



Strategically **Focused**

2024 Guiding Principles Report



Cover photo taken by Jasper, Indiana employee Nicholas Claridge for our Earth Day Nature Photo Contest, illustrating how Kimball Electronics, like the hummingbird, remains Strategically Focused.

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ABOUT THIS REPORT

Welcome to the Kimball Electronics Annual Sustainability Report (Report) for calendar year 2024. This Report provides a comprehensive overview of our global business operations and our ongoing commitment to sustainability. It covers all activities that are fully consolidated for financial reporting purposes unless otherwise specified.

As part of our commitment to transparency and accountability, this Report is written to align with the European Sustainability Reporting Standards (ESRS), as outlined by the European Union (EU) Corporate Sustainability Reporting Directive (CSRD). Additionally, it aligns with several leading sustainability frameworks, including the United Nations (UN) Sustainable Development Goals (SDGs), UN Global Compact (UNGC) Principles, Global Reporting Initiative (GRI) Standards, the Sustainable Accounting Standards Board (SASB) Standard for Electronic Manufacturing Devices & Original Design Manufacturing, and the Task Force on Climate-related Financial Disclosures (TCFD). By following these frameworks, we ensure that our sustainability efforts are consistent with globally recognized standards and reflect our ongoing commitment to people, the environment, and

the economic wellbeing of our stakeholders.

This Report focuses on the key material impacts of our business operations on our stakeholders, including customers, employees, communities, suppliers, Share Owners, and other investors. It is important to note that the terms “material” and “materiality” used throughout this Report are defined in accordance with the ESRS where a sustainability matter is considered material if it has a significant actual or potential impact on people or the environment (impact materiality) and/or if it could influence the Company’s financial position, performance, or cash flows (financial materiality), following the principle of double materiality. This definition may differ from the meanings under applicable United States securities laws, regulations, and guidance.

This Report has been prepared to meet the requirements of ESRS BP-1 and BP-2, ensuring that our disclosures are clear, accurate, and structured in alignment with regulatory expectations. Following the principles of ESRS BP-1, we provide a faithful representation of our sustainability efforts, ensuring completeness, neutrality, and reliability in our reporting. By applying the concept of double

materiality, we address both our financial sustainability risks and our broader impact on people and the environment. Our Report maintains consistency and comparability, enabling stakeholders to assess our progress over time and benchmark against industry standards. We define our reporting boundaries transparently, covering sustainability performance across our operations and value chain. Our data and methodologies are robust, and where estimates are necessary, we communicate any limitations clearly.

Aligned with ESRS BP-2, this Report describes how we integrate sustainability into our governance, strategy, and risk management processes. It outlines how our Board and leadership oversee sustainability-related risks and opportunities, how sustainability factors influence our long-term business strategy, and how we conduct due diligence across our operations and value chain. Additionally, this Report discloses our sustainability policies, actions, and targets, ensuring progress can be tracked over time through both qualitative and quantitative indicators. We also ensure alignment with statements made in our financial statements, maintaining coherence between our sustainability disclosures and financial reporting.

We are proud to have this Report externally assured to validate the accuracy and integrity of our sustainability performance. It is available on our website for public access and review.

Forward-Looking Statement

This document contains certain forward-looking statements. These are statements made by management, using their best business judgment based upon facts known at the time of the statements, or reasonable estimates, about future results, plans, or future performance and business of the Company. Such statements involve risk and uncertainty, and their ultimate validity is affected by a number of factors, both specific and general. They should not be construed as a guarantee that such results or events will, in fact, occur or be realized as actual results may differ materially from those expressed in these forward-looking statements. The statements may be identified by the use of words such as “can,” “target,” “goal,” “will,” “potentially,” “expects,” “plans,” “future,” “seeks,” “may,” “believes,” “could,” “should,” “would,” “estimates,” “anticipates,” “likely,” and similar expressions. It is not possible

to foresee or identify all factors that could cause actual results to differ from expected or historical results. We make no commitment to update these factors or to revise any forward-looking statements for events or circumstances occurring after the statement is issued, except as required by law. At any time when we make forward-looking statements, we desire to take advantage of the “safe harbor” which is afforded such statements under the Private Securities Litigation Reform Act of 1995 where factors could cause actual results to differ materially from forward-looking statements.



Poland employee Jacek Szulc submitted this image for our Earth Day Nature Photography Contest.

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At Kimball Electronics, our purpose is clear: Creating Quality for Life. This statement encapsulates why we exist as a company—beyond just earning a profit. It reflects our commitment to delivering lasting value to all our stakeholders, including customers, employees, communities, investors, and suppliers.

We believe that technology should serve people, and that people are at the heart of everything we do. We are the human side of technology, connecting innovation with the needs and aspirations of individuals and communities.

While the electronics we produce are integral to many aspects of modern life, it is the people behind them—our team members, our partners, and our customers—that make the difference. At the end of the day, our purpose is to create products, services, and relationships that enhance lives and make a positive impact on the world.



Creating Quality for Life



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RICHARD D. PHILLIPS
Chief Executive Officer
Kimball Electronics CEO Ric Phillips. Photography courtesy of Nasdaq, Inc.

WELCOME FROM OUR CEO

As we celebrated the 10th anniversary of our spin-off from our former parent company to become an independent, publicly traded entity, 2024 was a milestone year for Kimball Electronics.

Kimball Electronics’ sustainability journey began in 1961 when the Company was founded. Since then, we have made significant strides in demonstrating long-term commitment, while enhancing transparency and accountability in our relationships with key stakeholders.

This marks the sixth edition of our annual report on sustainability, a testament to our ongoing commitment to continuous improvement. This Report reflects how we integrate our sustainability objectives into every facet of our business, always striving to live up to our core Guiding Principles: Customers, People, Citizenship, and Profits. Each year, our Report gets stronger, showcasing not only our progress but also our more resilient, responsible company.

For 2023, we raised the bar by assessing and reporting our material economic, environmental, and social impacts in alignment with the Global Reporting Initiative (GRI) Standards for the first time. For this Report, we built on that foundation by conducting a double materiality assessment, in line with ESRS. This deeper understanding of our environmental and social impact strengthens our commitment to responsible reporting and decision-making.

I’m especially excited to share that this year’s Report introduces new sustainability targets for 2030 and provides a final update on our progress toward the goals that we set back in 2019 to achieve by 2025.

Our commitment to sustainability remains steadfast, and we are continually striving to exceed our ambitious targets. Achieving our goals isn’t just about meeting the set benchmarks—it’s about pushing ourselves to aim higher and deliver greater impact.

At the heart of our sustainability strategy is a principle by which we live: *Control What We Can Control*. This mindset not only sharpens our ESG focus but also aligns with the values embedded in our Guiding Principles. Everything we do is with the goal of creating long-term Share Owner value that benefits all of our stakeholders and fulfills our purpose of Creating Quality for Life.

We take pride in being responsible stewards of both economic and environmental resources. Our commitment to sustainability ensures that our employees, customers, shareholders, and communities all benefit from the positive impact of our actions.

I hope you find inspiration in our 2024 Guiding Principles Report, as it represents both our progress and our continued commitment to shaping a sustainable future for all.

Richard D. Phillips

Richard D. Phillips
Chief Executive Officer

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WHO WE ARE

Kimball Electronics is a global, multifaceted manufacturing solutions provider recognized for its reputation of excellence. Founded in 1961 and incorporated in 1998, we deliver a package of value that begins with our core competency of producing durable electronics and further offer contract manufacturing services for non-electronic components, medical disposables, drug delivery solutions and precision molded plastics.

We have a global workforce of approximately 6,000 employees, with about 1,200 based in the United States and approximately 4,800 across Europe, Asia, and Latin America. We offer our services globally on a contract basis, and we manufacture products to our customers’ specifications. Driven by our customers’ quality needs and our stakeholders’ expectations, Kimball Electronics facilities and processes meet extensive industry certification, regulatory registration, and compliance requirements. All of our manufacturing facilities are covered by an ISO 9001 and 13485-certified quality management system. Our design and manufacturing expertise coupled with robust processes

and procedures help us ensure that we deliver the highest levels of quality and reliability throughout the entire life cycle of our customers’ products.

Kimball Electronics operates nine manufacturing facilities strategically located across the globe. Our global presence supports our ability to provide high-quality solutions to customers worldwide. Our current manufacturing facilities are located as follows: we have two facilities located in Indiana, two in Mexico, and one located in each of China, Florida, Poland, Romania, and Thailand. Unless otherwise noted, the scope of all performance metrics and 2030 targets referenced in this Report pertains to these operations.

In July 2024, we divested our automation, test, and measurement business, GES. Prior to this divestiture, we operated additional facilities in Vietnam and China and provided software design services in India and support engineering services in California and Japan. In accordance with the Greenhouse Gas (GHG) Protocol, we have excluded GES facilities from our calendar year 2024 figures and our 2019 baseline

figures to ensure consistency in our reporting. The GHG Protocol requires baseline emissions to be adjusted after divestitures to maintain comparability over time. By recalculating our base year emissions to exclude divested operations, we ensure an accurate representation of our emissions trends and provide stakeholders with a consistent view of our sustainability performance.

Our commitment to operational excellence and customer satisfaction drives us to continually assess and optimize our capacity needs and service levels. We are focused on maintaining agility and responsiveness to support the dynamic needs of our global customer base. Recently, we have expanded our manufacturing capabilities in Thailand, Mexico, and Poland, reinforcing our ability to meet growing demand and deliver high-quality products.

As part of our ongoing commitment to continuous improvement, we emphasize the value of Lean Six Sigma methodologies in driving efficiency and quality across our operations. Lean Six Sigma helps us reduce defects, enhance process reliability, and improve

overall performance through data-driven decision-making. In 2024, employees across our global facilities earned a total of 211 Lean Six Sigma belts, demonstrating our dedication to fostering a culture of operational excellence and innovation. This achievement reflects our focus on equipping our workforce.

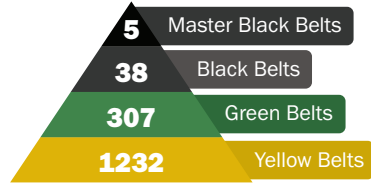


Figure 4 Our total active Lean Six Sigma belts.



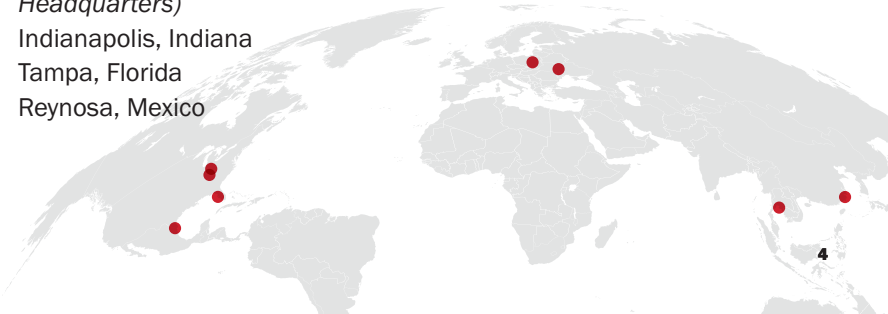
Employees around the globe worked hard to achieve Six Sigma certification. Here, employees in Mexico proudly celebrate earning their Yellow Belts.

Our Global Presence

Our global footprint supports our customers’ specialized manufacturing needs. Whether the requirement is in-region support for an end market, access to a lower cost market, or proximity to a customer team, Kimball Electronics has a solution.

- North America**
- Jasper, Indiana (Manufacturing and World Headquarters)
 - Indianapolis, Indiana
 - Tampa, Florida
 - Reynosa, Mexico

- Europe**
- Poznan, Poland
 - Timisoara, Romania
- Asia**
- Nanjing, China
 - Laem Chabang, Thailand



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Strategy, Business Model, and Value Chain



Automotive

- Electronic Power Steering
- Body Controls
- Advanced Driver-Assistance Systems
- Electronic Braking Systems



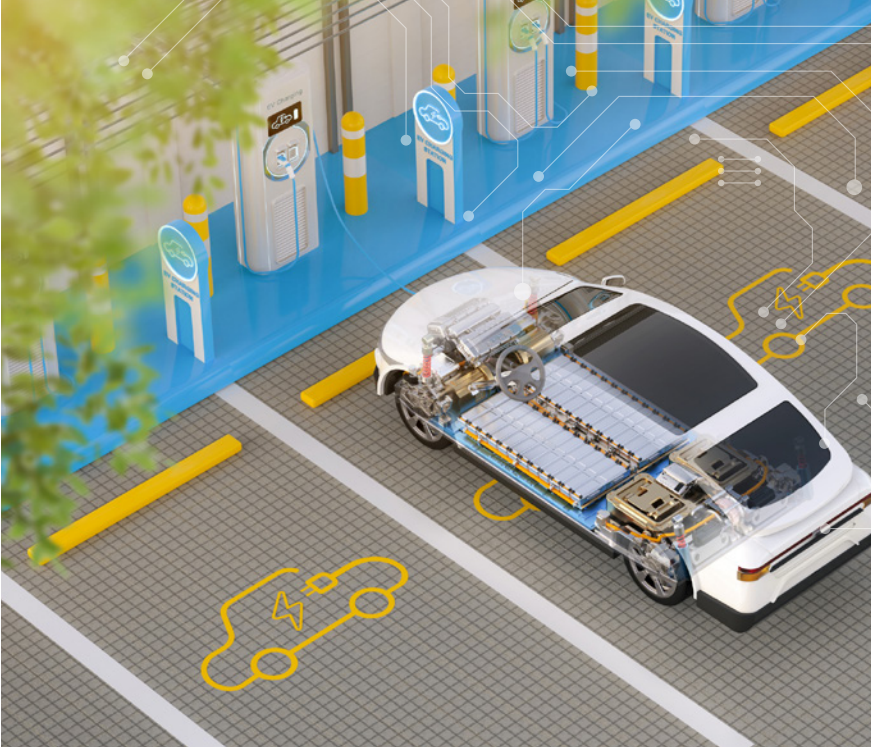
Medical

- Sleep Therapy and Respiratory Care
- Image Guided Therapy
- In Vitro Diagnostics
- Drug Delivery
- AED
- Patient Monitoring



Industrial

- Climate Controls
- Automation Controls
- Optical Inspection
- Smart Metering
- Public Safety



Opportunities in Clean Tech

Clean technology is a part of our core strategic focus.

- 65% of our products, by net sales, provide resource efficiency benefits during their use phase
 - We manufacture these resource-efficient automotive components that can be used in electric & hybrid vehicles, as well as in internal combustion vehicles to enhance efficiency: HVAC controllers, cooling fan controllers, door opener regulators, data loggers, steering & braking electronic control units (ECUs), engine starter generators, and passive safety components including hand-on-wheel sensors and seat belt sensors. (48% of net sales)
 - Industrial Operations Automation & Optimization/Demand-side power management (14% of net sales)
 - Climate Control and Smart Energy Management (12%)
 - Green Energy, Charging, and Storage (2%)
 - Water Resource Management & Efficiency (3% of net sales)
 - Smart Meters and Industrial Controls

*Percentage of calendar year net sales

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OUR GUIDING PRINCIPLES

Since our founding, Kimball Electronics has been guided by a set of core principles that define who we are as a company and how we operate. These principles are central to our purpose of Creating Quality for Life, and they reflect our dedication to delivering lasting value to all our key stakeholders, including customers, employees, communities, and investors.

Our Guiding Principles serve as the foundation of our culture, driving everything we do. They shape our decision-making, our approach to sustainability, and our commitment to excellence. Through these principles, we ensure that we act with integrity, prioritize quality, and support innovation, all while maintaining a focus on the wellbeing of people and the environment.

Customers

- Our customer is our business. We must provide innovative products and services that excite our customers and exceed their expectations of quality, features and enduring value. We also must recognize and respond quickly and creatively to ideas of others, both internally and externally.
- Long-term customers are more important than short-term results. We will promise only what we know can be delivered; we will strive to deliver more than was promised.
- We seek to consistently demonstrate a sense of warmth, humor and mutual respect in our relationships with our

customers, to be the Company with which they most enjoy working.

People

- Our people are the Company. Kimball has been built upon the tradition of pride in craftsmanship, mutual trust, personal integrity, respect for dignity of the individual, a spirit of cooperation, and a sense of family and good humor. We seek to enhance this culture as we grow.
- We cultivate a leadership style that embraces the attitudes of personal autonomy and empowerment; individual initiative and teamwork; employee involvement and continuous improvement; and open, non-defensive communication.
- We shall foster an organizational structure, information systems and development of personal skills that maximize our peoples' flexibility to respond to our customers on their own terms.
- We want employees to share in their company's success, both financially and through personal growth and fulfillment.
- The most unfair system of all is one that blindly treats all situations the same. Therefore, we discourage rigid rules and policies in favor of a philosophy of individual responsibility and flexibility, so that real needs, rather than the rules, are met.
- Offering ideas for improvements and new products is an opportunity we all share, a responsibility we must all accept.

We seek to promote and reinforce an entrepreneurial spirit—a conviction that growth and continuous improvement is everyone's job.

- We seek a diversified group of employees who can be committed to preserving and enhancing these values.
- Suppliers are our partners, an extension of our company. They must share our commitment to total quality that exceeds our customers' expectations.

Citizenship

- The environment is our home. We will be leaders in not only protecting but enhancing our world.
- Recognizing that an attitude of pride in the Company and the community are intertwined, we seek to share, but not impose, our values within the communities in which we live. We also strive to help our communities be great places to live.
- We believe the greatest contribution we can make to the prosperity and quality of life of the communities in which we operate lies in being a dynamic, growing company.

Profits

- Profits are the ultimate measure of how efficiently and effectively we serve our customers and are the only true source of long-term job security. Profitability and financial resources give us the freedom to shape our future and achieve our vision.



CUSTOMERS



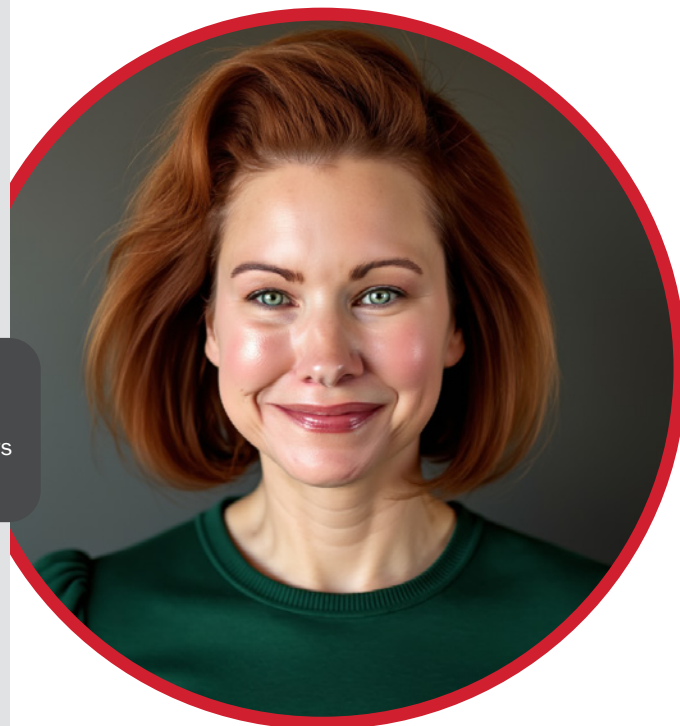
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SARA LEEMAN

Sustainability Director

Sustainability is embedded in the execution of Kimball Electronics' Guiding Principles across our global operations and value chain. This Report ensures proper accounting of our material sustainability matters and reflects our commitment to transparency, accountability, and alignment with leading international frameworks and evolving regulatory standards. Through this ongoing commitment, we strive to create long-term value for our stakeholders while advancing our purpose of Creating Quality for Life.

OUR KEY SUSTAINABILITY PRIORITIES

We take great pride in being responsible stewards of the economic, environmental, and social resources entrusted to us. As guardians of these vital resources, we are dedicated to ensuring that our actions contribute positively to sustainable development—now and in the future.

We recognize that our business activities and relationships with stakeholders—ranging from customers and employees to suppliers and local communities—have a direct impact on the world around us. These impacts, whether positive or negative, shape the wellbeing of our communities, the environment, and the social fabric of the regions where we operate.

We are committed to transparency and accountability in how we report and manage these impacts. By assessing and disclosing our significant sustainability efforts, we aim to demonstrate our ongoing progress in meeting the needs of the present while ensuring we do not compromise the ability of future generations to meet their own needs.

We strive to be a trusted partner for our stakeholders, offering clear insights into our sustainability practices and the results we are achieving. We are determined to lead by example, driving change that contributes to a more sustainable, equitable, and prosperous future for all.

At Kimball Electronics, our Sustainability Policy applies to all aspects of our global operations, ensuring that sustainability is embedded throughout

our value chain. This includes our facilities, suppliers, contractors, service providers, key business partners, and the products and services we produce. It also extends to our logistics functions and the interactions we have with partners across the globe.

Our Board of Directors holds ultimate responsibility for overseeing our sustainability efforts, ensuring that these efforts align with our strategic goals and values. The Board's Nominating and ESG Committee (NESG) plays a key role in shaping and guiding effective corporate governance and in overseeing issues related to environmental, social, and governance (ESG) matters. This includes overseeing the identification, assessment, and management of material sustainability risks, opportunities, and impacts.

Our Sustainability Policy is integral to our business practices, and it covers a wide range of environmental, social, and governance (ESG) factors, ensuring that we are aligned with best practices. It includes due diligence related to the material impacts and risks associated with our operations, as well as mergers, acquisitions, and business growth.

Through this Policy, we demonstrate our commitment to upholding high standards of responsibility and transparency in all our operations, ensuring that sustainability remains a key pillar of our corporate strategy.



OUR KEY SUSTAINABILITY MATTERS

Our Key Sustainability Matters

We conduct an annual materiality analysis to identify the environmental, social, and governance (ESG) issues that are most material to our business operations, stakeholders, and value chain. This process ensures that we are focusing on the factors that matter most to both our internal and external stakeholders, allowing us to prioritize the most significant opportunities and risks.

For the 2024 reporting period, we applied the principle of double materiality as outlined in the European Union's Corporate Sustainability Reporting Directive (CSRD). This principle considers both the internal financial impact

on the business as well as the external impact on society and the environment, ensuring that we align our sustainability efforts with the expectations of our stakeholders, thereby creating long-term value.

Our materiality analysis fully integrates our enterprise risk management (ERM) process, enabling us to identify and manage both sustainability and financial risks. To ensure objectivity and accuracy, a third-party assurance provider verified the results of our double materiality assessment. Our Board of Directors reviewed and approved the findings and conclusions from our analysis, in alignment with our corporate governance principles

and our commitment to transparency and accountability.

Double Materiality Assessment Process

Step 1: Defining Scope of Potential Topics

To start the process, we considered all ESRS topics, sub-topics, and sub-sub-topics as the foundation for evaluating potential risks, opportunities, and impacts across our operations. This initial step involved a comprehensive review of our business activities, relationships, and the geographies where we operate, as well as broader global risks that could influence our operations and stakeholders.

Step 2: Involving Stakeholders to Identify Potentially Material Topics

Engaging with stakeholders is central to our double materiality assessment and ongoing due diligence process. Our Board of Directors and management team engage regularly with a broad range of stakeholders, including Share Owners, other investors, our workforce, vendors, customers, and communities. We actively involve these and other internal and external stakeholders throughout the year to ensure we capture diverse perspectives on the impacts and opportunities most relevant to our business and the communities we serve.

This outreach is a cornerstone of our approach to sustainability and business planning.

engagement/outreach; and business planning. These councils meet regularly—monthly, quarterly, more frequently, or as needed—to foster dialogue and provide feedback on various topics.

Each council collaborates with internal and external stakeholders and reports directly to our executive team and Board of Directors. This system ensures that stakeholder input is integrated into our processes for identifying actual and potential negative impacts and determining material topics for sustainability reporting. It also offers a structured and ongoing platform for stakeholders to influence and shape our strategies, promoting sustainable growth and aligning with the expectations of those we serve.

Step 3: Identifying the Relevant ESRS Topics

The next step involves prioritizing the ESRS topics based on stakeholder inputs, industry trends, and our internal assessments.

We identify the most significant environmental aspects and safety risks through our ongoing location assessments and among our strategic and governance

Our Key Sustainability Matters Aligned to Our Guiding Principles



To facilitate stakeholder engagement, we maintain formal global councils and task forces focused on critical areas such as human resources and employee engagement; safety, environmental, and facilities (SEF); enterprise information security and cybersecurity; customer relationship management; materials management; supplier quality; quality systems; digital processes; community

OUR KEY SUSTAINABILITY MATTERS

priorities. Additionally, we consider the material impacts reported by our top suppliers and customers by spend, as well as the relevant environmental issues within our industry.

For financial topics, we integrate insights from our enterprise risk management (ERM) process, as well as inputs from the World Economic Forum’s Global Risks Report. We also take into account our customer sustainability requirements, the United Nations Sustainable Development Goals (UN SDGs), applicable legal requirements, and investor ESG rating criteria.

Once we identified all relevant topics, we ranked them based on the frequency of stakeholder input and their relevance to the industry. We also considered how these topics relate to the actual and potential impacts on our activities, business relationships, and stakeholders.

Finally, we prioritized the identified topics, taking into account their materiality to our value chain and the feedback we received from stakeholders, including supply chain partners and industry peers.

Step 4: Impact Valuation

We utilized a third-party automated template to assess the materiality of our actual and potential impacts and identify our material matters in alignment with ESRS standards. The template applied predefined assessment logic to evaluate the scale, scope, and irreversibility of actual and potential negative impacts. For actual positive impacts, it measured scale and scope, while for potential positive impacts, it also included an assessment of likelihood.

In addition, we assessed financial materiality using the same template. Risks and opportunities identified in Steps 2 and 3 were incorporated, along with the likelihood of occurrence and potential financial effects, to determine whether they met the ESRS materiality thresholds. This structured and comprehensive approach ensured that both impact materiality and financial materiality were addressed systematically, aligning our analysis with ESRS standards and strengthening the relevance of our identified material matters.

Step 5: Sustainability Matters Identified as Material

The sustainability matters presented below were classified as “material” because they met the ESRS criteria for impact materiality, financial materiality, or both. Our evaluation of material ESG issues for external stakeholders focused on assessing the significance and impact of our company’s activities, products, and services on societal and environmental stakeholders. Impacts were analyzed in terms of breadth (size of effect) and depth (severity and extent of damage or benefits) over short- and long-term periods. The analysis identified the causes of those impacts within our operations, supply chain, or offerings and evaluated their relevance to external groups, such as the environment, society, consumers, and external employees, while excluding internal stakeholders like employees or shareholders. The assessment emphasized linking material issues to their importance for external stakeholders, considering both positive and negative impacts together for a comprehensive evaluation of consequences.

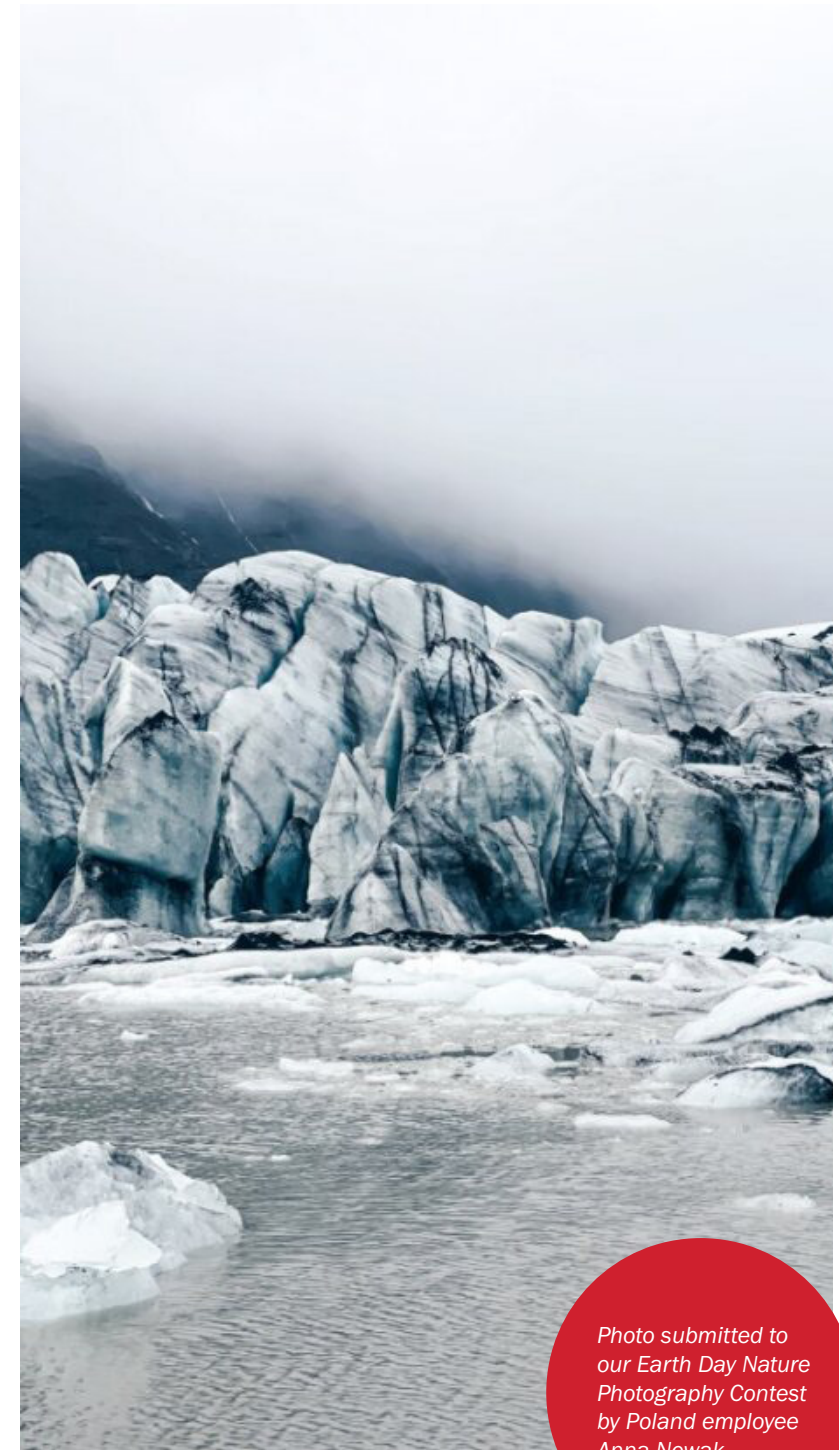


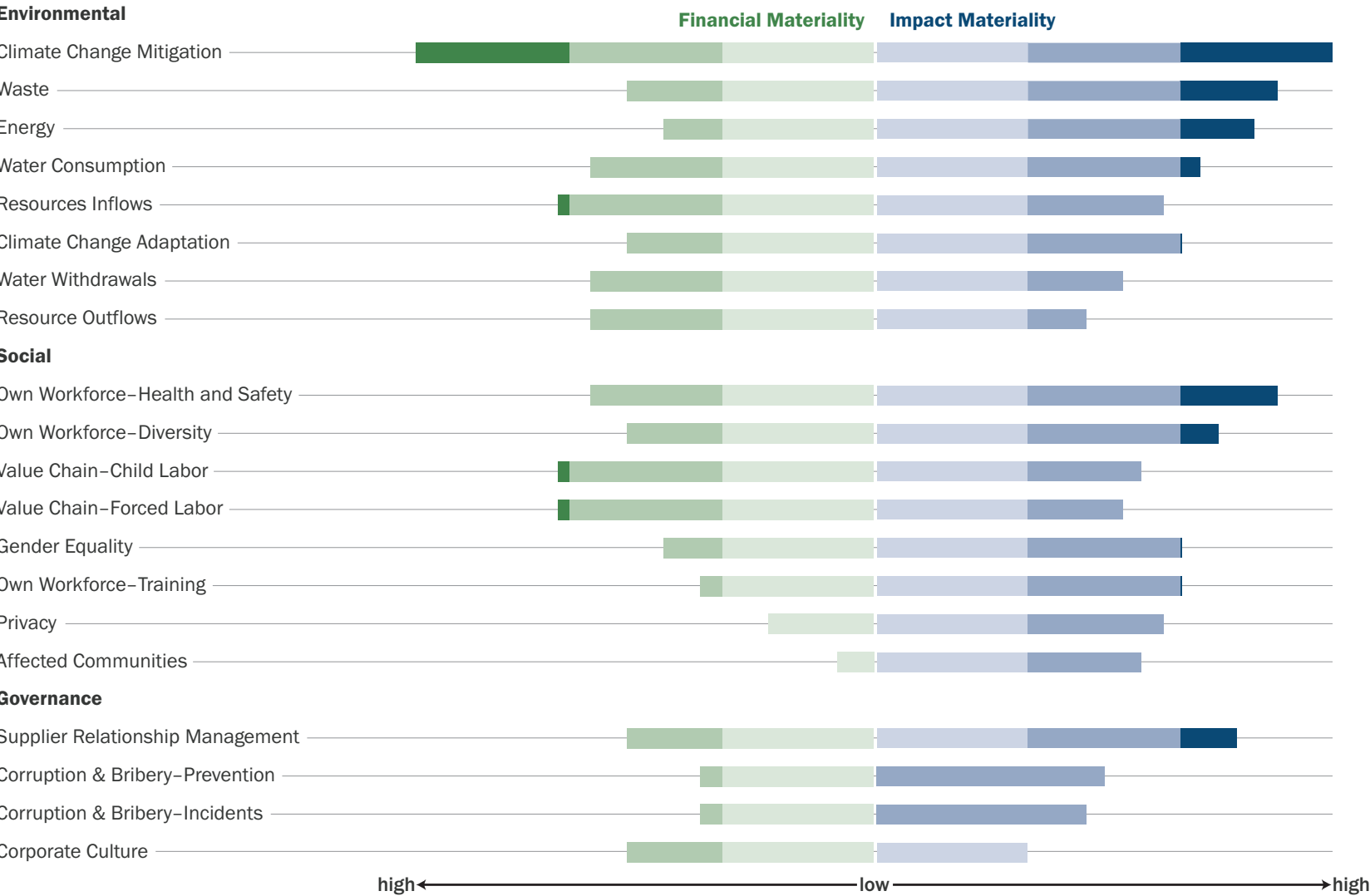
Photo submitted to our Earth Day Nature Photography Contest by Poland employee Anna Nowak.

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Ranking of ESRS Topics



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Material Matter Considerations

Members of the Mexico team pose alongside the facility's solar installation commissioned in 2024.



ENVIRONMENTAL

Material Topic	Output (Since 2019 Baseline)	Cause of Impact	External Stakeholder	Risks	Mitigating Actions	Opportunities	Interaction with Strategy
Climate Change Mitigation	~\$200,000 savings annually from onsite solar. 42% reduction in GHG emissions (equivalent to 22k tCO ₂ e).	Adoption of renewable energy, energy-efficient technologies.		Non-compliance with customer requirements could damage relationships.	Regular customer requirement assessments, investment in renewable energy and technology upgrades, enhanced monitoring of emissions reductions.	Market demand for sustainable, low-carbon products.	Advances science-based Scope 1–3 target, supports climate strategy and global climate goals.
Waste	~\$1.1 million annual waste savings, 14% reduction in landfill, but 131% increase in hazardous waste generation driven by higher production and differences in how hazardous waste is defined across the jurisdictions where we operate.	Production growth, circular economy initiatives (recycling, reusing, waste minimization).		Differing regulatory scrutiny on hazardous waste management globally.	Adoption of global best practices in waste management, enhanced reporting systems, investment in hazardous waste minimization technologies.	Waste reduction lowers operational costs and enhances brand image.	The 2030 zero waste goal and hazardous waste intensity reduction enhance circularity and compliance efforts.
Energy	4% intensity reduction , but 22% increase in purchased electricity energy consumption due to 27% growth of net sales.	Production growth, investment in renewable infrastructure, renewable energy sources.		High upfront investment costs for renewable energy infrastructure.	Securing renewable energy options, phased implementation of renewable projects, integrating energy efficiency measures.	Long-term cost reductions and improved sustainability reputation, potential for energy independence.	Supports full transition to renewable electricity by 2030, reducing carbon footprint.
Water Usage	38% increase in water withdrawals and 9.26% increase in intensity due to changing customer washing demands and production growth.	Production growth, customer demands, implementation of water recycling and conservation technologies.		Potential community disruption from water scarcity and misalignment with customer water goals.	Engagement with customers, adoption of water-saving technologies, increased investment in water recycling systems.	Reduced water costs, enhanced local community relations, risk mitigation against water scarcity regulations.	2030 goal to recycle one-third of water, with focus on high-stress regions, enhances resilience to water scarcity and supports local community relations.

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Material Matter Considerations

Our leadership team joins the global movement to celebrate International Women's Day and reaffirm our commitment to gender equality.



SOCIAL

Material Topic	Output (Since 2019 Baseline)	Cause of Impact	External Stakeholder	Risks	Mitigating Actions	Opportunities	Interaction with Strategy
Own Workforce– Health and Safety	↓17.65% reduction in workplace accidents. Improvement in LTIR and TRIR metrics.	Enhanced safety protocols, better training, improved equipment safety.		Failure to improve health and safety could lead to injured employees, legal liabilities, and reputational damage.	Proactively enhance safety through predictive analytics, strong culture, and focused training.	Safer work environments reduce costs and improve employee retention, enhance productivity.	Supports TRIR <1.0 target and long-term employee safety strategy.
Own Workforce– Diversity	Employee turnover can cost an organization 1.5 times an employee's salary.	Inclusive hiring practices, employee resource groups.		Lack of diversity can reduce employee satisfaction, retention, and innovation potential.	Implementation of flexible work policies and employee resource groups, mentorship programs, leadership training for diverse talent, diversity metrics tracking.	Inclusive teams boost morale, attract top talent, drive innovation and business success.	Advances equal opportunity commitment and inclusive culture.
Value Chain– Child Labor & Forced Labor	0 incidents. Cost of compliance programs. 98% of accounts payable and 96% of inventory audited during FY24.	Strict supplier audits, enforcement of ethical sourcing policies.		Violations could result in legal fines, supply chain disruptions, and brand damage.	Robust audit programs, supplier capacity-building initiatives, increased supplier transparency and certification requirements.	Ethical sourcing enhances brand value, consumer loyalty, and regulatory compliance.	Aligns with sustainable sourcing goal and supply chain ethics.

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In addition to supporting the communities where we operate, we also encourage giving back in the communities our remote employees call home. Here, employees John Werth, Maureen Patrick, and Anda Pesel volunteer at the North Texas Food Bank.



SOCIAL

Material Topic	Output (Since 2019 Baseline)	Cause of Impact	External Stakeholder	Risks	Mitigating Actions	Opportunities	Interaction with Strategy
Own Workforce– Training	We’ve implemented a single source for training and development tracking, but usage is not yet fully optimized.	Implementation of programs to measure satisfaction with training and development initiatives.		Insufficient training could lead to skill gaps and, lower productivity, and reduced innovation.	Comprehensive training curriculum development, career development pathways, tracking of training effectiveness and impact.	Investment in training improves productivity, innovation, and employee satisfaction, and retention.	Advances 2030 goal to build a unified training system and drive employee development.
Privacy	0 data breaches. Cost of compliance programs. Information Security training required for all employees.	Strengthened data protection protocols, compliance with data privacy laws.		Data breaches or non-compliance could lead to fines and reputational damage.	Regular privacy audits, enhanced cybersecurity measures, mandatory staff training on compliance.	Strong privacy practices enhance customer trust, reduce legal risks, and ensure data security.	Aligns with data protection and customer trust strategy, strengthens digital resilience.
Affected Communities	We target a 1% donation of our fiscal year adjusted net income annually.	Investment in local education, health programs, job creation.		Negative community relations could result in regulatory pushback or poor reputation.	Ongoing stakeholder engagement and monitoring of community programs.	Community engagement strengthens brand reputation and local support.	Supports ongoing 1% donation goal and strengthens community relations.

OUR SUSTAINABILITY
PRIORITIES

Our Key Sustainability Matters
Our Sustainability Targets

CORPORATE GOVERNANCE

CUSTOMERS

PEOPLE

CITIZENSHIP

PROFITS

APPENDICES

OUR KEY SUSTAINABILITY MATTERS

Material Matter Considerations

Our Corporate Governance policies, statements, and disclosures are publicly available on our Sustainability website.



GOVERNANCE

Material Topic	Output (Since 2019 Baseline)	Cause of Impact	External Stakeholder	Risks	Mitigating Actions	Opportunities	Interaction with Strategy
Supplier Relationship Management	Savings from optimized supply chain operations and improvement in supplier performance measured by timely delivery, number of monthly corrective actions, and corrective action closure time.	Strong supplier relationships, performance reviews, collaborative improvement.		Poor supplier relationships may lead to disruptions or quality issues.	Regular performance reviews, supplier development programs, implementation of risk management strategies.	Stronger supplier partnerships improve supply chain efficiency, resilience, and cost management.	Advances supplier collaboration and stable, resilient procurement strategy.
Corruption & Bribery	0 incidents. Cost of compliance programs, Code of Conduct training required for 100% of employees.	Zero-tolerance policies, anti-corruption training, audits, and governance enhancements.		Corruption could lead to legal penalties, reputational damage, and stakeholder distrust.	Employee training, whistleblower protections, strict policy enforcement, and proactive risk assessments.	A clean record builds stakeholder trust, reduces legal exposure, and strengthens brand integrity.	Supports 2030 goal to link executive pay to ESG performance and maintain top-tier ratings; strengthens ethics and transparency.
Corporate Culture	98% of senior management has participated in leadership training, and our annual wellness survey NPS remains above average since the 2019 benchmark.	Emphasis on transparency, leadership development, and positive workplace culture.		Toxic corporate culture can lead to high turnover, poor performance, and reduced engagement.	Leadership development programs and regular employee feedback surveys.	Positive culture enhances employee morale, productivity, retention, and company reputation.	The 2030 emphasis on leadership development and transparency sustains high performance and engagement culture.

OUR SUSTAINABILITY TARGETS

This Report highlights our new sustainability targets for material topics and presents the final performance against our 2025 goals. In line with the cascading principle, we not only set these targets at the strategic level but also break them down systematically into actionable objectives across every level of our organization. This approach ensures that our high-level ambitions translate into concrete actions, with every department and team contributing to our overall sustainable development agenda.

Our new targets are designed to drive sustainable development by addressing ESG risks and opportunities and aligning with ESRS requirements, thereby ensuring comprehensive goal setting for all material matters. They also support strategic planning, meet customer expectations, fulfill ESG rater and ranker criteria, and enhance customer sustainability efforts—solidifying our leadership in ESG performance.

Since establishing our 2019 baseline, we have achieved significant milestones, including reducing GHG emissions, increasing green electricity usage,

Material Topic		2025 Performance (2019 Baseline)	2030 Target
Environment	Climate Change—GHG	42% absolute reduction of Scope 1+2 emissions	Science-based Scope 1, 2, and 3 target
	Climate Change—Electricity	22% increase in purchased electricity	All locations to use only renewable electricity
	Zero Waste	17% reduction of VOC emissions	Achieve zero waste and reduce hazardous waste intensity by 25%
	Water Stewardship	38% absolute increase	Recycle one-third of water globally with a focus on high-stress locations with significant water use intensities
Social	Responsible Sourcing		Implement a sustainable resource management program
	Equal Treatment & Opportunities		Ensure equal treatment and opportunities for all employees
	Health & Safety		Maintain an annual Total Recordable Incident Rate (TRIR) below the industry average of 1.0
Governance	Business Ethics & Corporate Behavior		Tie both short-term and long-term executive compensation to the achievement of our sustainability objectives, while also maintaining our top-tier ESG ratings
	Giving		Donate 1% of our fiscal year adjusted net income annually

and improving waste management practices. Additionally, we have prioritized equal treatment and opportunities for employees, upheld strong health and safety standards, and advanced water stewardship initiatives.

Our ongoing progress reflects a steadfast commitment to meeting our sustainability targets and advancing corporate responsibility across all areas of our operations, reinforcing our dedication to a sustainable future.



Photo submitted for Earth Day Nature Photography Contest by Jasper, Indiana employee Lance Lucas.

CORPORATE GOVERNANCE STATEMENT

Corporate Governance Structure

We believe our governance structure should reflect our Guiding Principles through the collaborative efforts of our Board of Directors, executive management, and employees. Kimball Electronics is governed by a one-tier Board of Directors, 88% of whom are independent as defined by Nasdaq listing standards. The Board is comprised of seven (7) independent Directors and one (1) executive member, Ric Phillips, who also serves as our Chief Executive Officer.

Our Board operates under formal [corporate governance principles](#) that define its composition, operations, and responsibilities. Each Board committee operates under a formal charter that provides clear delegations of authority and oversight. Our governance guidelines and charters are available on our [investor relations website](#). The Board and its committees regularly review, at least annually and more frequently when appropriate, these governance guidelines and charters to ensure they are state of the art, adapting to evolving best practices and business needs. These policies

and practices help the Board and our management achieve our long-term strategic goals, ensuring that we continue to serve our customers efficiently and effectively, all for the benefit of our Share Owners.

We currently maintain a clear separation of roles between the Chairperson of the Board and the Chief Executive Officer, supported by strong, independent committee chairs. Our independent Chairperson, Bob Phillippy, leads Board meetings and independent Director sessions, facilitates the Board's oversight of management, fosters communication between the Board and management, and guides discussions on strategic and governance matters. Meanwhile, Ric Phillips, as CEO, is responsible for developing and executing the Company's business strategy, managing day-to-day operations, and maintaining stakeholder relationships.

Kimball Electronics has established three well-defined standing committees to ensure comprehensive oversight of financial reporting, risk management, and strategic priorities:

- **Audit Committee:** Manages enterprise risk, including

financial controls, reporting, and cybersecurity-related impacts, risks, and opportunities, while overseeing the selection of independent financial auditors.

- **Nominating and ESG (NESG) Committee:**

Oversees environmental, social, and governance (ESG) priorities, impacts, risks, and opportunities, along with ESG-related disclosures and input from both external and internal stakeholders. It also identifies qualified candidates for Board and Board Committee service.

- **Talent, Culture, and Compensation (TCC) Committee:**

Focuses on talent management, culture, and compensation-related impacts, risks, and opportunities, as well as matters concerning pay for performance and market driven incentive design programs for the CEO and executive officers.

Ensuring Effective Board Alignment with Share Owner Interests

To ensure the effectiveness of our Board of Directors and its alignment with the long-term interests of Share Owners,



Indiana's Bridgeton Mill Covered Bridge, captured by Jasper, Indiana employee Shelly Zahn. Like this iconic bridge, our corporate governance framework connects past, present, and future—ensuring our sustainability efforts are built on a strong foundation.

we have implemented robust governance practices. These practices are designed to foster accountability, maintain transparency, and support the Company's strategic goals while safeguarding shareholder value.

Our Board regularly evaluates its composition, policies, and processes to ensure alignment with evolving best practices and the interests of stakeholders. This commitment ensures that decisions are made with a focus on long-term value creation and sustainable growth.

Performance Evaluation

Performance evaluations are critical for continuous improvement in Board performance. Our Board conducts annual performance evaluations of itself and our CEO, utilizing an independent third-party evaluator as appropriate. Participation is a critical component of performance, and we expect all Board members to attend all Board and committee meetings, as well as our annual meeting.

CORPORATE GOVERNANCE STATEMENT

Succession

The Board reviews its management succession and retention plans annually. Additionally, the Board oversees the risks and exposures associated with management succession planning. Our Directors and executive officers collaborate on succession planning, and the entire Board is involved in the critical aspects of the management succession planning process, including establishing selection criteria that reflect our business strategies, identifying and developing internal candidates to ensure the continuity of our culture, and making key management succession decisions.

Fair Compensation

The Board annually reviews the compensation of our CEO and executives, often with input from an independent compensation consultant, to ensure that pay is competitive and aligned with the Company's long-term strategic goals. Details about our executive compensation program, including the ratio of the annual total compensation of our CEO to the annual total compensation of our median employee, are disclosed in our annual Proxy Statement.

Incentive-based compensation is a cornerstone of our philosophy, designed to align employee and executive interests with the Company's performance. A significant portion of executive and salaried employee compensation is tied to financial results and operational metrics. This approach drives collaboration, personal development, and continuous improvement, while rewarding strong performance and fostering teamwork.

Our commitment to fair compensation ensures that incentives are relevant, attract and retain top talent, and support long-term value creation for Share Owners. Through this structure, we align our goals with those of our employees, executives, and stakeholders, creating a foundation for sustainable growth.

Share Owner Rights

Our Share Owners benefit from a single class of shares, with each share entitled to one vote. There are no multiple voting rights, enhanced voting rights, voting certificates, or non-voting shares. We maintain a majority voting standard for Directors in uncontested elections and require a simple majority vote to amend our By-Laws. Share Owner

approval is required to materially modify our equity capital structure, and we uphold a confidential voting policy to ensure privacy and transparency.

Oversight of Sustainability Impacts, Risks, Opportunities, and Due Diligence

Our governance framework ensures that sustainability impacts, risks, and opportunities are effectively identified, assessed, and integrated into our corporate strategy. Our Share Owners elect the Board of Directors to oversee management and safeguard their long-term interests. While our executive team manages day-to-day risk processes, the Board holds ultimate responsibility for risk oversight, shaping effective corporate governance, and fostering a culture of integrity, ethics, and alignment with our Guiding Principles.

The Board's role in overseeing sustainable development and ESG matters is outlined in our Corporate Governance Guidelines, which are publicly available on our website. Leveraging the expertise of its committees, the Board

works closely with management to provide oversight, counsel, and strategic guidance on long-term risks, opportunities, and feedback from our Share Owners. The NESG Committee, composed entirely of independent Directors, plays a critical role in overseeing our sustainability programs. This includes advising the Board on sustainability-related impacts, risks, and opportunities; reviewing and overseeing ESG disclosures, including this annual Report; and monitoring progress toward our sustainability goals and initiatives.

The Audit Committee also plays an important role, overseeing the Company's enterprise risk management framework and evaluating cybersecurity risks and opportunities. The TCC Committee assists the Board with oversight of sustainability matters related to our talent and culture, including pay equity, diversity, inclusion, belonging, retention, employee health and safety, leadership development, and alignment with our Guiding Principles.

Our enterprise risk management (ERM) framework operates as a continuous, four-phase process that includes risk program development, risk assessment and prioritization, risk response,

and risk validation and monitoring. This comprehensive process evaluates operational, strategic, compliance, and reporting risks, and incorporates risk criteria into the development of our products and services. Throughout the year, experts, leaders, and specialists across functions, regions, and organizational levels collaborate to identify pressing current and emerging risks. Senior leaders regularly reassess and validate these risks and mitigation strategies through ongoing reviews and executive team meetings.

To foster a strong risk culture, we provide annual, mandatory risk management education for all leaders and employees, reinforcing awareness and preparedness across the organization. Our ERM process is led by experienced risk and compliance professionals from our Audit Management Services team. Quarterly, senior leaders convene to analyze, rank, and prioritize risks based on likelihood, impact, and controllability, which informs the development of comprehensive mitigation strategies and plans.

Key ERM insights, including significant risks and mitigation updates, are shared with the

CORPORATE GOVERNANCE STATEMENT

Board’s committees—Audit, NESG, and TCC—at their quarterly meetings. The full Board receives these insights through committee reports that cover financial, governance, and human capital risks. Management also provides regular briefings to the Board on emerging and high-priority risks.

The Audit Committee oversees the internal audit function, reviewing its performance, responsibilities, budget, and staffing to ensure independence from day-to-day operations. The Committee also approves key decisions related to the Director of internal audit, further ensuring the independence of the risk management function. In addition to internal oversight, our independent registered public accounting firm, Deloitte & Touche LLP, conducts an external audit that includes an assessment of internal controls over financial reporting (ICFR), covering key aspects such as fraud prevention and compliance. While Deloitte’s audit does not extend to a full enterprise risk management review, broader operational risks are managed internally through our ERM framework and overseen by the Audit Committee.

**WOMEN COMPRISE 38%
OF OUR BOARD**

Management Responsibilities

Our senior leadership and functional teams handle the implementation of our sustainability policies and initiatives. The Executive Leadership Team, Human Resources, Legal, and global procurement teams manage and carry out our Human Rights & Supply Chain Transparency Policy. The Safety, Environmental, and Facilities (SEF) team, led by our director of SEF, Chris Whann, and global SEF managers, manage our SEF Policy and its day-to-day safety, environmental, and climate matters. Our CEO Ric Phillips and our Vice President of Human Resources, Jessica DeLorenzo, along with our global leadership and HR teams implement our Diversity, Equity, Inclusion, and Belonging Policy. Our Chief Legal and Administrative Officer, Doug Hass, who reports to our CEO, along with our cybersecurity, network infrastructure, and IT operations security teams manage cybersecurity operations and risk management.

Management leaders for sustainability Report to the Board and the NESG Committee at least quarterly, providing updates that



deepen Directors’ understanding of sustainability topics relevant to Kimball Electronics and keep them apprised of our progress toward our sustainability goals. The NESG Committee, in collaboration with the Board, organizes Director education programs, covering sustainability and other critical governance topics. These programs include white papers, presentations by management and third parties, and participation in external Director education seminars and programs.

Stakeholder Representation

The composition of our Board of Directors reflects the diversity and expertise necessary to represent our employees and other stakeholders effectively. All Directors bring significant experience in the automotive, medical, and industrial markets we serve, as well as in manufacturing broadly. This collective expertise provides valuable insights for our operations and market opportunities, supporting our commitment to long-term growth.

We are proud of and benefit from our diversity. Each year since we became a public company in 2014, we have been recognized by 50/50 Women on Boards for having a Board comprised of at least 20% women. Currently, 38% of our Directors, or three out of eight, are women, while five are men. Seven of our Directors are white, and one is Asian. Our Directors bring diverse viewpoints, ethnicities, professional experiences, education, and skills to us, creating a well-balanced and effective Board.

To further support our DEI&B objectives, we have an enterprise-wide expectation that 100% of the candidate slates for our Board include candidates from underrepresented groups in the technology and manufacturing industries. These include Women, Black, Latino/a, Asian, Indigenous, Multiracial, LGBTQ, People with Disabilities, and Veterans. This commitment ensures that our Board continues to evolve with diverse perspectives, aligning with the needs and values of our stakeholders.

Sustainability-Related Performance Incentive Metrics

At Kimball Electronics, we have integrated sustainability performance objectives into our business strategy and operations. In alignment with our pay-for-performance philosophy, the Talent, Culture, and Compensation (TCC) Committee introduced several sustainability-focused incentive metrics for our executive team.

These metrics prioritize areas critical to the achievement of our sustainability goals, with a focus on comparable, objective outcomes that help our stakeholders assess our progress over time and benchmark our performance against industry standards. We compiled these metrics into an ESG performance scorecard that our TCC Committee established as a modifier to our executive officers’ Short-Term Incentive Plan for FY25. This scorecard evaluates quantitative environmental, social, and governance factors, including diversity, equity, and inclusion performance measures, information security-related performance measures, environmental and

CORPORATE GOVERNANCE STATEMENT

To achieve the full Personal Performance Incentive, the following metrics were required:

Quantitative and Qualitative Components



Environmental

- Complete S&P Global Corporate Sustainability Assessment (CSA)
- Submit CDP Climate Change Survey and CDP Water Security Survey
- Publish Guiding Principles Report pursuant to GRI, SASN/ISSB, UNSDG and TCFD standards
- Score 60 and 95th percentile or higher on S&P CSA Environmental Dimension, which encompasses Environmental Policy, Emissions, Resource Efficiency and Circularity, Waste, Water, and Climate Strategy



Social

- Maintain overall Guiding Principles Survey score at or above 8.0 with Above Average Net Promoter Score (11-49%) or 8.5 or higher with Best in Class Net Promoter Score (> 50%)
- Score 60 and 95th percentile or higher on S&P CSA Social Dimension, which encompasses Labor Practice Indicators, Human Rights, Human Capital Development, Talent Attraction & Retention, Occupational Health & Safety, Customer Relationships, and Privacy Protection



Governance

- Maintain average ISS Monthly Governance QualityScore of “1” (top 10%)
- Score 60 and 95th percentile or higher on S&P CSA Governance and Economic Dimension, which encompasses Transparency & Reporting, Corporate Governance, Materiality, Risk & Crisis Management, Business Ethics, Policy Influence, Supply Chain Management, Tax Strategy, Information Security/Cybersecurity, and Innovation Management

Total

- Earn above average S&P CSA score compared to DJSI North America
- Qualify for S&P Global Sustainability Yearbook
- Earn a Top 10% designation

Sustainability-Related Performance Incentive Metrics (continued)

social measures, and the quality of our sustainability disclosures (as measured by ISS’s Governance QualityScore), and the comprehensive S&P Global Corporate Sustainability Assessment. Our performance in these areas can increase or decrease the amount of the executive team’s bonus by up to 5%. For our executives to achieve the full 5% increase, we need to earn at least 20 out of 25 available points on the scorecard below, with a target of 15 points (representing a 3% increase) and a minimum threshold of 12 points. If we earn fewer than 12 points, the modifier would reduce our executives’ bonuses by 5%. To ensure alignment with our Profits Guiding Principle, our executives first must earn a bonus for our financial results under our Short-Term Incentive Plan for the ESG performance modifier to apply.

By incorporating these rigorous metrics, we aim to incentivize and reinforce our commitment to sustainable practices and enhanced ESG performance.

CUSTOMERS

At Kimball Electronics, our customers are at the heart of everything we do. Guided by our core principles, we are committed to delivering innovative products and services that exceed expectations. Our focus on quality, responsiveness, and mutual respect ensures long-term customer satisfaction and trust.

Through our Double Materiality Assessment (DMA), we have identified Climate Change and Responsible Sourcing as our material Customers topics. By proactively addressing these areas, we reinforce our commitment to sustainability, aligning our values with those of our customers. This alignment strengthens relationships, builds trust, and enhances customer loyalty.

*Reaching new heights
through innovation and
customer trust. Photo
provided by Earth Day
Nature Photography
Contest finalist Teeraphorn
Khrueabkontho, Thailand.*

LASTING RELATIONSHIPS

Our culture of excellence is rooted in our Guiding Principles—“Our Customer is our Business.” We offer our services on a contract basis and we manufacture products to our customers’ specifications, so meeting our customers’ unique needs and expectations is of primary importance. We measure customer satisfaction through a scorecard process for which we set quantitative improvement targets. Our robust customer scorecard process provides valuable feedback to all levels of our company, driving continuous improvement initiatives, strengthening our award-winning service, and fostering deep customer loyalty.

- 1 *Kimball Electronics was named Supplier of the Year by Trane Technologies, a long-term customer and leader in the HVAC industry. In the photo, with Trane representatives, is our own Dennis Gradler (center) and Gonzalo Arias (second from left). Our long-term relationship with Trane is a good example of our effective global footprint; our manufacturing facilities in Mexico, Thailand and Romania help create quality for life for our customers and end-users.*
- 2 *Our Mexico operations also earned an Excellence in Innovation award from customer Ampure. This recognition celebrates our commitment to introducing innovative solutions that enhance processes and elevate product quality.*
 - Our Mexico team earned a Key Supplier Recognition award from a long-term customer, supporting our purpose to Create Quality for Life.
 - Our team in China earned a Best Supplier Award from a long-term customer, a testament to our dedication to exceeding expectations, ongoing commitment to high-quality products, exceptional service and strong collaborative relationships.



FOR THE 11TH CONSECUTIVE YEAR, WE WERE RECOGNIZED BY CIRCUITS ASSEMBLY FOR SERVICE EXCELLENCE. IN 2024, WE RECEIVED THE HIGHEST RATING FOR •DEPENDABILITY/TIMELY DELIVERY •MANUFACTURING QUALITY •RESPONSIVENESS •TECHNOLOGY •VALUE FOR THE PRICE •FLEXIBILITY •OVERALL SATISFACTION



CLIMATE CHANGE

Climate change remains a critical material issue throughout our value chain. We recognize the urgency of addressing this global challenge, both for the health of our planet and to support our customers in meeting their own climate targets. As part of our ongoing commitment to sustainability, we have made significant progress in reducing our GHG emissions. In recognition of our efforts, our 2024 CDP Climate disclosure score improved from a B to an A-, highlighting our leadership in climate action and transparency. This achievement reflects our dedication to driving meaningful change and advancing sustainability across our operations and supply chain.

Progress to Date

We set a goal to reduce our absolute Scope 1 and 2 GHG emissions by 10% from a 2019 baseline by 2025. Since 2019, we have achieved a 42% reduction in these emissions, far surpassing our goal. This remarkable progress highlights the dedication of our teams and partners, proving that sustainable practices can benefit both the environment and operational efficiency.

Science-Based Targets

Aligned with the latest climate science, we are committed to significantly reducing our emissions to help limit global warming to 1.5°C above pre-industrial levels. To achieve this, we have set ambitious science-based and net-zero targets.

42%

REDUCTION IN SCOPE
1 AND 2 EMISSIONS BY
2030, WHILE ACTIVELY
ENGAGING SUPPLIERS
TO DRIVE REDUCTIONS
IN SCOPE 3 EMISSIONS



ACHIEVING NET-ZERO
EMISSIONS BY 2050



(top) The new solar grid at our Mexico operation was commissioned in November 2024.

(bottom) Thailand expanded their solar installation in 2024 to better support the facility's electricity demand.

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CLIMATE CHANGE

Transition Plan

As we work towards achieving our science-based targets and ultimately reaching net-zero emissions by 2050, our strategy to reduce emissions focuses on both direct and indirect emissions across our operations and value chain. Our approach includes the following key initiatives:

Scope 1 and 2 Emissions Reduction

Our Scope 1 and 2 emissions, which stem from direct operations and the consumption of purchased electricity, have already seen a 42% reduction since 2019. To continue this positive momentum, we will continue to focus on energy conservation and the transition to green electricity.

1. Energy Conservation: We are committed to ongoing energy efficiency improvements across all our facilities. This includes upgrading equipment, optimizing heating, ventilation, and air conditioning (HVAC) systems, and adopting best practices to reduce overall energy consumption. By prioritizing energy conservation, we reduce our reliance on fossil fuels and lower our emissions footprint.

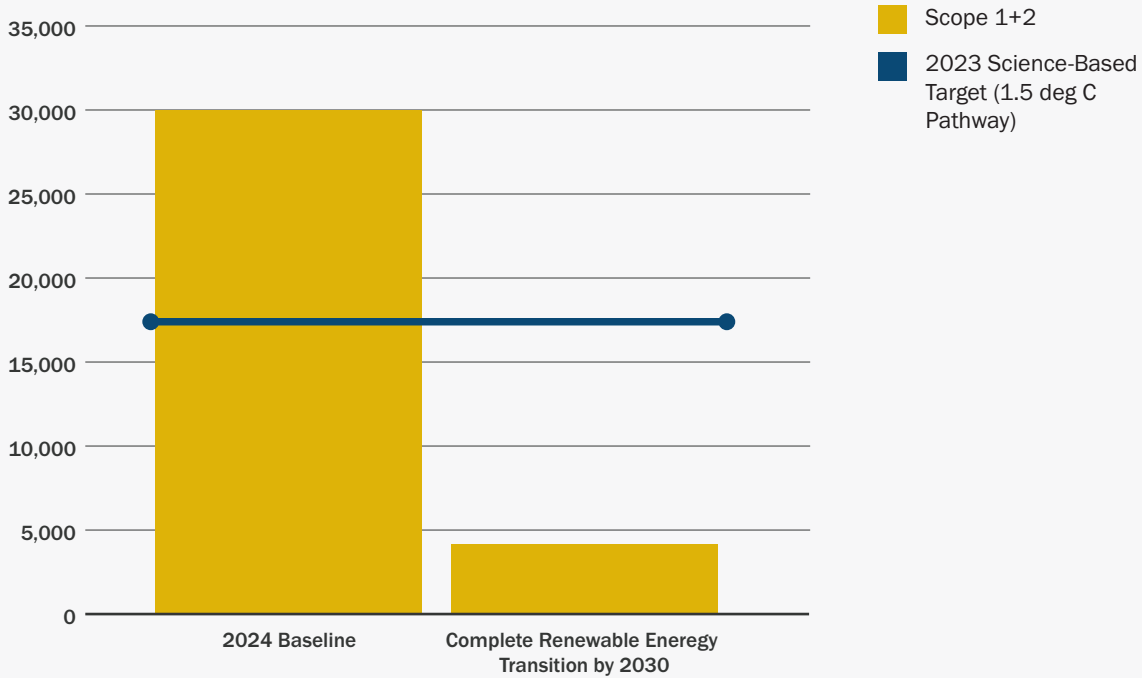
2. Transition to Green Electricity:

As part of our commitment to renewable energy, we are accelerating our transition to green electricity. By sourcing more of our energy from renewable sources such as wind, solar, and hydroelectric power, we reduce the carbon intensity of our operations. We will continue to work with our energy providers to ensure a growing proportion of our electricity is sourced sustainably.

Scope 3 Emissions Reduction

We recognize that our suppliers are our partners and an extension of our company, and they will share our commitment to quality and exceeding customer expectations. Our Scope 3 emissions reduction efforts will be closely integrated into our supplier management practices, ensuring sustainability is embedded throughout our supply chain. Since Scope 3 emissions will often fall outside our direct control but represent a significant share of our carbon footprint, engaging suppliers will be a credible and science-backed approach to achieving meaningful reductions. By encouraging them to set science-based targets and adopt low-carbon strategies, we will create a more sustainable

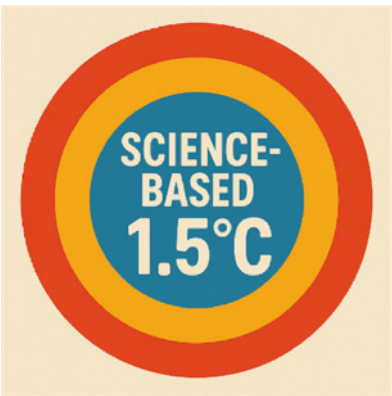
Scope 1+2 Decarbonization Plan



supply chain that meets regulatory requirements while aligning with our core principles of quality, responsiveness, and mutual respect. With a strong emphasis on transparency in tracking progress and assessing impact, this approach will align with the Science-Based Targets initiative (SBTi) and European Sustainability Reporting Standards (ESRS E1-6).

Path to 1.5° C and Net-Zero Emissions

To ensure that we stay on track to meet our science-based targets, we will continue to refine our strategy and adjust our actions as necessary. The combination of energy conservation, green electricity adoption, and supplier engagement will be critical in driving progress toward our 42% emissions reduction from a 2024 baseline by 2030 and achieving net-zero emissions by 2050.



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CLIMATE CHANGE

Actions and Resources in Relation to Climate Change Policies

We have implemented a comprehensive range of actions and allocated resources to support our climate change policies, emphasizing carbon emissions reduction and the promotion of sustainable practices.

As part of our commitment to low-carbon opportunities, we train employees on energy conservation and climate action strategies while actively generating renewable energy and procuring renewable electricity to decrease reliance on fossil fuels. Our investments in solar electricity installations further support this goal by increasing our use of clean energy and reducing our environmental footprint.

To drive continuous improvement, we conduct regular environmental and energy audits to identify efficiency opportunities, leveraging advanced technology and equipment upgrades. Additionally, we have implemented waste heat recovery systems and combined heat and power units to optimize energy use. We have also taken steps to reduce emissions of

fluorinated greenhouse gases such as HFCs, PFCs, and SF6 and to lower IT infrastructure energy consumption through optimized solutions.

Since 2011, Kimball Electronics has participated in CDP (formerly Carbon Disclosure Project) reporting, reinforcing our commitment to transparency and accountability in addressing climate challenges. In 2024, our CDP Climate disclosure score improved from B to A-, reflecting our ongoing efforts to reduce emissions and strengthen climate resilience across our operations.

We have not financed any GHG removals or GHG mitigation projects through carbon credits, ensuring that our emissions reductions are achieved through direct operational improvements, renewable energy investments, and efficiency enhancements rather than external offset mechanisms. Additionally, we are not currently using internal carbon pricing as part of our emissions management strategy but continue to evaluate its potential role in our broader sustainability initiatives.

Climate Risk Management

We have integrated a comprehensive climate risk management process into our enterprise-wide risk management framework. This ensures that climate-related risks and opportunities are systematically evaluated alongside other business risks within our centralized enterprise risk management program.

Our climate risk assessments consider a diverse array of factors, including current and emerging regulations, technological and legal risks, market and reputational risks, and both acute and chronic physical risks. These assessments span our entire value chain, covering our own operations as well as upstream and downstream activities, including client interactions.

The climate risk management process evaluates risks across multiple time horizons—short-term, medium-term, and long-term—to ensure a forward-looking approach to potential challenges and opportunities. Additionally, we conduct climate-related scenario analyses to simulate and prepare for various climate futures.



A Poland employee examines one of the facility's two independent heat recovery systems. One system captures heat from exhaust fans to warm fresh air for the production ventilation system, while the other recovers heat from the air compressor system for use in central heating.

Through this proactive approach, we reinforce our commitment to resilience and sustainability, ensuring we are prepared to navigate evolving climate-related challenges.

CLIMATE CHANGE

Financial Risk of Climate Change

We have evaluated the anticipated financial effects of material physical and transition risks, as well as potential climate-related opportunities, on our business operations, strategy, and financial planning, as detailed in our 2024 Annual Report. This assessment includes multiple scenarios to account for varying potential impacts.

Our 2024 CDP disclosure further reinforces this analysis, estimating potential financial impacts from climate risks ranging from \$1 million to \$10 million, aligned with our insurance coverage and self-funded risk management. We have identified both current and future climate risks that could significantly affect our operations, revenue, or expenditures, including regulatory, market, reputational, and physical factors. Extreme weather events—such as hurricanes, droughts, wildfires, floods, and cyclones—along with increased water stress, pose challenges to certain regions where we operate, particularly Tampa, Florida. Regulatory risks include compliance costs for facility retrofits and adapting to evolving environmental standards.

At the same time, our 2024 Annual Report highlights climate-related opportunities that can enhance operational efficiency, reduce costs through energy efficiency and renewable energy adoption, and drive innovation in sustainability-focused solutions. By proactively addressing climate risks while leveraging opportunities, we are reinforcing customer relationships, strengthening market competitiveness, and creating long-term business value.

Climate Governance

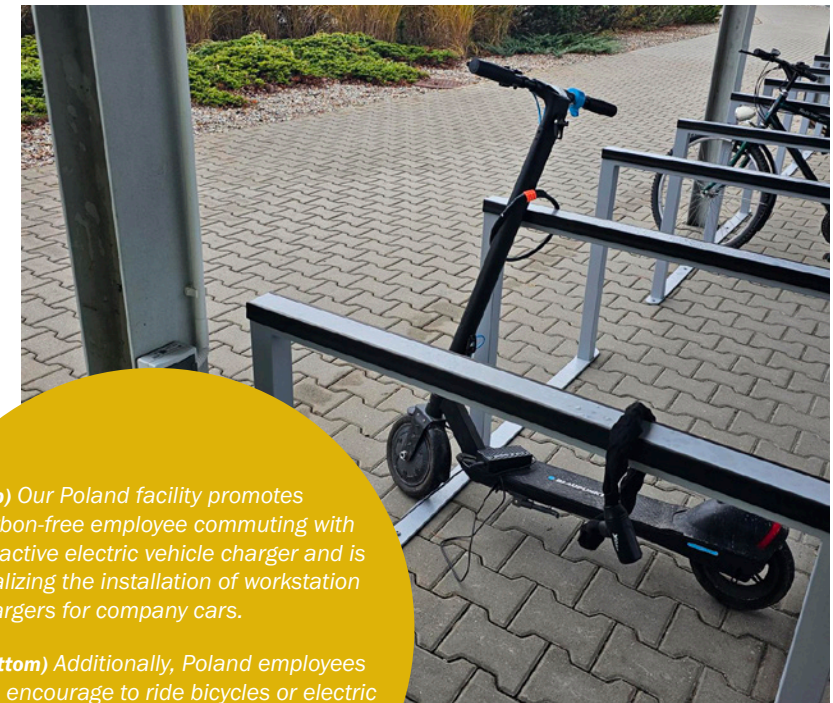
We have established robust governance mechanisms to oversee and manage climate-related issues, ensuring they are prioritized at the highest levels of the organization.

The Company's Board of Directors and executive management share oversight and management responsibility for climate-related issues. A dedicated Board-level committee, the Nominating and ESG (NESG) Committee, holds specific oversight of climate-related matters. This committee evaluates and advises on climate impacts, risks, and opportunities, ensuring alignment with corporate strategy and sustainability objectives.

Climate-related issues are regularly included on the Board of Directors' agenda, with discussions scheduled at least quarterly. These agenda items facilitate informed decision-making and ensure climate-related considerations remain integral to our governance framework.

Within management, responsibility for climate-related issues is assigned to a dedicated committee and senior-level positions. This includes the director of Safety, Environmental, and Facilities (SEF) and global SEF managers, who manage day-to-day climate-related operations and policies. Additionally, our executive management team, in collaboration with the NESG Committee, ensures effective implementation of climate-related strategies across all levels of the Company.

This governance structure underscores our commitment to integrating climate considerations into decision-making processes, fostering a culture of accountability, and driving long-term sustainable growth.



(top) Our Poland facility promotes carbon-free employee commuting with an active electric vehicle charger and is finalizing the installation of workstation chargers for company cars.

(bottom) Additionally, Poland employees are encourage to ride bicycles or electric scooters to work. Charging facilities are available to further support sustainable transportation options.

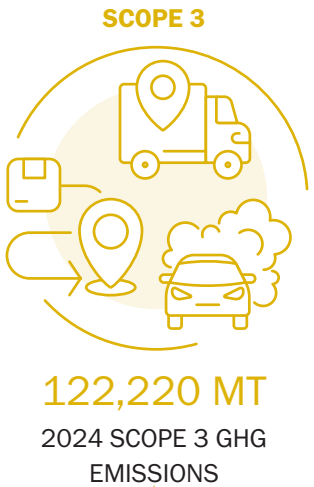
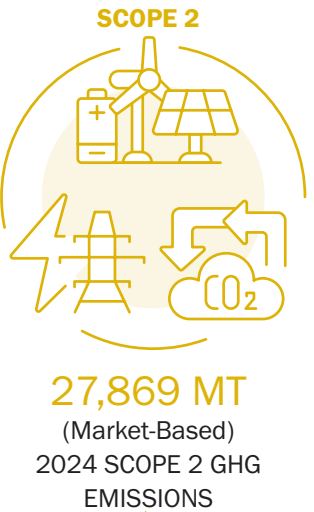
CLIMATE CHANGE

Climate Metrics

Gross Scopes 1, 2, and 3
GHG Emissions

All GHG emissions are calculated in accordance with the GHG Protocol. The greenhouse gases included in our measurements are carbon dioxide (CO₂), methane (CH₂), nitrous oxide (N₂O), and hydrofluorocarbons (HFCs). We do not consume biogenic fuels.

Total 2024 GHG Emissions ————— 152,199 metric tons (MT)



Market- and Location-Based
Scope 2 Emissions

2024 Scope 2 (Market-Based)
GHG Emissions: 27,869 MT

2024 Scope 2 (Location-Based)
GHG Emissions: 41,269 MT

Category 1 (Purchased goods and services): 88,335 MT

Category 2 (Capital goods): 3,839 MT

Category 3 (Fuel- and energy-related activities): 5,363 MT

Category 4 (Upstream transportation and distribution): 14,504 MT

Category 5 (Waste generated in operations): 1,762 MT

Category 6 (Business travel): 1,633 MT

Category 7 (Employee commuting): 6,784 MT

Category 8 (Upstream leased assets): Not applicable to Kimball Electronics

Categories 9–12 (Downstream activities): Excluded per GHG Protocol guidance on intermediate products

Categories 13–15 (End-of-life treatment, downstream leased assets, franchises, investments): Not applicable to Kimball Electronics

GHG EMISSIONS INTENSITY



1.89 MT
INTENSITY MEASURED
AS TOTAL EMISSIONS
(SCOPE 1 + SCOPE 2)
PER TOTAL NET
REVENUE

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CLIMATE CHANGE

GHG Removals and Mitigation Projects

We are actively engaged in GHG mitigation projects, including renewable energy procurement and efficiency improvements.

ALL OF OUR EUROPEAN OPERATIONS ARE PROCURING 100% RENEWABLE ENERGY



Energy

We have implemented a comprehensive energy management program designed to enhance efficiency, reduce consumption, and support our sustainability goals, with all locations managing energy as a significant environmental aspect in accordance with their certified ISO 14001 environmental management systems, while our Romania location further distinguishes itself by operating an ISO 50001 certified Energy Management System to ensure a systematic and consistent approach to energy efficiency across operations.

Efforts to reduce energy consumption include upgrading

technology and equipment, refining operational processes, and adopting energy-efficient practices throughout the value chain. Investments in renewable energy systems—through both purchasing renewable energy and on-site generation—further support the transition to clean energy. Energy performance is continuously monitored, with regular reporting on consumption trends and the impact of our initiatives to ensure accountability and drive ongoing improvement.

Employee training programs promote an energy-conscious culture by equipping the workforce with the knowledge and tools necessary to support energy reduction efforts. These initiatives underscore our commitment to sustainable development, reducing our environmental footprint, realizing cost savings, and enhancing our competitive advantage.

Energy Target

We initially set a goal to reduce purchased electricity by 15% from our 2019 baseline by 2025. However, due to operational expansions, our electricity purchases increased by 22%. Although we did not achieve this target, the growth reflects

our efforts to scale operations. We remain committed to implementing energy-efficient practices and reducing energy consumption across all facilities. Moving forward, we have established a new 2030 target to more effectively address our material issue and focus on what we can control: ensuring that all our locations transition to using only renewable electricity. These targets and data underscore our commitment to addressing climate-related challenges and demonstrate how we integrate sustainability into our business operations and strategy.



Our Romania operation's Energy Management System is ISO 50001 certified.

Energy Consumption and Mix

Total Energy: 94,597,069 kWh

Total Renewable Energy: 31,162,905 kWh

Solar Panels (KETL): 838,784 kWh
Renewable Energy Certificates (RECs) (KECN GECs, KEPS, KERO): 18,536,178 kWh
Vendor-Supplied Renewable Energy: 11,787,943 kWh

Total Non-Renewable Energy: 63,434,164 kWh

Vendor-Supplied Non-Renewable Energy: 52,558,068 kWh
Natural Gas: 6,909,507 kWh
Propane: 388,520 kWh
Diesel: 79,461 kWh
Steam: 3,498,608 kWh

Energy Intensity

Energy consumption per net revenue: 5.96 kWh/100 USD net revenue ((Total Renewable + Total Non-Renewable)/100 USD Net Revenue)

Energy Conservation Initiatives

We continue to invest in energy conservation to improve operational efficiency and achieve cost savings.

Energy Conserved: 7.1% reduction in energy intensity (kWh/revenue)
Cost Savings from Energy Conservation: 8.8% reduction in electricity cost/kWh



2030 TARGET:
100%
RENEWABLE
ELECTRICITY

RESPONSIBLE SOURCING

Material Sourcing

Resource Use and Circular Economy

Our approach to responsible sourcing and material sustainability emphasizes transparency, accountability, and the integration of ethical and environmental considerations into our procurement practices. We are committed to improving material efficiency in production and working with our customers to understand the sustainability of the raw materials used in our contract products, including plastics, metals, and rare earth elements. This commitment extends to monitoring and reporting on resource inflows, such as the total weight of products, materials, packaging, and water used across operations and throughout the supply chain, with specific initiatives including the reclamation and reuse of water at various facilities.

We adhere to international standards drawn from the Responsible Minerals Initiative (RMI) and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Our conflict minerals policy aligns with the US Dodd-Frank Act and

includes robust due diligence procedures to trace and source tin, tantalum, tungsten, and gold responsibly. To ensure compliance, we conduct risk assessments, maintain traceability systems for upstream actors like smelters and mines, and audit a significant percentage of our suppliers using tools such as the Conflict Minerals Reporting Template. Certified conflict-free materials and traceability to their place of origin are core elements of our approach.

Our transparency and reporting practices include publishing detailed due diligence reports and maintaining grievance mechanisms for stakeholders to raise concerns. We have established clear escalation procedures for non-compliance, which may result in disengagement from suppliers if corrective actions are not implemented.

In addition to conflict minerals, we address controversial raw materials such as cobalt, lithium, and copper through comprehensive due diligence and supply chain mapping efforts. By partnering with NGOs and multistakeholder organizations, we promote responsible sourcing

practices in high-risk regions, supporting in-region sourcing to mitigate risks and avoid embargo-like scenarios.

These initiatives reflect our commitment to sustainable resource management, ethical sourcing practices, and adherence to global standards, ensuring alignment with stakeholder expectations and long-term value creation.

Material Sourcing Target

By 2030, we aim to implement a sustainable resource management program that enhances resource impact and fosters circularity—benefiting both our operations and our customers. Our approach to responsible sourcing and material sustainability emphasizes transparency, accountability, and the integration of ethical and environmental considerations into our procurement practices. We are committed to improving material efficiency in production and collaborating with our customers to understand the sustainability of the raw materials used in our contract products, including plastics, metals, and rare earth elements. To support these efforts, our action plan includes creating a system to track the weights and inventory of all

A Thailand employee operates the new rainwater collection system as part of our water recycling program.



product and packaging materials, as well as monitoring chemical, water, and energy consumption per product, while also assessing the biological and secondary material content of all purchased materials and their place of origin. We will further investigate more sustainable material alternatives for our customers by evaluating the available options and their associated costs. This comprehensive initiative also extends to monitoring and reporting on resource inflows—tracking the total weight of products, materials, packaging, and water used across operations and throughout the supply chain—and includes specific measures such as the reclamation and reuse of water at various facilities. Key metrics associated with these efforts emphasize resource

inflows and their material impacts, risks, and opportunities, thereby reinforcing our commitment to resource efficiency and sustainable operational practices.

Reclaimed Water Collected (2024)

20,990M³

RECLAIMED WATER
COLLECTED IN 2024

17,550M³

AMOUNT OF RECYCLED
WATER IN WASH
PROCESSES AT FACILITIES

3,440M³

AMOUNT OF CONDENSATE
WATER COLLECTED FOR
REUSE AT FACILITIES

RESPONSIBLE SOURCING

Supplier Management

Management of Relationships with Suppliers

Our supplier management policy prioritizes fostering strong, stable, and mutually beneficial relationships with all our suppliers, emphasizing supply chain resilience, supplier diversity, and adherence to internationally recognized standards. Offering global procurement, negotiation, and pricing of components is second nature to us, and we take pride in our ability to provide flexibility, planning, risk mitigation, and end-to-end supply chain visibility for our customers.

To prevent late payments, especially to small and medium enterprises (SMEs), we have established clear payment terms, streamlined invoicing processes, and dedicated support to address payment issues promptly. We build long-term partnerships through multi-year contracts and collaborative efforts that align with our business objectives.

Our supply chain mapping extends beyond Tier 1 suppliers, ensuring comprehensive visibility and risk assessment throughout the entire supply chain, with appropriate disclosure of key suppliers

beyond Tier 1. We provide incentives to promote labor rights compliance and implement measures to ensure reasonable lead times, assess production capacities, and plan production collaboratively with suppliers, while also emphasizing fair pricing in contracts to support supplier stability. By consolidating our supply chain, we enhance oversight and leverage resources to improve labor rights through direct sourcing and regional concentration where applicable.

We select preferred suppliers based on multiple factors, including demand content, Approved Vendor List (AVL) presence, service levels, competitiveness, sustainability adherence, and overall relationship alignment. Achieving preferred supplier status enables deeper business engagement and fosters mutual growth through expanded collaboration opportunities. Our global supplier diversity program promotes economic inclusion by ensuring that diverse suppliers are considered in our procurement processes. Additionally, specific environmental, labor, and human rights requirements are integrated into all supplier contracts through our Supplier Code of

Conduct, mandating adherence to internationally recognized human rights standards and the UN Guiding Principles on Business and Human Rights.

Training on Supplier Policies

Our commitment to sustainable supplier management extends to our procurement personnel with the knowledge and skills necessary to uphold our environmental and social standards. Comprehensive training programs are implemented globally to ensure alignment with our supplier policies and sustainability objectives.

All procurement personnel receive training on supplier policies with a focus on environmental and social scopes. These programs emphasize the importance of sustainable procurement practices, compliance with human rights, and adherence to internationally recognized social and environmental standards. Targeted training on social and environmental issues within the supply chain includes labor rights, ethical sourcing, and environmental impact mitigation. These sessions highlight best practices for engaging with suppliers, managing risks, and promoting positive impacts

throughout the supply chain.

By embedding sustainability principles into the training and development of our procurement teams, we ensure that every purchasing decision reflects our broader commitments to ethical, sustainable, and responsible business practices.

Supplier Code of Conduct

Our Supplier Code of Conduct establishes clear expectations for ethical, sustainable, and socially responsible practices across our supply chain. It serves as a cornerstone of our commitment to fostering a responsible and resilient value chain by addressing labor rights, human rights, environmental stewardship, and occupational health and safety.

The Code integrates comprehensive corporate social responsibility (CSR) and sustainable procurement principles. It emphasizes respect for labor practices—including freedom of association and collective bargaining—and provides mechanisms to support unionization efforts in regions where these rights may be restricted.

Suppliers must meet rigorous labor standards, including prohibitions against child labor and forced labor, maintain comprehensive non-discrimination

Our Global Supply Chain VP, Jamey Mann, hosted a public webinar about the latest supply chain management trends and technologies for risk mitigation.



RESPONSIBLE SOURCING

policies, offer living wages, ensure fair overtime compensation, and provide employment contracts in languages that are legible to workers, in line with the International Labour Organization’s (ILO) Declaration on Fundamental Principles and Rights at Work.

In addition, the Code mandates that suppliers implement certified environmental management systems, reduce energy and raw material consumption, and minimize GHG emissions. Suppliers are also required to properly manage hazardous substances, waste, and air emissions to reduce environmental impacts across their operations.

To ensure effective implementation of these environmental, social, and governance (ESG) standards, suppliers must formally align with our Supplier Code of Conduct by signing the sustainable procurement charter and tracking and disclosing emissions and environmental impacts. Through these measures, we ensure that our supply chain operates with integrity, aligns with global sustainability objectives, and upholds the highest ethical standards.

Processes for Engaging with Value Chain Workers About Impacts

Our approach to engaging with value chain workers is designed to foster transparency and uphold the high labor, environmental, and ethical standards set forth in our Supplier Code of Conduct. We focus on building supplier capacity through targeted measures that address labor rights, workplace safety, environmental management, and ethical business practices. These initiatives extend beyond Tier 1 suppliers to include workers, supervisors, and managers, and are delivered through awareness sessions, long-term training programs, and support for developing robust management systems.

We actively collaborate with industry initiatives—such as participation in the Responsible Minerals Initiative (RMI) and partnerships with NGOs—to enhance labor rights and reduce audit fatigue. Our monitoring practices include worker voice surveys, second-tier audits, and supplier risk assessments to ensure comprehensive oversight. Third-party on-site visits and forced labor risk assessments are conducted when necessary, and

rigorous screening processes are employed to verify compliance among key suppliers.

In cases where non-compliance is identified, suppliers are engaged through corrective action plans, renewed audits, and targeted training initiatives. We disclose metrics related to non-compliance and certifications—including ISO 14001 and EMAS—for transparency. Additionally, our reporting mechanisms, such as compliance hotlines and third-party platforms, allow workers to report concerns confidentially and anonymously.

Our remediation efforts involve documented procedures, corrective actions, and regular follow-ups to assess their effectiveness. Suppliers are encouraged to adopt sustainable practices that contribute to both environmental and social objectives. Specific targets include promoting energy efficiency, advancing diversity, equity, and inclusion among suppliers, and mitigating material impacts. Through these comprehensive initiatives, Kimball Electronics strengthens supplier relationships while maintaining the ethical, environmental, and social integrity required by our global Supplier Code of Conduct.



Just as rivers merge to create a powerful current, our supplier partnerships drive resilience and sustainability in our supply chain. Poland employee Anna Nowak entered this photo in our Nature Photography Contest.

Supplier Management Target

To achieve our 2030 goal of implementing a sustainable resource management program that drives both our own and our customers’ improvements in resource impact and circularity, we will perform ESG risk assessments for our top suppliers, representing 85% of our annual spend.

These assessments will be carried out through the RBA Validated Assessment Program (VAP) audits.

Membership in the RBA grants access to completed supplier VAP audits and provides the option to conduct additional audits at a cost to be determined.

We will audit top suppliers for compliance with the Supplier Code of Conduct, addressing any other issues identified through the risk assessments. Additionally, we will formalize a protocol for conducting supplier audits.

PEOPLE

At Kimball Electronics, our people are the cornerstone of our success. Pursuant to our Guiding Principles, we foster a culture of mutual trust, personal integrity, and respect for the dignity of every individual. Our commitment to creating a supportive and empowering work environment is reflected in our leadership style, which emphasizes personal autonomy, teamwork, and continuous improvement.

In our recent Double Materiality Assessment (DMA), we identified Equal Treatment & Opportunities for All and Health & Safety as our material People topics. These priorities align with our Guiding Principles and underscore our dedication to ensuring a fair, safe, and healthy workplace for all employees.

We believe that by investing in our people, we not only enhance their personal growth and fulfillment but also drive the overall success and resilience of our company. Our approach to people management is designed to maximize flexibility, encourage innovation, and promote a sense of family and good humor within our organization.



Employees globally participated in local and corporate International Women’s Day celebrations. Here, employees from Mexico posed for photos while creating “heart hands” in support of the 2024 IWD theme, “Invest in Women: Accelerate Progress.”

PEOPLE

We leverage People Analytics (PA) as a cornerstone of our strategic workforce planning, as well as for recruiting and hiring processes. These tools enable us to proactively address turnover risks while ensuring alignment with the values articulated in our Guiding Principles. By integrating data-driven insights, we can better anticipate workforce needs and implement strategies that foster engagement, retention, and operational excellence.

Our approach includes annual surveys and targeted employee and leadership development initiatives, which serve as both actionable tools and measurable processes. These efforts ensure that employee feedback informs decision-making and that our workforce remains engaged and motivated. The action plans from these employee engagement surveys result in a collaboration effort globally leveraging best practices throughout our facilities. The tangible results of these initiatives are reflected in our Net Promoter Score, which is consistently recognized as best in class, and our survey scores, which consistently exceed our established goals. This underscores the business impact of our commitment to creating a dynamic and values-driven workplace.



Employee Characteristics

This data is based on headcount measured at the end of the reporting period.

Total number of employees by headcount, and breakdowns by gender and by country for countries in which the undertaking has 50 or more employees representing at least 10% of its total number of employees.

Employee Status	Male	Female	Total
Permanent Employees	2432	2603	5035
Temporary Employees	0	1	1
Non-guaranteed Hours Employees	360	512	872
Total	2792	3116	5908

Total number by head count by employment status.

Average Years of Service

Female: 7.9

Male: 7.4

Total Employee Average: 7.7

(top) Our Jasper facility was named the 7th Best Place to Work in Manufacturing in Indiana by the Indiana Chamber of Commerce. This recognition highlights extraordinary employers in one of the state's most vital industries.

(bottom) Our Romania facility earned first place in the large company category for electronics manufacturing during the Top Companies of Timis County Awards event.

PEOPLE

Employee Characteristics (continued)

		Head Count	Share of Total	New Hires	Leavers	Turnover Rates
Total		5908	100%	463	1685	29%
By Gender	Male	2792	47%	285	815	29%
	Female	3116	53%	178	870	28%
By Age Group	Under 30	1348	23%	240	585	43%
	30-49	3403	58%	164	756	22%
	50+	1157	20%	59	344	30%
By Management Level	Senior Reports to CEO (7 are C-Suite) or second level away	46	<1%	1	4	9%
	Middle/Junior More than two levels from CEO	817	14%	76	122	15%
	Non-Mgmt.	5045	85	386	1559	31%
By Share of Women	In All Management Positions	304	35%			31%
	In Senior Management (4 of 7 are C-Suite)	12	26%			
	In Middle/Junior Management	292	36%			
	In Revenue Generating Management Management level positions in revenue generating functions such as sales and business development		18%			
	In STEM Related Positions Functional roles with science-, technology-, engineering- or math-related responsibilities		17%			
By Other	Open Positions filled by Internal Candidates Total number of open positions filled by own employees divided by the total number of vacancies in the reporting year			59%		
	Voluntary Turnover Employees who choose to leave via resignation, retirement, early retirement, etc. expressed as a percentage total employees at the end of the latest reporting year					28%
	Independent Trade Union or Works Council Representation	67%				
U.S. Workforce		Share of U.S. Total	Share in All Management Positions Held by U.S. Workforce			
Ancestry & Ethnic Origin of United States Workers (Self-reported)	White	76%	82%			
	Hispanic or Latino	11%	10%			
	Black or African American	7%	3%			
	Asian	3%	3%			
	American Indian or Alaska Native	<1%	1%			
	Native Hawaiian or Other Pacific Islander	<1%	0%			
	Two or More Races	2%	1%			
Disabled		3%				

Non-employees

We are committed to limit the use of non-regular employment. During the reporting period, 464 individuals were indirectly employed or contracted to participate in and product manufacturing employment activities.

Turnover rates are calculated by dividing each Leaver column by the Head Count column. Our GES divestiture in 2024 affected 589 people, which was more than 5% of the total workforce. Pursuant to the terms of the divestiture agreement, no GES employees were involuntarily separated at the time of the divestiture.

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EQUAL TREATMENT & OPPORTUNITIES FOR ALL

At Kimball Electronics, we believe that fostering an inclusive and equitable workplace is essential to our success. Our commitment to equal treatment and opportunities for all employees is reflected in our comprehensive approach to fair hiring practices, employee training, and the celebration of diverse backgrounds through our many Heritage Events. By offering comprehensive benefits and prioritizing employee wellbeing, we create a supportive environment that encourages personal and professional growth. This dedication to inclusivity and equity not only enhances the lives of our employees but also drives our company's success and innovation.

Equitable Recruitment and Hiring Practices

Our recruitment process is fully transparent and communicates clearly with candidates at every stage, fostering trust and inclusivity for a fair, equitable hiring experience. We are committed to paying a living wage across all operations, ensuring financial stability and dignity for our employees.

Beyond base compensation, we offer variable performance-

based rewards that recognize individual and team contributions, along with comprehensive employee benefit plans. As detailed in our 2024 Annual Report, we offer post-employment compensation plans and/or contribute to state-sponsored retirement systems to help our employees support their long-term financial security.



(top) Thailand employees come together to celebrate Songkran, the Thai New Year, observed in mid-April. The holiday marks a fresh start and is celebrated with family gatherings, cultural traditions, and joyful festivities.

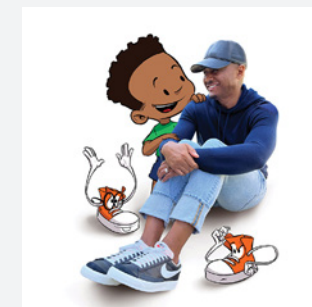
(bottom) Our Mexico employees celebrate Mexico's Independence Day, commemorating the country's historic fight for independence with cultural traditions, music, and national pride.

Heritage Events

Celebrating the rich diversity of our workforce through Heritage Events is integral to our commitment to Diversity, Equity, and Inclusion. These events honor the diverse backgrounds and cultures of our employees, fostering a sense of community and belonging. By recognizing and celebrating our unique heritages, we promote understanding, respect, and unity among all employees, reinforcing our dedication to creating an inclusive workplace where everyone feels valued and empowered to contribute to our collective success.

Timeline of Events

JANUARY



We are proud to recognize **Martin Luther King Jr. Day** as a paid holiday for our U.S. employees. To commemorate his legacy, we hosted a virtual event with author and filmmaker Damon Mosley, who advocates for literacy in marginalized communities. Additionally, we sponsored a community MLK Day event in Jasper, Indiana, featuring Ken E. Nwadike Jr., founder of the Free Hugs Project, known for his peacekeeping efforts during protests and rallies.

EQUAL TREATMENT & OPPORTUNITIES FOR ALL



Health and Wellness Programs Across Global Operations

We continuously enhance employee benefits based on feedback and market studies to meet evolving needs. In the United States, we introduced a lower deductible health plan and a PTO rollover policy, providing greater flexibility and financial relief. In China, we expanded annual health check-ups and introduced life insurance for all employees, reinforcing our commitment to wellbeing, especially after the passing of our long-time CEO, Don Charron. These screenings have enabled early cancer detection, leading to timely treatment and recovery.



1 Laura Reyes and Santa Aguilar participated in our “Give Yourself Time, the Present of Life” cervical cancer awareness campaign in Mexico. Through partnerships with local health institutions, we offered on-site Papanicolaou tests, empowering employees with accessible preventive care as part of our global commitment to employee health and wellbeing.

2 Fifty-eight Thailand employees participated in the “Run for Health” event organized by Chonburi Provincial Public Health Office. Employees donated 116 hours to the event. We also donated money to help the public health office support the local medical community.

Timeline of Events

FEBRUARY

We celebrated **Black History Month** with four guest presenters during virtual events open to our people worldwide.



To kick off Black History Month, we hosted a virtual discussion with award-winning journalist **Deborah D. Douglas**, author of “U.S. Civil Rights Trail: A Traveler’s Guide to the People, Places, and Events That Made the Movement.”

The Fatal Friendship Between Muhammad Ali and Malcolm X” was made into a Netflix documentary. His most recent book, “Jumpman: The Making and Meaning of Michael Jordan,” explores how the Chicago Bulls star became a symbol of America’s racial progress and the political implications of his career.



Chef Tirzah Love discussed the challenges and successes she’s faced as a businessperson/chef. After working in corporate and start-up settings, Chef Tirzah started her own catering company and later became a private chef for select players of the Sacramento Kings. Her latest business venture, Soul Box, provides special curated meal kits that are uniquely led with virtual videos featuring her.



Johnny Smith, Georgia Tech Professor and author, talked about the relationship between two of the greatest sports figures ever, Michael Jordan and Muhammad Ali. Smith is the author of five books and has written extensively about the history of Black athletes. His book “Blood Brothers:

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During Breast Cancer Awareness Month, employees in Mexico (top) and Indiana (bottom) raised awareness and money for local organizations supporting breast cancer patients and survivors.

Health and Wellness Programs Across Global Operations (continued)

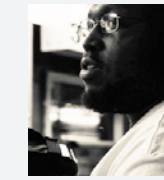
In Mexico, we improved health plans by lowering deductibles, increasing coverage limits, and adding vision, dental, maternity, and psychological support services. On-site health services now offer screenings, vaccinations, and preventive care at preferred rates. In Poland, we promote physical activity through subsidized sports programs, providing employees with membership cards and incentives for running and cycling challenges.

Romania introduced a new health insurance package, expanded dental care with consultations and cleanings, and added annual blood tests as a preventive measure. These initiatives, shaped by employee feedback, reflect our commitment to enhancing wellbeing across all locations.

Timeline of Events

MARCH

Wildstyle Paschall, Indianapolis activist and photographer, spoke about the power of visual storytelling in social justice, sharing insights on being both an observer and participant in movements. His work amplifies marginalized voices and exposes hidden social issues, using photography as a tool for awareness and advocacy.

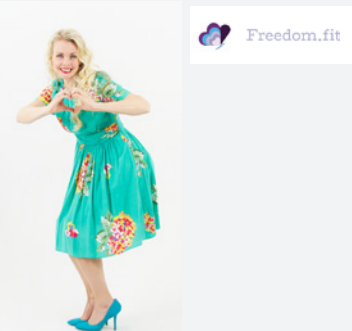


For **International Women's Day**, our STEM Empowerment (WISE) Employee Resource Group hosted a virtual event with health and fitness coach **Jenny Ford**, who shared insights on mental wellness, physical fitness, and overcoming challenges. A marriage and family therapist specializing in grief counseling, Jenny developed a yoga program to help process grief after the loss of her son in 2021. As the founder of Jenny Ford Fitness, her Freedom Fit app offers a variety of workouts, including her Step and Walk Across America Programs, filmed in all 50

states. Featured in SHAPE and VOGUE, Jenny is a recognized leader in fitness and wellness.

Says Jenny, "Speaking at Kimball Electronics for International Women's Day was an experience I'll always treasure. I was able to share my message about how important exercise and mental health are in our lives. As I talked about being a mom of four boys and balancing work and family, I felt comfortable opening up about our family's journey, including the heartbreaking loss of our oldest son to suicide.

What really struck me was seeing how much Kimball Electronics truly cares about their employees, making sure to support both their mental and physical health. It was clear to me that they don't just talk about employee wellness—they make it a priority."



EQUAL TREATMENT & OPPORTUNITIES FOR ALL

Comprehensive Wellbeing and Mental Health Support

Our commitment to employee wellbeing takes a holistic approach to benefits, work conditions, and mental health initiatives, ensuring a supportive and balanced work environment. We provide a range of benefits designed to support both physical and mental health, including workplace stress management programs and sport and health initiatives that promote overall wellness.

Depending on customer demand and local country regulations, we offer programs to enhance flexibility and accommodate diverse employee needs. For example, we offer flexible working hours, remote work arrangements, compressed work weeks, time banking, and part-time working schedules, allowing employees to choose hours that best suit their personal and professional responsibilities.

Mental health is a priority in our wellbeing strategy. We conduct an annual employee survey addressing job satisfaction,

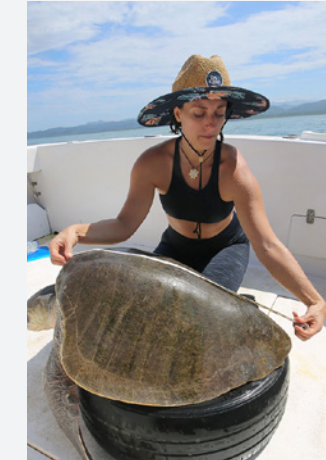
engagement, purpose, happiness, and stress levels, with metrics such as employee net promoter scores and engagement rates disclosed and analyzed to measure progress. To further support mental health, we actively work to reduce stigma, manage workloads, provide stress management courses, offer psychological support services, and implement return-to-work programs for employees recovering from mental health challenges.



PRIDE leader Darcy Parks (second from right), SEF Manager for our Indianapolis facility, and Scott Saalman (second from left), Corporate Social Responsibility Director, hosted our Kimball Electronics booth at the Dubois County Pride Festival in Jasper, Indiana, joined by their spouses. Kimball Electronics is a steadfast corporate sponsor of the festival.

Timeline of Events

APRIL



Earth Day: Our World Headquarters Recycling Team hosted a virtual event with **Venessa Bézy**, a scientist and founder of the Wildlife Conservation Association in Costa Rica. The non-profit works to protect the Ostional National Wildlife Refuge and promote sustainable living. While facing ongoing development threats, they manage sustainable tourism efforts. Venessa, a National Geographic Explorer, inspires care for sea turtles through educational events. *Photo credit: Carlos Clemente.*

MAY

We recognized **Asian American Pacific Islander Heritage Month** by hosting three virtual events:

Y. Joel Wong, a former tenured professor in the Counseling and Counseling Psychology Programs at Indiana University, joined us to discuss the impact of gratitude and encouragement in fostering happier, healthier, and more meaningful lives. His expertise spans positive psychology, Asian/Asian American mental health, men's psychology, and social justice. A fellow of both the American Psychological

Association and the Asian American Psychological Association, he has also coedited two books exploring these topics.



EQUAL TREATMENT & OPPORTUNITIES FOR ALL

Employee Resource Groups (ERGs)

A strong sense of belonging is essential to mental wellbeing, and we recognize that employees thrive when they feel valued, understood, and supported. Our Employee Resource Groups serve as vital networks of support, offering safe spaces where employees can share experiences, find mentorship, and foster connections that contribute to personal and professional growth.



In 2024, we introduced our fourth ERG, **ELEVATE**, designed to create a foundation of support and fellowship for employees and their families. ELEVATE promotes awareness, education, and peer support through shared experiences, ensuring that employees feel respected and empowered to be their best selves.



The mission of **Women in STEM Empowerment (WISE)** is to attract and retain a diverse and inclusive professional community that supports and encourages women to advance their skills and leadership potential through collaboration, discussion, connection, mentorship, and professional development here at Kimball Electronics.



The vision of **Veterans and Military Service Advocacy (VMSA)** is to build a foundation of support, connection, allyship, and fellowship for members of the Kimball Electronics team globally who have and are serving, or whose family members who served or are serving, through shared experiences, veteran recruitment, career development, community engagement, professional growth, and retention.



The mission of **PRIDE** is to create a safe, inclusive, and diverse work environment that fosters allyship and awareness where employees of all sexual orientations, gender identities, and gender expressions feel valued, respected, supported, and empowered to be themselves.

Timeline of Events

MAY



Haruka Kikuchi, a Grammy-nominated trombonist, spoke to us about bridging cultures through jazz. Born in Japan, she moved to New Orleans to pursue jazz, inspired by the Original Dixieland Jazz Band. She has performed with the Shotgun Jazz Band and Preservation All Stars, played at international festivals, and was featured in the New Orleans Jazz Museum. She gained global recognition on Good Morning America for performing while holding her 9-month-old son. *Photo credit: WWOZ's Beth Arroyo Utterback.*

Danni Liu, a CARES Behavior Analyst, and **David Choi**, General Counsel at Samsung, shared their life journeys, including experiences with disabilities and love. In the photo, Danni and David were recently married. Their courtship was highlighted in a New York Times feature story.



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EQUAL TREATMENT & OPPORTUNITIES FOR ALL

Guiding Principles Survey & Employee Wellbeing

Each spring, we conduct our Guiding Principles Survey to assess employee engagement, satisfaction, and wellbeing. We set annual targets for survey participation, satisfaction levels, and key indicators of engagement. Local leadership teams use these targets—and any gaps between results and goals—to guide action planning and drive meaningful improvements.

The 2024 survey results highlighted key themes of communication, connection, and recognition. In response, we increased all-employee meetings, launched more focus groups, and improved business transparency to enhance communication. To strengthen connection, we expanded awareness of community involvement and educational opportunities. To improve recognition, we optimized

total rewards programs and enhanced one-on-one meetings between employees and supervisors.

Programs like ELEVATE, our mentorship initiative, and tools such as the Predictive Index and EQ-i support leadership development, peer collaboration, and team diversity. We also prioritize working with vendors and suppliers who align with our Guiding Principles and inclusion values. Survey results are shared locally each year by the Human Resources team and management, broken down by department, business unit, and as an enterprise score. Detailed results and corresponding action plans are reviewed annually by the Talent, Culture and Compensation Committee of our Board of Directors. Through these efforts, we aim to ensure employees feel valued, supported, and empowered to thrive.



In early 2024, WISE members met in Tampa for their first face-to-face summit focused on professional development, networking, and community engagement. The theme, Balance and Belonging, resonated throughout the summit, with activities designed to empower and connect the women in the group. The event kicked off with a volunteer service project at Feeding Tampa Bay, where 15 WISE members assisted local residents in shopping for groceries. This act of giving back set the tone for a summit focused on both personal and professional growth.

Annual Employee Wellbeing Survey				
Guiding Principles Survey	2024	2023	2022	2021
Net Promoter Score Calculation of % promoters—% detractors 11-40% is considered Above Average >50% is considered “Best in Class”	42.44%	51.56%	51.33%	45%
Survey Participation Rate	87%	88%	88%	90%

Timeline of Events

JUNE



World Environment Day: We were excited to welcome back **Alex Rose**, Science Editor for Ocean Geographic and Founder of Blue Ring Inc., to our virtual World Environment Day event. As a regular guest speaker, Alex shared her expertise on ocean sustainability and, for this occasion, offered employees the chance to screen her latest documentary, “Protected Waters: Exploring La Jolla,” created with diver/photographer Jennifer Idol. Blue Ring Inc. supports ocean exploration and conservation projects through small-scale purchases aimed at shaping a more sustainable future.

PRIDE Month: Our PRIDE Employee Resource Group hosted a special virtual event featuring **Sara Cunningham**,

the founder of Free Mom Hugs. Free Mom Hugs works to empower the world to celebrate the LGBTQIA+ community by embracing people of all faiths, backgrounds, ethnicities, genders, and sexual orientations. During the event, Sara shared her personal journey, from initially rejecting her son’s sexuality to ultimately leading a non-profit organization with chapters and over 14,000 volunteers across all 50 U.S. states. In the photo, Sara proudly holds up a sticker during a virtual session with our employees.



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EQUAL TREATMENT & OPPORTUNITIES FOR ALL

Diversity, Equity, and Inclusion

Our diversity and inclusion initiatives focus on fostering representation, equity, and opportunity across all levels of the organization. We have an enterprise-wide expectation that 100% of the candidate slates for our Board include candidates from underrepresented groups in the technology and manufacturing industries. These include Women, Black, Latino/a, Asian, Indigenous, Multiracial, LGBTQ, People with Disabilities, and Veterans. This commitment ensures that our Board continues to evolve with diverse perspectives, aligning with the needs and values of our stakeholders, and reflects the diversity of our global stakeholders, and enhancing effective governance and decision-making.

We promote workforce diversity through several initiatives, including measures to support employees with disabilities and proactive actions to monitor and address wage equality. Our diversity programs include audits and monitoring, targeted recruitment efforts, Employee Resource Groups, and mentorship opportunities

for underrepresented groups. Managerial and Board-level accountability ensures the implementation of these strategies. Additionally, we provide mandatory awareness training on diversity, discrimination, and harassment to all employees.

Family benefits are a vital part of our support structure. Childcare contributions are offered in specific regions, breastfeeding and lactation facilities are available across all operating locations, and our paid leave policies exceed statutory requirements by including parental, dependent care, and family care leave.

We maintain a zero-tolerance stance on discrimination and harassment. In our Code of Conduct, we explicitly prohibit all forms of discrimination and harassment, requiring that every employee, officer, and Board member treat colleagues and stakeholders with dignity and respect. Discrimination based on age, disability, ethnicity, gender, nationality, race, religion, sexual orientation, or any other protected attribute is not tolerated, and these principles are integrated into all our business practices and interactions with stakeholders.



Our employees in Nanjing, China, recognized the Year of the Dragon with a vibrant and entertaining celebration.

Timeline of Events

SEPTEMBER-OCTOBER

Hispanic Latino Heritage

Month: We celebrated Hispanic Latino Heritage Month with four distinguished speakers who shared their unique stories and insights.



Roberto Clemente Jr.: A respected philanthropist, humanitarian, entrepreneur, former broadcaster, and professional baseball player, Roberto Clemente Jr. continues the legacy of his father, the legendary Roberto Clemente Sr. Roberto Sr. was the first Latin American player to reach 3,000 hits in MLB history and the first Latino inducted into the National Baseball Hall of Fame. Roberto Jr. has dedicated his life to charity and humanitarian work through the Roberto Clemente Foundation, which he founded in 1994. His foundation helps at-risk youth, provides disaster relief, and promotes service leadership. Roberto Jr. shared his mission of giving back, as well as his global work with organizations like Food for The Hungry and the National Hispanic Foundation.

Pavel Polanco-Safadit: An internationally renowned jazz pianist based in Indianapolis, Pavel was born in the Dominican Republic and moved to the U.S. on a scholarship to study music at the University of Arkansas. He went on to earn a master's degree from Eastern Kentucky University and a doctorate from the University of Wisconsin-Madison. Pavel's journey through music and his cultural heritage provided an inspiring and enriching experience.

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EQUAL TREATMENT & OPPORTUNITIES FOR ALL

Employee Training and Career Management

Our approach to employee training and career management is designed to support continuous professional growth, skill enhancement, and sustained employability for all employees.

Training and Skills Development

We systematically identify strategic training needs to align with our business objectives. Employees across all locations participate in various training programs covering topics such as diversity and inclusion, anti-corruption, business ethics, health and safety, supplier policies, and sustainable procurement. Training programs are regularly evaluated for their effectiveness, and we ensure depth and frequency of coverage for high-risk functions.



Human Capital Return on Investment (HC ROI)

We measure HC ROI as a key performance indicator of our investment in employee development. Our commitment to employee training and career management underscores the importance of a skilled and motivated workforce in achieving our organizational objectives.

Our Mexico operation was recognized by Mexico’s General Directorate of Industrial Technological Education (DGETI) for our contributions to education and student development. We support students pursuing technical careers through an internship program that gives students practical experience at our facilities and mentoring from our talented workforce.

Human Capital Return on Investment					
	2024	2023	2022	2021	2020
Total Revenue (millions)	\$ 1,587	\$ 1,840	\$ 1,584	\$ 1,247	\$ 1,232
Total Operating Expenses	\$ 1,306	\$ 1,472	\$ 1,277	\$ 990	\$ 988
Total Employee-related Expenses Salary + Benefits	\$ 250	\$ 275	\$ 235	\$ 214	\$ 198
Human Capital ROI (Revenue – (Operating expenses – Employee expenses))/Employee expenses	2.12	2.34	2.31	2.20	2.23

Timeline of Events

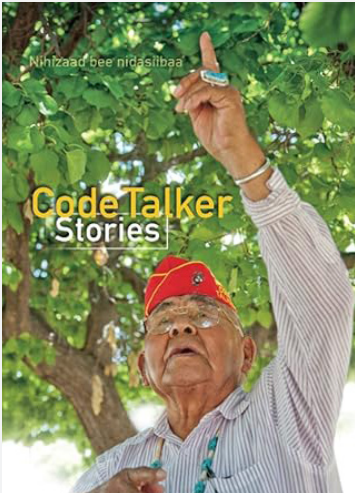
SEPTEMBER-OCTOBER



Claudia Juarez: A chef and café/bakery owner in Jasper, Indiana, Claudia was born and raised in southern California. Her father hails from El Salvador, and her mother is from Michoacán, Mexico.

After moving to Jasper at the age of 14, Claudia went on to become the chef/owner of Café Piña. She shared her story of overcoming the challenges of moving to a town where her minority status was evident, the struggles of being a restaurant owner, and her journey through culinary school, including her time working with Wolfgang Puck. Claudia emphasized the importance of family, heritage, and the joy of making food an adventure for her customers.

OCTOBER



Indigenous Peoples Day: We marked Indigenous Peoples’ Day with a virtual event for employees, featuring guest speaker Laura Tohe—poet, writer, professor, librettist, and former Navajo Nation Poet Laureate. The Navajo language, instrumental in winning World War II, is preserved in Ms. Tohe’s book "Code Talker Stories", where the Code Talkers reflect on their wartime experiences, the aftermath, and the enduring legacy they have left behind.

EQUAL TREATMENT & OPPORTUNITIES FOR ALL

Type of Training	Employees Who Receive It
Awareness training to prevent information security breaches (Information Security)	All employees must complete annual Information Security training, and the Company’s IT team conducts regular awareness testing throughout the year.
Benefits	All employees receive annual training on available benefits, and additional micro-courses are available in our Learning Management System that explain specific benefits in the US.
Business ethics issues (including anti-corruption and anti-competitive practices)	All employees must complete annual Code of Conduct training.
Diversity, inclusion and discrimination & harassment training	All indirect employees are required to complete annual training on diversity and inclusion, as well as unconscious bias. Additionally, U.S. management undergoes annual discrimination and harassment prevention training. These courses range from 25 to 120 minutes in duration, with employees receiving an average of 30 minutes of training in this category.
Mental health risks in the workplace	Some employees received mental health awareness and measurement training during the year, and a dedicated employee resource group is available to support all employees.
Occupational Health & Safety (OHS) training provided to raise awareness and reduce operational health & safety incidents	All global locations require safety training for new hires, as well as annual safety refresher training for all employees. These programs cover key topics such as electrostatic discharge awareness, OHS and Environmental Management Systems, chemical management, hazard communication, emergency drill scenarios, and other relevant risk factors specific to each location’s operations.
Procurement personnel training on supplier policies, human trafficking and slavery, and other social and environmental issues within the supply chain	All Quality and Supplier Council members receive training on human trafficking and responsible material procurement, equipping them to identify and mitigate risks like forced labor. These members play a key role in supplier selection and ensure all purchases come from vetted suppliers who meet Kimball Electronics’ ethical, environmental, and labor standards.
Skills development	Extensive job skills training is available to all employees. Our 2030 goal to implement a global system for tracking employee training will enhance monitoring and reporting of this and all other training programs.
Other	Employees received extensive training throughout the year on quality management, customer stewardship, leadership and professional development, and business continuity.

Timeline of Events

NOVEMBER



On **Veterans Day**, our Veterans and Military Service Advocacy group hosted a virtual conversation with Aaron Bacon, Program Lead for Indy Warrior Partnership (IWP), the Indiana chapter of America’s Warrior Partnership (AWP). IWP works to improve veterans’ quality of life in Indiana by connecting them with services like housing, employment, and healthcare, and AWP partners with IWP to prevent veteran suicide through community-level support. Aaron’s valuable insights and experiences as a U.S. Army veteran reinforced our commitment to supporting veterans and empowering their communities.

EQUAL TREATMENT & OPPORTUNITIES FOR ALL

Performance Appraisals

We believe in empowering our employees to grow, thrive, and reach their full potential. By fostering a culture of continuous development, we create an environment where talent flourishes, teams excel, and our collective mission comes to life. Our commitment to career growth not only strengthens employee engagement but also drives innovation and long-term success.

Our performance management approach is multidimensional, incorporating 360-degree feedback, team-based assessments, and agile conversations. All full-time employees engage in regular performance and career development reviews. Additionally, a significant portion of our workforce benefits from personalized development and career plans, aligning individual aspirations with organizational goals.

Employee Development Programs

Our employee development programs are designed to systematically enhance skills across all levels of the organization. A key initiative, “Leading the Kimball Way,” focuses on leadership development by



cultivating self-leadership, team leadership, and enterprise-level leadership through a mix of face-to-face education, virtual learning, peer mentoring, and developmental feedback. We track both monetary and non-monetary business impacts to evaluate the success of these programs, and current participation rates are strong—with 66% of managers and above, and 98% of our Executive and Extended Leadership teams, having taken part.

All employees are accountable for their ongoing skill and knowledge development and are encouraged to collaborate with their managers to identify and implement personalized development plans. These may include projects, on-the-job training, and reimbursable continuing education or professional development opportunities, such as seminars, technical courses, professional certifications, and college coursework or degrees.

Equal Treatment & Opportunities Target

Our 2030 goal is to ensure equal treatment and opportunities for all employees. This includes conducting an equal pay assessment, ensuring 100% participation of indirect employees in regular performance and career development reviews, and implementing a global system to track employee training and growth.

Eighty-two Mexico employees earned recognition for supporting “The Kimball Challenge,” during which university students got hands-on experience with continuous improvement projects tied to our Mexico operations. Employees donated 1,268 work hours to the two-week event.

To measure progress, we set annual benchmarks for our Guiding Principles Survey—targeting over 85 percent participation, a score above 8.0, and an Above Average Net Promoter Score (> 40%), and strive to reach a score above 8.5 and a Best-in-Class Net Promoter Score of > 50%. These results guide local action planning and are reviewed by leadership and the Board of Directors to ensure transparency, accountability, and continuous improvement.

This goal is supported by a wide range of initiatives highlighted throughout this section—from inclusive hiring practices and equitable pay to comprehensive benefits, mental health support, flexible work arrangements, and robust Employee Resource Groups. Together, these efforts foster a workplace where every employee feels respected, supported, and empowered to grow.

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HEALTH & SAFETY

Occupational Health and Safety

Our Occupational Health and Safety (OHS) program reflects a deep commitment to ensuring a safe and healthy working environment for all employees, contractors, and other stakeholders. The program is built around a structured approach to risk assessment, worker engagement, and continuous improvement. Regular risk and hazard assessments are conducted to identify potential dangers in the workplace. These assessments inform action plans that prioritize and address identified risks with quantified targets. Emergency preparedness is a critical aspect, with measures integrated into action plans to ensure readiness and effective responses.

Worker participation is central to our OHS program. Employees are actively engaged in workplace health and safety initiatives through structured processes and feedback mechanisms. Training programs are designed to enhance awareness and reduce health and safety incidents. These programs cover a wide

range of topics, ensuring that employees, contractors, and other relevant parties are well-equipped to contribute to a safe work environment.

Incident management processes are in place to investigate work-related injuries, illnesses, and incidents thoroughly. These investigations help identify root causes and guide the implementation of corrective measures to prevent recurrence. Furthermore, our OHS standards extend to our supply chain, with specific health and safety criteria included in procurement and contractual agreements.

The OHS program represents an ongoing commitment to safeguarding the wellbeing of our workforce, ensuring compliance with global standards, and fostering a culture of safety and health across all levels of the organization.

**100% OF WORKERS
SUPERVISED BY KIMBALL
ELECTRONICS ARE INCLUDED
IN OUR HEALTH AND SAFETY
MANAGEMENT SYSTEM.**



- 1 Our Poland facility was recognized by the Polish government as a top safety performer.
- 2 Our Mexico operations celebrated World Day for Safety and Health at Work, a global campaign dedicated to preventing occupational accidents and diseases. This awareness-raising initiative highlights the significant impact of workplace safety and promotes the creation of a culture that reduces work-related deaths and injuries. In the photo, Nancy Yasmin Aleman Espino proudly displays her prize during a safety fair held in honor of the day.

HEALTH & SAFETY

Health & Safety Target

Our targets and metrics focus on managing material negative impacts, advancing positive impacts, and addressing material risks and opportunities. We prioritize proactive health and safety measures, promoting a culture of prevention and accountability throughout all operations. This demonstrates our commitment to ensuring the safety of both employees and non-employees in the workforce. Our 2030 goal is to maintain an annual Total Recordable Incident Rate (TRIR) below the industry average in the U.S. of 1.0.

To achieve this, we will establish a global expectation for improving near-miss reporting, where necessary, to enhance overall safety performance.

Health and Safety Management System:

- Coverage: 100% of workers supervised by Kimball Electronics are included in our health and safety management system.

Risk Assessments and Committees:

- **Health and Safety Risk Assessments:** 100% of operational sites have undergone a health and safety risk assessment.

- **Joint Management-Worker Health and Safety Committees:** 100% of the total workforce across all locations is represented in formal committees.

Chemical Management & Hazardous Substances Commitment

As a contract electronics manufacturer, we are dedicated to safeguarding health, safety, and the environment through comprehensive chemical and hazardous substance management, ensuring full regulatory compliance. Our ISO 14001 certified Environmental Management System provides a structured framework for identifying, assessing, and mitigating environmental risks associated with hazardous substances. This includes adherence to regulations such as the European Union’s Registration, Evaluation, Authorisation and Restriction of Chemicals (EU REACH) regulation, the Restriction of Hazardous Substances (EU RoHS) Directive, and the United States’ Toxic Substances Control Act (US TSCA).

Internal Practices

Internally, we identify and evaluate all chemicals used in our operations, assess potential risks, and implement measures to mitigate safety, environmental, and regulatory concerns. Worker protection is a priority, achieved through engineering controls, dissemination of safety information, adherence to safe work practices, and provision of personal protective equipment (PPE). We monitor workplace exposure through regular measurements and medical checks to ensure safety levels remain within

acceptable limits. Established procedures guide the management of risks associated with hazardous chemicals, with regular monitoring to ensure safe handling and progress in reducing these substances.

Kimball Electronics has an SEF Council comprised of members from all locations. The overall leader of the Council agrees to a two-year term. As with our other company Councils, the leadership role is an additional responsibility above and beyond the leader’s everyday work. In the photo, Sarawut Jarusirisawat was recognized for his leadership in 2023 and 2024. With Sarawut is Chris Whann, our Global SEF Director.



Work-Related Incidents:

Category	Metric	2024 Value
Fatalities	Number of Fatalities	0
	Number of Recordable Injuries	14
	Recordable Injury Rate (Employee)*	0.21
Recordable Work-Related Accidents	Recordable Injury Rate (Contractor)	0
	Recordable Cases	0
Work-Related Ill Health	Recordable Cases	0
Work-Related Days Lost	Days Lost	100
	Lost Time Injury Frequency Rate (LTIF or LTIR)*	0.14
	Lost Time Injury Severity Rate (LTI Severity)**	1.51
Near Miss Frequency Rate (NMFR)	NMFR	0.60

*(Number of Incidents *200,000)/Total Hours Worked
**(Number of workdays lost*200,000)/Total Hours Worked

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HEALTH & SAFETY

Substances of Concern

Substances of concern are chemicals that may pose risks to human health or the environment due to their hazardous properties, such as being carcinogenic, mutagenic, toxic for reproduction, persistent, or bioaccumulative. We adopt a proactive approach to managing these substances by focusing on their identification, reduction, and eventual elimination from our products. This includes assisting our customers in formulating products that meet the highest safety standards, setting quantitative reduction targets, and implementing phased elimination plans. We rigorously monitor components and materials for over 10,000 restricted substances listed in various global substance regulations, including EU RoHS 2015/863, EU REACH Candidate List of Substances of Very High Concern, US TSCA, Stockholm Convention on Persistent Organic Pollutants, Montreal Protocol, EU Battery Directive, among others, as well as industry-standard lists such as GADSL, IEC 62474, PFAS, and BOMcheck.

Supplier Requirements

We expect our suppliers to align with our Supplier Code of Conduct, reflecting our commitment to ethical practices and compliance with all applicable laws and regulations. Suppliers are required to implement effective policies to ensure compliance and to cascade these practices throughout their supply chains, enforcing them through contractual terms, guidelines, audits, and training. This includes the proper management of hazardous substances and adherence to relevant regulations.

Customer Collaboration

We collaborate closely with our customers to provide information and support regarding substances of concern in our products. Upon request, we offer detailed data on the presence of specific chemicals, enabling our customers to make informed decisions and ensure compliance with their own regulatory obligations. Through this comprehensive approach, we minimize hazardous substances, protect workers, ensure safe disposal, and advance sustainability across our operations and supply chain.



Our Mexico team earned our intercompany Safety, Environmental, and Facilities (SEF) Award, a competition open to all of our manufacturing facilities. This prestigious annual recognition highlights outstanding performance, promotes healthy competition, and drives continuous improvement. The award is based on results from our SEF Scorecard, which evaluates key factors such as environmental impact control, external ISO and internal audit outcomes, GHG reduction efforts, regulatory compliance, workplace injury metrics, utility costs, capital investments, and collaboration with other business units. Pictured here, Chris Whann (second from right), Global SEF Director, poses with Mexico safety team members Cecilia Siller, Melly Garcia, Gaston Acuna, and Gabino Lara

CITIZENSHIP

At Kimball Electronics, we believe that the environment is our home, and we are committed to being leaders in protecting and enhancing our world. Our Guiding Principles emphasize sharing our values within the communities where we live and operate, striving to make them great places to live. We recognize that our greatest contribution to community prosperity and quality of life lies in being a dynamic, growing company.

In our recent Double Materiality Assessment (DMA), we identified Zero Waste and Water Stewardship as our material Citizenship topics. These priorities align with our commitment to sustainability and reflect our dedication to responsible resource management and environmental stewardship.

By focusing on these key areas, we aim to drive positive change and contribute to a more sustainable future for all. Our efforts in Zero Waste and Water Stewardship are integral to our broader sustainability strategy, ensuring that we minimize our environmental impact while maximizing the benefits for our stakeholders and the communities we serve.

Preserving natural resources through Zero Waste and Water Stewardship supports healthy ecosystems and thriving communities. Photo taken by Thailand employee Kasemsiri Sinsamoot, for our Earth Day Photo Contest.



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Environmental management is a key element of our sustainability strategy, supported by robust systems and practices aimed at reducing environmental impact and fostering ongoing improvement. Our Environmental Management System is ISO 14001 certified, ensuring that all of our operations adhere to internationally recognized standards.



OUR ISO 14001
CERTIFICATION
COVERS ALL
GROUP-WIDE
PRODUCTION
SITES

We maintain detailed environmental performance records and conduct regular internal and external environmental audits to assess and enhance our practices. Roles and responsibilities for environmental issues are clearly defined with managerial and Board-level oversight, ensuring alignment with corporate priorities. Comprehensive training and awareness programs

equip employees with the knowledge and skills to support environmental initiatives, fostering a culture of responsibility and proactive engagement.

Pursuant to our Environmental Management System, each location identifies the significant environmental impacts of its operations at least annually and establishes clear objectives, targets, and deadlines to mitigate these effects. We monitor and measure progress through robust systems and communicate both internally and externally about environmental management issues. Compliance with environmental regulations is a baseline requirement, and corrective actions are systematically implemented to address gaps and stimulate ongoing improvement.

Through structured programs and measurable commitments, we aim to manage environmental risks effectively, enhance sustainability performance, and contribute positively to global environmental goals.



- 1 For the third year, our headquarters in Jasper, Indiana, sponsored an Environmental Committee made up of students from several local high schools. SEF team members Nick Hillyard, Roger Hunter, and Gerson Garay are shown with two students from the winning school, proudly posing with the trophy from this year's student-led Earth Day Recycling Contest. This initiative reflects Kimball Electronics' Citizenship Guiding Principle and our shared commitment to environmental stewardship.
- 2 Our Thailand facility continued to sustain its Green Star-White Flag Award status, presented by the Industrial Estate Authority of Thailand (IEAT), in recognition of environmental management, transparency, and good governance. This prestigious award highlights our facility's commitment to sustainable practices and its dedication to fostering positive relationships with surrounding communities.



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ZERO WASTE



In Nanjing, China, Engineering Department technician Judy Zhong brings plastics to work for recycling in exchange of a reusable, cloth bag on World Environment Day. Our China facility also discontinued purchase of single-use chopsticks and teacups.

Our waste management programs are designed to align with principles of resource efficiency and the circular economy, emphasizing reduction, recycling, and responsible disposal. These programs include comprehensive strategies to minimize waste generation and environmental impact, supported by both internal initiatives and our ISO 14001-Environmental Management System. Before entering any of our facilities, all input materials undergo an initial waste determination and are classified as Recyclable, Non-Hazardous Industrial Waste, General Waste, or Hazardous Waste as part of our environmental management systems across all manufacturing locations. Once source reduction efforts have been fully implemented, we partner with approved vendors to provide responsible waste management solutions. Each waste vendor is internally audited by our locations' SEF departments to ensure proper waste handling and compliance with all applicable regulations. All waste data presented in this Report is provided by the waste vendors or weighed directly at our facilities.

We also conduct waste audits to identify opportunities for improving waste performance and develop targeted action plans with quantified goals to achieve measurable reductions in waste generation. To support these efforts, we invest in innovation and R&D, seeking advanced methods and technologies to minimize waste across operations. Additionally, employees receive waste reduction training to promote awareness and active participation in achieving waste-related objectives.

Our waste diversion and recycling programs are fully integrated into our Environmental Management System which is externally audited to ensure compliance and continuous improvement. These programs are designed to reduce the amount of waste sent to landfills, aligning with best industry practices and regulatory requirements. For electronic waste, we have made a public commitment to follow international guidelines for its responsible disposal, reflecting our dedication to minimizing harm to the environment.

Chemical waste management is addressed through a defined program that ensures safe handling, storage, and disposal,

aligning with environmental and safety regulations. Furthermore, we implement strategies to reduce the environmental impact of packaging throughout its lifecycle, from material selection with our customers to end-of-life management, supporting broader sustainability goals.

Our environmental initiatives align with the Kimball Electronics Safety, Environmental, and Facility Policy, which emphasizes compliance with environmental regulations, pollution prevention, and continuous improvement. We are committed to reducing our environmental footprint, ensuring responsible sourcing, and integrating sustainability into our business practices. By driving innovation, we can achieve meaningful reductions in waste, energy use, and emissions while promoting a circular economy.

The environment is our home, and we will be leaders in not only protecting but enhancing our world. Our Guiding Principles shape our waste management and sustainability efforts, reinforcing our commitment to reducing waste and enhancing resource efficiency, contributing to a more sustainable and environmentally responsible operation.

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ZERO WASTE

Waste Target

Our 2030 target is to achieve “zero waste,” defined as diverting more than 90% of waste from landfills and ensuring the maximum beneficial use of all generated waste. The action plan focuses on minimizing waste generation and its toxicity through prevention and reduction. This includes conducting waste mapping at all locations to fully understand the origin, composition, and destinations of waste streams, and exploring opportunities to prevent hazardous waste generation, such as laundering waste solvent wipes instead of disposing of them as hazardous waste. We will maximize the beneficial use of waste by prioritizing repair, reuse, recycling, and energy recovery. Efforts will include ensuring proper segregation of materials, identifying the best beneficial use options, seeking cost-effective sustainability solutions, and exploring landfill alternatives at each location.

In addition to our zero waste goal, we have set a 2030 target to reduce hazardous waste intensity by 25%.

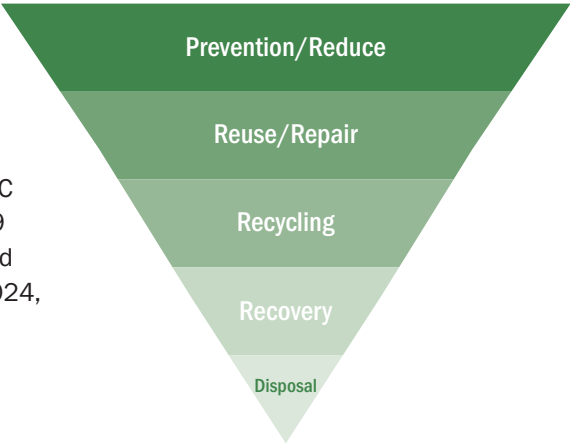
This target reflects our commitment to reducing hazardous waste generation through improved processes, source reduction, and enhanced materials management practices across all facilities. By closely monitoring hazardous waste streams, expanding waste reduction initiatives, and collaborating with vendors and customers to identify safer alternatives, we aim to significantly reduce our hazardous waste footprint while maintaining compliance with all applicable regulations.

Biohazardous waste:
0.20MT
Radioactive waste:
OMT

Volatile Organic Compounds (VOC) Emissions Summary

We set a goal to reduce our VOC emissions by 10% from a 2019 baseline by 2025 and exceeded it with a 17.2% reduction. In 2024, our direct Volatile Organic Compounds (VOC) emissions totaled 63.26 metric tons.

88%
percentage of beneficially used waste



Metric Tons	Metric	Non-Hazardous Waste	Hazardous Waste (defined by local regulations)	Total Waste	% Total	Waste Composition
Waste Directed to Beneficial Use	Recycling	3,957	-	3,957	87%	Cardboard, Electronic components, Computer/E-waste, Mixed office paper, Plastic, Printed circuit boards
	Waste to Energy	35		35	1%	Mixed MSW
Waste Directed to Disposal	Incineration		42	42	1%	Biohazardous waste, Cleaning materials
	Landfill	383	140	523	11%	Mixed MSW, Organics, Other non-recyclable plastics (Type 7)
Total		4,375	182	4,557		
Waste Efficiency	Total weight per million total revenue	2.76	0.11	2.87		

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WATER STEWARDSHIP

At Kimball Electronics, we recognize the critical importance of water as a vital resource for both our operations and the communities we serve. Our commitment to water stewardship involves implementing strategies to manage water use efficiently, reduce water waste, and ensure sustainable water practices across our global operations. By prioritizing water conservation and responsible water management, we aim to minimize our environmental impact and contribute to the wellbeing of our stakeholders and the ecosystems in which we operate.

While we consider it unlikely that water-related risks will significantly impact our financial position or performance, we have planned for potential financial effects ranging from \$1 million to \$10 million, aligning with typical retained amounts under our insurance policies and potential self-funded claims. To mitigate higher-end financial impacts, we maintain insurance coverage beyond our self-insured limits. This proactive approach reinforces our dedication to sustainable water management while safeguarding business resilience in the face of evolving environmental challenges.

Water Stress

Each year, we assess baseline water stress at all our locations using the World Resources Institute (WRI) Aqueduct Water Risk Atlas. This tool helps us understand the balance between water demand and the availability of renewable surface and groundwater supplies. To evaluate both current and future water stress, we conduct a scenario analysis across all our global sites using WRI Aqueduct's Water Risk Assessment tool. The analysis considers water stress projections for 2030 and 2040 under various climate and development scenarios, including "optimistic" (SSP2 RCP4.5), "business as usual" (SSP2 RCP8.5), and "pessimistic" (SSP3 RCP8.5) projections.

We input data from all our global facilities into the WRI Aqueduct tool and analyze the results in the context of our operations to identify regions where water stress may impact both current and future site operations. This insight helps inform the development of site-specific water stewardship plans and management strategies, with a primary focus on identifying facilities at high risk of future water stress. By selecting the

"future water stress" risk type, we pinpoint sites categorized as "High" or "Extremely High" risk, allowing us to align our medium- and long-term planning to address these challenges. The scenario analysis results show that four of our nine manufacturing sites—Tampa, Florida; Laem Chabang, Thailand; Reynosa, Mexico; Poznan, Poland—may face "High" or "Extremely High" baseline water stress in 2030 and 2050, depending on the scenario.

- 1 Due to customer demand, our Thailand facility consumes 45% of our Company total. This year, they implemented a water recycling project that reduces our Company's total consumption by 5%.
- 2 Our Jasper, Indiana facility implemented a water recycling project that is projected to reuse 67% of the facility's annual consumption.
- 3 Mexico's water recovery system and collection of condensate water conserves 51% of the facility's annual consumption.



WATER STEWARDSHIP

Wastewater
Management

We prioritize sustainable wastewater management, focusing on both improving water quality and optimizing resource use. Our approach is multifaceted, combining advanced treatment technologies, thorough assessments, and targeted initiatives to enhance wastewater quality and minimize environmental impact.

To improve wastewater quality, we utilize both on-site and off-site treatment designed to meet or exceed regulatory standards. Most of our discharges are directed to municipal treatment plants. These facilities utilize cutting-edge technologies to remove pollutants, including heavy metals, from wastewater. At our facility in Romania, we perform primary treatment processes before discharging to a septic system, where the water is recycled and can be used for agricultural irrigation. We conduct regular wastewater quality assessments to ensure compliance and identify opportunities for continuous improvement.

Water Metrics				
Cubic Meters	Total Water Withdrawals	Total Water Discharges	Total Water Consumption (Withdrawals Discharges)	Notes
			(Withdrawals–Discharges)	
Total Water Use	153,840	124,560	29,280	Sources: Well, Condensate, 3 rd party vendors
Total Water Use in Areas at Water Risk	105,110	86,990	18,120	Areas evaluated for accessibility, availability, and quality of water.
Laem Chabang, Thailand–Danube Basin	68,400	54,720	13,680	
Reynosa, Mexico–Rio Grande–Rio Bravo Basin	25,080	21,750	3,330	
Tampa, Florida–Mississippi–Missouri Basin	3,880	3,280	600	
Poznan, Poland–Oder Basin	7,750	7,240	510	
Total Water Recycled and Reused	17,550 (11.4%)			Sources: Collection of condensate, Reverse osmosis water recovery, Wash water.
Water Intensity (per revenue)	85.89	78.50	18.45	Total per million net revenue. Total recycled subtracted from total withdrawal.

Water Stewardship
Target

We have set ambitious targets to reduce our reliance on freshwater resources and promote sustainable water use. Initially, our goal was to achieve a 20% reduction in freshwater use by 2025, compared to a 2019 baseline. However, we did not meet this target and instead saw a 38% increase in absolute water usage, primarily due to changing customer washing demands and increased production. In response, we have reassessed our approach,

prioritizing water stress as a critical focus area.

Our updated 2030 target is to recycle one-third of the water we use globally, with a strong focus on locations experiencing high water stress and sites with significant water use intensities. This targeted approach reflects our commitment to improving water stewardship where it matters most, while driving sustainable practices across our global operations.

To drive improvements, we will train all locations to monitor water stress as part of their annual

environmental reviews, measure and communicate water use in products, and implement recycling projects. Planned projects at our Thailand, Mexico, and Jasper, Indiana locations will support this goal, with the Thailand recycling project alone expected to save 7 million gallons annually, contributing to a total company recycling rate of over 34%. Recycling, including closed-loop systems for non-potable uses like equipment cooling and cleaning, is central to our strategy. We are also piloting rainwater harvesting at select locations to provide

sustainable water alternatives.

We are investing in advanced water recycling technologies and collaborating with stakeholders in water-stressed regions to address local challenges and share best practices. These efforts are integrated into our key performance indicators (KPIs) to ensure accountability and track progress, reflecting our commitment to responsible water management and positive environmental impact.

ABOUT US

OUR SUSTAINABILITY
PRIORITIES

CORPORATE GOVERNANCE

CUSTOMERS

PEOPLE

CITIZENSHIP

Zero Waste
Water Stewardship
Biodiversity

PROFITS

APPENDICES

BIODIVERSITY

Kimball Electronics recognizes the vital role biodiversity plays in maintaining ecological balance and promoting sustainable development. We believe biodiversity and healthy ecosystems are fundamental to human rights, including access to food and health. In alignment with our Global Supplier Code of Conduct, Human Rights Policy, and our Sustainability Policy, we are dedicated to protecting biodiversity and preventing deforestation throughout our value chain.

We evaluate biodiversity risks through our DMA that considers both dependency-related and impact-related risks. Dependency-related risks assess our reliance on ecosystem services, while impact-related risks examine how our operations affect biodiversity across various ecosystems. These assessments are integrated into our enterprise-wide risk management processes, ensuring a holistic approach to identifying and mitigating biodiversity risks.

Our Sustainability Policy outlines our overarching commitment to conservation and sustainable resource management. We strive to minimize ecological impacts, protect natural habitats, and support biodiversity restoration efforts wherever possible, integrating biodiversity considerations into our policies and operational practices.



(top) To promote ecological restoration, our China team released rare fish species, Chinese high-fin sucker fish and long-nosed catfish, back into the Yangtze River, their natural habitat.

(bottom) Our Thailand facility donated 172 employee hours to help sustain a local mangrove forest.



Every element plays a role in long-term success—from ethical business practices to community giving, all contributing to sustainable profitability. Earth Day Photo Contest entry by Poland employee Lukasz Brulinski.

PROFITS

At Kimball Electronics, we understand that profits are the ultimate measure of how efficiently and effectively we serve our customers. They are the only true source of long-term job security and provide us with the financial resources to shape our future and achieve our vision. Our commitment to profitability is not just about financial gain; it is about ensuring the sustainability and growth of our company, which in turn benefits all our stakeholders.

Through our Double Materiality Assessment (DMA), we have identified Business Ethics & Corporate Behavior and Giving as the material topics under the Profits category. These topics reflect our dedication to maintaining high ethical standards and contributing positively to the communities we serve. By prioritizing these areas, we aim to create lasting value and uphold our core principles of integrity and responsibility.

BUSINESS ETHICS & CORPORATE BEHAVIOR

At Kimball Electronics, we are committed to the highest standards of ethical conduct, guided by our Vision and Guiding Principles. Our governance structure—comprising the Board of Directors, executive management, and employees—reflects these values, ensuring alignment, engagement, and mutual trust. Ethics form the foundation of our Corporate Governance Principles, which are periodically reviewed by the Nominating and ESG Committee to ensure they are effective and aligned with our commitments.

The Board of Directors, elected by our Share Owners, oversees management to serve their long-term interests. While the executive team manages day-to-day risks, the Board holds ultimate responsibility for risk oversight, corporate governance, and fostering a culture of integrity, ethics, and inclusion. The Nominating and ESG Committee is responsible for legal and regulatory compliance and ethics programs, while the Audit Committee and Talent, Culture, and Compensation Committee manage financial and compensation matters.

Ethics and compliance are embedded at the highest levels of our organization, ensuring that they remain central to strategic decisions and operations. Leadership promotes a culture of integrity through training, communication, and example, fostering an environment where ethical behavior is expected and celebrated. Through these efforts, we uphold our Code of Conduct, build stakeholder trust, and reaffirm our commitment to responsible and ethical business practices.

Code of Conduct

Kimball Electronics operates under a comprehensive Code of Conduct that embodies our commitment to ethical, transparent, and responsible business practices. This Code applies to all employees, contractors, and stakeholders, addressing critical areas of conduct and providing mechanisms to uphold these standards.

Our Code includes a strict zero-tolerance policy against corruption and bribery, supported by regular anti-corruption training. We prohibit discrimination and actively promote diversity



Our Indianapolis facility gave employees paid time off to help build a house for Greater Indy Habitat for Humanity.

and inclusion, ensuring equal employment opportunities and fostering a respectful workplace. Employees receive training to safeguard proprietary information and manage conflicts of interest transparently. We have established guidelines and procedures to address antitrust and anti-competitive practices, including awareness training programs, competitor interaction guidelines, and whistleblower procedures. Additionally, our Code includes measures to prevent financial misconduct, such as fraud, embezzlement, forgery, theft, falsification of company

financial statements or records, money laundering, and insider trading. We emphasize a focus on sustainability, workplace safety, and employee wellbeing. Confidential reporting mechanisms empower stakeholders to report unethical practices without fear of retaliation.

The Code is effectively implemented through clearly defined responsibilities, reporting lines, and dedicated support channels, including help desks, ombudsmen, and confidential hotlines. Breaches are addressed with disciplinary actions, ranging from warnings to dismissal,

depending on the severity. Regular internal and external audits validate compliance and the effectiveness of our ethics programs.

Comprehensive training ensures employees understand and uphold the principles of the Code, fostering a corporate culture of integrity, accountability, and respect.

For more detailed information, please refer to our Code of Conduct available on our [website](#).

BUSINESS ETHICS & CORPORATE BEHAVIOR

Mechanisms for Identifying, Reporting, Investigating, and Remediating Concerns

Employees, suppliers, customers, and stakeholders can confidentially report concerns related to unlawful behavior or violations of our Code of Conduct through a globally accessible ethics hotline or online platform, available 24/7 in multiple languages. Our whistleblower and grievance mechanisms cover issues such as discrimination, harassment, anti-competitive practices, corruption, and data security concerns.

We have a strict non-retaliation policy to protect whistleblowers. All reports are promptly investigated using structured procedures, including evidence collection, stakeholder interviews, and resolution strategies. Investigations are independent and objective, ensuring fair outcomes that are transparently communicated.

We adhere to the OECD Guidelines for Multinational Enterprises and implement regular training, risk assessments, and control audits to mitigate risks. Proactive

measures include promoting reporting mechanisms and reinforcing our commitment to ethical practices.



Employees and other stakeholders are encouraged to report suspected violations of our policies and standards. Through our Lighthouse portal, reports can be made anonymously.

Human Rights Commitment and Due Diligence

Kimball Electronics is steadfast in its commitment to respecting human rights, aligning with internationally recognized standards. Guided by the United Nations' Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights, we integrate human rights principles into our operations, supply chain, and partnerships.

We actively engage stakeholders in developing, implementing, and evaluating human rights policies to ensure their effectiveness. This includes a strong stance against human trafficking, forced labor, child labor, discrimination, and violations of freedom of association and collective bargaining rights. Our policies also address workplace flexibility, privacy, biodiversity, animal welfare, land and water use, and non-retaliation. These commitments are enforced across our operations, suppliers, and partners, with oversight from our Board of Directors.

To proactively address risks, we employ a comprehensive due diligence process that includes regular risk assessments, audits, and supply chain reviews. We focus on vulnerable groups, such as women, children, migrant workers, indigenous people, and local communities, while ensuring biodiversity and animal welfare considerations.

Our approach includes measures to mitigate human rights risks and remediate any negative impacts. In 2024, we managed supply chain relationships responsibly, addressing identified risks. While no mitigation plans were

necessary this year, we remain prepared to take action if required.

We maintain transparency in addressing human rights issues, with mechanisms in place to document and resolve incidents. Employees and stakeholders can report violations confidentially through multiple channels, including an anonymous hotline. Reports are promptly investigated, and our no-retaliation policy ensures protection for those who raise concerns. Details on reported incidents, complaints, and how they are addressed can be found in our Global Human Rights Policy and Supply Chain Transparency Statement.

Our governance framework and operational practices ensure a continued commitment to ethical, sustainable, and inclusive business practices while reinforcing our zero-tolerance policy for human rights violations.

Prevention and Detection of Corruption and Bribery

Kimball Electronics enforces a zero-tolerance policy for corruption and bribery, with a robust system to prevent, detect, and address such incidents. Annual ethical

audits and systematic corruption risk assessments are conducted across all operations. Independent investigators handle allegations impartially, and outcomes are transparently reported.

The Company prohibits all forms of bribery, including kickbacks, facilitation payments, and improper political or charitable contributions. This is supported by certified management systems, thorough third-party due diligence, and regular control audits. Oversight by the CEO, Chief Legal & Administrative Officer, Chief Financial Officer, and VP of Human Resources ensures alignment with anti-corruption standards.

Employees and suppliers must confirm their understanding and compliance with the Code of Conduct, with ongoing monitoring through audits, assessments, and training, including supply chain reviews. For calendar year 2024, audits conducted on a fiscal year basis covered 80% of inventory and 81% of accounts payable across multiple countries. For fiscal year 2024, audit coverage extended to 96% of inventory and 98% of accounts payable, ensuring comprehensive oversight of compliance and ethical business practices.

BUSINESS ETHICS & CORPORATE BEHAVIOR

Our commitment to anti-corruption policies complies with the UN Convention against Corruption and includes targeted measures to address high-exposure functions. Training ensures employees understand ethical practices and reporting mechanisms, further enhancing the culture of integrity. Kimball Electronics had no incidents, convictions, fines, or disciplinary actions related to corruption or bribery during the reporting period.

Social Dialogue and Freedom of Association

We are committed to fostering an open and collaborative workplace where employees' rights to freedom of association, collective bargaining, and union representation are respected.

All employees are informed of their rights to join labor unions, workers' councils, or other collective bargaining organizations, in line with international standards. 67% of our workforce is represented by independent trade unions or covered by collective bargaining agreements.

We actively prevent anti-union discrimination and protect workers engaged in union activities. Independent third-party monitoring, including oversight by relevant NGOs and global unions, ensures compliance with best practices.

Relations with Governments and Political Engagement

Kimball Electronics has strict policies governing gifts, entertainment, and political donations. We prohibit direct political donations and disclose lobbying activities, trade association memberships, and financial relations with governments. Contributions related to political campaigns or public policy advocacy are transparently reported.

As part of our commitment to responsible corporate citizenship, Kimball Electronics maintains memberships with trade associations that actively advocate for policies aligned with our business values and sustainable practices. In Calendar Year 2024, these memberships included:

\$35,000

Responsible Business Alliance

\$7,500

Responsible Minerals Initiative

\$11,875

Indiana Manufacturers Association

\$825

Local Chamber of Commerce

These associations engage with policymakers to promote responsible sourcing, manufacturing excellence, and a healthy business environment, which supports both our company and the broader economy.

- 1 We donated \$50,000 to install a new roof to protect thousands of refugees from heat and weather in Reynosa, Mexico.
- 2 Our Mexico operations participated in a Green Community Project with the Municipality Environmental Department in Reynosa, and employees received native fruit trees to plant on their properties.



BUSINESS ETHICS & CORPORATE BEHAVIOR

IT Security/ Cybersecurity Governance

We have strong cybersecurity and information security risk oversight, managed by the Board and Audit Committee. Cybersecurity protection is crucial for operations, business relationships, and stakeholder trust. The Company secures its infrastructure, trains employees and Directors annually on security risks, and protects sensitive data. We maintain appropriate insurance and an ISO 27001-certified information security management system and are committed to proactive cybersecurity governance. We align our cybersecurity programs with international standards and maintain transparency in our efforts to mitigate information security risks.

Our Chief Legal and Administrative Officer (CLAO) leads the cybersecurity risk management program, reporting to the CEO and managing the security team. The CLAO regularly meets with senior leadership to prioritize resources for addressing cybersecurity risks. Both the Board and Audit Committee review reports on cybersecurity and data protection

matters and receive briefings on risk management, data protection, ongoing mitigation, and cybersecurity strategy. The CLAO's position within our executive leadership and frequent reporting to our Board ensures that data protection and cybersecurity remain a priority at the highest levels of the organization.

The Board's Audit Committee oversees our risk management program and our cybersecurity strategy. The Audit Committee is independent and its members have relevant experience leading IT and cybersecurity teams and enterprise risk management functions, as well as setting IT and cybersecurity strategy. External certifications and regular risk assessments and audits ensure compliance with global information security standards. Employees receive training on preventing breaches, and a due diligence program evaluates third-party security practices.

An incident response procedure is in place to handle breaches, and measures protect third-party data from unauthorized access. A clear methodology identifies and mitigates risks, with periodic updates to the Board and committees. Senior leadership



All employees help identify and avoid online phishing and social engineering threats. In China, our "cyber heroes" received certificates and custom mouse pads for their participation.

briefs the Board quarterly on information security. The Company tracks security incidents, reports on breaches (including those involving third parties), and discloses expenses related to security breaches, including penalties and settlements.

Tax & Governance Policy

Kimball Electronics is committed to a responsible tax strategy and governance policy that aligns

with ethical business conduct and regulatory compliance. We adhere to both the spirit and letter of tax laws and regulations in all jurisdictions where we operate.

Our tax strategy is approved by the Board of Directors, ensuring oversight and accountability. Transparency is fundamental to our approach, as we disclose key business, financial, and tax information. This includes all pertinent tax information as legally required.

By maintaining these commitments and ensuring transparency, Kimball Electronics demonstrates its dedication to ethical tax practices and responsible economic contribution, fostering trust among stakeholders.

For more detailed information, please refer to our [2024 Annual Report](#).

BUSINESS ETHICS & CORPORATE BEHAVIOR

Violations

Kimball Electronics maintains a strong record of compliance with environmental, social, and governance (ESG) standards. The Company has not paid any significant fines, defined as exceeding USD \$10,000, related to any environmental, ecological, or other ESG issues, over the past four fiscal years. We ensure adherence to regulations governing ESG performance, including permits, regulations, and standards.

We continuously work to prevent incidents of non-compliance and uphold rigorous monitoring and management practices to address potential ESG risks proactively. By maintaining transparency and accountability, we reaffirm our commitment to responsible stewardship.

Business Ethics & Corporate Behavior Target

Our 2030 goals involve tying both short-term and long-term executive compensation to the achievement of our sustainability objectives, while also maintaining our top-tier ESG ratings. We are rated by CDP, S&P's Corporate Sustainability Assessment (CSA), ISS, MSCI, EcoVadis, and Sustainalytics, reflecting our commitment to transparency and accountability in environmental, social, and governance (ESG) performance. Notably, our 2024 CDP Climate disclosure score improved from B to A-, recognizing our progress in climate action and emissions reduction. This achievement underscores our dedication to driving meaningful progress in sustainability while delivering long-term value to our stakeholders.

ESG Index	Rating as of Report Publication Date
Institutional Shareholder Services (ISS) Corporate	1 st Decile, Prime Status, High Transparency
ISS E QualityScore	1 st Decile
ISS S QualityScore	1 st Decile
ISS G QualityScore	1 st Decile
MSCI ESG	AA
Sustainalytics	Negligible Risk
S&P Global Corporate Sustainability Assessment	95 th Percentile
CDP Climate	A-
CDP Water	B

GIVING

Kimball Electronics is committed to fostering positive relationships with affected communities through a robust framework for engagement, investment, and impact assessment. Our community investment program focuses on creating meaningful, measurable impacts through direct engagement, monetary contributions, and in-kind support. These efforts aim to address material risks, mitigate negative impacts, and seize opportunities to advance sustainable development.

Our giving program is guided by our [Global Policy on Philanthropic Contributions and Non-Commercial Sponsorships](#) to ensure systematic and impactful contributions. This policy underscores our commitment to social responsibility, as reflected in our support for charitable causes through time, talent, and financial resources. Our contributions extend to communities beyond those directly benefiting from our business activities.

Our giving program encompasses monetary donations, employee volunteering, and in-kind contributions. We track and evaluate the monetary value of these investments, including



*The **Kimball Electronics Gives** (KE Gives) employee giving circle selected 13 charities to receive grants, totaling \$14,500. The grants will support victims of domestic abuse, Special Olympics and a summer camp for disabled children, Habitat for Humanity and a homeless shelter, transportation, education and nutrition programs for marginalized populations, Alzheimer's Association, Big Brothers Big Sisters, cancer patients and their families, therapeutic horse riding, and education on the safe use of social media for children.*

total disbursed donations (disaggregated where applicable), employee volunteering value, in-kind donations, and associated management costs. Each project is evaluated to assess its effectiveness against defined metrics, ensuring transparency and maximizing community benefit.

"Because of your generosity, men, women, children, and families that are impacted by cancer can find comfort, community, resources and hope," said grant recipient Little Red Door Cancer Agency.



Our philanthropic contributions and sponsorships focus on four key categories: Community, Human Rights & Needs, Education & Arts, and Science & Environment. Each area reflects our commitment to innovation, inclusion, and sustainable development. In cases of emergencies, we collaborate with local facilities, authorities, and aid organizations to address long-term impacts sustainably.

Engagement with affected communities is a cornerstone of our approach. We interact

directly with communities, their legitimate representatives, or credible proxies with insight into their circumstances. Engagement processes are integrated across planning, implementation, and follow-up phases, with frequency tailored to project scope and community needs. Operational responsibility lies with senior leadership, ensuring community feedback informs corporate strategies and actions.

We donated 137 employee hours at our Indianapolis, Indiana, facility to help build a home for Greater Indy Habitat for Humanity. We also donated \$20,000 to sponsor the build.

GIVING



Transparency is integral to our philanthropic efforts. We maintain detailed internal documentation and provide stakeholders with clear reporting on the impact of donations. Emphasis is placed on measurable outcomes rather than financial value alone.

The Corporate Philanthropy Committee oversees the implementation of this policy, ensuring alignment with our Guiding Principles, Code of Conduct, and regulatory standards. Regular reports are provided to the Board of Directors’ Nominating and ESG Committee

for oversight and compliance monitoring.

Effectiveness is assessed through outcome tracking, community feedback, and alignment with strategic objectives. Actions to address material impacts include targeted investments, remediation initiatives, and collaborative projects designed to manage risks and enhance opportunities. Clear targets are established to advance positive impacts and mitigate material risks, aligning with sustainability goals.

Our dedication to responsible philanthropy and community

engagement underlines our role as a socially responsible corporate citizen, fostering trust and collaboration with stakeholders while creating lasting positive impacts.

All of our giving aligns with our purpose of Creating Quality for Life for our communities through our positive societal impacts.

Emergency Relief

We are committed to supporting our global communities during times of crisis. In alignment with our philanthropic policy, we mobilize resources to assist employees and their local communities impacted by natural disasters. Our support includes a combination of company-sponsored emergency relief, employee-led giving, and volunteer efforts tailored to the specific needs of each location.

Our Performance

We are committed to addressing material impacts on affected communities by implementing targeted strategies to manage risks, pursue opportunities that deliver community benefits, and regularly evaluate the effectiveness of our actions. In 2024, we exceeded our Company

donation goal, contributing \$390,000 against a target of \$358,000. In addition, we provided \$187,000 in in-kind support through donations of electronics, other materials, and employee volunteer time and contributions.

2024 Giving	Hours Donated	Monetary Donations	Total Monetary Value
Community	2,184	\$ 240,000	\$ 284,000
Education & Arts	526	\$ 112,000	\$ 120,000
Charitable	138	\$ 41,000	\$ 50,000
Scientific	1,822	\$ 109,000	\$ 123,00
Total	4,669	\$ 502,000	\$ 577,000



(top) The Medical Devices Quality Control Department in Poland donated time and talent to lead chemistry classes for students affected by the flood, in hopes of helping restore wellbeing following the mental trauma experienced due to the disaster.

(bottom) Our Poland employees donated money to purchase new dehumidifiers for flood victims in their community.

GIVING

Areas of Giving

● Community ● Scientific & Environment ● Education & Arts ● Human Rights & Needs



Poland employees participated in the 2024 Poland Business Run in Poznań's Marcelesiński Forest. The event promoted a healthy lifestyle and supported charities for people with disabilities, including those recovering from amputations and mastectomies.



Our Romania facility develops strong relationships with local schools. Photo: Middle-schoolers toured our site to witness the sophisticated machinery and complex assembly lines involved in us meeting and exceeding our customers' needs.



Employees in Romania donated 264 hours delivering food to the poor and the elderly. The company also donated money to help renovate homes of the poor. Romanian employees also organized fundraisers to support the "Ajungem Mari Association," an association that supports and fosters children of ages between 1-18 that were abandoned.

GIVING

Areas of Giving

- Community
- Scientific & Environment
- Education & Arts
- Human Rights & Needs



Xinyi Cheng, dependent of Emma Fei, Import/Export Officer, KE China, was one of 10 dependents of our employees to earn a college scholarship worth up to \$5,000 as part of our Creating Quality for Life Scholarships. To date, there have been 30 scholarship winners. The scholarships are based solely on submitted essays detailing how the student has helped others in their communities or the environment.



Members of our global Finance and HR teams met in Nashville, Tennessee, for their respective business summits. During their stay, they volunteered 100 hours to a painting project at the Nashville Rescue Mission. In the photo are Agnieszka Długaszewska, Finance Manager for our Poland facility, and Bartosz Wasilewski, our Global Finance Manager who is also based in Poland.



Several of our facilities, including those in Mexico (right) and Indiana (left), hosted employee blood drives in 2024, with some donations specifically earmarked for children with cancer. Collectively, Kimball employees contributed enough blood to save an estimated 657 lives. Additionally, the Company donated 173 work hours to support these drives. Beyond blood donations, Kimball contributed \$10,000 to the Southwestern Indiana Red Cross to fund CPR and First Aid training for students in Dubois County, Indiana, where our headquarters is located. Top photo: Indianapolis' Accounting Associate Angie Holt.

GIVING



Our Legal Team is committed to The Corporate Pro Bono Challenge, emphasizing the importance of providing pro bono legal services to those in need. In 2024, the team donated 135.5 pro bono hours, which are reported to the Pro Bono Institute.

Lin Miao, Senior Corporate Counsel, performs pro bono service at the Orange County Superior Court in California. She helps domestic violence victims obtain restraining orders.

Says Lin, “Pro bono work at domestic violence clinic is important to me because it allows me to help disadvantaged members in my community directly. It helps me personally and professionally. The pro bono provides different lens for me to observe my life and other people’s lives. I feel more connected to my community, more grateful to everything in my life, and helps me live humbly. Professionally I have gained valuable experience in the practice area of family law and civil litigation.”



Our electronics manufacturing employees donated enough money to cover the cost for 81 bags filled with comfort items and essential supplies for patients undergoing treatment at a cancer center in Jasper, Indiana.

Areas of Giving

- Community
- Scientific & Environment
- Education & Arts
- Human Rights & Needs



In 2024, our Indianapolis, Indiana operations donated 61 employee work hours to create and pack 9,500 rice casserole meals for Million Meal Movement, which provides food to people who are hungry. Said a Million Meal Movement representative, “Their dedication and teamwork were key to the success of the event, as they worked efficiently and with enthusiasm to meet the target of meals packed for the community. Following the packing event, the meals were distributed to local food pantries in need. These meals provided vital support to families and individuals facing food insecurity in the area, demonstrating the tangible impact of Kimball Electronics’ participation. These meals were distributed to those in need within the local community, contributing to alleviating hunger in the region. We express our heartfelt gratitude to Kimball Electronics for your commitment to making a difference in the lives of those in need. Your employees’ hard work and dedication have had a direct and meaningful impact on the communities we serve.” In a separate company act of giving, Million Meal Movement received a \$1,000 grant from our KE Gives employee giving circle.

Giving Target

Our 2030 targets are focused on managing material negative impacts, promoting positive outcomes, and addressing key risks and opportunities. Each year, our target is to donate 1% of our fiscal year adjusted net income (non-GAAP). To meet this goal, we will establish annual targets for employee volunteer hours and participation across all locations and offer corporate matching opportunities to encourage employee contributions. Performance will be tracked and reviewed monthly by individual locations and Shared Services, with quarterly updates presented to the Board NESG Committee. Donations will be distributed across four Giving Pillars—Community, Human Rights & Needs, Education & Arts, and Scientific & Environmental—following the targeted allocations outlined in our Policy on Philanthropic Donations and Non-Commercial Sponsorships.

APPENDICES

ESRS
GHG Verification Statement
Independent Assurance Statement

ESRS INCORPORATION BY REFERENCE TO OTHER PARTS OF THE MANAGEMENT REPORT








This table provides a structured index of the ESRS Disclosure Requirements included in the sustainability statement, categorized based on their materiality determination. It outlines the Report section and page number where each disclosure is addressed, ensuring transparency and ease of reference. Additionally, the table highlights how each disclosure aligns with globally recognized sustainability frameworks, including the Global Reporting Initiative (GRI) Standards, United Nations Sustainable Development Goals (UN SDGs), UN Global Compact Principles, the Sustainable Accounting Standards Board (SASB) Standard for Electronic Manufacturing Devices & Original Design Manufacturing, and the Task Force on Climate-related Financial Disclosures (TCFD) framework. The color coding in the table indicates material disclosures (green), non-material disclosures (red), and required ESRS disclosures (black) for clarity in reporting.

MATERIALITY DETERMINATION KEY

● Cross-Cutting Standards

● Material Topical Standards

● Non-Material Topical Standards

Materiality Determination	ESRS Disclosure Requirement	Report Section	Page	GRI Alignment	UN SDGs	UN Global Compact Principles	SASB – Electronic Manufacturing Service & Original Design Manufacturing	TCFD Framework
ESRS 2 GENERAL DISCLOSURES								
BASIS FOR PREPARATION								
●	BP-1 General basis for preparation of sustainability statements	About This Report	1	GRI 2-3		7	TC-SC-130a.1	TCFD Governance: Board oversight of climate-related risks and opportunities
●	BP-2 Disclosures in relation to specific circumstances	About This Report	1	GRI 2-5		7	TC-SC-410a.3	TCFD Governance: Management's role in assessing and managing climate-related risks and opportunities
GOVERNANCE								
●	GOV-1 The role of the administrative, management and supervisory bodies	Corporate Governance Statement	16-19	GRI 2-9		10	TC-SC-510a.1	TCFD Governance: Board oversight of climate-related risks and opportunities
●	GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Corporate Governance Statement	16-19	GRI 2-12		10	TC-SC-510a.2	TCFD Governance: Management's role in assessing and managing climate-related risks and opportunities
●	GOV-3 Integration of sustainability-related performance in incentive schemes	Sustainability-Related Performance Incentive Metrics	18-19	GRI 2-19		6	TC-SC-330a.1	TCFD Governance: Board oversight of climate-related risks and opportunities
●	GOV-4 Statement on due diligence	Oversight of Sustainability Impacts, Risks, Opportunities, and Due Diligence	17-18	GRI 2-15		10	TC-SC-510a.2	TCFD Governance: Management's role in assessing and managing climate-related risks and opportunities
●	GOV-5 Risk management and internal controls over sustainability reporting	Oversight of Sustainability Impacts, Risks, Opportunities, and Due Diligence	17	GRI 2-16		10	TC-SC-550a.1	TCFD Governance: Risk management processes for climate-related issues

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MATERIALITY DETERMINATION KEY

● Cross-Cutting Standards ● Material Topical Standards ● Non-Material Topical Standards

Materiality Determination	ESRS Disclosure Requirement	Report Section	Page	GRI Alignment	UN SDGs	UN Global Compact Principles	SASB – Electronic Manufacturing Service & Original Design Manufacturing	TCFD Framework
ESRS 2 GENERAL DISCLOSURES								
STRATEGY								
●	SBM-1 Strategy, business model and value chain	Who We Are	4-5	GRI 2-22		9		TCFD Strategy: Climate-related risks and opportunities over the short, medium, and long term
●	SBM-2 Interests and views of stakeholders	Our Key Sustainability Matters	8-9	GRI 2-29		1		TCFD Strategy: Impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning
●	SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Material Matter Considerations	11-14	GRI 3-3		7		TCFD Strategy: Climate resilience and scenario analysis
IMPACT, RISK AND OPPORTUNITY MANAGEMENT								
●	IRO-1 Description of the process to identify and assess material impacts, risks and opportunities	Our Key Sustainability Matters	8-14	GRI 3-2		8		TCFD Risk Management: Processes for identifying and assessing climate-related risks
●	IRO-2 Disclosure requirements in ESRS covered by the undertaking's sustainability statement	This ESRS Incorporation by Reference to Other Parts of the Management Report	ESRS Appendix	GRI 3-3		8		TCFD Risk Management: Processes for managing climate-related risks
IMPACT, RISK AND OPPORTUNITY MANAGEMENT								
●	MDR-P Policies adopted to manage material sustainability matters	KEI Sustainability Policy		GRI 3-3		7		TCFD Metrics & Targets: Disclosures on policies related to climate risks

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ENVIRONMENTAL								
ESRS E1 CLIMATE CHANGE								
●	E1-2 Policies related to climate change mitigation and adaptation	KEI Sustainability Policy		GRI 302-1		8	TC-SC-130a.1	TCFD Strategy: Climate-related risks and opportunities over the short, medium, and long term
●	MDR-A, E1-3 Actions and resources in relation to climate change policies	Actions and Resources in Relation to Climate Change Policies	24	GRI 305-5		8	TC-SC-130a.2	TCFD Strategy: Impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning
●	MDR-T, E1-4 Targets related to climate change mitigation and adaptation	Climate Change	22-23	GRI 305-5		8	TC-SC-130a.3	TCFD Metrics & Targets: Climate-related targets and performance indicators
●	E1-5 Energy consumption and mix	Energy Consumption and Mix	27	GRI 302-1		9	TC-SC-130a.1	TCFD Metrics & Targets: Energy usage and emissions tracking
●	E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	Gross Scopes 1, 2, and 3 GHG Emissions	26	GRI 305-1		8	TC-SC-110a.1	TCFD Metrics & Targets: Scope 1, Scope 2, and Scope 3 emissions disclosures
●	E1-7 GHG removals and GHG mitigation projects financed through carbon credits	Actions and Resources in Relation to Climate Change Policies	24	GRI 305-5		8	TC-SC-110a.2	TCFD Strategy: GHG removals and mitigation actions
●	E1-8 Internal carbon pricing	Actions and Resources in Relation to Climate Change Policies	24	GRI 305-5		8	TC-SC-110a.3	TCFD Metrics & Targets: Carbon pricing strategies and financial disclosures
●	E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Financial Risks of Climate Change	25	GRI 201-2		8		TCFD Strategy: Financial impacts of climate-related risks and opportunities

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ENVIRONMENTAL								
ESRS E2 POLLUTION								
●	E2-1 Policies related to pollution	KEI Sustainability Policy		GRI 305-6		8	TC-SC-130a.4	TCFD Risk Management: Processes for identifying and assessing pollution-related climate risks
●	E2-2 Actions and resources related to pollution	Zero Waste	49-50	GRI 305-6		8	TC-SC-130a.4	TCFD Risk Management: Processes for managing pollution-related climate risks
●	E2-3 Targets related to pollution	Zero Waste	50	GRI 305-6		8		TCFD Metrics & Targets: Pollution-related metrics and targets
●	E2-4 Pollution of air, water and soil	Zero Waste	49	GRI 305-7		8		
●	E2-5 Substances of concern and substances of very high concern	Chemical Management & Hazardous Substances Commitment	45-46	GRI 306-3		8		
●	E2-6 Anticipated financial effects from pollution-related impacts, risks and opportunities			GRI 201-2		8		
ESRS E3 WATER AND MARINE RESOURCES								
●	E3-1 Policies related to water and marine resources	KEI Sustainability Policy		GRI 303-1			TC-SC-130a.2	TCFD Risk Management: Water resource-related risks and management
●	MDR-A, E3-2 Actions and resources related to water and marine resources	Water Stewardship	51-52	GRI 303-2				TCFD Metrics & Targets: Water usage and conservation targets










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ENVIRONMENTAL								
ESRS E3 WATER AND MARINE RESOURCES								
	MDR-T, E3-3 Targets related to water and marine resources	Water Stewardship Target	52	GRI 303-3				
	E3-4 Water consumption	Water Metrics	52	GRI 303-5				
	E3-5 Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	Water Stewardship	51-52	GRI 201-2				
ESRS E4 BIODIVERSITY AND ECOSYSTEMS								
	E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model	Biodiversity	53	GRI 304-1			TC-SC-410a.1	TCFD Strategy: Biodiversity and ecosystem risks from climate change
	E4-2 Policies related to biodiversity and ecosystems	KEI Sustainability Policy		GRI 304-2				
	E4-3 Actions and resources related to biodiversity and ecosystems	Biodiversity	53	GRI 304-3				
	E4-4 Targets related to biodiversity and ecosystems			GRI 304-4				
	E4-5 Impact metrics related to biodiversity and ecosystems change			GRI 304-3			TC-SC-130a.2	TCFD Risk Management: Water resource-related risks and management
	E4-6 Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities			GRI 201-2				TCFD Metrics & Targets: Water usage and conservation targets

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ENVIRONMENTAL								
ESRS E5 RESOURCE USE AND CIRCULAR ECONOMY								
●	E5-1 Policies related to resource use and circular economy	KEI Sustainability Policy		GRI 301-1			TC-SC-130a.4	TCFD Metrics & Targets: Resource use and circular economy-related climate impacts
●	MDR-A, E5-2 Actions and resources related to resource use and circular economy	Material Sourcing	28	GRI 301-3				
●	MDR-T, E5-3 Targets related to resource use and circular economy	Material Sourcing Target	28	GRI 301-2				
●	E5-4 Resource inflows			GRI 301-1				
●	E5-5 Resource outflows	Not applicable		GRI 301-3				
●	E5-6 Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Material Sourcing	28	GRI 201-2				

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





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Materiality Determination	ESRS Disclosure Requirement	Report Section	Page	GRI Alignment	UN SDGs	UN Global Compact Principles	SASB – Electronic Manufacturing Service & Original Design Manufacturing	TCFD Framework
SOCIAL								
ESRS S1 OWN WORKFORCE								
●	S1-1 Policies related to own workforce	KEI Sustainability Policy		GRI 401-2		6	TC-SC-330a.1	TCFD Strategy: Workforce-related climate transition risks
●	S1-2 Processes for engaging with own workforce and workers’ representatives about impacts	Processes for Engaging with Value Chain Workers About Impacts	30	GRI 402-1		3	TC-SC-330a.2	TCFD Risk Management: Climate-related engagement with employees and stakeholders
●	S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns	Mechanisms for Identifying, Reporting, Investigating, and Remediating Concerns	56	GRI 406-1		1	TC-SC-330a.3	
●	MDR-A, S1-4 Taking action on material impacts on own workforce	People	31-46	GRI 403-1		2	TC-SC-330a.4	
●	MDR-T, S1-5 Targets related to managing material negative impacts	Equal Treatment & Opportunities Target, Health & Safety Target	43,45	GRI 401-1		6		
●	S1-6 Characteristics of the undertaking’s employees	Employee Characteristics	32-33	GRI 405-1		6		
●	S1-7 Characteristics of non-employees in the undertaking’s own workforce	Non-employees	33	GRI 405-2		6		
●	S1-8 Collective bargaining coverage and social dialogue	Social Dialogue & Freedom of Association	57	GRI 407-1		3		
●	S1-9 Diversity metrics	Employee Characteristics	32-33	GRI 405-1		6		

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SOCIAL								
ESRS S1 OWN WORKFORCE								
●	S1-10 Adequate wages	Equitable Recruitment and Hiring Practices	34	GRI 202-1	8 DECENT WORK AND ECONOMIC GROWTH	6		
●	S1-11 Social protection	Health and Wellness Programs Across Global Operations	35-36	GRI 401-2	1 NO POVERTY	1		
●	S1-12 Persons with disabilities	Employee Characteristics	33	GRI 405-1	10 REDUCED INEQUALITIES	6		
●	S1-13 Training and skills development metrics	Employee Training and Career Management	41-43	GRI 404-1	4 QUALITY EDUCATION	6		
●	S1-14 Health and safety metrics	Health & Safety	44-45	GRI 403-3	3 GOOD HEALTH AND WELL-BEING	1		
●	S1-15 Work-life balance metrics	Comprehensive Wellbeing and Mental Health Support	37-39	GRI 401-2	3 GOOD HEALTH AND WELL-BEING	1		
●	S1-16 Remuneration metrics (pay gap and total remuneration)	Equal Treatment & Opportunities Target	43	GRI 405-2	10 REDUCED INEQUALITIES	6		
●	S1-17 Incidents, complaints and severe human rights impacts	Business Ethics & Corporate Behavior	55-59	GRI 406-1	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	10		









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Materiality Determination	ESRS Disclosure Requirement	Report Section	Page	GRI Alignment	UN SDGs	UN Global Compact Principles	SASB – Electronic Manufacturing Service & Original Design Manufacturing	TCFD Framework
SOCIAL								
ESRS S2 WORKERS IN THE VALUE CHAIN								
●	S2-1 Policies related to value chain workers	KEI Sustainability Policy		GRI 414-1			TC-SC-440a.1	TCFD Strategy: Climate-related impacts on supply chain workers
●	S2-2 Processes for engaging with value chain workers about impacts	Processes for engaging with value chain workers about impacts	30	GRI 414-2			TC-SC-440a.2	
●	S2-3 Processes to remediate negative impacts	Processes for engaging with value chain workers about impacts	30	GRI 414-2				
●	MDR-A, S2-4 Taking action on material impacts on value chain workers	Supplier Management	29-30	GRI 414-2				
●	MDR-T, S2-5 Targets related to managing material negative impacts	Supplier Management Target	30	GRI 414-2				
ESRS S3 AFFECTED COMMUNITIES								
●	S3-1 Policies related to affected communities	KEI Sustainability Policy		GRI 413-1			TC-SC-440a.1	TCFD Risk Management: Community engagement in climate risk mitigation
●	MDR-A, S3-2 Processes for engaging with affected communities	Giving	60-64	GRI 413-2			TC-SC-440a.2	
●	S3-3 Processes to remediate negative impacts	Giving	60-64	GRI 413-2				

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SOCIAL								
ESRS S3 AFFECTED COMMUNITIES								
●	S3-4 Taking action on material impacts on affected communities	Giving	60-64	GRI 413-2				
●	MDR-T, S3-5 Targets related to managing material negative impacts	Giving Target	64	GRI 413-2				
ESRS S4 CONSUMERS AND END-USERS								
●	S4-1 Policies related to consumers and end-users	IT Security/ Cybersecurity Governance	58	GRI 416-1				TCFD Strategy: Climate transition impacts on consumers and markets
●	S4-2 Processes for engaging with consumers and end-users			GRI 416-2				
●	S4-3 Processes to remediate negative impacts			GRI 416-2				
●	S4-4 Taking action on material impacts on consumers and end-users			GRI 416-2				

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Materiality Determination	ESRS Disclosure Requirement	Report Section	Page	GRI Alignment	UN SDGs	UN Global Compact Principles	SASB – Electronic Manufacturing Service & Original Design Manufacturing	TCFD Framework
GOVERNANCE								
ESRS G1 BUSINESS CONDUCT								
	G1-1 Business conduct policies and corporate culture	Business Ethics & Corporate Behavior	55-59	GRI 205-1		10	TC-SC-510a.2	TCFD Governance: Business conduct policies related to climate accountability
	G1-2 Management of relationships with suppliers	Management of Relationships with Suppliers	29	GRI 308-1		10	TC-SC-510a.1	TCFD Risk Management: Management of supplier climate risks
	G1-3 Prevention and detection of corruption and bribery	Prevention and Detection of Corruption and Bribery	56-57	GRI 205-3		10	TC-SC-510a.2	TCFD Risk Management: Prevention of corruption and lobbying activities related to climate policies
	G1-4 Incidents of corruption or bribery	Prevention and Detection of Corruption and Bribery	56-57	GRI 205-3		10	TC-SC-510a.2	TCFD Governance: Climate-related policy influence and lobbying
	G1-5 Political influence and lobbying activities	Relations with Governments and Political Engagement	57	GRI 415-1		10	TC-SC-520a.1	TCFD Governance: Disclosure of payment practices related to climate initiatives
	G1-6 Payment practices	Management of Relationships with Suppliers	29	GRI 206-1		10	TC-SC-520a.2	

2024 GHG Verification For Kimball Electronics

March 27, 2025

KERAMIDA Inc. (KERAMIDA) was engaged by Kimball Electronics (Kimball) to provide independent limited assurance of its greenhouse gas (GHG) verification of their 2024 Scope 1, 2, and 3 GHG emissions inventory.

The calculation of the GHG inventory is the sole responsibility of Kimball using guidance per US Environmental Protection Agency, GHG Protocol standards, and other applicable guidance documents

Statement of Independence

KERAMIDA affirms our independence from Kimball and is free from bias and conflicts of interest related to the assurance of the GHG data.

Verification Assurance Opinion

Based on the process and procedures conducted, there is no evidence that the GHG emissions calculations and verified data are not a fair representation of the actual GHG emissions data and information.

Kimball has established an appropriate system for collecting, calculating, and analyzing quantitative data and information for the GHG metrics for the stated time period, scope and level of assurance. An opinion of limited assurance was concluded based on KERAMIDA's verification.

KERAMIDA's Approach

Verification was conducted in accordance with ISO 14064-3: 2019 *Specification with guidance for the validation and verification of greenhouse gas assertion*, which is an approved verification standard accepted by CDP. KERAMIDA reviewed 100% of Kimball's emissions during this audit.

Validation scope of the reporting company GHG emissions

- Organizational boundaries: Operational Control Approach

Time Period

- January 1, 2024 - December 31, 2024

Level of Assurance

- Limited
- Materiality Threshold: 5% as suggested by ISO 14064-3 (2019).

KERAMIDA's Methodology and Procedure

Procedure performed during the verification

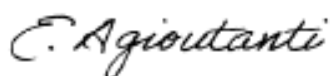
- Interviews with key personnel involved in the process of compiling, calculating, and preparing the emissions data report and energy data;
- Review of evidence and data in support of disclosures being verified;
- Review of a variety of data analytics to check the reasonableness of the data and calculations;
- A variety of re-calculation procedures to confirm stated quantities;
- Evaluated the reasonableness of any assumptions used in support of disclosures;
- Reviewed how disclosures were presented and determined if they were representative of data and operations

Table 1. Data Verified by KERAMIDA, Reporting Year 2024

Scope	CO ₂ e (Metric Tons)
Scope 1	2,110
Scope 2	27,869
Scope 3, Category 1	88,335
Scope 3, Category 2	3,839
Scope 3, Category 3	5,363
Scope 3, Category 4	14,504
Scope 3, Category 5	1,762
Scope 3, Category 6	1,633
Scope 3, Category 7	6,784
Total	152,199

This verification statement, including the opinion expressed herein, is provided to Kimball and is solely for their benefit in accordance with the terms of our agreement. We consent to the release of this statement by you but without accepting or assuming any responsibility or liability on our part to any other party who may have access to this statement.

KERAMIDA, Inc,



Ellie Agioutanti, M.S.
Senior Sustainability Analyst
KERAMIDA Inc.



Xuqing Xiong, M.S., P.E.
Accredited Lead GHG Verifier
Vice President, Sustainability Services
KERAMIDA Inc.

Limited Assurance of 2024 Sustainability Disclosure For Kimball Electronics

March 27, 2025

KERAMIDA Inc. (KERAMIDA) was engaged by Kimball Electronics (Kimball) to provide independent limited assurance of its 2024 sustainability disclosure. The information being verified covers the period of January 1, 2024, to December 31, 2024. KERAMIDA's verification process is based on current best practice and is in accordance with ISAE 3000.

Statement of Independence

KERAMIDA affirms our independence from Kimball and is free from bias and conflicts of interest related to the assurance of data.

Verification Assurance Opinion

Based on the process and procedures conducted, there is sufficient evidence that the sustainability disclosures are a fair representation of the actual sustainability data and information.

Kimball has established an appropriate system for identifying its material matters and collecting, calculating, and analyzing related sustainability information for the stated time period, scope, and level of assurance.

KERAMIDA's Approach

The scope of work was to provide limited assurance for the verification of Kimball's 2024 sustainability disclosures.

Time Period

- January 1, 2024, to December 31, 2024

Level of Assurance

- Limited

KERAMIDA's Methodology and Procedure

KERAMIDA's verification process is based on current best practice and is in accordance with ISAE 3000.

Procedure performed during the verification

- Review of double materiality assessment process.
- Interviews with key personnel involved in the process of data collection, compiling, calculating, and preparing the sustainability disclosures. All meetings were conducted virtually.
- Assessed the data management systems and protocols by:

- Conducting assurance procedures to assess the accuracy of data collected and reported; and
- Understanding the calculation approach and methods.
- A variety of re-calculation procedures to confirm stated quantities.
- Evaluated the reasonableness of any assumptions used in support of disclosures.

Table 1. Data Categories Verified by KERAMIDA

Metric Categories
Materiality assessment and defined material matters
"Who We Are" section
Climate Change
Energy Consumption
Value Chain
Workforce
Diversity
Training and Education
Occupational Health & Safety
Waste and VOC emissions
Water
Business Ethics and Corporate Behavior
Giving Performance
Net Revenue

This verification statement, including the opinion expressed herein, is provided to Kimball and is solely for the benefit of Kimball in accordance with the terms of our agreement.



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