

## **Annual Statement for FY2024**

Kimball on behalf of itself and its subsidiaries, and in furtherance of its dedication to this Policy and its [Guiding Principles](#), presents this review of our activities for our fiscal year 2024. This annual review explains some of the practical actions that we have taken in the past year to implement this Policy and to help ensure that slavery and human trafficking are not taking place within Kimball's supply chain. Some countries and U.S. states have implemented legislation that requires certain businesses to provide public statements in this regard. This legislation includes the California Transparency in Supply Chains Act of 2010 and Part 6, Section 54 of the United Kingdom Modern Slavery Act of 2015.

We firmly believe that identifying and understanding employee, health, safety, and environmental issues, including any potential human rights concerns, are critical to our supply chain, our business development efforts, and any acquisition activities. We actively monitor and audit internal compliance with our Code of Conduct and our responses to any reported concerns. We conduct thorough due diligence investigations prior to engaging with suppliers or vendors, acquiring businesses, and selecting partners, and will apply appropriately higher levels of scrutiny where there are traditionally higher risks of compliance violations and/or human rights abuses. We escalate and remediate any issues after our relationship with a third party begins and as we integrate operations that we acquire into the Kimball family.

As described below, Kimball took the following steps in fiscal year 2024 to responsibly manage our supply chain relationships and to identify and mitigate specific risks under our Policy that our activities and business relationships may pose:

### *Employee and Supplier Compliance*

We expect that all employees and suppliers understand and comply with this Policy and our Code of Conduct, and require both employees and suppliers to confirm this in writing. We actively monitor and audit internal and external compliance through annual in-person and remote audits, assessments, and training that we conduct, including of our supply chain. This year, Kimball's audits and assessments covered approximately 95% of our inventory and 98% of our accounts payable, and we conducted a dozen audits of our own company and its subsidiaries. All such audits were conducted using audit protocols and procedures developed by our internal auditor teams that are consistent with the standards of ISAE 3000. Specifically, Kimball has conducted audits in the following countries: China, Mexico, Poland, Romania, Thailand, and the United States. Upon request, a list of specific locations can be made available, redacted as needed

for confidentiality obligations. Kimball Electronics Compliance can be reached via email at: [KEI Legal Notices](#)

As part of this audit process, we evaluated different approaches to assess and report on our actual and potential risks, including in the areas covered by this Policy, across our value chain. We review and revise this Policy and Statement each year as part of our continuous improvement of our company and as a further demonstration of our commitment to human rights and to Creating Quality for Life. This process involves obtaining extensive input from key stakeholders across our enterprise and externally, including from workers' councils or trade unions that represent our employees.

Our Supplier Code of Conduct and our Global Supplier Quality Manual both incorporate this Policy, and the Supplier Code of Conduct functions as our certification program for suppliers, ensuring that we obtain written acknowledgment of their obligation to comply with all applicable laws, our Codes of Conduct, and this Policy. Suppliers also commit to allowing us to conduct supply chain audits for safety and compliance, to engaging in only legitimate and ethical business and labor practices, and to ensuring that their employees, supply chain, and stakeholders understand how to report any actual or suspected misconduct using our ethics hotline. We reserve the right to terminate a contract, withhold payment, and assess fees and/or costs for any non-compliant supplier.

We believe that providing effective training to employees annually on our Global Code of Conduct, including this Policy, and other core human rights matters is critical to our success. Improvements to the platforms we use to provide our training enabled us to conduct both virtual and classroom training sessions globally in each of the three categories described above.

In fiscal year 2024, 99% of our employees in procurement completed training that incorporates our Code of Conduct, this Policy, and how to report matters of concern to Kimball. We provided over four hours of training on our Code of Conduct and the Occupational Health and Safety and Human Rights categories described in this Policy. In fiscal year 2024, 98% of enrolled employees completed targeted training in these categories, in addition to Job-Specific Training that varies by employee, facility, and function.

#### *Incident Investigation and Reporting*

In fiscal year 2024, we did not identify any breaches relating to this Policy, the Code of Conduct, or the Supplier Code of Conduct or in any of the other following Priority Areas that we track:

- Forced labor



- Child labor
- Human trafficking
- Bribery
- Facilitation payments
- Corruption (including associated legal proceedings)
- Anti-competitive acts (including false or deceptive marketing or labeling practices) or standards
- Other priority non-conformance incidents (including labor rights, health and safety, and compliance with our GSQM and Code of Conduct by our suppliers)

Any conduct that could reasonably be believed to be a violation has been reported to management for further investigation. Since our last report, we received twelve reports to our hotline or via other sources during fiscal year 2024, nine of which were employee relations concerns. The other three were duplicative reports from a single reporting party that questioned information reported in 2023 Conflict Minerals Report. Kimball also reviews any concerns raised through other informal mechanisms of employee and stakeholder feedback.

For each of the twelve reported matters, we opened dialogues with the reporting parties, began investigations within 24 hours of receipt, and completed necessary investigations and actions in less than 7 days. None of the matters required forwarding to local authorities, or, if appropriate, a human rights organization for further investigation. We also can report that we had no legal or regulatory fines, monetary losses (from legal proceedings or otherwise), enforcement actions, or settlements associated with any of the Priority Areas, and no fines or penalties related to any environmental or ecological issues.

In accordance with our Code of Conduct and our employee expense policy, gifts or donations that we gave over \$500 were approved in writing by our CEO, CFO, or our corporate donations committee (on which the CFO serves). All gifts and donations are governed by our [Global Policy on Philanthropic Contributions and Non-Commercial Sponsorships](#).

We are committed to responsible, sustainable environmental, social, and governance philosophies and practices, which have been a part of our fabric since our founding in 1961. To showcase how our employees around the world share a strong sense of responsibility to protect the environment, sustain a safety focus at our facilities, and give back in meaningful ways to the communities where we live and work, we issued our latest annual Guiding Principles Report in March 2024. The Report highlights the long-term environmental, social, and governance principles and practices designed to support the Company's



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commitment to sustaining lasting relationships and achieving global success with its stakeholders wherever Kimball Electronics' touch is felt throughout the world. The Report reflects several long-standing Guiding Principles of the Company: our customer is our business; our people are the company; the environment is our home; we strive to help our communities be great places to live; profitability and financial resources give us the freedom to shape our future and achieve our vision. The Report is posted on our website at <https://www.kimballelectronics.com/sustainability>.

We strive to routinely review and refine our approach to addressing human rights and supply chain transparency. We also track and publicly report on these and other matters through our annual [Guiding Principles Report](#).

This Statement has been approved by Kimball's Board of Directors.

Sincerely,

Ric Phillips  
Chief Executive Officer and Director

*Last Updated: September 2024*