the start of 2025, the price of crude oil fell to around US$ 60 over the course of the year, albeit with some fluctuation. The price of copper rose during the year, whereas the price of nickel (as measured in US dollars per tonne) went down.

Financial markets

The general conditions in the financial markets were, on the whole, more favorable for the KION Group and its customers in 2025 than in 2024. The European Central Bank (ECB) progressively reduced the interest rate for its deposit facility from 3.00 percent to 2.00 percent, which resulted in more favorable conditions in the money market because it scaled back its asset purchase program at the same time. Although the banks in the eurozone responded to the more favorable financing conditions by slightly lowering interest rates, they continued to be cautious – especially in the corporate sector – about lending. Demand for credit in the corporate sector did pick up slightly, but remained weak overall owing to the risks and uncertainties that continue to be perceived (ECB, April 2025; July 2025; December 2025). The US central bank also pursued a strategy of cautiously loosening monetary policy in 2025, progressively lowering the target range for the federal funds rate from 4.25 to 4.50 to 3.50 to 3.75 percent (Federal Reserve, December 2025).

The KION Group generated 50.0 percent of its revenue outside the eurozone in 2025 (2024: 49.2 percent). The US dollar, pound sterling, and the Chinese renminbi were the most important foreign currencies, which had also been the case in 2024. In 2025, the euro appreciated moderately against each of these currencies. Overall, currency translation had no material impact on the KION Group's operating performance in the reporting year.

Business performance in the Group

Solid business performance, with most measures under the efficiency program now implemented

Overall, the KION Group delivered a solid business performance in 2025. As had been anticipated, consolidated revenue was slightly lower than in 2024 owing to the smaller order book at the start of the reporting year. The Group's adjusted EBIT and the adjusted EBIT margin also decreased year on year, largely due to the decline in revenue and the narrower gross margin on new business in the Industrial Trucks & Services segment. Revenue and profitability in the Supply Chain Solutions segment, on the other hand, saw a clear uptrend.

Market conditions were predominantly favorable, and the KION Group was able to increase its order intake significantly compared with 2024. The two operating segments contributed to this increase, registering growth in their main product categories. In the Supply Chain Solutions segment, the project business in particular saw a significant improvement in momentum following muted demand from customers in previous years.

In view of increasing competitive pressures and ongoing macroeconomic uncertainties, the Executive Board of KION GROUP AG signed off an efficiency program on February 4, 2025 ('efficiency program') that is aimed at strengthening long-term competitiveness and capacity to carry out capital investment. The measures to be taken under the program involved adapting organizational structures and capacity in affected areas of the Industrial Trucks & Services segment and in Corporate Services in the EMEA region. Most of these measures had been completed by the end of 2025. The vast majority (€168.8 million) of the total expenses expected from the implementation of the program was recognized as non-recurring items in 2025. However, much of this amount will not be recognized as a cash outflow until 2026. The efficiency program will result in permanent cost savings of around €150 million per year. Its first positive effects on earnings were already discernible in 2025 and should be almost entirely unlocked during 2026.

Strong liquidity position thanks to sustained high level of free cash flow

The KION Group maintained its very encouraging liquidity position in 2025, once again generating a high level of free cash flow. This allowed the Group to further reduce its net financial debt, for example by making the repayment that was due in respect of the first corporate bond issued under the EMTN program. It also contributed to the continuous improvement in leverage.

Financial position and financial performance of the KION Group

Overall assessment of business performance and the economic situation

The Group's business performance and economic situation proved positive overall in 2025 and were in line with expectations.

Consolidated revenue edged down by 1.8 percent to €11,297.2 million in 2025 (2024: €11,503.2 million). This was mainly attributable to the sharp decrease in revenue from new business in the Industrial Trucks & Services segment. The moderate growth of the service business was not enough to make up for this decrease. By contrast, the Supply Chain Solutions segment achieved solid year-on-year revenue growth both in its project business and in its service business.

Adjusted EBIT for the KION Group was down significantly on the figure for the previous year at €788.6 million (2024: €917.2 million) owing to the reduced contribution to earnings from the Industrial Trucks & Services segment. Consequently, the adjusted EBIT margin decreased to 7.0 percent (2024: 8.0 percent).

Non-recurring items – especially those in connection with the efficiency program – weighed heavily on net income, which declined from €369.2 million in 2024 to €240.5 million in 2025.

With the number of shares remaining unchanged year on year, basic earnings per share therefore fell to €1.75 (2024: €2.75). The Executive Board and Supervisory Board of KION GROUP AG will propose a dividend of €0.62 per share to the 2026 Annual General Meeting (dividend paid in 2025: €0.82).

The KION Group once again generated a high level of free cash flow that, at €709.5 million, was higher than the prior-year figure (2024: €702.0 million). A key factor in this regard was that a material proportion of the non-recurring expenses from implementation of the efficiency program will not impact on cash flow until 2026. Thanks to the healthy liquidity position, the Group had lowered its net financial debt to €584.0 million by the end of 2025 (December 31, 2024: €913.2 million); as a result, leverage improved to 0.3 times adjusted EBITDA (December 31, 2024: 0.5 times).

Comparison between actual and forecast performance

Upon publication of the quarterly statement for the third quarter of 2025, the Executive Board of KION GROUP AG provided more specific details for the outlook for 2025 that it had published in the 2024 annual report. The expected levels of revenue, adjusted EBIT, and ROCE were firmed up within the original target ranges, both for the Group and for the two operating segments. In addition, the outlook for the Group's free cash flow was raised. This was because a material proportion of the non-recurring expenses from implementation of the efficiency program is not expected to impact on cash flow until the first quarter of 2026. Moreover, these expenses are likely to be significantly lower than originally anticipated.

Consolidated revenue amounted to €11,297.2 million, which was within the projected range of €11,100 million to €11,400 million. This was also the case for the KION Group's adjusted EBIT, which reached €788.6 million and was thus in the middle of the projected range of €760 million to €820 million. The Group's free cash flow came to €709.5 million, which was slightly higher than the raised target range of €600 million to €700 million. At 7.7 percent, ROCE was in the middle of the projected range of 7.4 percent to 8.0 percent.

Comparison between actual and forecast business performance for 2025 - KION Group

	KION Group		
in € million	Outlook annual report 2024	Outlook adjusted	Actual business performance
Revenue	10,900–11,700	11,100–11,400	11,297.2
Adjusted EBIT	720–870	760–820	788.6
Free cash flow	400–550	600–700	709.5
ROCE	7.0%–8.4%	7.4%–8.0%	7.7%

With revenue of €8,272.5 million, the Industrial Trucks & Services segment reached the top half of the projected range of €8,100 million to €8,300 million. Its adjusted EBIT of €721.8 million was in the middle of the projected range of €700 million to €740 million.

The Supply Chain Solutions segment generated revenue of €3,071.4 million, which was within the target range of €3,000 million to €3,100 million. Adjusted EBIT came to €183.2 million, which was in line with the projected range of €170 million to €200 million.

Comparison between actual and forecast business performance by segment for 2025

	Industrial Trucks & Services			Supply Chain Solutions		
	Outlook annual report 2024	Outlook adjusted	Actual business performance	Outlook annual report 2024	Outlook adjusted	Actual business performance
Revenue[1]	8,100–8,600	8,100–8,300	8,272.5	2,800–3,100	3,000–3,100	3,071.4
Adjusted EBIT[1]	680–780	700–740	721.8	140–200	170–200	183.2

1 Disclosures for the Industrial Trucks & Services and Supply Chain Solutions segments also include intra-group cross-segment revenue and effects on EBIT

Business situation and financial performance of the KION Group

Level of orders

Amid predominantly favorable market conditions, the KION Group held its ground well against the competition in 2025 and increased the value of its order intake by a substantial 13.4 percent to €11,705.5 million (2024: €10,320.9 million). It was particularly encouraging that both new business in the Industrial Trucks & Services segment and the project business (business solutions) in the Supply Chain Solutions segment contributed to this growth, registering sometimes considerable year-on-year improvements in order intake. Furthermore, the service business recorded higher orders than in the previous year in both segments, with slight growth in the Industrial Trucks & Services segment and much stronger momentum in the Supply Chain Solutions segment.

The KION Group’s order book had swollen to €4,683.7 million at the end of 2025 (December 31, 2024: €4,635.1 million). Currency effects had an adverse impact on the order book, reducing it by €231.5 million.

Revenue

As expected, consolidated revenue was slightly lower than in the previous year, reducing by 1.8 percent to €11,297.2 million in 2025 (2024: €11,503.2 million).

Revenue generated from external customers in the Industrial Trucks & Services segment declined by 4.0 percent to €8,253.0 million (2024: €8,593.5 million). This was due to a fall in revenue from new business as a result of the smaller order book at the start of 2025. The order book has now normalized, having been at an exceptionally high level in previous years. The decline was partly offset by a rise in revenue in the service business.

In the Supply Chain Solutions segment, revenue generated from external customers rose by 4.7 percent to €3,042.8 million (2024: €2,906.2 million). This was due not only to the continued robust growth of the service business, but also to a year-on-year rise in revenue in the project business (business solutions) resulting from the rebound of order intake, especially in the first half of 2025.

The proportion of consolidated revenue attributable to the service business increased to 48.2 percent (2024: 46.1 percent) owing to the smaller contribution to revenue from new business in the Industrial Trucks & Services segment.

Revenue with third parties by product category

in € million	2025	2024	Change
Industrial Trucks & Services	**8,253.0**	**8,593.5**	**–4.0%**
New business	4,052.9	4,484.4	–9.6%
Service business	4,200.1	4,109.1	2.2%
– Aftersales	2,186.2	2,158.7	1.3%
– Rental business	1,223.0	1,190.3	2.7%
– Used trucks	497.2	468.0	6.2%
– Other	293.7	292.1	0.5%
Supply Chain Solutions	**3,042.8**	**2,906.2**	**4.7%**
Business solutions	1,794.3	1,715.4	4.6%
Service business	1,248.6	1,190.8	4.8%
Corporate Services	**1.4**	**3.5**	**–60.4%**
Total revenue	**11,297.2**	**11,503.2**	**–1.8%**

Revenue by sales region

In the EMEA sales region (western Europe, eastern Europe, Middle East, and Africa), the KION Group recorded a moderate decrease in revenue of 2.3 percent compared with the previous year. The main reason for this was lower revenue in major western European markets in the Industrial Trucks & Services segment, most notably Germany and France. However, the Supply Chain Solutions segment, which generates a much smaller share of its revenue in EMEA compared with the Industrial Trucks & Services segment, achieved a much higher level of revenue in this region than in 2024.

In the Americas region (North America, Central America, and South America), revenue was only just short of the prior-year level (down by 0.6 percent) despite substantial negative currency effects. Recording stable revenue growth overall, the Supply Chain Solutions segment was able to maintain its strong market position, especially in North America. By contrast, the revenue of the Industrial Trucks & Services segment fell sharply in the Americas region.

In the APAC region (Asia-Pacific), revenue decreased slightly year on year (down by 1.0 percent) owing to negative currency effects. Both operating segments saw their revenue decline in China. However, this was mostly offset by the strong revenue growth of the Supply Chain Solutions segment in the rest of the APAC region.

Revenue with third parties by customer location

in € million	2025	2024	Change
EMEA	**7,570.8**	**7,750.2**	**–2.3%**
Western Europe	6,634.3	6,811.5	–2.6%
Eastern Europe	779.0	805.1	–3.2%
Middle East and Africa	157.5	133.7	17.8%
Americas	**2,486.8**	**2,501.2**	**–0.6%**
North America	2,183.1	2,196.1	–0.6%
Central and South America	303.7	305.1	–0.4%
APAC	**1,239.6**	**1,251.8**	**–1.0%**
China	626.1	685.5	–8.7%
APAC excluding China	613.5	566.3	8.3%
Total revenue	**11,297.2**	**11,503.2**	**–1.8%**

Earnings and profitability

Key influencing factors for earnings

Earnings before interest and tax (EBIT) fell sharply, by €276.9 million, to €500.9 million in 2025 (2024: €777.8 million). A key driver of this decrease in operating profit was the high level of negative non-recurring items in 2025, which increased significantly year on year to €201.1 million (2024: €27.9 million). Moreover, reduced earnings and profitability in the Industrial Trucks & Services segment had an adverse impact on the income statement for the Group as a whole.

The change in the cost of sales and in other functional costs is shown in the > table ‘Condensed consolidated income statement’.

Condensed consolidated income statement

in € million	2025	2024	Change
Revenue	11,297.2	11,503.2	–1.8%
Cost of sales	–8,347.0	–8,409.7	0.7%
Gross profit	**2,950.2**	**3,093.5**	**–4.6%**
Selling expenses and administrative expenses	–2,196.1	–2,041.4	–7.6%
Research and development costs	–259.4	–259.6	0.1%
Other	6.2	–14.7	> 100.0%
Earnings before interest and tax (EBIT)	**500.9**	**777.8**	**–35.6%**
Net financial expenses	–147.4	–188.0	21.6%
Earnings before tax	**353.5**	**589.8**	**–40.1%**
Income taxes	–113.0	–220.5	48.8%
Net income	**240.5**	**369.2**	**–34.9%**

The KION Group’s gross profit diminished to €2,950.2 million in the year under review (2024: €3,093.5 million). This was due to the smaller volumes and narrower margins achieved in new business in the Industrial Trucks & Services segment, which outweighed the significant improvement in gross profit in the Supply Chain Solutions segment. As a result, the Group’s gross margin narrowed to 26.1 percent (2024: 26.9 percent).

Selling expenses and administrative expenses rose significantly year on year, increasing by 7.6 percent to €2,196.1 million (2024: €2,041.4 million). This was largely due to the non-recurring items from the efficiency program that are included in this item. Functional costs also reflected the generally higher level of personnel expenses resulting from increases in salaries and collectively agreed pay and from higher variable remuneration components.

The Group’s research and development (R&D) expenditure amounted to €259.4 million, which was roughly at the prior-year level (2024: €259.6 million). Total spending on R&D – i.e. R&D costs plus capitalized development costs – came to €382.9 million (2024: €392.8 million). This equates to 3.4 percent of revenue, which was unchanged year on year (2024: 3.4 percent).

Research and development (R&D)

in € million	2025	2024	Change
Research and development costs (P&L)	259.4	259.6	–0.1%
Capitalized development costs	123.5	133.2	–7.3%
Total R&D spending	**382.9**	**392.8**	**–2.5%**
R&D spending as percentage of revenue	3.4%	3.4%	–

The ‘other’ item shown in the > table ‘Condensed consolidated income statement’ amounted to income of €6.2 million (2024: expense of €14.7 million). This item comprises the share of profit (loss) of equity-accounted investments, which amounted to income of €11.0 million (2024: income of €15.4 million), and other income and expenses in the income statement. Unlike in 2024, the net effect of currency translation had a tangibly positive impact.

EBIT and EBITDA

In total, non-recurring items amounting to an expense of €201.1 million (2024: expense of €27.9 million) and effects from purchase price allocations amounting to an expense of €86.6 million (2024: expense of €111.5 million) were recognized in the Group’s EBIT.

The non-recurring items chiefly comprised the expenses of €168.8 million in connection with the measures under the efficiency program, which have now largely been completed. Among the other notable non-recurring items recognized in the reporting year were impairment losses of €12.3 million on capitalized development costs for product technologies that are no longer used in the Supply Chain Solutions segment and a deconsolidation loss totaling €12.2 million that arose on the disposal of a subsidiary. The higher purchase price allocation effects recognized in 2024 had included additional expenses in connection with the impairment recognized on the goodwill of the KION ITS Americas Operating Unit in an amount of €22.4 million.

The KION Group’s EBIT adjusted for non-recurring items and purchase price allocation effects (adjusted EBIT) decreased to €788.6 million (2024: €917.2 million) owing to the decline in earnings and profitability in the Industrial Trucks & Services segment. The adjusted EBIT margin fell from 8.0 percent in 2024 to 7.0 percent.

EBIT

in € million	2025	in % of revenue	2024	in % of revenue
EBIT	**500.9**	**4.4%**	**777.8**	**6.8%**
Adjustment by functional costs:				
+ Cost of sales	83.5	0.7%	30.0	0.3%
+ Selling expenses and administrative expenses	146.9	1.3%	60.1	0.5%
+ Research and development costs	11.3	0.1%	0.3	0.0%
+ Other costs	46.0	0.4%	49.0	0.4%
Adjusted EBIT	**788.6**	**7.0%**	**917.2**	**8.0%**
adjusted for non-recurring items	201.1	1.8%	27.9	0.2%
adjusted for PPA items	86.6	0.8%	111.5	1.0%

The Group’s earnings before interest, tax, depreciation, and amortization (EBITDA) decreased year on year to €1,700.6 million (2024: €1,917.0 million). Adjusted EBITDA was also down, falling to €1,867.5 million (2024: €1,945.0 million). The adjusted EBITDA margin therefore stood at 16.5 percent (2024: 16.9 percent).

EBITDA

in € million	2025	in % of revenue	2024	in % of revenue
EBITDA	**1,700.6**	**15.1%**	**1,917.0**	**16.7%**
Adjustment by functional costs:				
+ Cost of sales	46.7	0.4%	–9.3	–0.1%
+ Selling expenses and administrative expenses	97.1	0.9%	10.1	0.1%
+ Research and development costs	11.3	0.1%	0.1	0.0%
+ Other costs	11.8	0.1%	27.1	0.2%
Adjusted EBITDA	**1,867.5**	**16.5%**	**1,945.0**	**16.9%**
adjusted for non-recurring items	166.9	1.5%	28.0	0.2%
adjusted for PPA items	0.0	0.0%	0.0	0.0%

ROCE

Return on capital employed (ROCE) (see > table ‘Return on capital employed (ROCE)’), which is the ratio of adjusted EBIT to capital employed, fell year on year to 7.7 percent at the end of 2025 (December 31, 2024: 8.7 percent) as a result of the decline in earnings.

Return on capital employed (ROCE)

in € million	2025	2024
Adjusted EBIT	788.6	917.2
Average capital employed for the past five quarterly reporting dates[1]	10,250.0	10,484.9
ROCE	**7.7%**	**8.7%**

1 Capital employed comprises net working capital and the following line items on the statement of financial position: ‘goodwill’, ‘other intangible assets’, ‘leased assets’, ‘rental assets’, ‘other property, plant and equipment’, and ‘equity-accounted investments’ less ‘other provisions’ and ‘other liabilities’

Net financial expenses

Net financial expenses, representing the balance of financial income and financial expenses, amounted to €147.4 million in 2025 and thereby improved by €40.6 million year on year (2024: €188.0 million). Within this total, the interest expense on financial debt fell to €53.7 million (2024: €61.3 million) owing to the progressive reduction of net financial debt. Other significant changes included a marked improvement in net interest income/expense from the lease and short-term rental business to a net expense of €41.1 million (2024: net expense of €86.4 million). Net interest income of €5.5 million was realized on interest-rate derivatives used for hedging purposes in the lease business (2024: net interest income of €41.3 million), thereby having less of a positive impact on net financial expenses than in the previous year. Changes in the fair values of interest-rate derivatives and adjustments to the valuation of lease receivables designated as part of a fair value hedge made a small negative contribution of €1.6 million to net financial expenses (2024: negative contribution of €9.9 million). Net financial expenses were also weighed down by the income and expense resulting from currency translation, which amounted to a net expense of €3.1 million (2024: net expense of €12.7 million).

Income taxes

The Group’s income tax expenses declined significantly year on year to €113.0 million (2024: €220.5 million). In addition to the lower earnings before tax, this was primarily due to deferred tax income in connection with the annual reduction in the German corporate income tax rate that will start in 2028 (€38.0 million on a net basis). The Group’s tax rate fell accordingly to 32.0 percent (2024: 37.4 percent).

Net income and appropriation of profit

Net income amounted to €240.5 million in 2025 and was thus substantially lower than in the previous year (2024: €369.2 million) due to the adverse impact of high non-recurring items in the reporting period. The proportion of net income attributable to non-controlling interests stood at €10.4 million (2024: €8.9 million). The net income attributable to the shareholders of KION GROUP AG thus totaled €230.1 million (2024: €360.3 million). Both basic and diluted earnings per share attributable to the shareholders of KION GROUP AG came to €1.75 (2024: €2.75) based on 131.1 million no-par-value shares (2024: 131.1 million). As had also been the case in 2024, there were no dilutive effects in the reporting year.

The distributable profit of KION GROUP AG for the 2025 financial year came to €141.6 million (2024: €223.7 million). The Executive Board and Supervisory Board will propose to the Annual General Meeting in 2026 that an amount of €81.3 million be appropriated for the payment of a dividend of €0.62 per dividend-bearing share. This equates to a proposed dividend payout rate of around 35 percent of the net income attributable to the shareholders of KION GROUP AG.

Business situation and financial performance of the Industrial Trucks & Services segment

Business performance and level of orders

In 2025, the number of new trucks ordered in the Industrial Trucks & Services segment rose by 8.6 percent to 266 thousand. Order numbers in the core EMEA market were up sharply by 8.7 percent. The APAC region also recorded a tangible increase of 5.5 percent. In the Americas region, the number of new orders rose significantly by 25.0 percent compared with the weak level in the previous year.

The value of the segment’s order intake increased by 4.9 percent year on year to €8,146.9 million (2024: €7,765.8 million). The robust growth of new business in warehouse trucks continued. Furthermore, demand for counterbalance trucks recovered, with a marked rise in order intake compared with the weak level in 2024. The solid growth of the service business also helped to increase the segment’s order intake.

The order book of the Industrial Trucks & Services segment amounted to €2,023.9 million as at December 31, 2025 (December 31, 2024: €2,246.1 million).

Key figures – Industrial Trucks & Services

in € million	2025	2024	Change
Total revenue	8,272.5	8,608.8	–3.9%
EBITDA	1,520.6	1,817.7	–16.3%
Adjusted EBITDA	1,682.8	1,833.2	–8.2%
EBIT	533.4	879.6	–39.4%
Adjusted EBIT	721.8	917.5	–21.3%
Adjusted EBITDA margin	20.3%	21.3%	–
Adjusted EBIT margin	8.7%	10.7%	–
Order intake	8,146.9	7,765.8	4.9%
Order book[1]	2,023.9	2,246.1	–9.9%

1 Figures as at balance sheet date Dec. 31

Revenue

Total revenue in the Industrial Trucks & Services segment declined by 3.9 percent to €8,272.5 million in the year under review (2024: €8,608.8 million). The main reason for this was the reduction in unit sales in new business, which started the reporting year with a markedly smaller order book than at the start of 2024. The service business generated solid growth overall, notching up a year-on-year increase in revenue in all categories.

In the new business product category, revenue of €1,170.7 million (2024: €1,190.2 million) was earned from the direct and indirect lease business (finance leases). In the rental business product category, a sum of €666.4 million (2024: €619.1 million) was attributable to direct and indirect lease business (operating leases) and €556.6 million (2024: €571.2 million) to the short-term rental business. The proportion of the segment's revenue from external customers accounted for by the service business increased from 47.8 percent in 2024 to 50.9 percent in the year under review.

Further details concerning revenue generated from external customers in the Industrial Trucks & Services segment can be found in the > table 'Revenue from third parties by product category'.

Earnings

The adjusted EBIT of the Industrial Trucks & Services segment decreased to €721.8 million in 2025 (2024: €917.5 million). Consequently, the adjusted EBIT margin fell to 8.7 percent (2024: 10.7 percent). The deterioration in the segment's earnings and profitability was mainly driven by the year-on-year decline in new business resulting from both reduced volumes and – as a result of pricing and mix effects – narrower margins. Fixed costs went up for production, sales, and administration too, primarily as a result of general increases in personnel expenses and a higher level of depreciation and amortization on the back of capital expenditure.

After taking into account non-recurring items and purchase price allocation effects, the EBIT of the Industrial Trucks & Services segment stood at €533.4 million (2024: €879.6 million). The non-recurring items, which amounted to a total expense of €184.4 million (2024: expense of €14.1 million), predominantly consisted of the non-recurring expenses of €156.1 million incurred in the segment in connection with the efficiency program. Among the other non-recurring items was a deconsolidation loss totaling €12.2 million that arose on the disposal of a subsidiary in South Africa. The effects from purchase price allocations amounted to an expense of €4.0 million (2024: expense of €23.8 million); the higher prior-year figure had been due to the impairment recognized on the goodwill of the KION ITS Americas Operating Unit in an amount of €22.4 million.

Adjusted EBITDA came to €1,682.8 million in 2025 (2024: €1,833.2 million), giving an adjusted EBITDA margin of 20.3 percent (2024: 21.3 percent).

Business situation and financial performance of the Supply Chain Solutions segment

Business performance and level of orders

Order intake in the Supply Chain Solutions segment improved by a very substantial 39.5 percent to €3,598.8 million in the year under review (2024: €2,579.1 million). The improving market conditions allowed the project business (business solutions) to pick up markedly, having seen weak demand in the previous year. It therefore registered a jump in orders from multiple customer segments, in particular e-commerce players. The robust growth of the service business also boosted the segment's order intake. The modernization and extension work offered by the service business, together with maintenance and spare parts, enabled it to benefit from the larger installed base.

As at the end of 2025, the order book of the Supply Chain Solutions segment had increased to €2,688.4 million (December 31, 2024: €2,423.8 million).

Currency effects – primarily in relation to the weak US dollar – had an adverse impact on both order intake and the order book, reducing them by €146.2 million and €202.0 million respectively.

Key figures - Supply Chain Solutions

in € million	2025	2024	Change
Total revenue	3,071.4	2,943.2	4.4%
EBITDA	268.1	181.6	47.6%
Adjusted EBITDA	270.7	196.5	37.8%
EBIT	85.9	9.1	> 100.0%
Adjusted EBIT	183.2	112.9	62.3%
Adjusted EBITDA margin	8.8%	6.7%	–
Adjusted EBIT margin	6.0%	3.8%	–
Order intake	3,598.8	2,579.1	39.5%
Order book[1]	2,688.4	2,423.8	10.9%

1 Figures as at balance sheet date Dec. 31

Revenue

The total revenue of the Supply Chain Solutions segment went up by 4.4 percent to €3,071.4 million in 2025 (2024: €2,943.2 million). The project business (business solutions) achieved solid year-on-year revenue growth that was underpinned by the rebound of order intake, especially in the first half of 2025. Moreover, the service business maintained its good level of revenue growth. The proportion of the segment's revenue from external customers accounted for by the service business was on a par with the previous year at 41.0 percent (2024: 41.0 percent).

Further details concerning revenue generated from external customers in the Supply Chain Solutions segment can be found in the > table 'Revenue from third parties by product category'.

Earnings

The Supply Chain Solutions segment increased its adjusted EBIT significantly to €183.2 million in the year under review (2024: €112.9 million). As a result, the adjusted EBIT margin swelled to 6.0 percent (2024: 3.8 percent). Both the steady growth of the high-margin service business and the higher level of gross profit from the project business (business solutions) contributed to the segment's improved profitability.

After taking into account non-recurring items amounting to an expense of €14.7 million (2024: expense of €16.1 million) and purchase price allocation effects amounting to an expense of €82.5 million (2024: expense of €87.7 million), the EBIT of the Supply Chain Solutions segment rose to €85.9 million (2024: €9.1 million). The non-recurring items recognized in the reporting year predominantly consisted of impairment losses of €12.3 million on capitalized development costs for product technologies that are no longer used.

Adjusted EBITDA increased to €270.7 million (2024: €196.5 million). The adjusted EBITDA margin stood at 8.8 percent (2024: 6.7 percent).

Business situation and financial performance of Corporate Services

Business performance

Corporate Services comprises holding companies and other service companies that provide services such as IT and general administration across all segments.

Revenue and earnings

The total revenue reported for Corporate Services in 2025 was €295.5 million (2024: €296.6 million) and, as in previous years, mainly resulted from internal IT and general administrative services.

The adjusted EBIT for Corporate Services fell markedly to €352.2 million (2024: €611.5 million). This decrease was mainly attributable to the intragroup income from equity investments, which was lower than in 2024 in line with the general deterioration in financial performance. Excluding internal income from equity investments, adjusted EBIT amounted to minus €115.2 million (2024: minus €111.3 million). The moderate year-on-year deterioration can primarily be explained by increased personnel expenses, including variable remuneration components.

Adjusted EBITDA stood at €382.6 million (2024: €640.1 million) or minus €84.9 million (2024: minus €82.7 million) if intra-group income from equity investments is excluded.

Key figures – Corporate Services

in € million	2025	2024	Change
Total revenue	295.5	296.6	–0.3%
EBITDA	380.5	642.5	–40.8%
Adjusted EBITDA	382.6	640.1	–40.2%
EBIT	350.2	613.9	–43.0%
Adjusted EBIT	352.2	611.5	–42.4%
Order intake	295.5	296.6	–0.3%

Net assets

The assets recognized in the condensed consolidated statement of financial position, broken down into non-current and current assets, were as follows as at December 31, 2025:

Condensed consolidated statement of financial position - Assets

in € million	Dec. 31, 2025	in %	Dec. 31, 2024	in %	Change
Non-current assets	**13,214.1**	**72.2%**	**13,236.4**	**70.4%**	**–0.2%**
thereof:					
Goodwill	3,450.9	18.9%	3,648.2	19.4%	–5.4%
Other intangible assets	2,022.4	11.1%	2,166.7	11.5%	–6.7%
Leased assets	1,726.4	9.4%	1,631.5	8.7%	5.8%
Rental assets	803.1	4.4%	805.2	4.3%	–0.3%
Other property, plant and equipment	2,013.0	11.0%	1,986.1	10.6%	1.4%
Lease receivables	2,349.0	12.8%	2,088.9	11.1%	12.5%
Current assets	**5,080.8**	**27.8%**	**5,569.0**	**29.6%**	**–8.8%**
thereof:					
Inventories	1,631.7	8.9%	1,748.6	9.3%	–6.7%
Lease receivables	787.1	4.3%	723.8	3.8%	8.7%
Contract assets	259.1	1.4%	278.1	1.5%	–6.8%
Trade receivables	1,528.3	8.4%	1,695.6	9.0%	–9.9%
Cash and cash equivalents	474.9	2.6%	787.0	4.2%	–39.7%
Total assets	**18,294.9**	**100.0%**	**18,805.4**	**100.0%**	**–2.7%**

Non-current assets

Non-current assets were more or less unchanged year on year at €13,214.1 million (December 31, 2024: €13,236.4 million). The carrying amount of intangible assets was €5,473.3 million (December 31, 2024: €5,814.9 million). The total carrying amount of the goodwill included in this figure declined to €3,450.9 million (December 31, 2024: €3,648.2 million) owing to exchange-rate movements. Overall, other property, plant and equipment rose slightly to €2,013.0 million (December 31, 2024: €1,986.1 million). Other property, plant and equipment included right-of-use assets related to procurement leases, which increased to €717.6 million as at the end of 2025 (December 31, 2024: €707.3 million). Of this figure, €551.6 million was attributable to land and buildings (December 31, 2024: €536.4 million) and €166.0 million to plant & machinery and office furniture & equipment (December 31, 2024: €170.9 million).

The carrying amount of the rental assets from the short-term rental business was €803.1 million as at December 31, 2025 and thus virtually unchanged on a year earlier (December 31, 2024: €805.2 million). Leased assets for direct and indirect leases that are classified as operating leases grew to €1,726.4 million for volume-related reasons (December 31, 2024: €1,631.5 million). Non-current lease receivables arising from leases with end customers that are classified as finance leases also increased, reaching €2,349.0 million (December 31, 2024: €2,088.9 million).

The amount of deferred tax assets recognized in the statement of financial position came to €440.9 million as at December 31, 2025 (December 31, 2024: €489.3 million). They are recognized on temporary differences and on tax refund claims that arise in subsequent years from the expected utilization of tax loss carryforwards and interest carryforwards and from tax credits.

Current assets

Current assets decreased to a total of €5,080.8 million as at the end of 2025 (December 31, 2024: €5,569.0 million).

This decrease was largely driven by the fall in cash and cash equivalents to €474.9 million (December 31, 2024: €787.0 million). The cash and cash equivalents were used to reduce financial debt in view of the good level of liquidity over the course of the year.

Moreover, inventories contracted to €1,631.7 million as at December 31, 2025 (December 31, 2024: €1,748.6 million) as a result of the substantial reduction in stock levels during the fourth quarter. Trade receivables fell to €1,528.3 million due to reporting date-related effects (December 31, 2024: €1,695.6 million). Contract assets, which mainly related to project business in the Supply Chain Solutions segment, declined to €259.1 million at the end of the year (December 31, 2024: €278.1 million).

Thanks to rigorous management of working capital, the KION Group’s net working capital was down significantly at €1,508.5 million as at the end of 2025 (December 31, 2024: €1,783.2 million).

Net working capital

in € million	Dec. 31, 2025	Dec. 31, 2024	Change
Inventories	1,631.7	1,748.6	–6.7%
Trade receivables	1,528.3	1,695.6	–9.9%
Contract assets	259.1	278.1	–6.8%
Trade payables	–1,255.4	–1,160.4	–8.2%
Contract liabilities	–655.3	–778.6	15.8%
Net working capital	**1,508.5**	**1,783.2**	**–15.4%**

Current lease receivables from end customers increased from €723.8 million as at December 31, 2024 to €787.1 million as at December 31, 2025 for volume-related reasons.

Financial position

Principles and objectives of financial management

The KION Group pursues a sound financial policy of maintaining a strong credit profile with reliable access to capital markets. By pursuing an appropriate financial management strategy, the KION Group makes sufficient cash and cash equivalents available at all times to meet the Group companies' operational and strategic funding requirements. As part of its financial management activities, the KION Group aims to optimize the funding structure and conditions. In addition, the KION Group manages its financial relationships with customers and suppliers and mitigates the financial risk to its enterprise value and profitability, notably currency risk, interest-rate risk, price risk, counterparty risk, and country risk. In this way, the KION Group creates a stable funding position for profitable growth.

Within the Group, KION GROUP AG manages intercompany cash pooling centrally. KION GROUP AG pools the liquidity of the Group companies and covers their funding requirements. The vast majority of the Group companies participate in KION GROUP AG's groupwide cash pool. This funding enables the KION Group to present a united front in the capital markets and strengthens its hand in negotiations with banks and other market participants. The Group occasionally arranges additional local credit lines for some Group companies with banks or leasing companies in order to comply with legal, tax, and other regulations.

The KION Group is a publicly listed corporate group and therefore ensures that its financial management takes into account the interests of shareholders, the banks providing its funding, and other lenders. For the sake of all stakeholders, the KION Group makes sure that it maintains an appropriate ratio of internal funding to borrowing. The KION Group's borrowing currently has a maturity structure extending until 2030.

Depending on requirements and the market situation, the KION Group also avails itself of the funding facilities offered by the capital markets. The KION Group therefore seeks to implement proactive risk management by rigorously pursuing its corporate strategy and to maintain an investment-grade credit rating in the capital and funding markets by ensuring a solid funding structure.

With regard to the KION Group's credit ratings, Fitch Ratings confirmed the long-term issuer default rating of BBB with a stable outlook and a short-term issuer default rating of F2. Standard & Poor's lowered its rating by one notch to BB+ with a stable outlook in June 2025.

KION GROUP AG generally issues guarantees to the banks for Group companies' existing payment obligations.

The KION Group maintains a liquidity reserve in the form of cash and a revolving credit facility in order to ensure long-term financial flexibility and solvency.

In addition, the KION Group uses derivatives to hedge currency risk. Interest-rate swaps are entered into in order to hedge interest-rate risk.

The revolving credit facility and a number of promissory notes taken out by KION GROUP AG stipulate adherence to covenants. The agreed financial covenant involves ongoing testing of adherence to a maximum level of leverage (defined as the ratio of 'industrial net operating debt' to adjusted EBITDA). As at December 31, 2025, the actual level of leverage was well below the limit of the financial covenant.

Exceeding the agreed maximum level of leverage gives lenders a right of termination.

The contractually agreed interest terms for the revolving credit facility are linked not only to KION GROUP AG's credit rating but also to compliance with the Group's sustainability KPIs. The interest terms for a promissory note issued in October 2023 are also linked to the achievement of ESG targets.

Main corporate actions in the reporting period

In September 2025, KION GROUP AG repaid a corporate bond of €500.0 million – the first that it had issued under the EMTN program – upon maturity.

Analysis of capital structure

The equity and liabilities recognized in the condensed consolidated statement of financial position, broken down into equity, non-current liabilities, and current liabilities, were as follows as at December 31, 2025:

Condensed consolidated statement of financial position – Equity and liabilities

in € million	Dec. 31, 2025	in %	Dec. 31, 2024	in %	Change
Equity	**6,123.0**	**33.5%**	**6,207.1**	**33.0%**	**–1.4%**
Non-current liabilities	**7,065.2**	**38.6%**	**7,088.1**	**37.7%**	**–0.3%**
thereof:					
Retirement benefit obligation and similar obligations	604.3	3.3%	747.5	4.0%	–19.2%
Financial liabilities	903.8	4.9%	1,002.0	5.3%	–9.8%
Liabilities from lease business	3,486.9	19.1%	3,225.3	17.2%	8.1%
Liabilities from short-term rental business	565.8	3.1%	585.5	3.1%	–3.4%
Other provisions	275.0	1.5%	213.1	1.1%	29.0%
Current liabilities	**5,106.8**	**27.9%**	**5,510.2**	**29.3%**	**–7.3%**
thereof:					
Financial liabilities	155.1	0.8%	698.3	3.7%	–77.8%
Liabilities from lease business	1,341.7	7.3%	1,182.2	6.3%	13.5%
Liabilities from short-term rental business	244.4	1.3%	228.7	1.2%	6.9%
Contract liabilities	655.3	3.6%	778.6	4.1%	–15.8%
Trade payables	1,255.4	6.9%	1,160.4	6.2%	8.2%
Other provisions	335.5	1.8%	269.4	1.4%	24.5%
Total equity and liabilities	**18,294.9**	**100.0%**	**18,805.4**	**100.0%**	**–2.7%**

Non-current and current liabilities fell to €12,171.9 million as at the end of 2025 (December 31, 2024: €12,598.3 million). This change was mainly due to the repayment of financial liabilities. Non-current liabilities included deferred tax liabilities of €388.0 million (December 31, 2024: €446.7 million).

Financial debt

Non-current and current financial liabilities declined to a total of €1,058.9 million as at December 31, 2025 (December 31, 2024: €1,700.3 million). The decrease in non-current financial liabilities to €903.8 million (December 31, 2024: €1,002.0 million) predominantly resulted from liabilities being reclassified as current in view of their maturity dates; this primarily affected two tranches of promissory notes. The carrying amount of the non-current promissory notes stood at €376.9 million at the end of 2025 (December 31, 2024: €449.1 million). Non-current financial liabilities also included the second corporate bond under the EMTN program, which was issued in November 2024 and had a carrying amount of €496.8 million as at the reporting date

(December 31, 2024: €496.0 million), and liabilities to banks of €29.3 million (December 31, 2024: €56.7 million).

Current financial liabilities decreased to €155.1 million as at December 31, 2025 (December 31, 2024: €698.3 million), mainly due to the repayment of the corporate bond of €500.0 million that matured in September 2025. Also during the reporting year, promissory notes in a total amount of €127.5 million were repaid, in some cases ahead of the maturity date; the carrying amount of the current promissory notes was €25.0 million as at the reporting date (December 31, 2024: €79.5 million). Current liabilities to banks amounted to €88.7 million, which was virtually unchanged year on year (December 31, 2024: €90.2 million). The syndicated revolving credit facility (RCF) was undrawn as at the reporting date, as had also been the case a year earlier.

Net financial debt (non-current and current financial liabilities less cash and cash equivalents) had been reduced to €584.0 million by the end of 2025 (December 31, 2024: €913.2 million). This equated to 0.3 times adjusted EBITDA on an annualized basis (December 31, 2024: 0.5 times). To reconcile the net financial debt with the industrial net operating debt (INOD) of €2,158.3 million as at December 31, 2025 (December 31, 2024: €2,497.5 million), the liabilities from the short-term rental business of €810.2 million (December 31, 2024: €814.1 million) and the liabilities from procurement leases of €764.1 million (December 31, 2024: €770.1 million) are added to net financial debt. Leverage on industrial net operating debt (INOD) stood at 1.2 times adjusted EBITDA on an annualized basis (December 31, 2024: 1.3 times).

Industrial net debt

in € million	Dec. 31, 2025	Dec. 31, 2024	Change
Promissory notes	401.9	528.5	–24.0%
Bonds	496.8	995.2	–50.1%
Liabilities to banks	118.0	146.9	–19.7%
Other financial debt	42.2	29.6	42.5%
Financial debt	**1,058.9**	**1,700.3**	**–37.7%**
Less cash and cash equivalents	–474.9	–787.0	39.7%
Net financial debt	**584.0**	**913.2**	**–36.0%**
Liabilities from short-term rental business	810.2	814.1	–0.5%
Liabilities from procurement leases	764.1	770.1	–0.8%
Industrial net operating debt (INOD)	**2,158.3**	**2,497.5**	**–13.6%**
Net defined benefit obligation	527.5	666.9	–20.9%
Industrial net debt (IND)	**2,685.8**	**3,164.4**	**–15.1%**
Adjusted EBITDA[1]	1,867.5	1,945.0	–4.0%
Leverage on net financial debt	0.3	0.5	–
Leverage on INOD	1.2	1.3	–
Leverage on IND	1.4	1.6	–

1 Adjusted for PPA items and non-recurring items

Retirement benefit obligation and similar obligations

The KION Group maintains pension plans in many countries. These plans comply with legal requirements applicable to standard local practice and thus the situation in the country in question. The plans comprise defined benefit pension plans, defined contribution pension plans, and plans covering multiple Group companies. The retirement benefit obligation and similar obligations under defined benefit pension plans fell to a total of €604.3 million as at December 31, 2025 (December 31, 2024: €747.5 million), largely due to the overall increase in discount rates. The net obligation under defined benefit pension plans, defined as the present value of the associated obligations after deduction of plan assets, came to €527.5 million (December 31, 2024: €666.9 million). Changes in estimates relating to defined benefit pension entitlements resulted in an increase in equity of €71.2 million (after deferred taxes).

Contributions to pension plans that are entirely or partly funded via funds are paid in as necessary to ensure sufficient assets are available and to be able to make future pension payments to pension plan participants. These contributions are determined by factors such as the funded status, legal and tax considerations, and local practice. Payments totaling €87.6 million (2024: €84.5 million) were made in 2025 for the main pension entitlements in the KION Group. They mostly comprised pension benefits of €29.8 million (2024: €27.0 million) granted directly by the Company and employer contributions to plan assets amounting to €57.7 million (2024: €57.5 million). In 2024 and 2025, the employer contributions included special funding of €50.0 million in order to increase the funding ratio of the pension plans in Germany.

Liabilities from lease and short-term rental business

Non-current and current liabilities from the lease business increased to €4,828.6 million as at December 31, 2025 (December 31, 2024: €4,407.5 million). Of this total, €4,714.6 million was attributable to financing of the direct lease business (December 31, 2024: €4,280.5 million) and €114.0 million to the repurchase obligations resulting from the indirect lease business (December 31, 2024: €127.0 million).

Non-current and current liabilities from the short-term rental business totaled €810.2 million (December 31, 2024: €814.1 million).

Other provisions

Non-current and current other provisions rose to €610.5 million as at December 31, 2025 (December 31, 2024: €482.6 million). This rise was predominantly attributable to provisions for personnel of €282.3 million, which rose significantly year on year as a result of the measurement of share-based remuneration and the measures under the efficiency program (December 31, 2024: €152.1 million). Other provisions also included provisions for product warranties of €158.9 million (December 31, 2024: €169.9 million), for onerous contracts – particularly in connection with the project business in the Supply Chain Solutions segment – of €60.3 million (December 31, 2024: €68.3 million), and for other obligations of €109.1 million (December 31, 2024: €92.3 million).

Other financial liabilities

Non-current and current other financial liabilities came to €907.0 million as at December 31, 2025 (December 31, 2024: €977.0 million). This item predominantly included liabilities from procurement leases amounting to €764.1 million (December 31, 2024: €770.1 million), for which right-of-use assets were recognized.

Contract liabilities

Contract liabilities, which mainly relate to prepayments received from customers in connection with the long-term project business in the Supply Chain Solutions segment, declined to €655.3 million as at December 31, 2025 (December 31, 2024: €778.6 million).

Equity

Consolidated equity went down by €84.1 million to €6,123.0 million as at December 31, 2025 (December 31, 2024: €6,207.1 million). The net income for the reporting year of €240.5 million and the actuarial gains and losses arising from the measurement of pensions, which amounted to a net gain of €71.2 million (after deferred taxes), had a positive impact on equity. However, there was a negative impact from currency translation losses of €306.2 million, which were recognized in other comprehensive income. Moreover, the dividend paid by KION GROUP AG in June 2025 reduced equity by €107.5 million. The equity ratio of 33.5 percent was above the level as at the end of 2024 of 33.0 percent owing to the decrease in total assets.

Analysis of capital expenditure

The KION Group’s capital expenditure on property, plant and equipment and on intangible assets in the reporting year (excluding right-of-use assets from procurement leases) gave rise to cash payments of €395.7 million (2024: €462.9 million). The year-on-year decrease was due to the incremental completion of strategic investment projects, such as the KION Regional Distribution Center Europe in Kahl am Main, which went into operation in mid-2025. This highly automated spare parts distribution center is designed to facilitate the even faster and more reliable supply of spare parts to customers of both operating segments in central Europe. Capital expenditure in the Industrial Trucks & Services segment also focused on product development and the expansion and modernization of production and technology facilities. In the Supply Chain Solutions segment, capital expenditure predominantly related to the development of automation solutions.

Purchase commitments for capital expenditure on non-current assets amounted to €41.8 million as at the reporting date (December 31, 2024: €36.6 million).

Analysis of liquidity

Liquidity management is an important aspect of central financial management in the KION Group. The sources of liquidity are cash and cash equivalents, net cash provided by operating activities, and amounts available under credit facilities. Centralized cash pooling enables liquidity to be managed in such a way that sufficient cash and cash equivalents are always available to the Group companies.

Holdings of cash and cash equivalents decreased to €474.9 million as at December 31, 2025 (December 31, 2024: €787.0 million), of which €474.2 million was available without restriction (December 31, 2024: €786.5 million).

Taking into account the credit facility of €1,385.7 million that was still freely available and was undrawn as at the reporting date (December 31, 2024: €1,385.7 million), the unrestricted cash and cash equivalents available to the KION Group as at the end of 2025 amounted to €1,859.9 million (December 31, 2024: €2,172.2 million).

In 2025, the KION Group's cash flow from operating activities amounted to a net cash inflow of €1,131.8 million (2024: €1,170.6 million). This improvement was thanks to the operating profit achieved and, in particular, the substantial reduction of net working capital. It was partly offset by various factors, such as lower payments for income taxes compared with 2024 and the payments in respect of defined benefit obligations, which – as had been the case a year earlier – included special funding. However, a material proportion of the expenses recognized in the reporting period for implementation of the efficiency program did not yet have an impact on cash flow.

There was a decrease in net cash used for investing activities to minus €422.3 million in 2025 (2024: minus €468.6 million). Within this total, cash payments in respect of capital expenditure on property, plant and equipment and on intangible assets (excluding right-of-use assets from procurement leases) came to minus €395.7 million (2024: minus €462.9 million), of which €123.5 million was attributable to capitalized development costs (2024: €133.2 million) and €272.2 million to other non-current assets (2024: €329.7 million). The cash paid for acquisitions in the reporting year, which totaled minus €34.6 million (2024: minus €36.7 million), mainly related to the expansion of the international sales network in the Industrial Trucks & Services segment as well as to subsequent purchase price payments for prior-year acquisitions.

The Group's free cash flow – the sum of cash flows from operating activities and investing activities – was once again at a high level in 2025 and increased slightly year on year to €709.5 million (2024: €702.0 million).

Net cash used for financing activities rose to minus €1,011.8 million in 2025 (2024: minus €224.7 million). This was because the good level of liquidity over the course of the year was used to reduce net financial debt. This item also notably included larger payments made for interest portions and principal portions under procurement leases, which totaled minus €217.6 million (2024: minus €175.0 million), and slightly lower interest payments of minus €63.5 million (2024: minus €69.1 million). The distribution of a dividend to the shareholders of KION GROUP AG resulted in an outflow of funds of minus €107.5 million (2024: minus €91.8 million).

Condensed consolidated statement of cash flows

in € million	2025	2024	Change
EBIT	**500.9**	**777.8**	**–35.6%**
+ Amortization/depreciation[1] on non-current assets (without lease and rental assets)	588.5	546.3	7.7%
+ Net changes from lease business (including depreciation[1] and release of deferred income)	–63.4	–76.4	17.1%
+ Net changes from short-term rental business (including depreciation[1])	–0.6	47.4	< –100.0%
+ Changes in net working capital	257.8	243.0	6.0%
+ Taxes paid	–250.5	–302.9	17.3%
+ Changes in other provisions	146.0	19.3	> 100.0%
+ Other	–46.9	–83.9	44.1%
= Cash flow from operating activities	**1,131.8**	**1,170.6**	**–3.3%**
+ Cash flow from investing activities	–422.3	–468.6	9.9%
thereof cash payments for capitalized development costs	–123.5	–133.2	7.3%
thereof cash payments for purchase of other non-current assets	–272.2	–329.7	17.4%
thereof from acquisitions	–34.6	–36.7	5.8%
thereof from sale of subsidiaries/other businesses	–	10.3	–100.0%
thereof from other investing activities	8.0	20.8	–61.6%
= Free cash flow	**709.5**	**702.0**	**1.1%**
+ Cash flow from financing activities	–1,011.8	–224.7	< –100.0%
+ Effect of exchange rate changes on cash	–9.8	–2.1	< –100.0%
= Change in cash and cash equivalents	**–312.1**	**475.2**	**< –100.0%**

1 Including impairment and reversals of impairment

Employees

HR strategy*

The KION Group continued to forge ahead with implementing its HR strategy in 2025 to ensure that it provides sustained support for the ‘Playing to Win’ strategy. Major milestones were reached that strengthen the strategic focus of HR.

Significant progress was made with the global implementation of the IT tool for operational workforce planning, which introduces standardized processes to be followed across the Group.

The KION Group also strengthened its employer brand with the global ‘Push it forward’ campaign, sending a clear signal for innovation, collaboration, and focus on the future. The campaign underlines the KION Group’s appeal as an employer and should help to recruit and retain highly talented employees.

Further strategic HR initiatives relating to the deployment of employees on assignment and to people development were continued, comprising a targeted blend of global and business unit-specific education and development programs aimed at ensuring the long-term implementation of the HR strategy. These initiatives help to embed the shared KION Group values – integrity, collaboration, courage, and excellence – in all processes. The continuous improvement of HR instruments and programs will remain a priority in the year ahead as they will help to maintain employees’ capabilities and keep them motivated, which is a key factor in successfully implementing the corporate strategy.

Competitive wages and salaries*

The KION Group pays remuneration that reflects performance, is in line with market levels and, as a rule, is oriented to the competitive situation in the relevant local market. Most of the employment contracts are based on the collective agreements that have been entered into with labor unions or other employee representative bodies and take account of country-specific aspects. In each country in which the KION Group operates, pay must, as a minimum, meet the statutory minimum wage requirements applicable in that country.

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Headcount

The average number of employees (full-time equivalents (FTEs)), including trainees and apprentices, in the KION Group was 42,332 in 2025 (2024: 42,439).

ESRS 1.119 (a) As at December 31, 2025, the KION Group companies employed 42,175 FTEs, 544 fewer than a year earlier. ESRS S1.50 (f)

Employees (full-time equivalents)[1]

Dec. 31, 2025	Industrial Trucks & Services	Supply Chain Solutions	Corporate Services	Total
EMEA	23,418	3,467	1,362	**28,247**
Americas	1,049	5,318	–	**6,367**
APAC	6,096	1,465	–	**7,561**
Total	**30,563**	**10,250**	**1,362**	**42,175**
Dec. 31, 2024				
EMEA	24,551	3,424	1,485	**29,460**
Americas	1,064	4,928	–	**5,992**
APAC	5,792	1,475	–	**7,267**
Total	**31,407**	**9,827**	**1,485**	**42,719**

1 Number of employees (full-time equivalents; incl. apprentices; excl. inactive employees) as at balance sheet date; allocation according to the contractual relationship

Personnel expenses rose by 6.0 percent year on year to €3,513.4 million due to general salary increases and the costs for the LEO (Lean Enterprise Organization) efficiency program.

Personnel expenses

in € million	2025	2024	Change
Wages and salaries	2,791.8	2,642.0	5.7%
Social security contributions	647.0	595.5	8.6%
Post-employment benefit costs and other benefits	74.7	77.0	–3.0%
Total	**3,513.4**	**3,314.4**	**6.0%**

Diversity and inclusion*

The KION Group, which has a direct presence in around 40 countries, sees itself as a global company.

In addition to equal opportunities and the fair treatment of all employees, the KION Group believes that diversity involves respect for different perspectives and different ways of thinking. It attaches particular importance to upholding its values and fostering constructive collaboration. At the end of 2025, employees of more than 110 nationalities were contributing their range of skills and expertise to the KION Group.

One of the KION Group's priorities when assigning people to cross-regional projects and continuing professional development (CPD) programs is selecting a cross-section of nationalities. Examples of such programs are the finance function's talent management program, the KION Management Trainee Program, the KION Leadership Horizons Program (KLHP; formerly the KION Transition to Management Program (KTMP)), and the KION Global Executive Program. Collaboration between employees in different countries is enhanced by international assignments and by the many multinational teams who work together on a daily basis across regions. The KION Group is taking various steps to tackle the challenges of demographic change that go beyond measures to recruit and develop talent. In addition, the company promotes health-oriented and ergonomic working conditions to sustainably support the workforce's performance and expertise. As at December 31, 2025, 25.6 percent of employees were over the age of 50 (December 31, 2024: 25.3 percent).

The KION Group promotes a culture of diversity, inclusion, and equity that puts people and their mental health first. It is committed to treating all employees with equal respect, regardless of personal characteristics such as gender, color, ethnic or social origin, age, or religious beliefs. These principles are laid down in the KION Group's minimum employment standards and apply worldwide at all Group sites. Further information can be found in the 'Group sustainability report'.

The companies in the KION Group strive to offer employees with disabilities the best possible working conditions. They support reintegration into work and enable people with physical disabilities to remain in employment. The KION Group recruits, employs, and promotes people solely on the basis of the skills and qualifications required for the particular role. This approach helps to avoid discrimination when deciding on such matters. A Diversity & Inclusion Council (D&I Council) ensures that the Company is focused on the various aspects of diversity, equity, and inclusion. Its members are drawn from the ranks of international managers and representatives from all employee resource groups (ERGs) and allyships/networks, such as BOLD – Black Organization Leadership Development and the Parents@KION network. The D&I Council met several times in 2025, drew up action plans, oversaw their operational implementation, and monitored their success. In June, for example, the council again organized and held a groupwide diversity and inclusion awareness month. The aim was to boost awareness of diversity, equity, and inclusion and to ensure that mutual respect is embedded as a core aspect of this. Workshops, virtual training sessions, keynote talks, and other events addressed topics such as how awareness enables firm action to be taken, how bias can be converted into inclusion, and how genuine connections can be fostered in order to establish a deep-rooted sense of belonging. Separately from the diversity awareness month, employees also had the chance in 2025 to participate in interesting workshops, for example a workshop held to mark International Women's Day entitled 'Teamwork and collaboration: understanding the influence of bias'. In addition, training initiatives were offered through learning platforms, for example a diversity and inclusion learning month. There are also e-learning courses such as 'Recognizing unconscious bias' and training materials for the 'Talent and performance' process that are aimed at avoiding bias. Efforts to promote diversity, equity, and inclusion (DEI) also

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encompass the design of internal communications on internal platforms and in the employee magazine and the external communications strategy pursued on the corporate website. New initiatives were launched in the form of allyships/networks and ERGs. The Diversity & Inclusion (D&I) champions represent another initiative in which interested employees act as multipliers for D&I efforts within the organization. The proportion of the KION Group's total workforce made up of women (calculated in accordance with ESRS) remained unchanged at 18.9 percent as at December 31, 2025 (December 31, 2024: 18.9 percent). To help to increase the proportion of management positions occupied by women, the Executive Board of KION GROUP AG has set targets – in accordance with statutory requirements – that are published in the 'corporate governance statement'. Further information on the advancement of diversity in the KION Group can be found in the section 'Action to increase diversity, especially the proportion of women' in the 'corporate governance statement'.

Development of specialist workers and executives*

People development measures are generally available to the entire KION Group workforce at all organizational levels. The KION Group is committed to introducing new programs targeted at specific groups on an ongoing basis and to offering its employees interesting career opportunities that are compatible with flexible and family-friendly working-time models. The Group companies also collaborate closely on areas such as talent management and training & development programs. This helps to systematically identify and support staff across the Group who have potential, who are high performers, or who are experts in key functions.

A key role is played by the KION Group's well established, globally standardized, and comprehensive Organization Capability Talent Review (OCTR). The process involves identifying and providing targeted development to high-potential candidates as well as holding regular appraisal meetings between employees and their managers. These meetings promote a culture of ongoing feedback, enable a fair and clearly documented assessment of performance, and help to determine each employee's individual development needs.

The KION Learning Academy, a strategic HR initiative, provides training opportunities for all KION Group employees worldwide. The current training portfolio was defined on the basis of a global analysis of learning requirements across the Group. The use of LinkedIn Learning allows the KION Group to offer all employees high-quality digital learning materials on a wide variety of technical, business, and creative topics that have been produced by industry experts. This has become an integral element of both subject-specific and interdisciplinary CPD. Another focus of the KION Learning Academy is the training available for both up-and-coming and experienced managers. A further example of a KION groupwide people development program is the KION China Exchange Program, which promotes dialogue on intercultural, business, and specialist subjects and is open to selected high-potential employees in a range of departments. The KION ITS EMEA and KION SCS Operating Units also have academies that run subject-specific and interdisciplinary training courses to add to and develop employees' skills, particularly in sales and service. Other CPD and development programs are geared to regional and local requirements. The Workday learning platform is used to roll out strategically important training courses worldwide and enable employees to find out what training is available.

People development, an important topic for the KION Group, includes not only general training and development programs but also individual talent management. The Group's programs are coordinated by the central HR function in order to maintain uniform quality standards and a consistent approach throughout the KION Group. The 'winning behaviors' set out in the 'Playing to

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Win' strategy form the basis for the content and diagnostic measures in the talent programs and, in particular, are incorporated as the key element of programs that focus on leadership capabilities. For example, the KION Global Executive Program (KGEP), which is run in cooperation with the renowned INSEAD business school, is aimed at jointly strengthening global leadership capabilities and coaching skills in order to improve performance. In the KION Leadership Horizons Program, selected employees whom the KION Group has identified as having significant potential for a position at executive level are systematically prepared for the role. Under the 18-month global KION Management Trainee Program, participants take part in a total of four modules in which they learn about target functions, key interfaces, and partners. Assignments at international KION Group sites are also part of the program.

Training and apprenticeships*

Training that incorporates on-the-job work placements is available to people interested in becoming a trainee or apprentice in a variety of professions in the Group companies. In Germany, KION Group companies currently offer apprenticeships for 25 professions. Besides providing dual vocational training schemes, KION Group companies partner with various universities to offer work placements for students combining vocational training with a degree course. The total number of trainees and apprentices worldwide was 822 as at December 31, 2025 (December 31, 2024: 851).

Employee commitment*

All KION companies aim to ensure a high level of employee commitment, and so a fifth global employee survey was conducted in 2025. This survey was designed to collect input from all employees worldwide, strengthen employees' commitment and motivation, further embed the corporate culture, and thereby support the sustainable growth of the business. Further information on the employee survey can be found in the 'Group sustainability report'.

Constructive labor relations should be a permanent feature of a corporate culture that promotes collaboration. KION GROUP AG has mechanisms in place – and not just those that are required by law – to allow employee representatives to directly address Group management and its representatives about matters that are of relevance for the workforce and that inform them of economic factors that are significant to the Company's most fundamental decisions.

Further information on the workforce and on matters such as occupational health & safety and health programs can be found in the 'Group sustainability report'.

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Group sustainability report

ESRS 2 – General information

Basis of sustainability reporting

General basis for the preparation of the sustainability report (BP-1)

The Group sustainability statement (‘Group sustainability report’) for 2025 was prepared in accordance with the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and in conjunction with sections 315b and 315c of the German Commercial Code (HGB) regarding consolidated non-financial statements. In accordance with section 315c (3) HGB, the non-financial Group statement was prepared using the European Sustainability Reporting Standards (ESRS) as a framework. The taxonomy reporting for 2025 takes account of the versions of Delegated Regulations (EU) 2021/2178, (EU) 2021/2139, and (EU) 2023/2486 that applied as at December 31, 2025. In accordance with the revised delegated act amending the Taxonomy Regulation ((EU) 2026/73) of January 8, 2026, the option of simplified reporting was not exercised for 2025.

KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, was commissioned to perform a voluntary limited assurance engagement on the Group sustainability statement.

As in 2024, and in preparation for the transposition of the CSRD into national law, the KION Group followed ESRS on a voluntary basis when preparing this sustainability statement. Based on the KION Group’s material topics, and in addition to the sector-agnostic standard ESRS 2 – General disclosures, the reportable aspects outlined in HGB have been covered as follows in the topic-specific ESRSs.

The transition of the individual HGB aspects to ESRS is presented in the following table:

Aspects pursuant to § 315c (1) HGB in conjunction with § 289c (2) HGB - Transition to the ESRS

Aspects under German Commercial Code (HGB)	ESRS topical standards
Description of the business model and Identification of material issues	ESRS 2 General disclosures
Environmental matters	E1 Climate change
	E2 Pollution
	E5 Resource use and circular economy
Employee matters	S1 Own workforce
Respect for human rights	S1 Own workforce
	S2 Workers in the value chain
Social matters	SBM-2 (reporting on '(local) communities')
Anti-corruption and bribery matters	G1 Business conduct

Definition of the basis of consolidation and information on the upstream and downstream value chain

In addition to KION GROUP AG, all material subsidiaries were included in the sustainability reporting that are controlled by KION GROUP AG and therefore contribute to the Group's business activities (see the basis of consolidation in the notes to the consolidated financial statements, note [4]; ESRS 1.123).

In addition to the entities consolidated for financial reporting purposes, the unconsolidated subsidiaries and equity investments were also evaluated with regard to their materiality for sustainability reporting. This assessment confirmed that the former are not material, based on the non-financial material thresholds defined for non-financial reporting of the Group. This review includes the required disclosures on greenhouse gas emissions (GHG emissions) of the value chain according to ESRS E1.44. The basis of consolidation for sustainability reporting is therefore in line with that for financial reporting.

For these disclosure requirements, no joint ventures, joint operations, or equity-accounted material equity investments were identified as part of the Group's value chain (ESRS 1.67) over which it had operational control (ESRS E1.50 (b)).

As part of the KION Group's double materiality analysis, the Group's entire value chain – i.e. its own operations plus the upstream and downstream value chain – was included in the evaluation of the impacts, risks, and opportunities (IROs). Policies, actions, metrics, and the value chain or its individual elements are highlighted accordingly in this sustainability report.

No information has been omitted on grounds of confidentiality or in order to protect intellectual property. Unless stated otherwise, the qualitative and quantitative disclosures in this sustainability report relate to the period of the KION Group's financial year from January 1 to December 31, 2025.

Disclosures in relation to specific circumstances (BP-2)

The KION Group has voluntarily applied ESRS, specified as the authoritative reporting standards by the CSRD, to prepare this sustainability report. In accordance with ESRS 1.110 and section 289b (1) and (3) and section 315b (1) and (3) HGB, this Group sustainability report has been integrated into the KION Group's combined management report and follows the applicable requirements of the CSR Directive Implementation Act (CSR-RUG).

Voluntary ESRS implementation brings with it the following changes to sustainability reporting defined by section 315 in conjunction with sections 289c to 289e HGB:

- A double materiality analysis carried out in accordance with ESRS for the purpose of identifying material IROs in the KION Group's own operations and in its upstream and downstream value chain
- New or expanded disclosure requirements, metrics, and other key performance indicators in line with ESRS requirements, including descriptions of the material IROs and policies, actions, metrics, and targets

The prior-year figures disclosed in this Group sustainability report underwent a voluntary review with limited assurance in 2024.

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements

The KION Group reports on requirements beyond ESRS by providing additional disclosures in its Group sustainability report that have been included based on other legislation or generally accepted sustainability reporting pronouncements. These disclosures, which are voluntary for the purposes of ESRS, are labeled as such in accordance with ESRS 1.114 (a).

Voluntary additional disclosures, including sources

References to websites do not form part of this Group sustainability report or the combined management report and are therefore not labeled as voluntary disclosures of sources. All other additional voluntary information and disclosures of sources have been clearly marked in the relevant text passages by the use of double chevrons (» … «).

Incorporation by reference

The KION Group uses the option to incorporate information by providing references to the group management report in conjunction with ESRS 1.119. These are listed in the > table ‘References to the general part of the combined management report’ below.

References to the general part of the management report (ESRS 1.119 (a))

Disclosure Requirement	Datapoint	Section in the Management Report (pages)
Description of the process for identifying and assessing the material impacts, risks and opportunities	ESRS 2.53 (c) ii.	Risk report (229 - 232)
Headcount	ESRS S1.50 (f)	Employees (98 - 98)

General information in the context of material non-financial metrics

Some amounts and metrics in the sustainability report are subject to a degree of estimation and measurement uncertainty. The reasons for this and the methodological basis are explained in the respective chapters. The following metrics are subject to a high degree of estimation and measurement uncertainty:

- GHG emissions in categories ‘3.1 Purchased goods and services’ and ‘3.11 Use of sold products’ (‘Metrics for greenhouse gas emissions’)
- Resource inflows (‘Resource inflows and outflows’)

In line with the voluntary application of ESRS, the KION Group generally applied the exemption provisions in 2025 too. Prior-year adjustments for possible material errors or changes to estimates for the metrics and other key performance indicators were applied in accordance with the KION Group’s materiality policy for determining changes to estimates. Potential corrections where there have been adjustments are labeled accordingly.

The metrics form part of the Group sustainability report, which in its entirety is subject to a separate limited assurance engagement by the independent auditor. No additional validation of the metrics was carried out by an external third party.

Strategy, business model, and value chain of the KION Group (SBM-1)

The KION Group is among the world's leading suppliers of industrial trucks and supply chain solutions. Across the Group, it employed 43,021 people from more than 110 countries as at December 31, 2025 (December 31, 2024: 43,297). The EMEA region and the key market of western Europe accounted for the largest share of the workforce with 67.4 percent (29,014 employees) at the end of the year (2024: 69.3 percent, 30,018 employees). The APAC region and the key market of China accounted for 17.7 percent (7,602 employees) (2024: 16.9 percent, 7,307 employees). The Americas region, including the key market of North America, accounted for 14.9 percent (6,405 employees) (2024: 13.8 percent, 5,972 employees).

Through its regional market presence, the KION Group has positioned itself in the global markets with the product portfolio of its established brands, its sales and service network, and its varied customer portfolio. The business is combined in the two operating segments Industrial Trucks & Services and Supply Chain Solutions, which complement each other thanks to their respective market position and regional presence. Corporate Services comprises holding companies and other service companies that provide services such as IT and general administration activities across all segments.

Its portfolio includes industrial trucks – such as forklift trucks and warehouse trucks – and related services, including complementary financial services. The portfolio also encompasses integrated automation technology and software solutions for the optimization of supply chains, including all related services. Across more than 100 countries worldwide, the KION Group sells logistics solutions that improve the flow of material and information within factories, warehouses, and distribution centers. The KION Group, whose shares are included in the MDAX, is the largest manufacturer of industrial trucks in the EMEA region. In China, it is the leading foreign manufacturer.

The ITS segment's business model and brands have been established in the regional markets EMEA, APAC, and the Americas for decades. The Linde and STILL brands serve the premium and higher value segments of the industrial truck market. Baoli focuses on industrial trucks in the lower value and economy segments. The regional industrial truck brand Fenwick is one of the leading suppliers of material handling products in France, while OM is among the leading vendors in the Indian market. The Industrial Trucks & Services segment has a diversified customer base. Customers range from large key accounts with global operations to small and medium-sized enterprises across all sectors.

The business model in the Supply Chain Solutions segment, which operates under the Dematic brand, focuses on concept development for, and the installation of, integrated technology and software solutions that are used to optimize supply chains. As a global leader in warehouse automation solutions, Dematic offers a comprehensive range of intelligent supply chain and automation solutions. With its production sites and regional teams of experts, Dematic is able to plan and deliver logistics solutions of varying complexity around the world. Key customer industries are general merchandise, grocery retail, apparel, and food and beverage. Customer groups include manufacturers, the food and beverage industry, parcel delivery services, and pure-play e-commerce companies.

Strategic sustainability management

Strategic sustainability management is a driver of innovation and growth in the 'Playing to Win' corporate strategy, which was launched in 2025 (see also 'Strategy of the KION Group'). The KION Group firmly believes that enshrining sustainability in the corporate strategy contributes to profitable growth, resilience, and customer focus. It also promotes the successful development of sustainable products and services, and reinforces a sense of responsibility for employees, the environment, and society. Building sustainability into the entire value chain starts with product design and encompasses the supply chain, the KION Group's own operations, logistics processes, and the lifecycle of the products, solutions, and services offered. By focusing on sustainability, the KION Group strives to offer its customers safe products that are manufactured in the most resource-efficient and energy-efficient way possible in a work environment that is safe and free from discrimination.

The global research and development activities, with their focus on intelligent, networked automation solutions, energy-efficient drive solutions, and software for optimizing energy management, play their part in achieving the groupwide sustainability targets. Through its business model and strategy, the KION Group pursues the goal of offering increasingly integrated, circular, and emission-free intralogistics solutions in order to contribute to emission reduction. This includes the manufacture of low-emission industrial trucks with alternative drives and the further development of robotic and automation solutions. The KION Group has officially committed to net zero by no later than 2050 and is guided by the international framework of the Science Based Targets initiative (SBTi). This requires responsible practices along the entire value chain.

In the Industrial Trucks & Services segment, the KION Group's own operations focus on a portfolio of electric trucks, including products powered by batteries and fuel cells. The proportion of industrial trucks ordered with an electric drive system amounted to 92.6 percent in the reporting period.

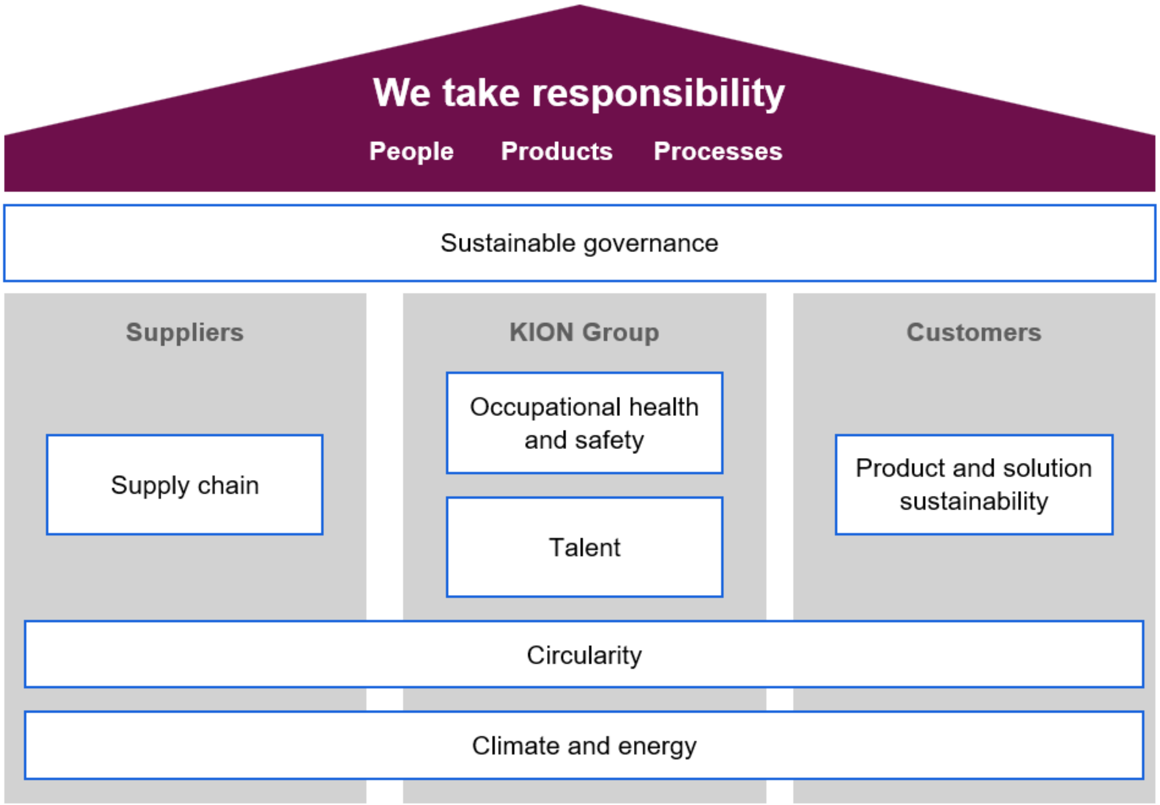
The KION Group's Hamburg facility has been manufacturing high-performance, 24-volt fuel cell systems for industrial trucks since 2023. Lithium-ion batteries have been made by KION Battery Systems GmbH (KBS) in Karlstein am Main since 2020. In November 2025, the opening of a new center of competence for energy at the Hamburg site saw the KION Group bring the first production line for custom lithium-ion batteries on stream, thereby further boosting its production capacity for energy-efficient energy systems at sites outside China. In addition to its used truck business, the KION Group also stepped up its efforts to reuse materials in line with the principles of the circular economy. It has had a strategic partnership with Li-Cycle Holdings Corp. in Magdeburg, Germany, for the recycling of lithium-ion batteries since 2023.

In the project business for automation solutions, the aim is to integrate innovative drive technologies into the standard product ranges in order to harness the use of electricity more efficiently and to help customers to reduce their energy consumption. Cloud-native software solutions (IT/OT-driven solutions) are also being increasingly deployed. The Supply Chain Solutions segment offers tailored solutions for numerous cloud environments and helps customers to reduce their environmental footprint through lower material consumption and improved energy efficiency.

The ability of the KION Group's two operating segments to mitigate risk in terms of supply capability, quality, costs, and sustainability along the supply chain is critical for the smooth running of the business. Substituting chemical substances that can be harmful to human health or the environment is one of the key principles by which the KION Group operates sustainably and responsibly. The KION Group is continuing to establish a stable supplier base in order to minimize disruptions to production and promote profitable growth. This is an integral element of the 'Playing to Win' corporate strategy, supporting growth and sustainability targets and helping to optimize the cost of materials. It should also encourage the circularity of supply chains and a range of sustainability-conscious products and solutions for customers in order to ensure profitability and competitiveness over the long term. Targeted supply chain management is therefore essential for ensuring the best possible traceability of materials along the value chain.

The KION Group's sustainability activities are managed strategically on a groupwide basis. At its heart, the sustainability strategy is built around the guiding principle of 'We take responsibility' with its three strategic dimensions of people, products, and processes. Within these dimensions, eight overlapping sustainability action fields were initially defined in which each strategic target has been enshrined. In 2025, it was decided to no longer continue the 'Production and solution safety' action field as a separate key area of the sustainability strategy, as safety aspects are enshrined in ongoing product development as part of the KION Group's business model. The sustainability strategy's seven action fields are listed in the overview below:

Sustainability strategy – The seven action fields of the KION Group sustainability strategy



Strategy targets and target achievement in 2025

The KION Group’s sustainability strategy was further refined in 2025. In the year under review, the focus in the seven action fields was on increasing energy efficiency, cutting GHG emissions in own operations, and bringing down the lost time injury frequency rate (LTIFR) further by steadily reducing work-related accidents. The almost complete switch to electricity from renewable sources over the course of 2025 will significantly increase the share of sustainable energy sources used by the KION Group. In addition to driving the electrification of production processes and the fleet of company cars and service vehicles, the switch to green electricity supports the ‘Climate and energy’ action field’s strategic goal of gradually increasing the share of renewable energy used in own operations.

Employee satisfaction is a recurring material indicator of good business conduct; accordingly, this metric is measured and assessed across the workforce every year as a strategic target in the ‘Talent’ action field.

There were no changes to the targets in the ‘Climate and energy’ and ‘Product and solution sustainability’ action fields compared with the previous year. The net zero target of continuously reducing GHG emissions in Scope 1, 2, and 3 by no later than 2050 remains unchanged. ››In line with the SBTi‹‹ and with reference to 2021 as the base year, the medium-term target to be achieved by 2030 was defined as an absolute reduction of 42 percent for Scope 1 and 2 and of 25 percent for Scope 3. The target for the proportion of electric industrial trucks ordered by customers in the ITS segment will continue to be pursued at a minimum of 92 percent until 2027. A continual increase in products with lifecycle assessments and Cradle to Cradle certification was also set as a target.

The ‘Product and solution safety’ action field will now be managed by the KION Group’s technology organization (CTO) as part of the Group’s technology strategy.

In the ‘Circularity’ action field, the specific target value for an increase in waste recycling in the Company’s own operations at a minimum of 85 percent by 2030 remains in place.

In the ‘Supply chain’ action field, the target value for the annual procurement volume by value in relation to direct tier 1 suppliers in category A with a low ESG risk in the reporting year, to be achieved by 2030, was increased to 80 percent of spending because there had been a significant increase.

In the ‘Sustainable governance’ action field, the KION Group as a whole was awarded the top Platinum rating by EcoVadis for the first time, ahead of its target of 2027. This placed the KION Group in the top 1 percent of companies rated by EcoVadis. It thus followed in the footsteps of its well-established brands Linde and STILL in the EMEA region. For other selected subsidiaries, at least the ‘Silver’ rating from the previous year was confirmed again; moreover, one company achieved the ‘Silver’ rating for the first time after previously receiving ‘Bronze’. The plan is for further subsidiaries to improve their rating by 2027. The KION Group continues to aim for an S&P Global Corporate Sustainability Assessment (CSA) rating of at least 70 points by 2027, having improved its rating to 69 points in 2025.

The long-standing targets for complete certification of all KION Group sites in accordance with ISO 45001 (occupational health and safety) in the ‘Occupational health and safety (OHS)’ action field and ISO 14001 (environmental management) in the ‘Climate and energy’ action field were already achieved. These targets will remain enshrined in the sustainability strategy to ensure high standards with regard to health, safety, and the environment in the Group. Furthermore, the KION Group aims to continuously reduce the Group’s lost time frequency rate by maintaining a high standard of health and safety and therefore closely manages progress with the aim of achieving an annual reduction in work-related accidents of at least five percent. In 2025, the annual target was achieved again, reaching 4.2 (2024: 4.4).

With the exception of the ‘Product and solution safety’ action field, all other objectives within the groupwide sustainability strategy continue to be pursued unchanged compared to the previous year (see ‘Interests and views of stakeholders’).

In the environmental field, further year-on-year improvements were achieved in GHG emissions and the share of renewable energies. The proportion of trucks sold with an electric drive increased again, reaching 92.6 percent at the end of 2025 (2024: 91.7 percent).

In the ‘Talent’ action field, the KION Pulse employee survey was conducted in October and November 2025 to assess employee satisfaction (engagement score). The very good level of employee satisfaction was reaffirmed by the score of 75 that was achieved (target of at least 75). External surveys showed that the participation rate across the workforce remained above the industry average at 81 percent.

In addition, further progress was made with the other medium- and long-term goals, or the prior-year status was confirmed once again successfully.

The following overview of the groupwide sustainability strategy includes a qualitative description of the short-, medium-, and long-term sustainability targets, of the quantitative metrics, and of their status at the end of 2025 compared with the end of 2024.

Sustainability strategy - Key targets and status of the KION Group sustainability strategy

Dimension	Action field	Targets and indicators	Target year	Status 2025	Status 2024
People	Occupational health and safety	**Reduction** of **accident frequency rate**[1] by at least **5% per annum** (based on the annual upper limit; long-term: no occupational accidents)*	annually	**4.2 target achieved**	4.4 target achieved
		100% ISO 45001[2] **certification rate** (all sites, with at least 12 months of company service)	2025	**99%**	99%
		KION HSE Assessment: **100% average fulfilment score of the KION HSE standard** (all sites, with at least 12 months of company service)	2027	**95.9%**	95.8%
	Talent	Increase in employee satisfaction to an **engagement score**[3] of at least **75** and a **participation rate**[3] of at least **80%**, as measured by an annual, global employee survey**	2026	**Engagement score: 75 Participation rate: 81%**	Engagement score: 75 Participation rate: 83%
		No cases of non-compliance with KION Group minimum employment standards**	ongoing	**0 cases target achieved**	0 cases target achieved
	Product and solution sustainability	**ITS segment**: Strive for an **electric-focused portfolio incl. battery and fuel cell-driven products** by increasing the **share of electric-powered vehicles sold annually**[4] to **92%**	2027	**92.6%**	91.7%
		Increase **number** of products with available **lifecycle assessment****	ongoing	♦	♦
		Increase **number** of products with **Cradle to Cradle certification****	ongoing	♦	♦
Processes	Climate and energy	**Absolute reduction** in GHG emissions **(Scope 1, 2, 3)** in metric tons **CO_2eq**[5] compared with base year 2021:			
		Until 2030: Scope 1+2 by **42%** => linear reduction by 4.7% p.a. (SBTi + ESRS)		**–24.8%**	–1.9%
		Scope 3 by **25%** => linear reduction by 2.8% p.a. (SBTi + ESRS)		**–37.4%**	–31.8%
		Until 2050: net-zero Scope 1, 2, 3 by **100%**	Net-Zero until 2050	**14.8 million tons**	16.2 million tons
		Increase share of renewable energy use by at least 35% in own operations	2030	**29.2%**	21.2%
		Decrease energy intensity[6] in own operations	ongoing	**55.5 MWh per million €**	54.8 MWh per million €
		100% ISO 14001[2] **certification rate** (all sites, with at least 12 months of company service)**	2025	**99%**	99%

Sustainability strategy - Leading targets and status of the KION Group sustainability strategy

Dimension	Action field	Targets and indicators	Target year	Status 2025	Status 2024
Processes	Circularity	Increase **share of recovered waste** in own operations to **≥ 85%**	2030	**79.9%**	77.8%
	Supply chain	**Increase** the **share** of the **annual spend** related to **Direct Tier-1 category A suppliers with low ESG risk by 80%**[7]*	2030	**60.9%**	60.5%
	Sustainable governance	**EcoVadis platinum rating** for the KION Group and selected assessed subsidiaries**	2027	**KION: Platinum Subs.[8]: 2 platinum; 3 silver; 1 unrated**	KION: Gold Subs.[8]: 2 platinum; 2 gold; 1 bronze; 1 unrated
		S&P Global Corporate Sustainability Assessment (CSA) score ≥ 70 points for the KION Group**	2027	**69**	64

* Further alternative entity-specific indicator ** Voluntary disclosure in accordance with ESRS 1.114 (a)

1 Accident frequency rate is calculated as actual number of lost-time injuries of the own workforce (≥ 1 working day) in relation to the total number of active working hours; in the reporting period and relative to one million hours worked

2 ISO 45001, ISO 14001 or equivalent standards. As initially defined in the target scope, the calculation excludes selected sites that were newly established or acquired during the previous 18 months, or based on other pre-defined criteria

3 Engagement score is based on the employee satisfaction and the satisfaction with the company (on a 100-point scale). The participation rate indicates how many employees took part in KION Group's global survey

4 Proportion of electric-powered products in ITS segment in terms of units of trucks ordered (based on order intake). Data source: World Industrial Truck Statistics (WITS)/Fédération Européenne de la Manutention (FEM)

5 According to GHG protocol

6 In accordance with the GHG Protocol; includes energy consumption and revenue of the KION Group without limitation to activities in high climate impact sectors (differs from ESRS definition)

7 Low risk suppliers refers to industry, country, goods and individual supplier risk based on sustainability criteria

8 Status refers to the latest valid rating for selected assessed subsidiaries of the KION Group in the reporting year

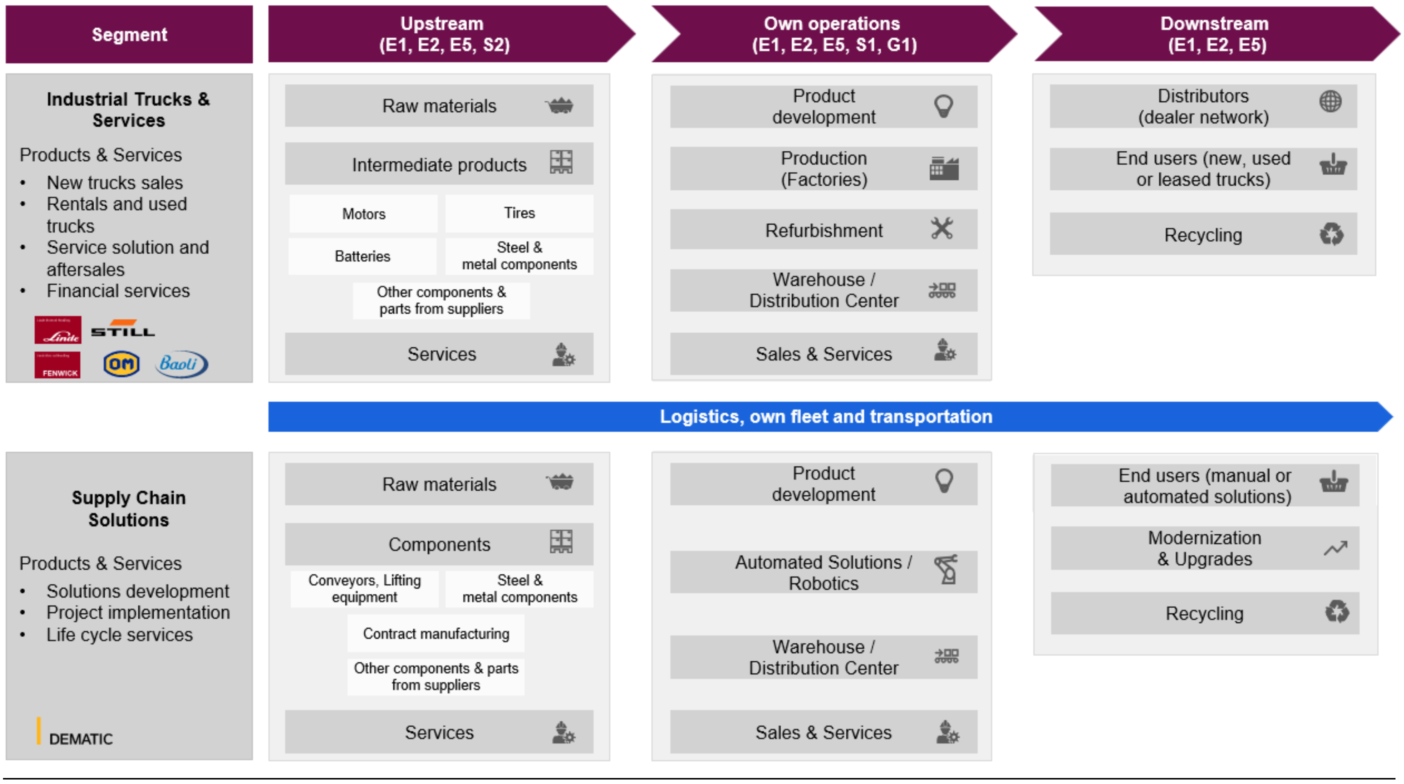
♦ In process

With a view to the double materiality analysis (DMA) first carried out in 2024 and updated in 2025, the material impacts, risks, and opportunities presented in this sustainability report are predominantly managed through these strategic targets under the sustainability strategy or are managed as part of action field programs at other levels. Material results and newly identified, additional specific topics are taken into consideration when the sustainability strategy is being further developed and targets set.

In the environmental, social, and corporate governance (ESG) dimensions, strategic sustainability targets are also used to set variable remuneration for the Executive Board of KION GROUP AG in connection with ESG targets (see ‘Integration of sustainability-related performance in incentive schemes’).

Business model and value chain

The KION Group's value chain



The material inputs of the KION Group's upstream value chain include: engines, electric and other components, high-performance forged parts, counterweights and safety equipment, industrial tires, batteries, conveyor belts and components, structural steel components, and sheet steel components. To produce these inputs, raw materials such as steel, rubber, oil, lithium, and lead are required, in addition to energy. The key suppliers include companies from the automotive, metal construction, electronics, and battery production sectors. The KION Group follows a sustainable procurement approach with interlinked phases: strategy development, risk assessment, risk mitigation, incident management, and corrective actions. The results of each phase feed into the next with the aim of using largely sustainable inputs and creating a circular process.

The conservation of resources is a core element of the KION Group's strategy and business model and is aimed at minimizing consumption within the Group's own value chain. Energy consumption and quantities of waste are the key factors influencing the KION Group's value chain. The KION Group's aim, therefore, is to offer its customers products and solutions in the future that are resource-efficient as well as energy and cost-efficient. This already involves purchasing and using inputs and materials that were produced in a resource-efficient manner and allow easy reuse, repair, and remanufacturing. By taking appropriate action, the KION Group expects not only a reduction in resource outflows but also benefits, especially for customers, investors, and other stakeholders. The established KION Group brand companies set high standards of quality for their premium products and integrated solutions. A long product life and repairability are thus core elements of the KION Group business model. The product lifecycle can be extended through regular servicing and repairs, through modernization and modifications, and through upgrades to the materials used. The service and spare-parts business and the remarketing of used trucks following remanufacturing are therefore core elements of the KION Group business model. This means that KION products can be used by customers for a longer overall time in the downstream value chain.

As a manufacturer of industrial trucks and a provider of intralogistics solutions, it makes sense for the KION Group to take the whole value chain into account in its sustainability strategy due to the size of its supplier base. But this is also a highly complex task due to the number of stakeholders along the process chain. The business model of the Industrial Trucks & Services segment covers the key process steps of the value chain to fully cater to the needs of material handling customers worldwide: product development, procurement and manufacturing, sales and service, truck rental – including short-term rental – and used trucks, fleet management, and financial services through lease agreements that support the core industrial truck business.

The product portfolio is complemented by services that cover the customers' use of the products. The spare parts business and the provision of service packages for repair and maintenance underpin the longevity and efficient use of these products. Through these recurring services, the refurbishment of used forklift trucks, such as returns from leasing agreements, and the remarketing of used trucks and trucks that have undergone a major overhaul (remanufacturing) represent further important building blocks in the downstream value chain in terms of circularity.

The product portfolio of the Supply Chain Solutions segment, with Dematic as one of the world's leading warehouse automation providers, comprises intelligent supply chain solutions, automation solutions, and the offering in the autonomous mobile robot (AMR) segment. The business activities of the Supply Chain Solutions segment are rounded off by the service business (customer services), which includes the maintenance, modernization, and upgrading of installed equipment. »Further information can be found in the 'Business model and organizational structure' section in the 'Fundamentals of the KION Group' chapter of this annual report.«

The KION Group offers its customers a wide range of products, including all related services and logistics solutions to enable the flow of material and information within factories, warehouses, and distribution centers. Besides its sales business, the Group offers customers – as end-users – options for the transition to a circular economy that include the acquisition of used trucks, short- and long-term lease financing models, the short-term rental of equipment or rental fleets, and the modernization and upgrading of existing automation solutions. The KION Group's distribution channels comprise trade fairs and an established network of dealers in addition to its direct sales activities. Thanks to its long-standing customer base in both operating segments, KION has a strong relationship with its customers, although its market position can be impacted by the competition at any time. In order to cater as fully as possible to customer requirements in relation to resource-efficient products in the downstream value chain, the KION Group must therefore also consider customer interests when dealing with the upstream value chain. A functioning supplier management system with rules and policies for suppliers is thus essential for monitoring the inputs that are purchased.

But it is important to take into consideration that certain inputs can only be purchased from a limited number of suppliers, meaning that there is a certain dependency on suppliers for KION's own operations. By acquiring companies – for example those operating in the production of frames for industrial trucks or in IoT-based software – and establishing its own lithium-ion battery production and own fuel cell production, the KION Group has already expanded its business model with the aim of becoming more resilient.

Due to the large number of leasing agreements, industrial trucks in the Industrial Trucks & Services segment are temporarily reintegrated as lease returns into the KION Group's portfolio at the end of the contractual lease period. Refurbishment provides at least one more product lifecycle for these trucks as used trucks, and refurbished products can also be used again in the circular economy. Because the majority of materials are recyclable, equipment is returned to the material flow through the recovery of resources at the end of its initial life. The increased use of recycling is an example of recovery here. This lifecycle management comprises the rental, leased, and used truck businesses, as well as repair, maintenance, upgrading, and remanufacturing activities and the recycling of lithium-ion batteries. Through the strategic partnership with Li-Cycle Holdings Corp., the critical conflict minerals used in the Group's lithium-ion batteries are used to manufacture new batteries thanks to the almost complete recovery of the minerals at the end of the first lifecycle. Coupled with the inhouse production lines, this arrangement means that the resource-efficient battery lifecycle from production to mineral recovery is a closed loop in the KION Group.

In the Supply Chain Solutions segment, the automation solutions set up at customer sites are predominantly large-scale installations with numerous individual components. As supply chain installation projects for these customized systems can take a long time, often up to several years, and frequently involve considerable capital expenditure by the customer, the durability of these installations is of key importance to customers. Modifications and upgrades – including energy-related actions – and the standard spare parts and service business also extend the product lifecycle. Beyond this solution-oriented product lifecycle, materials from these largely bespoke installations and facilities are returned to the materials cycle as far as possible through recycling.

As maintaining long-term customer loyalty is a key factor in the Company's success, distribution channels also play an important role in the KION Group's business model. With this in mind, the KION Group follows a hybrid sales strategy. Besides a network of dealers and direct sales through field staff, a key role is also played by trade fairs, digital trading platforms, and other digital sources of information. The digitalization and connectivity of the KION Group's own trucks, tools, and customer installations help to reduce the volume of business travel by field staff and thus limit carbon emissions. Additional physical and virtual showrooms with 3D product visualization and special design tools allow customers to get a personal insight into the product portfolio or automation solutions before the actual production or installation commences. This conserves resources and cuts GHG emissions.

Impact, risk, and opportunity management (IRO-1)

The following overview shows the ESRSs specific to the KION Group and the topics and sub-topics identified on the basis of the double materiality analysis:

Material sustainability matters in the context of the topical ESRS (IROs)

Topical ESRS	Topic	Sub-topic [Sub-sub-topic]	Description of the specific IROs (Impact (+/–), Risk, Opportunity)
E1	Climate change	Climate change mitigation	Own production and facilities (–)
			Primary aluminum production (–)
			Steel production (–)
			Purchase of pre-processed parts (–)
			Business travel (–)
			Transport and logistics (–)
			Product use phase and end of life (–)
		Climate change adaptation	Extreme weather events in the supply chain (Risk)
		Energy	Energy use (–)
		Energy-efficient products (entity-specific)	Global electrification of the product portfolio (+)
			Selection of materials with a high carbon footprint (–)
E2	Pollution	Pollution of air	Resource extraction and processing (–)
		Pollution of water	Environmental pollution due to logistics (–)
		Substances of very high concern	Supply disruption due to potential ban of PFAS (with some alternatives) (Risk)
E5	Circular economy	Resource inflows, including resource use	Natural resource depletion (–)
			Use of recycled raw materials and components (+)
		Resource outflows related to products and services	Non-circular product portfolio (–)
			Refurbishment of products (+)
		Waste	Packaging waste (–)
			Waste from own operations (–)
S1	Own workforce	Working conditions [Health and safety]	Occupational accidents and injuries (–)
S2	Employees in the value chain	Other work-related rights [Child labor/Forced labor]	Forced labor in the metal supply chain (–)
			Child labor in manufacturing supply chains (–)
G1	Business Conduct	Management of relationships with suppliers, excluding payment practices	Responsible selection and assessment of suppliers (+)

Description of the process to identify and assess material impacts, risks, and opportunities

The KION Group has considered and assessed environmental, social, and governance matters in accordance with the principle of double materiality, which includes the environmental and social impacts of the KION Group’s business activities (inside-out) as well as the financial risks to and opportunities for (outside-in) the KION Group’s business activities. The DMA is based on the differentiation between material and non-material IROs. The approach to identifying and assessing them is described below.

A comprehensive process for identifying and assessing the material IROs was carried out in 2024.

In 2025, the DMA process was revised to ensure that it aligns with the metrics for the risks’ financial effect and likelihood of occurrence that were redefined in the KION Group’s risk management system. This gave rise to higher threshold values for the financial dimension and the impact dimension, thus allowing for a greater focus on material topics. The IROs were subsequently reassessed using a more granular scale and the adjusted threshold values. Based on this reassessment, the ‘Microplastics’ sub-topic in the ESRS E2 Pollution standard and the ESRS E3 Water and marine resources standard were no longer classified as material. Furthermore, the overall number of material IROs in the other topics decreased. As in 2024, ESRS E4 Biodiversity and ecosystems, S3 Affected communities, and S4 Consumers and end-users were not classified as material topics. Because the KION Group did not identify any material changes to its business model or its value chain in 2025 that would have led to the identification of new IROs, it decided not to perform a full reassessment. The DMA process for 2025 is thus based on the IRO list from 2024.

The DMA covers the business model of the KION Group and its two operating segments Industrial Trucks & Services and Supply Chain Solutions, both in terms of its own operations and along the entire value chain.

The KION Group has defined the following value chain stages for the identification of material IROs: upstream (which includes suppliers, raw materials, and other inputs), own operations, and downstream (which covers distribution, sales, product use, and end-of-life handling). The identified IROs were categorized and assessed according to the respective value chain stage.

To identify potential and actual IROs, the DMA covered all sustainability matters listed in ESRS 1 Application Requirement (AR) 16. It also included a benchmark analysis, the results of previous DMAs, and the KION Group’s sustainability reports to date. Furthermore, external sources such as sector-specific trade literature were analyzed and interviews with selected stakeholders, including suppliers, customers, and investors of the KION Group, were carried out.

Various relevant stakeholder groups were directly and indirectly involved in the initial IRO identification phase. Based on existing business relationships, tailored interviews were held with customers and suppliers in the different Operating Units and regions and with investors, which are also an important stakeholder group (see ‘Interests and views of stakeholders’).

Within its own operations, the interests of the consolidated and unconsolidated subsidiaries of the KION Group were represented by the sustainability leads and working groups and also by the Operating Unit sustainability leads. Interviews were also conducted with investors, representing the financial and capital markets, and with customers, representing end-users in the downstream value chain. With regard to the upstream value chain, suppliers were interviewed as representatives of ‘workers in the value chain’. The interests and views of employees are addressed and raised at works council information events. The findings are dealt with at least once a year at the Supervisory Board committee meetings. In addition to the direct involvement of suppliers and customers, the interests of other relevant stakeholders and affected communities (including local communities), non-governmental organizations, and nature (considered a ‘silent stakeholder’) were indirectly included by involving relevant corporate functions and sustainability experts and by including insights from scientific research.

These internal and external inputs formed the basis for the identification of the IROs, the selection of which was verified and expanded on by the Operating Unit (OU) sustainability leads and their respective working groups, as well as by specialists from the corporate functions (see ‘The role of the administrative, management, and supervisory bodies’). Their review ensured that all relevant business activities and relationships, as well as the context in which they occur (for example, geographies or sectors), were taken into consideration in the DMA.

The KION Group has defined specific rating categories for the assessment of IROs. To assess the IROs, the financial magnitude and the severity of the impacts were combined with the likelihood of occurrence in each case to produce a meaningful categorization of the IROs.

Risks and opportunities in the short, medium, and long term were assessed with respect to their impact on earnings (EBIT). The assessment methodology, categories, and threshold values for financial materiality and the likelihood of occurrence were in line with the groupwide risk management system applicable in 2025. Further information on the risk management system can be found in the ‘risk report’ [ESRS 1.119 (a)]. In the DMA, the threshold value for material risks and opportunities was set at a gross expected value of €62.5 million and corresponds to a gross profit of at least €250 million combined with a likelihood of occurrence of 25 percent. The severity of actual or potential impacts was assessed from the perspective of the affected stakeholders. In terms of the impact dimension, the threshold value was set such that impacts with a likelihood of occurrence of at least 50 percent and ‘high’ impact scores are classified as material.

The negative impacts of the KION Group’s business activities on the environment and society were assessed in terms of the three components of severity (scale, scope, and irremediable character). With respect to potential negative human rights impacts, severity took precedence over likelihood. Positive impacts, in contrast, were assessed in terms of scale and scope only. Impacts were assessed qualitatively on the basis of the best available data sources, such as internal documentation or literature reviews and articles. Risks and opportunities were assessed on the basis of existing evaluations of financial implications from risk assessments, where available, and other data sources, such as market trends or literature reviews and articles.

Most of the risks were financially quantified in the reassessment in 2025. In cases where quantification was not possible, the risks and opportunities were assessed qualitatively and assigned to a financial impact category. In 2025, all sustainability-related risks identified in the DMA process with a gross EBIT effect of more than €25 million were transferred to the new groupwide risk management system and integrated into the regular risk reporting process. The preliminary results of the DMA were subject to two review rounds involving internal experts from the group functions and the DMA project team. The review included checking the completeness of information and explanations, as well as the plausibility of the assessment, including cross-checks between IROs. The process of identifying and assessing material IROs, including the final result of the DMA, were discussed as a key agenda item at a meeting of the Sustainability Council and other relevant group functions, presented to the workers’ representatives, and approved by the Executive Board of KION GROUP AG. The specific involvement of the Executive Board of KION GROUP AG in the sustainability due diligence process is described in more detail in the ‘Information provided to and sustainability matters addressed by the undertaking’s administrative, management, and supervisory bodies’ chapter.

The following section provides information on how the standards on the topics of environment and corporate governance were included.

Identifying and assessing material IROs in relation to ESRS E1 Climate change

The DMA process integrates climate matters through data collection and analysis. The sustainability leads of the Operating Units and functions and the KION Group's climate experts were also involved in the DMA process. No extensive risk analysis was carried out in connection with the DMA update in 2025 as an analysis of transition risk had already been performed in 2023 and reassessed in 2025. As part of the analysis of transition risk, the subsidiaries' assets and business activities that are currently powered by fossil fuels were reviewed using a bottom-up approach. The conclusion was that neither the KION Group's assets nor its activities stand in the way of the transition to a climate-neutral economy. Although switching from coke-fired to electric furnaces at the KION Group's foundries requires substantial investment, this switch is both technologically and financially feasible and is already at the firm planning stage for one foundry. Ad hoc events in the reporting period were monitored in the course of internal risk reporting and taken into account in the DMA where necessary. The aim is to ensure that both the impacts on climate change and the climate-related effects on the Group's value chain, including its own operations, are assessed. The results of the analyses of climate-related transition and physical risks were incorporated into the KION Group's risk management system and are also factored into the Group's financial planning.

The KION Group identifies relevant Scope 3 categories through a regular materiality analysis of GHG emissions. During this process, activities and plans are screened in order to identify actual and potential future GHG emission sources. The main categories are dealt with in the relevant tables in the 'Metrics related to climate change' chapter. All other categories were classified as not material. The regular reassessment of materiality within the Scope 3 categories and the inclusion in the DMA process emphasize the Group's ambition to comprehensively manage and systematically reduce its GHG emissions. Furthermore, the Group's total GHG emissions profile, previously performed analyses and risk assessments, results from climate-related workshops, as well as research and studies of relevance to the industry, were taken into account in order to identify actual and potential impacts on and by climate change.

The KION Group has identified climate-related hazards over the short, medium, and long term and, in a multi-location analysis, evaluated whether its assets and business activities may be exposed to these physical risks. This was done with the help of four Representative Concentration Pathway (RCP) scenarios from the Intergovernmental Panel on Climate Change (IPCC): RCP 2.6, RCP 4.5, RCP 6.0, and RCP 8.5. The Group's location-specific geospatial coordinates were used as key base data in the scenario analysis. Limitations arose mainly from the focus – for the sake of practicality – on selected company locations and from potential uncertainties regarding data validity.

The assessment for the 2011 to 2030 period utilized ERA5 reanalysis from the European Centre for Medium-Range Weather Forecasts (ECMWF), climate model data, and risk datasets from the IPCC. For the future period (2031 to 2050), the likelihood that future climate values will exceed the mean value of the current climate was assessed. Based on the KION Group's strategic planning horizons and capital allocation plans, the following time horizons were then defined: short term (up to one year), medium term (one to five years), and long term (five to ten years).

Based on the variety of results and conclusions from the IPCC report, the KION Group believes that using a wider range of scenarios ensures adequate coverage of its risks and uncertainties.

The physical risks analysis assessed the likelihood and magnitude of climate-related adverse events and the vulnerability of the KION Group's locations to these events. The analysis did not identify material risks in the Group's own operations. While several instances of high risk were identified at the Group's locations in the most recent risk analysis, a detailed review supported by local Health, Safety, and Environment (HSE) teams showed that vulnerability to those risks can be considered low due to indirect exposure and the remedial action already taken. In 2025, the KION Group commissioned an updated climate risk analysis by external industry experts in order to incorporate the latest scientific findings on climate resilience into future decision-making processes. The climate risks outlined in this scientific study, which once again show high to very high levels of risk for regions in which several sites of the KION Group are located, are currently undergoing a detailed review. Following this final assessment, the qualitative findings will be reflected in the sustainability strategy and in the context of the double materiality analysis.

The results of the various RCP scenarios, including the ‘high-emission scenario’, formed the basis for identifying and assessing short-, medium-, and long-term climate-related hazards in the Group’s own operations. Additionally, the Group’s DMA covered physical risks affecting the upstream value chain. The main focus was on disruption to the supply chain due to extreme weather events, which are listed as a material risk in the material sub-topic ‘Climate change adaptation’. Previous climate risk analyses did not identify any material downstream physical risks.

In 2023, the KION Group conducted a dedicated transition risks analysis to identify material risks in its own operations and along the value chain. The analysis applies scenarios consistent with limiting global warming to 1.5°C to identify risks pertaining to political, technological, market-related, and reputation-related factors. The net zero by 2050 scenario was considered appropriate to model the expected development of market demand for low-carbon products and solutions, changes in global supply chains for low-carbon materials, increasing carbon prices, and the impact of existing and future regulation. This scenario takes into consideration the political, market-related, and technological changes to be expected in a transition consistent with the Paris Agreement climate goals. These changes will shape the conditions in which the KION Group expects to be operating, for example in relation to customer demand, availability and pricing of sustainable materials, energy costs, availability of renewable electricity, carbon taxes and prices, and bans on certain products and technologies. Political and market-related developments, both at national and regional level, provided key inputs for the scenario analysis. The main constraints identified relate to the uncertainty of policy implementation, market dynamics, and adoption rates of low-carbon technologies.

The KION Group identified transition events over the short, medium, and long term. Taking into consideration their likelihood, magnitude and duration (permanent or temporary), these events were set in relation to the Group’s assets and business activities to determine vulnerability and exposure, as well as the applicability of identified opportunities. Exposure was assessed by quantifying potential financial effects in the low, medium, and high risk categories.

During the course of the DMA process, the Group considered the transition risk workshop’s findings and also included opportunities in its own operations and along the value chain. The results of the scenario analysis mentioned above were used during the DMA process as the basis for identifying and assessing short-, medium-, and long-term climate-related transition risks. Long-term covers more than five years, with transition risks in more than ten years’ time also taken into account.

Although the Group identified assets that contribute to significant GHG emissions and business activities that are not yet taxonomy-aligned, a decarbonization roadmap addressing all sources of GHG emissions was developed as part of the KION Group’s commitment to net zero and the SBTi. The roadmap includes planned retirement of emission-intense assets and investment in low-carbon technologies. The roadmap thus demonstrates and supports the feasibility of a transition to a climate-neutral economy.

The KION Group used scenarios and assumptions to assess the financial impact of climate-related risks and opportunities. In this opportunity and risk report, the Group makes qualitative disclosures about risks and opportunities that were deemed material. For example, stronger involvement in the electrification of intralogistics was identified as a strategic opportunity. This opportunity is consistent with a climate transition scenario in which an increasing carbon price strengthens market demand for electric products that emit significantly fewer GHGs during their use phase. The disclosed environmental risks are based on the same framework as that underlying the assessment of climate-related risks.

General disclosures on identifying and assessing IROs in relation to ESRS E2 Pollution and ESRS E5 Resource use and circular economy

To identify and assess actual and potential IROs related to topic-specific ESRSs E2 and E5 in its own operations and in the value chain, the KION Group reviewed all business activities centrally. In light of the KION Group's business activities in its operating segments, these activities were not categorized as either highly polluting or water-intensive in accordance with the binding environmental standards.

No direct consultations with affected communities were conducted as part of the DMA process in connection with ESRS E2 and E5 environmental standards, but they are under consideration as a possible future improvement.

Identifying and assessing material IROs in relation to ESRS E2 Pollution

For both operating segments, the assessment identified two material impacts and one risk in connection with pollution that primarily related to the upstream value chain. These are impacts on air pollution resulting from the extraction and processing of raw materials and in connection with the transportation of materials in logistics operations. The risk relates to the presence of substances of very high concern (SVHC) in purchased components and to the associated supply disruptions due to a potential ban on perfluoroalkyl and polyfluoroalkyl substances (PFAS). For these reasons, the outcome of the DMA outlined material IROs that do not relate solely to a specific site or region.

Identifying and assessing material IROs in relation to ESRS E5 Resource use and circular economy

To identify and assess actual and potential IROs in connection with resource inflows, resource outflows, and waste, the KION Group gave special consideration to its HSE Standard, which establishes requirements for material use and waste management. At this stage, an examination and assessment of the impacts based on the Group's assets has not yet been performed but is being considered as an area for potential future improvement.

The materiality analysis identified that, in both operating segments, there are material negative and positive impacts related to resource use, the circularity of the product portfolio, and the generation of waste in the KION Group.

Identifying and assessing material IROs in relation to ESRS G1 Business conduct

With regard to business conduct, various business activities, sectors, locations, and types of transaction relevant to the KION Group were considered during the DMA process, thanks to the involvement of the corporate compliance experts and the sustainability leads from the Operating Units and corporate functions. Furthermore, insights from established compliance frameworks, including the annual compliance risk assessment and incident management processes, along with different regulatory requirements and market conditions, informed the identification of material IROs related to business conduct matters.

Actual and anticipated financial effects of material risks

Unless stated otherwise in the respective topic-specific chapters, the transitional arrangement was applied in 2025 and no actual or anticipated financial effects in connection with the identified material risks were disclosed.

Interests and views of stakeholders (SBM-2)

The social and environmental expectations of internal and external stakeholder groups with regard to the KION Group's business activities are addressed as part of active stakeholder management and dialogue. The KION Group used certain internal criteria to identify stakeholder groups that are of particular importance for groupwide sustainability management. Given the importance of these stakeholders and the significant role that they play for sustainable and long-term added value, the KION Group aims to consider their specific contributions and requirements in its sustainability performance. In addition to employees, the Group's key stakeholders include customers, the financial and capital markets (investors, shareholders), suppliers, and workers' representatives. The relevant legislation in the regions where the KION Group operates and, where appropriate, the work of non-governmental organizations (NGOs) and communities, including local communities, are also considered in this analysis.

The opportunity to participate and express concerns is ensured through close collaboration with the Group Works Council and through structured feedback and complaints management systems such as the groupwide whistleblowing system.

In order to include a wide range of perspectives, the interests of the aforementioned stakeholder groups are generally taken into account in the assessment of the double materiality analysis. With regard to the results of the materiality analysis and their implications, the Sustainability Council, led by the Chief People & Sustainability Officer (CPSO), the Executive Board of KION GROUP AG, and the Group Works Council were informed of the views and interests of participating stakeholders (see 'Description of the process to identify and assess material impacts, risks, and opportunities').

Employees

Employees play an essential role in the success of the KION Group. The inclusion and management of employee-related concerns are material elements of responsible business conduct in the KION Group. Carried out every year, the global KION Pulse employee survey is a key tool for driving employee satisfaction and commitment in a targeted manner. It provides vital insights into working conditions and satisfaction levels, which are incorporated into strategic and operational decisions in the form of concrete actions. High employee satisfaction is defined as a target in the sustainability strategy's 'Talent' action field. It is measured based on the results of KION Pulse (see 'Strategy targets and target achievement in 2025'). Employee satisfaction is measured using the engagement score and the participation rate. The tracking of employee satisfaction is overseen by the CPSO. The two measurement parameters are factors in the calculation of the long-term variable remuneration (LTI) of the Executive Board of KION GROUP AG and other executives (see 'Integration of sustainability-related performance in incentive schemes'). The annual groupwide employee survey was launched in October 2025 and addresses topics such as internal communication and collaboration, while also enabling the workforce to share their personal perspectives and to raise actual and potential impacts. The findings of the survey provide direct insights that help to further improve the commitment and motivation of the KION Group's workforce. In 2025, the participation rate of employees and apprentices in the KION Pulse survey and the resulting engagement score remained at a very high level compared with benchmark companies, once again underlining the KION Group's positive business conduct (see 'Strategy targets and target achievement in 2025').

In addition, a range of formats are used to promote employee satisfaction in a targeted manner, including training and continuing professional development, training programs, groupwide awareness campaigns, and regular and ad hoc communication and information offerings. The opportunity to participate and actively express concerns is ensured through close collaboration with the Group Works Council and through structured feedback and complaints management systems such as the groupwide whistleblowing system. The aim is to gather ideas, information, and suggestions from all employees and draw on them to take the Company forward and fuel the KION Group's sustained – and sustainable – growth. Primarily, the employee survey provides insights from which to derive actions aimed at increasing employee satisfaction, motivation, and commitment.

Respect for fundamental labor rights and human rights plays a central role in the KION Group's self-image. The Company is committed to complying with internationally agreed labor rights and human rights and regards them as a minimum standard to be achieved at all times. Respect for human rights, in particular, is enshrined in several policies, which also describe in detail the responsibility of each individual. These include the International minimum employment standards in the KION Group, the KION Group Code of Compliance, the Statement on the KION Group's human rights strategy, and the Group internal human rights assessment & due diligence 2024/25 document. These policies have been agreed with the Executive Board of KION GROUP AG and apply to the entire KION Group workforce around the world. Groupwide implementation of, and adherence to, these policies is the responsibility of the subsidiaries and of the managers responsible for the Operating Units (including the OU presidents) and Corporate Services.

Customers

The KION Group continuously monitors the changing needs of its business partners and key accounts and refines the sustainability strategy accordingly. The KION Group facilitates dialogue with its customers and holds regular discussions with them via established communication channels. Customer perspectives are also ascertained in targeted one-on-one meetings with business partners and through the Company's participation in trade fairs and conferences. Customer satisfaction surveys, well-established complaints handling, and a service help desk that systematically captures feedback are further material resources for the ongoing refinement of products, solutions, and services. The KION Group's fundamental duties with regard to climate neutrality are driven by growing customer demand for sustainable and cost-effective technologies and safety solutions.

The KION Group continuously works to improve the safety features of its products and services with the aim of providing adequate product safety and occupational health and safety. The focus here is on developing functional, safe, and ergonomic product solutions.

This means that these sustainability-related actions to manage the Company also indirectly reflect customer interests. Due to its special importance to customers, the KION Group also participates in the annual sustainability assessment carried out by EcoVadis and has set a corresponding target in its sustainability strategy (see 'Strategy targets and target achievement in 2025').

Financial and capital markets

As a listed company, KION GROUP AG – the strategic management holding company of the KION Group – maintains close relationships with the financial and capital markets, primarily through regular contact with investors and by attending capital market conferences where matters such as sustainability criteria are discussed. The KION GROUP AG's Executive Board and Supervisory Board place great importance on keeping all stakeholders updated on business performance in a prompt and comprehensive manner.

The sustainability-related interests of the KION Group's financial backers are also consistently addressed. For example, the Group issued a variable-rate promissory note in 2023 that is linked to the achievement of ESG targets over a term of up to seven years (ESG-linked revolving credit facility) (see notes to the consolidated financial statements, note [28]; ESRS 1.123). The

KION Group also meets the capital markets' need for information by actively participating in the annual Corporate Sustainability Assessment (CSA) carried out by financial services company S&P Global Switzerland SA. This is monitored as part of the 'Sustainable governance' action field of the sustainability strategy (see 'Strategy targets and target achievement in 2025').

Suppliers

The KION Group regularly engages in structured discussions and negotiations with its suppliers to improve the sharing of information and factor external perspectives into business-relevant decision-making processes. Sustainability requirements are also a topic of discussion. Annual supplier audits and assessments are key to upholding sustainability-related standards. ESG ratings help to minimize risk in supplier management and to identify actions aimed at supporting the ongoing development of supplier relationships. Working closely with its suppliers and business partners, the KION Group calls on them to commit to responsible, low-carbon practices and supports them in doing so. The KION Group also undertakes initiatives and pilot projects focusing on lifecycle assessments and Cradle to Cradle certification (C2C) in collaboration with suppliers. This creates a high degree of transparency for sustainable supply chains for KION Group end products and also boosts suppliers' sustainability efforts.

Policymakers

The KION Group constantly monitors new legal provisions and amendments, establishing the necessary processes to meet statutory requirements, such as the EU taxonomy and the CSRD. As part of standardization initiatives and the work of interest groups, the KION Group gets involved in dialogue with political decision-makers, especially in relation to digital, environmental, and safety-related product requirements. Besides the KION Group being a member of the Blue Competence initiative of the Mechanical Engineering Industry Association (VDMA), its subsidiaries in the ITS and SCS operating segments get involved in the work of trade associations and are also members of international institutions. The KION SCS and KION ITS Americas Operating Units are actively involved in several working groups of the Material Handling Industry (MHI) association in North America. MHI focuses on the development of standards for the workforce and working environment as well as for specific products and solutions. KION SCS and its Dematic brand are actively represented in many of the 18 sector groups, including TRG (The Robotics Group) and CSS (Conveyor & Sortation Systems). In October 2025, the KION Group joined the Made for Germany initiative, a network of over 100 companies with the shared aim of driving innovation, technology, and competitiveness, and thus strengthening Germany as a business location. The KION Group factors the insights gained from its dialogue with policymakers, associations, and initiatives into its business activities in order to meet regulatory requirements and support future technology development in Germany.

(Local) communities*

In its dialogue with communities, including local ones, at the municipal, regional, and overarching level, the KION Group's corporate values form the basis of the global strategy for corporate citizenship across the workforce with regard to fundraising and sponsorship: funding community facilities, providing humanitarian assistance in emergencies, promoting education and research, and supporting environmental and social projects. One of the purposes of the groupwide donations and

* Voluntary disclosure within the meaning of ESRS 1.114 (a)

sponsorship policy is to provide transparency internally with regard to the KION Group's corporate citizenship.

Ongoing involvement of stakeholders in strategic implementation phases

The ability to offer sustainable solutions and services is a key business opportunity under the 'Playing to Win' strategy. Reducing the KION Group's energy consumption and GHG emissions, and continuing to invest in sustainable technologies, can provide a lasting boost to the Company's competitiveness and resilience. Relevant stakeholder groups also stand to benefit from this strategy. The business relationships with relevant stakeholder groups are therefore expected to remain unchanged in connection with the implementation of these strategic targets.

Material impacts, risks, and opportunities and their interaction with strategy and business model (SBM-3)

The material risks and opportunities identified by the KION Group were qualitatively assessed in terms of their interaction with its strategy and business model. The assessment factored in scenario analyses and the underlying probabilities of occurrence, mainly with regard to climate risks, but also to possible bans on relevant substances. Based on this resilience analysis, the Executive Board believes that the KION Group's strategy and business model are currently resilient in relation to the identified sustainability risks. The actions already initiated and the future mitigation and adaptation actions have been taken into account in the strategy and align with the Group's business model. Adjustments to the business model or to the product portfolio, or more extensive investment in innovative technology, may be required in the future if the risk assessment changes materially or in order to boost the Group's resilience, for example in relation to climate change.

Overall, no financial transactions were identified that had a material impact on the KION Group's financial position, financial performance, and cash flow in 2025. Opportunities were not categorized as material during the reassessment of the IROs in 2025.

The current potential financial effects of the individual sustainability matters in this sustainability report were individually assessed on the basis of a double materiality analysis in relation to their probability of occurrence and their materiality for the KION Group. They were classified in qualitative terms as immaterial, low, medium, significant, severe, very severe, and extremely severe (see 'Description of the process to identify and assess material impacts, risks, and opportunities'). Risks and opportunities with a current very severe or extremely severe financial effect combined with a likely or certain probability of occurrence were identified as material for the KION Group.

Two potential risks were identified in the DMA, which as a result of their gross expected value and likelihood of occurrence, were categorized as material for reporting purposes and reported accordingly.

An identified potential risk with a currently very high financial effect (gross expected value pursuant to the DMA before management measures) and the associated cash flow related to:

- Supply disruption due to a potential ban on PFAS (with some alternatives) (risk)

An identified risk with a currently high financial effect (gross expected value pursuant to the DMA before management measures) and the associated cash flow related to:

- Extreme weather events in the supply chain (risk)

Other risks identified as not material were carried over from the DMA to the risk management system based on their net risk exposures.

The identified risks and the potential or actual impacts are explained in more detail in the 'Climate change', 'Pollution', 'Resource use and circular economy', 'Own workforce of the KION Group', 'Workers in the value chain', and 'Business conduct' chapters in this sustainability report.

Governance

The role of the administrative, management, and supervisory bodies (GOV-1)

From the KION Group's point of view, being transparent, sustainable, and socially responsible, taking account of the societal expectations of stakeholders and the associated management of resources and environmental protection, as well as compliance with and strengthening of living and working conditions, are key criteria for the Group's long-term business success.

The Executive Board of KION GROUP AG bears collective responsibility for the corporate strategy and is responsible for aligning sustainability targets with the Company's wider goals. It must ensure that decisions are guided by environmental and social aspects as well as commercial aspects. The Executive Board involves the Supervisory Board and, specifically, the Audit Committee in the development of the sustainability strategy and makes ongoing adjustments to the strategy. The Supervisory Board monitors the Executive Board's implementation of the sustainability strategy and assists the Executive Board in an advisory capacity.

The administrative, management, and supervisory bodies (AMSB) comprised a total of 22 members as at December 31, 2025, the same number as at the end of 2024. In the aforementioned bodies 27.3 percent of the positions were held by women in 2025 (2024: 27.3 percent).

Composition of the Administrative, Management and Supervisory Bodies of KION GROUP AG (AMSB)

Bodies	2025	2024
Executive Board	**6**	**6**
Gender diversity ratio on the Excecutive Board[1]	20.0%	20.0%
Supervisory Board	**16**	**16**
Gender diversity ratio on the Supervisory Board[1]	45.5%	45.5%
thereof Employee Representatives	8	8
thereof independent from undertaking and Executive Board (in %)[2]	81.3%	81.3%
AMSB KION GROUP AG in total	**22**	**22**

1 Calculated as an average ratio of female to male

2 Disclosure in accordance with the definition of the German Corporate Governance Code (GCGC); the employee representatives on the Supervisory Board were each deemed independent

The CEO is responsible, in particular, for the corporate strategy, including its communication to the Supervisory Board and other stakeholders, and for its implementation in operations.

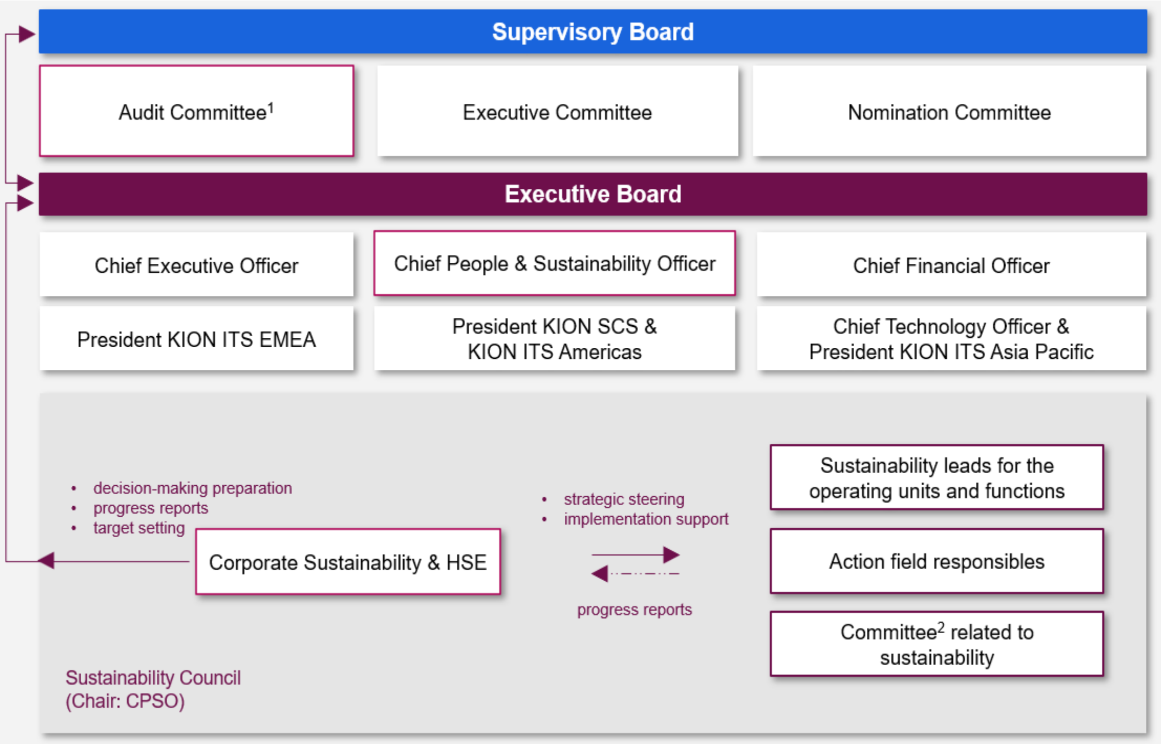
Within the Executive Board, the CPSO is responsible for human resources and sustainability issues, including occupational health and safety. Her role also entails responsibility for ensuring that the sustainability strategy is developed and implemented in line with the KION Group's goals. She also chairs the Sustainability Council, to which the action field leads, sustainability leads from the Operating Units and functions, and members of Corporate Sustainability & HSE also belong. Another responsibility of the CPSO is to ensure that all relevant sustainability-related data is captured across the Group and regularly presented to the administrative, management, and supervisory bodies. The remit also encompasses actively supporting the implementation of ESG targets in the Group and strengthening its culture of responsible business.

A central task of KION's sustainability reporting is to provide regular updates on current developments and actions to the Supervisory Board, which is informed at least every six months about progress made toward sustainability targets and about strategic initiatives and their impact on the KION Group. The Audit Committee reads these progress reports before they are discussed by the Supervisory Board. For urgent matters, additional ad hoc reports are made to the Audit Committee to ensure its ability to respond rapidly.

The Supervisory Board's Audit Committee is responsible for all sustainability issues. This non-financial report also falls within its remit. Close collaboration between the Executive Board and the Supervisory Board ensures that sustainability is continually and effectively promoted and embedded in all areas of the Company. A key tool is the materiality analysis, which is performed by Corporate Sustainability & HSE in collaboration with the relevant departments and stakeholders and is signed off by the Executive Board. The results of the analysis are presented to the Supervisory Board for information and discussion.

The Executive Board of KION GROUP AG, primarily the CEO and CPSO, sets targets, makes decisions on sustainability matters for the KION Group, and is responsible for monitoring sustainability-related impacts, risks, and opportunities of the Company's activities.

Roles and responsibilities at a glance in relation to sustainability and ESG topics



1 Audit Committee is responsible for all sustainability and ESG-related matters
2 Human Rights Committee

In order to perform their duties properly, the governing bodies must possess in-depth knowledge in all areas of sustainability and enhance that knowledge at regular intervals. In connection with the Company's targets, the Supervisory Board adopted a profile of skills and expertise for itself in 2017, which is regularly reviewed. The last review was carried out in 2025. The sustainability expertise of the Executive Board and Supervisory Board is also enhanced through training and advice from experts. The Supervisory Board believes that, in its current composition, it has adequate sustainability-related skills and expertise in terms of sufficient practical experience (skills) and/or professional/academic training and knowledge (expertise). »An overview of sustainability-related skills and expertise in the AMSB can be found in the 'Profile of skills and expertise for the Supervisory Board' chapter.«

Prior to taking up her position as CPSO of KION GROUP AG on May 1, 2023, Valeria Gargiulo already possessed the requisite functional and practical skills in sustainability management, acquired in her previous role in the automotive industry. She also has a long and successful track record in HR management.

Information provided to and sustainability matters addressed by the undertaking's administrative, management, and supervisory bodies (GOV-2)

The employees of the KION Group are consulted on an ongoing basis through the representative functions (Corporate Sustainability, action field leads, sustainability leads from the Operating Units and central functions) established by the various governing bodies for the three regions EMEA, APAC, and the Americas. This enables employees' perspectives on potential impacts, risks, and opportunities in the value chain to be considered in operational decision-making on an ongoing basis. Progress is regularly reviewed by the sustainability leads, the action field leads, Corporate Sustainability, and special committees. The progress reports prepared for each region and function are submitted to Corporate Sustainability and the Sustainability Council and are presented in Executive Board meetings as part of the KION Group's groupwide strategy development and implementation. The action field leads manage the overall programs and targets at Group level. They also assign the agreed targets to the individual segments, regions, and functions and monitor progress toward achievement of the sustainability strategy targets.

As part of this process, the Executive Board is regularly updated, at least once per quarter and on an ad hoc basis, on sustainability topics, risk analyses, and progress with strategic targets.

The Sustainability Council, chaired by the CPSO, was introduced in 2023 to succeed the sustainability steering group, which had been created in 2017. The Sustainability Council members include the action field leads, the sustainability leads in the segments, regions, and functions, and members of Corporate Sustainability. The Council meets every six to eight weeks in order to drive forward strategic initiatives related to sustainability. The Council prepares decision proposals for the Executive Board and oversees implementation of the sustainability program across the KION Group. Corporate Sustainability & HSE supports the KION Group in the integration of sustainability in processes and decisions. It informs the Executive Board and Supervisory Board about related developments and progress on a monthly basis. These reports serve as a key basis for making decisions about further steps in connection with the IROs.

Within the bounds of applicable legal provisions, the KION Group also regularly discusses sustainability-related topics with external organizations. This includes its participation in professional associations and regular meetings with analysts, investors, and advisory firms. As part of its corporate governance, the KION Group also considers sustainability matters of relevance for its business model when establishing targets, actions, and due diligence processes. To be able to fulfill its due diligence obligation with regard to sustainability, the Executive Board is informed about progress, developments, impacts, risks, and opportunities at regular intervals. Corporate Sustainability is responsible for reporting. Information is also shared with the administrative, management, and supervisory bodies through regular meetings of the Sustainability Council. Should serious events occur, the Executive Board also requests proactive ad hoc reports, the provision of which must be ensured.

Risks and infringements can also be reported directly and anonymously though the Compliance department and its compliance management system (such as the whistleblowing system), meaning that these information channels can also be used for sharing sustainability-related information with the administrative, management, and supervisory bodies.

The Executive Board and the Supervisory Board dealt with all material impacts, risks, and opportunities in the reporting year. A list of material impacts, risks, and opportunities can be found in the topical standards in the disclosure requirements for SBM-3.

Integration of sustainability-related performance in incentive schemes (GOV-3)

The Executive Board of the KION GROUP AG bears collective responsibility for achieving the Group's short-, medium-, and long-term sustainability targets. For this reason, sustainability-related performance incentives are an integral element of the Executive Board's system of remuneration. The incentive structures for the Executive Board of KION GROUP AG and for senior management are an important lever for driving progress in the area of sustainability.

When setting Executive Board remuneration, the Supervisory Board places particular emphasis on sustainability – by considering social and environmental aspects – as well as on the Company's long-term growth. It does so by giving a high weighting to the variable remuneration components.

The variable Executive Board remuneration comprises a one-year variable component based on the current financial year (short-term incentive – STI) and a multiple-year variable component based on a forward-looking three-year performance period (long-term incentive – LTI). The variable components of Executive Board remuneration comprise both short- and long-term targets, which are derived from the corporate strategy, including non-financial targets in the sustainability strategy. To ensure that the non-financial sustainability targets remain relevant to the strategy, the Supervisory Board determines the specific targets based on a selection of verifiable ESG targets, which were set for the KION Group's business model and were identified as material for the achievement of the defined sustainability targets.

Both the short-term and the long-term variable remuneration incorporate two ESG performance targets. In each case, the ESG targets account for 20 percent of short-term and long-term variable Executive Board remuneration.

For the STI 2025, the Supervisory Board defined the following two non-financial targets, each with a weighting of 10 percent:

- The target chosen for the STI 2025 from the 'occupational health and safety' category was the lost time injury frequency rate (LTIFR). This metric indicates the frequency of accidents in the KION Group resulting in lost time of at least one shift per one million hours worked.
- Energy intensity was chosen as the new non-financial measure of performance defined for the STI 2025 from the 'sustainability and environment' category, replacing the ISO certification rate used for the STI 2024. The budgeted energy intensity metric is the ratio of total energy consumption to the Group's revenue.

For the performance periods of the LTI starting up to 2023, the Supervisory Board defined the following two non-financial targets, each with a weighting of 10 percent:

- In the 'attractiveness as an employer' category, the results of the annual KION Pulse employee survey are used, specifically the participation rate and the engagement score, each with a weighting of 5 percent. The engagement score measures employees' motivation and commitment.
- The non-financial measure of performance chosen in the 'sustainability and environment' category for the LTI 2023–2025 was the score achieved in the independent sustainability rating S&P Global CSA, which evaluated the KION Group and its progress based on various criteria.
- For the three-year LTI performance periods starting from 2024, the GHG emission reduction pathway (Scope 1 and 2) replaced the S&P Global CSA rating as the new target aimed at achieving the defined climate targets.

The Remuneration Committee prepares all Supervisory Board resolutions, especially in connection with the Executive Board members' variable remuneration components (setting of targets and target achievement for the short-term and long-term variable components of remuneration).

The Supervisory Board's Remuneration Committee comprises five members. Three of its members are shareholder representatives and two are employee representatives. It is always chaired by the chairman of the Supervisory Board. The Remuneration Committee primarily deals with matters relating to Executive Board remuneration and the remuneration report that has to be prepared each year. In accordance with section 87a AktG, the Supervisory Board of KION GROUP AG is responsible for setting and regularly reviewing the Executive Board remuneration system of KION GROUP AG and the total pay of the individual members of the Executive Board. The Remuneration Committee is responsible for preparing all Supervisory Board resolutions pertaining to the Executive Board's remuneration.

Statement on due diligence (GOV-4)

Statement on due diligence

Core elements of due diligence	Topical ESRS	Page(s)
a) Embedding due diligence in governance, strategy and business model	ESRS 2 SBM-3; GOV-1; GOV-2; GOV-3; GOV-5	124-131
	ESRS 2 SBM-3: E1; E2; E5	133-138;156-157;161-163
	ESRS 2 SBM-3: S1; S2	178-179;193-194
	ESRS 2 SBM-3: G1	200-201
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 IRO-1; SBM-2; GOV-2	115-120;121-124;127-128
	ESRS 2 MDR-P: E1; E2; E5	138-140;157-159;163-163
	ESRS 2 MDR-P: S1; S2	182-185;194-195
	ESRS 2 MDR-P: G1	201-202;203-204
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1	115-120
d) Taking actions to address those adverse impacts	ESRS 2 MDR-A: E1; E2; E5	140-143;159-160;163-165
	ESRS 2 MDR-A: S1; S2	185-186;197-198
	ESRS 2 MDR-A: G1	203-203
e) Tracking the effectiveness of these efforts and communicating	ESRS 2 MDR-T: E1; E2; E5	143-147;160-160;165-166
	ESRS 2 MDR-T: S1; S2	186-187;198-199
	ESRS 2 MDR-T: G1	203-203

Risk management and internal controls over sustainability reporting (GOV-5)

As part of its internal control mechanisms, the KION Group regularly records risks in the Group through a systematic, groupwide analysis and assessment. The risks include corruption and bribery risks, money laundering risks, and risks of non-compliance in connection with antitrust laws, tax regulations, and cybersecurity rules. Sustainability-related risk, such as human rights abuses or environmental breaches in the supply chain, are also systematically recorded. To this end, the KION Group has established a supplier management process in which infringements of protected rights in the supply chain are defined.

In the assessment of potential risk, the characteristics of the corruption perception index for the respective country, the size and structure of the local procurement or sales organization, and contacts with public officials are considered. The groupwide risks are assessed and then assigned a priority in a standardized process. Newly emerging non-financial risks are documented and prioritized. Appropriate actions are subsequently determined to eliminate weaknesses, both in processes and control mechanisms.

At regular meetings, the highest supervisory body – the Supervisory Board – is informed of the current situation in the areas of occupational health, safety, and the environment. The Supervisory Board also monitors and checks significant sustainability-related risks in relation to corrective actions taken. Furthermore, it is involved in every key step of the implementation of fundamental initiatives for the future of the Company through regular reports.

Incomplete, inconsistent, or incorrect reporting data is a material source of errors in sustainability reporting and can give rise to erroneous risk assessments for the Group. Sustainability data covers a broad spectrum of topics and is collated, consolidated, and assessed using raw data from a number of systems of KION subsidiaries. Potential risk in terms of reporting can result from data that is retrospectively updated (e.g. due to improved base data) or from estimates that are replaced with subsequently available actuals, a change in calculation methodology, or regular updates of conversion and emission factors.

To support general data validity and the validity of the data reported by the subsidiaries, the KION Group uses a software solution with integrated controls and an approval process for the individual data packages. Authorized people are assigned specific topics or datapoints, which are run through a standardized process to validate and approve the respective data. This control and its documentation are an integral element of the groupwide internal control system of the KION Group.

Risks in connection with CSRD reporting include:

- Completeness and integrity of the information and metrics
- Accuracy of assumptions used in estimates
- Availability of upstream and/or downstream value chain data

The risks identified in connection with sustainability reporting are reviewed and classified, and internal control mechanisms are closely scrutinized in the event of any findings relating to them. Risk management concentrates on the content presented in this sustainability report and on the underlying raw data and information, which is incorporated into this sustainability report.

Environmental information

ESRS E1 – Climate change

The KION Group manages the material topic of ‘Climate change’ in the context of the ‘Climate and energy’ action field.

Transition plan for climate change mitigation (E1-1)

The development of a transition plan for climate change mitigation is enshrined in the KION Group’s current sustainability strategy. The KION Group is currently formulating the transition plan in accordance with ESRS. This chapter presents the progress made toward the climate targets in 2025.

Building on the climate targets pursued since 2018 and the revised climate strategy of 2021, the KION Group committed itself in 2023 to reducing greenhouse gas emissions along its entire value chain to net zero by no later than 2050. This target definition was formally validated by the SBTi in 2024. The defined targets cover the reduction of GHG emissions in Scope 1, 2, and 3 and are enshrined in the KION Group’s sustainability strategy. Further information on the climate targets and the climate change mitigation policies can be found in the ‘Policies related to climate change mitigation and adaptation’ chapter.

Cross-sectoral pathway

	2030	2050
Cross-sector (ACA) reductions[1] pathway based on the year 2020 as the reference year	**–42.0%**	**–90.0%**

1 »Disclosures based on Pathways to net-zero – SBTi Technical Summary (Version 1.0, October 2021)«

Progress in 2025

The net zero strategy was refined in 2025 with the aim of achieving the medium-term climate targets with a cross-sectoral reduction pathway of 42 percent for Scope 1 and 2 by 2030. The focus was on the ongoing identification and quantification of material decarbonization levers, which were integrated more firmly into the strategic target setting process. The actions required to limit climate change are an integral element of the KION Group’s strategy and planning process.

Another key area was the quantification of interim targets for the expansion of renewable energy, including the definition of a specific target variable to be reached by 2030.

In 2025, energy intensity was added as a short-term ESG target in the variable remuneration of the KION GROUP AG’s executives and the Executive Board. For the long-term remuneration, an ESG target relating to GHG emissions (Scope 1 and 2) was set for the LTI 2024–2026 in 2024.

Material impacts and risks and their interaction with strategy and business model in relation to climate change (E1 SBM-3)

The double materiality analysis identified negative impacts and a risk in connection with climate change, including the entity-specific sub-topic ‘Energy-efficient products’, as material. The GHG emissions in connection with the impacts described below are considered to be either difficult to reverse or only reversible over the long term.

List of all material Impacts, Risks and Opportunities – Climate Change

		Value chain			Time horizon		
Sub-topic	**IRO**	**Up-stream**	**Own operations**	**Down-stream**	**< 1 year**	**1–5 years**	**> 5 years**
Climate change mitigation							
Own production and facilities	Impact (–) [Actual]		•		•	•	•
Primary aluminum production	Impact (–) [Actual]	•			•	•	•
Steel production	Impact (–) [Actual]	•			•	•	•
Purchase of pre-processed parts	Impact (–) [Actual]	•			•	•	•
Business travel	Impact (–) [Actual]	•			•	•	•
Transport and logistics	Impact (–) [Actual]	•	•		•	•	•
Product use phase and end of life	Impact (–) [Actual]			•	•	•	•
Energy							
Energy use	Impact (–) [Actual]		•		•	•	•
Energy-efficient products (entity-specific)							
Global electrification through product portfolio	Impact (+) [Actual]			•	•	•	•
Selection of materials with a high carbon footprint	Impact (–) [Actual]	•		•	•	•	•
Climate change adaptation							
Extreme weather events in the supply chain	Risk	•					•

Own production and facilities (negative impact)

The KION Group has an influence on climate change through the use of fossil fuels and purchased fossil-based energy in its own operations. This includes mobile use by company vehicles and stationary use in production and in facilities. Fossil-fuel-based energy is mainly used in KION Group locations, both production sites and administrative sites, for heating and process heat and for operating vehicle fleets.

The impacts are global due to the Group's international presence. The GHG emissions from the Group's own operations amounted to 112 kt CO_2eq (Scope 1 and Scope 2 (market-based)) in 2025.

The KION Group's business activities require energy, but it does not have to come from fossil sources. By taking the expected future legal, commercial, and technological changes into account, the KION Group can adapt its strategy and business model to move further away from fossil fuels and the associated GHG emissions in the future.

Primary aluminum production (negative impact)

The goods and components sourced by the KION Group contain aluminum, among other materials. The mining and processing of primary and recycled aluminum occurs in the upstream value chain and consumes energy, generating GHG emissions as a result. The impacts are global due to the Group's extensive supplier base.

The KION Group's business activities include the manufacturing of material handling equipment, which entails using aluminum. The use of suitable low-emission key technologies in upstream aluminum production can be an effective lever to reduce energy consumption and GHG emissions. As there are currently no alternative technologies, the corporate strategy does not include any actions aimed at substitution.

Steel production (negative impact)

Steel is an important raw material for the KION Group and an integral element in assembled parts purchased for its own production. The associated GHG emissions from steel production are generated in the Group's upstream supply chain. However, the impacts are global due to the Group's extensive supplier base.

The KION Group's business activities involve manufacturing industrial trucks and material handling and lifting equipment, which requires the use of steel. The use of suitable low-emission key technologies in upstream steel production and processing can be an effective lever to reduce energy consumption and GHG emissions. As there are currently no alternative technologies, the corporate strategy does not include any actions aimed at substitution.

Purchase of pre-processed parts (negative impact)

Intermediate products made from steel, plastics, electronic parts, cables, permanent magnets, and connecting elements are important materials, components, and parts that are procured for use in the KION Group's production processes. These pre-processed parts cause GHG emissions in the upstream supply chain. The impacts are global due to the Group's extensive customer base.

The KION Group's business activities involve manufacturing material handling equipment and automation solutions, which requires the use of pre-processed parts and components manufactured by suppliers. The use of suitable low-emission key technologies in the upstream production and processing of purchased intermediate products can be an effective lever to reduce energy consumption and GHG emissions along the supply chain. As there are currently no alternative technologies, the corporate strategy does not include any actions aimed at substituting these purchased intermediate products at the moment. Using pre-processed parts made with low-carbon or zero-carbon technologies would not negatively affect the strategy.

Business travel (negative impact)

Business travel leads to GHG emissions, with a negative impact on climate change. GHG emissions from business travel are part of the KION Group's upstream value chain. The impacts are global due to the Group's international presence.

The KION Group's business activities rely to some extent on travel, for example visiting customers and suppliers or facilitating meetings between employees from different global locations. The KION Group encourages its employees to limit travel in order to progressively reduce GHG emissions. This goal is supported by increasing digitalization and by networking in virtual meetings and through customer showrooms.

Transportation and logistics (negative impact)

The KION Group's business activities rely on transporting goods between locations. GHG emissions are generated by the transportation of raw materials from suppliers to KION Group locations, and the transportation of semi-finished and finished products between KION Group locations and to customers and dealers. The impacts are global due to the Group's extensive supplier base and customer base.

As the KION Group has production sites around the world, negative impacts from transportation and logistics are mainly located in the upstream value chain. Thanks to central distribution centers and mostly short transportation routes, the KION Group operates only a small number of its own cargo vehicles that shuttle between Company locations. This means that the bulk of transportation services are provided by third parties.

Product use phase and end-of-life treatment (negative impact)

KION Group products cause GHG emissions during their use phase. While electric trucks potentially generate fewer emissions, depending on the electricity mix used, industrial trucks with internal combustion engines can be a significant source of GHG emissions, from use phase to the end of the product lifecycle. These GHG emissions contribute to climate change and its associated negative impacts and are global due to the Group's extensive customer base.

GHG emissions from the product use phase and end-of-life phase are directly related to the KION Group's business model. Currently, every product sold and every customer project leads to GHG emissions through energy consumption during the use phase and the treatment at the end of functional life. The Group's strategy includes both a reduction in trucks' energy consumption and a reduction in the number of trucks with internal combustion engines. The use of electric trucks is climate-friendly if the electricity that powers them comes from renewable sources. Furthermore, the range is to be expanded by adding alternative drive options.

This negative impact is directly linked to the KION Group's business activities, but is located in the downstream value chain. The KION Group can prioritize low-GHG products in its product development and sales strategy, but it has no control over the use phase or the electricity mix of its customers.

Energy use (negative impact)

The KION Group consumes energy, mainly electricity, at all of its locations worldwide. While 97.2 percent of electricity used across the Group came from renewable sources in 2025 (2024: 73.8 percent), the GHG emissions generated from the purchased electricity still came to 2.7 kt CO_2eq when applying the market-based calculation method in Scope 2 (2024: 33.6 kt CO_2eq). In addition, the KION Group directly uses fossil sources of energy in its own operations, including diesel, gasoline, natural gas, and coking coal. Using these other energy sources generated approximately 105 kt CO_2eq of GHG emissions in Scope 1 in 2025. The impacts of these emissions are global due to the Group's international presence.

The KION Group's business activities require energy, but not necessarily fossil energy. Electricity is used to power electric appliances, electric trucks, and some heating systems. Fossil fuels are used in the Company's vehicle fleet, in production processes, space heating, and cafeterias, and in its sold products with internal combustion engines, which are delivered to customers with fuel in the tank. The plan is to gradually switch most appliances currently operating on fossil fuels to electricity from renewable sources in the future. The switch will be scheduled in line with the assets' planned replacement cycles and according to the availability and maturity of new technologies. The switch from internal combustion to electric vehicles, for example, is intended to coincide with the renewal of leasing agreements, and will depend on how well-developed the charging infrastructure in each region is. With regulatory, market-related, and technological changes expected in the future, the KION Group's business model and corporate strategy could fully transition away from GHG emissions linked to fossil fuels.

Global electrification of the product portfolio (positive impact)

The positive impacts of global electrification of the product portfolio are directly linked to the KION Group's future business performance, as demand for electric trucks and therefore the KION Group's overall unit sales have increased significantly in recent years. Many KION Group products and services in the Industrial Trucks & Services segment are available with an electric drive system and can offer the same performance as IC trucks. This strengthens the KION Group's competitiveness and supports the strategic focus of the product portfolio.

In light of current market trends and accelerating climate change, the electrification of more of the KION Group's products and solutions is an integral element of the Group's sustainability strategy and thus a long-term objective.

Ramping up the electrification of the KION Group's products and solutions has a positive impact as energy consumed during the use phase has a material effect on the products' GHG footprint. If the energy used to power electric trucks comes from renewable sources, it may contribute to the reduction of GHG emissions.

Selection of materials with a high carbon footprint (negative impact)

Selecting materials and goods with lower GHG emissions, it is possible to reduce the environmental footprint of KION Group products (mainly category '3.1 Purchased goods and services') and the emissions from their use by customers (category '3.11 Use of sold products'). The KION Group has started to review the status of its product portfolio from this perspective and is working on initiating action to optimize the materials used in its products according to their carbon footprint. This impact is directly related to the KION Group's business activities as low-GHG and net-zero-GHG products require adjustments in product development and production, as well as in the strategic management of the supply chain.

The impact of selecting materials with a high carbon footprint is especially relevant in the KION Group's upstream and downstream business relationships. To be able to assess the GHG emissions in its upstream value chain, it is essential that the Group works closely with its suppliers and shares information and knowledge on an ongoing basis. The KION Group actively helps its suppliers to develop alternatives in order to encourage a continual reduction in GHG emissions. This has a positive impact on emissions caused by purchased materials, goods, and services pursuant to category 3.1.

Extreme weather events in the supply chain (physical risk)
The physical impacts of climate change and the increased frequency and severity of extreme weather events (storms, floods, hurricanes) due to global warming could lead to an unstable supply chain and to material shortages, which in turn could result in disruptions in the supply chain and increased material costs for purchased goods.

Resilience of the strategy and business model in relation to climate change

As part of its ‘Playing to Win’ strategy, the KION Group continuously reviews the resilience of its business model with regard to sustainability risks. To this end, scenario analyses that included climate risks were also taken into account when assessing resilience to climate change. The resilience analysis of the KION Group’s strategy and business model included transition scenarios up to 2030, 2040, and 2050 as well as anticipated financial effects, in line with the short-term and long-term decarbonization and reduction targets set. It covered all parts of the value chain (see ‘Material impacts, risks, and opportunities and their interaction with strategy and business model’).

Based on a net zero scenario in line with limiting global warming to 1.5°C, the analysis assumed that there will be a shift in demand from higher-emission to lower-emission products and services as customers seek to reduce their GHG footprint. However, the speed at which this shift takes place will vary from one region of the world to another. As a consequence, a diversified product portfolio will be needed to meet customer demands at different stages of climate transition. The analysis also assumed that internal combustion engines will be banned in certain markets, while production and sales will remain possible in other regions. These assumptions are reflected in the KION Group’s strategy to offer a broad product portfolio of trucks with high-efficiency internal combustion engines and drives that run on alternative fuels, while simultaneously pressing ahead with the electrification of the entire range.

The resilience analysis used the International Energy Agency’s Announced Pledges Scenario (APS) and a net zero scenario to estimate the development of energy markets. The APS was chosen as a more conservative approach, not focused on a 1.5°C target, to assess the impact of energy-related emissions in the event that the world’s leading regions are not ambitious enough in setting targets for their energy systems in the coming years. These estimates interact with the KION Group’s goal of achieving net zero GHG emissions by 2050 at the latest, which depends to a large extent on the availability of low-emission energy in the products’ use phase. The APS was also used to estimate carbon prices, which in turn influence the decision to invest in low-carbon technologies in the Group’s own operations.

It was presumed, based on the assumptions regarding carbon prices and the availability of low-carbon energy, and in line with the KION Group’s decarbonization targets, that currently existing and emerging technologies will be available to the extent and at the cost required to meet the Group’s Scope 1 and 2 targets by 2030. This applies to fuel consumers in the Group’s own operations, including the vehicle fleet and foundries. Assumptions were also made regarding the availability and cost of raw materials with a low GHG footprint, particularly steel products, up to 2050.

Raw materials and components are a major source of GHG emissions in the KION Group’s upstream value chain. The transformation required in the industry to supply low-carbon alternatives is still at an early stage, and therefore the market volumes are limited compared to what is required.

The transformation of the industry is expected to generate high demand for low-carbon alternatives, such as green steel, and increase competition. As a consequence, the prices of low-carbon alternatives could rise significantly in the short and medium term. Through its focus on selling low-emission products and reducing customers’ energy consumption (category ‘3.11 Use of sold products’) by shifting to a broadly electrified product and solution portfolio, the KION Group is addressing net zero requirements as part of its short-term strategy while increasing its competitiveness and stepping up the development of capacity and robust structures in the supply chain.

To assess vulnerability to physical climate risks, external science-based scenarios with high emissions, including RCP 8.5, were taken into account in order to model acute and chronic location-specific physical climate risks.

There is a degree of doubt in the resilience analysis due to uncertainties in the underlying data and models. Assumptions about future carbon prices and technologies will influence the planning of investments in low-carbon technologies, while technological changes affecting energy consumption and the energy mix will influence the anticipated reduction in emissions during the use phase of KION Group products.

In its strategies, investment decisions, and climate change mitigation activities, the KION Group addresses business activities that are not compatible with a net zero target, e.g. the manufacture of trucks with internal combustion engines, by taking appropriate action to improve their performance and climate impact. At the same time, it is focusing its business on activities that are compatible with the targets set. This two-pronged approach allows the Group to align its business strategy with climate targets while making the transition financially viable.

The results of the analysis were positive with regard to the KION Group's ability to adapt its business model to climate change. Feasibility studies were conducted to assess the necessary action to achieve GHG reductions in line with net zero requirements. The feasibility studies showed only a limited need for investment, based on the assumption that the ability to achieve climate targets will help the KION Group to secure finance on favorable terms.

Policies related to climate change mitigation and adaptation (E1-2)

The following subchapters deal with the KION Group's material strategic priorities in relation to climate change mitigation.

Commitment to net zero and the Science Based Targets initiative

By making an explicit commitment to achieving net zero GHG emissions along the entire value chain by no later than 2050 and setting appropriate strategic climate targets, the KION Group strives to align its targets with the Paris Agreement climate goal of limiting global warming to 1.5°C. The climate targets validated by the SBTi in December 2024 still applied in 2025. The SBTi's net zero standard sets the minimum ambition for climate change mitigation, to which the KION Group is committed and which it has enshrined in its sustainability strategy. Energy efficiency and the use of renewable energy are elements of the roadmap toward net zero.

The commitment to the SBTi covers the Group's Scope 1, 2, and 3 emissions, including the entire value chain, the Company's products and solutions, and the energy used in its own operations. Responsibility lies with the Executive Board of the KION Group, in particular with the CPSO. The targets are assessed regularly (at least once a year) as part of strategy reviews, internal target setting, and progress monitoring. Progress on climate targets, action taken, and GHG emissions is reported publicly at least once a year. The KION Group's commitment to the SBTi is available to the public at www.sciencebasedtargets.org/target-dashboard and was communicated to the Company's employees and to customers and suppliers.

The commitment to net zero is mainly aimed at the KION Group's employees, suppliers, customers, investors, and other stakeholders. Employees provided input and feedback on the feasibility of targets when defining the commitment. Customers and investors expressed their expectations – as part of regular stakeholder dialogue or in the context of materiality analyses, for example – of the KION Group's climate-related targets and performance.

In addition to the 'Climate change mitigation' sub-topic, the commitment to the net zero target and the Science Based Targets initiative addresses aspects of climate change adaptation. No specific policy for the 'Climate change adaptation' sub-topic was in place for this in the upstream value chain at the end of 2025. The Group intends to formulate a policy based on the results of future risk analyses.

Health, Safety, and Environment Statement of Intent

Particularly worth highlighting in the context of climate action is the Health, Safety, and Environment (HSE) Statement of Intent's ambition to use fewer natural resources and energy, generate less waste, and reduce the Group's own operations' emissions into the air, on land, and into water. This policy is linked to climate change mitigation as it aims to reduce emissions, such as greenhouse gases, into the air and the consumption of natural resources, including for power generation.

The policy covers all Scope 1 and 2 emissions without exception. However, Scope 3 emissions are not within the scope of this policy. Responsibility for this policy lies with the Executive Board of KION GROUP AG, in particular with the CPSO. Data on energy use, GHG and pollutant emissions, and waste generated is published on the KION Group website as part of reporting.

The HSE Statement of Intent is binding for the entire KION Group, including employees, non-employees, and external workers not directly employed by the Company. Employees were directly involved in the development of the policy via representatives (OU HSE heads), while other stakeholder groups were taken into account through their respective departments. The HSE Statement of Intent is reviewed regularly, at least annually, by Corporate Sustainability & HSE and other relevant stakeholder functions, and revised where required.

The policy is provided to employees during their induction, displayed on the organization's notice boards, and communicated via the intranet. A copy of the policy statement must be made available upon request to any employee, customer, contractor, auditor, or regulatory authority.

The HSE Statement of Intent is also available to the public on the KION Group's website at www.kiongroup.com/sustainability.

Strategic focus on increasing the proportion of renewable energy

Increasing the proportion of renewable energy helps to reduce Scope 1 and 2 GHG emissions and is thus linked to climate change mitigation and a reduction in energy use. The KION Group has pursued this strategy since 2023 with the aim of increasing the proportion of renewable energy in the total energy used in the Group's own operations and at its sites within Scope 1 and 2. The CPSO is responsible for the monthly tracking of energy consumption and GHG emissions, with the results also published in external reporting (see 'Strategy targets and target achievement in 2025').

The KION Group aims to align its strategy with the needs and requirements of affected stakeholder groups along the entire value chain. The input and feedback of employees on the feasibility of targets, including suggested schedules for implementation and support for initiatives, were taken into account during development. Customer requirements are also indirectly factored into this strategic development. Further information on the strategy is available to the public on the KION Group website at www.kiongroup.com/sustainability and is communicated internally to employees.

The product development process in the Industrial Trucks & Services segment

The innovative product development process (iPEP 2) is a framework for product development along the entire value chain in the Industrial Trucks & Services segment. Key elements are the definition of roles and process stages, plus integrated project planning. The main idea is to tailor the process to a specific project. Every project has specific parameters and requirements, such as the need for sustainability, that must be taken into account in project management.

The Chief Technology Officer (CTO) on the KION GROUP AG's Executive Board is responsible for iPEP implementation. The policy undergoes regular internal checks through which requested changes are approved, rejected, or revised. After approval, all changes undergo the same implementation phase, during which they are tested, communicated, and incorporated into the process.

The policy mainly affects product development, but other functions such as product management, quality assurance, operations, procurement, controlling, and service are also involved. It was developed with input from all affected stakeholders and underwent a process evaluation as part of the KION Product Development Optimization change initiative. Every iPEP user can request changes and a review of the process, which is then evaluated according to the proposed change. The policy is available on the intranet and communicated to the workforce by the communications department.

Actions and resources in relation to climate change policies (E1-3)

With regard to its Scope 1 emissions, the Group has begun to progressively replace vehicles that have an internal combustion engine with electric vehicles in its fleet of company cars and service vehicles in recent years. With its commitment to the net zero targets, the SBTi targets, and the targets for absolute GHG reduction by 2050, the Group expects to complete this action by 2040. The Group intends to press ahead with its transition plan in 2026.

Progressive electrification of the fleets of company cars and service vehicles is not currently feasible across the entire Group due to country-specific restrictions, such as supply bottlenecks in vehicle production and inadequate charging infrastructure. Overall, the aim is the full electrification of KION's own vehicle fleet in the upcoming years. A subsidiary in Brazil started to switch to bioethanol as a short-term solution for reducing GHG emissions from gasoline consumption. This action is linked to the strategic targets of the 'Climate and energy' action field to increase the proportion of renewable energy used and achieve an absolute reduction in GHG emissions for the Group. In the context of Scope 1 GHG emissions, this represents a decarbonization lever through the use of renewable energy sources in the Group's own operations. The proportion of bioethanol used to fuel the subsidiary's own fleet vehicles in Brazil was further increased in 2025.

The proportion of electricity from renewable sources used by the KION Group was already 97.2 percent in 2025 (2024: 73.8 percent), while the total share of renewable energy used in the Group's own operations was 29.2 percent. Due to the organization's global footprint, the large number of sites, and the existing contractual instruments, it is not always possible to source green electricity directly through power purchase agreements (PPAs) or local electricity contracts. Starting in 2026, further long-term PPAs are to be added in stages to further increase the proportion of renewable energy and thus reduce Scope 2 emissions. In 2025, the KION Group made use of Energy Attribute Certificates (EACs), in addition to existing contractual instruments for purchasing renewable electricity, in order to increase the proportion of renewable electricity and reduce Scope 2 emissions as soon as possible. The purchase of the EACs took place in December 2025. The retirement of the EACs for the year 2025 was commissioned at the beginning of 2026 retrospectively for the reporting year, with the requirement that the retirements be completed by the date of the report. However, the evidence of the retirement of the certificates was not yet fully available at the date of the report. As a result, Scope 2 emissions (market-based) were reduced from originally 36.7 kt CO_2eq by 29.2 kt CO_2eq to 7.5 kt CO_2eq through the retirement of the EACs, and therefore, almost all of the electricity used by the KION Group was from sustainable energy sources. The contractual agreements for the purchase and sale of green electricity related solely to purchasing electricity.

The KION Group embarked on this action, which was proposed in 2024 and started as planned in 2025, as part of its sustainability strategy and its commitment to the SBTi. The Company continues to pursue the target of completely switching to green electricity by 2030.

Suppliers of the KION Group that are responsible for at least 5 percent of annual GHG emissions from purchased goods and services (Scope 3.1) are to have SBTi-aligned decarbonization targets in place by 2030. The active involvement of suppliers and the corresponding actions are linked to the commitment to net zero targets and SBTi targets, and to the guidelines on climate change mitigation that apply to suppliers. A base year of 2023 was set for these targets.

Actions related to energy-efficient products (entity-specific)

The KION Group is working on collecting supplier-specific data in order to improve the underlying data. With this in mind, it launched a project in 2024 aimed at reducing emissions in procurement, which relates to the entity-specific sub-topic ‘Energy-efficient products’. The project is designed to help the global procurement team to reduce greenhouse gas emissions in category ‘3.1 Purchased goods and services’ by calculating, analyzing, and actively reducing GHG emissions of purchased goods and services. The focus is on direct tier 1 suppliers worldwide in the KION Group’s upstream value chain. These are suppliers who have a direct business relationship with a KION Group entity. Direct suppliers are those who supply materials and goods that are used in the KION Group’s production, either directly or as intermediate products.

Building on last year’s feasibility study and the pilot workshops that were conducted with selected suppliers, the insights gained were used in the reporting year to further integrate GHG emissions considerations in key procurement processes. This includes embedding GHG emissions in the strategies for material groups, the supplier scorecard, and the tendering procedure on the Group’s own procurement platform. The KION Group has also taken the first actions aimed at achieving the aforementioned SBTi decarbonization target for Scope 3.1. To this end, affected buyers have been trained and selected suppliers have been contacted to discuss a dedicated SBTi target and the decarbonization strategy for suppliers.

Another key topic in 2025 was boosting emissions data transparency. Following on from the pilot workshops, additional workshops were held with suppliers. Using the insights from the feasibility study and the workshops, a material group-specific buyer’s guide was prepared that provides a detailed analysis of the GHG structure within the individual categories and highlights potential actions for reducing GHGs. It also provides a summary of the insights on the supplier portfolio obtained in the workshops. A carbon management and accounting software platform was chosen and implemented in the reporting period to aid the management of GHG emissions going forward.

As part of the KION Learning Academy, the KION Group developed a comprehensive, multi-level online training program for the workforce in 2025 that focuses on lifecycle assessments (LCAs). It covers basic training on the fundamental principles of the ISO 14040 and 14044 standards, plus advanced training that provides a more detailed insight into the various steps of the LCAs. The aim of the training is to expand knowledge about LCAs, support teams in sustainable decision-making, and reinforce environmental awareness within the Company. The LCA basic training is open to all interested employees, including those who do not directly work on sustainability. In contrast, the advanced training is aimed at technical experts, especially those who work in product development.

Furthermore, LCA experts assist the affected internal stakeholders. This means that new insights from the LCAs can be factored into product development at an early stage and product developers gain the knowledge that they need to make informed decisions about the selection of materials and the lifespan of components.

In the ITS segment, the Energy Toolbox was introduced in 2025 as a new sales tool for the KION Group and its sales partners. Specialized apps are available for the electric forklift solutions of both the Linde and STILL brands. These apps allow different truck and vehicle configurations to be systematically compared in order to identify the right solutions for customers' specific requirements. Key features include an energy consumption calculator and a carbon emissions comparison tool. In this way, the two apps provide targeted support for the deployment of electric forklift solutions that directly help to reduce emissions – especially carbon emissions – and allow customers to make informed decisions based on environmental impact and total cost of ownership. This offering underscores the KION Group's commitment to climate-friendly technologies and the responsible use of resources.

Since the initial versions were launched in February 2025, user numbers have continuously increased. Plans are already in place to refine and regularly update the apps.

In June 2025, the KION Group received its first carbon footprint certificate in accordance with ISO 14067 for the Linde N20 order-picker truck with lithium-ion batteries. The certification covers the entire product lifecycle and was granted by an accredited certification body. This action enables transparent communication of environmental impacts and promotes continuous improvements in sustainability.

Further information on the resource-efficient design of products can be found in the 'Resource use and circular economy' chapter.

The KION Group's decarbonization levers

Switching to alternative fuels is the most important decarbonization lever in the KION Group's own operations. Diesel and gasoline consumption in the vehicle fleet (mainly company cars and service vehicles) accounts for a large proportion of energy consumption and emissions in the Group's own operations. By switching its fleet to electric, the KION Group can benefit from electric vehicles' lower energy consumption and further reduce GHG emissions from transportation as a result of switching to electricity from renewable sources.

Another source of GHG emissions are the KION Group's two foundries, which use coking coal. The KION strategy envisages powering the foundries only with electric arc furnaces. Natural gas consumption for space heating and process heat, such as the furnaces used in manufacturing, can be addressed by switching to technologies such as heat pumps for space heating and electric furnaces in manufacturing. The KION Group aims to develop an action plan – based on the net zero targets – for implementing the strategy.

Combined with switching to other fuels, the use of renewable energy is another key decarbonization lever for the KION Group's business activities. In 2025, the proportion of renewable energy used in the Group was 29.2 percent. The proportion of renewables in total energy consumption can be significantly increased through the electrification of all processes for which alternative technologies are potentially available. Where electrification is not feasible in the medium term, alternative renewable fuels such as bioethanol or green hydrogen could provide an alternative.

Emissions from the product use phase in the Industrial Trucks & Services operating segment accounted for 74.0 percent of the KION Group's total GHG footprint in 2025 (2024: 66.7 percent). Although the proportion of sold trucks with internal combustion (IC) engines was only 7.4 percent

(2024: 8.5 percent), they account for 36.2 percent of GHG emissions in the product use phase (2024: 37.7 percent). Further reducing the proportion of IC trucks will help to reduce GHG emissions and meet the Group's climate targets.

More than 50 percent of the KION Group's total GHG emissions in 2025 were attributable to the use phase of electric products and solutions sold to customers. In order to reach the net zero target, it is necessary to lower these emissions too. The corporate strategy therefore involves increasing the energy efficiency of products by improving battery technology and using high-efficiency batteries, such as lithium-ion cells, to reduce energy consumption. Furthermore, the KION Group is working closely with its customers to increase the proportion of renewables in their electricity mix. The KION Group aims to develop an action plan – based on the net zero targets – for implementing the strategy. 'Purchased goods and services' (category 3.1) represented 17.4 percent of the KION Group's total GHG emissions in Scope 1 to 3 in 2025. As part of its overall decarbonization strategy, the Company plans to work with its suppliers on reducing GHG emissions. This includes increased material efficiency, switching to alternative materials, increased use of recycled materials, and technological solutions to decarbonize production processes for energy-intensive products like steel. The KION Group aims to develop an action plan – based on the net zero targets – for implementing the strategy. Further details can be found in the 'Actions related to energy-efficient products (entity-specific)' section. Beyond this, the KION Group had not taken any specific action related to the 'Climate change adaptation' sub-topic in the upstream value chain by the end of 2025.

In 2025, the KION Group continued to have capital expenditure and operating expenses in connection with actions and policies relating to climate change. The new KION Regional Distribution Center Central Europe in Kahl, Germany, was constructed in accordance with the gold standard of the German Sustainable Building Council (DGNB). Opened in May 2025, it includes a photovoltaic (PV) system and a system for collecting rainwater for industrial use. Further PV systems were expanded at some KION Group sites. The sites were chosen partly because of their strategically favorable position, which facilitates the planning of efficient transportation routes and thereby reduces both energy consumption and transportation-related GHG emissions.

To meet its strategic targets related to climate change mitigation and adaptation, the KION Group intends to continue investing in this area in the future, although the exact timing and extent are still to be determined. A transition plan is expected to provide greater detail in 2026 with the aim of closing any gaps in policies and actions relating to identified impacts, risks, and opportunities, and the reporting thereof.

Targets related to climate change mitigation and adaptation (E1-4)

The KION Group calculates and controls its GHG emissions based on the international Greenhouse Gas Protocol (GHG Protocol). Where it is technologically possible, the GHGs covered are carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and nitrogen trifluoride.

Given the climate targets, in particular the net zero target, the disclosures on target achievement, and the formal validation by the SBTi in 2024, the KION Group decided to deviate – as it had the previous year – from ESRS 1.62 and the principle of financial control. Instead, the Group will persist with its chosen approach of operational control in accordance with the GHG Protocol for categories Scope 3.11 ('Use of sold products') and Scope 3.13 ('Downstream leased assets') and continue to consistently apply this method of reporting in this Group sustainability report.

All of the aforementioned GHG targets are gross targets and do not include negative GHG emissions, carbon offsetting, or GHG emission avoidance as a means of achieving GHG emission reduction targets. Starting from the base year of 2021, the GHG emission reduction targets aim to limit global warming, on a cross-sector pathway, to 1.5°C compared with pre-industrial levels. The assessment excludes any GHG emission reductions before 2020. The KION Group considered a net zero scenario as well as one based on pledges announced to date.

Emission Reduction Targets and Decarbonization Levers[1]

	2021 (Base year)	2030	2050
GHG Emissions – Scope 1 and 2 – Business as Usual Scenario (in kt CO_2eq)	**149**	**191**	**201**
Decarbonization Levers (reduced kt CO_2eq)			
Energy efficiency and consumption reduction	–	–1	–2
Fuel switching and electrification	–	–72	–126
Use of renewable energy	–	–32	–49
Other	–	–	–9
GHG Emissions Targets – Scope 1 and 2 – Reduction Scenario (in kt CO_2eq)	**149**	**86**	**15**
GHG Emissions – Scope 3 – Business-as-usual-Scenario (in kt CO_2eq)	**23,477**	**25,423**	**30,140**
Decarbonization Levers (reduced kt CO_2eq)			
Use of renewable energy	–	–5,166	–16,441
Phase out, substitution or modification of product	–	–1,721	–5,458
Green procurement	–	–	–5,893
Total GHG Emissions – Reduction Scenario (kt CO_2eq)	**23,477**	**18,536**	**2,348**
Total GHG Emissions – Business-as-usual-Scenario (kt CO_2eq)	**23,626**	**25,614**	**30,341**
Total GHG Emissions – Reduction Scenario (kt CO_2eq)	**23,626**	**18,622**	**2,363**

1 The calculation of GHG emissions in the business-as-usual scenario takes into account both the assumed company growth and changes in the energy systems and the resulting reductions in the GHG intensity of energy used

Absolute reduction targets for Scope 1 and 2

The KION Group has set itself the target of reducing Scope 1 and 2 GHG emissions by at least 90 percent by 2050, starting with 2021 as the base year (baseline value: 149,359 t CO_2eq). The near-term target for 2030 is an absolute reduction of 42 percent. The baseline for the Scope 1 and Scope 2 reduction target relates to GHG emissions from direct and indirect energy consumption in the KION Group’s own operations. Emissions from customers’ use of leased products over which the KION Group retains beneficial ownership (financial control) as the lessor (operating lease agreements) are classified as Scope 3 emissions in line with the operational control approach of the GHG Protocol and are thus not part of the reduction target for Scope 1 and 2.

The target has a scientific basis and covers all Scope 1 and 2 emissions that are under the operational control of the KION Group within the meaning of the GHG Protocol. For the purposes of setting and achieving targets for GHG emissions, the KION Group uses the market-based method as the basis for the calculated Scope 2 GHG emissions. The KION Group set the target using the SBTi net zero framework and the detailed methodology sheets. The Science Based Targets initiative (SBTi) is an organization that helps companies to set climate targets. The methodology set by the SBTi is widely accepted, and the climate targets of the KION Group, developed in accordance with this methodology, were formally validated in 2024. The SBTi's methodology is subject to inherent uncertainties with regard to the underlying research findings and forward-looking assumptions about the reduction of GHG emissions needed to achieve the 1.5°C target. The SBTi methodology, which was published in 2021, is currently being revised. New research-based insights into the progress of climate change could lead to the revision of the SBTi methodology and of the assessment of whether the target levels are sufficient to limit global warming to 1.5°C. The KION Group will adjust its target accordingly if the SBTi methodology changes.

When defining the basic assumptions for GHG emission reduction targets, the KION Group considered future developments that could potentially influence its GHG emissions and its efforts to reduce them: Company growth and a rise in unit sales would lead to an increase in energy consumption and emissions along the value chain. The switch to electric vehicles, the decarbonization of global electricity grids, rising carbon taxes, and the availability of technologies such as green steel and electric arc furnaces would help the KION Group to reduce the emission intensity of its activities.

The KION Group has taken the following actions to ensure that the baseline value is representative:

- The KION Group used emission factors from the same sources. Where methodologies or emission factors were changed, the base year was recalculated using the same methods.
- Adjustments to the organizational boundaries accounted for less than 5 percent of changes in the GHG inventory.
- The base year of 2021 is considered representative for the KION Group's business activities in the years since. This was formally validated in the SBTi's assessment of the reduction targets.

With regard to sustainability matters between now and 2030, the same base year of 2021 will be used for comparative analyses across the Group. The KION Group will choose a base year no more than three years before the first reporting year of the new target period when defining new targets. From 2030 onward, the Group will update its base year every five years.

Absolute reduction target for Scope 3

The KION Group's absolute reduction target for Scope 3 emissions was set using the SBTi methodology. It envisages a reduction of at least 25 percent by 2030 and, in the long term, a reduction of no less than 90 percent across Scope 3 by 2050; the focus here is on category '3.11 Use of sold products'. According to the operational control approach, category 3.11 includes GHG emissions generated during the use of products leased downstream as part of the KION Group lease business. The base year is 2021 with a baseline value of 19,764,107 t CO_2eq. The SBTi formally validated 2021 as the representative base year for the KION Group, based on historical data and expected future growth. The net zero target covers 100 percent of the KION Group's Scope 3 emissions and the near-term target, that includes category 3.11, covers 83 percent of Scope 3 emissions. If the SBTi methodology is updated, the KION Group agrees to adjust its target accordingly. Affected stakeholders were involved in setting the target. Customers and investors were interviewed about their expectations regarding the KION Group's climate targets, while internal stakeholders were consulted about the feasibility and timeline of necessary action.

Currently, the Group is pursuing the strategic objectives of conducting more lifecycle assessments for products and obtaining Cradle to Cradle certification for selected products. LCAs are an essential source of information used to define GHG emission reduction targets as part of the KION Group's commitment to the SBTi framework. They provide an overview of the environmental impact of KION products, including their carbon footprint. This kind of information is increasingly requested by customers and essential when it comes to countering the negative impact of the selected materials on the environment.

The KION Group is currently pursuing the cradle-to-cradle processes with the aim of obtaining the Environmental Protection Encouragement Agency (EPEA) certificate. A cradle-to-cradle analysis complements the LCA by assessing the effectiveness of processes in terms of their sustainability. It assesses the safety, circularity, and sustainability of a product across five categories with regard to sustainability performance. The KION Group aims to align its products more closely with its customers' sustainability-related expectations by implementing the cradle-to-cradle principle in its processes.

The strategic objectives relating to LCAs and Cradle to Cradle certification form a solid basis for the development of specific targets directly linked to the IROs in question. The future direction of both projects and the feasibility of achieving these targets were defined in greater detail in 2025, thus providing a robust basis for setting and implementing specific targets in a timely manner.

No target was defined for the 'Climate change adaptation' sub-topic in 2025 in relation to Scope 3 GHG emissions in the upstream value chain.

Monitoring strategic target achievement

The KION Group regularly participates in established ESG ratings to ensure maximum transparency and comparability. Consequently, the S&P Global Corporate Sustainability Assessment (CSA) and EcoVadis are firmly integrated into the KION Group's strategic targets. With regard to decarbonization, the KION Group also submits to an annual assessment of its targets via the Carbon Disclosure Project (CDP). The results of these ratings are validated and potential for improvement is actively pursued.

Reduction in energy intensity

The KION Group aims to systematically reduce its energy intensity, which is measured as the ratio of energy consumed to revenue. This can help to reduce GHG emissions and the use of natural resources. The calculation is based on the Group companies' total consumption of all energy sources divided by consolidated revenue. The underlying metric has no external scientific basis; it is an internal Group metric. Internal stakeholders were actively involved in the definition of relevant key performance indicators and actions, with a particular focus on the feasibility and the timeframe of the necessary actions. A groupwide system for the continuous tracking of energy consumption was established to facilitate target implementation and monitoring. The relevant metrics of energy consumption and revenue are reported annually and provide the basis for further action to drive target achievement.

Proportion of electric trucks sold annually (Industrial Trucks & Services segment)

The KION Group plans to establish a portfolio focused on electric drive systems, including battery-powered and fuel cell-powered products, by increasing the proportion of electric trucks sold annually. Given the positive trend, starting with a baseline of 85.0 percent in the year 2019, the KION Group decided in 2024 to increase the previous target from 90 percent to 92 percent, to be achieved by 2027.

The target is calculated as the proportion of electric products (including fuel cells and other electric technologies) ordered annually in the Industrial Trucks & Services segment (in terms of units in new business).

This target relates to the GHG emission reduction target in the KION Group's commitment to the SBTi framework and to the IRO 'Global electrification of the product portfolio'. The target was defined in collaboration with the relevant departments and Operating Unit representatives who are responsible for the 'Product and solution sustainability' action field. The adjusted target was then approved by the Executive Board of KION GROUP AG.

Metrics related to climate change

In the context of climate change, the metrics for energy consumption, GHG emissions, energy mix, and energy intensity and the entity-specific metrics for energy-efficient products are presented below. The methods and significant assumptions are explained in this context, as are, where appropriate, the estimates and outcome uncertainties. Furthermore, information is disclosed on greenhouse gas removal, on greenhouse gas reduction projects financed through emission allowances, and on internal carbon pricing.

Metrics for energy consumption, energy mix, and energy intensity (E1-5)

Energy-related metrics are determined in the same way as GHG emissions. Energy data for the KION Group's own activities is primarily calculated and controlled in line with the definition of the Company for the purposes of calculating GHG emissions in accordance with the GHG Protocol and the operational control approach. This approach for GHG emissions is in line with the attribution of energy consumption in the KION Group that is relevant to climate targets and the commitment to the SBTi.

To calculate energy data, the KION Group uses conversion factors of 'UK Government GHG Conversion Factors for Company Reporting' (Department for Energy Security & Net-Zero [DESNZ], 2024). The factors used were selected due to their scientific basis, reliability, and widespread acceptance in international reporting standards.

Results are subject to a degree of uncertainty due to potential errors in the capture of subsidiaries' consumption figures for all relevant energy sources, including due to missing measurement data.

To determine energy intensity in climate-intensive sectors according to ESRS, the NACE classification system was used to identify the energy-intensive sectors of relevance for the KION Group. Entities in the KION Group were assigned the relevant NACE codes. The KION Group operates in the following energy-intensive sectors according to ESRS, which were included in the calculation of energy intensity:

- NACE Code 46 Wholesale trade, except of motor vehicles and motorcycles
- NACE Code 28 Manufacture of machinery and equipment n.e.c.
- NACE Code 52 Warehousing and support activities for transportation
- NACE Code 27 Manufacture of electrical equipment

Energy consumption, energy mix and energy intensity (own operations) according to GHG protocol[1]

in megawatt-hours (MWh)	2025	2024	Change
Total Energy consumption by sources of energy (MWh)			
(1) Fuel consumption from coal and coal products	46,591	58,879	–20.9%
(2) Fuel consumption from crude oil and petroleum products	239,778	245,060	–2.2%
(3) Fuel consumption from natural gas	129,406	122,015	6.1%
(4) Fuel consumption from other fossil sources	–	43	–100.0%
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	27,650	76,073	–63.7%
(6) Total fossil energy consumption (MWh) (lines 1 to 5)	**443,425**	**502,071**	**–11.7%**
Share of fossil sources in total energy consumption (%)	**70.7%**	**79.7%**	**–**
(7) Consumption from nuclear sources (MWh)	**589**	**5,878**	**–90.0%**
Share of nuclear sources in total energy consumption (%)	**0.1%**	**0.9%**	**–**
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	4,491	2,499	79.7%
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources [actively sourced][2]	168,736	116,380	45.0%
(10) Consumption of self-generated non-fuel renewable energy	10,290	3,365	> 100.0%
(11) Total renewable energy consumption (MWh) [actively sourced][2] (lines 8 to 10)	**183,517**	**122,243**	**50.1%**
Share of renewable sources in total energy consumption (%) [actively sourced][2]	**29.2%**	**19.4%**	**–**
Total energy consumption (MWh) (total lines 6, 7 and 11)	**627,531**	**630,191**	**–0.4%**
Total energy consumption from activities in high climate impact sectors (MWh)	**623,346**	**624,189**	**–0.1%**
Energy intensity per KION Group's net revenue associated with activities in high climate impact sectors (in MWh/€ million)	**61.4**	**54.3**	**13.2%**
Renewable energy production in own operations	**12,014**	**10,237**	**17.4%**

1 KION Group's energy data and GHG emissions are calculated and managed in accordance with the GHG Protocol

2 In accordance with ESRS E1 AR32 (j), the energy classification of electricity, steam, heat or cooling is defined more strictly with regard to the allocation to renewable and non-renewable sources. Energy consumption is only taken into account as renewable if the origin is specifically defined in the contractual agreements with the suppliers. These include, for example, electricity purchase agreements, standardized green electricity tariffs, market instruments such as guarantees of origin for renewable sources in Europe or comparable instruments such as certifications for renewable energies in the USA and Canada. In accordance with ESRS, renewable components from sources not specified in contractual instruments (e.g. when using residual mixes for electricity) are classified as non-renewable

Metrics for greenhouse gas emissions (E1-6)

Metrics for GHG emissions and entity-specific metrics for energy-efficient products are presented below in accordance with ESRS E1-6.

GHG emissions for Scope 1, Scope 2, and Scope 3 are always calculated in line with the standards of the Greenhouse Gas Protocol. The calculation takes entities under financial control into account, including financially immaterial subsidiaries and those under operational control.

The subsidiaries' GHG emissions are recorded, reported, and reviewed annually while taking the threshold values set at Group level into account. Compared with 2024, there are no material changes in the definition of the KION Group business units to be included or its upstream and downstream value chain for 2025.

When calculating or reporting greenhouse gas emissions, the KION Group does not use any information from entities in its value chain that have a different reporting period.

Greenhouse gas emissions (GHG emissions) according to GHG protocol[1]

	Retrospective				Milestones and target years			
	2021 (Base year)	**2024**	**2025**	**Change in %**	**2025**	**2030**	**(2050)**	**Annual % target (2030)/ Base year**
Scope 1 GHG emissions								
Gross Scope 1 GHG emissions (t CO_2eq)	111,484	108,401	104,881	–3.2%	90,673	64,660	11,148	–4.7%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	–	20.5%	16.7%	–	–	–	–	–
Scope 2 GHG emissions								
Gross Scope 2 GHG emissions (location-based) (t CO_2eq)	88,164	77,176	78,932	2.3%	–	–	–	–
Gross Scope 2 GHG emissions (market-based) (t CO_2eq)	37,875	38,153	7,473	–80.4%	30,986	22,069	3,809	–4.7%
Significant scope 3 GHG emissions[2]								
Total Gross **indirect** (Scope 3) GHG emissions (t CO_2eq)	23,476,782	16,011,381	14,694,157	–8.2%	–	–	2,347,678	–2.4%
(1) Purchased goods and services	3,096,120	2,824,664	2,576,952	–8.8%	–	–	309,612	–
(2) Capital goods	46,631	39,102	28,803	–26.3%	–	–	4,663	–
(3) Fuel and energy-related activities (not included in scope 1 or scope 2)	39,900	40,711	37,780	–7.2%	–	–	3,990	–
(4) Upstream transportation and distribution	162,098	174,956	171,304	–2.1%	–	–	16,210	–
(5) Waste generated in operations[3]	16,292	16,393	14,760	–10.0%	–	–	1,629	–
(6) Business traveling	11,030	25,826	40,631	57.3%	–	–	1,103	–
(7) Employee commuting	30,114	30,326	30,826	1.6%	–	–	3,011	–
(11) Use of sold products[3, 4]	19,764,107	12,556,215	11,469,884	–8.7%	17,568,095	14,823,080	1,976,411	–2.8%
(12) End-of-life treatment of sold products	189,502	118,853	136,509	14.9%	–	–	18,950	–
(15) Investments	120,986	184,335	186,709	1.3%	–	–	12,099	–

Greenhouse gas emissions (GHG emissions) according to GHG protocol[1]

	Retrospective				Milestones and target years			
	2021 (Base year)	2024	2025	Change to Prior year	2025	2030	(2050)	Annual % target (2030)/ Base year
Total GHG emissions								
Total GHG emissions (location-based) (t CO_2eq)	23,676,430	16,196,957	14,877,970	–8.1%	–	–	–	–
GHG intensity (location-based) per KION Group's net revenue (kt CO_2eq/€ million)	–	1.4	1.3	–	–	–	–	–
Total GHG emissions (market-based) (t CO_2eq)	23,626,141	16,157,934	14,806,511	–8.4%	21,304,159	18,524,241	2,352,807	–2.4%
GHG intensity (market-based) per KION Group's net revenue (kt CO_2eq/€ million)	–	1.4	1.3	–	–	–	–	–
Total biogenic emissions of CO_2								
Biogenic emissions of CO_2 from the combustion or bio-degradation of biomass not included in Scope 1 GHG emissions	735	715	3,549	396.2%	–	–	–	–
Biogenic emissions of CO_2 from combustion or bio-degradation of biomass not included in Scope 2 GHG emissions	7,240	11,522	9,027	–21.7%	–	–	–	–
Biogenic emissions of CO_2 from combustion or bio-degradation of biomass that occur in value chain not included in Scope 3 GHG emissions[3]	–	849,931	779,866	–8.2%	–	–	–	–

1 KION Group's energy data and GHG emissions are calculated and managed in accordance with the GHG Protocol

2 Share of total GHG emissions in scope 3 calculated from primary data amounting to 0.0% (2024: 0.1%)

3 The value reported for the base year 2021 in Scope 3.5 includes both fossil and biogenic emissions from the treatment of waste from own operations. For the reporting year 2025, the value in Scope 3.5 only includes fossil GHG emissions. Biogenic emissions from the treatment of waste generated in own operations in 2025 are included in the key figure for biogenic CO_2 emissions from the value chain

4 GHG emissions from the 'use of products' that are initially leased to customers are included in the GHG emissions from the 'use of products' over their entire life cycle. Category 3.11 therefore includes GHG emissions from category 3.13 ('downstream leased assets')

Scope 1 greenhouse gas emissions

Emissions from stationary combustion, such as through the use of heating systems, process heat, furnaces, and generators, are calculated on the basis of the amount of fuel consumed. GHG emissions from mobile combustion result from the fuel used by company vehicles and forklift trucks on the KION Group’s sites. Emissions are calculated based on the volumes of fuel recorded.

The KION Group uses the latest version of DESNZ’s conversion and emission factors to calculate Scope 1 GHG emissions. The emission factors used were selected due to their scientific basis, reliability, and widespread acceptance in international reporting standards.

Scope 2 GHG emissions

Scope 2 GHG emissions are calculated on the basis of the purchased electricity, heat, and cooling consumed at production sites and in administrative buildings. The KION Group reports Scope 2 GHG emissions under the location-based and the market-based approach.

Location-based emissions are calculated on the basis of average regional emission factors from the ecoinvent database. Market-based GHG emissions are calculated on the basis of contracts and information from suppliers about emissions. At sites with power purchase agreements (PPAs) and guarantees of origin, the specific energy sources are used. Otherwise, the data is based on supplier-specific information from power purchase agreements. In a few cases, no information on energy sources is available, so information on the residual electricity mix at the site is used. This is based on data from the European Residual Mix published by the Association of Issuing Bodies (AIB) and on emission factors from the ecoinvent database, which provide detailed information on the composition of regional energy mixes. The KION Group uses the latest version of DESNZ’s emission factors to calculate GHG emissions from purchased heat. The emission factors used were selected due to their scientific basis, reliability, and widespread acceptance in international reporting standards.

In 2025, 97.2 percent of electricity purchased by the KION Group came from renewable energy sources (2024: 73.8 percent). 65.8 percent (2024: 45.5 percent) was purchased using unbundled and 31.4 percent (2024: 21.5 percent) using bundled guarantees of origin (21.1 percent from PPAs (2024: 15.5 percent) and 10.3 percent (2024: 6.0 percent) from retail contracts for renewable energy). There are no guarantees of origin for the remaining 2.8 percent of purchased electricity (2024: 33.0 percent).

Significant Scope 3 GHG emissions

The KION Group carried out a GHG materiality analysis to determine the relevant Scope 3 categories. This analysis is updated in the event of significant organizational changes and is carried out in accordance with the KION Group’s internal guidelines for calculating emission data. The following categories are not currently considered in detail in the calculation of Scope 3 GHG emissions, as they were not deemed material: ‘3.8 Upstream leased assets’, ‘3.9 Downstream transportation and distribution’, ‘3.10 Processing of sold products’, and ‘3.14 Franchises’. The category ‘3.13 Downstream leased assets’ is not disclosed separately; instead, it is reported, together with sold products and solutions in category ‘3.11 Use of sold products’, over the entire time horizon using a uniform calculation method. This approach is based on the assumption that the usage and lifetime of both product types will not differ materially over the relevant time period.

Scope 3 categories – Methodology

Category	Methodology
3.1 Purchased goods and services	(1) Includes procurement of all materials, products, and services that are used directly in production and indirectly. These comprise, for example, steel and steel structures, batteries, chargers, engines, generators, industrial trucks, chemicals, lubricants, and technical gases.
	(2) Expenditure-based calculation using values from an internal KION database linked to accounting. Emissions from subsidiaries not covered by the database were estimated.
	(3) For the months of November and December, projections are made based on the purchasing data available up to October of the respective reporting year.
3.2 Capital goods	(1) Expenditure-based method covering all capital goods, such as machinery, building constructions, hardware, and operating and office equipment, among others.
	(2) As the internal database does not cover all KION Group subsidiaries, GHG emissions are estimated. Emissions included correspond to the “cradle-to-gate” boundary.
	(3) Extrapolations for the months of November and December are made based on purchasing data available up to October each year.
3.3 Fuel- and energy-related emissions	(1) Energy consumption data is calculated based on company-specific figures. The same data formed the basis for calculation of GHG emissions in Scopes 1 and 2.
3.4 Upstream transportation and distribution	(1) Calculated using a spend-based approach; only transport emissions from inbound and outbound transports (“well-to-wheel” – WTW) connected to transport activities conducted and paid for by the KION Group in the 2025 financial year are reported. This includes general logistics, road transportation, intralogistics services and warehousing.
	(2) Extrapolations for the months of November and December are made based on purchasing data available up to October each year.
3.5 Waste generated in operations	(1) Calculation based on company-specific waste data from Group locations, broken down by waste categories and recycling rates.
	(2) Emissions from the recycling process are not included.
3.6 Business travel	(1) Unlike the previous year, GHG emissions from business travel in 2025 will be calculated using a spend-based methodology. Although data quality is lower and measurement uncertainty is higher using this method, the change was considered acceptable since Scope 3.6 accounts for less than 0.2% of total GHG emissions of the KION Group.
	(2) All relevant GHG emissions during the use of transportation are determined according to the well-to-wheel approach. Emissions from hotel stays are outside the minimum boundary and are not included.
	(3) Extrapolations for the months of November and December are made based on purchasing data available up to October each year.
3.7 Employee commuting	(1) Region-specific, calculated using the well-to-wheel approach based on the number of employees at year-end. Regions included are Western and Eastern Europe, Middle East & Africa, North/Central/South America, APAC (excluding China), and China.
	(2) All relevant GHG emissions from vehicle use by employees on their way to work are accounted for. Assumptions were made regarding modes of transport (car, carpooling, public transport, bicycle, walking) and average commuting distances. Emissions from home office work are below the materiality threshold and are not included.
3.11 Use of sold goods and 3.13 Downstream leased assets	(1) **KION ITS:** Calculation based on energy consumption data, internal sources, and ordered units of industrial trucks. The calculation includes both direct and indirect emissions from the use phase in accordance with the SBTi requirements for accounting for emissions from the use of vehicles.
	(2) **KION SCS:** For the development of the reference model, an internal calculation tool was used that estimates the energy consumption of sold systems based on customer specifications, empirical data, and scientifically based technical parameters. Using the agreed system layout, the tool determines which conveyor equipment is used and in which specifications, quantifies the resulting energy consumption over the lifetime, and relates it to revenues using the corresponding pricing framework. Only direct emissions are reported.

Scope 3 categories – Methodology

Category	Methodology
	(3) Geographically specific emission factors were used to account for the customer's electricity mix (location-based). Emission factors for combustion vehicles are from DESNZ and electricity consumption uses ecoinvent database factors.
3.12. End-of-life treatment of sold products	(1) **KION ITS:** Calculation of average GHG emissions per product category based on LCAs of representative categories including end-of-life treatment information; sales and incoming orders data come from internal sources and WITS industry statistics.
	(2) **KION SCS:** A detailed analysis is currently not possible due to insufficient data; therefore, end-of-life emissions are extrapolated based on segment ITS data and estimated using revenue figures.
3.15 Investments	(1) Includes investments in associates and other entities.
	(2) Calculation is based on previous year's revenues of investees and corresponding ownership shares of group companies; this revenue is multiplied by sector- and country-specific emission factors as well as the relevant KION Group ownership share. Proportionate emissions for scope 1 and 2 of these investees are included as required by the GHG Protocol. Scope 3 emissions from investments which form part of the KION value chain are included in reporting.

To ensure that they are up to date and sufficiently detailed, the emission factors for categories 3.1, 3.2, and 3.4 were obtained from specialist provider ‘ctrl+s’ using the ‘matter+s’ database version 2.2 (2025). Other sources include the ‘UK Government GHG Conversion Factors for Company Reporting’ (DESNZ, 2025), which form the basis of the calculations in categories 3.3 (direct energy sources upstream), 3.6, 3.7, 3.11, 3.12 (for diesel, LPG, and CNG), and 3.13.

The ecoinvent database provides emission factors for categories 3.11 and 3.13 (location-based electricity emission factors), for non-recycled materials in category 3.5, and for upstream emissions from purchased indirect energy and for transmission and distribution losses in category 3.3. The database used was ecoinvent version 3.11 (2024).

Factors from the Exiobase database version 3 (2021) are used in the calculations for category 3.15.

Sources of estimation and outcome uncertainty

The calculations under categories ‘3.1 Purchased goods and services’, ‘3.2 Capital goods’, ‘3.4 Upstream transportation and distribution’, and 3.6 ‘Business travel’ are based on secondary data and are therefore subject to inherent uncertainty. Supplier-specific figures are not currently available, which is why average emission factors for the industry were used. The KION Group is working on successively collecting supplier-specific data in order to improve the underlying data for key areas of spending.

The way in which gaps in the data are managed adds a further element of uncertainty to the estimates. There is a lack of robust data for individual periods, Group companies, and procurement categories, so the data is extrapolated using average values.

No primary measurement data is available for the category ‘3.7 Employee commuting’. Instead, statistical figures – which vary by region – are used in order to estimate emissions from KION employees’ commuting. These figures are based on averages from relevant surveys and can only approximate the actual emissions.

The following calculation methodologies apply in relation to category ‘3.11 Use of sold products’. The calculation of emissions in the Supply Chain Solutions segment is generally subject to a high degree of uncertainty due to project-specific differences in components and energy consumption. An average energy consumption figure for a number of reference projects was therefore determined through an analysis of projects. This figure has a high degree of uncertainty, as it is mainly based on assumptions and only includes projects in the EMEA region. There is also a lack of primary data on the electricity mix of customers, which is why national-average grid electricity factors are used (location-based). Taking a conservative approach, the current location-based electricity mix is applied for the entire use phase (lifetime emission factors), which adds uncertainty as potentially decreasing or increasing grid electricity factors are not taken into account. Furthermore, breaking the energy use in reference projects down to a revenue-based average value is a major simplification that entails a high degree of uncertainty.

In the Industrial Trucks & Services segment, material uncertainty stems from the estimated operating hours of the equipment, which can vary considerably depending on how and where the equipment is used. Further uncertainty stems from estimates of lifetime electricity consumption. As there is no primary data on the electricity mix of customers, national-average grid electricity factors are used (location-based). Taking a conservative approach, the current location-based electricity mix is applied for the entire use phase (lifetime emission factors), which adds uncertainty as potentially decreasing or increasing grid electricity factors are not taken into account. As a data source, WITS gives rise to uncertainty due to the time lag. This is because these statistics reflect global order intake, and the number of trucks ordered is not based on the actual time of delivery to the customer. Overall, this time lag is negligible when it comes to calculating the GHG footprint.

In the calculations for category ‘3.12 End-of-life treatment of sold products’, the end-of-life emissions per truck category in the Industrial Trucks & Services segment are based on modeled average figures that are taken from the lifecycle assessment for the relevant truck category.

Truck-specific end-of-life GHG emissions therefore cannot be disclosed precisely. There is no primary data in the Supply Chain Solutions segment, which is why end-of-life GHG emissions are extrapolated from revenue-based data in the Industrial Trucks & Services segment.

No primary data is available for GHG emissions from investments in assets and from equity investments under category ‘3.15 Investments’. Instead, industry-specific Scope 1 and Scope 2 emission factors are used to extrapolate from the relevant prior-year revenue.

This approximation does not reflect the companies’ specific activities, but represents a statistical average value for the respective industry.

Disclosures on greenhouse gas removal, on greenhouse gas mitigation projects financed through carbon credits (E1-7), and on internal carbon pricing (E1-8)

In 2025, the KION Group set up an internal carbon pricing scheme to help it to achieve the groupwide net zero greenhouse gas targets. This scheme is based on an internal carbon fee that serves as an offset mechanism between the Operating Units.

The goal is to achieve the reduction targets for Scope 1 and Scope 2 emissions in each reporting period and create an incentive for avoiding future spending on fees. The pricing scheme applies to emissions from electricity consumption (Scope 2) and covers all consolidated subsidiaries worldwide. The underlying carbon price is based on the spot market price at the time that Energy Attribute Certificates (EACs) are purchased. This means that the Group’s approach is aligned with and approximates market prices, reasonably reflects actual costs, and encourages decision-making based on energy efficiency and a reduction in greenhouse gases. The Scope 2 emissions volume covered by the CO_2 pricing mechanism, based on the purchased green electricity certificates, amounted to 16,803 t CO_2e for the Group in fiscal year 2025; this corresponded to a share of 46.9 percent of total Scope 2 emissions before taking this reduction into account.

The KION Group did not purchase any carbon credits in 2025. In the course of validating its climate targets, the KION Group decided to not communicate claims of GHG neutrality.

Entity-specific metrics for energy-efficient products

With respect to the material impacts and opportunities related to energy-efficient products, the KION Group discloses the entity-specific metric ‘proportion of electric vehicles sold’ for the Industrial Trucks & Services segment. The metric is linked to the respective strategic target and reflects both the potential positive impacts on downstream GHG emission reductions and the opportunities associated with a highly electrified product portfolio. In the reporting year, the proportion of electric vehicles sold in the Industrial Trucks & Services segment amounted to 92.6 percent (see ‘Strategy targets and target achievement in 2025’).

The calculation is based on the number of units in the order intake documented on a monthly basis for new business and is considered representative of the number of trucks sold. This involves determining the number of trucks ordered with an electric drive as a proportion of the total order volume in the Industrial Trucks & Services over the year as a whole. Order intake data is reported by the regional subsidiaries and brands across the Group, and software is used to consolidate it in the course of market research analyses. The industrial trucks ordered are divided into product categories according to the World Industrial Truck Statistics (WITS) of the Fédération Européenne de la Manutention (FEM), and the volume of electric trucks ordered is determined on the basis of these categories.

ESRS E2 – Pollution

The KION Group manages the material topic of 'Pollution' in the context of the 'Climate and energy' action field.

Material impacts and risks and their interaction with strategy and business model in relation to pollution (E2 SBM-3)

The double materiality analysis identified negative impacts and a risk in relation to pollution as material.

List of all material Impacts, Risks and Opportunities - Pollution

		Value chain			Time horizon		
Sub-topic	**IRO**	**Up-stream**	**Own operations**	**Down-stream**	**< 1 year**	**1-5 years**	**> 5 years**
Pollution of air							
Resource extraction and processing	Impact (–) [Actual]	•			•	•	•
Environmental pollution due to logistics	Impact (–) [Actual]	•	•		•	•	•
Substances of very high concern							
Supply disruption due to potential ban of PFAS (with some alternatives)	Risk	•				•	

Raw material extraction and processing (negative impact)

Raw materials such as steel, iron, and other metals are contained in parts and products purchased by the KION Group and used in its products. The extraction of these raw materials generally has a relevant environmental impact, primarily air pollution, which is caused by the release of pollutants during the extraction and processing of raw materials in the upstream value chain. Nitrogen oxides, carbon dioxide, and carbon monoxide are some of the pollutants known to result from this process.

As a manufacturer of material handling equipment that relies on these raw materials, the KION Group has identified air pollution caused by the production of these materials and resulting from its business relationships as a material impact in the upstream value chain.

Pollution from logistics (negative impact)

Road transportation is a major source of air pollution, with carbon dioxide, particulate matter, and nitrogen oxides being the most relevant pollutants. The largest source of air pollution for the KION Group is the transportation of goods from suppliers to its sites (upstream), as well as transportation between its sites in its own operations. The transportation of goods is predominantly carried out by third-party logistics providers. Pollution from the KION Group's own vehicle fleet was also taken into account but was deemed not material due to the low mileage and transported weight. It is estimated that the bulk of transportation-related air pollution is attributable to third-party freight transportation providers. A smaller portion can be traced back to the Company's fleet and the service vehicles that it uses.

Supply disruption due to potential ban of per- and polyfluoroalkyl substances (with some alternatives) (risk)

A potential ban on perfluoroalkyl and polyfluoroalkyl substances (PFAS) by the European Commission under REACH Annex XVII represents a material risk for the KION Group, as this decision could substantially affect several components in its products. A potential lack of alternatives – from a technical and financial perspective – to PFAS or to the purchased components that might be affected by a ban could disrupt supply due to bottlenecks and thus negatively impact on the Group's productivity. There is also the risk of lost revenue and/or fines. The probability of this risk occurring depends on future decisions reached by the European Commission and on how soon technically and financially viable alternatives are available in the supply chain.

A complete ban and the limited current availability of alternatives for components with PFAS could lead to some of the KION Group's products being excluded from its product portfolio. Higher maintenance costs and production downtime due to limited availability of parts are also possible. Depending on the nature and scope of future regulatory restrictions on PFAS, impacts could materialize that vary in character and severity.

Policies related to pollution (E2-1)

Principles of Supplier Conduct

The KION Group Supplier Code of Conduct, which was updated in 2025, outlines binding environmental, ethical, social, data protection, and IT security requirements for all suppliers worldwide. It was extensively revised in order to reflect enhanced regulatory requirements and sustainability standards.

The updated version addresses the requirements of the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG) and the extensive human rights due diligence responsibilities thereunder. Furthermore, additional guidance on adhering to and monitoring environmental rules in the upstream value chain was added to the KION Group Code of Compliance. This includes compliance with statutory provisions, including EU REACH, EU POP, and US TSCA, when delivering products to the KION Group. The KION Group expects suppliers to actively identify and reduce the use of hazardous materials as part of their commitment to greater product and environmental responsibility. This guidance calls on the KION Group's suppliers to proactively contribute to the conservation of natural resources for current and future generations through responsible environmental management.

Further details on the KION Group Principles of Supplier Conduct are available in the chapter 'Policies related to workers in the value chain'.

KION Group Code of Compliance

The KION Group Code of Compliance (KGCC) sets out general principles for conduct that are binding for all employees and business partners of the KION Group. In the context of pollution, the KION Group strives to develop environmentally friendly products and business processes. The Group is also committed to protecting the environment and society by using eco-friendly manufacturing technologies. Furthermore, the KGCC demands compliance with regulations and the timely securing of required permits, and calls on all KION Group entities and employees to reduce pollution overall. The code also indirectly addresses the substitution and minimization of substances of concern by considering the latest technology standards, the best available and environmentally friendly methods, the use of safe products, and the reduction of pollution.

The scope of the KGCC includes upstream and downstream operations as well as the Group's own operations. The CEO and Chief Compliance Officer are responsible for overseeing compliance.

Stakeholder groups, including employees and business partners, are involved in the regular review of the KGCC through central functions, such as the HR department with regard to human rights and the Procurement department with regard to supplier requirements. To ensure that the KGCC is effectively communicated, the KION Group conducts regular training sessions for employees and all new workers. Business partners are informed about the policy in various ways, depending on the type of relationship.

The KGCC is available to the public on the KION Group's website at www.kiongroup.com/en/About-us/Compliance.

Health, Safety, and Environment Statement of Intent

The Health, Safety, and Environment (HSE) Statement of Intent is a policy that outlines the principles governing HSE. The key content of the policy, which applies upstream, downstream, and to the Group's own operations, covers compliance with legislation and standards, aspects that promote an HSE culture, mandatory training and stakeholder engagement, impact assessments, and reporting and responsibilities.

The HSE Statement of Intent also covers the mitigation of negative impacts linked to the pollution of air, water, and soil, including prevention and control. It states that the KION Group, represented by the Executive Board of KION GROUP AG, is responsible for systematically pursuing efforts to reduce emissions and discharges into the air, on land, and into water. Furthermore, all business partners covered by the scope of this policy must comply with all national HSE legislation, relevant codes of practice, and industry standards that apply to the Group's activities. The Group must provide a safe environment for anyone affected by its operations. This is to be achieved by identifying hazards and eliminating them, or reducing them to an acceptable level, in accordance with or exceeding applicable standards. The HSE Statement of Intent also calls for the assessment of the environmental impact of historical, current, and future activities.

Further details on the HSE Statement of Intent are available in the chapter 'Policies related to climate change mitigation and adaptation'.

Health, Safety, and Environment Standard

The KION Group HSE Standard defines minimum requirements for all KION Group locations and entities with regard to HSE matters, in addition to local regulations and the requirements of relevant ISO standards, such as ISO 14001 for environmental management. The HSE Standard applies to all KION employees, temporary workers, and guests across all locations, including factories, sites, sales and service organizations, and individuals at customer sites. The standard also applies to contractors, such as companies or individuals, who provide services or products to the KION Group and its local sites on behalf of an external company.

The CPSO function is responsible for implementing and overseeing the standard. The HSE Standard is reviewed regularly, and at least once a year, by the central HSE function and the stakeholder functions. The KION Group's workers were represented in the review and approval process for refining the standard by the HSE heads of the Operating Units and the HSE network.

With regard to mitigating negative impacts linked to the pollution of air, water, and soil, including prevention and control, the HSE Standard states that effective environmental management is essential to the KION Group. All local subsidiaries are called upon to control and reduce waste, emissions, and the use of hazardous substances in accordance with applicable national legislation and the ISO 14001 or equivalent standards. This includes water, water discharges, land use, noise, biodiversity, and vibration. Furthermore, as part of the ISO 14001 certification process, all local subsidiaries are required to maintain an environmental impact and aspect register, which is supported by environmental audits and highlights the impacts on the environment. The HSE Standard also requires subsidiaries to complete an environmental risk assessment to minimize or eliminate any environmental risks. The assessment of environmental risks must cover all local subsidiaries and any customer sites where KION employees work. Emergency planning for sites is also included, with the fundamental aim of avoiding accidents and emergency situations. The KION Group’s HSE Standard is available to the workforce in nine languages.

Actions and resources related to pollution (E2-2)

Supplier compliance program

The KION Group has been systematically collecting data on material compliance matters from its suppliers since 2022. In 2024 and 2025, the compliance program focused on the KION ITS EMEA Operating Unit. Its purpose is to collect compliance data on substances of very high concern (SVHCs) in goods according to Article 33 of the EU REACH regulation, as well as information relating to the Restriction of Hazardous Substances Directive (EU RoHS), to chemicals covered by the Toxic Substance Control Act (US TSCA), to Article 9 of the EU’s Waste Framework Directive (WFD), and to conflict minerals according to the US Dodd-Frank Act.

The compliance program was significantly expanded in previous years in view of the efforts made by governments around the world to regulate harmful substances such as PFAS. Besides KION ITS EMEA, the KION SCS Operating Unit’s suppliers that supply intermediate products in the North American market were additionally involved. In 2025, the number of suppliers included in the program was increased and the range of topics considered was expanded. Besides installing a further software module to record intermediate products and materials containing PFAS in its upstream value chain, the KION Group addressed other relevant topics. They include the requirements under the EU POPs Regulation regarding persistent organic pollutants, the issue of critical raw materials in the EU, metal procurement, and the handling of other conflict minerals (such as cobalt). As part of the PFAS initiative, suppliers from the Supply Chain Solutions segment were also involved in the relevant campaigns. The compliance program is to continue in the years ahead.

Through global supply chain compliance provider Assent, the KION Group asked upstream suppliers to provide specific chemical composition information for parts and components in the context of its compliance program.

The effectiveness of the program is monitored using the supplier response rate and Assent’s feedback report, which the procurement organization uses as a basis for following up with suppliers.

Reporting of substances of concern in KION Group products

Article 9 of the EU’s Waste Framework Directive (WFD) requires suppliers to provide information on SVHCs in articles or complex objects. This information is stored in the European Substances of Concern in Products (SCIP) database of the European Chemicals Agency (ECHA).

The KION Group submits SCIP notifications for the KION ITS EMEA Operating Unit based on the intermediate products that it purchases in the upstream value chain. Since 2024, the SCIP notifications have been automated using a direct interface to the ECHA’s EU system. They are monitored as part of the compliance process. Assent, an established external provider, creates and submits SCIP dossiers on behalf of selected subsidiaries for KION ITS EMEA. For the SCS segment, supplier surveys were carried out for the first time in 2025 in order to obtain information on intermediate products and components containing SVHCs using material numbers. In this way, the KION Group has been able to submit numerous simplified SCIP notifications, thereby increasing transparency. The information provided on substances of concern in articles gives the KION Group an informed basis for actions to substitute or reduce such substances. This indirectly contributes to a reduction in pollutants.

Development of actions to address upstream air pollution

Potential actions in relation to the new material topic of air pollution in the upstream value chain are currently being examined. As the KION Group does not directly control sources of air pollution in purchased materials, formulating a detailed roadmap is a complex task because all proposed actions have to be carried out in collaboration with suppliers. The first step is to obtain better data on materials associated with air pollution from key suppliers supplying such material to the KION Group's subsidiaries.

Targets related to pollution (E2-3)

At the time of reporting, specific targets for pollution had not yet been set. Since SVHCs are a relatively new aspect, an initial in-depth analysis of relevant influencing factors and the definition of suitable metrics and scopes will be required. In addition, structured databases and the systematic collection of data will need to be established in order to create meaningful reference values and derive evidence-based targets from them. On the whole, quantitative targets can only be set to a limited extent at the moment due to a lack of options for substituting certain substances (e.g. lead alloys). In view of a potential future ban on PFAS, the KION Group aims to replace banned components where this is technologically and financially possible.

Metrics related to pollution

Metrics related to air pollution (E2-4)

With respect to air pollution, the KION Group identified material negative impacts in relation to its logistics infrastructure (upstream and own operations) (see 'Material impacts, risks, and opportunities and their interaction with strategy and business model'). The air pollutants linked to the Group's vehicle fleet were analyzed and an estimate was made for each substance. A comparison of the estimated amounts with the thresholds set by the European Pollutant Release and Transfer Register (E-PRTR) confirmed that no substance exceeded the defined threshold.

With regard to the material impacts of air pollution identified in activities linked to the extraction and processing of raw materials in the upstream value chain, the KION Group applies transitional provisions for value chain information.

Metrics related to substances of very high concern (E2-5)

The KION Group regularly records, assesses, and reports SVHCs contained in its products and product components to the ECHA's SCIP database. This includes substances of very high concern linked to PFAS. Internal analyses conducted by the KION Group during the early stages of the public debate on a potential ban on PFAS showed that substances of very high concern are found in many purchased components and materials, and thus also in KION Group products. This includes electrical and electronic vehicle components, seals and hoses, lubricants, tires, and batteries. There are no alternatives available at present for individual components that are fully suitable from a technical or financial perspective. As it stands, a potential ban on PFAS would have a material financial impact, including on the KION Group.

ESRS E5 – Resource use and circular economy

Material topics for the KION Group are managed in the context of the ‘Circularity’ action field.

Material impacts and their interaction with strategy and business model in relation to resource use and circular economy (E5 SBM-3)

The double materiality analysis identified the positive and negative material impacts, risks, and opportunities outlined below in relation to resource use and circular economy in the KION Group.

List of all material Impacts, Risks and Opportunities – Resource use and circular economy

		Value chain			Time horizon		
Sub-topic	**IRO**	**Up-stream**	**Own operations**	**Down-stream**	**< 1 year**	**1–5 years**	**> 5 years**
Resource inflows, including resource use							
Depletion of natural resources	Impact (–) [Actual]	•					•
Use of recycled raw materials and components	Impact (+) [Potential]	•					•
Resource outflows related to products and services							
Non-circular product portfolio	Impact (–) [Actual]		•	•			•
Refurbishment of products	Impact (+) [Potential]		•	•		•	•
Waste							
Packaging waste	Impact (–) [Actual]	•	•	•	•		
Waste from own operations	Impact (–) [Actual]		•			•	•

Depletion of natural resources (negative impact)

The KION Group has identified the depletion of natural resources through the consumption of various raw materials, input materials, and rare earth metals as a material negative impact. In a linear economy, the depletion of natural resources can have long-term consequences for people and the environment, such as the destruction of ecosystems or water scarcity. It can also lead to volatile prices for raw materials and thus adversely affect the economy. The KION Group’s business model is based on the manufacturing of products for which a number of raw materials and components are required, so it is directly reliant on these being available. To mitigate the depletion of natural resources, the KION Group can exert a direct influence through sustainable sourcing (e.g. by purchasing recycled materials).

Use of recycled materials and components (positive impact)
Besides virgin resources, the KION Group also uses raw materials with a recycled content in its production, such as steel and iron, which saves finite natural resources and protects ecosystems. The KION Group thus reduces the potential environmental impact and GHG emissions that the extraction of new raw materials entails. The KION Group believes that the use of recyclates and refurbished components is a growth-relevant element of its business model and increases the security of supply of materials. To achieve this, adjustments must be made to the upstream value chain. The KION Group will support these with suitable procurement strategies.

Non-circular product portfolio (negative impact)
The KION Group has identified its contribution to the linear use of resources – due to a product design that follows a linear lifecycle – to be a material negative impact of its operations. Products in a non-circular product portfolio frequently comprise materials, composites, and components that are difficult to recycle. This means that valuable raw materials are lost from the recycling system, both depleting natural resources and making it more difficult and costly to dispose of these products. In the course of its business activities, the KION Group exerts direct influence on the development and design of its product portfolio, including the composition and properties of its products and solutions. At the same time, the KION Group is dependent on the alternatives available on the market to achieve consistent characteristics for products with recycled materials.

Refurbishing of products (positive impact)
The KION Group can make sure that the design of its products is potentially sustainable by taking criteria such as durability, repairability, and accessibility into account. Using a high proportion of recyclable materials also allows products to be reused or refurbished more easily. In turn, this can have a positive impact on ecosystems and biodiversity because valuable resources are saved and GHG emissions are cut in sourcing and production. Refurbishing trucks and warehouse technology and modernizing the supply chain solutions that have been installed for customers are part of the KION Group's business model. The industrial trucks in the Industrial Trucks & Services segment over which the KION Group retains beneficial ownership are leased to customers multiple times, refurbished between leases if required, or sold to dealers or customers following refurbishment. In the Supply Chain Solutions segment, equipment is serviced or upgraded, with older technology being replaced by newer and more efficient technology.

Packaging waste (negative impact)
The creation of packaging waste in the course of the KION Group's business was determined as a material negative impact. The KION Group works with complex products and equipment that are handled in great numbers along the value chain. This means that packaging waste arises in the procurement of goods in the supply chain, during the Company's own production processes, when setting up equipment and using products and solutions at customers, and when shipping spare parts. Packaging waste that comprises various types of plastic is difficult to recycle. If not disposed of properly, packaging waste is damaging to the environment, especially the oceans and seas. It results in a loss of biodiversity and poses a risk to people, whose bodies absorb microplastics through their food.

Waste from own operations (negative impact)

Waste from the KION Group's own operations has been identified as a further negative impact. A particular challenge is posed by waste that cannot be recycled. This includes mixed waste from demolition works or hazardous waste from production, for example paint residue, work materials covered in oil, and replaced components. If this waste is not disposed of properly, there is a risk that it will find its way into the environment, contaminate soil and water, and thus endanger the flora and fauna that live there.

Policies related to resource use and circular economy (E5-1)

The following subchapter deals with the KION Group's material policy related to resource use and circular economy.

The 'Circularity' action field under the KION Group's sustainability strategy is being continually refined, with plans to establish the action field across the Group. One of the targets is to continually increase the volume of recycled waste by 2030. In the past, the focus was on internal communication, network building, and establishment of the action field. A comprehensive circularity strategy including targets, metrics, and an action plan is in the process of being drawn up for both the Industrial Trucks & Services and the Supply Chain Solutions segments (see 'Strategy targets and target achievement in 2025').

As a result, there is as yet no central groupwide policy on the sub-topics of resource inflows and resource outflows.

Health, Safety, and Environment Standard

The KION HSE Standard governs management of the 'Waste' sub-topic. In addition to environmental protection, it covers a number of other areas, such as health and safety aspects. The 'Environmental protection' chapter addresses various issues such as training, risk assessment, audits, waste management, packaging and materials management, waste recycling, climate change mitigation, emissions, and the discharging of liquid chemicals. Further information on application of the HSE Standard is provided in the 'Policies related to pollution' chapter.

The HSE Standard sets out the requirement that all local sites must control and minimize waste, emissions, and the use of hazardous substances in accordance with national legislation and ISO 14001 or equivalent certification. The standard also stipulates that the logistics department must design packaging in consultation with the procurement department to minimize waste and the use of materials and to reduce upstream and downstream energy consumption. The HSE Standard requires all Group sites to operate a program for the regular collection and proper disposal of hazardous and non-hazardous waste. Only qualified contractors certified in accordance with national statutory requirements are used for these tasks.

Beyond the material impacts, risks, and opportunities, other aspects – such as transitioning away from the use of virgin resources, relative increases in the use of recycled resources, sustainable sourcing, and the use of renewable resources – are not covered by the HSE Standard or other policies.

Actions and resources related to resource use and circular economy (E5-2)

The following subchapters deal with the KION Group's material actions related to resource use and circular economy. In this context, the KION Group focuses on refurbishing used industrial trucks, recycling lithium-ion batteries, and improving its waste management. For example, a product-related initiative, namely the Cradle to Cradle certification of the Dematic Multishuttle® 2 (Bronze), was carried out in 2025. Training on protecting the environment and combating climate change was also launched and initial steps were taken to introduce a waste handbook.

Refurbishment of used industrial trucks

The refurbishing process includes disassembly, replacement of wearing parts, repainting, and reassembly. Used trucks, especially returned leased trucks, are carefully checked at the end of their first lifecycle of around five years and refurbished in a standardized procedure.

In the KION ITS EMEA sales and service organizations, the KION Group operates refurbishing centers at sites in Barcelona (Spain), Lainate (Italy), Stuhr (Germany), Örebro (Sweden), Poznań (Poland), and Çerkezköy (Turkey).

Work on extending and industrializing the existing refurbishing center in Velké Bílovice (Czech Republic) began in April 2024. Operations are scheduled to commence after completion at the end of 2025, with a start-up phase in the first quarter of 2026. Furthermore, the refurbishment of used trucks also continued at the sites in Indaiatuba (Brazil) and Jingjiang (China) as well as at European sites in 2025.

Refurbishment of lithium-ion batteries

KION Battery Systems GmbH (KBS), a subsidiary of KION GROUP AG, has been the central unit responsible for refurbishing the lithium-ion batteries from returned leased trucks since 2023. The refurbishing process includes disassembly, checking and replacement of modules, and a functional test.

A workshop handbook for the refurbishment of lithium-ion batteries (48V/90V) was created for the STILL branches in Germany to enable their workshops to refurbish the batteries themselves in the future, depending on their condition. This planned action of local refurbishment in the workshops is currently undergoing a further review.

Recycling of lithium-ion batteries

In the reporting year, the KION Group continued its strategic partnership with Li-Cycle Holdings Corp., which began in 2023. The cooperation agreement that was signed with the latter on the recycling of lithium-ion batteries facilitates the resource-efficient recovery of a large proportion of the materials in the lithium-ion batteries used by KION ITS EMEA. It means that the critical minerals contained in the old batteries can be used to make new batteries.

A web-based application was developed in 2025 to connect more Group companies to the return process and to simplify it. This solution digitalizes and accelerates the return process while simultaneously providing a basis for comprehensive end-of-life documentation. The process improvements and concerted efforts around internal communication in the network led to a further increase in the volume of recycled materials in 2025, despite a considerable rise having been achieved in 2024.

In mid-October, the opening of a new center of competence for energy at the Hamburg site saw the KION Group bring the first production line for the new lithium-ion batteries on stream. Further production lines are to be added in stages in order to continually increase capacity. At the end of their use phase, the batteries enter a sustainable recycling process run by Li-Cycle.

Circular process optimization

In the Supply Chain Solutions segment, Dematic reached a key milestone in the integration of circular processes in products when the Multishuttle® 2 system, which is manufactured at the Stříbro site, was recognized as Cradle to Cradle Certified® (Bronze) in June 2025.

The certification requires lifecycle thinking, a high degree of transparency, and close collaboration in the supply chain. It is closely linked to improvement strategies, which are reviewed every three years as part of routine recertification.

Improvement of waste management

In the reporting year, actions were initiated in the Supply Chain Solutions segment aimed at reducing the volume of waste being generated and increasing the proportion being recycled. The Installation Waste Management Team, which is responsible for avoiding waste, was established in 2024. At regular meetings, potential for reducing the volume of waste that is generated at customer sites is identified and strategies are developed. Guidelines for recycling pallets and managing waste were established and distributed to all KION Group equipment installers working at customer sites. Potential steps include identifying and compiling a list of suitable recycling partners, assessing sites' waste disposal practices, and, taking this as the starting point, creating strategic waste disposal plans. The KION Group's overarching aim is to enhance the recycling and waste management capacities of the sites.

In 2024, the Supply Chain Solutions segment developed guidelines for assessing waste management at site level and determining relevant measures. The guidelines are updated on an ongoing basis and complemented by workshops run by the 'Dematic Sustainability Champions Network (DSCN)' in order to provide targeted support for the expansion of recycling and waste management capacities at the Dematic sites. Given that conditions at the sites vary due to differing regional requirements or the specific type of waste involved, tailored approaches are essential. The guidelines facilitate the precise assessment of local waste streams and offer concrete recommendations for plans of action and the implementation of a sustainable waste management system.

The Industrial Trucks & Services segment instigated the development of a waste management handbook in 2025, which is due to be completed in 2026. This handbook concentrates on one German site with the aim of gradually rolling it out to other sites. The aim of this action is to heighten employees' awareness of waste management and to permanently improve the proper handling and separation of waste.

Dematic training on protecting the environment and combating climate change

The Supply Chain Solutions segment extensively revised its training on protecting the environment and combating climate change in 2025. It contains updated information on climate action, energy, and waste recycling. The training is aimed at making Dematic employees familiar with environmental aspects of operations, encouraging sustainable practices in the workplace, and improving the environmental footprint of the business. This training is compulsory for all Dematic employees in HSE and can also be accessed by all employees in the KION Learning Academy. It is available in seven languages to ensure that it has a broad reach within the workforce.

Targets related to resource use and circular economy (E5-3)

The following subchapter deals with the KION Group's material targets related to resource use and circular economy.

Increase in waste recycling

For the sub-topic of waste, the KION Group has set itself a target of significantly increasing the proportion of waste that it recycles relative to the total volume of waste generated. The target for increasing the proportion of recycled waste from the Group's own operations has been embedded in its sustainability strategy. This target is directly linked to the guidance in the groupwide HSE Standard, which calls for an effective recycling program for all sites in order to continually improve the recycling rates of the local organizations.

The KION Group's target for increasing the proportion of recycled waste from its own operation is at least 85 percent by 2030.

In terms of the waste hierarchy, the target relates to the levels 'preparation for reuse' and 'recycling'. The target was set voluntarily and is not the result of a statutory obligation (see 'Strategy targets and target achievement in 2025').

It was developed in collaboration with HSE experts in the KION Group who have proven specialist knowledge of waste management. Because it is not currently possible to forecast the volume of waste that will be generated in the future, the target is based on the absolute figures from 2023 and past experience in recent years. The relevant Operating Units define their individual percentage targets using a bottom-up approach. These results are aggregated with the absolute figures to produce a groupwide target. Conversion and construction work on buildings and factories can produce considerable volumes of waste that cannot be recycled. If such measures are planned at the Operating Units' sites, they are factored into the target setting, even though precise volumes of waste cannot be forecast.

Target achievement is monitored through the consolidated HSE reporting for all sites and is the responsibility of the Operating Units. The annual collection of data enables trends to be analyzed in detail. Based on the data available for 2025, the KION Group is on track to achieve the target set for 2030. The proportion of recycled waste increased to 79.9 percent in 2025 (2024: 77.8 percent).

In terms of material impacts, risks, and opportunities in the sub-topics of resource inflows and resource outflows, there is currently neither a measurable, outcome-oriented target nor a time-bound target that is used as a central key performance indicator. In 2025, emphasis continued to be placed on increasing internal transparency and evaluating different metrics.

Resource inflows and outflows (E5-4; E5-5)

In addition to providing general information about resource inflows and outflows in the KION Group, the following subchapters deal with the KION Group's material metrics in this regard.

The manufacturing process for the KION Group's product portfolio uses a variety of materials. These materials are mainly steel and iron and are used to manufacture components such as masts, cabins, counterweights, or parts for storage systems, conveyor systems, and sortation systems. Process materials and semi-manufactured parts are also used in the course of production. They include chemicals, such as paint, powder coatings, and oil and lubricants. Various types of plastic and rubber are used as well as electronics. Batteries for industrial trucks are purchased or produced inhouse. Packaging material, including wood, cardboard, and plastic, is also used for shipping spare parts and delivering system parts to customers.

Durability

Durability and repairability are essential properties that are factored into the product development process for the KION Group's products. The counterbalance trucks and warehouse trucks that are produced in the Industrial Trucks & Services segment are designed to have a long life. Their construction from predominantly steel and iron helps to ensure that the industrial trucks are robust. They can clock up many hours of operation. The number varies in line with individual customer use and product configuration. A large proportion of the equipment in the Supply Chain Solutions segment is also composed of steel in order to ensure the equipment's robustness and durability for many years. Their modular construction allows systems to be flexibly adjusted and expanded in order to cater to changing requirements.

With regard to the expected durability of the products manufactured by the KION Group, there continues to be no generally recognized industry average for specific products or for product groups in 2025.

Repairability and refurbishment

Because downtime for systems or industrial trucks can entail considerable costs, the products of the KION Group are designed to give customers maximum possible operational readiness. In the event of a stoppage, technicians must be able to access the point of repair rapidly, so straightforward and safe access is essential. A high degree of repairability and durability are important principles for the KION Group and form the core basis of the service business model.

There is no established rating system for the repairability of products and systems of the KION Group. However, a high level of repairability is an important factor in their sustainability. This is reflected in a number of indicators, such as the long availability of spare parts, customized service agreements, and modular product construction. The speed of accessing the point of repair, the ease of disassembly with standard tools, and the option to install software upgrades and updates help to ensure that repairs can be made rapidly. These measures mean that products and systems can be used for a long time, thereby saving resources.

The longevity and repairability of KION Group products, particularly industrial trucks, allow them to be refurbished at the end of their first customer deployment. This provides the option of reusing them as rental or used trucks.

Recycling

KION Group products offer a high level of recyclability. The counterweights in forklift trucks, for example, can be easily melted down due to their high iron content. Elsewhere, targeted action was taken to optimize recycling processes, particularly for lithium-ion batteries.

Metrics for resource inflows and outflows

The metrics reported and explained below for resource inflows and outflows are based on defined methods and material assumptions but also on estimates that involve outcome uncertainties.

Resource inflows and outflows

in tonnes (t) and in %	2025	2024[2]	Change
Resource inflows			
Overall total weight of products and technical and biological materials used (including packaging)[1] (t)	976,437	917,247	6.5%
Weight of secondary reused or recycled components and intermediate products used in production (t)	331,066	310,582	6.6%
Share of secondary reused or recycled components and intermediate products used in production	33.9%	33.9%	–
Resource outflows			
Share of recyclable content in products and their packaging	54.2%	54.3%	–

1 Metrics excluding biological materials and packaging
2 Prior-year adjustments due to a change in methodology

The metric ‘Overall total weight of products and technical and biological materials used (including packaging)’ covers all resource-relevant procurement categories. Net material weight is always used. Starting in 2025, the methodology for determining the weight data for purchased materials was refined in order to ensure more consistent data. As a result of this change, the prior-year figure for the total weight of the products and technical materials used was retroactively adjusted from the original figure of 989,509 tonnes to 917,247 tonnes. This corresponds to a reduction of 72,262 tonnes compared with the total weight reported in the previous year. Due to the inclusion of revenue from the KION Group’s service business under the updated methodology, the weight of reused or recycled secondary components and materials increased from 281,251 tonnes (28.4 percent of the total) to 310,582 tonnes (33.9 percent of the total). This corresponds to an increase of 29,331 tonnes compared with the figure reported in the previous year. Furthermore, the change in methodology resulted in the share of recyclable content in products and their packaging for 2024 growing from 48.5 percent to 54.3 percent, a rise of 5.8 percentage points. The primary data sources for collecting this metric are the product series sold, internally documented lifecycle assessments (LCAs) that reflect the product portfolio, and the revenue of the segments for determining the total weight.

The total weight for the Industrial Trucks & Services segment was extrapolated pro rata to the product classes sold in the last three years using the weight data available from the LCAs (kg per industrial truck) based on an average value.

The total weight for the Supply Chain Solutions segment was determined on the basis of the revenue from specific product categories in the Supply Chain Solutions and Industrial Trucks & Services segments due to a lack of data on order quantities. For the extrapolation for the Group, the spare-parts business and the recyclable materials in the products were also taken into account. Given the limited use of packaging for industrial trucks and supply chain solutions, the share was assessed to be negligible based on internal calculations and cost/benefit aspects.

The biological materials used in the manufacture of KION Group products were deemed not to be relevant, as an analysis of the procurement data concluded that the total amount was below the defined materiality threshold.

There is uncertainty with regard to the estimates used to determine the total weight of the products and materials used because the weight data for the product series from the documented LCAs does not cover the entire product portfolio of industrial trucks and because the data for the Supply Chain Solutions segment is extrapolated.

The calculation of the ‘Weight of secondary reused or recycled components and materials used in production’ and ‘Proportion of recyclable products and their packaging’ metrics are based on the total weight of materials used as well as the detailed information contained in the documented LCAs. Due to the lack of available data from the upstream value chain, there is a degree of measurement uncertainty in the two metrics. Consequently, the recycling atlas of the German Mineral Resources Agency (DERA) at the Federal Institute for Geosciences and Natural Resources (BGR) and data from the Bureau of International Recycling are used as the basis for the average global values for both metrics. In the financial year, following an analysis of the material groups, steel and iron in particular were assessed as essential purchased materials for these metrics. However, the KION Group plans to systematically assess additional material groups in the future and calculate the relevant average values.

For the ‘Proportion of recyclable products and their packaging’ metric, »recyclability was calculated on the basis of global average figures based on the OECD report ‘Global Material Resources Outlook to 2060’, which is also used in the DERA recycling atlas.« A recycling input rate and recyclability of zero are assumed for the materials not covered by the atlas, as no reliable reference data is available.

Metrics for waste generated

The KION Group is a mechanical engineering company, most of whose waste is in the scrap metal materials stream. In 2025, a significant proportion of waste also came from the foundries. Packaging waste such as wood was generated too.

Waste generated

	2025			2024			
in tonnes (t)	Non-hazardous	Hazardous	Total	Non-hazardous	Hazardous	Total	Change
Total amount of waste generated	**67,593**	**16,046**	**83,639**	**68,620**	**15,826**	**84,446**	**–1.0%**
Waste diverted from disposal	**55,352**	**11,470**	**66,821**	**54,605**	**11,055**	**65,660**	**1.8%**
Preparation for reuse	3,724	1,105	4,829	3,840	950	4,790	0.8%
Recycling	40,398	9,066	49,463	38,360	8,880	47,240	4.7%
Other recovery operations	11,230	1,299	12,529	12,406	1,224	13,630	–8.1%
Waste diverted from disposal (in %)	**81.9%**	**71.5%**	**79.9%**	**79.6%**	**69.9%**	**77.8%**	**–**
Waste directed to disposal	**12,241**	**4,577**	**16,818**	**14,015**	**4,771**	**18,786**	**–10.5%**
Incineration	2,532	784	3,315	2,418	696	3,113	6.5%
Landfill	6,899	1,618	8,517	8,678	1,672	10,350	–17.7%
Other disposal operations	2,811	2,175	4,985	2,920	2,403	5,323	–6.3%
Total amount of non-recycled waste	**27,195**	**6,981**	**34,176**	**30,261**	**6,945**	**37,206**	**–8.1%**
Share of non-recycled waste (in %)	**40.2%**	**43.5%**	**40.9%**	**44.1%**	**43.9%**	**44.1%**	**–**

Incorporating the EU taxonomy

The version of the EU Taxonomy Regulation that was applied for 2025 with its corresponding delegated acts provides a classification system that defines sustainability criteria for economic activities across six environmental objectives: climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems.

Detailed tables in accordance with the Taxonomy Regulation can be found in the annex to the Group sustainability report (see 'Further disclosures on the EU taxonomy').

Taxonomy-eligible economic activities

An interdisciplinary team reviewed the Group's relevant economic activities and, using the NACE codes, allocated them to the corresponding taxonomy-eligible activities as defined in the Taxonomy Regulation. For 2025, the KION Group assessed taxonomy eligibility for the economic activities defined in the Climate Delegated Act (Delegated Regulation (EU) 2021/2139), the Complementary Climate Delegated Act (Delegated Regulation (EU) 2022/1214), the Amending Climate Delegated Act (Delegated Regulation (EU) 2023/2485), the Environmental Delegated Act (Delegated Regulation (EU) 2023/2486), and the Disclosures Delegated Act (Delegated Regulation (EU) 2021/2178 as amended on November 21, 2023). The assessment concluded that the KION Group's economic activities relate to the environmental objectives of climate change mitigation (CCM) and transition to a circular economy (CE). The four remaining environmental objectives were also evaluated for potentially taxonomy-eligible activities, but no taxonomy eligibility was identified.

In addition, Delegated Regulation (EU) 2022/1214 outlines specific disclosure requirements for economic activities related to fossil gas and nuclear energy. As the KION Group is not engaged in economic activities within these energy sectors, there are no implications for the KION Group's reporting, nor for the corresponding taxonomy metrics. The templates specified in the supplementary Delegated Regulation are not applicable and are not included in this report.

The KION Group's taxonomy-eligible economic activities are listed in the table below.

KION Group taxonomy-eligible activities

Contribution to environmental objective	Economic activity under Taxonomy Regulation	Application of the economic activity at KION Group
Climate change mitigation	3.2 Manufacture of equipment for the production and use of hydrogen	Manufacturing of fuel cells for industrial trucks
	3.4 Manufacture of batteries	Manufacturing of lithium-ion batteries
	3.6 Manufacture of other low carbon technologies	Manufacturing of electrified trucks and warehouse trucks
	3.10 Manufacture of hydrogen	Manufacturing and storage of hydrogen in context of a hydrogen station
	6.5 Transport by motorbikes, passenger cars and light commercial vehicles	Purchasing and leasing of an internal fleet of vehicles as part of KION Group's fleet management
	7.2 Renovation of existing buildings	Construction and civil engineering works or preparation thereof related to any kind of renovation or maintenance activities on buildings
	7.3 Installation, maintenance and repair of energy efficiency equipment	Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment, such as energy-efficient heating, cooling, or ventilation systems, insulation for walls, roofs, floors, and windows.
	7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings
	7.5 Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings	Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings, such as smart meters for electricity, gas, and water usage, energy monitoring systems
	7.6 Installation, maintenance and repair of renewable energy technologies	Installation, maintenance and repair of renewable energy technologies, on-site, such as solar panels, photovoltaic systems, thermal panels, small-scale wind turbines, heat pumps and micro-hydropower systems.
	7.7 Acquisition and ownership of buildings	Leased/rented and acquired office buildings
Transition to a circular economy	4.1 Provision of IT/OT data-driven solutions	Software solutions and operational technologies (OT) based on artificial intelligence (AI)
	5.1 Repair, refurbishment and remanufacturing	Repair activities provided as part of aftersales services (ITS and SCS segment)
	5.2 Sale of spare parts	Sale of spare parts as part of aftersales and customer services
	5.4 Sale of second-hand goods	Sales of used business trucks (expenditures related to refurbishment are summarized under activity 5.4 as the purpose of this activity is the sale of second-hand goods)
	5.5 Product-as-a-service and other circular use- and result-oriented service models	Leasing and renting of trucks to customers

With regard to the CapEx and OpEx metrics, the economic activities CCM 7.2, 7.3, 7.4, 7.5, and 7.6 were not checked for taxonomy alignment because they are currently classified as economic activities that are not significant to the Group based on the financial thresholds that have been defined.

Assessment of the taxonomy eligibility of economic activities

The current version of the EU Taxonomy Regulation does not provide a taxonomy eligibility classification for all economic activities. As in previous years, a significant proportion of the economic activities in the area of automation solutions in the Supply Chain Solutions segment were therefore not taxonomy-eligible.

For the KION Group, the most relevant economic activities related to the CCM environmental objective are ‘3.2 Manufacture of equipment for the production and use of hydrogen’, ‘3.4 Manufacture of batteries’, ‘3.6 Manufacture of other low-carbon technologies’, and ‘3.10 Manufacture of hydrogen’. The KION Group regards economic activity 3.6 as the most appropriate for its core manufacturing activities, since no industry-specific economic activity has been defined for the intralogistics sector as yet. This activity relates to technologies that demonstrate substantial savings of GHG emissions over their lifecycle compared with the best performing alternative technology available on the market.

In addition, the KION Group identified several activities related to the CE environmental objective as taxonomy-eligible. The activities relevant to the Group under this environmental objective are ‘4.1 Provision of IT/OT data-driven solutions’, ‘5.1 Repair, refurbishment, and remanufacturing’, ‘5.2 Sale of spare parts’, ‘5.4 Sale of second-hand goods’, and ‘5.5 Product-as-a-service and other circular use- and result-oriented service models’.

Assessment of the taxonomy alignment of economic activities

In accordance with the Taxonomy Regulation, the taxonomy alignment of taxonomy-eligible economic activities was assessed on the basis of the following requirements:

- Compliance of the associated economic activity with the technical screening criteria for a substantial contribution
- Compliance of the associated economic activity with the technical screening criteria for the prevention of significant harm to one or more of the environmental objectives (do-no-significant-harm or DNSH criteria)
- Compliance with minimum safeguards

Compliance with substantial contribution criteria

The KION Group assessed the potential substantial contribution for each taxonomy-eligible economic activity at either product or activity level. This established that activities ‘3.2 Manufacture of equipment for the production and use of hydrogen’ and ‘3.4 Manufacture of batteries’ meet the criteria for a substantial contribution to climate change mitigation. The activity ‘5.1 Repair, refurbishment, and remanufacturing’ meets the criteria in terms of the transition to a circular economy objective.

With respect to economic activity ‘5.1 Repair, refurbishment, and remanufacturing’, assessment of the substantial contribution criteria focused on service contracts and waste management. The assessment was based on a representative sample of service contracts from the Industrial Trucks & Services and Supply Chain Solutions segments. The review of service orders concluded that these activities fulfilled the required criteria. The waste management processes were assessed separately, with a focus on refurbishment and repair activities. In the Industrial Trucks & Services segment, the analysis centered on the waste management plans of the refurbishment sites. Repair activities were deemed not to be applicable since the waste from repairs is primarily disposed of at customer sites.

The taxonomy alignment of the manufacture of selected electric trucks (e-trucks) was also assessed. This is one of the KION Group's most significant economic activities in relation to activity '3.6 Manufacture of other low-carbon technologies' under the CCM environmental objective.

A specific truck model was identified as potentially making a substantial contribution to the reduction of GHG emissions. This model represents the only available technology solution in its power range currently on the market that enables the electrification of outdoor logistics handling.

The KION Group also completed a carbon footprint analysis based on the ISO 14067 standard in accordance with the relevant requirements. However, this was not verified by a third party and therefore did not meet the requirements of the criteria.

The remaining economic activities '3.10 Manufacture of hydrogen', '6.5 Transport by motorbikes, passenger cars, and light commercial vehicles', '7.7 Acquisition and ownership of buildings', '4.1 Provision of IT/OT data-driven solutions', '5.2 Sale of spare parts', '5.4 Sale of second-hand goods', and '5.5 Product-as-a-service and other circular use- and result-oriented service models' did not currently meet the substantial contribution criteria.

Compliance with DNSH criteria

The KION Group also assessed the DNSH criteria, which are designed to ensure that the risk of significant harm to another environmental objective from individual economic activities is avoided.

An assessment of climate risk and vulnerability was carried out in line with Appendix A of Annex 1 to Delegated Regulation (EU) 2021/2139 in order to determine whether the Group's economic activities do no significant harm to the environmental objective of climate change adaptation. The focus was on KION Group sites where taxonomy-eligible activities related to the core business are performed. Overall, no material climate-related physical risks were identified.

To review the other overarching DNSH criteria, workshops were held with HSE managers of the Operating Units in relation to the KION Group's affected economic activities. Compliance with the DNSH criteria is ensured primarily by employing established environmental management systems that adhere to ISO 14001 standards. In addition, the KION Group sites relevant to taxonomy alignment were analyzed with respect to their proximity to biodiversity-sensitive areas. The base data for this assessment was provided by the European Environmental Agency's Natura 2000 Network Viewer. The analysis found that none of the KION Group sites where taxonomy-eligible economic activities related to the environmental objective of climate change mitigation take place are located in or near these sensitive areas. The assessment of the DNSH criteria in accordance with Appendices B and D of Annex 1 to Delegated Regulation (EU) 2021/2139 therefore concluded that the aforementioned activities and the associated sites fulfill these criteria.

In the reporting year, the KION Group also investigated whether its activities fulfill the DNSH criteria with regard to the environmental objective of transition to a circular economy (CE). For activity CE 5.1, the assessment considered repair, refurbishment, and remanufacturing activities separately. With respect to the refurbishment activities, the analysis evaluated selected refurbishment centers, which were confirmed to comply with the criteria set out in Appendix B, since they assess and track water-related impacts in a dedicated register as part of the ISO 14001 certification process. The criteria in Appendix B were deemed not to be applicable to repair activities in either segment, since repairs (and the relevant water-related impacts) mainly occur at customer sites. The criteria set out in Appendix D are not applicable to activity CE 5.1 and were therefore not considered. DNSH requirements related to the CCM objective are also not applicable with respect to the KION Group's CE '5.1 Repair, refurbishment, and remanufacturing' activity as there is no on-site generation of heating or cooling, nor any cogeneration, including power generation.

The DNSH criteria for pollution prevention and control outlined in Appendix C of Annex 1 to Delegated Regulation (EU) 2021/2139 require that economic activities do not lead to the manufacture, placing on the market, or use of restricted substances subject to current European legislation on chemicals, or of other groups of substances (as defined under point (f)) in Appendix C. Due to the European Commission's amendments to Appendix C within Delegated Regulation (EU) 2023/2485, the requirements under point (f) are currently not fulfilled for the relevant activities. With respect to activity CE 5.1, only the labor portion of the repair activities fulfilled the criteria but the materials used in the repairs did not. This distinction was only possible for the Industrial Trucks & Services segment. Repair activities in the Supply Chain Solutions segment therefore have to be considered in total and are considered not taxonomy-aligned. Overall, only a clearly defined portion of activity CE 5.1 currently fulfills the DNSH criteria set out in Appendix C, while all other potentially taxonomy-aligned economic activities do not fulfill these criteria and are therefore shown as taxonomy-eligible but not taxonomy-aligned.

With regard to the DNSH requirements in relation to the environmental objective of transition to a circular economy, assessment is focused on reusability and the use of secondary raw materials, design for greater durability and recyclability, and the provision of information on materials throughout the lifecycle of the manufactured products. Fulfillment of these requirements was assessed and found to be met. For example, the KION Group is legally obliged to ensure that batteries can be returned and recycled. Furthermore, the steel used in industrial trucks can be easily recycled, meaning that a high proportion of this material can be reused in line with the principles of the circular economy.

Compliance with minimum safeguards

The Taxonomy Regulation requires undertakings to implement processes that ensure compliance with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles (UNGP) on Business and Human Rights, the ten fundamental conventions of the International Labour Organization, and the International Bill of Human Rights. These minimum safeguards primarily cover human rights, bribery and corruption, fair competition, taxation, and science, technology, and innovation. To ensure compliance with these minimum safeguards, the KION Group has established suitable processes for carrying out due diligence and assessing risk and is implementing groupwide guidelines and policies. The KION Group gives due consideration to the main areas covered by the minimum safeguards when evaluating taxonomy alignment, guided by the UN Guiding Principles on Business and Human Rights. The focus is on processes to minimize, avoid, monitor, and manage risks. The KION Group also verified that, in the event of any substantiated violations in the aforementioned areas during the reporting year, appropriate remediation measures were implemented.

With respect to human rights, the KION Group has an established Human rights assessment and due diligence process (HRDD).

Calculation of key figures for the EU taxonomy

The collection of revenue, capital expenditure (CapEx), and operating expenditure (OpEx) data was carried out in accordance with the Delegated Regulation (EU) 2021/2178 on Article 8 of the Taxonomy Regulation, with reference to the guidance on applying Article 8 of the Taxonomy Regulation.

The subsidiaries' financial reporting was used as the basis for collecting the taxonomy-relevant data, which was validated and consolidated centrally. Where no revenue, CapEx, or OpEx was reported for a particular economic activity, they were deemed as not being applicable to that economic activity within the scope of this data collection.

To determine the taxonomy-eligible and taxonomy-aligned proportion of consolidated revenue, the revenue from all eligible and aligned economic activities was calculated in relation to the KION Group's total revenue. The taxonomy-eligible revenue was taken from financial accounting and internal reporting on the relevant taxonomy-eligible economic activities, while total revenue corresponds to the sum of the consolidated net revenue of all consolidated subsidiaries (see 'consolidated income statement' in the consolidated financial statements in this annual report; ESRS 1.123).

To determine the taxonomy-eligible and taxonomy-aligned proportion of capital expenditure, the capital expenditure in all eligible and aligned economic activities was calculated in relation to the KION Group's total CapEx. The total CapEx corresponds to the sum of operational CapEx (see 'Cash payments for purchase of non-current assets' shown in the consolidated statement of cash flows; ESRS 1.123), in the additions to leased assets, rental assets, and right-of-use assets in other property, plant and equipment, primarily from procurement leases for buildings and company cars (see notes to the consolidated financial statements, notes [16], [17], and [18]; ESRS 1.123).

To determine the taxonomy-eligible and taxonomy-aligned proportion of OpEx, the relevant operating expenditure for all eligible and aligned economic activities was calculated in relation to the total operating expenditure of the KION Group in accordance with the Delegated Act supplementing Article 8 of the Taxonomy Regulation. Total OpEx corresponds to the sum of all relevant non-capitalized expenditure related to research and development, building renovation, short-term leases, maintenance and repair, and other direct expenses related to the day-to-day maintenance of property, plant, and equipment by the Group or by third parties to which activities are outsourced that are necessary to ensure the continuous and effective functioning of these assets.

Economic activities CCM 3.4 and CE 4.1 are reported separately due to their relevance and contribution to the KION Group's revenue. Intragroup revenue and revenue generated from external customers are reported as a total amount for economic activity CCM 3.4. The intragroup revenue attributable to CCM 3.4 is therefore deducted from economic activity CCM 3.6 in order to avoid counting it twice when checking for taxonomy eligibility. Total revenue is also shown for activity CE 4.1, with the revenue from intragroup supply relationships deducted from the total taxonomy-non-eligible consolidated revenue, as this proportion is not allocated to any other economic activity.

Additionally, clear definitions and processes were established to ensure consistent allocation of financial accounting data to the relevant activities and to prevent double counting of revenue, CapEx, and OpEx from economic activities that contribute to more than one economic activity.

Taxonomy-eligible and taxonomy-aligned activities are therefore allocated either to the environmental objective of climate change mitigation or to the environmental objective of transition to a circular economy, which further reduces the risk of double counting.

The following provides an overview of taxonomy-eligible and taxonomy-aligned activities with regard to the financial metrics revenue, CapEx, and OpEx for 2025 and the comparative period of 2024.

Financial metrics pertaining to the taxonomy-eligible and taxonomy-aligned environmentally sustainable economic activities

in € million	2025	in %[1]	2024	in %[1]	Change
Total Revenue	**11,297.2**	**100.0%**	**11,503.2**	**100.0%**	**–1.8%**
thereof taxonomy-eligible activities[2]	7,195.0	63.7%	7,277.9	63.3%	–1.1%
thereof taxonomy-aligned activities[3]	399.0	3.5%	364.9	3.2%	9.3%
Total capital expenditures (CapEx)	**1,619.0**	**100.0%**	**1,855.4**	**100.0%**	**–12.7%**
thereof taxonomy-eligible activities[2]	1,401.0	86.5%	1,578.5	85.1%	–11.2%
thereof taxonomy-aligned activities[3]	–	0.0%	–	0.0%	–
Total operating expenses (OpEx)	**398.0**	**100.0%**	**397.3**	**100.0%**	**0.2%**
thereof taxonomy-eligible activities[2]	169.0	42.5%	183.9	46.3%	–8.1%
thereof taxonomy-aligned activities[3]	–	0.0%	–	0.0%	–

1 All percentages relate to total revenue, CapEx and OpEx in accordance with the definitions of the EU Taxonomy. For further explanation of total revenue, CapEx and OpEx see the notes to the consolidated financial statements and the combined management report of the KION Group

2 Refers to the sum of A.1 and A.2 of the taxonomy-aligned and taxonomy-eligible, but not taxonomy-aligned activities in the EU Taxonomy tables for total revenue, CapEx and OpEx (see annex 'disclosures on EU taxonomy' of this group sustainability report)

3 Taxonomy-alignment was assessed for the economic activities of the environmental objectives 'climate change mitigation' and 'circular economy'

The percentage of taxonomy eligibility in the financial metrics revenue, CapEx, and OpEx in accordance with the EU taxonomy did not change significantly year on year. Despite the stricter DNSH criteria following the changes to Appendix C (paragraph f) in Annex I to Delegated Regulation (EU) 2023/2486 with regard to the environmental objectives, a clearly defined part – under the new environmental objective of transition to a circular economy – of economic activity CE 5.1 was again classified as taxonomy-aligned in 2025.

Further notes on the EU Taxonomy Regulation

The KION Group firmly believes that the Group and its portfolio, consisting of efficient products and solutions in both segments, can make a major contribution to the objectives defined in the EU regulation. The annexes to the EU Taxonomy Regulation do not provide a classification for some economic activities, or do not provide a sufficiently detailed description of them, which means it is not currently possible to adequately assess the taxonomy eligibility and/or alignment of the portfolio.

The sustainability strategy complies with the other specifications and objectives of the Taxonomy Regulation, which are incorporated into the Group’s activities. The detailed descriptions of the activities contained within the relevant chapters of this report provide an overview of the KION Group’s commitment in the area of sustainability and its performance.

Social information

ESRS S1 – Own workforce of the KION Group

Human rights due diligence and the material topic ‘Own workforce of the KION Group’ are managed in the context of the ‘Occupational health and safety’ action field in the sustainability strategy (see ‘Strategy targets and target achievement in 2025’).

Material impacts and their interaction with strategy and business model in relation to own workforce (S1 SBM-3)

In the context of the ‘Working conditions’ sub-topic, work-related accidents and injuries among the KION Group’s own workforce continued to be deemed a negative material impact in the double materiality analysis.

In the ‘Occupational health and safety’ action field, skills training, continuing professional development, and support for employees’ mental health are an integral part of the KION Group’s business processes and are the fundamental basis of a safe and sustainable working environment. Nevertheless, work-related accidents and injuries do occur at the Group’s own production, service, and logistics sites due to the multifaceted, technical workflows. The KION Group’s aim is therefore to prevent work-related accidents and injuries by ensuring a high standard of workplace safety and protection for the workforce.

The central HSE function plays a key role in the development of the ‘Occupational health and safety’ action field (see ‘Processes for engaging with own workforce and workers’ representatives about impacts’).

It is highly unlikely that there is a significant risk of forced labor or child labor within the KION Group’s workforce, including its trainees. This is set out in the document ‘Group internal human rights assessment & due diligence 2024/2025’, which is available on the KION Group website at www.kiongroup.com/en/About-us/Management. Implementation of, and adherence to, these policies is the responsibility of the CPSO.

List of all material Impacts, Risks and Opportunities - Own workforce

Sub-topic	IRO	Value chain			Time horizon		
		Up-stream	Own operations	Down-stream	< 1 year	1–5 years	> 5 years
Working conditions							
Occupational accidents and injuries	Impact (–) [Actual]		•		•	•	•

Occupational accidents and injuries (negative impact)

Despite the high level of occupational health and safety, the nature of the activities in the manufacturing industry means that there is an inherent risk of occupational accidents and injuries that can have potentially significant negative impacts. Although all employees of the KION Group could potentially be affected, the material negative impacts are primarily on people working directly in production, the foundries, sales, service, and logistics. This includes non-employees as well as workers engaged by third parties, such as contractors and temporary agency workers.

The actual impacts on employees and non-employees depend on the tasks assigned to them in the working environment and on the associated working conditions. Through risk assessments, audits, and site inspections, the sections of the workforce that are at particular risk are systematically identified at the individual sites in order to introduce preventive and protective actions in a targeted and effective manner. The outcomes of risk assessments and incident analysis therefore make a material contribution to prevention and to the strategic focus of the KION Group.

Employees and their interests are disclosed as one of the KION Group's material stakeholder groups under ESRS 2 SBM-2 (see 'Interests and views of stakeholders').

Processes for engaging with own workforce and workers' representatives about impacts (S1-2)

The following subchapters deal with the KION Group's processes for engaging with its own workforce and workers' representatives about impacts.

Investigation of work-related accidents and injuries

The HSE Standard requires all local entities to have an incident investigation procedure in place for all types of accident. According to the HSE Standard, the investigation must be carried out by the line management, with the participation of the employees involved in the accident. In case of a fatality or further accidents, local entities are responsible for the accident investigation. The central HSE function carries out a post-fatality audit focused on management responsibility. It also supports the local investigation of serious incidents, which are classified in accordance with the KION Group process for serious incidents and fatalities. On this basis, fatalities are the result of work-related accidents or illnesses, while serious incidents are categorized as personal injury, environmental incident, or property damage. The findings of the incident investigation are used to identify precautionary measures to avoid similar incidents in the future and are shared in HSE meetings at local and central level. How often the Company's own workforce participates in such investigations depends on the frequency of accidents and injuries.

Regular central HSE meetings

In addition to the workforce's involvement in incident investigations, the central HSE function organizes various virtual HSE meetings with the HSE heads of the Operating Units and the regional HSE representatives of the Operating Units, as well as the wider HSE network. The HSE heads are responsible for all activities related to occupational health and safety in their respective Operating Units and ensure the indirect involvement of the workforce across the group of companies.

A monthly HSE leadership meeting is held with the HSE heads of the Operating Units, chaired by the Corporate Sustainability & HSE team. The meeting focuses on strategic topics and involves target setting, a performance review of HSE metrics, and discussion of the findings of incident investigations. A dedicated time slot is reserved at the end of the meeting for participants to raise any concerns or relevant discussion points, which can be used to assess the effectiveness of this engagement process.

An HSE communication meeting, led by the central HSE function, is held every two months. The regional HSE representatives of the Operating Units and the wider HSE network are invited to take part. Its focus is on operational activities, discussing the findings of incident investigations, and sharing examples of initiatives and best practice.

Local HSE meetings and consultations

The HSE Standard requires all entities within the KION Group to conduct at least one quarterly HSE meeting on relevant HSE subjects at site level. These HSE meetings have to be chaired by an executive within the entity and must include a workforce representative.

The HSE Standard also requires all subsidiaries to establish a documented HSE consultation process for their own workforce. The process must ensure that the workforce can raise concerns on HSE issues and that these concerns will be addressed by management.

How effectively the Company's workforce is involved at a local level is measured using a groupwide HSE assessment, which includes a specific question to evaluate this aspect (see 'Taking action on material impacts on own workforce and effectiveness of those actions').

Engagement through workers' representatives

Regular employee engagement based on participation rights, along with the formation of workers' representative bodies at workplace and at Group level, follows the relevant national regulations. In several European countries, workers' representatives are organized at local level. In Germany, the Group Works Council consists of representatives from local works councils from across the Group. The European Works Council represents the interests of employees in the European Union in international matters. The workers' representative bodies present and discuss the interests, concerns, and views of the workforce at regular meetings with the Executive Board of KION GROUP AG.

The employees of the KION Group can express their interests and views to the workers' representatives, who deal with them in regular and ad hoc meetings. These meetings also address occupational health and safety issues.

Feedback from meetings with workers' representatives is systematically recorded. Management decisions and corrective action are documented, tracked, and, where necessary, communicated to the workforce.

The workforce and its representatives are involved in health and safety matters through the codetermination structures that are in place (local works councils, Group Works Council, European Works Council) and by way of the consultation processes set forth in the HSE Standard; the HSE targets and programs are communicated in line with the requirements of ISO 45001. This process also provides the framework for monitoring the effectiveness of the collaboration. HSE management did not identify any impacts in relation to the climate targets and the associated actions of the KION Group.

Processes to remediate negative impacts and channels for own workforce to raise concerns (S1-3)

The following subchapters deal with the KION Group's processes to remediate negative impacts and channels for its own workforce to raise concerns.

KION Group whistleblowing system

A key component of the KION Group's compliance management system is the whistleblowing system, which employees and third parties can use to confidentially report actual or suspected cases of unlawful or inappropriate conduct. This includes concerns about negative impacts on human rights, working conditions, equal treatment, and other work-related rights. The primary avenues for reporting are the whistleblowing tool and hotline, which enable anonymous submissions in writing or by phone. Reports can be made via the KION Group's website at www.kiongroup.com/whistleblowing. Employees can also contact the Compliance, Legal, or Internal Audit departments or members of the KION Group Compliance Committee directly. Some entities offer additional local reporting channels, such as compliance committees or ethics committees. Reports made through other channels are documented and managed in the compliance case management system.

The whistleblowing tool is operated by an external provider in order to ensure reports and complaints are kept confidential.

The whistleblowing system is designed to be global but addresses local needs to the greatest possible extent. Anyone should be able to access the system and use it in their own language via their preferred communication channel. To encourage use of the system and promote a culture of speaking up, the reporting channels are communicated via the intranet, in mandatory e-learning courses (e.g. on the KION Group Code of Compliance (KGCC), on the 'speak-up culture', and on minimum employment standards), and in classroom-based training.

The integrated compliance case management system is designed to ensure that all reports received are reviewed and that each case is processed systematically and in compliance with the EU Whistleblowing Directive. Depending on the nature of the report, responsibility for managing the investigation, as well as for completing the process and carrying out the follow-up, either falls to a Compliance Officer or a representative of another central department. Embedded processes and policies are in place to reinforce confidentiality and protection against retaliation.

The function of human rights officer described in LkSG is performed by the Human Rights Committee. The committee handles complaints and reports, monitors remedial measures, and reports directly to the Executive Board of KION GROUP AG.

In 2025, the KION Group looked into all cases reported through the whistleblowing system and investigated all credible allegations of potential violations. Reports are considered credible if they include sufficiently concrete facts that can be verified with reasonable effort. Disciplinary action is taken in any identified cases of misconduct. If necessary, the compliance management system is modified to counter future violations.

The KION Group uses feedback from reporting parties and users of the system to continuously improve the whistleblowing system. Anyone is entitled to suggest improvements. These will be discussed by Corporate Compliance, the Compliance Committee, and other stakeholders as appropriate. Questions concerning the whistleblowing system are included in the annual compliance risk assessment questionnaires that are completed by the KION Group entities.

The KION Group prohibits any retaliation against whistleblowers. Whistleblower protection is codified in the KGCC and in the internal investigation policy. There is no compensation system in place to manage compensation for workers in the value chain if they were or are affected by negative impacts. Compensation is considered on a case-by-case basis. The effectiveness of the whistleblowing system is monitored by the Compliance Committee and the Human Rights Committee.

Reporting channels and processes in respect of work-related accidents and injuries
All KION Group employees, non-permanent members of staff, and other workers and/or visitors are mandated to immediately report accidents and incidents that occur while they are working for the KION Group, or on a KION Group site, to their supervisor or contact person in the KION Group.

The KION Group offers its own workforce various reporting channels to raise concerns and grievances in respect of work-related accidents and injuries, for example the Group's anonymous whistleblowing system, operated by an external provider. Other reporting channels include the local ideas management, near-miss management, and meetings between individual employees and their line manager or supervisor, as well as safety walks and behavior-based safety observations carried out at the workplace.

In addition to the groupwide whistleblowing system and local HSE reporting channels, employees and their representatives have access to company-specific grievance mechanisms, such as works councils, labor unions, and local HR processes. These mechanisms complement the global system and ensure that all significant concerns are comprehensively addressed. The availability of these channels is communicated to new employees during the HSE induction training at local level, while existing employees are reminded as part of HSE refresher courses. In addition to the groupwide whistleblowing system, local HSE representatives report employee concerns and grievances, including accidents, incidents, and near misses, using an internal reporting system, which is monitored by the Corporate Sustainability & HSE department. The effectiveness of this reporting procedure is reviewed on a monthly basis in terms of data completeness, and annually for data validity.

Actions associated with concerns and grievances must be monitored until their implementation is completed at the local sites.

In the event of negative impacts resulting from a work-related accident or injury, the affected employees receive compensation in accordance with national legal requirements. HSE representatives at the local sites are responsible for ensuring the effectiveness and adequacy of remediation measures.

The reporting channels and employees' commitment to reporting work-related accidents and incidents are assessed as part of the central HSE audits, the HSE assessment, and the local ISO 45001 certification (see 'Taking action on material impacts on own workforce and effectiveness of those actions').

Policies related to own workforce (S1-1)

The following subchapters deal with the KION Group's material policies related to its own workforce.

KION Group Code of Compliance
The KION Group Code of Compliance (KGCC) is based on the three principles of human dignity, human rights, and no discrimination, among others. In particular, this includes zero tolerance for child labor, any harmful employment of young people, and any form of forced labor.

The KGCC prohibits all forms of discrimination – whether it be on the grounds of nationality, ethnic origin, religion, age, disability, color, sexual identity, political belief, or gender – and harassment, including sexual harassment, with the aim of ensuring protection against discrimination. The KION Group is committed to complying with the following state-level international agreements, which provide important guidance: The United Nations' Universal Declaration of Human Rights, the

European Convention for the Protection of Human Rights and Fundamental Freedoms, and the fundamental conventions of the International Labour Organization (ILO), as documented in the ILO Declaration on Fundamental Principles and Rights at Work.

With respect to particularly vulnerable employees, the KGCC includes legal provisions regarding the protection of young people, pregnant women, and people with disabilities. Additional policies, such as agreements on the inclusion of people with disabilities at local level, emphasize the KION Group's commitment to improving reintegration into work and to enabling people with physical disabilities to remain in employment.

All KION Group employees must abide by the KGCC. The KGCC also covers non-employees as part of the own workforce, because business partners are expected to comply with all applicable laws. These include laws to prevent child labor, to respect human rights, to not engage in modern slavery (including forced labor and human trafficking), and to take responsibility for the health and safety of their workers. Any misconduct, concerns, or contraventions can be reported via the whistleblowing system (see 'Processes to remediate negative impacts and channels for own workforce to raise concerns'). Further information on the KGCC can be found in the 'Policies related to pollution' chapter.

International minimum employment standards in the KION Group

In addition to the KION Group's positioning on human rights as outlined in the KGCC, including related principles and expectations toward employees and business partners, the Group is committed to meeting uniform minimum employment standards across the organization. These are laid down in the 'International minimum employment standards in the KION Group' corporate policy. The international minimum employment standards apply to all employees of the KION Group, including executives, members of the Executive Board, and members of the management boards of the Group companies. Furthermore, this policy applies to all entities in which KION GROUP AG has a direct or indirect majority stake or over which it has direct or indirect control. The standards do not apply to employees in the value chain.

The minimum employment standards are based on the UN Guiding Principles on Business and Human Rights and on the principles and rights at work prescribed in the, to date, ten fundamental conventions of the International Labour Organization (ILO). The KION Group is committed to treating all employees with equal respect, regardless of personal characteristics such as gender, skin color, ethnic or social origin, political opinion, age, or religious beliefs. The minimum employment standards also prohibit human trafficking, forced labor, and child labor.

To avoid any discrimination, the standards also require special attention to be paid to relevant regional minorities (for example indigenous people, migrants, or religious minorities) and to the protection of female employees. Protection against discrimination does not mean that certain groups of people must be given preferential treatment. Skills and performance are always the key criteria for all personnel decisions.

The KION Group conducts a regular review of the implementation and application of the minimum employment standards. As part of the groupwide compliance risk assessment, the Company conducts an annual local survey via the entities to identify any potential breaches. It is initiated at Group level and covers all KION Group entities within the scope of the corporate policy. The results of the assessment indicate areas that require improvement or special attention in order to reduce and/or eliminate the potential risk of human rights violations.

Compliance with, and the proper application of, the standards was also part of internal audits at selected subsidiaries in 2025. The selection of standards and procedures to be audited is based on a risk assessment process that is used to determine the overall risks to the KION Group.

As part of the annual compliance risk assessment, the KION Group also considers the topic of discrimination and collects information locally on preventive and remedial action taken by the individual entities and at Operating Unit level. If a reported incident of discrimination is verified, remedial action must be taken. A dedicated training course was rolled out to selected functions in 2024 to raise awareness of the international minimum employment standards, including the prevention of discrimination, that apply in the KION Group. It must be completed at regular intervals. Additionally, voluntary training is offered and carried out for all other sections of the workforce in order to ensure implementation of, and compliance with, the aforementioned principles.

All members of the workforce, especially managers and the members of the subsidiaries' management teams, must base their actions and decisions in their area of responsibility on these principles. The management teams of each local entity and of the Operating Units are responsible for implementing the minimum employment standards and for monitoring and enforcing compliance, including prevention, risk mitigation, and remediation. The management teams of the Operating Units in each region must follow up this action in an appropriate manner. As the minimum employment standards affect all employees, they were indirectly involved in the standards' development through the chairman of the European Works Council.

The KION Group's international minimum employment standards are available to the public on the Group's website at www.kiongroup.com/en/About-us/Management. The international minimum employment standards are also communicated to the employees via the intranet, through training courses, and by the HR department. Members of the workforce can access the policy internally in all nine standard languages of the KION Group.

Health, Safety, and Environment Statement of Intent

In the context of occupational health and safety, the HSE Statement of Intent highlights the Group's commitment to protecting the health and safety of its employees, temporary employees, agency workers, and contractors. In order to meet this commitment, each entity of the KION Group is locally responsible for supporting a range of actions. These include, but are not limited to, maintaining occupational health and safety standards in accordance with the applicable requirements of the ISO 45001 standard and national legislation, setting targets and defining reporting structures, including incident investigation processes and corrective actions, providing OHS training, and engaging in regular consultations with relevant stakeholders. Although forced labor, child labor and human trafficking are not within the scope of this policy, the KION Group demonstrates its commitment to maintaining a responsible and ethical work environment by referencing the ILO Occupational Health and Safety Conventions while also endeavoring to comply with international labor standards. This link increases the KION Group's focus on promoting a culture of safety and sustainability across its worldwide operations through the HSE Statement of Intent.

Further information on the HSE Statement of Intent is available in the chapter 'Policies related to climate change mitigation and adaptation'.

Health, Safety, and Environment Standard

The KION Group HSE Standard defines minimum requirements for all KION Group locations and entities with regard to HSE matters, in addition to local regulations and the requirements of relevant ISO standards, such as ISO 45001 Occupational Health and Safety. With respect to the identified OHS-related material impacts, the HSE Standard provides guidelines regarding risk assessments and risk management, employee consultation and HSE meetings, training programs, accident management and measurement, and other relevant control systems for occupational health and safety.

The HSE Standard constitutes the groupwide management system for occupational health and safety. It is designed to prevent work-related accidents and is certified according to ISO 45001.

Further information on this policy can be found in the 'Policies related to pollution' chapter.

Taking action on material impacts on own workforce and effectiveness of those actions (S1-4)

The established HSE Standard serves as the foundation for a consistently high level of occupational health and safety in the Group and the source of preventive and remedial actions to address potential or actual negative impacts. Work-related accidents and injuries are analyzed and documented by the HSE team during the regular HSE meetings, which are also held at local-entity level. In the event of serious accidents, the HSE team conducts immediate on-site inspections. The actions presented below are aimed at reducing the risk and likelihood of incidents at work, fostering an HSE culture, and raising awareness of HSE matters.

The actions' effectiveness is monitored and assessed using occupational health and safety targets and metrics, such as LTIFR, which provide insights into the efficacy of the OHS programs (see 'Targets related to own workforce' and 'Health and safety metrics').

The HSE network supplies the necessary resources to implement the identified actions, which mainly consist of data collection systems, personnel, and relevant training at central and local level.

The network's governance structure enables the efficient allocation and use of these resources. Financial resources are provided locally by the individual Operating Units. Employees and HSE managers are freed up to participate in training, audits, and HSE meetings during their working hours.

HSE assessment

The HSE assessment is a self-evaluation tool that helps local teams to set up and improve their HSE management systems based on the KION Group HSE Standard. The tool is available to all of the KION Group's local entities on an ongoing basis. It helps to evaluate performance and identify gaps and relevant actions. The latest HSE assessment began in August 2025 and was completed in November 2025.

Effectiveness is monitored and assessed by the central HSE function, and progress is measured via an annual groupwide target within the 'Occupational health and safety' action field in the sustainability strategy, which is broken down into internal targets for the Operating Units (see 'Targets related to own workforce').

Although specific KPIs are not yet available in full, the initial results – such as participation rates, the evaluation of feedback, and reductions in accidents – provide a solid basis for assessing effectiveness.

Central HSE audit

The central HSE audit is a continuous health and safety improvement scheme based on the KION Group's HSE Standard, and the KION Group regards it as an effective and proactive HSE tool. The central HSE audit influences HSE culture within the Group and drives it forward, allowing the central HSE function to share internal experience with local sites while identifying strengths, weaknesses, opportunities, and threats. The scope of the central HSE audit includes employees, contractors, agency workers, and visitors, as well as suppliers, vendors, and customers. The result is a comprehensive audit report that is delivered to local management teams and to the Executive Board of KION GROUP AG. The audit has been a recurring event since 2010. The central HSE audit program began in January 2025 and was completed in December 2025. Following each central HSE audit program, the effectiveness of the HSE audits is assessed on the basis of a survey. In this survey, the responsible local teams participating in an HSE audit have the opportunity to give feedback on the overall process.

KION Board OHS Award

The KION Board OHS Award is designed to recognize and reward local entities that demonstrate outstanding achievements in the area of health and safety management. All entities in the KION Group can submit a project application, which is reviewed by a dedicated committee and assessed against a catalog of criteria. The award process began in September 2025 and is expected to be completed in the first quarter of 2026. The aim of the program is to foster an HSE culture of best practice and continuous improvement and to raise awareness of health and safety matters throughout the entire KION Group.

Health, safety, and environment training

The KION Group's HSE Standard requires all of the KION Group's local entities to provide HSE induction training covering a set list of relevant HSE topics. The standard stipulates that training be provided to all new employees and non-employees in the Group's own workforce, as well as to contractors at KION Group sites, on their first day of joining the local entity. In addition to this, all employees participate in an annual HSE awareness training course that covers a list of specific HSE matters. The purpose of the training courses is to raise awareness of HSE topics and to reduce the risk and likelihood of work-related accidents and injuries.

Targets related to own workforce (S1-5)

As set out in the HSE Statement of Intent, the KION Group is committed to protecting the health and safety of its own workforce. In order to implement this commitment, it is necessary to assess and continuously improve the HSE management systems of all local entities within the KION Group. To this end, the KION Group has defined targets to monitor groupwide occupational health and safety performance and to assess the effectiveness of action programs. The targets described below cover the KION Group's own operations and are defined in collaboration with the HSE heads of the Operating Units. Occupational health and safety performance relative to the specified targets, including an analysis of trends, is monitored on a monthly basis using a special internal reporting tool managed by the central HSE function. Results are discussed in various settings, for example at the monthly HSE leadership meetings of the HSE heads of the Operating Units.

The HSE network and the Executive Board of KION GROUP AG are also involved in internal HSE reporting. This entails sharing examples of best practice and lessons learned and discussing general potential for improving the specified targets. Furthermore, individual improvement actions are regularly assessed in external ISO 45001 audits and central HSE audits conducted in collaboration with local HSE representatives.

Lost time injury frequency rate

The KION Group manages the work-related accident rate using an entity-specific metric, the lost time injury frequency rate (LTIFR). The LTIFR calculates the number of fatalities and injuries caused by work-related accidents resulting in a loss of one or more working days in relation to one million hours worked. The calculation uses the following formula: LTIFR = [lost time injuries x 1 million hours worked] / [actual working hours]. The KION Group aims to reduce the LTIFR by a minimum of 5 percent every year, regardless of the previous year's performance. The specified target of an annual reduction of 5 percent from the base year (2017: 10.3), when the initial target was defined, was achieved again in 2025 with an LTIFR of 4.2 (see 'Strategy targets and target achievement in 2025').

Certification rate in accordance with ISO 45001

The KION Group's sustainability strategy includes the strategic target of certifying all of the Group's sites in accordance with ISO 45001. The ISO 45001 certification rate represents the percentage of KION Group sites that have been externally certified. In the base year of 2021, 68 percent of sites had been certified in accordance with ISO 45001. The strategic target for 2025 of 100 percent was almost achieved once again with a certification rate of 99 percent, which was unchanged compared with 2024. The KION Group will retain the certification rate as part of its sustainability strategy, checking the rate on an ongoing basis, in order to ensure consistently high health and safety standards (see 'Strategy targets and target achievement in 2025').

HSE assessment

Since the KION Group expected to achieve the ISO 45001 certification rate target in 2025, it defined a new strategic target to continue improving the key aspects of occupational health and safety. The metric is an important tool for ensuring and monitoring full and continuous compliance with the HSE Standard at all KION Group sites. This target is for the KION Group to achieve an average score of 100 percent for compliance with the HSE Standard throughout the KION Group sites by 2027. The scope of the target therefore covers the Group's own operations at all of its sites. During 2025, the KION Group focused on establishing a baseline for setting the 2026 target and on further reflecting the average 2025 score (95.9 percent), as well as on achieving full participation in the HSE assessment by all sites (see 'Strategy targets and target achievement in 2025').

Metrics related to own workforce

Characteristics of employees (S1-6)

The KION Group collects and records employee numbers and characteristics using a groupwide HR system. Employee-specific datapoints are aggregated in accordance with the basis of consolidation for financial purposes. The KION Group reports the number of employees and apprentices based on headcount, using the actual number at the end of 2025 (December 31, 2025). The total number of employees (headcount) is cross-referenced with the number of full-time equivalents (FTEs) in the ‘Headcount’ section; ESRS 1.119 (a).

The metrics for the employee characteristics include active and inactive employees of the KION Group, while apprentices, interns, and working students are not included. Apprentices were excluded from the definition of ‘own workforce’, as they cannot be considered to be employees or non-employees. However, since the KION Group does consider them to be relevant internal stakeholders, data on apprentices is provided separately.

When disclosing the rate of staff turnover and the number of employees whose employment relationship ended, the KION Group takes dismissals and retirement into account, as well as other voluntary and involuntary reasons, while intercompany transfers are excluded to avoid double counting. The KION Group uses the average number of employees over a twelve-month period (as at the last day of each month, divided by the number of months) as the denominator for the rate of staff turnover.

Employees by gender (headcount)

Gender	2025	2024	Change
Male	34,844	35,066	–0.6%
Female	8,141	8,183	–0.5%
Other[1]	10	6	66.7%
Not reported[1]	26	42	–38.1%
Total number of employees at the end of the reporting year (headcount)[2]	**43,021**	**43,297**	**–0.6%**
Employees leaving the undertaking in the reporting period	5,007	5,235	–4.4%
Turnover rate of employees in the year under review[3]	**11.6%**	**12.1%**	**–**

1 Gender “Other” or “Not reported” are based on employees’ self-reported information

2 Headcount including inactive employees and excluding apprentices, interns and working students

3 Number of employees leaving the undertaking in the reporting period in relation to the annual average number of employees

Number of employees by contract types and gender (headcount) as at Dec. 31, 2025

	Breakdown by gender				
	Male	Female	Other[1]	Not specified[1]	Total
Number of employees by contract types at the end of the reporting year (headcount)[2]	**34,844**	**8,141**	**10**	**26**	**43,021**
thereof number of permanent employees	32,424	7,472	10	26	39,932
thereof number of temporary employees	2,385	661	–	–	3,046
thereof number of non-guaranteed hours employees	35	8	–	–	43
Additional information: Number of apprentices[3]	**683**	**138**	**–**	**1**	**822**

1 Gender as specified by the employees themselves

2 Headcount including inactive employees and excluding apprentices, interns and working students

3 »Breakdown of apprentices in main countries (in %): Germany (68.4%), UK (13.3%), France (9.7%) and other countries (8.6%)«

Number of employees by contract types and gender (headcount) as at Dec. 31, 2024

	Breakdown by gender				
	Male	Female	Other[1]	Not specified[1]	Total
Number of employees by contract types at the end of the reporting year (headcount)[2]	**35,066**	**8,183**	**6**	**42**	**43,297**
thereof number of permanent employees	32,378	7,500	6	42	39,926
thereof number of temporary employees	2,662	677	–	–	3,339
thereof number of non-guaranteed hours employees	26	6	–	–	32
Additional information: Number of apprentices[3]	**693**	**155**	**1**	**2**	**851**

1 Gender as specified by the employees themselves

2 Headcount including inactive employees and excluding apprentices, interns and working students

3 »Breakdown of apprentices in main countries (in %): Germany (64.3%), UK (14.6%), France (13.7%) and other countries (7.4%)«

In 2025, the majority of the KION Group’s employees were on a permanent contract. Contracts for temporary employment were in place to cover, for example, seasonal demand, time-limited project work, temporary replacements (for example during parental leave), and probation periods.

Own workforce by country[1]

	2025	2024	Change
Number of employees at the end of the reporting year (headcount)[2]	**43,021**	**43,297**	**–0.6%**
Germany	11,983	12,627	–5.1%
China	5,394	5,264	2.5%
USA	4,376	4,354	0.5%
Other countries	21,268	21,052	1.0%

1 Countries with at least 50 employees and at least 10 percent share in each country

2 Headcount including inactive employees and excluding apprentices, interns and working students

Incidents, complaints, and severe human rights impacts

The reporting and tracking of incidents, complaints, and severe human rights impacts are an integral element of groupwide compliance management. Since only occupational health and safety and work-related injuries were identified as material for the KION Group in S1, no disclosure in tabular form is required (ESRS S1-17).

Nevertheless, the sustainability strategy includes the aim of ensuring that there are no breaches of the KION Group's minimum employment standards. It can be confirmed for 2025 that no breaches of the KION Group's minimum employment standards were identified, and thus also no severe human rights issues in the Company's workforce, such as child labor, forced labor, or human trafficking (see 'Strategy targets and target achievement in 2025'). The incidents of discrimination and harassment documented in the KION Group's whistleblowing system were followed up where they were determined to be substantiated during the reporting year, and personnel measures were initiated. However, upon thorough review, these cases were not classified as discrimination or systematic harassment within the meaning of the KION Group's minimum employment standards and therefore did not constitute a violation of these standards.

Health and safety metrics (S1-14)

With respect to material impacts related to the health and safety of its own workforce, the KION Group discloses its 2025 health and safety metrics in line with ESRS S1.14 paragraph 88. Metrics to which the transitional provisions in ESRS S1-14 apply are not disclosed.

Health and safety metrics[1]

	2025	2024	Change
Percentage of people in its own workforce who are covered by the health and safety management system	**97.5%**	**97.7%**	**–**
Number of fatalities as result of work-related injuries and work-related ill health			
Employees[1]	–	1	–100.0%
Non-employees in own workforce	–	–	–
Other workers working on sites	–	1	–100.0%
Number of recordable work-related accidents and ill health for employees	**510**	**444**	**14.9%**
Work-related injuries with lost days – employees[1, 2]	317	337	–5.9%
Work-related ill health with lost days – employees[1, 2]	6	14	–57.1%
Other injuries – employees[1]	187	93	> 100.0%
Rate of recordable work-related accidents for employees	**6.8**	**5.8**	**16.1%**
LTIFR: Frequency rate of recordable work-related injuries resulting in lost working days[1, 3]	**4.2**	**4.4**	**–5.0%**

1 Active employees and apprentices

2 Number of recordable cases resulting in at least one full working day of absence (≥ 1 working day)

3 Further alternative entity-specific indicator; Lost Time Injury Frequency Rate (LTIFR) includes fatalities resulting from work-related injuries and ill health

A groupwide reporting system collects occupational health and safety data from the KION Group's consolidated subsidiaries, including incidents, working hours, management system certification, and other health and safety metrics. This system aggregates entity-specific datapoints in accordance with the scope of consolidated entities for financial reporting. The local accident reporting processes and the occupational health and safety management system are validated by external certification bodies as part of ISO 45001 certification audits.

In 2025, the Group placed a particular emphasis on the 'Occupational health and safety' action field as part of its sustainability strategy. Key metrics and targets, such as the LTIFR, the ISO 45001 certification rate at site level, and the HSE assessment score were pursued more intensely (see 'Strategy targets and target achievement in 2025').

With respect to the HSE assessment score, the groupwide score is equivalent to the average of the individual results of the HSE assessments for all sites. These individual scores are calculated based on the degree to which each site complies with the HSE Standard (see 'Policies related to own workforce').

In the reporting year, efforts focused on setting a baseline for the average score for compliance with the HSE Standard, as well as ensuring that all sites participated in the HSE assessment. In 2025, the average score for compliance with the HSE Standard was 95.9 percent. The remaining gap compared with the full compliance rate of 100 percent was mainly attributable to new sites. The metric is an important tool for ensuring and monitoring full and continuous compliance with the HSE Standard, and thus maintaining occupational health and safety, at all sites in the Group.

Changes in the calculation and preparation of the disclosed metrics compared with previous reporting periods mainly relate to different reporting scopes. The scope for the metrics for employee characteristics was modified, as it previously included apprentices but excluded inactive employees. With respect to incidents, complaints, and severe human rights impacts, the scope for incident reporting was broadened to the own workforce, which now includes additional categories of non-employees. In line with the requirements of ESRS for health and safety metrics, the breakdown for fatalities and the types of incident reported were also revised to include the Group's own workforce and other workers on site, as well as all recordable occupational health and safety incidents.

ESRS S2 – Workers in the value chain

Human rights due diligence for workers in the value chain is carried out within the scope of the 'Supply chain' action field in the sustainability strategy (see 'Strategy targets and target achievement in 2025').

Impacts and their interaction with strategy and business model in relation to workers in the value chain (S2 SBM-3)

The double materiality analysis identified potential impacts in relation to workers in the value chain within the 'Other work-related rights' sub-topic as material.

List of all material Impacts, Risks and Opportunities – Workers in the value chain

		Value chain			Time horizon		
Sub-topic	IRO	Up-stream	Own operations	Down-stream	< 1 year	1–5 years	> 5 years
Other work-related rights							
Forced labor in the metal supply chain	Impact (–) [Potential]	•				•	
Child labor in manufacturing supply chains	Impact (–) [Potential]	•				•	

Forced labor in the metal supply chain (negative impact)

The extraction of raw materials from iron and non-ferrous metals, such as copper, zinc, cobalt, or lithium, and their subsequent processing through to the production of an end product, can – depending on the country, region, industry, and stage of production – have various negative impacts on workers in the upstream value chain. This applies in particular to the mining and processing of minerals.

These negative impacts can include child labor, forced labor, various forms of coercion and repression in the workplace (frequently part of modern slavery), disregard for workplace health and safety provisions, discrimination, non-payment of a living wage, or the use of force by security personnel. According to the International Labour Organization (ILO), forced labor in the mining and metal working sectors – especially in geopolitically sensitive regions – is classified as a substantial risk, making it a widespread and systemic negative impact.

The KION Group's products comprise numerous components that contain or are made from a variety of metals. The KION Group is not directly involved in the extraction of raw materials as it purchases goods and components from manufacturers around the world instead. This means that its direct influence on practices in the upstream value chain – particularly with regard to material negative impacts such as forced labor in the metal industry – is limited.

Child labor in manufacturing industry supply chains (negative impact)
The global nature of the KION Group's procurement activities poses the potential risk of child labor in manufacturing industry supply chains. The KION Group identified and deemed child labor a material topic in the double materiality analysis. According to the ILO, child labor – especially in global production supply chains and in geopolitically sensitive regions – is a substantial risk. Throughout the industry, international labor standards and human rights are breached time and again, particularly as a result of child labor, which is classified as a widespread and systemic negative impact.

Because the KION Group is not directly involved in the extraction or direct processing of raw materials, it has limited influence on working conditions in the upstream value chain and thus on the risk of child labor in the manufacturing industry supply chains.

Policies related to workers in the value chain (S2-1)

The following subchapters deal with the KION Group's material policies related to workers in the value chain. The focus is on policies relating to value chain workers, whereas policies that relate exclusively to the Company's own workforce are dealt with in the 'Own workforce of the KION Group' chapter.

To ensure that the actual and potential material impacts, risks, and opportunities for workers in the upstream value chain are assessed and that actual or potential negative impacts are prevented, minimized, or eliminated, the KION Group has established a three-stage process for assessing supplier risk in relation to environmental, social, and corporate governance (ESG) matters. This process is described in the ESG Risk Management Standard of the KION Group. As part of its direct business relationships, the KION Group assesses and evaluates tier 1 suppliers using the ESG supplier risk management process described in the 'Business conduct' chapter. Where necessary, an escalation process is initiated in line with the KION Group's existing guidelines.

The KION Group requires direct suppliers to act in accordance with the following policies, which is also demanded with regard to the interests, views, and rights of workers in the upstream value chain.

Supplier Code of Conduct
The KION Group Supplier Code of Conduct contains specific requirements and rules of conduct for a responsible supply chain and formulates environmental, ethical, and social guidelines for the global supplier base. These include specific requirements on business ethics and compliance, human rights and labor rights (including with regard to forced labor, child labor, precarious employment, and fair wages), and the health and safety of the workforce. The code's requirements in relation to the climate and the environment were tightened in 2025. The requirements were drafted in accordance with, and make reference to, the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work (in particular Convention Nos. 138 and 182), and the OECD Guidelines.

The KION Group Supplier Code of Conduct underscores the Group's zero-tolerance approach to child labor, forced labor, and comparable human rights violations. The obligation for suppliers to avoid inhumane, discriminatory, and unsafe working conditions for their employees is a core principle. Suppliers are also advised to ensure that their own suppliers, in turn, comply with these principles and requirements.

The inclusion of the Supplier Code of Conduct as an integral part of the KION Group's General Terms and Conditions of Purchase is very important to the Group. All suppliers entering into a business relationship with the KION Group must fulfill this requirement and agree to the Supplier

Code of Conduct – either by acknowledging the General Terms and Conditions of Purchase or by concluding an individually negotiated agreement. In addition, both the General Terms and Conditions of Purchase of the KION Group and individual agreements contain further requirements and obligations for the supplier that are intended to ensure compliance with applicable law and responsible practices within the value chain.

Compliance with the requirements is monitored as part of the ESG supplier risk management process (see 'Policies related to management of relationships with suppliers'). Suppliers confirm compliance with the requirements by filling out the questionnaires developed for this purpose. Specific actions to verify compliance are undertaken at random or, in the event of reasonable suspicion of a dereliction of duty, as part of individual audits. Reports in the compliance system can also indicate that a supplier is not adhering to the Supplier Code of Conduct. If a suspicion is confirmed, appropriate remediation action is initiated together with the supplier.

The Head of Global Procurement is responsible for the Supplier Code of Conduct and the General Terms and Conditions of Purchase of the KION Group. Both policies were compiled with the Legal and Compliance department of the KION Group and apply to all direct suppliers of the KION Group.

The Supplier Code of Conduct is available to the public on the KION Group's website at www.kiongroup.com/en/About-us/Suppliers.

Responsible Minerals Sourcing Standard

The Conflict Minerals Standard was replaced by the Responsible Minerals Sourcing Standard in 2025. The new standard is also based on the Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas of the Organisation for Economic Co-operation and Development (OECD) and other pertinent policies and regulations. By specifically referring to the EU Conflict Minerals Regulation (Regulation (EU) 2017/821) and the US Dodd-Frank Act (section 1502), the KION Group has clearly formulated its commitment in this area. Unlike the previous Conflict Minerals Standard, the new standard also relates to other relevant minerals.

The standard promotes responsible procurement and a zero-tolerance policy toward child labor, forced labor, human trafficking, and precarious employment. The extraction of minerals, in particular, poses an elevated risk of human rights violations around the world.

Every year, the KION Group carries out due diligence checks in its supply chain in order to ascertain whether the goods and components that it procures from its suppliers, and that are used in the KION Group's end products, potentially contain conflict minerals.

Global Procurement is the central function with responsibility for managing and overseeing these checks.

The standard is available to the public on the KION Group's website at www.kiongroup.com/en/About-us/Suppliers.

Processes for engaging with value chain workers about impacts (S2-2)

During the first stage of the ESG supplier risk management process described in the 'Policies related to management of relationships with suppliers' chapter, direct suppliers that do not have an EcoVadis rating are provided with a self-assessment questionnaire by the service provider IntegrityNext. In terms of material impacts, these cover various topics such as child labor, forced labor, discrimination, other labor-related rights, environmental topics, and internal procedural matters. Under the supervision of the Head of Global Procurement, the global Supplier Sustainability Team is responsible for the execution, compliance, quality, and effectiveness of the questionnaires.

The ESG supplier risk management process itself is reviewed at the end of each year to check its effectiveness. All insights gathered during this phase are reviewed and the process is adapted where appropriate.

The Supplier Performance Management department within the procurement organization is responsible for monitoring and developing the existing supplier base as well as potential new suppliers on a global level. As part of this remit, the department also carries out in-depth, on-site supplier assessments and a range of audits of potential new suppliers, and of selected suppliers as required. Key sustainability criteria, such as child labor and forced labor, are also factored into the assessment. Where the assessment identifies potential risks, further investigations are initiated in accordance with the ESG supplier risk management process as described in the 'Policies related to workers in the value chain' chapter.

The KION Group also offers its suppliers training on LkSG and other sustainability topics such as environmental requirements for products and the reduction of carbon emissions, which, depending on the supplier's structure, brings the Supplier Sustainability Team or other members of the procurement organization into contact with the supplier's workforce.

To encourage wider participation in its own supplier network, the KION Group embraces inclusive procurement practices that make it possible for a wide range of companies to become suppliers. The KION Group's approach helps it to identify and integrate innovative suppliers from diverse backgrounds in order to build up resilience and reinforce equal opportunities in the supply chain.

The KION Group has not entered into any global framework agreements or other agreements with global labor union federations related to respect for the human rights of workers in the value chain.

Processes to remediate negative impacts and channels for value chain workers to raise concerns (S2-3)

The KION Group provides a number of ways for internal and external whistleblowers to report potential breaches of the law or of other regulations. Actual or suspected breaches of the law or regulations can be reported to the Group's Compliance department by email, telephone, or post. The KION Group can also be contacted through social media.

External whistleblowers can additionally make use of the KION Group whistleblowing system's dedicated hotline to anonymously report actual or suspected compliance breaches. This system provides several channels for users to report concerns, such as an online form (www.kiongroup.com/whistleblowing), a hotline, and an email address (compliance@kiongroup.com).

The existence of these channels is clearly communicated on the website and in the KION Group Code of Compliance. They are accessible to the public at www.kiongroup.com/en/About-us/Compliance and in the information for suppliers of the KION Group. The obligation to protect whistleblowers is also set out in the Code of Compliance. The Code sets out that reprisals, threats, or attempted reprisals against a whistleblower are forbidden in internal investigations in the KION Group.

It is standard policy in the KION Group to investigate and follow up on every compliance report, with each one being documented in the Compliance Case Management System and reviewed by the KION Group Compliance Case Manager. Depending on the nature of the report, either a Compliance Officer or a representative of another competent KION Group function is appointed to manage the investigation, follow-up on the report, and close the investigation. The Compliance Case Manager monitors progress and prepares management reports.

The KION Group continuously improves the whistleblowing system on the basis of feedback from whistleblowers and other users of the system. Anyone can make suggestions for improvements. In 2025, these were discussed by the Compliance department, the Compliance Committee, and any other internal stakeholders as appropriate. Questions on the whistleblowing system were included in the annual compliance risk assessment questionnaires that were filled out by the local KION Group sites in 2025. To date, no formal assessment of value chain workers' trust in the channels has been carried out. Corporate Compliance is responsible for the procedure for dealing with compliance incidents, which is set out in the KION Group's policy on internal investigations.

In addition to its whistleblowing system, the KION Group screens news to identify cases that come to light through reports in the media and involve a potential breach of compliance. These incidents are also documented in the Compliance Case Management System by the Supplier Sustainability Team.

In accordance with the ESG supplier risk management process described in the 'Policies related to management of relationships with suppliers' chapter, the KION Group has defined a process for any infringements of protected rights in the supply chain. This process serves, in particular, to follow up any infringements categorized as a 'Human rights or environmental breach in the supply chain' and to take suitable remedial action.

Once a report has been made via one of the aforementioned channels, the incident is assigned to be followed up by the global Supplier Sustainability Team, which is part of the procurement organization. The investigation is performed as described in the ESG supplier risk management process and is subject to the same requirements as for compliance case management. The aim is to analyze all incidents thoroughly, uniformly, and with the same level of detail.

There is no defined process for managing compensation for workers in the value chain. Workers have to make their case themselves and decisions are made following an individual review.

Regular checks by the Compliance Committee of the KION Group and the quarterly Human Rights Committee are designed to monitor the effectiveness and efficiency of the process.

Taking action on material impacts on value chain workers and effectiveness of those actions (S2-4)

The KION Group's sustainability strategies, procedures, and requirements described in the 'Policies related to workers in the value chain' chapter are used as binding criteria for the selection of suppliers and give rise to specific actions to avoid human rights violations. Given the tried-and-tested processes that are in place, no substantial capital expenditure or operating expenditure is currently anticipated for any potential actions. The sustainable approach to procurement follows a continuous improvement process across the phases of strategy development, risk assessment, risk mitigation, incident management, and corrective actions.

One potential incident was reported in 2025, which was documented and processed via the Compliance Case Management System (see 'Processes to remediate negative impacts and channels for value chain workers to raise concerns'). The incident concerned a supplier with complicated sub-supplier structures that could not disclose whether its subcontractors at the end of the supply chain were ensuring a fair wage and employment conditions. Due to the supplier's lack of willingness to cooperate, the Group ceased collaboration on a project with this supplier.

ESG supplier risk management including forced and child labor

In 2025, the three-stage ESG supplier risk management process described in the 'Policies related to management of relationships with suppliers' chapter was used by the global Supplier Sustainability Team – part of the procurement organization – to determine actual or potential material negative impacts on workers or on the environment in the upstream value chain. The KION Group's mandatory ESG supplier risk management process includes explicit questions on child labor and forced labor as well as on the supplier's onward supply chain. The actions to be taken to prevent, mitigate, or remediate actual or potential negative impacts are defined in this process. The KION Group also recommends that compliance with the requirements is replicated along the entire value chain and requires its suppliers, where necessary, to uphold the Principles of Supplier Conduct described in the 'Policies related to workers in the value chain' chapter in their supply chains.

The KION Group arranges visits to suppliers' sites so that it can perform sample-based checks on its suppliers. The results of these supplier audits are compared with the suppliers' own self-assessments and serve to review the effectiveness of supplier risk management processes. In 2025, the KION Group did not find reason to revise its system of supplier risk management.

The KION Group monitors the progress of its three-stage ESG supplier risk management process by means of quarterly reporting that includes all Group entities and Operating Units. The proportion of suppliers covered by the ESG process was increased further in the reporting year. Supplier master data was also harmonized in the system, which enhanced data quality. This also means that standardized assessments can be conducted within a group of companies, regardless of the SAP systems in place. The number of low-risk suppliers was also increased further thanks to targeted communication with suppliers and corrective action. Regions of particular focus in 2025 were the Americas and APAC. Existing supplier training was subtitled for Chinese suppliers and distributed via the regional sourcing platform. Audits were carried out in all three regions in the reporting year, with a particular focus on countries in the Americas and Europe (EMEA region) due to the volume of business. Corrective actions and supplier interviews also brought about improvements.

Transparency regarding conflict minerals

With respect to conflict mineral smelters or refiners (SOR), the KION Group has been participating in an annual smelter outreach initiative since 2022. This initiative, which is actively managed by the service provider Assent, aims to approach directly those SORs that have not yet been, or have refused to be, assessed by local auditors regarding their conflict-free minerals sourcing. The initiative does not specifically target the KION Group's suppliers but is a general due diligence initiative as part of an industry-recognized assessment program, with the objective of improving transparency globally. The KION Group initiated an additional campaign in 2025 to increase the scope of the supplier information that it holds.

Targets related to managing material negative impacts (S2-5)

The following subchapter deals with a material target of the KION Group related to workers in the value chain.

The KION Group introduced the global ESG supplier risk management process in 2023. The process is presented in the 'Policies related to management of relationships with suppliers' chapter. As part of this process, metrics were defined in respect of targets that are to be achieved by 2030.

Increase in spend on tier 1 suppliers with a low ESG risk

In order to strategically counter negative impacts on workers in the value chain, the KION Group defined a target in the 'Supply chain' action field of its sustainability strategy. This target is driving the continual expansion of a very low-risk upstream value chain and preventing, mitigating, or remediating actual or potential negative impacts on the environment or human rights, such as exploitative child labor and forced labor. The KION Group is pursuing the strategic target of increasing the proportion of annual spending on tier 1 suppliers in category A with a low ESG risk. The definition of this metric is presented in the section below (see 'Strategy targets and target achievement in 2025').

For 2025, the KION Group's target was to raise the proportion to 47 percent, representing a year-on-year increase of 15.5 percentage points (2024: 31.5 percent). A base year of 2023 and base value of 24 percent were set for this target. The proportion reached in 2025 was 60.9 percent, which exceeded the target, so a new target of 80 percent to be achieved by 2030 has been set. The Procurement department, the Legal and Compliance department, the Sustainability department, and the HR department were all involved in formulating this groupwide target. No changes were made to the methodology for calculating the target. The Supplier Sustainability Team monitors target achievement on a monthly basis. This is complemented by quarterly reporting to management level in procurement.

Metrics related to workers in the value chain

The following deals with a material metric of the KION Group related to workers in the value chain.

In 2025, the KION Group managed to increase the proportion of annual spending on tier 1 suppliers in category A with a low ESG risk to 60.9 percent. The metric measures the proportion of spending on tier 1 suppliers in category A that were identified as low ESG risk by the ESG supplier risk assessment. This is calculated as a percentage of the total spend on direct tier 1 suppliers in category A. Tier 1 suppliers provide products or services directly to the KION Group, excluding sub-suppliers or downstream suppliers. Direct suppliers deliver materials that are directly incorporated into the end products. Category A suppliers are strategic suppliers that, according to an ABC categorization based on the proportion of spend they account for, receive a total of around 80 percent of overall expenditure on tier 1 suppliers and are therefore materially important to the KION Group.

Only external spending is taken into account. Intracompany transactions and expenditure for companies in which the KION Group holds a minority interest are excluded. The main source of the operating expenditure data is an internal database that predominantly contains primary data such as invoices and directly interfaces with the KION Group's accounting systems. Since not all of the Group entities are linked to this database, it does not capture 100 percent of the Group's operating expenditure. Entities that are not linked to this internal database are asked to identify their suppliers so that these can be included in the assessment.

Further information on supplier risk categorization can be found in the 'Policies related to management of relationships with suppliers' chapter.

Governance information

ESRS G1 – Business conduct

The four KION Group values of integrity, collaboration, courage, and excellence are an integral element of the business strategy. Their purpose is to shape daily interactions and help to foster a culture of respect and social responsibility and to promote a solutions-driven, collaborative working relationship with all relevant stakeholders. Technological excellence and innovation are the foundations for sustainable growth, a high level of customer satisfaction, and a strong community. These foundations include integrity, ethical conduct, and strict adherence to statutory and company rules.

For the KION Group, sustainable management is a fundamental part of the decision-making process and the wider implementation of decisions, particularly where its relationships with business partners are concerned (see ‘The role of the administrative, management, and supervisory bodies’).

‘Anti-corruption and anti-bribery matters’ are also dealt with in this chapter on business conduct.

Material impacts and their interaction with strategy and business model in relation to business conduct (G1 SBM-3)

The sub-topic of management of relationships with suppliers, except for payment practices, was identified as a potentially material positive impact in the double materiality analysis. It is managed via the ‘Supply chain’ strategic action field (see ‘Strategy targets and target achievement in 2025’).

List of all material Impacts, Risks and Opportunities - Business conduct

		Value chain			Time horizon		
Sub-topic	**IRO**	**Up-stream**	**Own operations**	**Down-stream**	**< 1 year**	**1-5 years**	**> 5 years**
Management of relationships with suppliers, excluding payment practices							
Responsible selection and assessment of suppliers	Impact (+) [Potential]	•				•	

Responsible selection and assessment of suppliers (positive impact)

The KION Group is a global company, and the sustainability performance of its products and services depends not only on the properties of its directly sourced raw materials, goods, and services, but also on its business relationships. The strategic approach in the upstream supply chain and the associated positive impact are therefore closely linked with the business model and business strategy of the KION Group.

The careful and responsible selection and assessment of suppliers guided by sustainability criteria play an important part in making the supply chain more resilient and future-proof. This approach creates incentives for suppliers to embed sustainability standards in their processes and to continually improve, or at least maintain, their ESG risk assessment. By considering sustainability matters in the selection and contract awarding process, the KION Group creates an incentive for suppliers to offer goods with relatively low negative – or positive – environmental and social impacts.

This endeavor is supported by the KION Group’s ESG supplier risk management process, as described in the ‘Policies related to management of relationships with suppliers’ chapter.

Policies related to management of relationships with suppliers (G1-1)

Several years ago, the KION Group implemented and expanded the ESG risk management process to identify and investigate any shortcomings in supply chain relationships.

In order to ensure that actual or suspected instances of non-compliance can be reported anonymously, the KION Group has a standardized whistleblowing procedure. This is described in greater detail in the ‘Processes to remediate negative impacts and channels for own workforce to raise concerns’ chapter.

ESG Risk Management Standard for Suppliers*

To ensure that the actual and potential material impacts, risks, and opportunities in the upstream value chain are assessed and that actual or potential negative impacts are prevented, minimized, or eliminated, the KION Group has established a three-stage process for assessing supplier risk in relation to environmental, social, and corporate governance (ESG) matters. This process is described in the ESG Risk Management Standard of the KION Group.

Every supplier in a direct business relationship with a KION Group company (tier 1 supplier) must be analyzed and assessed using the ESG supplier risk management process. This process assesses the risks and efforts of suppliers to comply with and achieve certain labor-law, social, ethical, and environmental standards. Specific focuses of the ESG Risk Management Standard include workplace health and safety, anti-corruption and anti-bribery practices, product-related environmental protection, upstream supply chain monitoring, and, in particular, compliance with fundamental human rights, labor rights, and employment standards, which include questions about child labor and forced labor. The ESG supplier risk management process is an ongoing one, with new suppliers being continually added.

The first stage of the three-stage ESG supplier risk management process is the ESG supplier risk assessment. This encompasses global risk mapping based on the supplier’s country, sector, and goods risk. In addition, an individual risk assessment is carried out by service providers IntegrityNext and EcoVadis if a supplier is classified as high risk during global risk mapping or if the KION Group specifically selects the supplier for an individual assessment. This allows the KION Group to recognize an individual ESG risk for each supplier. In this way, suppliers can be systematically assigned to one of the following three categories: ‘low ESG risk’, ‘some degree of potential ESG risk’, or ‘high ESG risk’. Buyers can see this result in the ESG dashboard.

The second stage of the process encompasses the ESG supplier risk analysis. In this phase, the KION Group gives each supplier risk identified in the first stage a weighting and priority. The severity and probability of occurrence of the potential negative impacts of the identified risks, the significance of the supplier for the KION Group’s operations, and potential alternative sources for procuring the relevant products are considered in this analysis. The assigning of priorities allows the KION Group to initiate corrective actions where the materialization of risk would have a particularly severe impact.

The results of this ESG supplier risk analysis determine whether and what kind of improvement actions will be taken, and in what order, in the third stage of the process. These actions are defined in the Guideline on Corrective Actions, and include corrective action plans, further document-based analysis, face-to-face meetings with the suppliers, supplier training, and audits. The choice of actions is made in consultation with the suppliers and depends on their individual knowledge and the risk assessment.

Should a supplier fail to comply with the ESG supplier risk management process – for example by refusing to provide information, preventing audit initiatives, or unilaterally failing to instigate remedial action plans – the escalation process is triggered in line with the current KION Group rules. Non-compliance can have a wide range of consequences for the supplier. In accordance with the Supplier Code of Conduct, and in the event of non-compliance with the code, the KION Group ultimately reserves the right to end the business relationship.

The global Supplier Sustainability Team – part of the procurement organization – is responsible for the execution, compliance, quality, and effectiveness of the ESG risk management process. The team launches the relevant processes at the start of each year and formally initiates the corrective action process in the third quarter. Corrective action is carried out during the year at the request of suppliers and procurement employees. The corrective action may change a supplier's ESG risk; this change is communicated to the buyers through the ESG dashboard. Buyers take the ESG risk into account in day-to-day processes such as decisions on the awarding of contracts, supplier assessments, and strategies for material groups. The consideration of ESG risk in procurement practices is described in greater detail in the 'Actions related to management of relationships with suppliers' section.

In addition to the annual review and updating of ESG supplier risk, the risk assessment is carried out on an ad hoc basis as required, e.g. for potential new suppliers. Where necessary or in the event of a potential rights violation coming to light, tier N suppliers can be included in the risk assessment too.

The ESG Risk Management Standard for Suppliers is available internally on the KION Group intranet. To facilitate understanding and compliance, the process has also been communicated via dedicated emails and training sessions for members of the Procurement team.

Management of relationships with suppliers (G1-2)

As integral elements of the sustainability strategy, the supply chains and the relationships with suppliers play a vital role in business conduct.

The KION Group sources raw materials, goods, and services from suppliers in different parts of the world. The responsible selection and assessment of suppliers is not just a key component of the KION Group's business model for legal reasons, it also promotes sustainable practices along the entire supply chain. Because it takes account of sustainability matters based on the ESG supplier risk management process described above, this approach can help to make the supply chain more sustainable and encourages suppliers to actively work on sustainability-related activities. The outcome of the ESG supplier assessment is incorporated into the supplier performance risk and influences the individual supplier performance score. This motivates suppliers to continually improve or maintain their ESG risk assessment level. A good ESG supplier risk score not only has a positive influence on the overall assessment of supplier performance, it also has a positive effect on the business relationship and awarding of contracts going forward.

Actions related to management of relationships with suppliers (G1-2)

Once again in the reporting year, the KION Group took further action to integrate ESG criteria more thoroughly into procurement practices, especially in relation to the upstream value chain. Steps had already been taken in 2024 to embed the ESG criteria in the Global Supplier Awarding Committee (GSAC) process and in the supplier performance scorecard. In both cases, the ESG supplier risk score is used as determined in the ESG supplier risk management process described above.

The GSAC is made up of a cross-functional team and decides in an internal process which suppliers are shortlisted for the awarding of contracts. The supplier scorecard facilitates the assessment of supplier performance and strengthens the supplier relationship. Six areas of supplier performance are assessed, including sustainability. The ESG supplier risk score is determined as part of the sustainability assessment and makes up 15 percent of the supplier performance score. This has a direct impact on the specific supplier relationship.

Targets related to management of relationships with suppliers

As mentioned above, the KION Group set a new target in the ‘Supply chain’ action field of the sustainability strategy in 2024. The KION Group aims to continually increase the proportion of annual global spending on deliveries from direct suppliers that are essential for production (category A suppliers) with a low ESG risk. Further details can be found in the chapters ‘Strategy targets and target achievement in 2025’ and ‘Targets related to managing material negative impacts’.

Contextual information for the metric can be found in the ‘Metrics related to workers in the value chain’ chapter.

Anti-corruption and anti-bribery matters

In line with its compliance management system, the KION Group aims for systematic compliance with laws, guidelines, and voluntary codes across the Company. The Executive Board is collectively responsible for the groupwide compliance management system of the KION Group. In organizational terms, the compliance function reports directly to the Chief Executive Officer of KION GROUP AG.

The KION Group Code of Compliance (KGCC) underpins the compliance management system and is complemented by other groupwide regulations on a wide range of matters that cover the KION Group’s full spectrum of activities. The KGCC is binding for all KION Group employees and provides guidance on the correct and appropriate way to interact with colleagues, customers, business partners, and the public. All new KION Group employees must complete an e-learning course covering all aspects of the KGCC. In addition to this e-learning course, other mandatory online courses are available on specific compliance topics such as anti-corruption, money laundering, conflicts of interest, and antitrust law. Some of these courses only need to be taken once, others at regular intervals (once or twice a year). Individuals who are in regular contact with customers or business partners are at a higher risk of corruption. These risk groups must attend additional mandatory face-to-face training at least every two years.

The KION Group expressly supports the fight against any form of bribery and corruption. With this in mind, it takes a prevent-detect-respond approach, which aims to permanently prevent misconduct, uncover misconduct that has occurred, and initiate appropriate remedial action in a timely manner. In addition to the rules on conduct and anti-corruption in the KGCC, further detailed requirements can be found in topic-specific policies. These include the KION Group anti-bribery and anti-corruption policy, the KION Group policy on avoiding conflicts of interest, and the KION Group donations and sponsorship policy. Among other things, the latter stipulates that every donation and every sponsorship activity must be checked and approved in advance by the Compliance department.

Actual and suspected compliance violations can be reported around the clock via the whistleblowing system in person or by telephone, post, or email. Reports can also be made anonymously via the hotline or an online form. Further information can be found in the 'Processes to remediate negative impacts and channels for own workforce to raise concerns' and 'Processes to remediate negative impacts and channels for value chain workers to raise concerns' chapters.

The effectiveness of the KION Group's compliance management system is continuously optimized as necessary. It is modeled on audit standard 980 of the Institute of Public Auditors in Germany (IDW PS 980), which focuses on the avoidance of compliance violations. Through regular and ad hoc audits, Group Internal Audit ensures that the compliance requirements are met by KION GROUP AG and all of its subsidiaries.

The risks relating to bribery and corruption are documented and assessed on an annual basis as part of a systematic compliance risk analysis throughout the Group, including for KION GROUP AG. Money laundering risks, risks of non-compliance with tax regulations and cybersecurity rules, and violations of human rights are also assessed. Non-financial risks that arise on an ongoing basis are identified, assessed, and managed. Appropriate actions are subsequently determined to eliminate weaknesses in processes and control mechanisms. Corruption and bribery have not played a significant role for the KION Group to date. Nevertheless, special attention is paid to preventing potential violations, especially in the procurement and sales functions.

The characteristics of the corruption perception index for the respective country, the size and structure of the local procurement or sales organization, and contacts with public officials play an important role in the assessment of risk. The risk analysis conducted in 2025, which focused on corruption and bribery, did not identify any incidents or risks that could be deemed material according to the internally defined thresholds.

Notes to the Group sustainability report

Index – List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Appendix B: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ Not material	Page(s)
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 Table # 1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		Material	125 - 126
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Commission Delegated regulation (EU) 2020/1816, Annex II		Material	125 - 126
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table # 3 of Annex 1				Material	130 - 130
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicator number 4 Table # 1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Commission Delegated regulation (EU) 2020/1816, Annex II		Not material	–
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table # 2 of Annex 1		Commission Delegated regulation (EU) 2020/1816, Annex II		Not material	–
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table # 1 of Annex 1		Delegated regulation (EU) 2020/1818, Article 12(1) Delegated regulation (EU) 2020/1816, Annex II		Not material	–
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tabacco paragraph 40 (d) iv			Delegated regulation (EU) 2020/1818, Article 12(1) Delegated regulation (EU) 2020/1816, Annex II		Not material	–

Appendix B: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ Not material	Page(s)
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU), 2021/1119, Article 2(1)	Material	132 - 132
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		Not material	–
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table # 2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate Change transition risk: alignment metrics	Delegated regulation (EU) 2020/1818, Article 6		Material	143 - 146
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table # 1 and Indicator number 5 Table # 2 of Annex 1				Material	147 - 148
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table # 1 of Annex 1				Material	147 - 148
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table # 1 of Annex 1				Material	147 - 148
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table # 1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Material	149 - 150
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicator number 3 Table # 1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Material	149 - 150

Appendix B: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ Not material	Page(s)
ESRS E1-7 GHG removals and carbon credits paragraph 56				Delegated Regulation (EU) 2021/1119, Article 2(1)	Material	155 - 155
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated regulation (EU) 2020/1818, Annex II Delegated regulation (EU) 2020/1816, Annex II		Material	Phase-in provision
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk.			Material	Phase-in provision
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book – Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Material	Phase-in provision
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated regulation (EU) 2020/1818, Annex II		Material	Phase-in provision
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil paragraph 28	Indicator number 8 Table # 1 of Annex 1 Indicator number 2 Table # 2 of Annex 1 Indicator number 1 Table # 2 of Annex 1 Indicator number 3 Table # 2 of Annex 1				Not material	–
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table # 2 of Annex 1				Not material	–

Appendix B: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ Not material	Page(s)
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table # 2 of Annex 1				Not material	–
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table # 2 of Annex 1				Not material	–
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table # 2 of Annex 1				Not material	–
ESRS E3-4 Total water consumption m^3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table # 2 of Annex 1				Not material	–
ESRS 2 – SBM-3 – E4 paragraph 16 (a) i	Indicator number 7 Table # 1 of Annex 1				Not material	–
ESRS 2 – SBM-3 – E4 paragraph 16 (b)	Indicator number 10 Table # 2 of Annex 1				Not material	–
ESRS 2 – SBM-3 – E4 paragraph 16 (c)	Indicator number 14 Table # 2 of Annex 1				Not material	–
ESRS E4-2 Sustainable land/agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table # 2 of Annex 1				Not material	–
ESRS E4-2 Sustainable oceans/seas practices or policies paragraph 24 (c)	Indicator number 12 Table # 2 of Annex 1				Not material	–
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table # 2 of Annex 1				Not material	–
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table # 2 of Annex 1				Material	170 - 171
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table # 1 of Annex 1				Not material	–
ESRS 2 SBM-3 – S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table # 3 of Annex I				Not material	–

Appendix B: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ Not material	Page(s)
ESRS 2 SBM-3 – S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table # 3 of Annex I				Not material	–
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table # 3 of Annex I and Indicator number 11 Table # 1 of Annex I				Not material	–
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated regulation (EU) 2020/1816, Annex II		Not material	–
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table # 3 of Annex I				Not material	–
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table # 3 of Annex I				Material	184 - 185
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table # 3 of Annex I				Material	181 - 181
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table # 3 of Annex I		Delegated regulation (EU) 2020/1816, Annex II		Material	190 - 191
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table # 3 of Annex I				Material	Phase-in provision
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table # 1 of Annex I		Delegated regulation (EU) 2020/1816, Annex II		Not material	–
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table # 3 of Annex I				Not material	–
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table # 3 of Annex I				Not material	–

Appendix B: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ Not material	Page(s)
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table # 1 of Annex I and Indicator number 14 Table # 3 of Annex I		Delegated regulation (EU) 2020/1816, Annex II Delegated regulation (EU) 2020/1818 Art 12(1)		Not material	–
ESRS 2 SBM-3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and number 13 Table # 3 of Annex I				Not material	–
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table # 3 of Annex 1 and Indicator number 11 Table # 1 of Annex 1				Material	194 - 195
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and 4 Table # 3 of Annex 1				Material	194 - 194
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table # 1 of Annex 1		Delegated regulation (EU) 2020/1816, Annex II Delegated regulation (EU) 2020/1818 Art 12(1)		Material	194 - 194
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8 paragraph 19			Delegated regulation (EU) 2020/1816, Annex II		Material	194 - 194
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table # 3 of Annex 1				Material	197 - 197
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table # 3 of Annex 1 and Indicator number 11 Table # 1 of Annex 1				Not material	–

Appendix B: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ Not material	Page(s)
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 17	Indicator number 10 Table # 1 of Annex 1		Delegated regulation (EU) 2020/1816, Annex II Delegated regulation (EU) 2020/1818 Art 12(1)		Not material	–
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table # 3 of Annex 1				Not material	–
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table # 3 and Indicator number 11 Table # 1 of Annex 1				Not material	–
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table # 1 of Annex 1		Delegated regulation (EU) 2020/1816, Annex II Delegated regulation (EU) 2020/1818 Art 12(1)		Not material	–
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table # 3 of Annex 1				Not material	–
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table # 3 of Annex 1				Not material	–
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	Indicator number 6 Table # 3 of Annex 1				Not material	–
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table # 3 of Annex 1		Delegated regulation (EU) 2020/1816, Annex II		Not material	–
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table # 3 of Annex 1				Not material	–

Index – Disclosure requirements in ESRS covered by the Group's sustainability statement

Appendix C: Disclosure and Application Requirements in Topical ESRS that are applicable in conjunction with ESRS 2 General disclosures

ESRS 2 Disclosure Requirement	Related ESRS paragraph	Page(s)
GOV–1 – The role of the administrative, management and supervisory bodies	ESRS G1 Business conduct (para. 5)	200 - 200
GOV–3 – Integration of sustainability-related performance in incentive schemes	ESRS E1 Climate change (para. 13)	129 - 129
SBM–2 – Interests and views of stakeholders	ESRS S1 Own workforce (para. 12)	121 - 122
	ESRS S2 Workers in the value chain (para. 9)	123 - 123
SBM–3 – Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS E1 Climate Change (para. 18 and 19)	137 - 138
	ESRS S1 Own workforce (para. 13 to 16)	178 - 179
	ESRS S2 Workers in the value chain (para. 10 to 13)	193 - 194
IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	ESRS E1 Climate change (para. 20 and 21)	118 - 119
	ESRS E2 Pollution (para. 11)	120 - 120
	ESRS E5 Resource use and circular economy (para. 11)	120 - 120
	ESRS G1 Business conduct (para. 6)	120 - 120

Annex – Further disclosures on the EU Taxonomy

Proportion of revenue from products or services associated with Taxonomy-aligned economic activities – disclosure covering the year 2025

				Substantial Contribution Criteria						DNSH criteria (Does Not Significantly Harm)									
	Code (2)	Revenue 2025 (3)	Proportion of revenue 2025 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of aligned (A.1.) or eligible (A.2.) revenue 2024 (18)	Category enabling activity (19)	Category transitional activity (20)
Economic activities (1)		€ million	%[1]	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%[1]	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)[2]																			
Repair, refurbishment and remanufacturing	CE 5.1	399.2	3.5	N	N	N	N	Y	N	Y	Y	Y	Y	Y	Y	Y	3.2		
Revenue of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**399.2**	**3.5**	**–**	**–**	**–**	**–**	**3.5**	**–**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**3.2**		
of which enabling		–	–	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	–	E	
of which transitional		–	–	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	–		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**										
Manufacture of batteries	CCM 3.4	205.4	1.8	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.0		
Manufacture of other low carbon technologies	CCM 3.6	2,992.9	26.5	EL	N/EL	N/EL	N/EL	N/EL	N/EL								28.4		
Provision of IT/OT data-driven solutions	CE 4.1	62.6	0.6	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.5		
Repair, refurbishment and remanufacturing	CE 5.1	1,037.2	9.2	N/EL	N/EL	N/EL	N/EL	EL	N/EL								7.8		
Sale of spare parts	CE 5.2	777.3	6.9	N/EL	N/EL	N/EL	N/EL	EL	N/EL								7.0		
Sale of second-hand goods	CE 5.4	497.2	4.4	N/EL	N/EL	N/EL	N/EL	EL	N/EL								4.1		

Proportion of revenue from products or services associated with Taxonomy-aligned economic activities – disclosure covering the year 2025

				Substantial Contribution Criteria						DNSH criteria (Does Not Significantly Harm)									
	Code (2)	Revenue 2025 (3)	Proportion of revenue 2025 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of aligned (A.1.) or eligible (A.2.) revenue 2024 (18)	Category enabling activity (19)	Category transitional activity (20)
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	1,223.0	10.8	N/EL	N/EL	N/EL	N/EL	EL	N/EL								10.3		
Revenue of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**6,795.6**	**60.2**	**28.3**	**–**	**–**	**–**	**31.8**	**–**								**60.1**		
A. Revenue of Taxonomy-eligible activities (A.1 + A.2)		**7,194.9**	**63.7**	**28.3**	**–**	**–**	**–**	**35.4**	**–**								**63.3**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Revenue of taxonomy-non-eligible activities (B)		4,102.3	36.3														36.7		
TOTAL (A. + B.)		**11,297.2**	**100.0**														**100.0**		

1 All percentages relate to KION Group’s total revenue [ESRS 1.123]. From reporting year 2024 onwards, revenue reported for activity CCM 3.4 includes both internal and external revenue; this does not result in double counting, as activity CCM 3.6 is correspondingly reduced

2 Taxonomy-alignment was assessed for the economic activities of the environmental objectives 'climate change mitigation' and 'circular economy'. Each eligible activity was considered for alignment in regards to only one environmental objective

Legend: Y: Yes, taxonomy-eligible activity and taxonomy-aligned with the relevant environmental objective; **N:** No, taxonomy-eligible activity but not taxonomy-aligned with the relevant environmental objective; **EL:** Taxonomy-eligible activity for the relevant objective; **N/EL:** Taxonomy-non-eligible activity for the relevant objective; **CCM:** Climate Change Mitigation; **CCA:** Climate Change Adaptation; **WTR:** Water and Marine Resources; **CE:** Circular Economy; **PPC:** Pollution Prevention and Control; **BIO:** Biodiversity and ecosystems

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering the year 2025

				Substantial Contribution Criteria						DNSH criteria (Does Not Significantly Harm)									
	Code (2)	CapEx 2025 (3)	Proportion of CapEx 2025 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of aligned (A.1.) or eligible (A.2.) CapEx 2024 (18)	Category enabling activity (19)	Category transitional activity (20)
Economic activities (1)		€ million	%[1]	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%[1]	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)[2]																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**–**	**–**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**–**		
of which enabling		–	–	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	–	E	
of which transitional		–	–	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	–		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**										
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	–	–	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		
Manufacture of batteries	CCM 3.4	9.0	0.6	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.2		
Manufacture of other low carbon technologies	CCM 3.6	151.4	9.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL								8.3		
Manufacture of hydrogen	CCM 3.10	–	–	EL	N/EL	N/EL	N/EL	N/EL	N/EL								–		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	61.5	3.8	EL	N/EL	N/EL	N/EL	N/EL	N/EL								6.5		
Renovation of existing buildings	CCM 7.2	12.8	0.8	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.8		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	2.2	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1		

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering the year 2025

				Substantial Contribution Criteria						DNSH criteria (Does Not Significantly Harm)									
	Code (2)	CapEx 2025 (3)	Proportion of CapEx 2025 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of aligned (A.1.) or eligible (A.2.) CapEx 2024 (18)	Category enabling activity (19)	Category transitional activity (20)
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of building	CCM 7.5	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								–		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.1	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								–		
Acquisition and ownership of buildings	CCM 7.7	136.0	8.4	EL	N/EL	N/EL	N/EL	N/EL	N/EL								8.8		
Provision of IT/OT data-driven solutions	CE 4.1	0.3	0.0	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.0		
Repair, refurbishment and remanufacturing	CE 5.1	–	–	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.0		
Sale of spare parts	CE 5.2	13.8	0.9	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.5		
Sale of second-hand goods	CE 5.4	–	–	N/EL	N/EL	N/EL	N/EL	EL	N/EL								–		
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	1,014.3	62.7	N/EL	N/EL	N/EL	N/EL	EL	N/EL								59.8		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**1,401.5**	**86.6**	**23.0**	**–**	**–**	**–**	**63.5**	**–**								**85.1**		
A. CapEx of Taxonomy-eligible activities (A.1 + A.2)		**1,401.5**	**86.6**	**23.0**	**–**	**–**	**–**	**63.5**	**–**								**85.1**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of taxonomy-non-eligible activities (B)		217.5	13.4														14.9		

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering the year 2025

				Substantial Contribution Criteria						DNSH criteria (Does Not Significantly Harm)									
	Code (2)	CapEx 2025 (3)	Proportion of CapEx 2025 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of aligned (A.1.) or eligible (A.2.) CapEx 2024 (18)	Category en-abling activity (19)	Category transi-tional activity (20)
TOTAL (A. + B.)		**1,618.9**	**100.0**														**100.0**		

1 All percentages relate to KION Group’s capital expenditure (CapEx according to the definiton of the EU taxonomy)

2 Taxonomy-alignment was assessed for the economic activities of the environmental objectives 'climate change mitigation' and 'circular economy'. Each eligible activity was considered for alignment in regards to only one environmental objective

Legend: Y: Yes, taxonomy-eligible activity and taxonomy-aligned with the relevant environmental objective; **N:** No, taxonomy-eligible activity but not taxonomy-aligned with the relevant environmental objective; **EL:** Taxonomy-eligible activity for the relevant objective; **N/EL:** Taxonomy-non-eligible activity for the relevant objective; **CCM:** Climate Change Mitigation; **CCA:** Climate Change Adaptation; **WTR:** Water and Marine Resources; **CE:** Circular Economy; **PPC:** Pollution Prevention and Control; **BIO:** Biodiversity and ecosystems

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering the year 2025

Economic activities (1)	Code (2)	OpEx 2025 (3)	Proportion of OpEx 2025 (4)	Substantial Contribution Criteria: Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	DNSH criteria (Does Not Significantly Harm): Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of aligned (A.1.) or eligible (A.2.) OpEx 2024 (18)	Category enabling activity (19)	Category transitional activity (20)
		€ million	%[1]	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%[1]	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)[2]																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**–**	**–**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**–**		
of which enabling		–	–	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	–	E	
of which transitional		–	–	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	–		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**										
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	0.8	0.2	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.7		
Manufacture of batteries	CCM 3.4	7.2	1.8	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.3		
Manufacture of other low carbon technologies	CCM 3.6	141.3	35.6	EL	N/EL	N/EL	N/EL	N/EL	N/EL								41.4		
Manufacture of hydrogen	CCM 3.10	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		
Renovation of existing buildings	CCM 7.2	5.2	1.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.5		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								–		
Acquisition and ownership of buildings	CCM 7.7	–	–	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.4		
Provision of IT/OT data-driven solutions	CE 4.1	7.9	2.0	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.0		

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering the year 2025

				Substantial Contribution Criteria						DNSH criteria (Does Not Significantly Harm)									
	Code (2)	OpEx 2025 (3)	Proportion of OpEx 2025 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of aligned (A.1.) or eligible (A.2.) OpEx 2024 (18)	Category enabling activity (19)	Category transitional activity (20)
Repair, refurbishment and remanufacturing	CE 5.1	2.4	0.6	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.4		
Sale of spare parts	CE 5.2	1.7	0.4	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.2		
Sale of second-hand goods	CE 5.4	0.3	0.1	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.0		
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	1.9	0.5	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.3		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**168.8**	**42.5**	**38.9**	**–**	**–**	**–**	**3.6**	**–**								**46.3**		
A. OpEx of Taxonomy-eligible activities (A.1 + A.2)		**168.8**	**42.5**	**38.9**	**–**	**–**	**–**	**3.6**	**–**								**46.3**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of taxonomy-non-eligible activities (B)		228.8	57.5														53.7		
TOTAL (A. + B.)		**397.5**	**100.0**														**100.0**		

1 All percentages relate to KION Group's operating expenditure (OpEx)

2 Taxonomy-alignment was assessed for the economic activities of the environmental objectives 'climate change mitigation' and 'circular economy'. Each activity was considered for alignment with respect to only one environmental objective for which it is eligible

Legend: Y: Yes, taxonomy-eligible activity and taxonomy-aligned with the relevant environmental objective; **N:** No, taxonomy-eligible activity but not taxonomy-aligned with the relevant environmental objective; **EL:** Taxonomy-eligible activity for the relevant objective; **N/EL:** Taxonomy-non-eligible activity for the relevant objective; **CCM:** Climate Change Mitigation; **CCA:** Climate Change Adaptation; **WTR:** Water and Marine Resources; **CE:** Circular Economy; **PPC:** Pollution Prevention and Control; **BIO:** Biodiversity and ecosystems

Outlook, risk report, and opportunity report

Outlook

Forward-looking statements

The forward-looking statements and information given below are based on the KION Group's current expectations and assessments up to the time of preparation of this combined management report. Consequently, they involve a number of risks and uncertainties. Many factors, some of which are beyond the control of the management, affect the Group's business activities and business performance as well as the earnings of the strategic management holding company, KION GROUP AG. Any unexpected changes, particularly in macroeconomic or industry-specific conditions, may lead to the results of the KION Group and its operating segments differing significantly from those forecast below.

The outlook for 2026 is subject to uncertainty in view of the still fraught macroeconomic and geopolitical climate at the time that this combined management report was being prepared. The risk factors described below may also have an adverse impact on the KION Group's procurement, production, and sales activities.

The KION Group does not undertake to update forward-looking statements to reflect subsequently occurring events or circumstances. Furthermore, the KION Group cannot guarantee that future performance and actual profits generated will be consistent with the stated assumptions and estimates and can accept no liability in this regard. Actual business performance may deviate from the KION Group's forecasts due, among other factors, to the opportunities and risks described here.

Assumptions

The forecasts in this section are derived from the KION Group's multi-year market, business, and financial planning, which is based on various assumptions. Market planning takes into account predicted macroeconomic and industry-specific performance, as described below. Business planning and financial planning are based on expected market performance but also draw on other assumptions, such as those relating to changes in the cost of materials and labor costs, the sale prices achievable, and movements in interest rates and exchange rates.

Expected macroeconomic conditions

The International Monetary Fund (IMF) is forecasting stable global economic growth of 3.3 percent for 2026, which is the same rate as in 2025 (3.3 percent). The situation will vary from region to region, reflecting the ongoing uncertainties stemming from geopolitical tensions, protectionist tendencies, and economic policy risks (IMF, January 2026).

Although the momentum in high-tech sectors is set to slow, it will continue to offset some of the drag in other areas of the economy. The implementation of tariffs and persistent uncertainties will remain a negative factor, but their braking effect on growth should fade noticeably as the year goes on (IMF, January 2026).

Growth of 1.8 percent is expected for advanced economies in 2026. In the US, the forecast of 2.4 percent is slightly higher than the 2025 growth rate, whereas the projection for the eurozone of 1.3 percent is marginally lower. Emerging markets and developing countries are predicted to achieve growth of 4.2 percent, which is lower than in 2025. For China, the IMF anticipates that the pace of growth will slow to 4.5 percent.

The IMF believes that the global inflation rate will fall to 3.8 percent in 2026. In advanced economies, inflation is expected to slow to 2.2 percent. The rate of inflation in emerging markets and developing economies is also likely to drop, falling to 4.8 percent.

According to the IMF, the volume of global trade will increase by just 2.6 percent in 2026. This is significantly lower than the 2025 rate, which was influenced by trade activities being brought forward and adjustment to new policies.

Nevertheless, the IMF continues to see considerable risks within its macroeconomic outlook. Geopolitical tensions remain a major risk. Any resulting disruptions to global supply chains and transportation routes could push up prices for energy and commodities once again. Moreover, growing protectionism might adversely affect global trade and weaken the stability of international value chains. If productivity increases from the use of artificial intelligence are not as substantial as expected, this could weigh on financial markets and cause financing conditions to deteriorate. There are also risks stemming from high government debt in a number of major economies, along with rising levels of corporate debt.

Expected sectoral conditions

Based on numbers of orders, the KION Group is predicting slight growth in the global market for new industrial trucks in 2026. The EMEA, APAC, and Americas regions are each expected to see a slight uptick in new business too. The factors driving this trend will include the expected stable level of global economic growth and a diminishing rate of inflation, which should increase customers' propensity for capital expenditure over the course of the year. Structural market stimulus will also have an effect, in particular the growing demand for electric industrial trucks.

In the market for warehouse automation solutions, the KION Group anticipates a strong year-on-year increase in order intake in 2026, supported by data from Interact Analysis. This rise will primarily be driven by the sustained trend toward automation, extensive automation projects, growing demand for mobile automation, and an increase in value as a result of higher project costs. The market is likely to see material growth in Europe and a strong increase in the Americas and APAC. The KION Group and Interact Analysis believe that the positive market trends will remain intact in the medium to long term (Interact Analysis, December 2025).

Expected business situation and financial performance of the KION Group

Expectations around the KION Group's business situation and financial performance in 2026 will be influenced by the different rates of growth in the two operating segments. The expectations set out below relate to the middle of the relevant forecast range.

The Industrial Trucks & Services segment is expected to see a slight year-on-year increase in revenue in 2026 in view of the assumptions regarding the market situation. At the same time, the efficiency program will provide a boost to earnings. Its positive effects were already discernible in 2025 and should be almost entirely unlocked during 2026. By contrast, ongoing competitive pressure is anticipated, which is likely to weigh on price levels. Overall, a marked rise in the segment's earnings and profitability is anticipated.

In the Supply Chain Solutions segment, revenue is expected to increase significantly in 2026 thanks to a much better order situation in the project business and sustained positive momentum in the service business. The higher level of revenue, an improved gross margin in the project business, and the high-margin service business will have a significant positive impact on adjusted EBIT, resulting in a further rise in profitability.

For 2026, the Executive Board of KION GROUP AG anticipates moderate growth of consolidated revenue and a significant improvement in adjusted EBIT compared with 2025. Return on capital employed (ROCE) is likely to be noticeably higher than in 2025. The Group's free cash flow is expected to be significantly lower than in 2025 because a material proportion of the non-recurring expenses from the efficiency program will only start impacting on cash flow over the course of 2026. Moreover, the KION Group is planning an increased level of acquisition-related capital expenditure compared with 2025.

The KION Group is aiming for its core key performance indicators and those of its operating segments to be within the following ranges:

Outlook 2026

	KION Group		Industrial Trucks & Services		Supply Chain Solutions	
in € million	2025	Outlook 2026	2025	Outlook 2026	2025	Outlook 2026
Revenue[1]	11,297.2	11,400–12,300	8,272.5	8,200–8,800	3,071.4	3,200–3,500
Adjusted EBIT[1]	788.6	850–1,040	721.8	765–885	183.2	200–280
Free cash flow[2]	709.5	430–570	–	–	–	–
ROCE	7.7%	8.3%–9.7%	–	–	–	–

1 Disclosures for the Industrial Trucks & Services and Supply Chain Solutions segments also include intra-group cross-segment revenue and effects on EBIT

2 The outlook 2026 was prepared in accordance with the definitional adjustment of the key performance indicator free cash flow (see also section 'Management system')

Overall statement on expected performance

As the efficiency program aimed at strengthening competitiveness and capacity to carry out capital investment reaches its end and implementation of the action fields in the new ‘Playing to Win strategy’ begins, the KION Group believes that it is in a strong position to be able to continue generating profitable growth even amid ongoing challenging market conditions. For 2026, the Executive Board of KION GROUP AG anticipates a solid overall rise in the Group's revenue, combined with a significant increase in adjusted EBIT and a marked improvement in ROCE. The Group’s free cash flow is expected to be lower than in 2025 due to one-off effects.

However, the assessment of the projected performance of the Group and its operating segments is contingent on there being no significant disruption in the KION Group's sales markets or procurement markets resulting from geopolitical conflicts and potential trade barriers.

Risk report

The KION Group's governance system

Core aspects of the governance system

The KION Group's governance structure is based on an internal control system (ICS) and a risk management system (RMS) pursuant to section 91 (3) AktG, plus a compliance management system (CMS). The RMS includes the early-warning system for risk that is required by law in accordance with section 91 (2) AktG. These systems are designed to ensure that risks are managed in a forward-looking and targeted manner and that they are identified and dealt with at an early stage.

The business activities of the KION Group involve a variety of risks, but also opportunities. Important elements of corporate governance are therefore dealing with risks and opportunities responsibly and taking a targeted, strategic, and balanced approach to managing risks and opportunities. The aim is to harness business opportunities to the fullest possible extent while taking on risks in a controlled way. Risks to the Group's ability to continue as a going concern should be avoided. The responsible management functions should therefore specifically decide whether to accept, transfer, or avoid risks or reduce them by taking suitable action to manage them.

The KION Group's RMS is designed to detect, measure, and manage risks throughout the Company at an early stage. In this way, the system protects financial and non-financial assets and supports the achievement of the Company's goals. The KION Group's internal control system, which is geared toward the specific needs of the Company, covers the entirety of the systematically defined controls and monitoring activities that are designed to ensure the efficiency of the Company's business operations, the reliability of its financial reporting, and compliance with legal provisions and internal policies.

The elements of the KION Group's internal control system are structured in line with the internationally recognized framework for internal control systems developed by the Committee of Sponsoring Organizations of the Treadway Commission ('COSO framework'). The system therefore features, as its main components, the control environment, risk assessment, control activities, information and communication, and ongoing monitoring. All consolidated subsidiaries of the KION Group are covered by the internal control system. The scope of the control activities to be carried out is dependent on the specific risks and their materiality for the consolidated financial statements of KION GROUP AG. The system and the methods applied are refined on an ongoing basis and are regularly assessed to ensure that they are functioning as intended. However, because of the limitations inherent in any control system, it is not possible to provide complete assurance.

Please refer to the information provided in the corporate governance statement for an assessment of the appropriateness and effectiveness of the risk management and internal control systems.

The CMS is modeled on audit standard 980 of the Institute of Public Auditors in Germany (IDW PS 980). The aim of the CMS is for all business activities to be conducted in accordance with applicable legal and ethical requirements. IDW PS 980 provides a structured framework for the design and implementation of an effective CMS that takes account of the specific risks and requirements of the KION Group and of the different fields of activity in its business segments.

The CMS follows a risk-oriented approach in which potential compliance risks should be detected at an early stage by means of regular analyses and reviews. Clear policies, training courses, and a binding Code of Compliance encourage responsible conduct. A multi-stage control system supports transparency, helps to identify violations promptly, and enables a rapid response with suitable corrective measures. Reporting channels have been established for whistleblowers, and responsibilities have been clearly defined.

The CMS, which is based on the fundamental principles of IDW PS 980, follows the core idea of 'predict, prevent, detect, and respond'. This is done as part of a continuous improvement process in which the system is regularly reviewed and adjustments made if necessary. Data is shared across the CMS, RMS, and ICS to ensure that findings are incorporated into regular operations consistently and tracked on an ongoing basis. The intention in this regard is for the KION Group to be legally compliant and thus able to respond flexibly to regulatory changes and ensure its long-term competitiveness.

Material features of the internal control system pertaining to the (Group) accounting process

The core objective of the accounting-related internal control system is to avoid the risk of material misstatements in financial reporting, avoid mismeasurements, and ensure compliance with the applicable regulations and internal instructions. This includes verifying that the consolidated and separate financial statements and the combined management report comply with the relevant accounting standards. For its (Group) accounting process, the KION Group has defined clear structures and processes within its internal control system and embedded them in the organization.

The Corporate Accounting, Controlling & Tax group function coordinates the preparation of the consolidated and separate financial statements of KION GROUP AG. It specifies binding requirements for the reporting content to be provided by all subsidiaries, and manages and monitors adherence to the stipulated deadlines and processes. The relevant departments or experts from outside the Company are brought in to handle particularly complex issues and questions.

Changes to the law, accounting standards, and other pronouncements are continually analyzed with regard to their relevance and effect on the consolidated financial statements and group management report; the relevant changes are then incorporated into the Group's internal policies and processes.

All consolidated entities must follow the KION Group IFRS Accounting Manual when preparing their IFRS reporting packages. This contains the recognition, measurement, and disclosure rules to be applied in the KION Group's accounting in accordance with IFRS and primarily explains the financial reporting principles specific to the KION Group's business.

The accounting-based internal control system is underpinned by written policies and procedures, the double-checking principle, and approval procedures. Another important aspect, the separation of functions, has been integrated into processes and systems. The employees involved in the Group accounting process receive regular training in these areas.

Those in charge of the control functions and senior managers regularly conduct control self-assessments in order to evaluate the appropriateness and operational effectiveness of the internal control system. The results are captured and documented in a central IT system. External reviews are also conducted for individual parts of the internal control system. Internal Audit regularly reviews the internal control system and accounting processes, including Group accounting. This review primarily covers the appropriateness and effectiveness of the internal control systems for avoiding financial losses, compliance with legal requirements, directives from the Executive Board, other policies, and internal instructions, and the correct performance of tasks and compliance with business principles. Any identified shortcomings to the controls are documented in the proper way and steps are taken to resolve the issues. The Executive Board of KION GROUP AG and the Audit Committee of its Supervisory Board are informed of the results of the self-assessments for the internal control system once a year.

Material features of the risk management system

Governance and groupwide scope

The KION Group’s RMS is based on the ISO 31000 standard, the COSO Enterprise Risk Management (ERM) 2017 Framework, the German Corporate Governance Code (GCGC), and the IDW PS 340 and IDW PS 981 audit standards. The KION Group thus fulfills its obligation to comply with statutory requirements and recognized standards.

Over the course of 2025, the KION Group refined its RMS in order to increase effectiveness, transparency, and resilience. These refinements included implementing new risk software for recording and managing risks. The software provides targeted support for the risk management processes and should increase efficiency and the use of potential synergies over the long term. The RMS has been implemented in all consolidated entities and in the group functions across the Group. It is managed centrally by the Corporate Risk Management group function.

Strategy and objectives of risk management

The RMS is aimed at increasing the enterprise value and fostering a sustained, risk-conscious corporate culture. It focuses on establishing a risk culture in which decision-making adheres to legal requirements and is financially sustainable and risk-conscious. Core aspects of this are the creation of a transparent framework, the definition of risk appetite and risk tolerance, and the ongoing monitoring of risk-bearing capacity. This should enable potential risks to the KION Group’s ability to continue as a going concern to be identified at an early stage and managed in accordance with the corporate strategy.

The KION Group defines risk-bearing capacity as the maximum risk that the Group can sustain without jeopardizing its ability to continue as a going concern. It uses a Monte Carlo simulation to calculate its total exposure. The results of the simulation plus a risk cushion are factored into the assessment of risk-bearing capacity. The RMS ensures that risk analyses are systematically integrated into management decisions and investment decisions and that potential losses, probabilities of occurrence, and management measures are transparent.

Organization of risk management

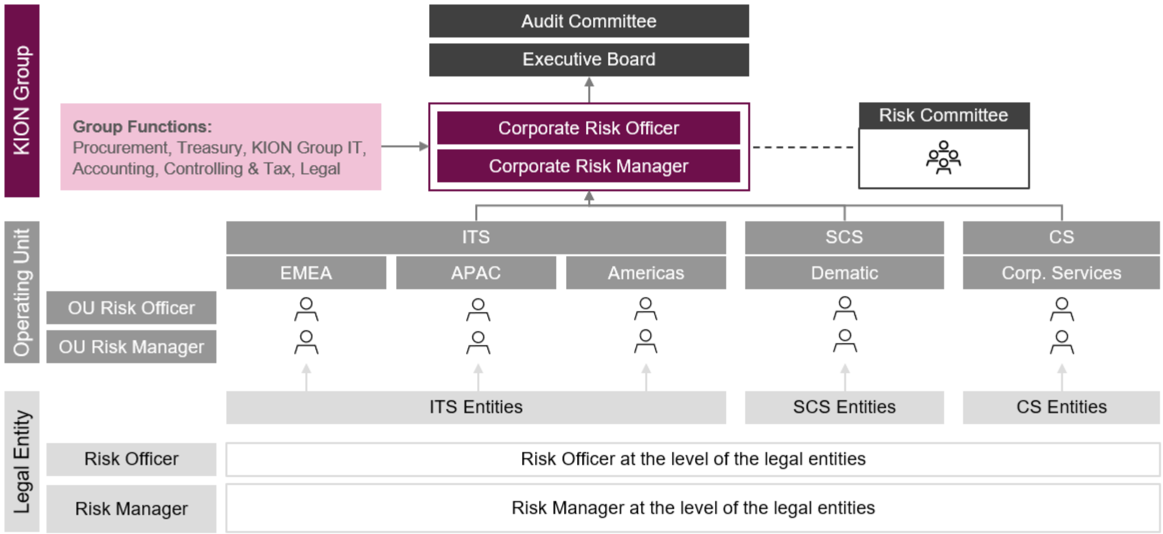
The KION Group’s RMS defines clear responsibilities. The Executive Board of KION GROUP AG has overall responsibility for the functioning and appropriateness of the system, while the centralized risk management function manages the process across the Group and ensures that the methodologies applied are consistent.

At the level of the Operating Units and central service functions, risk managers, risk controllers, and risk officers have been appointed to identify, measure, and manage risks. Defined reporting channels to the corporate risk officer and the corporate risk manager ensure a close link between centralized management and decentralized responsibilities.

Each business unit holds quarterly meetings, as does a central risk committee, enabling the groupwide coordination and assessments of the aggregate risk position. These bodies serve as a platform for groupwide risk dialogue in which existing and potential risks can be discussed in the round. In organizational terms, risk management is closely connected to the finance organization.

Risk-related information is captured, documented, and kept updated using specialist risk management software. Internal Audit and the external auditor supplement this structure with independent assessments. All employees are required to actively identify risks and report them to the appropriate bodies.

The KION Group's risk organization



The RMS follows an end-to-end, management-oriented approach that is firmly embedded in the corporate structure. Rather than being included in the KION Group's RMS, opportunities are actively managed as part of the strategic planning. The continuous risk management process comprises the systematic identification, measurement, management, reporting, and monitoring of risk.

Measurement approach

In the groupwide measurement process, risks are measured on both a gross and a net basis, i.e. disregarding and taking account of countermeasures. The basis is provided by the relevant time horizon, the probability of occurrence, and the financial impact. The time horizon is aligned with Group planning and equates to the period of the coming financial year, plus the medium-term planning period of up to three years for long-term risks. An even longer perspective is sometimes used, especially in the case of strategic or sustainability-related risks and for extreme risks.

Risks are measured and reported in a defined risk matrix on the basis of their probability of occurrence and potential impacts. The measurement of risk is generally expressed in quantitative terms as a deviation from the budgeted EBIT figure; the exception is risks that relate to net financial income/expenses and income taxes. If necessary, they are assessed qualitatively using defined classes.

In general, risks with a potential gross impact on EBIT that exceeds a defined threshold must be reported to the central risk management function. As part of its materiality analysis in accordance with CSRD requirements, the KION Group also considers ESG-related risks. This involves identifying and measuring them and then adding them to the risk inventory.

Risk inventory and simulation of the aggregate risk position

The KION Group defines clear limits for the type and scope of risks that are permitted to be taken on in pursuit of its strategic and operational objectives. The aim is for the exposure to strike a good balance between risk appetite, risk tolerance, and risk-bearing capacity. To calculate the total exposure, the individual risks are aggregated using a Monte Carlo simulation, taking account of correlations and dependencies. This method enables the risk distribution and the value-at-risk to be analyzed. It also helps with the calculation of risk-bearing capacity at Group level. The results of the simulation form the basis for the continual assessment of the aggregate risk position relative to the defined risk-bearing capacity. The KION Group thereby ensures that risks are aggregated consistently, dependencies are appropriately taken into account, and any potential developments are identified at an early stage. In this way, the KION Group strengthens its resilience to uncertainties and supports the forward-looking and risk-conscious management of the Company.

Risk management

In the KION Group, risks are – depending on the defined risk strategy – actively managed or, where justifiable, consciously accepted. The management process consists of preventive and reactive measures aimed at reducing both the probability of occurrence and the potential level of losses. The effectiveness of these measures is reviewed as part of the quarterly risk reporting and communicated to Corporate Risk Management. Changes to risk measurements are systematically documented and included in the risk reporting at various levels of the organization. They are discussed in the relevant risk committees and subsequently presented to the Executive Board and to the Supervisory Board’s Audit Committee of KION GROUP AG. These structured and standardized processes ensure that the KION Group manages its exposure to risk consistently and effectively.

Monitoring of the risk management system

As part of its monitoring, the KION Group ensures that the risk management system meets the Group’s internal requirements, complies with external regulatory requirements, and is continually refined. The aim is to ensure that the system is efficient, transparent, and effective at all times. This monitoring approach, which incorporates a regular review conducted by Internal Audit, supports the ongoing optimization of processes because the main elements of the RMS are regularly reviewed and improved. The results of monitoring form the basis for the continual refinement of the RMS and help to strengthen not only risk awareness but also the quality of risk management throughout the KION Group.

Changed measurement approach

ESRS 1.119 (a) The KION Group revised its approach to measuring risk in 2025. Instead of the 3x3 risk classification previously used, measurement is now based on a 5x5 risk classification so that the probability and impact of risks can be classified more precisely. Unlike under the measurement approach used in 2024, the reporting period now extends beyond the twelve-month forecast period and thus also encompasses longer-term risks. This can affect both the probability of occurrence and the impact of the risks. The presentation of the risk categories is no longer based solely on the gross view used in the past. Instead, it now applies an updated methodology for the aggregated assessment of risk based on a net view (after countermeasures).

Further development of the RMS methodology: Impact and probability classes

	Dec. 31, 2024		Dec. 31, 2025
Impact Class	**in € million**	**Impact Class**	**in € million**
High	≥ 250	Severe	≥ 100
Medium	≥ 50 – < 250	Major	≥ 50 – < 100
Low	0 – < 50	Medium	≥ 25 – < 50
		Low	≥ 5 – < 25
		Insignificant	> 1 – < 5
Probability Class	**in percent**	**Probability Class**	**in percent**
High	≥ 75 – 99.9	Very likely	≥ 75 – 99.9
Medium	≥ 25 – < 75	Likely	≥ 50 – < 75
Low	0.1 – < 25	Possible	≥ 25 – < 50
		Unlikely	≥ 5 – < 25
		Rare	0.1 – < 5

In 2025, the existing risk catalog was revised in respect of sustainability-related risks and, in accordance with the requirements of the CSRD, additional ESG risks were added. Drawing on the double materiality analysis carried out in accordance with these new regulations, the identified ESG risks were integrated into the KION Group’s risk management in 2025. These are included in the risk inventory in the following categories: environmental risks (environmental), external risks (social), and HR risks (corporate governance) (ESRS 2 IRO-1 paragraph 53 c ii.).

In 2025, risks were identified that could have a material influence on the KION Group. The risks are measured according to their impact and probability of occurrence and classified as either low, medium, high, or very high.

The following table provides an aggregated overview of the risk assessment for the material risks. Risks are aggregated by weighting relevant individual risks in the various risk categories. The risk categories are classified according to the intervals defined in a risk matrix. The change in the expected value compared with the previous year is also shown.

Further development of the RMS methodology: Transition table and corresponding risk classes

			Gross Assessment
			Dec. 31, 2024
Category	**Impact Class**	**Probability Class**	**Risk Classification**
Market Risks	High	Low	Medium
Marketing Risks: Competition Risks	Low	Medium	Low
Procurement Risks	Medium	Low	Low
Risks arising from Customer Project Business	High	Medium	High
Production Risks	Medium	Low	Low
IT & Data Security Risks	Medium	Low	Low
Financial Risks	Medium	Low	Low
HR Risks	Medium	Low	Low
Risks from Leasing Business	Low	Low	Low
Legal Risks	Low	Low	Low
Environmental Risks	Low	Low	Low
Tax Risks	Low	Medium	Low
External Risks	Low	Medium	Low

Further development of the RMS methodology: Transition table and corresponding risk classes (continued)

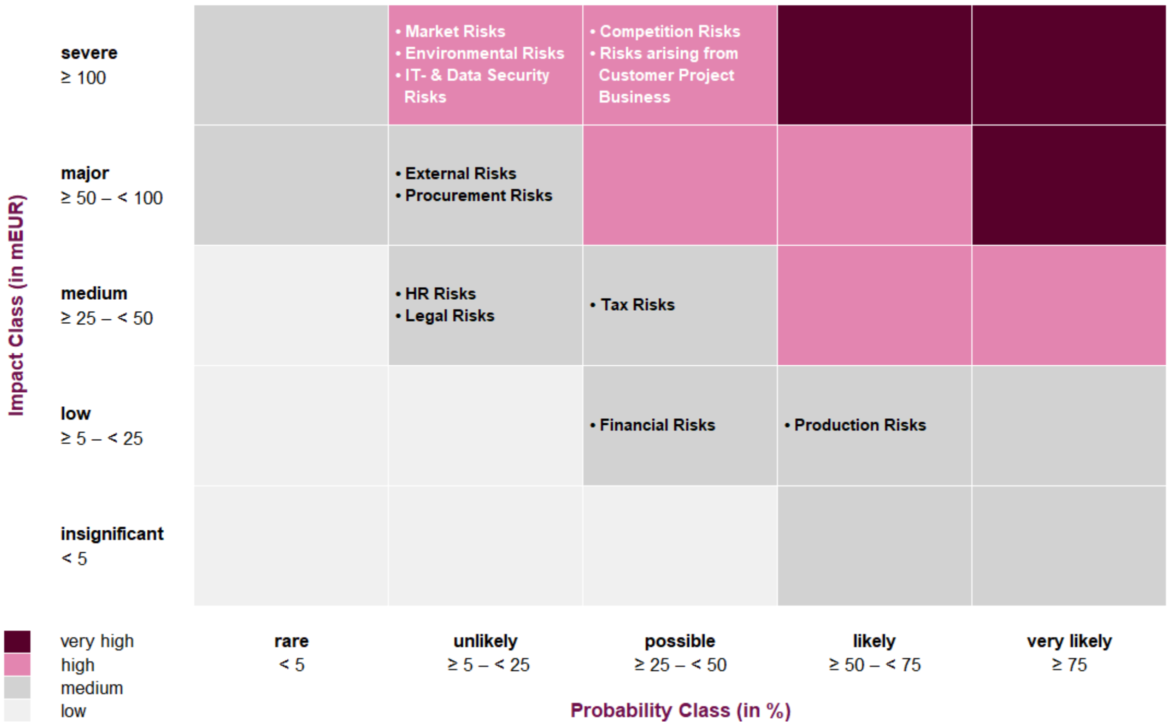
			Gross Assessment
			Dec. 31, 2025
Category	**Impact Class**	**Probability Class**	**Risk Classification**
Market Risks	Severe	Unlikely	High
Competition Risks	Severe	Possible	High
Procurement Risks	Major	Unlikely	Medium
Risks arising from Customer Project Business	Severe	Possible	High
Production Risks	Major	Possible	High
IT & Data Security Risks	Severe	Likely	Very High
Financial Risks	Medium	Possible	Medium
HR Risks	Severe	Unlikely	High
Risks from Leasing Business	Insignificant	Rare	Low
Legal Risks	Major	Likely	High
Environmental Risks	Severe	Possible	High
Tax Risks	Major	Possible	High
External Risks	Severe	Unlikely	High

			Net Assessment
			Dec. 31, 2025
Category	**Impact Class**	**Probability Class**	**Risk Classification**
Market Risks	Severe	Unlikely	High
Competition Risks	Severe	Possible	High
Procurement Risks	Major	Unlikely	Medium
Risks arising from Customer Project Business	Severe	Possible	High
Production Risks	Low	Likely	Medium
IT & Data Security Risks	Severe	Unlikely	High
Financial Risks	Low	Possible	Medium
HR Risks	Medium	Unlikely	Medium
Risks from Leasing Business	Insignificant	Rare	Low
Legal Risks	Medium	Unlikely	Medium
Environmental Risks	Severe	Unlikely	High
Tax Risks	Medium	Possible	Medium
External Risks	Major	Unlikely	Medium

Overall statement on the risk situation

In the KION Group's assessment, the overall risk situation remained stable compared with 2024. Although conditions remained challenging, particularly in terms of the economic and geopolitical environment, no risks had been identified as at the reporting date that – either individually or taken together – could jeopardize the Company's continuation as a going concern. This assessment is based on the analysis of the total exposure and the calculation of risk-bearing capacity.

Risk matrix (net view) as at December 31, 2025



ESRS 2.53 (c) ii.

Material risks

Market risks

Market risk can arise if the economy as a whole or the relevant sector does not perform as well as had been anticipated in the outlook.

In the Industrial Trucks & Services segment, the market outlook for 2026 assumes a small increase in order numbers. However, the KION Group does see a risk that order intake could decline, contrary to expectations. This would take its toll on the financial performance of the Industrial Trucks & Services segment.

In the market for warehouse automation solutions, which is the market relevant to the Supply Chain Solutions segment, the KION Group anticipates a marked year-on-year increase in order intake in 2026, supported by data from Interact Analysis.

Cyclical fluctuations in macroeconomic activity affect both the market for industrial trucks and the market for warehouse automation solutions, although the latter generally has greater immunity to economic cycles because the capital expenditure decisions have a longer-term perspective.

Customers’ investment activity depends to a large degree on the macroeconomic situation and conditions in their particular sector. This means that there is a risk that the KION Group’s revenue expectations for 2026 have been set too high.

As the KION Group can only adjust its fixed costs to fluctuations in demand to a limited extent and with a delay, reductions in revenue impact on earnings. Despite the importance of the North American sales market, particularly for the Supply Chain Solutions segment, and the prospective further growth in the volume of business in China, the bulk of the KION Group’s revenue continues to be generated in the EMEA region. As a result, the market conditions that prevail in Europe impact significantly on the Group’s financial performance.

Risks in connection with trade disputes and geopolitical conflicts and tensions may also hinder the global economy’s growth in some regards. The main areas of focus are potential trade barriers and ongoing geopolitical disputes that, for example, create a greater risk of problems with the availability of commodities and of higher prices for commodities. The KION Group will also continue to carefully monitor the dispute between the People’s Republic of China and Taiwan. If the situation becomes even more entrenched, there is a risk of shortages in the semiconductor market – for example, due to restrictions on the availability of rare earths – that could have an indirect impact on the Company. In the medium term, new barriers to trade could significantly hamper sales opportunities and lead to renewed disruption to global supply chains that would have a knock-on effect on production.

All these factors could have a negative impact on customers’ willingness to invest and thus on demand for the KION Group’s products and services, resulting in a decline in revenue. However, it is not currently foreseeable whether such market risks will occur and then have a material effect on the business situation and financial performance.

Further developments in the geopolitical situation, including any knock-on effects that change the level of risk, are monitored closely. Measures taken in both operating segments should help to contain the earnings risk arising from reductions in revenue as a result of economic conditions. Diversification of the customer base in terms of industry and region and the expansion of service activities also play a role in mitigating risk.

Moreover, the KION Group closely monitors the market so that it can identify market risks at an early stage and adjust its production capacities in good time. Besides global economic growth and other data, the KION Group also analyzes exchange rates, price stability, the consumer and investment climate, foreign trade activity, and political stability in its key sales markets, constantly monitoring the possible impact on its financial performance and financial position.

Given its severe impact and unlikely probability of occurrence, market risk is classified as high overall after countermeasures (net).

Competition risks

The two operating segments are at risk of losing market share to competitors and coming under increased price pressure. This could result in lower levels of revenue than expected for the segments and thus for the Group.

The markets in which the KION Group operates are characterized by strong competition, often price-driven. Price competition is compounded by some manufacturers having cost advantages, in some cases due to the currency situation and in some cases because local manufacturing costs are lower. This mainly affects the Industrial Trucks & Services segment, where price competition is fierce, particularly in the economy and volume segments. The KION Group mitigates this risk though a wide range of product variants made possible by modular concepts, along with good availability of services, mainly in the volume and premium segments.

It is possible that competitors will join forces and their resulting stronger position will be detrimental to the KION Group’s sales opportunities. Moreover, predictions of higher volumes and margins may lead to overcapacity, which would put increased pressure on prices. Although the excellent customer benefits provided by its products and services have enabled the KION Group to charge appropriate prices until now, it is taking – and will continue to take – a variety of steps to contain competition risk. These include entering into joint ventures, alliances, and strategic partnerships, encouraging innovation, and implementing measures to reduce product costs.

Given its severe impact and possible probability of occurrence, competition risk is classified as high overall after countermeasures (net).

Procurement risks

Procurement activities constitute a potential risk for the KION Group in terms of the general availability of parts and components and the rising cost of raw materials, inputs and intermediate products, logistics services, and energy.

The cost of materials, energy, and logistics are key factors in the KION Group’s cost structure. Geopolitical developments can cause procurement prices, for example the price of energy commodities, to increase suddenly. Moreover, geopolitical shocks may severely disrupt supply chains and restrict suppliers’ capacity. The KION Group obtains some components from a limited number of suppliers. The resulting potential supply bottlenecks in respect of the KION Group’s end customers could lead to temporary decreases in earnings as well as to inefficiencies in production. The systematically pursued program of collaborative demand and capacity management for suppliers, which is aimed at preventing future problems, proved its worth in the reporting year.

The KION Group has initiated countermeasures in order to mitigate problems with suppliers and in respect of sales to customers. For example, the supplier base has been further diversified in order to tackle potential disruption in the supply chains, and suppliers are being closely monitored in the context of the global procurement function. The objective is to take further steps to increase diversification in 2026. In addition, dedicated project teams continually monitor supply chains, the availability of materials, and suppliers’ ability to fulfill orders. For critical materials, the KION Group has also increased its buffer of inventories.

Given its major impact and unlikely probability of occurrence, procurement risk is classified as medium overall after countermeasures (net).

Risks arising from customer project business

In the customer project business of the Supply Chain Solutions segment, risks can arise from deviations from the schedule originally agreed with the customer, potentially leading to an increase in project costs, delayed recognition of revenue and profit until subsequent years, and the imposition of contractual penalties. Another possible risk is that the technology deviates from the promised specifications, which may result in additional completion costs and contractual penalties. A high degree of complexity in the technical specification of customer solutions can lead to unexpected cost increases over the term of individual projects that were not anticipated in the project costing and cannot be (or cannot be fully) passed on to the customer. If these risks were to occur, it would have a negative impact in terms of the expected revenue and adjusted EBIT. Given the complexity of the influencing factors, project-specific risk management is carried out that entails continual monitoring throughout the term of the project. Consequently, the definition of the technical aspects of quotations includes a detailed evaluation of the risks plus financial risk provisioning based on the individual project specifications. A multi-stage approval process based on an extensive list of criteria is intended to ensure that technological, financial, country-specific, currency-specific, and contractual risks are mitigated to the greatest extent possible.

The potential risks that may arise in the project realization phase are monitored in every individual project using detailed continuous reviews of the individual items of work that make up the project. This enables corrective measures to be taken at an early stage and thus keeps risks under control. In the customer project business, the aforementioned risks of disruptions to the supply of components would mainly manifest themselves in the form of isolated project delays and increased expenditure on project realization.

Given its severe impact and possible probability of occurrence, risk arising from customer project business is classified as high overall after countermeasures (net).

Production risks

Production risks are largely caused by quality problems, possible disruptions to operational procedures, or production downtime at individual sites. They can also materialize as secondary risks resulting from the aforementioned procurement risks. There is also a risk that structural measures and reorganization projects will not be implemented owing to ramp-up difficulties, disruption of production, or strikes. Delays in delivery or a rise in the number of quality defects could harm the KION Group’s standing with its customers and, as a result, could harm its financial situation.

The KION Group reduces production downtime risk by carrying out preventive maintenance, implementing fire protection measures, and training its staff. To manage risk, critical elements of the value creation process are identified and the impact that would materialize if they were disrupted is assessed. Contingency plans and, in some cases, redundant production processes have been put in place as a preventive measure. Insurance is taken out to limit the financial impact where there is potential for loss events to occur. Quality assurance is a high priority throughout the value chain and reduces possible quality-related risks arising from the products and services provided. The KION Group mitigates its quality-related risks by applying rigorous quality standards to its development activities, conducting stringent controls throughout the process chain, and maintaining close contact with customers and suppliers.

Given its low impact and likely probability of occurrence, production risk is classified as medium overall after countermeasures (net).

IT and data security risks

The KION Group continually refines its IT system environment in order to counter migration risk when updating software as well as any IT and data security risks that may arise from the failure of IT systems and IT infrastructure. Internal IT resources are pooled in the cross-segment KION Group IT function, which has well-established processes for project management. Independent external reviews are conducted to provide additional quality assurance.

The number of attacks on companies' global IT infrastructure that can be attributed to organized crime or industrial espionage has increased significantly. Failure of critical systems, disruption of production and the ability to deliver to customers, and the loss or release into the public domain of data are among the potential consequences of these attacks. Losses are also possible because a successful cyberattack can result not only in financial losses and liability risk but also reputational damage.

Various technical and organizational measures have been implemented with the aim of protecting the KION Group's data against unauthorized access, misuse, and loss. These measures include, in particular, action to protect and defend against cyberattacks on IT systems. The KION Group's cyber defense strategy is aimed at providing continuous protection for all processes and systems, particularly those that are business-critical. For example, procedures are in place to validate and log access to the Group's infrastructure. The KION Group has also implemented a cybersecurity tool stack to provide optimum protection against existing or future cyber threats. Other key countermeasures include continuous vulnerability scans of the entire IT infrastructure and regular penetration testing of critical systems.

Given its severe impact and unlikely probability of occurrence, IT and data security risk is classified as high overall after countermeasures (net).

Financial risks

Financial risk encompasses liquidity risk, currency risk, interest-rate risk, and counterparty risk. In the context of corporate finance, counterparty risk relates to credit risks attaching to financial institutions too. Financial risk also includes the risk of impairment, particularly of the Group's goodwill and brand names. Groupwide policies stipulate how to deal with the aforementioned risks.

Exceeding the agreed maximum level of leverage as at a specific reference date, thereby giving lenders a right of termination, is a particular risk in connection with the agreed bond, lending, and promissory note conditions. Exercise of a right of termination may also give rise to a cross-default situation that could trigger a right of termination in respect of the other contracts. If these funding instruments are terminated, the KION Group will need to agree new financing, probably on less favorable terms.

Some of the Group's financing takes the form of variable-rate or fixed-rate financial liabilities. Interest-rate swaps are used in some cases to reduce the interest-rate risk arising from the variable-rate financial liabilities. This mitigates the risk of rising finance costs in a risk scenario with increasing inflation and more restrictive monetary policy.

To minimize the counterparty risk attaching to financial institutions, the KION Group only works with investment-grade financial institutions.

Because of the high proportion of its business conducted in currencies other than the euro, the KION Group is exposed to currency risk and opportunities. These result mainly from fluctuations in exchange rates in connection with future cash flows – both revenue and costs – that are denominated in foreign currencies. In the Industrial Trucks & Services segment, 75 percent of the currency risk related to the planned operating cash flows based on liquidity planning is normally hedged by currency forwards in accordance with the risk management policy. The Supply Chain Solutions segment hedges against currency risk on a project-by-project basis. As a further natural hedge against currency risk, the KION Group endeavors, where possible, to make payments in the currencies in which cash inflows are generated.

Each Group company's liquidity planning is broken down by currency and incorporated into the KION Group's financial planning and reporting process. The liquidity planning is checked on an ongoing basis and used to determine the funding requirements of each company. The funding terms and conditions faced by the lenders themselves (manifested, for example, in the payment of liquidity premiums on interbank lending) may result in a future shortage of lines of credit and/or increased financing costs for companies.

The individual Group companies directly manage counterparty risks involving customers. They use a credit management system for identifying customer-related counterparty risks at an early stage and initiating the necessary countermeasures.

Goodwill and brand names with an indefinite useful life represented 24.0 percent of total assets as at December 31, 2025 (December 31, 2024: 24.4 percent). Pursuant to IFRS, these assets are not amortized and their measurement depends, above all, on expectations about the future financial performance of the KION Group. If these future expectations are not fulfilled, there is a risk that impairment losses will have to be recognized on these assets. Any such impairment losses can have an adverse and substantial non-cash impact on earnings and affect the balance sheet ratios. Regular monitoring of goodwill is important for identifying potential risks at an early stage and taking suitable steps to ensure the financial stability of the Company. This monitoring is carried out as part of the routine year-end processes and not as part of the risk management process. That is why the monitoring of goodwill, of the recoverability of investments in affiliated companies, and of the recoverability of loans does not form part of the risk matrix.

Given its low impact and possible probability of occurrence, financial risk is classified as medium overall after countermeasures (net).

Human resources risks

The KION Group relies on having highly qualified skilled workers and managers in key roles. If they left, it could have a long-term adverse impact on the Group's prospects. That is why the KION Group actively engages in HR work aimed at identifying and developing young professionals with high potential who already work for the Company and retaining them over the long term, thereby enabling succession planning for key roles across the Group. The KION Group also positions itself in the external labor market as an employer of choice. Firstly, this should enable it to make strategic additions to its portfolio of existing staff and, in this way, avert the risk of possibly losing expertise. Secondly, access to highly skilled workers helps to lay the foundations for future profitable growth.

Any efficiency enhancement measures, capacity adjustments, or restructuring necessary to secure the Company's long-term competitiveness may result in a risk of strikes and reactions of other kinds by the workforce. The KION Group is committed to doing all it can to limit the negative impact on the workforce of such measures and, if job losses are necessary, taking steps to ensure they are achieved with the minimum possible social impact. At sites where codetermination arrangements provide for the workforce to be involved in decision-making, the KION Group engages in constructive talks on these matters with the employee representatives.

Defined benefit obligations are subject to an annual actuarial valuation and the future payment obligations are discounted. A reduction in the discount rate increases the present value of the defined benefit obligations and therefore decreases equity. A further risk arises from the fact that if the return on the plan assets of the KION pension plan in Germany falls below the minimum guaranteed interest rate that exists in some cases, the KION Group is required to make up the difference. This may result in higher payments in respect of defined benefit obligations. The KION Group aims to limit this risk by adopting a suitable investment strategy.

Given its medium impact and unlikely probability of occurrence, HR risk is classified as medium overall after countermeasures (net).

Risks arising from lease business

The lease activities that are used to promote sales in the Industrial Trucks & Services segment mean that the KION Group may be exposed to residual value risks from the marketing of trucks. The trucks are returned by the lessee at the end of a long-term lease and subsequently sold or re-rented. Residual values in the markets for used trucks are constantly monitored and forecast on the basis of prices in these markets. The KION Group regularly assesses its total exposure arising from the lease business.

Risks identified in relation to the existing contract portfolio are taken into account by prospectively adjusting the depreciation expense, recognizing impairment losses, or recognizing provisions, which therefore reduces the level of adjusted EBIT. If there is a sustained decline in residual values, they will be adjusted in the costing of new leases. Groupwide standards to ensure that residual values are calculated appropriately, combined with an IT system for residual-value risk management, aim to reduce risk and provide the basis on which to create the transparency required.

Long-term leases with end customers are primarily arranged on a fixed-interest basis. If they are financed using variable-rate instruments, interest-rate derivatives are entered into in order to hedge the interest-rate risk, where it makes commercial sense to do so. Nevertheless, the lease business is still subject to interest-rate-volatility risk related to residual, non-matching maturities. The level of this risk depends in part on the relevant market interest rates.

As a rule, the KION Group finances its lease business in the same currency as the lease with the end customer in order to exclude currency risks.

The counterparty risk inherent in the lease business continues to be insignificant. The Group also mitigates any losses from defaults by its receipt of the proceeds from the sale of repossessed industrial trucks. Furthermore, receivables management and credit risk management are refined on an ongoing basis.

Given its insignificant impact and rare probability of occurrence, risk arising from lease business is classified as low overall after countermeasures (net).

Legal risks

The legal risks arising from the KION Group's business are typical of those faced by any company operating in this sector, for example in connection with warranties or employment-law matters. The Group companies are a party in a number of pending lawsuits in various countries. The individual companies cannot assume with any degree of certainty that they will win any of the lawsuits or that the existing risk provision in the form of insurance or provisions will be sufficient in each individual case. These lawsuits relate, among other things, to liability risks, especially as a result of legal action brought by third parties because, for example, the Company's products were allegedly faulty or the Company allegedly failed to comply with contractual obligations. Overall, the KION Group is not expecting any of these existing legal proceedings to have a material impact on its financial position or financial performance.

There are also risks arising from the need to implement regulatory requirements intended to facilitate a circular economy and mitigate climate change and from the implementation of regulatory requirements restricting the use of certain pollutants. These risks are also captured and assessed as appropriate.

Further legal risks exist in connection with potential breaches of data protection laws, including in relation to the processing of personal data and the documentation of such processing. For example, serious breaches of the European General Data Protection Regulation (GDPR) can lead to fines of up to 4 percent of the previous year's revenue.

Owing to the KION Group's export focus, legal risks arise due to the numerous international and local export controls that apply. The Company mitigates these risks with a variety of measures. Consequently, export controls are an important part of the compliance activities carried out by the Group companies.

Risks may also arise due to potential contraventions of regulations or laws, such as violations of anti-corruption legislation or of antitrust and capital markets legislation.

The Company has taken measures to prevent it from incurring financial losses as a result of these risks. Although legal disputes with third parties have been insignificant both currently and in the past, the Company has a centralized reporting system to record and assist pending lawsuits. The Company applies high quality and safety standards to the use of its products and in product development and manufacturing, and it has also taken out the usual types of insurance to cover any third-party claims. In addition, interdisciplinary teams work on the avoidance of risks arising from inadequate contractual arrangements. A further objective of this cooperation across functions is to ensure compliance with mandatory laws, regulations, and contractual arrangements at all times.

Reputational risks are secondary risks that can arise from legal risks as well as other types of risk. Involvement in legal proceedings and investigations into non-compliance with laws could harm the reputation of the KION Group and of the individuals responsible. This could result in the loss of customers and have a negative impact on the positioning of the brand companies in the competitive arena. As they are qualitative in nature, reputational risks are not quantified and therefore do not form part of the risk matrix.

Given its medium impact and unlikely probability of occurrence, legal risk is classified as medium overall after countermeasures (net).

Environmental risks

The KION Group's business activities necessarily give rise to circumstances involving environmental risk that may have a negative impact on the KION Group and the entire value chain. In addition to the effects of global warming, these include the possible use of potentially polluting substances and the generation of potentially harmful emissions in the value chain. Environmental risk is identified as part of the regular double materiality analysis and also in the context of the individual risks recorded by the reporting entities in the RMS.

Extreme weather events that disrupt or halt supply chains represent a material risk that could have a negative financial impact on the KION Group. The environmental effects of global warming and the growing frequency of extreme weather events, such as storms and flooding, may lead to unstable supply chains, shortages of materials, and thus higher prices for materials.

A full or partial ban on per- and polyfluoroalkyl substances (PFAS) could lead to supply disruptions that would have significant financial implications for the Group if no – or only limited supplies of – alternative components could be sourced at short notice.

Given its severe impact and unlikely probability of occurrence, environmental risk is classified as high overall after countermeasures (net).

Tax risks

The KION Group also takes tax risks into account. Uncertainty regarding the interpretation and application of tax laws may lead to unexpected tax charges. In addition, changes in tax legislation or disputes with the tax authorities may lead to financial risks. Potential consequences include back payments and penalties.

To minimize these risks, the KION Group continuously monitors the tax rules and adjusts its tax strategy accordingly. Tax advisors or other external experts are consulted for particularly complex or specialist matters.

Given its medium impact and possible probability of occurrence, tax risk is classified as medium overall after countermeasures (net).

External risks

External risks are events or developments outside the Company's direct sphere of influence that, nonetheless, could have considerable effects on operating processes, financial results, and the strategic positioning. The material categories of external risk primarily include changes in the trade policy environment (such as rising tariffs on imports), geopolitical uncertainties, and reputational risk caused by being portrayed in a negative light on social media.

Changes in international trade and tariff policy can have direct implications for procurement, production, and sales structures. Higher import tariffs can significantly increase the cost of imported intermediate products and finished goods, thereby putting pressure on margins. Geopolitical tensions – including territorial disputes, sanctions, political instability, and the blockading of global transportation routes – can cause considerable disruptions for international business models. Digital communication channels have fundamentally changed the dynamic of reputational risk. Regardless of whether it is correct, distorted, or false, information spreads incredibly quickly on social media and may affect customers', partners', investors', and employees' trust.

Given its major impact and unlikely probability of occurrence, external risk is classified as medium overall after countermeasures (net).

Research and development (R&D) risks

The KION Group's market success and business performance depend to a large extent on its ability to tailor its products and services to the specific needs of the various industries in which its customers operate. Key to this is the integration of the hardware (industrial trucks and automation solutions), software (vehicle control and warehouse management systems), and services (from repair to financing) into a single offering. The Group therefore needs to continually develop products that meet customer expectations and comply with changing regulatory and technological requirements. To this end, the KION Group must anticipate customers' needs and changing market conditions and has to quickly bring new products to market. If the Company fails to do this, there could be lasting damage to its technological and competitive position, leading to a decline in revenue over the medium to long term.

The KION Group mitigates research and development risks by focusing firmly on customer benefit in its development of products and solutions. Customer needs are to be incorporated into the development process on an ongoing basis by ensuring close collaboration between sales and development units and taking account of all region-specific requirements. As at the reporting date, no material R&D risks had been identified that would have required measurement and therefore inclusion in the risk matrix.

Opportunity report

Principles of opportunity management

Opportunity management, like risk management, forms a central part of the Company's day-to-day management. Individual areas of opportunity are identified within the framework of the strategy process. Opportunities are determined and managed on a decentralized basis in line with the Group strategy.

There are monthly reports on the opportunity situation as part of the regular Group reporting process. As a result, the KION Group is in a position to ascertain at an early stage whether market trends, competitive trends, or events within the Group require individual areas of opportunity to be re-evaluated. This may lead to reallocation of the budgets earmarked for the realization of opportunities. Such decisions are made on the basis of the potential of the opportunity, drawing on previous experience. There is no management system for the evaluation of opportunities comparable to the system for risk management.

Categorization of opportunities

'Opportunities' are understood as positive deviations from the expectations set out in the outlook relating to the economic situation and the KION Group's business situation. Opportunities are divided into three categories:

- Market opportunities describe the potential resulting from trends in the market and competitive environment and from the regulatory situation.
- Strategic opportunities are based on implementation of the Group's strategy. They may lead to positive effects that exceed planning assumptions.
- Business-performance opportunities arise in connection with operational activities along the value chain, such as restructuring or cost-cutting measures.

Opportunity situation

Market opportunities

The economy as a whole may fare better in 2026 than has been assumed for the purposes of the outlook. In a positive macroeconomic scenario, order intake and revenue could exceed the target ranges, which would have a positive effect on earnings too.

In its outlook for 2026, the IMF continues to expect a decrease in inflation, for example because of the ongoing fall in energy prices and the main central banks' monetary policy aimed at encouraging consumer spending. This could lead to the restrictive monetary policy being eased and therefore improved funding conditions, which would in turn bolster investment demand. Rising real wages in the strongest industrialized nations could also have positive effects on consumer spending and propensity to invest. This is therefore regarded as a possible positive scenario and could potentially have a favorable impact on demand for material handling solutions.

In addition, unforeseen circumstances may occur in the wider market at any time – such as quality problems at competitors or the effects of consolidation – that increase demand for products from the KION Group brands. New, unforeseen regulatory initiatives could be launched, for example the tightening of health and safety regulations or emissions standards, that would push up demand for products offered by the KION Group brands. There may also be positive currency effects that were not factored into the planning.

There are four overarching trends, in particular, that present medium- to long-term market opportunities for the KION Group:

- Commercial pressures and pressure from society and governments to forge ahead with the transition to a green economy mean that material handling solutions are increasingly required to be climate neutral. This is stimulating demand for industrial and warehouse trucks powered by electric drives, which is a particular area of strength for the KION Group, especially in regard to lithium-ion technology and fuel cell systems.
- The KION Group's main customer segments for supply chain solutions are predicted to expand, in some cases significantly, in the next few years, accelerated by the change in consumer behavior. The increasing trend toward online shopping is driving demand for warehouse automation solutions, including networked automated guided vehicle systems, mobile robotics applications, and industry-specific system solutions.
- The anticipated economic growth in the emerging markets, most notably China, is fueling increased demand for industrial trucks and related services in the APAC region. Particularly good opportunities are available in the fast-growing value segment, in which the KION Group is intending to outstrip the market's growth thanks to its multi-brand strategy, a modular platform for diesel and electric forklift trucks, and the expansion of local production facilities.
- Demographic change is resulting in a shortage of workers. This is pushing up demand for warehouse automation, mobile automation, and robotics solutions.

Strategic opportunities

The positive impact of strategic activities is already appropriately reflected in the expectations regarding the KION Group's financial performance in 2026. Nevertheless, the individual activities could create positive effects that exceed expectations. There is also a possibility that new strategic opportunities that could not be anticipated and were therefore not part of the planning may arise over the course of the year, for example in the form of acquisitions and strategic partnerships.

The KION Group's medium- to long-term strategic opportunities in the Industrial Trucks & Services operating segment arise, in particular, from

- achievement of a leading global market and technology position with regard to truck automation and innovative drive technologies as an integral element of automated warehouse solutions;
- a greater presence in the value price segment, particularly as a result of the systematic implementation of the segment-wide, modular platform strategy (global value platform);
- stronger involvement in the electrification of warehousing and logistics processes, including by ensuring availability of lithium-ion technology across the entire product range and expanding market share in the lightweight warehouse truck sector;
- further strengthening of the KION Group’s market-leading position in the EMEA region and achievement of a stronger position in the APAC and Americas regions, in particular by opening new production facilities and technology centers, boosting its technological expertise through focused research and development activities, developing new equipment geared to the specific needs of customers in the individual regions, making greater use of shared modules, and harnessing potential for cross-selling between the two operating segments; and
- expansion of the service and financial services portfolio at every stage of the product lifecycle, taking advantage of the high number of trucks in use.

The KION Group’s medium- to long-term strategic opportunities in the Supply Chain Solutions operating segment arise, in particular, from

- further expansion of the KION Group’s position in the market for intralogistics solutions by focusing on fast-growing market segments with a balanced portfolio of short-term and long-term projects;
- continual development of intelligent and networked automation solutions, incorporating software, robotics, and mechatronics; and
- ongoing development of a high-margin, lifecycle-oriented service approach and continuous expansion of the installed base of supply chain solutions.

Business-performance opportunities

Business-performance opportunities arise firstly from ongoing activities to modernize and streamline the KION Group’s production facilities and from the worldwide integration of the production network. By investing in new locations and expanding existing ones, products can be assembled nearer to the markets in which they are to be sold, economies of scale can be achieved across the Group, and synergies can be leveraged. Secondly, activities are carried out that are aimed at improving operational excellence in research and development, production, and logistics, and at lowering material and quality costs, for example by reducing the complexity of the product range.

The following may lead to an increase in profitability in the short to medium term:

- Continued measures to improve the general cost structure and internal processes in procurement, production, logistics, and project management may help the KION Group to achieve growth more efficiently in the future.
- Ongoing efficiency increases in the production network, including through the integration of additional sites, automation projects, and the relocation of production, may boost sales and improve the gross margin.
- In the Supply Chain Solutions operating segment, increasing the scalability of products and solutions by refining subsystems and standard modules that integrate hardware, control units, and software may help to reduce costs and increase quality.
- Effective use and centralized coordination of global development capacities may create synergies and economies of scale.

Summary of opportunities

The outlined opportunities offer significant possibilities for the KION Group in the medium to long term beyond the underlying forecast period. In addition, new opportunities are actively sought, their implementation examined and, if necessary, substantiated. If opportunities arise in addition to the forecast developments or if they materialize more quickly than expected, this could have a positive impact on the KION Group’s financial position and financial performance. Overall, the KION Group’s opportunities have not changed significantly compared with the previous year.

KION GROUP AG

Business activities

KION GROUP AG is the strategic management holding company in the KION Group. KION GROUP AG holds all the shares in Dematic Holdings GmbH, Frankfurt am Main, and thus indirectly holds all the shares in the subsidiaries in the Supply Chain Solutions segment. Furthermore, KION GROUP AG is the sole shareholder of Linde Material Handling GmbH, Aschaffenburg, which holds almost all the shares of the companies in the Industrial Trucks & Services segment. KION GROUP AG collects liquidity surpluses of the Group companies in a cash pool and, where possible, covers subsidiaries' funding requirements with intercompany loans. As a rule, the external financing of the Group's activities is handled by KION GROUP AG. Managerial holding company functions and the performance of other services, in return for a consideration, are also part of KION GROUP AG's remit.

The annual financial statements of KION GROUP AG are prepared in accordance with the provisions in the German Commercial Code (HGB) and the German Stock Corporation Act (AktG). The management report is combined with the group management report. Pursuant to section 315e (1) HGB, the consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS). Differences between the accounting policies in accordance with HGB and those in accordance with IFRS arise primarily in connection with the accounting treatment of financial instruments, provisions, deferred taxes, and procurement leases.

KION GROUP AG had a total of 322 employees as at December 31, 2025 (December 31, 2024: 373).

Management system

The main key performance indicator for KION GROUP AG is adjusted EBIT (IFRS). It is defined as earnings before interest and tax adjusted for non-recurring items and is derived from KION GROUP AG's operating profit and net investment income. A reconciliation to adjusted EBIT (IFRS) is shown in a table in the following chapter.

Financial performance of KION GROUP AG

KION GROUP AG does not have any operating activities itself. The revenue of €143.7 million reported for 2025 (2024: €129.8 million) largely arose from the performance of services for affiliated companies.

Other operating income fell by €12.8 million to €33.5 million and included, in particular, gains on the measurement of bank accounts and cash pools in foreign currencies.

Personnel expenses amounted to €104.7 million, a year-on-year rise of €28.1 million. This rise was mainly due to higher variable remuneration components, general salary increases, and non-recurring expenses under the efficiency program aimed at strengthening long-term competitiveness and capacity to carry out capital investment.

Other operating expenses declined by €21.4 million to €204.2 million. This decrease was primarily attributable to lower exchange rate losses from the measurement of bank accounts and cash pools in foreign currencies as well as a fall in expenses for consultancy and other third-party services.

Net investment income went down by €240.8 million to €384.6 million in 2025 (2024: €625.4 million) as a result of the reduction in income from the profit-transfer agreements in place with subsidiaries.

Adjusted EBIT (IFRS), which is derived from operating profit and net investment income, fell by a total of €246.1 million to €262.9 million in 2025 and was thus in line with the projection set out in the 2024 combined management report.

The net financial income of €45.4 million (2024: €45.9 million) consisted of interest expense and similar charges totaling €115.8 million (2024: €154.3 million) and other interest and similar income amounting to €161.1 million (2024: €200.3 million). Interest expense and similar charges primarily related to interest expense for external financial liabilities as well as to interest charged on intercompany liabilities. Other interest and similar income mainly comprised interest income arising from intercompany receivables. It also included interest income on investments at banks.

KION GROUP AG recorded tax expenses of €5.2 million as a result of its role as the parent company of the tax group for nearly all German subsidiaries in 2025 (2024: tax expense of €101.3 million). The year-on-year decrease in the tax expense was due to the tax group’s lower earnings before tax and a significantly higher proportion of tax-exempt dividends.

Financial performance

in € million	2025	2024	Change
Revenue	143.7	129.8	10.7%
Other operating income	33.5	46.3	–27.7%
Material expenses	–0.2	–0.2	15.0%
Personnel expenses	–104.7	–76.6	–36.7%
Other operating expenses	–204.2	–225.6	9.5%
Depreciation, amortization & impairment expense	–11.3	–0.3	< –100.0%
Operating loss	**–143.3**	**–126.6**	**–13.2%**
Net income (loss) from participations	384.6	625.4	–38.5%
Net interest income (loss)	45.4	45.9	–1.2%
Income taxes	–5.2	–101.3	94.8%
Net income	**281.5**	**443.4**	**–36.5%**

Reconciliation to adjusted EBIT (IFRS)

in € million	2025	2024	Change
Operating loss	–143.3	–126.6	–13.2%
Net income (loss) from participations	384.6	625.4	–38.5%
Valuation effects local gaap / IFRS	22.5	10.4	> 100.0%
Non-recurring items	–0.9	–0.2	< –100.0%
Adjusted EBIT (IFRS)	**262.9**	**509.0**	**–48.3%**

In the reporting year, the differences between the accounting policies in accordance with HGB and those in accordance with IFRS resulted mainly from the recognition of currency effects, but also from impairment losses recognized on receivables from affiliated companies.

Net assets and financial position of KION GROUP AG

Financial assets amounted to €4,701.0 million (December 31, 2024: €4,605.1 million). Besides investments in affiliated companies and equity investments of €4,241.7 million (December 31, 2024: €4,238.2 million), this line item mainly consisted of loans to Group companies of €457.3 million (December 31, 2024: €365.6 million).

Cash and cash equivalents decreased by €367.6 million to €166.2 million as at the reporting date. The main reason for this was the outflow of cash in connection with the corporate bond that was repaid in September 2025.

Receivables and other assets amounted to €3,946.0 million (December 31, 2024: €3,954.5 million). The bulk of this total, €3,841.5 million, consisted of loans and cash pool receivables due from other Group companies (December 31, 2024: €3,927.9 million). There were long-term loans to Group companies of €194.6 million (December 31, 2024: €169.2 million).

Net assets

in € million	Dec. 31, 2025	Dec. 31, 2024	Change
Assets			
Property, plant and equipment	1.0	1.2	–20.2%
Financial assets	4,701.0	4,605.1	2.1%
Receivables and other assets	3,946.0	3,954.5	–0.2%
Cash and cash equivalents	166.2	533.8	–68.9%
Deferred charges and prepaid expenses	2.5	3.6	–32.2%
Total assets	**8,816.6**	**9,098.3**	**–3.1%**
Equity and liabilities			
Equity	5,686.7	5,512.8	3.2%
Retirement benefit obligation	69.9	65.6	6.6%
Tax provisions	0.1	36.3	–99.8%
Other provisions	87.6	54.3	61.3%
Liabilities	2,972.4	3,429.3	–13.3%
Total equity and liabilities	**8,816.6**	**9,098.3**	**–3.1%**

Equity went up by €173.9 million to €5,686.7 million as at December 31, 2025 (December 31, 2024: €5,512.8 million). This rise was driven by the net income for the year of €281.5 million, whereas the dividend paid in June 2025 reduced equity by €107.5 million. The equity ratio was 64.5 percent as at the reporting date (December 31, 2024: 60.6 percent).

Provisions increased by €1.4 million to €157.6 million, mainly because personnel provisions – a component of other provisions – rose by €19.6 million to €60.3 million. By contrast, tax provisions declined by €36.2 million to a total of €0.1 million.

Liabilities amounted to €2,972.4 million (December 31, 2024: €3,429.3 million) and predominantly consisted of loan liabilities and cash pool liabilities to other Group companies amounting to €2,047.0 million (December 31, 2024: €1,880.6 million), liabilities to banks of €408.4 million (December 31, 2024: €539.9 million), and corporate bonds of €500.0 million (December 31, 2024: €1,000.0 million).

In 2020, KION GROUP AG launched a corporate bond program (EMTN program) with a total volume of €3 billion. The first bond was placed on the capital markets under this program in 2020 and had a nominal amount of €500.0 million, a maturity date in 2025, and a coupon of 1.625 percent. The bond was repaid as scheduled in 2025. A second unsecured bond with a nominal amount of €500.0 million, a maturity date in 2029, and a coupon of 4.0 percent was placed on the capital markets under the EMTN program in November 2024.

KION GROUP AG has a syndicated revolving credit facility (RCF) with a total volume of €1,385.7 million and a term that ends in October 2028. The facility has a variable interest rate; the contractually agreed interest terms are linked to KION GROUP AG's credit rating and to compliance with sustainability KPIs. The revolving credit facility was undrawn as at December 31, 2025 (December 31, 2024: drawdown of €0.0 million).

The liabilities to banks and the promissory notes are not secured.

Future growth and risk situation

Outlook

The earnings performance of KION GROUP AG should continue to mirror that of the Group going forward. This is because it is the Group's parent company and therefore its net investment income will reflect the earnings of the subsidiaries. The outlook for the KION Group is therefore largely reflected in the expectations of KION GROUP AG.

The business performance and position of KION GROUP AG are largely determined by the business performance and success of the Group. Detailed reports in this regard are set out in the 'Business performance in the Group' and 'Financial position and financial performance of the KION Group' sections.

A significant year-on-year increase in KION GROUP AG's adjusted EBIT (IFRS) is anticipated for 2026.

Risks and opportunities

The business performance of KION GROUP AG is essentially subject to the same risks and opportunities as those of the Group because the Group participates directly in the performance of the global subsidiaries through their contributions to earnings. Details of the risks faced by the Group can be found in the 'Risk report'.

KION GROUP AG also has guarantees and indemnities in place with affiliated companies and with banks and insurance companies in an amount of €6,542.6 million. These relate mainly to lease obligations. In addition, KION GROUP AG is jointly and severally liable for a revolving credit facility of €1,750.0 million and for a promissory note of €200.0 million issued in 2025. These two funding instruments relate to the financing of the subsidiaries' lease business. As at the reporting date, the existing contingent liabilities were reviewed with regard to their risk situation. The Executive Board of KION GROUP AG regards the risk of potential trigger events as not probable.

Concluding declaration on the report on relationships with affiliated entities (dependency report), section 312 (3) sentence 3 AktG

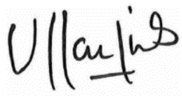
With respect to the legal transactions and other measures mentioned in the report on relationships with affiliated entities, we hereby declare that in each case the Company received appropriate consideration in accordance with the circumstances of which we were aware at the time when the legal transactions were concluded or the measures were taken or omitted and that it did not suffer any disadvantages as a result of such measures having been taken or omitted.

Frankfurt am Main, February 24, 2026

The Executive Board

Dr. Richard Robinson Smith

Christian Harm



Valeria Gargiulo

Andreas Krinninger

Ching Pong Quek

Hans Michael Larsson

Disclosures relevant to acquisitions

The following disclosures are made in accordance with section 315a HGB.

1. Composition of subscribed capital

The subscribed capital (share capital) of KION GROUP AG amounted to around €131.2 million as at December 31, 2025. It was divided into around 131.2 million no-par-value bearer shares. The share capital is fully paid up. All of the shares in the Company give rise to the same rights and obligations. Each share confers one vote and entitlement to an equal share of the profits. The rights and obligations arising out of the shares are defined by legal provisions.

As at December 31, 2025, the Company held 73,876 shares in treasury.

2. Restrictions on voting rights or the transfer of shares

The Company is not aware of any agreements entered into by shareholders of KION GROUP AG that restrict voting rights or the transfer of shares.

In respect of the KION GROUP AG shares that they hold and are required to purchase in accordance with their individual Executive Board service contract, the members of the Executive Board have committed to a lock-up obligation for the duration of the term of their individual Executive Board service contract. As at December 31, 2025, the Executive Board members in office as at that date together held 100,673 shares in KION GROUP AG that they are required to hold under the share ownership guidelines. This equates to around 0.08 percent of the shares issued by the Company. Further details of the share ownership guidelines for the Executive Board members in office as at December 31, 2025 can be found in the 2025 remuneration report, which is published on the KION Group website at www.kiongroup.com/remuneration.

KION GROUP AG has no rights arising from the treasury shares that it holds (section 71b AktG). By law, the voting rights attaching to the affected shares are generally disapplied in the cases set out in section 136 AktG.

3. Direct or indirect shareholdings in the Company that represent more than 10 percent of the voting rights

As far as the Company is aware, only Weichai Power (Luxembourg) Holding S.à r.l. (‘Weichai Power’), Luxembourg, directly held more than 10 percent of the voting rights in KION GROUP AG as at December 31, 2025 and its shareholding was 46.5 percent.

According to the voting-right notifications pursuant to the German Securities Trading Act (WpHG), the voting rights held by Weichai Power are deemed to belong to the following other companies and countries:

Companies and countries to which the voting rights of Weichai Power are deemed to belong

Company	Registered office
Shandong Heavy Industry Group Co., Ltd.	Jinan, People’s Republic of China
Weichai Holding Group Co., Ltd.	Weifang, People’s Republic of China
Weichai Power Co., Ltd.	Weifang, People’s Republic of China
Weichai Power (Hong Kong) International Development Co., Ltd.	Hong Kong, People’s Republic of China

Other	Registered office
People’s Republic of China	Beijing, People’s Republic of China

Since the reporting date, there may have been changes to the aforementioned shareholdings of which the Company is unaware. As the shares in the Company are bearer shares, the Company only learns about changes to the size of shareholdings if these changes are notifiable pursuant to the German Securities Trading Act or other regulations.

4. Shares with special rights that confer authority to exert control over the Company

There are no shares with special rights that confer the authority to exert control over the Company.

5. Type of voting right controls in cases where employees hold some of the Company’s capital and do not exercise their control rights directly

There are no cases where employees hold some of the Company’s capital and do not exercise their control rights directly themselves.

6. Appointment and removal of members of the Executive Board; amendments to the articles of association

Article 6 of the Company’s articles of association stipulates that members of the Company’s Executive Board must be appointed and removed in accordance with sections 84 and 85 AktG and section 31 MitbestG. Pursuant to article 6 (1) of the articles of association of the Company, the Executive Board must have a minimum of two members. The Supervisory Board determines the number of Executive Board members. Pursuant to section 84 AktG and article 6 (3) of the Company’s articles of association, the Supervisory Board may appoint a Chief Executive Officer and a deputy.

Section 179 (1) sentence 1 AktG requires that amendments to the articles of association be passed by resolution of the Annual General Meeting. In accordance with article 23 of the articles of association in conjunction with section 179 (2) sentence 2 AktG, resolutions at the Annual General Meeting on amendments to the articles of association are passed by simple majority of the votes cast and by simple majority of the share capital represented in the voting unless a greater majority is specified as a mandatory requirement under statutory provisions. The option to stipulate a larger majority than a simple majority in any other cases has not been exercised in the articles of association.

The Supervisory Board is authorized in article 10 (3) of the Company's articles of association to amend the articles of association provided that such amendments relate solely to the wording.

7. Authority of the Executive Board to issue or buy back shares

The Company is authorized to issue shares, acquire shares for treasury, and use treasury shares as follows:

Acquisition of shares for treasury

In 2025, the Company was authorized as follows to purchase shares for treasury:

- The Annual General Meeting on May 11, 2021 authorized the Company, in the period up to and including May 10, 2026, to acquire for treasury up to 10 percent of all the shares in issue at the time of the resolution or in issue on the date the authorization is exercised, whichever is the lower. The shares acquired as a result of this authorization together with other shares of the Company that the Company has already acquired and still possesses or that are deemed to be in its possession pursuant to section 71a et seq. AktG must not exceed 10 percent of the share capital at any time. The Company may use the treasury shares acquired as a result of these and earlier authorizations for any permitted purpose. In particular, the Company may retire the treasury shares or sell them through a stock exchange or by means of an offer to all shareholders. It may also sell the shares in return for a non-cash consideration, in particular in connection with the acquisition of a business, parts of a business, or equity investments. The acquired treasury shares may also be used to settle conversion rights or warrants issued by the Company or one of its affiliated companies. In addition, the acquired treasury shares may be offered to persons having an employment or service relationship with the Company or one of its affiliated companies as part of an employee share ownership program. The Company's Supervisory Board was also authorized to offer the acquired treasury shares to members of the Company's Executive Board as part of their Executive Board remuneration. In particular, they may be offered, promised, and transferred to the members of the Company's Executive Board. The authorization may not be used for the purpose of trading treasury shares. The authorization may be exercised on one or more occasions, for the entire amount or for partial amounts, in pursuit of one or more aims, by the Company, by companies that are dependent on or majority-owned by the Company, or for the account of the Company or these companies. At the discretion of the Executive Board, the shares may be purchased through the stock exchange, by way of a public purchase offer made to all shareholders, or by way of a public invitation to shareholders to tender their shares.

The Company did not make use of this authorization in 2025.

Authorized capital

The Company's authorized capital of up to €279,353 set out in article 4 of the articles of association expired at the end of July 15, 2025. No use was made of the authorization to issue new shares in the reporting period. No authorization to increase the share capital using authorized capital in accordance with section 202 AktG existed as at the reporting date.

Debt instruments

The Executive Board's authorization to issue bonds with conversion rights and/or warrants and to simultaneously create conditional capital in accordance with article 4 (5) of the articles of association expired at the end of July 15, 2025. No use was made of this authorization in the reporting period. No more such authorizations existed as at the reporting date.

8. Material agreements that the Company has signed and that are conditional upon a change of control resulting from a takeover bid, and the consequent effects

In the event of a change of control resulting from a takeover bid, certain consequences are set out in the following significant contracts (still in force on December 31, 2025) concluded between KION GROUP AG or Group companies of KION GROUP AG and third parties:

KION GROUP AG

- Sustainability-linked syndicated revolving credit facility agreement for €1,386 million dated October 4, 2021 (as amended), concluded between KION GROUP AG and, among others, Landesbank Hessen-Thüringen Girozentrale (outstanding nominal utilization as at December 31, 2025: €0).

  In the event that a person, companies affiliated with this person, or persons acting in concert within the meaning of section 2 (5) of the German Securities Acquisition and Takeover Act (WpÜG) acquire(s) control over more than 50 percent of the Company's voting shares, the lenders may demand that the loans drawn down be repaid and may cancel the loan facility under the sustainability-linked syndicated revolving credit facility agreement dated October 4, 2021.

- Sustainability-linked syndicated revolving credit facilities agreement for €1,750 million dated April 20, 2022 (as amended), concluded between KION GROUP AG and, among others, Landesbank Baden-Württemberg (outstanding nominal utilization as at December 31, 2025: around €1,476 million).

  The provisions in the sustainability-linked syndicated revolving credit facilities agreement dated April 20, 2022 that apply in the event of a change of control are largely identical to those in the sustainability-linked syndicated revolving credit facility agreement dated October 4, 2021.

As at December 31, 2025, the Company had promissory note agreements with a nominal amount of around €402.5 million outstanding:

- Promissory note agreement dated February 13, 2017, concluded between KION GROUP AG and Landesbank Baden-Württemberg; the latter subsequently passed it on to its investors.
- Promissory note agreements (five tranches with different coupons and different maturities) dated September 27, 2023, concluded between KION GROUP AG and Landesbank Baden-Württemberg; the latter subsequently passed them on to its investors.

  The provisions in the aforementioned promissory note agreements that apply in the event of a change of control are largely identical to those in the sustainability-linked syndicated revolving credit facility agreement dated October 4, 2021.
- Euro medium term notes, issued under a medium-term note program dated November 20, 2024, arranged by KION GROUP AG with the dealers Banco Santander, S.A., DZ BANK AG, J.P. Morgan SE, and Landesbank Hessen-Thüringen Girozentrale (outstanding nominal amount as at December 31, 2025: €500 million).

In the event that one person or multiple persons (the ‘relevant person[s]’), who are acting in concert within the meaning of section 34 (2) WpHG, or one or multiple third parties acting by order of the relevant person(s), at any time indirectly or directly hold(s) or has/have acquired (i) more than 50 percent of the outstanding share capital of the issuer or (ii) that number of shares that, under normal circumstances at the issuer’s Annual General Meeting, would account for more than 50 percent of the voting rights that can be exercised, and the credit rating is lowered due to a change of control within the change of control period, each beneficial owner has the right to demand repayment of their promissory note.

Group companies of KION GROUP AG

As at December 31, 2025, certain Group companies of KION GROUP AG also had finance totaling €1.905 billion outstanding in connection with the existing asset-backed securities documentation:

- Asset-backed securities documentation in the United Kingdom dated February 15, 2018 (as amended), concluded between KION Financial Services Ltd. and K-Lift S.A. Compartment 1; the noteholders are Skandinaviska Enskilda Banken AB (PUBL) and Commerzbank Aktiengesellschaft.
- Asset-backed secured loan documentation in Sweden dated June 5, 2019 (as amended), concluded between KION Financial Services Sweden AB and the Frankfurt am Main branch of Skandinaviska Enskilda Banken AB (PUBL).
- Asset-backed securities documentation in France dated July 17, 2019 (as amended), concluded between KION Financial Services France SAS (formerly Fenwick Financial Services SAS and legal successor of STILL Location Services SAS) and K-Lift S.A. Compartment 2; the noteholder is UniCredit Bank GmbH; UniCredit Bank AG was originally the noteholder.
- Asset-backed securities documentation in Germany dated June 30, 2020 (as amended), concluded between STILL Financial Services GmbH and K-Lift S.A. Compartment 3; the noteholder is Weinberg Capital DAC; Weinberg Capital DAC issues asset-backed commercial paper (ABCP) to investors.
- Asset-backed securities documentation in Italy dated October 6, 2021 (as amended), concluded between KION Rental Services S.p.A. and KION Financial Services GmbH and

K-Lift S.A. Compartment 4; the noteholders are Helaba and Commerzbank Aktiengesellschaft.

The provisions in the aforementioned asset-backed securities documentation that apply in the event of a change of control are largely identical to those in the sustainability-linked syndicated revolving credit facility agreement dated October 4, 2021.

- Asset-backed securities documentation in Spain dated July 10, 2025 (as amended), concluded between KION Rental Services S.A.U. and K-Lift S.A. Compartment 6; the noteholders are the Frankfurt am Main branch of Skandinaviska Enskilda Banken AB (PUBL) and Landesbank Hessen-Thüringen Girozentrale.

  In the event of changes to the ownership of KION GROUP AG (the guarantor) that Landesbank Hessen-Thüringen Girozentrale (the buyer) legitimately believes could significantly hamper the ability of KION GROUP AG to meet its obligations arising from the framework agreement dated December 19, 2019 regarding the purchase and administration of receivables, the buyer is entitled to terminate the framework agreement without notice.

- Together with a Group company, KION GROUP AG had the following promissory note agreements with a nominal amount of €200 million outstanding as at December 31, 2025: promissory note agreements (two tranches with different coupons) dated June 18, 2025, concluded between KION Financial Services GmbH, KION GROUP AG, and BANK OF CHINA LIMITED.

  The provisions in the aforementioned promissory note agreements that apply in the event of a change of control are largely identical to those in the sustainability-linked syndicated revolving credit facility agreement dated October 4, 2021.

Together with the Company, certain Group companies of KION GROUP AG concluded a factoring agreement with a volume of €210 million with Société Générale Factoring on July 17, 2025. The agreement contains a change-of-control clause that gives the contractual partner the right to terminate the agreement without notice in the event of a change in the controlling interest in one of the Group companies and/or in the Company. A change of control can therefore end the factoring-based financing that is in place and impact on the Company’s liquidity situation. This agreement does not give rise to any other financial obligations or claims to compensation.

9. Compensation agreements that the Company has signed with the Executive Board members or employees and that will be triggered in the event of a takeover bid

No such agreements have been concluded between the Company and its current Executive Board members or employees.

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated income statement

in € million	Note	2025	2024
Revenue	[7]	11,297.2	11,503.2
Cost of sales	[8]	–8,347.0	–8,409.7
Gross profit		**2,950.2**	**3,093.5**
Selling expenses	[8]	–1,283.4	–1,206.5
Research and development costs	[8]	–259.4	–259.6
Administrative expenses	[8]	–912.8	–834.9
Other income	[9]	138.1	115.3
Other expenses	[10]	–142.9	–145.4
Profit from equity-accounted investments		11.0	15.4
Earnings before interest and tax		**500.9**	**777.8**
Financial income	[11]	271.6	302.0
Financial expenses	[12]	–419.0	–490.0
Net financial expenses		**–147.4**	**–188.0**
Earnings before tax		**353.5**	**589.8**
Income taxes	**[13]**	**–113.0**	**–220.5**
Current taxes		–158.3	–265.6
Deferred taxes		45.4	45.1
Net income		**240.5**	**369.2**
Attributable to shareholders of KION GROUP AG		230.1	360.3
Attributable to non-controlling interests		10.4	8.9
Earnings per share	**[14]**		
Average number of shares (in million)		131.1	131.1
Basic earnings per share (in €)		1.75	2.75
Diluted earnings per share (in €)		1.75	2.75

Consolidated statement of comprehensive income

in € million	Note	2025	2024
Net income		**240.5**	**369.2**
Items that will not be reclassified subsequently to profit or loss		**78.9**	**11.8**
Gains / losses on defined benefit obligation	[27]	71.2	–15.3
thereof changes in unrealized gains and losses		100.4	–22.0
thereof tax effect		–29.3	6.8
Changes in unrealized gains / losses on financial investments	[21]	7.3	27.0
Changes in unrealized gains and losses from equity-accounted investments		0.4	0.0
Items that may be reclassified subsequently to profit or loss		**–292.6**	**136.6**
Impact of exchange differences		–306.2	151.5
thereof changes in unrealized gains and losses		–316.3	150.5
thereof realized gains (–) and losses (+)		10.1	1.0
Gains / losses on hedge reserves	[40]	13.1	–14.5
thereof changes in unrealized gains and losses		22.0	–19.3
thereof realized gains (–) and losses (+)		–3.9	0.2
thereof tax effect		–4.9	4.6
Changes in unrealized gains / losses from equity-accounted investments		0.4	–0.4
Other comprehensive loss / income		**–213.8**	**148.4**
Total comprehensive income		**26.8**	**517.6**
Attributable to shareholders of KION GROUP AG		16.7	508.5
Attributable to non-controlling interests		10.1	9.1

Consolidated statement of financial position – Assets

in € million	Note	Dec. 31, 2025	Dec. 31, 2024
Goodwill	[15]	3,450.9	3,648.2
Other intangible assets	[15]	2,022.4	2,166.7
Leased assets	[16]	1,726.4	1,631.5
Rental assets	[17]	803.1	805.2
Other property, plant and equipment	[18]	2,013.0	1,986.1
Equity-accounted investments	[19]	113.0	110.3
Lease receivables	[20]	2,349.0	2,088.9
Other financial assets	[21]	196.6	208.6
Other assets	[22]	98.6	101.6
Deferred taxes	[13]	440.9	489.3
Non-current assets		**13,214.1**	**13,236.4**
Inventories	[23]	1,631.7	1,748.6
Lease receivables	[20]	787.1	723.8
Contract assets	[32]	259.1	278.1
Trade receivables	[24]	1,528.3	1,695.6
Income tax receivables	[13]	118.3	63.6
Other financial assets	[21]	97.6	76.2
Other assets	[22]	183.9	196.1
Cash and cash equivalents	[25]	474.9	787.0
Current assets		**5,080.8**	**5,569.0**
Total assets		**18,294.9**	**18,805.4**

Consolidated statement of financial position – Equity and liabilities

in € million	Note	Dec. 31, 2025	Dec. 31, 2024
Subscribed capital		131.1	131.1
Capital reserve		3,826.7	3,826.7
Retained earnings		2,268.9	2,135.7
Accumulated other comprehensive loss / income		–128.9	95.9
Non-controlling interests		25.1	17.7
Equity	**[26]**	**6,123.0**	**6,207.1**
Retirement benefit obligation and similar obligations	[27]	604.3	747.5
Financial liabilities	[28]	903.8	1,002.0
Liabilities from lease business	[29]	3,486.9	3,225.3
Liabilities from short-term rental business	[30]	565.8	585.5
Other provisions	[31]	275.0	213.1
Other financial liabilities	[34]	638.4	663.1
Other liabilities	[35]	203.0	204.9
Deferred taxes	[13]	388.0	446.7
Non-current liabilities		**7,065.2**	**7,088.1**
Financial liabilities	[28]	155.1	698.3
Liabilities from lease business	[29]	1,341.7	1,182.2
Liabilities from short-term rental business	[30]	244.4	228.7
Contract liabilities	[32]	655.3	778.6
Trade payables	[33]	1,255.4	1,160.4
Income tax liabilities	[13]	37.9	75.0
Other provisions	[31]	335.5	269.4
Other financial liabilities	[34]	268.6	313.9
Other liabilities	[35]	812.9	803.8
Current liabilities		**5,106.8**	**5,510.2**
Total equity and liabilities		**18,294.9**	**18,805.4**

Consolidated statement of cash flows

in € million	Note	2025	2024
Earnings before interest and tax		**500.9**	**777.8**
Amortization, depreciation and impairment minus reversals of impairment on non-current assets without lease and rental assets	[8], [10]	588.5	546.3
Depreciation and impairment minus reversals of impairment on lease and rental assets	[8]	611.2	592.9
Non-cash reversals of deferred revenue from lease business		–76.0	–78.9
Other non-cash income (–)/expenses (+)		30.5	12.5
Gains (–)/losses (+) on disposal of non-current assets	[9], [10]	–13.5	–5.6
Change in assets/liabilities from lease and short-term rental business		–599.2	–543.1
thereof change in leased assets (excluding depreciation and interest) and receivables/liabilities from lease business	[16], [20], [29]	–326.9	–270.1
thereof change in rental assets (excluding depreciation and interest) and liabilities from short-term rental business	[17], [30]	–231.2	–186.6
thereof interest received from lease business		172.4	140.2
thereof interest paid from lease and short-term rental business		–213.5	–226.6
Change in net working capital		257.8	243.0
thereof inventories	[23]	77.5	93.8
thereof trade receivables and trade payables	[24], [33]	248.9	34.2
thereof contract assets and contract liabilities	[32]	–68.6	115.0
Cash payments for defined benefit obligations	[27]	–87.6	–84.5
Change in other provisions	[31]	146.0	19.3
Change in other operating assets/liabilities		23.8	–6.3
Taxes paid		–250.5	–302.9
Cash flow from operating activities	**[37]**	**1,131.8**	**1,170.6**

Consolidated statement of cash flows (continued)

in € million	Note	2025	2024
Cash payments for purchase of non-current assets (excluding leased and rental assets)	[37]	–395.7	–462.9
Cash receipts from disposal of non-current assets (excluding leased and rental assets)		14.3	9.2
Dividends received		13.0	11.6
Acquisition of subsidiaries/other businesses (net of cash acquired)		–34.6	–36.7
Sale of subsidiaries/other businesses (net of cash)		–	10.3
Cash receipts/payments for sundry assets		–19.3	–0.1
Cash flow from investing activities	**[37]**	**–422.3**	**–468.6**
Dividend of KION GROUP AG	[26]	–107.5	–91.8
Dividends paid to non-controlling interests		–2.6	–2.2
Proceeds from borrowings	[37]	192.2	1,016.6
Repayment of borrowings	[37]	–829.6	–845.7
Interest received		15.9	11.3
Interest paid	[37]	–63.5	–69.1
Principal portion from procurement leases	[37]	–187.6	–147.3
Interest portion from procurement leases	[37]	–30.0	–27.8
Cash receipts/payments from other financing activities		0.9	–68.7
Cash flow from financing activities	**[37]**	**–1,011.8**	**–224.7**
Effect of exchange rate changes on cash and cash equivalents		–9.8	–2.1
Change in cash and cash equivalents		**–312.1**	**475.2**
Cash and cash equivalents at the beginning of the year	[37]	787.0	311.8
Cash and cash equivalents at the end of the year	[37]	474.9	787.0

Consolidated statement of changes in equity

in € million	Note	Subscribed capital	Capital reserves	Retained earnings
Balance as at Jan. 1, 2024		**131.1**	**3,826.7**	**1,867.3**
Net income				360.3
Other comprehensive income	[26]			
Comprehensive income		**–**	**–**	**360.3**
Dividend of KION GROUP AG	[26]			–91.8
Dividends paid to non-controlling interests	[26]			
Effects from the acquisition / disposal of non-controlling interests	[26]			–0.1
Gains / losses on hedge reserves reclassified to inventories	[40]			
Balance as at Dec. 31, 2024		**131.1**	**3,826.7**	**2,135.7**
Balance as at Jan. 1, 2025		**131.1**	**3,826.7**	**2,135.7**
Net income				230.1
Other comprehensive loss	[26]			
Comprehensive income		**–**	**–**	**230.1**
Dividend of KION GROUP AG	[26]			–107.5
Dividends paid to non-controlling interests	[26]			
Reclassification from accumulated other comprehensive (loss) income	[26]			10.5
Group changes	[4]			0.1
Gains / losses on hedge reserves reclassified to inventories	[40]			
Balance as at Dec. 31, 2025		**131.1**	**3,826.7**	**2,268.9**

	Accumulated other comprehensive income (loss)							
	Cumulative translation adjustment	**Gains / losses on defined benefit obligation**	**Gains / losses on hedge reserves**	**Gains / losses on financial investments**	**Gains / losses from equity-accounted investments**	**Equity attributable to shareholders of KION GROUP AG**	**Non-controlling interests**	**Total**
	–107.8	**–2.1**	**–0.5**	**49.5**	**2.6**	**5,766.8**	**5.9**	**5,772.7**
						360.3	8.9	369.2
	151.3	–15.3	–14.5	27.0	–0.4	148.2	0.2	148.4
	151.3	**–15.3**	**–14.5**	**27.0**	**–0.4**	**508.5**	**9.1**	**517.6**
						–91.8	–	–91.8
						–	–2.2	–2.2
						–0.1	4.9	4.8
			6.0			6.0	–	6.0
	43.5	**–17.4**	**–9.0**	**76.6**	**2.2**	**6,189.5**	**17.7**	**6,207.1**
	43.5	**–17.4**	**–9.0**	**76.6**	**2.2**	**6,189.5**	**17.7**	**6,207.1**
						230.1	10.4	240.5
	–305.9	71.2	13.1	7.3	0.9	–213.4	–0.3	–213.8
	–305.9	**71.2**	**13.1**	**7.3**	**0.9**	**16.7**	**10.1**	**26.8**
						–107.5	–	–107.5
						–	–2.6	–2.6
		–10.5				–	–	–
						0.1	–	0.1
			–0.8			–0.8	–	–0.8
	–262.4	**43.3**	**3.3**	**83.8**	**3.0**	**6,097.9**	**25.1**	**6,123.0**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Basis of presentation

[1] General information

KION GROUP AG, whose registered office is at Thea-Rasche-Strasse 8, 60549 Frankfurt am Main, Germany, is entered in the commercial register at the Frankfurt am Main local court under reference HRB 112163. The KION Group is among the world's leading suppliers of industrial trucks and supply chain solutions. Its portfolio encompasses industrial trucks such as forklift trucks and warehouse trucks, as well as integrated automation technology and software solutions for the optimization of supply chains, including all related services. In 2025, the Group and its approximately 42,000 employees generated revenue of €11,297.2 million (2024: €11,503.2 million).

The direct parent company of KION GROUP AG is Weichai Power (Luxembourg) Holding S.à r.l., Luxembourg ('Weichai Power'), which holds 46.5 percent of the shares (2024: 46.5 percent). The ultimate parent company of KION GROUP AG is Weichai Power Co., Ltd., Weifang, People's Republic of China, which indirectly holds a stake in KION GROUP AG through Weichai Power. Weichai Power Co., Ltd. prepares consolidated financial statements for the largest and smallest number of affiliated companies – in its role as parent company – in which KION GROUP AG is included in the basis of consolidation as a subsidiary. These consolidated financial statements are available in English on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the company (www.weichaipower.com).

The declaration of conformity with the German Corporate Governance Code pursuant to section 161 of the German Stock Corporation Act (AktG) was issued and is permanently available to the public on the KION GROUP AG website at www.kiongroup.com/conformity.

The consolidated financial statements and the combined group management report and management report of KION GROUP AG were prepared and approved for publication by the Executive Board of KION GROUP AG on February 24, 2026.

[2] Basis of preparation

The consolidated financial statements of the KION Group for the financial year ended December 31, 2025 have been prepared in accordance with section 315e of the German Commercial Code (HGB) in conjunction with the International Financial Reporting Standards (IFRSs) of the International Accounting Standards Board (IASB) applicable as at the reporting date as well as the associated interpretations (IFRICs) of the IFRS Interpretations Committee (IFRS IC) as adopted by the European Union in accordance with Regulation (EC) No. 1606/2002 of the European Parliament and of the Council concerning the application of international accounting standards. All of the IFRSs and their interpretations that had been enacted by the reporting date and that were required to be applied in the 2025 financial year have been applied in preparing the consolidated financial statements.

In order to improve the clarity of presentation, certain items are aggregated in the statement of financial position and the income statement. The items concerned are disclosed and explained separately in the notes. Assets and liabilities are broken down into current and non-current items. The consolidated income statement is prepared in accordance with the cost of sales (function-of-expense) method.

The consolidated financial statements were prepared in euros, which is the Group's presentation currency. All amounts are disclosed in millions of euros (€ million) unless stated otherwise. Due to rounding effects, addition of the individual amounts shown may result in minor rounding differences to the totals. The percentages shown are calculated on the basis of the respective amounts, rounded to the nearest thousand euros. All of the separate financial statements of the subsidiaries included in the consolidation were prepared as at the same reporting date as the annual financial statements of KION GROUP AG. The comparative figures for the prior year were determined on the same basis.

Financial reporting standards to be adopted for the first time in the current financial year

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' were required to be applied for the first time in 2025. The amendments specify when a currency is exchangeable into another currency and provide guidance on how to determine the exchange rate to apply when a currency is not exchangeable. Initial application of these adjustments had no effect on the presentation of the financial position and financial performance of the KION Group.

Financial reporting standards released but not yet adopted

The standards and interpretations that had been issued by the IASB by December 31, 2025 but were not yet required to be adopted for the 2025 financial year are expected to be applied by the KION Group only from the time when they are required to be applied. Based on current assessments, the initial application of these financial reporting standards and interpretations will have no material effect on the presentation of the financial position and financial performance of the KION Group.

This assessment of materiality does not apply in respect of the initial application of IFRS 18 'Presentation and Disclosure in Financial Statements'. Based on the findings of the ongoing implementation project, the application of IFRS 18 in the KION Group will result in changes to the presentation of the consolidated income statement and consolidated statement of cash flows and will necessitate additional disclosures in the notes to the consolidated financial statements. The new standard will not affect the recognition and measurement rules. IFRS 18 will replace the current standard IAS 1 'Presentation of Financial Statements' and is required to be applied for annual periods beginning on or after January 1, 2027.

[3] Principles of consolidation

Acquisitions are accounted for using the acquisition method. In accordance with IFRS 3, the identifiable assets and the liabilities assumed on the acquisition date are recognized separately from goodwill, irrespective of the extent of any non-controlling interests. The identifiable assets acquired and the liabilities assumed are measured at their fair value.

The amount recognized as goodwill is calculated as the amount by which the acquisition cost, the amount of non-controlling interests in the acquiree, and the fair value of all previously held equity interest at the acquisition date exceeds the fair value of the acquiree's net assets. Any negative goodwill arising is recognized in profit or loss. The transaction costs arising in connection with business combinations are expensed. KION GROUP AG recognizes non-controlling interests at the proportionate value of the net assets attributable to them excluding goodwill.

In the case of business combinations in stages, previously held equity interests are recognized at their fair value at the acquisition date. The difference between the carrying amount of the interests and the fair value is recognized in profit or loss.

For the purpose of impairment testing, goodwill is allocated to cash-generating units that are likely to benefit from the business combination.

Contingent consideration elements are included at fair value at the date of acquisition when determining the purchase consideration. Contingent consideration elements may consist of equity instruments or financial liabilities, depending on the structure.

On first-time consolidation of an acquisition, all identifiable assets and liabilities are recognized at their fair value at the acquisition date. The fair values of identifiable assets are determined using appropriate valuation techniques. These measurements are based, for example, on estimates of future cash flows, expected growth rates, exchange rates, discount rates, and useful lives.

The consolidated financial statements cover KION GROUP AG and all material subsidiaries. Intragroup balances, transactions, income and expenses, and gains and losses on intercompany transactions are eliminated in full. Deferred taxes are recognized on the resulting temporary differences.

Transactions with non-controlling interests are treated as transactions with the Group's equity investors. Differences between the consideration paid for the acquisition of a non-controlling interest and the relevant proportion of the carrying amount of the subsidiary's net assets are recognized in equity. Gains and losses arising from the disposal of interests are also recognized in equity, provided there is no change in control.

Associates and joint ventures that are of material importance to the presentation of the financial position and financial performance of the KION Group are accounted for using the equity method.

[4] Basis of consolidation

KION GROUP AG's equity investments consist of subsidiaries, associates and joint ventures, and financial investments.

In addition to KION GROUP AG, the consolidated financial statements of the KION Group include, using the acquisition method, all material subsidiaries over which KION GROUP AG has control. KION GROUP AG controls a subsidiary if it has decision-making authority over the main activities of the entity and can use this authority to affect the amount of the variable returns to which it is exposed as a result of the equity investment. Material subsidiaries acquired in the course of the financial year are consolidated from the date on which control is obtained. In addition, equity investments previously classified as immaterial (non-consolidated subsidiaries) are included in the basis of consolidation as soon as the materiality criteria defined for the KION Group are satisfied. Companies sold in the course of the financial year are deconsolidated from the date on which control is lost.

Joint ventures are equity investments which are jointly managed by companies in the KION Group together with one partner or more partners, and these parties have rights to the net assets of the joint venture.

Associates are equity investments whose financial and operating policies may be significantly influenced, either directly or indirectly, by companies in the KION Group. Significant influence is assumed when companies in the KION Group hold between 20 percent and 50 percent of the voting rights.

Equity investments over which KION Group companies are unable to exercise control or a significant influence, or that are not jointly controlled by them, are classified as financial investments.

The following table shows the number of equity investments broken down by category:

Number of equity investments by category

	Jan. 1, 2025	Additions	Disposals	Dec. 31, 2025
Consolidated subsidiaries	**130**	**1**	**10**	**121**
Domestic	26	–	5	21
Foreign	104	1	5	100
Equity-accounted associates and joint ventures	**11**	**–**	**–**	**11**
Domestic	5	–	–	5
Foreign	6	–	–	6
Non-consolidated subsidiaries and other investments	**51**	**5**	**5**	**51**
Domestic	12	–	2	10
Foreign	39	5	3	41

The equity investments consolidated and accounted for using the equity method as at December 31, 2025 consisted of eight associates (December 31, 2024: eight) and three joint ventures (December 31, 2024: three). The last available annual financial statements or interim financial statements were generally used as the basis for measurement.

Non-consolidated subsidiaries and other equity investments are recognized at amortized cost or at fair value through other comprehensive income. The non-consolidated subsidiaries recognized at amortized cost and the associates and joint ventures that are not accounted for using the equity method were of minor importance to the presentation of the financial position and financial performance of the KION Group, both individually and as a whole.

Where other requirements were met, the fully consolidated companies listed below were exempt from the obligation to disclose annual financial statements and to prepare notes to the (consolidated) financial statements and (group) management reports in accordance with sections 264 (3), 264b, and 291 (2) HGB on account of their inclusion in the consolidated financial statements.

German subsidiaries exempt from disclosure requirements

Subsidiary	Registered office
BlackForxx GmbH	Stuhr
Dematic Holdings GmbH	Frankfurt am Main
Eisengießerei Dinklage GmbH	Dinklage
Eisenwerk Weilbach Gesellschaft mit beschränkter Haftung	Frankfurt am Main
Fahrzeugbau GmbH Geisa	Geisa
Hans Joachim Jetschke Industriefahrzeuge (GmbH & Co.) KG	Hamburg
KION Financial Services GmbH	Frankfurt am Main
KION Information Management Services GmbH	Frankfurt am Main
KION Warehouse Systems GmbH	Reutlingen
Linde Material Handling GmbH	Aschaffenburg
Linde Material Handling Rental Services GmbH	Aschaffenburg
Linde Material Handling Rhein-Ruhr GmbH & Co. KG	Essen
LR Intralogistik GmbH	Wörth an der Isar
STILL Gesellschaft mit beschränkter Haftung	Hamburg
Urban-Transporte Gesellschaft mit beschränkter Haftung	Unterschleißheim

An overview of the direct and indirect shareholdings of KION GROUP AG can be found in note [45] List of shareholdings.

Acquisitions

Active Forklifts

On August 29, 2025, the KION Group acquired the business of Active Forklifts (Australia) Pty Ltd (‘Active Forklifts’), whose registered office is in Sydney, Australia, by way of an asset deal. Active Forklifts is a sales and service company specializing in material handling and warehouse technology. Of the agreed purchase consideration of €21.5 million, a sum of €18.2 million had an impact on cash flow in 2025.

The main items recognized in connection with the acquisition were goodwill of €7.9 million, customer relationships amounting to €6.5 million, and rental assets of €8.9 million.

[5] Currency translation

Financial statements in foreign currencies are translated in accordance with the functional currency concept. The functional currency is the currency of the primary economic environment in which a KION Group subsidiary operates. The modified closing-rate method is used for currency translation.

The assets and liabilities of foreign subsidiaries, including goodwill, are translated at the middle spot exchange rate, i.e. at the average of the bid or offer rates on the reporting date. Income and expenses are translated at the average rate. With the exception of income and expenses recognized as other comprehensive income, equity is translated at historical rates. The resulting translation differences are not taken to income and are recognized in accumulated other comprehensive income until subsidiaries are disposed of.

The financial statements of foreign equity-accounted investments are also translated using the method described above.

Transactions in foreign currencies of the subsidiaries included in the consolidated financial statements are translated into the relevant company's functional currency at the rate prevailing on the transaction date. On the reporting date, monetary items are translated at the closing rate and non-monetary items at the rate prevailing on the transaction date. Currency translation differences are recognized in net financial income/expenses if they relate to financing activities. They are recognized in other income/expenses if they relate to the operating business.

Major foreign currency rates for the KION Group in €

	Average rate		Closing rate	
	2025	**2024**	**2025**	**2024**
China (CNY)	8.1193	7.7849	8.2021	7.5565
United Kingdom (GBP)	0.8567	0.8466	0.8717	0.8275
USA (USD)	1.1304	1.0820	1.1746	1.0354

Source: Bloomberg

[6] Accounting policies

Judgments and estimates

The preparation of the IFRS consolidated financial statements requires the use of judgments and estimates for certain line items that affect recognition and measurement in the consolidated statement of financial position and consolidated income statement. The actual amounts realized may differ from estimates. Judgments and estimates that are material to the financial statements are explained in the description of the specific accounting policies and principles of consolidation.

Material judgments are required when

- determining the lease term in either the role of lessee or the role of lessor;
- classifying leases in the role of lessor;
- determining whether the transfer of an asset to a financing partner as part of a sale and leaseback transaction or in the indirect lease business constitutes a sale;
- assessing whether brand names have an indefinite useful life.

Material estimates are required when

- measuring lease receivables on the basis of the determined lease term and the estimate of unguaranteed residual values at the end of the lease term;
- measuring the leased asset on the basis of the estimate of the residual value in order to calculate depreciation;
- determining the total estimated contract costs in order to evaluate the percentage of completion of contracts and determining the estimated revenue from variable consideration in the project business where the revenue is recognized over a period of time;
- determining the recoverable amount of goodwill and other intangible assets as part of an impairment test and determining the related assumptions;
- measuring defined benefit obligations with regard to material actuarial assumptions, such as discount rates and increases in pensions and salaries.

The impact of a change to judgments or estimates is recognized prospectively when it becomes known and assumptions are adjusted accordingly.

Revenue recognition

Revenue is the consideration that is expected to be received from the customer for the transfer of goods or services (transaction price). In addition to the contractually agreed consideration, the transaction price may also include variable elements. Variable elements are included in the transaction price only if it is highly unlikely that the revenue that has already been recognized will subsequently be reversed. Revenue is recognized when control over the promised goods or services passes to the customer. This is the case when the customer can direct how the goods or services are used and substantially obtain the remaining benefits from the goods or services.

Where a contract includes multiple distinct goods or services, the transaction price is allocated to the performance obligations on the basis of the relative selling prices. If stand-alone selling prices are not directly observable, they are estimated.

Other criteria may arise, depending on each individual transaction, as described below:

Sale of goods

Revenue from the sale of goods is primarily attributable to the sale of industrial trucks and the supply of spare parts. It is reduced by any deductions such as rebates, volume discounts, trade discounts, and bonuses and is recognized at the point in time when the contractual performance obligation is satisfied. This is generally the case when the KION Group delivers goods to a customer, the risks and rewards incidental to the ownership of the goods sold are substantially transferred to the customer, and there is a right to receive the contractually agreed consideration. If a customer is expected to accept goods but has yet to do so, the corresponding revenue is recognized only when the goods are accepted. The point in time when the risks and rewards incidental to ownership of the goods sold are substantially transferred to the customer is determined by the underlying contract and the delivery terms specified therein or by international trade rules. Shipping services are not usually treated as separate performance obligations. Payment terms vary in accordance with the customary conditions in the respective countries and are generally between 30 and 90 days.

Rendering of services

Services rendered mainly consist of individual orders for repairs and maintenance work, plus multiple-year service contracts. Revenue from individual contracts is recognized at a point in time, upon performance of the service. Revenue from multiple-year service contracts is recognized on a straight-line basis over the period of performance or in accordance with the proportion of the overall service rendered by the reporting date. Payment terms vary in accordance with the customary conditions in the respective countries and are generally between 30 and 90 days.

Lease and short-term rental business

The Industrial Trucks & Services segment leases and rents industrial trucks and related items of equipment to its customers in its lease and short-term rental business. In the direct lease business, subsidiaries of the KION Group enter into leases with end customers, whereas in the indirect lease business, industrial trucks are sold to financing partners that enter into long-term leases with end customers.

The KION Group recognizes revenue from leases and the cost of sales relating to leases in accordance with the rules for lessors that are manufacturers or dealers. In the direct lease business, this means that if a lease is classified as a finance lease, revenue is recognized as at the commencement date at the fair value of the industrial truck. If the present value of the lease payments, discounted using a market interest rate, is lower than the fair value of the industrial truck, revenue is recognized in the amount of the present value of the lease payments. If a lease is classified as an operating lease, the revenue is recognized on a straight-line basis over the term of the lease, generally in the amount of the agreed lease installments.

In the indirect lease business, subsidiaries in the KION Group initially treat as deferred income the portion of the consideration received that exceeds the amount they expect to have to pay when the industrial truck is returned and subsequently recognize the revenue in installments over the term of the lease. If substantially all of the risks and rewards incidental to ownership of the industrial truck are transferred to the financing partner, the portion of the consideration received that exceeds the amount expected to be paid when the industrial truck is returned is recognized as revenue immediately.

Short-term rental business is generally classified as an operating lease.

Further information on leases where the KION Group is the lessor can be found in the section ‘Lease business/short-term rental business’ in this note.

Project business contracts

The deliverables in the project business include integrated technology and software solutions. Manual and automated material handling solutions are provided for customers’ operational material flows, ranging from goods inward and Multishuttle warehouse systems through to order picking. The provision of this kind of integrated supply chain solution generally constitutes only one single performance obligation as defined by IFRS 15. The project business involves the production of customer-specific assets for which the KION Group has no alternative use. As the KION Group has a legal right to payment for performance completed, control over the promised goods and services gradually passes to the customer over the course of the project. Consequently, revenue is recognized over a period of time, i.e. the duration of the project, in line with the percentage of completion. The percentage of completion is the proportion of contract costs incurred up to the reporting date compared to the total estimated contract costs as at the reporting date (cost-to-cost method) and reflects the continuous transfer of control over the project to the customer.

In addition to the contractually agreed consideration, the transaction price may also include variable elements in the project business, primarily bonuses, penalties, and changes to the contractually agreed consideration as a result of price adjustment clauses. The variable elements necessitate an assessment regarding adherence to the contractually agreed completion dates for projects and regarding fulfillment of technical specifications. This assessment takes place continuously throughout the project. If an assessment changes, the impact on the transaction price is taken into account. Adjustments are also made to the revenue to be recognized and to the project's profit or loss based on the percentage of completion calculated as at the reporting date.

Contract costs are recognized as an expense in the period in which they are incurred. The total estimated contract costs are reviewed on an ongoing basis throughout the project and, in the event of changes to the estimates, are adjusted accordingly. This means that the percentage of completion calculated as at the reporting date, the revenue to be recognized, and the project's profit or loss may change. An expected loss from a contract is immediately recognized as an expense in the period in which the loss becomes apparent.

Contract modifications and claims against customers are factored into the project costing provided that the parties to the contract have agreed to them and they do not give rise to any distinct performance obligation. If these lead to changes to the transaction price or to the percentage of completion calculated as at the reporting date, the difference between the resulting revenue and the revenue already recognized up to that point is recognized in profit or loss.

The duration of a project depends on the size and complexity of the supply chain solution and generally ranges from a few months to three years. During the project, invoices are issued to the customer when contractually agreed milestones are reached. The payment conditions typically specify payment terms of between 30 and 90 days after the invoice has been issued.

Cost of sales

The cost of sales comprises the cost of goods sold and services rendered, costs arising from project business contracts, and revenue-related costs from the lease and short-term rental business. As well as direct costs, these also include relevant overheads.

The main components of the cost of sales are cost of materials, personnel expenses, depreciation expenses on property, plant and equipment and amortization expenses on intangible assets in connection with purchase price allocations, and amortization expenses on capitalized development costs. This item also includes warranty costs.

Financial income and expenses

The interest income and expense included in net financial income/expenses are recognized in profit and loss in accordance with the effective interest method.

Goodwill

Goodwill has an indefinite useful life and is therefore not amortized. Instead, it is tested for impairment in accordance with IAS 36 at least once a year and whenever there is an indication that the asset might be impaired.

Goodwill is tested for impairment annually at the level of the cash-generating units (CGUs) to which goodwill is allocated.

The CGUs or groups of CGUs (simply referred to as CGUs below) identified for the purposes of testing goodwill and brand names for impairment equate to the KION ITS EMEA, KION ITS APAC, and KION ITS Americas Operating Units in the Industrial Trucks & Services (ITS) segment and to the KION SCS Operating Unit in the Supply Chain Solutions (SCS) segment.

The recoverable amount of a CGU is determined by calculating its value in use on the basis of the discounted cash flow method. The measurement draws on cash flows forecast for the next five years on the basis of the financial planning signed off by management that applies at the time the impairment test is carried out. This planning is based on assumptions derived from external economic research studies and sectoral studies relating to future conditions in the global economy and to future sector-specific conditions in the global material handling market. Supplemented by the internal departments' assessments, this planning is then used to produce specific market planning models for industrial trucks and supply chain solutions. These models provide the basis for revenue planning in the CGUs. Assumptions made about a likely increase in adjusted EBIT take account of anticipated future revenue growth and, in particular, management's expectations about economies of scale targeted in industrial truck production and increases in profitability in the long-term project business. In all CGUs, the planning for sale prices and cost structures incorporates the latest assumptions about macroeconomic trends (movements in exchange rates, interest rates, procurement prices, and labor costs).

Material measurement parameters for determining the recoverable amount are the long-term growth rate for the extrapolation of cash flows beyond the five-year planning period and the weighted average cost of capital (WACC) used to discount the cash flows, which reflects current market assessments of the specific risks to individual CGUs.

Significant parameters for impairment testing

	Long-term growth rate		WACC after tax		WACC before tax	
	2025	2024	2025	2024	2025	2024
Industrial Trucks & Services						
KION ITS EMEA	1.0%	1.0%	8.2%	8.4%	11.5%	12.2%
KION ITS Americas	1.0%	1.0%	9.6%	9.6%	12.4%	12.4%
KION ITS APAC	1.0%	1.0%	8.7%	9.1%	11.4%	12.0%
Supply Chain Solutions						
KION SCS	1.3%	1.3%	9.9%	10.2%	12.8%	13.1%

Further material measurement parameters relate to the long-term outlook for revenue and adjusted EBIT and thus the CGUs' expected profitability. In the planning period, a long-term rise in revenue and adjusted EBIT is anticipated in the KION ITS EMEA and KION SCS CGUs, whose combined goodwill makes up more than 95 percent of the total goodwill recognized by the Group. Moderate to noticeable annual rates of revenue growth are expected for KION ITS EMEA and KION SCS in the planning period. In the final year of the planning prior to the transition to perpetuity, the adjusted EBIT margin expected for each of these two CGUs corresponds to the profitability target defined in the ‘Playing to Win’ strategy; that target is to raise the adjusted EBIT margin above 10 percent on a permanent basis.

The impairment test carried out as at December 31, 2025 did not reveal any need to recognize impairment losses for the goodwill allocated to the KION ITS EMEA, KION ITS APAC, and KION SCS CGUs.

In 2024, an ad hoc impairment test was conducted on the goodwill allocated to the KION ITS Americas CGU. It revealed that the recoverable amount of the CGU (€362.9 million) was lower than its carrying amount and that a full impairment needed to be recognized on the goodwill on the basis of the long-term growth outlook. This resulted in an impairment loss of €22.4 million, which was recognized in other operating expenses in 2024.

Further information on goodwill can be found in note [15].

Other intangible assets

Other purchased intangible assets with a finite useful life are carried at historical cost less all accumulated amortization and accumulated impairment losses. If events or market developments suggest impairment has occurred, impairment tests are carried out on the carrying amount of items classified as other intangible assets with a finite useful life. The carrying amount of an asset is compared with its recoverable amount. If the reasons for recognizing impairment losses in prior periods no longer apply, the relevant impairment losses are reversed, but subject to a limit such that the carrying amount of the asset is no higher than its amortized cost.

Development costs are capitalized if the capitalization criteria in IAS 38 are met. Capitalized development costs include all costs and overheads directly attributable to the development process. Once they have been initially capitalized, these costs and other internally generated intangible assets – particularly internally generated software – are carried at cost less accumulated amortization and accumulated impairment losses. All non-qualifying development costs are expensed as incurred and immediately reported in the consolidated income statement under research and development costs together with research costs.

Amortization of intangible assets with a finite useful life is recognized on a straight-line basis and predominantly reported under cost of sales. The impairment losses on intangible assets are reported under other expenses.

Useful life of other intangible assets

	Years
Customer relationships	4–15
Technologies	10–15
Development costs	5–7
Patents and licenses	3–15
Software	2–12

Other intangible assets with an indefinite useful life are carried at cost and currently comprise only brand names. The brand names, which have been established in the market for a number of years, have an indefinite useful life because they are used and maintained on a long-term basis. As there is no foreseeable end to their useful life, the brand names are not amortized. In accordance with IAS 36, they are instead tested for impairment at least once a year and whenever there is an indication that they might be impaired. The impairment test applies an income-oriented method in which fundamentally the same assumptions are used as in the impairment test for goodwill, and it did not reveal any need to recognize impairment losses.

Lease business/short-term rental business

The Industrial Trucks & Services segment leases and rents industrial trucks and related items of equipment to its customers in its lease and short-term rental business.

The classification and accounting treatment of these leases depends on which party has beneficial ownership of the industrial trucks. In line with IFRS 16, contracts are therefore classified as finance leases if substantially all of the risks and rewards incidental to ownership of the industrial truck are transferred to the customer. All other leases and short-term rentals are classified as operating leases, again in accordance with IFRS 16.

The classification of leases requires assessments to be made regarding the transferred and retained risks and rewards in connection with ownership of the industrial truck. Judgments are required, in particular, when determining the term of a lease. When making its assessment, the KION Group takes into consideration all facts and circumstances that offer an economic incentive to exercise extension options or to not exercise termination options.

Further information on the lease and short-term rental business can be found in notes [16] Leased assets, [17] Rental assets, and [20] Lease receivables. Information on procurement leases in which the KION Group is the lessee can be found in note [18] Other property, plant and equipment.

Lease business

If the beneficial ownership of the industrial trucks remains with a KION Group subsidiary as the lessor under an operating lease, the industrial trucks are reported as leased assets under non-current assets in the consolidated statement of financial position. The industrial trucks are carried at cost and depreciated on a straight-line basis over the term of the underlying leases to the expected residual value. Changes to the expected residual values are recognized by prospectively adjusting the depreciation over the remaining term of the lease. If the recoverable amount is lower than the amortized cost, an impairment loss is recognized. When the lease ends, the industrial trucks are transferred to inventories and recognized at the remaining carrying amount of the leased assets. The KION Group makes estimates regarding future residual values. These estimates are primarily based on empirical values and prices in used truck markets.

If a KION Group subsidiary enters into a finance lease as the lessor, a lease receivable is recognized at an amount equal to the net investment. The net investment comprises the present value of the customer’s lease payments and any unguaranteed residual value. To calculate the lease payments, the KION Group determines the term of the lease, which thus affects the net investment amount. In subsequent measurement, the lease installments paid are divided into payments of principal and payments of interest. The interest income is recognized under financial income and is spread over the term of the lease in order to ensure a constant return on the outstanding net investment in the lease. The simplified impairment model in accordance with IFRS 9 is applied to the lease receivables. Furthermore, the unguaranteed residual values of the industrial trucks are regularly reviewed and, in the event of a fall in value, adjusted. The KION Group makes estimates regarding future unguaranteed residual values. These estimates are primarily based on empirical values and prices in used truck markets.

To finance the direct lease business, the KION Group uses sale and leaseback transactions, securitizations through a special-purpose entity, and dedicated bank loans. In sale and leaseback transactions, industrial trucks are sold to financing partners in accordance with civil law, immediately leased back, and then provided for use to end customers. The KION Group assesses whether the sale to the financing partner in accordance with civil law also results in the transfer of control over the industrial truck and thus to a sale in accordance with the criteria of IFRS 15. Where financing agreements contain a call option for the KION Group or provide for the automatic transfer of ownership of the industrial truck to the KION Group at the end of the term of the financing, a sale pursuant to IFRS 15 is not deemed to take place as a rule. Where agreements contain a put option for the financing partner, the KION Group generally assumes – based on past experience – that exercising the put option is advantageous for the financing partner. This also applies where there is no contractually agreed provision to take back the industrial trucks, but the KION Group has raised a valid expectation that it will repurchase them. As these scenarios generally do not involve a sale as defined by IFRS 15 either, the industrial trucks continue to be recognized as leased assets in the case of operating leases; in the case of finance leases, a lease receivable is recognized. The liabilities resulting from sale and leaseback transactions, securitizations, and dedicated bank loans are recognized under liabilities from lease business.

In the indirect lease business, industrial trucks are sold to financing partners that enter into long-term leases with end customers. As the KION Group usually repurchases the industrial truck, the financing partner does not obtain control over the industrial truck and a sale pursuant to IFRS 15 is not deemed to take place (see the information on the financing of the direct lease business). The industrial truck is therefore recognized as a leased asset in the KION Group’s consolidated statement of financial position and carried at cost. In the period before the industrial truck is returned, it is depreciated on a straight-line basis until the amount expected to be paid upon return is reached. The KION Group recognizes an obligation equivalent to the amount that it expects to have to pay when the industrial truck is returned (repurchase obligation) under liabilities from lease business. In addition, the consideration received that exceeds the amount that is expected to be paid when the industrial truck is returned is initially treated as deferred income and the revenue is subsequently recognized in installments over the term of the lease.

Short-term rental business

Subsidiaries in the KION Group rent industrial trucks directly to end customers under short-term rental agreements. Short-term rental agreements usually have a term ranging from a few hours to a year. Beneficial ownership of the assets in the short-term rental business remains with a KION Group subsidiary under an operating lease and the industrial trucks are reported as rental assets under non-current assets in the consolidated statement of financial position. They are carried at cost and usually depreciated on a straight-line basis over the normal useful life of between five and eight years, depending on the product group.

To finance its short-term rental business, the KION Group uses sale and leaseback transactions and rental facilities. In sale and leaseback transactions, industrial trucks are sold to financing partners, immediately leased back, and then provided for use to end customers. In this case too, the financing partner usually does not obtain control over the industrial truck (see the information on the financing of the direct lease business), so the industrial truck continues to be recognized as a rental asset in the consolidated statement of financial position. The liabilities resulting from finance transactions are recognized under liabilities from short-term rental business.

Other property, plant and equipment

Property, plant and equipment is carried at cost less depreciation and impairment losses. The cost of internally generated machinery and equipment includes all costs directly attributable to the production process and an appropriate portion of production overheads.

Depreciation of property, plant and equipment is recognized on a straight-line basis and reported under functional costs. The useful lives and depreciation methods are reviewed annually and adjusted to reflect changes in conditions. The following useful life ranges are applied in determining the carrying amounts of items of other property, plant and equipment:

Useful life of other property, plant and equipment

	Years
Buildings	10–50
Plant and machinery	3–15
Office furniture and equipment	2–15

KION Group companies also lease property, plant and equipment for their own use through procurement leases, which are recognized as right-of-use assets under other property, plant and equipment. As a rule, the leases are entered into for defined periods, although they may contain extension and/or termination options. For this reason, when defining the lease term, the KION Group takes into consideration all facts and circumstances that offer an economic incentive to exercise extension options or to not exercise termination options. Examples include the importance of the leased asset to the KION Group’s operations – and the availability of suitable alternatives – and costs relating to the termination of the lease. Particularly in the case of leases for land and buildings, the assessment of whether extension and termination options will be exercised or not affects the measurement of the liabilities from procurement leases (further information can be found in note [34]) and the measurement of the right-of-use assets related to procurement leases (further information can be found in note [18]).

The right-of-use assets are depreciated over the shorter of their useful life or the term of the lease, unless title to the leased assets passes to the lessee when the lease expires, in which case the right-of-use asset is depreciated over the useful life of the leased asset.

When liabilities from procurement leases are initially measured, the lease payments not yet made are discounted at an interest rate implicit in the lease. If this cannot be readily defined, a term-specific and currency-specific incremental borrowing rate of interest is essentially determined and used for the calculation. The interest expense resulting from unwinding the discount on liabilities upon subsequent measurement is recognized in financial expenses. The interest portion and the principal portion of lease payments are recognized in cash flow from financing activities in the consolidated statement of cash flows.

Lease installments for procurement leases with a term of no more than twelve months and for procurement leases relating to low-value assets are immediately recognized as an expense under functional costs.

If there are certain indications of impairment of the property, plant and equipment, the assets are tested for impairment by comparing the residual carrying amount of the assets with their recoverable amount. If the residual carrying amount is greater than the recoverable amount, an impairment loss is recognized for an asset. The impairment losses on property, plant and equipment are reported under other expenses.

If an impairment test for an item of property, plant and equipment is performed at the level of a cash-generating unit to which goodwill is allocated and results in the recognition of an impairment loss, first the goodwill and, subsequently, the assets must be written down in proportion to their relative carrying amounts. If the reason for an impairment loss recognized in prior years no longer applies, the relevant pro rata impairment losses are reversed, but subject to a limit such that the carrying amount of the asset is no higher than its amortized cost. This does not apply to goodwill.

Equity-accounted investments

In accordance with the equity method, associates and joint ventures are measured as the proportion of the interest in the equity of the investee. They are initially carried at cost. Subsequently, the carrying amount of the equity investment is adjusted in line with any changes to the KION Group’s interest in the net assets of the investee. The KION Group’s interest in the profit or loss generated after acquisition is recognized in income. Other changes in the equity of associates and joint ventures are recognized in other comprehensive income in the consolidated financial statements in proportion to the Group’s interest in the associate or joint venture.

If the Group’s interest in the losses incurred by an associate or joint venture exceeds the carrying amount of the proportionate equity attributable to the Group, no additional losses are recognized. Any goodwill arising from the acquisition of an associate or joint venture is included in the carrying amount of the investment in the associate or joint venture.

If there is evidence that an associate or joint venture may be impaired, the carrying amount of the equity investment in question is tested for impairment. The carrying amount of the asset is compared with its recoverable amount. If the carrying amount is greater than the recoverable amount, an impairment loss is recognized for the equity investment. If the reasons for the recognition of the impairment loss on the equity investment no longer apply, the impairment loss is reversed.

Financial instruments

Financial assets

In accordance with IFRS 9, the KION Group categorizes financial assets as debt instruments measured at amortized cost (AC category), debt instruments recognized at fair value through profit or loss (FVPL category), or equity instruments recognized at fair value through other comprehensive income (FVOCI category). Non-derivative financial assets are subject to settlement date accounting, i.e. they are recognized on the day they are received and derecognized on the day of delivery. Derivative financial assets are recognized on the trade date. Details of how they are assigned to the respective categories can be found in note [38].

Upon initial recognition, financial assets in the AC category are carried at fair value including directly attributable transaction costs. In subsequent periods, they are measured at amortized cost using the effective interest method. Low-interest or non-interest-bearing receivables due in more than one year are carried at their present value. Upon initial recognition, trade receivables that do not contain a significant financing component are measured at their transaction price.

In line with the general impairment approach for debt instruments in the AC category, the KION Group recognizes the expected credit loss in profit or loss by recognizing valuation allowances, both upon initial recognition and subsequently. These valuation allowances amount to the twelve-month expected losses, provided no significant increase in credit risk (for example as a result of material changes to external or internal credit ratings) is observable at the reporting date. Otherwise, the lifetime expected loss is recognized. The expected loss is calculated using the probability of default, the amount at risk, and, taking into account any collateral, the estimated loss given default. The calculation draws on observable historical loss data, information on current conditions, and the economic outlook. A default is defined as the occurrence of a loss event, such as a borrower being in considerable financial difficulties or a contract being breached. A financial asset is considered to be credit-impaired if there are no reasonable prospects of recovering the underlying cash flows in full or partly. The recoverability is assessed on the basis of different indicators – for example, failure to adhere to payment terms or the opening of insolvency proceedings over the borrower's assets – that take the relevant country-specific factors into account. The reversal of an impairment loss must not result in a carrying amount greater than the amortized cost that would have arisen if the impairment loss had not been recognized. The general impairment approach is currently not material in the KION Group.

Upon measurement of trade receivables, lease receivables, and contract assets subsequent to initial recognition, the KION Group applies the simplified impairment approach of IFRS 9. For purposes of the valuation allowance, average loss rates on a collective basis are used to determine the expected lifetime losses. In the case of trade receivables, this depends on the past due status of the receivable. The loss rates are calculated on the basis of observable historical loss data, taking into account current conditions and economic assessments, for example on the basis of expected probability of default for significant countries. The amount of the valuation allowances already recognized is adjusted through profit or loss if there is a change in the assessment of the underlying inputs.

Financial assets assigned to the FVPL category are initially recognized at fair value; directly attributable transaction costs have to be taken directly to profit or loss. In subsequent periods, financial assets in the FVPL category are recognized at fair value through profit or loss.

The KION Group uses factoring programs as a way of managing working capital. In these programs, the underlying receivables are sold to the factor in return for payment. If, under a factoring program, the default risk and the other material risks and rewards are passed to the factor, the KION Group derecognizes the receivables in full. If only some of the material risks and rewards are passed to the factor, the KION Group accounts for the receivables as a continuing involvement. The KION Group has assigned the portfolio of receivables under the factoring programs that are still recognized in its statement of financial position to the 'sell' business model in accordance with IFRS 9, which means that the receivables continue to be recognized at fair value through profit or loss until they are derecognized.

Equity instruments in the FVOCI category are recognized at fair value through other comprehensive income. Upon initial recognition at fair value, directly attributable transaction costs are included. Gains and losses recognized in accumulated other comprehensive income are not reclassified to profit or loss upon derecognition of these financial assets but instead remain in equity.

Financial liabilities

In accordance with IFRS 9, the KION Group differentiates between financial liabilities that are not held for trading and are thus recognized at amortized cost using the effective interest method (AC category) and financial liabilities that are held for trading and recognized at fair value through profit or loss (FVPL category). Non-derivative financial liabilities are subject to settlement date accounting, i.e. they are recognized on the day they are received and derecognized on the day of delivery.

Derivative financial liabilities are recognized on the trade date. Details of how they are assigned to the respective categories can be found in note [38].

Upon initial recognition, financial liabilities in the AC category are carried at fair value, including any directly attributable transaction costs. Low-interest or non-interest-bearing liabilities due in more than one year are carried at their present value. Subsequently, financial liabilities are recognized at amortized cost using the effective interest method. The corresponding interest expenses and interest payments are recognized in financial expenses in the consolidated income statement and in cash flow from financing activities in the consolidated statement of cash flows.

Financial liabilities assigned to the FVPL category are initially recognized at fair value; directly attributable transaction costs have to be taken directly to profit or loss. In subsequent periods, financial liabilities in the FVPL category are recognized at fair value through profit or loss.

Hedge accounting

Derivative financial instruments that are part of a formally documented hedge with a hedged item are not assigned to any of the IFRS 9 measurement categories and are therefore recognized in accordance with the hedge accounting rules described below.

In the case of cash flow hedges for hedging currency risk, derivatives are used to hedge future cash flow risks from highly probable future transactions and firm commitments not reported in the statement of financial position. The effective portion of changes in the fair value of derivatives is initially recognized in equity in the hedge reserve (accumulated other comprehensive income). The amounts previously recognized in the hedge reserve are subsequently reclassified to the income statement – or recognized under inventories – when the gain or loss on the corresponding hedged items are recognized. The ineffective portion of the changes in the fair value of the derivatives is recognized immediately in profit or loss.

The critical-terms-match method is used to measure the prospective effectiveness of the hedges. Ineffective portions can arise if the critical terms of the hedged item and hedge no longer match; this is determined using the dollar-offset method.

In addition, the KION Group uses portions of amortizing interest-rate swaps to hedge the fair value of certain lease receivables at portfolio level in accordance with IAS 39. The effective portion of changes in the fair value of the interest-rate swaps is recognized in net financial income/expenses. These are offset by gains and losses on the change in the fair value of the hedged lease receivables, which result in an adjustment in profit or loss of the carrying amount of the hedged item in net financial income/expenses. The ineffective portion of the hedge is also recognized in net financial income/expenses.

At the start of the 2025 financial year, the KION Group introduced cash flow hedge accounting in accordance with IFRS 9 in connection with the financing of the lease business. In this context, contracted and highly probable future payments from variable-rate liabilities are designated as hedged items. Portions of amortizing interest-rate swaps that, until December 31, 2024, had been recognized as stand-alone derivatives are designated as hedging instruments. The effective change in the fair value of the interest-rate derivatives is recognized in equity in the hedge reserve (accumulated other comprehensive income). The ineffective change in the fair value of the interest-rate derivatives is recognized under net financial income/expenses in profit or loss.

The prospective and retrospective effectiveness of hedges is measured using a regression analysis with historical data. Ineffectiveness may arise in the hedged item in the event of default.

Income taxes

In the consolidated financial statements, current and deferred taxes are recognized on the basis of the tax legislation of the jurisdictions involved. Deferred taxes are recognized in other comprehensive income if they relate to transactions also recognized in other comprehensive income.

Deferred tax assets and liabilities are recognized in accordance with the liability method for all temporary differences between the IFRS carrying amounts and the tax base, as well as for temporary consolidation measures. Deferred tax assets also include tax refund claims that arise in subsequent years from the expected utilization of existing tax loss carryforwards and interest carryforwards and from tax credits.

Deferred taxes are determined on the basis of the tax rates that will apply at the recovery date, or have been announced, in accordance with the current legal situation in each country concerned. Deferred tax assets are offset against deferred tax liabilities to the extent that they relate to the same taxation authority and there is an intention to settle them on a net basis.

Calculating income taxes requires the use of estimates. These estimates may change on the basis of new information and experience (see also note [13]). Deferred tax assets on tax loss carryforwards and interest carryforwards are recognized, as are tax credits and deductible temporary differences, on the basis of an assessment of the future recoverability of possible tax benefits, i.e. an assessment as to whether sufficient taxable income or tax relief will be available against which the carryforwards or credits can be utilized. The actual amount of taxable income in future periods – and hence the actual utilization of tax loss carryforwards and interest carryforwards – may be different from the assessments made when the corresponding deferred tax assets were recognized.

The KION Group operates in many different countries and is therefore subject to a range of tax rules. The tax expense can increase or decrease due to changes to tax laws – or due to changes in their interpretation – and as a result of tax audits. Such changes also affect tax receivables, tax liabilities, and deferred taxes. An uncertain legal situation may make it more difficult to enforce legal rights. The companies in the KION Group measure tax risks on an ongoing basis and, where required by IFRIC 23, recognize appropriate provisions that are based on the most likely amount or the expected value.

Inventories

Inventories are carried at the lower of cost and net realizable value. The acquisition costs of raw materials and merchandise are calculated using the weighted average cost method. The cost of finished goods and work in progress includes direct costs and an appropriate portion of the material and production overheads and production-related depreciation of assets directly attributable to the production process. Administrative costs and social insurance/employee benefits are included to the extent that they are attributable to the production process. The amount recognized is an average value or a value determined in accordance with the FIFO method (FIFO = first in, first out).

Net realizable value is the selling price that can be realized less the estimated costs of completion and the estimated necessary selling costs.

Impairment losses are recognized for inventory risks resulting from duration of storage, impaired recoverability, or other reasons. If the reasons for the recognition of the impairment losses on the inventories no longer apply, they are reversed, but subject to a limit such that the carrying amount of the asset is no higher than its cost.

Contract balances

Contract assets mainly relate to goods and services provided in the project business that have not yet been billed. Subsequent to initial recognition, contract assets are measured using the simplified impairment approach in accordance with IFRS 9. The average loss rates calculated for trade receivables are used as an approximation of the expected losses from contract assets.

Project business contracts with a net debit balance due to customers are reported under contract liabilities, as are advances received from customers. Contract liabilities are recognized as revenue as soon as the contractual goods and services have been provided. Further information on contract balances can be found in note [32].

Retirement benefit obligation and similar obligations

The retirement benefit obligation and similar obligations are calculated in accordance with the projected unit credit method, taking account of future increases in remuneration and pensions. Pension provisions are reduced by the fair value of the plan assets used to cover the Group’s benefit obligations, taking account – if applicable – of the rules on limiting the surplus of plan assets over the obligation (asset ceiling).

Remeasurements and changes in the effect of the asset ceiling are recognized in other comprehensive income, factoring in deferred taxes. The service cost and the net interest cost on the net liability under defined benefit plans are recognized in profit or loss.

Defined benefit pension entitlements are calculated on the basis of actuarial parameters, although the fair value for certain plan assets is derived from inputs that are not observable in the market. Further information on sensitivity analysis in relation to the impact of the discount rate and details of measurement can be found in the information on the retirement benefit obligation and similar obligations in note [27].

Liabilities from lease business

In accordance with IFRS 9, liabilities from the lease business are recognized at amortized cost using the effective interest method (AC category). Upon initial recognition, they are carried at fair value, including any relevant directly attributable transaction costs.

Liabilities from the lease business comprise all liabilities from financing the direct lease business and the repurchase obligations resulting from the indirect lease business.

Liabilities from short-term rental business

In accordance with IFRS 9, liabilities from the short-term rental business are recognized at amortized cost using the effective interest method (AC category). Upon initial recognition, they are carried at fair value, including any relevant directly attributable transaction costs.

Other provisions

In accordance with IAS 37, other provisions are recognized when the Group has a legal or constructive obligation to a third party as the result of a past event that is likely to lead to a future outflow of resources and that can be reliably estimated. Where there is a range of possible outcomes and each individual point within the range has an equal probability of occurring, the provision is recognized in the amount of the mean of the individual points. Measurement is at full cost. Provisions for identifiable risks and uncertain liabilities are recognized in the amount that represents the best estimate of the cost required to settle the obligations. The settlement amount also includes cost increases identifiable as at the reporting date. Provisions with a maturity of more than twelve months are discounted using the standard market interest rate. The discount rate is a before-tax interest rate that reflects current market expectations for the time value of money and the specific risks inherent in the liability.

Provisions for statutory and contractual warranties and for goodwill cases are recognized on the basis of past or estimated future claim statistics and for known individual claims. In the case of product sales, the corresponding expense is recognized in cost of sales at the date on which the revenue is recognized. In the project business, the corresponding expense is recognized in cost of sales upon acceptance by the customer.

Provisions for onerous contracts and other business obligations are measured on the basis of the contractual obligations that are currently still to be fulfilled. In the case of contracts in the project business, a provision for onerous contracts is recognized if the total contract costs exceed the contract revenue. The expected loss is immediately recognized as an expense in the period in which the loss becomes apparent.

A restructuring provision is recognized when a KION Group company has prepared a detailed, formal restructuring plan and this plan has raised the valid expectation in those affected that the company will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it. The measurement of a restructuring provision only includes the direct expenditures arising from the restructuring and not associated with the ongoing activities of the entity concerned.

Share-based payments

The share-based payments in the KION Group are cash-settled. In these payments, the portion of the fair value that is attributable to service provided up to the valuation date is recognized as an expense under functional costs and is also reported as a liability. The fair value is recalculated on each reporting date until the end of the vesting period. Any change in the fair value of the obligation must be recognized (pro rata) under expenses.

Notes to the consolidated income statement

[7] Revenue

The following table contains the product categories identified as material to the KION Group's financial performance and the timing of revenue recognition for each of these categories.

Timing of revenue recognition with third parties

Product category	Business model	Timing of revenue recognition
Industrial Trucks & Services		
New business	Sale of industrial trucks	At a point in time
	Direct and indirect lease business (in both cases where classified as finance lease)	At a point in time
Service business		
– Aftersales	Supply of spare parts	At a point in time
	Individual orders for repairs and maintenance work	At a point in time
	(Full) service contracts	Over a period of time
– Rental business	Direct and indirect lease business (in both cases where classified as operating lease)	Over a period of time
	Short-term rental business	Over a period of time
	Fleet management	Over a period of time
– Used trucks	Sale of used industrial trucks	At a point in time
– Other	Various business models, currently categorized as not material to the financial performance of the KION Group in the ITS segment	Mainly at a point in time
Supply Chain Solutions		
Business solutions	Project business	Over a period of time
Service business	Modernization work and upgrades	Over a period of time
	Supply of spare parts	At a point in time
	Service contracts	Over a period of time
	Various business models, currently categorized as not material to the financial performance of the KION Group in the SCS segment	Mainly over a period of time
Corporate Services		
	Services	Over a period of time

The following tables show revenue from contracts with customers, broken down by sales region, product category, timing of revenue recognition, and segment.

Disaggregation of revenue with third parties

	2025				
in € million	Industrial Trucks & Services	Supply Chain Solutions	Corporate Services	Total	Thereof IFRS 15[1]
EMEA	**6,866.2**	**703.2**	**1.4**	**7,570.8**	**5,396.6**
Western Europe	5,991.7	641.2	1.4	6,634.3	4,698.6
Eastern Europe	763.1	15.9	–	779.0	540.5
Middle East and Africa	111.4	46.0	–	157.5	157.5
Americas	**531.0**	**1,955.8**	**–**	**2,486.8**	**2,463.9**
North America	240.4	1,942.7	–	2,183.1	2,182.8
Central and South America	290.6	13.1	–	303.7	281.2
APAC	**855.8**	**383.8**	**–**	**1,239.6**	**1,042.9**
China	565.5	60.7	–	626.1	529.1
APAC excluding China	290.3	323.1	–	613.5	513.8
Total revenue	**8,253.0**	**3,042.8**	**1.4**	**11,297.2**	**8,903.5**
New business	4,052.9			4,052.9	2,882.2
Service business	4,200.1			4,200.1	2,977.1
– Aftersales	2,186.2			2,186.2	2,186.2
– Rental business	1,223.0			1,223.0	–
– Used trucks	497.2			497.2	497.2
– Other	293.7			293.7	293.7
Business solutions		1,794.3		1,794.3	1,794.3
Service business		1,248.6		1,248.6	1,248.6
Corporate Services			1.4	1.4	1.4
Total revenue	**8,253.0**	**3,042.8**	**1.4**	**11,297.2**	**8,903.5**
Timing of revenue recognition					
Products and services transferred at a point in time	6,289.8	431.4	–	6,721.2	5,550.5
Products and services transferred over a period of time	1,963.1	2,611.4	1.4	4,575.9	3,352.9

1 Excluding revenue from the Industrial Trucks & Services segment's leasing and short-term rental business, as these are subject to the provisions of IFRS 16

Disaggregation of revenue with third parties

	2024				
in € million	Industrial Trucks & Services	Supply Chain Solutions	Corporate Services	Total	Thereof IFRS 15[1]
EMEA	**7,106.1**	**640.7**	**3.5**	**7,750.2**	**5,580.4**
Western Europe	6,211.1	597.0	3.5	6,811.5	4,875.1
Eastern Europe	790.3	14.7	–	805.1	572.0
Middle East and Africa	104.7	29.0	–	133.7	133.3
Americas	**587.9**	**1,913.2**	**–**	**2,501.2**	**2,480.1**
North America	296.5	1,899.6	–	2,196.1	2,195.2
Central and South America	291.5	13.6	–	305.1	284.9
APAC	**899.5**	**352.3**	**–**	**1,251.8**	**1,062.2**
China	597.1	88.4	–	685.5	596.8
APAC excluding China	302.4	263.9	–	566.3	465.3
Total revenue	**8,593.5**	**2,906.2**	**3.5**	**11,503.2**	**9,122.7**
New business	4,484.4			4,484.4	3,294.2
Service business	4,109.1			4,109.1	2,918.7
– Aftersales	2,158.7			2,158.7	2,158.7
– Rental business	1,190.3			1,190.3	–
– Used trucks	468.0			468.0	468.0
– Other	292.1			292.1	292.1
Business solutions		1,715.4		1,715.4	1,715.4
Service business		1,190.8		1,190.8	1,190.8
Corporate Services			3.5	3.5	3.5
Total revenue	**8,593.5**	**2,906.2**	**3.5**	**11,503.2**	**9,122.7**
Timing of revenue recognition					
Products and services transferred at a point in time	6,692.1	508.2	–	7,200.4	6,010.1
Products and services transferred over a period of time	1,901.4	2,398.0	3.5	4,302.9	3,112.5

1 Excluding revenue from the Industrial Trucks & Services segment's leasing and short-term rental business, as these are subject to the provisions of IFRS 16

The table below shows the revenue that is expected as a result of performance obligations in existence at the reporting date. This consists only of revenue from contracts with customers as defined by IFRS 15. This revenue is generated by the project and service business in the Supply Chain Solutions segment and through (full-)service contracts in the Industrial Trucks & Services segment, each with an expected original term of more than one year.

Expected future revenue from existing performance obligations

in € million	2025	2024
Total of expected future revenue from existing performance obligations	**4,168.7**	**3,837.6**
due within one year	1,712.5	1,698.4
due in one to three years	1,878.0	1,631.5
due in more than three years	578.2	507.7

[8] Cost of sales and other functional costs

The total cost of materials recognized under functional costs in the consolidated income statement went down by €97.9 million to €4,929.8 million in 2025 (2024: €5,027.7 million), mainly due to the slight reduction in revenue.

The total personnel expenses recognized under functional costs rose by €199.0 million to €3,513.4 million (2024: €3,314.4 million). This rise primarily related to expenses in connection with the efficiency program that was initiated at the start of February 2025 in order to strengthen long-term competitiveness and capacity to carry out capital investment. The program involved adapting organizational structures and capacity in the EMEA region (‘efficiency program’). Increases in salaries and collectively agreed pay and higher variable remuneration components also contributed to the rise in personnel expenses.

Personnel expenses included wages and salaries of €2,791.8 million (2024: €2,642.0 million), social security contributions of €647.0 million (2024: €595.5 million), and post-employment benefit costs and other benefits of €74.7 million (2024: €77.0 million). Post-employment benefit costs comprised a service cost from defined benefit pension plans of €23.6 million (2024: €31.2 million). The interest cost from the unwinding of the discount on estimated pension obligations is not recognized under personnel expenses and is instead reported under financial expenses as a component of interest expense.

Depreciation expenses on property, plant and equipment together with amortization expenses on intangible assets totaled €1,158.9 million in the reporting year (2024: €1,110.8 million) and are recognized under functional costs.

The average number of employees (part-time staff included on a pro rata basis; including trainees and apprentices) by region was as follows:

Employees (average)

	2025	2024
EMEA	28,800	29,140
Americas	6,105	6,136
APAC	7,427	7,163
Total	**42,332**	**42,439**

The KION Group employed an average of 787 trainees and apprentices in 2025 (2024: 748).

[9] Other income

Breakdown of other income

in € million	2025	2024
Foreign currency exchange rate gains	82.2	65.0
Income from reversal of provisions	2.8	5.1
Gains on disposal of non-current assets	15.8	11.3
Sundry income	37.3	33.9
Total other income	**138.1**	**115.3**

Foreign currency exchange rate gains are largely attributable to the translation of trade receivables, trade payables, lease receivables, and liabilities from the lease and short-term rental business that are denominated in a foreign currency. Such gains also include gains on hedges that are entered into in order to hedge currency risk arising from the operating business and are not part of a formally documented hedge (details of the countervailing other expenses from foreign currency exchange rate losses can be found in note [10]).

[10] Other expenses

Breakdown of other expenses

in € million	2025	2024
Foreign currency exchange rate losses	66.3	65.5
Impairment of non-current assets	44.3	30.0
Accounting loss from disposal of non-current assets	2.3	5.7
Sundry expenses	30.0	44.2
Total other expenses	**142.9**	**145.4**

Foreign currency exchange rate losses are largely attributable to the translation of trade receivables, trade payables, lease receivables, and liabilities from the lease and short-term rental business that are denominated in a foreign currency. Such losses also include losses on hedges that are entered into in order to hedge currency risk arising from the operating business and are not part of a formally documented hedge (details of the countervailing other income from foreign currency exchange rate gains can be found in note [9]).

Of the impairment losses recognized on non-current assets in 2025, €12.3 million related to the full write-down of capitalized development costs for product technologies that are no longer used in the Supply Chain Solutions segment (see note [15]) and €22.0 million related to the write-down of other property, plant and equipment as a consequence of the capacity adjustments in the Industrial Trucks & Services segment carried out as part of the efficiency program (see note [18]).

Of the impairment losses recognized on non-current assets in 2024, a large part (€22.4 million) had related to the full impairment of the goodwill of the KION ITS Americas Operating Unit. Further information can be found in note [6].

In 2025, sundry expenses included a deconsolidation expense of €13.3 million that arose on the disposal of a subsidiary in the Industrial Trucks & Services segment.

In 2024, sundry expenses had included expenses of €14.8 million (including interest and consultancy costs) that were incurred in connection with the ending of a long-running legal dispute related to the acquisition of a group of companies in 2015 by the former Dematic Group.

[11] Financial income

Breakdown of financial income

in € million	2025	2024
Interest income from lease business	172.4	140.2
Foreign currency exchange rate gains (financing)	38.8	65.6
Net interest income from defined benefit plans and similar obligations	4.5	4.9
Changes in fair value of derivatives without hedge relationship	4.9	4.0
Income from fair value hedges	12.4	25.2
Realized gain of interest rate derivatives	21.8	49.6
Other interest and similar income	16.7	12.6
Total financial income	**271.6**	**302.0**

The interest income from the lease business relates to the interest portion of lease payments in which KION Group subsidiaries operate as lessors and the arrangements are classified as a finance lease relationship. In such relationships, the KION Group enters into leases with end customers that are based on fixed interest rates. It hedges most of them using interest-rate derivatives. The increase in interest income from the lease business year on year was partly due to a rise in lease receivables under finance leases. This increase was also driven by higher interest rates in the customer contracts entered into (details of the countervailing interest expense from the lease business can be found in note [12]).

Foreign currency exchange rate gains (financing) predominantly arise in connection with foreign currency positions in internal financing and the related hedging transactions that are not part of a formally documented hedge.

Furthermore, adjustments to the measurement of lease receivables designated as hedged items in fair value hedges resulted in income from fair value hedges of €12.4 million in 2025 (2024: €25.2 million) owing to falling short-term interest rates. There was also an expense from fair value hedges of €12.3 million (2024: €22.6 million) resulting from the decrease in the fair value of the interest-rate derivatives that are used to hedge the lease portfolio (see note [12]). The fall in short-term market interest rates over the course of the year led to lower realized gains on interest-rate derivatives.

[12] Financial expenses

Breakdown of financial expenses

in € million	2025	2024
Interest expense from loans	6.4	14.7
Interest expense from promissory notes	19.6	32.5
Interest expense from bonds	27.6	11.6
Interest expense from the commercial paper program	0.1	2.5
Interest expense from lease and short-term rental business	213.5	226.6
Interest expense from procurement leases	30.0	27.8
Net interest expense from defined benefit plans and similar obligations	25.5	26.4
Foreign currency exchange rate losses (financing)	41.9	78.3
Changes in fair value of derivatives without hedge relationship	6.6	16.4
Expense from fair value hedges	12.3	22.6
Realized loss of interest rate derivatives	16.3	8.3
Other interest expenses and similar charges	19.1	22.3
Total financial expenses	**419.0**	**490.0**

Interest expense from loans, promissory notes, bonds, and the commercial paper program decreased by €7.6 million year on year to €53.7 million (2024: €61.3 million). This was due to the lower average level of financial debt compared with the previous year.

Interest expense from the lease and short-term rental business arose from primarily variable-rate liabilities for financing the lease and short-term rental business. The €13.1 million decrease in this interest expense to a total of €213.5 million (2024: €226.6 million) was due to the lower level of interest rates. Of the interest expense from the lease and short-term rental business, €92.2 million was attributable to leases entered into with customers that constitute an operating lease relationship (2024: €97.4 million) and to the financing of the short-term rental fleet. The income from corresponding customer leases and short-term rental agreements is a component of the lease and rental payments received and is therefore reported within revenue rather than as interest income.

Net interest expense from defined benefit plans and similar obligations declined slightly. Although the discount rate in Germany was higher than in the previous year, this was countered by a decrease in the discount rate in the other countries.

Foreign currency exchange rate losses (financing) predominantly arise in connection with foreign currency positions in internal financing and the related hedging transactions that are not part of a formally documented hedge.

Furthermore, decreases in the fair value of the interest-rate derivatives that are used to hedge the lease portfolio resulted in an expense from fair value hedges of €12.3 million in 2025 (2024: €22.6 million). The reason for this was the fall in short-term interest rates. There was also income from fair value hedges of €12.4 million (2024: €25.2 million) resulting from adjustments to the measurement of lease receivables designated as hedged items in fair value hedges (see note [11]).

The rise in losses realized on interest-rate derivatives was due to the falling level of short-term interest rates.

[13] Income taxes

Composition of income taxes

The income tax expense of €113.0 million (2024: €220.5 million) consisted of €158.3 million in current tax expense (2024: €265.6 million) and €45.4 million in deferred tax income (2024: €45.1 million). The current tax expense included expenses of €5.1 million (2024: €3.4 million) relating to previous financial years. Of the deferred tax income, €61.5 million was attributable to the change in deferred taxes recognized on temporary differences (2024: €36.3 million). It also included deferred tax income of €38.0 million (on a net basis) in connection with the annual reduction in the German corporate income tax rate that will start in 2028. This tax rate will fall by 1 percentage point annually for five years, from its current level of 15.0 percent to 10.0 percent.

The recognition of deferred tax assets on tax loss carryforwards that already existed in the previous year gave rise to deferred tax income of €6.1 million (2024: €8.0 million). Utilization of tax loss carryforwards on which no deferred tax assets had been recognized in previous years led to a reduction in the current tax expense of €0.2 million (2024: €0.9 million).

The current corporate income tax rate in Germany is 15.0 percent plus a solidarity surcharge (5.5 percent of corporate income tax). Taking into account the average trade tax rate of 14.9 percent, the combined nominal tax rate for entities in Germany was 30.8 percent (2024: 30.7 percent).

Deferred tax assets and liabilities

Allocation of deferred taxes to the items in the statement of financial position

in € million	2024			Change 2025		2025		
	Deferred tax assets	Deferred tax liabilities	Deferred taxes balance sheet (net)	Deferred taxes recog-nized in profit or loss	Deferred taxes not recog-nized in profit or loss	Deferred tax assets	Deferred tax liabilities	Deferred taxes balance sheet (net)
Intangible assets and property, plant and equipment	588.5	–1,038.6	**–450.1**	109.0	11.1	619.9	–949.9	**–329.9**
Other assets	193.6	–634.7	**–441.2**	–16.9	–7.9	210.6	–676.5	**–465.9**
Provisions	167.5	–36.1	**131.5**	28.9	–33.1	177.3	–50.1	**127.2**
Liabilities	750.0	–107.7	**642.3**	–55.1	–3.7	711.3	–127.8	**583.5**
Deferred income	80.7	–17.9	**62.7**	–4.4	–0.5	76.4	–18.6	**57.8**
Tax loss carry forwards and interest carry forwards	97.5	–	**97.5**	–16.2	–1.1	80.2	–	**80.2**
Offsetting	–1,388.4	1,388.4	**–**	–	–	–1,434.8	1,434.8	**–**
Total deferred taxes	**489.3**	**–446.7**	**42.7**	**45.4**	**–35.2**	**440.9**	**–388.0**	**52.9**

In 2025, consolidated subsidiaries of the KION Group that reported losses for 2025 or 2024 recognized net deferred tax assets on temporary differences, loss carryforwards, and tax credits totaling €26.2 million (2024: €25.5 million). The assets were considered to be recoverable because the companies in question are expected to generate taxable income in the future.

As had also been the case in 2024, the deferred tax liabilities essentially related to hidden reserves identified in the purchase price allocation – particularly for intangible assets and property, plant and equipment – that had been carried out in connection with the acquisition of the Dematic Group.

No deferred taxes have been recognized on temporary differences of €217.8 million (2024: €212.0 million) between the net assets reported in the consolidated financial statements for the Group companies and the tax base for the shares held in these Group companies (outside basis differences) because the KION Group is in a position to manage the timing of the reversal of the temporary differences and the sale of equity investments is not probable in the foreseeable future.

The nominal income tax rates for foreign companies used in the calculation of deferred taxes were between 9.0 percent and 34.0 percent, as had also been the case in 2024.

Loss carryforwards

The KION Group's corporation-tax loss carryforwards in Germany as at December 31, 2025 amounted to €241.0 million (December 31, 2024: €229.1 million), while trade-tax loss carryforwards stood at €222.1 million (December 31, 2024: €213.7 million). There were also tax loss carryforwards outside Germany totaling €1,044.5 million (December 31, 2024: €1,014.4 million).

The following table shows tax loss carryforwards, interest carryforwards, and temporary differences on which no deferred tax assets have been recognized.

Items on which no deferred tax assets had been recognized

in € million	Dec. 31, 2025	Dec. 31, 2024
Tax loss carryforwards	965.1	949.3
thereof not expiring	375.4	367.4
thereof expiring within the next five years	29.5	20.6
thereof expiring within the next six to nine years	83.6	19.5
thereof expiring after more than nine years	476.6	541.8
Interest carryforwards	299.8	299.8
Temporary differences	29.5	8.3
Total of items on which no deferred tax assets had been recognized	**1,294.4**	**1,257.4**

The tax loss carryforwards shown in the table above that will expire are attributable to corporation-tax loss carryforwards at foreign companies. As a rule, corporation-tax loss carryforwards, trade-tax loss carryforwards, and interest carryforwards in Germany can be carried forward indefinitely.

The total amount of unrecognized deferred tax assets relating to loss carryforwards was €228.2 million (December 31, 2024: €236.5 million), of which €86.5 million (December 31, 2024: €91.1 million) concerned tax losses that can be carried forward indefinitely.

Reconciliation of effective income taxes

The table below shows the reconciliation of expected income tax expenses to effective income tax expenses. Expected income taxes are calculated using the combined nominal income tax rate of 30.8 percent (2024: 30.7 percent), which is the rate applicable to the German tax group of the Group parent company KION GROUP AG. The Group reconciliation is an aggregation of the individual company-specific reconciliations prepared in accordance with relevant local tax rates, taking into account consolidation effects recognized in income.

Reconciliation of effective income taxes

in € million	2025	2024
Earnings before tax	**353.5**	**589.8**
Anticipated income taxes	–108.7	–181.1
Deviations due to the trade tax base	–5.5	–7.1
Deviations from the anticipated tax rate	16.1	18.7
Losses for which deferred taxes have not been recognized	–33.5	–22.5
Change in tax rates and tax legislation	38.0	0.1
Non-deductible expenses	–24.0	–30.0
Non-taxable income/tax-exempt income/tax incentives	14.3	13.5
Taxes relating to other periods	–5.1	–3.4
Deferred taxes relating to prior periods	–1.1	0.5
Non-creditable withholding tax	–3.6	–4.6
Other	0.2	–4.6
Effective income taxes (current and deferred taxes)	**–113.0**	**–220.5**

Global minimum taxation

The rules introduced to ensure global minimum taxation of corporate groups, which stipulates an effective tax rate of at least 15 percent in every jurisdiction, apply to KION GROUP AG and its subsidiaries. To calculate the effective minimum tax rate in each affected jurisdiction, not only the KION Group companies but potentially also Weichai Power Co., Ltd. and its other subsidiaries must be taken into account. Based on the data at its disposal for 2025, the KION GROUP AG did not identify any material impact resulting from application of the global minimum tax rules. This was also the case in the previous year.

The KION Group has applied the temporary, mandatory exception to the obligation to recognize deferred taxes resulting from the introduction of global minimum tax.

[14] Earnings per share

Basic earnings per share (€1.75; 2024: €2.75) is calculated by dividing the net income accruing to the KION GROUP AG shareholders by the weighted average number of shares outstanding during the reporting year (2025: 131.1 million no-par-value shares; 2024: 131.1 million no-par-value shares). The net income accruing to the shareholders of KION GROUP AG was €230.1 million in 2025 (2024: €360.3 million).

In 2025 and 2024, basic earnings per share and diluted earnings per share were the same amount because there were no no-par-value shares with a potentially dilutive effect.

Notes to the consolidated statement of financial position

[15] Goodwill and other intangible assets

Goodwill broken down by Operating Unit

in € million	Dec. 31, 2025	Dec. 31, 2024
Industrial Trucks & Services	**1,503.0**	**1,501.6**
KION ITS EMEA	1,386.9	1,385.8
KION ITS APAC	116.1	115.8
Supply Chain Solutions	**1,947.9**	**2,146.6**
KION SCS	1,947.9	2,146.6
Total goodwill	**3,450.9**	**3,648.2**

The decrease in goodwill was largely due to negative currency effects of €209.5 million in 2025.

The total carrying amount for brand names as at December 31, 2025 was €938.6 million (December 31, 2024: €939.3 million). This figure essentially broke down as follows: €465.0 million (December 31, 2024: €465.0 million) attributable to the Linde brand name and €107.0 million (December 31, 2024: €107.0 million) to the STILL brand name within the KION ITS EMEA Operating Unit and €349.7 million (December 31, 2024: €349.7 million) to the Dematic brand name within the KION SCS Operating Unit.

The annual impairment test of goodwill and brand names with an indefinite useful life carried out as at December 31, 2025 revealed no need to recognize any impairment losses. Further information about this and about the ad hoc impairment test of the goodwill of the KION ITS Americas Operating Unit carried out in 2024 can be found in note [6].

Change in intangible assets

in € million	Goodwill	Brand names	Techno-logies and develop-ments	Sundry intangible assets	Total
Balance as at Jan. 1, 2024	**3,558.0**	**938.9**	**692.6**	**475.4**	**5,665.0**
Gross carrying amount as at Jan. 1	3,558.2	945.8	1,363.7	1,121.7	6,989.4
Accumulated depreciation as at Jan. 1	–0.1	–6.9	–671.1	–646.3	–1,324.4
Group changes	13.1	–	–	27.6	40.7
Currency translation adjustments	99.5	0.4	24.0	19.7	143.6
Additions	–	–	133.2	55.3	188.5
Disposals	–	–	–0.7	–0.1	–0.8
Amortization	–	–	–116.2	–77.1	–193.2
Impairment	–22.4	–	–6.5	–	–28.9
Balance as at Dec. 31, 2024	**3,648.2**	**939.3**	**726.5**	**500.9**	**5,814.9**
Gross carrying amount as at Dec. 31	3,671.5	946.3	1,493.8	1,201.2	7,312.8
Accumulated amortization as at Dec. 31	–23.3	–7.1	–767.3	–700.3	–1,498.0
Balance as at Jan. 1, 2025	**3,648.2**	**939.3**	**726.5**	**500.9**	**5,814.9**
Group changes	12.3	–	0.1	9.2	21.5
Currency translation adjustments	–209.5	–0.7	–49.6	–35.6	–295.4
Additions	–	–	123.5	47.5	170.9
Disposals	–	–	–18.9	–0.5	–19.4
Amortization	–	–	–123.3	–78.0	–201.2
Impairment	–	–	–17.8	–0.1	–17.9
Balance as at Dec. 31, 2025	**3,450.9**	**938.6**	**640.4**	**443.4**	**5,473.3**
Gross carrying amount as at Dec. 31	3,471.5	945.2	1,472.6	1,167.5	7,056.8
Accumulated amortization as at Dec. 31	–20.6	–6.7	–832.2	–724.0	–1,583.5

The additions recognized for technologies and developments related entirely to capitalized development costs in both 2025 and 2024. The additions to sundry intangible assets included additions of €36.0 million in connection with internally generated software (December 31, 2024: €30.1 million).

Of the impairment losses recognized for technologies and developments, €12.3 million related to capitalized development costs for product technologies that are no longer used in the Supply Chain Solutions segment (see note [10]).

Sundry intangible assets relate in particular to customer relationships amounting to €293.9 million (December 31, 2024: €369.8 million).

[16] Leased assets

Change in leased assets

in € million	2025	2024
Balance as at Jan. 1	**1,631.5**	**1,454.9**
Gross carrying amount as at Jan. 1	2,177.2	2,075.1
Accumulated depreciation as at Jan. 1	–545.7	–620.3
Group changes	4.9	34.0
Currency translation adjustments	–14.4	5.2
Additions	692.7	702.4
Disposals	–207.6	–205.9
Depreciation	–380.7	–359.6
Impairment	–0.0	–0.3
Reversals of impairment losses	0.0	0.9
Balance as at Dec. 31	**1,726.4**	**1,631.5**
Gross carrying amount as at Dec. 31	2,232.7	2,177.2
Accumulated depreciation as at Dec. 31	–506.3	–545.7

In the direct lease business, industrial trucks with a carrying amount of €1,484.3 million (December 31, 2024: €1,366.8 million) were provided to customers for their use. The indirect lease business resulted in assets with a carrying amount of €242.1 million (December 31, 2024: €264.8 million).

As at December 31, 2025, leased assets of €593.3 million (December 31, 2024: €539.3 million) were available as collateral in connection with the financing of the lease business. The liabilities resulting from the related finance transactions are recognized under liabilities from lease business (securitizations).

The maturity structure of the future lease payments resulting from leased assets that are expected to be paid by customers under operating leases is shown in the following table:

Expected future payments from leased assets

in € million	2025	2024
Total payments	**1,456.2**	**1,339.6**
due within one year	531.1	490.4
due in one to two years	395.7	358.6
due in two to three years	279.7	251.3
due in three to four years	164.2	161.1
due in four to five years	65.5	64.8
due in more than five years	19.9	13.5

[17] Rental assets

Change in rental assets

in € million	2025	2024
Balance as at Jan. 1	**805.2**	**737.8**
Gross carrying amount as at Jan. 1	1,299.4	1,315.0
Accumulated depreciation as at Jan. 1	–494.2	–577.2
Group changes	10.0	18.6
Currency translation adjustments	–4.5	1.3
Additions	321.6	407.1
Disposals	–98.6	–125.7
Depreciation	–229.7	–234.6
Impairment	–0.9	–
Reversals of impairment losses	–	0.7
Balance as at Dec. 31	**803.1**	**805.2**
Gross carrying amount as at Dec. 31	1,288.5	1,299.4
Accumulated depreciation as at Dec. 31	–485.4	–494.2

[18] Other property, plant and equipment

Change in other property, plant and equipment

in € million	Land and buildings	Plant & machinery and office furniture & equipment	Advances paid and assets under construction	Total
Balance as at Jan. 1, 2024	**887.8**	**673.5**	**188.6**	**1,749.9**
Gross carrying amount as at Jan. 1	1,791.5	1,861.9	188.6	3,842.0
Accumulated depreciation as at Jan. 1	–903.7	–1,188.4	–	–2,092.1
Group changes	9.5	6.9	0.0	16.4
Currency translation adjustments	9.5	3.9	0.7	14.1
Additions	183.5	227.0	147.4	557.9
Disposals	–15.4	–9.8	–2.8	–28.0
Depreciation	–116.8	–206.6	–	–323.3
Impairment	–0.9	–	–	–0.9
Reclassification	24.3	91.3	–115.6	–
Balance as at Dec. 31, 2024	**981.6**	**786.2**	**218.4**	**1,986.1**
Gross carrying amount as at Dec. 31	1,956.7	1,927.9	218.4	4,103.0
Accumulated depreciation as at Dec. 31	–975.1	–1,141.8	–	–2,116.9
Balance as at Jan. 1, 2025	**981.6**	**786.2**	**218.4**	**1,986.1**
Group changes	0.2	0.6	–	0.8
Currency translation adjustments	–7.9	–4.5	–1.6	–14.0
Additions	160.9	154.5	118.9	434.3
Disposals	–12.4	–9.6	–2.8	–24.8
Depreciation	–126.9	–220.5	–	–347.3
Impairment	–2.3	–21.9	–1.3	–25.5
Reversals of impairment losses	–	3.5	–	3.5
Reclassification	34.9	148.8	–183.7	–
Balance as at Dec. 31, 2025	**1,028.2**	**837.0**	**147.8**	**2,013.0**
Gross carrying amount as at Dec. 31	2,070.7	2,137.0	149.1	4,356.8
Accumulated depreciation as at Dec. 31	–1,042.5	–1,300.0	–1.3	–2,343.7

In 2025, impairment losses of €25.5 million were recognized on other property, plant and equipment. Of this amount, €22.0 million related to the write-down of other property, plant and equipment to their recoverable amount as a consequence of the capacity adjustments carried out as part of the efficiency program.

Land and buildings in the amount of €30.3 million (December 31, 2024: €18.3 million) were largely pledged as collateral for accrued retirement benefits under partial retirement agreements.

Change in other property, plant and equipment: thereof right-of-use assets from procurement leases

in € million	Land and buildings	Plant & machinery and office furniture & equipment	Total
Balance as at Jan. 1, 2024	**470.7**	**118.5**	**589.2**
Gross carrying amount as at Jan. 1	895.9	257.3	1,153.2
Accumulated depreciation as at Jan. 1	–425.2	–138.8	–564.0
Group changes	2.8	2.7	5.5
Currency translation adjustments	4.4	0.3	4.7
Additions	163.5	119.7	283.3
Disposals	–13.9	–4.6	–18.5
Depreciation	–90.4	–65.8	–156.1
Impairment	–0.9	–	–0.9
Balance as at Dec. 31, 2024	**536.4**	**170.9**	**707.3**
Gross carrying amount as at Dec. 31	1,025.6	313.7	1,339.3
Accumulated depreciation as at Dec. 31	–489.3	–142.7	–632.0
Balance as at Jan. 1, 2025	**536.4**	**170.9**	**707.3**
Group changes	0.2	–	0.2
Currency translation adjustments	–8.8	–0.4	–9.2
Additions	136.0	73.0	208.9
Disposals	–11.3	–4.1	–15.4
Depreciation	–100.1	–73.3	–173.4
Impairment	–0.7	–0.1	–0.8
Balance as at Dec. 31, 2025	**551.6**	**166.0**	**717.6**
Gross carrying amount as at Dec. 31	1,091.4	329.5	1,421.0
Accumulated depreciation as at Dec. 31	–539.9	–163.5	–703.4

The expense recognized in 2025 for procurement leases with a term of up to twelve months came to €28.5 million (2024: €28.3 million); the expense for procurement leases that relate to low-value assets was €12.6 million (2024: €14.8 million).

[19] Equity-accounted investments

The KION Group reported equity-accounted investments with a total carrying amount of €113.0 million as at December 31, 2025 (December 31, 2024: €110.3 million).

The carrying amount of the equity-accounted investments as at the reporting date mainly resulted from the shares (45.0 percent) in Linde Leasing GmbH, the shares (45.0 percent) in Linde High Lift Chile S.A., the shares (50.0 percent) in JULI Motorenwerk s.r.o., and the shares (34.0 percent) in Normandie Manutention SAS.

Financial information on associates and joint ventures

	Associates		Joint ventures	
in € million	2025	2024	2025	2024
Total carrying amount	64.1	62.9	48.9	47.4
Profit (+)/loss (–) from continuing operations	7.7	9.1	3.3	6.4
Other comprehensive (loss) income	–1.8	1.9	1.2	–0.5
Total comprehensive income	**6.0**	**11.0**	**4.4**	**5.9**

The financial information summarized in the table is based on the share held by the KION Group in the relevant associate or joint venture. The associates and joint ventures can be seen in the list of shareholdings (see note [45]).

[20] Lease receivables

Breakdown of lease receivables

in € million	Dec. 31, 2025	Dec. 31, 2024
Nominal value of outstanding lease payments	**3,027.7**	**2,705.5**
due within one year	857.6	775.2
due in one to two years	719.4	636.1
due in two to three years	586.5	509.9
due in three to four years	434.3	385.9
due in four to five years	270.0	241.6
due in more than five years	159.9	156.8
Plus unguaranteed residual values	564.7	506.9
Less unearned financial income	–448.9	–391.4
Present value of outstanding lease payments	**3,143.5**	**2,821.0**
Valuation allowances for lease receivables	–12.9	–11.2
Adjustment from hedge accounting	5.5	2.8
Total lease receivables	**3,136.1**	**2,812.7**

The average loss rates used for the recognition of valuation allowances for lease receivables in accordance with the simplified impairment approach under IFRS 9 vary depending on the country. They ranged from 0.1 percent to 0.4 percent as at December 31, 2025 (December 31, 2024: 0.1 percent to 0.4 percent).

As at December 31, 2025, outstanding lease payments with a present value of €1,462.5 million (December 31, 2024: €1,086.2 million) were available as collateral in connection with the financing of the lease business. The liabilities resulting from the related finance transactions are recognized under liabilities from lease business (securitizations).

Further information on hedge accounting adjustments can be found in note [40].

[21] Other financial assets

Breakdown of other financial assets

in € million	Dec. 31, 2025	Dec. 31, 2024
Financial investments	110.0	110.1
Financial receivables	20.6	14.4
Other financial investments	30.5	31.6
Derivative financial instruments	7.8	17.6
Sundry financial assets	27.8	34.9
Other non-current financial assets	**196.6**	**208.6**
Derivative financial instruments	35.1	12.7
Financial receivables	12.0	10.2
Sundry financial assets	50.4	53.3
Other current financial assets	**97.6**	**76.2**
Total other financial assets	**294.2**	**284.8**

Financial investments comprise the equity investments in Wuxi Quicktron Intelligent Technology Co., Ltd. (formerly Shanghai Quicktron Intelligent Technology Co., Ltd.) (fair value of €33.9 million; December 31, 2024: €34.9 million) and Zhejiang EP Equipment Co., Ltd. (fair value of €76.1 million; December 31, 2024: €75.2 million). These equity investments, which have been assigned to the FVOCI category under IFRS 9 owing to the strategic partnerships with the companies, are recognized at fair value through other comprehensive income without recycling to profit or loss upon disposal.

Financial receivables largely relate to loans to equity-accounted investments and loans to non-consolidated subsidiaries.

Other financial investments comprise long-term investments that are held in order to cover the defined benefit obligation and do not qualify as plan assets.

Derivative financial instruments comprise foreign-currency forwards and interest-rate swaps with a positive fair value that are used to reduce currency risk and interest-rate risk. Some of these derivative financial instruments are part of a formally documented hedge with a hedged item and are recognized in accordance with the hedge accounting rules (see note [40]).

[22] Other assets

Breakdown of other assets

in € million	Dec. 31, 2025	Dec. 31, 2024
Investments in non-consolidated subsidiaries and other investments	21.7	19.8
Pension assets	76.9	80.6
Sundry tax receivables	–	1.2
Other non-current assets	**98.6**	**101.6**
Deferred charges and prepaid expenses	86.0	82.6
Sundry tax receivables	97.9	113.6
Other current assets	**183.9**	**196.1**
Total other assets	**282.4**	**297.8**

Pension assets essentially related to asset surpluses from defined benefit plans in the United Kingdom in which plan assets exceed the present value of the defined benefit obligation (see note [27]).

[23] Inventories

Breakdown of inventories

in € million	Dec. 31, 2025	Dec. 31, 2024
Materials and supplies	383.7	454.6
Work in progress	285.2	294.3
Finished goods and merchandise	906.1	945.7
Advances paid	56.7	54.1
Total inventories	**1,631.7**	**1,748.6**

In 2025, impairment losses of €56.8 million were recognized on inventories (2024: €56.1 million). Reversals of impairment losses were recognized in an amount of €19.0 million (2024: €14.2 million) because the reasons for the impairment losses no longer existed.

[24] Trade receivables

Breakdown of trade receivables

in € million	Dec. 31, 2025	Dec. 31, 2024
Receivables from third parties	1,558.8	1,716.2
thereof receivables not due and overdue ≤ 90 days	1,384.2	1,498.2
thereof receivables overdue > 90 days ≤ 180 days	49.9	71.9
thereof receivables overdue > 180 days	32.3	48.4
thereof receivables adjusted for individual valuation allowances	92.5	97.8
Receivables from third parties measured at fair value through profit or loss (FVPL)	26.6	22.7
Receivables from non-consolidated subsidiaries, equity-accounted investments, other investments and other related parties	36.5	46.8
Total trade receivables (before valuation allowances)	**1,621.9**	**1,785.7**
Valuation allowances for trade receivables	–93.6	–90.1
thereof valuation allowances for receivables not due and overdue ≤ 90 days	–5.6	–6.8
thereof valuation allowances for receivables overdue > 90 days ≤ 180 days	–1.9	–2.7
thereof valuation allowances for receivables overdue > 180 days	–3.5	–6.0
thereof individual valuation allowances	–82.5	–74.6
Total trade receivables	**1,528.3**	**1,695.6**

Change in valuation allowances for trade receivables

in € million	2025	2024
Valuation allowances as at Jan. 1	**90.1**	**81.0**
Additions	18.6	22.8
Reversals	–3.4	–6.0
Utilizations	–10.6	–8.1
Currency translation adjustments	–1.1	0.3
Valuation allowances as at Dec. 31	**93.6**	**90.1**

The average loss rates used for the recognition of valuation allowances for trade receivables in accordance with the simplified impairment approach under IFRS 9 vary depending on the Operating Unit and the period by which the receivable is past due. They ranged from 0.1 percent to 33.2 percent as at December 31, 2025 (December 31, 2024: 0.1 percent to 32.6 percent).

[25] Cash and cash equivalents

Breakdown of cash and cash equivalents

in € million	Dec. 31, 2025	Dec. 31, 2024
Balances with banks, cash and checks	474.2	786.5
Pledged cash	0.7	0.5
Total cash and cash equivalents	**474.9**	**787.0**

The change in cash and cash equivalents is shown in the > table ‘Consolidated statement of cash flows’.

[26] Equity

Subscribed capital and capital reserves

As at December 31, 2025, the Company’s share capital amounted to €131.2 million, which was unchanged on the figure a year earlier and was fully paid up. It was divided into 131,198,647 no-par-value shares. Each share confers one vote at the Annual General Meeting of KION GROUP AG and an equal share of the profit in accordance with the Annual General Meeting’s decision on a dividend distribution.

The total number of shares outstanding as at December 31, 2025 was 131,124,771 no-par-value shares (December 31, 2024: 131,124,771 no-par-value shares). KION GROUP AG held 73,876 treasury shares as at the reporting date (December 31, 2024: 73,876). These treasury shares are not dividend-bearing and do not confer any voting rights.

Retained earnings

The changes in retained earnings are shown in the > table ‘Consolidated statement of changes in equity’. The retained earnings comprise the net income (loss) for the current period and past contributions to earnings by the consolidated entities, provided they have not been distributed.

The distribution of a dividend of €0.82 per share (2024: €0.70 per share) to the shareholders of KION GROUP AG resulted in an outflow of funds of €107.5 million in the second quarter of 2025 (2024: €91.8 million).

Appropriation of profit

The Executive Board and Supervisory Board will propose to the Annual General Meeting to be held on May 28, 2026 that the distributable profit of KION GROUP AG for the 2025 financial year amounting to €141.6 million be used for the distribution of a dividend of €81.3 million, which amounts to €0.62 per dividend-bearing share. This equates to a proposed dividend payout rate of around 35 percent of the net income attributable to the shareholders of KION GROUP AG. It is also proposed that a further sum of €60.0 million be transferred to other retained earnings and that €0.3 million be carried forward to the next accounting period.

Accumulated other comprehensive income (loss) and non-controlling interests

The overall composition of, and changes in, equity are shown in the > table ‘Consolidated statement of changes in equity’.

The currency translation adjustment contains the exchange differences arising from the financial statements prepared in a foreign currency of foreign subsidiaries, associates, and joint ventures.

The gains/losses on the defined benefit obligation are the result of remeasuring defined benefit pension obligations (see also note [27]).

The gains/losses on hedge reserves are the effective portion of the changes in the fair value of hedging instruments in formally documented hedges. The gains/losses on financial investments relate to the remeasurement of the equity investments Wuxi Quicktron Intelligent Technology Co., Ltd. (formerly Shanghai Quicktron Intelligent Technology Co., Ltd.) and Zhejiang EP Equipment Co., Ltd. at fair value (FVOCI category under IFRS 9).

The unrealized gains/losses from equity-accounted investments contain the share of other comprehensive income (loss) from associates and joint ventures accounted for under the equity method.

[27] Retirement benefit obligation and similar obligations

Defined contribution plans

In the case of defined contribution pension plans, entities in the KION Group pay contributions to government or private pension insurance providers based on statutory or contractual provisions, or on a voluntary basis. The total expense arising from defined contribution plans amounted to €183.2 million in 2025 (2024: €183.7 million). Of this total, contributions paid by employers into government-run schemes came to €134.9 million (2024: €133.1 million).

Defined benefit plans

The KION Group grants pensions to almost all employees in Germany and a number of foreign employees. These pensions consist of fixed benefit entitlements and are therefore reported as defined benefit plans in accordance with IFRS. As at December 31, 2025, the KION Group had set up defined benefit plans in 16 countries (December 31, 2024: 16 countries). For all of the significant defined benefit plans within the Group, the benefits granted to employees are determined on the basis of their individual earned income, i.e. either directly or by way of intermediate benefit arrangements. The largest of the KION Group’s defined benefit plans – together accounting for 91.1 percent of the global defined benefit obligation (December 31, 2024: 81.6 percent) and 88.4 percent of the corresponding plan assets (December 31, 2024: 70.9 percent) – are in Germany and the United Kingdom.

Germany

In Germany, the pension benefits granted comprise Company-funded pension entitlements and employees' payment of part of their salary into the pension scheme. The contributions to the new pension plans are invested in investment funds under contractual trust arrangements (CTAs); resulting returns on plan assets are passed on to the pension beneficiaries when an insured event occurs. Members of the Executive Board and other executives are predominantly covered by individual pension plans. The amount of the benefits paid to executives depends on the type of entitlement. A very small proportion of pension benefits are granted in the form of final-salary-linked benefit obligations. The overwhelming majority of the existing pension entitlements are a combination of a defined benefit obligation and a defined contribution component. Executives who joined the Company or were promoted after 2017 are covered by fund-based individual pension plans.

In cases where entitlements are not securities-linked, some of the KION Group's pension obligations in Germany under closed plans are financed by way of CTAs. The assets transferred to the trustee qualify as plan assets within the meaning of IAS 19. The trustees are required to follow a defined investment strategy and investment guidelines. There are no statutory minimum funding requirements. In the event of the Company's insolvency, the company pension scheme in Germany is to a large extent protected by law by the insolvency protection scheme (Pensions-Sicherungs-Verein Versicherungsverein auf Gegenseitigkeit, PSVaG).

United Kingdom

In the United Kingdom, defined benefit pension obligations predominantly relate to two plans. The defined benefits include not only a life-long retirement pension but also surviving dependants' benefits. The amount of the pension depends on employees' length of service and final salary.

The two plans are closed to new employees. Each plan is monitored by its own board of trustees, which oversees the running of the plan as well as its funded status and the investment strategy. The members of the board of trustees are independent of the KION Group.

Under UK law, the board of trustees is obliged to have a valuation of the plan carried out at least every three years. In addition, KION GROUP AG has given default guarantees to the trustees of three pension plans, under which, if any of the companies concerned default, KION GROUP AG will assume all obligations of these companies up to a maximum guaranteed amount. As at December 31, 2025, the guaranteed amount totaled €9.5 million (December 31, 2024: €10.0 million).

Other countries

Furthermore, significant asset volumes are invested in external pension funds with restricted access in Switzerland. Decisions on additions to plan assets take into account the change in plan assets and pension obligations. They also take into account the statutory minimum coverage requirements and the amounts deductible under local tax rules.

The obligations under a defined benefit pension plan in the US were transferred in full to an external company during the reporting period. This reduced the defined benefit obligation by €163.2 million. The transfer was fully funded from the existing plan assets, which meant that, overall, there was no material impact on the net obligations under the defined benefit pension plan.

Measurement assumptions

The defined benefit obligation is calculated on the basis of the following significant weighted-average assumptions as at the reporting date. These assumptions were also used to determine the expenses for pensions and other post-employment benefits for the following year.

Assumptions underlying provisions for pensions and other post-employment benefits

	Germany		UK		Other	
	2025	2024	2025	2024	2025	2024
Discount rate	4.38%	3.59%	5.48%	5.44%	2.14%	3.84%
Salary increase rate	3.00%	3.05%	4.25%	4.25%	1.68%	0.65%
Pension increase rate	2.09%	2.34%	2.78%	3.06%	0.15%	0.05%

The assumed discount rate was determined on the basis of the yields as at the reporting date on AA-rated, fixed-interest senior corporate bonds with maturities that match the expected maturities of the pension obligations.

Future increases in salaries are re-estimated on an annual basis taking into account factors such as inflation and the overall economic situation.

The biometric mortality rates used in the calculation are based on published country-specific statistics and empirical values. Since 2018, the Heubeck ‘Richttafeln 2018 G’ mortality tables have been used as the biometric basis in Germany. The S2PA tables (standard mortality tables for self-administered pension schemes (SAPS) based on normal health) are applied to the two defined benefit plans in the United Kingdom.

The actuarial assumptions not listed in the table above, such as employee turnover and invalidity, were determined in accordance with recognized forecasts in each country, taking into account the circumstances and forecasts in the companies concerned.

Statement of financial position

Change in the present value of the defined benefit obligation

	Germany		UK		Other		Total	
in € million	2025	2024	2025	2024	2025	2024	2025	2024
Present value of defined benefit obligation as at Jan. 1	**990.8**	**935.6**	**243.2**	**257.2**	**278.6**	**270.8**	**1,512.6**	**1,463.6**
Exchange differences	–	–	–12.3	11.7	–13.4	10.7	–25.7	22.4
Current service cost	24.3	27.5	0.2	0.3	3.9	3.4	28.4	31.2
Past service cost (+) and income (–)	–	–	–	–	–0.1	–	–0.1	–
Gain (–) on settlement	–	–	–	–	–4.6	–	–4.6	–
Interest expense	34.6	33.1	12.3	12.1	4.0	10.7	50.9	55.9
Employee contributions	6.5	4.7	–	–	1.6	1.6	8.1	6.3
Pension benefits directly paid by company	–27.8	–25.5	–	–	–2.0	–1.5	–29.8	–27.0
Pension benefits paid by funds	–2.8	–2.3	–17.1	–19.3	–7.6	–10.0	–27.5	–31.6
Liability transfer in (+)/out (–) to third parties	–	–1.1	–	–	–144.2	–	–144.2	–1.1
Remeasurements								
Actuarial gains (–) and losses (+) arising from the change in demographic assumptions	–	–	1.2	–2.2	–0.1	–2.3	1.1	–4.5
Actuarial gains (–) and losses (+) arising from the change in financial assumptions	–125.3	1.7	–4.6	–14.6	–2.7	–2.5	–132.6	–15.4
Experience adjustments	19.3	17.1	1.2	–2.0	–1.1	–2.3	19.4	12.8
Present value of defined benefit obligation as at Dec. 31	**919.6**	**990.8**	**224.1**	**243.2**	**112.3**	**278.6**	**1,256.0**	**1,512.6**

The DBO in the other countries was predominantly attributable to subsidiaries in Switzerland (€76.1 million; December 31, 2024: €77.6 million).

Change in the fair value of the plan assets

	Germany		UK		Other		Total	
in € million	2025	2024	2025	2024	2025	2024	2025	2024
Fair value of plan assets as at Jan. 1	**282.8**	**200.3**	**316.9**	**355.8**	**246.0**	**235.9**	**845.7**	**792.0**
Exchange differences	–	–	–16.0	15.7	–13.1	9.6	–29.1	25.3
Interest income on plan assets	11.1	8.2	16.1	16.9	2.7	9.3	29.9	34.4
Employee contributions	6.5	4.7	–	–	1.6	1.6	8.1	6.3
Employer contributions	55.4	55.0	0.1	0.1	2.2	2.4	57.8	57.5
Pension benefits paid by funds	–2.8	–2.3	–17.1	–19.3	–7.6	–10.0	–27.5	–31.6
Liability transfer in (+)/out (–) to third parties	–	–	–	–	–144.2	–	–144.2	–
Remeasurements								
Gains (+) and losses (–) on plan assets excluding amounts already included in net financial expenses	–1.2	16.9	–2.3	–51.2	–2.1	–2.3	–5.6	–36.6
Other changes	–	–	–1.6	–1.1	–0.5	–0.5	–2.1	–1.6
Fair value of plan assets as at Dec. 31	**351.8**	**282.8**	**296.1**	**316.9**	**85.0**	**246.0**	**732.9**	**845.7**

Employees in Germany paid a total of €6.5 million from their salaries into the KION pension plan in 2025 (2024: €4.7 million).

In 2025, the employer contributions included special funding of €50.0 million in Germany in order to increase the funding ratio of the pension plans (2024: €50.0 million).

Insurance policies were taken out in 2024 in order to provide cover for future payment commitments in respect of defined benefit obligations in the United Kingdom. As a result of these insurance policies being taken out, there was a €25.2 million reduction in plan assets that was recognized in other comprehensive income (loss).

Composition of plan assets

	Germany		UK		Other		Total	
in € million	2025	2024	2025	2024	2025	2024	2025	2024
Shares	129.0	102.5	–	–	28.5	25.0	157.5	127.5
Fixed-income securities	164.0	132.2	27.4	34.0	25.4	190.7	216.8	356.9
Real estate	23.1	18.6	–	–	19.0	17.9	42.1	36.5
Insurance policies	–	–	226.4	245.3	0.4	0.5	226.8	245.8
Other	35.7	29.5	42.3	37.6	11.7	11.9	89.7	79.0
Total plan assets	**351.8**	**282.8**	**296.1**	**316.9**	**85.0**	**246.0**	**732.9**	**845.7**
thereof total assets that do not have a quoted price in active markets	**18.9**	**19.0**	**253.8**	**279.3**	**4.2**	**4.0**	**276.9**	**302.3**
Insurance policies	–	–	226.4	245.3	0.4	0.5	226.8	245.8
Other	18.9	19.0	27.4	34.0	3.8	3.5	50.1	56.5

The transfer of all obligations under a defined benefit pension plan in the US to an external company – funded from the existing plan assets – caused the plan assets to decrease by €163.2 million in 2025.

The reconciliation of funded status and net defined benefit obligation to the amounts reported in the consolidated statement of financial position as at December 31, 2025 is shown in the following table:

Funded status and net defined benefit obligation

	Germany		UK		Other		Total	
in € million	2025	2024	2025	2024	2025	2024	2025	2024
Present value of defined benefit obligations	–919.6	–990.8	–224.1	–243.2	–112.3	–278.6	–1,256.0	–1,512.6
Fair value of plan assets	351.8	282.8	296.1	316.9	85.0	246.0	732.9	845.7
Effect of the asset ceiling	–	–	–	–	–4.4	–	–4.4	–
Net liability (–) / net asset (+) as at Dec. 31	**–567.8**	**–708.0**	**72.0**	**73.7**	**–31.7**	**–32.6**	**–527.5**	**–666.9**
Reported as ‘Retirement benefit obligation and similar obligations’	–567.7	–708.0	–	–	–36.6	–39.5	–604.3	–747.5
Reported as ‘Other non-current assets’	–	–	72.0	73.7	4.9	6.9	76.9	80.6

Overall, the funding ratio (ratio of plan assets to the present value of the defined benefit obligation) in the KION Group was 58.4 percent (December 31, 2024: 55.9 percent).

Changes in retirement benefit obligation and similar obligations

	Germany		UK		Other		Total	
in € million	2025	2024	2025	2024	2025	2024	2025	2024
Balance as at Jan. 1	**708.0**	**735.3**	**–**	**–**	**39.5**	**40.4**	**747.5**	**775.7**
Exchange differences	–	–	–	–	–0.3	1.1	–0.3	1.1
Total service cost	24.3	27.5	–	–	–0.8	3.4	23.6	30.9
Net interest expense	23.5	24.9	–	–	1.3	1.4	24.8	26.3
Pension benefits directly paid by company	–27.8	–25.5	–	–	–2.0	–1.5	–29.8	–27.0
Employer contributions to plan assets	–55.4	–55.0	–	–	–2.2	–2.4	–57.8	–57.4
Liability transfer out to third parties	–	–1.1	–	–	–	–	–	–1.1
Remeasurements	–104.8	1.8	–	–	–3.3	–2.9	–108.1	–1.1
Effect of the asset ceiling	–	–	–	–	4.4	–	4.4	–
Other changes	–	0.1	–	–	–	–	–	0.1
Balance as at Dec. 31	**567.7**	**708.0**	**–**	**–**	**36.6**	**39.5**	**604.3**	**747.5**

Statement of cash flows

Payments totaling €87.6 million were made in 2025 (2024: €84.5 million) for the main pension entitlements in the KION Group. They comprised pension benefits of €29.8 million (2024: €27.0 million) granted directly by the Company and employer contributions to plan assets amounting to €57.8 million (2024: €57.5 million). The employer contributions to plan assets included a special funding of €50.0 million provided in 2025 (2024: €50.0 million) in order to increase the funding ratio of the pension plans.

The payments expected for 2026 amount to €91.4 million (in 2024: €90.6 million for 2025), which includes direct payments of pension benefits amounting to €33.9 million (in 2024: €33.6 million for 2025) that are not covered by corresponding reimbursements from plan assets.

Income statement

The total service cost of €23.6 million was recognized in functional costs (December 31, 2024: €31.2 million). The net interest cost of €21.0 million was recognized in net financial expenses (December 31, 2024: €21.5 million).

The actual return on plan assets in 2025, including the remeasurement recognized in other comprehensive income, was €22.2 million (2024: minus €3.8 million).

Other comprehensive income (loss)

As at December 31, 2025, the changes in estimates relating to defined benefit pension entitlements resulted in a €71.2 million increase in equity after deduction of deferred taxes (December 31, 2024: decrease of €15.3 million).

Sensitivity analysis

The sensitivities shown in the following table were based on detailed analysis carried out by specialist actuaries following the same approach that was taken to calculate the present value of the defined benefit obligation:

Sensitivity of the defined benefit obligation

in € million		2025	2024
Discount rate	Increase by 1.0 percentage point	–138.9	–182.1
	Reduction by 1.0 percentage point	175.1	234.0
Salary increase rate	Increase by 0.5 percentage point	6.9	4.1
	Reduction by 0.5 percentage point	–6.9	–3.9
Pension increase rate	Increase by 0.25 percentage point	20.6	29.6
	Reduction by 0.25 percentage point	–18.8	–27.0
Life expectancy	Increase by 1 year	34.7	44.4

The changes shown in the sensitivity analysis are not representative of an actual change in the present value of the defined benefit obligation because variations in the significant assumptions are unlikely to occur in isolation as, to some extent, the assumptions are interrelated.

Future pension benefit payments

The following pension benefit payments are forecast for the next ten years for the defined benefit pension entitlements in existence as at December 31, 2025.

Expected payments for pension benefits

in € million	Germany	UK	Other	Total
2026	40.6	17.5	5.3	63.4
2027	39.4	17.5	5.5	62.4
2028	47.0	17.4	5.6	70.0
2029	45.1	17.4	5.0	67.5
2030	50.5	17.0	5.5	73.0
2031 to 2035	264.5	84.5	34.2	383.2

The expected pension benefits break down into future benefits to be paid directly by the employer (for 2026: €33.9 million) and future benefits to be paid from existing plan assets (for 2026: €29.6 million).

As at the reporting date, the average duration of the defined benefit obligation, weighted on the basis of the present value of the defined benefit obligation, was 13.9 years in Germany (December 31, 2024: 16.1 years), 9.9 years in the United Kingdom (December 31, 2024: 9.9 years), and 11.7 years in the other countries (December 31, 2024: 10.8 years).

Risks

The funding ratio, the defined benefit obligation, and the associated costs depend on the performance of financial markets. The return on plan assets was assumed to equal the discount rate, which was determined on the basis of the yield earned on AA-rated, fixed-interest senior corporate bonds. If the actual return on plan assets falls below the discount rates applied, the net obligation arising out of the pension plans increases. The amount of the net obligation is also particularly affected by the discount rates. For the new pension plans in Germany, a gross obligation is recognized in the amount of the fair value of the corresponding plan assets, taking the promised guarantee payment into consideration.

The market risk attaching to plan assets – above all in the case of equities – is taken into account by appropriately managing it on the basis of an investment strategy and investment guidelines and by continually monitoring the assets' performance. Moreover, a downward trend in financial markets could have a significant effect on minimum funding requirements, some of which apply outside Germany. Against this backdrop, the broad-ranging investment strategy pursued for the plan assets recognized in the KION Group's statement of financial position helps to diversify capital market risk.

Investment committees use performance reports to regularly review the structure of the plan assets. The investment strategy for the securities-related plans in Germany is based on a lifecycle model in which the plan assets are reallocated to lower-risk asset classes as the beneficiaries get older. Asset/liability studies are produced for the material defined benefit plans with plan assets at regular intervals. These studies are used as the basis for the investment policy, which also takes local legal requirements into account.

The KION Group also bears the full risk of possible future pension adjustments resulting from changes in longevity and inflation.

Payroll-based contributions to the KION pension plan made by employees in Germany are invested in fund units. If the actual returns on these fund units fall below the minimum rate of return that has been guaranteed to participating employees, the KION Group's personnel expenses rise.

[28] Financial liabilities

Non-current and current financial liabilities relate to the Company's general funding and essentially comprised promissory notes, a corporate bond, and liabilities to banks as at December 31, 2025.

Maturity structure of financial liabilities

in € million	Dec. 31, 2025	Dec. 31, 2024
Promissory notes	**401.9**	**528.5**
due within one year	25.0	79.5
due in one to five years	376.9	407.6
due in more than five years	–	41.5
Bonds	**496.8**	**995.2**
due within one year	–	499.1
due in one to five years	496.8	496.0
due in more than five years	–	–
Liabilities to banks	**118.0**	**146.9**
due within one year	88.7	90.2
due in one to five years	29.3	56.7
due in more than five years	–	–
Other financial liabilities	**42.2**	**29.6**
due within one year	41.5	29.5
due in one to five years	0.8	0.2
due in more than five years	–	–
Total current financial liabilities	**155.1**	**698.3**
Total non-current financial liabilities	**903.8**	**1,002.0**

Promissory notes

As at December 31, 2025, the total nominal amount of the issued promissory notes was €402.5 million (December 31, 2024: €530.0 million). The decrease was the result of an early and a scheduled repayment of two tranches of promissory notes in a total amount of €127.5 million in 2025.

The following table shows the nominal amounts and interest-rate types of the unsecured promissory notes issued by KION GROUP AG. The fixed-rate promissory notes have coupons of between 2.2 percent and 5.1 percent:

Promissory notes

in € million	Maturity date	Dec. 31, 2025	Dec. 31, 2024
Variable interest rate			
Promissory note (7-year term)	April 2026	–	48.0
Promissory note (3-year term)	October 2026	25.0	25.0
Promissory note (10-year term)	April 2027	11.5	11.5
Promissory note (5-year term)	October 2028	256.0	256.0
Promissory note (7-year term)	October 2030	29.5	29.5
Fixed interest rate			
Promissory note (7-year term)	June 2025	–	79.5
Promissory note (10-year term)	April 2027	16.0	16.0
Promissory note (5-year term)	October 2028	52.5	52.5
Promissory note (7-year term)	October 2030	12.0	12.0
Promissory notes		**402.5**	**530.0**

Corporate bonds

In 2020, KION GROUP AG launched a corporate bond program (EMTN program) with a total volume of €3 billion. The first corporate bond was placed on the capital markets under this program in 2020 and had a nominal amount of €500.0 million, a maturity date in 2025, and a coupon of 1.625 percent. It was repaid as scheduled in September 2025. A second unsecured bond with a nominal amount of €500.0 million, a maturity date in 2029, and a coupon of 4.0 percent was placed on the capital markets under the EMTN program in November 2024.

Liabilities to banks

KION GROUP AG has a syndicated revolving credit facility (RCF) with a total volume of €1,385.7 million and a term that ends in October 2028. The facility has a variable interest rate; the contractually agreed interest terms are linked to KION GROUP AG’s credit rating and to compliance with sustainability KPIs. The revolving credit facility was undrawn as at both December 31, 2025 and December 31, 2024.

Group companies had taken out bank loans of €118.0 million as at the reporting date (December 31, 2024: €146.9 million). KION GROUP AG generally issues guarantees to the banks for Group companies' existing payment obligations. The liabilities to banks are not secured.

Other financial liabilities

KION GROUP AG launched a commercial paper program in November 2019 that currently has a maximum program volume of €750.0 million. The commercial paper is issued with a discount but without a coupon and has a term of up to one year. There was no commercial paper in issue as at December 31, 2025 or as at December 31, 2024.

Covenants

The revolving credit facility and a number of promissory notes taken out by KION GROUP AG stipulate adherence to covenants. The agreed financial covenant involves ongoing testing of adherence to a maximum level of leverage (defined as the ratio of industrial net operating debt (INOD) to adjusted EBITDA). As at December 31, 2025, the actual level of leverage was well below the limit of the financial covenant.

Exceeding the agreed maximum level of leverage as at a particular reference date gives lenders a right of termination.

[29] Liabilities from lease business

Breakdown of liabilities from lease business

in € million	Dec. 31, 2025	Dec. 31, 2024
Non-current liabilities from lease business	**3,486.9**	**3,225.3**
thereof from sale and leaseback transactions	967.3	995.8
thereof from dedicated bank loans	1,074.4	897.3
thereof from securitizations	1,354.4	1,237.2
thereof from repurchase obligations (indirect lease business)	90.8	95.0
Current liabilities from lease business	**1,341.7**	**1,182.2**
thereof from sale and leaseback transactions	363.8	368.2
thereof from dedicated bank loans	404.1	288.5
thereof from securitizations	550.6	493.5
thereof from repurchase obligations (indirect lease business)	23.2	32.0
Total liabilities from lease business	**4,828.6**	**4,407.5**

The maturity structure of the future payments in respect of liabilities from lease business is presented in note [39].

[30] Liabilities from short-term rental business

Breakdown of liabilities from short-term rental business

in € million	Dec. 31, 2025	Dec. 31, 2024
Non-current liabilities from short-term rental business	**565.8**	**585.5**
thereof from sale and leaseback transactions	342.1	390.3
thereof from rental facilities	223.7	195.2
Current liabilities from short-term rental business	**244.4**	**228.7**
thereof from sale and leaseback transactions	135.3	136.6
thereof from rental facilities	109.1	92.1
Total liabilities from short-term rental business	**810.2**	**814.1**

The maturity structure of the future payments in respect of liabilities from short-term rental business is presented in note [39].

[31] Other provisions

Change in other provisions

in € million	Provisions for product warranties	Provisions for personnel	Provisions for onerous contracts	Other obligations	Total other provisions
Balance as at Jan. 1, 2025	**169.9**	**152.1**	**68.3**	**92.3**	**482.6**
thereof non-current	37.7	111.0	7.9	56.5	213.2
thereof current	132.2	41.1	60.3	35.8	269.4
Group changes	0.0	0.2	–	–2.8	–2.6
Additions	74.3	240.3	27.3	62.3	404.2
Utilizations	–44.8	–38.8	–23.5	–5.7	–112.8
Reversals	–35.6	–66.8	–8.7	–33.9	–145.0
Additions to accrued interest	–	0.5	–	–0.1	0.4
Currency translation adjustments	–4.9	–4.9	–3.2	–3.5	–16.5
Other adjustments	–	–0.3	–	0.5	0.2
Balance as at Dec. 31, 2025	**158.9**	**282.3**	**60.3**	**109.1**	**610.5**
thereof non-current	33.0	159.0	6.8	76.2	275.0
thereof current	125.9	123.3	53.4	32.9	335.5

The provisions for product warranties include contractual and statutory obligations arising from the sale of industrial trucks, spare parts, and automation solutions. It is expected that the bulk of the cash payments will be incurred within the next two years after the reporting date.

The provisions for personnel comprise provisions for long-service awards, partial retirement obligations, share-based remuneration obligations, severance pay, and obligations under social plans. The provisions for partial retirement obligations were recognized on the basis of individual contractual arrangements and agreements under collective bargaining law. The efficiency program resulted in personnel obligations of €45.8 million being recognized in the Industrial Trucks & Services segment and in Corporate Services as at the reporting date. Some of the provisions that had been recognized during the year had been overfunded and were reversed again. Share-based remuneration obligations rose by €88.0 million to €135.6 million in the year under review owing to the higher valuation of the performance shares compared with the previous year (see note [43]). The bulk of the cash payments for the personnel obligations are likely to be incurred within the next two years after the reporting date.

Most of the provisions for onerous contracts as at December 31, 2025 related to project business contracts in the Supply Chain Solutions segment; the payments expected to be made in this context will be incurred within the next two years after the reporting date.

Other obligations included provisions for risks arising from lease business, for waste disposal and recycling obligations, and for litigation. It is expected that the bulk of the cash payments for the other obligations will be incurred within the next two years after the reporting date.

[32] Contract balances

Contract assets stood at €259.1 million (December 31, 2024: €278.1 million); most of this amount, €245.9 million (December 31, 2024: €263.6 million), was attributable to goods and services provided in the project business that have not yet been billed.

Of the contract liabilities, €457.1 million was attributable to project business contracts with a net debit balance due to customers (December 31, 2024: €566.1 million) and €198.2 million to prepayments received from customers (December 31, 2024: €212.5 million). The revenue recognized in the reporting period that was included in the contract liability balance at the beginning of the period amounted to €674.7 million (2024: €665.4 million).

[33] Trade payables

As at December 31, 2025, trade payables of €1,255.4 million (December 31, 2024: €1,160.4 million) included liabilities to non-consolidated subsidiaries, equity-accounted investments, and other equity investments totaling €27.2 million (December 31, 2024: €36.7 million).

[34] Other financial liabilities

Breakdown of other financial liabilities

in € million	Dec. 31, 2025	Dec. 31, 2024
Liabilities from procurement leases	605.0	621.2
Derivative financial instruments	24.8	34.9
Sundry financial liabilities	8.6	7.1
Other non-current financial liabilities	**638.4**	**663.1**
Liabilities from procurement leases	159.2	148.9
Derivative financial instruments	18.3	41.0
Liabilities from accrued interest	9.3	11.2
Sundry financial liabilities	81.8	112.7
Other current financial liabilities	**268.6**	**313.9**
Total other financial liabilities	**907.0**	**977.0**

Maturity analysis of liabilities from procurement leases

in € million	Dec. 31, 2025	Dec. 31, 2024
Total future payments (gross)	**920.5**	**939.3**
due within one year	186.3	175.7
due in one to two years	146.8	141.7
due in two to three years	116.5	109.4
due in three to four years	88.6	86.4
due in four to five years	64.2	64.0
due in more than five years	318.0	362.2

When entering into procurement leases for land and buildings, the KION Group strives to agree on extension and termination options in order to ensure its operational flexibility. If, in the KION Group’s assessment, it is reasonably certain that extension options will be exercised, or that termination options will not be exercised, the lease payments for these periods are included in the measurement of the liabilities from procurement leases. Extension and termination options for which the assessment is not reasonably certain could potentially result in future undiscounted lease payments of €160.9 million as at December 31, 2025 (December 31, 2024: €151.7 million) in the event that, contrary to current expectations, the KION Group does exercise its contractual options.

As at December 31, 2025, there were also obligations of €70.7 million resulting from procurement leases that already existed but had not yet started (December 31, 2024: €6.0 million).

Derivative financial instruments comprise foreign-currency forwards and interest-rate swaps with a negative fair value that are used to reduce currency risk and interest-rate risk. Some of these derivative financial instruments are part of a formally documented hedge with a hedged item and are recognized in accordance with the hedge accounting rules (see note [40]).

[35] Other liabilities

Breakdown of other liabilities

in € million	Dec. 31, 2025	Dec. 31, 2024
Deferred income	199.7	200.6
Personnel liabilities	3.3	4.3
Other non-current liabilities	**203.0**	**204.9**
Deferred income	139.3	142.1
Personnel liabilities	471.1	458.7
Social security liabilities	68.3	67.6
Sundry tax liabilities	134.2	135.5
Other current liabilities	**812.9**	**803.8**
Total other liabilities	**1,015.8**	**1,008.6**

Deferred income included deferred revenue of €168.3 million (December 31, 2024: €183.1 million) resulting from the indirect sales lease business.

Personnel liabilities primarily consist of liabilities for one-year variable remuneration, outstanding annual leave, flexitime and overtime credit, and wages and salaries not yet paid. As at December 31, 2025, personnel liabilities also included obligations of €49.6 million in connection with the efficiency program.

Other disclosures

[36] Contingent liabilities and other financial commitments

Contingent liabilities

As at December 31, 2025, there were contingent liabilities in connection with guarantees and other declarations of liability amounting to €105.5 million (December 31, 2024: €161.7 million). Of this total, €76.3 million related to guarantees for down payments, contract performance, and warranty obligations (December 31, 2024: €131.3 million). These guarantees had been issued by banks, predominantly in connection with the project business of the Supply Chain Solutions segment.

Furthermore, the KION Group faces legal and regulatory risks from its operating business that can lead to claims being brought against it by public authorities or to claims under civil law. As at the reporting date, the KION Group was aware of circumstances that may give rise to possible obligations. The Group companies are also a party in a number of pending proceedings in various countries. The individual companies cannot assume with any degree of certainty that they will win any of the lawsuits or that the existing risk provision in the form of insurance or provisions will be sufficient in each individual case. However, the KION Group believes it is unlikely that it will be required to utilize funds exceeding the provisions recognized.

Other financial commitments

Breakdown of other financial commitments

in € million	Dec. 31, 2025	Dec. 31, 2024
Commitments under long-term license and support agreements	223.1	230.3
Capital expenditure commitments in fixed assets	41.8	36.6
Sundry other financial commitments	4.3	5.3
Total other financial commitments	**269.3**	**272.2**

[37] Consolidated statement of cash flows

The following tables show the changes in the liabilities arising from financing activities:

Reconciliation of liabilities arising from financing activities 2025

			Non-cash changes		
in € million	Jan. 1, 2025	Cash flows	Foreign exchange movement	Other changes	Dec. 31, 2025
Non-current financial liabilities	1,002.0	–16.6	–1.0	–80.6	903.8
Current financial liabilities	698.3	–620.8	–6.3	84.0	155.1
Liabilities from accrued interest	11.2	–63.7	–1.9	63.7	9.3
Derivative financial instruments for hedging purposes	0.3	0.2	–	–0.5	–
Liabilities from procurement leases	770.1	–217.6	–11.5	223.1	764.1
Total liabilities from financing activities	**2,481.9**	**–918.5**	**–20.6**	**289.7**	**1,832.4**

Reconciliation of liabilities arising from financing activities 2024

			Non-cash changes		
in € million	Jan. 1, 2024	Cash flows	Foreign exchange movement	Other changes	Dec. 31, 2024
Non-current financial liabilities	1,306.6	369.5	0.6	–674.7	1,002.0
Current financial liabilities	215.8	–198.7	–1.6	682.7	698.3
Liabilities from accrued interest	11.7	–69.0	0.2	68.4	11.2
Derivative financial instruments for hedging purposes	1.9	–0.0	–	–1.6	0.3
Liabilities from procurement leases	639.0	–175.0	5.7	300.4	770.1
Total liabilities from financing activities	**2,175.0**	**–73.2**	**5.0**	**375.2**	**2,481.9**

[38] Information on financial instruments

The measurement categories used in accordance with IFRS 9 are presented in the tables below. In line with IFRS 7, the tables show the carrying amounts and fair values of the financial assets and liabilities. Derivative financial instruments that are part of a formally documented hedge are not assigned to any of the IFRS 9 measurement categories. Lease receivables and liabilities from procurement leases fall within the scope of IFRS 16 and are therefore also not assigned to any of the IFRS 9 measurement categories.

Carrying amounts and fair values broken down by class 2025

		Categories				
Classes:	**Carrying amount**	**FVPL**	**AC**	**FVOCI**	**Derivatives, which are part of a hedging relationship**	**Fair Value**
in € million						
Financial assets						
Lease receivables[1]	3,136.1					3,105.3
Trade receivables	1,528.3	26.6	1,501.8			1,528.3
Other financial assets	294.2					294.2
thereof financial investments	110.0			110.0		110.0
thereof financial receivables	32.6		32.6			32.6
thereof other financial investments	30.5	30.5				30.5
thereof sundry financial assets	78.2		78.2			78.2
thereof derivative financial instruments	42.9	28.5			14.3	42.9
Cash and cash equivalents	474.9		474.9			474.9
Financial liabilities						
Financial liabilities	1,058.9					1,084.5
thereof promissory notes	401.9		401.9			408.7
thereof bonds	496.8		496.8			515.6
thereof liabilities to banks	118.0		118.0			118.0
thereof sundry financial liabilities	42.2		42.2			42.2
Liabilities from lease business	4,828.6		4,828.6			4,828.1
Liabilities from short-term rental business	810.2		810.2			810.3
Trade payables	1,255.4		1,255.4			1,255.4
Other financial liabilities	907.0					880.4
thereof liabilities from procurement leases[1]	764.1					737.5
thereof sundry other financial liabilities and liabilities from accrued interest	99.8		99.8			99.8
thereof derivative financial instruments	43.1	22.0			21.2	43.1

1 as defined by IFRS 16

Carrying amounts and fair values broken down by class 2024

		Categories				
Classes:	**Carrying amount**	**FVPL**	**AC**	**FVOCI**	**Derivatives, which are part of a hedging relationship**	**Fair Value**
in € million						
Financial assets						
Lease receivables[1]	2,812.7					2,750.6
Trade receivables	1,695.6	22.7	1,672.9			1,695.6
Other financial assets	284.8					284.8
thereof financial investments	110.1			110.1		110.1
thereof financial receivables	24.6		24.6			24.6
thereof other financial investments	31.6	31.6				31.6
thereof sundry financial assets	88.2		88.2			88.2
thereof derivative financial instruments	30.3	18.4			11.9	30.3
Cash and cash equivalents	787.0		787.0			787.0
Financial liabilities						
Financial liabilities	1,700.3					1,712.4
thereof promissory notes	528.5		528.5			531.2
thereof bonds	995.2		995.2			1,004.7
thereof liabilities to banks	146.9		146.9			146.9
thereof sundry financial liabilities	29.6		29.6			29.6
Liabilities from lease business	4,407.5		4,407.5			4,388.0
Liabilities from short-term rental business	814.1		814.1			807.6
Trade payables	1,160.4		1,160.4			1,160.4
Other financial liabilities	977.0					968.7
thereof liabilities from procurement leases[1]	770.1					761.8
thereof sundry other financial liabilities and liabilities from accrued interest	131.0		131.0			131.0
thereof derivative financial instruments	75.9	46.6			29.3	75.9

1 as defined by IFRS 16

The net gains and losses on financial instruments are broken down by IFRS 9 category as shown in the table below. Net gains and losses on financial instruments do not include gains/losses arising on hedging transactions that are part of a formally documented hedge (see note [40]).

Net gains and losses on financial instruments broken down by category

in € million	2025	2024
Financial assets measured at amortized cost (AC)	–2.7	–5.4
Equity instruments measured at fair value through other comprehensive income (FVOCI)	8.7	27.0
Financial instruments measured at fair value through profit or loss (FVPL)	16.2	–28.7
Financial liabilities measured at amortized cost (AC)	–285.0	–296.9

In 2025, the net gains and losses included interest income of €16.7 million (2024: €10.2 million) and interest expense of €279.7 million (2024: €295.1 million) that resulted from financial instruments measured at amortized cost (AC category) and are recognized within net financial income/expenses. Currency translation gains and losses, dividends, valuation allowances for expected and incurred losses, the marking-to-market of derivatives that are not part of a formally documented hedge, and other measurement effects were also included in the net gains and losses.

Fair value measurement

The majority of the cash and cash equivalents, financial receivables, trade receivables and trade payables recognized at amortized cost, sundry financial assets and liabilities, and liabilities from accrued interest have short remaining terms to maturity. The carrying amounts of these financial instruments are therefore roughly equal to their fair values.

For financial liabilities and for liabilities from the lease and short-term rental business, the fair value in each case corresponds to the present value of the outstanding payments, taking account of the current interest-rate curve and the Group’s own default risk. This fair value, calculated for the purposes of disclosure in the notes to the financial statements, is classified as Level 2 of the fair value hierarchy, whereas the fair value of the bonds is based on prices observed in the market and is thus assigned to Level 1 of the fair value hierarchy.

For lease receivables and liabilities from procurement leases, the fair value in each case corresponds to the present value of the net lease payments, taking account of the current market interest rate for similar leases.

The following tables show the assignment of fair values to the individual levels as defined by IFRS 13 for financial instruments measured at fair value.

Financial instruments measured at fair value 2025

in € million	Fair Value Hierarchy Level 1	Level 2	Level 3	Dec. 31, 2025
Financial assets				**209.9**
thereof financial investments	76.1		33.9	110.0
thereof other financial investments		30.5		30.5
thereof trade receivables		26.6		26.6
thereof derivative financial instruments		42.9		42.9
Financial liabilities				**43.1**
thereof derivative financial instruments		43.1		43.1

Financial instruments measured at fair value 2024

in € million	Fair Value Hierarchy Level 1	Level 2	Level 3	Dec. 31, 2024
Financial assets				**194.6**
thereof financial investments	75.2		34.9	110.1
thereof other financial investments		31.6		31.6
thereof trade receivables		22.7		22.7
thereof derivative financial instruments		30.3		30.3
Financial liabilities				**75.9**
thereof derivative financial instruments		75.9		75.9

Level 1 comprised the financial investment in Zhejiang EP Equipment Co., Ltd., for which the fair value was calculated using prices quoted in an active market.

The fair value of other financial investments was determined using prices quoted in an active market and other observable inputs. They were assigned to Level 2.

Trade receivables recognized at fair value through profit or loss were assigned to Level 2. Their fair value was calculated using the transaction price, the biggest influence on which is the default risk of the counterparty.

Derivatives (foreign-currency forwards and interest-rate swaps) were also classified as Level 2. Their fair value was determined using appropriate valuation methods on the basis of the observable market information at the reporting date. The default risk for the Group and for the counterparty was taken into account on the basis of gross figures. The fair value of the foreign-currency forwards was calculated using the present value method based on forward rates. The fair value of interest-rate swaps was calculated as the present value of the future cash flows. Both contractually agreed payments and forward interest rates were used to calculate the cash flows, which were then discounted on the basis of a yield curve that is observable in the market. In order to eliminate default risk to the greatest possible extent, the KION Group only enters into derivatives with investment-grade counterparties.

As at December 31, 2025, Level 3 comprised the financial investment in Wuxi Quicktron Intelligent Technology Co., Ltd. (formerly Shanghai Quicktron Intelligent Technology Co., Ltd.), which was recognized under other financial assets. The fair value was determined using a discounted cash flow method. The changes in value compared with the end of 2024 were attributable to the subsequent measurement of this financial investment. The material measurement parameters were a WACC after taxes of 8.8 percent (2024: 9.1 percent) and a long-term growth rate of 1.3 percent (2024: 1.3 percent). A sensitivity analysis of the financial investment’s fair value as at the reporting date did not lead to a material change in value.

If events or changes in circumstances make it necessary to reclassify financial instruments to a different level, this is done at the end of a reporting period.

[39] Financial risk reporting

Capital management

One of the prime objectives of capital management is to ensure liquidity at all times. Measures aimed at achieving these objectives include the optimization of the capital structure and ongoing Group cash flow planning and management. Close cooperation between the individual companies and the Corporate Finance division ensures that the local legal and regulatory requirements faced by foreign Group companies are taken into account in capital management (see also the descriptions of financial covenants).

Net financial debt – defined as the difference between financial liabilities and cash and cash equivalents – is a key performance measure used in liquidity planning at Group level and amounted to €584.0 million as at December 31, 2025 (December 31, 2024: €913.2 million).

Default risk

In certain operating and finance activities, the KION Group is subject to credit risk, i.e. the risk that partners will fail to meet their contractual obligations. This risk is defined as the risk that a counterparty will default, and hence is limited to a maximum of the carrying amount. Default risk is limited by diversifying business partners based on certain credit ratings. The Group only enters into transactions with business partners and banks holding a good credit rating and subject to fixed limits. The potential default risk attaching to financial assets is also mitigated by secured forms of lending such as reservation of title, credit insurance and guarantees, and potential netting agreements.

Counterparty risks involving our customers are managed by the individual Group companies. To reflect the default risk, valuation allowances are recognized for defaults that have occurred and for expected defaults (see note [24]).

Financial transactions are only entered into with selected business partners that have an investment-grade credit rating. The KION Group's default risk remains insignificant.

The KION Group enters into derivatives in accordance with German master agreements and the global netting agreements (master agreement) of the International Swaps and Derivatives Association (ISDA). The amounts that, in accordance with such agreements, are owed by each counterparty on a single day in respect of all outstanding transactions in the same currency are aggregated to achieve a single net amount that one party has to pay to the other. In certain cases (e.g. if a credit event such as default occurs), all outstanding transactions under the agreement are terminated, the value upon termination is calculated, and only a single net amount to settle all transactions has to be paid.

The ISDA agreements do not satisfy the criteria for offsetting in the statement of financial position because the KION Group currently does not have a legally enforceable right to offset the recognized amounts. A right to offset arises only when certain future events occur, such as a credit event.

The following table shows the carrying amounts of the recognized derivatives covered by the master agreements.

Netting potential of derivative financial instruments at Dec. 31, 2025

in € million	Gross amount in balance sheet	Related financial instruments without netting	Potential net amount
Financial assets			
Interest-rate swaps	8.5	–7.9	0.6
Foreign-currency forwards	34.4	–15.1	19.3
Total	**42.9**	**–23.0**	**19.9**
Financial liabilities			
Interest-rate swaps	–19.1	7.9	–11.2
Foreign-currency forwards	–18.3	15.1	–3.2
Total	**–37.4**	**23.0**	**–14.4**

Netting potential of derivative financial instruments at Dec. 31, 2024

in € million	Gross amount in balance sheet	Related financial instruments without netting	Potential net amount
Financial assets			
Interest-rate swaps	18.5	–13.5	5.0
Foreign-currency forwards	11.8	–10.0	1.8
Total	**30.3**	**–23.5**	**6.8**
Financial liabilities			
Interest-rate swaps	–25.7	13.5	–12.2
Foreign-currency forwards	–40.7	10.0	–30.7
Total	**–66.4**	**23.5**	**–42.9**

Liquidity risk

The KION Group maintains a liquidity reserve in the form of a revolving credit facility and cash in order to ensure financial flexibility and solvency. Taking into account the credit facility of €1,385.7 million that was still freely available and was undrawn as at the reporting date (December 31, 2024: €1,385.7 million), the unrestricted cash and cash equivalents available to the KION Group as at the end of 2025 amounted to €1,859.9 million (December 31, 2024: €2,172.2 million). The maturity profile of financial liabilities is reviewed and optimized continually.

With regard to the KION Group's credit ratings, rating agency Fitch Ratings confirmed the long-term issuer default rating of BBB with a stable outlook and a short-term issuer default rating of F2 in May 2025. Standard & Poor's lowered its issuer rating by one notch to BB+ with a stable outlook in June 2025.

As at the reporting date, the KION Group had sold trade receivables with a total volume of €133.4 million (December 31, 2024: €111.7 million) in factoring transactions. Trade receivables of €89.5 million had been derecognized in full as at December 31, 2025 (December 31, 2024: €65.3 million), because the KION Group had transferred the material risks and rewards arising on them. For trade receivables of €44.0 million (December 31, 2024: €44.0 million), the material risks and rewards were neither fully transferred nor fully retained. In this case, the amount of the maximum downside risk arising on the trade receivables that were sold was recognized (as a continuing involvement). As at December 31, 2025, this amount was €4.0 million (December 31, 2024: €4.0 million). A liability in the amount of the continuing involvement was recognized under other current financial liabilities; the fair value of the liability corresponded to the carrying amount.

The following tables show all of the contractually agreed undiscounted payments under recognized financial liabilities as at December 31, 2025 and 2024, including derivative financial instruments with negative fair values. The future interest payments for variable-rate promissory notes and liabilities to banks may change if market interest rates change. In addition, future cash flows may vary due to changes to the underlying interest rates or exchange rates. With regard to the other line items, the cash flows included in the maturity analysis are not expected to arise significantly earlier or in a materially different amount.

Liquidity analysis of primary financial liabilities and derivatives 2025

in € million	Carrying amount Dec. 31, 2025	Cash flow 2026	Cash flow 2027–2030	Cash flow from 2031
Primary financial liabilities				
Promissory notes	401.9	–38.7	–408.5	–
Bonds	496.8	–20.0	–560.0	–
Liabilities to banks	118.0	–98.2	–38.5	–
Other financial liabilities	42.2	–43.1	–1.1	–
Liabilities from lease business	4,828.6	–1,421.4	–3,620.4	–176.8
Liabilities from short-term rental business	810.2	–273.3	–593.3	–14.8
Trade payables	1,255.4	–1,255.4	–	–
Other financial liabilities (excluding derivatives)	863.9	–277.5	–424.7	–318.0
Derivative financial liabilities				
Derivatives with negative fair value	43.1			
+ Cash in		801.0	203.4	48.2
– Cash out		–822.1	–218.4	–50.0

Liquidity analysis of primary financial liabilities and derivatives 2024

in € million	Carrying amount Dec. 31, 2024	Cash flow 2025	Cash flow 2026–2029	Cash flow from 2030
Primary financial liabilities				
Promissory notes	528.5	–99.9	–457.2	–43.4
Bonds	995.2	–528.1	–580.1	–
Liabilities to banks	146.9	–99.9	–72.1	–
Other financial liabilities	29.6	–29.5	–0.2	–
Liabilities from lease business	4,407.5	–1,301.6	–3,298.4	–169.2
Liabilities from short-term rental business	814.1	–258.5	–613.6	–36.4
Trade payables	1,160.4	–1,160.4	–	–
Other financial liabilities (excluding derivatives)	901.1	–299.7	–408.5	–362.2
Derivative financial liabilities				
Derivatives with negative fair value	75.9			
+ Cash in		1,108.4	150.2	8.2
– Cash out		–1,159.4	–172.1	–9.4

Currency risk

The KION Group hedges currency risk both locally at the level of the individual companies and centrally via KION GROUP AG using prescribed hedging ratios.

The main hedging instruments employed are foreign-currency forwards, provided that there are no country-specific restrictions on their use.

In the Industrial Trucks & Services segment, hedges are entered into at individual company level for highly probable future transactions on the basis of rolling 15-month forecasts, as well as for firm commitments not reported in the statement of financial position. Currency risk arising from customer-specific project business contracts in the Supply Chain Solutions segment is hedged on a project-specific basis at individual company level. As a result, these hedges are generally classified as cash flow hedges for accounting purposes in accordance with IFRS 9 (see note [40]). In addition, foreign-currency forwards are employed to hedge the currency risks arising in the course of internal financing.

Significant currency risk arising from financial instruments is measured using a currency sensitivity method. Currency risks from financial instruments as defined by IFRS 7 are only included in calculating currency sensitivity if the financial instruments are denominated in a currency other than the functional currency of the Group company concerned. This means that currency risks resulting from the translation of the separate financial statements of subsidiaries into the Group presentation currency, i.e. currency translation risks, are not included.

Currency risk relevant to currency sensitivity in the KION Group arises mainly in connection with derivative financial instruments, trade receivables, and trade payables. For the purposes of the sensitivity analysis, it is assumed that the portfolio of financial instruments as at the reporting date is representative of the portfolio over the whole of the reporting year. The sensitivity analysis for the relevant currencies (after tax) is shown in the following table. Sensitivity was based on a net currency exposure of €236.9 million as at December 31, 2025 (December 31, 2024: €328.3 million).

Foreign-currency sensitivity

		Impact on net income		Impact on other comprehensive income / loss	
		Increase in the value of the euro of +10%	Fall in the value of the euro of –10%	Increase in the value of the euro of +10%	Fall in the value of the euro of –10%
in € million	**2025**				
GBP		0.7	–0.8	9.5	–11.6
USD		0.8	–0.9	3.9	–4.7
in € million	**2024**				
GBP		0.1	–0.1	11.1	–20.4
USD		1.2	–1.5	5.3	–8.7

Interest-rate risk

Interest-rate risk within the KION Group is managed centrally. The basis for decision-making includes sensitivity analyses of interest-rate risk exposures in key currencies.

The Group's financing takes the form of variable-rate and fixed-rate financial liabilities. The fair value of certain lease receivables is hedged at portfolio level using portions of amortizing payer interest-rate swaps. These hedges are accounted for as portfolio fair value hedges in accordance with IAS 39. In addition, contracted and highly probable future payments from variable-rate liabilities for financing the lease business are also hedged using portions of amortizing payer interest-rate swaps. These hedges are accounted for as cash flow hedges in accordance with IFRS 9 (see note [40]).

The shift in the relevant yield curves was simulated to assess interest-rate risk. The effects after tax shown below resulted from the marking-to-market of interest-rate swaps and from variable-rate financial debt and liquidity levels. Sensitivity was based on a net interest-rate exposure of €113.2 million as at December 31, 2025 (December 31, 2024: €152.1 million).

Interest-rate sensitivity

	+50 bps		–50 bps	
in € million	2025	2024	2025	2024
Net income	0.6	11.2	–0.8	–11.7
Other comprehensive income (loss)	12.2	–	–12.5	–

Risks arising from lease business

The lease activities that are used to promote sales in the Industrial Trucks & Services segment mean that the KION Group may be exposed to residual value risks from the marketing of trucks. The trucks are returned by the lessee at the end of a long-term lease and subsequently sold or re-rented. Residual values in the markets for used trucks are constantly monitored and forecast on the basis of prices in these markets. The KION Group regularly assesses its total exposure arising from the lease business.

Risks identified in relation to the existing contract portfolio are taken into account through profit and loss by prospectively adjusting the depreciation expense, impairment losses, or the recognition of provisions. If there is a sustained decline in residual values, they will be adjusted in the costing of new leases. Groupwide standards to ensure that residual values are calculated appropriately, combined with an IT system for residual-value risk management, aim to reduce risk and provide the basis on which to create the transparency required.

Long-term leases with end customers are primarily arranged on a fixed-interest basis. If they are financed using variable-rate instruments, interest-rate derivatives are entered into in order to hedge the interest-rate risk, where it makes commercial sense to do so. Nevertheless, the lease business is still subject to interest-rate-volatility risk related to residual, non-matching maturities. The level of this risk depends in part on the relevant market interest rates.

As a rule, the KION Group finances its lease business in the same currency as the lease with the end customer in order to exclude currency risks.

The counterparty risk inherent in the lease business continues to be insignificant. The Group also mitigates any losses from defaults by its receipt of the proceeds from the sale of repossessed industrial trucks. Furthermore, receivables management and credit risk management are refined on an ongoing basis.

[40] Hedge accounting

Hedging currency risk

The KION Group applies cash flow hedge accounting in hedging the exchange rate risks arising (in various currencies) from highly probable future transactions and firm commitments not reported in the statement of financial position. Foreign-currency forwards with settlement dates in the same month as the expected cash flows from the Group's operating activities are used as hedges. The critical terms of the hedging instruments and the hedged items are therefore matched with each other. The hedge ratio, which is derived from the volume of hedged items and the hedging instruments used, is 1:1 for these hedges. Because the hedges are highly effective, the change in the fair value of the cash flows from the hedged items corresponds to the change in the fair value of the hedging instruments. The spot and forward elements are designated as the hedging instrument, whereas the cross-currency basis spread is recognized as an undesignated element.

The main currency hedges relate to pound sterling and the US dollar. The foreign-currency forwards in existence as at December 31, 2025 were entered into at average hedging rates of £0.8717 to €1 (2024: £0.8605 to €1) and US$ 1.1464 to €1 (2024: US$ 1.1060 to €1).

On account of the short-term nature of the Group's payment terms, reclassifications to the income statement – or to the hedged inventory items in the statement of financial position – of fair value changes previously recognized in equity in the hedge reserve and the recognition of the corresponding cash flows generally take place in the same reporting period. A foreign-currency receivable or liability is recognized when goods are dispatched or received. Until the corresponding payment is received, changes in the fair value of the derivative are recognized in the income statement such that they largely offset the effect of the measurement of the foreign-currency receivable or liability at the reporting date.

The foreign-currency forwards used as hedges will mature in 2027 at the latest. In total, foreign-currency cash flows of €565.3 million (2024: €526.5 million) were hedged and designated as hedged items, of which €454.2 million is expected by December 31, 2026 (2024: €478.9 million expected by December 31, 2025). The remaining cash flows designated as hedged items, which amounted to €111.2 million (2024: €47.6 million), fall due in more than one year's time.

The following table provides an overview of the foreign-currency forwards entered into by the KION Group. They are recognized under other financial assets and other financial liabilities in the consolidated statement of financial position.

Foreign-currency forwards

		Fair value		Notional amount	
in € million		Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
Foreign-currency forwards (assets)	Cash flow hedge	5.8	1.5	286.2	100.8
	FVPL	28.5	10.3	949.3	544.4
Foreign-currency forwards (liabilities)	Cash flow hedge	2.3	15.0	279.1	425.7
	FVPL	16.0	25.7	680.5	743.1

The table below shows the change in the effectiveness of the foreign-currency forwards used for hedging purposes in 2025.

Derivatives used for hedging – cash flow hedges at Dec. 31, 2025

in € million	Change in value for determining ineffectiveness hedging instrument	Change in value for determining ineffectiveness hedged item	OCI – hedge reserve for unrealized gains and losses	Ineffective portion of hedges
Foreign-currency risk from operating activities – foreign-currency forwards	19.4	–19.4	19.4	–
Total	**19.4**	**–19.4**	**19.4**	**–**

Derivatives used for hedging – cash flow hedges at Dec. 31, 2024

in € million	Change in value for determining ineffectiveness hedging instrument	Change in value for determining ineffectiveness hedged item	OCI – hedge reserve for unrealized gains and losses	Ineffective portion of hedges
Foreign-currency risk from operating activities – foreign-currency forwards	–19.3	19.3	–19.3	–
Total	**–19.3**	**19.3**	**–19.3**	**–**

Hedging interest-rate risk

The KION Group uses portions of amortizing payer interest-rate swaps in the same currency to hedge the risk of a change in the fair value of certain lease receivables. These hedges are accounted for as portfolio fair value hedges in accordance with IAS 39. The portfolio fair value hedge is ended and redesignated monthly due to the fast-changing and open lease portfolio. In addition, the KION Group began using cash flow hedge accounting in accordance with IFRS 9 in 2025 in connection with the financing of the lease business. In this context, contracted and highly probable future payments from variable-rate liabilities are designated as hedged items. Portions of amortizing payer interest-rate swaps in the same currency that had not been accounted for as portfolio fair value hedges and that, prior to the reporting year, had been recognized as stand-alone derivatives are also designated as hedges. The interest-rate swaps used as hedges reflect the notional amount and the maturity profile of the hedged leasing and finance business and will mature in 2034. The interest-rate swaps held as at December 31, 2025 that were designated as cash flow hedges were entered into with an average fixed interest rate of 2.30 percent for the euro currency area and 3.62 percent for the pound sterling currency area.

The following table provides an overview of the interest-rate derivatives used by the KION Group. They are recognized under other financial assets and other financial liabilities in the consolidated statement of financial position.

Interest-rate swaps

in € million		Fair value Dec. 31, 2025	Fair value Dec. 31, 2024	Notional amount Dec. 31, 2025	Notional amount Dec. 31, 2024
Interest-rate swaps (assets)	Fair value hedge	4.5	10.4	686.7	502.9
	Cash flow hedge	4.0	–	701.9	–
	FVPL	–	8.1	–	615.2
Interest-rate swaps (liabilities)	Fair value hedge	9.8	14.4	780.6	956.5
	Cash flow hedge	9.1	–	716.5	–
	FVPL	0.3	11.4	262.8	680.9

The table below shows the change in the interest-rate derivatives used for hedging purposes in 2025. Furthermore, the gain/loss on the undesignated portion of interest-rate derivatives used to hedge leases in 2025 amounted to a net loss of €1.8 million (2024: net loss of €12.5 million). The loss that had arisen in 2024 was due to the fact that operating leases could not be designated as hedged items under portfolio fair value hedge accounting in accordance with IAS 39. The loss was significantly reduced in the reporting year as a result of introducing cash flow hedge accounting in accordance with IFRS 9 for the corresponding lease financing.

Interest-rate derivatives used for hedging at Dec. 31, 2025

in € million	Change in fair value of hedging instrument	Change in fair value of hedged item	Ineffective portion of hedges	OCI – hedge reserve for unrealized gains and losses	Carrying amount asset	Change in fair value of hedged item – cumulative
Fair value hedges						
Lease receivables – interest-rate swaps	–2.5	2.6	0.1	–	3,136.1	5.5
Cash flow hedges						
Future, variable cash flows from lease liabilities – interest-rate swaps	2.7	–2.6	0.1	2.6	–	–
Total	**0.2**	**–0.0**	**0.2**	**2.6**	**3,136.1**	**5.5**

Interest-rate derivatives used for hedging – fair value hedges at Dec. 31, 2024

in € million	Change in fair value of hedging instrument	Change in fair value of hedged item	Ineffective portion of hedges	OCI – hedge reserve for unrealized gains and losses	Carrying amount asset (+)/ liability (–)	Change in fair value of hedged item – cumulative
Promissory note – interest-rate swap	1.6	–1.6	–	–	–79.5	0.5
Lease receivables – interest-rate swaps	–12.1	14.7	2.6	–	2,812.7	2.8
Total	**–10.5**	**13.1**	**2.6**	**–**	**2,733.2**	**3.3**

Change in the hedge reserves

The change in the hedge reserves within accumulated other comprehensive income (loss) is presented in the following tables.

Reconciliation of hedge reserves 2025

in € million	Currency risk	Interest-rate risk	Total
Balance as at Jan. 1, 2025	**–9.0**	**–**	**–9.0**
Changes in unrealized gains and losses	19.4	2.6	22.0
Gains (–) and losses (+) reclassified to revenue	–1.9	–	–1.9
Gains (–) and losses (+) reclassified to inventories	–1.3	–	–1.3
Gains (–) and losses (+) reclassified to financial expenses	–	–2.1	–2.1
Tax effect of changes in reserves	–4.4	–0.2	–4.5
Balance as at Dec. 31, 2025	**2.9**	**0.4**	**3.3**

Reconciliation of hedge reserves 2024

in € million	Currency risk	Interest-rate risk	Total
Balance as at Jan. 1, 2024	**–0.5**	**–**	**–0.5**
Changes in unrealized gains and losses	–19.3	–	–19.3
Gains (–) and losses (+) reclassified to revenue	0.2	–	0.2
Gains (–) and losses (+) reclassified to inventories	8.0	–	8.0
Tax effect of changes in reserves	2.6	–	2.6
Balance as at Dec. 31, 2024	**–9.0**	**–**	**–9.0**

[41] Segment report

The Executive Board, as the chief operating decision-maker (CODM), manages the KION Group on the basis of the two segments Industrial Trucks & Services and Supply Chain Solutions. The segments have been defined in accordance with the KION Group's organizational and strategic focus.

Description of the segments

Industrial Trucks & Services

The business model of the Industrial Trucks & Services segment covers key steps of the value chain that are required to fully cater to the needs of customers worldwide. These are product development, manufacturing, sales and service, truck rental and used trucks, fleet management, and financial services that support the industrial truck operating business and the related automation solutions. The segment operates a multi-brand strategy involving the three international brands Linde, STILL, and Baoli plus the two regional brands Fenwick and OM.

Supply Chain Solutions

The Supply Chain Solutions segment, featuring its KION SCS Operating Unit, is a strategic partner to customers in a variety of industries, supplying them with integrated technology and software solutions for warehouse automation. Manual and automated solutions are provided for all functions along customers' supply chains, from goods inward and Multishuttle warehouse systems to picking, automated palletizing, and automated guided vehicle systems. Featuring the Dematic brand, this segment is primarily involved in customer-specific project business. With global resources, production facilities in various countries, and regional teams of experts, Dematic is able to plan and deliver warehouse automation solutions with varying degrees of complexity anywhere in the world.

Corporate Services

Corporate Services comprises holding companies and service companies that provide services such as IT and general administration across all segments. The bulk of the total revenue is generated by internal IT services.

Segment management

The KPIs used to manage the segments are revenue and adjusted EBIT. Segment reporting therefore includes a reconciliation of externally reported consolidated earnings before interest and tax (EBIT) – including effects from purchase price allocations and non-recurring items – to the adjusted EBIT for the segments ('adjusted EBIT'). Intragroup transactions are generally conducted on an arm's-length basis. Segment reports are prepared in accordance with the same accounting policies as the consolidated financial statements, as described in note [6].

Segment report 2025

in € million	Industrial Trucks & Services	Supply Chain Solutions	Corporate Services	Consoli-dation	Total
Revenue from external customers	8,253.0	3,042.8	1.4	–	11,297.2
Intersegment revenue	19.5	28.6	294.2	–342.3	–
Total revenue	**8,272.5**	**3,071.4**	**295.5**	**–342.3**	**11,297.2**
Cost of sales	–5,916.9	–2,473.9	–297.3	341.1	–8,347.0
Earnings before tax	**432.3**	**63.0**	**326.7**	**–468.6**	**353.5**
Net financial expenses	–101.0	–22.9	–23.5	–	–147.4
EBIT	**533.4**	**85.9**	**350.2**	**–468.6**	**500.9**
+ Non-recurring items	184.4	14.7	2.0	–	201.1
+ PPA items	4.0	82.5	–	–	86.6
= Adjusted EBIT	**721.8**	**183.2**	**352.2**	**–468.6**	**788.6**
Segment assets	14,981.9	5,279.1	2,745.8	–4,711.9	18,294.9
Segment liabilities	10,883.3	2,847.7	3,157.9	–4,717.0	12,171.9
Capital expenditure[1]	254.5	97.0	44.2	–	395.7
Amortization and depreciation[2]	206.9	55.8	25.9	–	288.6
Order intake	8,146.9	3,598.8	295.5	–335.8	11,705.5
Order book	2,023.9	2,688.4	–	–28.5	4,683.7
Number of employees[3]	30,563	10,250	1,362	–	42,175

1 Capital expenditure in property, plant and equipment and intangible assets, including capitalized development costs

2 On intangible assets and property, plant and equipment (excluding right-of-use assets and PPA items)

3 Number of employees (full-time equivalents; incl. apprentices; excl. inactive employees) as at Dec. 31, 2025; allocation according to the contractual relationships

Segment report 2024

in € million	Industrial Trucks & Services	Supply Chain Solutions	Corporate Services	Consoli-dation	Total
Revenue from external customers	8,593.5	2,906.2	3.5	–	11,503.2
Intersegment revenue	15.3	37.0	293.1	–345.4	–
Total revenue	**8,608.8**	**2,943.2**	**296.6**	**–345.4**	**11,503.2**
Cost of sales	–6,015.8	–2,430.2	–307.2	343.5	–8,409.7
Earnings before tax	**765.3**	**–12.8**	**562.0**	**–724.8**	**589.8**
Net financial expenses	–114.3	–21.9	–51.8	–	–188.0
EBIT	**879.6**	**9.1**	**613.9**	**–724.8**	**777.8**
+ Non-recurring items	14.1	16.1	–2.4	–	27.9
+ PPA items	23.8	87.7	–	–	111.5
= Adjusted EBIT	**917.5**	**112.9**	**611.5**	**–724.8**	**917.2**
Segment assets	14,707.0	5,550.5	3,631.5	–5,083.6	18,805.4
Segment liabilities	10,817.7	2,768.7	4,099.7	–5,087.8	12,598.3
Capital expenditure[1]	301.0	114.1	47.8	–	462.9
Amortization and depreciation[2]	176.3	49.0	23.6	–	248.9
Order intake	7,765.8	2,579.1	296.6	–320.5	10,320.9
Order book	2,246.1	2,423.8	–	–34.9	4,635.1
Number of employees[3]	31,407	9,827	1,485	–	42,719

1 Capital expenditure in property, plant and equipment and intangible assets, including capitalized development costs

2 On intangible assets and property, plant and equipment (excluding right-of-use assets and PPA items)

3 Number of employees (full-time equivalents; incl. apprentices; excl. inactive employees) as at Dec. 31, 2024; allocation according to the contractual relationships

External revenue is allocated to the different regions on the basis of the customer's location. The breakdown of external revenue by region is presented in the > tables 'Disaggregation of revenue with third parties'. In 2025, revenue in the most significant countries was as follows: €1,942.5 million in Germany (2024: €2,077.1 million), €2,049.1 million in the US (2024: €2,078.8 million), and €1,198.6 million in France (2024: €1,303.6 million).

Net financial income and expenses, including all interest income and interest expense, are described in notes [11] and [12].

In 2025, the non-recurring items in the Industrial Trucks & Services segment and in Corporate Services chiefly comprised the expenses of €168.8 million in connection with the measures under the efficiency program, which have now largely been completed. The non-recurring items in the Industrial Trucks & Services segment also included a deconsolidation loss totaling €12.2 million that arose on the disposal of a subsidiary in South Africa. The non-recurring items recognized in the Supply Chain Solutions segment in the reporting year predominantly consisted of impairment losses of €12.3 million on capitalized development costs for product technologies that are no longer used.

In 2024, the non-recurring items in the Supply Chain Solutions segment had included costs of €14.8 million (including interest and consultancy costs) that were incurred in connection with the ending of a long-running legal dispute related to the acquisition of a group of companies in 2015 by the former Dematic Group.

The effects from purchase price allocations comprised net write-downs and other expenses in relation to the step-ups and charges identified as part of the acquisition processes.

The regional breakdown of non-current assets, excluding financial instruments, deferred tax assets, and assets relating to defined benefit pension plans, is as follows:

Non-current assets broken down by company location

in € million	Dec. 31, 2025	Dec. 31, 2024
EMEA	**6,929.7**	**6,860.4**
Western Europe	6,185.3	6,145.9
Eastern Europe	744.4	714.4
Middle East and Africa	–	0.1
Americas	**2,236.9**	**2,535.4**
North America	2,116.7	2,433.0
Central and South America	120.1	102.3
APAC	**849.4**	**841.8**
China	492.9	512.0
APAC excluding China	356.5	329.8
Total non-current assets (IFRS 8)	**10,015.9**	**10,237.6**

As at December 31, 2025, non-current assets attributable to Germany amounted to €3,754.4 million (December 31, 2024: €3,746.2 million) and to the US €2,049.3 million (December 31, 2024: €2,358.9 million).

[42] Related party disclosures

In addition to its relationship with subsidiaries included in the consolidated financial statements, the KION Group has direct or indirect business relationships with a number of non-consolidated subsidiaries, associates and joint ventures, and other related parties in the course of its ordinary business activities. The related parties that are solely or jointly controlled by the KION Group or over which significant influence can be exercised are included in the list of shareholdings as at December 31, 2025 (see note [45]).

Related party disclosures: receivables and sales

in € million	Receivables		Sales of goods and services	
	Dec. 31, 2025	Dec. 31, 2024	2025	2024
Non-consolidated subsidiaries	21.0	14.2	22.7	19.0
Associates (equity-accounted)[1]	29.4	36.1	122.4	190.3
Joint ventures (equity-accounted)	17.2	15.0	46.8	32.4
Other related parties[1]	5.0	8.7	12.9	34.8
Total	**72.6**	**74.0**	**204.7**	**276.5**

1 The figures for 'associates' and 'other related parties' include transactions with Weichai Power Co., Ltd. and its affiliated companies

The figures for associates and other related parties include transactions with Weichai Power Co., Ltd. and its affiliated companies; these comprise receivables of €11.8 million (December 31, 2024: €15.4 million) and sales of goods and services amounting to €10.1 million (2024: €27.9 million). The receivables from associates include a variable-rate loan that the KION Group has granted to LHY Powertrain GmbH & Co. KG (formerly: Linde Hydraulics GmbH & Co. KG), Aschaffenburg. This involved a maximum commitment of €9.3 million (December 31, 2024: €9.3 million), from which the KION Group had a loan receivable with a nominal amount of €7.0 million as at December 31, 2025 (December 31, 2024: €8.0 million).

The KION Group has also made a commitment to the joint venture Schwerter Profile GmbH, Schwerte, to provide a variable-rate shareholder loan with a maximum amount of €15.0 million (December 31, 2024: €10.0 million), from which the KION Group had a loan receivable with a nominal amount of €15.0 million as at December 31, 2025 (December 31, 2024: €8.8 million).

Related party disclosures: liabilities and purchases

in € million	Liabilities		Purchases of goods and services	
	Dec. 31, 2025	Dec. 31, 2024	2025	2024
Non-consolidated subsidiaries	13.8	13.3	38.3	37.9
Associates (equity-accounted)[1]	4.8	6.7	89.1	110.1
Joint ventures (equity-accounted)	123.4	133.2	121.2	120.2
Other related parties[1]	5.1	2.2	18.1	0.6
Total	**147.1**	**155.4**	**266.8**	**268.7**

1 The figures for 'associates' and 'other related parties' include transactions with Weichai Power Co., Ltd. and its affiliated companies

The figures for associates and other related parties include transactions with Weichai Power Co., Ltd. and its affiliated companies; these comprise liabilities of €4.9 million (December 31, 2024: €5.9 million) and purchases of goods and services amounting to €100.2 million (2024: €100.7 million).

In addition, the distribution of a dividend of €0.82 per share for the 2024 financial year (2024: dividend for the 2023 financial year: €0.70 per share) to Weichai Power resulted in a pro rata outflow of funds from KION GROUP AG of €50.1 million in 2025 (2024: outflow of €42.7 million).

The members of the Executive Board and Supervisory Board of KION GROUP AG, and their family members, are also related parties. Further related parties are the members of the respective Boards of Directors of Weichai Power Co., Ltd., Weifang, People’s Republic of China (ultimate parent company of KION GROUP AG), Weichai Power (Hong Kong) International Development Co., Ltd., People’s Republic of China (intermediate holding company), and Weichai Power Holding S.à r.l., Luxembourg (direct parent company), and their family members. Details of the remuneration of the Executive Board and Supervisory Board of KION GROUP AG can be found in note [44].

[43] Long-term variable remuneration

KION performance share plan (LTI) for managers

The 2025 tranche of the long-term variable remuneration component for the managers in the KION Group (LTI 2025) was granted with effect from January 1, 2025 and has a term of three years. For the 2025 tranche, 30 percent of the remuneration component (2023 tranche: 50 percent; 2024 tranche: 30 percent) is based on the total shareholder return (TSR) of KION GROUP AG shares compared with the performance of the MDAX index (market-oriented measure of performance) and 50 percent (2023 tranche: 30 percent; 2024 tranche: 50 percent) is based on return on capital employed (ROCE) (internal measure of performance). For the 2023, 2024, and 2025 tranches, 20 percent of the performance share plan is linked to the achievement of ESG targets.

The performance period for the 2025 tranche ends on December 31, 2027 (2024 tranche: December 31, 2026). The 2023 tranche expired on December 31, 2025 and will be paid out in the first quarter of 2026.

At the beginning of the performance period on January 1, 2025 (2024 tranche: January 1, 2024; 2023 tranche: January 1, 2023), the managers were allocated a total of 878,177 phantom shares for this tranche (2024 tranche: 850,200 phantom shares; 2023 tranche: 1,074,813 phantom shares). The allocation was based on a particular percentage of each manager’s individual gross annual remuneration at the time of grant. At the end of the performance period, the number of the phantom shares is amended depending on the degree to which the relevant targets are achieved. The resulting final number of phantom shares multiplied by the smoothed price of KION GROUP AG shares at the end of the performance period determines the amount of cash actually paid. The KION Group has the right to adjust the amount payable at the end of the performance period in the event of exceptional occurrences or developments. For the 2023, 2024, and 2025 tranches, the maximum amount payable is limited to 250 percent of the value of the shares allotted to an individual at the grant date.

The pro rata expense calculation based on the fair value of the phantom shares on each valuation date is carried out using Monte Carlo simulation. The measurement parameters used to value the phantom shares on the reporting date were as follows:

Significant measurement parameters of the KION Performance Share Plans

	Valuation date Dec. 31, 2025			
Measurement parameters	**Tranche 2025 managers**	**Tranche 2025 Executive Board**	**Tranche 2024 managers**	**Tranche 2024 Executive Board**
Expected volatility of the KION share	40.0%	40.0%	45.0%	40.0%
Expected volatility of the MDAX	15.0%	15.0%	20.0%	15.0%
Risk-free interest rate	2.13%	2.23%	2.03%	2.13%
Expected dividend	€0.78	€1.02	€0.53	€0.78
Price of the KION share at valuation date	€66.65	€66.65	€66.65	€66.65
Price of the MDAX at valuation date	30,361.46 pts.	30,361.46 pts.	30,361.46 pts.	30,361.46 pts.
Initial value of the KION share (60-day average)	€34.58	€34.58	€33.80	€33.80
Initial value of the MDAX (60-day average)	26,553.16 pts.	26,553.16 pts.	25,748.86 pts.	25,748.86 pts.

Taking account of the remaining term of two years (2025 tranche) and one year (2024 tranche), the historic volatility of KION shares was used to determine the volatility on which the valuation is based. The provision as at December 31 and the income or expense in the financial year resulting from each tranche of the performance share plans break down as follows:

Provisions and results of the KION performance share plans for managers as at Dec. 31, 2025

	Fair value per phantom share in €	Phantom shares total	Pro rata liability in € million	Pro rata loss (–)/gain (+) in € million
2023 tranche	63.48	952,838	60.5	–32.4
2024 tranche	66.85	824,520	36.7	–27.9
2025 tranche	59.70	886,804	17.6	–17.6
Total			**114.8**	**–77.9**

Provisions and results of the KION performance share plans for managers as at Dec. 31, 2024

	Fair value per phantom share in €	Phantom shares total	Pro rata liability in € million	Pro rata loss (–)/gain (+) in € million
2022 tranche	17.19	226,853	3.9	–0.2
2023 tranche	41.62	1,010,685	28.0	–14.5
2024 tranche	29.87	886,056	8.8	–8.8
Total			**40.7**	**–23.5**

KION performance share plan (LTI) for the Executive Board

The members of the Executive Board have been promised a multiple-year variable remuneration component. This component takes the form of a performance share plan. For the 2025 tranche, the plan has a four-year term that comprises a three-year performance period followed by a one-year waiting period (2024 tranche: four-year term comprising a three-year performance period and a one-year waiting period; 2023 tranche: three-year term without a waiting period). The financial performance targets for the 2025 tranche are the relative total shareholder return (TSR) for the shares of KION GROUP AG compared with the MDAX (market-oriented measure of financial performance), with a weighting of 30 percent (2023 tranche: 40 percent; 2024 tranche: 30 percent), and return on capital employed (ROCE) (internal measure of financial performance), with a weighting of 50 percent (2023 tranche: 40 percent; 2024 tranche: 50 percent). For all tranches, 20 percent of the performance share plan is linked to the achievement of ESG targets.

The performance period for the 2025 tranche ends on December 31, 2027 (2024 tranche: December 31, 2026).

At the beginning of the performance period on January 1, 2025 (2024 tranche: January 1, 2024; 2023 tranche: January 1, 2023), the Executive Board members were allocated a total of 191,824 phantom shares for this tranche (2024 tranche: 190,829 phantom shares; 2023 tranche: 245,373 phantom shares) on the basis of the starting price of KION shares (60-day average). The shares were allocated on the basis of an allocation value in euros specified in each Executive Board member's service contract. At the end of the performance period, the number of the phantom shares is amended depending on the degree to which the relevant targets are achieved. The resulting final number of phantom shares multiplied by the smoothed price of KION GROUP AG shares at the end of the term determines the amount of cash actually paid. For the 2023 tranche, the Supervisory Board can also use a discretionary individual performance multiple to adjust the final payment at the end of the performance period by +/– 30 percent. For the 2024 and 2025 tranches, there is no longer an individual performance multiple. For the 2024 and 2025 tranches, the maximum amount payable is limited to 250 percent of the value of the shares allotted to an individual at the grant date; for the 2023 tranche, the maximum amount payable is limited to 200 percent.

The pro rata expense calculation based on the fair value of the phantom shares on each valuation date is carried out using Monte Carlo simulation. The measurement parameters used to value the phantom shares on the reporting date are shown in the > table 'Significant measurement parameters of the KION Performance Share Plans'.

Taking account of the remaining term of three years (2025 tranche) and two years (2024 tranche), the historic volatility of KION shares was used to determine the volatility on which the valuation is based. The provision as at December 31 and the income or expense in the financial year resulting from each tranche of the performance share plans break down as follows:

Provisions and results of the KION performance share plans for the Executive Board as at Dec. 31, 2025

	Fair value per phantom share in €	Phantom shares total	Pro rata liability in € million	Pro rata loss (–)/gain (+) in € million
2023 tranche	50.78	225,241	11.6	–6.4
2024 tranche	63.41	190,829	6.4	–5.0
2025 tranche	56.19	191,824	2.8	–2.8
Total			**20.8**	**–14.2**

Provisions and results of the KION performance share plans for the Executive Board as at Dec. 31, 2024

	Fair value per phantom share in €	Phantom shares total	Pro rata liability in € million	Pro rata loss (–)/gain (+) in € million
2022 tranche	6.06	50,679	0.3	0.6
2023 tranche	33.46	225,241	5.3	–2.6
2024 tranche	26.38	190,829	1.3	–1.3
Total			**6.9**	**–3.3**

The total carrying amount for liabilities in connection with share-based remuneration was €135.6 million as at December 31, 2025 (December 31, 2024: €47.6 million). For 2025, a total expense of €92.1 million for twelve months was recognized for share-based remuneration (2024: total expense of €26.8 million).

[44] Remuneration of the Executive Board and Supervisory Board

Executive Board

Responsibilities

The responsibilities of the members of the Executive Board are disclosed in the corporate governance statement (see the section 'Working methods of the Executive Board and Supervisory Board').

Remuneration

The remuneration paid to the Executive Board comprises a fixed salary and non-cash benefits, pension entitlements, and performance-related components. The variable performance-related components comprise an annually recurring component linked to business performance and a multi-year performance-related component in the form of the KION performance share plan (see also note [43]). The pension entitlements consist of retirement, invalidity, and surviving dependants' benefits.

Total remuneration of the members of the Executive Board who were in post (IFRS)

in € million	2025	2024
Non-performance-related components	6.4	6.9
Performance-related components	4.6	5.2
Total short-term remuneration components	**11.0**	**12.1**
Change in fair value of share-based payments	13.7	3.5
Post-employment benefits	1.4	1.0
Total long-term remuneration components	**15.1**	**4.5**
Total remuneration (IFRS)	**26.1**	**16.6**

The corresponding total remuneration pursuant to section 314 (1) no. 6a HGB broke down as follows, whereby the fair value of the share-based payments at the grant date (2025 tranche) was based on 191,824 phantom shares:

Total remuneration of the members of the Executive Board who were in post (HGB)

in € million	2025	2024
Total remuneration (IFRS)	**26.1**	**16.6**
– Change in fair value of share-based payments	–13.7	–3.5
+ Fair value of the share-based payments at grant date	7.0	6.8
– Post-employment benefits	–1.4	–1.0
– Remuneration under conditions precedent	–	1.3
Total remuneration (HGB)	**18.0**	**20.2**

As at December 31, 2025, no loans or advances had been extended to members of the Executive Board. This had also been the case as at December 31, 2024.

The total remuneration paid to former members of the Executive Board of KION GROUP AG and its legal predecessors amounted to €2.7 million (2024: €0.9 million). Pension entitlements of former Executive Board members or their surviving dependants amounting to €16.4 million (December 31, 2024: €17.4 million) were recognized in accordance with IFRS.

Further details of Executive Board remuneration, including the individual amounts for each member, are presented in KION GROUP AG's separate 2025 remuneration report, which is available on the KION Group website (www.kiongroup.com/remuneration).

Supervisory Board

The total remuneration paid to the members of the Supervisory Board for the performance of their tasks at the parent company and subsidiaries in 2025 amounted to €1.8 million (2024: €1.4 million) excluding VAT and consisted entirely of short-term benefits. There were no loans or advances to members of the Supervisory Board in 2025. Members of the Supervisory Board also received short-term employee benefits of €1.0 million for employee services (2024: €0.9 million), including the employer's share of the social-security contribution.

Further details of Supervisory Board remuneration, including the individual amounts for each member, are presented in KION GROUP AG's separate 2025 remuneration report, which is available on the KION Group website (www.kiongroup.com/remuneration).

The total remuneration of the members of the Executive Board and Supervisory Board came to €27.9 million (2024: €18.0 million).

[45] List of shareholdings

List of shareholdings of KION GROUP AG, Frankfurt am Main as at Dec. 31, 2025

No.	Name	Registered office	Country	Region	Share-holding 2025	Parent com-pany	Note
1	KION GROUP AG	Frankfurt am Main	Germany	EMEA			
Consolidated subsidiaries							
2	Actil Warehouse Trucks AB	Linköping	Sweden	EMEA	100.00%	79	
3	AUSTRO OM PIMESPO Fördertechnik GmbH	Linz	Austria	EMEA	100.00%	112	
4	Baoli EMEA S.p.A.	Lainate	Italy	EMEA	100.00%	106	
5	BARTHELEMY MANUTENTION SAS	Vitrolles	France	EMEA	100.00%	42	
6	Bastide Manutention SAS	Bruguières	France	EMEA	100.00%	42	
7	BlackForxx GmbH	Stuhr	Germany	EMEA	100.00%	106	
8	Bretagne Manutention SAS	Pacé	France	EMEA	100.00%	42	
9	Dematic (Malaysia) Sdn. Bhd.	Petaling Jaya	Malaysia	APAC	100.00%	27	
10	Dematic Corp.	Grand Rapids	United States	Americas	100.00%	13	
11	Dematic GmbH	Heusenstamm	Germany	EMEA	100.00%	16	
12	Dematic Group Ltd.	Banbury	United Kingdom	EMEA	100.00%	13	
13	Dematic Group S.à r.l.	Luxembourg	Luxembourg	EMEA	100.00%	14	
14	Dematic Holdings GmbH	Frankfurt am Main	Germany	EMEA	100.00%	1	
15	Dematic Holdings Pty. Ltd.	Belrose	Australia	APAC	100.00%	16	
16	Dematic Holdings UK Ltd.	Banbury	United Kingdom	EMEA	100.00%	13	
17	Dematic International Trading Ltd.	Shanghai	People's Republic of China	APAC	100.00%	13	
18	Dematic Korea Ltd.	Seoul	South Korea	APAC	100.00%	16	
19	Dematic Logistic Systems S.A.U.	Coslada	Spain	EMEA	100.00%	16	
20	Dematic Logistics de Mexico S. de R.L. de C.V.	Monterrey	Mexico	Americas	100.00%	23 & 19	
21	Dematic Logistics GmbH	Heusenstamm	Germany	EMEA	100.00%	16	
22	Dematic Logistics Systems Ltd.	Suzhou	People's Republic of China	APAC	100.00%	13	
23	Dematic Ltd.	Banbury	United Kingdom	EMEA	100.00%	16	
24	Dematic Ltd.	Mississauga	Canada	Americas	100.00%	16	
25	Dematic NV	Antwerp	Belgium	EMEA	100.00%	16 & 11	

List of shareholdings as at Dec. 31, 2025 (continued)

No.	Name	Registered office	Country	Region	Share-holding 2025	Parent com-pany	Note
26	Dematic Poland Sp. z o.o.	Poznań	Poland	EMEA	100.00%	11	
27	Dematic Pte. Ltd.	Singapore	Singapore	APAC	100.00%	16	
28	Dematic Pty. Ltd.	Belrose	Australia	APAC	100.00%	15	
29	Dematic S.r.l.	Cernusco sul Naviglio	Italy	EMEA	100.00%	16	
30	Dematic SAS	Bussy-Saint-Georges	France	EMEA	100.00%	16	
31	Dematic Services GmbH	Heusenstamm	Germany	EMEA	100.00%	11	
32	Dematic Sistemas e Equipamentos de Movimentação de Materiais Ltda.	Indaiatuba / São Paulo	Brazil	Americas	100.00%	13	
33	Dematic Suisse Sagl	Lugano	Switzerland	EMEA	100.00%	16	
34	Dematic Trading de Mexico S. de R.L. de C.V.	Monterrey	Mexico	Americas	100.00%	23 & 19	
35	Digital Applications GmbH	Basel	Switzerland	EMEA	100.00%	36	
36	Digital Applications International Ltd.	Stockport	United Kingdom	EMEA	100.00%	16	
37	DMTC Technology Services, S. de R.L. de C.V.	Monterrey	Mexico	Americas	100.00%	23 & 19	
38	Eisengießerei Dinklage GmbH	Dinklage	Germany	EMEA	100.00%	106	
39	Eisenwerk Weilbach Gesellschaft mit beschränkter Haftung	Frankfurt am Main	Germany	EMEA	100.00%	83	
40	Fahrzeugbau GmbH Geisa	Geisa	Germany	EMEA	100.00%	106	
41	FENWICK-LINDE OPERATIONS SAS	Cenon-sur-Vienne	France	EMEA	100.00%	42	
42	FENWICK-LINDE SAS	Elancourt	France	EMEA	100.00%	56	
43	Hans Joachim Jetschke Industrie-fahrzeuge (GmbH & Co.) KG	Hamburg	Germany	EMEA	100.00%	83	
44	Ironscale Pte. Ltd.	Singapore	Singapore	APAC	9.90%	27	[1]
45	KION (Jinan) Forklift Co., Ltd.	Jinan	People's Republic of China	APAC	95.00%	83	
46	KION ASIA (HONG KONG) Ltd.	Kwai Chung - Hong Kong	People's Republic of China	APAC	100.00%	83	
47	KION Automated Solutions EMEA NV	Antwerp	Belgium	EMEA	100.00%	16 & 11	
48	KION Baoli (Jiangsu) Forklift Co., Ltd.	Jingjiang	People's Republic of China	APAC	100.00%	46	
49	KION Battery Systems GmbH	Karlstein am Main	Germany	EMEA	50.00%	1	[1]
50	KION Business Services Polska Sp. z o.o.	Kraków	Poland	EMEA	100.00%	1	
51	KION Financial Services FRANCE SAS (formerly: FENWICK FINANCIAL SERVICES SAS)	Elancourt	France	EMEA	100.00%	56	

List of shareholdings as at Dec. 31, 2025 (continued)

No.	Name	Registered office	Country	Region	Share-holding 2025	Parent com-pany	Note
52	KION Financial Services GmbH	Frankfurt am Main	Germany	EMEA	100.00%	83	
53	KION FINANCIAL SERVICES Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	83	
54	KION Financial Services Polska Sp. z o.o.	Warsaw	Poland	EMEA	100.00%	83	
55	KION Financial Services Sweden AB	Örebro	Sweden	EMEA	100.00%	79	
56	KION France SERVICES SAS	Elancourt	France	EMEA	100.00%	83	
57	KION India Pvt. Ltd.	Pune	India	APAC	100.00%	80 & 83	
58	KION Information Management Services GmbH	Frankfurt am Main	Germany	EMEA	100.00%	1	
59	KION Intralogistic Solutions Benelux NV	Wijnegem	Belgium	EMEA	100.00%	106 & 107	
60	KION Intralogistic Solutions Switzerland AG	Dietlikon	Switzerland	EMEA	100.00%	83 & 106	
61	KION North America Corp.	Summerville	United States	Americas	100.00%	83	
62	KION Polska Sp. z o.o.	Kolbaskowo	Poland	EMEA	100.00%	83	
63	KION Regional Distribution Center EEU, s.r.o.	Český Krumlov	Czech Republic	EMEA	100.00%	83 & 106	
64	KION Regional Distribution Center Nordics AB	Jonköping	Sweden	EMEA	100.00%	83	
65	KION Rental Services S.A.U.	Barcelona	Spain	EMEA	100.00%	85	
66	KION Rental Services S.p.A.	Milan	Italy	EMEA	100.00%	4 & 86 & 112	
67	KION South America Fabricação de Equipamentos para Armazenagem Ltda.	Indaiatuba / São Paulo	Brazil	Americas	100.00%	106	
68	KION South Asia Pte. Ltd.	Singapore	Singapore	APAC	100.00%	83	
69	KION Supply Chain Solutions Czech, s.r.o.	Kostelec (Stříbro)	Czech Republic	EMEA	100.00%	16	
70	KION Warehouse Systems GmbH	Reutlingen	Germany	EMEA	100.00%	106	
71	K-LIFT S.A.	Luxembourg	Luxembourg	EMEA	-	-	[1]
72	Linde (China) Forklift Truck Corporation Ltd.	Xiamen	People's Republic of China	APAC	100.00%	83	
73	Linde Holdings Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	83	
74	Linde Magyarország Anyagmozgatási Kft.	Dunaharaszti	Hungary	EMEA	100.00%	83	
75	Linde Material Handling (Ireland) Ltd.	Ballymount (Dublin)	Ireland	EMEA	100.00%	73	
76	Linde Material Handling (Malaysia) Sdn. Bhd.	Petaling Jaya	Malaysia	APAC	100.00%	80	
77	Linde Material Handling (Thailand) Co., Ltd.	Pathum Thani	Thailand	APAC	100.00%	80	

List of shareholdings as at Dec. 31, 2025 (continued)

No.	Name	Registered office	Country	Region	Share-holding 2025	Parent com-pany	Note
78	Linde Material Handling (UK) Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	73	
79	Linde Material Handling AB	Örebro	Sweden	EMEA	100.00%	83	
80	Linde Material Handling Asia Pacific Pte. Ltd.	Singapore	Singapore	APAC	100.00%	83	
81	Linde Material Handling Austria GmbH	Linz	Austria	EMEA	100.00%	3 & 83	
82	Linde Material Handling Česká republika s.r.o.	Prague	Czech Republic	EMEA	100.00%	83	
83	Linde Material Handling GmbH	Aschaffenburg	Germany	EMEA	100.00%	1	
84	Linde Material Handling Hong Kong Ltd.	Kwai Chung - Hong Kong	People's Republic of China	APAC	100.00%	83	
85	Linde Material Handling Ibérica, S.A.U.	Pallejá	Spain	EMEA	100.00%	83	
86	Linde Material Handling Italia S.p.A.	Lainate	Italy	EMEA	100.00%	83	
87	Linde Material Handling Modena S.p.A. (formerly: Emhilia Material Handling S.p.A.)	Modena	Italy	EMEA	100.00%	86	
88	Linde Material Handling Polska Sp. z o.o.	Warsaw	Poland	EMEA	100.00%	83	
89	Linde Material Handling Pty. Ltd.	Huntingwood	Australia	APAC	100.00%	83	
90	Linde Material Handling Rental Services GmbH	Aschaffenburg	Germany	EMEA	100.00%	83	
91	Linde Material Handling Rhein-Ruhr GmbH & Co. KG	Essen	Germany	EMEA	100.00%	83	
92	Linde Material Handling Slovenská republika s.r.o.	Trenčin	Slovakia	EMEA	100.00%	82 & 83	
93	Linde MH UK Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	78	
94	Linde Pohony s.r.o.	Český Krumlov	Czech Republic	EMEA	100.00%	83	
95	Linde Viličar d.o.o.	Celje	Slovenia	EMEA	100.00%	83	
96	LOIRE OCEAN MANUTENTION SAS	Saint-Herblain	France	EMEA	100.00%	42	
97	LR Intralogistik GmbH	Wörth a. d. Isar	Germany	EMEA	100.00%	106	
98	SM Rental SAS	Tremblay-en-France	France	EMEA	100.00%	42	
99	Sociedad Gallega de Carretillas, S.A. (SOGACSA)	Nigrán	Spain	EMEA	51.00%	85	
100	Société Angoumoisine de Manutention (SAMA) SAS	Champniers	France	EMEA	100.00%	113	

List of shareholdings as at Dec. 31, 2025 (continued)

No.	Name	Registered office	Country	Region	Share-holding 2025	Parent com-pany	Note
101	STILL ARSER Iş Makineleri Servis ve Ticaret A.Ş.	Izmir	Turkey	EMEA	51.00%	106	
102	STILL ČR spol. s.r.o.	Prague	Czech Republic	EMEA	100.00%	106 & 83	
103	STILL DANMARK A/S	Kolding	Denmark	EMEA	100.00%	106	
104	STILL Financial Services GmbH	Hamburg	Germany	EMEA	100.00%	52	
105	STILL Gesellschaft m.b.H.	Wiener Neudorf	Austria	EMEA	100.00%	106	
106	STILL Gesellschaft mit beschränkter Haftung	Hamburg	Germany	EMEA	100.00%	83	
107	STILL Intern Transport B.V.	Hendrik-Ido-Ambacht	Netherlands	EMEA	100.00%	106	
108	STILL Kft.	Tatabánya	Hungary	EMEA	100.00%	106	
109	STILL MATERIAL HANDLING ROMANIA SRL	Ilfov	Romania	EMEA	100.00%	106 & 83	
110	STILL Materials Handling Ltd.	Exeter	United Kingdom	EMEA	100.00%	83	
111	STILL POLSKA Sp. z o.o.	Gądki	Poland	EMEA	100.00%	106	
112	STILL S.p.A.	Lainate	Italy	EMEA	100.00%	83 & 4	
113	STILL SAS	Jossigny (Marne-la-Vallée)	France	EMEA	100.00%	56	
114	STILL SR, spol. s.r.o.	Nitra	Slovakia	EMEA	100.00%	102 & 106	
115	STILL Sverige AB	Malmö	Sweden	EMEA	100.00%	106	
116	STILL, S.A.U.	L'Hospitalet de Llobregat	Spain	EMEA	100.00%	85	
117	Superlift UK Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	83	
118	URBAN LOGISTICA S.R.L.	Lainate	Italy	EMEA	100.00%	121	
119	URBAN LOGISTIQUE SAS	Elancourt	France	EMEA	100.00%	121	
120	Urban Transporte spol. s.r.o.	Moravany	Czech Republic	EMEA	100.00%	121	
121	Urban-Transporte Gesellschaft mit beschränkter Haftung	Unterschleißheim	Germany	EMEA	100.00%	83	
122	Willenbrock Fördertechnik GmbH	Bremen	Germany	EMEA	74.00%	83	
Non-consolidated subsidiaries							
123	Castle Lift Trucks Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	78	[D]
124	Comnovo GmbH	Dortmund	Germany	EMEA	100.00%	83	

List of shareholdings as at Dec. 31, 2025 (continued)

No.	Name	Registered office	Country	Region	Share-holding 2025	Parent com-pany	Note
125	Creighton Materials Handling Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	78	[D]
126	D.B.S. Brand Factors Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	151	[D]
127	Dematic Logistics Services, LLC	Riyadh	Saudi Arabia	EMEA	100.00%	16	
128	Dematic Electromechanical Systems Middle East L.L.C.	Dubai	United Arab Emirates	EMEA	100.00%	11	
129	DZ Robotics (Chongqing) Co., Ltd.	Chongqing	People's Republic of China	APAC	51.00%	72	
130	Fork Truck Rentals Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	78	[D]
131	Fork Truck Training Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	78	[D]
132	IBER-MICAR S.L.U.	Gavà	Spain	EMEA	100.00%	83	
133	JETSCHKE GmbH	Hamburg	Germany	EMEA	100.00%	83	
134	KION IoT Systems GmbH	Frankfurt am Main	Germany	EMEA	100.00%	1	
135	KION Vietnam Co. Ltd.	Ho Chi Minh City	Vietnam	APAC	100.00%	80	
136	Lancashire (Fork Truck) Services Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	151	[D]
137	Lansing Bagnall (Aust.) Pty. Ltd.	Huntingwood	Australia	APAC	100.00%	78 & 83	[D]
138	Lansing Linde Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	78	[D]
139	Lansing Linde Trifik Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	78	[D]
140	Linde Castle Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	78	[D]
141	Linde Creighton Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	78	[D]
142	Linde Heavy Truck Division Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	78	
143	Linde Jewsbury's Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	78	[D]
144	Linde Material Handling (Pty) Ltd.	Linbro Park	South Africa	EMEA	100.00%	83	
145	Linde Material Handling East Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	78	[D]
146	Linde Material Handling Rhein-Ruhr Verwaltungs-GmbH	Essen	Germany	EMEA	100.00%	83	
147	Linde Material Handling Scotland Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	78	[D]

List of shareholdings as at Dec. 31, 2025 (continued)

No.	Name	Registered office	Country	Region	Share-holding 2025	Parent com-pany	Note
148	Linde Material Handling South East Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	78	[D]
149	Linde Material Handling Verona S.p.A. (formerly: QUALIFT S.p.A.)	Verona	Italy	EMEA	100.00%	86	
150	Linde Severnside Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	78	[D]
151	Linde Sterling Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	78	[D]
152	McLEMAN FORK LIFT SERVICES LTD.	Basingstoke	United Kingdom	EMEA	100.00%	141	[D]
153	OM Deutschland GmbH	Neuhausen a. d. Fildern	Germany	EMEA	100.00%	112	[D]
154	P.T. KION Rental Services Indonesia	Jakarta	Indonesia	APAC	100.00%	80	
155	P.T. KION Sales & Service Indonesia	Jakarta	Indonesia	APAC	100.00%	80	
156	proplan Transport- und Lagersysteme GmbH	Aschaffenburg	Germany	EMEA	100.00%	1	
157	Regentruck Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	78	[D]
158	SCI Champ Lagarde	Elancourt	France	EMEA	100.00%	42	
159	Stephensons Enterprise Fork Trucks Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	151	[D]
160	Sterling Mechanical Handling Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	78	[D]
161	Urban Logistics (UK) Ltd.	Basingstoke	United Kingdom	EMEA	100.00%	121	
162	Urban Logistyka Polska Sp. z o.o.	Kolbaskowo	Poland	EMEA	100.00%	121	
Associates (equity-accounted investments)							
163	Armstrong Robotics & Technologies Pvt. Ltd.	Pune	India	APAC	10.00%	44	[2]
164	Carl Beutlhauser Kommunal- und Fördertechnik GmbH & Co. KG	Hagelstadt	Germany	EMEA	25.00%	83	
165	Carretillas Elevadoras Sudeste S.A. (CARELSA)	Murcia	Spain	EMEA	38.54%	85	
166	ifesca GmbH	Ilmenau	Germany	EMEA	22.86%	83	
167	Labrosse Equipement SAS	Saint-Péray	France	EMEA	34.00%	42	
168	Linde High Lift Chile S.A.	Santiago de Chile	Chile	Americas	45.00%	83	
169	LHY Powertrain GmbH & Co. KG (formerly: Linde Hydraulics GmbH & Co. KG)	Aschaffenburg	Germany	EMEA	10.00%	83	[2]
170	Normandie Manutention SAS	Saint-Etienne-du-Rouvray	France	EMEA	34.00%	42	

List of shareholdings as at Dec. 31, 2025 (continued)

No.	Name	Registered office	Country	Region	Share-holding 2025	Parent com-pany	Note
Joint Ventures (equity-accounted investments)							
171	JULI Motorenwerk s.r.o.	Moravany	Czech Republic	EMEA	50.00%	83 & 106	
172	Linde Leasing GmbH	Wiesbaden	Germany	EMEA	45.00%	83	
173	Schwerter Profile GmbH	Schwerte	Germany	EMEA	50.00%	1	
Associates (at cost)							
174	Anhui Haiyuan X Drive Tech Co., Ltd.	Hefei	People's Republic of China	APAC	20.00%	72	
175	Chadwick Materials Handling Ltd.	Corsham	United Kingdom	EMEA	48.00%	78	
176	LHY Powertrain Verwaltungs GmbH (formerly: Linde Hydraulics Verwaltungs GmbH)	Aschaffenburg	Germany	EMEA	10.00%	83	[2]
177	MV Fördertechnik GmbH	Blankenhain	Germany	EMEA	25.00%	83	
178	Shaanxi KION Intelligent Warehousing Equipment Co., Ltd.	Xi'an	People's Republic of China	APAC	20.00%	72	
179	Silverforxx Malaysia Sdn. Bhd.	Shah Alam	Malaysia	APAC	30.00%	68	
Joint ventures (at cost)							
180	Supralift Beteiligungs- und Kommunikationsgesellschaft mbH	Frankfurt am Main	Germany	EMEA	50.00%	83	
181	Supralift GmbH & Co. KG	Frankfurt am Main	Germany	EMEA	50.00%	83	
182	ZA Logistics Equipment (Deqing) Co., Ltd.	Deqing (Huzhou)	People's Republic of China	APAC	60.00%	72	
Financial investments							
183	Wuxi Quicktron Intelligent Technology Co., Ltd. (formerly: Shanghai Quicktron Intelligent Technology Co., Ltd.)	Wuxi	People's Republic of China	APAC	6.67%	72	[3]
184	Zhejiang EP Equipment Co., Ltd.	Anji (Huzhou)	People's Republic of China	APAC	3.96%	72	[3]

[1] Control without majority of voting rights due to contractual agreements to direct the relevant activities or legal provisions
[2] Material influence due to economic dependence or contractual agreements
[3] No material influence
[D] Dormant company

[46] Auditor’s fees

The fees for the auditor of the consolidated financial statements (KPMG AG Wirtschaftsprüfungsgesellschaft) in 2025, which were recognized as an expense, amounted to €3.2 million (2024: €4.2 million) for the audit of the financial statements, €0.3 million (2024: €0.4 million) for other attestation services, and €0.0 million (2024: €0.5 million) for other services. The other attestation services mainly related to the voluntary limited assurance engagement in respect of the Group sustainability report.

[47] Events after the reporting date

Between the end of the financial year and February 24, 2026, there were no events or developments that would have led to a material change in the recognition or measurement of the individual assets and liabilities reported as at December 31, 2025 or that it would be necessary to disclose.

[48] Information on preparation and approval

The Executive Board of KION GROUP AG prepared the consolidated financial statements on February 24, 2026 and approved them for forwarding to the Supervisory Board. The Supervisory Board has the task of examining and deciding whether to approve the consolidated financial statements.

Frankfurt am Main, February 24, 2026

The Executive Board

Dr. Richard Robinson Smith | Christian Harm | Valeria Gargiulo

Andreas Krinninger | Ching Pong Quek | Hans Michael Larsson

INDEPENDENT AUDITOR'S REPORT

To KION GROUP AG, Frankfurt am Main

Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report

Opinions

We have audited the consolidated financial statements of KION GROUP AG, Frankfurt am Main, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 January to 31 December 2025, and notes to the consolidated financial statements, including significant information on the accounting policies. In addition, we have audited the management report of the Company and the Group (combined management report) of KION GROUP AG for the financial year from 1 January to 31 December 2025.

In accordance with German legal requirements, we have not audited the content of those components of the combined management report specified in the "Other Information" section of our auditor's report.

The combined management report contains cross-references that are not provided for by law and which are marked as unaudited. In accordance with German legal requirements, we have not audited the content of these cross-references or the information to which they refer.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter referred to as "IFRS Accounting Standards") as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2025, and of its financial performance for the financial year from 1 January to 31 December 2025, and

- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the content of those components of the combined management report specified in the "Other Information" section of the auditor's report. The combined management report contains cross-references that are not provided for by law and which are marked as unaudited. Our audit opinion does not extend to the cross-references and the information to which the cross-references refer.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

Basis for the Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation No 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Recognition and classification of lessor relationships in sales

Please refer to Note 6, section "Revenue recognition" subsection "Lease and short-term rental business" and section "Lease and short-term rental business" of the notes to the consolidated financial statements for more information on the accounting policies applied and the assumptions used.

THE FINANCIAL STATEMENT RISK

As at 31 December 2025, KION GROUP AG reported leased assets of EUR 1,726.4 million, rental assets of EUR 803.1 million and non-current and current lease receivables of EUR 3,136.1 million in the consolidated statement of financial position. The non-current and current liabilities from the lease business amount to EUR 4,828.6 million and the non-current and current liabilities from the short-term rental business amount to EUR 810.2 million. The share of assets and of liabilities compared to total assets amount in total to 31.0% and 30.8%, respectively, and thus has a material impact on the financial position of the Group.

To promote sales in the Industrial Trucks & Services segment, the Group leases industrial trucks and related equipment components to customers by way of the lease and short-term rental business. The underlying contractual arrangements are complex. First, there are contractual arrangements in which subsidiaries of KION GROUP AG conclude short-term rental and lease agreements directly with end customers (direct lease business), which are refinanced in part via external financing partners by way of sale & leaseback transactions and in part via credit facilities and securitised transactions. Second, there are contractual arrangements in which the Group sells industrial trucks to external leasing companies (financing partners), which then conclude their lease agreements with the end customers (indirect lease business).

Owing to the high transaction volume and the complex contractual arrangements, KION GROUP AG has implemented IT applications across the Group that are to ensure the correct recognition of contractual arrangements and the classification of leases linked with an entry routine for recognition of transactions. Setting up, updating, programming and managing the classification and entry routines are carried out centrally by KION GROUP AG. Recording the relevant contract data and actual entry in the accounting-related IT systems is carried out locally at the subsidiaries of KION GROUP AG.

There is the particular risk for the financial statements that the relevant data are not correctly recorded and the concluded contracts in the IT applications are not appropriately evaluated in respect of classification as "finance leases" or "operating leases" according to IFRS 16 and the entry routine and that the recognition at the subsidiaries is not appropriately undertaken. Further, there is the risk of inaccurate recognition of contractual arrangements. This would result in assets and liabilities not being recognised and measured in the correct amount.

OUR AUDIT APPROACH

First, we gained an understanding of the process used to record and recognise contracts in the sales lease business. We evaluated the accounting policies used by the Group for the recognition of different contractual arrangements and leases for their compliance with the requirements of IFRS.

Based on our understanding of the process, we then evaluated the design and setup of the internal controls for the recognition of different contractual arrangements and the classification of the leases.

With regard to the IT applications in place, we evaluated whether the defined criteria and data for recognition and classification of leases and the automated entry routines are suitable to ensure compliant recognition with the relevant IFRSs. Further, we evaluated the appropriateness of the classification and entry routines.

In the course of our tests of details of contracts, we evaluated the correctness of the data entries in the IT applications for contracts selected on the basis of a non-statistical sampling technique. For this purpose, we compared the data entries with the underlying original contracts. Further, we obtained third-party confirmations for refinancing transactions with external financing partners based on sampling selected on the basis of risk and satisfied ourselves of the completeness and accuracy of data entry in the IT applications on the basis of this. Based on the data entered, for one sample element of each contract category a check was also made as to whether the results of the IT applications in respect of classification and entry of contracts were in compliance with the IFRSs.

Finally, we evaluated whether the findings of the IT applications were completely and accurately taken over in the financial accounting of the Group.

OUR OBSERVATIONS

The KION GROUP AG has suitable procedures for recognising contractual relationships as well as for the recognition and classification of lease arrangements in the sales lease business.

Recognition of revenue from customer-specific construction contracts as well as the determination of provisions for onerous contracts in the project business of the Supply Chain Solutions segment

Please refer to Note 6, section "Revenue recognition" subsection "Project business contracts" of the notes to the consolidated financial statements for more information on the accounting policies applied and the assumptions used.

THE FINANCIAL STATEMENT RISK

KION GROUP AG reported revenue from project business in the Supply Chain Solutions segment of EUR 1,794.3 million (PY: EUR 1,715.4 million) in the consolidated income statement for the financial year from 1 January to 31 December 2025, which corresponds to 59.0% (PY: 59.0%) of total third party revenue in the Supply Chain Solutions segment and 15.9% (PY: 14.9) of consolidated revenue.

Revenue in the project business of the Supply Chain Solutions segment is recognised over time based on the stage of completion. The stage of completion is determined using the proportion of contract costs incurred compared with the estimated total contract costs (cost to cost method).

Provisions for onerous contracts are recognised for contracts for which the estimated total costs exceed the expected contract revenue.

Determining the revenue to be recognised from the project business in the Supply Chain Solutions segment is complex and based on estimates requiring judgement. This relates in particular to the total costs of the orders estimated as at the reporting date, which determine both the stage of completion and any potential expected loss from the contract.

There is the risk for the financial statements that the revenue from not yet completed construction contracts is not stated in the correct amount and losses from these are not recognised in an appropriate amount as provision for onerous contracts.

OUR AUDIT APPROACH

Based on our understanding of the process, we assessed the design and setup of the internal controls regarding the estimate of the total contract costs over the project term and the determination of provisions for onerous contracts in respect of estimates requiring judgement.

In addition, we examined the accuracy of the Company's previous forecasts by comparing the cost estimates for contracts already completed with the costs actually incurred for these contracts and analysed deviations.

We performed the following audit procedures (among others) for contracts specifically selected on the basis of risk:

- Analysis of the underlying contracts for projects newly completed in the reporting year
- Inspection of current cost calculations and internal reporting on the contracts
- Inquiries of employees involved with the project based on the internal reporting on project controlling, including estimates of total contract costs, current opportunities and risks, the status of projects, unexpected cost trends and potential contractual penalties and expected losses
- Inspection of selected projects on site to confirm the information obtained from the project inquiries, especially regarding project progress

In addition, we performed the following audit procedures for a representative sample:

- Reconciliation of the actual cost allocated to the contracts with internal cost schedules and external documents
- Assessment of the computational accuracy of the stage of completion determined and the revenue recognised as well as the computational accuracy of any anticipated losses and the proper determination of provisions for onerous contracts in case of loss-making contracts.

OUR OBSERVATIONS

The approach for recognising revenue and for determining provisions for onerous contracts for construction contracts that are not yet complete is appropriate. The assumptions and methods underlying the accounting are overall appropriate.

Impairment testing of goodwill in the Supply Chain Solutions operating unit

Explanatory notes on impairment testing can be found in Notes 6 and 15 of the notes to the consolidated financial statements.

THE FINANCIAL STATEMENT RISK

As at 31 December 2025, goodwill amounted to EUR 3,450.9 million and, at 18.9% of total assets, accounts for a substantial share of assets. An amount of EUR 1,947.9 million of goodwill is attributable to the Supply Chain Solutions operating unit.

Goodwill is tested for impairment annually at the level of the operating units. If impairment triggers arise during the financial year, an event-driven goodwill impairment test is also carried out during the year. For goodwill impairment testing, the carrying amount is compared with the recoverable amount of the respective operating unit. The recoverable amount is the higher of the fair value less costs to sell and the value in use of the operating unit. For the impairment test, the Company primarily determines the value in use as the higher amount and compares this with the respective carrying amount. If the carrying amount exceeds the value in use, an impairment loss is recognised. The reporting date for impairment testing is 31 December 2025.

Impairment testing of goodwill is complex and based on a range of assumptions that require judgement. These include the expected business and earnings performance of the operating unit for the next five years, the assumed long-term growth rate and the discount rate used.

As a result of the impairment test performed, the Company did not identify any impairment.

There is the risk for the consolidated financial statements that an existing need to recognise impairment losses is not identified. There is also the risk that the related disclosures in the notes are not appropriate.

OUR AUDIT APPROACH

With the involvement of our valuation specialists, we assessed, among other things, the appropriateness of the key assumptions as well as the Company's valuation model. For this purpose we discussed the expected business and earnings performance and the assumed long-term growth rates for the Supply Chain Solutions operating unit with those responsible for planning. We also reconciled this information with other internally available forecasts and the budget prepared by management and approved by the Supervisory Board as well as the medium-term planning approved by management. Furthermore, we evaluated the consistency of assumptions with external market assessments.

We also evaluated the accuracy of the Company's previous forecasts by comparing the budgets of previous financial years with actual results and by analysing deviations. We compared the assumptions and data underlying the discount rate – in particular the risk-free rate, the market risk premium and the beta factor – with own assumptions and publicly available information.

To assess the methodically and mathematically correct implementation of the valuation method, we verified the Company's valuation using our own calculations and analysed deviations.

In order to take forecast uncertainty into account, we examined the impact of potential changes in the discount rate, the earnings performance and the long-term growth rate on the value in use by calculating alternative scenarios and comparing these with the values stated by the Company (sensitivity analysis).

Finally, we assessed whether the disclosures in the notes on the recoverability of goodwill are appropriate.

OUR OBSERVATIONS

The calculation model used for the impairment test of the goodwill for the Supply Chain Solutions operating unit is appropriate and consistent with the applicable measurement principles. The Company’s assumptions and data underlying the valuation are overall appropriate. The related disclosures in the notes are appropriate.

Other Information

Management and/or the Supervisory Board are/is responsible for the other information. The other information comprises the following components of the combined management report, whose content was not audited:

- the Group's sustainability report, including the Group's non-financial statement contained in a separate section of the combined management report,
- the combined corporate governance statement for the Company and the Group included in the combined management report, and
- information extraneous to management reports and marked as unaudited.

The other information also includes the remaining parts of the annual report. The other information does not include the consolidated financial statements, the combined management report information audited for content and our auditor's report thereon.

Our opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the combined management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of Management and the Supervisory Board for the Consolidated Financial Statements and the Combined Management Report

Management is responsible for the preparation of consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, management is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, management is responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group’s position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor’s report that includes our opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der

Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control or of these arrangements and measures.

- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- Plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business segments within the Group to provide a basis for our opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

- Evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.

- Perform audit procedures on the prospective information presented by management in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Combined Management Report Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB

Assurance Opinion

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the combined management report (hereinafter the "ESEF documents") contained in the electronic file "kiongroupag-2025-12-31-1-de.xbri" (SHA256 hash value: e5cc4ac9606aca15f7fa3b64c35fe365b65ad2e1eadab2d355263c24ba9f821e) made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained in these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the combined management report contained in the electronic file made available, identified above and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying combined management report for the financial year from 1 January to 31 December 2025, contained in the "Report on the Audit of the Consolidated Financial Statements and the Combined Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the combined management report contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is described in the "Responsibilities of the Auditor of the Consolidated Financial Statements for the ESEF documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QMS 1 (09.2022)).

Responsibilities of Management and the Supervisory Board for the ESEF documents

The Company's management is responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the combined management report in accordance with Section 328 (1) sentence 4 item 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 item 2 HGB.

In addition, the Company's management is responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Responsibilities of the Auditor of the Consolidated Financial Statements for the Assurance Work on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgement and maintain professional scepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e. whether the file made available containing the ESEF documents meets the requirements of the Commission Delegated Regulation (EU) 2019/815, as amended as at the reporting date, on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and the audited combined management report.

- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Commission Delegated Regulation (EU) 2019/815, as amended as at the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor of the consolidated financial statements at the Annual General Meeting on 27 May 2025. We were engaged by the Supervisory Board on 15 October 2025. We have been the auditor of the consolidated financial statements of KION GROUP AG without interruption since financial year 2023.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

In addition to the financial statement audit, we have provided to the Company or its controlled entities the following services that are not disclosed in the consolidated financial statements or in the combined management report:

- Review of the quarterly release as at 31 March 2025
- Review of the half-year financial reporting as at 30 June 2025
- Review of the reporting package of Weichai Power Co., Ltd. as at 30 June 2025
- Audit of the reporting package of Weichai Power Co., Ltd. as at 31 December 2025
- Formal examination of the remuneration report in accordance with Section 162 (3) of the German Stock Corporation Act [AktG]
- Project-based audit in conjunction with migration to S/4 HANA
- Review of KION Group AG's sustainability report as at 31 December 2025
- Access to databases
- Statutory and voluntary audits of annual financial statements of subsidiaries
- Performance of agreed-upon procedures regarding the accounts of two pension funds as trustees for the management of the plan assets in connection with the post-employment benefits in Germany
- Audit of the system for compliance with the requirements set forth in Section 32 (1) of the German Securities Trading Act [WpHG] (EMIR assessment)

Other Matter – Use of the Auditor's Report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as the examined ESEF documents. The consolidated financial statements and combined management report converted to the ESEF format – including the versions to be entered in the German company register [Unternehmensregister] – are merely electronic renderings of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents made available in electronic form.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Kathrin Rienecker.

Frankfurt am Main, 24 February 2026

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

Dr Dietz	Rienecker
Wirtschaftsprüferin	Wirtschaftsprüferin
(German Public Auditor)	(German Public Auditor)

ASSURANCE REPORT OF THE INDEPENDENT GERMAN PUBLIC AUDITOR ON A LIMITED ASSURANCE ENGAGEMENT IN RELATION TO THE GROUP SUSTAINABILITY STATEMENT

To the KION GROUP AG, Frankfurt am Main/Germany

Assurance Conclusion

We have conducted a limited assurance engagement on the Group Sustainability Statement, included in section "Group sustainability report" of the combined management report, of KION GROUP AG, Frankfurt am Main, for the financial year from 1 January to 31 December 2025. The Group Sustainability Statement was prepared to fulfil the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 as well as Sections 315b and 315c of the HGB [Handelsgesetzbuch: German Commercial Code] for a group non-financial statement.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Group Sustainability Statement is not prepared, in all material respects, in accordance with the requirements of the CSRD and Article 8 of Regulation (EU) 2020/852, Sections 315b and 315c HGB for a group non-financial statement, and the supplementary criteria presented by the executive directors of the Company. This assurance conclusion includes that nothing has come to our attention that causes us to believe that:

- the accompanying Group Sustainability Statement does not comply, in all material respects, with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the entity to identify information to be included in the Group Sustainability Statement (the materiality assessment) is not, in all material respects, in accordance with the description set out in section "Description of the process to identify and assess material impacts, risks, and opportunities" of the Group Sustainability Statement, or

- the disclosures in section "Incorporating the EU Taxonomy" of the Group Sustainability Statement do not comply, in all material respects, with Article 8 of Regulation (EU) 2020/852.

Basis for the Assurance Conclusion

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the section “German Public Auditor’s Responsibilities for the Assurance Engagement on the Group Sustainability Statement”.

We are independent of the entity in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements for a system of quality control as set forth in the IDW Quality Management Standard issued by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW): Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)) and International Standard on Quality Management (ISQM) 1 issued by the IAASB. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Responsibilities of the Executive Directors and the Supervisory Board for the Group Sustainability Statement

The executive directors are responsible for the preparation of the Group Sustainability Statement in accordance with the requirements of the CSRD and the applicable German legal and other European requirements as well as with the supplementary criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control that they have considered necessary to enable the preparation of a Group Sustainability Statement in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e., fraudulent sustainability reporting in the Group Sustainability Statement) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Group Sustainability Statement, as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The Supervisory Board is responsible for overseeing the process for the preparation of the Group Sustainability Statement.

Inherent Limitations in Preparing the Group Sustainability Statement

The CSRD and the applicable German legal and other European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative, comprehensive interpretations have yet been published. Therefore, the executive directors have disclosed their interpretations of such wording and terms in the Group Sustainability Statement, a.o. in section “Incorporating the EU Taxonomy” as well as in section "Targets related to climate change mitigation and adaptation" on operating leases. The executive directors are responsible for the reasonableness of these interpretations. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of sustainability matters based on these interpretations is uncertain. As further set forth in section “Disclosures in relation to specific circumstances” of the Group Sustainability Statement, the quantification of the non-financial performance indicators mentioned there is also subject to inherent uncertainties due to significant estimations and measurement uncertainties.

These inherent limitations also affect the assurance engagement on the Group Sustainability Statement.

German Public Auditor's Responsibilities for the Assurance Engagement on the Group Sustainability Statement

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Group Sustainability Statement has not been prepared, in all material respects, in accordance with the CSRD, the applicable German legal and other European requirements and the supplementary criteria presented by the company's executive directors, and to issue an assurance report that includes our assurance conclusion on the Group Sustainability Statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also:

- obtain an understanding of the process used to prepare the Group Sustainability Statement, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Group Sustainability Statement.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. In addition, the risk of not detecting a material misstatement in information obtained from sources not within the entity's control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the entity's control, as both the entity's executive directors t and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.
- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgment.

In performing our limited assurance engagement, we a.o.:

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Group Sustainability Statement
- inquired of the executive directors and relevant employees involved in the preparation of the Group Sustainability Statement about the preparation process, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Group Sustainability Statement, and about the internal controls relating to this process
- evaluated the reporting policies used by the executive directors to prepare the Group Sustainability Statement
- evaluated the reasonableness of the estimates and related information provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our

assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors were unable to obtain

- conducted site visits at selected sites
- performed analytical procedures and made inquiries in relation to selected information in the Group Sustainability Statement
- considered the presentation of the information in the Group Sustainability Statement
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Group Sustainability Statement.

Restriction of Use / Clause on General Engagement Term

This assurance report is solely addressed to KION GROUP AG, Frankfurt am Main.

The engagement, in the performance of which we have provided the services described above on behalf of KION GROUP AG, Frankfurt am Main, was carried out on the basis of the General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (Allgemeine Auftragsbedingungen für Wirtschaftsprüferinnen, Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) dated as of 1 January 2024 (www.kpmg.de/AAB_2024). By taking note of and using the information as contained in our report each recipient confirms to have taken note of the terms and conditions stipulated in the aforementioned General Engagement Terms (including the liability limitations to EUR 4 million specified in item No. 9 included therein) and acknowledges their validity in relation to us.

Frankfurt am Main, 24 February 2026

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

Beyer	Strzalkowski
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles for consolidated financial reporting, the consolidated financial statements give a true and fair view of the financial performance and financial position of the Group, and the group management report, which is combined with the Company’s management report, includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Frankfurt am Main, February 24, 2026

The Executive Board

Dr. Richard Robinson Smith

Christian Harm

Valeria Gargiulo

Andreas Krinninger

Ching Pong Quek

Hans Michael Larsson

ADDITIONAL INFORMATION

Multi-year overview from KION Group

in € million	2025	2024	2023	2022	2021
Revenue and financial performance					
Revenue	11,297.2	11,503.2	11,433.7	11,135.6	10,294.3
EBITDA	1,700.6	1,917.0	1,713.6	1,201.8	1,735.7
Adjusted EBITDA[1]	1,867.5	1,945.0	1,748.7	1,218.7	1,696.9
Adjusted EBITDA margin[1]	16.5%	16.9%	15.3%	10.9%	16.5%
EBIT	500.9	777.8	660.6	168.3	794.8
Adjusted EBIT[1]	788.6	917.2	790.5	292.4	841.8
Adjusted EBIT margin[1]	7.0%	8.0%	6.9%	2.6%	8.2%
Net income	240.5	369.2	314.4	105.8	568.0
Basic earnings per share (in €)	1.75	2.75	2.33	0.75	4.34
Dividends per Share (in €)[2]	0.62	0.82	0.70	0.19	1.50
ROCE[3]	7.7%	8.7%	7.7%	2.9%	9.5%
Financial position[4]					
Total assets	18,294.9	18,805.4	17,388.4	16,599.4	15,850.9
Equity	6,123.0	6,207.1	5,772.7	5,607.8	5,168.9
Net working capital[5]	1,508.5	1,783.2	2,009.0	2,050.2	1,192.0
Net financial debt[6]	584.0	913.2	1,210.6	1,670.5	567.6
Cash flow					
Free cash flow[7]	709.5	702.0	715.2	–715.6	543.8
Capital expenditure[8]	395.7	462.9	442.8	382.7	333.8
Orders					
Order intake	11,705.5	10,320.9	10,849.9	11,670.6	12,481.6
Order book[4]	4,683.7	4,635.1	6,045.2	6,775.8	6,658.5
Employees[9]	42,175	42,719	42,325	41,149	39,602

1 Adjusted for PPA items and non-recurring items

2 For 2025: Proposed dividend for the fiscal year 2025

3 ROCE is calculated as the ratio of adjusted EBIT on an annualized basis to the average capital employed for the past five quarterly reporting dates

4 Figures as at balance sheet date Dec. 31

5 Net working capital comprises inventories, trade receivables and contract assets less trade payables and contract liabilities

6 Key Figure comprises financial liabilities less cash and cash equivalents

7 Free cash flow is defined as cash flow from operating activities plus cash flow from investing activities

8 Capital expenditure in property, plant and equipment and intangible assets, including capitalized development costs

9 Number of employees (full-time equivalents; incl. apprentices; excl. inactive employees) as at balance sheet date Dec. 31

DISCLAIMER

Forward-looking statements

This annual report contains forward-looking statements that relate to the current plans, objectives, forecasts, and estimates of the management of KION GROUP AG. These statements only take into account information that was available up to and including the date that this annual report was prepared. The management of KION GROUP AG makes no guarantee that these forward-looking statements will prove to be right. The future development of KION GROUP AG and its subsidiaries and the results that are actually achieved are subject to a variety of risks and uncertainties that could cause actual events or results to differ significantly from those reflected in the forward-looking statements. Many of these factors are beyond the control of KION GROUP AG and its subsidiaries and therefore cannot be precisely predicted. Such factors include, but are not limited to, changes in economic conditions and the competitive situation, changes in the law, interest-rate or exchange-rate fluctuations, legal disputes and investigations, and the availability of funds. These and other risks and uncertainties are set forth in the 2025 group management report, which has been combined with the Company’s management report. However, other factors could also have an adverse effect on our business performance and results. KION GROUP AG neither intends to nor assumes any separate obligation to update forward-looking statements or to change these to reflect events or developments that occur after the publication of this annual report.

Rounding

Certain numbers in this annual report have been rounded. There may therefore be discrepancies between the actual totals of the individual amounts in the tables and the totals shown as well as between the numbers in the tables and the numbers given in the corresponding analyses in the text of the annual report. All percentage changes and key figures were calculated using the underlying data in thousands of euros (€ thousand).

Financial calendar

February 26, 2026
Publication of 2025 annual report, financial statements press conference, and conference call for analysts

April 30, 2026
Quarterly statement for the period ended
March 31, 2026 (Q1 2026), conference call for analysts

May 28, 2026
Annual General Meeting

July 30, 2026
Interim report for the period ended June 30, 2026 (Q2 2026), conference call for analysts

October 29, 2026
Quarterly statement for the period ended
September 30, 2026 (Q3 2026), conference call for analysts

Subject to change without notice

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The content of the German version is authoritative.

kiongroup.com/en

We keep
the world moving.

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