Kimball® Electronics

Building Tomorrow, Together

2025 Guiding Principles Report

2025
Guiding Principles Report

Kimball® Electronics

About This Report

Welcome to Kimball Electronics' Annual Sustainability Report for calendar year 2025. This Report provides a comprehensive overview of our global business operations and our ongoing commitment to sustainability. It encompasses all activities within our operations that are fully consolidated for financial reporting purposes, unless otherwise noted to include additional elements of our value chain. Unless specifically indicated as fiscal year 2025, the reporting period referenced is calendar year 2025.

This Report is structured in accordance with the Amended European Sustainability Reporting Standards (ESRS) under the Corporate Sustainability Reporting Directive (CSRD). It also aligns with leading global frameworks, including the Global Reporting Initiative (GRI) Standards, the Sustainability Accounting Standards Board (SASB) standard for Electronic Manufacturing Service (EMS) & Original Design Manufacturing (ODM) maintained and enhanced by the International Sustainability Standards Board (ISSB), the United Nations (UN) Sustainable Development Goals (SDGs), the UN Global Compact (UNGC), and the Task Force on Climate-related Financial Disclosures (TCFD) framework.

Aligned with TCFD recommendations, this Report discloses governance, strategy, risk management, and metrics related to sustainability. It describes how sustainability is integrated into our governance structure, long-term business strategy, and risk management processes, including oversight by our Board and leadership. We outline our sustainability policies, actions, and targets, enabling stakeholders to track progress through qualitative and quantitative indicators.

This Report focuses on the key material impacts of our business operations on stakeholders, including customers, employees, communities, suppliers, Share Owners, and other investors. The terms "material" and "materiality" follow ESRS definitions, applying the principle of double materiality, which considers both impact materiality and financial materiality. This definition may differ from meanings under US federal securities laws.

KERAMIDA Inc. independently verified this Report to ensure transparency and credibility. They provided limited assurance for the entire Report in accordance with ISAE 3000, covering environmental, social, and governance disclosures. Additionally, KERAMIDA Inc. verified our greenhouse gas emissions inventory under ISO 14064-3:2019 and offered limited assurance for 100 percent of our Scope 1, Scope 2, and Scope 3 emissions.

We publish performance against our material topic targets at least annually in this Report, providing stakeholders with clear visibility into progress toward our commitments.

This Report is available on our website for public access and review.

Forward-Looking Statements

Certain statements contained within this Report are considered forward-looking under the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by words such as "aims," "anticipates," "aspirations," "believes," "building," "can," "commitment," "could," "estimates," "expects," "forecasting," "future," "goal," "guide," "guiding," "intends," "likely," "long-term," "looking ahead," "may," "objective," "objectives," "opportunities," "plans," "positioning," "potentially," "priorities," "seeks," "should," "strategy," "target," "vision," "will," "would," and similar expressions. It is not possible to predict all factors that may cause actual results to differ from historical or expected outcomes. Factors include, but are not limited to, changes in economic conditions, regulatory developments, market dynamics, and other risks described in our filings with the Securities and Exchange Commission (SEC).

We undertake no obligation to update forward-looking statements for events or circumstances occurring after the date of this Report, except as required by law. When making forward-looking statements, we intend to rely on the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995.
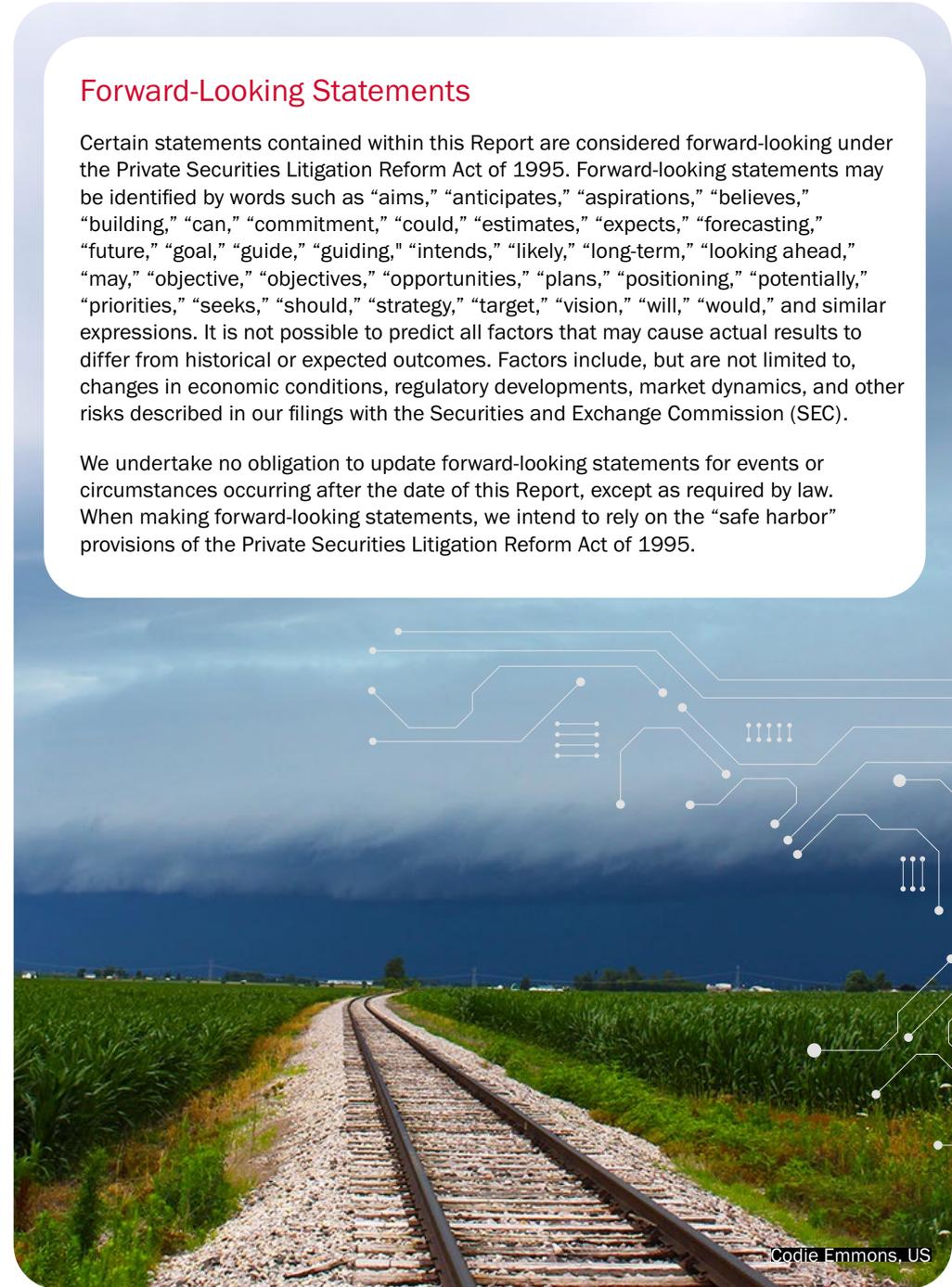
Codie Emmons, US

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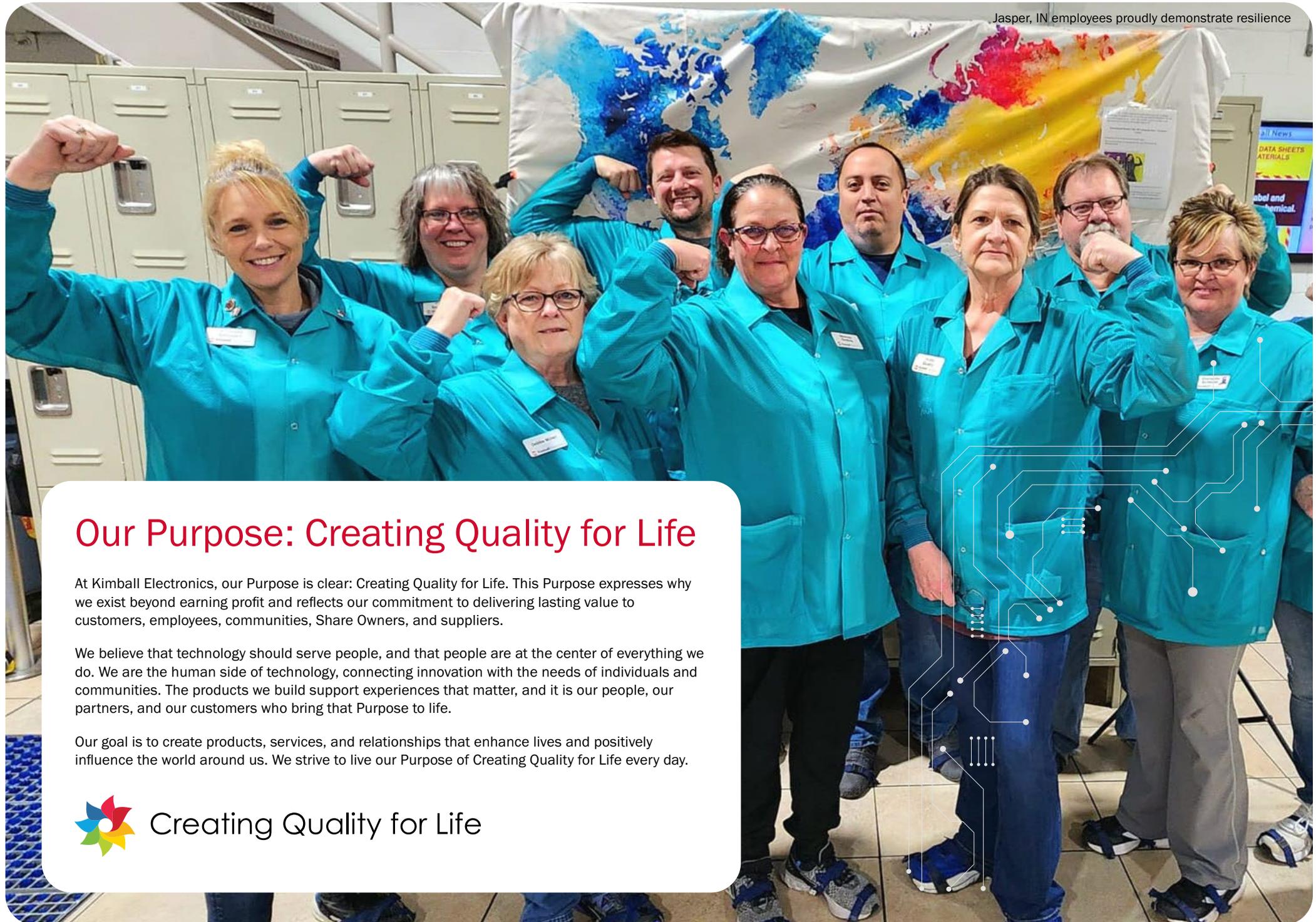**Kimball** Electronics

Jasper, IN employees proudly demonstrate resilience

Our Purpose: Creating Quality for Life

At Kimball Electronics, our Purpose is clear: Creating Quality for Life. This Purpose expresses why we exist beyond earning profit and reflects our commitment to delivering lasting value to customers, employees, communities, Share Owners, and suppliers.

We believe that technology should serve people, and that people are at the center of everything we do. We are the human side of technology, connecting innovation with the needs of individuals and communities. The products we build support experiences that matter, and it is our people, our partners, and our customers who bring that Purpose to life.

Our goal is to create products, services, and relationships that enhance lives and positively influence the world around us. We strive to live our Purpose of Creating Quality for Life every day.

Creating Quality for Life

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Welcome From Our CEO

Building Tomorrow, Together is more than a theme for this year's report. It is the way we lead. At Kimball Electronics, we approach every decision and every relationship through a people-first lens, with long-term aspirations and day-to-day discipline. In 2025 we reaffirmed our commitment to shaping a sustainable future alongside our stakeholders.

Our sustainability journey began in 1961 and has been guided by our enduring values and Guiding Principles: Customers, People, Citizenship, and Profits. This seventh edition of our annual sustainability report reflects continuous improvement in practice and transparency. It demonstrates how we integrate sustainability objectives across the enterprise and hold ourselves accountable to measurable progress. The past year reinforced a principle that guides execution: control what we can control. We kept our focus on the

elements that make a difference for people and the planet, and we did so with the consistency our stakeholders expect.

Sustainable development is about strengthening the foundations that allow long-term value to compound. For us, that starts with relationships. When customers choose Kimball Electronics year after year, it creates stability that improves forecasting and cash generation. That stability lets us invest in innovation that matters for our customers and communities, rather than chasing short-term fixes. It is why we focus on reliability, transparency, and values-driven service. Our teams strive for high reliability performance, what we often call "five 9s" reliability, meaning 99.999 percent. Critical applications deserve that level of consistency, and elevating reliability helps reduce waste and strengthens trust with our customers.

We continue to invest where it matters most for customers and communities. In our medical contract manufacturing work, we bring precision molding, complete device assembly, and cold chain under one roof, and that integration reduces waste, lowers logistics intensity, and strengthens traceability so quality and stewardship move forward together in regulated programs that improve patient outcomes and raise the bar for environmental stewardship and product quality. This approach reflects how we build long-term partnerships across our markets. Be a trusted partner. Deliver consistent excellence. Earn loyalty through shared progress.

I am proud of our teams for again earning the highest overall customer ratings across all seven categories in CIRCUITS ASSEMBLY's 2025 Service Excellence Awards for EMS providers with annual sales over 500 million

dollars. This recognition is based solely on direct customer input and confirms that reliability, responsiveness, technology, value for the price, flexibility, and overall satisfaction are strengths our customers depend on. Trust built this way is durable, and it is central to sustainability because it aligns what we do every day with what our customers value over the long term.

I invite you to explore this report as a reflection of our progress and our unwavering dedication to building a sustainable future for all, *Building Tomorrow, Together.*

Richard D. Phillips

Richard D. Phillips
Chief Executive Officer

2025

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Kimball Electronics

Who We Are

Kimball Electronics is a global manufacturing solutions provider serving the automotive, medical, and industrial markets. As a contract manufacturer, we build to our customers' designs and specifications, producing components, subassemblies, and device assemblies that integrate into our customers' products and support their brands in the market. We deliver a package of value that includes durable, high-reliability electronics, higher-level and final assemblies, and contract manufacturing organization ("CMO") solutions. Our expertise spans EMS and contract manufacturing for non-electronic components, including medical disposables and drug delivery devices. Our CMO solutions support the production of medical disposables and drug delivery devices, from precision molded plastics and cold chain management to drug integration. These capabilities enable us to deliver high-reliability intermediate products for critical applications such as medical devices, industrial controls, and safety-critical automotive systems.

We have a global workforce of approximately 5,500 employees, with about 1,000 based in the United States and approximately 4,500 across Europe, Asia, and Latin America. We offer our services globally on a contract basis and 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 operate under management systems certified to ISO 9001 and ISO 13485 for quality, ISO 14001 for environmental management, and ISO 45001 for occupational health & safety. Our information security management system is certified to ISO 27001 for our global operations. For a full list of certifications, visit www.kimballelectronics.com/certifications.

Our design and manufacturing expertise, coupled with robust processes and procedures, ensures that we deliver the highest levels of quality and reliability throughout the entire life cycle of our customers' products.

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.
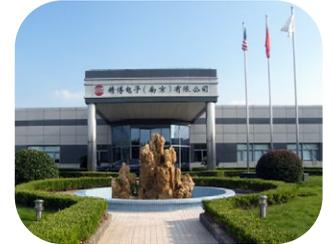

Jasper, Indiana
(World Headquarters)

Indianapolis, Indiana

Timişoara, Romania

Nanjing, China

Jasper, Indiana
(Manufacturing)

Poznan, Poland

Laem Chabang, Thailand

Reynosa, Mexico

Amsterdam, Netherlands

Kimball Electronics

Who We Are

Kimball Electronics operates eight manufacturing facilities strategically located across the globe following the closure of our Tampa, Florida facility in 2025. This decision was part of our ongoing optimization strategy to align capacity with market demand and strengthen our global footprint. Our current manufacturing locations include two facilities in Indiana, two in Mexico, and one in each of China, Poland, Romania, and Thailand.

In accordance with the Greenhouse Gas (GHG) Protocol, we have excluded Tampa metrics from our calendar year 2025 figures and our 2024 baseline figures to ensure consistency in our reporting. The GHG Protocol requires baseline emissions to be adjusted after divestitures to maintain comparability over time. This recalculation ensures an accurate representation of our emissions trends and provides 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 to align capacity with market demand and strengthen our global footprint.

To support consistency, collaboration, shared governance, and continuous improvement,

and shared governance across our global footprint, Kimball Electronics maintains a network of formal global councils covering areas such as Safety, Environmental and Facilities, Operational Excellence, Cybersecurity, Engineering, Quality, Supplier Quality, Materials, and Customer Interface. These councils bring together representatives from each facility and key functional areas to share best practices, improve process alignment, track performance, and provide structured feedback to senior leadership. By meeting regularly throughout the year, the councils help ensure that global standards are applied consistently, that risks and opportunities are identified early, and that stakeholder input is reflected in enterprise decisions.

Our environmental, social, and governance (ESG) ratings from respected independent rating agencies affirm our long-standing approach to responsible operations, transparent practices, and strong governance. They highlight the consistency with which we manage risk and support the confidence customers and shareowners place in us over the long term.

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
- Automated External Defibrillators
- Patient Monitoring

Industrial
- Climate Controls
- Automation Controls
- Public Safety
- Internet of Things & Factory Automation
- Efficient Energy
- Off Highway/Commercial Equipment

Automotive 46%*
Medical 29%*
Industrial 25%*

*Percentage of net sales

ESG Ratings

ESG Index	CDP Climate	CDP Water	CDP Supplier Engagement	EcoVadis	ISS Corporate	ISS SDG Impact	ISS Environmental QualityScore	ISS Governance QualityScore	ISS Social QualityScore	MSCI ESG	S&P Global CSA	Sustainalytics ESG Risk
Ratings as of Report Issuance Date	A-	A-	A	Gold	B-	Significant Positive Impact	Decile 1 (Lowest Risk)	Decile 1 (Lowest Risk)	Decile 1 (Lowest Risk)	AA	94th Percentile	Negligible Risk

Who We Are

Opportunities in Clean Tech

Clean technology is a core element of our business strategy and a driver of innovation and long-term value creation, aligning with global sustainability goals and our 2030 commitments. By integrating resource efficiency and electrification into our product portfolio, we help customers reduce environmental impact while improving performance. We actively advance clean tech through research and development, strategic partnerships, and product innovation, focusing on electrification, energy efficiency, and smart infrastructure solutions that support sustainability objectives.

We are targeting investment in energy-efficient building systems, climate control technologies, and electric vehicle infrastructure as part of our "green and clean" growth strategy, demonstrating our commitment to low-carbon solutions and global sustainability goals.

Resource Efficiency in Our Portfolio

A significant portion of our product portfolio delivers measurable resource efficiency benefits during use. 56 percent of our products, by net sales, supported cleaner, more efficient technologies across three primary areas:

Fuel Economy (37.64% of net sales): We manufacture resource-efficient automotive components that can be used in electric and hybrid vehicles, as well as in internal-combustion vehicles where they improve operating efficiency. These components help manage thermal loads, support electrified powertrains, enable precise motion control, and enhance safety performance. Examples include cooling fan controllers, door-opener regulators, data loggers, steering and braking electronic control units, engine-starter generators, and passive safety components such as hand-on-wheel and seat-belt sensors.

Power Management (16.51% of net sales): Our demand-side energy management technologies help reduce and shift energy use in commercial and industrial environments by optimizing thermal systems, motor efficiency, and equipment load. These solutions range from smart meters and industrial controls to HVAC controls, variable-speed motor and pump drive systems, and heat-pump electronics that enable more efficient climate and equipment operation.

Industrial Operations & Automation (1.90% of net sales): We support more efficient, digitally connected manufacturing through automation and control technologies that enhance throughput, reduce energy intensity, and enable data-driven decision-making. These capabilities include machine controls, robotics and automation modules, machine data-collection devices, variable-speed motor/pump drives, and climate-control automation systems that improve process performance.

HVAC Solutions Strengthening Our Clean Tech Impact

Our work in the HVAC space supports the growing demand for efficient, resilient, clean, and smart HVAC infrastructure by enhancing reliability and enabling our customers to deliver advanced systems that meet diverse power and cooling needs with lower environmental impact. Integrating these capabilities into our portfolio advances our clean tech strategy and reinforces our role in supporting sustainable infrastructure.

Tapanee Goyluen, Thailand

Kimball Electronics

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.

In 2025, these principles remain the cornerstone of our global operations and our sustainability strategy. They provide the framework for how we integrate environmental stewardship, social responsibility, and governance into our business model. By living these principles every day, we strengthen trust with stakeholders, foster innovation that supports resource efficiency, and create long-term value that aligns with our sustainability commitments and our Purpose of Creating Quality for Life.

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

**PEOPLE**

CITIZENSHIP

PROFITS

Kimball Electronics

Kimball Electronics

"We are proud to present our 2025 Guiding Principles Report, a reflection of the values that define us. Sustainability is integral to our Guiding Principles, shaping how we serve customers, support our people, and contribute to the communities where we live and work. It is a strategic approach to managing environmental and social priorities, strengthening transparency, and driving long-term business value. By embedding these commitments into how we operate, we build trust, enhance performance, and help our customers achieve their own sustainability goals."

SARA LEEMAN, COUNSEL AND DIRECTOR OF SUSTAINABILITY

Kasemsiri Sinsamoot, Thailand
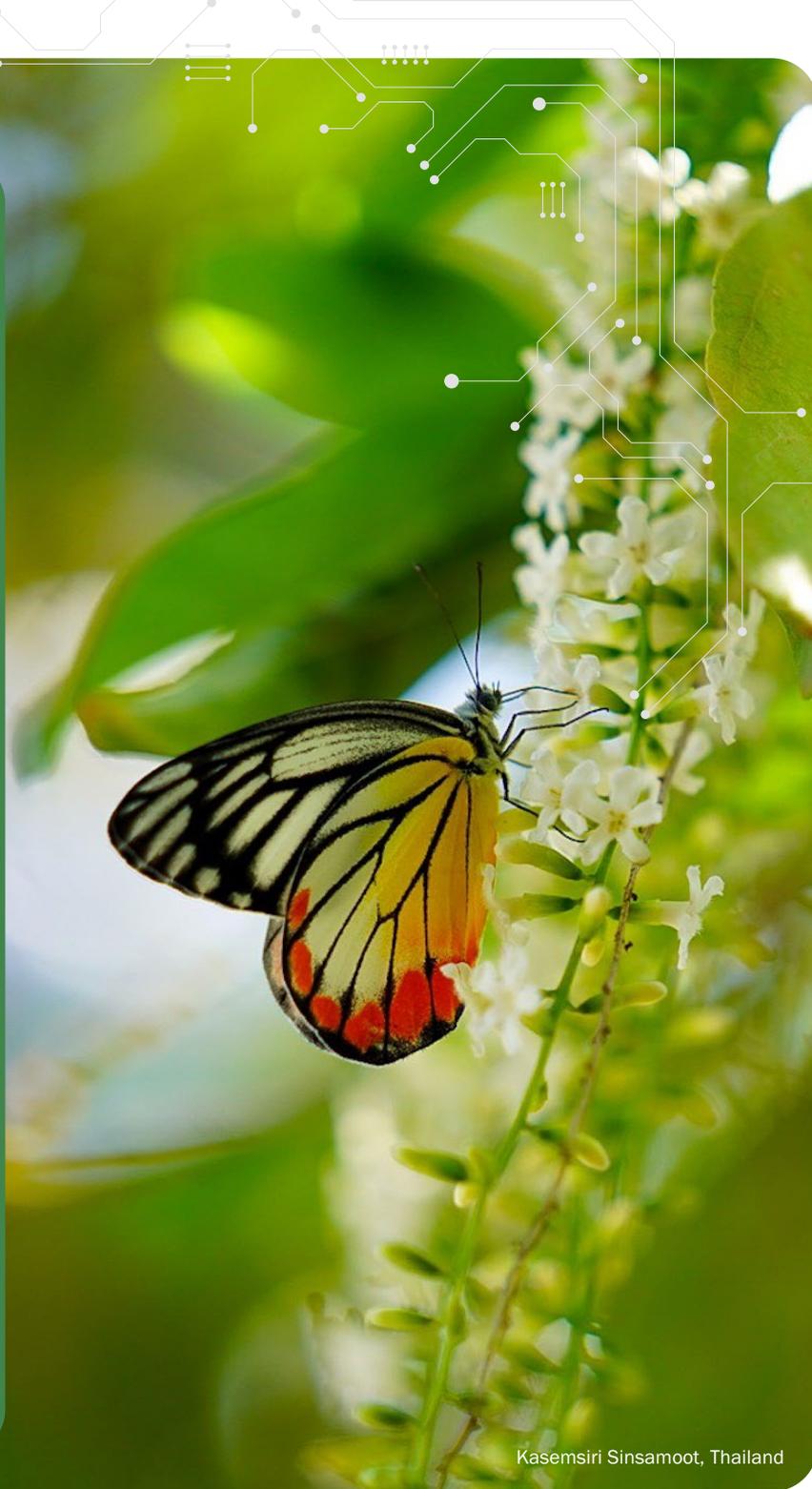
Our Sustainability Priorities

At Kimball Electronics, sustainability is woven into how we do business. Guided by our Purpose, Creating Quality for Life, and this year's theme, *Building Tomorrow, Together*, we steward the resources entrusted to us across our global footprint, from design through delivery.

We recognize our actions have real impacts on people and the planet. We strive to make those impacts positive by holding ourselves accountable, being transparent, and making decisions that reflect our responsibilities to communities, employees, customers, and the environment.

To keep our focus, we conduct an annual Double Materiality Assessment to identify what matters most to stakeholders and to our long-term success. This ensures sustainability remains embedded in our strategy and that we address the issues with the greatest impact and relevance.

Our Sustainability Policy provides the foundation. It applies enterprise-wide and integrates environmental, social, and governance principles into decision-making at every level, with oversight from our Board and its Nominating and ESG (NESG) Committee.

Last year we introduced 2030 targets for every material topic. These guide our work to reduce emissions, use resources more efficiently, advance diversity and inclusion, strengthen ethical business practices, and deepen community engagement. Sustainability is not separate from our business. It is how we build a better tomorrow for everyone.

Kimball® Electronics

Our Key Sustainability Matters Aligned to Our Guiding Principles

Our Guiding Principles have shaped Kimball Electronics since the beginning, defining how we serve customers, support our people, contribute to communities, and deliver sustainable profits. They are more than words; they are the foundation of our culture and the lens through which we approach sustainability.

This image illustrates how the material topics identified in our Double Materiality Assessment align with these principles. Climate Change and Responsible Sourcing connect directly to our commitment to customers, ensuring we meet evolving expectations for resilience and ethical supply chains. Health & Safety and Equal Treatment & Opportunities for All reflect our dedication to people, fostering a safe and inclusive workplace. Water Stewardship and Zero Waste underscore our responsibility as corporate citizens to protect and enhance the environment. Business Ethics and Cybersecurity represent our focus on governance and trust, essential for long-term profitability and stakeholder confidence. Our philanthropic Giving goals support our Company Purpose and are shaped by Profit performance.

By linking material topics to our Guiding Principles, we demonstrate that sustainability is not a separate initiative; it is embedded in the way we operate and in the values that guide every decision.

CUSTOMERS
- Climate Change
- Responsible Sourcing

PEOPLE
- Equal Treatment & Opportunities for All
- Health & Safety

CITIZENSHIP
- Zero Waste
- Water Stewardship

PROFITS
- Business Ethics & Cybersecurity
- Giving

Kimball Electronics

Double Materiality Assessment

Creating long-term value requires clarity on priorities. Our Double Materiality Assessment (DMA) provides that clarity by identifying sustainability topics significant to both stakeholders and our business. This formal, documented process is approved by senior management and the Board to ensure accountability.

The DMA follows ESRS and applies the principle of double materiality, considering both impact and financial materiality. This differs from the financial materiality standard under US securities laws used in our Annual Report.

Oversight is embedded in governance and integrated with Enterprise Risk Management (ERM) to deliver decision-useful, audit-ready results. ERM risk identification informs the DMA, which serves as our sustainability risk assessment.

The process is stakeholder-informed and repeatable, designed for transparency and credibility. It begins with a review of our products, business model, and value chain against ESRS topical standards. Each topic is evaluated through two lenses:

- **Impact materiality:** actual and potential impacts on people and the environment
- **Financial materiality:** risks and opportunities that could affect financial performance, position, or access to capital over short, medium, and long-term horizons

For each topic, we define boundaries across our operations and value chain, including upstream suppliers, logistics, and downstream product use, and consider geographic sensitivities such as water stress or compliance readiness. Impact materiality is assessed using ESRS severity criteria (scale, scope, and irremediability) along with likelihood. Financial materiality is evaluated through pathways such as regulatory change, market dynamics, resource pricing, technology transition, and climate impacts.

We apply a three-tier threshold (High, Medium, Low) uniformly to both dimensions. High ratings indicate significant impacts or financial effects that require rigorous management, targets, and disclosure. Medium ratings reflect moderate significance managed proportionately, while Low ratings are monitored for change. These thresholds are calibrated using ERM insights, benchmarking, internal performance data, and regulatory and customer expectations.

Our evaluation is grounded in inputs drawn from multiple sources, including ESG rating methodologies, global risk indices, strategic customer requirements, supplier capability signals, and internal data on environmental aspects and workforce engagement. Stakeholder engagement is central to the process, with additional input gathered through surveys, workshops, and dialogue. Feedback informs topic selection, boundary setting, and prioritization, and is mapped to ERM risks for enterprise-level oversight.

Hans Xiong, China

Kimball Electronics

Double Materiality Assessment

2025 High Priority Topics

Topics rated High under at least one materiality lens represent the Company's highest-priority sustainability matters for governance and management attention. These topics require enhanced oversight, defined actions, and, where applicable, targets to ensure resilience and stakeholder trust.

Based on the Double Materiality Assessment, these high-priority topics include Climate Change and Energy, Water Stewardship, Occupational Health and Safety, Diversity, Equity and Inclusion, Responsible Sourcing, Business Ethics and Compliance, and Cybersecurity and Data Privacy.

Certain additional topics are assessed as material under ESRS due to customer, regulatory, or value-chain risk considerations, even where impact or financial severity is more bounded. These topics are disclosed at ESRS depth to reflect management intent and future reporting requirements.

ESRS Topic	Financial Materiality	Impact Materiality
Cybersecurity & Data Privacy	High	High
Business Ethics & Compliance	High	High
Occupational Health & Safety	High	High
Responsible Sourcing	High	High
Climate Change & Energy	High	High
Diversity, Equity & Inclusion	Medium	High
Water Stewardship	Medium	High
Community Engagement & Giving	Low	Medium
Hazardous Substances	0	0
Consumers & End-Users	0	0
Resource Use & Circular Economy	0	0
Biodiversity & Ecosystems	0	0
Pollution	0	0

High   Medium   Low   0   Low   Medium   High

Materiality under ESRS considers not only assessed impact and financial severity, but also regulatory requirements, customer expectations, and value-chain risk exposure. Topics with bounded severity may still be treated as material where disclosure is required to meet ESRS obligations or stakeholder information needs.

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About Us

Our Sustainability Priorities

  Our Key Sustainability Matters

  Double Materiality Assessment

Corporate Governance

Customer

People
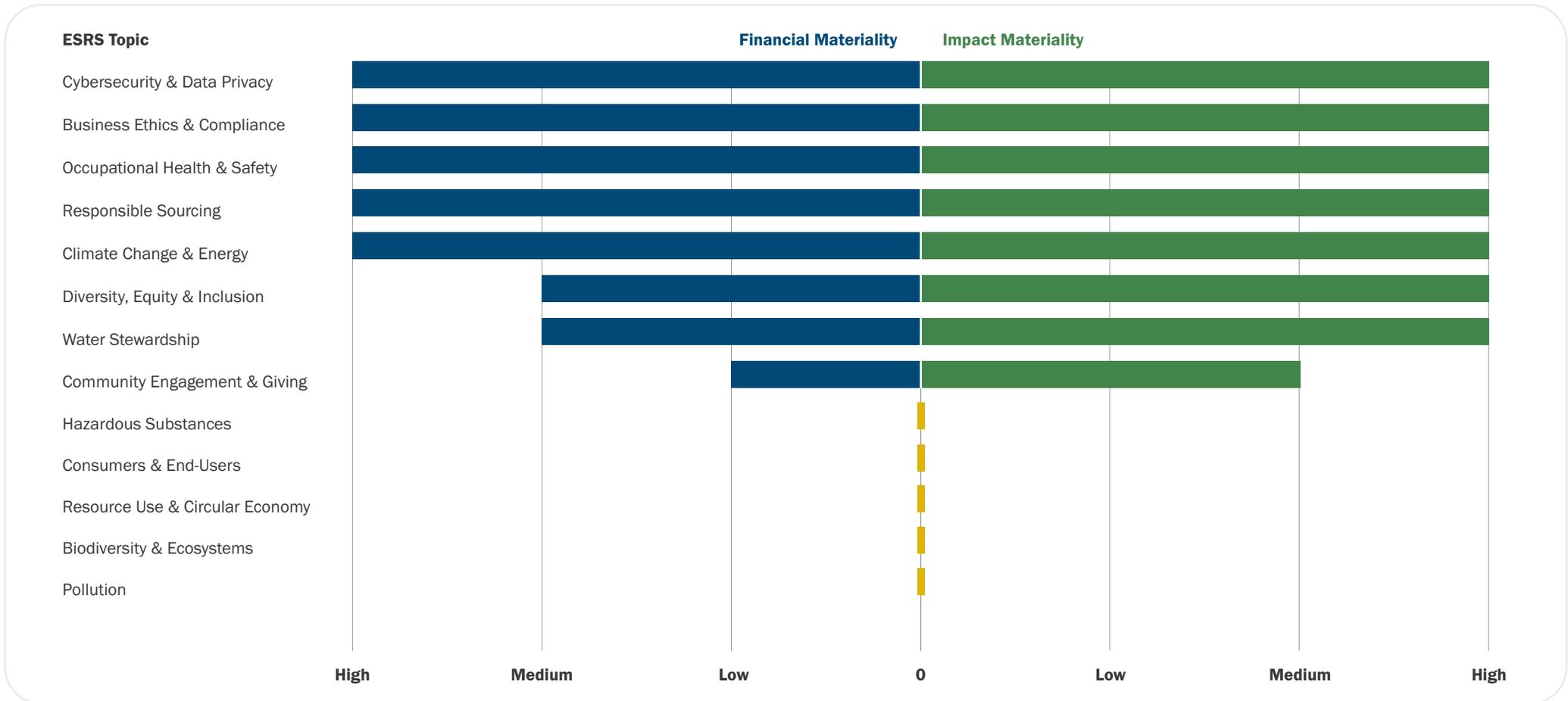
Citizenship

Profits

Appendices

Double Materiality Assessment

The table below summarizes the sustainability topics identified as material through our DMA and how each topic is managed. For each material topic, we outline the applicable value chain boundary, our assessment of impact and risk appetite, the rationale for materiality, and the associated targets and measures used to monitor progress. Together, these elements demonstrate how material sustainability risks and opportunities are integrated into our business strategy, governance, and performance management.

Topic	Boundary	Impact & Risk Appetite	Rationale	Metrics and Targets
E1 Climate & Energy	Own operations; upstream; downstream use	Likely; High	Climate transition affects resilience, customers, and cost of capital	2030 SBT: −42% Scope 1 and 2; Scope 3 supplier engagement; 100% renewable electricity. Net zero by 2050. Scope 1–3 GHG; percent renewable electricity; energy intensity; supplier targets
E3 Water	Own operations; high-risk sites; upstream	Likely; Medium–High at stressed sites	Water stress creates localized operational and community risk	Recycle 1/3 of water by 2030. Withdrawals; consumption; reuse; high-stress sites
S2 Responsible Sourcing	Own operations; high-risk sites; upstream	Likely; High (supplier compliance risk)	Supplier practices affect continuity, compliance, and risk	Sustainable sourcing program by 2030. Tier-1 assessments; Supplier Code; RBA VAP; conflict minerals
S1 OHS	Own global workforce	High (human impact)	Safety has direct human and operational impacts	TRIR below industry average. TRIR; LTIR; severity; near-misses; training; audits
S1 DEI	Own workforce; pay transparency readiness	High (engagement/retention)	Equity supports engagement, retention, and compliance	2030 target: equal treatment and opportunity for all employees. Equal pay assessment; training tracking; ERG participation
G1 Ethics & Compliance	Own operations; suppliers	Medium–High; High	Integrity underpins trust, access, and compliance	2030 targets: link short- and long-term executive compensation to sustainability performance; maintain top-tier ESG rater rankings. Executive compensation linkage; ESG ratings
G1 Cybersecurity & Data Privacy	Own ops; hosted IT; vendors; customer data	Medium; High	Digital resilience is critical to continuity and trust	ISO-aligned security program. Network and system availability; phishing resilience; endpoint health; incident response
S3 Community	Communities where we operate and live	Low–Medium; Medium	Community investment supports social license and engagement	1% of adjusted net income annually. Giving categories; volunteering; outcomes

Double Materiality Assessment

Topics Assessed as Not Material

Several ESRS topical areas were assessed as not material for our profile as an intermediate manufacturer, including Biodiversity and Ecosystems, Consumers and End-Users, Hazardous Substances, and Product Quality and Safety. These conclusions reflect limited permitting exposure, lack of a significant biodiversity footprint, and the nature of customer-driven decisions related to product design, material selection, circularity, and end-of-life programs. Consumer-level impacts and stewardship responsibilities primarily reside with brand owners and OEMs, and our direct operational risk in these areas remains below ESRS materiality thresholds.

Certain topics, including Pollution and Resource Use and Circular Economy, are characterized by bounded operational impacts but are disclosed at ESRS depth due to customer requirements, regulatory expectations, and value-chain risk considerations. For these topics, the Company has established policies, management controls, and, where applicable, targets to support transparent reporting and future ESRS-aligned metrics.

For transparency, boundaries and rationales are documented for all topics assessed through the DMA, and non-material topics continue to be monitored for changes that could warrant future reassessment, with linkage to enterprise risk management where relevant.

Risk Identification and Mitigation Framework

Our approach to risk management is embedded in our ERM system and prepared in alignment with ESRS. The framework ensures that sustainability and financial risks are identified, assessed, and mitigated systematically across global operations and the value chain.

We operate a continuous four-phase ERM cycle: risk program development, risk assessment and prioritization, risk response, and risk validation and monitoring. Assessments cover operational, strategic, compliance, and reporting risks across upstream suppliers, logistics, and downstream product use. Geographic sensitivities such as water stress and regulatory readiness are factored into evaluations.

Risks are assessed at least annually as part of the DMA and ERM reviews. Emerging risks trigger interim assessments to maintain relevance and responsiveness. Findings are documented and subject to third-party assurance for accuracy and transparency.

Results from this process inform management decisions and strategic planning. Oversight responsibilities and committee roles are described in the Corporate Governance section.

For detailed disclosures on enterprise-wide risk management, including cybersecurity, climate, and operational risks, refer to the Risk Factors section of our 2025 Annual Report. Note that the materiality concept applied in our DMA under ESRS differs from the financial materiality standard used in US securities law. The Risk Factors section addresses financial material risks as defined by US regulations, while this Report reflects both impact and financial materiality in line with ESRS.

Emerging Risks and Mitigation Strategies

In 2025, we identified three key emerging risks with corresponding mitigation actions:

1. Climate Transition and Physical Risks

Risk: Regulatory changes and extreme weather events impacting operations and supply chain

Mitigation: Scenario analysis, ISO 14001-certified systems, renewable energy investments, and insurance coverage for high-impact events

2. Cybersecurity Threats

Risk: Increasing complexity of global IT systems and data privacy requirements

Mitigation: ISO 27001-certified Information Security Management System, managed security services, penetration testing, and Board-level oversight

3. Supply Chain Disruptions and Regulatory Compliance

Risk: Conflict minerals, geopolitical instability, and evolving sustainability regulations

Mitigation: Supply chain assessments under RBA and RMI standards, corrective action programs, and proactive compliance with ESRS frameworks

Lance Lucas, US

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Kimball Electronics

Corporate Governance

"Strong governance is how we translate our Guiding Principles into decisions and results. Supported by an independent Board, clear oversight roles, and fully independent committees overseeing risk, ethics, and ESG, we embed transparency and accountability into our daily operations. Our commitment is straightforward: align strategy with our values, test ourselves through scheduled evaluations and measurable goals, and communicate openly so stakeholders can see how we steward Kimball Electronics for the long term."

DOUG HASS, CHIEF LEGAL & ADMINISTRATIVE OFFICER, SECRETARY

Ana Gonzalez, Mexico

Corporate Governance

Board Structure and Independence

Strong governance is the foundation of Kimball Electronics' long-term success. The collective stewardship of our Board of Directors, executive management, and employees grounds our governance structure and embodies our Guiding Principles. We operate with a clear separation of roles between our independent Chairperson and Chief Executive Officer. Our eight-member Board includes seven independent Directors under Nasdaq standards (88 percent independence).

Our Corporate Governance Principles guide our governance practices, outlining the Board's responsibilities, independence standards, and committee structures. We publicly disclose and review our independence criteria, governance guidelines, and committee charters each year. Our annual Proxy Statement also presents detailed metrics, including independence percentages, diversity, tenure, skills, stock ownership guidelines, and voting policies.

Our Board conducts annual evaluations of its own performance and that of our CEO, engaging third-party evaluators as appropriate. Attendance is a critical component of performance, and we expect all Directors to participate fully in Board and committee meetings, as well as the annual meeting.

The Board reviews management succession and retention plans annually and oversees related risks. Directors and executive officers collaborate to ensure continuity of leadership and culture. This includes establishing selection criteria aligned with business strategy, identifying and developing internal candidates, and making key succession decisions.

The Board reviews executive compensation annually, often with input from an independent consultant, to ensure competitiveness and alignment with long-term strategic goals. Incentive-based compensation ties a significant portion of executive and salaried employee pay to financial and operational performance. Details, including the CEO pay ratio and methodology, are disclosed in our annual Proxy Statement.

Kimball Electronics maintains a single class of shares, each entitled to one vote. There are no multiple voting rights, enhanced voting rights, or non-voting shares. We apply a majority voting standard for Directors in uncontested elections and require a simple majority to amend By-Laws. Share Owner approval is required for material changes to equity capital structure, and we uphold a confidential voting policy. Our Proxy Statement confirms that there is no poison pill in effect, and no supermajority requirements for mergers or charter amendments. Proxy access provisions, voting rights, and participation options, including electronic voting and live annual meeting access, are also detailed in the Proxy.

To uphold strong governance, the Board delegates responsibilities to its fully independent committees. Each committee has a defined scope to address key priorities:

- **Audit Committee**

  Provides oversight of financial reporting, internal controls, and enterprise risk management. This includes cybersecurity- and AI-related risks and opportunities, as well as the selection and independence of external auditors. Oversees the internal audit function, including performance, responsibilities, budget, staffing, and key decisions related to the director of internal audit, to ensure independence from day-to-day operations.

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

  Composed entirely of independent Directors, oversees environmental, social, and governance priorities (including climate strategy and stakeholder engagement), manages ESG-related disclosures (including this annual report), identifies qualified Board and committee candidates, and advises on sustainability impacts, risks, opportunities, and progress toward goals and initiatives.

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

  Oversees human capital management, succession planning, and compensation programs; ensures pay-for-performance alignment and market-driven incentive design for the CEO and executive officers; and assists the Board with sustainability matters related to talent and culture, including pay equity, diversity, inclusion, belonging, retention, employee health and safety, leadership development, and alignment with our Guiding Principles.

For complete information on governance practices, including voting standards, proxy access thresholds, succession planning, compensation methodology, and shareholder rights, please refer to our Investor Relations website.
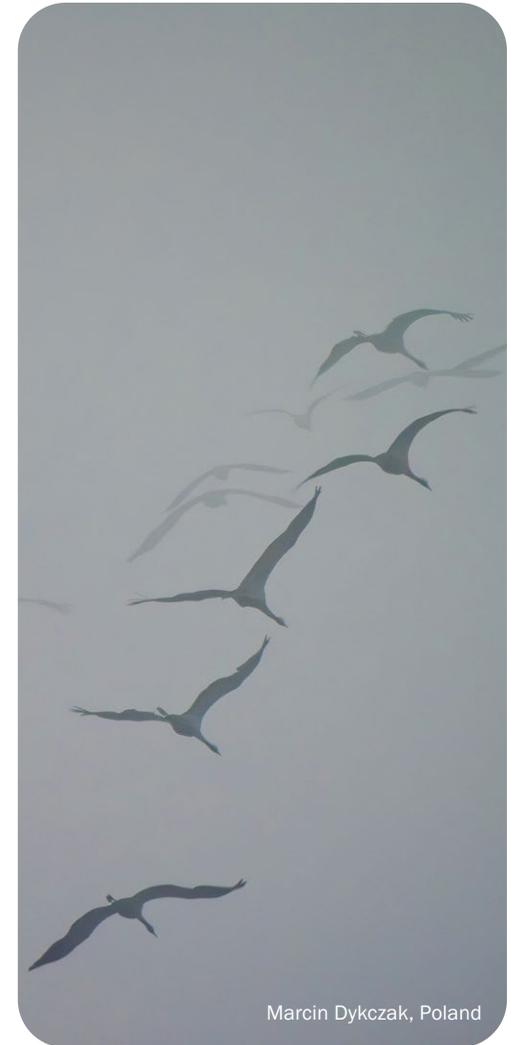
Marcin Dykczak, Poland

Corporate Governance

Oversight of Sustainability Risks, Opportunities, and Due Diligence

Our governance framework ensures that sustainability impacts, risks, and opportunities are identified, assessed, and integrated into corporate strategy. Share Owners elect the Board of Directors to oversee management and safeguard long-term interests. Management runs the day-to-day risk processes, and the Board holds ultimate responsibility for risk oversight, governance effectiveness, and alignment with our Guiding Principles. The Board's role in sustainable development and ESG matters is defined in our Corporate Governance Guidelines.

Through its committees, the Board provides oversight, counsel, and strategic guidance on long-term risks, opportunities, and stakeholder feedback. The NESG Committee focuses on sustainability strategy and disclosures; the Audit Committee on enterprise risk management, including AI and cybersecurity; and the TCC Committee on talent- and culture-related sustainability matters.

Management provides regular briefings on emerging and high-priority risks. Key ERM insights, including significant risks and mitigation updates, are shared quarterly with the Audit, NESG, and TCC Committees, and the full Board receives updates through committee reports.

To foster a strong risk culture, we provide annual mandatory risk management education for leaders and employees. Risk and compliance professionals from our internal Audit Management Services team lead our ERM work.

As noted above, the Audit Committee oversees the internal audit function to ensure independence from day-to-day operations. In addition to internal oversight, our independent registered public accounting firm conducts an external audit that includes an assessment of internal controls over financial reporting, covering fraud prevention and compliance.

Management Responsibilities and Reporting

Our leadership and functional teams lead the implementation of our sustainability policies and initiatives, with our Global Councils providing cross-site alignment and structured feedback to leadership.

Human Rights and Supply Chain Transparency

The Executive Leadership, Human Resources, Legal, and Global Procurement teams manage and carry out our Human Rights and Supply Chain Transparency Policy. Our Supplier Quality Council, Materials Council, and Quality Council, each of which consists of stakeholders from across our global business functions and sites, support implementation by coordinating supplier expectations, conducting due diligence, monitoring performance, developing remediation plans, and channeling facility and category feedback to functional owners.

Safety, Environmental, and Facilities (SEF)

Our SEF Policy is overseen by Chris Whann, SEF Director, who reports to our Chief Legal and Administrative Officer. The SEF Council, comprised of our global SEF Managers, supports day-to-day execution by harmonizing procedures, sharing incident learnings, aligning compliance and certification approaches, and maintaining common metrics for safety, environmental management, and climate-related topics across sites.

Diversity, Equity, Inclusion, and Belonging (DEIB)

CEO Ric Phillips and Chief Human Resources Officer Jessica DeLorenzo, together with global leadership and HR teams, implement our DEIB Policy. Global Councils provide channels for site-level input and change management that support HR programs, while HR leads maintain ownership of DEIB goals, training, and outcomes.

Cybersecurity and Information Risk

Our Chief Legal and Administrative Officer, Doug Hass, who reports to our CEO, manages cybersecurity operations and risk management with our cybersecurity, network infrastructure, and IT operations security teams. The Digital Council complements this work by promoting consistent technology standards, change controls, and user practices across sites, and by surfacing operational risks for remediation.

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 informed of progress toward 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.

Kasemsiri Sinsamoot, Thailand

Corporate Governance

Stakeholder Representation and Board Diversity

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 electronics, 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, a non-profit focused on accelerating gender balance and diversity on corporate boards, for having a Board comprised of having at least 20 percent women by 2020. Currently, 38 percent of our Directors, or three out of eight, are women. Our Directors bring diverse viewpoints, personal backgrounds, professional experiences, education, and skills to us, creating a well-balanced and effective Board.

We require that 100 percent of the candidate slates for our Board include candidates from underrepresented groups in the technology and manufacturing industries, including women, Black, Latino/Latina, 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

Kimball Electronics integrates sustainability into business strategy and executive compensation. For fiscal year 2025, the Talent, Culture, and Compensation (TCC) Committee established an ESG Performance Scorecard that modifies the Short-Term Incentive Plan for executive officers.

The scorecard evaluates our adherence to our Guiding Principles, information security, climate performance against our science-based 1.5°C-aligned greenhouse gas targets and other environmental and social progress, and the quality of sustainability disclosures, assessed using benchmarks such as the ISS Governance QualityScore and the S&P Global Corporate Sustainability Assessment.

Consistent with this approach, for fiscal year 2025 we measured our performance against the ESG Performance Scorecard composed of quantitative environmental, social, and governance factors. The Scorecard incorporates the quality of sustainability disclosures (including as reflected by ISS's Governance QualityScore), our Guiding Principles and Net Promoter scores, and the S&P Global Corporate Sustainability Assessment. Performance against this ESG Performance Scorecard acted as a multiplier that could have increased or decreased the multiplier for our Named Executive Officers' annual cash incentive by -5 percent to +5 percent, on a sliding scale: a performance below 12 points would have resulted in a -5 percent multiplier; a threshold performance of 12 points would have resulted in no multiplier; a target performance of 15 points would have earned a 3 percent multiplier; and a maximum of 20+ points would have earned a 5 percent multiplier. For fiscal year 2025, we achieved an Above Threshold multiplier of 2 percent.

Disdanai Boonsatit, Thailand

Kimball Electronics

2025

Guiding Principles Report

Customers

Kimball Electronics builds lasting, global partnerships by delivering innovative, high-quality solutions with reliability and responsiveness. Every interaction reflects trust, respect, and operational excellence, making us a company our customers value and enjoy working with.

Through our Double Materiality Assessment, we identified Climate Change and Responsible Sourcing as material topics under our Customers Guiding Principles. Addressing these priorities strengthens resilience and ethical supply chains, aligning our sustainability commitments with those of our customers. This alignment not only builds trust and reinforces shared values but also positions Kimball Electronics for future innovation and long-term success.

"Sustainability is not separate from how we serve our customers—it is integral. Our ability to meet their expectations for ethical and responsible practices strengthens trust and ensures that our partnerships create value for both sides."

KATHY THOMSON, CHIEF COMMERCIAL OFFICER

Kimball Electronics

2025

Guiding Principles Report

![Kimball Electronics logo]

Customers

Lasting Relationships

Our culture of excellence is rooted in our Customer Guiding Principle that states in part that "Our Customer is our Business." We offer services on a contract basis and manufacture products to customer specifications, so meeting unique needs and expectations remains a top priority.

Enduring Customer Partnerships

We maintain a customer portfolio characterized by long-standing partnerships, with a majority exceeding ten years. In fiscal year 2025, approximately 90% of our sales came from customers whose relationships with us exceed five years, and more than 75% came from customers of more than ten years. Longevity reflects consistent performance, trust, and alignment with customer needs over time, and provides a strong foundation for collaboration, resilience, and long-term value creation.

Customer Satisfaction Measurement

At Kimball Electronics, we believe the most meaningful measure of our performance is the direct feedback provided by our customers through their own scorecards.

In 2025, 97 percent of our customers provided us with a formal scorecard, giving us a broad, consistent, and highly representative view of our performance. We typically receive these scorecards on a monthly basis and they provide timely insight across key dimensions such as on-time delivery, quality, and cost. This frequent and consistent feedback allows us to quickly integrate customer input and take proactive action.

We review scorecard results through a robust, structured monthly operating process that engages operations teams, business leadership, and company leadership. This cadence enables us to identify trends, address performance gaps, and drive continuous improvement aligned with customer expectations.

We aspire to achieve 100 percent green scorecards across our customer base. At the same time, we recognize the complexity and rigor of customer scorecard methodologies, which often include highly demanding targets, weighted metrics, subjective elements, and rolling multi-month averages. Given these factors, and based on statistical experience across complex contract manufacturing environments, we understand that sustaining green ratings with approximately 80 percent of customers represents a realistic and strong level of performance, even for best-in-class suppliers. This perspective reinforces, not diminishes, our commitment to continuous improvement and to raising our performance wherever opportunities exist.

This chart summarizes our current customer scorecard results. We achieved the highest possible ratings with 83 percent of our customers, an especially strong outcome given the demanding markets we serve.

Green scorecards indicate that we met customer expectations across all measured categories. We are also encouraged that only a small number of scorecards are rated yellow, reflecting achievement of minimum requirements and progress toward full compliance with customer standards. Yellow and red scorecards represent clear opportunities for improvement, and we remain fully committed to strengthening our performance and customer satisfaction across all areas.
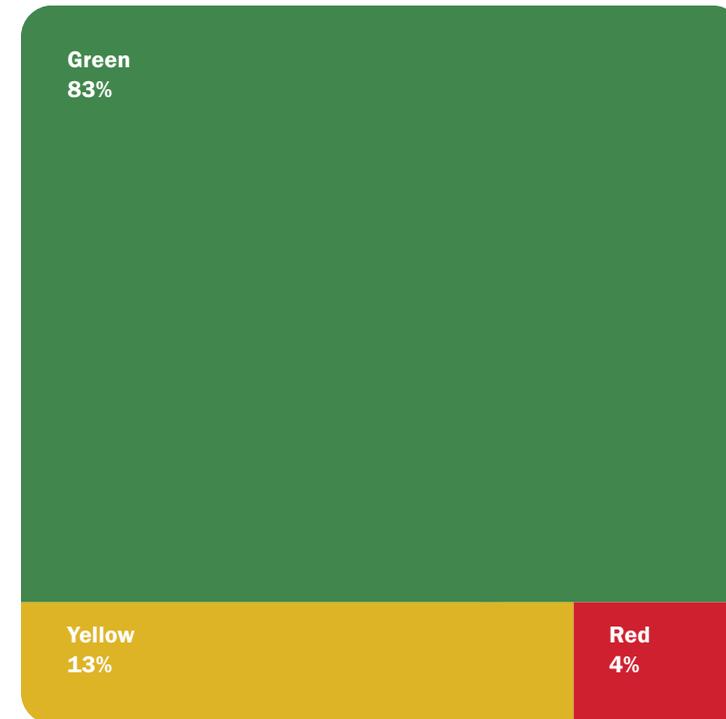
Green 83%

Yellow 13%

Red 4%

Customers

Customer Sustainability Ratings

We track sustainability ratings provided by customers and review them with our Board's NESG Committee each quarter. In 2025, every rating confirmed that we met or exceeded customer expectations for sustainability performance. These ratings are a critical measure of trust and alignment, influencing long-term relationships and business opportunities.

Recognition and Awards

Our commitment to excellence was recognized again this year through industry accolades and customer awards, reinforcing trust and loyalty.

Kimball Electronics was awarded the 2025 Sustainability Award by ZF Lifetec during Supplier Day in China, recognizing their strong alignment with a long standing customer deeply committed to responsible growth.

Tom Ferris, VP, Medical Solutions (left) accepts CIRCUITS ASSEMBLY accolades on behalf of our company.

Centered on Customers, Recognized for Excellence

Kimball Electronics received the highest customer ratings across seven categories in the 2025 CIRCUITS ASSEMBLY Service Excellence Awards for EMS providers over 500 million dollars in revenue. The recognition reflects exceptional performance in dependability, timely delivery, manufacturing quality, responsiveness, technology, value for the price, flexibility and overall satisfaction.

This achievement demonstrates how operational excellence and customer focus strengthen long-term partnerships and reinforce the trust our customers place in our global teams. With twelve consecutive years of Service Excellence recognition, we continue to deliver reliable, high quality solutions that help customers meet their goals and advance shared success.

Kimball Electronics

Climate Change

	Scope 1+2 GHG Emissions	Scope 3 GHG Emissions	Renewable Electricity
2030 Target	42% emission reduction	Engage suppliers to lower emissions	Achieve 100% renewable electricity
2050 Target	Net Zero Emissions		
2024 Baseline	29,016 mt CO$_2$e	130,819 mt CO$_2$e	25%
2025 Performance	9.27% Reduction	Supplier SBT baseline in progress	37%, a 12% YoY increase due to onsite solar & vendor mix improvements

Ella Fu, China

Strategy

Climate change is one of the most significant challenges shaping the future of our industry and our customers' sustainability priorities. At Kimball Electronics, we view climate action not only as an environmental responsibility but as a foundation for strong, enduring partnerships. By reducing our own emissions and strengthening climate resilience, we help customers achieve their Scope 3 goals and meet global standards for responsible supply chains, building trust and shared progress for the long term.

Our approach is grounded in science-based targets and transparent reporting, ensuring that customers can rely on verified data when evaluating their partners. Through energy efficiency, renewable electricity adoption, and supplier engagement, we are creating a low carbon value chain that reflects our commitment to collaboration and mutual success.

Helping customers meet their sustainability goals is central to *Building Tomorrow, Together*. By reducing our own emissions, we lower our customers' Scope 3 footprint and align with their climate priorities.

We maintain a corporate level GHG inventory in accordance with the GHG Protocol, covering Scopes 1 and 2 updated monthly and relevant Scope 3 categories assessed annually. Scope 1 and 2 metrics are reviewed monthly to ensure operational understanding, track progress toward targets, and maintain control over a material environmental aspect.

We have been a respondent to the Carbon Disclosure Project's (CDP) Climate Change Questionnaire since 2012, and our most recent submission is publicly accessible. In 2025, we achieved an A- score in CDP Climate Change, placing us at the Leadership level. To provide customers with transparent, internationally recognized data, we engage KERAMIDA for limited assurance verification under ISO 14064-3, ensuring external assurance for climate related disclosures. Additionally, we can provide GHG emissions data at the product level upon request, in accordance with GHG accounting standards, to support customers' Scope 3 reporting and sustainability assessments. This capability reflects our Customer Guiding Principles by enabling partners to meet their climate goals with confidence and precision.

Science-Based Targets

Our 2030 target is science-based because it aligns with the latest climate science and meets ESRS expectations for the 1.5°C trajectory, as well as SBTi criteria, even though it is not formally validated by SBTi. We are committed to reducing absolute Scope 1 and 2 emissions by 42 percent from our 2024 baseline and actively engaging suppliers to reduce Scope 3 emissions, supporting our long-term goal of net zero by 2050.

2030 1.5°C Science-Based Target

2025

Climate Change

This cross-functional team in China went above and beyond to strengthen relationships in the automotive market.

Separate Methods & Goals for Scopes 1 and 2

Scope 2 reductions will drive the majority of the combined 42 percent reduction, while Scope 1 improvements demonstrate commitment and transparency.

Progress and Key Actions

From 2019 to 2024, we reduced combined Scope 1 and 2 emissions by 42 percent. In 2025, we further reduced emissions against our 2024 baseline through expanded on-site solar generation in Mexico and Thailand, increased renewable energy credit procurement to achieve 100 percent renewable electricity in China, and the implementation of targeted energy efficiency projects.

Scope	2024 Baseline	Share of Total	Method	Directional Goal
Scope 1	2,115 mt CO_2e	7%	Continuous improvement in fuel efficiency, managed as a key environmental aspect under ISO 14001, ensuring regular assessment and control at all certified locations	Continuous reduction
Scope 2	26,901 mt CO_2e	93%	Transition to 100% renewable electricity (onsite solar + green power agreements)	>90% reduction by 2030

Lowering Emissions through Energy Efficiency

At our Thailand facility, an energy efficiency initiative on the Surface Mount Technology (SMT) production line is reducing electricity use and the related greenhouse gas emissions while also lowering operating costs. Building on these results, we are extending the approach to additional lines and piloting AI-enabled real-time energy management and predictive maintenance to further improve performance over the long term.

Process Upgrades Cut Energy Use and Boost Responsiveness

A cross functional team at our Nanjing, China facility completed targeted process upgrades for a major automotive customer. The work combined technical renovations to soldering and coating lines with the installation of new Automated Optical Inspection equipment. These improvements reduced energy consumption and strengthened our ability to respond quickly to changing product requirements and customer demand. The outcome advances our climate strategy by aligning operational efficiency with emissions reduction and customer service.

Thailand Facility Engineer Tossakorn Klaychery on an SMT line.

Kimball Electronics

Climate Change

Scenario Analysis and Strategic Resilience

We test our climate strategy against a range of possible futures so we can plan for both policy change and physical weather impacts. We assess near term (1 to 3 years), medium term (3 to 10 years), and long term (10 to 30 years).

We look at two lenses. The first lens assumes a faster global shift to clean energy that limits warming to 1.5°C to 2°C, which raises transition issues such as the need for more renewable electricity. The second lens assumes a slower transition, which increases physical risks like heat, flooding, and drought in some places where we operate.

What we learn keeps our focus on energy efficiency and renewable electricity, with attention to higher-exposure sites. These priorities strengthen business continuity and sourcing. Site-level results highlight higher exposure to water and heat stress in Laem Chabang, Thailand, flood risk in Reynosa, Mexico, and water-stressed conditions in Poznań, Poland.

For the scenario names, assumptions, methods, and results, see our 2025 CDP disclosure.

Financial Risks & Opportunities

We estimate potential financial effects from climate risks in the range of 1 to 10 million dollars over the next decade. In faster transition scenarios, the main pressures are compliance and reporting costs and retrofit or procurement costs to meet decarbonization requirements.

In slower transition scenarios, physical risks such as heat, flooding, and drought are more relevant in some regions, especially Thailand. At the same time, we see opportunities to lower energy costs and improve operational stability through energy efficiency and renewable electricity.

Mitigation & Adaptation

Our mitigation priorities are to reach 100 percent renewable electricity by 2030, improve energy efficiency across sites, and engage suppliers in relevant Scope 3 categories. We plan to meet the renewable electricity target through on-site solar where feasible and contracts or Renewable Energy Certificates (RECs) where appropriate. No offsets are included in our plan.

Our adaptation work covers all current operations and focuses on resilience and risk reduction. Examples include prioritizing water-stressed sites such as Poznań, Poland, and regions exposed to flooding such as Reynosa, Mexico. The closure of our Tampa, Florida operation reduced exposure to hurricane and flooding risks. We use WRI Aqueduct and the WWF Water Risk Filter to identify water-stressed basins and prioritize site-level action.

Supporting Local Flood Victims

Flooding affects not only operations but also the communities where we live and work. When severe floods hit the Reynosa area, our Mexico teams focused on immediate community relief through our Giving program, funding 400 mattresses for affected households, including employee homes, and contributing nearly 100 volunteer hours to clean and restore a flood-damaged transitional home that serves vulnerable people. This response reflects how our climate strategy recognizes and supports community resilience where climate impacts are already being felt.

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Climate Change

Risk Management

Climate-related risks and opportunities are handled within our enterprise risk management. We use short, medium, and longtime horizons (1–3, 3–10, and 10–30 years) and consider likelihood, financial impact, and strategic relevance when assessing risk.

- Scenario analysis helps inform planning for facilities, continuity, and energy sourcing.
- ISO 14001 systems support ongoing controls for energy and GHG emissions.
- Site-specific tools such as World Resources Institute (WRI) Aqueduct and the World Wildlife Fund (WWF) Water Risk Filter guide location-based prioritization.
- Supplier engagement focuses on high-impact and strategic suppliers for performance, Scope 3 transparency, and corrective actions.

For our risk-management procedure option, monitoring frequency, and supplier coverage and due-diligence results, see our 2025 CDP disclosure.

Przemysław Kowalski, Poland

Climate Metrics

	Restated 2024 Metric Tons CO_2e	2025 Emissions Metric Tons CO_2e	Intensity Metric Tons CO_2e per Million Net Revenue
Total GHG Emissions (market-based Scope 2)	**159,835**	**150,263**	**105.67**
Scope 1	**2,115**	**2,259**	**1.59**
Scope 2 (market-based)	**26,901**	**24,069**	**16.93**
Scope 2 (location-based)	**40,299**	**36,743**	**25.84**
Scope 3	**130,819**	**123,936**	**87.16**
Category 1	97,917	96,471	
Category 2	3,839	3,879	
Category 3	5,376	5,151	
Category 4	14,504	10,646	
Category 5	766	680	
Category 6	1,633	1,847	
Category 7	6,784	5,263	
Category 8	Not applicable to Kimball Electronics	Not applicable to Kimball Electronics	
Category 9	Excluded per GHG Protocol guidance on intermediate products	Excluded per GHG Protocol guidance on intermediate products	
Category 10	Excluded per GHG Protocol guidance on intermediate products	Excluded per GHG Protocol guidance on intermediate products	
Category 11	Excluded per GHG Protocol guidance on intermediate products	Excluded per GHG Protocol guidance on intermediate products	
Category 12	Excluded per GHG Protocol guidance on intermediate products	Excluded per GHG Protocol guidance on intermediate products	
Category 13	Not applicable to Kimball Electronics	Not applicable to Kimball Electronics	
Category 14	Not applicable to Kimball Electronics	Not applicable to Kimball Electronics	
Category 15	Not applicable to Kimball Electronics	Not applicable to Kimball Electronics	

Climate Change

Energy

Energy stewardship is central to how we deliver value for customers and build a sustainable future together. All seven global operations manage energy as a significant environmental aspect under their ISO 14001-certified Environmental Management Systems, and our Romania facility further distinguishes itself with ISO 50001 certification, representing approximately 14 percent of our operational footprint. This certification ensures a systematic and consistent approach to energy efficiency and continuous improvement.

Our energy management strategy includes documented initiatives and regular audits to monitor performance and identify opportunities for improvement. In 2025, we advanced our transition to renewable electricity by:

- Bringing new on-site solar capacity online at our Mexico and Thailand facilities
- Increasing procurement of RECs to achieve 100 percent coverage at our China operation
- Continuing to explore additional renewable sourcing options across our global footprint

These actions support our 2030 target—established from a 2024 baseline—to achieve 100 percent renewable electricity across all locations, reinforcing our commitment to climate resilience and customer expectations for responsible supply chains.

Employee engagement remains a priority, with training programs designed to embed energy awareness and empower teams to contribute to sustainability goals. These efforts underscore our dedication to reducing environmental impact, enhancing operational resilience, and creating long-term value for stakeholders.

ISO 50001 CERTIFIED

2030 target:
100% renewable electricity

Solar panel system at our Thailand facility.

Solar Use Doubled Year-Over-Year

In 2025, we doubled our solar use compared with 2024, marking a major step in our transition to cleaner electricity. During the year, we began operating a solar panel system at our Mexico operation and started Phase 2 of our Thailand solar project, expanding dependable onsite generation across two key regions. These investments increase the share of renewable electricity in our global energy mix, reduce reliance on conventional power, and help stabilize energy availability across our facilities. They also position us to keep scaling solar where it is most effective, while we continue to evaluate additional renewable solutions across the enterprise. Together, these actions move us steadily toward our 2030 target to achieve 100 percent renewable electricity. As our footprint grows, we will continue to prioritize projects that deliver measurable emissions reductions, operational resilience, and long-term value for our customers, employees, communities, and investors.

Climate Change

Energy Consumption and Mix

	kWh	% of Total	Locations	Intensity kWh per Net Revenue
Total Energy	**86,905,238**		**All**	0.061
Total Renewable Energy	**32,371,364**	**37%**	**All**	
Solar Panels	1,727,130		Mexico, Thailand, China office	
Renewable Energy Certificates	23,948,109		China, Poland, and Romania	
Supplier-Specific Renewable Mix*	6,696,125		Mexico and all US facilities	
Total Non-Renewable Energy	**54,533,874**	**63%**	**All**	
Supplier-Specific Non-Renewable Mix	43,292,627		Mexico, Thailand, China office, and all US facilities	
Natural Gas	6,948,470		Mexico, Poland, Romania, and all US facilities	
Propane	370,926		Mexico, Thailand, and Jasper (US)	
Diesel	71,984		China, Mexico, Romania, Thailand, and Jasper (US)	
Steam	3,849,867		China	

Market-based figure uses utility-disclosed emission factors in accordance with GHG Protocol Scope 2 Quality Criteria to ensure no double-counting with separate RECs.

Energy Conservation Initiatives

Type/Site	Project	Cost of Implementation	kWh Impact	Cost Savings
Jasper, Indiana, US	LED Lighting transition, variable speed drives in HVAC equipment, lighting control panels	$45,489	547,589	$30,939
Thailand	Replacement of OAU with higher-efficiency model	$162,445	507,363	$58,722
Mexico	Adjusting climate settings during plant downtime	$–	461,681	$51,287
China	Replacement chiller with higher-efficiency model	$101,800	319,997	$34,500
Mexico	Activation of 200 kw solar energy system for entire CY2025	$200,000	307,976	$15,197
Poland	Adjusting climate settings during plant downtime	$–	253,200	$50,326
Mexico	Adjusting climate settings during plant downtime	$–	105,464	$12,734
Poland	Optimization of humidification and compressed air systems	$–	82,300	$16,307
Mexico	LED Lighting Replacements	$6,626	9,373	$937

Kimball Electronics

Responsible Sourcing

	Responsible Sourcing
2030 Target	Implement sustainable resource management program
2025 Performance	Extended means of supplier screening & assessments

Responsible sourcing turns our commitment to customers into action by ensuring every material and supplier decision reflects integrity, sustainability, and shared values. By focusing on Material Sourcing and Supplier Management, we strengthen ethical supply chains, help customers meet sustainability objectives, and establish trust for long-term value as we work toward *Building Tomorrow, Together*.

Material Sourcing

As a contract manufacturer, we embed environmental and social considerations into procurement so customers can make informed choices. We align with the Responsible Minerals Initiative (RMI) and the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises on Responsible Business Conduct to responsibly source tin, tantalum, tungsten, and gold (3TG), using the RMI Conflict Minerals Reporting Template (CMRT) for supplier due diligence, traceability, and audits. Each year we file Form SD and publish a Conflict Minerals Report detailing our due-diligence design, results, and improvements.

For our 2025 reporting, we surveyed ~3,206 direct suppliers, achieved a 67.56 percent reliable response rate, and covered 87.22 percent of unique in-scope parts and 87.19 percent of direct materials spend. We map beyond Tier 1 to smelters and refiners (SORs), identifying 578 SORs, of which 251 were RMAP Conformant or Active; the full SORs list is

disclosed in our filing. These KPIs address rater criteria on supplier inquiry coverage, response quality, upstream traceability, and the extent of third-party certification.

Christopher Lyons, Quality Engineer at our Jasper manufacturing facility, shared his expertise as a member of a speaker panel for the 2025 Automotive Industry Action Group (AIAG) International Material Data System (IMDS) Product Compliance & Sustainability Conference in Michigan. His insights on material reporting, regulatory expectations, and IMDS best practices directly support our Responsible Sourcing efforts by strengthening transparency, improving data quality, and reinforcing the ethical material management that underpins our approach to sustainable Material Sourcing.

Kimball Electronics

2025
Guiding Principles Report

Responsible Sourcing

We operate a defined escalation process for non-responsive or higher-risk suppliers (alternate contacts, site and global sourcing engagement, collaboration with customers, and reconsideration of partnerships where appropriate). We also engage high-risk smelters on country of origin, support industry audits, and maintain governance through an internal compliance team that reports to senior leadership and our Board, with training for relevant teams and annual public reporting. Beyond 3TG, we expand supply-chain mapping to high-risk materials such as cobalt and lithium with NGO and multi-stakeholder partners to help customers mitigate risk and support appropriate in-region sourcing.
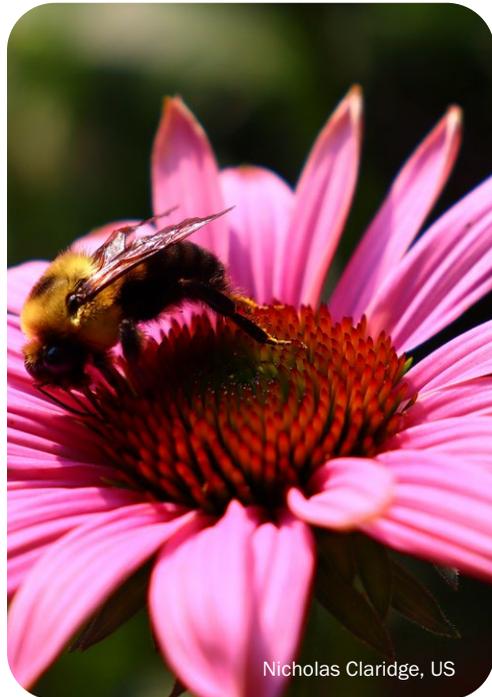
Transparency is central. Our annual SEC Conflict Minerals Report details our OECD-aligned due diligence, supplier coverage and SOR verification, and our non-compliance escalation workflow that includes alternate supplier contacts, engagement by site and global sourcing teams, and collaboration with customers to close information gaps.

Nicholas Claridge, US

Where Materials Flow, Responsibility Begins

The Global Materials Council focuses on the flow, cost, and availability of the materials we purchase, ensuring that our supply chain remains resilient, well managed, and aligned to customer and business needs. In 2025, the Council strengthened these efforts by improving global coordination on material costs, increasing visibility into inventory and excess, and reinforcing consistent practices across sites. Their work supported responsible sourcing by helping us better understand material impacts, anticipate supply risks, and ensure that the products we build start with responsibly managed inputs. By working together across regions, the Council helps us build tomorrow together by improving the reliability and sustainability of the materials that support every customer program.

The Global Quality Council met in person in Poland, where the team also visited the Volkswagen OEM facility to observe and exchange best practices.

Where Quality Leads, Responsibility Follows

The Global Quality Council strengthens our Responsible Sourcing work by ensuring that quality expectations are consistently applied across all facilities and suppliers. Their global coordination helps improve visibility into supplier practices, reinforces our standards for ethical and environmentally responsible materials, and supports the systems that maintain trust throughout our supply chain. By working together across regions and functions, the Council helps us build a more aligned and resilient supply chain that reflects our commitment to *Building Tomorrow, Together*. This coordination supports our Material Sourcing processes by improving visibility into upstream risks and ensuring traceability and quality across the materials most critical to our customers.

Kimball Electronics

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Responsible Sourcing

Material Sourcing Target

Our 2030 sustainable resource management program will provide the data and controls needed to disclose the material metrics raters expect and to show year-over-year progress. By tracking weights, inventories, origin, and composition for all inputs and packaging, we will be able to report the percentage of recycled content in products and packaging, set and report plastic use and reduction targets, quantify recovered and secondary inputs, and demonstrate material efficiency through measured reductions in virgin material consumption and scrap. Expanding traceability across plastics, metals, and rare earth elements will allow us to disclose metal sourcing practices and recycling rates, and to publish a clear company position and the list of materials covered by policy. Together with structured evaluations of lower impact material alternatives for customers, these actions document initiatives for sustainable sourcing and enable concise, recurring progress reporting.

Supplier Management

Supplier Management translates responsible sourcing into action. By working closely with suppliers, we uphold standards customers expect, protect human rights, ensure environmental responsibility, and promote ethical practices. These efforts strengthen trust and resilience across the supply chain.

Supplier Code of Conduct and Enforcement

Our Supplier Code of Conduct is contractually binding and applies to all of our suppliers and all of their workers, including temporary, migrant, student, contract, and direct employees. Suppliers must cascade these

standards through their own supply chains. See the Supplier Code of Conduct for the full policy language and controls; a summary appears below.

- **Labor and human rights:** Prohibits forced and child labor, discrimination and harassment; sets provisions on working time and rest; requires lawful wages and wage documentation; affirms freedom of association and collective bargaining; sets expectations for acceptable living conditions; aligns with the United Nations Guiding Principles (UNGP), the International Labour Organization (ILO) principles, and the Responsible Business Alliance (RBA) Code.

- **Health and safety:** Requires hazard identification and control, emergency preparedness, machine safety, occupational injury and illness tracking, worker training in a language they understand, and standards for sanitation and dormitories.

- **Environment:** Expects certified environmental management systems (ISO 14001 or The European Union's Eco Management and Audit Scheme, also known as EMAS), pollution prevention and resource reduction, controls for hazardous substances, air emissions, wastewater and solid waste, water management, protection of biodiversity and animal welfare, and provision of Scope 1–3 data on request.

- **Ethics and governance:** Zero tolerance for bribery and corruption with monitoring and enforcement, transparent records and Intellectual Property (IP) protection, privacy safeguards, proportionate security arrangements, and protected whistleblowing with confidential, anonymous reporting.

Blair Lehane, US

- **Responsible minerals:** Requires OECD aligned due diligence for 3TG and other high-risk minerals such as cobalt and mica, including CMRT and Extended Minerals Reporting Template (EMRT) data upon request.

- **Management systems and enforcement:** Requires management accountability, risk assessment, objectives and targets, training, worker grievance mechanisms, audits and self-assessments, corrective action and follow up audits, and clear escalation for noncompliance, supported by accessible reporting channels.

These Code provisions address the applicable criteria on supplier labor policy and safeguards, OHS expectations, environmental policy and management, anti-corruption controls, responsible minerals due diligence, governance, audit and corrective action, and hotline access.

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Agnieszka Hvjek, Poland

Supplier Screening & Assessments

Supplier screening and assessments are critical to mitigating risk and ensuring compliance with our sustainability commitments:

- **RBA Risk Assessment Platform:** Used for 100 percent of suppliers to identify and prioritize sustainability risks across labor, environment, ethics, and health and safety.

- **Contractual ESG Clauses:** 100 percent of supplier agreements entered into or renegotiated during CY2025 included provisions addressing child labor, forced labor, health and safety, and environmental compliance.

- **Denied Party Screening:** We screened 100 percent of suppliers against denied party lists and began implementing expanded denied party screening to extend these expectations deeper into our supply chain.

- **Supplier ESG Compliance Verification:** Suppliers provide written acknowledgment of our Supplier Code of Conduct and related compliance requirements. We verify internal and supply chain compliance through annual in-person and remote audits, assessments, and training. In calendar year 2025, our audits and assessments covered approximately 95 percent of inventory and 99.9 percent of accounts payable, with audit activity in China, Mexico, Poland, Romania, Thailand, and the United States. Our internal audit teams apply established protocols to test controls and key processes, identify high-risk transactions, and confirm appropriate supporting documentation.

Training on Supplier Policies

All procurement personnel complete role-based training on supplier policies with both social and environmental scope—covering sustainable procurement, human rights compliance, and recognized standards—with delivery via global virtual and classroom sessions each year. In FY2025, 100 percent of procurement personnel completed ~4 hours of this training, and 95 percent of all employees completed the annual refresher that reinforces our Global Code of Conduct, how to raise concerns, and the use of our reporting channels. Core topics include ethics and compliance, prevention of discrimination, bias awareness, fair talent practices, diversity and inclusion, and responsible digital conduct, ensuring buyers are equipped to apply our Supplier Code and escalate issues appropriately.

To strengthen accountability, we publicly report training coverage and completion for the procurement function and company-wide refreshers as part of our human rights and supply-chain transparency disclosures, and we continue to improve platforms and curricula to support consistent global delivery and comprehension.

Engaging with Value Chain Workers

We engage value chain workers through awareness sessions, long-term training programs, and support for developing robust management systems. Monitoring practices include worker voice surveys, second-tier audits, and supplier risk assessments. Non-compliance triggers corrective action plans, renewed audits, and targeted training initiatives.

Our grievance mechanism is an anonymous, confidential, third-party hotline available 24/7 in multiple languages. Suppliers, individuals within our supply chain, stakeholders, or any third party can report potential violations of our Supplier Code of Conduct, Global Human Rights Policy, or Kimball Electronics' Code of Conduct through this hotline. It is explicitly referenced in supplier contracts as part of our compliance and certification process, ensuring accessibility and trust.

By 2030, completing ESG risk assessments and audits for suppliers representing 85 percent of spend through the RBA Validated Assessment Program, supported by a formal audit protocol, will allow us to disclose consistent, quantitative coverage of supplier compliance. We will report screening effectiveness, non-compliance rates, significant findings, corrective action closure, and rates of renewed or follow up audits, and we will document procedures to mitigate non-compliance that include targeted capacity building and a defined disengagement path when needed. The protocol will confirm the accessibility of our anonymous, confidential, multilingual hotline for supply chain workers and will record on-site visits, worker interviews, third party verification, and risk based checks beyond tier 1. It will also strengthen minerals due diligence by tracking CMRT and EMRT completion, setting targets for supplier response and smelter conformance, and summarizing category level risk insights, while capturing supplier development KPIs and the adoption of ESG contract clauses.

Where Supplier Quality Holds, Responsibility Endures

A key enabler of these assessment processes is the Global Supplier Quality Council (GSQC). The GSQC focuses on ensuring that suppliers consistently meet our quality expectations and uphold the standards defined by our Supplier Code of Conduct. In 2025, the Council strengthened global alignment on supplier requirements by advancing shared systems for tracking certifications, audits, and corrective actions; improving oversight of supplier performance; and enhancing processes for qualifying and developing high-risk suppliers. These efforts supported our responsible sourcing commitments by reinforcing accountability, improving visibility into supplier risks, and ensuring that quality and ethical expectations are applied consistently across regions. Through this collaboration, the GSQC helps us build tomorrow together by supporting a supply chain where integrity, quality, and responsible practices begin at the source.

Kimball Electronics

Ramona Csejtei, Romania

People

Together, we share in our company's success. The People section of our Guiding Principles shapes our culture of mutual trust, personal integrity, and respect for the dignity of every individual. It drives our leadership approach, which emphasizes empowerment, collaboration, and continuous improvement.

Under the theme *Building Tomorrow, Together,* we reaffirm that investing in our people is essential to creating long-term value for all stakeholders. Our recent Double Materiality Assessment identified Equal Treatment & Opportunities for All and Health & Safety as the material topics most critical to our workforce. These priorities reflect our commitment to fairness, inclusion, and wellbeing across our global operations.

Linking these material issues to our Guiding Principles demonstrates that sustainability is embedded in our culture. When our people succeed, Kimball Electronics succeeds. Together, we sustain a long-held belief that opportunity, safety, and shared values drive future resilience, innovation, and growth.

"Building Tomorrow, Together means treating sustainability as a people practice. When we lead with trust, equal opportunity, and health & safety as non-negotiables—and empower every teammate to learn, experiment, and improve—we minimize risk, grow capability, and create lasting value for our employees, customers, and communities. Connection creates influence; empowerment transforms performance."

JESSICA DELORENZO, CHIEF HUMAN RESOURCES OFFICER

Kimball Electronics

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People

Tenure

Employee retention reflects the true strength of our company culture. Service recognition has been an important part of our employee experience throughout our 65-year history. When employees feel respected, supported, and safe, they build long-term careers. When teams have continuity, they strengthen capability, confidence, and collaboration.

Our employees average **8 years** of service, with women averaging **8.2 years** and men averaging **7.8**.

Worldwide, our locations recognize employee tenure and other career accomplishments (not necessarily tied to longevity) in ways that make cultural sense locally. Such recognition continues to showcase how we are a human-centered business. We have a reputation of being an employer of choice in our communities, where we demonstrate our Company Purpose, Creating Quality for Life.

1. Employees in Mexico gave a spirited farewell to a coworker retiring after **49 years** with the company.

2. We honored employees at our Jasper manufacturing plant and our headquarters for **40** and **45 years** of employment in 2025.

3. In 2025, our top leaders hosted a celebration luncheon for employees reaching **35-year** anniversaries. Since this Kimball practice first started in 1990, rarely has a year gone by without an employee hitting a 35-year milestone.

4. During the **tenth anniversary** of our Romania facility, we recognized employees for performance, dedication, and collaboration.

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People

		Head Count*	Share of Total	New Hires	Leavers	Turnover Rates**
Total		**5487**				
By Gender	Female	2937	54%	474	637	22%
	Male	2550	46%	463	675	26%
By Age Group	Under 30	1250	23%	557	484	39%
	30-49	3213	58%	303	530	16%
	50+	1024	19%	77	298	29%
By Management Level	**Senior** Reports to CEO (7 are C-Suite) or second level away	42	1%	2	3	7%
	Middle/Junior More than two levels from CEO	795	14%	42	124	16%
	Non-Mgmt.	4650	85%	893	1185	25%
By Share of Women	**In All Management Positions**	287	34%			
	In Senior Management	17	40%			
	In Middle/Junior Management	270	34%			
	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		24%			
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		34%			
	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					12%
	Independent Trade Union or Works Council Representation	68%				

US Workforce		Share of US Total	Share in All Management Positions Held by US Workforce
Ancestry & Ethnic Origin of United States Workers (Self-Reported)	American Indian or Alaska Native	0.4%	0.7%
	Asian	2.1%	1.3%
	Black or African American	8.9%	3.3%
	Hispanic or Latino	6.1%	7.3%
	Two or More Races	1.7%	1.3%
	White	79.5%	86.1%
	Disabled	4.2%	

*Total number of employees at the end of 2025.
**Turnover rates are calculated by dividing Head Count by Leavers.

Non-Regular Employment

We are committed to limiting the use of non-regular employment. During the reporting period, 554 individuals were indirectly employed or contracted to participate in product manufacturing employment opportunities.

Part-Time Employees

0.4 percent of our employees are part-time.

Equal Treatment & Opportunities for All

As part of our commitment to advancing Equal Treatment & Opportunities for All, we continue strengthening our ability to understand and support our global workforce through the thoughtful use of People Analytics. Integrated into our Workday platform and our enterprise talent and engagement processes, People Analytics helps us identify workforce needs, capability gaps, and areas where additional support or opportunity is required. These insights guide our strategic workforce planning, enhance fairness in recruiting and hiring, and help us detect early indicators of voluntary turnover so we can improve retention and employee wellbeing.

By combining data from engagement surveys, talent reviews, and workforce trends, we are able to make more informed decisions that elevate transparency, support equitable development, and ensure that opportunities are accessible across our organization. Our evidence-based approach reinforces our Guiding Principles of People and strengthens our ability to build a workplace rooted in fairness, inclusion, and long-term growth—helping every employee thrive while *Building Tomorrow, Together*.

Employee Benefits & Incentives

At Kimball Electronics, we design our global employee benefits and incentive programs to advance our Guiding Principles, especially our commitment to People, and to support the physical, mental, emotional, and financial wellbeing of our diverse global workforce. These programs are tailored to local market conditions, informed by employee feedback, and reinforced by transparent communication and responsible governance.

We provide long-term incentive opportunities to employees in roles that have the greatest influence on driving sustained company performance. Eligible leadership groups participate in long-term equity-based or cash-based incentive programs, depending on local regulatory frameworks. These programs strengthen shared accountability for strategic results and align leaders with long-term value creation for all stakeholders. Participation levels and program administration follow a consistent global philosophy and are reviewed annually through our Talent, Culture, and Compensation Committee to ensure fairness, competitiveness, and alignment with market practice.

Across our global footprint, all full-time and part-time employees are eligible for core health care protection that supports their physical and financial wellbeing. Coverage is delivered through a combination of company-sponsored insurance programs and country-specific social or government systems, ensuring meaningful access to medical care, disability or accident protection, and life insurance across all locations. We regularly review local offerings to align with employee needs, evolving regulations, and competitive market expectations, ensuring that our programs remain relevant and supportive across diverse regions.

We take a holistic approach to noncompensation benefits, ensuring broad coverage of employees across all global locations. Our portfolio includes health care, disability income protection, retirement plans or statutory pension systems, insured life and accident benefits, and country-specific offerings such as dependent care leave, wellness programs, and preventive health services.

Marathoner Jim Zhang exemplifies how our employees in China are encouraged to support community wellness activities.

	Equal Treatment & Opportunities for All
2030 Target	Implement sustainable resource management program
2025 Performance	• Preparing for equal pay assessments • Implementing a uniform system to track all employee training • Promoting launches & involvement opportunities involving our ERGs

Kimball Electronics

Equal Treatment & Opportunities for All

Employees in Mexico strike a pose for gender equality during International Women's Day in 2025.

These benefits are designed with respect to local regulations, cost of living realities, and culturally relevant expectations. Eligibility encompasses the entirety of our global full-time and part-time workforce, and in locations where social insurance programs are the primary source of benefits, we supplement coverage where needed to ensure meaningful protection.

Transparency is a central component of our Total Rewards philosophy. Through Workday, employees can access individualized Total Rewards Statements, providing clear visibility into the monetary value of pay, incentives, benefits, and employer contributions. We regularly conduct education sessions, provide onboarding materials, and maintain benefit and policy content within accessible online hubs. This supports informed decision-making and strengthens trust in our compensation structures, consistent with our Guiding Principles and fair-pay commitments.

We invest meaningfully in our people through pay, incentives, health and welfare benefits, retirement programs, paid time off, wellbeing initiatives, and learning and development opportunities. Analyses of our benefit programs indicate that employee-related investments represent a substantial portion of our overall people strategy and contribute directly to engagement, retention, and performance. As part of our responsible stewardship, we continually evaluate these investments relative to business performance to ensure that our

programs remain competitive, sustainable, and supportive of long-term value creation for our stakeholders.

Fair Working Time, Wage Integrity, and Equity Access

Kimball Electronics enables employees to share in the company's success through equity participation. All employees globally are eligible to purchase our common stock directly and, where permitted by law, through retirement plans. The 2023 Equity Incentive Plan authorizes the issuance of incentive stock options, restricted shares, performance shares, and other equity awards to officers, key employees, and non-employee directors. This plan aligns employee interests with long-term profitability and growth metrics. Non-employee directors may also defer retainer fees in stock under the Non-Employee Directors Stock Compensation Deferral Plan.

Kimball Electronics applies workplace and work time flexibility strategies, including hybrid or remote work, compressed work weeks, and reduced or part-time work assignments. These options allow employees to select arrangements that fit their circumstances while supporting productivity and wellbeing. The company also limits the use of non-regular employment to specific organizational needs and evaluates this use to ensure proper classification and equal compensation.

Our locations worldwide are encouraged to promote employee health and wellness efforts. Our Jasper, Indiana facility partnered with a hospital to provide convenient onsite access to a mobile mammography unit. Preventive services like this allow for earlier detection and improved health outcomes.

Work weeks cannot exceed the maximum set by local law, and employees are guaranteed at least one day off every seven days. Overtime is compensated in accordance with wage laws, and wage deductions as disciplinary measures are prohibited.

Kimball Electronics upholds the principle of equal pay for work of equal value across all regions and works to ensure that employees receive a living wage under humane conditions. This means earnings sufficient to provide food, housing, and basic needs for employees and their dependents.

Kimball Electronics is committed to employment security and minimizing compulsory redundancies. Where redundancies are unavoidable, employees benefit from protections under collective agreements and

responsible redundancy procedures. For example, in the U.S., full-time employees with one or more years of service whose jobs were lost are eligible for severance pay and medical insurance allowances under our severance plan.

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Equal Treatment & Opportunities for All

Our China employees demonstrate a sense of family and good humor.

Family-Friendly Programs and Leave Benefits

Supporting employees and their families is foundational to our culture. We offer a range of family-friendly programs globally, including paid parental leave for primary and non-primary caregivers, dependent care leave, wedding and bereavement leave, workplace flexibility, and lactation or childcare support where required by law. Parental leave provisions reflect both statutory requirements and enhanced company practices, with examples including extended parental leave in Poland, prenatal leave in Thailand, and tailored support in Mexico, Romania, China, and the United States. Our managers receive dedicated guidance through

tools such as our Family Leave Manager's Guide, helping ensure smooth transitions before, during, and after leaves of absence.

Kimball Electronics provides childcare support where required by law and offers dependent care leave globally. While we do not operate on-site childcare facilities or provide direct financial subsidies for childcare, our programs include flexibility for employees to manage family responsibilities and access statutory childcare benefits in their respective countries.

Our leave offerings go beyond statutory minimums in many regions. Key provisions include:

- **Parental Leave:** Paid parental leave for primary caregivers ranges from 4 weeks in the United States to 52 weeks in Poland, with additional weeks for multiple births. Secondary caregivers receive paid leave ranging from 0.7 weeks in Mexico to 9 weeks in Poland.
- **Special Leave:** Employees have access to wedding leave, bereavement leave, and prenatal check-up leave in certain countries.
- **Dependent Care Leave:** Available globally to support employees caring for dependents.

These benefits demonstrate our commitment to supporting employees through life events and family responsibilities, ensuring flexibility and care across our global operations.

Flexible Work Options

Kimball Electronics recognizes that flexibility in how work is organized is essential to supporting employee wellbeing and productivity. Our approach includes several options designed to accommodate diverse needs and operational requirements.

Employees have access to remote work arrangements where job responsibilities allow. This option is applied in alignment with local regulations and business needs, ensuring continuity of operations while supporting work-life balance.

We offer flextime arrangements that enable employees to adjust their start and end times within agreed parameters. This flexibility helps employees manage personal responsibilities while meeting business objectives.

In certain roles and regions, employees can take advantage of compressed workweeks or time banking options, allowing them to consolidate working hours or accrue time for future use. These arrangements are implemented in compliance with local labor laws and operational requirements.

Beyond specific programs, Kimball Electronics promotes a culture of flexibility through workplace strategies such as hybrid work models and tailored scheduling. These practices reflect our commitment to creating an inclusive and adaptable work environment that supports both organizational performance and individual needs.

Our company was represented by employees and family members in Romania who participated in the annual Timotion event to support cancer patients.

Paid Parental Leave Snapshot

Country	Primary Caregiver	Secondary Caregiver
United States	4 weeks (+26 weeks short-term disability)	4 weeks
Mexico	12 weeks (2–6 prenatal, 6–10 postnatal)	0.7 weeks
Poland	52 weeks	9 weeks
Romania	18 weeks (+ prenatal maternal risk leave)	2 weeks
China	18.3 weeks (+ additional for multiple births)	1.4 weeks
Thailand	14 weeks (includes prenatal check-up leave)	—

Kimball Electronics

Equal Treatment & Opportunities for All

Comprehensive Wellbeing and Mental Health Support

Kimball Electronics is committed to fostering a healthy, supportive work environment that prioritizes mental health, financial wellness, and overall wellbeing. Our approach combines awareness initiatives, preventive measures, and direct support services to help employees thrive.

We actively promote mental health awareness through internal communications and training resources designed to normalize conversations about psychological wellbeing. These efforts aim to reduce stigma and encourage employees to seek help when needed.

Kimball Electronics integrates mental health considerations into its broader human rights and workplace practices. We manage workload and availability to prevent stress-related risks, ensuring compliance with local labor laws on working hours and rest periods. These measures help maintain a balanced work environment and reduce mental health risks.

Employees have access to psychological support through Employee Assistance Programs (EAPs) and counseling services in regions where these programs are available. We also provide stress management resources and guidance for managers to identify and address early signs of burnout.

For employees recovering from mental health challenges, Kimball Electronics offers structured return-to-work programs that include phased reintegration and accommodations tailored to individual needs. These programs are designed to support recovery while maintaining productivity and dignity.

In addition to mental health initiatives, we promote financial wellness through benefits education, retirement planning resources, and equity participation programs that align employee interests with long-term company success.

Kimball Electronics regularly measures employee satisfaction and engagement through surveys, using feedback to inform improvements in wellbeing programs and workplace culture. These surveys help us track progress and identify areas for enhancement.

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.

2025 Guiding Principles Survey Highlights

The 2025 survey continued to emphasize communication, connection, and recognition as critical themes. In response, we expanded all-employee meetings, strengthened focus groups, and enhanced transparency in business updates. We also increased awareness of community involvement opportunities and optimized total rewards programs to reinforce recognition.

Our Employee Resource Groups, 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.

Our Mexico facilities provided employees with various education sessions focused on their psychological wellbeing, promoting awareness on topics like suicide, depression, as well as alcohol and substance abuse.

2025 Engagement Metrics

Metric	2022	2023	2024	2025
GP Rating	8.45	8.30	8.18	8.13
EOC Rating	8.56	8.54	8.23	8.01
Net Promoter Score (NPS)	51.33%	51.56%	42.44%	35.80%
Survey Participation Rate	88%	88%	87%	87%

Note: An NPS above 50% is considered "Best in Class." The 2025 NPS of 35.80% falls in the "Above Average" category.

Kimball Electronics

Equal Treatment & Opportunities for All

Employee Resource Groups and Networking Communities

At Kimball Electronics, our commitment to diversity, equity, inclusion, and belonging takes a dynamic leap forward with the introduction of Employee Resource Groups (ERGs). These voluntary, employee-led communities are open to all employees and designed to embrace and champion the rich tapestry of diversity within our organization. ERGs serve as a resource for members and the company by fostering inclusive workplaces aligned with Kimball Electronics' Guiding Principles.

Our five ERGs include:

ELEVATE: Promotes awareness, education, and support for employees and their families through shared experiences in a safe environment. ELEVATE also serves as a cornerstone for mentorship, offering opportunities for employees to connect with peers and leaders for guidance, career development, and personal growth.

PRIDE: Creates a safe, inclusive, and diverse work environment for employees of all sexual orientations, gender identities, and gender expressions.

Veterans and Military Service Advocacy (VMSA): Builds support and connection for employees who have served or whose family members serve, focusing on recruitment, career development, and community engagement.

Women in STEM Empowerment (WISE): Encourages women to advance their skills and leadership potential through mentorship, collaboration, and professional development.

Black Employee Resource Group (BERG): Advocates for equitable opportunities, professional development, and community for Black/African American employees and allies.

These ERGs, along with diversity councils and networking groups, provide platforms for collaboration, cultural awareness, mentorship, and professional growth, reinforcing our commitment to an inclusive and supportive workplace.

1 Indianapolis, Indiana employee Darcy Parks and her daughter represented our company at a Pride Festival in Jasper, Indiana. Darcy is an ally member of our Pride ERG and is active statewide in LGBTQ+ events, including representing Free Mom Hugs' Indiana chapter. The company has had a long-term relationship with Dubois County Pride, one of the early corporate sponsors of the festival.

2 Our ERG, WISE, provided financial support to STEM for Her, a non-profit foundation focused in the Washington, DC Metro area that promotes education to create awareness, excitement, and opportunities among girls and young women to pursue successful Science, Technology, Engineering, and Mathematics (STEM) related careers.

3 Veterans from our VMSA ERG, Michael Stone, Joshua Belcher, and Michael Mosher, participated in the Honor and Remember Run, a family-friendly 5K and 10K trail and ruck event in Velpen, Indiana, honoring veterans, their families, emergency personnel, and those who died on 9/11 and in subsequent conflicts. VMSA also donated money to support the run and sponsored a Breakfast with a Vet event in the Indianapolis area.

Equal Treatment & Opportunities for All

Equal Opportunity, Inclusion, Diversity, and Anti-Discrimination

Kimball Electronics embeds its commitment to equal opportunity, inclusion, and non-discrimination in global policies aligned with international standards, including the UN Universal Declaration of Human Rights and ILO conventions. These commitments apply across our operations and supply chain.

Our Global Human Rights Policy prohibits discrimination and harassment on the grounds of gender, race, ethnicity, nationality, religion, sexual orientation, gender identity, age, and disability. These principles are embedded in our Code of Conduct and apply to all employees, contractors, and suppliers. The policy includes a clear prohibition on harassment and outlines remediation procedures for victims of discrimination or harassment.

We implement fair hiring practices and diversity initiatives to ensure equal opportunities for all candidates. Programs support employees with disabilities and promote inclusive environments through training and accessibility measures.

Responsibility for diversity and inclusion initiatives rests with senior leadership and the Board's NESG Committee, ensuring oversight and integration into corporate strategy.

Kimball Electronics has an enterprise-wide expectation that 100 percent of candidate slates for our Board and management positions include candidates from underrepresented groups in the technology and manufacturing industries. These groups include Women, Black, Latino/a, Asian, Indigenous, Multiracial, LGBTQ+, People with Disabilities, and Veterans.

Kimball Electronics publicly discloses its EEO-1 report to reinforce transparency in workforce composition.

As part of our long-term commitment to equal treatment and inclusion, Kimball Electronics is advancing toward comprehensive pay equity across its global workforce. We are conducting equal pay assessments and aligning compensation practices with fairness principles to ensure equitable outcomes for all employees. These efforts support our 2030 target to guarantee equal treatment and prepare us for upcoming gender pay gap reporting requirements in Mexico and the EU.

Our Supplier Code of Conduct prohibits discrimination based on race, ethnic origin, gender, religion or belief, political opinion, and other protected characteristics, ensuring alignment across our value chain.

Our Chief Financial Officer Jana Croom participated in a panel discussion during 2025's Manufacturer's Alliance Leadership Conference. Jana addressed the importance of championing sponsorship and talent development to address the unique challenges women face in the manufacturing industry.

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Equal Treatment & Opportunities for All

Virtual Events that Foster Inclusion and Belonging

Throughout the year, Kimball Electronics hosts virtual events during the workday to ensure accessibility for employees across our global operations. These sessions celebrate diversity, promote cultural awareness, and create safe spaces for dialogue—strengthening our commitment to Equal Treatment & Opportunities for All. From honoring heritage months and Pride Month to observing World Environment Day and Indigenous Peoples' Day, these events connect employees to shared values of respect, empowerment, and collaboration. By fostering belonging and encouraging participation, they reinforce our Guiding Principles of People and advance our theme of *Building Tomorrow, Together*, ensuring that inclusion is not just a policy but a lived experience across our organization.

Each year, the Kimball Electronics spirit and pageantry are on full display as employees in China perform dance and musical numbers as part of Chinese New Year festivities.

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January—Martin Luther King Jr. Day

Jay V. Haigler: A registered archaeologist and Diving With A Purpose (DWP) board member.

February—Black History Month

Tre Hosley: Rodeo athlete and Hollywood stunt actor discussed the history of Black cowboys in the US.

Dr. Khadija Monk: Criminal justice professor emphasized advocacy and visibility for marginalized communities.

Caitlin Gooch: Equestrian highlighted Saddle Up and Read's mission to link literacy and love for horses.

Stephanie Wylie: Equal Justice Initiative attorney talked about The Legacy Museum, which highlights America's history of racial injustice.

Dr. Amy Yoboah Quarkume: Howard University professor discussed STEM contributions and tech-driven environmental solutions.

March—International Women's Day

Lilly King: Olympic champion shared lessons on discipline, perseverance, and advocating for clean sport.

April—Earth Day

Anna Sacks: Waste reduction expert urged grassroots action to fight consumerism and landfill waste. Known in the media as "The Trash Walker."

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May—Asian American & Pacific Islander Heritage Month

Megan Morikawa: Climate scientist encouraged practical steps for sustainability and equity in tourism.

Alan Renga: Archivist spotlighted AAPI contributions to aviation and the importance of preserving history.

Audrey Chan: Artist explored storytelling through art to challenge dominant historical narratives.

May—World Bee Day

Mikaila Ulmer: Entrepreneur shared her mission to save bees and inspire social entrepreneurship.

June—Pride Month

Murray Hill: Comedian and drag king spoke on empowerment, self-representation, and creating inclusive spaces.

World Environment Day

Lucy Walker: Oscar®-nominated filmmaker discussed "Bring Your Own Brigade" doc and the need for urgent climate action.

Terry Severson: Fire management expert shared insights on preventing and responding to catastrophic wildfires.

September/October—Hispanic Heritage Month

Dr. Robert W. Fernandez: Neuroscientist highlighted Cientifico Latino's mission to expand STEM access for all.

Damaris Leal & Ezekiel Valdez: Representatives from The Cheech Marin Center showcased Chicano art and cultural storytelling.

Mickey Ibarra: Latino Leaders Network founder and former White House director spoke on building unity and the importance of sharing life stories.

November—Veterans Day

Dwight Birdwell: Medal of Honor recipient reflected on his Vietnam War service and Cherokee heritage.

Kimball Electronics

Equal Treatment & Opportunities for All

Employee Training and Career Management

At Kimball Electronics, we believe that empowering our workforce through continuous learning and equitable career opportunities is essential to achieving long-term success. In 2025, we strengthened our commitment to professional development by expanding programs that support skill enhancement, leadership growth, and inclusive advancement across all demographics.

All non-officer employees globally remain eligible for variable performance-based pay, including bonuses tied to individual and company performance goals, ensuring recognition of contributions at every level. Our performance management system is multidimensional, incorporating annual reviews for all employees and 360-degree feedback for leadership roles. These reviews are complemented by agile conversations and team-based assessments, fostering transparency and alignment with organizational objectives.

We provide comprehensive support for continuing education, including tuition reimbursement and certification programs for all full-time employees worldwide. Opportunities range from technical courses and professional certifications to degree programs, with sabbatical options available for advanced studies. Every employee who participates in the annual review process works with their leader to maintain an individual development plan, ensuring personalized career pathways aligned with career and organizational goals.

Our policies explicitly prohibit discrimination in promotions and career advancement, supported by grievance mechanisms and confidential reporting channels. We actively promote career opportunities for women, ethnic and racial minorities, disabled employees, veterans, LGBTQ+ individuals, and Indigenous communities through targeted initiatives, leadership development programs, and ERGs. These efforts are reinforced by structured succession planning and leadership tracks, including our flagship program, *Leading the Kimball Way*, which cultivates self-leadership, team leadership, and enterprise-level leadership through blended learning and mentoring.

Training remains a cornerstone of our strategy. We systematically identify strategic training needs through annual skills gap analysis and provide access to programs covering diversity and inclusion, anti-corruption and business ethics, health and safety, supplier policies, sustainable procurement, information security, and environmental stewardship. Specialized modules address mental health risks for managers, human rights and anti-trafficking for procurement teams, and climate action for operational staff. All training programs are evaluated for effectiveness, and high-risk functions receive enhanced coverage.

Cornelia Gherasim, a technical trainer at our Romania facility proudly displays a certificate earned through the internal English training program completed by 28 participants from multiple departments. This initiative supports our commitment to continuous professional growth by strengthening communication skills, enhancing workplace collaboration, and providing employees with practical, job-relevant language development.

Over **200** leaders completed our *Leading, the Kimball Way* journey with an over **85%** retention rate of these leaders.

Employees from our Romania facility participating in the Masterclass Leadership event hosted by the West University of Timișoara. This training supports our commitment to developing leadership capabilities at every level, reinforcing that effective leadership is a shared responsibility that strengthens culture, drives organizational growth, and empowers individuals to contribute with confidence and purpose.

Kimball Electronics

Equal Treatment & Opportunities for All

To complement these qualitative efforts, we also monitor the financial return on workforce investments through Human Capital ROI. This metric demonstrates how effectively we convert employee-related expenses into business value. The table below provides a five-year view of revenue, operating expenses, employee-related costs, and ROI performance:

Human Capital ROI	2022	2023	2024	2025
Total Revenue*	$1,584	$1,840	$1,587	$1,462
Total Operating Expenses*	$1,512	$1,747	$1,556	$1,409
Total Employee-related Expenses* (salary + benefits)	$235	$275	$250	$228
Human Capital ROI ((Revenue–(Operating expenses—Employee expenses))/Employee expenses)	1.31	1.34	1.21	1.23

Dollars in thousands

Poland employees got creative when demonstrating the 2025 International Women's Day "Accelerate Action" for gender equality theme.

These initiatives reflect our commitment to equal treatment, career mobility, and skill development for all employees, ensuring that sustainability and inclusion are embedded in our culture and practices.

Type of Training	Workforce Coverage	Average Training Hours (Aggregated)	What's Being Included
Anti-Corruption & Compliance	All employees	0.5–0.75 hours	Anti-corruption content included in the Code of Conduct and in separate anti-bribery or competition law training
Business Ethics & Integrity	All employees	0.75–1.0 hours	Annual Code of Conduct; ethics & compliance essentials; policy acknowledgment modules
Data Protection & Cybersecurity	All employees	0.75–1.25 hours	Information security awareness; phishing/cybersecurity modules; AI or acceptable-use training
Human Capital Development & Talent Management	All employees (role-dependent; leadership modules for people managers)	1.0–3.0 hours	Includes role-specific, systems, and leadership training; varies by role
Diversity, Equity & Inclusion	Indirect employees and people managers	1.5–2.0 hours	D&I fundamentals; discrimination & harassment prevention; manager-specific respectful workplace training
Environmental Management & Awareness	EHS, facilities, engineering, quality, operations	1.0–2.0 hours	Environmental compliance; EMS/ISO awareness; environmental risk and responsibility modules
Human Rights & Responsible Business Conduct	Procurement, supply chain, leadership, HR, compliance	1.0–1.5 hours	Human rights awareness; modern slavery/trafficking; supplier code of conduct; due diligence training
Occupational Health & Safety	Production, production support, engineering, quality, facilities, leadership	2.0–4.0 hours	Annual safety training; job-specific safety modules; EHS system training; refresher courses
Responsible Supply Chain Management	Procurement & supply chain teams	2.0–3.0 hours	Supplier policies; human rights in supply chain; environmental & social risk; sourcing comp

Occupational Health and Safety

ISO 45001 CERTIFIED — HEALTH & SAFETY MANAGEMENT

100% of our operational facilities are ISO 45001 certified

Production Planner Rainy Zhu expresses his zeal for Safety First at our China facility.

Kimball Electronics' Occupational Health and Safety (OHS) program reflects our unwavering commitment to a safe and healthy working environment for all employees, contractors, and stakeholders. Our formal health and safety management system covers 100 percent of workers, including employees and contractors, and all operational sites hold ISO 45001 certification. Our OHS system includes documented policies, defined risks, and preventive actions that guide how we work every day.

We apply a disciplined cycle of planning, doing, checking, and improving so that safety is designed into work and reinforced in execution. Every operational site completes a comprehensive risk assessment that identifies hazards and evaluates controls. Local teams then convert findings into time-bound action plans with quantified targets, so that the highest risks are reduced first and improvements can be measured. We prioritize engineering solutions such as ventilation, hazard enclosure, process automation, and preventive maintenance, and we reinforce them with clear procedures and training. Where individual protection is still needed, we provide appropriate Personal Protective Equipment (PPE) and verify consistent use. We adapt tasks to the people who perform them; for example, addressing repetitive strain risks through ergonomic design and standard work, and reducing noise exposure through engineered controls and monitoring across all locations as needed. Our operations are supported by emergency preparedness that is planned, trained, and tested through regular drills, and

our procurement practices embed supplier health and safety requirements so that contractors and partners meet the same expectations we set for ourselves.

People are central to how we make safety real. Worker participation drives our strategy and gives us early visibility of issues and opportunities to improve. Employees contribute through safety committees, structured feedback, and near-miss reporting, and they can raise concerns using complaints procedures and confidential channels. Our training programs build the competence and awareness required to perform work safely, and we track participation so that every topic reaches the right audience. We monitor performance rigorously, analyze incidents and trends, and use audits and reviews to verify that controls are effective and that improvements are sustained.

In 2025, we continued to strengthen our OHS prevention culture with a clear focus on reducing injuries, guided by a continuous improvement mindset. Our Total Recordable Incident Rate declined by 23 percent, improving from an already low baseline of 0.201 in 2024 to 0.156 in 2025, and remaining well below the US industry average of 0.9, reflecting meaningful progress in reducing injuries. Employees reported 20 near misses during the year, which we treat as a leading indicator to identify hazards, reinforce learning, and implement corrective actions that help prevent injuries and sustain improvement in OHS performance.

	Health & Safety
2030 Target	Maintain TRIR < industry rate
2025 Performance	22% reduction YoY, achieving a TRIR that is 83% less than the industry rate of 0.9

Kimball Electronics

Occupational Health and Safety

Our global SEF Council connects OHS practices across sites, including risk assessment, preventive actions, incident learning, training, and performance monitoring, and accelerates learning and support. By linking site-level implementation with enterprise-wide coordination, the Council helps ensure consistent application of our OHS management system and timely support where it is most needed.

Where Safety Leads, Responsibility Endures

The Global SEF Council strengthens our commitment to safe, healthy, and resilient workplaces across all Kimball Electronics locations. In 2025, the Council advanced this mission by improving near-miss reporting, reinforcing consistent ISO 45001 and ISO 14001 practices, and deepening alignment on risk assessments and preventive actions. Their work supports our Occupational Health & Safety priorities by enhancing visibility into site-level hazards, elevating global safety standards, and ensuring that our teams have the tools and guidance needed to protect one another. Through shared learning and coordinated action, the Council helps us foster a culture where safety, responsibility, and continuous improvement thrive across our global operations.

Occupational Health and Safety

Recognition reinforces what we value. Our annual SEF Award highlights outstanding performance, promotes healthy competition, and accelerates improvement across facilities.

2025 SEF Award

This year, our China facility earned Kimball Electronics' coveted, intercompany SEF Award, an internal competition for all of our facilities. This prestigious annual recognition highlights outstanding performance, promotes healthy competition, and drives continuous improvement. The award draws on results from our SEF Scorecard, which evaluates key factors such as environmental impact control; external ISO and internal audit outcomes; greenhouse gas reduction efforts; regulatory compliance; workplace injury metrics; utility costs; capital investments; and intercompany collaboration.

Kimball Electronics

Occupational Health and Safety

Major capital projects follow the same SEF expectations from planning through handover, ensuring a coherent system that anticipates risks, engages the workforce, and translates learning into action. The SEF Council's coordination and the SEF Award's recognition keep attention on what matters most, while our sites turn plans into results. This is how we protect one another and build sustainable, reliable operations across Kimball Electronics.

Embedding Safety from the Ground Up

The current construction of our new Indianapolis medical manufacturing facility reflects how safety is integrated into every stage of our growth. SEF Director Chris Whann and Headquarters SEF Manager Roger Hunter met regularly with construction crews and the Indianapolis facility's General Manger Randy Sible to ensure that planning, daily activities, and contractor practices aligned with our global Occupational Health and Safety standards and our ISO 45001 certified management system.

Throughout the project, our teams verified that hazards were assessed, controls were implemented, and safe work procedures were followed from the earliest phases of the build. This approach ensures that when the facility begins operations, employees will enter a workplace designed to support health, safety, and reliable performance.

By applying consistent OHS expectations across partners, sites, and project phases, this new facility strengthens both our operational readiness and our commitment to protecting everyone who works within our organization. This alignment helps us build tomorrow together by ensuring that every new environment starts with a strong and well structured safety foundation.

Occupational Health and Safety

The table below summarizes performance for 2022 to 2025 and the calculation methods for each metric, including fatalities, recordable injuries, lost time indicators, severity rates, days lost, work related ill health, and Near Miss Frequency Rate.

Category	Metric	2022	2023	2024	2025
Fatalities	Number of Fatalities	0	0	0	0
Recordable Work-Related Accidents	Number of Recordable Employee Injuries	20	17	12	9
	Recordable Injury Rate–Employees (TRIR)*	0.26	0.19	0.20	0.16
	Number of Recordable Contractor Injuries	0	0	0	0
	Recordable Injury Rate–Contractors (TRIR)*	0.00	0.00	0.00	0.00
Work-Related Ill Health	Recordable Cases	0	0	0	0
Work-Related Days Lost	Days Lost	168	530	100	53
Lost Time (Employees + Contractors)	Number of Lost Time Injuries (LTI)	5	8	9	5
	Lost Time Injury Frequency Rate (LTIFR)**	0.32	0.45	0.67	0.43
	Lost Time Injury Severity Rate (LTI Severity)*	2.16	6.02	1.49	0.92
Near Miss Frequency Rate (NMFR)	Number of Near Misses	104	52	27	20
	Near Miss Frequency Rate (NMFR)*	1.336	0.590	0.403	0.346

*(Number of Incidents*200,000)/Total Hours Worked*
**Number of Incidents/Total Hours Worked*1,000,000*

Brian Crane, US

Kimball® Electronics

Occupational Health and Safety

Chemical Management & Hazardous Substances

Kimball Electronics is committed to safeguarding health, safety, and the environment through a comprehensive chemical and hazardous substance management program that ensures full regulatory compliance and continuous improvement. Our ISO 14001-certified Environmental Management System provides a structured framework for identifying, assessing, and mitigating environmental risks associated with hazardous substances across all global operations. Compliance includes adherence to major regulations such as EU REACH, EU RoHS, and the US TSCA, as well as global substance restrictions under frameworks like the Stockholm Convention and Montreal Protocol.

Internally, we identify and evaluate all chemicals used in our operations, assess potential risks, and implement measures to mitigate safety, environmental, and regulatory concerns. Employees receive Safety Data Sheets (SDS), hazard communication training, and regular safety briefings to ensure awareness of potential health implications and safe handling practices. Worker protection remains a priority, achieved through engineering controls, dissemination of safety information, adherence to safe work practices, and provision of personal protective equipment. We monitor workplace exposure through regular environmental measurements and medical checks to ensure safety levels remain within acceptable limits. Established procedures guide the safe handling, storage, and transport of hazardous substances, supported by documented emergency response plans.

Our approach to substances of concern is proactive. We work to identify, reduce, and phase out chemicals classified as carcinogenic, mutagenic, toxic for reproduction, persistent, or bioaccumulative. Components are monitored for thousands of restricted substances under global regulations and industry standards, including EU RoHS 2015/863, REACH SVHC, US TSCA, GADSL, IEC 62474, PFAS, and BOMcheck. We have set quantitative reduction targets and embedded phased elimination plans into our sustainability roadmap toward 2030. These plans are supported by formal processes that apply environmental and health standards in new product design and by a demonstrated track record of introducing viable alternatives to high-concern substances.

Monitoring procedures include internal audits, supplier assessments, and compliance checks, with regular reporting on progress against targets and corrective actions for non-compliance. Suppliers are required to comply with our Supplier Code of Conduct, which mandates proper management of hazardous substances and adherence to all applicable laws and regulations. To prevent the introduction of hazardous substances into our products and processes, Kimball Electronics maintains a comprehensive Restricted Chemicals List aligned with global regulations such as EU REACH, RoHS, TSCA, and California Proposition 65. This list is communicated to suppliers and embedded in procurement requirements to ensure that materials and components sourced comply with applicable laws and our sustainability commitments. Supplier audits, ESG risk assessments, and corrective action plans ensure compliance, and we assess suppliers' progress on REACH requirements while requiring alignment with global standards such as the RMI.

We collaborate with customers by providing detailed data on chemical content upon request to support compliance and by implementing initiatives to improve consumer awareness through accessible channels. Regulatory compliance remains strong, with no reported violations or fines related to chemical labeling or marketing codes and no product recalls disclosed for hazardous substance non-compliance. 100 percent of worldwide net sales is shipped in accordance with EU RoHS, and procedures are in place at all sites to manage restricted substances.

Our phase-out plans define the scope of chemicals targeted for elimination and prioritize the use of alternative, less hazardous substances in operations. Actions are underway to reduce or eliminate persistent organic pollutants and mercury, and while we have made progress, we recognize opportunities to expand the ban of substances beyond EU RoHS and increase the use of eco-friendly or bio-based input materials. Environmental emergency measures are documented, and employees receive training on safe management of hazardous substances and emergency response.

Through these commitments, Kimball Electronics integrates chemical management into its broader sustainability strategy, ensuring that health, safety, and environmental stewardship remain central to our operations while advancing toward our 2030 goals for resource efficiency, reduced hazardous substances, and sustainable material alternatives.

Yosaton Srila, Thailand

2025

Guiding Principles Report

Nicholas Claridge, US

Citizenship

At Kimball Electronics, Citizenship reflects our belief that the environment is our home and that thriving communities and a dynamic company go hand in hand. Guided by this principle, we share our values within the places where we live and work, striving to make them great communities without imposing our views.

Under the theme *Building Tomorrow, Together*, we connect this commitment to the material topics identified in our Double Materiality Assessment: Zero Waste and Water Stewardship. These priorities show how we live our Citizenship Guiding Principle by protecting and enhancing our world while creating shared value for our stakeholders and communities.

Through these efforts, we continue to build a future where sustainability and community prosperity are inseparable, ensuring that our actions today strengthen the world we will share tomorrow.
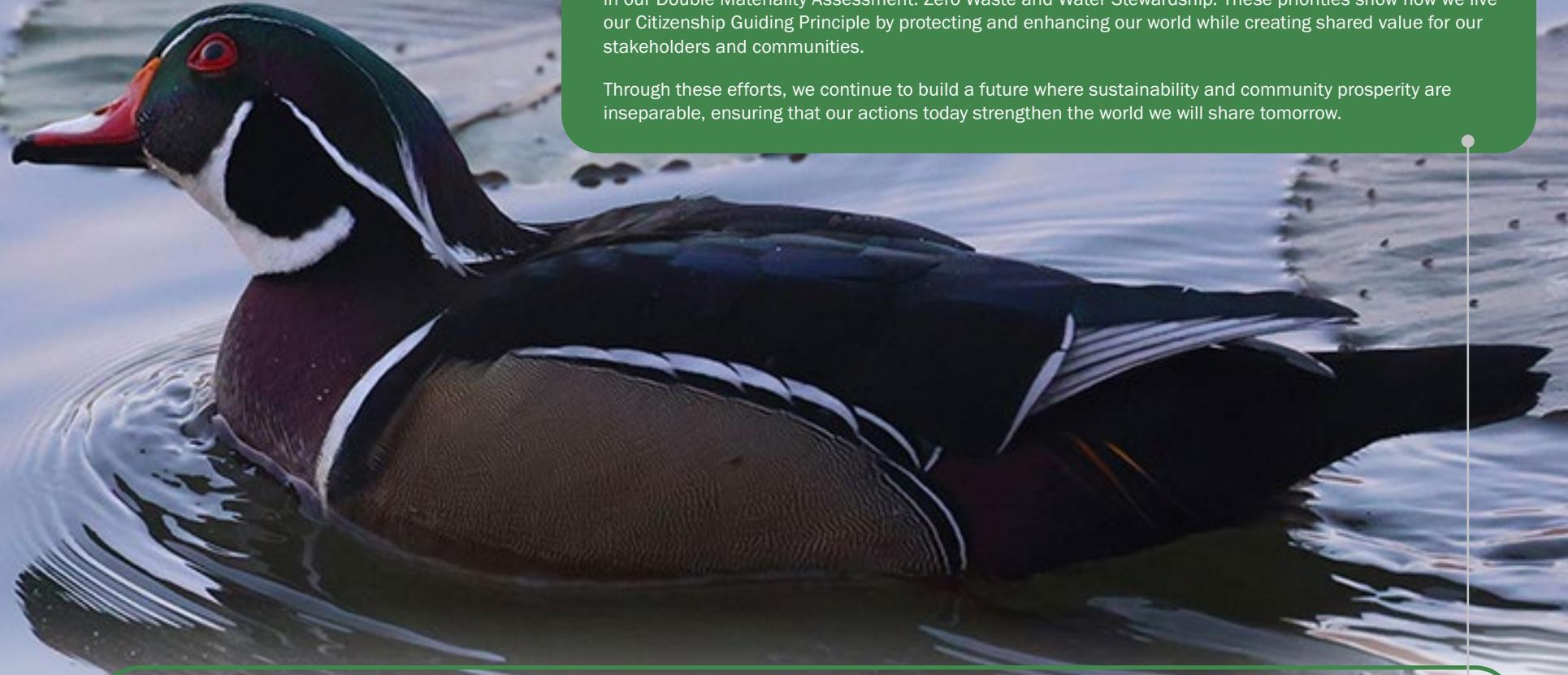
"Citizenship shows up in the way we run every line. When we engineer for zero waste and treat water as a constraint, we lift quality, reduce risk, and build resilience for customers and communities. *Building Tomorrow, Together* means standardizing best practices, auditing performance, and scaling wins across our network so environmental gains become part of daily operations and support a dynamic, growing company."

STEVEN T. KORN, CHIEF OPERATING OFFICER

Kimball Electronics

Kimball® Electronics

Our Environmental Approach

Kimball Electronics embeds environmental stewardship into our global operations through a comprehensive framework anchored in our Sustainability Policy. The Policy applies globally, covers energy, emissions, waste, and water, and includes a clear commitment to environmental management and regular reporting through quarterly updates overseen by the Board and NESG Committee.

We are proud that 100 percent of our operational facilities are ISO 14001 certified and externally verified. This certification demonstrates our commitment to maintaining a robust Environmental Management System across all sites. ISO 14001 requires organizations to systematically identify, evaluate, and address environmental risks and opportunities, which means every site undergoes risk assessments to manage significant environmental aspects and compliance obligations.

Our approach includes identifying products, activities, and services that have significant environmental impacts, setting objectives and targets, and assigning roles and responsibilities to ensure accountability. We also commit to stakeholder engagement, environmental awareness, and transparent communication.

Our compliance record is strong: we have incurred no environmental fines or penalties and have no corrective actions to report.

We report progress through recognized platforms and are proud to hold A- CDP scores for both Climate Change and Water Security, reflecting our leadership in environmental performance.

Through these systems and commitments, including our pledge to monitor, measure, and report regularly on environmental performance, we ensure compliance with environmental regulations, maintain external certifications for all operational sites, and drive continual improvement across our global footprint.

ISO 14001 ENVIRONMENTAL MANAGEMENT • CERTIFIED •

100% of our operational facilities are ISO 14001 certified

Members of our Worldwide Headquarters Recycling Team celebrate with students from the 2025 High School Environmental Committee, a program that brings together local high schools to promote hands-on environmental learning and community engagement. Through friendly competition and mentorship, the Committee empowers students to lead recycling initiatives, strengthens awareness of Zero Waste practices, and supports our broader Citizenship commitment to building more sustainable communities.

Hans Xiong, China

Zero Waste

	Beneficial Use of Waste	Hazardous Waste
2030 Target	Achieve "zero waste" (>90% landfill diversion and maximum beneficial use) at every location	Reduce hazardous waste intensity by 25%
2024 Baseline	89% beneficial use	0.121 mt/million net revenue
2025 Performance	92% beneficial use	0.105, 13% reduction

At Kimball Electronics, our commitment to Zero Waste reflects our Guiding Principle that the environment is our home. We aim to minimize waste generation, maximize beneficial use, and reduce environmental impact through strategies rooted in resource efficiency and circular economy principles.

PROJECT OF THE YEAR 2025 — THE WINNER — Adrian Nemtoi — Reduce scrap at EBC470 (Case-up)

Minimizing Waste Through Process Improvement

A standout example of minimizing waste generation came from our manufacturing facility in Romania. As part of the Lean Six Sigma Project of the Year Competition, the team tackled a critical waste-reduction challenge in the EBC470 (Case-up) production process. Using Lean and Six Sigma tools and methodologies, the team achieved a remarkable reduction in scrap—cutting the rate from 5.59 percent to just 1.04 percent.

This effort demonstrates how operational excellence directly supports our Zero Waste strategy: by addressing process inefficiencies at their source, reducing rework, and preventing materials from becoming waste in the first place. The project also strengthened team morale and provided a model for how data-driven problem solving can create lasting reductions in waste.

As the Lean Six Sigma Council noted in recognizing the achievement, this work reflects the dedication and innovative problem-solving skills within our global operations and highlights how continuous improvement contributes to both environmental performance and customer value.

Kimball Electronics

Zero Waste

Our programs are embedded in our ISO 14001-certified Environmental Management System, which applies across 100 percent of our operational facilities. This system ensures comprehensive waste classification and management, including hazardous, non-hazardous, and specialized streams such as biohazardous and radioactive waste, in compliance with local and international regulations.

We partner with approved vendors for responsible waste management and conduct internal audits to verify compliance. Our compliance record remains strong: no environmental fines or corrective actions have been incurred.

We regularly audit waste streams, map origins and destinations, and invest in innovation to reduce waste generation. Our Sustainability Policy commits us to monitor, measure, and report environmental performance regularly, reinforcing transparency and accountability.

Dedicated programs address business, production, packaging, chemical, and electronic waste. Packaging strategies consider lifecycle impacts, and we maintain a public commitment to follow international guidelines for e-waste disposal.

92%
Beneficial Use

	Metric	Non-Hazardous Waste	Hazardous Waste (Defined by Local Regulations)	Total Waste	% of Total	Waste Composition
Waste Directed to Beneficial Use	Reused	1,245 mt	5.01 mt	1,250 mt	30%	**Non-hazardous:** Cardboard [Packaging], Resin [Production], Wooden Skids [Business], Plastic [Packaging], Circuit Boards [Production], Electronic Components [Production], **Hazardous:** Waste Active Carbon [Production], Used Oil [Chemical]
	Recycled	2,429 mt	16.6 mt	2,446 mt	58%	**Non-hazardous:** Cardboard [Packaging], Electronic components [Production], Computer/E-waste [Business], Mixed office paper [Business], Plastic [Business], Printed circuit boards [Production], **Hazardous:** Circuit board cutoffs [Production]
	Waste to Energy	44.7 mt	97.3 mt	142 mt	3.4%	**Non-hazardous:** Mixed MSW [Business], Chemical Contaminated Waste (IPA, Flux, etc.)[Production], Water Filters [Production], **Hazardous:** Air Filters [Production]
Waste Directed to Disposal	Incineration	0.16 mt	2.91 mt	3.07 mt	0.07%	**Non-hazardous:** Sludge [Production], Mixed MSW [Business], **Hazardous:** Biohazardous Waste [Business], Hazardous/Chemical Contaminated Cleaning Materials [Production]
	Landfill	319 mt	28.2 mt	347 mt	8.3%	**Non-hazardous:** Mixed MSW [Business] , Organics (Food Waste)[Business], Other non-recyclable plastics (Type 7) [Business], **Hazardous:** Hazardous/Chemical Contaminated Cleaning Materials [Production]
Total		**4,039**	**150**	**4,189**		
Waste Intensity	Metric Tons per Million Net Revenue	2.84	0.11	2.95		

Business Waste at Our Global Headquarters: Real Results

At our Global Headquarters in Indiana, our Business Waste Management and Recycling program demonstrates how Zero Waste practices work in an administrative environment. Because this location serves as our administrative headquarters, its waste profile is Business Waste rather than production waste.

Clear signage and centralized stations in breakrooms and the mailroom support sorting across mixed paper, cardboard, aluminum, glass and steel, batteries, and soft plastics. The program also includes coffee-ground composting and reminders to empty liquids before recycling to keep materials high quality.

The Recycling Team are HQ employee volunteers. They coordinate employee training, maintain specialty streams, perform spot checks, and publish monthly results to sustain participation and reduce contamination.

In 2025, our Headquarters achieved a 96 percent recycling rate. These outcomes advance our 2030 Zero Waste commitment, defined as more than 90 percent beneficial use at every location.

Kimball Electronics

![Kimball Electronics]
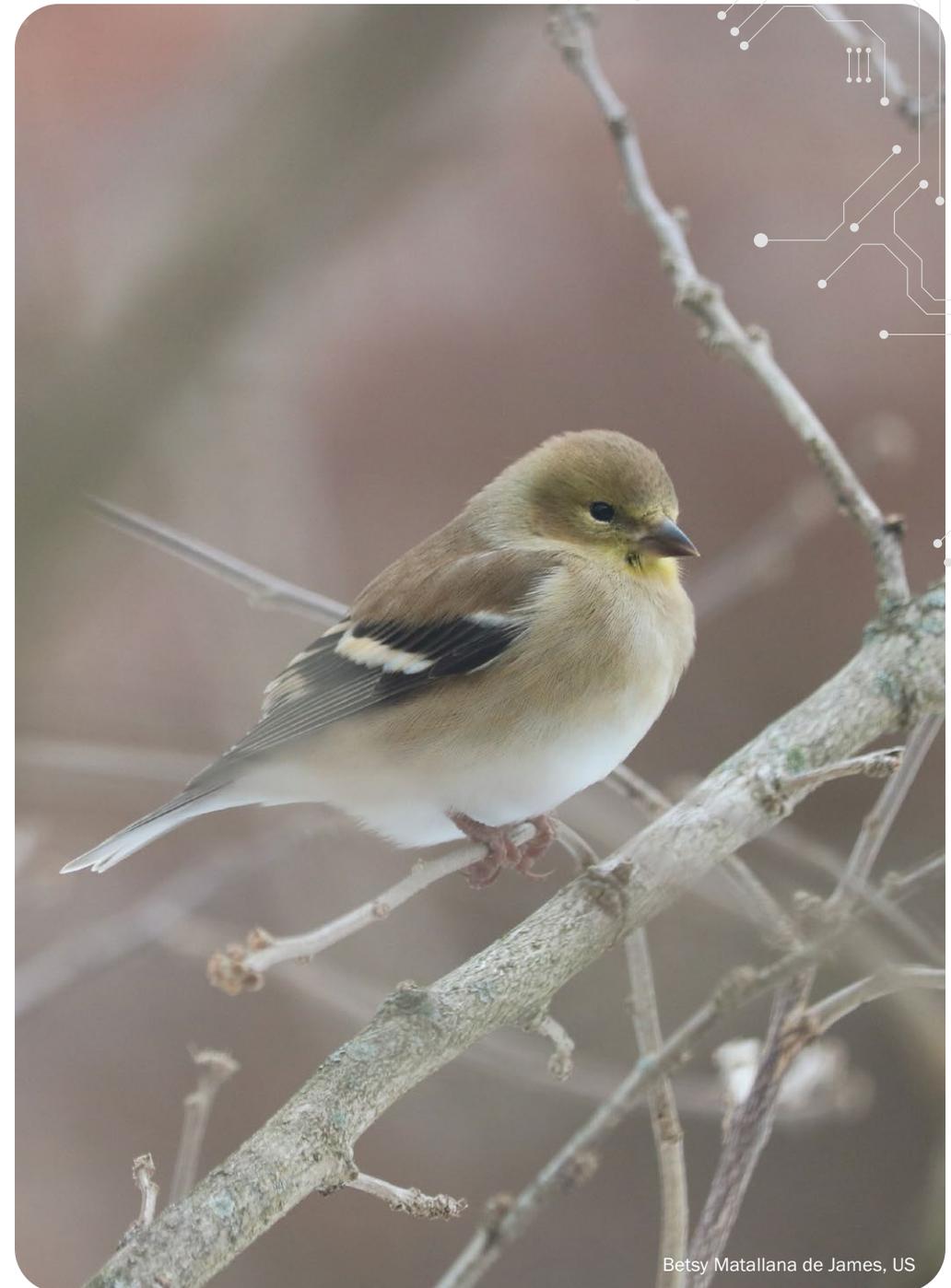
Zero Waste

Air Emissions Management

Our Double Materiality Assessment identified air emissions, including volatile organic compounds (VOCs) and hazardous air pollutants (HAPs), as non-material from a financial perspective due to the limited volume and nature of emissions associated with our operations. Nonetheless, air emissions management remains an important aspect of environmental stewardship and regulatory compliance.

Air emissions are managed at the facility level in accordance with applicable local regulations and site-specific air permits. Several locations operate under active air permits that establish enforceable limits for VOCs, HAPs, particulate matter, and other regulated pollutants. Other facilities operate under exemptions or do not require permits but remain subject to applicable national or regional air quality regulations.

We disclose relevant air emissions metrics through regulatory reporting and CDP disclosures. At permitted facilities, monitored parameters include VOCs, non-methane hydrocarbons, individual and combined HAPs, particulate matter, dust, carbon monoxide, sulfur dioxide, nitrogen dioxide, and specific substances such as xylene, lead, tin, and copper. Permit conditions define concentration-based, mass-based, or annual tonnage limits, and reporting frequencies range from annual reporting to periodic testing based on regulatory requirements.

Where required, facilities use appropriate air emissions controls and treatment systems to meet permit limits and minimize releases. These include ventilation, filtration, and process controls associated with regulated activities such as adhesive coating operations. Emissions performance is monitored against permit conditions, and results are reported to regulators as required.

While air emissions are not a material sustainability topic given the nature of our operations, we recognize their importance to environmental protection, regulatory compliance, and community expectations. We therefore maintain appropriate controls, monitoring, and disclosure at facilities where emissions are regulated, and we continue to evaluate requirements and practices as standards and expectations evolve.

Betsy Matallana de James, US

Kimball Electronics

Ecriselda Ramirez, Mexico

Water Stewardship

As part of our Citizenship commitment and our Purpose of Creating Quality for Life, we recognize water as a significant environmental aspect at all of our operational facilities, consistent with ISO 14001 requirements. This recognition drives a systematic approach to monitoring and managing water use across global operations.

In 2025, we strengthened our water strategy and achieved an A- score in CDP Water Security, improving from a B the prior year. This reflects stronger governance, transparency, and risk management. Our Double Materiality Assessment confirms that water stewardship is material for both environmental impact and business resilience, reinforcing its inclusion in this chapter.

The water audit is central to this effort. It provides a comprehensive view of withdrawals, discharges, and consumption at each facility, enabling us to identify trends and prioritize actions. These data points inform our annual water risk assessments using the WRI Aqueduct Water Risk Atlas and scenario planning for 2030 and 2050. By linking audit results to risk analysis, we target resources to water-stressed regions.

We align with the principles of the UN Global Compact CEO Water Mandate through responsible water use, risk assessment, and transparent disclosure practices.

Seventeen employees from our Laem Chabang, Thailand facility celebrated World Environment Day by making effective microorganism balls and throwing them into public water sources to increase oxygen levels and improve water quality at The Laem Chabang Community Mangrove Forest Learning Center.

	Water Stewardship
2030 Target	Recycle one-third of water globally with a focus on high stress locations with significant water use intensities
2024 Baseline	14% recycled
2025 Performance	12% recycled. Year-over-year recycling declined because reduced reuse in Mexico outweighed gains from expanded capacity at our Thailand site, our largest water user.

Water Stewardship

Water Stress

Understanding water stress is critical to our long-term resilience; each year we use the WRI Aqueduct Water Risk Atlas and 2030/2050 scenarios to evaluate accessibility, availability, and quality across our operating regions. In 2025, our assessment confirmed that three facilities—Laem Chabang, Thailand; Reynosa, Mexico; and Poznan, Poland—remain in high stress basins. These sites represent the most significant exposure to water-related risks within our global footprint.

Overall exposure decreased after the closure of our Tampa, Florida facility (moderate stress), and operational improvements further reduced our share of operations in water stressed regions. However, the remaining sites continue to require focused mitigation strategies. We disclose consumption from high stress areas and the proportion of operations affected to ensure transparency and accountability.

Our risk evaluation goes beyond location-based metrics. It includes assessments of water accessibility for production, availability for future growth, and quality considerations that could impact compliance and community health. These insights inform investments in advanced recycling and rainwater harvesting at high-risk sites and guide local stakeholder engagement to strengthen shared stewardship.

Water Recycling

Kimball Electronics continues to prioritize measures that reduce freshwater use through recycling and reuse technologies. Because our 2030 target focuses on locations with high water use and high water stress, our Thailand facility implemented a closed loop product wash water recycling system that reduced freshwater demand at the site. This location

accounts for the largest share of our global water footprint, so improvements here have a meaningful effect on overall consumption.

Other locations are advancing water stewardship through projects that improve efficiency. At our Jasper, Indiana facility, an on-site condensate recovery system captures water that would otherwise be lost and reuses it in facility operations, reducing the amount of freshwater required.

We have also introduced rainwater harvesting systems at our Thailand facility to support non-potable water needs, and additional recycling projects are in development. These site-specific efforts support our 2030 recycling target and reduce reliance on freshwater sources.

Scott Saalman, US

Reducing Water Impact Where It Matters Most

At our Thailand facility, which accounts for approximately 45 percent of our global water use and operates in a high water stress region, we implemented a closed loop product wash water recycling system that reused roughly one million gallons of water in 2025. Because customer specific washing requirements concentrate our water footprint at this location, the impact of this project is especially significant. This improvement directly supports our updated 2030 commitment to recycle one third of the water we use globally, with prioritization of high stress regions and high intensity sites.

Water Stewardship

Wastewater Management

Wastewater management is a defined component of our environmental management practices and is addressed at the facility level in accordance with ISO 14001 requirements and applicable local regulations. We monitor, manage, and disclose wastewater discharge information to protect receiving water bodies and ensure regulatory compliance across our operations.

Facilities operate under site specific regulatory frameworks. Five locations hold active wastewater discharge permits, while other sites operate under a no exposure exclusion or within regulated industrial estates where compliance with mandated wastewater handling and discharge guidelines is required. All relevant operations conduct wastewater monitoring consistent with permit conditions or local authority requirements.

Wastewater quality assessments are performed based on site specific discharge profiles and regulatory obligations. Monitored parameters include pH, total suspended solids, biochemical and chemical oxygen demand, nutrients, oils and fats, surfactants, cyanide, and other regulated substances. Monitoring frequencies vary by location, ranging from biweekly testing to annual reporting. Effluent results are submitted to local authorities as required and reviewed internally to verify compliance.

Facilities use appropriate wastewater treatment and pretreatment systems to meet discharge requirements. These include sedimentation and septic tanks, wash bay filtration, grease traps, fat separators, and filtration systems. Treatment methods are selected based on operational activities and wastewater characteristics at each site.

Management of heavy metals is incorporated into wastewater controls where applicable. Several facilities monitor regulated metals such as cadmium, chromium, copper, lead, nickel, zinc, mercury, arsenic, and cyanide under established permit limits. Heavy metals are managed through pretreatment, filtration, and controlled discharge practices, with compliance demonstrated through routine monitoring and regulatory reporting.

Through consistent facility level monitoring, treatment, and disclosure of wastewater discharge parameters, we support responsible wastewater management and maintain alignment with regulatory requirements and recognized environmental management standards.

Marcin Dykczak, Poland

2025 Photo Contest Winner

Congratulations to Marcin Dykczak, Grand Champion of our 2025 Employee Nature Photography Contest, held in conjunction with our Earth Day and World Environment Day virtual events. Marcin, a production operator at our Poland facility, entered this photo (above) that scored well based on the expertise of external judges, as well as by popular voting of our global employees. As you can see by the many nature photos in this Report, the annual contest provides a great opportunity for us to showcase our employees' photography skills and deep love of nature and ecology.

Water Stewardship

Kenny Chen, China
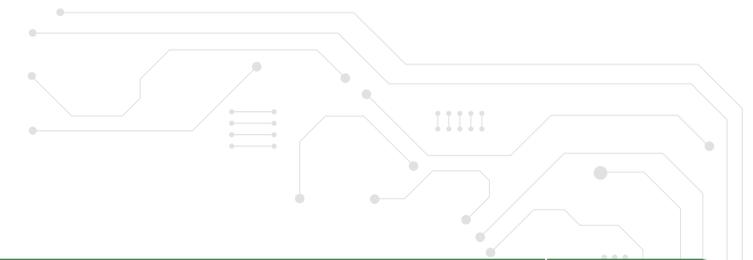
Total Water Use	
Total Water Withdrawals	**137,181 m³**
Well	3,975 m³
Municipality	133,206 m³
Total Water Withdrawals in Areas at Water Risk	**90,258 m³**
Laem Chabang, Thailand–Danube Basin	60,574 m³
Reynosa, Mexico–Rio Grande–Rio Bravo Basin	21,177 m³
Poznan, Poland–Oder Basin	8,507 m³
% of Water Withdrawn from High Stress Areas	**66%**
% of Operations in High Stress Areas	**50%**
Total Water Recycled	**16,226 m³**
Recycled wash water	11,924 m³
Recycled condensate water	4,303 m³
% of Water Recycled	**12%**
Water Intensity (Cubic Meters Withdrawn per Thousand Net Revenue)	**0.10**

Total Water Discharged	113,228
To Municipality	109,253
To Surface (only Romania)	3,975

Total Water Consumed (Withdrawals minus Recycled minus Discharged)	7,726

Kimball Electronics

Biodiversity

Our Double Materiality Assessment concluded that biodiversity is not among the highest-impact topics for Kimball Electronics; however, we recognize its importance to sustainable development and stakeholder expectations. We have identified potential biodiversity-related risks primarily through our supply chain, where raw material sourcing could contribute to ecosystem degradation if not managed responsibly. While our operations are not located in or near biodiversity-sensitive areas, we maintain vigilance to ensure activities do not negatively affect local habitats.

Kimball Electronics has a public commitment to biodiversity protection embedded in our Sustainability Policy and reinforced by our Human Rights Policy. These policies prohibit deforestation in our supply chain and require suppliers to adhere to ethical and environmental standards. Our approach includes qualitative objectives to preserve ecosystems and prevent habitat loss, though we do not currently set quantitative biodiversity targets or report biodiversity-specific metrics. We continue to monitor emerging standards and stakeholder expectations to determine future enhancements to our biodiversity strategy.

Employees at our Romania facility planted 80 trees—birch, oak, apple, pear, cherry, and walnut—on our property. The trees were purchased with a donation to Banat, an non-governmental organization (NGO) primarily focused on reforestation, community engagement, and local green initiatives within the county.

Pawel Guzialek, Poland

Kimball Electronics

2025

Guiding Principles Report

Profits

At Kimball Electronics, Profits remain the ultimate measure of how efficiently and effectively we serve our customers. They provide the financial resources that allow us to shape our future and achieve our vision. Our commitment to profitability is not simply about financial performance; it is about sustaining growth and creating value for all stakeholders as we continue *Building Tomorrow, Together*.

In 2025, our Double Materiality Assessment reaffirmed the importance of financial resilience and refined the material topics under the Profits category. Last year, Business Ethics & Corporate Behavior and Giving were identified as priorities. This year, Business Ethics & Corporate Behavior evolved into Business Ethics & Cybersecurity, reflecting that ethical business practices and cybersecurity are inseparable in a digital-first environment. Stakeholder expectations, regulatory developments, and risk analysis highlighted cybersecurity as a critical component of trust and integrity in global operations. Integrating cybersecurity into this material topic acknowledges its role in protecting sensitive data, ensuring business continuity, and maintaining confidence among customers and partners.

"Profitable growth is sustainable only when ethics are embedded in the ledger. Accurate reporting, strong internal controls, and transparent disclosures turn principles into accountability so the value we create stands up to scrutiny and serves our people, planet, and shareowners."

ADAM M. BAUMANN, CHIEF ACCOUNTING OFFICER

Ella Fu, China

Kimball Electronics

Business Ethics & Cybersecurity

	ESG Compensation	ESG Rankings
2030 Target	Link short-term and long-term executive compensation awards to achievement of our sustainability targets.	Maintain top tier ESG rater rankings
2025 Performance	Under our short-term incentive compensation plan, executives earned 2% of a possible 5% multiplier for an ESG metric that measured the achievement of our sustainability targets and maintenance of top-tier ESG rater rankings.	

Ethical conduct and robust cybersecurity practices are fundamental to how we operate and create value. Responsibility for ethics and information security rests with our Board of Directors and its committees, including the NESG Committee for governance and compliance and the Audit Committee for oversight of AI, cybersecurity and data protection. This structure embeds ethical and security considerations in decision-making and ensures monitoring at the highest level.

Kimball Electronics is committed to international standards, including the OECD guidelines. This commitment is embedded in our public policies, notably our Sustainability Policy and Human Rights Policy, which require compliance with globally recognized frameworks for responsible business conduct. These policies guide our approach to integrity, transparency, respect for human rights, and responsible information management across our operations and supply chain.

Information Security & Cybersecurity Governance

Information security and cybersecurity governance are critical to protecting data, ensuring compliance, and maintaining stakeholder trust. Cybersecurity was identified as a material topic in our 2025 Double Materiality Assessment. Responsibility for cybersecurity resides with senior leadership and is overseen by the Board through the Audit Committee, which provides independent oversight of enterprise risk, cybersecurity, AI, risks, and data protection and privacy. Senior leadership briefs the Board regularly on information security matters, and the Data Protection Officer reports directly to executive leadership.

Kimball Electronics

Business Ethics & Cybersecurity

We maintain documented policies covering data protection, privacy, and responsible information management, with qualitative objectives and quantitative targets for safeguarding confidential information, managing third-party risks, and ensuring compliance with global data protection regulations. Our privacy policy outlines measures for stakeholder consent, records retention, and protection against unauthorized access.

Cybersecurity risk management programs include regular risk assessments, third-party due diligence, and audits of control procedures. We maintain an incident response plan to manage breaches and have implemented ISO 27001:2022 certification applicable to the protection of the information assets supporting Electronics Manufacturing Services as defined by the Kimball Electronics Global Information Security Manual and the Global Statement of Applicability (October 6, 2025). External audits validate compliance with top information security standards.

We disclose confirmed information security incidents and remediation actions in alignment with regulatory requirements. While Kimball Electronics has not experienced a material breach in the past three years, we maintain insurance coverage for information security risks, work to mitigate our own, and continuously monitor third-party vulnerabilities.

As AI becomes increasingly important to operational efficiency and ESG improvements, we have established an AI governance framework aligned with sustainability principles and ethical guidelines. Our formal AI policy addresses transparency, fairness, accountability, bias prevention, and employee training. We disclose AI's role in advancing ESG goals, including measurable sustainability impacts, and assess AI-related ESG risks to ensure responsible deployment.

Business Ethics & Corporate Behavior

Executive Compensation and Governance

Kimball Electronics maintains a strong commitment to ethical governance and transparent compensation practices, which are detailed in our Annual Report, Proxy Statement, and Corporate Governance Principles. These documents outline the structure and oversight of executive pay programs, ensuring alignment with shareholder interests and long-term value creation.

We design our equity plans and incentive programs with safeguards that reflect industry best practices. Our equity awards do not become exercisable, and/or begin cliff or grade vesting until at least one year after the grant date, and our plans prohibit option repricing and cash buyouts without shareholder approval. Clawback provisions apply to incentive compensation, reinforcing accountability. Long-term incentives are performance-based, with clear measures disclosed in the Proxy Statement, and equity plans do not include evergreen provisions or liberal change-in-control vesting.

We disclose our CEO-to-employee pay ratio and methodology, as well as the basis for change-in-control and severance arrangements, in our Proxy Statement. Disclosures include alignment analyses between CEO pay and company performance over multiple time horizons, along with Say-on-Pay voting results. Our governance framework addresses ownership guidelines, holding periods, and restrictions on multi-year guaranteed bonuses, ensuring that executive compensation supports sustainable growth and shareholder value.

For full details on these topics, including performance metrics for short- and long-term incentive plans, equity plan provisions, and pay-for-performance evaluations, please refer to our most recent Proxy Statement and Corporate Governance Principles.

Code of Conduct

Kimball Electronics operates under a comprehensive Code of Conduct that reflects our commitment to ethical, transparent, and responsible business practices. This Code applies to all employees, contractors, and stakeholders and is supported by public policies that embed these principles across our global operations.

Our Code explicitly prohibits anti-competitive practices and embeds this prohibition in policy, ensuring compliance with laws and regulations in every country where we operate. Suppliers are required to uphold these standards to maintain healthy competition. We disclose and enforce rules on conflicts of interest, supported

Where Security Protects, Responsibility Strengthens

The Cybersecurity Council ensures that our information assets remain protected, resilient, and aligned to global best practices. In 2025, the Council strengthened our ISMS, reduced vulnerabilities, enhanced SOC capabilities, and improved governance over emerging technologies like AI. Their work supports our Business Ethics & Cybersecurity material topic by safeguarding data integrity, reinforcing compliance, and protecting the systems that enable financial resilience and stakeholder trust. Through global coordination and continuous improvement, the Council helps us build tomorrow together by ensuring our growth is secure, responsible, and prepared for the digital future.

by procedures to manage and mitigate such risks. These include qualitative objectives for transparency and accountability, complemented by training programs that help employees identify and address potential conflicts.

The Code incorporates strict measures against corruption, bribery, fraud, money laundering, and other forms of financial misconduct. Employees receive training on anti-corruption, antitrust, competitor interaction guidelines, confidentiality, and insider trading rules. Whistleblower mechanisms and confidential reporting channels empower stakeholders to report unethical practices without fear of retaliation.

ISO 27001
INFORMATION SECURITY MANAGEMENT
CERTIFIED

Kimball Electronics

Business Ethics & Cybersecurity

Our Code emphasizes sustainability, workplace safety, and employee wellbeing as integral components of ethical business conduct. It also commits to fair labor practices, including equitable treatment during organizational changes, in alignment with international labor standards.

Compliance is validated through regular internal and external audits, and breaches are addressed through disciplinary actions proportionate to the severity of the violation. Comprehensive training ensures employees understand and uphold the principles of the Code. For more detailed information, including our full Code of Conduct and related policies,

please refer to the resources available on our website.

Mechanisms for Identifying, Reporting, Investigating, and Remediating Concerns and Compliance Outcomes

Reporting and Investigation Framework

Kimball Electronics provides clear mechanisms for employees, suppliers, customers, and other stakeholders to report concerns related to unlawful behavior or violations of our Code of Conduct. Reports can be submitted

confidentially and anonymously through our globally accessible ethics hotline, via telephone, web portal, e-mail, or mobile app, each, available 24/7 in multiple languages.

These channels are publicly disclosed on our website and cover issues such as:

- Discrimination and harassment
- Working conditions
- Anti-competitive practices
- Corruption and bribery
- Information security concerns
- Conflicts of interest
- Money laundering or insider trading

Our whistleblower and grievance mechanisms include a strict non-retaliation policy to protect individuals who raise concerns. All reports are promptly investigated using structured procedures, including evidence collection, stakeholder interviews, and defined resolution strategies. Investigations are conducted independently and objectively to ensure fair and transparent outcomes.

We disclose aggregated metrics on reports received, types of misconduct, and measures taken in our Global Human Rights Policy and Supply Chain Transparency Statement. In FY2025, twelve reports were logged (six duplicates), all related to employee relations; none required escalation to external authorities.

Governance and Preventive Measures

We adhere to internationally recognized standards, including the OECD guidelines and the Ten Principles of the UN Global Compact. Preventive measures include:

- Regular global training on human rights, anti-corruption, diversity and inclusion, and reporting obligations
- Corruption risk assessments and audits of control procedures
- Incident response plans for breaches of confidential information
- Information security risk assessments and third-party due diligence
- Records retention schedules and stakeholder consent protocols for data protection

These measures are embedded in our Sustainability Policy and Human Rights Policy, ensuring alignment with ISO 26000 guidance and other international frameworks.
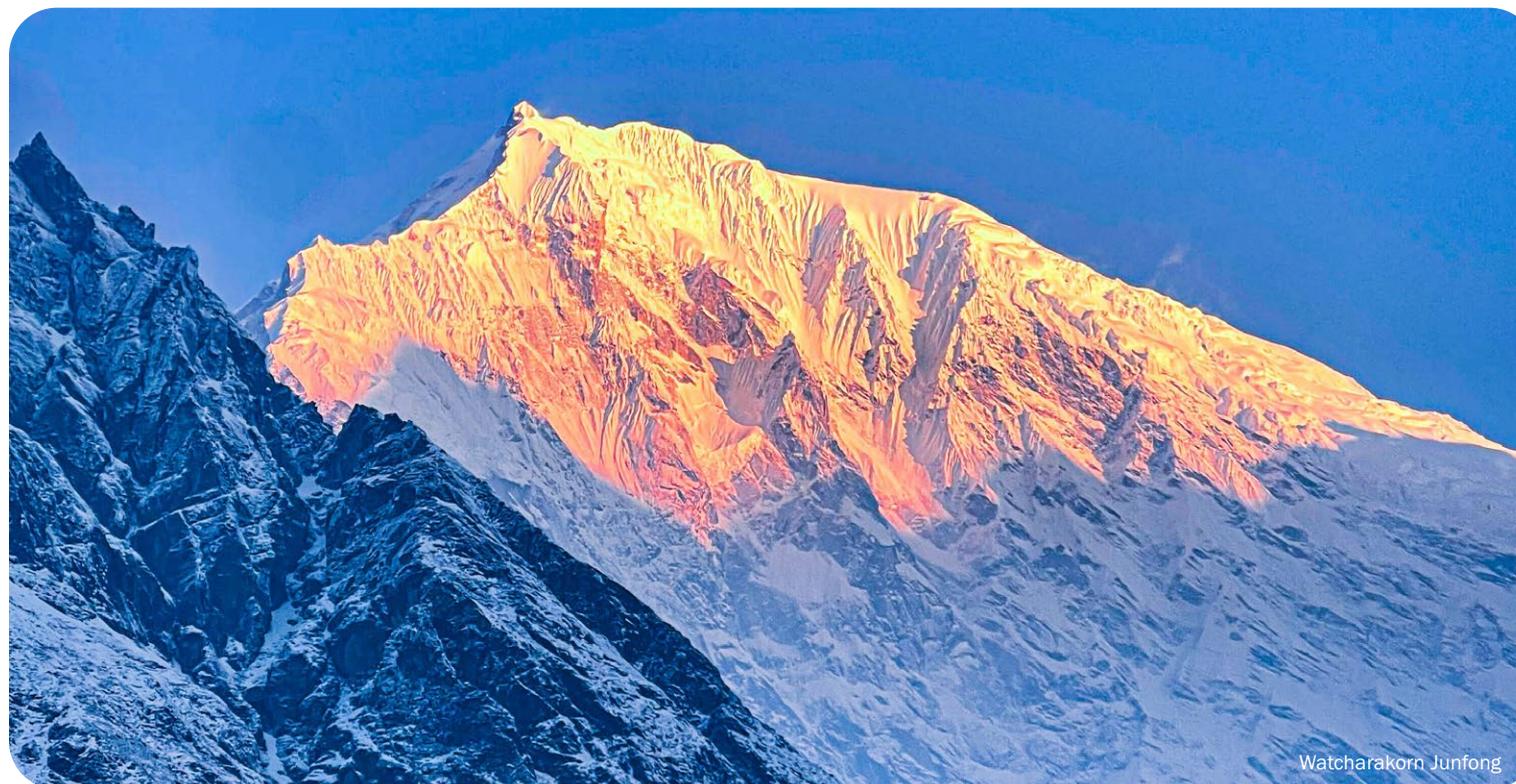
Watcharakorn Junfong

Business Ethics & Cybersecurity

Compliance Outcomes for 2025

Our governance and reporting mechanisms delivered strong compliance results in FY2025:

• Zero reported violations under the Global Human Rights Policy, Code of Conduct, Supplier Code of Conduct, or related frameworks

• No regulatory actions, fines, or settlements against the company, directors, or executives

• No significant fines (defined as exceeding USD $10,000) related to environmental, ecological, or ESG issues over the past four fiscal years

• No incidents of non-compliance associated with water permits, regulations, or standards

• No notices of violations related to regulatory labeling or marketing codes

• No product recalls and no monetary losses from environmental legal proceedings

Supplier compliance programs remained robust, with annual audits covering approximately 99 percent of inventory and 98 percent of accounts payable, aligned with ISAE 3000 standards. No supplier non-conformance requiring corrective action was identified in FY2025. Procedures for mitigating non-compliance include escalation through additional supplier engagement, corrective actions such as training and outreach, and reconsideration of partnerships where compliance cannot be achieved.

Human Rights Commitment and Due Diligence

Kimball Electronics is committed to respecting internationally recognized human rights standards, including the United Nations Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the OECD guidelines. These commitments are embedded in our Global Human Rights Policy and Supply Chain Transparency Statement, which apply across all operations and our supply chain. We prohibit child labor, forced labor, and human trafficking and uphold freedom of association and collective bargaining rights. Suppliers are contractually required to adhere to these standards and respect the UN Guiding Principles. Our policies also address workplace flexibility, privacy, non-retaliation, and protections for vulnerable groups.

To proactively address risks, we employ a comprehensive due diligence process that includes documented procedures for identifying and assessing human rights risks, regular risk assessments tailored by location and type of operation, and audits of internal controls. We conduct human rights impact assessments on an ongoing basis and integrate findings into business operations. In 2025, we continued monitoring supply chain relationships and performed corruption and forced labor risk assessments. No remediation was required, but processes remain in place for swift action if needed.

Kimball Electronics maintains documented programs for fair labor practices and monitors compliance through audits. Our operations hold ISO 45001 certification for OHS at 100 percent of our global manufacturing sites, reinforcing our commitment to safe and equitable working conditions. Employee engagement and satisfaction are tracked through surveys, and turnover rates and safety performance are disclosed in annual reporting.

To ensure adequate wages at or above cost-of-living benchmarks, we benchmark compensation against local market data and living wage estimates annually. We monitor working hours and overtime through our timekeeping systems and ensure employees are paid for all overtime work in compliance with local laws. Regular engagement with workers' representatives occurs through structured forums and joint committees to review working conditions and address concerns. Social protection coverage is expanded beyond public programs through company-sponsored benefits, including health insurance, retirement plans, and wellness programs. Employees are encouraged and supported to take their paid annual leave entitlements, tracked through HR systems to prevent carryover issues. Training and reskilling programs are offered to mitigate potential negative impacts of industrial or climate transition changes, with a focus on upskilling for emerging technologies and sustainability-related roles.

Employees and stakeholders can report violations confidentially through multiple channels, including an anonymous hotline, with a strict non-retaliation policy in place. Reports are investigated promptly and independently, and aggregated data on inquiries and outcomes is disclosed annually. Suppliers must comply with standards prohibiting forced labor and child labor. These requirements are embedded in contractual agreements and monitored through audits and due diligence processes.

Through these measures, Kimball Electronics demonstrates a zero-tolerance approach to human rights violations and ensures transparency, accountability, and continuous improvement in protecting human rights across our global operations and supply chain.
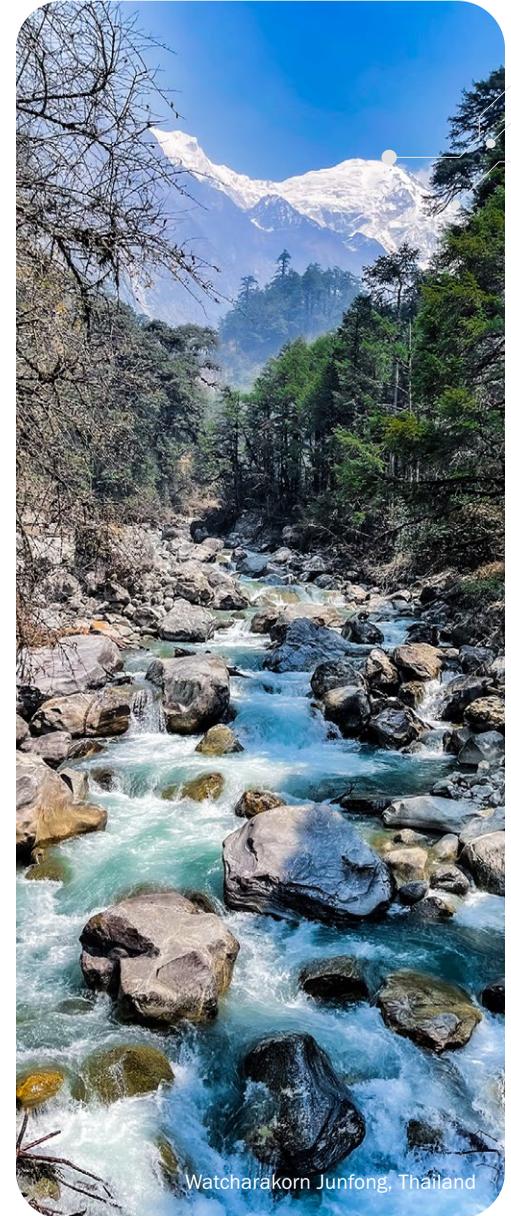
Watcharakorn Junfong, Thailand

Business Ethics & Cybersecurity

Autumn Cox, US

Prevention and Detection of Corruption and Bribery

Kimball Electronics enforces a zero-tolerance policy for corruption and bribery, embedded in our Code of Conduct and Supplier Code of Conduct, and supported by public policies that prohibit all forms of bribery, including kickbacks, facilitation payments, and improper political or charitable contributions. These policies also include detailed rules on gifts and entertainment, with restrictions on offering and receiving gifts to prevent conflicts of interest, and an explicit prohibition on insider trading.

Oversight of our anti-corruption program resides at the highest level, with responsibility shared by the CEO, Chief Compliance Officer, Chief Financial Officer, and Chief Human Resources Officer. This governance structure ensures alignment with international standards.

We conduct systematic corruption risk assessments across all operations, integrated into our enterprise risk management framework to proactively identify and mitigate corruption risks. We maintain a documented anti-corruption due diligence process for third parties. This includes screening suppliers, vendors, and partners prior to engagement, applying heightened scrutiny in high-risk regions, and requiring written acknowledgment of compliance obligations. Ongoing monitoring is reinforced through audits, assessments, and training programs.

Employees and suppliers must confirm their understanding and compliance with the Code of Conduct. Training programs ensure employees understand ethical practices, reporting mechanisms, and our prohibition on facilitation payments and insider trading.

Reporting and Non-Compliance

Kimball Electronics publicly reports on breaches and confirms that no incidents, convictions, fines, or disciplinary actions related to corruption or bribery occurred during the reporting period. We also maintain a zero-tolerance stance on discrimination and harassment, supported by policies, training, and grievance mechanisms.

Social Dialogue and Freedom of Association

Kimball Electronics is committed to fostering an open and collaborative workplace where employees' rights to freedom of association, collective bargaining, and union representation are fully respected. These commitments are embedded in our public policies covering fair labor practices, freedom of association, and anti-discrimination, and they apply across our global operations and supply chain.

All employees are informed of their rights to join labor unions, workers' councils, or other collective bargaining organizations in line with international standards. In 2025, 68 percent of our workforce was represented by independent trade unions or covered by collective bargaining agreements. These agreements address key areas such as health and safety, working hours, overtime, leave policies, wages, career development, and anti-discrimination measures.

We actively prevent anti-union discrimination and protect workers engaged in union activities. Employees can elect representatives, and management regularly meets with those representatives to ensure meaningful dialogue. Our supplier policy requires respect for freedom of association and the right to collective bargaining.

Kimball® Electronics

Business Ethics & Cybersecurity

Relations with Governments and Political Engagement

Kimball Electronics prohibits direct political donations and does not engage lobbyists. Lobbying-related spending is limited to trade association membership fees, which align with our business values and sustainability objectives by supporting responsible sourcing, ethical labor practices, resilient manufacturing, and local economic development through collective industry participation.

We do not engage in partisan activities or political campaign contributions. The company has no government ownership exceeding 5 percent, and total political contributions for 2025 were $0.

All lobbying activities, trade association memberships, and related expenditures were reviewed by senior leadership and overseen by the Board's Nominating and ESG Committee. Philanthropic contributions are governed by our global Philanthropic Contributions and Non-Commercial Sponsorships Policy, which prioritizes social responsibility and community impact. This policy ensures that donations support community, education, human rights, and environmental initiatives, maintaining a clear separation between charitable giving and prohibited political activities.

Dan Copocean, General Manager of our Romania facility (left), was appointed as the new President of the North American Economic Club. This organization fosters economic collaboration, investment, and innovation between Romania and North American markets.

Kasemsiri Sinsamoot, Thailand

Trade Association	2025 Fees
Responsible Business Alliance, including: - Responsible Minerals Initiative - Responsible Labor Initiative	$35,000
Indiana Manufacturers Association (US)	$12,231
National Council of Maquiladora & Export Manufacturing Industry (Mexico)	$5,800
Jasper Chamber of Commerce (US)	$1,080
Timiș Chamber of Commerce, Industry & Agriculture (Romania)	$380

Business Ethics & Cybersecurity

Tax Strategy and Financial Disclosure Integrity

Kimball Electronics maintains a responsible tax strategy and governance framework that reflects our commitment to ethical business conduct, transparency, and compliance with all applicable laws and regulations. Our tax strategy is formally approved by the Board of Directors, with periodic updates for oversight and accountability. Day-to-day management is led by our Chief Financial Officer and the finance/tax leadership team through defined controls, risk assessments, and reporting procedures.

We comply with both the spirit and letter of tax laws in all jurisdictions where we operate. We do not use secrecy jurisdictions or tax havens, nor do we establish tax structures without commercial substance, and we are committed to not pursuing advantages in tax havens. Our transfer pricing practices adhere to the arm's-length principle and OECD guidelines, and we explicitly prohibit tax avoidance, including avoidance through transfer pricing or aggressive tax planning strategies. These commitments reinforce our alignment with global standards such as the OECD guidelines and the UN Global Compact principles.

We comply with financial reporting requirements in every jurisdiction where we operate, ensuring disclosures meet local legal and regulatory standards. In addition, we prepare jurisdiction-specific information for tax authorities as required, and provide consolidated disclosures of revenue by geography, income tax expense, effective tax rate, and related methodologies through our statutory filings and consolidated financial statements, including reconciliations and explanations of variances. While our sustainability report does not list every jurisdiction individually, statutory filings and consolidated reporting ensure comprehensive compliance and integrity.

For FY2025, our provision for income taxes was $9.2 million, reflecting an effective tax rate of 35.2 percent, with detailed breakdowns of US federal, state, and foreign tax components. We maintain constructive relationships with tax authorities and respond transparently to inquiries, disclosing local jurisdiction tax strategies (such as in Poland) as required by law.

Our Leadership Team Severance and Change-in-Control Plan includes a double-trigger arrangement for severance benefits but does not provide excise tax gross-ups for change-in-control payments. We also confirm that we do not maintain a poison pill designed to preserve tax assets. These practices underscore our commitment to fair taxation and sustainable economic contribution.

For additional details, including effective tax rate methodology and reconciliations, refer to our Sustainability website.

Selina Yang, China

Kimball Electronics

Giving

	Giving
2030 Target	Donate 1% of FY adjusted net income
2025 Performance	Achieved 115% of target

"At Kimball Electronics, profitability is how we fuel purpose. By managing economic profit with discipline and transparency, we ensure that our Giving commitment is not a discretionary expense but a strategic investment in communities where we live and work. One percent is our baseline, outcomes are our measure, and accountability is our promise, so the value we create for customers and shareowners is matched by the impact we deliver for people and places."

JANA T. CROOM, CHIEF FINANCIAL OFFICER

Our Purpose of Creating Quality for Life extends to the communities where we operate…and beyond. Guided by our Global Philanthropic Contributions and Non-Commercial Sponsorships Policy, we target 1 percent of adjusted net income annually to community investment through financial contributions, in-kind donations, and employee volunteering. Our focus spans four priority areas: Community, Human Rights & Human Needs, Education & Arts, and Science & Environment.

We aim to create measurable, sustainable impact by supporting initiatives that address critical needs such as food security, disaster relief, housing, health and wellbeing, education, STEM development, and environmental stewardship. Our approach combines financial support with employee engagement and expertise, ensuring that giving reflects collaboration and long-term value.

In 2025, total giving reached $325,000, reflecting our community investment through monetary contributions, employee volunteering, and in-kind support, alongside more than 3,050 volunteer hours. Programs like KE Gives, our employee giving circle, along with recurring initiatives such as blood drives and educational partnerships, further strengthen our ongoing community engagement.

All contributions are evaluated and monitored by our Corporate Philanthropy Committee, which oversees progress through recipient impact reports and reserves the right to audit projects for compliance, as outlined in our policy. This ensures that progress is regularly monitored to confirm we meet our annual giving target and remain focused on the impact of our philanthropic donations and non-commercial sponsorships rather than the value or number of donations. This emphasis allows us to ensure that our giving has a meaningful and measurable impact on the causes and communities we support and enables us to evaluate the effectiveness of our donations and make informed decisions about where to allocate our resources in the future. Our evaluation system is embedded in this governance structure, with oversight from the Board's Nominating and ESG Committee. The program is managed by the Corporate Philanthropy Committee, comprised of our Director of Social Responsibility, Chief Financial Officer, Chief Legal Officer, and Sustainability Director, at no additional management cost.

2025 Giving	Hours Donated	Monetary Value of Hours	Monetary Donations	Total Monetary Value
Community	1132	$24,000	$150,000	$174,000
Human Rights & Needs	299	$6,000	$10,000	$16,000
Education & Arts	1444	$15,000	$68,000	$83,000
Scientific & Environment	179	$3,000	$49,000	$52,000
Total	**3054**	**$48,000**	**$277,000**	**$325,000**

2025

Guiding Principles Report

Kimball® Electronics

Giving

Access to food, water and nutrition is both a human need and a human right. Hunger is a key issue we address in our philanthropic efforts worldwide. Each year, Kimball Electronics facilities are encouraged to support food assistance efforts in their communities by sponsoring employee food drives, volunteering at food banks during work hours, and making meaningful financial donations. Employees who work remotely are encouraged to donate work time to help hunger efforts in their communities too. In 2025, we donated about $29,000 to hunger-related services through monetary and voluntary time donations.

To support a food packaging event for the Million Meal Movement, our Indianapolis, Indiana employees donated 68 work-time hours to the cause. In addition, the company donated $5,000 to host this event that addresses local food insecurity.

Our Timisoara, Romania facility contributed funds to help elderly residents in a remote village. In addition, employees and family members visited the village to disburse food.

Employees from our Mexico operations in Reynosa donated 192 hours of employee time to prepare and serve meals for children living in local foster homes and a landfill known as "Las Calabazas."

During National Day for the Elderly, employees from our Thailand operation personally donated money to the Banbanglamung Social Welfare Development Center for Older Persons. Several employees volunteered time to serve meals, fresh fruit, and desserts to the residents, and our facility donated a television to the center, aiming to bring more entertainment and joy into the daily lives of the elderly residents.

Kimball Electronics

Giving

Areas of Giving

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

UN TRUST FUND — TO END VIOLENCE AGAINST WOMEN AND GIRLS

In support of the UN Trust Fund. There is no endorsement of the activities, products, and/or services of Kimball Electronics by the UN Trust Fund.

To promote employee involvement in our philanthropy, all employees were given the opportunity to help select which organization to donate $5,000 in support of our sustainability beliefs that tie to our Human Rights and Human Needs giving category. The winner was UN Women, billed as the global champion for gender equality. Our donation is earmarked for ending violence against women.

Employees in Thailand, Jasper, Mexico and Indianapolis donated 182 units of blood in 2025, potentially saving 546 lives.

Our Laem Chabang, Thailand facility purchased and donated $11,000 worth of medical equipment to a local hospital's emergency department. Also, during work time, employees partnered with lingerie brand, Sabina, to handcraft 100 prosthetic breasts for breast cancer patients who have had mastectomies.

Our facility in Nanjing, China donated money to cover costs for training uniforms and equipment for the Nanjing Institute of Technology basketball team. We also provided employee support during their inaugural tournament.

2025

Guiding Principles Report

Kimball Electronics

Giving

Areas of Giving

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

Employees in Reynosa, Mexico donated 1,160 hours to share their expertise during the Kimball Challenge 3.0 program. As part of the program, students at different universities worked with our engineers on cost-saving projects focused on AI.

Our Jasper, Indiana facility donated financial support to the Dubois County Court Appointed Special Advocates, which advocates for abused and neglected children's best interests in the Circuit Court System to ensure they have a safe and permanent home.

Kimball Electronics sponsored the Society of Plastics Engineers' PlastiVan® Program held at Warren Central High School in Indianapolis. Students are educated about the chemistry, history, processing, manufacturing, and sustainability of plastics and how the science and real-world applications relate to their everyday lives.

In 2025, Kimball Electronics awarded $78,000 in student scholarships globally. Our facility in Poznan, Poland awarded $17,000 in scholarships, based on grade point averages, to technical school students from the School of Communication, which partners with us in an internship program. Many Poland employees are graduates of the school and enjoy helping develop young talent who might be part of our future workforce. In the US, we further demonstrated our commitment to provide tuition assistance to students at an engineering, science and technology university, South Dakota Mines, through the Kimball Electronics Don Charron Scholarship.

SOUTH DAKOTA MINES
An engineering, science and technology university

2025

Guiding Principles Report

Kimball® Electronics

Giving

Areas of Giving

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

We support community activities and projects that support contemporary art and artists as a means to express our commitment to innovation and pride in the community embodied in our Guiding Principles. Examples of arts-related organizations who received financial support from us in 2025 included Jasper Community Arts, San Diego Air & Space Museum, Eiteljorg Museum, The Cheech Marin Center for Chicano Art, and Materials for the Arts, New York City's premier creative reuse center, which intercepts arts materials from the landfill and offers them at no charge to arts professionals, educators, and students across the five boroughs. In the photo: musicians from the Indiana University School of Music perform at an exhibit we sponsored featuring art, created by Fernando Lozano, encouraging the reduction of plastic waste in our oceans.

Employees at our Nanjing, China facility dedicated 56 hours of work time to personally delivering gifts, including school supplies and sporting goods, selected from the wish lists of underprivileged children within the community.

Our Jasper, Indiana facilities supported the Indiana State Champion Jug Rox Robotix team from Shoals, Indiana, including helping with expenses associated with their participation for the FIRST World Championships in Houston, Texas.

OncoHelp

Our Timisoara, Romania facility donated $4,000 to OncoHelp oncology center for blood transfusion and ultrasound equipment. Employees and their families supported OncoHelp by joining charity walks, runs, and Timotion, combining fitness with community support.

Kimball Electronics

Giving

Areas of Giving

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

Employee Giving Circle

In 2025, our Kimball Electronics Gives (KE Gives) employee giving circle awarded $15,000 in grants to 13 charities throughout the US where our employees live. KE Gives has granted $83,351 to 41 organizations since 2018. This year, the Ronald McDonald House Charities of the Ohio Valley, located in Evansville, Indiana, received the most votes submitted by employees who voluntarily pay to be part of KE Gives.

Other grants were awarded to charities focused on food insecurity, disabled children, abused children, Alzheimer's, cancer, youth mentoring, a recovery house for women, stray pets, and music therapy.

1 Kimball Electronics and some KE Gives employees donated money to The Kindness Club Arizona, a middle-school-based student club that personally handed out $100 bills to people needing assistance for the holidays. Altogether, their club donated $10,400 during the holidays. Teacher and club founder Derek Brown was a guest speaker during our #GivingTuesday Granting Event.

In some cases, we find ways to support KE Gives grant winners with employee volunteer time.

2 Director of Design & Engineering Services John Werth donated work time to support a 2025 grant recipient, Fondy Food Pantry, in Fond du Lac, Wisconsin.

3 Business Manager Maureen Patrick, left, and Global Logistics Manager Anda Pesel (right), along with Anda's daughter, Alessya, volunteered time at 2025 grant winner Apollo Support & Rescue in Justin, Texas, exercising the dogs and giving them a lot of extra love and attention.

Legal team member Iovanna McDevitt provided guardian ad litem pro bono work in Florida as a court-appointed attorney representing the best interests of foster children during court cases. All legal team members are encouraged to provide 40 work hours of pro bono services annually.

ESRS Incorporation by Reference to Other Parts of the Management Report

Materiality Determination Key

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

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	ESRS Disclosure Requirement	Report Section	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	GRI 2-3; GRI 2-4		7	TC-SC-130a.1	Governance (a); Governance (b)
●	**BP-2** Specific information if the undertaking uses phasing-in option	About This Report	GRI 2-5		7	TC-SC-410a.3	Governance (a); Governance (b)
Governance							
●	**GOV-1** The role of the administrative, management and supervisory bodies in relation to sustainability	Corporate Governance Statement	GRI 2-9; GRI 2-11	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	10	TC-SC-510a.1	Governance (a)
●	**GOV-2** Integration of sustainability-related performance in incentive schemes	Corporate Governance Statement; Sustainability Related Performance Incentive Metrics	GRI 2-19; GRI 2-20	8 DECENT WORK AND ECONOMIC GROWTH	6	TC-SC-330a.1	Governance (b)
●	**GOV-3** Statement on due diligence	Corporate Governance Statement	GRI 2-15; GRI 2-23	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	10	TC-SC-510a.2	Governance (b); Risk Management (c)
●	**GOV-4** Risk management and internal controls over sustainability reporting	Corporate Governance Statement	GRI 2-16; GRI 2-26	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	10	TC-SC-550a.1	Governance (a); Risk Management (c)

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Materiality Determination	ESRS Disclosure Requirement	Report Section	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	GRI 2-22; GRI 3-1	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	9		Strategy (a); Strategy (b)
●	**SBM-2** Interests and views of stakeholders	Our Key Sustainability Matters; Double Materiality Assessment	GRI 2-29	17 PARTNERSHIPS FOR THE GOALS	1		Strategy (a)
●	**SBM-3** - Interaction of material impacts, risks and opportunities with strategy and business model, and financial effects	Our Key Sustainability Matters	GRI 3-3	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	7		Strategy (b); Strategy (c)
Impact, Risk and Opportunity Management							
●	**IRO-1** Description of the process to identify and assess material impacts, risks and opportunities and material information to be reported	Double Materiality Assessment Process	GRI 3-2	13 CLIMATE ACTION	8		Risk Management (a); Risk Management (b); Risk Management (c)
●	**IRO-2** Material impacts, risks and opportunities and Disclosure Requirements included in the sustainability statement	Appendix: ESRS Incorporation by Reference to Other Parts of the Management Report	GRI 3-3	13 CLIMATE ACTION	8		Strategy (a)
●	**GDR-P** General Disclosure Requirement for policies	N/A—ESRS 2 cross-cutting	GRI 3-3				
●	**GDR-A** General Disclosure Requirement for actions and resources	N/A—ESRS 2 cross-cutting	GRI 3-3				
●	**GDR-M** General Disclosure Requirement for metrics	N/A—ESRS 2 cross-cutting	GRI 3-3				
●	**GDR-T** General Disclosure Requirement for targets	N/A—ESRS 2 cross-cutting	GRI 3-3				

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Environmental							
ESRS E1 Climate Change							
●	**E1-1** Transition plan for climate change mitigation		GRI 305		7,8,9	TC0101-01; TC0101-02	Strategy (b); Metrics and Targets (c)
●	**E1-2** Climate-related risks and scenario analysis	Our Sustainability Policy	GRI 302-1; GRI 305-5		8	TC-SC-130a.1	Strategy (a); Strategy (c); Risk Management (a)
●	**E1-3** Resilience in relation to climate change	Actions and Resources in Relation to Climate Change Policies	GRI 305-5		8	TC-SC-130a.2	Strategy (c)
●	**E1-4** Policies related to climate change	Science-Based Targets	GRI 305-5		8	TC-SC-130a.3	Risk Management (b); Metrics and Targets (c)
●	**E1-5** Actions and resources in relation to climate change policies	Climate Change—Mitigation & Adaptation; Energy	GRI 302-1; GRI 305-5		9	TC-SC-130a.1	Risk Management (b); Strategy (b)
●	**E1-6** Targets related to climate change	Gross Scopes 1, 2, and 3 GHG Emissions	GRI 305-5		8	TC-SC-110a.1	Metrics and Targets (c)
●	**E1-7** Energy consumption and mix	Energy Consumption and Mix	GRI 302-1		8	TC-SC-110a.2	Metrics and Targets (a)
●	**E1-8** Gross scopes 1,2,3 and Total GHG emissions	Actions and Resources in Relation to Climate Change Policies	GRI 305-1; GRI 305-2; GRI 305-3		8	TC-SC-110a.3	Metrics and Targets (a); Metrics and Targets (b)

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Environmental							
ESRS E1 Climate Change							
●	**E1-9** GHG removals and GHG mitigation projects financed through carbon credits	Financial Risks of Climate Change	GRI 201-2	13 CLIMATE ACTION	8	TC0101-01; TC0101-02	Metrics and Targets (a)
●	**E1-10** Internal carbon pricing		GRI 201-2	13 CLIMATE ACTION; 7 AFFORDABLE AND CLEAN ENERGY	7,8,9	TC0101-01; TC0101-02	Metrics and Targets (a)
●	**E1-11** Anticipated financial effects from material physical and transition risks and potential climate-related opportunities		GRI 201-2	13 CLIMATE ACTION; 7 AFFORDABLE AND CLEAN ENERGY	7,8,9	TC0101-01; TC0101-02	Strategy (b); Metrics and Targets (a)
ESRS E2 Pollution							
●	**E2-1** Policies related to pollution	Our Sustainability Policy; Chemical Management & Hazardous Substances	GRI 305-6; GRI 305-7	12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION	7,8,9	TC-SC-130a.4	Risk Management (b); Strategy (a)
●	**E2-2** Actions and resources related to pollution	Zero Waste	GRI 305-6; GRI 305-7	6 CLEAN WATER AND SANITATION	8	TC-SC-130a.4	Risk Management (b)
●	**E2-3** Targets related to pollution	Zero Waste	GRI 305-6; GRI 305-7	6 CLEAN WATER AND SANITATION	8	TC0101-01; TC0101-02	Metrics and Targets (c)
●	**E2-4** Pollution of air, water and soil	Zero Waste	GRI 305-7	6 CLEAN WATER AND SANITATION	8	TC0101-01; TC0101-02	Metrics and Targets (a)

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Materiality Determination	ESRS Disclosure Requirement	Report Section	GRI Alignment	UN SDGs	UN Global Compact Principles	SASB – Electronic Manufacturing Service & Original Design Manufacturing	TCFD Framework
Environmental							
ESRS E2 Pollution							
●	**E2-5** Substances of concern and substances of very high concern	Chemical Management & Hazardous Substances Commitment	GRI 306-3	3 GOOD HEALTH AND WELL-BEING	8	TC0101-01; TC0101-02	Risk Management (a)
ESRS E3 Water and Marine Resources							
●	**E3-1** Policies related to water	Our Sustainability Policy	GRI 303-1	14 LIFE BELOW WATER	7,8,9	TC-SC-130a.2	Risk Management (b); Metrics and Targets (a)
●	**E3-2** Actions and resources related to water	Water Stewardship	GRI 303-2	14 LIFE BELOW WATER	7,8,9	TC0101-01; TC0101-02	Risk Management (b); Metrics and Targets (a)
●	**E3-3** Targets related to water	Water Stewardship Target	GRI 303-3	14 LIFE BELOW WATER	7,8,9	TC0101-01; TC0101-02	Metrics and Targets (c)
●	**E3-4** Water metrics	Water Metrics	GRI 303-5	6 CLEAN WATER AND SANITATION	7,8,9	TC0101-01; TC0101-02	Metrics and Targets (a)
●	**E3-5** Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	Water Stewardship	GRI 201-2	14 LIFE BELOW WATER	7,8,9	TC0101-01; TC0101-02	Strategy (b)
ESRS E4 Biodiversity and Ecosystems							
●	**E4-1** Transition plan for biodiversity and ecosystems	Biodiversity	GRI 304-1	15 LIFE ON LAND	7,8,9	TC-SC-410a.1	Strategy (c); Strategy (b)
●	**E4-2** Policies related to biodiversity and ecosystems	Our Sustainability Policy	GRI 304-2	15 LIFE ON LAND	7,8,9	TC0101-07; TC0101-08; TC0101-09	Risk Management (b)

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Materiality Determination	ESRS Disclosure Requirement	Report Section	GRI Alignment	UN SDGs	UN Global Compact Principles	SASB – Electronic Manufacturing Service & Original Design Manufacturing	TCFD Framework
Environmental							
ESRS E4 Biodiversity and Ecosystems							
●	**E4-3** Actions and resources related to biodiversity and ecosystems	Biodiversity	GRI 304-3	15 LIFE ON LAND	7,8,9	TC0101-07; TC0101-08; TC0101-09	Risk Management (b)
●	**E4-4** Targets related to biodiversity and ecosystems		GRI 304-4	15 LIFE ON LAND	7,8,9	TC0101-07; TC0101-08; TC0101-09	Metrics and Targets (c)
●	**E4-5** Metrics related to biodiversity and ecosystems change		GRI 304-3	15 LIFE ON LAND	7,8,9	TC0101-07; TC0101-08; TC0101-09	Metrics and Targets (a)
ESRS E5 Resource Use and Circular Economy							
●	**E5-1** Policies related to resource use and circular economy	Our Sustainability Policy	GRI 301-1; GRI 301-2	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	7,8,9	TC-SC-130a.4	Strategy (a); Risk Management (b)
●	**E5-2** Actions and resources related to resource use and circular economy	Material Sourcing	GRI 301-3	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	7,8,9	TC0101-01; TC0101-02; TC0101-07; TC0101-08; TC0101-09	Risk Management (b)
●	**E5-3** Targets related to resource use and circular economy	Material Sourcing Target	GRI 301-2	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	7,8,9	TC0101-01; TC0101-02; TC0101-07; TC0101-08; TC0101-09	Metrics and Targets (c)
●	**E5-4** Resource inflows	Material Sourcing Target	GRI 301-1; GRI 301-2	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	7,8,9	"TC0101-01; TC0101-02; TC0101-07; TC0101-08; TC0101-09	Metrics and Targets (a)
●	**E5-5** Resource outflows	Not applicable	GRI 301-3	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	7,8,9	TC0101-01; TC0101-02; TC0101-07; TC0101-08; TC0101-09	Metrics and Targets (a)

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Materiality Determination	ESRS Disclosure Requirement	Report Section	GRI Alignment	UN SDGs	UN Global Compact Principles	SASB – Electronic Manufacturing Service & Original Design Manufacturing	TCFD Framework
Social							
ESRS S1 Own Workplace							
●	**S1-1** Policies related to own workforce	Our Sustainability Policy	GRI 401-2; GRI 402-1	8 DECENT WORK AND ECONOMIC GROWTH	6	TC-SC-330a.1	Risk Management (b); Strategy (a)
●	**S1-2** Engagement with own workforce and workers' representatives, existence of channels for own workers to raise concerns or needs and approaches to remedy	Our Key Sustainability Matters	GRI 402-1	8 DECENT WORK AND ECONOMIC GROWTH	3	TC-SC-330a.2	Risk Management (b)
●	**S1-3** Actions and resources related to own workforce	Equal Treatment & Opportunities for All, Health and Safety	GRI 403-1; GRI 403-2	8 DECENT WORK AND ECONOMIC GROWTH	2	TC-SC-330a.4	Risk Management (b)
●	**S1-4** Targets related to own workforce	Equal Treatment & Opportunities Target, Health and Safety Target	GRI 401-1	8 DECENT WORK AND ECONOMIC GROWTH	6	TC0101-03; TC0101-04; TC0101-05; TC0101-06	Metrics and Targets (c)
●	**S1-5** Characteristics of the undertaking's employees	Employee Characteristics	GRI 405-1	10 REDUCED INEQUALITIES	6	TC0101-03; TC0101-04; TC0101-05; TC0101-06	Metrics and Targets (a)
●	**S1-6** Characteristics of non-employees in the undertaking's own workforce	Non-employees	GRI 405-2	10 REDUCED INEQUALITIES	6	TC0101-03; TC0101-04; TC0101-05; TC0101-06	Metrics and Targets (a)
●	**S1-7** Collective bargaining coverage and social dialogue	Social Dialogue and Freedom of Association	GRI 407-1	8 DECENT WORK AND ECONOMIC GROWTH	3	TC0101-03; TC0101-04; TC0101-05; TC0101-06	Risk Management (b)
●	**S1-8** Diversity metrics	Employee Characteristics	GRI 405-1	10 REDUCED INEQUALITIES	6	TC0101-03; TC0101-04; TC0101-05; TC0101-06	Metrics and Targets (a)

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Materiality Determination	ESRS Disclosure Requirement	Report Section	GRI Alignment	UN SDGs	UN Global Compact Principles	SASB – Electronic Manufacturing Service & Original Design Manufacturing	TCFD Framework
Social							
ESRS S1 Own Workplace							
●	**S1-9** Adequate wages	Equitable Recruitment and Hiring Practices	GRI 202-1; GRI 202-2	8	6	TC0101-03; TC0101-04; TC0101-05; TC0101-06	Metrics and Targets (a)
●	**S1-10** Social protection	Health and Wellness Programs Across Global Operations	GRI 401-2	1	1	TC0101-03; TC0101-04; TC0101-05; TC0101-06	Metrics and Targets (a)
●	**S1-11** Persons with disabilities	Employee Characteristics	GRI 405-1	10	6	TC0101-03; TC0101-04; TC0101-05; TC0101-06	Metrics and Targets (a)
●	**S1-12** Training and skills development metrics	Employee Training and Career Management	GRI 404-1; GRI 404-2	4	6	TC0101-03; TC0101-04; TC0101-05; TC0101-06	Metrics and Targets (a)
●	**S1-13** Health and safety metrics	Health and Safety	GRI 403-3; GRI 403-4	3	1	TC0101-03; TC0101-04; TC0101-05; TC0101-06	Metrics and Targets (a)
●	**S1-14** Work-life balance metrics	Comprehensive Wellbeing and Mental Health Support	GRI 401-2	3	1	TC0101-03; TC0101-04; TC0101-05; TC0101-06	Metrics and Targets (a)
●	**S1-15** Remuneration metrics	Equal Treatment & Opportunities Target	GRI 405-2	10	6	TC0101-03; TC0101-04; TC0101-05; TC0101-06	Metrics and Targets (a)
●	**S1-16** Incidents of discrimination and other human rights incidents	Business Ethics & Corporate Behavior	GRI 406-1	16	10	TC0101-03; TC0101-04; TC0101-05; TC0101-06	Risk Management (c)

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Materiality Determination	ESRS Disclosure Requirement	Report Section	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	Our Sustainability Policy	GRI 414-1	8 DECENT WORK AND ECONOMIC GROWTH	1,2,3,4,5,6	TC-SC-440a.1; TC0101-10	Risk Management (b); Strategy (a)
●	**S2-2** Engagement with value chain workers, existence of channels for value chain workers to raise concerns or needs and approaches to remedy	Processes for engaging with value chain workers about impacts	GRI 414-2	8 DECENT WORK AND ECONOMIC GROWTH	1,2,3,4,5,6	TC-SC-440a.2; TC0101-10	Risk Management (b)
●	**S2-3** Actions and resources related to value chain workers	Supplier Management	GRI 414-2	8 DECENT WORK AND ECONOMIC GROWTH	1,2,3,4,5,6	TC0101-03; TC0101-04; TC0101-05; TC0101-06; TC0101-10; TC0101-11; TC0101-12	Risk Management (b)
●	**S2-4** Targets related to managing material negative impacts	Supplier Management Target	GRI 414-2	8 DECENT WORK AND ECONOMIC GROWTH	1,2,3,4,5,6	TC0101-03; TC0101-04; TC0101-05; TC0101-06; TC0101-10; TC0101-11; TC0101-12	Metrics and Targets (c)
ESRS S3 Affected Communities							
●	**S3-1** Policies related to affected communities	Our Sustainability Policy	GRI 413-1	11 SUSTAINABLE CITIES AND COMMUNITIES	1,2,3,4,5,6	TC-SC-440a.1	Risk Management (b); Strategy (a)
●	**S3-2** Engagement with affected communities, existence of channels for affected communities to raise concerns or needs and approaches to remedy	Giving	GRI 413-2	11 SUSTAINABLE CITIES AND COMMUNITIES	1,2,3,4,5,6	TC-SC-440a.2	Risk Management (b)
●	**S3-3** Actions and resources related to affected communities	Giving	GRI 413-2	11 SUSTAINABLE CITIES AND COMMUNITIES	1,2,3,4,5,6	TC0101-10; TC0101-11; TC0101-12	Risk Management (b)

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Materiality Determination	ESRS Disclosure Requirement	Report Section	GRI Alignment	UN SDGs	UN Global Compact Principles	SASB – Electronic Manufacturing Service & Original Design Manufacturing	TCFD Framework
Social							
ESRS S3 Affected Communities							
●	**S3-4** Targets related to affected communities	Giving Target	GRI 413-2	11 SUSTAINABLE CITIES AND COMMUNITIES	1,2,3,4, 5,6	TC0101-10; TC0101-11; TC0101-12	Metrics and Targets (c)
ESRS S4 Consumers and End-Users							
●	**S4-1** Policies related to consumers and end-users	Customers—Lasting Relationships; Business Ethics & Cybersecurity	GRI 416-1	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	1,10	TC-SC-520a.1	Strategy (a); Strategy (b)
●	**S4-2** Engagement with consumers and end-users, existence of channels for consumers and end-users to raise concerns or needs and approaches to remedy	Our Key Sustainability Matters	GRI 416-2	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	1,2,3,4, 5,6	TC-SC-520a.2	Strategy (a)
●	**S4-3** Actions and resources related to consumers and end users		GRI 416-2	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	1,2,3,4, 5,6	TC0101-07; TC0101-08; TC0101-09	Risk Management (b)
●	**S4-4** Targets related to consumers and end-users		GRI 416/417/ 418	12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 3 GOOD HEALTH AND WELL-BEING	1,2,3,4, 5,6	TC0101-07; TC0101-08; TC0101-09	Metrics and Targets (c)

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Governance							
ESRS G1 Business Conduct							
●	**G1-1** Policies related to business conduct	Business Ethics & Corporate Behavior	GRI 205-1; GRI 205-2; GRI 206-1	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	10	TC-SC-510a.2	Governance (a); Risk Management (c)
●	**G1-2** Actions related to business conduct	Management of Relationships with Suppliers	GRI 308-1; GRI 414-1	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	10	TC-SC-510a.1	Risk Management (b); Risk Management (c)
●	**G1-3** Targets related to business conduct		GRI 205; GRI 206	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	10	TC0101-10; TC0101-11; TC0101-12	Metrics and Targets (c)
●	**G1-4** Metrics related to business conduct	Relations with Governments and Political Engagement	GRI 415-1	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	10	TC-SC-520a.1	Metrics and Targets (a)
●	**G1-5** Metrics related to political influence and lobbying activities	Management of Relationships with Suppliers	GRI 206-1	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	10	TC-SC-520a.2	Strategy (b)
●	**G1-6** Metrics in relation to payment practices		GRI 205; GRI 206	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	10	TC0101-10; TC0101-11; TC0101-12	Risk Management (c)

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Principle 2	Make sure that they are not complicit in human rights abuses
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining
Principle 4	The elimination of all forms of forced and compulsory labour
Principle 5	The effective abolition of child labour
Principle 6	The elimination of discrimination in respect of employment and occupation
Principle 7	Businesses should support a precautionary approach to environmental challenges
Principle 8	Undertake initiatives to promote greater environmental responsibility
Principle 9	Encourage the development and diffusion of environmentally friendly technologies
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery

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TC-SC-440a.2	Percentage of critical suppliers audited for compliance with environmental and social standards
TC-SC-510a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations
TC-SC-510a.2	Description of policies and practices for prevention of corruption and bribery
TC-SC-520a.1	Discussion of systems to ensure the security of customers' data
TC-SC-520a.2	Number of data security breaches, percentage involving personally identifiable information (PII), number of customers affected
TC-SC-550a.1	Number of cybersecurity breaches and percentage involving personally identifiable information (PII)

2025

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Kimball Electronics

2024 Baseline Restatement

The 2024 baseline metrics used to measure progress toward our sustainability targets have been restated to reflect methodology refinements identified during the 2025 assurance audits and the removal of data associated with the closed Tampa, Florida facility.

	Original 2024 Figures	Restated 2024 Figures
Scope 1 mt CO_2e GHG	2,110	2,115
Scope 2 mt CO_2e GHG	27,869	26,901
Scope 3 mt CO_2e GHG	122,220	130,819
Recycled Electricity	37%	25%
Beneficial Use of Waste	88%	89%
Recycled Water	11%	14%
Total Recordable Incident Rate	0.21	0.20

Kimball Electronics

Limited Assurance for Kimball Electronics' 2025 GHG Emissions

March 13, 2026

KERAMIDA Inc. (KERAMIDA) was engaged by Kimball Electronics (Kimball) to provide limited assurance greenhouse gas (GHG) verification of their 2025 Scope 1, Scope 2, and Scope 3 GHG emissions inventory. The data and calculations being verified cover the period of January 1, 2025, to December 31, 2025. The calculation of the GHG inventory is the sole responsibility of Kimball.

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

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

In KERAMIDA's opinion, Kimball has established an appropriate system for collecting, calculating, and analyzing quantitative data and information for the GHG emissions for the stated time period, scope, and level of assurance.

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.* The scope of work was to provide limited assurance for the verification of Kimball's GHG emissions inventory.

Validation scope of the reporting company's GHG emissions
- Organizational boundaries: Operational Control Approach

Time Period
- January 1, 2025 - December 31, 2025

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 data collection, compiling, calculating, and preparing Kimball's emissions data report. All meetings were conducted virtually.
- Review of evidence and data in support of key disclosures in the emissions report.
- 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

Scope	MT CO$_2$e
Scope 1	2,259
Scope 2 (Location-Based)	36,743
Scope 2 (Market-Based)	24,069
Scope 3: Category 1 – Purchased Goods & Services	96,471
Scope 3: Category 2 – Capital Goods	3,879
Scope 3: Category 3 – Fuel and Energy Related Activities	5,151
Scope 3: Category 4 – Upstream Transportation & Distribution	10,646
Scope 3: Category 5 – Waste Generated in Operations	680
Scope 3: Category 6 – Business Travel	1,847
Scope 3: Category 7 – Employee Commuting	5,263

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. We consent to the release of this statement by you for sustainability reporting disclosures, including CDP, but without accepting or assuming any responsibility or liability on our part to any other party who may have access to this statement.

Signed by KERAMIDA Inc. on March 13, 2026:
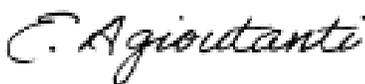
Ellie Agioutanti, M.S.
Sustainability Manager
KERAMIDA Inc.

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

Limited Assurance for CY2025 Guiding Principles Report Metrics for Kimball

March 13, 2026

KERAMIDA Inc. (KERAMIDA) was engaged by Kimball Electronics (Kimball) to provide independent limited assurance of quantitative metrics to be included in Kimball's CY2025 Guiding Principles Report. The information being verified covers the period of January 1, 2025, to December 31, 2025. KERAMIDA's assurance process is based on current best practice and is in accordance with ISAE 3000 (Revised).

Statement of Independence
KERAMIDA affirms our independence from Kimball and is free from bias and conflicts of interest related to the assurance of quantitative metrics.

Verification Assurance Opinion
Based on the processes and procedures conducted, there is no evidence that the quantitative metrics are not a fair representation of the underlying data and information.

Kimball has established an appropriate system for collecting, calculating, and analyzing quantitative data and information for the CY2025 Guiding Principles Report for the stated time period, scope, and level of assurance. An opinion of limited assurance was concluded.

KERAMIDA's Approach
The scope of work was to provide limited assurance for the quantitative metrics to be included in Kimball's CY2025 Guiding Principles Report.

Time Period
- January 1, 2025, to December 31, 2025. Some tables in the Guiding Principles Report include data from previous years; however, this assurance only covers CY2025.

Level of Assurance
- Limited

KERAMIDA's Methodology and Procedure
KERAMIDA's assurance process is based on current best practice and is in accordance with ISAE 3000 (Revised).
Procedure performed during the verification
- Interviews with key personnel involved in the process of data collection, compiling, calculating, and preparing the quantitative metrics. 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. Metric Categories

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This assurance 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.

Signed by KERAMIDA Inc. on March 13, 2026:

Claudia Cozadd, M.S.
Senior Analyst, Sustainability
KERAMIDA Inc.

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

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[1] KERAMIDA verified the accuracy of the reported renewable and non-renewable electricity breakdown based on supplier-provided energy mix documentation; however, KERAMIDA could not verify whether the underlying supplier data reflected a residual mix that excludes renewable energy certificates or other energy attribute certificates contracted to third parties, as defined by GHG Protocol and RE100 requirements.

Kimball® Electronics

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