Welcome to your CDP Climate Change Questionnaire 2023

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Kimball Electronics was founded in 1961 and incorporated in 1998. We are a global, multifaceted manufacturing solutions provider of contract electronics manufacturing services ("EMS") and diversified manufacturing services, including engineering and supply chain support, to customers in the automotive, medical, industrial, and public safety end markets. We deliver a package of value that begins with our core competency of producing durable electronics and has expanded into diversified contract manufacturing services for non-electronic components, medical disposables, drug delivery solutions, precision molded plastics, and production automation, test, and inspection equipment. Our design and manufacturing expertise coupled with robust processes and procedures help us ensure that we deliver the highest levels of quality, reliability, and service throughout the entire life cycle of our customers' products. We deliver award-winning service across our global footprint and operating system that is enabled by highly integrated procedures, standardization, and teamwork. Our Customer Relationship Management ("CRM") model is key to providing our customers convenient access to our global footprint and all of our services throughout the entire product life cycle. Because our customers are in businesses where engineering changes must be tightly controlled and long product life cycles are common, they value our track record of quality, financial stability, social responsibility, and commitment to long-term relationships.

We have been producing safety critical electronic assemblies for our automotive customers for over 35 years. During this time, we have developed expertise that has proven to be valuable not only to our automotive customers, but also to our medical, industrial, and public safety customers as well. We have been successful in growing and diversifying our business by leveraging this experience and know-how in the areas of design and process validation, traceability, process and change control, and lean manufacturing to create valuable and innovative solutions for customers across these verticals. This includes diversified contract manufacturing services for medical disposables, precision molded plastics, and design, production, and servicing of automation, test, and inspection equipment for industrial applications. We have harmonized our quality systems to be compliant with various important industry certifications and regulatory requirements, which allows us to take advantage of other

strategic points of leverage in the supply chain, and within our operations, to cost-effectively manufacture electronic and non-electronic products in the same production facility for customers from all four end market verticals.

Our corporate headquarters is located in Jasper, Indiana. Production occurs in our facilities located in the United States, China, Mexico, Poland, Romania, Thailand, and Vietnam. Our services are sold globally on a contract basis. We also have operations in India and Japan. We produce products to our customers' specifications with our multifaceted manufacturing services.

In our Vision and Guiding Principles, under Citizenship, we state that "The environment is our home. We will be leaders in not only protecting but enhancing our world." Our Company's Purpose Statement: Creating Quality for Life. ties directly to our environmental philosophies and activities highlighted in our annual ESG reports and dating back to our company's founding in 1961. Our Vision, Guiding Principles, and Purpose Statement are more than just words to us: they are our actual practices and our promises to the world.

This CDP Climate Change response contains "forward-looking statements" within the meaning of United States federal securities laws, including statements regarding our climate-related plans, goals, commitments, expectations and objectives. These statements are not guarantees of future performance and actual results are subject to numerous evolving risks, uncertainties, changes in circumstances, or assumptions not being realized that we may not be able to accurately predict or assess, including those we identify below and other risk factors we identify in our SEC filings, including our most recent Quarterly Report on Form 10-Q or Annual Report on Form 10-K. Any of these factors could cause actual results to differ materially from the expectations we express or imply in this press release. We cannot assure you that the results reflected or implied by any forward-looking statement will be realized or, even if substantially realized, that those results will have the forecasted or expected consequences and effects. We make these forward-looking statements as of the date of this response and undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

January 1, 2022

End date

December 31, 2022

Indicate if you are providing emissions data for past reporting years

Yes

Select the number of past reporting years you will be providing Scope 1 emissions data for

1 year

Select the number of past reporting years you will be providing Scope 2 emissions data for

1 year

Select the number of past reporting years you will be providing Scope 3 emissions data for

1 year

C0.3

(C0.3) Select the countries/areas in which you operate.

China
India
Japan
Mexico
Poland
Romania
Thailand
United States of America
Viet Nam

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier

Yes, a Ticker symbol	KE We trade on the Nasdaq stock exchange.

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Chief Executive Officer (CEO)	The CEO, a member of the Board of Directors, is responsible for the company's ESG strategy, which includes our overall climate strategy. The CEO is directly responsible for the company's strategic goals, including, for example, climate related and ESG targets. The CEO is tasked with ensuring that the company is actively making progress toward our climate related goals, integrating our ESG Goals with our business and executive compensation strategies, the CEO was responsible for reviewing and approving that integration as head of the Company.
Chief Sustainability Officer (CSO)	The Chief Legal and Compliance Officer and Secretary is Kimball's Chief Sustainability Officer. This position oversees climate-related strategy development and the collection of climate, water, and other environmental information. This position is tasked with ensuring that the company is actively making progress toward our climate related goals and has responsibility for meeting them The Director of Safety, Environmental and Facilities reports to this position and oversees all the global Safety, Environmental and Facility (SEF) Managers in the company and is responsible for the day-to-day climate- and environmental issues.
Other, please specify Board of Directors	Kimball Electronics' Corporate Governance Guidelines describe the Board of Directors' role in overseeing climate-related issues: Oversee Sustainability/ESG Issues. Directly and as appropriately delegated to the Nominating and ESG Committee, shape effective corporate governance and oversee matters related to climate, sustainability and environmental, social and governance (ESG) issues (including climate change and environmental sustainability policies, programs, goals, and

	progress) Directly and as appropriately delegated to the Nominating and ESG Committee, shape and oversee targets, standards, and other metrics used to measure and track ESG performance and progress.
Board-level committee	The Board of Directors' Nominating and ESG Committee (NESG), comprised exclusively of independent directors, oversees Kimball's corporate responsibility and sustainability/ESG programs, including all climate-related issues. The NESG supports the Board in reviewing, monitoring, and engaging with management on the development of climate change and environmental policies, programs, goals and progress, and regularly reviewing such matters with the full Board. The NESG Committee has express responsibilities for overseeing the Company's ESG performance, including climate change issues. The charter of the NESG includes the following responsibilities: "overseeing and advising the Board on the Company's goals, strategies, and initiatives related to climate, sustainability, and ESG, including climate risks and opportunities; community and social impact; and disclosures and external stakeholder input related to human rights and human capital management; and diversity, equity, inclusion, and belonging." The NESG is updated at least quarterly on ESG-related priorities including those related to climate and our achievement of climate-and environmental goals. Their feedback and alignment was obtained as part of the process for developing our strategic plan for stakeholder outreach during the past year. The NESG also regularly receives updates on ESG issues of relevance to our stakeholders, including our Share Owners, which often includes information related to climate risks, oversight and disclosure. Also, in the past year, our full Board met in two special, ESG-focused meetings with presentations by outside speakers with subject matter expertise. The Board encourages directors to attend director education opportunities, with expenses covered by the Company, including for various ESG topics, including climate.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – all meetings	Reviewing and guiding annual budgets Overseeing major capital expenditures	The Board of Directors and its Committees, including the NESG Committee, meets at least four times per year, in February, May, September, and November. Our Board of Directors provides oversight of policies and operational controls related to our environmental, health and safety, and social risks.

	Overseeing acquisitions, mergers, and divestitures Reviewing innovation/R&D priorities Overseeing and guiding employee incentives Reviewing and guiding strategy Overseeing and guiding the development of a transition plan Monitoring the implementation of a transition plan	In addition to the NESG's climate- and water-specific roles, oversight of the enterprise risk management framework and cybersecurity risks are the responsibility of the Board's Audit Committee. The Board reviews and approves our business plans and budgets annually and as necessary to oversee major capital expenditures, acquisitions, and divestitures. The Board also sets annual performance objectives and monitors their implementation and performance, including our progress against goals and targets for environmental and climate-related issues. The Board sets compensation for our executives, and both our CEO and our Chief Legal & Compliance Officer are compensated in part based on their achievement of ESG-linked objectives. During KE's fiscal year 2023, the Board scheduled 2 special meetings focused on ESG and climate matters, risks, and the Board's oversight role of the same. During the 2022 year, Kimball Electronics posted their CDP questionnaire answers online for the public to see and review. We provide comprehensive updates on ESG risks and opportunities, including human rights and climate-related risks quarterly to our Board of Directors at their regular meetings. Our Board reviews and provides input in the fall of each year on our annual ESG report. We also provide quarterly updates on specific risks, including ESG and climate issues, to the Board, at least quarterly and / or as warranted.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	The Board looks to ensure that individual Board members possess a broad variety of personal attributes, experience, and skills to give the

		Board the depth and breadth necessary to effectively oversee management on behalf of our Share Owners. Personal attributes include integrity, commitment to our Vision and Guiding Principles, practical judgment, broad complementary education, and willingness to commit the time and energy necessary to effectively contribute as a Board member. Our Board maintains a dedicated NESG Committee. Each of its three members has competence in climate change, ESG, sustainability, and related strategy creation and oversight due to their individual and collective operational, regulatory, strategy, and ESG expertise in complementary industries with similar climate change and sustainability risks and opportunities. More broadly, each of our Directors has skills and experience in one or more aspects of ESG risks and opportunities oversight, as more fully disclosed in our proxy. The Board conducts an annual assessment of the major strengths, skills, and experience determined to be most critical to a well-balanced and effective Board that is best able to understand the strategies and risks related to our operations. We disclose the results of this assessment in a skills matrix in our annual proxy statement. To expand and supplement the expertise of our directors, we bring in outside subject matter experts to advise and educate members on current and developing issues relevant to our business, such as environmental, sustainability, and climate change.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Safety, Health, Environment and Quality committee

Climate-related responsibilities of this position

Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
Monitoring progress against climate-related corporate targets
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

Risk - CRO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

The Safety, Environmental, and Facilities (SEF) Council of representatives from all of our global facilities meets twice each month. The SEF Council reports on and discusses climate-related and other environmental, employee health and safety, and related issues and goals at each of our facilities at each of these meetings. The Chief Legal & Compliance Officer is responsible for then reporting these climate-related issues to the Board Committee (NESG) on a quarterly basis.

Position or committee

Chief Executive Officer (CEO)

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities
Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
Managing climate-related acquisitions, mergers, and divestitures
Providing climate-related employee incentives
Developing a climate transition plan
Integrating climate-related issues into the strategy
Monitoring progress against climate-related corporate targets
Managing public policy engagement that may impact the climate
Managing value chain engagement on climate-related issues
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

Our CEO has the overall responsibility over our climate related issues and leads the Board of Directors. This position has the overall guidance authority as to where our facilities must initiate actions towards the environmentally related issues.

Position or committee

Chief Sustainability Officer (CSO)

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities
Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
Managing climate-related acquisitions, mergers, and divestitures
Developing a climate transition plan
Implementing a climate transition plan
Integrating climate-related issues into the strategy
Conducting climate-related scenario analysis
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Managing public policy engagement that may impact the climate
Managing value chain engagement on climate-related issues
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

The Chief Legal and Compliance Officer and Secretary is Kimball's Chief Sustainability Officer.

Position or committee

Risk committee

Climate-related responsibilities of this position

Conducting climate-related scenario analysis
Monitoring progress against climate-related corporate targets
Managing public policy engagement that may impact the climate
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

Half-yearly

Please explain

The Enterprise Risk Management team, which consists of executives and other senior leaders, meets quarterly and updates the Board, including its Audit Committee, about material risks, including climate-related risks, at least twice per year.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	Kimball Electronics has integrated our ESG goals into our business strategy and operations. For our salaried staff, one component of their bonus relates to their facility meeting environmental and safety goals. Meeting these goals improves facility profitability, increasing the component of the bonus related to the facility's operations. Consistent with our integrated strategy, as part of the holistic Personal Performance Incentive assessments in our FY2023, the Board's Talent, Culture, and Compensation (TCC) Committee determined that the performance of our CEO and our Chief Legal & Compliance Officer would be assessed in part based on those executives' individual contributions toward certain ESG-related goals for 2023. Their achievement of the full 10% Personal Performance Incentive opportunity depends on their achievement of these ESG targets, which more directly links ESG risk and performance to the remuneration of the executives most responsible for them. (See Section C1.3a).

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

Chief Executive Officer (CEO)

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Achievement of climate transition plan KPI
Progress towards a climate-related target
Achievement of a climate-related target
Implementation of an emissions reduction initiative
Reduction in absolute emissions
Reduction in emissions intensity
Energy efficiency improvement
Reduction in total energy consumption
Increased engagement with customers on climate-related issues
Increased supplier compliance with a climate-related requirement
Increased value chain visibility (traceability, mapping, transparency)
Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)
Implementation of employee awareness campaign or training program on climate-related issues

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

Our CEO can achieve a Personal Performance Incentive equal to up to 10% of base salary depending on achievement of these ESG and sustainability targets that include climate-related issues:
Develop a sustainability/ESG plan and metrics that are consistent with our company purpose, values, and strategy;
Enhance the structure, comparability, and comprehensiveness of our sustainability/ESG disclosures;
Adopt one or more globally recognized standards for sustainability/ESG reporting and disclose to the selected framework(s) in the calendar year 2022 ESG Report;
Provide transparency regarding our ESG approach and performance through various channels and platforms of ESG reporting;
Engage with leading ESG firms on Kimball Electronics' corporate profile;
Increase the number of sustainability rating agencies that evaluate our ESG performance.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The addition of the ESG incentive to our CEO and Chief Legal & Compliance Officer more directly links ESG risk and performance, including the implementation and achievement of our climate commitments, to the remuneration of the executives most responsible for them.

Entitled to incentive

Chief Sustainability Officer (CSO)

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Achievement of climate transition plan KPI
Progress towards a climate-related target
Achievement of a climate-related target
Implementation of an emissions reduction initiative
Reduction in absolute emissions
Reduction in emissions intensity
Energy efficiency improvement
Reduction in total energy consumption
Increased engagement with customers on climate-related issues
Increased supplier compliance with a climate-related requirement
Increased value chain visibility (traceability, mapping, transparency)
Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)
Implementation of employee awareness campaign or training program on climate-related issues

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

Our Chief Legal & Compliance Officer (who is Kimball Electronics' Chief Sustainability Officer) can achieve a Personal Performance Incentive equal to up to 10% of base salary depending on achievement of these ESG and sustainability targets that include climate-related issues:
Develop a sustainability/ESG plan and metrics that are consistent with our company purpose, values, and strategy;
Enhance the structure, comparability, and comprehensiveness of our sustainability/ESG disclosures;
Adopt one or more globally recognized standards for sustainability/ESG reporting and disclose to the selected framework(s) in the calendar year 2022 ESG Report;
Provide transparency regarding our ESG approach and performance through various channels and platforms of ESG reporting;
Engage with leading ESG firms on Kimball Electronics’ corporate profile;
Increase the number of sustainability rating agencies that evaluate our ESG performance.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The addition of the ESG incentive to our CEO and Chief Legal & Compliance Officer more directly links ESG risk and performance, including the implementation and achievement of our climate commitments, to the remuneration of the executives most responsible for them.

Entitled to incentive

All employees

Type of incentive

Non-monetary reward

Incentive(s)

Internal company award
Internal team/employee of the month/quarter/year recognition
Public recognition

Performance indicator(s)

Progress towards a climate-related target
Achievement of a climate-related target
Implementation of an emissions reduction initiative
Reduction in absolute emissions
Reduction in emissions intensity
Energy efficiency improvement
Reduction in total energy consumption
Implementation of employee awareness campaign or training program on climate-related issues

Incentive plan(s) this incentive is linked to

Not part of an existing incentive plan

Further details of incentive(s)

All employees at the various locations are recognized through multiple methods, including a peer-to-peer and manager driven recognition system in our HRIS (Workday), luncheons, gifts, and internal and public recognitions for their achievements. Employees' efforts can also earn awards for their facility on sustainability/ESG, and employee health and safety goals or performance. The recognitions and awards cover sustainability and climate-related goals and projects.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

By recognizing employees' efforts, achievements, and contributions in the areas of sustainability and climate, we create a positive feedback loop that encourages continuous engagement and commitment to our organization's climate commitments. This recognition system serves as a powerful motivator for employees to actively

participate in climate-related initiatives and incorporate sustainable practices into their daily work routines. Furthermore, our internal and public recognitions provide a platform to celebrate the achievements of our employees in sustainability and climate-related projects. This not only enhances employee morale and satisfaction but also raises awareness among stakeholders about Kimball's dedication to its climate commitments. By showcasing these achievements, we inspire others within and outside the organization to join our cause and contribute to the broader climate transition.

Entitled to incentive

All employees

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Progress towards a climate-related target
Achievement of a climate-related target
Implementation of an emissions reduction initiative
Reduction in absolute emissions
Reduction in emissions intensity
Energy efficiency improvement
Reduction in total energy consumption
Implementation of employee awareness campaign or training program on climate-related issues

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

For our indirect (salaried) staff, one component of their bonus relates to their facility's success in meeting environmental and climate goals/accomplishments. In addition, our hourly employees in some facilities receive an hourly bonus based on their facilities' environmental and climate goals/accomplishments. These incentives are established by each individual facility. Across the Company, bonuses are expressed as a percentage of base wages. Bonus opportunities increase with the level of the position. Executives and managers will have a relatively larger bonus opportunity than entry-level staff.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

Each facility leadership team, led by a General Manager, is responsible for defining and achieving a strategic plan for its operations that will help deliver corporate ESG goals and advance the Company toward its enterprise-wide climate and sustainability goals. Each facility's leadership team designates champions to lead and facilitate its strategic

agenda, including environmental, climate, and employee health and safety. Business leaders and their team members are rewarded, in part, for their performance delivering on their specific strategy and goals. Annual environmental, climate, and other ESG targets are established for the year and placed in individual and team/department objectives of employees who can directly impact them.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	3	We define our short-term time horizon as a period of 1 to 3 years. It focuses on immediate actions, targets, and initiatives that can be implemented in the near future. This timeframe allows us to address pressing climate-related challenges, such as reducing greenhouse gas (GHG) emissions, improving energy efficiency, or implementing specific projects aimed at mitigating climate risks. Short-term time horizons align with our 3-year strategic plans and our annual reporting cycles, financial planning periods, capital investment planning, and operational decision-making.
Medium-term	3	10	Our medium-term time horizon typically spans 3 to 10 years, providing a broader planning perspective. During this period, we aim to achieve significant milestones toward our goals and in our strategies, including our climate change mitigation and adaptation efforts. This timeframe allows for the implementation of more complex and transformative initiatives, such as transitioning to renewable energy sources and integrating sustainable practices across our value chain or investing in long-term initiatives with our stakeholders for climate-related solutions. Our medium-term horizon aligns with our ESG planning cycle and goals, such as when we set 2025 emissions reduction milestones in 2019.
Long-term	10	30	We define our long-term horizon as 10-30 years. This horizon involves setting ambitious goals that align with global climate objectives, such

			as our 2050 net zero goal. This timeframe allows us to plan for and make transformative changes in business models, supply chain strategies, and long-term investments. Our long-term goals typically align with sustainability or net-zero targets that we set or that international frameworks recommend.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Substantive financial or strategic impacts are events that could materially impact our business or operations. In making this determination, we incorporate the concept of materiality as defined by the SEC and FASB, and we consider both qualitative and quantitative measures. The quantitative measures evaluated include potential impacts to revenue and earnings as well as certain non-GAAP financial measures that management uses in its financial and operational decision making. Qualitative measures include but are not limited to consideration of impacts to employee/community safety, our reputation, regulatory requirements, business continuity, trends in our underlying business, and the needs of and impacts to our customers. Material impacts would include those that would have a high likelihood to result in death, serious breaches of legal and regulatory compliance, market disintegration, significant impact on shareholders, fundamental or catastrophic business continuity exposure and fundamental financial losses/opportunities. The impacts considered include those related to our direct operations as well as possible impacts to the continuity of our supply chain and our ability to meet customer commitments. Consistent with guidance published by the SEC and FASB with regard to materiality, a specific climate-related risk or opportunity may be considered as having a substantive financial impact if it would reasonably be expected to affect the company's planned earnings positively or negatively by a certain quantitative threshold. However, magnitude by itself, without regard to the nature of the specific risk or opportunity and the circumstances in which the judgment has to be made, will not generally be a sufficient basis for the materiality judgment. KE considers both qualitative and quantitative factors together when evaluating whether a specific climate-related risk or opportunity would have a substantive financial or strategic impact on the Company. The details of this materiality are included in our 10-K filings.

No bright line test exists for the definition of substantive financial or strategic impacts to our business. Specific to climate-related issues, we analyze the materiality/priority of each climate-related risk using the same criteria used to assess other types of risks. We have a continuous, four-phase Enterprise Risk Management (ERM) process based on risk program development, risk assessment and prioritization, risk response, and risk validation and monitoring. We evaluate a broad range of operational, strategic, compliance, and reporting risks. Throughout the year, experts, leaders, and specialists across functions, geographies, and levels meet to identify, on a continual basis, the most pressing current and future potential risks we face. Individually and collectively, our senior leaders continually monitor, reassess, and validate risks and mitigation efforts throughout the year, including through regular meetings of our executive team. Led by experienced risk and compliance professionals from our Audit Management Services team, our senior leaders also meet quarterly to analyze, rank, and prioritize these

potential risks along continuums of “likelihood” and “impact” and by “controllability.” These senior leaders and our Audit Management Systems team develop plans and strategies to appropriately manage and mitigate these risks.

If a climate risk is assessed as having a high likelihood, potential for significant chronic or acute impact on our business, and/or as highly controllable by us, we consider the risk to have potentially substantive financial/strategic impact. In these assessments, a “substantive” impact can range from zero-tolerance to qualitative thresholds,and varies on a case-by-case basis. We manage risks that we identify through our ERM process, our controls, and corporate governance. Responses to this survey are not meant to contradict or supersede the information in our public filings. For purposes of CDP reporting only, we are assuming that a substantive financial or strategic impact is any activity equal to or greater than 5% of our annual pre-tax income.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

We accomplish corporate-level identification and evaluation of risk, including climate-related risks, systematically using an enterprise risk management (ERM) approach. KE defines major risks as those that could have a substantive financial or reputational impact on the company. The KE risk management team, which consists of senior leaders and executives representing each of our internal businesses and functions, conducts a quarterly risk analysis process to validate existing and identify new and emerging risks facing KE – including considerations for risks or opportunities related to the environment and climate change. The risk analysis process considers input from our stakeholders on a broad range of economic, social and environmental topics, as well as external inputs. Each risk is reviewed, evaluated, and prioritized based on the potential

likelihood the risk will occur, our ability to control the risk, and the degree of impact a given risk could have on the Company. Potential impacts evaluated include those related to our direct operations (e.g., financial impacts, threats to our ability to operate, Company reputational damage, environment or community impact, etc.) as well as possible impacts to the continuity of our supply chain and ability to meet customer commitments. When any significant new or emerging risks arise during the year, we analyze and prioritize them and incorporate them in our risk management process. After our leadership team reaches final alignment, we then communicate these risks to our Board.

The Board of Directors is responsible for overseeing the overall ERM process, and its leadership structure supports its effective oversight. In fulfilling its oversight responsibility, the Board receives various management and Board Committee reports and engages in discussions with the KE's leadership team, as it may deem appropriate. Specifically, the Audit Committee oversees the policies and practices that govern the processes by which major risk exposures are identified, assessed, managed and controlled on an enterprise-wide basis. Responsibility for managing risk rests with the CEO and other executive officers of the Company. The appropriate function or business leaders are appointed as risk owners and sponsors for each major risk. Risk mitigation plans are developed and implemented by the risk owner with support from their respective team and risk sponsor. The risk owner develops and monitors key risk indicators to track progress managing the risk and determine if intervention or corrective action is needed. The risk management progress is communicated quarterly to management and the Audit Committee. Additionally, all risks are reviewed and reassessed on at least a semi-annual basis to identify changes in the internal or external environment which may cause certain risks to recede or others to appear. We value collaboration to drive change and are committed to working with policymakers, our value chain, and other organizations to encourage collective action for reducing GHGs.

In addition to the enterprise-wide ERM process, as part of our ISO 14001 process in our manufacturing locations, each facility conducts an environmental Risk Assessment and reviews the environmental risks, including climate-related risks, that their facility faces. They conduct a risk analysis on those aspects and determine what impacts those risks have on the environment. We use a scoring mechanism in those answers, with more significant impacts receiving higher scores. The local facility team designs a project to address the top 3 or 4 highest scoring aspects, which become the Significant Environmental Aspects for this facility. In addition to the highest scoring aspects, facilities also monitor some projects, that score lower on our Risk Assessment but still relate to company -wide goals and priorities. The facility develops an action plan to monitor progress throughout the project's year. The assessment is done annually by a third-party vendor and by KE's corporate SEF team every 12 to 18 months basis. On a monthly basis, as a part of the SEF Council's monthly meetings, each facility reports their progress on these environmental projects.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	KE's Enterprise Risk Management process considers climate-related government regulation risks. Our SEF managers track current & emerging regulations. Our facilities are subject to extensive environmental, health and safety laws, regulations, and inspections at local, state, federal/national, and international levels related to pollution, protection of the environment, climate change, transportation & storage of raw materials & finished products, storing & disposing of hazardous wastes, product content and other safety concerns. As an electronics manufacturing company, we are or may be subject to current and emerging climate change regulations targeting energy use, efficiency & emissions reductions, particularly in Europe & Mexico. These regulations could result in added costs. The long-term effects of climate change on the global economy & our industry in particular are unclear. Changes in climate where we, our customers, & our supply chain operate could have a long-term adverse impact on our business, results of operations, & financial condition. We have committed to cut our greenhouse gas emissions, water usage, electrical usage, & air emissions significantly by 2025 as part of our long-term sustainability strategy. We may take added voluntary steps to mitigate our impact on the environment. Increases in the cost of energy could reduce our profitability. Given the political significance and uncertainty around these issues, we cannot predict how legislation, regulation, and increased awareness of these issues will affect our operations & financial condition. We are also subject to a variety of federal, state, local & foreign EHS, product stewardship and producer responsibility laws & regulations. In addition, new technical classifications of e-Waste being discussed in the Basel Convention technical working group could affect both our customers' abilities & obligations in electronics repair & refurbishment. If we fail to comply with any present / future regulations or timely obtain needed permits, we could become subject to liabilities, could face fines/penalties, suspension of production, or prohibitions on sales of products we manufacture. Such regulations could restrict our ability to expand facilities, could require us to acquire costly equipment, to incur significant expenses, including expenses associated with the recall of any non-compliant product or changes in our operational, procurement

		and inventory management activities.
Emerging regulation	Relevant, always included	Global environmental laws & regulations change frequently, & tend to become more stringent over time, which may result in significant new compliance costs, investments in, or restrictions on our operations. As an electronics manufacturing company, we are subject to current & emerging regulations targeting energy use & efficiency & reduction of emissions. Such regulations may result in significant added compliance costs, increased cost of purchased energy, additional capital costs for installation/modification of GHG-emitting equipment, &/or additional direct costs relating to GHG emissions. Climate change regulations are emerging & changing in different locations where KE has operations. We carefully manage our emissions & closely monitor regulatory changes where we operate to remain compliant & prepared to adapt our operational practices accordingly. We engage with governments either directly or indirectly through industry organizations to ensure there is an understanding of our business & that we fully understand the impact of emerging regulations. We encourage our employees to participate in local environmental organizations and committees where they can offer input into new legislation and are made aware of upcoming new laws that may affect their location. We are subject to a variety of federal, state, local and foreign environmental, health and safety, product stewardship and producer responsibility laws and regulations, including those arising from global pandemics or relating to the use, generation, storage, discharge and disposal of hazardous chemicals, worker health and safety, recycling or reuse of products we manufacture, and those requiring design changes, supply chain investigation or conformity assessments. If we fail to comply with any present or future regulations or timely obtain any needed permits, we could become subject to liabilities, and we could face fines or penalties, the suspension of production, or prohibitions on sales of products we manufacture. In addition, such regulations could restrict our ability to expand our facilities or could require us to acquire costly equipment, or to incur other significant expenses, including expenses associated with the recall of any non-compliant product or with changes in our operational, procurement and inventory management activities.
Technology	Relevant, always included	As an electronics manufacturer, our industry and our customers experience frequent technological changes and product improvements. Our future growth will depend on our ability to gauge the direction of commercial and technological progress in our markets and our ability to fund and successfully develop and manufacture products for our customers in such changing markets. If we fail to keep pace with the

		evolving technological innovations our customers demand, our financial condition and results of operations could be adversely affected. Technology is extremely relevant to our ability to address risks related to climate change and to reach our environmental goals. It is important to remain aware of current effective technologies as well as future technology trends that we may adopt to help manage climate-related risks. We track evolving technology trends and provide that input for consideration in the Enterprise Risk Management process.
Legal	Relevant, always included	Our results of operations could be adversely affected by litigation and other commitments and contingencies. As a publicly traded company, KE is required to disclose detailed financial filings in accordance with the Securities Exchange Commission, which include descriptions of material risks that are identified through the company's Enterprise Risk Management approach. Legal risks, including regulatory issues, are closely monitored and managed with respect to ensuring transparent and consistent information is available for shareholders including such matters that may be relevant and related to climate change. Our legal team monitors legal risks and provides input for consideration in the Enterprise Risk Management process.
Market	Relevant, sometimes included	As an electronics manufacturer, our industry and our customers experience frequent technological changes and product improvements. Our future growth will depend on our ability to gauge the direction of commercial and technological progress in our markets and our ability to fund and successfully develop and manufacture products for our customers in such changing markets. If we fail to keep pace with the evolving technological innovations our customers demand, our financial condition and results of operations could be adversely affected. We work with our customers on their efforts to build safer, cleaner, and more efficient products and to create processes that help us and our customers reduce GHG emissions, our dependence on natural resources, and their overall environmental footprint. We work closely with our customers to develop superior offerings that help us mutually achieve our sustainability objectives. We value collaboration to drive change and commit to working with policymakers, our supply chain, our customers, and other stakeholders to encourage collective action for reducing the impact of climate change and our use of natural resources. Our business units conduct impact assessments of market trends, integrates the findings into strategy development, and reports impacts and provides input for consideration in the Enterprise Risk Management process.

Reputation	Relevant, always included	Our stakeholders, including our customers, investors, and current and prospective employees, expect KE to operate responsibly and act proactively on the challenges of climate change. Some major investors are becoming increasingly outspoken about the risk of climate change to the financial market. If major investors or sustainability-oriented customers perceive our business activities to be misaligned with the growing global momentum to act against climate change, this could pose a reputational risk to the company that could lead to the loss of customers, and ultimately to lower sales and a reduced market valuation. A reduced reputation as an environmentally responsible organization could impact our ability to attract and retain employees. The actions taken to mitigate our contributions to climate change help reduce associated reputational risks. KE has processes in place through all of our major business functions to collect both internal and external stakeholder feedback and provide input for consideration in the Enterprise Risk Management process. Reputation risk is part of several of our evaluation criteria in our Enterprise Risk Management process used to evaluate risks to the Company.
Acute physical	Relevant, always included	Acute physical climate risks are deemed relevant and are included in our Enterprise Risk Management assessment because major hazards driven by climate change (natural disasters, severe weather, power loss, fires, and pandemics) and long-term climate changes may disrupt operations & our ability to produce/deliver products, may have adverse impacts on our business, operations, and financial condition. We have committed to cut our GHG emissions, water usage, electrical usage, and air emissions significantly by 2025 (our long-term sustainability strategy). We may take additional voluntary steps to mitigate our impact on the environment. We monitor our exposure to extreme weather events that may lead to interruptions of utility services that impact our manufacturing process. Energy cost is a critical component of freight expense & the cost of operating manufacturing facilities. Increases in energy costs could reduce our profitability. Business interruptions we experience may cause delays in our product, service delivery & hindered ability to perform critical functions. This could adversely affect our revenue & require significant recovery time/expenditures to resume operations. In recent years, severe weather events and other catastrophic events impacted our facilities in China and Mexico, though the impact was not material to our results and was not described in our 10-K or other reports. To identify and assess our exposure to acute physical climate stressors, our SEF teams collaborate to identify and assess physical climate risks at the facility level in all locations where we operate. We conduct a SEF Assessment at each facility to assess their exposure of climate risks/hazards as well as equipment and occupancy hazards.,

		We generate site specific audit findings & action items. All facilities are required to obtain and maintain ISO 14001 registration (to identify, address, mitigate, & control site-level risks), have emergency and business continuity plans in place. Results are reported to the global Director of SEF and the Chief Legal & Compliance Officer.
Chronic physical	Relevant, always included	Chronic physical climate risks are deemed relevant and are included in our Enterprise Risk Management assessment because chronic physical risks from climate change could disrupt operations and likewise our ability to produce or deliver products. This, in turn, could have an adverse effect on our operations and financial results across our facilities. We monitor our exposure to chronic climate-related risks, such as water stress and prolonged droughts that could, for example, disrupt service from water utilities and impact our operations or systems. Such events could make it difficult or impossible to manufacture or deliver products to our customers or perform critical business functions, which could adversely affect our revenue and require significant recovery time and expenditures to resume operations. To identify and assess our exposure to chronic physical climate stressors, our SEF teams actively collaborate to identify and assess physical climate risks at the facility level in all locations where we operate. For example, we conduct a Safety, Environmental and Facility Assessment at each facility to assess the exposure of our sites to various risks and hazards, including climate related risks and hazards, as well as equipment and occupancy hazards, and generate site specific audit findings and action items. All manufacturing facilities are required to obtain and maintain ISO 14001 certification and to identify, address, mitigate, and control site-level risks, including chronic physical climate risks. All locations have emergency and business continuity plans in place. Results are reported to the global Director of SEF and the Chief Legal & Compliance Officer. Risks are reported through the Enterprise Risk Management process, to KE's leadership team, and to our Board of Directors' and its Audit Committee for evaluation and mitigation.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation

Carbon pricing mechanisms

Primary potential financial impact

Increased direct costs

Company-specific description

Our facilities are subject to multiple EHS laws & regulations. Inspections at local, state, federal/national, and international levels related to pollution, protection of the environment, climate change, transportation/storage raw materials & finished products, storing/disposing of hazardous wastes, product content & other safety concerns. As an electronics manufacturing company, we are & will be subject to current & emerging regulations on energy use & efficiency, & the reduction of emissions. Such regulations may result in significant added compliance costs, increased cost of purchased energy, additional capital costs for installation/modification of GHG-emitting equipment, and/or direct costs (cap-and-trade systems / carbon taxes) associated with GHG emissions. Climate change regulations apply (or may in the future apply) to operations in Europe (ETS), Mexico (ETS&Tamaulipas carbon tax).

We are also subject to a variety of federal, state, local and foreign laws & regulations relating to environmental, health & safety, product stewardship & producer responsibility, global pandemics, the generation, storage, discharge & disposal of hazardous chemicals, worker health & safety, supply chain investigation/conformity assessments, & the recycling/reuse of products we manufacture. These include the EU Restrictions on Hazardous Substances (RoHS) (and its counterpart in China), Waste Electrical and Electronic Equipment (“WEEE”) directives, and the Registration, Evaluation, Authorization, and Restriction of Chemicals (“REACH”) regulation. In addition, new technical classifications of e-Waste may affect both our customers’ abilities & obligations in electronics repair/refurbishment. If we fail to comply with any regulations or obtain any needed permits, we may become subject to liabilities, fines, penalties, suspension of production, or prohibitions on sales of products we manufacture. Regulations may restrict our ability to expand facilities, require us to acquire costly equipment or incur significant expenses (cost per recall of non-compliant product, changes in our operational, procurement & inventory activities). Not meeting climate related compliance requirements can create reputational impacts associated with stakeholder concern or negative stakeholder feedback.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

1,000,000

Potential financial impact figure – maximum (currency)

10,000,000

Explanation of financial impact figure

Financial impacts can include increased operating costs associated with reporting, disclosure, environmental compliance and management (e.g., taxes, carbon offsets, or management costs such as legal and consulting fees). We could also incur costs associated with altering our manufacturing and operations in order to comply with environmental regulations. In addition, our failure to comply with environmental laws and regulations could also limit our ability to operate or expand our facilities. It is difficult to accurately quantify the financial implications. We cannot predict what environmental legislation or regulations will be enacted in the future, how existing or future laws or regulations will be administered or interpreted, or what environmental conditions may be found to exist. Compliance with more stringent laws or regulations, or stricter interpretation of existing laws, may require additional expenditures, some of which could be material. In addition, any investigations or remedial efforts relating to environmental matters could involve material costs or otherwise result in material liabilities.
The financial impact is expected to range between $1M and $10M, which are typical retained amounts under insurance policies and/or sizes of potential claims that we may choose to self-fund. It is consistent with our threshold for substantive financial impact noted in 2.1b. The company maintains insurance that is intended to mitigate the high end of financial impacts above self-insured limits.

Cost of response to risk

0

Description of response and explanation of cost calculation

We continuously monitor our exposure to risks in environmental compliance activities designed to meet applicable laws and regulations. To identify and assess our exposure to acute physical climate stressors, our SEF teams actively collaborate to identify and assess regulatory risks at the facility level in all locations where we operate. For example, we conduct a Safety, Environmental and Facility Assessment at each facility to

assess the exposure of our sites to various risks and hazards, including changes to laws and regulations or their interpretation, and generate site specific audit findings and action items. All facilities are required to obtain and maintain ISO 14001 certification and to identify, address, mitigate, and control site-level risks.

Results are reported to the global Director of SEF and the Chief Legal & Compliance Officer. Legal risks, including regulatory issues, are closely monitored and managed with respect to ensuring transparent and consistent information is available for shareholders including such matters that may be relevant and related to climate change. Our legal team monitors regulatory risks and provides input for consideration in the Enterprise Risk Management process. Risks are reported through the Enterprise Risk Management process, to KE's leadership team, and to our Board of Directors' and its Audit Committee for evaluation and mitigation. We calculated the incremental cost of responding to emerging regulatory risks as zero, since managing policy and legal risks falls within the normal course of our business.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Other, please specify

Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact

Decreased revenues due to reduced production capacity

Company-specific description

Climate related hazards and acute shocks associated with cyclones and floods could have a material adverse impact on our direct operations and financial results across. Such events could make it difficult or impossible to manufacture or deliver products to our customers, receive production materials from our suppliers, or perform critical functions, which could adversely affect our revenue and require significant recovery time and expenditures to resume operations. We could experience business interruptions indirectly, as a result of service interruption from utilities, transportation or telecommunications providers, as well as directly, as a result of disrupted manufacturing operations. Reduced production due to business interruption can affect our ability to timely deliver products to our customers, or perform critical business functions, which could adversely affect our revenue and require significant recovery time and

expenditures to resume operations. While we maintain business recovery plans that are intended to allow us to recover from natural disasters or other events that can be disruptive to our business, some of our systems are not fully redundant and we cannot be sure that our plans will fully protect us from all such disruptions. Severe winter storms in 2021 closed our operations in Mexico and Texas due to damaged infrastructure and loss of power. While these closures did not cause a substantive impact, they represent an example of our vulnerability to acute physical risks.

Time horizon

Short-term

Likelihood

About as likely as not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

1,000,000

Potential financial impact figure – maximum (currency)

10,000,000

Explanation of financial impact figure

It is difficult to predict the exact change and impact of each climate parameter, and only some significant changes to the climate may have an impact on the Company. Financial implications could include higher utilities and logistics costs from damaged infrastructure, higher insurance costs at facilities exposed to extreme weather events, costs of physical repairs, and loss of profit following a significant weather-related event. Disruption of utilities (electric, gas, water) could result in prolonged facility outages, causing disruption in the production and supply of raw materials and finished goods and could have negative revenue implications. Financial impacts can include potential temporary, long-term, or permanent closure of operations, facility repair costs, lost work time, increased utility costs, lost revenue, damaged equipment, lost inventory, and increased insurance premiums. The financial impact is expected to range between $1M and $10M, which are typical retained amounts under insurance policies and/or sizes of potential claims that we may choose to self-fund. It is consistent with our threshold for substantive financial impact noted in 2.1b. Kimball Electronics maintains insurance that is intended to mitigate the high end of financial impacts.

Cost of response to risk

0

Description of response and explanation of cost calculation

We maintain business continuity plans that are intended to allow us to recover from natural disasters or other catastrophic events that can be disruptive to our business, our facilities and the services we perform for customers, but we cannot be sure that our plans will fully protect us from all such disruptions. While we maintain product liability and other insurance coverage that we believe to be generally in accordance with industry practices, our insurance coverage may not be adequate to protect us fully against substantial claims and costs that may arise from liabilities in our business. Capital and expense planning are parts of our normal strategic planning process. As we adjust our strategy to address risks, we naturally incorporate business strategies into our spending, including by adding redundancy/resiliency features to facilities, upgrading and/or maintaining new and current facilities, disaster recovery planning, etc.

We calculated the incremental cost of responding to acute physical risks as zero, since managing physical risks to our operations falls within the normal course of business and does not incur estimable marginal costs.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Acute physical

Cyclone, hurricane, typhoon

Primary potential financial impact

Decreased revenues due to reduced production capacity

Company-specific description

We depend on suppliers globally to provide timely delivery of materials, parts, and components for use in our products. Due to increased exposure to extreme weather events influenced by climate change, such as severe storms or floods, we may experience adverse impacts in our supply chain or inventory, resulting in shortages of raw materials and required electronic components. Certain components purchased by us are primarily manufactured in select regions of the world and issues in those regions could cause manufacturing delays. Maintaining strong relationships with key suppliers of components critical to the manufacturing process is essential. Price increases of commodity components, including increased tariffs, could have an adverse impact on our profitability if we cannot offset such increases with other cost reductions or by price increases to customers. Materials utilized in our manufacturing process are generally available, but future availability is unknown and could impact our ability to meet

customer order requirements. The EMS industry has experienced component shortages, component allocations, and shipping delays in recent years, particularly with semiconductors. Component shortages or allocations could increase component costs and potentially interrupt our operations and negatively impact our ability to meet commitments to customers. If suppliers fail to meet commitments to us in terms of price, delivery, or quality, or if the supply chain is unable to react timely to increases in demand or extreme weather events, it could interrupt our operations and negatively impact our ability to meet commitments to customers.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

1,000,000

Potential financial impact figure – maximum (currency)

10,000,000

Explanation of financial impact figure

Financial impacts can include inventory damage, lost revenue from curtailed production or delays in production, increased cost of raw materials or components, increased costs related to redesign or reconfiguration of products to accommodate substitute components, potential temporary, long-term, or permanent closure of operations, unrecovered expenses, lost work time, lost revenue, lost or obsolete inventory, and increased insurance premiums. The financial impact is expected to range between $1M and $10M, which are typical retained amounts under insurance policies and/or sizes of potential claims that we may choose to self-fund. It is consistent with our threshold for substantive financial impact noted in 2.1b. Kimball Electronics maintains insurance that is intended to mitigate the high end of financial impacts.

Cost of response to risk

0

Description of response and explanation of cost calculation

We have developed a rigorous Enterprise Risk Management program that includes collecting certain compliance data from our suppliers, reporting of our own environmental metrics such as GHG emissions, energy usage, and water usage. To

manage financial impacts from potential shortages of raw materials and electronic components, we aim to diversify our supply base and work with our customers to identify alternative suppliers. We work with our suppliers to identify, assess, and manage risks, and we ensure that our suppliers comply with social and environmental standards that meet and exceed those in our code of conduct. We actively monitor and audit internal and external compliance through annual audits and training, including by conducting annual audits of our supply chain. In fiscal year 2022, Kimball's audits covered approximately 99% of our inventory and 98% of our accounts payable, and we conducted a dozen audits of own company and its subsidiaries.
Specifically, Kimball conducted audits in its fiscal year 2022 in the following countries: China, Japan, Mexico, Poland, Romania, Vietnam, Thailand, and the United States.
Through direct engagement with our suppliers, we can also mitigate potential risks such as those related to component shortages caused by severe weather events.
Additionally, we are able to mitigate financial impacts from component shortages by increasing our cost of goods sold. We calculated the incremental cost of responding to acute physical risks as zero, since managing component shortages falls within the normal course of business and does not incur estimable marginal costs.

Comment

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical

Changing precipitation patterns and types (rain, hail, snow/ice)

Primary potential financial impact

Decreased revenues due to reduced production capacity

Company-specific description

We maintain significant concentrations of physical assets in certain geographical locations, some of which may be prone to long-term changes in weather patterns and atmospheric temperatures caused by climate change and related political and regulatory changes and instability that such long-term changes can trigger. Such events could seriously impact our operations, and we continue to study the long-term implications of changing climate parameters and their resulting effects on current and future facility siting, operational issues, energy availability, and water availability. Disruptions and/or events that cause such effects could have a negative impact on our business, results of operations, financial condition, and cash flows. For example, climate change is creating shifts in rainfall patterns causing some regions to become wetter while exacerbating droughts in other regions. Increased frequency and intensity of rainfall in certain regions

can lead to flooding that disrupts operations and logistics, and damages infrastructure. Conversely, lower precipitation levels in certain regions could reduce the availability and quality of water or energy to our manufacturing facilities causing decreased production capacity and/or a change in modes of transport. Today, for example, our manufacturing sites in Mexico and China are located in areas with predicted water stress according to the Global Facility for Disaster Reduction and Recovery (GFDRR) database. That number could increase. Currently, none of our manufacturing operations are limited by water availability.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

1,000,000

Potential financial impact figure – maximum (currency)

10,000,000

Explanation of financial impact figure

It is difficult to predict the exact change and impact of each climate parameter, and only some significant changes to the climate may have an impact on the Company. Financial implications could include higher utilities and logistics costs from damaged infrastructure, higher insurance costs at facilities exposed to extreme weather events, costs of physical repairs, and loss of profit following a significant weather-related event. Disruption of utilities (electric, gas, water) could result in prolonged facility outages, causing disruption in the production and supply of raw materials and finished goods and could have negative revenue implications.

Financial impacts can include potential temporary, long-term, or permanent closure of operations, facility repair costs, lost work time, increased utility costs, lost revenue, damaged equipment, lost inventory, and increased insurance premiums. The financial impact is expected to range between $1M and $10M, which are typical retained amounts under insurance policies and/or sizes of potential claims that we may choose to self-fund. It is consistent with our threshold for substantive financial impact noted in 2.1b. Kimball Electronics maintains insurance that is intended to mitigate the high end of financial impacts.

Cost of response to risk

0

Description of response and explanation of cost calculation

We maintain business continuity plans that are intended to allow us to recover from natural disasters or other catastrophic events that can be disruptive to our business, our facilities, and the services we perform for customers, but we cannot be sure that our plans will fully protect us from all such disruptions. While we maintain product liability and other insurance coverage that we believe to be generally in accordance with industry practices, our insurance coverage may not be adequate to protect us fully against substantial claims and costs that may arise from liabilities in our business. Capital and expense planning are parts of our normal strategic planning process. As we adjust our strategy to address risks, we naturally incorporate business strategies into our spending, including by making decisions informed by our Enterprise Risk Management process about where to locate facilities, and adding redundancy/resiliency features, upgrading and/or maintaining them. We calculated the incremental cost of responding to chronic physical risks as zero, since managing physical risks to our operations falls within the normal course of business and does not incur estimable marginal costs.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

As more customers increase their focus on climate change issues they demand more energy-efficient products and services, such as electric vehicles and smart meters. We will continue partnering with existing and new customers to deliver more energy-efficient products. The rapid adoption of electric vehicles, the expansion of autonomous driving, and vehicles with increasing connectivity are opportunities where our chassis control expertise and core manufacturing competencies could align very well with the stringent production requirements of the automotive industry. Indeed, in FY2022, we reached all time highs for the automotive vertical market that resulted from the ramp up of certain programs, including programs supporting fully electric vehicles and for the industrial market, as a result of higher end market demand for climate control products. Longer term we continue to see growth opportunities in our industrial vertical as well as the importance of consumption, awareness and conservation of water, gas and electricity continues to increase globally.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

18,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The potential financial impact figure is derived from our company's revenue generated from low carbon products. In 2021, our sales of low-carbon products were $106 million. In 2022, our sales of low carbon products were $124 million, an increase of $18 million.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

Our business teams work with existing and new customers to identify opportunities to design and build more energy-efficient products. Our design engineers work with our customers to identify more energy-efficient product designs. We calculated the

incremental cost of realizing this opportunity as zero, since we do not incur any costs to design and build more energy-efficient products over and above the normal costs of management and operation.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient production and distribution processes

Primary potential financial impact

Reduced direct costs

Company-specific description

We have an opportunity to increase the efficiency of production and distribution processes at our owned and operated manufacturing locations through implementation of energy efficiency and low carbon initiatives. This opportunity is driven, in part, by our customers, who are increasingly setting supply chain sustainability targets and requesting that we improve our energy performance and water usage and lower our emissions, as well as increase purchases of renewable energy to power our facilities where such options are available. A majority of our scope 1 and scope 2 GHG emissions result from electricity purchases at our operated locations. We see this as an opportunity to reduce our operating costs. Through energy efficiency initiatives and renewable energy purchases, we can enhance our reputation, improve the resiliency of our operations and further develop relationships with key customers. We implemented our first on-site solar energy system in 2022 and plan to implement additional systems in future years.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

400,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

For 2023, we estimate our financial impact figure will be $400,000. We calculated based on our estimated savings from future energy efficiency initiatives and low-carbon energy installations including solar energy upgrades to HVAC and climate control systems, resource efficiency, lighting, motors and drives, solar energy, process optimization, and insulation.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

There is zero incremental cost to finding opportunities to use less energy above the normal costs of management and operation, thus our cost to realize this opportunity is zero.

Comment

We calculated the incremental cost of realizing this opportunity as zero, since we do not incur any costs to find opportunities to use less energy above the normal costs of management and operation. For example, our monetary investments in 2022 related to energy efficiency initiatives and low-carbon energy installations were $113,806 and did not incur additional costs beyond the normal costs of management and operation. These investments were (or are anticipated to be) fully offset by the resulting cost savings.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Markets

Primary climate-related opportunity driver

Access to new markets

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

According to the Ellen MacArthur Foundation, in Europe, India, and China, a circular economy could reduce GHG emissions between 22% to 44% by 2050 compared to the current development path in Europe, India, and China, when implemented in sectors such as environment, mobility, food, electronics, and textiles. Acknowledging the importance of circular economy solutions in climate change mitigation, KE works with our customers to help them reduce the CO2e impacts of their products and identify potential efficiencies in the design and manufacturing of those products. Development of new and expansion of existing low-carbon products and services will enable us to enter new markets and develop new business opportunities. In the past year, we partnered with our customers to avoid CO2 emissions by performing repairs and refurbishments that permit products to re-enter the stream of commerce instead of going to landfills.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The potential financial impact of the opportunity relates to the estimated new business associated with customers interested in leveraging our services to minimize embedded carbon in products and reduce supply chain emissions.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

There is zero incremental cost above the normal costs of management and operation to find opportunities to repair and refurbish products for our customers instead of disposing of them, thus our cost to realize this opportunity is zero.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a climate transition plan within two years

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future

Kimball Electronics has been aware of environmental challenges to the world for many years. Our goal of net zero emissions by 2050 aligns with a 1.5°C world. We have focused our individual locations in areas of increased recycling, better management of all our waste, decreasing VOCs and Greenhouse Gas emissions, and maintaining our ISO 14001 compliance. Kimball Electronics supports the Paris Agreement's/Accords' goal of limiting global temperature rise to 1.5°C above preindustrial levels. Our approach is driven by our commitment to reduce our GHG emissions to net zero by 2050. Our strategy includes investing in solutions to improve energy efficiency in our manufacturing operations, procuring electricity from renewable energy and/or certified zero carbon sources, working with our customers to design and build efficient, sustainable products for them; and to conduct public policy engagements that are consistent with our support of the Paris Agreement/Accords.

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy
Row 1	Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices

Transition scenarios Customized publicly available transition scenario	Company-wide	1.5ºC	In 2023, we conducted a water availability scenario analysis using WRI Aqueduct's Water Risk Assessment tool for all of our global sites to evaluate current and potential future water stress/availability in 2030 and 2040 under different climate and development scenarios. The scenarios included the "optimistic" scenario (SSP2 RCP4.5), the "business as usual" scenario (SSP2 RCP8.5), and the "pessimistic" scenario (SSP3 RCP8.5). The objective of the analysis is to identify regions where water stress may impact current and/or future site operations and to provide input for developing site specific water stewardship plans and management strategies to protect future site operations. We entered all of our global facilities into the WRI Aqueduct tool and analyzed the output report in the context of our global operations. Our assessment focused on identifying facilities at high risk of future baseline water stress. We selected the risk type "future water stress" and identified which sites fell under the categories of "High" and "Extremely High" to determine those that could be impacted so that we could align our medium- and long-term company-wide planning horizons with these risks in mind.
Physical climate scenarios RCP 8.5	Company-wide		In 2023, we conducted a preliminary qualitative scenario analysis to identify potential risks and business opportunities arising physical climate change to our global facilities. We evaluated present and future exposure to acute and chronic hazards from temperature, coastal flooding, inland flooding, and tropical cyclones. The analysis was based on publicly available data sets and the outputs of climate policy scenarios, including the RCP 4.5 and RCP 8.5 scenarios and the NGFS Delayed Transition scenario, which assumes policy reaction to climate change is delayed until 2030, with slow energy transition and technology changes in the short-term followed by fast changes in the medium-/long-term. The scenarios explore different possible climate futures and map out the consequences of different choices for energy use/energy security.

			We analyzed all of our global facilities in the context of our global operations and focused our assessment on identifying facilities at high risk of physical climate change risks to determine those that could be impacted and how so that we could align our medium- and long-term company-wide planning horizons with these risks in mind.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

The scenario analyses we have conducted have sought to answer a number of questions pertaining to the climate-related risks facing Kimball Electronics, the climate-related opportunities, and how we can further develop resilience. Specifically, our scenario analyses have tried to answer:
What are the greatest drivers of climate-related risk for us and our facilities?
Are we exposed to any material climate-related risks?
Which of our assets face the greatest risk?
What are the potential impacts from acute and chronic climate change on our customers, supply chain, and direct operations?
What actions can we take in the short, medium, and long term to reduce our risk exposure and to enhance organizational resilience at our key sites?
What ongoing monitoring is required to manage climate-related risks?
What gaps in our analysis must we be aware of while interpreting the results?

Results of the climate-related scenario analysis with respect to the focal questions

The objective of our analysis is to identify regions where climate change hazards and water stress may impact current and/or future site operations (e.g. sufficient water availability, changes due to acute and chronic climate changes, potential cost increases, etc.) and to provide input for developing site-specific stewardship plans and management strategies to monitor and protect future operations.

The results of the WRI Aqueduct scenario analysis show that our manufacturing sites in in Suzhou, China; Mexico; Poland; Vietnam; and Tampa, Florida may be at “High” or “Extremely High” baseline water stress in 2030 and 2040 under some or all scenarios. At this time, based on our analysis informed by our actual experiences at each of our global facilities, there is no significant water risk to our operations, though.

The physical climate change scenario analysis shows that all of our sites are projected

to be exposed to increases in average and extreme temperatures. Exposure to other climate change hazards varied by location. For example, our manufacturing sites in Suzhou, China and Tampa, Florida could be exposed to acute storm surge and wind hazards from tropical cyclones. Rising sea levels are projected to increase such exposures over time. Rising temperatures may pose a chronic risk to our assets through losses in employee productivity, HVAC system degradation and increases in cooling needs that could increase cooling costs. We use our analyses to determine each facility's actual vulnerability to key climate change hazards and to inform our business continuity plans and testing. This, in turn, drives decisions about site-specific adaptations and resilience planning activities.

We are continually analyzing data from these and other business continuity planning and strategy activities so that we can identify actions to take in the short, medium, and long term. We leverage results to inform our business strategy and objectives for risk mitigation based on our experience with currently vulnerable locations. The results of the analysis described above reinforces our decision to incorporate a goal to reduce our absolute water usage by 20% by 2025 and to decrease our energy usage and will inform our future goal setting processes.

Our actions include reporting the results to the Chief Legal & Compliance Officer and discussing with our teams during our Enterprise Risk Management (ERM) process. Our current annual ERM process takes into account input from compliance-area owners and interviews with senior management from across our business. Key risks are flagged by region and prioritized for mitigation based on impact and likelihood. The scenario tools that we use are also useful when screening greenfield locations for new production facility investments to ensure we minimize risks and maximize opportunities, such as ensuring adequate water supply will be available during the operating life of a facility.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Climate change can influence consumer behavior, as demonstrated by the opportunities creates by demand for energy-efficient and low-carbon products/services. As more customers increase their focus on climate change issues, demand for more energy-efficient products and services increases, such as electric vehicles and smart meters. We will continue partnering with existing and new customers to deliver more energy-efficient products. The rapid adoption

		of electric vehicles, the expansion of autonomous driving, and vehicles with increasing connectivity are opportunities where our chassis control expertise and core manufacturing competencies could align very well with the stringent production requirements of the automotive industry. Indeed, in FY2022, we reached all-time highs for the automotive vertical market that resulted from the ramp up of certain programs, including programs supporting fully electric vehicles and for the industrial market, as a result of higher end market demand for climate control products. Longer term we continue to see growth opportunities in our industrial vertical as well as the importance of consumption, awareness and conservation of water, gas, and electricity continues to increase globally.
Supply chain and/or value chain	Yes	We have identified short to medium-term potential risks to our supply/value chain due to operational disruptions caused by climate-related physical events. These climate-related impacts can disrupt our operations by impacting shipment & supply of materials, manufacturing, and timely delivery of our products and services, leading to potential financial & reputational impacts. Extreme weather events have information our business continuity planning. We maintain business recovery plans at each sites & appropriate insurance coverage across multiple carriers. Our sites are required to maintain ISO 14001 certification, to identify, address, mitigate, & control site-level risks. In addition, carbon pricing and/or renewable energy regulation are longer-term risks that could impact our supply & value chain with increased costs that could be passed through to us from our suppliers & that we may not be able to pass through fully to our customers. The number of KE customers considering sustainability-related information in their supply relationships (e.g., sustainability-oriented supplier performance reviews like EcoVadis, Assent, CDP Supply Chain Program, or sustainability characteristics of purchased products) is growing. Actions we currently take to meet customer expectations include progressing toward our environmental goals, engaging with customers and our upstream supply chain through various sustainability assessments, & helping our customers reduce their product footprints, & create products that deliver climate benefits and meet regulatory requirements. We have experienced shortages of raw materials &

		electronic components due to natural or environmental occurrences that impact our supply chain. Unanticipated component shortages could result in curtailed production or delays in production. Supply chain/value chain climate-related risks have influenced our supplier engagement strategy in the short- to medium-term. Examples include our adoption of a robust Code of Conduct and Supplier Quality Manual that requires our suppliers to measure and report certain aspects of their ESG performance, & our conduct of supplier audits and due diligence to increase our visibility into our key suppliers and provide recommendations on corrective actions to mitigate climate-related impacts. The time horizon associated with the strategy is short- to medium-term.
Investment in R&D	Yes	Our R&D investment strategy addresses medium to long term climate-related risks and opportunities through investments to manufacture products and design products and processes for our customers that are safer, cleaner, and more efficient. These investments help our consumers reduce both their GHG emissions and their overall environmental footprint. Our commitment to deliver manufacturing and design services to our customers that will help address climate-related impacts as part of our responsible growth business strategy and is expressed through our emissions reduction and other publicly disclosed environmental goals.
Operations	Yes	Extreme, climate-related weather events and increasing or decreasing temperatures could present potential short to medium-term risks to our operations, supply chain, and communities. These climate-related risks could impact our energy usage and increase operational costs or disrupt production capacity. We manage these risks through improved efficiencies in usage and through the addition of onsite power generation capabilities, where appropriate. Our company-wide strategic plan includes provisions for business continuity planning and emergency preparedness that detail actions to take in the event of severe weather to assist our manufacturing sites in preparing for and recovering from severe weather events. Our Corporate Emergency Response Team has been activated in recent years and functioned effectively to help minimize potential disruptions to operations, such as during extreme winter weather events in Mexico and Texas in 2021.

		Each of our facilities has also prepared site-specific business continuity plans and emergency preparedness plans designed to maximize the safety of employees, communities, the environment, and our physical assets and facilities. We also assess potential risks to operations from severe weather events in terms of potential capital and revenue losses from interruptions to ensure we have sufficient insurance coverages.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Direct costs Indirect costs Capital expenditures Acquisitions and divestments Assets	Climate-related risks and opportunities are at the forefront of our financial planning and other decision-making processes to ensure that we can group our business sustainably in accordance with our Guiding Principles. We have set environmental and other sustainability goals in a way that integrates with our long-term corporate strategy. Our financial planning process has integrated our business objectives with our ESG objectives, including our climate-based objectives. The increased desire for products that are sustainable may have a high impact on our revenues. For example, the rapid adoption of electric vehicles, the expansion of autonomous driving, and vehicles with increasing connectivity are opportunities where our chassis control expertise and core manufacturing competencies drove us to an all-time high for the automotive vertical market that resulted from the ramp up of certain programs, including programs supporting fully electric vehicles. Longer term we continue to see growth opportunities in our industrial vertical as well as the importance of consumption, awareness and conservation of water, gas and electricity continues to increase globally. We evaluate the revenue impact of these risks and opportunities on a project by project basis as part of our financial planning process for the medium and long term horizons. Climate-related impacts can also create revenue losses because of severe weather events that can impact our manufacturing operations. Losses could include business interruption as well as physical damage to facilities. These revenue and product related risks and opportunities are medium and there is potential for the revenue opportunities to be material. Extreme weather events and increasing or decreasing temperatures could result in indirect cost impacts if site energy or water usage increase, operational costs increase, or our production capacity is

		disrupted. This risk is being managed through improved efficiencies at our facilities and the addition of power generation capabilities, where appropriate. There are no material cost expenditures at this time, but there is a high likelihood of occurrence that is medium in terms of magnitude. Our financial planning process has integrated with our internal assessments of direct and indirect operating costs. We plan for the impact of obtaining sustainability sourced or certified compliant materials when we provide quotes to and suggest product improvements for our customers. We evaluate ways to deliver manufacturing services more efficiently and with less environmental impact, including in generating renewable energy. The risks, including financial risks, and the opportunities, including increased sales and reduced footprints, are accounted for in our short and medium-term strategic plans. Our financial planning process has also integrated with our capital expenditures planning. We continue to purchase and replace equipment we use to manufacture and process products for our customers that contributes to lower emissions and environmental impact. This creates a low to medium impact on our capital expenditures planning over the medium- to long-term. We anticipate increased capital spending on our facilities to reach our current and future environmental goals. Our current risk assessment process has not identified any current significant risks or opportunities related to access to capital or to our current assets and liabilities.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition
Row 1	No, but we plan to in the next two years

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Is this a science-based target?

Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

Target ambition

1.5°C aligned

Year target was set

2019

Target coverage

Company-wide

Scope(s)

Scope 1
Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

Base year

2019

Base year Scope 1 emissions covered by target (metric tons CO2e)

1,236.75

Base year Scope 2 emissions covered by target (metric tons CO2e)

50,813.77

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

Base year total Scope 3 emissions covered by target (metric tons CO2e)

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

52,050.52

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2025

Targeted reduction from base year (%)

10

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

46,845.468

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

1,194.94

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

42,993.32

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

44,188.26

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

151.0505562673

Target status in reporting year

Achieved

Please explain target coverage and identify any exclusions

This is a 5-year company-wide goal and covers 100% of our Scope 1 + 2 emissions. We have selected “Achieved” in accordance with CDP’s guidance because we exceeded our goal prior to 2025.

Plan for achieving target, and progress made to the end of the reporting year

List the emissions reduction initiatives which contributed most to achieving this target

Replacement of fluorescent lighting with LED lighting

Upgrades of HVAC equipment and building management systems

The use of more energy efficient production and facility equipment

The utilization of more variable drive equipment

The implementation of renewable energy sources

The better control of production hours and the use of equipment

Target reference number

Abs 2

Is this a science-based target?

Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

Target ambition

1.5°C aligned

Year target was set

2019

Target coverage

Company-wide

Scope(s)

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

Base year

2019

Base year Scope 1 emissions covered by target (metric tons CO2e)

Base year Scope 2 emissions covered by target (metric tons CO2e)

50,813.77

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

Base year total Scope 3 emissions covered by target (metric tons CO2e)

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

50,813.77

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2025

Targeted reduction from base year (%)

15

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

43,191.7045

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

42,993.32

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

42,993.32

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

102.6027656152

Target status in reporting year

Achieved

Please explain target coverage and identify any exclusions

This is a 5-year company-wide goal and covers 100% of our Scope 2 emissions. We have selected “Achieved” in accordance with CDP’s guidance because we exceeded our goal prior to 2025.

Plan for achieving target, and progress made to the end of the reporting year

List the emissions reduction initiatives which contributed most to achieving this target

Replacement of fluorescent lighting with LED lighting.

Upgrades of HVAC equipment and building management systems.

The use of more energy efficient production and facility equipment.

The utilization of more variable drive equipment.

The implementation of renewable energy sources.

The better control of production hours and the use of equipment.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2021

Target coverage

Site/facility

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management

Percentage of total waste generated that is recycled

Target denominator (intensity targets only)

metric ton of waste

Base year

2021

Figure or percentage in base year

0

Target year

2022

Figure or percentage in target year

51.9

Figure or percentage in reporting year

63.1

% of target achieved relative to base year [auto-calculated]

121.5799614644

Target status in reporting year

Achieved

Is this target part of an emissions target?

Yes, this target is part of a company-wide goal to recycle more non-hazardous waste.

Is this target part of an overarching initiative?

Other, please specify

This target is part of our company-wide effort to decrease the amount of non-hazardous waste materials going to landfills.

Please explain target coverage and identify any exclusions

This Significant Environmental Aspect goal for our Tampa facility was a target to increase the percentage of non-hazardous materials we recycled by 10% in 2022 compared to 2021.

In 2021 we sent 38.59 metric tons of non-hazardous material to landfills and recycled 27.85 metric tons; a recycling rate of 41.9%. In 2022, we sent 21.75 metric tons of non-hazardous material to landfills and recycled 37.19 metric tons; a recycling rate of 63.1%.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

Our Tampa facility recycles non-hazardous waste including circuit boards, electronics, breakaways, dry waste, cardboard, loose paper, and skids. We have trained employees to use separate bins and created awareness of Recycling. We have vendors who recycle our hazardous waste, including solder dross, electronic waste, and metals, by processing it into raw materials that can be used for new products.

Target reference number

Oth 2

Year target was set

2022

Target coverage

Site/facility

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Energy consumption or efficiency

kWh

Target denominator (intensity targets only)

unit hour worked

Base year

2021

Figure or percentage in base year

4.4562

Target year

2022

Figure or percentage in target year

4.3225

Figure or percentage in reporting year

4.58858

% of target achieved relative to base year [auto-calculated]

-99.0127150337

Target status in reporting year

Expired

Is this target part of an emissions target?

Yes, this target is part of a company-wide goal to reduce our electrical usage by 10% by 2025.

Is this target part of an overarching initiative?

Science Based targets initiative - other

Please explain target coverage and identify any exclusions

Our goal for the Tampa facility was to reduce our kWh usage by 3% per employee hour worked in 2022 as compared to 2021.

In 2021, our Tampa facility used 2,255,988 kWh with 506,249 employee hours worked, a total of 4.4562 kWh per employee hour worked. In 2022, we used 2,396,037 kWh with 522,490 employee hours worked, a total of 4.5858 kWh per employee hour worked.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

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Target reference number

Oth 3

Year target was set
2022

Target coverage
Site/facility

Target type: absolute or intensity
Intensity

Target type: category & Metric (target numerator if reporting an intensity target)
Waste management
Percentage of total waste generated that is recycled

Target denominator (intensity targets only)
metric ton of waste

Base year
2021

Figure or percentage in base year
0

Target year
2022

Figure or percentage in target year
94.6

Figure or percentage in reporting year
95.4

% of target achieved relative to base year [auto-calculated]
100.8456659619

Target status in reporting year
Achieved

Is this target part of an emissions target?
Yes, this target is part of a company-wide goal to recycle more non-hazardous waste.

Is this target part of an overarching initiative?
Science Based targets initiative - other

Please explain target coverage and identify any exclusions
This Significant Environmental Aspect goal for our Jasper facility was a stabilization target to maintain the percentage of materials being recycled and not sent to the landfill year-over-year. By maintaining our recycling percentage as our business grows, we will decrease the volume of non-hazardous waste being sent to the landfill.

In 2021, we recycled 868.48 metric tons of non-hazardous waste materials, or 94.7% of

the waste we generated. In 2022, we recycled 859.04 metric tons of non-hazardous waste materials, or 95.4% of our waste.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

The Recycling Program at the Jasper facility has been strong for several years and we continue to improve our employee education and monitoring as the key to increasing our recycling percentage. Our ability to recycle a broad range of wastes contributed most to achieving this target. We recycle cardboard, paper, plastics, steel, aluminum, brass, copper, solder, solder paste/dross, PWB, leads and lead clippings, electronic waste (monitors/screens), and more and work with the local recycling center to find means of recycling and reusing more wastes.

Target reference number

Oth 4

Year target was set

2022

Target coverage

Site/facility

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Energy consumption or efficiency

kWh

Target denominator (intensity targets only)

unit hour worked

Base year

2021

Figure or percentage in base year

0

Target year

2022

Figure or percentage in target year

7.2

Figure or percentage in reporting year

7.0381

% of target achieved relative to base year [auto-calculated]

97.7513888889

Target status in reporting year

Achieved

Is this target part of an emissions target?

Yes, this target is part of our company-wide goal to reduce our electrical usage by 10% by 2025.

Is this target part of an overarching initiative?

Science Based targets initiative - other

Please explain target coverage and identify any exclusions

This Significant Environmental Aspect goal for our Jasper facility was a stabilization target to maintain energy consumption per employee hour worked from 2021 to 2022 at or below 7.2000 kWh per employee hour worked.

In 2021, our Jasper facility used 8,472,922 kWh with 1,116,587 employee hours worked, a total of 7.5882 kWh per employee hour worked. In 2022, we used 8,313,031 kWh with 1,181,141 employee hours worked, a total of 7.0381 kWh per employee hour worked.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

Installing LED lighting and more efficient HVAC systems, setting lighting on autotimers to reduce excess lighting when production is not running.

Target reference number

Oth 5

Year target was set

2022

Target coverage

Site/facility

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management

metric tons of waste recycled

Target denominator (intensity targets only)

Base year

2021

Figure or percentage in base year

0

Target year

2022

Figure or percentage in target year

1,303

Figure or percentage in reporting year

1,835.48

% of target achieved relative to base year [auto-calculated]

140.865694551

Target status in reporting year

Achieved

Is this target part of an emissions target?

Yes, this target is part of a company-wide goal to recycle more non-hazardous waste.

Is this target part of an overarching initiative?

Science Based targets initiative - other

Please explain target coverage and identify any exclusions

This Significant Environmental Aspect goal for our KEMX#1 facility located in Reynosa, Mexico was a target to increase the percentage of non-hazardous materials we recycled by 3% in 2022 compared to 2021.

In 2021, we recycled 1,265.05 metric tons of waste materials, or 89.6% of the waste we generated. In 2022, we recycled 1,835.48 metric tons of waste materials, or 91.0% of our waste.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

1. Conducted environmental walkthrough inspections in production lines and warehouse area to identify new non-hazardous solid waste for recycling.
2. Sent out non-hazardous solid waste samples to recycling companies to perform recycling testing.
3. Added visual aids and conducted recycling training for operators and process technicians to improve recycling segregation in production areas.

Target reference number

Oth 6

Year target was set

2022

Target coverage

Site/facility

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Energy consumption or efficiency

kWh

Target denominator (intensity targets only)

unit hour worked

Base year

2021

Figure or percentage in base year

0

Target year

2022

Figure or percentage in target year

4.2443

Figure or percentage in reporting year

4.0635

% of target achieved relative to base year [auto-calculated]

95.7401691681

Target status in reporting year

Achieved

Is this target part of an emissions target?

Yes, this target is part of our company-wide goal to reduce our electrical usage by 10% by 2025.

Is this target part of an overarching initiative?

Science Based targets initiative - other

Please explain target coverage and identify any exclusions

This Significant Environmental Aspect goal for our KEMX#1 facility located in Reynosa, Mexico was to reduce our electrical usage per employee hour worked from 2021 to

2022.

In 2021, our KEMX#1 facility used 17,861,654 kWh with 4,208,305 employee hours worked, a total of 4.2443 kWh per employee hour worked. In 2022, we used 19,224,312 kWh with 4,735,669 employee hours worked, a total of 4.0635 kWh per employee hour worked.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

- Use and installation of refrigeration equipment with greater energy efficiency.
- Generate communications to sensitize workers about the efficient use of energy.
- NEST temperature control programming for air conditioners.

Target reference number

Oth 7

Year target was set

2022

Target coverage

Site/facility

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Energy consumption or efficiency
kWh

Target denominator (intensity targets only)

unit hour worked

Base year

2021

Figure or percentage in base year

0

Target year

2022

Figure or percentage in target year

5.4515

Figure or percentage in reporting year

4.4827

% of target achieved relative to base year [auto-calculated]

82.2287443823

Target status in reporting year

Achieved

Is this target part of an emissions target?

Yes, this target is part of our company-wide goal to reduce our electrical usage by 10% by 2025.

Is this target part of an overarching initiative?

Science Based targets initiative - other

Please explain target coverage and identify any exclusions

This Significant Environmental Aspect goal for our Thailand facility was to reduce our electrical usage by 1% per employee hour worked from 2021 to 2022.

In 2021, our Thailand facility used 7,760,594 kWh with 1,423,548 employee hours worked, a total of 5.4515 kWh per employee hour worked. In 2022, we used 8,683,938 kWh with 1,937,173 employee hours worked, a total of 4.4827 kWh per employee hour worked.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

We used ESD-safe material to separate unoccupied areas on the second floor of our facility from areas currently used for production. This reduced the energy consumption of the air handling unit for these areas.

We installed a solar energy system on the rooftop to supply energy to the facility, primarily the air conditioner system and the compressed-air system in the new part of our plant.

Target reference number

Oth 8

Year target was set

2022

Target coverage

Site/facility

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Energy consumption or efficiency
kWh

Target denominator (intensity targets only)

unit hour worked

Base year

2021

Figure or percentage in base year

0

Target year

2022

Figure or percentage in target year

0.9449

Figure or percentage in reporting year

0.8659

% of target achieved relative to base year [auto-calculated]

91.6393269129

Target status in reporting year

Achieved

Is this target part of an emissions target?

Yes, this target is part of our company-wide goal to reduce our electrical usage by 10% by 2025.

Is this target part of an overarching initiative?

Science Based targets initiative - other

Please explain target coverage and identify any exclusions

This Significant Environmental Aspect goal for our Jasper headquarters facility was to reduce our electrical usage by 4% per employee hour worked from 2021 to 2022.

In 2021, our Jasper headquarters facility used 380,806 kWh with 402,993 employee hours worked, a total of 0.9449 kWh per employee hour worked. In 2022, we used 352,173 kWh with 406,672 employee hours worked, a result of 0.8659 kWh per employee hour worked. In addition to achieving our 4% reduction goal, we reduced our Jasper headquarters facility's absolute consumption by 28,663 kWh.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

We have programmed and set the HVAC units to occupied and unoccupied times as a means to save energy. We are also replacing fluorescent lighting with LED fixtures as an ongoing improvement.

Target reference number

Oth 9

Year target was set

2022

Target coverage

Site/facility

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management

Percentage of total waste generated that is recycled

Target denominator (intensity targets only)

metric ton of waste

Base year

2021

Figure or percentage in base year

0

Target year

2022

Figure or percentage in target year

80

Figure or percentage in reporting year

82.5

% of target achieved relative to base year [auto-calculated]

103.125

Target status in reporting year

Achieved

Is this target part of an emissions target?

Yes, this target is part of a company-wide goal to recycle more non-hazardous waste.

Is this target part of an overarching initiative?

Science Based targets initiative - other

Please explain target coverage and identify any exclusions

This Significant Environmental Aspect goal for our Jasper headquarters facility was to increase the percentage of non-hazardous materials we recycled from 2021 to 2022.

In 2021, we recycled 5.56 metric tons of waste materials, or 83.3% of the waste we generated. In 2022, we recycled 4.66 metric tons of waste materials, or 82.5% of our waste.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

We send monthly recycling tips to all employees, report recycling numbers and ideas at monthly communications meetings. We use recyclable products at all catered and large food gatherings, including utensils.

Target reference number

Oth 10

Year target was set

2022

Target coverage

Site/facility

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management

Percentage of total waste generated that is recycled

Target denominator (intensity targets only)

metric ton of waste

Base year

2021

Figure or percentage in base year

0

Target year

2022

Figure or percentage in target year

92

Figure or percentage in reporting year

96.4

% of target achieved relative to base year [auto-calculated]

104.7826086957

Target status in reporting year

Achieved

Is this target part of an emissions target?

Yes, this target is part of a company-wide goal to recycle more non-hazardous waste.

Is this target part of an overarching initiative?

Science Based targets initiative - other

Please explain target coverage and identify any exclusions

This Significant Environmental Aspect goal for our Indianapolis facility was a target to increase the percentage of non-hazardous materials we recycled to 92% in 2022 compared to 2021.

In 2021, we recycled 149.95 metric tons of waste materials, or 89.6% of the waste we generated. In 2022, we recycled 113.37 metric tons of waste materials, or 96.4% of our waste.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

a. We transfer all of our plastic waste, including from our injection molding departments to a company that incinerates it and converts it into steam. This steam is then piped to businesses in downtown Indianapolis.

b. We reuse scrap metals generated when we make steel inserts for customer products to make other inserts for other customer products that call for the same type of steel. This recycling reduces our raw material usage.

c. We break down all of our cardboard shipping containers and packaging and transfer it to a recycling company.

d. We purchased in-house recycle bins, which are also are made of recycled material, to separate the different
types of materials that we chose to recycle: aluminum cans, plastic bottles, and general paper.

e. We transfer all of our wiring/cable scrap from internal and external usage to a wire recycling company, which it strips and reuses.

Target reference number
Oth 11

Year target was set
2022

Target coverage
Site/facility

Target type: absolute or intensity
Absolute

Target type: category & Metric (target numerator if reporting an intensity target)
Energy consumption or efficiency
kWh

Target denominator (intensity targets only)

Base year
2021

Figure or percentage in base year
2,526,718

Target year
2022

Figure or percentage in target year
2,450,916

Figure or percentage in reporting year
2,339,351

% of target achieved relative to base year [auto-calculated]
247.1794939448

Target status in reporting year
Achieved

Is this target part of an emissions target?
Yes, this target is part of our company-wide goal to reduce our electrical usage by 10% by 2025.

Is this target part of an overarching initiative?
Science Based targets initiative - other

Please explain target coverage and identify any exclusions

This Significant Environmental Aspect goal for our Indianapolis facility was a target to reduce the absolute energy usage at the facility by 3% from 2021 to 2022. Achieving this goal is also important to our greenhouse gas emission reduction goals because of the relatively higher percentage of coal used to produce electricity by utilities in Indiana. In addition to achieving our 3% reduction goal, we reduced our Indianapolis's facility's absolute consumption by 187,367 kWh.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

1. We have removed about 50% of the fluorescent & incandescent bulbs in the facility and replaced them with LEDs.

2. We have installed motion sensors in many conference rooms, offices, and hallway areas of our facilities to shut off lights after a specific period of inactivity.

3. A SEF team member comes in on Saturday mornings to ensure that that all unused lights are turned off to reduce electrical usage over the weekend or holidays.

Target reference number

Oth 12

Year target was set

2022

Target coverage

Site/facility

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management

Percentage of total waste generated that is recycled

Target denominator (intensity targets only)

metric ton of waste

Base year

2021

Figure or percentage in base year

0

Target year

2022

Figure or percentage in target year

80

Figure or percentage in reporting year

85.8

% of target achieved relative to base year [auto-calculated]

107.25

Target status in reporting year

Achieved

Is this target part of an emissions target?

Yes, this target is part of a company-wide goal to recycle more non-hazardous waste.

Is this target part of an overarching initiative?

Science Based targets initiative - other

Please explain target coverage and identify any exclusions

This Significant Environmental Aspect goal for our GES-San Jose facility was a target to increase the percentage of non-hazardous materials we recycled to 80% in 2022 compared to 2021.

In 2021, we recycled 1.38 metric tons of waste materials, or 53.1% of the waste we generated. In 2022, we recycled 2.74 metric tons of waste materials, or 85.8% of our waste.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

We started a formal recycling program at the facility in 2022, trained employees on recycling efforts, and got more employees involved in recycling efforts.

Target reference number

Oth 13

Year target was set

2022

Target coverage

Site/facility

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management

Percentage of total waste generated that is recycled

Target denominator (intensity targets only)

metric ton of waste

Base year

2021

Figure or percentage in base year

0

Target year

2022

Figure or percentage in target year

9.2

Figure or percentage in reporting year

16.4

% of target achieved relative to base year [auto-calculated]

178.2608695652

Target status in reporting year

Achieved

Is this target part of an emissions target?

Yes, this target is part of a company-wide goal to recycle more non-hazardous waste.

Is this target part of an overarching initiative?

Science Based targets initiative - other

Please explain target coverage and identify any exclusions

This Significant Environmental Aspect goal for our GES-Vietnam facility was a target to increase the percentage of non-hazardous materials we recycled to 9.2% in 2022 compared to 2021.

In 2021, we recycled 6.53 metric tons of waste materials, or 8.5% of the waste we generated. In 2022, we recycled 9.99 metric tons of waste materials, or 16.4% of our waste.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

• We reused single side printed-paper to print non-confidential materials.
• We repurposed wooden shipping crates, steel frame, and steel bars for maintenance and other purposes in our facility.

Target reference number
Oth 14

Year target was set
2022

Target coverage
Site/facility

Target type: absolute or intensity
Intensity

Target type: category & Metric (target numerator if reporting an intensity target)
Energy consumption or efficiency
kWh

Target denominator (intensity targets only)
unit hour worked

Base year
2021

Figure or percentage in base year
2.6741

Target year
2022

Figure or percentage in target year
2.5403

Figure or percentage in reporting year
2.3506

% of target achieved relative to base year [auto-calculated]
241.77877429

Target status in reporting year
Achieved

Is this target part of an emissions target?
Yes, this target is part of our company-wide goal to reduce our electrical usage by 10% by 2025.

Is this target part of an overarching initiative?
Science Based targets initiative - other

Please explain target coverage and identify any exclusions

This Significant Environmental Aspect goal for our GES-Vietnam facility was to reduce our electrical usage by 5% per employee hour worked.

In 2021, we used 1,169,347 kWh with 437,284 employee hours worked, a total of 2.6741 kWh per employee hour worked. In 2022, we used 980,640 kWh with 417,188 employee hours worked, a total of 2.3506 kWh per employee hour worked.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

- Turn off lights/air conditioning/projectors in meeting rooms when unoccupied - Daily
- Check electrical machines/equipment after working hours - Daily
- Set air conditioning at appropriate temperatures to save energy

Target reference number

Oth 15

Year target was set

2022

Target coverage

Site/facility

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Energy consumption or efficiency

kWh

Target denominator (intensity targets only)

unit hour worked

Base year

2021

Figure or percentage in base year

0

Target year

2022

Figure or percentage in target year

0.1909

Figure or percentage in reporting year

0.1536

% of target achieved relative to base year [auto-calculated]

80.4609743321

Target status in reporting year

Achieved

Is this target part of an emissions target?

Yes, this target is part of our company-wide goal to reduce our electrical usage by 10% by 2025.

Is this target part of an overarching initiative?

Science Based targets initiative - other

Please explain target coverage and identify any exclusions

This Significant Environmental Aspect goal for our GES-China facility was to reduce our electrical usage by 4% per employee hour worked from 2021 to 2022.

In 2021, our GES-China facility used 96,717 kWh with 486,572 employee hours worked, a total of 0.1988 kWh per employee hour worked. In 2022, we used 105,192 kWh with 684,696 employee hours worked, a result of 0.1536 kWh per employee hour worked.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

• Designated a team member to monitor our electrical usage.
• Trained employees about the importance of conserving energy.
• Trained employees to follow energy conservation rules in different areas (lighting, air conditioning, equipment).
• Reminded all employees of our electrical usage reduction goals in weekly staff meetings.
• Tracked and reported monthly electrical usage.
• Used a 5S team to identify solutions to reduce our electrical usage

Target reference number

Oth 16

Year target was set

2022

Target coverage

Site/facility

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management

Percentage of total waste generated that is recycled

Target denominator (intensity targets only)

metric ton of waste

Base year

2021

Figure or percentage in base year

0

Target year

2022

Figure or percentage in target year

65

Figure or percentage in reporting year

78.8

% of target achieved relative to base year [auto-calculated]

121.2307692308

Target status in reporting year

Achieved

Is this target part of an emissions target?

Yes, this target is part of a company-wide goal to recycle more non-hazardous waste.

Is this target part of an overarching initiative?

Science Based targets initiative - other

Please explain target coverage and identify any exclusions

This Significant Environmental Aspect goal for our GES-China facility was a target to increase the percentage of non-hazardous materials we recycled to 55% in 2022 compared to 2021.

In 2021, we recycled 1.50 metric tons of waste materials, or 63.0% of the waste we generated. In 2022, we recycled 2.85 metric tons of waste materials, or 78.8% of our waste.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

• Trained employees to follow recycling rules in all working areas

•Designated areas to store recycling waste and monitored it regularly.

• Used our 5S audit team to check the status of on-site recycling.

• Tracked and reported recycled waste.

Target reference number

Oth 17

Year target was set

2022

Target coverage

Site/facility

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Energy consumption or efficiency

kWh

Target denominator (intensity targets only)

unit hour worked

Base year

2021

Figure or percentage in base year

0

Target year

2022

Figure or percentage in target year

6.284

Figure or percentage in reporting year

6.7609

% of target achieved relative to base year [auto-calculated]

107.5891152132

Target status in reporting year

Expired

Is this target part of an emissions target?

Yes, this target is part of our company-wide goal to reduce our electrical usage by 10% by 2025.

Is this target part of an overarching initiative?

Science Based targets initiative - other

Please explain target coverage and identify any exclusions

This Significant Environmental Aspect goal for our Romania facility was to reduce our electrical usage by 4% per employee hour worked from 2021 to 2022.

In 2021, our Romania facility used 4,636,220 kWh with 718,560 employee hours worked, a total of 6.4520 kWh per employee hour worked. In 2022, we used 4,873,620 kWh with 720,848 employee hours worked, a result of 6.7609 kWh per employee hour worked.

Some of the actions we completed in 2022 to work towards achieving this goal were:
• Conducted energy conservation training with employees.
• Communicated our goals to reduce energy consumption to employees.
• Used an 11-member energy team to identify ways to reduce energy consumption.
• Planned annual energy objectives to reduce electricity consumption and implemented actions that will lead to the achievement of the energy conservation objectives.
• Identified the top 3 energy consumers within the facility (PTH & Backend, HVAC, and SMT lines).
• Evaluated energy consumption of the purchase of electrical and electronic equipment and adopted solutions for equipment that minimize energy consumption.
• Implemented procedures that define the supervision of the microclimate in the Production area and the specific areas within the facility and the maintenance plan of utility equipment.
• For the SMT area, we turn off energy utilities to equipment or production lines during non-production periods longer than 8 hours.
• For the PTH backend area, we turn off energy utilities at the wave equipment in the production area during non-production hours.
• We turn off small energy consumers (power sources from workbenches, microscopes, small smoke extractors) at each break and conduct periodic trainings with employees.
• We implemented the energy standard ISO 50001:2018.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

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Target reference number

Oth 18

Year target was set

2022

Target coverage

Site/facility

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management

Percentage of total waste generated that is recycled

Target denominator (intensity targets only)

metric ton of waste

Base year

2021

Figure or percentage in base year

0

Target year

2022

Figure or percentage in target year

85

Figure or percentage in reporting year

84.8

% of target achieved relative to base year [auto-calculated]

99.7647058824

Target status in reporting year

Expired

Is this target part of an emissions target?

Yes, this target is part of a company-wide goal to recycle more non-hazardous waste.

Is this target part of an overarching initiative?

Science Based targets initiative - other

Please explain target coverage and identify any exclusions

This Significant Environmental Aspect goal for our Romania facility was a target to maintain the percentage of non-hazardous waste we recycled at a 55% rate in 2022 compared to 2021.

In 2021, we recycled 285.85 metric tons of waste materials, or 85.7% of the waste we generated. In 2022, we recycled 265.61 metric tons of waste materials, or 84.8% of our waste.

Some of the actions we completed in 2022 to work towards achieving this goal were:
• Audited the identification of new types of waste resulting from our operations.
• Trained employees and subcontractors about the correct segregation of waste, both initially and with specific, refresh training.
• Enforced requirements for proper storage of waste.
• Established an objective for reducing quantity of waste and identified and implemented best solutions for waste recycling.
• Eliminated small containers from chemicals used in production by purchasing chemicals in larger containers.
• Repaired and reused products from our own activity to reduce electronic waste (scrap).
• Transported finish goods in reusable/returnable packaging where possible.
• Audited internal waste processes to identify segregation of waste and corrective and prevention actions to improve internal procedures and instructions.
• Implemented the ISO 14001:2018 standard.
• Conducted awareness actions for employees (e-mails, waste collection announcements, etc.).

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

Target reference number
Oth 19

Year target was set
2022

Target coverage
Site/facility

Target type: absolute or intensity
Intensity

Target type: category & Metric (target numerator if reporting an intensity target)
Energy consumption or efficiency
kWh

Target denominator (intensity targets only)
unit hour worked

Base year
2021

Figure or percentage in base year
4.7153

Target year
2022

Figure or percentage in target year
4.9

Figure or percentage in reporting year
5.023

% of target achieved relative to base year [auto-calculated]
166.5944775311

Target status in reporting year
Expired

Is this target part of an emissions target?
Yes, this target is part of our company-wide goal to reduce our electrical usage by 10% by 2025.

Is this target part of an overarching initiative?
Science Based targets initiative - other

Please explain target coverage and identify any exclusions
This Significant Environmental Aspect goal for our China facility was to reduce our electrical usage by 4% per employee hour worked from 2021 to 2022.

In 2021, our China facility used 8,788,150 kWh with 1,863,746 employee hours worked, a total of 4.7513 kWh per employee hour worked. In 2022, we used 9,126,699 kWh with 1,816,936 employee hours worked, a result of 5.0231 kWh per employee hour worked.

Some of the actions we completed in 2022 to work towards achieving this goal were:
•Optimized the control program and installed a logic controller for the air conditioning units.
•Started cooling our shopfloor chemical storage room after an investigation of the load and capacity.
•The two air conditions now run alternately instead of simultaneously.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

---

Target reference number
Oth 20

Year target was set
2022

Target coverage
Site/facility

Target type: absolute or intensity
Intensity

Target type: category & Metric (target numerator if reporting an intensity target)
Waste management
Percentage of total waste generated that is recycled

Target denominator (intensity targets only)
metric ton of waste

Base year
2021

Figure or percentage in base year
0

Target year
2022

Figure or percentage in target year
96.5

Figure or percentage in reporting year
96.7

% of target achieved relative to base year [auto-calculated]
100.207253886

Target status in reporting year
Achieved

Is this target part of an emissions target?
Yes, this target is part of a company-wide goal to recycle more non-hazardous waste.

Is this target part of an overarching initiative?
Science Based targets initiative - other

Please explain target coverage and identify any exclusions
This Significant Environmental Aspect goal for our China facility was a target to maintain the percentage of non-hazardous waste we recycled at a 96.5% rate in 2022 compared to 2021.

In 2021, we recycled 104.60 metric tons of waste materials, or 96.5% of the waste we

generated. In 2022, we recycled 125.17 metric tons of waste materials, or 96.7% of our waste.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

- Scrap and waste status analysis
- Optimized the storage management procedure
- Constructed new tents for returnable dunnage storage

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	2	370
Implementation commenced*	2	720
Implemented*	40	17,358
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in production processes

Process optimization

Estimated annual CO2e savings (metric tonnes CO2e)

6,900

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
1,000,000

Investment required (unit currency – as specified in C0.4)
500,000

Payback period
1-3 years

Estimated lifetime of the initiative
3-5 years

Comment
Cost of reviewing the production processes and optimizing the use of energy to be more efficient.

Initiative category & Initiative type
Waste reduction and material circularity
Waste reduction

Estimated annual CO2e savings (metric tonnes CO2e)
77

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 3 category 5: Waste generated in operations

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
300,000

Investment required (unit currency – as specified in C0.4)
120,000

Payback period
1-3 years

Estimated lifetime of the initiative
Ongoing

Comment
Cost to increase additional recycling initiatives.

Initiative category & Initiative type

Energy efficiency in buildings
Building Energy Management Systems (BEMS)

Estimated annual CO2e savings (metric tonnes CO2e)

1,113

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

300,000

Investment required (unit currency – as specified in C0.4)

150,000

Payback period

1-3 years

Estimated lifetime of the initiative

21-30 years

Comment

Estimates for CO2e savings based renewable energy implementations completed and planned for the future.

Initiative category & Initiative type

Waste reduction and material circularity
Product/component/material recycling

Estimated annual CO2e savings (metric tonnes CO2e)

10,358

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 3 category 5: Waste generated in operations

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

Ongoing

Comment

Avoided emissions achieved based on recycling initiates completed in 2022.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	Each of our manufacturing locations is ISO 14001 registered. To maintain this registration, a third party audits each location annually. This ISO 14001 process also requires each of our locations to identify and set SEA (Significant Environmental Aspect) goals that are designed to reduce our environmental impacts and align with our corporate environmental goals.
Internal finance mechanisms	We use an internal finance mechanism called a "4-Block". The 4-Block encompasses the following areas: Investment/Expense Overview, Program Overview, Project Milestones (Critical Path), and Financial Benefits. The 4-Block process includes consideration of the impact on emissions and we dedicate material portions of our capital expenditure budget to energy and water efficiency projects.
Employee engagement	We use various methods to drive employee engagement at our facilities, including: Employee Training and Education, Employee participation on Improvement Teams, Active Employee Suggestion Processes, Active Involvement of Employees within the Significant Environmental Aspect Programs, Communication of project progress Information to all Employees, Recognition and other Reward Activities for Employee Participation.
Internal incentives/recognition programs	Successful Significant Environmental Aspect programs may result in various incentive, recognition events, or activities. These include publication of articles in local or intercompany newsletters and/or community papers. It also may include incentive items that are distributed to program teams, or to all employees of a facility. Additionally, we created an annual Safety, Environmental, and Facility (SEF) award for the facility that has accomplished the most in these areas. We honor the winning facility at a company-wide meeting that celebrates the facility's employees. The SEF award is considered a high honor within Kimball Electronics.

Dedicated budget for energy efficiency	We set aside funding every year for implementing energy-efficiency and emissions-reductions projects. Projects are reviewed monthly or more often as needed with senior management. We consider projects based on environmental and efficiency impact, site needs, and cost and return on investment. We use an internal finance mechanism called a "4-Block". The 4-Block encompasses the following areas: Investment/Expense Overview, Program Overview, Project Milestones (Critical Path), and Financial Benefits. The 4-Block process includes consideration of the impact on emissions and we dedicate material portions of our capital expenditure budget to energy and water efficiency projects.
Dedicated budget for other emissions reduction activities	We set aside funding every year for implementing energy-efficiency and emissions-reductions projects. Projects are reviewed monthly or more often as needed with senior management. We consider projects based on environmental and efficiency impact, site needs, and cost and return on investment. We use an internal finance mechanism called a "4-Block". The 4-Block encompasses the following areas: Investment/Expense Overview, Program Overview, Project Milestones (Critical Path), and Financial Benefits. The 4-Block process includes consideration of the impact on emissions and we dedicate material portions of our capital expenditure budget to energy and water efficiency projects.
Lower return on investment (ROI) specification	Our goal is to achieve a 2 year or lower return in energy efficiency projects and a 4 year or lower return on renewable energy generation projects.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

Climate Bonds Taxonomy

Type of product(s) or service(s)

Systems integration
Smart meter

Description of product(s) or service(s)

Smart meters, high efficiency HVAC controls, high efficiency pump controls, high efficiency industrial heating and cooling modules and controls, other high efficiency control modules, and other industrial energy-saving products.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Functional unit used

Reference product/service or baseline scenario used

Life cycle stage(s) covered for the reference product/service or baseline scenario

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

Explain your calculation of avoided emissions, including any assumptions

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

2.55

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

Climate Bonds Taxonomy

Type of product(s) or service(s)

Heating and cooling
Central heat pump water heaters

Description of product(s) or service(s)

Smart meters, high efficiency HVAC controls, high efficiency pump controls, high efficiency industrial heating and cooling modules and controls, other high efficiency control modules, and other industrial energy-saving products.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Functional unit used

Reference product/service or baseline scenario used

Life cycle stage(s) covered for the reference product/service or baseline scenario

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

Explain your calculation of avoided emissions, including any assumptions

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

2.74

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

Climate Bonds Taxonomy

Type of product(s) or service(s)

Heat

Large-scale heat pump

Description of product(s) or service(s)

Smart meters, high efficiency HVAC controls, high efficiency pump controls, high efficiency industrial heating and cooling modules and controls, other high efficiency control modules, and other industrial energy-saving products.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Functional unit used

Reference product/service or baseline scenario used

Life cycle stage(s) covered for the reference product/service or baseline scenario

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

Explain your calculation of avoided emissions, including any assumptions

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

2.81

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?
Row 1	No

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

1,236.75

Comment

Scope 2 (location-based)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

50,813.77

Comment

Scope 2 (market-based)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

50,813.77

Comment

The location-based result has been used as a proxy throughout this survey since a market-based figure cannot be calculated.

Scope 3 category 1: Purchased goods and services

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO2e)

139,750.54

Comment

Emissions from goods and services not included in other Scope 3 Categories are for goods and services purchased or acquired by Kimball Electronics. Emissions of CO2e are based on indirect spend and emissions factors by spend category. Our base year is 2022 for emissions for this category because in prior years we were in the process of developing tools and procedures to report this data on an ongoing basis.

Scope 3 category 2: Capital goods

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO2e)

12,798.14

Comment

Emissions from capital goods purchased or acquired by Kimball Electronics. Emissions of CO2e are based on indirect spend and emissions factors by spend category. The spend in each category is multiplied by sector-specific emission factors (kg CO2e per 2018 US dollar) from the U.S. EPA Supply Chain GHG Emission Factors for US Industries and Commodities (US EEIO). All GWPs are IPCC Fourth Assessment Report (AR4-100 year). Our base year is 2022 for emissions for this category because in prior years we were in the process of developing tools and procedures to report this data on an ongoing basis.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO2e)

3,561.74

Comment

FERA emissions are calculated based on the amount of energy consumed per energy type (electricity, natural gas, etc.). Total consumption by each fuel type is multiplied by the appropriate emission factor. The upstream emission factor for purchased natural gas purchased steam and purchased electricity were obtained from the UK DEFRA Guidelines. Our base year is 2022 for emissions for this category because in prior years we were in the process of developing tools and procedures to report this data on an ongoing basis.

Scope 3 category 4: Upstream transportation and distribution

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO2e)

17,900.66

Comment

Emissions in this category are calculated using the spend-based method. Each transportation method is multiplied by the appropriate emission factor obtained from the U.S Supply Chain Greenhouse Gas Emission Factors database. Our base year is 2022 for emissions for this category because in prior years we were in the process of developing tools and procedures to report this data on an ongoing basis.

Scope 3 category 5: Waste generated in operations

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO2e)

132.34

Comment

Emissions in this category include those that result from landfilling, incineration, and recycling of waste from our facilities. We collect data regarding the amount, type, and

disposal method of waste from teams at each facility. We calculate emissions from waste using methodologies and emission factors from the EPA's Waste Reduction Model (WARM). This model calculates emissions based on a life cycle analysis, including emissions from the long-term decomposition of waste in a landfill or from upstream sources/sinks. Results of the WARM Model showed that our emissions in 2022 were 132.34 MT CO2e were from our non-hazardous waste sent to landfills across our locations. Our base year is 2022 for emissions for this category because in prior years we were in the process of developing tools and procedures to report this data on an ongoing basis.

Scope 3 category 6: Business travel

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO2e)

1,302.07

Comment

Scope 3 Category 6 (Business Travel) emissions include Air Travel and hotel stays for all global Shared Services employees, USA and Mexico locations and rental car travel data provided directly by our travel agency or the relevant providers and calculated based on employee mileage that we reimbursed in 2022. Emissions are calculated based on the activity data and emission factors from the EPA Emission Factors for Greenhouse Gas Inventories. Our base year is 2022 for emissions for this category because in prior years we were in the process of developing tools and procedures to report this data on an ongoing basis.

Scope 3 category 7: Employee commuting

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO2e)

0

Comment

We are not currently tracking Scope 3 Category 7 (Employee commuting) emissions. We plan to be able to report emissions for this category in future years.

Scope 3 category 8: Upstream leased assets

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO2e)

Comment

This scope 3 category is not relevant to Kimball Electronics at this time.

Scope 3 category 9: Downstream transportation and distribution

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO2e)

0

Comment

We are not currently tracking Scope 3 Category 9 (Downstream transportation and distribution) emissions. We plan to be able to report emissions for this category in future years.

Scope 3 category 10: Processing of sold products

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO2e)

0

Comment

Kimball Electronics does not have primary data on the processing of our sold products. We are not currently tracking this Scope 3 Category 10 (Processing of sold products) emissions. We plan to be able to estimate emissions for this category in future years.

Scope 3 category 11: Use of sold products

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO2e)

0

Comment

Kimball Electronics does not have primary data on the use of our sold products. We are not currently tracking this Scope 3 Category 11 (Use of sold products) emissions. We plan to be able to estimate emissions for this category in future years.

Scope 3 category 12: End of life treatment of sold products

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO2e)

0

Comment

Kimball Electronics does not have primary data on the use of our sold products. We are not currently tracking this Scope 3 Category 12 (End of life treatment of sold products) emissions. We plan to be able to estimate emissions for this category in future years.

Scope 3 category 13: Downstream leased assets

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO2e)

0

Comment

This scope 3 category is not relevant to Kimball Electronics at this time.

Scope 3 category 14: Franchises

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO2e)

0

Comment

This scope 3 category is not relevant to Kimball Electronics at this time.

Scope 3 category 15: Investments

Base year start
January 1, 2022

Base year end
December 31, 2022

Base year emissions (metric tons CO2e)
0

Comment
This scope 3 category is not relevant to Kimball Electronics at this time.

Scope 3: Other (upstream)

Base year start
January 1, 2022

Base year end
December 31, 2022

Base year emissions (metric tons CO2e)
0

Comment
This scope 3 category is not relevant to Kimball Electronics at this time.

Scope 3: Other (downstream)

Base year start
January 1, 2022

Base year end
December 31, 2022

Base year emissions (metric tons CO2e)
0

Comment
This scope 3 category is not relevant to Kimball Electronics at this time.

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
The Greenhouse Gas Protocol: Scope 2 Guidance
The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
1,194.94

Start date
January 1, 2022

End date
December 31, 2022

Comment
None

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)
1,101.85

Start date
January 1, 2021

End date
December 31, 2021

Comment
None

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We have operations where we are able to access electricity supplier emission factors or residual emissions factors, but are unable to report a Scope 2, market-based figure

Comment

We have used location-based emissions as a proxy for market-based emissions. We expect to report market-based figures for calendar year 2023.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

42,993.32

Start date

January 1, 2022

End date

December 31, 2022

Comment

Past year 1

Scope 2, location-based

41,342.59

Start date

January 1, 2021

End date

December 31, 2021

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

139,750.14

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Emissions from goods and services not included in other Scope 3 Categories are for goods and services purchased or acquired by Kimball Electronics. Emissions of CO2e are based on indirect spend and emissions factors by spend category. This spend was multiplied by an emission factor from the 2021 EPA Supply Chain Emission Factors file that aligns with our company's NAICS code (Printed Circuit Assembly (Electronic Assembly) Manufacturing. Our base year is 2022 for emissions for this category because in prior years we were in the process of developing tools and procedures to report this data on an ongoing basis.

Capital goods

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

12,798.14

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Emissions from capital goods purchased or acquired by Kimball Electronics. Emissions of CO2e are based on indirect spend and emissions factors by spend category. The spend in each category is multiplied by sector-specific emission factors (kg CO2e per 2018 US dollar) from the U.S. EPA Supply Chain GHG Emission Factors for US Industries and Commodities (US EEIO). All GWPs are IPCC Fourth Assessment Report (AR4-100 year). Our base year is 2022 for emissions for this category because in prior years we were in the process of developing tools and procedures to report this data on an ongoing basis.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

3,561.74

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

FERA emissions are calculated based on the amount of energy consumed per energy type (electricity, natural gas, etc.). Total consumption by each fuel type is multiplied by the appropriate emission factor. The upstream emission factor for purchased natural gas purchased steam and purchased electricity were obtained from the UK DEFRA Guidelines. Our base year is 2022 for emissions for this category because in prior years we were in the process of developing tools and procedures to report this data on an ongoing basis.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

17,900.66

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Emissions in this category are calculated using the spend-based method. Each transportation method is multiplied by the appropriate emission factor which were obtained from the. U.S Supply Chain Greenhouse Gas Emission Factors database. Our base year is 2022 for emissions for this category because in prior years we were in the process of developing tools and procedures to report this data on an ongoing basis.

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

132.34

Emissions calculation methodology

Site-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Emissions in this category include those that result from landfilling, incineration, and recycling of waste from our facilities. We collect data regarding the amount, type, and disposal method of waste from teams at each facility. We calculate emissions from waste using methodologies and emission factors from the EPA's Waste Reduction Model (WARM). This model calculates emissions based on a life cycle analysis, including emissions from the long-term decomposition of waste in a landfill or from upstream sources/sinks. As noted in Section C4.3a and C4.3b, our recycling initiatives avoided 10,358 MT CO2e of Scope 3 emissions. Our base year is 2022 for emissions for this category because in prior years we were in the process of developing tools and procedures to report this data on an ongoing basis.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

1,302.07

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Scope 3 Category 6 (Business Travel) emissions include Air Travel and hotel stays for all global Shared Services employees, USA and Mexico locations and rental car travel data provided directly by our travel agency or the relevant providers and calculated based on employee mileage that we reimbursed in 2022. Emissions are calculated based on the activity data and emission factors from the EPA Emission Factors for Greenhouse Gas Inventories. All GWPs are IPCC Fourth Assessment Report (AR4-100 year). Our base year is 2022 for emissions for this category because in prior years we were in the process of developing tools and procedures to report this data on an ongoing basis.

Employee commuting

Evaluation status

Relevant, not yet calculated

Please explain

We are not currently tracking Scope 3 Category 7 (Employee commuting) emissions. We plan to be able to report emissions for this category in future years.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

Under the operational control approach that we use to define our inventory boundary, all emissions from all upstream leased assets (to the extent that any exist in any particular year) would be included in our Scope 1 and Scope 2 emissions. Therefore, upstream leased assets are not relevant and would constitute 0% of our Scope 3 emissions. Downstream transportation and distribution

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Please explain

We are not currently tracking Scope 3 Category 9 (Downstream transportation and distribution) emissions. We plan to be able to report emissions for this category in future years.

Processing of sold products

Evaluation status

Relevant, not yet calculated

Please explain

Kimball Electronics does not have primary data on the processing of our sold products. We are not currently tracking this Scope 3 Category 10 (Processing of sold products) emissions. We plan to be able to estimate emissions for this category in future years.

Use of sold products

Evaluation status

Relevant, not yet calculated

Please explain

Kimball Electronics does not have primary data on the use of our sold products. We are not currently tracking this Scope 3 Category 11 (Use of sold products) emissions. We plan to be able to estimate emissions for this category in future years.

End of life treatment of sold products

Evaluation status

Relevant, not yet calculated

Please explain

Kimball Electronics does not have primary data on the use of our sold products. We are not currently tracking this Scope 3 Category 12 (End of life treatment of sold products) emissions. We plan to be able to estimate emissions for this category in future years.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

This scope 3 category is not relevant to Kimball Electronics at this time.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

This scope 3 category is not relevant to Kimball Electronics at this time.

Investments

Evaluation status

Not relevant, explanation provided

Please explain

This scope 3 category is not relevant to Kimball Electronics at this time.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Please explain

This scope 3 category is not relevant to Kimball Electronics at this time.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Please explain

This scope 3 category is not relevant to Kimball Electronics at this time.

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date

January 1, 2021

End date

December 31, 2021

Scope 3: Purchased goods and services (metric tons CO2e)

0

Scope 3: Capital goods (metric tons CO2e)

0

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

0

Scope 3: Upstream transportation and distribution (metric tons CO2e)

0

Scope 3: Waste generated in operations (metric tons CO2e)

1,369.48

Scope 3: Business travel (metric tons CO2e)

0

Scope 3: Employee commuting (metric tons CO2e)

0

Scope 3: Upstream leased assets (metric tons CO2e)

0

Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

Scope 3: Processing of sold products (metric tons CO2e)

0

Scope 3: Use of sold products (metric tons CO2e)

0

Scope 3: End of life treatment of sold products (metric tons CO2e)

0

Scope 3: Downstream leased assets (metric tons CO2e)

0

Scope 3: Franchises (metric tons CO2e)

0

Scope 3: Investments (metric tons CO2e)

0

Scope 3: Other (upstream) (metric tons CO2e)

0

Scope 3: Other (downstream) (metric tons CO2e)

0

Comment

Scope 3, Category 5 was a partial calculation in 2021 and did not represent 100% of our emissions during the calendar year.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.000032763

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

44,188.26

Metric denominator

unit total revenue

Metric denominator: Unit total

1,532,102,035

Scope 2 figure used

Location-based

% change from previous year

20.22

Direction of change

Decreased

Reason(s) for change

Change in renewable energy consumption
Other emissions reduction activities
Change in output
Change in revenue
Change in physical operating conditions

Please explain

In 2021, we emitted 42,444.44 MT CO2e and had $1,194,080,883 total revenue, a total of 0.000035546 MT CO2e per unit total revenue. In 2022, we emitted 44,188.26 MT CO2e and had $1,532,102,035 total revenue, a total of 0.00002884 MT CO2e per unit total revenue. This represents a 18.87% decrease in relative emissions in 2022 compared to 2021.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

No

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
Mexico 1	98.78
Poland 2	311.12
China 3	67.64
Thailand 4	0.34
United States of America 5	635.6
Romania 6	81.45
Viet Nam 7	0.003
India	0

[8]	
Japan [9]	0

[1] Two locations.

[2] One location.

[3] Two locations.

[4] One location.

[5] Five locations.

[6] One location.

[7] One location.

[8] One location.

[9] One location. Because it is leased in a multi-tenant building and not within our operational control, we have no reasonable means to monitor Scope 1 emissions at this location.

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By facility

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
KEMX 1 in Reynosa, Mexico	81.13	26.0333	-98.2194
KETL in Lam Chabang, Thailand	0.34	13.0847	100.92
KECN in Nanjing, China	67.64	31.8958	118.835
KEJ in Jasper, Indiana, USA	339.06	38.4008	-86.9175
KEPS in Poznan, Poland	311.12	52.4522	16.7025
KERO in Timisoara, Romania	81.45	45.7823	21.3559
KEIND in Indianapolis, Indiana, USA	278.59	38.8097	-86.0611
KETA in Tampa, Florida, USA	0	28.0675	-82.6464
KEHQ in Jasper, IN, USA	5.2	38.3714	-86.9522
GES-CN in Suzhou, China	0	31.304955	120.664835
GES- SJ in San Jose, California, USA (Multi-tenant office)	12.75	37.277085	121.793678
GES-VN in Saigon, Viet Nam	0.003	10.81296	106.640037

GES-IN in Kerala, India	0	8.569368	76.890643
GES-JP in Chiba, Japan (Multi-tenant office)	0	35.647418	140.035095
KEMX 2 in Reynosa, Mexico	17.65	26.044811	-98.22723

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Mexico [1]	10,762.66	10,762.66
China [2]	8,232.24	8,232.24
Thailand [3]	3,791.15	3,791.15
Poland [4]	9,423.37	9,423.37
Romania [5]	1,064.02	1,064.02
United States of America [6]	8,709.18	8,709.18
India [7]	115.22	115.22
Viet Nam [8]	895.48	895.48
Japan [9]	0	0

[1] One location.

[2] Two locations.

[3] One location.

[4] One location.

[5] One location.

[6] Five locations. This total includes an estimate of our Scope 2 emissions at our GES San Jose location based on the electricity consumption per square foot for the building type and size where

this leased office space is located using the US Energy Information Administration (EIA)'s Commercial Buildings Energy Consumption Survey (2012).

[7]One location.

[8]One location.

[9]One location. Because it is leased in a multi-tenant building and not within our operational control, we have no reasonable means to monitor Scope 2 emissions at this location.

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division
By facility
By activity

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Contract manufacturing services	42,993.32	42,993.32

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
KEMX 1 in Reynosa, Mexico	8,631.72	8,631.72
KETL in Lam Chabang, Thailand	3,791.15	3,791.15
KECN in Nanjing, China	8,160.4	8,160.4
KEJ in Jasper, Indiana, USA	5,449.2	5,449.2
KEPS in Poznan, Poland	9,423.37	9,423.37
KERO in Timisoara, Romania	1,064.02	1,064.02
KEIND in Indianapolis, Indiana, USA	1,956.05	1,956.05
KETA in Tampa, Florida, USA	1,042.18	1,042.18
KEHQ in Jasper, IN, USA	230.85	230.85
GES-CN in Suzhou, China	71.84	71.84
GES- SJ in San Jose, California, USA (Multi-tenant office)	30.9	30.9

GES-VN in Saigon, Viet Nam	895.48	895.48
GES-IN in Kerala, India (Office structure)	115.22	115.22
GES-Japan - in Mihama-ku Chiba (office structure)	0	0
KEMX 2 in Reynosa, Mexico	2,130.94	2,130.94

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Purchased Electricity	41,065.51	41,065.51
Purchased Steam	1,927.81	1,927.81

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Yes

C7.7a

(C7.7a) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Subsidiary name

Kimball Electronics-Mexico, S.A. de C.V.

Primary activity

Electronic components

Select the unique identifier(s) you are able to provide for this subsidiary

LEI number

ISIN code – bond

ISIN code – equity

CUSIP number

Ticker symbol

SEDOL code

LEI number

KEL721025NR5

Other unique identifier

Scope 1 emissions (metric tons CO2e)

98.78

Scope 2, location-based emissions (metric tons CO2e)

10,762.66

Scope 2, market-based emissions (metric tons CO2e)

10,762.66

Comment

The location-based result has been used as a proxy throughout this survey since a market-based figure cannot be calculated.

Subsidiary name

Kimball Electronics (Thailand), Ltd.

Primary activity

Electronic components

Select the unique identifier(s) you are able to provide for this subsidiary

LEI number

ISIN code – bond

ISIN code – equity

CUSIP number

Ticker symbol

SEDOL code

LEI number

205542007315

Other unique identifier

Scope 1 emissions (metric tons CO2e)
0.34

Scope 2, location-based emissions (metric tons CO2e)
3,791.15

Scope 2, market-based emissions (metric tons CO2e)
3,791.15

Comment
The location-based result has been used as a proxy throughout this survey since a market-based figure cannot be calculated.

Subsidiary name
Kimball Electronics (Nanjing) Co., Ltd.

Primary activity
Electronic components

Select the unique identifier(s) you are able to provide for this subsidiary
LEI number

ISIN code – bond

ISIN code – equity

CUSIP number

Ticker symbol

SEDOL code

LEI number
913201157770475000

Other unique identifier

Scope 1 emissions (metric tons CO2e)
67.64

Scope 2, location-based emissions (metric tons CO2e)

8,160.4

Scope 2, market-based emissions (metric tons CO2e)

8,160.4

Comment

The location-based result has been used as a proxy throughout this survey since a market-based figure cannot be calculated.

Subsidiary name

Kimball Electronics Group, LLC (Jasper Manufacturing Facility)

Primary activity

Electronic equipment

Select the unique identifier(s) you are able to provide for this subsidiary

Another unique identifier, please specify

D&B DUNS number

ISIN code – bond

ISIN code – equity

CUSIP number

Ticker symbol

SEDOL code

LEI number

Other unique identifier

829929194

Scope 1 emissions (metric tons CO2e)

339.06

Scope 2, location-based emissions (metric tons CO2e)

5,449.2

Scope 2, market-based emissions (metric tons CO2e)

5,449.2

Comment

The location-based result has been used as a proxy throughout this survey since a market-based figure cannot be calculated.

Subsidiary name

Kimball Electronics Poland, Sp. z o.o.

Primary activity

Electronic components

Select the unique identifier(s) you are able to provide for this subsidiary

LEI number

ISIN code – bond

ISIN code – equity

CUSIP number

Ticker symbol

SEDOL code

LEI number

0000060456

Other unique identifier

Scope 1 emissions (metric tons CO2e)

311.12

Scope 2, location-based emissions (metric tons CO2e)

9,423.37

Scope 2, market-based emissions (metric tons CO2e)

9,423.37

Comment

The location-based result has been used as a proxy throughout this survey since a market-based figure cannot be calculated.

Subsidiary name

Kimball Electronics Romania, SRL

Primary activity
Electronic components

Select the unique identifier(s) you are able to provide for this subsidiary
LEI number

ISIN code – bond

ISIN code – equity

CUSIP number

Ticker symbol

SEDOL code

LEI number
J35/2022/2015

Other unique identifier

Scope 1 emissions (metric tons CO2e)
81.45

Scope 2, location-based emissions (metric tons CO2e)
1,064.02

Scope 2, market-based emissions (metric tons CO2e)
1,064.02

Comment
The location-based result has been used as a proxy throughout this survey since a market-based figure cannot be calculated.

Subsidiary name
Kimball Electronics Indianapolis, Inc.

Primary activity
Medical equipment

Select the unique identifier(s) you are able to provide for this subsidiary
LEI number

ISIN code – bond

ISIN code – equity

CUSIP number

Ticker symbol

SEDOL code

LEI number

81-2596152

Other unique identifier

Scope 1 emissions (metric tons CO2e)

278.59

Scope 2, location-based emissions (metric tons CO2e)

1,956.05

Scope 2, market-based emissions (metric tons CO2e)

1,956.05

Comment

The location-based result has been used as a proxy throughout this survey since a market-based figure cannot be calculated.

Subsidiary name

Kimball Electronics Tampa, Inc.

Primary activity

Electronic components

Select the unique identifier(s) you are able to provide for this subsidiary

LEI number

ISIN code – bond

ISIN code – equity

CUSIP number

Ticker symbol

SEDOL code

LEI number

38-2081116

Other unique identifier

Scope 1 emissions (metric tons CO2e)

0

Scope 2, location-based emissions (metric tons CO2e)

1,042.18

Scope 2, market-based emissions (metric tons CO2e)

1,042.18

Comment

The location-based result has been used as a proxy throughout this survey since a market-based figure cannot be calculated.

Subsidiary name

Kimball Electronics Group, LLC (Headquarters Facility)

Primary activity

Other professional services

Select the unique identifier(s) you are able to provide for this subsidiary

Another unique identifier, please specify

D&B DUNS number

ISIN code – bond

ISIN code – equity

CUSIP number

Ticker symbol

SEDOL code

LEI number

Other unique identifier
945603392

Scope 1 emissions (metric tons CO2e)
5.2

Scope 2, location-based emissions (metric tons CO2e)
230.85

Scope 2, market-based emissions (metric tons CO2e)
230.85

Comment
The location-based result has been used as a proxy throughout this survey since a market-based figure cannot be calculated.

Subsidiary name
Suzhou Kimball Electronics Manufacturing Limited

Primary activity
Electronic components

Select the unique identifier(s) you are able to provide for this subsidiary
LEI number

ISIN code – bond

ISIN code – equity

CUSIP number

Ticker symbol

SEDOL code

LEI number
91320594MA1X18HY2A

Other unique identifier

Scope 1 emissions (metric tons CO2e)

0

Scope 2, location-based emissions (metric tons CO2e)

71.84

Scope 2, market-based emissions (metric tons CO2e)

71.84

Comment

The location-based result has been used as a proxy throughout this survey since a market-based figure cannot be calculated.

Subsidiary name

Kimball Electronics Indiana, Inc. d/b/a GES

Primary activity

Electronic components

Select the unique identifier(s) you are able to provide for this subsidiary

LEI number

ISIN code – bond

ISIN code – equity

CUSIP number

Ticker symbol

SEDOL code

LEI number

82-4361004

Other unique identifier

Scope 1 emissions (metric tons CO2e)

12.75

Scope 2, location-based emissions (metric tons CO2e)

30.9

Scope 2, market-based emissions (metric tons CO2e)

30.9

Comment

The location-based result has been used as a proxy throughout this survey since a market-based figure cannot be calculated.

Subsidiary name

Global Equipment Services & Manufacturing Vietnam Co. Ltd.

Primary activity

Electronic components

Select the unique identifier(s) you are able to provide for this subsidiary

LEI number

ISIN code – bond

ISIN code – equity

CUSIP number

Ticker symbol

SEDOL code

LEI number

0305075232

Other unique identifier

Scope 1 emissions (metric tons CO2e)

0.003

Scope 2, location-based emissions (metric tons CO2e)

895.48

Scope 2, market-based emissions (metric tons CO2e)

895.48

Comment

The location-based result has been used as a proxy throughout this survey since a market-based figure cannot be calculated.

Subsidiary name
Kimball Electronics India, Pvt. Ltd.

Primary activity
Electronic components

Select the unique identifier(s) you are able to provide for this subsidiary
LEI number

ISIN code – bond

ISIN code – equity

CUSIP number

Ticker symbol

SEDOL code

LEI number
AAHCK1023F

Other unique identifier

Scope 1 emissions (metric tons CO2e)
0

Scope 2, location-based emissions (metric tons CO2e)
115.22

Scope 2, market-based emissions (metric tons CO2e)
115.22

Comment
The location-based result has been used as a proxy throughout this survey since a market-based figure cannot be calculated.

Subsidiary name
Kimball Electronics Japan G.K.

Primary activity
Electronic components

Select the unique identifier(s) you are able to provide for this subsidiary

LEI number

ISIN code – bond

ISIN code – equity

CUSIP number

Ticker symbol

SEDOL code

LEI number

4-0110-0300-8678

Other unique identifier

Scope 1 emissions (metric tons CO2e)

0

Scope 2, location-based emissions (metric tons CO2e)

0

Scope 2, market-based emissions (metric tons CO2e)

0

Comment

The location-based result has been used as a proxy throughout this survey since a market-based figure cannot be calculated.

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	50.79	Decreased	0.12	We have installed and are installing on-site renewables at select facilities. At our KETL facility when fully deployed, we expect to offset energy consumption. For 2022, we calculated the emissions savings using this calculation: 174.5 MWh (savings/yr) / 12 (months) * 8 (months) / 1000 (convert to kWh) =0.1163 kWh savings 0.1163 * 436.57 g CO2/ KWH = 50.79 metric tons CO2e
Other emissions reduction activities				
Divestment				
Acquisitions				
Mergers				
Change in output	1,693.03	Increased	3.99	In 2022, Kimball Electronics grew as an organization, both in terms of sales growth and facility expansions, which contributed to this increase. Company-wide initiatives to reduce electrical usage such as replacing fluorescent light bulbs and the installation of renewable energy helped to offset this increase. During 2022, we completed our expansions of our Thailand facility (110,000 square feet) and opened our second Mexico facility (240,000 square feet). Adjusting for increased business activity, our combined Scope 1 and 2 emissions per dollar of sales decreased by 20.22%.
Change in methodology				
Change in boundary				

Change in physical operating conditions				
Unidentified				
Other				

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	No
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of purchased or acquired electricity	0	71,675.16	71,675.16
Consumption of purchased or acquired steam	0	14.23	14.23
Consumption of self-generated non-fuel renewable energy	116.33		116.33
Total energy consumption	116.33	71,689.39	71,805.72

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	116.33	116.33	116.33	116.33
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area

China

Consumption of purchased electricity (MWh)

9,231.89

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

14.23

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

9,246.12

Country/area

India

Consumption of purchased electricity (MWh)

162.74

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

162.74

Country/area

Viet Nam

Consumption of purchased electricity (MWh)

980.64

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

980.64

Country/area
United States of America

Consumption of purchased electricity (MWh)
13,613.95

Consumption of self-generated electricity (MWh)
0

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

13,613.95

Country/area
Mexico

Consumption of purchased electricity (MWh)
23,970.27

Consumption of self-generated electricity (MWh)
0

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

23,970.27

Country/area
Poland

Consumption of purchased electricity (MWh)
10,158.11

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

10,158.11

Country/area

Romania

Consumption of purchased electricity (MWh)

4,873.62

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

4,873.62

Country/area

Thailand

Consumption of purchased electricity (MWh)

8,683.94

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

116.33

Total non-fuel energy consumption (MWh) [Auto-calculated]

8,800.27

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Waste

Metric value

388.24

Metric numerator

Metric tons

Metric denominator (intensity metric only)

Sales dollars (USD)

% change from previous year

0.98

Direction of change

Decreased

Please explain

We have a company-wide goal to decrease our non-hazardous waste that we send to landfills or special waste sites. We sent 388.24 metric tons of non-hazardous waste to landfills in 2022 compared to 392.06 metric tons of non-hazardous waste sent to landfills in 2021. Despite substantial growth in sales during CY2022, we nonetheless decreased the amount of non-hazardous waste we sent to landfills in 2022 by 0.98% compared to 2021. Each of our global facilities is working to recycle more of their waste, which decreases the amount of non-hazardous waste that we dispose of. Each facility also has a goal to increase their recycling rate for non-hazardous waste (a percentage expressed by the total amount recycled divided by the total amount sent to landfills or special waste sites).

Description

Energy usage

Metric value

0

Metric numerator

MWh

Metric denominator (intensity metric only)

Employee hour worked

% change from previous year

3.31

Direction of change

Decreased

Please explain

We used 71,549.78 MWh of energy in 2022 compared to 64,197.02 MWh of energy in 2021. During 2022, we completed our expansion of our Thailand facility (61,400 square feet) and opened our second Mexico facility (240,000 square feet), and our total employee hours increased by 15.57% from 13,455,799 in 2021 to 15,539,164 in 2022. Our energy usage per employee hour worked in 2022 (0.00460) decreased by 3.49% compared to 2021 (0.00447).

Description

Other, please specify

Air Emissions (Volatile Organic Compounds)

In December 2019, Kimball Electronics set a company-wide goal to reduce our Volatile Organic Compound (VOC) emissions in Kimball Electronics EMS and DCMS facilities by 10% from our 2019 baseline.

Metric value

55.8

Metric numerator

Metric tons

Metric denominator (intensity metric only)

% change from previous year

6.24

Direction of change

Increased

Please explain

In 2022, we emitted 55.80 metric tons (MT) of VOC, compared to 52.52 MT of VOC emitted in 2021 and 69.29 MT in 2019. We decreased our emissions by 19.47% from our 2019 base year. The increase from 2021 to 2022 was due to different production

and liquid waste management processes directed by our customers that increased the use of chemicals that contain VOCs.

Description

Other, please specify

Hazardous Waste

Metric value

81.89

Metric numerator

Metric tons

Metric denominator (intensity metric only)

% change from previous year

91.15

Direction of change

Increased

Please explain

We have a company-wide goal to decrease our hazardous waste generation. 100% of our hazardous waste, as defined by applicable laws and regulations in each location where we operate, was processed in accordance with those laws and regulations.

We sent 81.89 metric tons of hazardous waste to hazardous waste treatment sites in 2022 compared to 42.84 metric tons in 2021. The amount of hazardous waste we generated increased due to increased production and customer-specific requirements.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

All Kimball Electronics suppliers, employees, agents, and subcontractors must understand and agree to follow our Code of Conduct, our Global Human Rights Policy, and our Global Supplier Quality Manual. These requirements are part of our standard terms and conditions of purchase for all suppliers as well. The Manual is based on the requirements of ISO 14001. We expect all our suppliers to implement appropriate and effective policies to ensure compliance with each of these environmental and social standards and all relevant laws and regulations.

Impact of engagement, including measures of success

Our goal is to partner with our supply chain to make a positive impact on our world, in our communities, and for our customers. We monitor our supply chain for compliance with our environmental, social, and governance standards through supplier screening (particularly during onboarding), assessments and surveys, audits, and supplier training and engagement. These activities ensure the effectiveness of our supply chain and help us to mitigate potential risks.

Comment

During our fiscal year 2022, as reported in our annual Supply Chain Transparency Statement, our audits of our supply chain covered approximately 88% of our inventory and 98% of our accounts payable, and we conducted a dozen audits of own company and its subsidiaries. Specifically, we conducted audits in the following countries: China, Japan, Mexico, Poland, Romania, Vietnam, Thailand, and the United States.

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing

Run an engagement campaign to education customers about your climate change performance and strategy

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

100

Please explain the rationale for selecting this group of customers and scope of engagement

We make our environmental performance numbers available to all of our customers and potential customers. We view climate and ESG performance as a key selling point of our contract manufacturing services, so we aim to share this data and related information as widely as possible to reach all of our current and potential future customers globally. Scope of engagement: We share key data and related information through our responses to climate and ESG questionnaires and surveys from our customers; standard templates such as the CMRT, EMRT, and STRT; responses to questionnaires from organizations and ratings agencies such as CDP, Ecovadis, MSCI, Sustainalytics, and MSCI; and our website, events, outreach, and public relations (PR) activities. We also include information on our ESG performance, environmental regulatory compliance services, conflict minerals due diligence, design services and other sustainability qualifications in our direct business-to-business communications and marketing materials for our services.

Impact of engagement, including measures of success

Our business teams work with our customers to prepare scorecards measuring our performance against our customers' standards and against our peers. This methodology is known as TQRDC (technology, quality, responsiveness, delivery, & cost). Climate and sustainability factor into the scoring for each of the TQRDC mechanisms. We use these scores to measure our success with our customers in conjunction with sourcing events and as part of our continuous improvement collaboration to encourage innovation in our customers' products and in our sustainable manufacturing services. As a service business, we are focused on serving our customers' needs, so our primary measure of success is our ability to meaningfully respond to our customers' efforts to evaluate and reduce their own Scope 3 GHG emissions.

Type of engagement & Details of engagement

Collaboration & innovation

Run a campaign to encourage innovation to reduce climate change impacts

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

100

Please explain the rationale for selecting this group of customers and scope of engagement

We make our environmental performance numbers available to all of our customers and potential customers. We view climate and ESG performance as a key selling point of our contract manufacturing services, so we aim to share this data and related

information as widely as possible to reach all of our current and potential future customers globally. Scope of engagement: We share key data and related information through our responses to climate and ESG questionnaires and surveys from our customers; standard templates such as the CMRT, EMRT, and STRT; responses to questionnaires from organizations and ratings agencies such as CDP, Ecovadis, MSCI, Sustainalytics, and MSCI; and our website, events, outreach, and public relations (PR) activities. We also include information on our ESG performance, environmental regulatory compliance services, conflict minerals due diligence, design services and other sustainability qualifications in our direct business-to-business communications and marketing materials for our services.

Impact of engagement, including measures of success

Our business teams work with our customers to prepare scorecards measuring our performance against our customers' standards and against our peers. This methodology is known as TQRDC (technology, quality, responsiveness, delivery, & cost). Climate and sustainability factor into the scoring for each of the TQRDC mechanisms. We use these scores to measure our success with our customers in conjunction with sourcing events and as part of our continuous improvement collaboration to encourage innovation in our customers' products and in our sustainable manufacturing services. As a service business, we are focused on serving our customers' needs, so our primary measure of success is our ability to meaningfully respond to our customers' efforts to evaluate and reduce their own Scope 3 GHG emissions.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Kimball Electronics values feedback and input from our internal and external stakeholders who represent "other partners in our value chain." These stakeholders include employees, customers, Share Owners, potential investors, suppliers, subcontractors, governments/regulatory agencies, third party ratings agencies, unions, and industry associations. We update our materiality assessments based on stakeholder concerns and we prepare, submit, and/or publish information based on requests we receive for qualitative and quantitative information on the performance of our services, sustainability, GHG emissions, ESG practices and goals, and climate change risks and opportunities, among other topics. We use multiple communication channels to inform and to respond to these stakeholders, including written communications, meetings, regular and specialized reports, contracts, surveys, and other methods. The frequency of communication varies depending on the topic and stakeholder. Engagement may be daily, monthly, quarterly, annually or as needed to keep an open dialog with each relevant stakeholder. For example, we produce an annual ESG report that updates stakeholders on our long-term ESG strategy and our progress on sustainability, including specifically our progress towards GHG and energy reduction targets. Each year, we also publish disclosures that comply with the SASB and TCFD frameworks, highlight our alignment with the UN Sustainable Development Goals and the UN Global Compact, and share the results of this CDP Climate Change Questionnaire with our stakeholders. We have

achieved Prime status with our Corporate Rating from Institutional Shareholder Services (ISS), which places us among the top 10% in our industry, indicating that we achieve/exceed industry sustainability performance requirements measured across 100 sector-specific ESG factors. We have also earned all 1s—the highest scores possible—on the ISS QualityScore rating, which measures and identifies risk in environmental, social, and governance areas of concern.
KE has also been recognized for its leadership in sustainability by Morgan Stanley Capital International (MSCI), which awarded the company a “AA” rating in its ESG Ratings, ranking it among the top 9% of companies in the “Electronic Equipment, Instruments & Components” industry.
In addition, Morningstar Sustainalytics, a leading ESG research, ratings, and data firm that supports investors around the world with the development and implementation of responsible investment strategies, rates KE #1 among both electronics manufacturers and the broader technology hardware industry for ESG risk. They also place KE in the top 5—not just top 5%, but top 5—of the over 15,000 companies around the world that they rate, because of the robustness of KE’s ESG programs, practices, policies, and disclosures.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization’s purchasing process?

Yes, climate-related requirements are included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization’s purchasing process and the compliance mechanisms in place.

Climate-related requirement

Complying with regulatory requirements

Description of this climate related requirement

All Kimball Electronics suppliers, employees, agents, and subcontractors must understand and agree to follow our Code of Conduct, our Global Human Rights Policy, and our ISO 14001-based Global Supplier Quality Manual (GSQM), which contain both ethical and environmental practices. These requirements are also part of our standard terms and conditions of purchase.

We ensure the effectiveness of and mitigate risks in our supply chain and compliance with our ESG standards through supplier onboarding, assessments and surveys, audits, and training and engagement.

During FY2022, our audits of our supply chain covered approximately 88% of our inventory and 98% of our accounts payable, and we conducted a dozen audits of own company and its subsidiaries in 8 different countries.

Our supply chain teams determine an appropriate approach for supplier compliance with these requirements, including any repercussions (e.g. marking them out of compliance, putting them on remediation, reporting nonconformance through the supplier's quality system, placing their account on hold, removing them from our systems).

If employees at Kimball or other persons within our supply chain have any questions or wish to report potential violations, they may use our anonymous, confidential, third-party ethics "hotline" system. We publicize this hotline in our communications, our policies, and other outlets for employees and the public, including workers and other stakeholders in our supply chain.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

Certification
First-party verification
Second-party verification
Off-site third-party verification
On-site third-party verification
Grievance mechanism/Whistleblowing hotline
Supplier scorecard or rating

Response to supplier non-compliance with this climate-related requirement

Retain and engage

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers
Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

policy-human-rights.pdf

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

To ensure that our policies are aligned with any organizations, non-profit associations, agencies, or others, before engaging, our team members will assess the positions, policies & goals to ensure alignment with our existing environmental policies & strategies. Should an organization participate in an activity that does not align with our climate strategy or should we change our strategy & no longer align with those organizations, we will revisit our membership & continued engagement & decide whether to continue our membership or affiliation. We do not make contributions to or otherwise financially support for political, religious, or military entities. We are members of many trade organizations across our business. Kimball works with a number of non-trade-entities to further environmental sustainability initiatives including:

We participate in the Indiana Environmental Stewardship Program by the State of Indiana Department of Environmental Management (IDEM). This program encourages Indiana's regulated entities to proactively manage their environmental responsibilities & commit to continuous environmental improvement.

We joined the Indiana Partners for Pollution Prevention, an organization comprised of Indiana industries, businesses, non-profit organizations & governmental entities that are interested in pollution prevention (P2) & the financial & environmental benefits P2 projects can bring. The organization's mission is to champion P2 and environmental stewardship programs in businesses and organizations by promoting successful practices & approaches to achieve measurable reduction of pollution in Indiana.

We are a member of the Dubois County Local Emergency Planning Committee & a Kimball employee serves on the Committee's Advisory Board.

In Thailand, we are a member of the Corporate Social Responsibility Department of Industrial Works: (CSR-DIW). DIW Thailand partners with & provides a forum for industrial enterprises on ESG areas, including the use and handling of hazardous substances, production, safety and the environment, energy generation & use, and social responsibility. We also work with the Industrial Estate Authority of Thailand (IEAT). IEAT awarded our Thailand facility a Green Star-White Flag Award in recognition of our environmental management, transparency, and good governance.

In GES-India we are members of the Safe Earth Team- an NGO which organizes events like beach cleaning, save water, awareness about nature.

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Specify the policy, law, or regulation on which your organization is engaging with policy makers

VOC emissions requirements in the State of Indiana, USA.

Category of policy, law, or regulation that may impact the climate

Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate

Climate-related targets

Policy, law, or regulation geographic coverage

Sub-national

Country/area/region the policy, law, or regulation applies to

United States of America

Your organization's position on the policy, law, or regulation

Support with minor exceptions

Description of engagement with policy makers

In Indiana we have a group of Environmental managers who meet on a monthly basis to discuss environmental issues. We invite members of the state legislature and state government (Indiana Department of Environmental Management). We are able to ask questions and discuss possible changes.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

At this time the Legislature is not in session (until January 2024).

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify

El Consejo Nacional de la Industria Maquiladora y Manufacturera de Exportacion (Index) of Mexico

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

In Mexico, we are a member of the INDEX Maquiladora Industrial Association (Mexico) and the Assessor of the Environmental Committee of the Reynosa Maquiladora Industry Association (INDEX Reynosa). We help other companies of the INDEX association to clarify Environmental legal requirements that apply to Reynosa industry. INDEX Reynosa's objectives include protection of the environment by sharing information and improving strategies and techniques and by promoting communication and cooperation within local communities.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

6,785.9

Describe the aim of your organization's funding

To advocate for an industrial policy in Mexico that extends to more sectors and encompasses all those with an exportable focus.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

No, we have not evaluated

Trade association

Other, please specify

Timis Chamber of Commerce, Industry & Agriculture of Romania

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

In Romania, we are members of the Timis Chamber of Commerce, Industry, & Agriculture. The Timis Chamber of Commerce is an NGO that is a member of the EIT Climate-KIC Hub in Romania representing EIT Climate-KIC, Europe's largest public-private innovation partnership focused on climate change. The Hub's aim is to bring together and empower national stakeholders invested in climate change actions, like Kimball, in order to create a sustainable community that can facilitate social change. The main vision is to contribute to capacity building in the climate change field. Hub members have been involved in various education projects, a green business ideas competition, and innovation projects related to energy efficiency

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

338

Describe the aim of your organization's funding

To promote economic interests of sustainable businesses and help them succeed in a competitive market economy.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

Indiana Manufacturers Association

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

In the last year, we have encouraged the Indiana Manufacturers Association ("IMA") to embrace transparency requirements proposed by the SEC and to work to shape those transparency requirements in a way that encourages compliance by manufacturers across industries. We have spoken at association events, and to association leaders. We serve on the IMA's environmental committee. Like Kimball, IMA's members take

their responsibility for environmental stewardship very seriously. This is manifested in a commitment to regulatory compliance, management systems, and pollution prevention.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

2,660

Describe the aim of your organization's funding

To advocate for a business climate that creates, protects, and promotes quality manufacturing jobs in Indiana.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

Responsible Minerals Initiative

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

The Responsible Minerals Initiative ("RMI") is a broad industry collaborative platform addressing responsible mineral sourcing issues in global supply chains. Our global product compliance team participates in RMI working groups to discuss emerging issues, best practices and work on addressing shared challenges. RMI develops and provides tools and resources to make sourcing decisions that improve regulatory compliance.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

7,500

Describe the aim of your organization's funding

To support responsible mineral sourcing broadly and to convene stakeholders to continually shape dialogue and practices to support responsible mineral production and sourcing globally.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Complete

Attach the document

2022-Kimball-ESG-Report.pdf

2022-Kimball-ESG-Report.pdf

Page/Section reference

ESG Report - Page 36

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

Our company's Alignment to the Taskforce on Climate-related Financial Disclosure (TCFD) can be found on page 36 of our latest ESG Report along with referenced documents.

Publication

In voluntary sustainability report

Status

Complete

Attach the document

2022-Kimball-ESG-Report.pdf

Page/Section reference

Pages 1-12, 28-42

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

The referenced pages pertain to the "E" section (Environmental) and "G" section (Governance) of our 2022 ESG report, along with the Appendix that complies with the SASB and TCFD frameworks and highlights our alignment with the UN Sustainable Development Goals and the UN Global Compact. Our ESG report is available publicly.

Publication

In other regulatory filings

Status

Complete

Attach the document

Form SD- Conflict Minerals Report.pdf

Page/Section reference

Whole Document

Content elements

Governance
Strategy
Risks & opportunities
Other metrics

Comment

As part of our Form SD (Specialized Disclosure Report), Exhibit 1.01- "Conflict Minerals Report of Kimball Electronics, Inc." pertains to the disclosure of information related to our manufacture of products containing the minerals specified in U.S. Securities and Exchange Commission Rule 13p-1.

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	Task Force on Climate-related Financial Disclosures (TCFD) UN Global Compact Other, please specify Electronic Manufacturing Services & Original Design Manufacturing SASB Standard; Alignment to the UN Sustainable Development Goals (SDGs)	We described our commitment to these frameworks and initiatives in our 2022 ESG Report beginning at page 28 and in the following attached appendices: Alignment to the Taskforce on Climate-related Financial Disclosure (TCFD) on the topics of Governance, Strategy, Risk Management, and Metrics & Targets. Alignment to the 10 UN Global Compact Principles which fall into the four categories of Human Rights, Labor, Environment, and Anti-Corruption. Response to SASB's standards on material metrics for the "Electronic Manufacturing Services & Original Design Manufacturing" sector including Water Management, Waste Management, Labor Practices, Labor Conditions, Product Lifecycle Management, Materials Sourcing, and Activity Metric. Alignment to the UN Sustainable Development Goals (SDGs) – 17 goals.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity
Row 1	Yes, both board-level oversight and executive	Kimball Electronics believes that biodiversity and healthy ecosystems are key for enjoying a broad range of human rights,

	management-level responsibility	including those for food and health. In turn, exercising human rights, such as public participation and access to information, can foster stronger action for conservation and the sustainable use of biodiversity and ecosystems. The Board of Directors' Nominating and ESG Committee (NESG), comprised exclusively of independent directors, oversees Kimball's corporate responsibility and sustainability/ESG programs, including all biodiversity-related issues. The NESG supports the Board in reviewing, monitoring, and engaging with management on the development of climate change and environmental policies, programs, goals and progress, which includes biodiversity, and regularly reviewing such matters with the full Board. The NESG Committee has express responsibilities for overseeing the Company's ESG performance, including biodiversity issues. The charter of the NESG includes the following responsibilities: "overseeing and advising the Board on the Company's goals, strategies, and initiatives related to climate, sustainability, and ESG, including climate risks and opportunities; community and social impact; and disclosures and external stakeholder input related to human rights and human capital management; and diversity, equity, inclusion, and belonging." At the executive management level, responsibility for the implementation and operation of our policies and operational controls related to biodiversity, environmental, health, safety, and social issues, lies with our most senior personnel: our Executive Leadership Team, our Human Resources Department, our Legal Department, and our global procurement team. In addition, Kimball has created a global Safety, Environmental, and Facilities (SEF) council comprised of stakeholders from each of our facilities that meets monthly and reports directly to our Chief Compliance Officer.

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any	Biodiversity-related public commitments

	initiatives related to biodiversity	
Row 1	Yes, we have made public commitments only	Commitment to respect legally designated protected areas Commitment to avoidance of negative impacts on threatened and protected species Other, please specify Through our Global Human Rights Policy and Responsible Sourcing Policy, we are committed to working with our supply chain to ensure production does not cause a loss of natural ecosystems, biodiversity, deforestation, or human rights infringements.

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

Yes

Value chain stage(s) covered

Upstream

Tools and methods to assess impacts and/or dependencies on biodiversity

No biodiversity assessment tools/methods used

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity-sensitive areas in the reporting year?

Not assessed

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments

Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection Land/water management Education & awareness Law & policy

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No, we do not use indicators, but plan to within the next two years	

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Governance Details on biodiversity indicators Risks and opportunities	Annual ESG Report [1]
In voluntary sustainability report or other voluntary communications	Governance	Global Human Rights Policy and Supply Chain Transparency Policy and Statement [2]

[1] 2022-Kimball-ESG-Report.pdf

[2] policy-human-rights.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Legal and Compliance Officer, Secretary	Chief Sustainability Officer (CSO)