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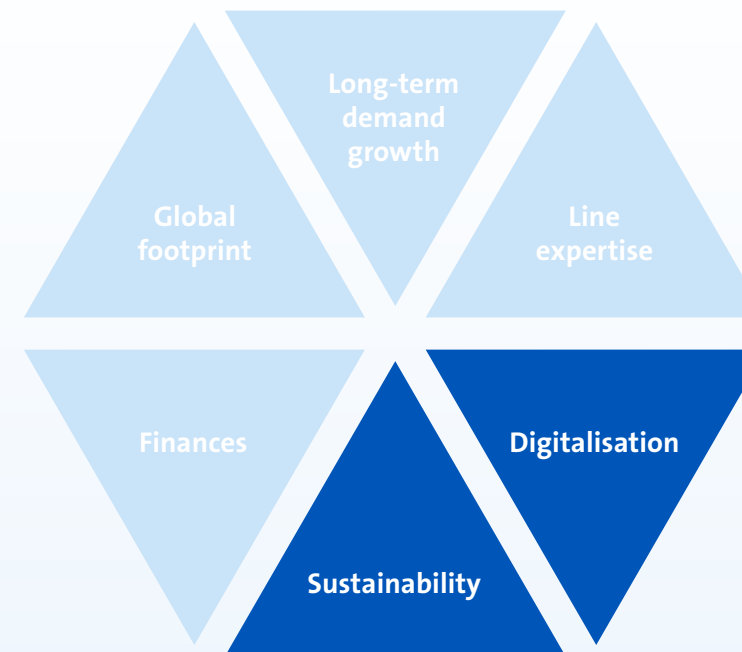


After showcasing six major strengths of Krones under the heading “Focus on strengths” in our 2020 Annual Report, this year we present two of those strengths in greater detail: **sustainability** and **digitalisation**.

Both of these play a major role for Krones’ customers, who want to cut resource use and shrink their carbon footprint. Further digitalising beverage plants also enables customers to reduce production and labour costs and to increase production efficiency. This places a key focus on innovative products and services to enhance customer benefit in terms of both digitalisation and sustainability.

Under the heading of **sustainable.digital** in this Annual Report, we present examples of Krones’ successful sustainability and digitalisation activities.

## Krones’ strengths





## Krones contributes to the **solution** of **three major challenges** facing humanity

Sustainability is not only the responsible way forward. It is of existential importance. Enormous challenges confront the entire human race. The first priority is to combat climate change in order to avert irreversible harm. At the same time, an adequate food supply for the growing world population has to be ensured for the long term. Another global problem is plastic waste, which has severe impacts on our environment.

Krones has the technologies and knowhow to help meet these huge challenges. And it already has them today. We gained this head start as a result of our early commitment to sustainability.

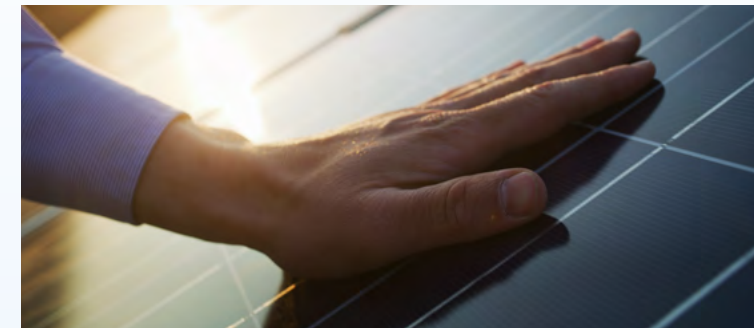
### Feeding the world

- Smaller process losses
- Less food waste
- Alternative protein sources



### Combating climate change

- Low-carbon production
- Energy-efficient enviro solutions
- Less food waste



### Avoiding plastic waste

- Recyclable packaging
- Plastics recycling solutions
- Circular economy

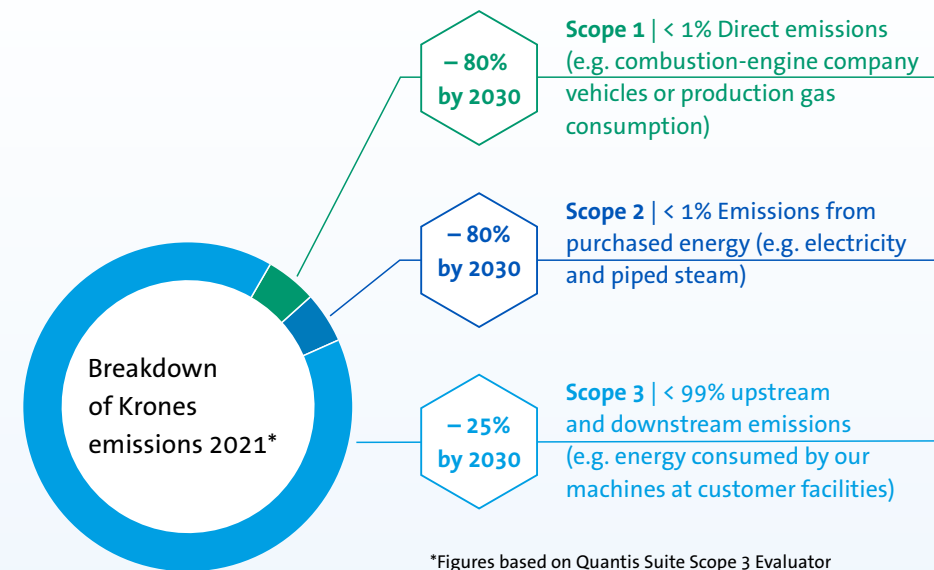




## Krones climate targets **focus on customer benefit**

In its climate strategy, Krones has set ambitious targets for reducing the company's carbon footprint. By 2030, relative to the 2019 base year, we aim to **reduce both Scope 1 and Scope 2** greenhouse gas emissions **by 80%**. These comprise all emissions generated by Krones itself – for example in production or from the consumption of purchased energy.

A particularly important emission category, however, consists of Scope 3 emissions. These make up about 98% of Krones' total carbon footprint. Scope 3 emissions mostly arise from the use of our products in customers' production facilities. We have already been able to cut these emissions significantly in recent years with our environmental sustainability programme. However, we will continue to identify ways of reducing them further so that our lines use even less energy and other media. Overall, we target up to a **25% reduction in Scope 3** greenhouse gas emissions **by 2030**. Our customers will benefit from this.





# Krones enviro – the industry standard for product sustainability



*The enviro sustainability program reflects our aim of providing efficient and environment-friendly technologies for the production of safe and high-quality liquid foods – for the benefit of our customers.*

Many Krones customers have adopted ambitious sustainability targets. We help them achieve those targets. The key here is energy and resource-efficient machines and lines. The enviro sustainability

programme has been a central element of product sustainability at Krones ever since 2008.

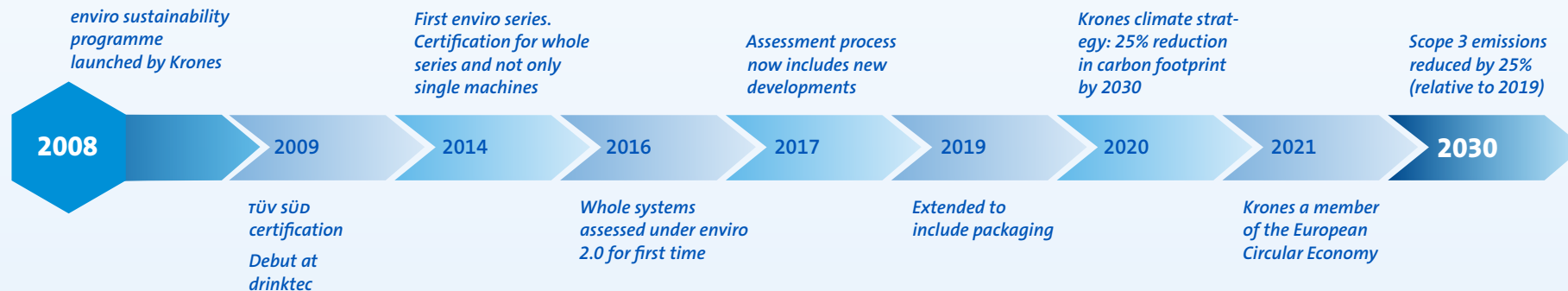
With enviro, we offer our customers real added value. Thanks to technical innovations, enviro products consume significantly less energy, water and other operating materials than standard machines. Those savings are not achieved at the expense of performance. Beverage producers generate higher earnings over the entire line life cycle. In addition

to the economic benefits, their lower resource consumption has a positive impact on customer’s carbon and climate footprint.

Krones has continuously developed enviro over the years. Initially, only individual machines carried the enviro label. Today, entire systems are certified. Since 2019, in order to minimise the environmental impact of beverage and food packaging, Krones has also assessed innovative packaging solutions according to enviro criteria.

### enviro as value driver in research and development

Development activities at Krones are aligned to specific value drivers. One such value driver is “environmentally friendly”, targeting minimum consumption of energy and media, zero-waste production and sustainable packaging.



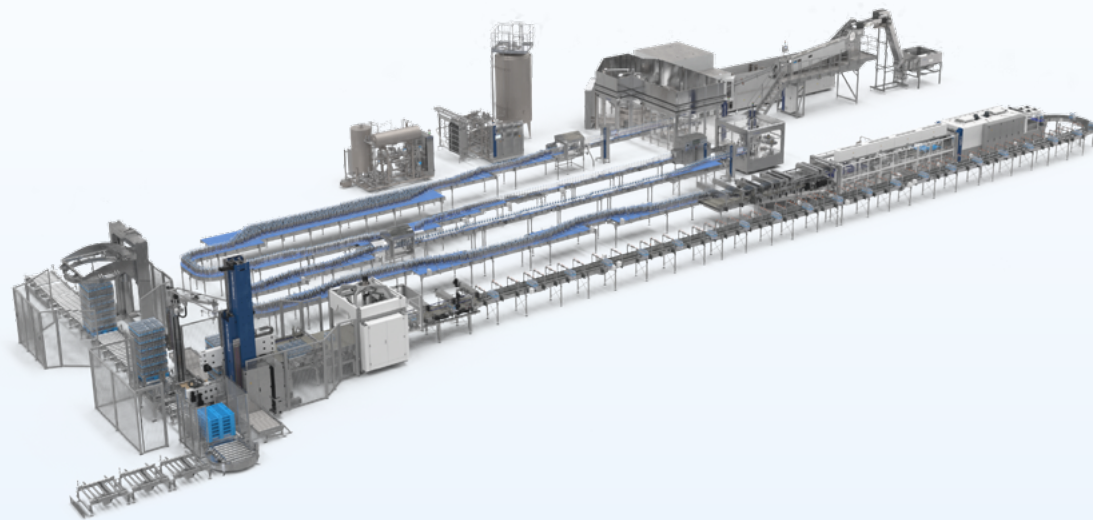




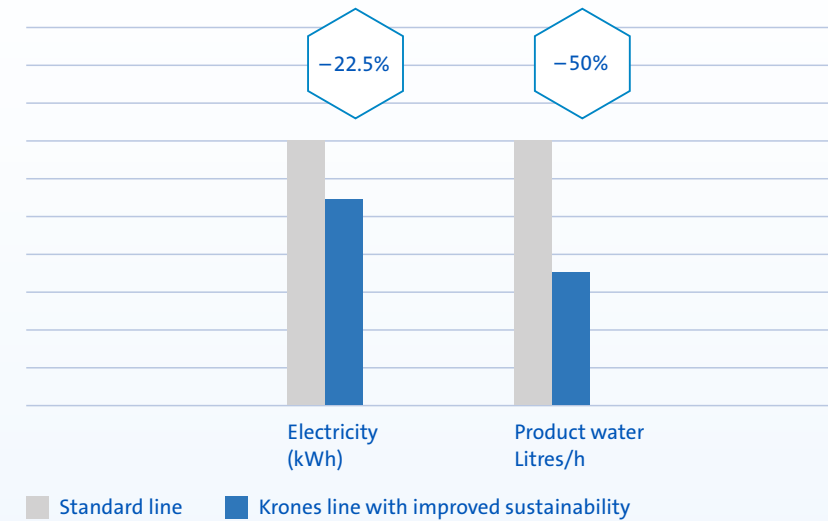
## Krones enviro in figures: major resource savings



Numerous enviro machines and lines are now in operation at our customers' production facilities. One example is a PET filling and packaging line for soft drinks that uses **22.5% less electricity and 50% less water** than a standard line. Each of the various machines within the line uses all enviro options. The Contiform 3 Pro stretch blow-moulding machine, for example, saves a lot of energy due to the innovative heating chamber when inflating PET preforms.



### Top performance with reduced carbon footprint



*The PET line for soft drinks in non-returnable 1.5-litre bottles has a capacity of 36,000 bottles per hour. Because it uses all enviro options, it consumes significantly less electricity and water than a standard line and therefore has lower greenhouse gas emissions.*



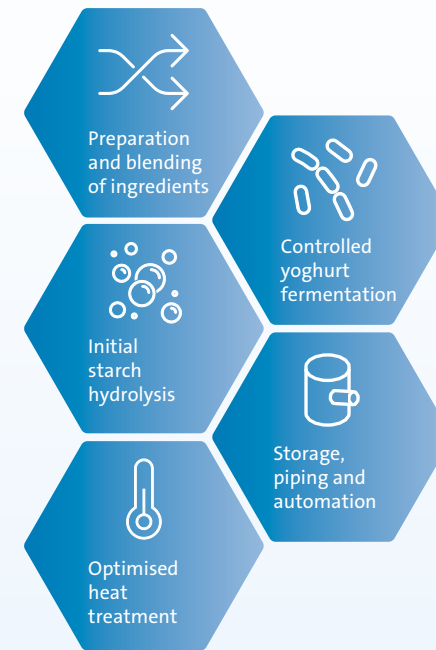
## Feeding people sustainably with alternative proteins

The world's human population of around eight billion is matched many times over by the number of farm animals bred to feed them. These consume huge quantities of valuable resources such as feed and water. Livestock farming has a gigantic global carbon footprint. Providing people with alternative proteins is therefore a valuable contribution towards combating climate change. On the whole, plant proteins are still in their infancy, but technological progress is advancing at a rapid pace.

### Yoghurt without milk, but with plenty of flavour

A flagship project for how Krones is positioning itself in the growth market for alternative proteins can be found in Russia. We supplied producer Sady Predonia with the entire process technology for the production of non-dairy yoghurt products.

Milk production generates substantial quantities of greenhouse gases. Available in a range of flavours, the oat yoghurt is a full substitute for dairy-based yoghurt. The line we installed at Sady Predonia incorporates the wide-ranging expertise of Krones subsidiary Milkron. All operations, including pretreatment and blending of ingredients, optimum heat treatment, automation and storage, are provided by Milkron.



Krones subsidiary Milkron supplied the entire process technology for the dairy-free yoghurt products project at Sady Predonia.



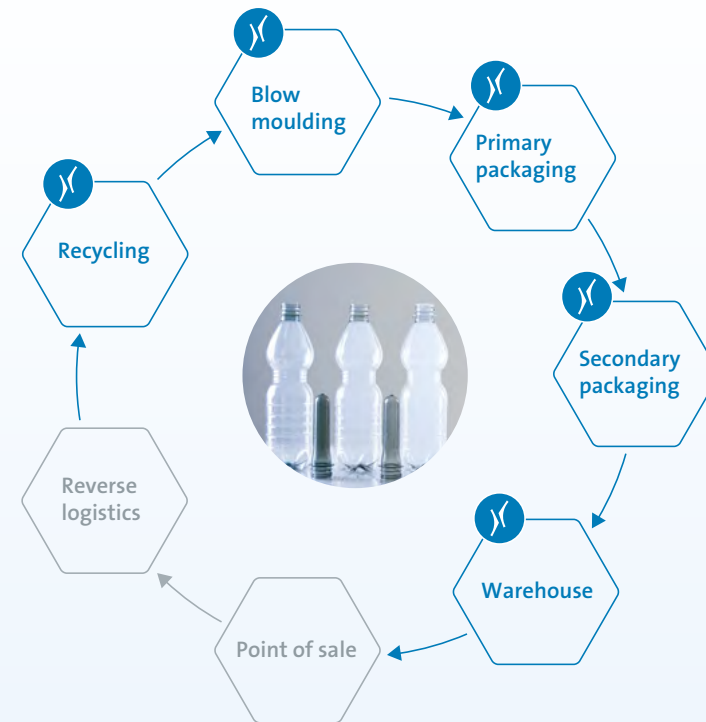
## Avoiding plastic waste with recycling

Every year, eight million tonnes of plastic waste end up in the world's oceans. As a leading supplier of PET filling and packaging technology, Krones works together with customers to combat the problem of plastic waste. The key to success lies in a functioning circular economy. Krones has the right solutions on hand for this purpose, from material-saving packaging design and low-energy container production to recycling used plastics. Our MetaPure PET recycling system plays a key role here.

### PET recycling increasing rapidly in importance

Inside MetaPure, used plastic bottles are first pre-sorted and reduced to flakes. After washing, the flakes pass through a decontamination module. The end product of the sophisticated process is food-grade recycled PET (rPET), which the beverage industry can use as the raw material for new bottles.

We expect rapidly growing customer demand for our MetaPure PET recycling line in the years ahead. Around 10% of the plastic bottles filled on Krones' new lines in 2021 were recycled in MetaPure. By 2023, we expect to see this rate almost double to over 18%.



Technologies from Krones ensure that the circular economy for plastic packaging really works. A core element is PET recycling.





## Krones.world – all digital services on a single platform



*We are only at the start of the journey with the digital beverage plant. But more and more customers are embracing Krones' digital ecosystem. The number of new lines on our digital platform is some 30% and rising.*

Our Krones.world portal gives plant operators one-stop access to all Krones digital services on the web, wherever they are and with any device. Customers' machines and lines just have to be set up to deliver

digital data to the cloud (we call this Connected Line). For this purpose, Krones has incorporated the ReadyKit edge device into all new lines since 2020. Older lines can be retrofitted.



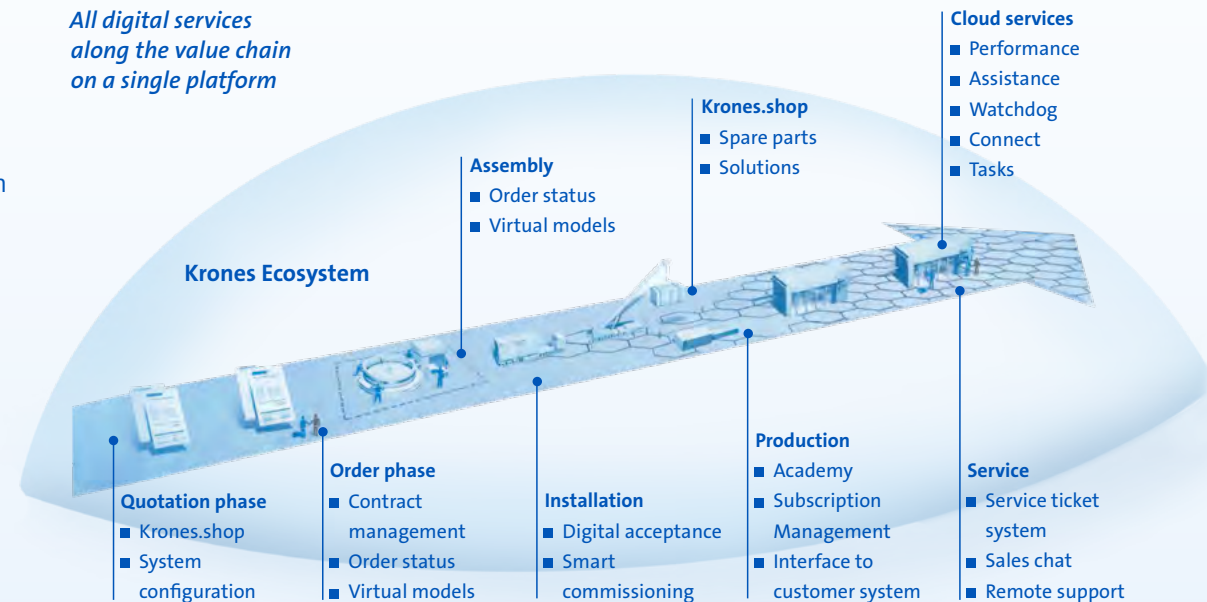
The central component of Krones.world is an Industrial Internet of Things (IIoT) platform (page 13). This collects all relevant machine and plant data, providing the basis for a wide variety of digital services, such as our Performance tool (page 14). Our customers also have access in Krones.world to Krones.shop (page 15) and digital support.

By using the digital services, customers improve the efficiency of their machines and lines, and cut costs. This delivers reductions in total cost of ownership (TCO).

Krones' goal is to operate a line over its entire life cycle via digital service centres. This applies right from the start – even in configuration at the quote phase. On-site commissioning, too, can be done remotely

online. During operation, it analyses the data, detects any anomalies and predicts problems. Based on this, we can send customers recommendations on what to do, thus enabling proactive production planning. Krones provides this data-driven production optimisation on the basis of service-level agreements, with continuously increasing levels of automation.

*All digital services along the value chain on a single platform*





## Krones makes **beverage plants more efficient** with digital machine data

With the Krones Industrial Internet of Things (IIoT) platform, the company is once again setting standards in the beverage and liquid food industry. All data sent by the machines is stored in the cloud. Customers and – if they allow – Krones can securely access the data at any time, anywhere, and with any device.

Based on the collected data, Krones provides a range of applications or **digital services** on the platform. These give customers full realtime visibility of their production operations. The high level of transparency and smart data analysis make it possible to identify and act on any potential for improvement. That increases production quality and reduces operating costs.

We provide each customer with a custom-tailored range of digital services. The individual applications are functionally complementary, interoperate seamlessly and share information. This enables us to avoid presenting the same data multiple times.

Our digital services are under ongoing development with the rollout of new applications. An example is our Performance tool, which we briefly present on the next page.

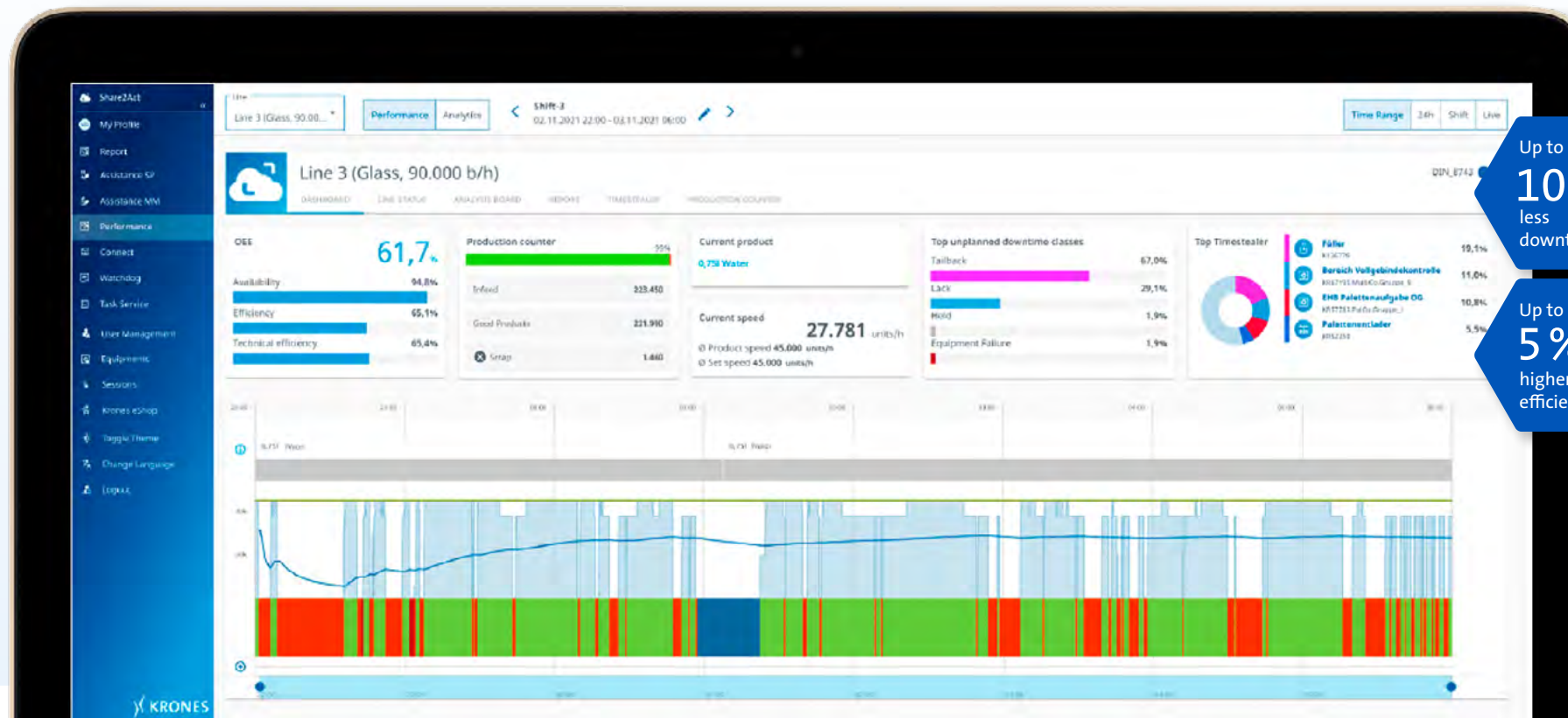




## Performance: all key data at a glance

The key role of the IIoT platform is our **Performance** application. This tool displays all key performance indicators (KPIs) in real time, including **overall equipment effectiveness (OEE)**, **units produced**, **malfunctions** and **speed losses**. It also precisely identifies what parts of the system are causing

downtime (timestealers). This makes for easier and faster trouble-shooting. Overall, the Performance tool delivers up to 10% less downtime and up to 5% higher efficiency.



Up to  
**10%**  
less  
downtime.

Up to  
**5%**  
higher  
efficiency.





## Krones.shop: the leading online shop in the beverage and liquid food industry

Using **Krones.shop**, our customers can quickly and easily order spare parts, components and services for their machines and lines online. With the aid of personal user profiles, we proactively offer customers products and services that are precisely tailored to their machinery and equipment. That enhances customer loyalty and satisfaction.

Our now more than 25,000 registered users can choose from **around six million products**. Alongside spare parts, Krones also sells a wide range of LCS products via the online platform, including upgrades, inventory packages and training. The company already conducts over 15% of its LCS business through Krones.shop.

Krones.shop also offers interesting solutions regarding sustainability. As well as physical shipment, spare parts ordered from Krones.shop can be delivered in digital form. Krones sends a digital blueprint for the client to produce the required part right there on a 3D printer. That saves not only money, but also transportation and so cuts carbon emissions.

### What Krones.shop has to offer:

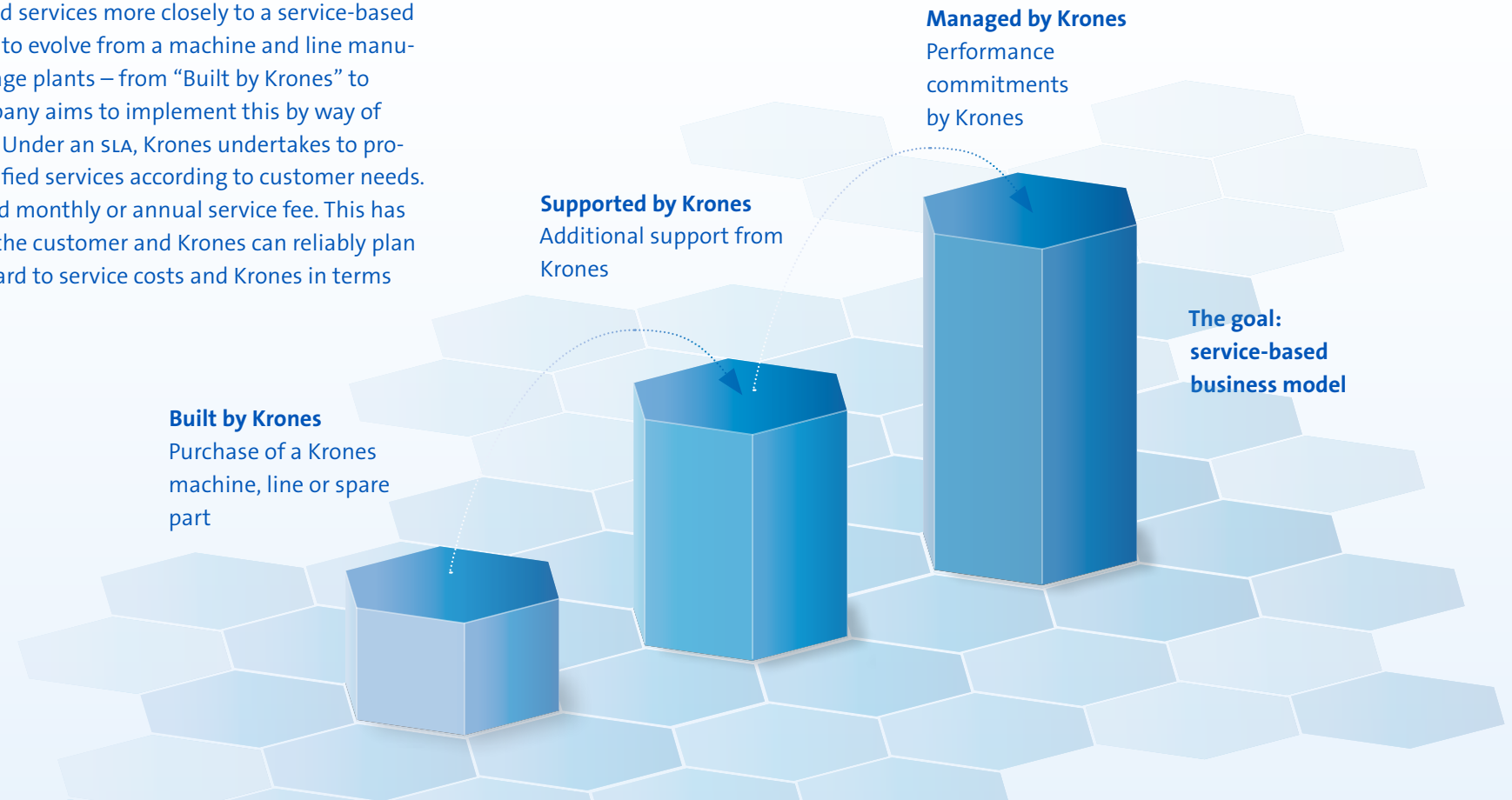
- Over six million parts
- LCS products (upgrades, storage packages, training, etc.)
- Downloads for 3D printing of spare parts
- Over 25,000 registered users
- Available in 181 countries (more than Amazon)
- Over 30,000 visits per month
- Over 15% of the LCS business is handled via Krones.shop





## Digital Services: from “**Built by Krones**” to “**Managed by Krones**”

With the IIoT platform and Krones.shop, Krones.world provides the basis for aligning Krones products and services more closely to a service-based business model. Krones’ goal is to evolve from a machine and line manufacturer to a manager of beverage plants – from “Built by Krones” to “Managed by Krones”. The company aims to implement this by way of service level agreements (SLAs). Under an SLA, Krones undertakes to provide a plant operator with specified services according to customer needs. In return, Krones receives a fixed monthly or annual service fee. This has the great advantage that both the customer and Krones can reliably plan ahead – the customer with regard to service costs and Krones in terms of income.





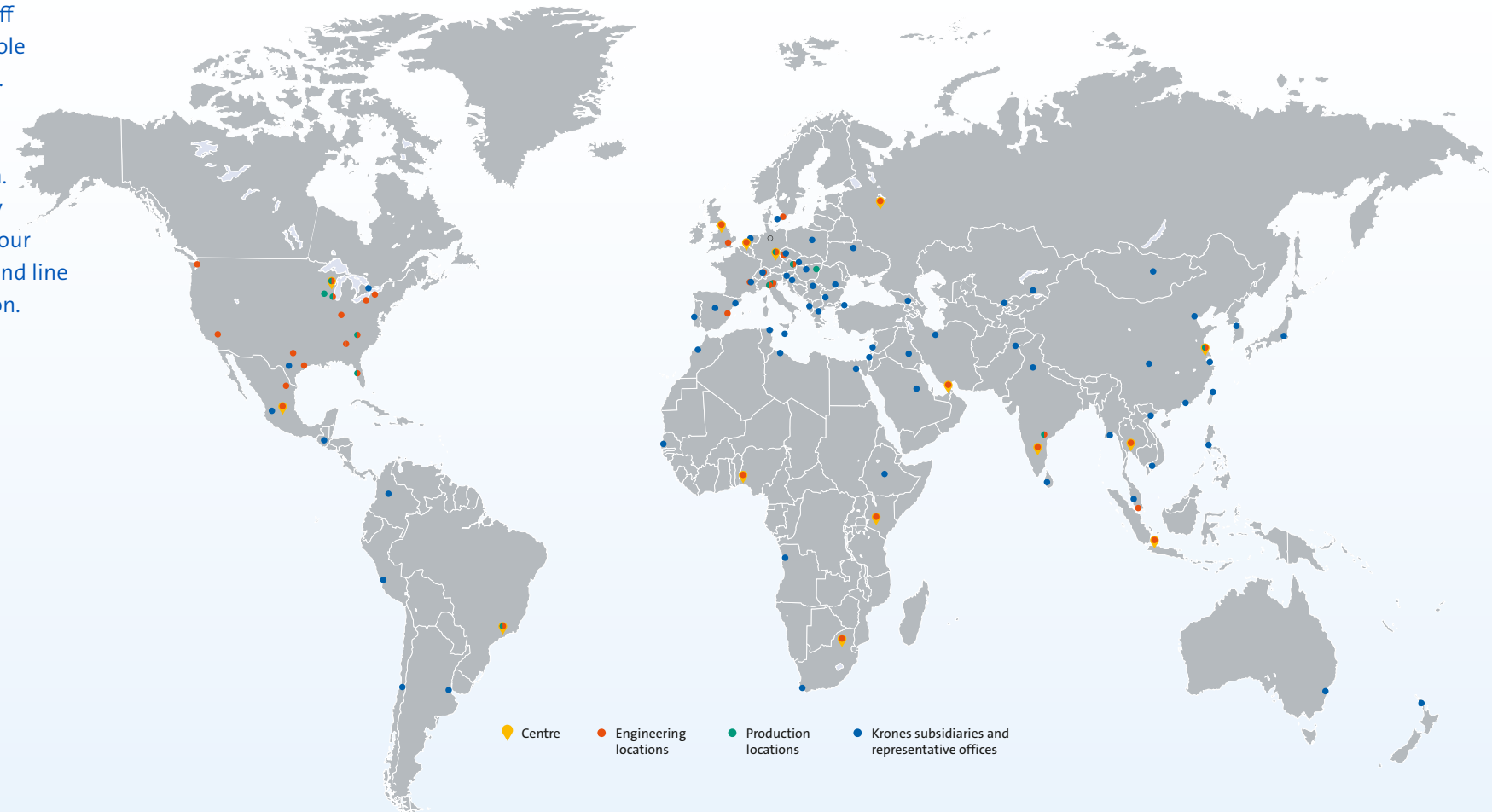


## Digital services + Krones service network = unbeatable customer benefit

Our approximately 3,000 local service staff around the world continue to play a key role in the practical delivery of digital services. More than 100 service companies in over 70 countries provide customers with support and advice, remotely or in person. Plant operators therefore benefit not only from our digital knowhow, but also from our many years of cross-sectoral experience and line expertise worldwide: an ideal combination.

### Key facts:

- Over 100 subsidiaries and branches
- In over 70 countries
- Some 3,000 service staff worldwide





## Letter from the **Executive Board**



*“The Krones team can look back on a successful financial year. We will make use of our strengths, especially in difficult times.”*

**Christoph Klenk**  
CEO

### Dear shareholders and friends of Krones,

Krones' positive 2021 financial year is overshadowed by the war in Ukraine. We condemn the invasion of Ukraine by Russian troops on 24 February 2022 as a breach of international law that cannot be excused in any way. How the conflict will develop and what impacts it will have on the global economy are currently hard to predict.

### Successful 2021 financial year

The dominant topic in 2021 continued to be the Covid-19 pandemic. This eased as a result of effective vaccines, at least in industrialised countries. With the experience gained since the start of the crisis and the dedication of our entire team, we were able to continue providing customers with top-quality products and services at all times in 2021. This team effort was worth it. Krones can look back on a successful 2021 financial year.

### Making use of Krones' strengths

The global economy recovered in 2021 from the severe Covid slump. Demand also picked up in our markets. It even grew faster and stronger than we expected at the beginning of 2021. Krones is strategically well placed and was able to make use of the positive market conditions. We have a large, innovative range of products and services and have sites and our own teams in over 70 countries around the world. This broad global footprint is extremely valuable, especially in times of travel restrictions.

### Digitalisation and sustainability as major growth drivers

The Covid-19 pandemic has accelerated digitalisation, including in our industry. Krones has invested heavily in this growth field and already offers many digital products and services for customers. We continue to push ahead in this area. The digital beverage plant provides our customers with the ideal space for transparent, safe, flexible and efficient production. Further information on Krones' digitalisation activities can be found on pages 5 to 17 of this Annual Report. On the same pages, we also present interesting information on the topic of sustainability. This is an area where Krones set the industry standard early on. Today, sustainability – like digitalisation – is a key priority for our customers. Both areas are among Krones' strengths. This is why the motto of our Annual Report 2021 is “sustainable.digital”.





## Structural measures take effect – Krones significantly improves profitability

Our business picked up strongly in 2021. After the Covid slump, customers were already beginning to invest more again in the fourth quarter of 2020. Nevertheless, we were positively surprised by the speed and scale of the growth in orders. In total, order intake increased in 2021 by 31% year-on-year to €4.3 billion. This means that the contract value of orders actually exceeded its pre-crisis level. The same is not yet true of revenue. This went up by 9% year-on-year to €3.6 billion. Earnings before interest, taxes, depreciation and amortisation (EBITDA) improved very significantly from €133 million to €313 million. The EBITDA margin, adjusted for one-off items in each year, rose from 6.2% in the previous year to 8.1%. Krones achieved the 2021 targets for growth and earnings – which we already upgraded at the end of the first half year – in each case at the upper end of the target range.

A significant performance contribution came from structural measures that Krones adopted in 2019 and 2020 and continued in 2021. We adjusted capacities, for example, and improved our cost structures. Krones is now more flexible overall. A look at the global procurement markets shows how important that is. Materials are in short supply and prices have risen significantly. Many companies had to interrupt production in 2021 due to material shortages. Krones was able to avoid production downtimes thanks to its international procurement organisation and flexible production processes. In addition, the strategic measures enabled us to at least partly offset the higher material and freight prices with savings elsewhere.

## Shareholders to receive dividend of €1.40 per share

Our shareholders are also to benefit from the good earnings in 2021. After Krones paid the statutory minimum dividend (€0.06 per share) last year due to the negative consolidated net income, we intend to pay a dividend of €1.40 per share for the successful 2021 financial year.

## Krones is optimistic for the future despite the challenges

Krones came through the 2020 crisis in stable shape and regained the profitable growth trend in 2021. But we also face new internal challenges. With a very large order backlog and production operating at full capacity, completing the machines and lines on time for our customers demands considerable effort from our workforce. That will not be easy given the tight situation on procurement markets and in supply chains, which is expected to continue in 2022. I am sure that our team will once again rise to the challenge. But this will continue to require maximum flexibility over the current year.

To continue providing customers with top-quality, innovative products and services despite the rising material costs, Krones increased the prices of all bottling and packaging equipment and for process technology by 6% with effect from 1 August 2021. Order intake was unaffected by the price increase and remained very high in the fourth quarter of 2021.



## Executive Board forecasts profitable growth in 2022

Despite major challenges, there are good reasons to be optimistic for the 2022 financial year and beyond. Based on the positive market trend and Krones' strong position, the Executive Board expects consolidated revenue to be between 5% and 8% higher in 2022 than in the previous year. Profitability will benefit from the improved cost structure and higher selling prices. However, a number of uncertainties also have to be taken into account. These include for example material shortages and problems in global supply chains, and also political risks. In particular, it is hard to predict how the situation in Ukraine will develop and what impact it will have on the global economy in 2022. It is also uncertain how the Covid-19 pandemic will continue to play out around the world. For 2022, Krones forecasts an EBITDA margin of 8% to 9%. Return on capital employed (ROCE) has replaced the working capital to revenue ratio as the third key performance indicator. The target for ROCE in 2022 is 10% to 12% (2021: 10.0%).

## Krones adopts ambitious new medium-term targets to 2025

Krones continues to aim for profitable growth beyond the current financial year. We published ambitious new medium-term targets in November 2021. By 2025, we aim to achieve revenue of around €5 billion. In addition to organic growth of 5% per year, this will also include growth from acquisitions. The medium-term target for the EBITDA margin is between 10% and 13%. For ROCE, we aim for at least 20% by 2025.

## We can only achieve our targets as a team

The main reason for our confidence in the future despite all challenges is our workforce. Krones has a highly qualified international team who are committed to surmounting all challenges. They demonstrated this impressively under difficult conditions in 2021. On behalf of the entire Executive Board, I would like to take this opportunity to thank all employees for their outstanding dedication in the 2021 financial year. I am sure that, working together as a team, we will master all the challenges and continue to successfully shape Krones' future.

Christoph Klenk  
CEO





## The Executive Board



**Markus Tischer**  
International Operations  
and Services

**Ralf Goldbrunner**  
Bottling and Packaging  
Equipment  
Compact Class

**Christoph Klenk**  
CEO

**Norbert Broger**  
CFO

**Thomas Ricker**  
CSO





## Report of the **Supervisory Board**



*Volker Kronseder  
Chairman of the  
Supervisory Board*

### **Ladies and Gentlemen,**

Following last year's pandemic-related loss, Krones returned to profitable growth in 2021. As well as the marked rebound in the global economy, the structural measures initiated by the Executive Board in 2019 and 2020 played a key part in this. Krones continued to implement those measures in 2021. In particular, reducing the workforce in Germany was a very hard decision for the Executive Board and the Supervisory Board. However, it was regrettably essential in order to avoid risk to the company's long-term success. For many years now, Krones has kept

the longer-term impacts in focus when making all major decisions. The Executive Board and Supervisory Board will continue to apply this principle of sustainability in all future strategic decisions at Krones.

### **Advice and oversight**

The Supervisory Board of Krones AG continuously monitored and advised the Executive Board during the 2021 financial year, as prescribed by the German Stock Corporation Act and the company's articles of association, and discharged its responsibilities with due care.

Provisions of the German Stock Corporation Act and the German Corporate Governance Code concerning the Executive Board's reporting obligations to the Supervisory Board were complied with at all times. The Executive Board regularly informed the Supervisory Board about the company's business and financial situation and risk management in written and oral reports both during and

outside of Supervisory Board meetings. With regard to decisions of particular significance to Krones AG and the Group, the Supervisory Board was informed and involved by the Executive Board at an early stage. The Chairman of the Supervisory Board and the Chief Executive Officer in particular maintained regular contact between meetings. In that connection, they jointly discussed matters of corporate strategy, current business performance, the risk situation, risk management and compliance.

The Supervisory Board accompanied the implementation of the Executive Board's structural measures during 2021 and kept itself regularly informed of the current status. Other focuses of the Supervisory Board's work in 2021 included the tight situation on procurement markets, achievement of the financial targets for 2021 and the new medium-term targets, and corporate strategy.

### **Changes in membership of the Supervisory Board**

There were two changes in the membership of the Supervisory Board in 2021. On the shareholder side, Norman Kronseder stepped down from the Supervisory Board at the end of the Annual General Meeting on 17 May 2021. Nora Diepold was elected in his place at the Annual General Meeting. On the employee side, Klaus Gerlach's term of office ended on 31 December 2021. He was succeeded as employee representative on the Supervisory Board by Stefan Raith.

### **No conflicts of interest**

According to recommendation E.1 of the German Corporate Governance Code, each member of the Supervisory Board is required to disclose conflicts of interest to the Chairman of the Supervisory Board without delay. No conflicts of interest were disclosed in the reporting period.



## Attendance at Supervisory Board meetings

In total, five regular Supervisory Board meetings were held in 2021. The Executive Board attended some meetings in a guest capacity. As a rule, however, the Supervisory Board met without the Executive Board. In accordance with Recommendation D.8 of the German Corporate Governance Code, we provide the following information on meeting attendance by individual members of the Supervisory Board:

Supervisory Board member	Number of meetings	Meetings attended
Volker Kronseder	5	5
Josef Weitzer	5	5
Dr. phil. Verena Di Pasquale	5	4
Nora Diepold (from 17 May 2021)	4	4
Robert Friedmann	5	4
Klaus Gerlach	5	5
Oliver Grober	5	5
Thomas Hiltl	5	5
Markus Hüttner	5	5
Norman Kronseder (until 17 May 2021)	1	1
Prof. Dr. jur. Susanne Nonnast	5	5
Beate Eva Maria Pöpperl	5	5
Norbert Samhammer	5	5
Petra Schadeberg-Herrmann	5	5
Jürgen Scholz	5	4
Hans-Jürgen Thaus	5	4
Matthias Winkler	5	5

## Supervisory Board meeting reports

The first meeting of the Supervisory Board in 2021 took place on 24 March. Representatives from Krones' auditing firm were present for a portion of the meeting. Chief Finance Officer Norbert Broger provided the Supervisory Board with a presentation of how the key figures developed in the 2020 financial year. The key audit partners then gave the Supervisory Board a detailed explanation of their audit engagement together with the focal points of their review of the 2020 annual financial statements and provided a detailed overview of the audit. They remained available for the Supervisory Board's questions and answered them in full. The Audit and Risk Management Committee commented on the results of the audit. The Supervisory Board then ratified the annual financial statements and management report of Krones AG and approved the consolidated financial statements and consolidated management report.

At the same meeting, a resolution was passed adopting the remuneration system for the Executive Board and the Supervisory Board and submitting it for approval at the Annual General Meeting. A further item on the agenda was the extension of the Executive Board appointments of Christoph Klenk, Markus Tischer and Ralf Goldbrunner through to 31 December 2026. The findings of the efficiency review on the work of the Supervisory Board were also presented.

In addition, the Chairman of the Supervisory Board presented the agenda for the 2021 Annual General Meeting to the Supervisory Board. Major items on the agenda for the Annual General Meeting included the dividend proposal for the 2020 financial year and the election of Nora Diepold as shareholder representative to the Supervisory Board. The Supervisory Board then adopted the agenda for the Annual General Meeting. In the report on business performance, the Executive Board informed the Supervisory Board about the current business environment and the measures for achievement of the 2021 financial targets.



The virtual Annual General Meeting of Krones AG was held on 17 May, followed by the second, constitutive meeting of the Supervisory Board. Supervisory Board Chairman Volker Kronseder took leave of long-standing Supervisory Board member Norman Kronseder and thanked him for his good and successful contribution. Norman Kronseder was a member on the Supervisory Board on the shareholder side since 1991 and left office at the end of the Annual General Meeting. In his place, the Annual General Meeting elected Nora Diepold, whom Volker Kronseder warmly welcomed to the Supervisory Board at her first meeting. The departing Supervisory Board member Norman Kronseder was also a member of the Audit and Risk Management Committee and of the Standing Committee. It was decided at the constitutive meeting that Norman Kronseder's place on the Audit and Risk Management Committee should be taken by Matthias Winkler. The vacancy on the Standing Committee was filled by Prof. Dr Jur. Susanne Nonnast. In the economic report, the Executive Board reported to the Supervisory Board on the current business situation and the key figures for the first quarter of 2021.

The third meeting of the Supervisory Board in 2021 took place on 21 July. A major topic of the meeting was the situation on procurement markets, with general supply chain problems and rising prices. Among other things, the Executive Board explained to the Supervisory Board the measures taken by Krones in response to the tight procurement market situation. A further topic at the meeting consisted of forthcoming changes in the company's organisation. In the economic report, the members of the Executive Board reported on how the business areas for which they are each responsible developed in the first half of 2021.

At its fourth 2021 meeting, held on 22 September, the Supervisory Board consulted intensively on corporate strategy and Krones' future strategic orientation. In addition, the Executive Board informed the Supervisory Board about the current business situation and notably about the supplier situation and the availability of materials. The Executive Board explained that the challenging situation

on the procurement markets did not put at risk the achievement of the 2021 financial targets. One topic that has risen significantly in importance is cybersecurity. Many companies have already fallen victim to cyberattacks. IT experts informed the Supervisory Board about the current status and further development of security measures at Krones. This related both to the company's own IT systems and production facilities as well as to Krones products.

The Supervisory Board held its fifth meeting in 2021 on 7 December. A major item on the agenda was the report of the Audit and Risk Management Committee addressing the topics of risk management, internal auditing and compliance. Committee Deputy Chairman Josef Weitzer explained the subject matter of the committee meeting of 17 November 2021 and the determinations on the risk management system and its effectiveness. He gave the Supervisory Board a detailed presentation on the strategic risks and explained that, in the opinion of the Audit and Risk Management Committee, Krones' risk management system adequately reflects the risks. The Supervisory Board also addressed the Declaration of Compliance pursuant to section 161 of the German Stock Corporation Act. A further topic of the fifth Supervisory Board meeting was the Executive Board's economic report with the annual budget and capital expenditure budget for 2022. The fifth meeting in 2021 was the last Supervisory Board meeting attended by Klaus Gerlach. Mr. Gerlach, an employee representative on the Supervisory Board since 2012, retired at the end of 2021. Volker Kronseder thanked him on behalf of the entire Supervisory Board for his many years of good service.

### The work of the Audit and Risk Management Committee

The Audit and Risk Management Committee comprises Volker Kronseder, Josef Weitzer, Hans-Jürgen Thaus, Norman Kronseder (until 17 May 2021), Jürgen Scholz, Markus Hüttner and Matthias Winkler (from 17 May 2021). Its Chairman is Hans-Jürgen Thaus. Mr. Thaus (former Chief Finance Officer of Krones AG) and Matthias Winkler (tax advisor and partner in an accounting firm) have the necessary expertise in accounting and auditing required by law.



The Audit and Risk Management Committee oversees the company's accounting and financial reporting, the audit of the financial statements and other reporting, and prepares related proposals for Supervisory Board resolutions. The Committee also prepares the Supervisory Board's review of the annual financial statements, the management report and the auditor's report for the separate and consolidated financial statements and makes recommendations. Furthermore, the Audit and Risk Management Committee monitors the quality of the financial statements and the effectiveness of the internal control system, the risk management system and the compliance system.

The Audit and Risk Management Committee held three meetings in 2021. In accordance with Recommendation D.8 of the German Corporate Governance Code, we provide the following information on meeting attendance by individual members of the Audit and Risk Management Committee:

Committee member	Number of meetings	Meetings attended
Hans-Jürgen Thaus	3	2
Josef Weitzer	3	3
Markus Hüttner	3	3
Norman Kronseder (until 17 May 2021)	1	1
Volker Kronseder	3	3
Jürgen Scholz	3	2
Matthias Winkler (from 17 May 2021)	2	2

At its first meeting, on 18 March, the committee primarily prepared the Supervisory Board meeting held to ratify the financial statements. To this end, representatives of Kronos' auditor presented the committee with a detailed report on

the audit of the annual and consolidated financial statements. This covered the scope, content and focal points of the audit. The members of the Audit and Risk Management Committee unanimously agreed to recommend that the Supervisory Board should ratify the annual financial statements and management report of Kronos AG for the 2020 financial year and approve the consolidated financial statements and consolidated management report for 2020. Another item on the agenda of the first meeting was the non-financial report for the 2020 financial year. The committee members passed a resolution recommending that the Supervisory Board should ratify the 2020 non-financial report.

The Audit and Risk Management Committee met for its second meeting in 2021 on 28 June. At that meeting, the committee consulted on current business developments and on conditions of supply and delivery.

The third meeting of the Audit and Risk Management Committee took place on 17 November. At that meeting, the heads of Controlling, Internal Audit and Compliance informed the members of the committee in detail about the current risk situation, internal audit and compliance management. Also in the same meeting, the committee addressed the effectiveness of the risk management system.

### The work of the Standing Committee

The members of the Standing Committee are Volker Kronseder, Josef Weitzer, Norman Kronseder (until 17 May 2021), Prof. Dr. jur. Susanne Nonnast (from 17 May 2021) and Markus Hüttner. It is chaired by Volker Kronseder. The committee generally deals with all other topics that are outside the remit of the Audit and Risk Management Committee. These include, for example, human resources strategy and Executive Board and Supervisory Board remuneration.



The Standing Committee met three times in 2021. In accordance with Recommendation D.8 of the German Corporate Governance Code, we provide the following information on meeting attendance by individual members of the Standing Committee:

Committee member	Number of meetings	Meetings attended
Volker Kronseder	3	3
Josef Weitzer	3	3
Markus Hüttner	3	3
Norman Kronseder (until 17 May 2021)	1	1
Prof. Dr. jur. Susanne Nonnast (from 17 May 2021)	2	2

At its first meeting, on February 18, the Standing Committee dealt with the revision of the remuneration system for the Executive Board and changes to the remuneration system for the Supervisory Board and prepared recommendations on these matters for the Supervisory Board. Also at the same meeting, the committee resolved to recommend to the Supervisory Board that the Executive Board appointments of Christoph Klenk, Markus Tischer and Ralf Goldbrunner be extended through to 31 December 2026.

The Standing Committee's second meeting took place on 12 July. In this meeting, the committee dealt with internal organisation changes and a recommendation on this subject to the Supervisory Board.

The main topics discussed at the third meeting of the Standing Committee, which was held on 17 November 2021, were the strategy process and the Krones target vision for 2025.

### Supervisory Board concurs with audit results

The annual financial statements of Krones Aktiengesellschaft prepared by the Executive Board, the consolidated financial statements, the management report for Krones AG and the group management report for the period ended 31 December 2021 were examined by the auditors elected by the annual general meeting, Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, and each issued with an unqualified audit report. The audited annual financial statements and consolidated financial statements, the management report for Krones AG and the consolidated management report for the period ended 31 December 2021 were duly submitted to all members of the Supervisory Board for review. The audited financial statements and management reports were the subject of the Supervisory Board meeting held to ratify the financial statements on 23 March 2022. Representatives of the auditing firm also attended for part of that meeting and informed the Supervisory Board of their audit results and the focal points of their audit.

The Supervisory Board noted and approved the audit results. No objections were raised following the final review by the Supervisory Board, which covered in particular the matters described in the auditor's audit report including the audit procedures. The Supervisory Board has ratified the annual financial statements





for Krones AG and approved the consolidated financial statements as well as the Executive Board's proposal for the appropriation of earnings available for distribution. The 2021 annual financial statements for Krones AG are thus ratified.

The auditors included in their audit the Executive Board's report, in accordance with section 312 of the German Stock Corporation Act, on Krones AG's relations to affiliated companies and submitted their audit report to the Supervisory Board. The audit by the auditors did not give rise to any objections. The auditor issued the following unqualified audit opinion on the dependency report:

"Based on our due audit and assessment, we confirm that

1. the statements as to fact made in the report are accurate,
2. the consideration given by the company in respect of the legal transactions referred to in the report was not unreasonably high."

The Supervisory Board's review of the report, in accordance with section 312 of the German Stock Corporation Act, on Krones AG's relations to affiliated companies did not give rise to any objections. The Supervisory Board therefore concurred with the results of the audit by the auditors. Following the final outcome of its own review, the Supervisory Board did not raise any objections to the Executive Board's concluding declaration on relations with affiliated companies.

In addition to the statutory audit, Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft also performed a limited assurance review of the separate combined non-financial report of Krones AG and the Krones Group for the period from 1 January to 31 December 2021. On the basis of that review, the auditor did not raise any objections to the non-financial report or with regard to the meeting of statutory requirements relating to the non-financial report.

### Thanks to the Executive Board and the employees

Krones returned good earnings in the 2021 financial year, despite the impacts of the Covid-19 pandemic. This was only possible because the entire Krones team worked hard and with dedication towards success. For this, the members of the Supervisory Board would like to thank the Executive Board and all of the company's employees.

Neutraubling, March 2022

The Supervisory Board

Volker Kronseder

Chairman of the Supervisory Board



## The Supervisory Board



**Volker Kronseder**  
Chairman of the Supervisory Board

\* University Hospital Regensburg  
\* Economic Advisory Board, Bayerische  
Landesbank



**Josef Weitzer\*\***  
Deputy Group Employees' Council Chairman  
Deputy Composite Employees' Council Chairman  
Employees' Council Chairman, Neutraubling

\* Bay. Betriebskrankenkassen



**Markus Hüttner \*\***  
Deputy Group Employees' Council Chairman  
Deputy Composite Employees' Council Chairman  
Deputy Employees' Council Chairman,  
Neutraubling



**Nora Diepold** (since 17 May 2021)  
Chief Executive Officer  
nk Immobilienverwaltungs GmbH Regensburg



**Dr. phil. Verena Di Pasquale\*\***  
Deputy Chairperson of bGv Bayern  
(the German Trade Union Confederation  
in Bavaria)



**Robert Friedmann**  
Spokesman for the central managing board  
of the Würth Group  
\* zF Friedrichshafen AG



**Klaus Gerlach\*\*** (until 31 December 2021)  
Head of Central International Operations  
and Services



**Oliver Grober\*\***  
Chairman of the Employees' Council,  
Rosenheim



**Thomas Hilt\*\***  
Chairman of the Employees' Council,  
Nittenau



**Norman Kronseder** (until 17 May 2021)  
Farmer and forester

\* Bayerische Futtersaatbau GmbH



**Prof. Dr. jur. Susanne Nonnast**  
Professor at Ostbayerische Technische  
Hochschule (OTH) Regensburg



**Beate Eva Maria Pöpperl \*\***  
Independent Member of the Employees'  
Council



**Stefan Raith** (since 1. January 2022)  
Head of Business Line, Line Solutions  
Krones AG

\* re-sult AG, Regensburg



**Norbert Samhammer**  
Managing Director, Samhammer Holding  
GmbH

\* Samhammer AG



**Petra Schadeberg-Herrmann**  
Managing Partner, Krombacher Brauerei  
Bernhard Schadeberg GmbH & Co. KG,  
Krombacher Finance GmbH, Schawei GmbH,  
Diversum Holding GmbH & Co. KG



**Jürgen Scholz\*\***  
First authorised representative, IG Metall  
administrative office in Regensburg

\* Infineon Technologies AG



**Hans-Jürgen Thaus**  
\* Maschinenfabrik Reinhausen GmbH



**Matthias Winkler**  
Managing Partner ww+KN Steuerberatungs-  
gesellschaft mbH  
Managing Partner ww+KN Treuhand GmbH





## The Krones share



*“Our share price benefited from the company’s strong financial results with a value gain of 45.2% in 2021.”*

*Olaf Scholz  
Head of Investor Relations*

- Equity markets benefited in 2021 from high market liquidity
- Krones shares a clear outperformer with 45.2% price gain
- Shareholders to receive dividend of €1.40 per share for 2021

### High liquidity and rising corporate profits drive global stock market rally

The 2021 stock market year showed a stable upward trend overall. After a weak January, share prices rose steeply to mid-year. The bull market was mainly driven by the ongoing highly expansionary monetary policy pursued by major central banks. Successful vaccination campaigns against the coronavirus

in industrialised countries also resulted in optimistic forecasts for the economy. Together with the huge stimulus packages launched by major governments in 2020, these made for a global economic upturn and rising corporate profits.

Stock markets did not climb as rapidly in the second half of the year. The upward trend was interrupted many times. Bad news from China, where major property developers ran into difficulties, led to short-term dips in the market. Global supply chain problems also affected investor confidence. Overall, however, the positive underlying sentiment continued in the second half of the year, with the result that the major stock market indices ended 2021 close to their highest levels for the year and with mostly double-digit gains.

Germany’s DAX index climbed 15.8% in the reporting period to 15,885 points. As a result, the DAX ended 2021 just 2.5% below its all-time, November 2021 high of 16,290 points. The Euro Stoxx 50 did even better. Representing the 50 largest companies in the euro area, the index gained 21.0% in the reporting period. The best-known US index, the Dow Jones, also increased significantly by 18.7%. The upward trend on the Japanese stock market was less dynamic. The Nikkei index improved by just 4.9% in reporting year.



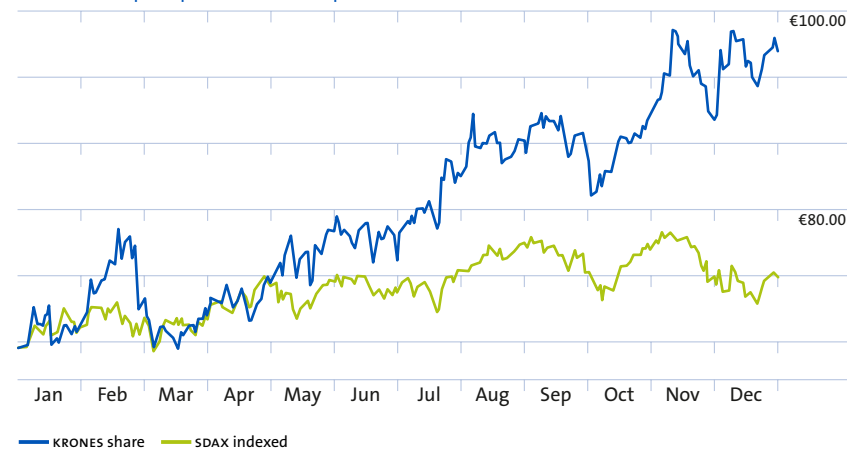
## Krones shares a clear outperformer with 45.2% price gain

*The Krones share benefited over the course of 2021 from the company's positive business figures. Our share price significantly outperformed the SDAX for almost the entire reporting period.*

After a slow start to the 2021 stock market year, and especially from May onwards, the Krones share price performed significantly better than the market. The main reason for the strong upward movement was the company's good business performance.

In February, the share price benefited from publication of the preliminary figures for the 2020 financial year along with guidance for 2021. It then fell back to its level from the beginning of the year and marked its low for the reporting period at €64.30 on 17 March. Krones shares then climbed slightly, in step with the overall market. In May, the share price reacted positively to the good figures for the first quarter, rising to around €80 by the beginning of June. The next boost to our share price came in July with the preliminary half-year figures and the upgraded full-year guidance for 2021. Supported by many positive comments

Krones share price performance compared with the SDAX 2021



from analysts, our shares climbed to around €90 at the beginning of August. Towards the end of the third quarter of 2021, the share price suffered from the general weakness of the equity markets triggered by concerns about rising inflation and interest rates and by problems at Chinese property developers.

Krones shares got off to a good start in the fourth quarter and confirmed the upward trend. Following the publication of the nine-month figures on 5 November, the share price reached its high for the year at €99.60. Following the Capital Market Day on 16 November, at which Krones announced new medium-term targets, several banks raised their price targets for our shares to in excess of €100. The positive assessment by analysts and investors ensured that Krones' shares significantly outperformed all major stock indices through to the end of the year, closing at €95.90 for a 45.2% annual gain. Including the €0.06 per share dividend, our share price gained 45.3% in value over the course of 2021. The SDAX, of which Krones has been a component since 2018, went up by just 11.2% in 2021.

Key figures for the Krones share

At 31 December	2021	2020	2019
Earnings per share	€ 4.47	-2.52	0.30
Equity per share	€ 44.05	37.98	43.36
Free cash flow per share	€ 6.43	7.00	-2.99
Price/earning (P/E) ratio based on closing price for the year	21.5	-	225.0
Dividend per share	€ 1.40*	0.06	0.75
High	€ 99.60	75.50	88.85
Low	€ 64.30	41.92	47.46
Year's closing price	€ 95.90	66.05	67.50

\* As per proposal for the appropriation of earnings available for distribution; share price data source: Xetra



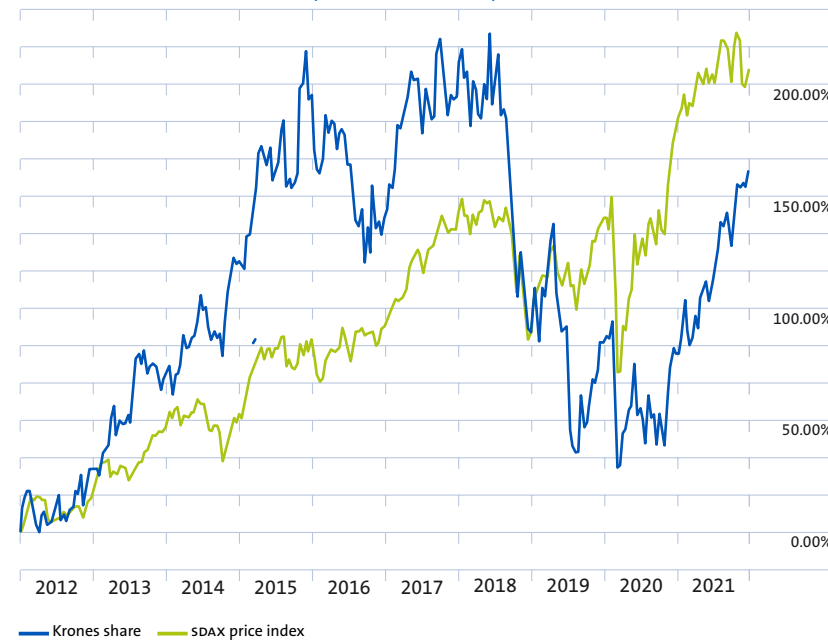
### Ten-year performance of Kronos shares: 11.8% p.a.

*The Kronos share price has risen by an average of 10.1% a year over the last ten years. Including dividends, the value growth is 11.8% p.a.*

The past ten years from 2012 to 2021 have seen our share price increase by 160%. Kronos' average annual share price gain over the ten-year period comes to 10.1%. That is slightly less than the SDAX price index (+11.8%), meaning the SDAX excluding dividends.

Including paid-out dividends, and assuming these are reinvested in Kronos shares after payout, the average annual return on our shares since 2012 comes to 11.8%. The comparable SDAX performance index gained 14.0% annually.

Performance of Kronos shares compared with the SDAX price index, 2012 – 2021



### Kronos improves position in SDAX index

Kronos shares have been listed and available for trading on all German stock exchanges since 29 October 1984. Our shares are no par value ordinary bearer shares. Each share carries one vote in the annual general meeting. The total number of Kronos shares is 31,593,072.

*At the end of 2021, Kronos' shares ranked 17th in terms of market capitalisation, placing Kronos among the heavy-weights of the 70 companies in the SDAX index.*

Our share has been a component of the SDAX since mid-2018. The SDAX is the Deutsche Börse stock exchange index containing the 70 companies that succeed those listed in the MDAX in market capitalisation. Until Deutsche Börse's index reform in September 2021, inclusion in the index was based on stock exchange turnover as well as market capitalisation. Following that reform, the sole quantitative criterion is the market capitalisation of shares in free float (as defined by Deutsche Börse). As a result of the company's good performance, Kronos significantly improved its position in the SDAX during the reporting period, ranking 17th (previous year: 25th) among SDAX companies in terms of market capitalisation at the end of 2021.

Total daily trading volume in XETRA trading and on Frankfurt stock exchange averaged around 35,500 Kronos shares in 2021 (previous year: 48,000 shares). 2021 likewise saw fewer Kronos shares change hands on alternative trading platforms, which primarily handle orders from institutional investors. Average daily trading volume there came to around 47,500 shares (previous year: around 65,000).

#### Key data for the KRONOS share

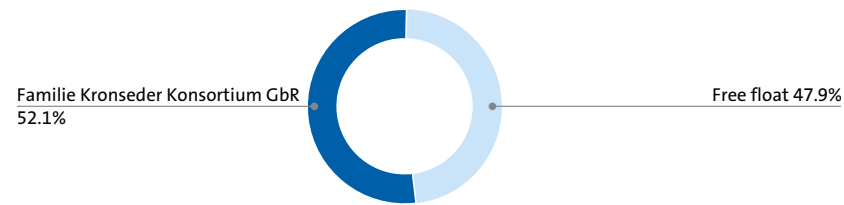
Number of shares	31,593,072
German securities identification number	633500
ISIN	DE 0006335003
XETRA ticker symbol	KRN



## Shareholder structure

Krones' shareholder structure remained virtually unchanged in the reporting period. At 31 December 2021, Familie Kronseder Konsortium GbR held the majority of Krones AG's shares, with 52.1%. The family intends to remain a stable majority shareholder of Krones AG. The free float came to 47.9% at the end of 2021.

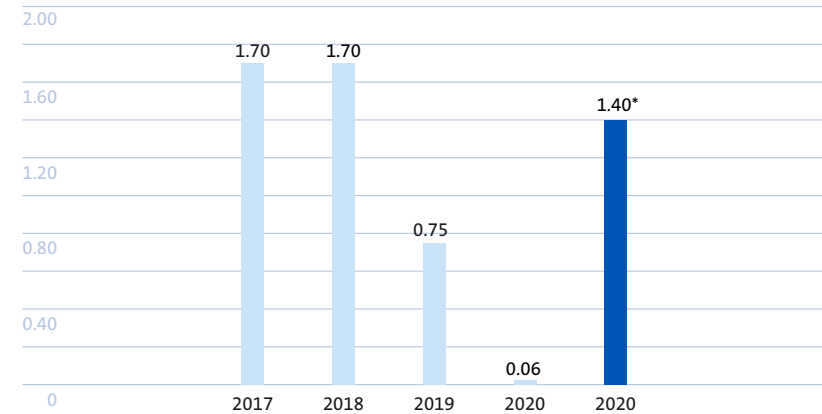
Shareholder structure as of December 2021



## Krones to pay a dividend of €1.40 per share for 2021

Krones' long-term dividend policy is to pay out 25% to 30% of consolidated net income to shareholders. Due to the pandemic-related negative net income in 2020, the company paid only the statutory minimum dividend last year. This was €0.06 per share. For 2021, which was a successful year overall, Krones intends to significantly increase the dividend to €1.40 per share. This corresponds to 31% of consolidated net income. The dividend ratio is thus slightly above the long-term target corridor.

Dividend per share (€)



\* As per proposal for the appropriation of earnings available for distribution



## Sustainability at Krones

Sustainable value creation is a central focus at Krones in order to make our contribution to a future worth living. Our customers also attach great importance to sustainable production and products. Investors also increasingly base investment decisions on sustainability criteria. Krones' sustainability targets, strategies and performance are of great importance to stakeholders.

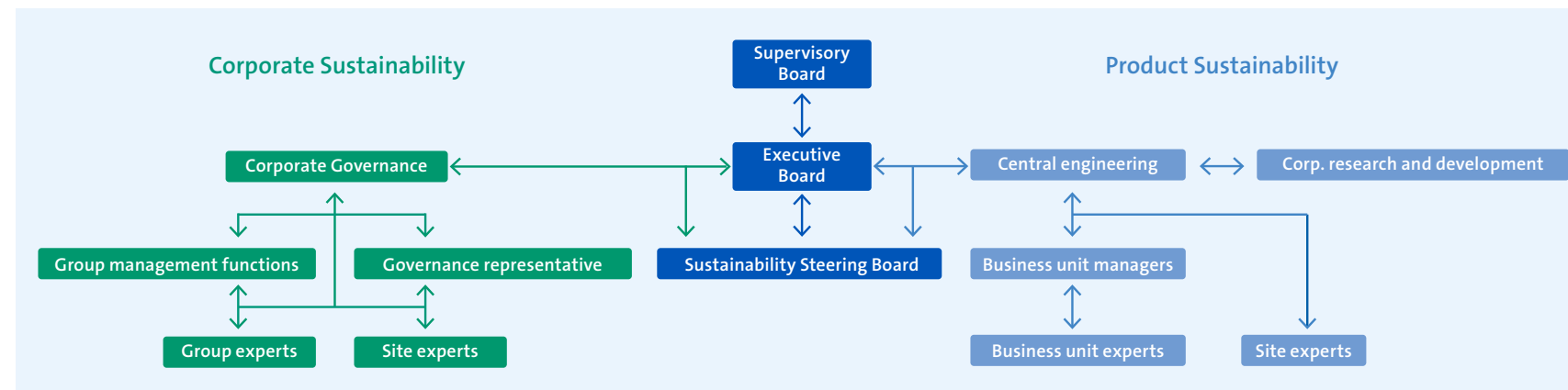
### Our approach

Efficient and environment-friendly technologies for safe and high-quality beverages: That is the mission in terms of sustainability that Krones has set itself as systems supplier to the food and beverage industry. Consumers are making sustainability part of their buying choices more than ever before, and so our customers depend on us to provide sustainable solutions for their production operations.

We focus on innovative solutions and efficient technologies. Accordingly, we work continuously to improve the efficiency, longevity and eco-friendliness

of our products and services. We are also increasing the sustainability of our own operations and value creation processes. We firmly believe that a consistent approach to sustainability will help us leverage new opportunities for growth.

Two separate teams serve as Group-wide coordinating bodies to integrate sustainability in parallel into the development of our company and our products: All product-specific sustainability issues converge in Corporate Development, while all company-specific environmental, social and governance (ESG) aspects are centrally managed by Corporate Governance. The top-level Sustainability Steering Board addresses all sustainability matters arising from the entire Krones Group value chain. Here, representatives from the management of central units along the value chain (including procurement, research and development, and sales) consult on the strategic orientation in terms of sustainability and formulate suggestions and recommendations for the Executive Board.





## Our targets

In 2020, analogous to the material sustainability topics, Krones developed and adopted new goals for the company's sustainable development through to 2030. Unless noted otherwise, the new goals use the year 2020 as a baseline and apply across the group. The goals are to be reviewed as needed based on new materiality analyses, legal and regulatory requirements and stakeholder interests.



### Ethics

- Pursue a zero-tolerance policy with respect to compliance and human rights violations.
- Increase the material efficiency and sustainability of our raw materials.
- Evaluate 100% of our critical suppliers against sustainability criteria.

### Employees

- Motivate our employees to do their best work by offering an attractive working environment with plenty of opportunity for personal development.
- Step up our efforts to promote diversity in our workforce.
- Reduce the number of work-related accidents and resulting lost days by 30%.

### Market

- Bring our products' energy and media consumption to the lowest possible level.
- Enable our customers to achieve zero waste production.
- Contribute to a sustainable packaging economy.

### Environment

- Reduce our corporate carbon footprint (scope 1 and scope 2) by 80% (baseline: 2019).
- Reduce our product carbon footprint (scope 3) by 25% (baseline: 2019).
- Reduce both hazardous waste generation and drinking water consumption by 10%.

### Society

- Give 0.01% to 0.02% of our prior-year revenue back to stakeholders in the form of charitable donations and sponsoring.
- Ensure the confidentiality, availability and integrity of our employees' and business partners' data.
- Establish a state-of-the-art IT security architecture for all Krones products.





### Our impact on the SDGs

The United Nations Sustainable Development Goals (SDGs) are considered the most important set of global targets for sustainable development. The 17 goals were published in September 2015 as part of the UN's Agenda 2030. They articulate the key challenges and resolutions of a global sustainability policy and thus serve as a guide for the sustainable development of society, culture and the economy.

Because it is part of global value chains, the Krones Group also influences economic, environmental, and social developments – sometimes directly and

materially and sometimes only indirectly and to a small extent. When assessing sustainability topics for materiality in 2019, we made the impact on SDGs a key factor. We held a stakeholder workshop with representatives from administration, trade associations, academia and our employees in which we discussed the global SDGs on which the Krones Group is already having an impact and which ones it will need to address in the future. The results of the workshop were part of our materiality analysis and have also been incorporated into our strategic planning of sustainability-related activities. Krones has an influence on the following UN SDGs:





## Our network

We believe that we are stronger when we work together. Krones has been a member of the UN Global Compact since 2012. We collaborate with companies within our industry under a diverse range of sustainability-focused project groups of the German Engineering Federation (VDMA) and are an official partner to the VDMA's Blue Competence Sustainability Initiative.

Our climate strategy 2030 has been officially validated by the Science Based Targets initiative. In the 2021 financial year, we additionally joined Business Ambition for 1.5 °C.

We ensure transparency towards customers, investors, and analysts by participating in recognised ratings and audits.

On the annual reassessment of our sustainability performance, we use feedback from rating agencies to fine-tune our structures, processes and activities. We thus improved our CDP Climate Change score from D in the previous year to C. Conversely, our rating on the EcoVadis Scorecard went down from gold to silver. It is clear to us that the realignment of our sustainability strategy in 2020 was an important further step towards sustainable development at Krones. Our ambition is to become the industry benchmark in terms of sustainability. We aim for this to be reflected in our ratings in future years.

### We are members of



### We operate within



### We report to





## Environmental sustainability: Decarbonisation

Activities to reduce greenhouse gas emissions are of particular importance to the capital market. In addition to Scope 1 and Scope 2 emissions, analysts and investors are notably interested in how we reduce carbon emissions from our machinery and equipment (Scope 3 emissions) and so help customers shrink their carbon footprint. This is a decisive investment criterion for customers and hence also a key success factor for Krones. In the following, we therefore present information on the reduction of Krones' carbon footprint.



### Target

We are reducing the Krones Group's corporate carbon footprint by cutting Scope 1 and Scope 2 greenhouse gas emissions by 80% by 2030. With regard to the group's Scope 3 emissions, we aim for a reduction of 25 percent by 2030, with a focus on shrinking our product carbon footprint. Both goals use 2019 as the base year. Above and beyond these goals, we aim to make our own business processes climate neutral in the long term.

**Scope 1 emissions** are "direct" emissions generated by on-site combustion.

They therefore include all greenhouse gas emissions resulting from the company's own business activities.

**Scope 2 emissions** are "indirect" energy-related emissions from the generation of energy purchased by the company for its own use. These greenhouse gas emissions are physically generated in electricity, steam and district heat generating plants operated by external energy producers.

**Scope 3 emissions** are all other indirect emissions from the value chain and products. They include all other indirect greenhouse gas emissions from upstream and downstream business activities.

As a company that emits greenhouse gases along its value chain, we have a responsibility to help combat climate change. To meet this responsibility, we set new climate targets in the 2020 financial year. These provided for significant reductions in both direct and indirect emissions by 2030. We set the reductions to be achieved in each case in terms of absolute figures not tied to revenue.

The associated climate strategy covers all major production sites in the Krones Group worldwide and has been validated in an objective evaluation by the Science Based Targets initiative.

### Environmental and climate policy

To set strategic and organisational priorities in operational environmental and climate protection at Krones, we adopted and published a Group-wide environmental and climate policy at Krones in the 2021 financial year. We also specified environmental standards, focal topics and the associated targets, processes and responsibilities. The standards are to be applied in day-to-day production processes and projects, thus ensuring environmentally friendly operations at all producing sites and subsidiaries and contributing to continuous improvement in environmental protection.

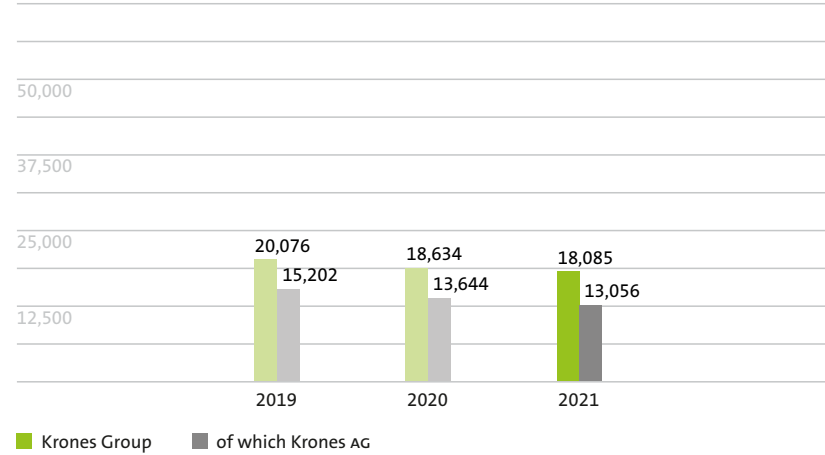


### Reduction of Scope 1 and Scope 2 emissions

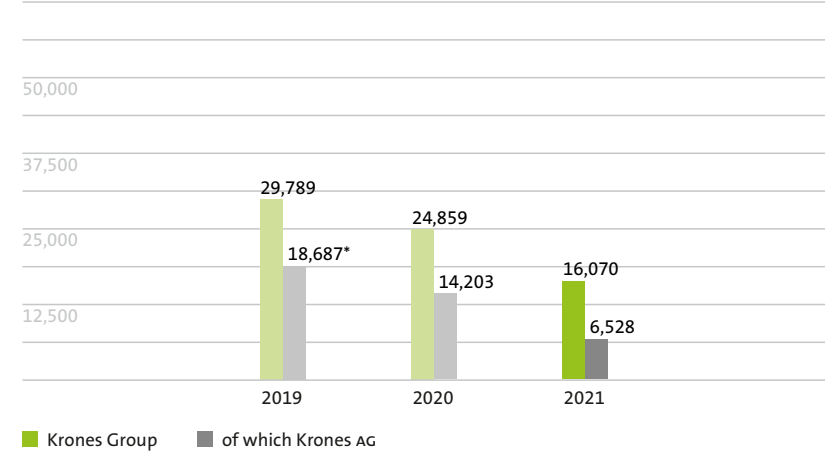
For the reduction of direct and indirect energy-related greenhouse gas emissions, all measures have been assigned to the areas of energy efficiency, own generation and energy procurement.

The charts below show the development of greenhouse gas emissions at Krones.

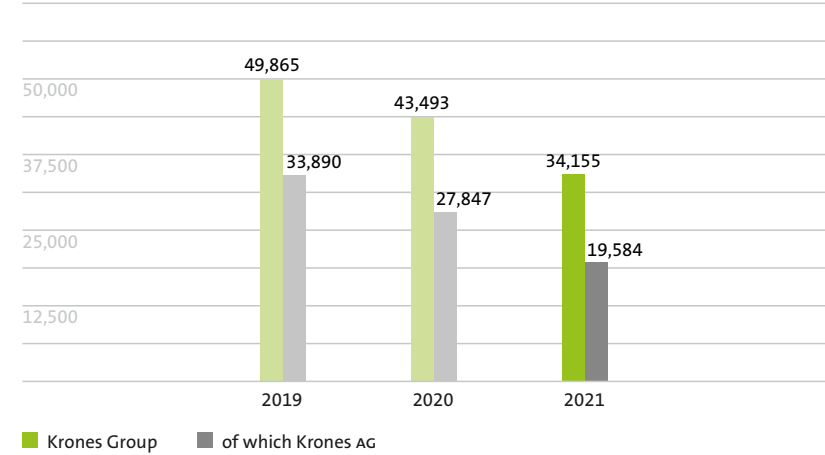
Krones Group: Greenhouse gas emissions, Scope 1 (metric tonnes)



Krones Group: Greenhouse gas emissions, Scope 2 (metric tonnes)



Krones Group: Greenhouse gas emissions, Scope 1 and Scope 2 (metric tonnes)





### Reducing Scope 3 emissions

Our analysis has shown that the majority of our Scope 3 emissions come from the downstream value chain. We therefore focus efforts to reduce Scope 3 emissions on improving our own products. Although we have achieved substantial and consistent results under the enviro programme, we do not want to leave the remaining potential for reduction untapped. You can read more about this under “Product sustainability” on page 17 to 23 of our Non-financial Report.

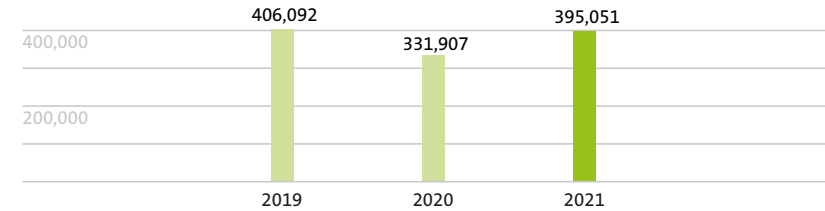


As of 2021, we are also placing an increasing focus on the upstream supply chain. In a database analysis based on monetary procurement figures, we have identified the biggest emission drivers in our supply chain. The next step is to derive suitable measures for reducing emissions here as well. We have already entered into discussions with an initial selection of suppliers in order to find an effective and practicable approach (for more information, please see und “Sustainable supply chain” on page 71 to 74 of the Non-financial Report).

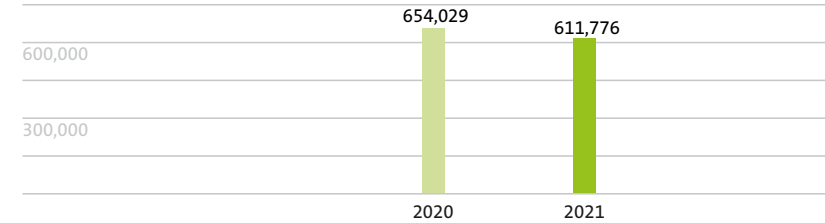


Krones Group: Greenhouse gas emissions, Scope 3 from the use of our machines and lines 2021 (GHG Protocol Scope 3 Category 11)

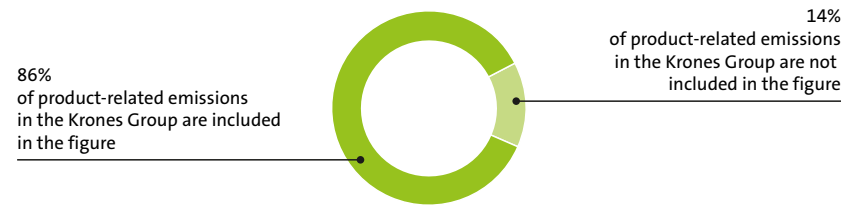
Krones Group: Greenhouse gas emissions, Scope 3 from the use phase of our machines and lines (metric tonnes)



Krones Group: Greenhouse gas emissions, Scope 3 from the upstream supply chain (metric tonnes)



Percentage group coverage in reported Scope 3 downstream emissions



More information on the subject of sustainability at Krones can be found in our Non-financial Report.

This is available online at [www.krones.com/en/company/responsibility/downloads.php](http://www.krones.com/en/company/responsibility/downloads.php), which is published concurrently with this Annual Report.

