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Klumpp + Müller Sustainability Report

2024

Sustainability

Trimodal

E-TURCK

Future

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The Future Lies in Low-Emission Logistics

Dear Readers,

As a medium-sized, family-owned company in the logistics sector, we see ourselves in a key position to actively shape ecological and social challenges. Already in 2023, we took the first steps to document our sustainability activities. With this **Sustainability Report 2024**, we are taking it a step further and providing you with a more detailed overview of our efforts, achievements, and goals.

Klumpp + Müller GmbH & Co. KG was founded in 1953 and has since evolved into a responsible logistics service provider. Our commitment is to contribute to decarbonization and social responsibility through **trimodal logistics** (water, rail, road), **the increasing electrification** of our vehicle fleet, and a clear dedication to **ESG principles** (Environmental, Social, Governance).
This report follows the **VSME standard** (EFRAG, as of December 2024) and includes comprehensive information from both the mandatory **Basic Module** and the voluntarily reported **Comprehensive Module**. With this, we aim to transparently demonstrate how we address our entrepreneurial, social, and environmental objectives, what progress we made in 2024, and where we plan to improve in the future.

We would like to thank all employees, business partners, and customers who support our sustainability efforts through their commitment.

Sincerely

Dirk Patzelt
Management , Klumpp + Müller GmbH & Co. KG

Company Profile and Purpose of the Report

Klumpp + Müller GmbH & Co. KG is a medium-sized, family-owned logistics company headquartered in Kehl, Baden (Germany), with an additional site in Worms. Since its founding in 1953, the company has stood for quality, responsibility, and a forward-looking approach in the logistics sector.

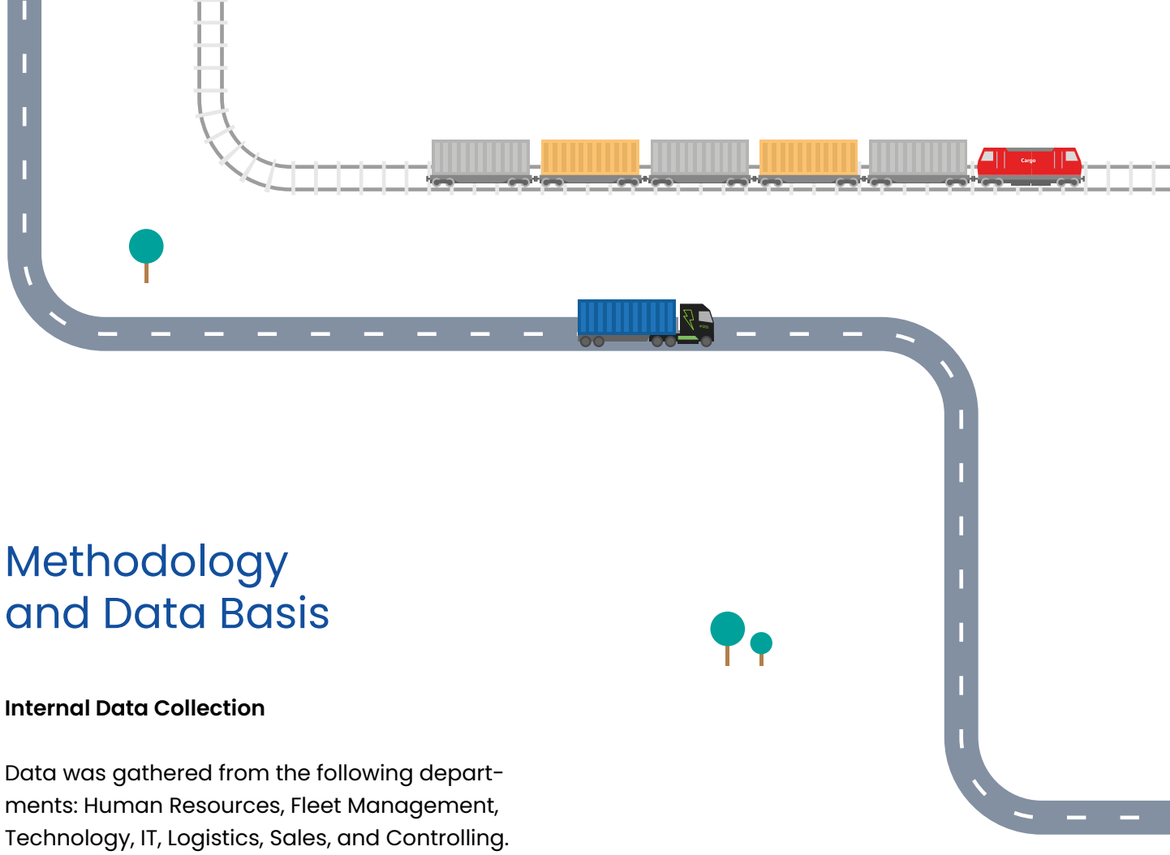
We employ approximately 180 people (as of the end of 2024) and achieved a turnover of around EUR 29 million in the reporting year. Although we are not legally required to publish a sustainability report, we have chosen to voluntarily and comprehensively disclose our sustainability performance.

Reporting Framework and Structure

This report follows the Voluntary Sustainability Reporting Standard for Small and Medium Enterprises (VSME).
We cover the Basic Modules B1–B11 and selected Comprehensive Modules C1–C9.
The reporting period covers January 1 to December 31, 2024.

Reporting Boundaries

The information presented in this report refers to all activities and locations of Klumpp + Müller GmbH & Co. KG that are under the company's operational control.
Entities such as ETK Euro Terminal Kehl GmbH, in which Klumpp + Müller holds a stake, as well as other non-consolidated units, are not included.



Methodology and Data Basis

Internal Data Collection

Data was gathered from the following departments: Human Resources, Fleet Management, Technology, IT, Logistics, Sales, and Controlling.

External Reports

GHG Balance 2024 (based on the Greenhouse Gas Protocol), Climate Scenario Analysis (as required under ESRS E1), Double Materiality Analysis (based on CSRD/ESRS guidelines).

Plausibility and Quality Assurance

External experts support us in ensuring data accuracy and reliability.

Our aim is to provide **transparency** regarding Klumpp + Müller's sustainability performance, to identify key areas for action, and to recognize development potential.

Governance and Responsibility

Integrating Sustainability into Corporate Managemen

At Klumpp + Müller, sustainability is a **strategic corporate objective**. Overall responsibility lies with the **management board**, which makes decisions on all ESG-relevant topics and integrates them into the company's overall strategy.

Coordination is handled by an **internal sustainability coordinator,** who brings together departments such as Fleet Management, HR, Technology, Sales, and Controlling.
A separate ESG committee does not currently exist; however, the size of our company allows for direct involvement of executive management in all sustainability matters.

Task Allocation and Control Systems

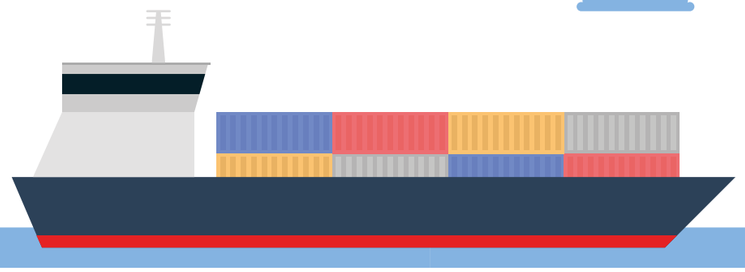
- **Management Board:** Strategic goal setting, approval of the report
- **Sustainability Coordination:** Data collection, analysis, and reporting
- **Specialist Departments:** Implementation of measures, identification of new opportunities

Sustainability risks will be integrated into the **existing risk management** system in the future. The climate scenario analysis conducted in 2024 provides a key impetus for systematically considering both physical and regulatory risks.

Transparency and External Review

We will conduct **annual internal** reviews of our sustainability activities. For our greenhouse gas inventories and the climate scenario analysis, we rely on **external expertise**.

In the future, the GHG inventory will be prepared internally after building the necessary internal competencies and, if necessary, externally validated to ensure consistency and **comparability**.



Double Materiality Analysis

In order to effectively align our priorities in the areas of Environment, Social, and Governance (ESG), we conducted a **Double Materiality Analysis** in 2024, based on the principles of CSRD/ESRS. While the current version of the VSME reporting standard (as of 2024) no longer explicitly requires this, we deliberately chose to follow this structured approach to deeply engage with sustainability issues in a well-documented and transparent process.

The results allow us to align seamlessly with the reporting requirements of our major clients, many of whom are already subject—or will soon be subject—to the CSRD and must report on sustainability data across their supply chains, including ours.

In line with regulatory requirements, we distinguished between:

- **Impact Materiality:**
  Which activities of Klumpp + Müller have significant positive or negative impacts on the environment and society?

- **Financial Materiality:**
  Which topics pose material financial risks or opportunities for Klumpp + Müller?

Methodology

- **Collection of potential sustainability topics** (via desk research, stakeholder input, internal workshops, GHG balances, climate scenario and risk analyses)

- **Internal evaluation**
  by subject-matter experts and management, based on likelihood, relevance, and impact

- **Clustering** in Impact- und Financial-Materiality and **identification** of the key focus topics

Results: Impact Materiality

Area of Impact	Description of the Impact	Assessment
Greenhouse Gas Emissions	Diesel and Heating Oil in the Vehicle Fleet, Electricity Consumption	**high**
Resource Consumption	Material Use (Packaging, Tires, Films)	**moderate**
Waste Generation	Return of Big Bags, Packaging Waste	**moderate**
Traffic-Related Emissions	Noise Emissions, Air Pollutants, Tire Wear Particles	**moderate**
Working Conditions	Occupational Health and Safety especially in Warehousing	**moderate**
Equal Opportunities	Low Proportion of Women in Leadership Positions	**moderate**

*Greenhouse gas emissions represent the most significant area of impact. Our commitment to **Big-Bag-recycling**, retreaded tires, and other circular economy approaches has a positive effect in contrast.*

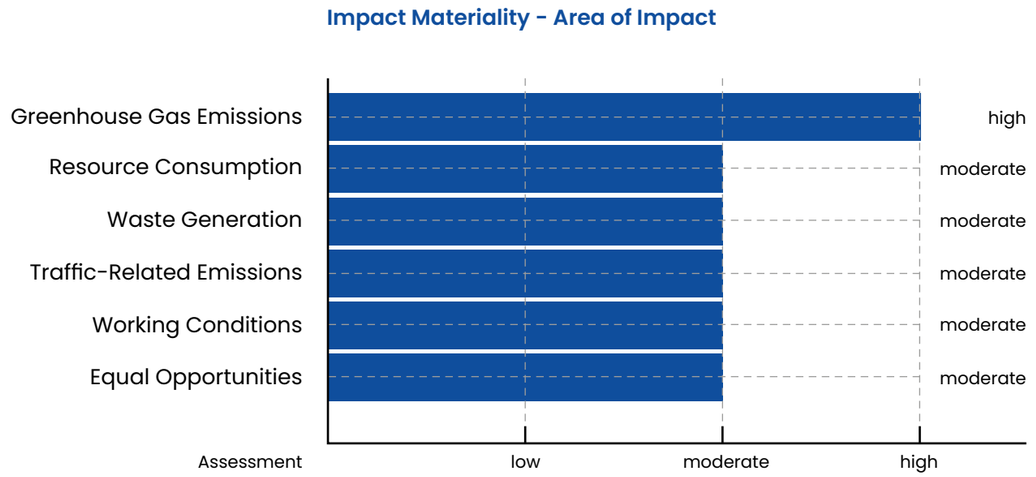


Diagram 1: Impact Materiality - Area of Impact

Results: Financial Materiality

Risk / Chance	Description of the Impact	Assessment
Energy Price Risk	Volatile Fuel and Electricity Costs	high
Transport Disruptions Due to Climate Change	Low Water Levels, Extreme Heat (Operational Disruption)	moderate-high
CO_2 Cost Burden	Rising Levies and Prices	moderate
Reputational Risk (Due to ESG Requirements)	Growing Customer Expectations	moderate
Customer Retention Through ESG Competence	Competitive Advantage Through ‚Green Logistics'	moderate-high
Access to Funding for Green Investments	Improved Financing Conditions	moderate

Financial Materiality - Risk / Chance

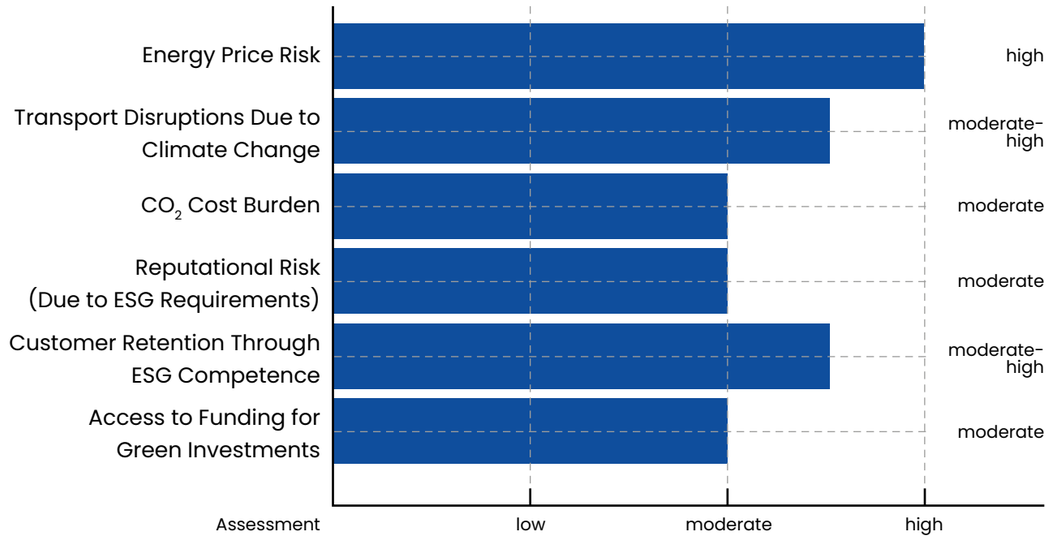


Diagram 2: Financial Materiality - Risk / Chance

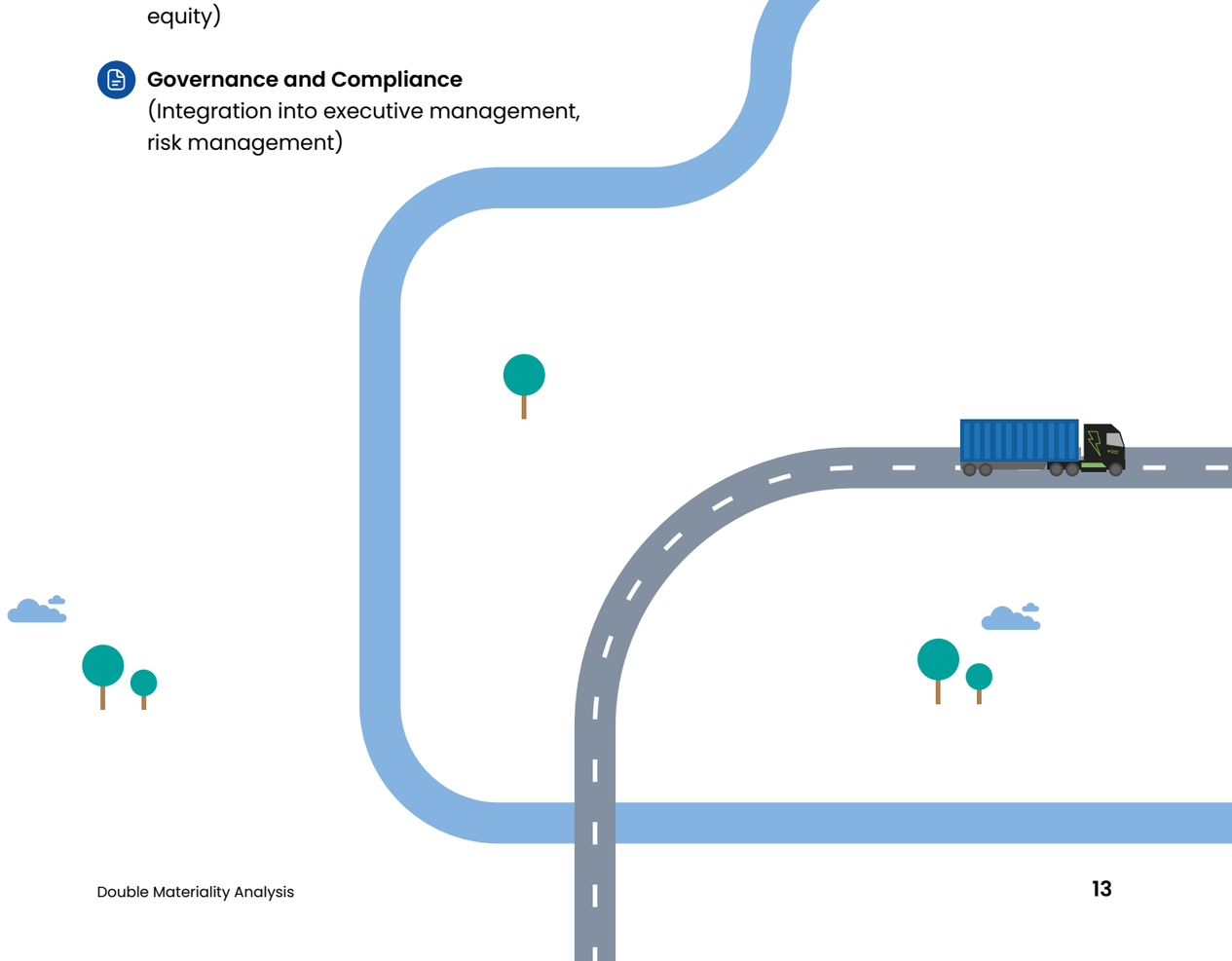
Key Sustainability Topics

Based on our **Double Materiality Analysis**, we have identified the following main topics as priority areas for action:

- **Decarbonization and Climate Protection** (Fleet, Energy, Scope 1 & 2, Scope 3 Emissions)
- **Resource Use and Circular Economy** (Big-Bag-recycling, tire retreading, reusable pallet pool, in-house water treatment for truck wash systems)
- **Sustainable Procurement** (Packaging materials with high recycled content or high recyclability)
- **Employees and Social Responsibility** (Occupational safety, diversity, pay equity)
- **Governance and Compliance** (Integration into executive management, risk management)

These topics permeate all operational and strategic decisions – from investment programs (e.g., photovoltaic systems, electric trucks, procurement) to the design of working conditions and the ongoing development of our reporting structures.

With these findings, we have been able to substantiate the strategic directions established in 2023 – with **decarbonization** and **energy efficiency** as top priorities. Complementary to this, we will develop social and governance-related measures, and further deepen our efforts in the areas of sustainable procurement and the circular economy.



Trimodal Logistics – Key Routes Towards Sustainability

As a logistics service provider based in the Port of Kehl, trimodality – the integration of inland waterways, rail, and road freight transport – plays a key role in our company's operations and is an important factor in our sustainability strategy.

Transport Modes		Greenhouse Gases[1]	Nitrogen Oxides	Particulate Matter[4]
Total Trucks [2]	g / tkm	**121**	**0,198**	**0,010**
└ of which: Trucks 3,5-7,5 t		569	1,775	0,068
└ of which: Trucks 7,5-12 t		398	1,115	0,041
└ of which: Trucks >12 t		253	0,604	0,022
└ of which: Articulated Trucks & Semi-Trailers		103	0,139	0,008
Freight Trains [3]		**16**	**0,032**	**0,001**
└ of which: Diesel Traction		28	0,242	0,007
└ of which: Electric Traction		15	0,018	0,001
Inland Vessels		**36**	**0,415**	**0,011**

g/tkm = grams per tonne-kilometer, including emissions from the provision and conversion of energy carriers such as electricity, diesel, liquefied and natural gas.

[1] CO_2, CH_4 and N_2O are reported in CO_2-quivalents in accordance with IPCC AR5 (Fifth Assessment Report)
[2] Includes trucks over 3.5 tonnes GVW, articulated trucks, and rigid trucks with trailers.
[3] The emission factors for rail transport shown in the table are based on the average electricity mix in Germany. Emission factors based on company- or sector-specific electricity sourcing may therefore differ from the values presented.
[4] Excludes non-exhaust emissions such as tire, road surface, brake, and overhead line wear

Table 1: Comparison of Average Emissions by Freight Transport Mode in Germany 2022

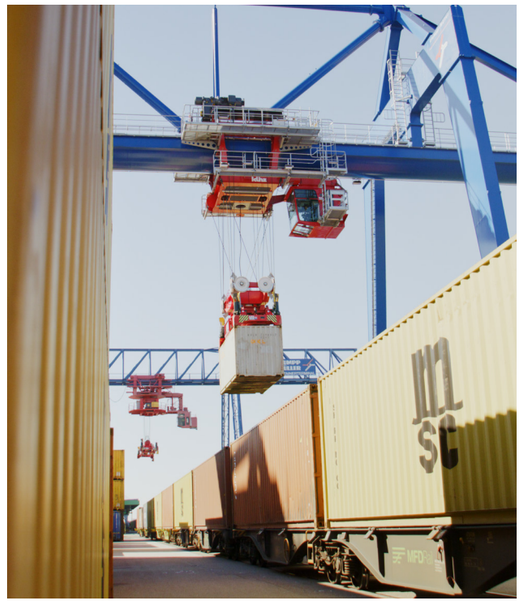
Source: https://www.umweltbundesamt.de/themen/verkehr/emissionsdaten#verkehrsmittelvergleich_g%C3%BCterverkehr_tabelle

By combining road, rail, and inland waterway transport, Klumpp + Müller is able to achieve significantly lower carbon footprints compared to road-only freight transport.

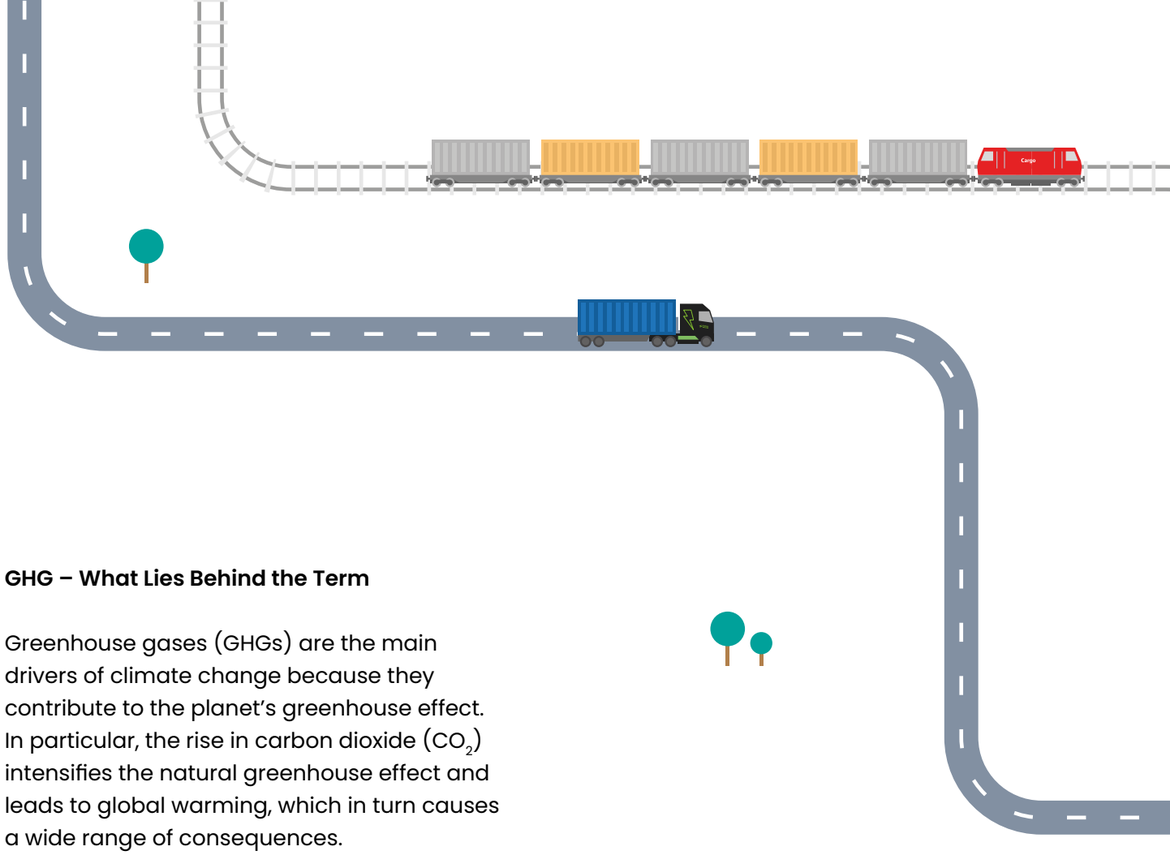
As early as 2022, we intensified our focus on this approach. This was followed in 2023 by the construction of a second crane at our in-house container terminal in the Port of Kehl. Combined with a new bulk goods filling station, this has enabled the modal shift of approximately 15,000 tonnes of cargo from road to alternative transport modes.

Thanks to our trimodal setup, the Klumpp + Müller business model supports container transport via road, rail, and inland waterways. Our services also include the handling of entire block trains. National road freight transport and the transshipment of inland vessels and rail wagons in the port are key success factors that support our sustainability ambitions.

The ability to provide trimodal logistics enables us to evolve from a regional logistics provider into a pan-European operator, offering container transport to and from major seaports such as Amsterdam, Rotterdam, and Antwerp. This allows goods to be shifted to more sustainable modes such as inland shipping and rail, helping to reduce road traffic, emissions, noise, and tire wear, while also contributing to greater transport safety.



Climate Protection at the Core of Logistics



GHG Emissions from Logistics in Germany

In 2023, 22% of all greenhouse gas emissions in Germany were caused by road transport.

Figure 1:
Greenhouse Gas Emissions by Sector under the German Climate Protection Act (KSG), 2023

Source: German Environment Agency
https://www.umweltbundesamt.de/themen/verkehr/klimaschutz-im-verkehr#rolle

GHG – What Lies Behind the Term

Greenhouse gases (GHGs) are the main drivers of climate change because they contribute to the planet's greenhouse effect. In particular, the rise in carbon dioxide (CO_2) intensifies the natural greenhouse effect and leads to global warming, which in turn causes a wide range of consequences.

According to Statista[1], logistics services are among the most significant emitters of greenhouse gases: after energy production, logistics ranks as the second-largest source of emissions. At the same time, logistics is the core business activity of Klumpp + Müller.

[1] *Source: https://de.statista.com/statistik/daten/studie/167957/umfrage/verteilung-der-co-emissionen-weltweit-nach-bereich/*

Information

The greenhouse gas inventory, also known as the Corporate Carbon Footprint (CCF), indicates how many greenhouse gases a company emits and in which areas the majority of those emissions occur. It serves as the foundation for:.

1. Identifying emission sources

2. Developing reduction strategies

3. Measuring progress in emission reduction

GHG accounting allows companies to monitor their emissions and implement targeted mitigation measures. It is a key tool for strengthening a company's climate strategy.

Environmental Strategy and Management

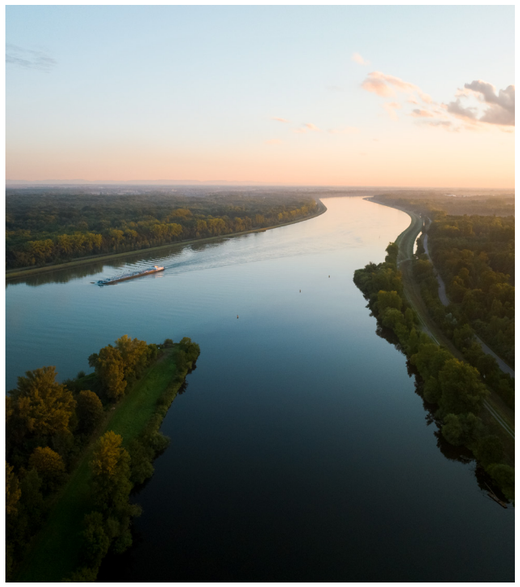
Fundamentals and Objectives

Klumpp + Müller aims to systematically reduce the **environmental impacts** of its logistics operations while seizing new opportunities for innovation and sustainability. The core focus areas include:

- Increasing the share of **self-generated electricity** (via photovoltaic systems)
- **Decarbonization** and **defossilization** of the vehicle fleet's energy demand
- Resource and waste management, including Big Bag recycling, tire retreading, sustainable procurement, and in-house water treatment

Energy Supply and Use of Self-Generated Power

Since 2014, we have operated a **photovoltaic** system at our Kehl site. In 2024, its capacity was expanded to **1,600 kWp**.
During the reporting year, we generated 1,468,693 kWh of electricity, of which 509,248 kWh were used directly for operations and vehicle charging – resulting in a self-consumption rate of approximately 35%.



Energy Efficiency and the KEFF+ Check

Targeted improvements in energy efficiency are a key area of action for reducing operational costs while protecting both resources and the climate. In recent years, we have already invested in LED lighting, the expansion of our photovoltaic system, and the deployment of electric commercial vehicles.

To identify further potential, we conducted a KEFF+ Check at our main site in Kehl in autumn 2024.

Purpose and Procedure of the KEFF+ Check

The KEFF+ Check provides companies with a free and independent consultation on energy efficiency opportunities.
In September 2024, a site visit was conducted by the KEFF+ team, during which our energy and consumption data, building technology, and operational processes were closely examined. The discussion and subsequent evaluation now serve as a solid foundation for us to initiate further targeted measures.

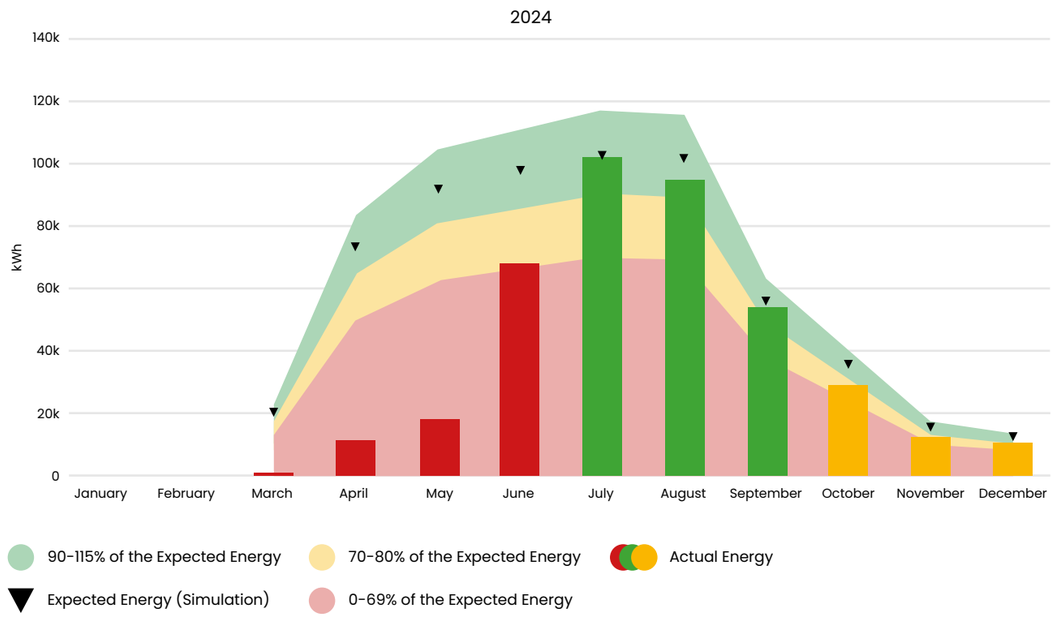


Diagram 3: Expected Energy *2024*

Key Findings from the KEFF+ Check

General Energy Efficiency

- The consultants rated Klumpp + Müller's current energy setup as well-positioned overall. In particular, the lighting in the warehouse areas (predominantly LED) and the general handling of energy-consuming systems were considered to be in a comparatively good state by the KEFF+ team.

- Nevertheless, relevant optimization potentials remain (see below), especially concerning the heating system, base load reduction, and office lighting.

Electricity Consumption and Load Profile

- In 2023, our grid electricity consumption totaled approximately 250,000 kWh. Since commissioning our 1.6 MW photovoltaic system in spring 2024, our external electricity demand has already decreased noticeably. At the same time, internal electricity demand is increasing due to the ongoing electrification of our truck fleet.

- A load profile analysis for 2023 showed a significant increase in electricity use from May to October, primarily due to air conditioning in the office building. No significant load spikes were observed throughout the day; however, a consistently high base load of 15–20 kW was noted on weekdays, while it dropped to around 5 kW on weekends.

- Savings Potential: The difference between 5 kW (weekends) and 15–20 kW (weekdays/nights) suggests the presence of equipment that remains active during the week but is fully switched off on weekends. A targeted investigation (e.g., in server rooms, air conditioning systems, workshop areas) could help reduce this base load and lower energy costs.

Smart Charging Management and Storage Options

- Thanks to our 1.6 MW peak photovoltaic system, we are largely able to cover our internal electricity demand (including truck charging) during the day. However, during the summer months, we regularly generate significant electricity surpluses, which are currently fed into the grid.

To further increase self-consumption, the KEFF+ team recommends:

- The implementation of smart charging management, ensuring that electric trucks are primarily charged when solar power is available.

- The evaluation of a stationary battery storage system to store excess PV electricity for use outside of sunlight hours. Such a system could also help cover base load demand at night and on weekends, further reducing grid dependency.

Heating and Thermal Supply

- Our Kehl site is currently heated using heating oil. A new heating concept could minimize the use of fossil fuels and enable PV-generated electricity to be used for thermal energy, improving both efficiency and sustainability.

Lighting

- Klumpp + Müller has already completed a wide-scale switch to LED lighting in warehouse areas, significantly reducing power consumption from major lighting systems.

- In the office areas, however, conventional lighting is still partially in use. An immediate full conversion to LED, combined with motion and daylight sensors, could further reduce electricity consumption in this area by 60–70%.

Employee Awareness

Employee behavior is often an underestimated lever.
Whether it's switching off equipment, using air conditioning appropriately, or ventilating rooms correctly – every company has potential for savings through training and active staff involvement.

We thank the KEFF+ team for their neutral and professional consultation. In the coming months, we will work closely with them and, where needed, additional energy experts to fully realize the identified opportunities.
In doing so, we aim not only to reduce operating costs, but above all to fulfill our environmental responsibility and pave the way toward a climate-friendly future.

Monitoring and Continuous Improvement

- **Site-specific data tracking:** Electricity, heating, and fuel consumption are monitored monthly.

- **External accounting:** Our annual GHG balance follows the standards of the Carbon Disclosure Project (CDP).

- **Environmental/Energy Management System:** In the medium term, we aim to achieve formal ISO certification, such as ISO 50001.

Base Load Comparison: Weekdays vs. Weekends

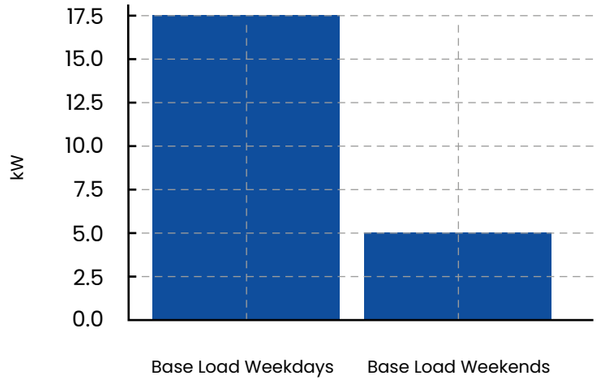


Diagram 4: Base Load Comparison: Weekdays vs. Weekends

GHG Emissions – Klumpp + Müller 2024

In 2024, we completed our third greenhouse gas (GHG) inventory. As expected, the data collection process was significantly faster, and data quality improved, benefiting from the experience gained during our first inventory in 2023, which covered the years 2022 and 2023.

After quantifying selected Scope 3 categories in 2023, 2024 marks the first year that we included emissions from outsourced logistics services provided by partners in our Scope 3 calculations.

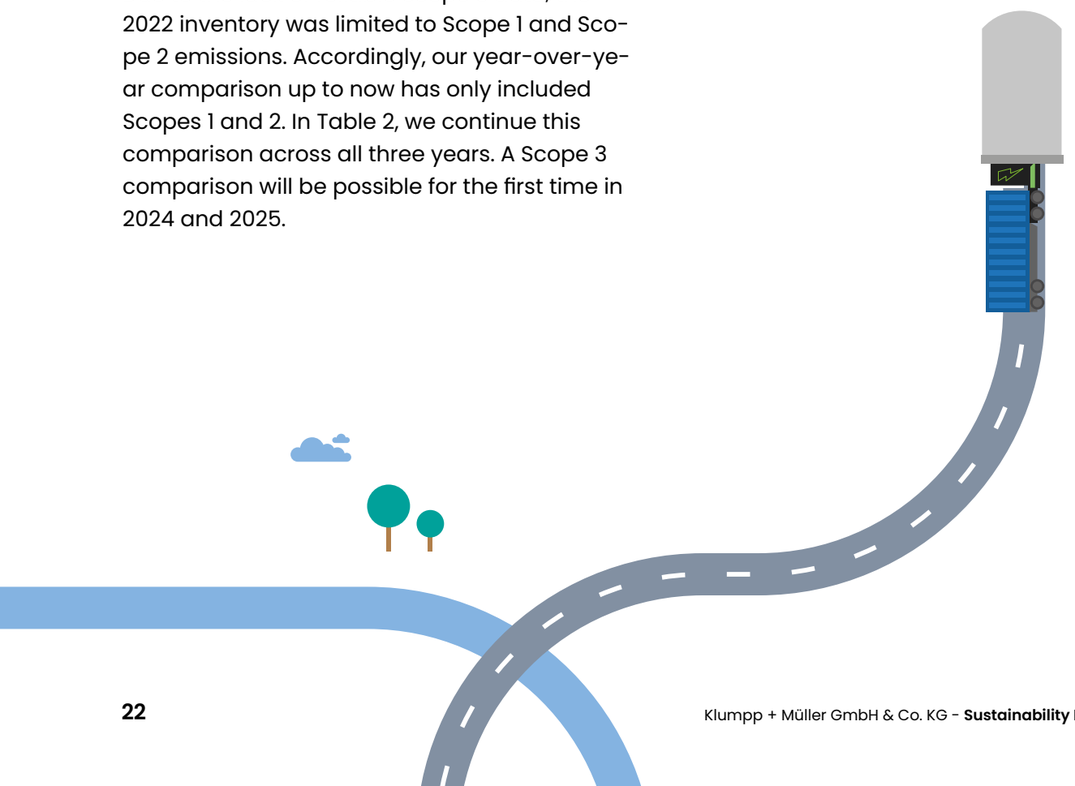
The 2024 GHG inventory was again compiled according to the Greenhouse Gas Protocol, in collaboration between an external specialist and an internal staff member.

Due to the lack of reliable Scope 3 data, the 2022 inventory was limited to Scope 1 and Scope 2 emissions. Accordingly, our year-over-year comparison up to now has only included Scopes 1 and 2. In Table 2, we continue this comparison across all three years. A Scope 3 comparison will be possible for the first time in 2024 and 2025.

The GHG inventory covers all company sites under the operational control of Klumpp + Müller, including mobile assets and facilities at the following addresses:

- Weststraße 24, 77694 Kehl
- Hafenstraße 44, 77694 Kehl
- Hafenstraße 37, 77694 Kehl
- Mainzer Str. 188, 67547 Worms

Emissions from facilities operated by ETK Euro Terminal Kehl GmbH and the Kehl Port Authority are not included, as these entities are not consolidated with Klumpp + Müller GmbH & Co. KG and the facilities are not under our operational control.



GHG Inventory 2024

	Base Year 2022	2023	2024
Scope 1 - Total	**2.243,12**	2.413,53	2.427,29
Scope 2 - Total	**153,64**	**105,74**	**161,43**
Location-Based Scope 2 GHG Gross Emissions (tCO_2e)	153,64	105,74	161,43
Market-Based Scope 2 GHG Gross Emissions (tCO_2e)	153,64	105,74	161,43
Scope 3 - Total	**Not Recorded**	**1.309,85**	**12.053,63**
3.1 Purchased Goods and Services	Not Recorded	55,20	68,17
3.2 Capital Goods		Not Relevant for the Company	
3.3 Fuel- and Energy-Related Activities (Not Included in Scope 1 or Scope 2)	Not Recorded	552,87	565,89
3.4 Upstream Transportation and Distribution	Not Recorded	Not Recorded	Not Recorded
3.5 Waste Generated in Operations	Not Recorded	188,88	756,21
3.6 Business Travel	Not Recorded	Not Recorded	Not Recorded
3.7 Employee Commuting	Not Recorded	143,57	158,73
3.8 Upstream Leased Assets			Not Recorded
3.9 Downstream Transportation	Not Recorded	Not Recorded	10.504,64
3.10 Processing of Sold Products		Not Relevant for the Company	
3.11 Use of Sold Products		Not Relevant for the Company	
3.12 End-of-Life Treatment of Sold Products		Not Relevant for the Company	
3.13 Downstream Leased Assets		Not Relevant for the Company	
3.14 Franchises		Not Relevant for the Company	
3.15 Investments		Not Relevant for the Company	
Total Emissions	**2.396,76** [1]	**3.829,12** [2]	**14.642,35** [3]
Revenue (thousand €)	28.997	27.400	27.878
Emissions Intensity Scopes 1 & 2 (tCO_2e/thousand €)	0,083	0,092	0,093

Table 2: Greenhouse Gas Emissions Inventory

[1] *only Scope 1 and Scope 2 Emissions*
[2] *Scope 1, Scope 2 and Partial (Not Comprehensive) Scope 3 Emissions*
[3] *Scope 1, Scope 2 nd Extensive (Not Comprehensive) Scope 3 Emissions*

For Scope 2 emissions, which result from indirect emissions due to energy consumption, the location-based and market-based accounting methods yielded the same value. This is because Klumpp + Müller sources electricity from the German national grid mix and does not use instruments such as green electricity certificates.

After selected indirect Scope 3 emissions along the value chain were examined as examples in the 2023 GHG inventory, it was possible in 2024 to reliably account for emissions in category 3.9 “Downstream Transportation.” This category had already been classified as material for the logistics sector in 2023.

The Corporate Carbon Footprint (CCF) of Klumpp + Müller GmbH & Co. KG amounted to 2,396.76 tCO_2e in 2022 (Scope 1 and Scope 2). In 2023, the footprint increased to 3,829.12 tCO_2e (Scope 1, Scope 2, and selected Scope 3 categories). In 2024, it reached 14,642.35 tCO_2e, including Scope 1, Scope 2, and all material Scope 3 categories.

ⓘ Information

The spend-based approach is a simplified and indirect method for calculating Scope 3 emissions. Instead of being derived from specific activities, emissions are estimated based on the amount of money spent on goods or services. This approach is useful when direct data is unavailable and serves as a helpful basis for estimating indirect emissions in the value chain.

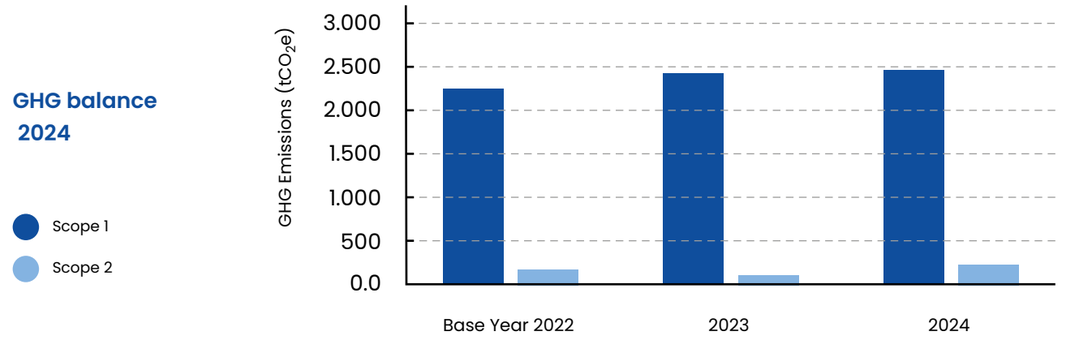
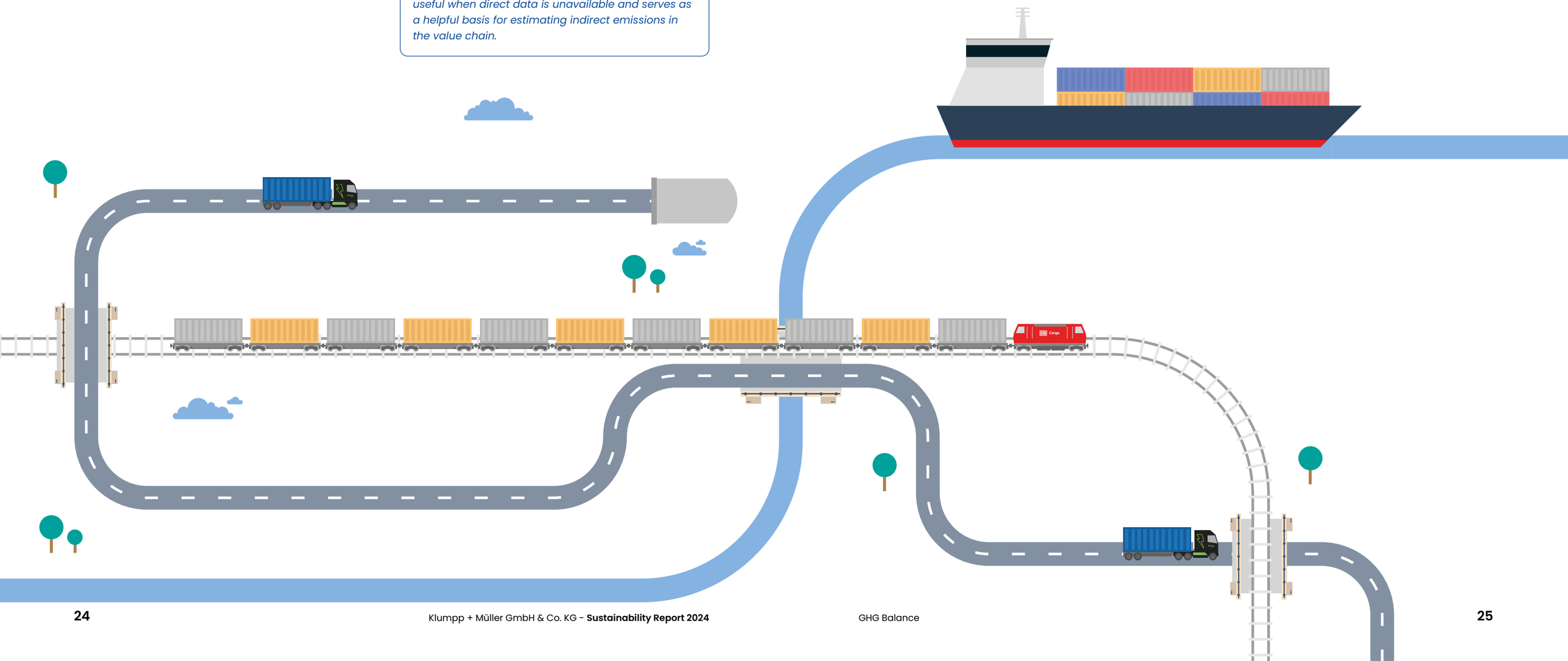


Diagram 5: Annual Comparison of Scope 1 and 2 Emissions for Klumpp + Müller



Interpretation of the Change in Greenhouse Gas Emissions from 2022 to 2023

In 2023, Klumpp + Müller reintegrated transport routes that had previously been outsourced to subcontractors in 2022. As a result, diesel consumption increased, leading to higher Scope 1 emissions.
These emissions had also occurred in 2022 but were previously classified as Scope 3 and not captured in the comparison, since they were generated by subcontractors.

The acquisition of four electric trucks expanded Klumpp + Müller's fleet. Despite the increased electricity demand, Scope 2 emissions were reduced thanks to self-generated power from the newly installed photovoltaic system.

In particular, groupage freight operations (LTL) contribute to a less favorable CO_2 footprint, as not every truck can be fully loaded by volume or weight on every trip.

Interpretation of the Change in Greenhouse Gas Emissions from 2023 to 2024

Improved data availability in several Scope 3 categories allowed for refinements, including retroactive improvements to the 2023 inventory.
Additionally, for the first time, emissions from category 3.9 „Downstream Transportation" were included in 2024. This previously excluded category was the primary driver of the substantial increase in total emissions for Klumpp + Müller in the 2024 inventory.

Scope 1 emissions (direct emissions from company-owned sources) totaled 2,427.29 tCO_2e in 2024 and remained virtually unchanged from 2023.

Scope 2 emissions (from purchased electricity) amounted to 161.43 tCO_2e (location-based) in 2024, an increase of 53% compared to the previous year.

The rise in electricity demand—from 490.87 MWh in 2023 to 840.23 MWh in 2024—was due to the expansion of the electric truck fleet by several vehicles.

Thanks to the increase in PV self-generation, the installation of a transformer station enabling direct electricity usage, and the improved emissions factor of the German electricity mix, the emissions increase (53%) was less steep than the electricity consumption increase (71.4%).

Since Klumpp + Müller does not purchase certified green electricity and has no special agreements with electricity providers, the market-based Scope 2 emissions are identical to the location-based emissions.

Because Scope 2 emissions make up only a small portion of the company's total emissions, the increase had minimal impact on overall emissions intensity.
The emissions intensity—calculated based on Scope 1 and 2 emissions—rose only slightly in 2024 to 0.093 tCO_2e per thousand euros revenue (tCO_2e/T€).

The 2024 GHG inventory included category 3.9 Downstream Transportation for the first time. This category consolidates emissions from subcontractors and logistics partners, and—as expected—contributes significantly to the company's total GHG emissions.

The following Scope 3 categories were taken into account:

3.1 – Purchased Goods and Services
3.3 – Fuel- and Energy-Related Activities (Not Included in Scope 1 or Scope 2)
3.5 – Waste Generated in Operations
3.7 – Employee Commuting
3.9 – Downstream Transportation

A significant change in emissions for category 3.5 in 2024 is due to improved data quality compared to 2023 and not the result of changes in day-to-day operations.

Emissions for category 3.9 were estimated using secondary data and the spend-based approach. It is expected that once primary data (e.g., transported tonne-kilometres) become available, significant revisions may be necessary.

Outlook
At the end of 2024, Klumpp + Müller successfully completed a test phase for the full conversion of the company's fueling station to HVO fuel (hydrotreated vegetable oil).
The full switch to HVO fuel is planned for the first quarter of 2025 and is expected to result in a noticeable reduction in Scope 1 emissions.

> ⓘ Information
> *HVO stands for „Hydrotreated Vegetable Oil," a renewable diesel made entirely from renewable raw materials such as waste and residual feedstocks.*

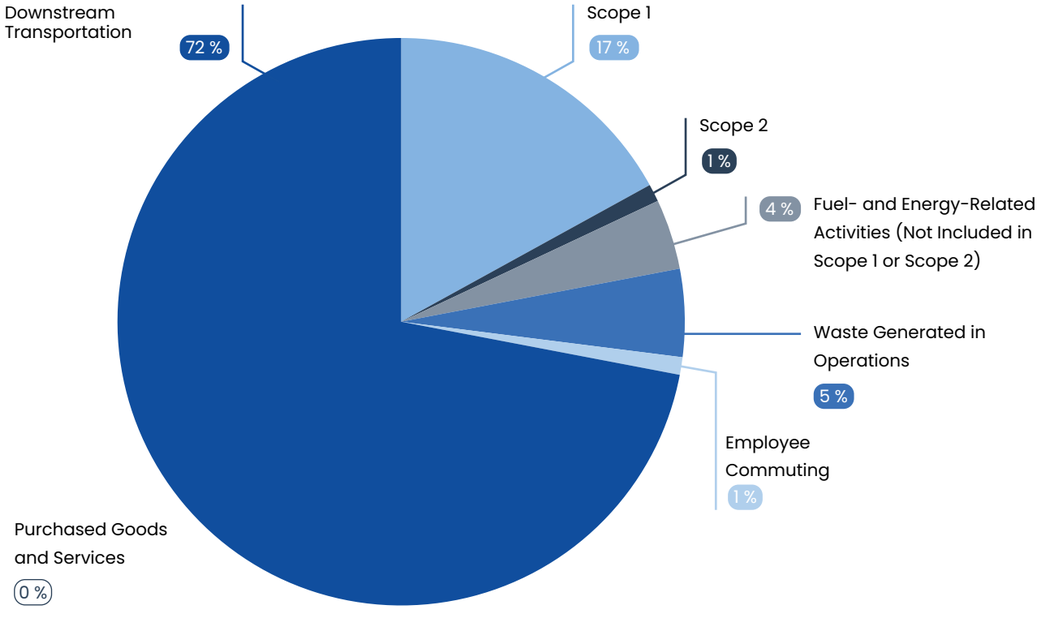
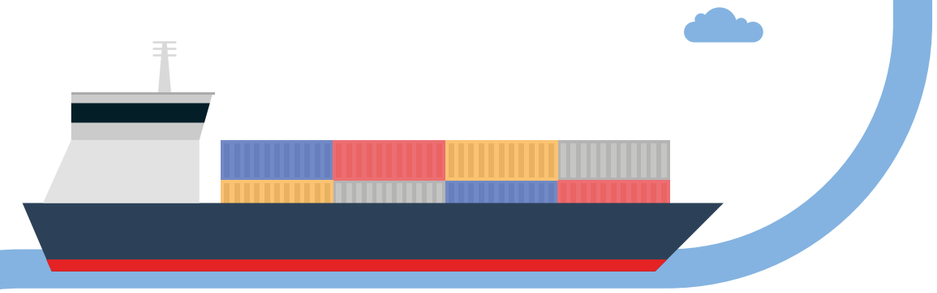


Diagram 6: Breakdown of Klumpp + Müller's Scope 1, 2, and (if available) Scope 3 Emissions by Emission Category

Climate Impact and Emissions



Climate Relevance of Business Activities

As a logistics service provider, Klumpp + Müller has a significant climate impact, particularly in road freight transport: Diesel-powered trucks represent the main source of our Scope 1 emissions. In addition, heating oil is used for certain buildings, although we are planning a long-term transition to renewable heating solutions.

Methodology of Greenhouse Gas Accounting

Since 2022, we have prepared our GHG inventory annually in accordance with the guidelines of the CDP. The following scopes are included:

- **Scope 1:** Direct emissions (vehicle fleet, heating oil)
- **Scope 2:** Purchased electricity (grid supply)
- **Selected Scope 3 categories:** Relevant upstream and downstream processes (e.g. purchased goods and services, waste, business travel)

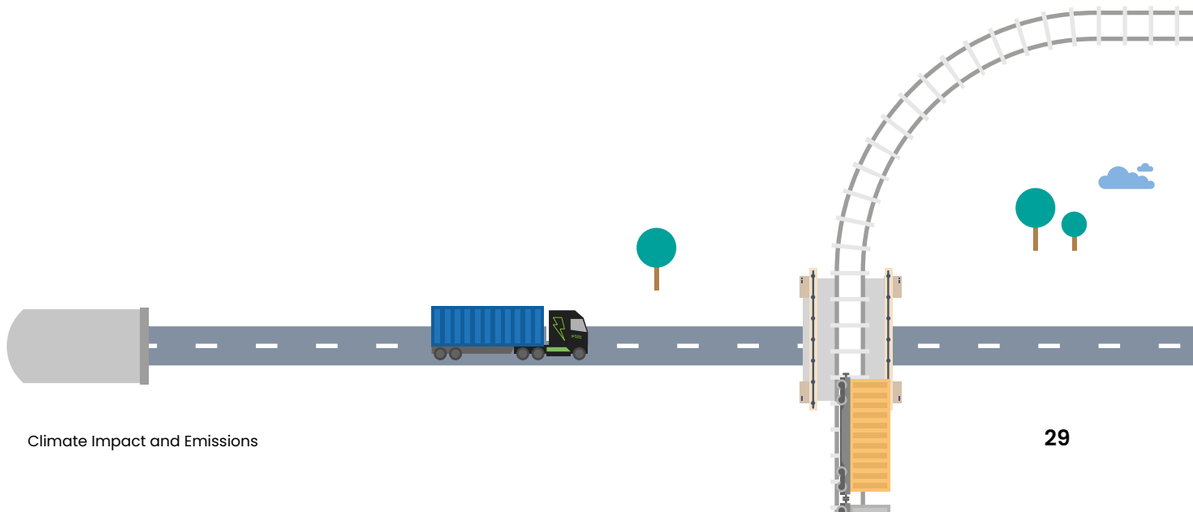
The external processing and plausibility checks of the data enhance transparency and credibility.

Climate Reduction Goals and Outlook

Our primary objective is to continuously reduce GHG intensity (tCO_2 per unit of revenue). To achieve this, we focus on:

- Electrification of the vehicle fleet (electric trucks for short-haul operations)
- Expansion of the PV system and increased use of self-generated electricity
- Trimodal transport routes (rail and inland waterway alongside road)

Carbon offsetting is not currently planned; our strategy is to focus on the actual avoidance and reduction of emissions.



Resource Use, Circular Economy, and Waste Management

Responsible resource use and waste minimization are core pillars of our environmental strategy. While our recent efforts have focused heavily on energy efficiency and emission reductions, we now aim to give greater visibility to circular economy practices and waste management. Due to the nature of our business, we have no significant material inflows relevant to circular economy considerations—except in the areas of packaging and tires. In these areas, our commitment spans the entire lifecycle: from sustainable sourcing of materials to extending the service life of equipment, and finally to proper disposal or reuse.

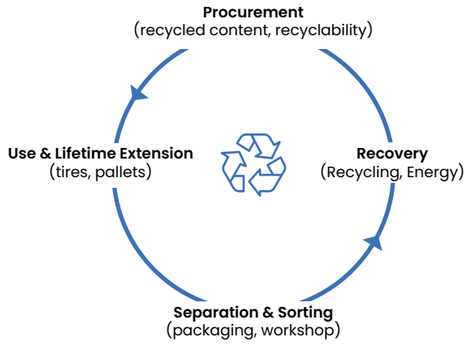


Diagram 7: Resource Use Cycle at Klumpp + Müller

Approach to Sustainable Procurement

We consistently follow the principle that materials should be selected with resource efficiency and environmental compatibility in mind—to the extent that we are able to assess this. In practical terms, this means:

- **High Recycled Content:** For packaging materials, pallets, and cardboard, we prioritize products with the highest possible share of recycled material. Wherever it is technically and economically feasible, we use reprocessed materials to reduce the consumption of primary raw materials.

- **Recyclability:** In addition to the share of recycled content, the recyclability of our purchases is equally important. For example, we pay attention to using monostructure packaging films, which are easier to return to the material cycle, or films with a higher recycled content.

- **Long-Term Partnerships:** Through close cooperation with suppliers and logistics partners, we also encourage our value chain partners to offer and prefer sustainable products. This exchange promotes the availability of environmentally friendly alternatives throughout the supply chain.

Extending the Service Life of Materials

For us, resource efficiency does not end with procurement. We place strong emphasis on prolonging the use and reconditioning of essential equipment and materials:

Tire Retreading

- In our fleet operations, truck tires are retreaded—provided their casing remains intact—instead of being disposed of prematurely. This retreading process allows tires to be reused multiple times, reducing not only waste volumes but also the need for raw materials such as natural rubber and petroleum-based products.

- Only when a tire can no longer be retreaded do we aim to send it for material recycling (e.g., into rubber granulate), in order to retain as much material as possible within the circular economy.

Reusable Systems

- We participate in industry-wide pooling and deposit systems for transport and load carriers, including mesh boxes and pallets. These systems enable the circular reuse of materials and help to significantly reduce single-use packaging.

- In particular, durable mesh boxes and Euro pallets are refurbished, repaired, and put back into circulation again and again—saving raw materials and reducing emissions.

Waste Prevention and Separation

Our top priority is to avoid waste wherever possible. Where waste generation cannot be prevented, we focus on systematic separation of residual materials to ensure optimal recycling and recovery:

Packaging Materials

- We use standardized packaging units made of cardboard or film, often with lower material grammage or recycled content. After use, packaging materials are processed through our internal disposal system, which ensures clean separation by type (paper, plastic, metal).

Workshop and Office Waste

- In our in-house workshop (for truck maintenance and repair), waste streams include used oil, brake fluid, and vehicle parts. These are disposed of or recovered in compliance with hazardous material regulations and are handled by certified waste management companies.

- In the office area, we increasingly rely on digital processes to reduce paper consumption. Where paper is unavoidable, we use recycled paper and maintain clean separation of waste paper, residual waste, and lightweight packaging.

Volumes and Recycling Rate

- Thanks to our separation systems and reuse concepts, the proportion of recyclable waste (material or energy recovery) continues to rise. Where possible, we publish concrete figures on waste volumes and recycling rates. These indicators are currently being collected as part of our internal ESG data model.

Social Engagement and Working Conditions

Responsibility for Our Employees

As a **family-owned** company, we maintain a **values-driven** corporate culture based on respect, open dialogue, and reliability. Our core goals include:

- Secure employment in a modern and evolving work environment
- Equal opportunities and diversity
- Ongoing training and professional development

Workforce Structure

In the reporting year 2024, a total of 176 employees were permanently employed, including 25 part-time staff. Among the workforce, 144 were men and 32 women. The team also included eight apprentices (see Diagram 7).

- **<30 years:** 18 employees
- **30–50 years:** 44 employees
- **>50 years:** 56 employees

The proportion of women stands at 18%, which is within the industry average for the logistics sector. However, we are actively striving to increase this share further.

Working Conditions and Employee Participation

A significant portion of our employees are covered by collective bargaining agreements, ensuring fair wages and regulated working hours. We maintain **flat hierarchies** and promote **open communication** across all levels. Internal participation and grievance mechanisms are in place; a formal works council exists in some areas, while in others, executive management serves as the direct point of contact for employee concerns.

Health and Safety

The **protection of health and safety** is of particular importance to us. In our warehouse and driver operations, we focus on training, ergonomic workplace design, and regular safety briefings.

- According to internal statistics, there were **no** fatalities resulting from occupational accidents or work-related illnesses in 2024.
- Reportable workplace accidents occurred only to a limited extent (see internal chapter; the accident rate remained below the industry average).

A formally **certified occupational health and safety management system** has not yet been implemented, but we align our practices with recognized standards and regulations.

Training and Development

In 2024, we invested an average of **2.7 training hours per employee**, including topics such as:

- Technical and driver training
- Hazardous materials and occupational safety
- Soft skills and digital competence

We aim to continuously increase this figure in the medium term in order to develop skilled professionals and support the rapid adoption of new technologies.
With the introduction of new software systems at the beginning of 2024, it also became clear that intensive, time-limited training phases must be planned and implemented during the rollout of new technologies and processes.

Family-Friendliness and Diversity

We offer flexible working models and part-time options in administrative roles.
In 2024, 11% of our employees took parental leave or family care leave.
In technical and warehouse areas, flexible models are more difficult to implement, but we are actively seeking practical solutions, such as shift-swapping options.

Equal Treatment and Non-Discrimination

- **Gender pay gap:** 18% (unadjusted, in favor of male employees).
- **No cases** of discrimination were reported in 2024.
- The proportion of employees with disabilities is 2.7%, and they are fully integrated into daily operations.

Compensation and Pay Equity

- Compensation is performance-based and aligned with industry standards.
  The ratio between the highest and median salary in the company is approximately 2.7:1.

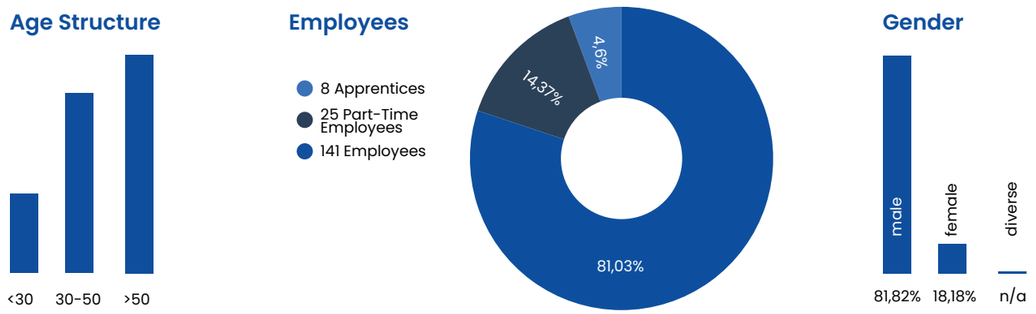


Diagram 8: Visual Representation of the Age, Workforce, and Gender Structure at Klumpp + Müller in 2024

Respect for Human Rights and Responsibility in the Supply Chain

Core Approach

We are committed to **respecting internationally recognized human rights** throughout our entire value chain. As a company operating primarily in Germany and neighboring regions, we see our primary responsibility in ensuring fair treatment of our own employees and maintaining cooperative relationships with subcontractors.

Own Business Operations

To the best of Klumpp + Müller's knowledge, **no human rights violations** or reported cases of discrimination occurred in our operations during the 2024 reporting year.

Supply Chain and Customers

As our core business is **focused on transport and warehousing services**, our direct influence on upstream production units is limited. Nevertheless, we actively seek dialogue with partners to support **socially responsible** and **environmentally sound** standards wherever possible.

We are aware that subcontracting in the logistics sector carries risks in terms of labor rights. Through our supplier management processes, we maintain ongoing dialogue with our partner companies to address these issues proactively.

Customer and Product Responsibility

Commitment to Service Delivery

At the core of our business is the provision of **safe, reliable, and sustainable** transport and warehousing services for our customers.
We ensure that all legal regulations (e.g. for hazardous goods) and industry standards are consistently met or exceeded.

Customer Segments and Service Offering

Our clients primarily come from the industrial, commercial, and waste management sectors. They value our **trimodal logistics** capabilities: depending on requirements, we select the most suitable modes of transport (road, rail, inland waterways) to reduce both costs and environmental impact. Our services also include order picking, transshipment logistics, and, when necessary, hazardous goods handling.

Sustainable Customer Solutions

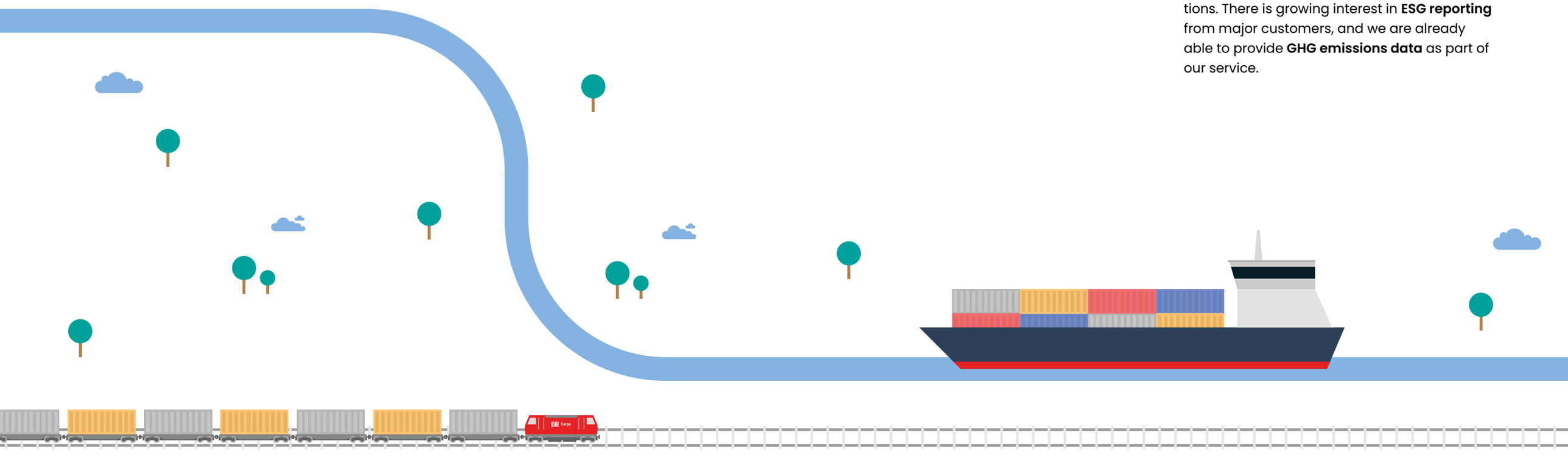
- **Trimodal transport chains:** enable significant CO_2 savings and reduce road traffic.
- **Electric trucks for short-distance delivery:** meet increasing customer demand for low-emission distribution.
- **Digitalized warehousing systems:** robot-controlled shuttle warehouses lower both energy and space requirements.

Quality and Safety

We maintain in-house expertise in hazardous materials and ensure high safety standards. Regular inspections and employee training guarantee compliance with all legal regulations and internal policies.

Customer Dialogue

Our sales and dispatch teams work closely with clients to develop tailored logistics solutions. There is growing interest in **ESG reporting** from major customers, and we are already able to provide **GHG emissions data** as part of our service.



Innovation and Digitalization

Strategic Importance of Digitalization

Digital transformation serves not only to increase efficiency, but also to improve our **sustainability performance**.

Examples of Digitalization Measures

- **Shuttle warehouse:** commissioned in 2023; 2,400 storage spaces on 900 m², robot-assisted management.
- **Process automation** in warehouse logistics and dispatching.
- **Digital documentation:** reduction in paper consumption and accelerated processes.

In the first quarter of 2024, we upgraded or introduced several IT systems. These included dispatching, order and invoicing processing, inventory management, and accounting. To future-proof the company, digitalization—in combination with sustainability as part of a twin transformation—is a decisive success factor for us. We do not wish to conceal the fact that the implementation of the new systems at the beginning of the year required and tied up considerable resources and was not completed without additional iterations for improvement. Digitalization, like sustainability, is both essential and challenging.

Corporate Governance and Ethics

Responsible Corporate Leadership

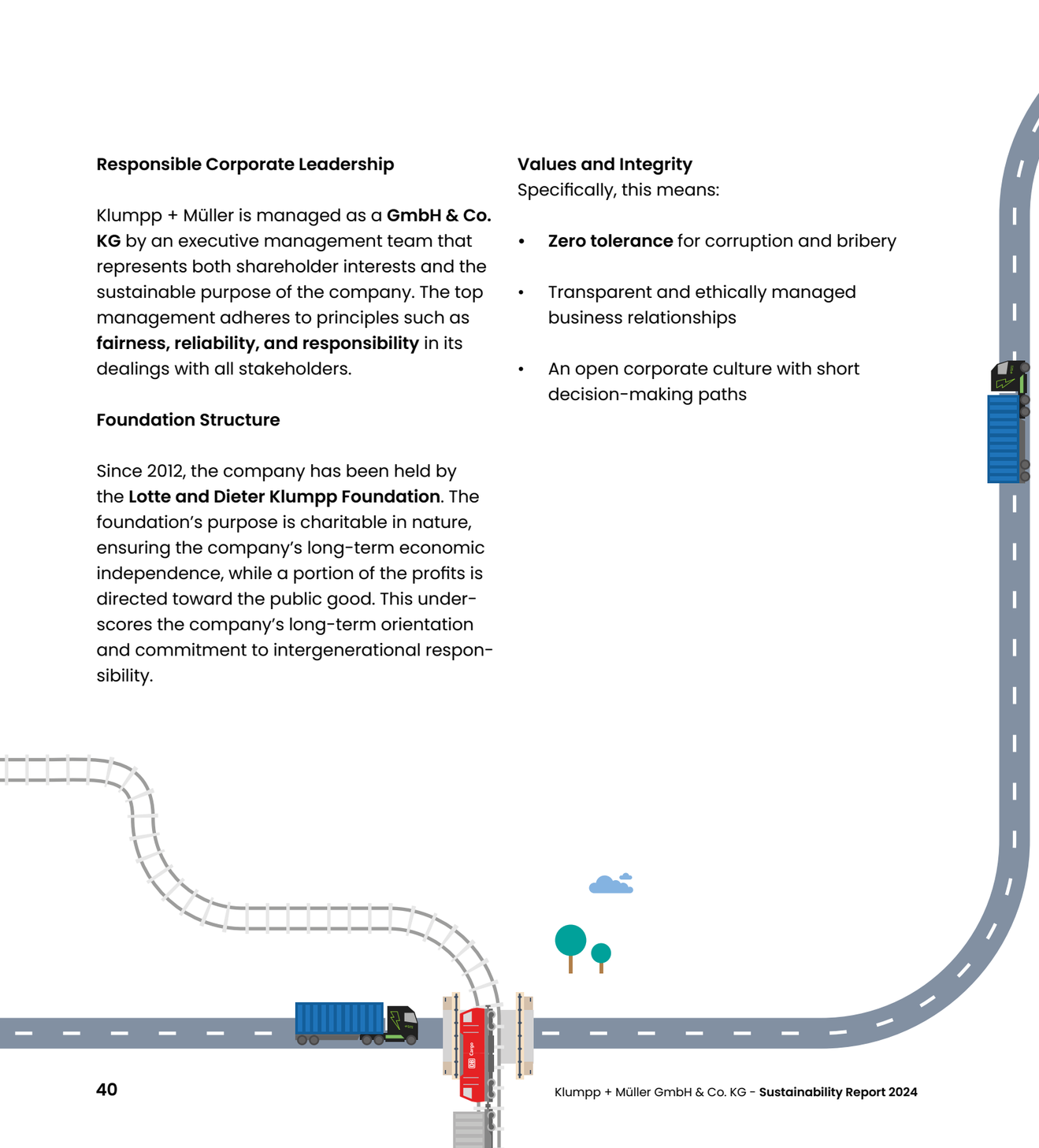
Klumpp + Müller is managed as a **GmbH & Co. KG** by an executive management team that represents both shareholder interests and the sustainable purpose of the company. The top management adheres to principles such as **fairness, reliability, and responsibility** in its dealings with all stakeholders.

Foundation Structure

Since 2012, the company has been held by the **Lotte and Dieter Klumpp Foundation**. The foundation's purpose is charitable in nature, ensuring the company's long-term economic independence, while a portion of the profits is directed toward the public good. This underscores the company's long-term orientation and commitment to intergenerational responsibility.

Values and Integrity
Specifically, this means:

- **Zero tolerance** for corruption and bribery
- Transparent and ethically managed business relationships
- An open corporate culture with short decision-making paths



Goals and Outlook

Decarbonization and Energy

- **Electrification of the fleet:** Wherever feasible and economically viable, we will add more electric vehicles to our fleet.
- **Defossilization of the fleet:** Following a successful test phase at the end of 2024, we plan to operate our in-house fueling station exclusively with HVO fuel starting in the first quarter of 2025. The impact of this transition will be reflected in our 2025 greenhouse gas inventory.
- **PV storage:** Feasibility study for the installation of an energy storage system to further increase self-consumption of solar power.
- **Alternative heating supply:** Assessment of whether alternatives to the current oil-based heating system are technically and economically viable.

Resource Efficiency and Circular Economy

- **Material flow analysis:** Starting in 2025, we aim to conduct a more in-depth analysis of all waste and material flows and assess their circularity potential.
- **Procurement:** We will increasingly consider carbon footprints, reparability, and recyclability in our procurement processes.

Social Responsibility and Human Resources Development

- **Increasing the proportion of women:** We aim to reach 25% female representation in management positions by 2026, with a particular focus on leadership roles.
- **Training and development:** We intend to maintain and expand the current level of 2–3 training hours per employee per year, as needed. Our focus areas are digitalization and customer satisfaction.
- **Health measures:** We will continue to improve ergonomic conditions in warehouse operations and invest in heat-resistant infrastructure, in response to increasing climate-related risks.

Governance and Transparency

- **ESG reporting system:** We plan to capture our key figures in an integrated data model and will evaluate suitable ESG software solutions for this purpose.
- **External validation:** Regular reviews of our GHG data by independent partners are currently being planned.

Reporting Period
01.01.2024 – 31.12.2024

Reporting Standard
VSME (Voluntary Sustainability Reporting Standard, as of December 2024)

Reporting Boundaries
Klumpp + Müller GmbH & Co. KG
(excluding non-consolidated entities)

Data Sources
Internal data collection, external validations (GHG inventory, climate scenario analysis, double materiality assessment)

Detailed ESG data is available upon request to stakeholders with a legitimate interest.

We thank you for your interest in our sustainable development. Together with our stakeholders, we aim to shape the future of logistics in a responsible manner.

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