KENNAMETAL

2026 FISCAL YEAR

CORPORATE RESPONSIBILITY REPORT

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ABOUT THIS REPORT

Our FY2026 Corporate Responsibility Report covers all global operations where we have financial and/or operational control related to the 2026 fiscal year from July 1, 2025, to June 30, 2026, unless otherwise noted.

This report was prepared in reference to the Global Reporting Initiative Standards and the Sustainability Accounting Standards Board Industrial Machinery & Goods 2023-12 Sustainability Accounting Standard. The report also aligns with the Task Force on Climate-related Financial Disclosures recommendations. Content indexes are available from page 64.

Kennametal is committed to transparency, engagement and consistent communication of our Corporate Responsibility strategy and related programs to all stakeholders. This is our seventh annual report, which takes a materiality-based approach to disclosure.

Sanjay Chowbey President and CEO

FROM THE PRESIDENT AND CEO

DEAR KENNAMETAL STAKEHOLDERS,

Our commitment to Corporate Responsibility continues to strengthen our business and create long-term value for our stakeholders. In FY26, we made solid progress through disciplined execution, continuous improvement and a clear focus on the ESG priorities that matter most. We remain committed to integrating these considerations into our daily decisions to support resilience, manage risk and drive sustainable growth and value.

This year, we further refined our strategy by engaging with stakeholders and responding to evolving regulations, customer expectations and market dynamics. Insights from our double materiality assessment and climate risk analysis continued to help us better understand the topics most important to our business and where we can have the greatest impact. These efforts strengthen our transparency and keep us aligned with both business priorities and external expectations.

We continued to advance environmental stewardship across our operations by improving energy efficiency, increasing renewable energy use, and maintaining our focus on water and waste management . Environmental improvement projects and process upgrades supported progress in resource efficiency across our global operations. We also expanded our circular manufacturing efforts, including recycling programs that reduce waste and recover valuable materials.

Our people remain at the center of everything we do. In FY26, we continued to invest in employee development, inclusion and belonging and health and safety. Our teams repeatedly demonstrate our core values of safety, respect, integrity and accountability in the way we work and engage with our communities.

We also strengthened our governance practices through improved data systems, enhanced audit processes and alignment with evolving regulations. Oversight from our Board and Executive Leadership Team ensures Corporate Responsibility remains embedded in our strategy and how we manage ESG risks and opportunities.

As we look ahead, we remain focused on advancing our strategy, driving operational excellence and strengthening the long-term resilience of our business. I'm proud of the progress we've made and grateful to our employees around the world whose dedication continues to move us forward. Together, we are building a stronger, more sustainable Kennametal.

Best regards,

Sanjay Chowbey

Sanjay Chowbey
President and CEO

CORPORATE RESPONSIBILITY STRATEGY

Corporate Responsibility is an essential component of Kennametal's strategy for generating long-term value. Our approach is grounded in continuous improvement and risk awareness, with a focus on strengthening business resilience and responding to evolving stakeholder expectations. We integrate environmental, social and governance (ESG) strategies into daily decision-making to support risk mitigation, resilience and value creation.

Our core values—Safety, Respect, Integrity and Accountability—remain central to our ESG strategy. These values guide how we engage with one another and the global communities we serve. Corporate Responsibility continues to support Kennametal's three value creation pillars, which are built on a strong foundation of an engaged workforce, shared values and a winning culture.

In FY26, we continued to refine our Corporate Responsibility Strategy through ongoing stakeholder engagement, monitoring emerging regulatory developments, and evaluating evolving customer, investor and supplier expectations. Insights from our double materiality assessment continue to inform us of the ESG topics most relevant to our business and stakeholders.

Corporate Responsibility Oversight

Corporate Responsibility is integrated into our broader corporate strategic review process. As part of this process, the Board of Directors, Executive Leadership Team (ELT), and business segment leaders assess how their respective plans align with and support our Corporate Responsibility priorities and related internal objectives. Oversight is provided by the Nominating/Corporate Governance Committee, which monitors the maturity and progress of associated initiatives, with the full Board conducting a formal review at least annually.

At the management level, implementation is led by the Corporate Responsibility Steering Committee, co-chaired by our Vice President, Secretary and General Counsel and our Vice President and Chief Administrative Officer. This cross-functional team supports the ELT by helping to shape goals and strategies, monitors evolving stakeholder expectations and tracks ESG-related developments impacting the business. Members of the Steering Committee include representatives from Corporate Environmental, Health & Safety (EHS), business segments, plant leadership and operational teams who monitor stakeholder expectations and drive execution across our global enterprise.

Our Steering Committee brings together representatives from Corporate EHS business segments, plant leadership and operations to monitor stakeholder expectations and drive execution across our global enterprise.

THREE VALUE CREATION PILLARS WITH STRONG FOUNDATION

DELIVERING GROWTH
Growing Above Market

CONTINUOUS IMPROVEMENT
Lean Transformation

PORTFOLIO OPTIMIZATION
Right Products, Right Places

FOUNDATION: ENGAGED EMPLOYEES, OUR CORE VALUES AND A WINNING CULTURE

Building Together

- Safe Workplace
- Engaged and Diverse Workforce
- Efficient Business Processes
- Organizational Capabilities

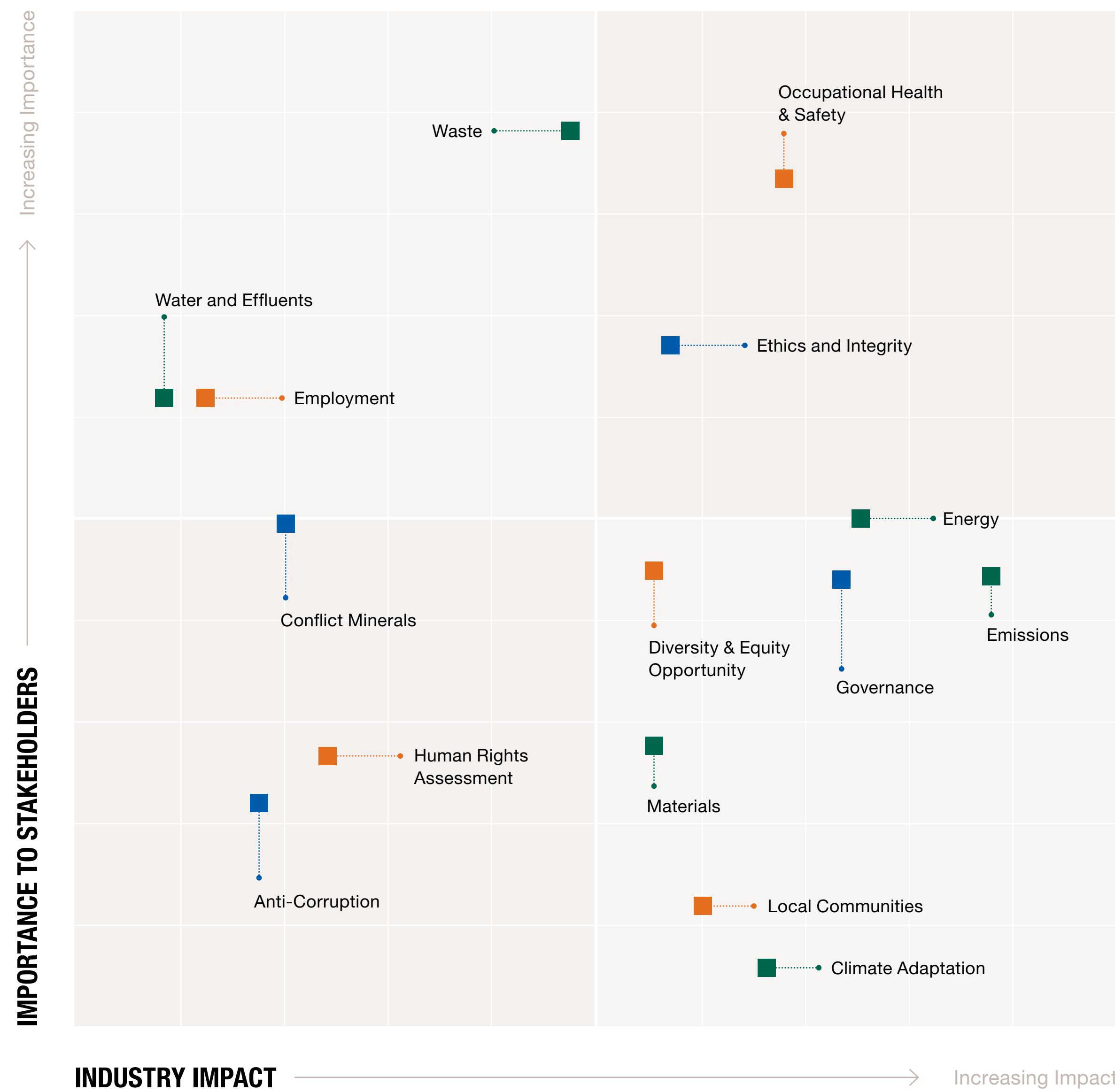
Materiality-Based Approach To ESG

Kennametal's Corporate Responsibility framework continues to be guided by the comprehensive materiality assessment conducted in FY22 which identified the ESG topics most relevant to our operations, value chain and stakeholders—see the materiality matrix on the right. The assessment was conducted by an independent third-party and incorporates input from a range of internal and external stakeholders including investors, customers, employees and ESG rating organizations, as well as benchmarking against industry peers.

The assessment aligned with relevant sector-specific frameworks, including the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) Industrial Machinery & Goods Standards. Additional non-GRI topics were also considered based on stakeholder interest, with input from leading ESG raters and institutional investors and United Nations Sustainable Development Goals (SDGs), which provide a global framework for advancing environmental stewardship, social equity and economic resilience. Report indexes covering GRI, SASB and SDG alignment are provided beginning on page 50.

In FY25, we conducted a double materiality assessment (DMA) and climate scenario analysis aligned with the Task Force on Climate-related Financial Disclosures (TCFD) framework to enhance our understanding of our ESG impacts and climate-related risks and opportunities and to support our assessment of evolving disclosure requirements, including California Senate Bill 261 (SB 261).

These efforts improve transparency and help us focus our ESG strategies and actions on the topics most relevant to our operations and key shareholders. As we look ahead, we recognize regulatory and reporting requirements will continue to evolve. We will continue to assess the implications for our business and evaluate applicable requirements as we refine our ESG priorities, disclosures, and reporting approach.



RESPONSIBLE ENVIRONMENTAL PRACTICES

- 6 | Environmental Management
- 11 | Climate Protection
- 14 | Water Conservation
- 15 | Waste Management
- 17 | Air Emissions

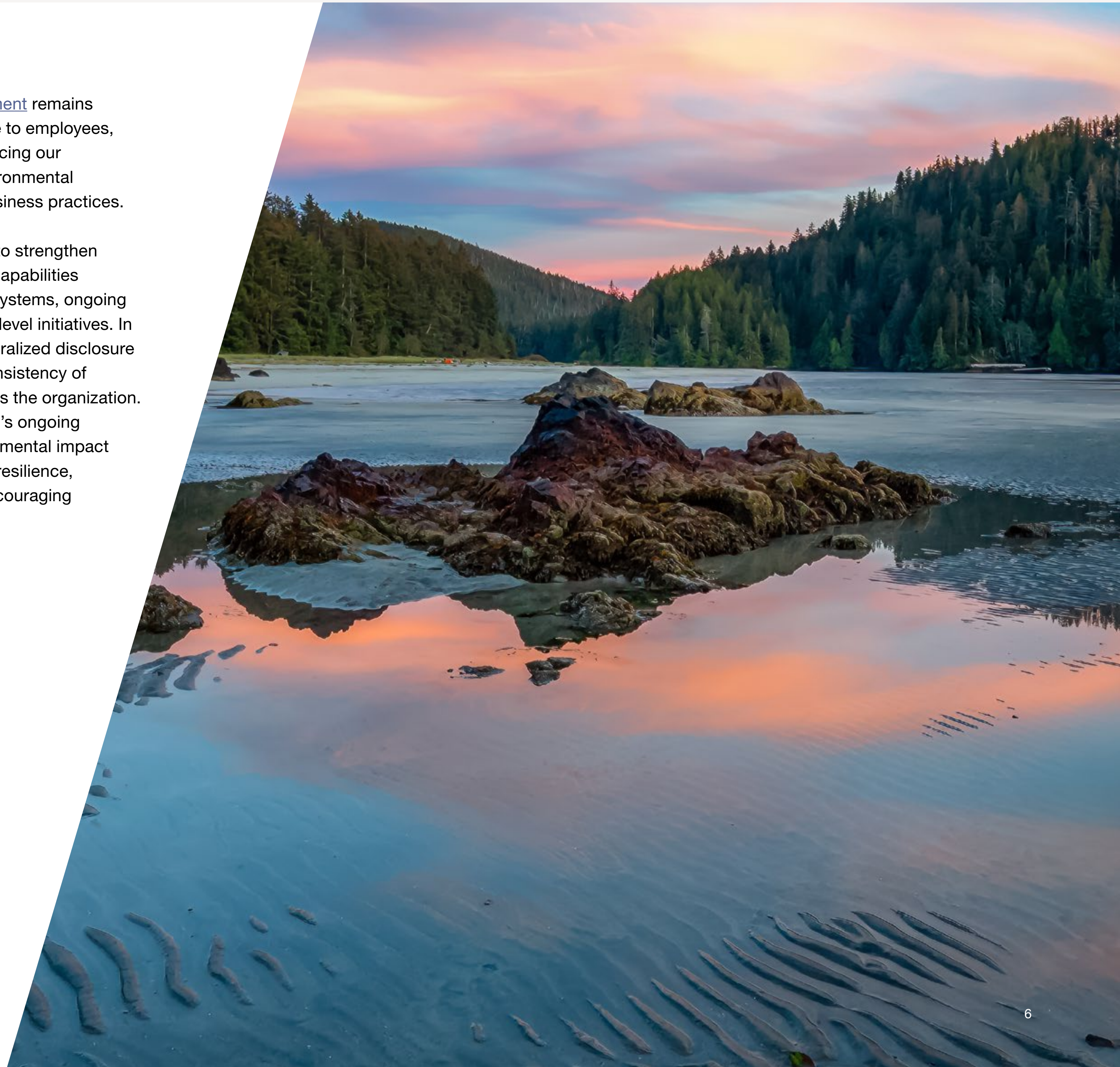
ENVIRONMENTAL MANAGEMENT

Kennametal is committed to conducting its operations in ways that do not negatively impact the environment, as outlined in our Environmental Strategy, Environmental Health and Safety Policy, and Code of Conduct. Our environmental management approach is based on a risk-driven framework focused on regulatory compliance, proactive risk reduction, operational accountability and continuous improvement. This approach helps us identify and manage environmental impacts, maintain compliance with applicable requirements, and improve performance across our global operations.

Our environmental priorities are informed by our materiality assessment, which has been expanded through a double materiality assessment and climate-related financial risk assessment to further our understanding of our ESG-related impacts, both risks and opportunities. Together, these efforts help identify and prioritize the environmental topics most relevant to our business and stakeholders, with energy use and greenhouse gas emissions remaining among our primary areas of focus.

Kennametal's EHS Policy Statement remains publicly available and accessible to employees, customers and suppliers, reinforcing our commitment to responsible environmental stewardship and transparent business practices.

In FY26, Kennametal continued to strengthen its environmental management capabilities through enhancements to data systems, ongoing process improvements and site-level initiatives. In addition, we implemented a centralized disclosure management tool to improve consistency of voluntary ESG disclosures across the organization. These efforts reflect Kennametal's ongoing commitment to reducing environmental impact while strengthening operational resilience, maintaining compliance, and encouraging employee engagement.



Environmental Strategy and Oversight

Environmental responsibility is embedded within Kennametal's broader Corporate Responsibility Strategy and supported through a structured governance framework. It starts at the top with the Board of Directors' oversight of environmental risks, opportunities, strategies and goals. The Executive Leadership Team (ELT) integrates these strategies into our business and performance is tracked.

Cross-functional teams support the ELT by implementing environmental strategies, monitoring and addressing risks and opportunities, tracking performance, and driving continuous improvement through structured processes and controls. Key performance indicators are reported monthly to the ELT and quarterly to the Board.

Environmental performance is monitored using performance indicators such energy use, air emissions, water consumption, waste recycled and landfilled, trainings, environmental incidents, and corrective actions closed on time. Data is regularly reviewed to support oversight, accountability, and informed decision-making.

Kennametal continues to strengthen its environmental governance through improved data management systems, enhanced audit processes and ongoing alignment with evolving regulatory requirements and stakeholder expectations. These efforts support a disciplined and transparent approach to environmental management while reinforcing a culture of continuous improvement across the organization.

ENVIRONMENTAL STRATEGY

Reduce environmental impact of operations and associated compliance obligations by minimizing energy usage, greenhouse gas (GHG) and other air emissions, water consumption, landfill waste, and spills and releases, where possible.

Eliminate higher environmental impact activities and processes through continuous improvement, where feasible.

Utilize an environmental management system to ensure consistency of environmental practices and support accurate data gathering.

Environmental Management System

Our EHS management system remains fundamental to our strategy. It provides a consistent framework to proactively manage and track EHS data including environmental, compliance, incident management, and reporting across all facilities. The system equips our employees with the tools, standardized processes and verification mechanisms they need to identify, assess and manage environmental risks and opportunities. Environmental data, including energy, water and waste, is captured and managed in the system to improve visibility, consistency and accountability across our global operations.

The system also supports structured tracking and management of environmental incidents. Incidents are entered into the system and categorized based on severity - Major, Minor, Near Miss or Under Review, with each incident assigned with corrective actions, defined timelines to close corrective actions and responsible owners. Progress is monitored closely to support timely resolution and continuous improvement. Key metrics, such as Major incidents and corrective action closure rates, are reviewed by management and reported to leadership as part of our ongoing oversight.

Kennametal applies a risk-based approach to environmental compliance and continuous improvement. This includes periodic site visits, virtual assessments and self-assessments, targeted training, as well as formal audit processes designed to evaluate compliance, identify gaps and drive corrective actions. Improvement opportunities are managed through the centralized management system, with corrective actions monitored to completion to support compliance and strengthen environmental performance.

Further, select sites align their environmental management system with recognized international standards, including ISO 14001—Environmental Management System and ISO 50001—Energy Management System. During FY26, we maintained ISO 14001 certifications at 21 sites and ISO 50001 certifications at 11 facilities. Additional sites also maintained ISO 9001 and ISO 45001 certifications to support quality management and occupational health and safety.

Environmental incident categories used in EHS system

INCIDENT TYPE	DESCRIPTION
Major	Potential to cause significant environmental harm
Minor	Administrative matters
Near Miss	Leading indicator encouraging facilities to proactively identify and correct potential issues
Under Review	Requires further investigation before being classified

GOLD FOR EHS EXCELLENCE

The Bengaluru, India EHS team earned Gold recognition at the Confederation of Indian Industry National EHS Excellence Awards 2025, recognizing its sustained commitment to protecting people and the planet through forward-thinking environmental, health and safety practices. The award reflects a comprehensive approach to strengthening EHS culture, including organization-wide training and awareness programs, measurable reductions in Scopes 1 and 2 greenhouse gas emissions, and the facility's achievement of sourcing 79.3% of its power from renewable energy.

This recognition also reflects practical, site-led improvements, including:

- Recycling grinding sludge into valuable raw material through a circular manufacturing program
- Phased noise-abatement initiatives to improve workplace conditions
- Enhanced contractor safety practices and structured onboarding
- Strengthened EHS sourcing requirements
- Improved self-assessments and incident reporting

Together, these initiatives demonstrate Bengaluru's commitment to operational excellence and Kennametal's global EHS standards.

KENNAMETAL LOCATIONS WITH ISO 14001 AND ISO 50001 CERTIFICATIONS

21 locations

ISO 14001

(Environmental management)

11 locations

ISO 50001

(Energy management)

Training and Awareness

Kennametal provides employees with the knowledge, skills and tools to identify and manage environmental risks across our operations. Our training and awareness programs support environmental compliance, best management practices and lessons learned from internal assessments and incidents. Programs are tailored to employee roles and responsibilities and delivered through formal training, on-the-job learning and targeted skill development.

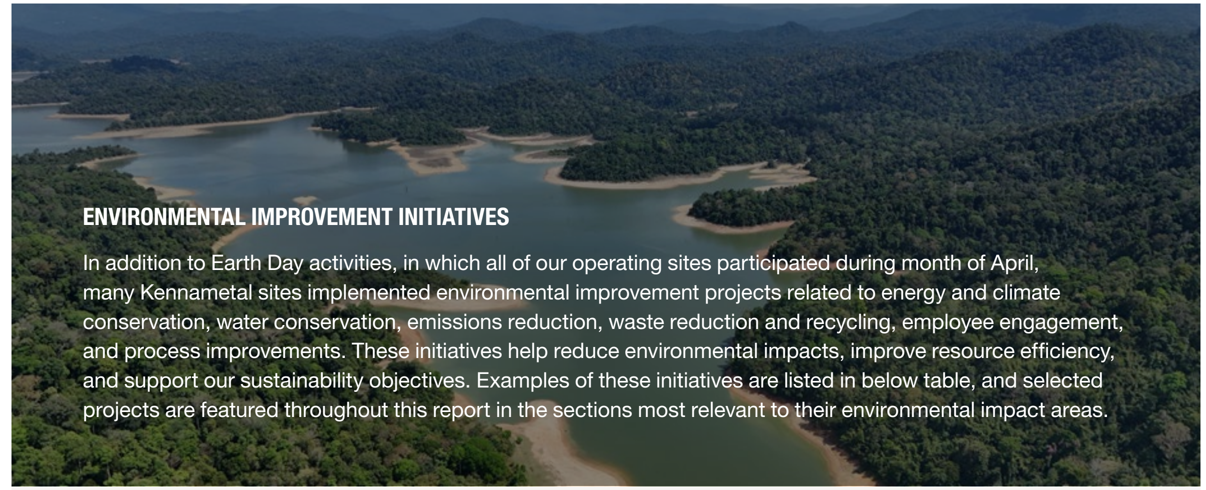
In FY26, focused environmental training was provided to all EHS managers on environmental risk recognition, spill & stormwater pollution prevention, and environmental management of change (MOC) to improve awareness and capability and support consistent implementation at the site level. In addition, we also continued our Skill builder series with topics covering preventive maintenance and ozone depleting substances (ODS).

All employees continue to complete mandatory annual Code of Conduct training, which includes expectations for environmental responsibility and compliance.

Earth Day Activities

Kennametal celebrates Earth Day throughout the month of April each year to promote environmental awareness, conservation and employee engagement across its global operations. In FY26, all Kennametal operating facilities participated in Earth Day activities, supporting initiatives focused on sustainability, biodiversity and community improvement. Activities included tree planting and removal of dead trees, creation of green spaces, community and facility clean-up efforts, recycling and e-waste collection drives, installation of rainwater collection stations, bird feeders and bumblebee boxes, promotion of low-carbon and emission-free transportation, and distribution of flowers and vegetable seeds to employees to encourage environmental stewardship both at work and at home.

Our Bengaluru, India facility organized a sapling plantation drive in FY26 to develop a butterfly garden near Harokethanahalli Lake. Over 30 employees participated, planting 750 saplings, reinforcing the commitment to sustainability in the communities where Kennametal employees work and live.



ENVIRONMENTAL IMPROVEMENT INITIATIVES

In addition to Earth Day activities, in which all of our operating sites participated during month of April, many Kennametal sites implemented environmental improvement projects related to energy and climate conservation, water conservation, emissions reduction, waste reduction and recycling, employee engagement, and process improvements. These initiatives help reduce environmental impacts, improve resource efficiency, and support our sustainability objectives. Examples of these initiatives are listed in below table, and selected projects are featured throughout this report in the sections most relevant to their environmental impact areas.

FOCUS AREA	FY26 IMPROVEMENTS	
Energy & Climate Conservation	▪ Waste heat recovery ▪ Compressed air leak reduction ▪ LED lighting upgrades	▪ Green energy procurement ▪ Energy monitoring improvements
Water Conservation	▪ CVD chiller water recirculation and reuse ▪ Wastewater filter bed upgrade	▪ Water metering ▪ Leakage containment improvements ▪ Rainwater collection
Air Emissions Reduction	▪ Solvent recovery and air emissions reduction	▪ VOC pollution control system upgrade
Waste Reduction & Recycling	▪ Hazardous waste recycling ▪ Reusable mug program ▪ Waste metering	▪ E-waste collection and recycling ▪ Upcycling initiatives
Employee & Community Engagement	▪ Earth Day activities including tree planting, bird/bee habitat projects, community and facility clean-ups, solar-powered outdoor lighting, rainwater collection, and environment/sustainability awareness and education activities.	

CLIMATE PROTECTION

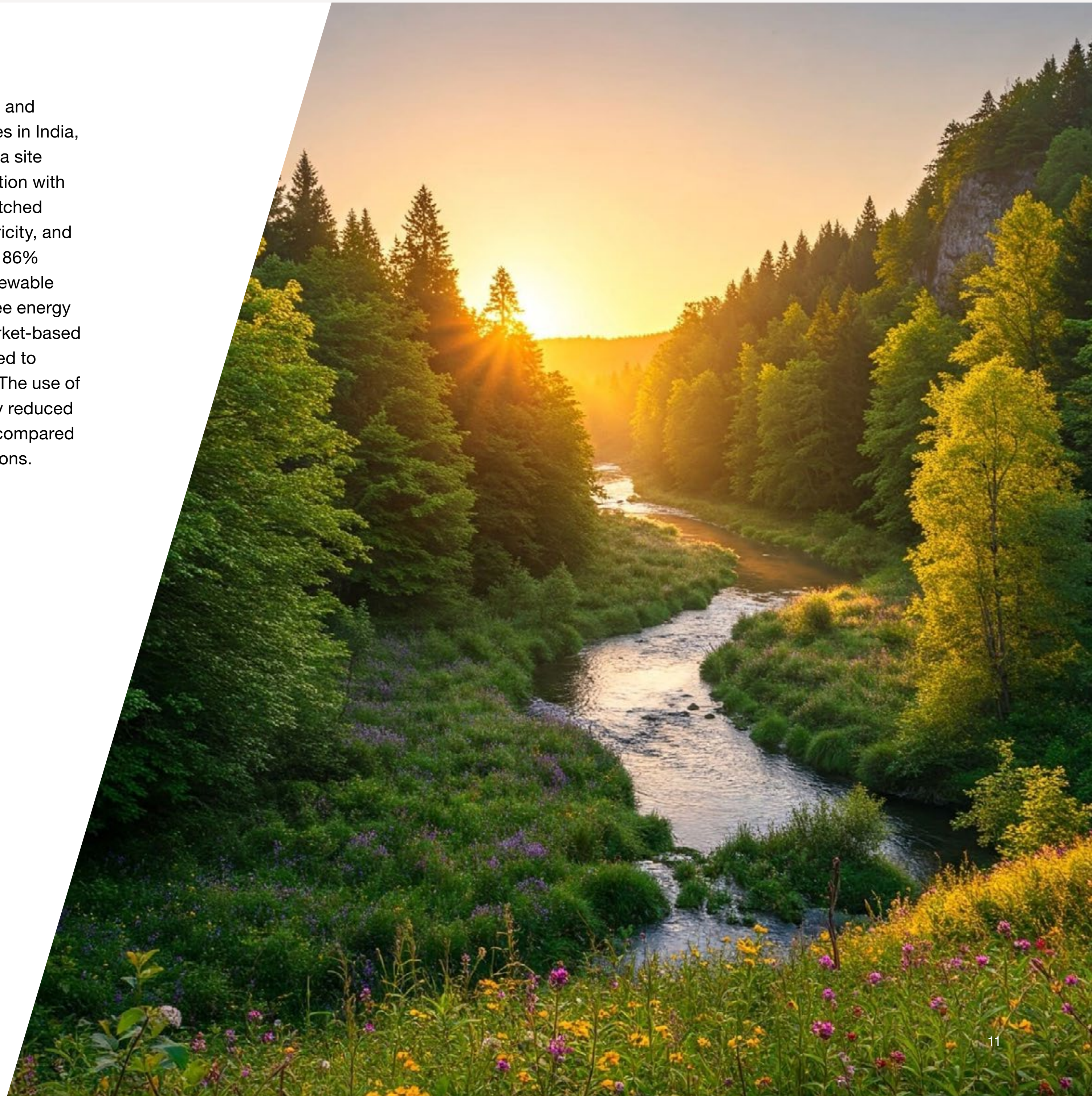
Kennametal remains focused on improving energy performance, reducing greenhouse gas (GHG) emissions, and strengthening its understanding of climate-related risks and opportunities across its global operations. In FY26, we continued to implement energy efficiency projects, process upgrades and expanded our procurement of renewable and emissions-free electricity to support reduction of our carbon footprint and strengthen operational resilience.

Energy and GHG Emissions

In FY26, our overall energy consumption remained relatively flat at 1.80 million gigajoules compared to the prior fiscal year. Combined Scope 1 and 2 location-based GHG emissions decreased by 3%, with GHG emissions intensity improving by 20%. Performance in FY26 were driven by energy efficiency initiatives, operational improvements, and portfolio changes.

In FY26, we continued to implement site-level energy efficiency projects, including heat recovery systems, compressed air leak reduction, LED lighting upgrades, energy monitoring, and equipment upgrades.

We also expanded our use of renewable and emissions-free electricity across our sites in India, Ohio, and Germany. Our Bengaluru, India site matched 79% of its electricity consumption with solar energy, our three (3) Ohio sites matched 100% with emissions-free nuclear electricity, and our eight (8) Germany facilities matched 86% with renewable hydropower through renewable energy credits (RECs) and Emissions-free energy certificates (EFECs). As a result, our market-based GHG emissions increased 18% compared to FY25 to 45 thousand metric tons CO_2e. The use of renewable and emissions-free electricity reduced FY26 market-based emissions by 27% compared to location-based Scope 1 and 2 emissions.



HIGHLIGHTS OF RECENT ENERGY-SAVING PROJECTS INCLUDE:

KINGSWINFORD LED LIGHTING UPGRADES REDUCE ENERGY USE

Our Kingswinford, UK facility continued its LED lighting upgrade program in FY26, replacing fluorescent lighting with LED lighting in the main office and approximately 80% of warehouse areas. Building on previous upgrades in visitor and corridor areas, the project is expected to reduce annual electricity consumption by approximately 22,000 kWh and supports the site's ongoing energy efficiency and conservation efforts.

ENERGY CONSERVATION EFFORTS AT KOENIGSEE FACILITY

In October 2025, our Koenigsee, Germany site upgraded its waste heat recovery system to capture heat generated by air compressors and reuse it to preheat boiler water. The project supports the site's ongoing energy conservation efforts by recovering and repurposing waste heat that would otherwise be lost, improving overall resource efficiency.

ENERGY CONSUMPTION Millions of Gigajoules

	DIRECT	INDIRECT	TOTAL
FY2022	0.56	1.34	1.90
FY2023	0.55	1.30	1.85
FY2024	0.61	1.26	1.87
FY2025	0.51	1.29	1.81
FY2026	0.55	1.26	1.80

Energy consumption includes direct energy (natural gas, propane, heating oil, and diesel fuel) and indirect energy (purchased electricity, steam, and district heating) used in facilities under Kennametal's operational control. Other energy sources and fleet fuel consumption are immaterial and excluded from reporting. Warehouses, Rapid Response Centers (RRCs), and Corporate and sales offices are excluded from the reporting boundary as immaterial. Greenfield ceased operations in May 2025 and remains within the operational control boundary; therefore, energy consumption is reported through FY25. Goshen was sold in June 2025 and is excluded from FY26 onward. Figures may not sum due to rounding.

GREENHOUSE GAS EMISSIONS Scope 1 and 2 (Location-based) / Thousand Mt $C0_2e$

	SCOPE 1	SCOPE 2	TOTAL
FY2022	30	152	182
FY2023	28	155	183
FY2024	31	151	182
FY2025	27	147	174
FY2026	28	140	168

Reported GHG emissions include direct (Scope 1) and indirect (Scope 2) emissions from operations under Kennametal's operational control. Emissions were calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard using applicable U.S. EPA, IEA, IPCC, UK DEFRA, Environment and Climate Change Canada, and India's CEA emission factors. Greenhouse gases considered include CO_2, CH_4, and N_2O. HFCs and SF_6 were evaluated and determined to be immaterial and are excluded from reporting. Figures may not sum due to rounding.

WATER CONSERVATION

Water conservation remains an important part of Kennametal's global manufacturing operations. Water is primarily used in production processes, cooling systems and for potable and sanitary purposes across our facilities. The majority of our water use is sourced from municipal supplies, with a smaller portion from groundwater at select facilities.

We track water use across our facilities to monitor trends, improve efficiency, and address any unexpected changes, while continuing to expand water discharge metering at facilities with higher usage or regulatory requirements to improve data visibility and manage risk.

Kennametal manages wastewater and stormwater in line with applicable regulatory requirements and internal standards to protect local water resources.

All facilities operate as indirect dischargers—wastewater is treated on-site where required before being sent to municipal treatment systems for further treatment. Discharges are monitored and tested at facilities where required, with additional controls in place to ensure sustained compliance.

Stormwater is managed through best management practices, engineered controls and routine inspections to reduce potential contamination from our operations. In FY26, select sites enhanced stormwater controls and inspection practices to help reduce the risk of materials from our operations entering into stormwater systems and to improve compliance. In addition, select sites improved water management through additional water metering, leak repairs, and enhanced leak containment measures. These efforts support a proactive approach to water management and contribute to improved environmental performance and risk management across our operations.

In FY26, Kennametal continued to build on its water stewardship efforts by using our water risk assessment to prioritize actions at higher water risk-related facilities. We focused our efforts on improving water balance and developing plans to identify water saving opportunities as needed. Our Tianjin and Shanghai-Stellite sites, both in China, completed these efforts in FY26 with plans to expand to higher-water risk sites in the future.

In FY26, total water withdrawal was 720 megaliters, a 1% increase compare to FY25, while water withdrawal intensity improved by 14%. This performance was driven by water conservation efforts, system simplification and upgrades, preventive maintenance, and portfolio changes. These efforts improved water-use efficiency, supporting increased production with limited water consumption.

Kennametal remains focused on strengthening water efficiency, reducing environmental impact and supporting long-term operational resilience through continuous improvement and targeted water management initiatives.

Water Conservation Initiatives

ORWELL FILTER BED UPGRADE

In June 2026, our Orwell, Ohio facility upgraded its wastewater filtration system to improve the removal of metals and other pollutants prior treatment. The new filter bed is now capable of efficiently capturing more metals and other pollutants in the wastewater, supporting wastewater treatment performance and regulatory compliance.

TIANJIN IMPROVES CVD CHILLER WATER EFFICIENCY

In FY26, Tianjin site in China upgraded their Chemical Vapor Deposition (CVD) Neutralization system to improve chiller water efficiency for equipment that is used to treat process gases from the CVD furnaces. Previously, chiller water was drawn from a 20 m^3 water tank and after one use, it was discharged as wastewater. The site installed two (2) dedicated 1.5 m^3 chiller water tanks, allowing the water to be recirculated and reused within the process, with one of the tanks operating as standby when needed. This simple process improvement which became operational in June 2026 is expected to reduce water consumption by approximately 43%, lowering the daily water use at the process from 30 m^3 to 17 m^3.

WATER WITHDRAWAL BY SOURCE Megaliters

	MUNICIPAL/ THIRD PARTY	GROUNDWATER	TOTAL
FY2022	769	87	856
FY2023	690	87	777
FY2024	650	98	748
FY2025	622	89	711
FY2026	623	67	720

Water withdrawal includes municipal/third-party water and groundwater used at facilities under Kennametal's operational control. Warehouses, Rapid Response Centers (RRCs), and Corporate and sales offices are excluded from the reporting boundary as immaterial. Water used for irrigation is excluded from reporting. Kennametal does not withdraw surface water, seawater, or produced water. Greenfield ceased operations in May 2025 and remains within the operational control boundary; therefore, water withdrawal is reported through FY25. Goshen was sold in June 2025 and is excluded from FY26 onward. Figures may not sum due to rounding.

WASTE MANAGEMENT

Across our operations, we continue to integrate circular economy principles, with a focus on keeping materials in productive use for as long as possible through recycling, reuse and recovery. Tungsten soft scrap, hard scrap, sludges, and carbide ceramic powder are regularly recycled, reused or reconditioned, and end-of-life products are evaluated for recovery opportunities wherever feasible. Ongoing waste characterization efforts at the site level support identification of reuse and recycling opportunities and, in some cases, enable reclassification of materials to reduce reliance on landfill disposal.

Waste generated across our operations is managed through a structured process to ensure safe handling, storage and disposal. Waste materials are properly characterized, and on-site controls such as proper storage, labeling, and routine inspections are in place to support compliance. All waste vendors are subject to a comprehensive audit and approval process prior to accepting our waste, with periodic assessments conducted to ensure they continue to meet our waste vendor audit policy, remain financially sound, and minimize risk to Kennametal.

Kennametal facilities in the United States continue to work with a national waste broker to help improve waste management, data visibility, and cost efficiency. In FY26, select sites installed waste meters in waste dumpsters to track waste volumes and composition to help improve operational efficiency, reduce unnecessary waste handling, and identify opportunities for landfill diversion and cost savings.

In FY26, total waste generated was 12.9 metric tons, with 84% classified as non-hazardous and 16% as hazardous. Waste diverted from landfill through recycling, reuse and recovery totaled 38% of total waste, representing a 2% increase compared to FY25. Landfilled waste was 4.9 metric tons, reflecting a 2% increase year over year, however landfill waste intensity fell by 12.5%.

Kennametal remains focused on reducing waste generation, increasing recycling and reuse and strengthening data visibility across waste streams. Through these efforts, we will continue to support responsible resource management, regulatory compliance and ongoing operational improvement.

LANDFILL WASTE Thousand Metric Tons

	TOTAL
FY2022	5.0
FY2023	5.4
FY2024	6.1
FY2025	4.8
FY2026	4.9

Landfilled waste includes waste sent directly to landfill and an estimated portion of waste managed through incineration and other disposal operations. Kennametal assumes 20% of incinerated waste contributes to landfill disposal. Waste data excludes episodic non-production waste, co-products reused on-site or sold as raw materials, and Greenfield closure-related waste. Warehouses, Rapid Response Centers (RRCs), and Corporate and sales offices are excluded from the reporting boundary as immaterial. Goshen was sold in June 2025 and is excluded from FY26 onward. Figures may not sum due to rounding.

Waste Reduction Initiatives

TIANJIN, CHINA SITE TRANSFORMING HAZARDOUS WASTE INTO A RECYCLING OPPORTUNITY

Our Tianjin site in China generates large volumes of waste carbide powder containing cutting fluid, classified as hazardous waste which contains high concentrations of carbide powder generated during cutting and grinding operations. In 2023, the site began exploring more sustainable ways to manage this waste material. Working with a qualified third-party waste management partner, a compliant recycling pathway was implemented that recovers the valuable carbide powder for reuse by downstream recyclers. Approximately 70% of the carbide powder in the hazardous waste material is recovered and recycled, while the remaining unrecyclable 30% is managed through approved hazardous waste treatment. Since implementation in February 2026, more than 3,000 kilograms of this waste material has been sent to the third-party, with approximately over 2,000 kilograms recovered for recycling instead of disposal to date. This initiative demonstrates how collaboration and innovation can turn a challenging waste material into a valuable resource, reducing hazardous waste, supporting circular economy, and generating more than $160,000 in value for the site.

KOENIGSEE REPLACES SINGLE-USE CUPS WITH REUSABLE SOLUTION

As part of their waste reduction efforts, our Koenigsee site in Germany introduced reusable coffee mugs for all employees, replacing an estimated 240 to 320 single-use cups per day.

This highlights how simple, practical measures can contribute to measurable waste reduction while fostering a culture of sustainability in day-to-day operations.

Recycling Services

At Kennametal, our commitment to sustainability is supported by a comprehensive approach to recycling, reconditioning and circular material use. We prioritize the recovery and reuse of materials generated across our operations, including scrap, fluids and sludges from metal cutting, machining and grinding processes. These materials are reprocessed and reintegrated into production as tungsten feedstock, supporting resource efficiency and reducing reliance on virgin raw materials.

Recycling remains a core component of Kennametal's circular economy strategy. End-of-life sintered carbide products and hard scrap carbide—primarily composed of tungsten carbide—are collected and reprocessed for reuse in manufacturing. Internal recycling of production materials, including soft scrap and hard scrap, continues to play a significant role in maintaining a stable and sustainable supply of critical materials.

Kennametal's Green Box™ recycling program continues to support customer participation in material recovery through a convenient web-based platform that enables customers to return used carbide products for recycling. In FY26, customer participation doubled compared to FY25, reflecting a **100% increase** in recovered carbide through the program. Ongoing enhancements to the platform and continued customer engagement are helping expand participation and improve accessibility, supporting the recovery of valuable materials and advancing circularity initiatives.

The Blue Box™ reconditioning program complements these efforts by extending the useful life of tools through refurbishment services, including sharpening, retipping and recoating. This program supports circularity by reducing material consumption and waste generation while maintaining product performance. Tools that are no longer suitable for reconditioning are redirected to the Green Box™ program for recycling, ensuring that materials are recovered and reused wherever feasible.

Kennametal also collaborates with suppliers and customers to expand recycling efforts across the value chain. This includes recycling tungsten scrap generated during manufacturing processes and offering toll-processing services that enable customers to convert scrap materials into reusable inputs. These partnerships support broader circularity objectives and contribute to supply chain resilience.

In FY26, Kennametal continued to invest in recycling capabilities and process improvements to enhance efficiency and throughput. These improvements increased material recovery while reducing the energy intensity associated with reprocessing activities. As a result, recycled materials continue to represent a significant portion of our total tungsten input.

At our Huntsville, Alabama facility, which is the primary manufacturing site for tungsten carbide used at ready-press facilities, recycled materials are estimated to account for more than 70% of tungsten carbide inputs in FY26. We plan to expand the scope of this assessment over time to include additional facilities across our operations.

Through these initiatives, Kennametal remains focused on advancing circular economy principles, improving resource efficiency and supporting long-term sustainability across its operations and value chain.

INDIA TEAM RECOGNIZED FOR EXCELLENCE IN CORPORATE RESPONSIBILITY

Our team at Kennametal India was recognized at the 3rd CII Karnataka ESG Summit in Bengaluru for two sustainability initiatives including the Tungsten Carbide Recycling Program and the Lake Restoration Project which supported the restoration of local Lake Hrokethanahalli to improve water quality, restore ecological balance and create a sustainable water source for agriculture and households.

AIR EMISSIONS

Kennametal remains committed to managing regulated air pollutants beyond greenhouse gas (GHG) emissions, including volatile organic compounds (VOCs), hazardous air pollutants (HAPs), nitrogen oxides (NOx), sulfur oxides (SOx), particulate matter (PM) and persistent organic pollutants (POPs). These emissions remain relatively low due to the nature of our operations and are managed through permit compliance, operational controls and best management practices across our facilities.

Major manufacturing facilities generally operate under air permits or licenses that establish emission limits, monitoring requirements and reporting obligations. While smaller facilities generally have lower emissions and fewer regulatory requirements. Across all facilities, we continue to apply operational controls and best management practices to support compliance and environmental performance.

Air emissions are managed at the site level through operational controls, pollution control technologies, monitoring, and reporting. High-efficiency dust collection units capture particulate matter and hazardous air pollutants generated during raw material handling and processing, with collected materials often recycled or reused on-site to support resource efficiency. Scrubber units help remove gases and fumes before release. Preventive maintenance programs are implemented to help ensure the reliable performance of emission control equipment.

In FY26, improvements to pollution control equipment and preventive maintenance plans were implemented at select facilities to further reduce pollutants from emission sources and improve operational reliability. Through these efforts, Kennametal continues to manage air emissions responsibly, maintain regulatory compliance and support continuous improvement in environmental performance across its global operations.

Kennametal is reporting for the first time air emissions data, using calendar year 2025 data. This initial report only focuses on key manufacturing sites where air permits are required, and air emissions are significant. Additional sites will be included as data collection and reporting continue to improve in future years in.

MISTELGAU REDUCES SOLVENT EMISSIONS THROUGH RECOVERY SYSTEM

In February 2026, our Mistelgau site in Germany installed a cryo-condensation system with activated carbon to capture and recover isohexane solvent emissions from its powder production process. The system cools and condenses solvent vapors into liquid for reuse, reducing both air emissions and solvent consumption. Solvent emissions is expected to lower from approximately 500 g/m^3 to less than 10 mg/m^3, supporting compliance with Germany's TA Luft air quality requirements. Since the system began operating in March 2026, Mistelgau has recovered 1,500 liters of solvent and expects to reduce solvent consumption by 30%, with significant cost savings.

TIANJIN STRENGTHENS VOC EMISSIONS CONTROLS

In FY26, our Tianjin, China site upgraded the volatile organic compounds (VOC) emissions control system serving the Rod Production department in response to a new government requirements. The site replaced an older UV photolysis-oxidation system with a front-end filtration, double-stage activated carbon adsorption system, and also enhanced the associated exhaust and collection infrastructure. The upgrade improves VOC capture efficiency, supports continued regulatory compliance, and strengthens the site's air emissions management program.

COMMITTED TO MAKING A SOCIAL IMPACT

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HUMAN CAPITAL MANAGEMENT

At Kennametal, effective Human Capital Management (HCM) is a key component of our strategy to attract, develop and retain the talent necessary to support long-term business performance and value creation. Our approach focuses on building a high-performing workforce, strengthening leadership capability and fostering a culture of accountability aligned with our core values of safety, respect and integrity.

The Compensation and Human Capital Committee of the Board of Directors provides oversight of Human Capital Management. Consistent with its charter, the Committee reviews the Company's Human Capital Strategy, including leadership development, succession planning, talent management and employee engagement. The Vice President and Chief Administrative Officer provides periodic updates to the Committee and the full Board regarding key initiatives, workforce trends and progress against established priorities.

Kennametal's human capital strategy is grounded in equitable labor practices, an inclusive workplace culture and open communication. We respect employees' rights to freedom of association and maintain collaborative relationships with labor organizations across our global operations. Employee feedback is an important input into our talent strategy, and we utilize a range of formal and informal mechanisms to assess engagement, identify areas for improvement and inform workplace practices.

To support a consistent and data-informed approach to talent management, Kennametal utilizes an enterprise-wide HCM system that enables standardized processes for recruitment, onboarding, performance management, training, development and succession planning. This system supports alignment across the organization and enhances visibility into workforce trends and capabilities.

The Company monitors key human capital metrics through a quarterly Talent scorecard, which includes indicators related to bench strength, talent development, culture and engagement and inclusive practices. These metrics are reviewed by management and informs discussions with the Compensation and Human Capital Committee regarding talent strategy and organizational effectiveness.

Career development is supported through an annual performance management cycle that includes regular check-ins between employees and managers, as well as mid-year and year-end reviews. These processes facilitate ongoing dialogue regarding performance, development and career progression and support the Company's performance-based compensation framework. Human capital initiatives are aligned with Kennametal's Value Creation Pillars and are designed to support execution of the Company's strategic priorities.

Culture and Engagement

Our cultural journey is defined by the Kennametal Way, which continues to guide how we work, collaborate and deliver value across our global organization. Introduced in 2019, the Kennametal Way is grounded in five core cultural beliefs and the behaviors that bring them to life. These beliefs reinforce the role each employee plays in driving long-term business success and shaping a high-performing, inclusive and accountable workplace. Cultural alignment is embedded throughout the employee lifecycle, including performance management, recognition and leadership expectations.

To assess the impact of our culture and engagement initiatives, Kennametal conducts its annual "Be Heard" employee survey, which serves as a key mechanism for gathering employee feedback and identifying areas for continuous improvement. The survey includes 33 questions spanning engagement, inclusion and belonging, and broader workplace experience topics, using a 5-point rating scale. Results are evaluated at the enterprise, business unit and team levels to enable targeted action planning.

Our latest survey conducted in 2026 achieved a 77% response rate. The engagement score was 73, reflecting a 3-point increase from FY25. We observed improvements across 32 survey areas, with work-life balance and equal opportunity emerging as key strengths recognized by our employees. These gains reflect the intentional, focused actions our leaders have taken across the organization over the past year, as well as our continued commitment to enhancing the employee experience globally. We will continue to focus on areas of opportunity to drive further progress.

Survey results are reviewed by the Executive Leadership Team and shared across the organization, with each business unit and functional leader responsible for developing action plans aligned with employee feedback. These plans are supported by Human Resources teams and are designed to be measurable, actionable and aligned with the Company's strategic priorities.

In addition to the annual survey, Kennametal utilizes a range of complementary feedback mechanisms to support continuous listening and engagement, including:

- Regular manager-employee check-ins as part of the performance management cycle
- "On Our Mind" listening sessions, where leaders engage directly with employees across locations and levels
- Employee Resource Groups (ERGs) and regional inclusion councils, which provide ongoing feedback and insights into employee experience(s)

Together, these mechanisms help create a continuous feedback loop that enables timely responses to employee needs and supports ongoing cultural improvement.

Data-driven insights remain central to Kennametal's approach to culture and engagement. The Company utilizes enterprise scorecards to monitor key indicators related to engagement, inclusion, talent development and workforce trends. These metrics are reviewed regularly by leadership and help inform decision-making, enabling the organization to identify areas of progress and respond to emerging challenges.

As part of its broader commitment to continuous improvement, Kennametal integrates cultural beliefs into recognition and performance processes. Continuous improvement practices, including post-program evaluations and process optimization efforts, are applied across employee experience initiatives to enhance effectiveness and drive ongoing progress.

Through these efforts, Kennametal continues to foster a culture grounded in its core values of safety, respect, integrity and accountability, supporting employee engagement, organizational effectiveness and long-term value creation.

OUR CULTURAL BELIEFS

CUSTOMER FIRST
I deliver exceptional customer experience.

OWN IT
I act to drive and execute our strategy with an emphasis on continuous improvement.

FOCUS NOW
I focus my time and talent on our highest priorities to achieve the targeted results.

EVERYONE MATTERS
I collaborate across the enterprise with trust and respect.

BE BOLD
I am empowered to make informed decisions with speed.

Learning and Development

Kennametal continues to evolve its learning and development ecosystem to cultivate a skilled, engaged workforce and support a culture of continuous improvement, growth and accountability. Our approach is designed to build capability across all levels of the organization while reinforcing alignment with our strategic priorities and Value Creation Pillars, including continuous improvement as a core element of how we operate.

Our learning management system, available in multiple languages, offers more than 26,000 online courses and continues to provide broad access to digital learning resources that support functional expertise, leadership development and compliance training. In FY26 over 4,200 employees completed more than 16,900 courses with over 200 learners engaging with AI-powered features, including AI Coaching for real-time guidance, AI Course Companion for in-course support, and AI Role-Playing to practice and apply skills in realistic scenarios. Roughly 81 subject-matter experts contributed to the development of 950 interactive e-learning modules tailored to our organization.

Employees engage in structured learning pathways and targeted programs designed to strengthen critical capabilities and support career progression across global operations.

In FY26, Kennametal further aligned its learning and development strategy with its enterprise-wide focus on continuous improvement. Following the introduction of the Company's strategic priorities and deployment framework, including defined action plans and key performance indicators, learning initiatives increasingly emphasize practical application of lean principles, data-driven decision-making and problem-solving capabilities.

Targeted leadership development programs remain a key component of this strategy. The Company continued its Leadership Excellence and Advancement Program (LEAP) for plant managers, focusing on leadership effectiveness, financial acumen and continuous improvement practices in FY26. The Company is also advancing development programs for frontline supervisors to further strengthen leadership capability, enhance employee engagement and support consistent execution across manufacturing and operational environments. In addition, Kennametal is focused on advancing core skills and invested in the development of our commercial team, with 50 individuals completing two-day, in-person sessions designed to address key areas of opportunity.

Continuous improvement is embedded within Kennametal's learning approach through expanded training and participation in Kaizen events and operational excellence initiatives across both manufacturing and business functions. In FY26, participation in these activities increased as part of a structured deployment strategy focused on building organizational capability and fostering a continuous improvement mindset. Employee engagement in these efforts is supported through training, participation in improvement initiatives and reinforcement of best practices across sites.

Kennametal also strengthened its focus on cross-functional learning and knowledge sharing. Regular best-practice sharing sessions and monthly forums enable sites and functions to exchange insights from Kaizen activities and operational improvements, supporting broader adoption of successful practices across regions. These efforts are complemented by centralized platforms that facilitate access to shared resources and improvement methodologies.

Data-driven decision-making continues to be emphasized as a core capability. Employees are increasingly trained to leverage data and analytical tools, including enterprise systems and reporting platforms, to support root cause analysis, identify inefficiencies and implement effective countermeasures. While the use of advanced digital tools and automation continues to evolve, Kennametal is expanding its focus on integrating data and technology into learning and improvement processes to enhance efficiency and operational performance.

Employees engage in structured learning pathways and targeted programs designed to strengthen critical capabilities and support career progression across global operations.

NEXT IN STEM: INSPIRING STUDENTS THROUGH MANUFACTURING AND MENTORSHIP

Kennametal's Women at Work Employee Resource Group (ERG) welcomed more than 40 female students from five local high schools to the Latrobe Technology Center for the third annual Next in STEM event representing an inspiring celebration of Manufacturing Day and the future of women in technical fields. Throughout the day, students explored Kennametal's innovation ecosystem through guided tours, gaining a firsthand look at how advanced materials and manufacturing technologies come to life. As participation continues to grow each year, Next in STEM is helping spark curiosity, confidence, and ambition in young women while strengthening the pipeline of future talent and reinforcing Kennametal's commitment to advancing workforce development.

NEW GERMAN APPRENTICES START THEIR CAREER JOURNEY

21 new apprentices began their careers at Kennametal's German sites in Ebermannstadt, Königsee, Essen, and Vohenstrauß marking an important first step in their professional journey in manufacturing.

Employee engagement remains central to learning and capability development. Kennametal continues to promote participation through initiatives such as employee suggestion programs, which encourage employees at all levels to contribute ideas for improvement and support implementation of practical solutions. These programs reinforce accountability and empower employees to play an active role in driving continuous improvement across the organization.

Coaching and mentorship continue to play a key role in employee development, supporting knowledge transfer, career growth, and leadership capability across regions. The Company also supports employees in individual coaching partnerships through a third-party provider, as deemed necessary, with participants. These efforts are highly valued, with satisfaction scores averaging approximately 4.0 out of 5.

The Company also supports 15 employees in individual coaching partnerships through a third-party provider, with participants rating the program's impact on their professional development at an average of 4.9 out of 5. Together, mentorship and coaching remain among the Company's highly-rated development offerings.

Early-career development programs, including EMERGE, provide rotational experiences across key functions and contribute to building a strong internal talent pipeline. Our EMERGE program offers rotational experiences across Sales, Operations, Technology and IT functions for over 20 professionals worldwide in FY26. Since its inception in 2005, EMERGE has helped build a strong internal pipeline, with many graduates progressing into leadership positions.

Kennametal's Talent Review and Succession Planning process remains a foundational element of its development strategy, helping to identify high-potential employees and critical roles. Development plans are supported through a combination of formal training, mentoring, coaching and experiential learning opportunities.

Through these efforts, Kennametal continues to strengthen its learning and development capabilities while embedding a continuous improvement mindset, enabling employees to build skills, enhance performance and contribute to long-term business success.

TRAINING PROGRAM	HIGHLIGHTS
Kennametal Knowledge Center (KKC)	▪ Specialized training programs in project management, process improvement and sales, as well as metalworking and machining practices. ▪ Enables participants to earn the Certified Metalcutting Professional (CMP) designation; in FY25, 69 individuals achieved CMP status. ▪ Conducted 158 instructor-led sessions at our training centers in Latrobe, Pennsylvania; Fuerth, Germany; Bengaluru, India; and Shanghai, China.
Apprenticeship program	250+ active participants across our three global regions and growing. See additional details in Community Engagement.

Compensation and Benefits

Kennametal's compensation and benefits programs are designed to attract, retain and motivate a high-performing workforce and support the health and well-being of employees across its global operations. Our Total Rewards philosophy emphasizes choice, cost competitiveness, accountability and simplicity, with health and wellness benefits tailored to the needs of each region in which we operate.

At the executive level, our compensation structure reflects a strong pay-for-performance philosophy overseen by the Board's Compensation and Human Capital Committee. Executive compensation includes a combination of base salary, annual cash-based incentives through our Annual Incentive Plan (AIP), and long-term equity-based awards under our Long-Term Incentive Plan (LTIP). These programs are designed to align leadership performance with the interests of our stakeholders and the long-term success of the company.

The AIP encourages participants to support Kennametal in reaching pre-defined short-term financial and strategic goals. Since FY23, the plan has included safety metrics, reinforcing the connection between business performance and the safety of our employees.

The LTIP supports long-term value creation by rewarding sustainable performance with equity-based awards and reinforcing share ownership and vesting requirements for senior leaders.

By aligning compensation with strategic priorities and cultural expectations, we are building a performance-driven culture that promotes accountability, collaboration and continuous growth.

GLOBAL BENEFITS MAY INCLUDE BUT ARE NOT LIMITED TO:	IN THE U.S., OUR BENEFITS INCLUDE:
▪ Employee Assistance Program (EAP), which provides confidential services such as counseling, work-life services, legal and financial services ▪ Leave of absence benefits ▪ Defined contribution retirement plans; and ▪ Defined benefit pension plans	▪ Insurance benefits including medical, dental and vision coverage, disability coverage, basic life and accidental death coverage, and supplemental coverage ▪ Paid parental leave ▪ 401 (k) plan with up to 6% company match on eligible employee contributions

INCLUSION AND BELONGING

At Kennametal, fostering an inclusive workplace where employees feel valued, respected and connected remains an important component of our culture. Our approach to inclusion and belonging is grounded in our core values and reinforced through programs and practices that support collaboration, engagement and equal opportunity across our global workforce.

To support awareness and engagement, Kennametal continues to offer global training and development opportunities related to inclusion and workplace culture. Annual compliance training includes modules focused on inclusion and respectful workplace practices, while ERGs and local teams lead additional learning sessions, events and employee-led initiatives throughout the year. These efforts are complemented by enterprise-wide programs that promote connection and engagement, including recognition of global events such as Women's History Month, International Women's Day and Mental Health Awareness Month.

In FY26, Kennametal continued to enhance its approach to measuring and monitoring progress. The Company maintains an Inclusion and Belonging scorecard, which tracks key metrics related to representation, talent pipeline development and workforce trends. These metrics are reviewed regularly by leadership and support data-driven decision-making and accountability. In addition, a Talent scorecard provides visibility into critical indicators such as internal mobility, succession planning and voluntary turnover, including specific monitoring of diverse talent populations.

Kennametal also continues to strengthen its employee value proposition and talent attraction strategies to support an inclusive workforce. Enhancements to career site content, employer branding and recruitment materials are designed to reflect the Company's global workforce and provide consistent and authentic candidate experience across regions.

EMEA RECOGNIZES INTERNATIONAL DAY OF PERSONS WITH DISABILITIES

Kennametal teams across EMEA came together to recognize the International Day of Persons with Disabilities, reinforcing our commitment to inclusion, accessibility, and participation in the workplace. Under the motto "Awareness Connects" sites focused on raising awareness, opening new perspectives, and strengthening dialogue around creating an environment where everyone can thrive. Across the region, employees engaged in activities designed to deepen understanding and make inclusion part of everyday working life - from perspective taking exercises and information boards in Germany, to a webinar and impairment simulations in Poland, to team discussions in South Africa that led to concrete actions and early steps to support children with disabilities at a partner school. In Israel, a guest speaker shared a powerful personal story about resilience and choice, further grounding the day's message in lived experience.

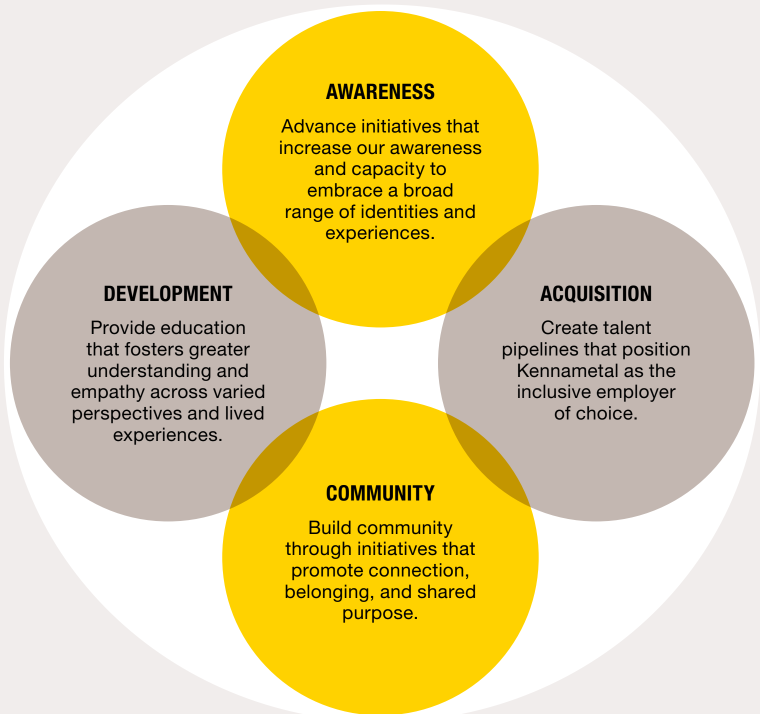
I&B Oversight and Strategy

Oversight begins with the Board of Directors, with the Compensation and Human Capital Committee guiding policy and program development. The company also maintains equal employment opportunity and non-discrimination commitments as outlined in the Code of Conduct (see Human Capital Management section).

The annual Be Heard survey captures employee sentiment, perceptions of inclusion, and the reach of initiatives. Insights from the survey inform program design and continuous improvement. Execution is led by the I&B Steering Team, with each member stewarding one of the organization's strategic pillars. This team sets the annual enterprise plan and tracks progress via a quarterly scorecard.

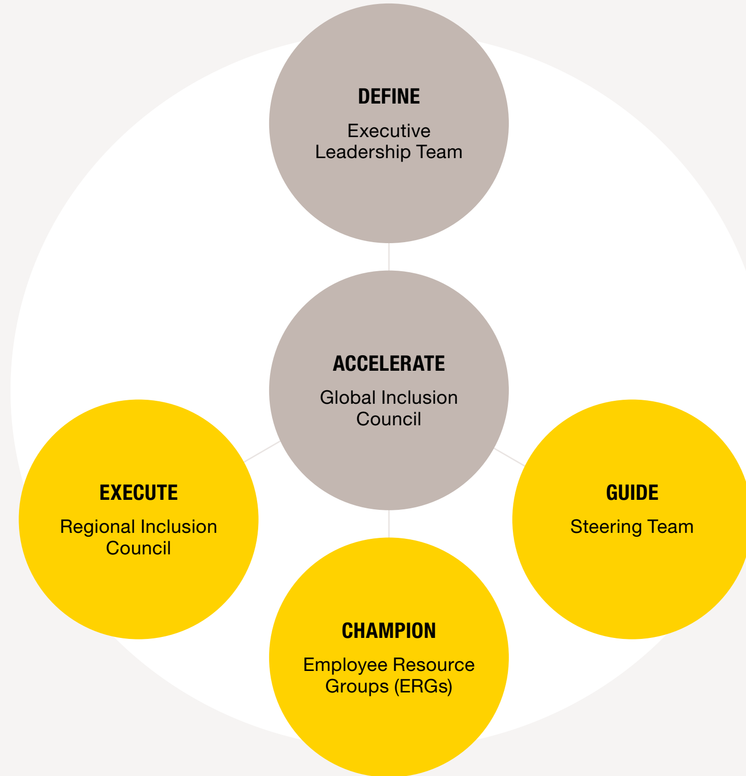
The Global Inclusion Council, Regional Inclusion Councils, and Employee Resource Groups (ERGs) translate strategy into action across geographies, with representation from the Americas, EMEA, Asia Pacific and India. This governance structure ensures continuity year-over-year while enabling targeted refinements to programs as needs evolve.

Workforce representation trends for senior leadership and the Board are disclosed in the Social Data Tables in the Appendix.



I&B Strategic Pillars

Our I&B strategy is founded on four pillars: Awareness, Acquisition, Development and Community. The strategic initiatives for each pillar are led by senior executives who are members of our I&B Steering Team. They work with our Talent and Organizational Effectiveness team to implement programs designed to drive action and achieve our near-term and long-term goals.



The How: Ecosystem - Delivery Model

Our delivery model aims to create and execute on our I&B strategy that aligns to business goals and drives outcomes.

I&B Programs and Initiatives

Employee Resource Groups

Kennametal's Employee Resource Groups (ERGs) continue to play an important role in fostering inclusion, strengthening engagement and supporting employee development across the organization. These employee-led groups provide opportunities for connection, collaboration and professional growth, while reinforcing Kennametal's commitment to a respectful and inclusive workplace.

Our ERG network continues to expand globally and includes a range of groups aligned with employee interests and experiences. These include global women's resource networks, the Black Excellence Network and regionally driven initiatives such as the Different Abilities ERG in Germany. In addition, new ERG concepts are being explored, including programs focused on early-career employees, reflecting evolving workforce needs and interests.

ERGs are supported by a structured governance model and aligned with Kennametal's broader inclusion and talent strategies. These groups serve as platforms for community building, knowledge sharing and leadership development, providing employees with opportunities to take on leadership roles, contribute to organizational initiatives and expand their professional networks. ERGs also collaborate with regional inclusion councils and Human Resources to help ensure alignment with enterprise priorities and local workforce needs.

In FY26, ERGs continued to support employee engagement through a range of programs and activities. These include learning sessions, networking events and employee-led initiatives designed to promote awareness, encourage dialogue and support career development. For example, ERG-led programming included targeted development opportunities, such as leadership training initiatives that engaged employees across regions and supported skill-building and career progression.

ERGs also contribute to broader enterprise initiatives, including global recognition programs and engagement activities. These efforts complement company-wide programming such as Women's History Month, International Women's Day and other events that foster connection and a sense of belonging across Kennametal's global workforce.

As part of Kennametal's commitment to continuous improvement, ERGs continue to evolve in response to employee feedback and organizational priorities. The Company remains focused on strengthening participation, expanding global reach and enhancing the impact of ERG initiatives as a key component of its inclusion and engagement strategy.

CONNECTING TALENT TO STRATEGY

For Ellen Whittingham, Vice President, Strategic Talent Enablement, developing people and advancing the business go hand in hand. With more than two decades of experience in manufacturing and operations and more than 15 years in human resources, Ellen brings a unique perspective to building talent strategies that support employee growth and business performance.

At Kennametal, Ellen has helped advance organizational transformation, strengthen talent development and succession planning, and foster greater accountability through performance management. She has also championed multiple employee resource groups and initiatives that strengthen engagement and career development.

In 2026, Ellen's leadership and contributions to manufacturing were recognized with a STEP Ahead Award from The Manufacturing Institute. She was among 145 manufacturing leaders recognized and joins 18 other Kennametal employees who have received the honor. Ellen's success reflects how investing in people can strengthen organizations, create opportunities and help build the workforce of the future.

Talent Acquisition

Kennametal's talent acquisition strategy continues to focus on attracting and hiring skilled talent to support long-term business performance and strategic growth. Our approach is aligned with evolving workforce needs and is designed to enhance our ability to compete for talent across global markets while reinforcing our commitment to inclusion, engagement and operational excellence.

In FY26, Kennametal continued to strengthen its employer value proposition (EVP) to better articulate the Company's culture, career opportunities and employee experience. Continued enhancements to employer branding were implemented to ensure consistent and representative portrayal of Kennametal's global workforce. This included updates to the Company's career site, with expanded region-specific content and improved visibility into career pathways and opportunities for candidates.

Kennametal utilizes a structured, data-informed approach to talent acquisition, supported by global processes and regional execution. Our global talent acquisition team works in close collaboration with Human Resources and business leaders to identify workforce needs, support strategic hiring initiatives and ensure alignment with organizational priorities. Recruitment strategies are tailored to reflect regional labor market dynamics and evolving talent demands.

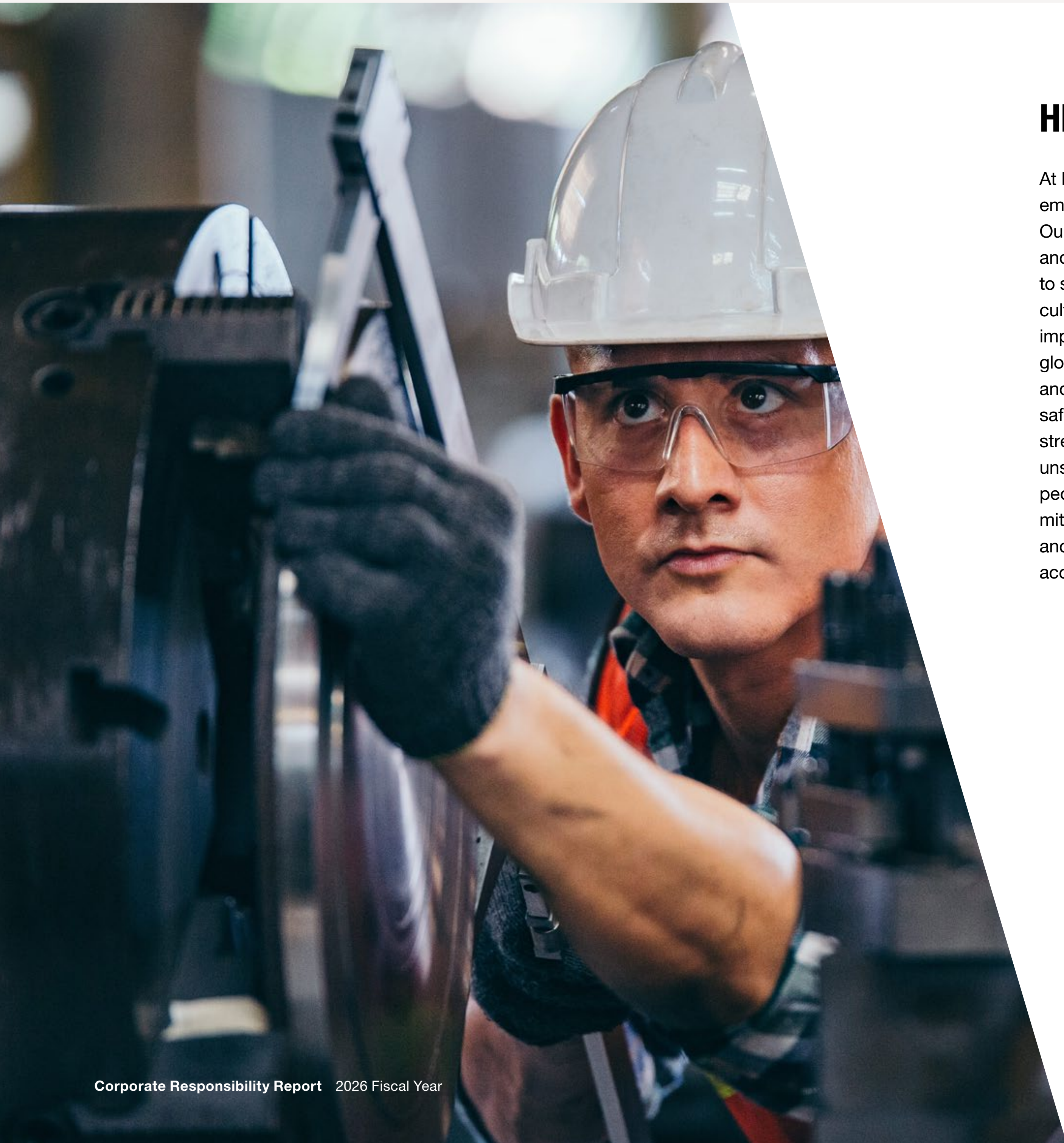
The Company continues to leverage a range of sourcing channels to attract candidates, including digital platforms, professional networks, employee referrals and campus recruiting programs. Early-career hiring remains an important component of Kennametal's talent pipeline strategy, supported by programs such as EMERGE, which provides rotational development opportunities and supports the development of future leaders.

In FY26, Kennametal continued to enhance candidate experience and recruitment processes through improvements in technology, communication and process efficiency. These efforts are designed to support timely hiring decisions, improve candidate engagement and strengthen overall recruitment outcomes.

Data and analytics continue to play a key role in talent acquisition. Kennametal monitors key metrics related to hiring activity, workforce composition and retention trends, including indicators related to diverse talent pipelines. These insights support ongoing evaluation of recruitment strategies and help inform continuous improvement efforts across the hiring process.

Kennametal remains committed to attracting individuals from a wide range of experiences and backgrounds and ensuring equal opportunity in hiring practices. Recruitment processes are designed to be fair, consistent and aligned with applicable regulations and Company policies. Ongoing collaboration between talent acquisition and business leaders.helps ensure that hiring practices support both operational needs and long-term workforce strategy.

Kennametal monitors key metrics related to hiring activity, workforce composition and retention trends, including indicators related to diverse talent pipelines



HEALTH AND SAFETY

At Kennametal, the health and safety of our employees and contractors is an operational priority. Our strategy is designed to proactively identify and eliminate high-risk conditions that could lead to serious injuries or fatalities, while reinforcing a culture of shared responsibility and continuous improvement. We expect every member of our global workforce - including supervised contractors and third-party partners - to follow our health and safety policies and actively participate in efforts that strengthen our safety culture. We recognize that unsafe conditions can pose material risks to our people and operations, and we are committed to mitigating those risks while striving for zero injuries and illnesses through robust standards, leadership accountability and targeted training.

Kennametal's health and safety strategies are overseen by Safety Lead Teams composed of EHS and operations leaders, beginning at the plant level and extending through the Business Unit, Segment and Executive Leadership Team. These teams meet monthly to review critical issues, accomplishments and progress toward EHS key performance indicators. EHS metrics and priority topics are also reported quarterly to the Board of Directors.

Our EHS Policy Statement outlines our commitment to meeting or exceeding applicable workplace health and safety regulations and to driving continual improvement. Built on principles such as leadership, accountability, communication and trust, the policy empowers all employees and contractors to stop any job that cannot be performed safely.

FATAL AND SERIOUS INJURY PREVENTION

Proactively reducing and eliminating significant risks and hazards across our business.

INCIDENT PREVENTION AND COMPLIANCE

Implementing systems and tools to assess and drive compliance, incident reduction and industrial hygiene risk mitigation.

LEADERSHIP DEVELOPMENT AND EHS CULTURE

Engaging leaders at every level of the organization to own and lead environment, health and safety.

EHS Roadmap Defines Our Long-Term Vision and Path

Kennametal's long-term vision for a world-class health and safety culture is articulated through our EHS Roadmap which was refreshed in FY26. Over the past six years, we have moved steadily from a reactive approach focused on responding to injury events to building the systems, training, and standards needed to enable managing risk more effectively. We have worked to continuously improve our proactive approach - driven by our Fatality & Serious Injury (FSI) prevention efforts, engaging our employees in job observations and learning opportunities and self-assessment tools. Today, we are positioned to move beyond managing risk to consistently anticipating and reducing it as we push toward a more proactive and ultimately generative EHS culture.

FOCUS AREAS

1. Fatal and Serious Injury Prevention
2. Incident Prevention and Compliance
3. Leadership Development and Culture
4. Environmental Compliance and Sustainability

MATURITY CURVE

REACTIVE
We act after an injury

CALCULATIVE
We have systems to manage risk

PROACTIVE
Values drive continuous improvement

GENERATIVE
Trust, performance, collaboration and learning

BENEFITS

- Productivity
- Efficiency
- Quality
- Risk Reduction
- Maintenance
- Cost Reduction
- Sustainability
- Opex
- Compliance

EHS Management System

Kennametal's EHS Management System drives compliance and risk reduction efforts across the organization. The system necessitates active participation from employees and supervised contractors in EHS processes and is designed to align with recognized international standards. Demonstrating our continued commitment to excellence, we are proud that four facilities maintain ISO 45001 (Occupational Health and Safety Management Systems) certifications.

EHS Standards, Verification Audits and Self-Assessments

To support the advancement of our EHS Roadmap, we have implemented a structured, recurring self-assessment process across all manufacturing locations. Each site is required to complete self-assessments on an average of eight defined EHS topics annually, following a three-year rotational schedule. These assessments are tracked through our EHS Information Management System, which monitors each location's conformance level and associated action plans, enabling us to measure progress and maturity across the enterprise.

Our EHS Verification/Internal Audit Process complements this effort through a risk-based approach to site evaluations. Each location is qualitatively assessed and assigned a risk-versus-capability rating of high, medium or low. Risk versus capability refers to the evaluation of potential risks against the abilities and resources available to manage or mitigate those risks. This rating informs the frequency and depth of audits; higher-risk sites are prioritized for on-site deep dives and critical process reviews. The EHS Verification team, which includes corporate EHS staff and, when possible, peer auditors from manufacturing sites, conduct program evaluations, on-site observations, interviews and compliance reviews. Findings are documented and addressed through action plans and any discoveries that involve Fatal and Serious Injury (FSI) risks are mitigated promptly.

EHS Information Management System

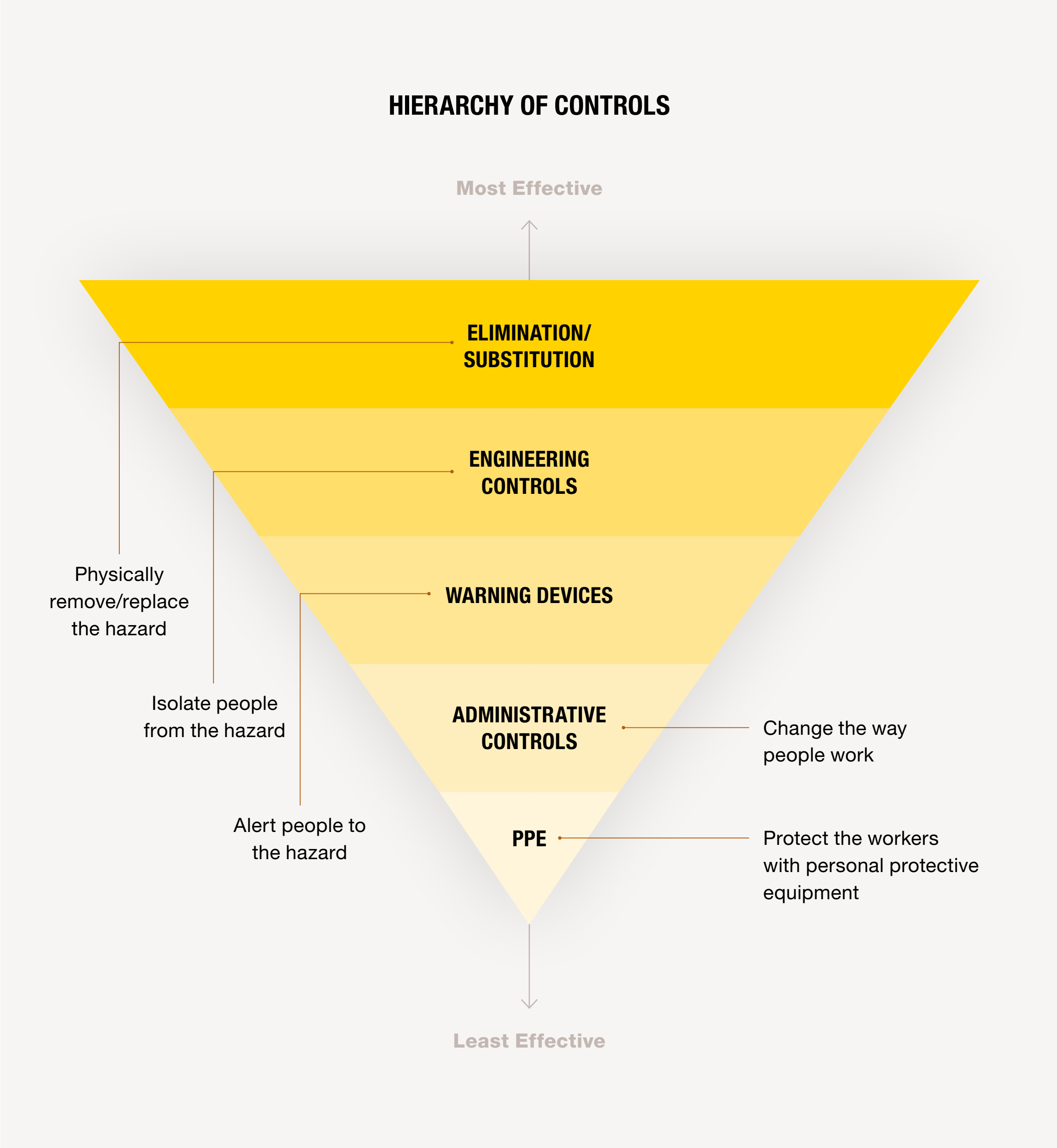
Our EHS Management System is supported by a digitally enabled platform built on industry standards and leading practices, designed to proactively monitor risk and drive performance across our global operations. It houses a comprehensive suite of applications that streamline data collection, tracking and reporting, including:

- Incident management
- Internal corporate EHS Verification/ Audit and self-assessment
- Action tracking
- Compliance calendar
- Inspection tool
- Job Safety Analysis
- FSI risk assessment
- Industrial hygiene
- Management of change
- Sustainability data collection

EHS Verification/Internal Audit Process

Our internal audit process continues to serve as a critical mechanism for reinforcing accountability and advancing our EHS culture. Through focused deep dives and risk-based audits at select sites, we assess the effectiveness of FSI prevention measures, verify compliance with critical standards, and evaluate operational ownership of EHS responsibilities. In FY26, we completed four in-depth assessments, each followed by tailored action plans and process reviews to ensure lasting improvements. This reflects our commitment to proactive and continuous enhancement of safety practices.

Complementing these audits, plant leadership team members perform on-site and virtual walkthroughs periodically with corporate EHS staff. These tours provide real-time visibility into daily operations, strengthen hazard recognition and foster collaborative problem-solving. They also serve as a venue for enforcing expectations, sharing best practices and identifying opportunities for continuous improvement across our global footprint.



FSI Prevention

In FY26, Kennametal's approach to FSI prevention continued to evolve, with a focus on strengthening both the consistency and responsiveness of risk mitigation efforts. Using a standardized evaluation process, teams across our global operations identified an average of 3 FSI risks per month. Critical hazards were addressed within 24 hours, and longer-term actions were tracked to completion. These efforts resulted in the mitigation of more than 1,300 serious risks over the year, underscoring our commitment to proactive safety management.

In FY26, injuries with FSI-Potential trended downward in response to proactive risk identification and addition of controls. These injury events had the potential to be life-threatening or life-altering injuries, but no such outcomes occurred.

After all Recordable Injury and FSI Potential events, EHS Alerts are distributed to help the organization quickly share critical lessons learned, raise awareness of similar hazards, and reinforce expectations for safe work. Timely alerts enable sites and teams to take immediate preventive action, review controls, and address comparable risks before another event occurs. They also strengthen transparency, support a culture of learning, and demonstrate that incidents are used to drive continuous improvement rather than being treated as isolated events.

In response to FSI Potential events, we have also worked on assessing risk, identifying controls and driving action plans for bulk chemical delivery, additional people-vehicle interface opportunities, hydrogen process safety, combustible dust and molten metal.

To support alignment and accountability across the enterprise, our corporate health and safety professionals led monthly FSI meetings to share learnings and reinforce expectations. With 16% of reported events classified as FSI-related - and 96% of FSI hazards identified proactively -these efforts continue to demonstrate the importance of comprehensive reporting in driving root cause analysis and long-term prevention.

In FY27, our FSI Prevention program will emphasize the implementation of enhanced and robust controls to drive more reliable and effective controls throughout our FSI Program.

Incident Prevention

In addition to our focus on eliminating FSI risks, we continue to strengthen injury and illness prevention across our operations through the following initiatives:

- Developing Top 3 EHS risk profiles to focus each plant's efforts around the high-risk areas.
- Using engagement tools such as Find & Fix, STOP Work Authority and Job Observations to support the reporting, tracking and resolution of near-miss events and hazards while providing insight into our safety culture.
- Conducting focused job observations each month involving location management, employees and contractors.
- Supporting a stop-work approach by empowering employees and contractors to pause work if conditions appear unsafe or if they are unsure how to proceed.
- Expanding the FSI / ENV Skillbuilder library to address critical topics such as cobalt, confined space, crane, ozone depleting substances, preventive maintenance and respiratory protection.
- Applying the management of change processes to integrate health and safety controls into the design and commissioning of new equipment and processes.
- Addressing hand and finger injury risks by implementing injury standards, machine guarding and personal protective equipment (PPE) guidance, hands-free tool best practice sharing and focused problem-solving events.

Through these initiatives and others, we continue to drive proactive risk-reduction in our operations. As of FY26, we are still performing 53% better than the U.S. industry average.*

*Source: Bureau of Labor Statistics, U.S. Department of Labor, Survey of Occupational Injuries and Illnesses, in cooperation with participating state agencies.

Contractor Safety

Contractor safety is embedded in daily site operations through a structured process designed to ensure consistency, accountability and alignment with Kennametal's EHS standards. Each day, site teams verify contractor orientation completion, designate project managers, review Dynamic Job Safety Analyses (DJSAs) prior to job start and conduct on-site safety observations. Activities and responsibilities are displayed on a dedicated safety management board to support transparency and oversight.

These practices are supported by a broader governance framework. Kennametal's Contractor Safety Standard defines requirements across the full contractor lifecycle. All contractors must complete a prequalification process that includes submission of EHS plans and training records, with risk levels assessed through an automated score based on EHS injury performance, management systems and insurance data. In FY26 Kennametal launched a newly developed in-house prequalification process which reduces cost and effort to contractors while simplifying the Kennametal project manager user experience.

Oversight is reinforced through our EHS Verification and Internal Audit program, which monitors contractor safety alongside broader site performance. In the event of an incident, we partner with contractor leadership to conduct a thorough investigation, implement corrective actions and communicate findings across the company to help prevent recurrence.

Leadership Development and EHS Culture

A strong, proactive safety culture is central to how Kennametal prevents injuries and occupational illnesses. Our approach is driven by our leaders and grounded in compliance but also emphasizes the early identification and mitigation of precursors that could lead to serious incidents or fatalities. Leaders at all levels are expected to empower employees to speak up, report concerns and stop work when safety is in question.

In FY26, over 67% of operations personnel participated in the proactive identification and correction of health and safety risks using our engagement tools, reinforcing a strong culture of safety and shared accountability. Health and safety expectations are clearly defined across the organization, with every employee playing a role in incident prevention, compliance and hazard identification. To further support accountability, health and safety objectives are incorporated into annual performance plans for leadership roles throughout the company.

We continue to strengthen supervisor-level EHS leadership through targeted training and coaching focused on both technical EHS knowledge and leadership skills needed to effectively manage risks and build a strong safety culture within their teams. In FY26, we developed a Supervisor EHS Fundamentals module for our computer-based training library, with deployment planned for FY27.

EHS Training

Kennametal's health and safety training program combines site-level ownership with targeted corporate support to meet the needs of different roles across the organization. Health and safety training is generally provided at the site level, where site teams deliver content tailored to operational risks. Additionally, for all plant managers, EHS personnel and high-potential leadership candidates, health and safety training is included as part of onboarding and led by corporate EHS to ensure alignment with enterprise-wide expectations.

To promote consistency across sites, we provide a standardized EHS training matrix that outlines core topics, intended audience and refresher intervals. Sites use this tool to build their annual training plans based on location-specific needs.

EHS training content is also made available through an electronic learning management system that supports both ease in accessibility and training development. In FY26, seven new Kennametal-specific learning modules were created and distributed to plants to support evolving training needs. In FY27, we plan to update our EHS Learning Management System to improve administrative flexibility and user-friendliness.

EHS Training Modules

In FY26, the Corporate EHS Team continued to expand its library of Kennametal-customized training modules to support consistent, high-quality learning across the organization. These modules are aligned with site-level training plans, newly introduced health and safety standards and key cultural and leadership topics. New content launched this year includes:

- Emergency Operations Command (Kannada, Chinese, Spanish)
- Supervisor EHS Fundamentals
- Management of Change—Environmental Focus
- Environmental Risk Recognition
- Contractor Safety Prequalification

All topics are available for local translation and classroom delivery. English versions of select topics are also developed as e-learning modules or recorded instructor-led sessions in our electronic learning management system.

Each year we aim to develop and launch new modules that resonate with our priority areas, drawing on critical analysis of significant risk areas and feedback from all levels of personnel.

Occupational Health Controls

Protecting the long-term health of our workforce begins with understanding the risks they face every day. At Kennametal, our occupational health program is built around a proactive, data-driven approach to managing industrial chemical and noise exposures. We conduct qualitative exposure assessments (QEA) at global manufacturing locations - an internal standard that exceeds regulatory requirements and enables early identification of potential health risks.

Rather than treating exposures as isolated issues, we focus on the five most significant areas across our operations. For each, we develop targeted plans to integrate engineering controls that align with both operational needs and capital planning cycles. This integrated approach ensures that health risk management is embedded into the way we design, operate and improve our facilities.

In FY26, Kennametal launched a global Safety Data Sheet (SDS) system bringing all locations into one platform which provides Right to Know access to SDS's for shop floor employees. The system also enhances our New Material Review process by integrating an electronic workflow for SDS review and approval by site EHS professionals prior to release of the chemical for use. The system also supports regulatory chemical reporting, regional chemical safety placarding and secondary container labeling requirements.

Employee Health and Wellness

Kennametal supports employee well-being through a range of programs designed to address both everyday challenges and more complex health needs. In addition to comprehensive health insurance coverage (detailed in the Human Capital Management section), employees and their families have access to a confidential EAP, which offers counseling, referrals, educational materials and self-guided tools for managing personal or work-related issues.

Workplace flexibility remains an important part of our approach and we continue to offer virtual tools and flexible work arrangements to help employees maintain work-life balance and protect their physical and mental health.

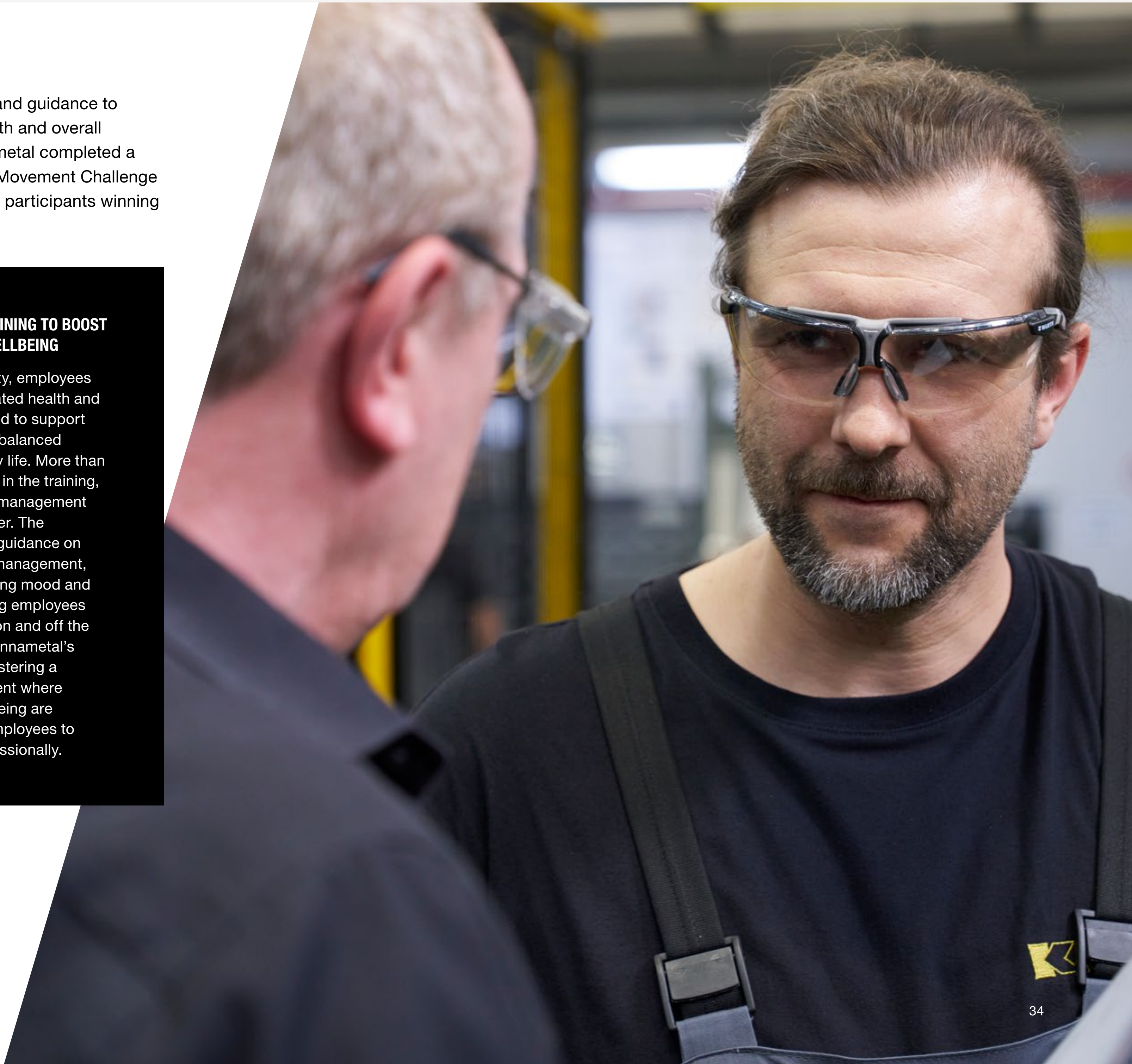
Our Inclusion Council also plays a key role in promoting wellness through awareness and education. This includes online training, a lunch-and-learn series and an employee newsletter focused on well-being topics and access to supportive resources.

Many Kennametal locations operate an Emergency Overdose Response program. Site leaders, EHS Managers and first responders receive training on recognizing opioid overdoses and administering Naloxone. Educational instruction covers signs and symptoms, risk factors, dosage and medication storage to help ensure a prepared and informed response.

In FY26, Kennametal focused on Mental Health Awareness by offering well-being sessions regionally with practical tools and guidance to support employee mental health and overall wellbeing. During May, Kennametal completed a company-wide and individual Movement Challenge in support of wellness with top participants winning well-deserved prizes.

XUZHOU PLANT HOSTS TRAINING TO BOOST EMPLOYEE HEALTH AND WELLBEING

At our Xuzhou, China facility, employees came together for a dedicated health and well being session designed to support healthy habits and a more balanced approach to work and daily life. More than 70 colleagues participated in the training, which was led by a health management expert from our EAP partner. The session covered practical guidance on nutrition, exercise, stress management, and techniques for improving mood and building resilience - offering employees tools they can apply both on and off the job. The event reflected Kennametal's ongoing commitment to fostering a supportive work environment where physical and mental well being are prioritized, empowering employees to thrive personally and professionally.



Safety Initiatives

SHANGHAI SINTEC EHS KAIZEN

In June, members of the EHS and operations team from the APAC region gathered at the Shanghai Sintec plant for a Kaizen event focused on EH&S continuous improvement. The team spent a week applying the Kaizen tools and engaging with operators to identify process improvements that reduce risk, eliminate hazards and drive efficiencies within the process. As a result, the team identified 81 EH&S improvements; 27 of those were completed during the Kaizen event. Key improvements include:

- reduced manual handling of products which reduces hand and finger hazards as well as ergonomic risks,
- improved waste stream storage and labeling reducing improper waste disposal, re-designed workstations to reduce walking and carrying of products to workstations,
- improved lifting devices to reduce manual handling and remove operators from drop zones, designing fixtures that reduce manual handling of parts and products,
- re-designing heavy product storage areas that reduce potential for pinch point hazards.

TRAVERSE CITY POWERED INDUSTRIAL VEHICLE IMPROVEMENTS

The Traverse City manufacturing team partnered with the local municipality and Traverse City traffic engineering department to improve pedestrian safety while crossing a municipal road that cuts between the two Traverse City operations buildings. The road feeds many manufacturing businesses in the area. The road sees traffic counts as high as 500 vehicles and trucks per hour and is crossed by Kennametal pedestrians at least 40 times per day. The team implemented “right of way” improvements that included painted crosswalk lines and adding a solar based, flashing crosswalk lighting system resulting in an observed 60% increase of driver stoppage when the system is triggered by pedestrians.

ADVANCING MOLTEN METAL SAFETY

Our Molten Metal Safety Team translated incident insights into tangible risk reduction by strengthening collaboration across EHS, Engineering, and Maintenance, enabling faster identification of hazards and more consistent implementation of controls. Lessons learned from these incidents led to targeted corrective actions, including improved drainage in storage containers, preheating of materials, and deployment of cameras to support investigations, root cause analysis and training. In addition, new global standards were implemented to strengthen raw material receiving, storage and drying practices aimed at reducing moisture-related risks. Operational improvements advanced safer melting through refined cold start procedures, strengthened inspections, and safer temperature-taking practices. Combined with site-specific innovations and deep-dive audits addressing critical hazards such as water explosions, material handling risks, and tapping-related splash exposures, these actions demonstrate a disciplined, data-driven approach to continuous improvement, reducing risk and strengthening molten metal safety performance across global molten metal operations.

HUNTSVILLE BULK CHEMICAL DELIVERY

In FY26, the operations team at Kennametal Huntsville improved safety of the Reagent Bulk Chemical Delivery Process. The operations team partnered with our bulk chemical supplier to identify opportunities for improvement. Immediate action was taken to eliminate the use of sub-contractors for this safety-critical delivery and align on basic expectations and best practices to be followed. Additional improvements focused on the chemical transfer process and emergency response equipment. The process had historically been accomplished by attaching a compressed airline to the tanker to pressurize the load to push the chemicals into the system. The team is moving towards pulling the material out using chemical rated pumps to eliminate pressurized unloads which the chemical supplier has noted as the gold standard for the industry. In addition, the team has procured the necessary equipment and initiated fabrication activities to support installation of a tepid water system to improve the emergency shower and eyewash station in the Reagent Area. The Huntsville team has also empowered the Reagent Attendant by providing the resources needed to successfully manage the safety of the area including daily checklists, clear employee and contractor roles and responsibilities, and authority over the department and delivery drivers to ensure these high-risk tasks are safely completed.

COMMUNITY ENGAGEMENT

Kennametal's approach to community engagement reflects our role as both a global employer and a responsible member of the communities where we operate. We focus on supporting long-term community vitality by promoting workforce readiness through technical education and local initiatives that enhance quality of life and environmental well-being. These efforts are delivered through a combination of financial and in-kind contributions, employee volunteerism and collaboration with local organizations.

Community engagement is tied to Kennametal's core value of accountability—we are accountable to each other, our customers, shareholders, environment and community. Our community activities are primarily organized at the facility level, allowing teams to address local needs and priorities. This locally driven approach enables employees to participate in initiatives that are meaningful within their communities while reinforcing the Company's broader commitment to responsible business practices.

Kennametal prioritizes educational programs that support manufacturing communities and help build future talent pipelines, including partnerships with academic institutions and STEM-related initiatives. In addition, the Company maintains open channels of communication through its website and social media platforms to share community activities and engage with stakeholders.

Global Community Activities

Building Skills Through Academic and Technical Partnerships

Kennametal's collaboration with universities, technical institutions and training programs remains an important component of our approach to developing a future-ready workforce. These partnerships focus on strengthening the connection between academic learning and real-world manufacturing applications, helping to build the next generation of skilled talent.

Through these engagements, students gain exposure to industry practices through facility tours, hands-on learning experiences and interaction with Kennametal employees. In select cases, Kennametal also supports academic programs through scholarships, project-based collaboration and technical expertise, enabling students to apply engineering and manufacturing concepts in practical settings.

These efforts are aligned with Kennametal's broader focus on workforce development and talent pipeline sustainability, particularly in regions where the Company operates. By supporting education and skills development in manufacturing and engineering disciplines, Kennametal helps foster interest in technical careers while contributing to the long-term strength of the communities it serves.

SUPPORTING THE NEXT GENERATION OF MANUFACTURING ENGINEERS IN MEXICO

Kennametal partnered with the Aeronautical University of Querétaro in Mexico to host an "Innovation in Cutting Engineering" seminar for 50 engineering students. The session introduced participants to advanced cutting tool technologies and their applications across the aerospace, transportation, and energy industries. By sharing real world expertise and insights into the challenges shaping modern manufacturing, Kennametal helps equip future engineers with a deeper understanding of the innovations driving the industry forward and strengthening the pipeline of skilled talent for years to come.

COLLABORATION IN ACTION: SUPPORTING INNOVATION AT LSU WITH EXXON

Kennametal partnered with a student team from Louisiana State University on a Senior Design Capstone Project sponsored by a long standing Kennametal customer. Tasked with developing a more durable solution for a refinery component experiencing excessive wear, the students proposed an innovative approach: a binder jet 3D printed tungsten carbide design. To make the concept viable, they needed guidance on optimizing the part for additive manufacturing, and Kennametal experts stepped in to provide design support, technical insights and education on tungsten carbide behavior and binder jet fundamentals. With this collaboration, the students successfully produced a lightweight, 3D printed tungsten carbide crusher and gained hands on experience with advanced industrial materials while delivering a practical solution to a real customer challenge.

NURTURING FUTURE TALENT: HANOI HIGH TECHNOLOGY COLLEGE VISITS VIETNAM

Our Vietnam facility recently welcomed 20 students and lecturers from Hanoi High Technology College for an immersive plant tour highlighting manufacturing careers and scholarship opportunities. Offering students a close look at key workstations and the advanced technologies behind our cutting tool production processes, the group was particularly impressed by the facility's modern equipment and systems, and lecturers expressed interest in strengthening collaboration to better align academic programs with industry needs. The event marked an important step in connecting education and manufacturing while helping inspire future talent and supporting the development of a skilled workforce.

OPENING DOORS TO FUTURE CAREERS

Each year, Girls' & Boys' Day across Germany opens doors for young people to discover new career paths. Kennametal's facilities in Königsee, Ebermannstadt, Essen, and Vohenstrauß, Germany were proud to take part. Students spent the day exploring technical professions such as industrial mechanic and cutting machine operator, gaining firsthand exposure to the world of modern manufacturing. Through hands on activities and meaningful conversations with trainees and experienced professionals, participants were able to see how curiosity, skill, and innovation come together on the shop floor.

Employee Volunteerism

Volunteerism at Kennametal reflects how our employees bring the Company's values to life within the communities where they live and work. Across regions and roles, employees continue to contribute their time and expertise through a wide range of initiatives that support local needs and priorities.

Volunteer efforts are primarily driven at the facility level and often focus on areas such as workforce development, education, community well-being and environmental stewardship. Activities include participation in programs with long-standing partners such as United Way, as well as locally organized initiatives that respond to the unique needs of each community.

Kennametal supports employee participation in volunteer activities through a combination of structured programs and local engagement opportunities. In the United States, employees are eligible for eight hours of paid volunteer leave annually, helping to promote participation and ensure that volunteerism remains accessible.

Employee contributions are recognized through internal communications and local engagement channels, where stories of volunteer efforts are shared across the organization. These efforts reinforce our core values while supporting Kennametal's broader commitment to responsible business practices.

SINGAPORE TEAM JOINS HANDS TO SUPPORT #GIVINGASONE

In Singapore, Kennametal employees joined CapitaLand's global #GivingAsOne initiative, coming together to support vulnerable seniors in the local community. As part of this year's focus on elder care, the team prepared and delivered essential care packs to seniors in need in an effort that combined hands on service with meaningful impact. For every hour volunteered, the CapitaLand Hope Foundation contributed additional funding to education, health, and well being programs, doubling the effect of the team's contributions and extending the reach of their support.

BUILDING COMMUNITY TOGETHER: METAL CUTTING COMMERCIAL TEAM PARTNERS WITH CUSTOMER AND HABITAT FOR HUMANITY

The Metal Cutting Commercial Team joined forces with a customer in Rochester, New Hampshire to support a community rebuilding effort with Southern New Hampshire Habitat for Humanity. Employees from both organizations worked side by side to help restore a duplex on a site that had previously been destroyed by fire. Priming and painting walls, installing interior and storm doors, and contributing to the creation of safe, affordable housing for families in need.

Making Meaningful Impact Across Communities in India

Kennametal employees continued to support local communities through initiatives focused on education, healthcare and social welfare. Working alongside nonprofit partners and community organizations, employees contributed their time, expertise and resources to help address local needs and create meaningful impact.

FY26 COMMUNITY INITIATIVES IN INDIA

SUPPORTING EDUCATION AT PARIKRMA SCHOOL

In partnership with United Way India, Kennametal provided a dedicated vehicle and power backup systems to help ensure safe student transportation and uninterrupted learning.

ENHANCING PATIENT CARE AT KARUNASHRAYA HOSPITAL

Employees supported the donation of critical medical equipment to improve comfort and care for hospice patients.

SUPPORTING CHESHIRE HOMES RESIDENTS

Through a voluntary employee contribution drive, funds were raised to purchase essential supplies for elderly women and girls with disabilities at two Cheshire Homes locations. Employees also spent time with residents, fostering meaningful personal connections.

ADVANCING WORKFORCE DEVELOPMENT THROUGH KATALYST

Engineering students participated in an industrial learning visit to the Kennametal India facility, gaining hands-on exposure to cutting tool manufacturing, precision engineering and career opportunities in advanced manufacturing.

VOLUNTEERING AT THE “JOY OF LEARNING” EVENT

Employees supported Sparsha Trust’s annual event at Makkaladhama, helping facilitate sports, academic and cultural activities for more than 1,000 underprivileged children.

ETHICAL AND RESPONSIBLE GOVERNANCE

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GOVERNANCE AND RISK OVERSIGHT

Kennametal's governance structure is designed to strengthen long-term business resilience and operational accountability while supporting responsible business practices. The Kennametal Board of Directors plays a central role in overseeing key areas of strategic importance, including risk management and the effectiveness of our Corporate Responsibility Strategy initiatives and programs. The Board's oversight is delivered through formal mechanisms that support informed decision-making, transparency and alignment with shareholder and investor expectations.

Corporate Responsibility and enterprise risk management are integrated into Kennametal's broader strategic review process, enabling the Board and management to assess how key initiatives align with business priorities, stakeholder expectations and emerging risks.

Corporate Governance Guidelines

Kennametal's governance framework is grounded in well-defined policies and regulatory alignment, ensuring effective oversight and accountability throughout the organization. Our Corporate Governance Guidelines outline the roles and responsibilities of the Board and executive leadership, facilitating transparent and disciplined management of the company. These guidelines reflect current best practices and are consistent with requirements set by the New York Stock Exchange and the U.S. Securities and Exchange Commission.

Board members are required to complete annual training on Kennametal's corporate policies, including the Code of Conduct, Global Anti-Corruption and Anti-Bribery, and Insider Trading. Upon completion, directors formally acknowledge their understanding and commitment, reinforcing a consistent standard of ethical and responsible behavior.

Key corporate governance practices include:

INDEPENDENT DIRECTORS

The Board is composed of a majority of independent directors, with 7 of 8 being independent.

LEADERSHIP STRUCTURE

The roles of CEO and Chairman of the Board are separate, enhancing independent oversight.

ANNUAL EVALUATIONS

The Board and its committees undergo annual evaluations to assess their qualification, performance and effectiveness, ensuring continuous improvement.

STOCK OWNERSHIP

Directors and executive officers are subject to stock ownership requirements to align their interests with the shareholders'.

Board Composition and Expertise

Kennametal's Board brings together individuals with expertise across financial disciplines, industrial and global operations and corporate responsibility-related matters. This wide breadth of experience supports informed oversight of complex strategic, operational and risk-related issues. A Board of Directors' skills matrix is updated annually and is used to periodically evaluate board composition, identify capability gaps and inform future appointments and succession planning.

Audit Committee

The Audit Committee oversees the integrity and transparency of Kennametal's financial reporting. Responsibilities include monitoring legal and regulatory compliance, assessing the performance of internal and external audit functions and evaluating the effectiveness of internal control systems. The Committee also provides oversight of the company's enterprise risk management (ERM) framework, helping to ensure risk processes remain robust and mitigation strategies are effectively deployed. Certain ethics and compliance matters, including significant allegations reported through the Company's ethics helpline, are escalated to the Audit Committee in accordance with established governance protocols.

Compensation and Human Capital Committee

The Compensation and Human Capital Committee is responsible for shaping the overall compensation philosophy for executive leadership, including short- and long-term incentive plans. It also reviews and oversees the Company's strategies and programs for human capital management. Consistent with Kennametal's commitment to workplace safety, executive incentive compensation incorporates safety-related performance measures.

Nominating/Corporate Governance Committee

The Nominating/Corporate Governance Committee supports the selection of potential candidates for the Board and its committees. It also provides recommendations for enhancing governance policies and assesses the effectiveness of the Board and its committees annually. In addition, the Committee oversees Kennametal's Corporate Responsibility Strategy and monitors the maturity and progress of related initiatives. This Committee plays an important role in integrating Corporate Responsibility into the governance agenda and helping ensure Board oversight remains aligned with the Company's strategic priorities and stakeholder expectations.

Enterprise Risk Management

At Kennametal, integrating enterprise risk management (ERM) into day-to-day operations and strategic planning remains essential to long-term business success. We promote a culture of risk awareness across functions and operations, enabling management to identify, assess and respond to emerging risks in a timely and disciplined manner.

Kennametal's ERM framework is aligned with the Company's strategic priorities and is designed to support comprehensive identification, evaluation and mitigation of key enterprise risks. As part of this process, the Company regularly reviews its top enterprise risks and assesses how those risks may impact current and future strategic and operational objectives.

The Vice President, Secretary and General Counsel leads the ERM program ensuring that ethics, compliance and risk management remain embedded throughout the organization. Daily management of the ERM program is the responsibility of the Vice President and Associate General Counsel, while the Assistant General Counsel and Global Director of Compliance support the implementation of ethics and compliance initiatives across the enterprise.

To promote transparency and alignment, risk considerations are incorporated into Board and management presentations through linkage of strategic and operational topics to relevant enterprise risks. Management provides regular updates to the Audit Committee and full Board regarding significant risk issues, ethics and compliance matters, whistleblower activity and related training initiatives.

By embedding risk management into corporate strategy and daily operations, Kennametal remains well-positioned to navigate evolving business conditions while maintaining its commitment to accountability and transparency.

Internal Audit

Our Internal Audit function provides independent assurance to the Audit Committee and management on the effectiveness of risk management, internal control and governance. The team executes a risk-based audit plan across functions, processes, systems and locations to address strategic, financial, operational and compliance risks, and evaluates adherence to company policies and procedures as needed.

Internal Audit also supports the integrity of data disclosed in this Corporate Responsibility Report through structured validation procedures over selected quantitative disclosures. This review includes assessment of supporting documentation, calculation methodologies and consistency of reported data with other public disclosures, including the Company's Form 10-K.

All global locations are reviewed on a rolling five-year cycle, with higher-risk sites audited more frequently. A dynamic, year-round risk assessment—supported by ongoing input from the business and enterprise risk management processes—guides audit scoping and scheduling and enables timely adjustments to the audit plan as risk conditions evolve.

As part of its broader audit program, Internal Audit incorporates review of ESG-related controls into selected operational and site-level audits, including testing of environmental data collection, entry and reporting controls at manufacturing and operating locations. These reviews support the continued enhancement of ESG reporting processes and internal controls.

Internal Audit maintains a direct reporting relationship with the Audit Committee and provides regular updates regarding audit plan execution, key findings, internal controls and emerging risks. The function also coordinates closely with external auditors to support alignment of audit activities and internal control assessments.

Corporate Responsibility Governance

The Nominating/Corporate Governance Committee of the Board of Directors provides oversight of Corporate Responsibility activities. Consistent with its charter, the Committee oversees the Company's Corporate Responsibility strategy, including review of key initiatives, monitoring alignment with business priorities and stakeholder expectations, and oversight of related disclosures in the Company's Corporate Responsibility Report. The Committee reports regularly to the full Board on these matters.

Management provides periodic updates to the Nominating/Corporate Governance Committee and the full Board regarding Corporate Responsibility priorities, progress and emerging developments. These updates are informed by ongoing stakeholder engagement, regulatory developments and evolving market expectations.

The Audit Committee supports the Board's oversight responsibilities by reviewing the Company's control environment, including processes designed to support the accuracy, consistency and transparency of non-financial disclosures. This includes discussion with management regarding internal controls, data validation procedures and alignment of Corporate Responsibility disclosures with Kennametal's or the Company's public filings.

Additional information regarding the Board's oversight of Corporate Responsibility, enterprise risk management and climate-related matters is provided in the Corporate Responsibility Strategy section of this report.

ETHICS & COMPLIANCE

At Kennametal, we hold integrity, accountability and transparency as core values, and we support these principles through strong governance frameworks and a global ethics and compliance program. Our Code of Conduct and anti-corruption initiatives continue to play a critical role in promoting ethical business practices and guiding decision-making across the organization. To uphold these standards, we maintain established policies, processes and training and communication programs designed to reinforce ethical behavior and compliance with applicable laws and regulations.

Oversight of these efforts is supported by the Audit Committee, with management responsible for implementation and day-to-day administration of the Company's ethics and compliance program. Regular updates on compliance activities, training and significant matters are provided to the Audit Committee to support ongoing monitoring and continuous improvement.

Code of Conduct and Ethics and Compliance Training and Communication

The Kennametal Code of Conduct establishes the foundation for ethical behavior across the organization. It defines the principles that guide our business conduct and reinforces our commitment to operating responsibly, maintaining fair competition and acting with integrity in all markets where we operate.

The Code of Conduct is broadly communicated across the organization and reinforced through regular training provided to employees at all levels, as well as to the Board of Directors. The Code is updated annually and delivered through live training sessions at global facilities and computer-based training is required for professional employees. Abbreviated quarterly online training modules covering various ethics and compliance topics are provided throughout the year.

In addition, quarterly "Compliance Moments" communications address relevant and emerging topics such as anti-corruption and anti-bribery and are often included in town hall meetings, leadership meetings or semi-annual business meetings. These topics are reinforced through regional engagement and tailored to employees' roles and responsibilities.

Kennametal extends its commitment to ethical conduct across its value chain. The Company maintains a risk-based third-party due diligence program that applies to distributors, agents, suppliers and other key business partners. This program is designed to assess potential risks and promote compliance with applicable standards.

Business partners are expected to adhere to Kennametal's ethical standards and applicable policies, including the Supplier Code of Conduct, Anti-Corruption and Anti-Bribery Policy and Export and Trade Compliance procedures, as relevant. Enhanced due diligence is conducted for higher-risk relationships to help ensure integrity across the Company's global operations.

Compliance Moments

In FY26, we conducted quarterly online "Compliance Moments" and training sessions on various topics, including:

- The Code of Conduct
- Anti-Corruption and Bribery
- Global Trade Compliance
- Artificial Intelligence
- Fraud and Financial Integrity
- Gifts and Entertainment
- Inclusion and Belonging
- Competition and Anti-trust

Anti-Corruption, Anti-Bribery and Anti-Money Laundering

Kennametal's compliance framework is supported by its Global Anti-Corruption and Anti-Bribery Policy, supplemented by additional policies that are accessible in multiple languages for employees, business partners and the public. These include the Kennametal Global Non-Retaliation and Reporting Obligation Policy, Global Business Gifts and Entertainment Policy, Global Conflict of Interest Policy, Insider Trading Policy and Export and Trade Compliance Procedure.

Kennametal maintains a strict zero-tolerance stance toward bribery and corruption and is committed to complying with applicable laws and regulations, including the U.S. Foreign Corrupt Practices Act, the UK Bribery Act and all other applicable international statutes.

Our anti-money laundering controls are designed to align with applicable global laws and regulations and include procedures to identify and mitigate risks associated with sanctioned or restricted parties. These efforts are supported through Kennametal's Export and Trade Compliance Procedure, as well as finance-led screening and monitoring activities focused on identifying potentially suspicious transactions and mitigating money laundering risks. The program incorporates ongoing transaction monitoring and collaboration across finance, sourcing, legal and business teams to address evolving regulatory requirements and compliance obligations.

Antitrust Compliance

Kennametal is committed to conducting business in full accordance with competition laws. We maintain policies and internal controls to ensure adherence to applicable regulations governing and promoting fair competition. To support these efforts, employees in relevant roles receive targeted training and periodic reminders. Our approach to fair competition also includes strong safeguards against anti-competitive practices, such as price-fixing or market allocation, reinforced through compliance protocols and ongoing education.

Whistleblower Reporting

Kennametal maintains a global ethics helpline, administered by an independent third party, which provides a secure and accessible channel for employees and external stakeholders to report concerns or potential violations. The helpline is available 24/7 in multiple languages and supports confidential and anonymous reporting through both telephone and web-based platforms. Concerns may also be reported directly to the Office of Ethics and Compliance through additional channels, including phone, email or mail.

All reports are reviewed and investigated in accordance with established procedures designed to promote consistency and integrity in the process. The Office of Ethics and Compliance administers the helpline and coordinates investigations in collaboration with Human Resources, Internal Audit and, when appropriate, external counsel. Matters are triaged based on severity, with certain issues escalated to senior leadership, and as required, to the Audit Committee of the Board of Directors. Kennametal enforces a strict non-retaliation policy to ensure that individuals can report concerns in good faith without fear of retaliation.

KENNAMETAL OFFICE OF ETHICS AND COMPLIANCE

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SUPPLY CHAIN

An effective and resilient supply chain remains essential not only to operational performance but also to advancing responsible growth. At Kennametal, we integrate ethical sourcing, environmental stewardship and risk management into supplier management practices across our global supply chain. These efforts are grounded in our commitment to ethics and compliance, supported by established governance structures and guided by our Code of Conduct, Supplier Code of Conduct and anti-corruption policies.

We maintain a large and diverse global supplier network and prioritize strong relationships with strategic suppliers through structured engagement, performance monitoring and ongoing collaboration. Supplier expectations are communicated through multiple channels, including our public-facing "Doing Business with Kennametal" resources, contractual terms and conditions and direct engagement with suppliers.

Kennametal applies a risk-based approach to supplier onboarding and management, including pre-screening for regulatory and compliance risks, contractual requirements and ongoing due diligence. Supplier performance is monitored through a combination of key performance indicators, quality reviews and regular business reviews, with corrective actions implemented as needed to address identified gaps. These processes are supported by a global category management structure and supplier quality teams that help ensure consistency and accountability across regions.

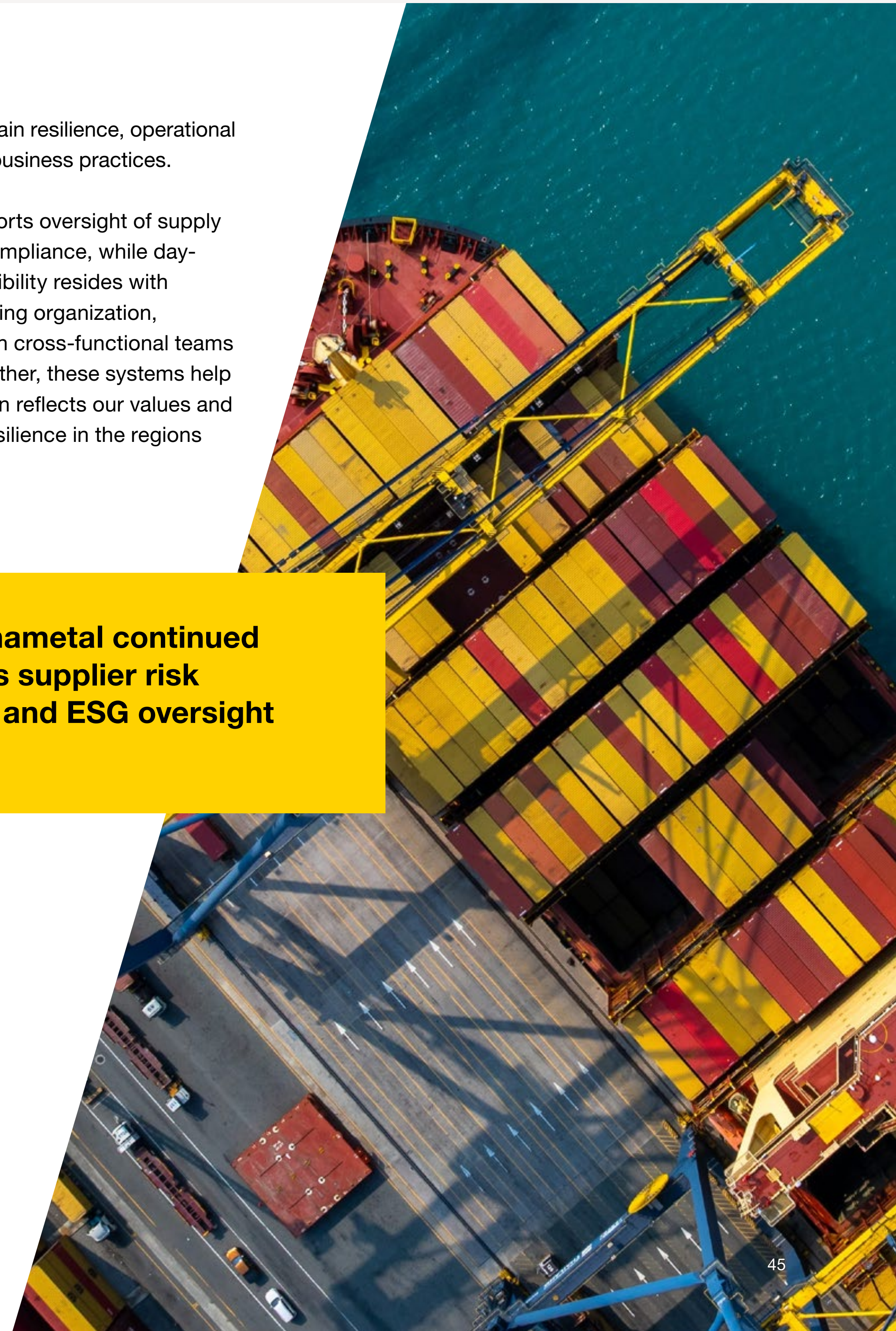
In FY26, Kennametal continued to enhance its supplier risk management and ESG oversight capabilities. Building on existing processes, the Company advanced the implementation of its third-party supplier management platform to support more efficient tracking, evaluation and reporting of supplier performance, including ESG-related factors. While current ESG data collection processes remain partially manual, these enhancements are expected to improve data visibility, standardization and scalability across the supply base.

Kennametal continues to strengthen supply chain resilience through diversification of its supplier base and proactive risk management strategies. Global category strategies and cross-functional coordination help mitigate potential disruptions related to geopolitical developments, trade dynamics and material availability. In addition, structured supplier qualification processes, including advanced quality planning and capability assessments, support consistent product quality and supplier performance.

We also continue to explore opportunities to advance sustainability within our supply chain, including increased focus on responsible sourcing practices, environmental considerations and circularity initiatives such as material recycling programs. These efforts support Kennametal's long-term approach to supply chain resilience, operational efficiency and responsible business practices.

The Audit Committee supports oversight of supply chain-related ethics and compliance, while day-to-day operational responsibility resides with Kennametal's Global Sourcing organization, working in coordination with cross-functional teams across the enterprise. Together, these systems help ensure that our supply chain reflects our values and contributes to long-term resilience in the regions where we operate.

In FY26, Kennametal continued to enhance its supplier risk management and ESG oversight capabilities.



Supplier Engagement and Evaluation

Identifying and partnering with the right suppliers begins with a robust and risk-based due diligence process. Kennametal evaluates prospective and current suppliers against a comprehensive set of criteria that includes ethical business conduct, regulatory compliance, occupational health and safety, environmental practices and respect for human rights. These evaluations are designed to help ensure that suppliers meet Kennametal's standards and are well positioned to support operational performance, quality expectations and responsible business practices across the value chain.

Kennametal maintains structured onboarding processes that include pre-screening for regulatory and compliance risks, validation of supplier information and execution of required contractual agreements, including non-disclosure agreements and purchase order terms and conditions. These processes are supported by cross-functional collaboration among sourcing, legal, finance and compliance teams, with regional considerations incorporated to reflect local regulatory requirements and risk profiles. In addition, sourcing personnel and key stakeholders receive training on regional risk considerations and supplier selection practices to help mitigate exposure to high-risk jurisdictions and supply chain disruptions.

Supplier expectations are communicated through multiple channels, including the "Doing Business with Kennametal" page, which serves as a centralized resource outlining standards, policies and expectations. This information is reinforced through supplier onboarding processes, contractual agreements and ongoing engagement with suppliers. The page is regularly updated to reflect evolving policies, regulatory requirements and business expectations.

For certain materials, including tungsten, tantalum, tin and gold (3TG), Kennametal applies enhanced due diligence procedures aligned with applicable regulations and industry expectations. These processes support compliance with U.S. conflict minerals regulations and reinforce the Company's broader commitment to responsible sourcing and supply chain transparency.

Supplier engagement extends beyond onboarding and compliance. Kennametal maintains ongoing communication with suppliers through regular business reviews, performance discussions and collaborative engagement led by global category managers and regional sourcing teams. Strategic suppliers are engaged more frequently through structured reviews, which provide opportunities to assess performance, reinforce expectations and identify areas for continuous improvement across quality, delivery, cost and sustainability.

In FY26, Kennametal continued efforts to strengthen its supplier base by focusing on strategic and high-performing suppliers that demonstrate strong capabilities in ESG-related practices, global supply chain management and continuous improvement. This approach supports enhanced collaboration, improved performance outcomes and greater alignment with Kennametal's long-term objectives.

Supplier Compliance

Kennametal requires its suppliers to align with the Company's Supplier Code of Conduct and Global Anti-Corruption and Anti-Bribery Policy, which establish clear expectations regarding ethical conduct, labor practices, environmental responsibility and regulatory compliance. These standards reflect Kennametal's zero-tolerance approach to forced labor, human trafficking, corruption and conflicts of interest.

Compliance is treated as an ongoing responsibility and is supported through a combination of monitoring, evaluation and continuous engagement. Strategic suppliers are subject to regular business reviews, during which performance against Kennametal standards is assessed and action plans are developed to address any identified gaps. In addition, the Global Sourcing Quality team monitors supplier performance across key categories to ensure conformity with quality, operational and compliance requirements.

Supplier performance is evaluated using a range of qualitative and quantitative inputs, including key performance indicators, quality metrics and operational performance data. These insights are increasingly being incorporated into sourcing decisions and supplier segmentation strategies.

In FY26, Kennametal continued to advance its supplier risk management and compliance capabilities. Building on existing processes, the Company is progressing toward implementation of a third-party supplier management and due diligence platform. This system is intended to enhance the Company's ability to monitor supplier risk, environmental impact and governance factors across the global supply base, while improving efficiency, consistency and scalability of supplier evaluations.

Current ESG data collection and supplier evaluation processes involve a combination of manual efforts and targeted tools. The planned implementation of enhanced digital capabilities is expected to support more standardized data collection, improved visibility into supplier risks and expanded tracking of ESG-related performance across the broader supplier base for measuring and reporting requirements.

Kennametal continues to integrate environmental considerations into supplier evaluation and supply chain decision-making. The Global Sourcing and EHS)teams collaborate to understand and evaluate Scope 1, Scope 2 and Scope 3 impacts across the value chain. These efforts are intended to support improved data quality, inform future goal setting and strengthen ongoing monitoring of environmental impacts associated with the supply base.

Through these processes, Kennametal reinforces its commitment to ethical business practices and responsible sourcing, helping to ensure that its suppliers operate in alignment with the Company's mission, values and expectations while supporting long-term supply chain resilience and sustainability.

Conflict Minerals and Critical Materials

Kennametal applies strict sourcing protocols for conflict minerals and other critical raw materials, recognizing their strategic importance to our operations and the potential risks associated with sourcing from conflict-affected and high-risk regions. Our approach emphasizes supply chain transparency, traceability and responsible sourcing practices across all stages of the value chain.

Kennametal's sourcing model for critical materials, particularly tungsten, is supported by a highly controlled and relationship-driven supply chain. Suppliers are evaluated through risk-based due diligence processes that include on-site visits, supplier assessments and verification at the smelter level. These activities are conducted on a periodic basis and are informed by supplier risk profiles, material criticality and regional considerations.

To further support traceability, Kennametal applies a chain-of-custody approach designed to track materials from mine through processing and delivery. This includes engagement with upstream suppliers, validation of material flows and lot-level verification at internal processing locations. These practices help reinforce confidence in the origin and integrity of materials used in our products.

Kennametal's conflict minerals compliance program continues to evolve in response to changing regulatory requirements and stakeholder expectations. While the program remains grounded in the OECD Due Diligence Guidance framework, its scope has expanded over time to reflect increased focus on additional materials and enhanced transparency requirements. The Company maintains alignment with applicable U.S. and EU regulations and supports industry initiatives, including collaboration with the Responsible Minerals Initiative (RMI), to promote responsible sourcing practices.

Supplier engagement and data collection remain key components of Kennametal's compliance program. The Company utilizes a third-party platform to support data collection and reporting; however, industry-wide challenges related to supplier participation have increased in recent periods. In response, Kennametal is enhancing its approach to supplier engagement by initiating data collection earlier in the reporting cycle and reinforcing expectations for supplier participation. The Company continues to achieve full compliance within its highest-risk metallurgical supply chain, where oversight is most stringent.

Kennametal maintains a strong focus on its highest-risk supply chains, particularly within its metallurgical raw materials sourcing activities, where it continues to achieve full compliance with internal standards and regulatory requirements. Suppliers are expected to adhere to Kennametal's Conflict Minerals Supply Chain Policy and are subject to ongoing monitoring. Where gaps are identified, the Company works with suppliers to address deficiencies and may take further action, including reevaluation of the supplier relationship, if necessary.

Through these efforts, Kennametal continues to strengthen its responsible sourcing practices while supporting supply chain resilience and maintaining compliance with evolving regulatory and stakeholder expectations.

In FY26, the Company increased its focus on:

- Recovery of used materials
- Expanding closed-loop recycling systems
- Strengthening collaboration between sourcing, sales and customers

These efforts are supported by increased organizational focus and leadership prioritization, with recent investments in program expansion and staffing.

In FY26, Kennametal continued to expand its use of recycled tungsten feedstock, including:

- Internal scrap (e.g., sludges, used tooling)
- External scrap processed through third-party partners
- Recycled materials are converted into usable powder and reintegrated into production streams.

KENNAMETAL SUPPORTED SUPPLY CHAIN INITIATIVES

FLEET EMISSIONS REDUCTION COMMITMENT

A North American fleet management supplier aims to cut Scope 1 and Scope 2 GHG emissions by over 60% and Scope 3 emissions by over 60% by 2034 by increasing electric vehicle leases, optimizing internal combustion engine vehicles, and using a telematics program on leased assets to gain efficiency.

ECO-FRIENDLY MRO MATERIALS

A European supplier is testing eco-friendly maintenance, repair and operations (MRO) materials to reduce rust and hazardous waste, with results expected in fiscal year 2026.

ISO 50001 CERTIFICATION

A Chinese supplier received ISO 50001 certification in 2025, focusing on energy management to improve performance and reduce emissions.

REDUCING FREIGHT EMISSIONS

A strategic initiative onboarded alternate freight forwarders for India imports, effectively reducing carbon emissions.

HUMAN RIGHTS

Kennametal's commitment to human rights is embedded in our global operations and supply chain practices. Guided by our Global Human Rights Policy Statement, we uphold equitable labor practices, promote equal opportunity and support employees' rights to freedom of association. These principles are reinforced through our Code of Conduct, Supplier Code of Conduct and broader ethics and compliance framework, which together establish clear expectations for respectful, inclusive and responsible workplace practices across our organization and value chain.

We assess and address human rights risks across our operations and supply chain through a risk-based approach to supplier onboarding, monitoring and engagement. These processes are designed to help ensure the safety, dignity and well-being of all individuals connected to our business. As part of supplier onboarding, Kennametal conducts pre-screening activities to identify potential regulatory, compliance and geographic risks, including those related to human rights. In addition, sourcing personnel and key stakeholders receive guidance on assessing regional risks and evaluating suppliers in high-risk jurisdictions before engagement.

Kennametal's Global Modern Slavery Statement outlines our compliance with key legislation, including the California Transparency in Supply Chains Act, the UK Modern Slavery Act, the Canadian Modern Slavery Act and the Australian Modern Slavery Act. Through this framework, we remain committed to preventing child labor, forced labor and human trafficking and to strengthening due diligence practices across our global supply chain.

Oversight and Supplier Compliance

The Global Sourcing and Global Ethics and Compliance teams are responsible for implementing and maintaining human rights standards across Kennametal's operations and supply chain, with oversight provided by the Vice President, Secretary and General Counsel. These teams work collaboratively with legal, finance and regional stakeholders to support consistent application of policies and to monitor compliance with human rights expectations.

Kennametal requires suppliers and business partners to adhere to its human rights and modern slavery standards as outlined in the Supplier Code of Conduct and related policies. Compliance is reinforced through contractual agreements, supplier onboarding processes and ongoing engagement. Strategic suppliers are subject to regular business reviews, during which adherence to Kennametal's standards, including human rights expectations, is assessed and discussed.

Supplier performance is further supported by the Global Sourcing Quality organization and category management teams, which monitor supplier performance and work directly with suppliers to address any identified gaps. When non-conformances are identified, Kennametal engages with suppliers to implement corrective action plans and remediation measures. Escalation protocols are in place for more significant issues, which may result in enhanced due diligence, closer monitoring or termination of the supplier relationship if necessary.

Kennametal's human rights due diligence framework continues to evolve alongside broader supplier risk management enhancements. Kennametal's global modern slavery compliance program - based on the OECD Due Diligence Framework - is continuously reviewed and updated in response to supply chain risk assessments, ensuring it remains effective and responsive to evolving expectations.

Third-Party Engagement

Kennametal continues to leverage third-party support to enhance its human rights due diligence and supplier engagement processes. These partnerships support the collection and analysis of supplier data, particularly in higher-risk regions and industries, and help provide additional insights into workforce practices, including the use of contract labor.

As part of these efforts, suppliers may receive targeted communications, guidance and resources to reinforce awareness of human rights expectations and applicable regulations. Kennametal also continues to evaluate opportunities to enhance data collection and transparency through digital tools and expanded supplier engagement initiatives.

Supplier data is reviewed as part of ongoing monitoring processes, and any identified concerns are addressed through established remediation protocols. These may include additional due diligence, collaborative mitigation efforts or, where necessary, termination of the supplier relationship.

APPENDIX

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ENVIRONMENTAL DATA TABLES

DISCLOSURE	FY2022	FY2023	FY2024	FY2025	FY2026
Climate Protection					
Energy consumption (millions of gigajoules)					
Direct[1]	0.56	0.55	0.61	0.51	0.55
Indirect[1]	1.34	1.30	1.26	1.29	1.26
Total	**1.90**	**1.85**	**1.87**	**1.81**	**1.80**
Energy intensity (gigajoules/million USD of revenue)[2]	0.95	0.89	0.91	0.92	0.77
Energy consumption by business segment (millions of gigajoules)					
Infrastructure	1.14	1.10	1.15	1.09	1.11
Metal cutting	0.76	0.75	0.72	0.71	0.69
Total	**1.90**	**1.85**	**1.87**	**1.81**	**1.80**
Energy consumption by utility (millions of gigajoules)					
Natural gas	0.50	0.44	0.47	0.45	0.50
Grid electricity	1.33	1.30	1.26	1.27	1.23
Other energy sources[3]	0.07	0.11	0.14	0.08	0.08
Total	**1.90**	**1.85**	**1.87**	**1.81**	**1.80**
Energy consumption by utility (percent of total consumption)					
Natural gas	26	24	25	25	28
Grid electricity	70	70	68	70	68
Other energy sources[3]	3	6	7	5	4
Total	**100**	**100**	**100**	**100**	**100**

ENVIRONMENTAL DATA TABLES (continued)

DISCLOSURE	FY2022	FY2023	FY2024	FY2025	FY2026
Climate Protection					
Energy consumption by region (millions of gigajoules)					
	1.31	1.25	1.28	1.21	1.22
APAC	0.25	0.26	0.26	0.27	0.26
EMEA	0.34	0.35	0.34	0.33	0.32
Total	**1.90**	**1.85**	**1.87**	**1.81**	**1.80**
Grid electricity usage by business segment (millions of gigajoules)					
Infrastructure	0.65	0.62	0.61	0.63	0.62
Metal cutting	0.69	0.68	0.65	0.64	0.62
Total	**1.34**	**1.30**	**1.26**	**1.27**	**1.24**
U.S. locations electrical grid energy consumption by source (millions of gigajoules)					
Renewable[4]	0.10	0.09	0.09	0.09	0.08
Nonrenewable[4]	0.62	0.60	0.57	0.58	0.56
Total	**0.72**	**0.69**	**0.66**	**0.67**	**0.64**
U.S. locations electrical grid energy consumption by source (%)					
Renewable[4]	13.4	12.9	13.2	13.0	13.0
Nonrenewable[4]	86.6	87.1	86.8	87.0	87.0
Total	**100**	**100**	**100**	**100**	**100**
U.S. locations purchased grid electricity consumption by source for business segments (millions of gigajoules)					
Infrastructure					
Renewable[4]	0.07	0.06	0.04	0.04	0.03
Nonrenewable[4]	0.31	0.30	0.31	0.28	0.26
Metal cutting					
Renewable[4]	0.03	0.03	0.04	0.05	0.05
Nonrenewable[4]	0.31	0.30	0.26	0.30	0.30
Total	**0.72**	**0.69**	**0.66**	**0.67**	**0.64**

ENVIRONMENTAL DATA TABLES (continued)

DISCLOSURE	FY2022	FY2023	FY2024	FY2025	FY2026
Climate Protection					
Sources of renewable energy from U.S. supplied electrical grid (%)					
Hydro	47.9	41.3	37.8	34.3	34.8
Biomass	9.7	8.6	7.7	7.3	6.9
Wind	36.0	40.9	43.4	44.8	45.0
Solar	6.3	9.0	10.9	13.4	13.0
Geothermal	0.2	0.2	0.2	0.2	0.2
Total	**100**	**100**	**100**	**100**	**100**
Scope 1 and 2 greenhouse gas emissions (thousand metric tons of carbon dioxide equivalents)[5]					
Scope 1 (direct)	30	28	31	27	28
Scope 2 (indirect, location-based)	152	155	151	147	140
Gross Scope 1 + Scope 2	182	183	182	174	168
Scope 2 (market-based Adjustment)[6]	18	21	23	38	45
Total Scope 1 + Scope 2 (adjusted for market-based emissions)	164	162	159	136	123
Scope 3 greenhouse gas emissions (thousand metric tons of carbon dioxide equivalents)					
Scope 3 (indirect)	—	470	480	533	857
Greenhouse gas emissions intensity (mt $C0_2e$/Million USD of revenue)[7]					
Scope 1 (direct)	0.15	0.13	0.15	0.14	0.12
Scope 2 (indirect)	0.76	0.75	0.74	0.75	0.59
Total	**0.91**	**0.88**	**0.89**	**0.89**	**0.71**
Greenhouse gas emissions by business segments by scope (thousand metric tons of carbon dioxide equivalents)					
Infrastructure					
Scope 1 (direct)	26	26	29	24	26
Scope 2 (indirect)	70	71	69	70	66

Renewable and non-renewable electricity estimates are based on the U.S. EPA eGRID generation mix for the grids supplying Kennametal's U.S. operations. Renewable sources include wind, hydro, biomass, solar, and geothermal energy. Non-renewable sources include fossil fuels and nuclear energy. Figures may not sum due to rounding.

ENVIRONMENTAL DATA TABLES (continued)

DISCLOSURE	FY2022	FY2023	FY2024	FY2025	FY2026
Climate Protection					
Metal cutting					
Scope 1 (direct)	3	2	3	3	3
Scope 2 (indirect)	83	84	82	77	74
Total	**182**	**183**	**182**	**174**	**168**
Greenhouse gas emissions by business segment (thousand metric tons of carbon dioxide equivalents)					
Infrastructure	96	97	97	94	92
Metal cutting	86	86	85	80	76
Total	**182**	**183**	**182**	**174**	**168**
Greenhouse gas emissions by region (thousand metric tons of carbon dioxide equivalents)					
Americas	105	106	104	94	94
APAC	45	45	45	46	44
EMEA	32	32	34	34	30
Total	**182**	**183**	**182**	**174**	**168**
Greenhouse gas emissions by region (thousand metric tons of carbon dioxide equivalents)					
Americas	105	106	104	94	94

[1]Energy consumption includes direct energy (natural gas, propane, heating oil, and diesel fuel) and indirect energy (purchased electricity, steam, and district heating) used at facilities under Kennametal's operational control. Other energy sources and fleet fuel consumption are immaterial and excluded from reporting. Warehouses, Rapid Response Centers (RRCs), and Corporate and sales offices are excluded from the reporting boundary as immaterial. Greenfield ceased operations in May 2025 and remains within the operational control boundary; therefore, energy consumption is reported through FY25. Goshen was sold in June 2025 and is excluded from FY26 onward

[2]Energy intensity is calculated as total reported energy consumption divided by fiscal year revenue.

[3]Other energy sources include propane, fuel oil, diesel fuel, and district heating.

[4]Renewable and non-renewable electricity estimates are based on the U.S. EPA eGRID generation mix for the grids supplying Kennametal's U.S. operations. Renewable sources include wind, hydro, biomass, solar, and geothermal energy. Non-renewable sources include fossil fuels and nuclear energy.

[5]Reported greenhouse gas (GHG) emissions include direct (Scope 1) and indirect (Scope 2) emissions from operations under Kennametal's operational control. Emissions are calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard using applicable U.S. EPA, IEA, IPCC, UK DEFRA, Environment and Climate Change Canada, and India's CEA emission factors. Greenhouse gases considered include CO_2, CH_4, and N_2O. HFCs and SF6 were evaluated, determined to be immaterial, and excluded from reporting.

[6]Warehouses, Rapid Response Centers (RRCs), and corporate and sales offices are excluded from the GHG reporting boundary as immaterial. Greenfield ceased operations in May 2025 and remains within Kennametal's operational control boundary; therefore, GHG emissions are reported through FY25. Goshen was sold in June 2025 and is excluded from FY26 onward.

[7]Scope 2 emissions are calculated using the location-based method in accordance with the GHG Protocol Scope 2 Guidance. Scope 2 Market-based results reflect contractual instruments, including Renewable Energy Certificates (RECs), Emission-Free Energy Certificates (EFECs), and Guarantees of Origin (GOs). In FY26, the Bengaluru, India facility matched 79% of electricity consumption with renewable electricity sourced from an in-country solar farm through a contract backed by RECs. The Orwell, Solon, and Whitehouse facilities matched 100% of electricity consumption with nuclear-generated electricity backed by EFECs. Eight manufacturing facilities in Germany matched 86% of electricity consumption with hydropower generated in Norway and Germany through a contract backed by GOs.

[8]GHG emissions intensity is calculated as total GHG emissions divided by fiscal year revenue.

ENVIRONMENTAL DATA TABLES (continued)

DISCLOSURE	FY2022	FY2023	FY2024	FY2025	FY2026
Air Management					
Air Emissions (metric tons)[8]					
NOx	—	—	—	—	20
SOx	—	—	—	—	1
VOC	—	—	—	—	130
PM	—	—	—	—	33
HAP	—	—	—	—	0
Total	—	—	—	—	**184**

[8]Air emissions are reported for calendar year 2025 (January 1 through December 31, 2025), representing Kennametal's first year of reporting. The current reporting boundary includes four manufacturing facilities with significant or permitted emission sources and does not yet include all global operations. Emissions are calculated using published emission factors, mass balance methodologies, and site-specific operating data. PM represents $PM_{2.5}$ and PM_{10} combined. NO_x and SO_x were estimated using available NO_2 and SO_2 data where speciated data was unavailable. VOC refers to volatile organic compounds, HAP refers to hazardous air pollutants, and PM refers to particulate matter. Emissions are reported in metric tons unless otherwise noted

ENVIRONMENTAL DATA TABLES (continued)

DISCLOSURE	FY2022	FY2023	FY2024	FY2025	FY2026
Water Conservation					
Water withdrawal by source (megaliters)					
Municipal/third party	769	690	650	622	623
Groundwater	87	87	98	89	97
Total	**856**	**777**	**748**	**711**	**720**
Water withdrawal by business segment (megaliters)[9]					
Infrastructure	495	490	467	442	500
Metal cutting	360	288	280	269	220
Total	**856**	**777**	**748**	**711**	**720**
Water intensity (megaliter/million USD of revenue)[10]	0.43	0.37	0.37	0.36	0.31
Water withdrawal by region (megaliters)					
Americas	570	476	441	426	463
APAC	210	211	216	197	181
EMEA	76	90	90	88	76
Total	**856**	**777**	**748**	**711**	**720**
Water withdrawal by category (megaliters)					
Freshwater[11]	769	690	650	622	623
Other water[11]	87	87	98	89	97
Total	**856**	**777**	**748**	**711**	**720**
Industrial Wastewater Discharge Pathways and Treatment Levels[12]					
Discharge to natural environment without treatment	0%	0%	0%	0%	0%
Discharge to third-party treatment without onsite treatment	0-5%	0-5%	0-5%	0-5%	0-5%
No industrial wastewater discharge	0-5%	0-5%	0-5%	0-5%	0-5%
Primary, Secondary, or Tertiary Treatment Prior to Discharge	80-90%	80-90%	80-90%	80-90%	80-90%

ENVIRONMENTAL DATA TABLES (continued)

FY26 WATER WITHDRAWAL, DISCHARGE AND CONSUMPTION AT SELECT SITES (MEGALITERS)[13]	WITHDRAWAL	DISCHARGE	CONSUMPTION
Bengaluru	47	0	47
Fallon	73	28	45
Huntsville	182	85	98
Nashville	5	0	4
New Albany	15	4	11
Roanoke Rapids	9	9	0
Rogers	52	42	10
Shanghai-Stellite	44	43	0
Tianjin	50	50	0
Xuzhou	22	0	22
Vohenstrauss	8	5	3
Total	**507**	**267**	**240**

[9]Water withdrawal includes municipal or third-party water and groundwater used at facilities under Kennametal's operational control. Water used for irrigation is excluded. Kennametal does not withdraw surface water, seawater, or produced water. Greenfield ceased operations in May 2025 and remains within the operational control boundary; water withdrawal is reported through FY25. Goshen was sold in June 2025 and is excluded from FY26 onward.

[10]Water withdrawal intensity is calculated as total water withdrawal divided by fiscal year revenue.

[11]Municipal or third-party water is classified as freshwater, and groundwater is classified as other water. Freshwater is defined as water with 1,000 mg/L or less total dissolved solids, while other water is defined as water with more than 1,000 mg/L total dissolved solids.

[12]Percentages represent the percentage of operating locations within the FY26 reporting boundary and are not based on wastewater discharge volume. All locations either indirectly discharge industrial wastewater to a third-party treatment system or have no industrial wastewater discharge. Approximately 80-90% utilize primary, secondary, or tertiary treatment prior to discharge. Primary treatment removes solids; secondary treatment removes suspended and dissolved contaminants; tertiary treatment provides advanced treatment, including removal of heavy metals, nitrogen, and phosphorus. Ranges reflect differences in site operations and treatment configurations during the reporting year.

[13]Wastewater discharge and water consumption are reported for sites with metered wastewater discharge volumes, with coverage expanding as additional metering becomes available. Water consumption is calculated as water withdrawn less water discharged. All reported wastewater is discharged to third-party municipal treatment systems. Bengaluru is a zero-discharge site; therefore, 100% of water withdrawn is considered consumed.

ENVIRONMENTAL DATA TABLES (continued)

DISCLOSURE	FY2022	FY2023	FY2024	FY2025	FY2026
Waste Management[14]					
Waste (thousand metric tons)					
Total waste recycled/reused[15]	6.5	7.5	8.3	6.7	6.7
Total waste landfilled[16]	5.0	5.4	6.1	4.8	4.9
Wastewater treatment[17]	0.6	1.3	1.3	1.5	1.3
Total	**12.1**	**14.2**	**15.7**	**13.0**	**12.9**
Landfilled waste intensity (metric tons/million USD of revenue)[16]	2.5	2.6	3.0	2.4	2.1
Waste by type (thousand metric tons)					
Hazardous	2.3	2.6	2.7	2.2	2.1
Non-hazardous	9.8	11.5	13.0	10.8	10.8
Total	**12.1**	**14.2**	**15.7**	**13.0**	**12.9**
Waste generated by business segment (thousand metric tons)					
Metal cutting	4.7	5.9	6.7	5.6	5.5
Infrastructure	7.4	8.3	9.0	7.4	7.4
Total	**12.1**	**14.2**	**15.7**	**13.0**	**12.9**
Waste type generated by business units (thousand metric tons)					
Hazardous	—				
Metal cutting	—	2.3	2.2	1.9	1.9
Infrastructure	—	0.3	0.4	0.3	0.3
Non-hazardous					
Metal cutting	—	3.5	4.5	3.7	3.6
Infrastructure	—	8.0	8.5	7.1	7.1
Total	**—**	**14.2**	**15.7**	**13.0**	**12.9**

ENVIRONMENTAL DATA TABLES (continued)

DISCLOSURE	FY2022	FY2023	FY2024	FY2025	FY2026
Waste Management[14]					
Total waste generated by region (thousand metric tons)					
Americas	7.2	8.7	10.3	7.9	7.7
APAC	1.8	2.2	2.0	2.3	2.1
EMEA	3.1	3.2	3.4	2.9	3.1
Total	**12.1**	**14.2**	**15.7**	**13.0**	**12.9**
Waste by disposal method - Hazardous (thousand metric tons)					
Directed to disposal[19]	—	—	0.4	0.3	0.5
Incineration (with energy recovery)	—	—	0.1	0.1	0.3
Incineration (without energy recovery)	—	—	0.0	0.1	0.1
Landfilling	—	—	0.3	0.1	0.1
Other disposal operations	—	—	0.0	0.0	0.0
Diverted from disposal[19]	—	—	2.1	1.7	1.3
Recycling	—	—	2.1	1.7	1.3
Reuse	—	—	0.0	0.0	0.0
Other recovery operations	—	—	0.0	0.0	0.0
Other	—	—	0.2	0.2	0.3
Wastewater treatment	—	—	0.2	0.2	0.3
Total	**—**	**—**	**2.7**	**2.2**	**2.1**
Waste by disposal method - Non-hazardous (thousand metric tons)					
Directed to disposal[19]	—	—	6.1	5.1	5.1
Incineration (with energy recovery)	—	—	0.4	0.4	0.4
Incineration (without energy recovery)	—	—	0.0	0.1	0.1
Landfilling	—	—	5.7	4.4	4.4
Other disposal operations	—	—	0.0	0.2	0.2
Diverted from disposal[19]	—	—	5.8	4.4	4.7

ENVIRONMENTAL DATA TABLES (continued)

DISCLOSURE	FY2022	FY2023	FY2024	FY2025	FY2026
Recycling	—	—	5.8	4.3	4.4
Reuse	—	—	0.0	0.0	0.2
Other recovery operations	—	—	0.0	0.1	0.1
Other	—	—	1.1	1.3	1.0
Wastewater treatment	—	—	1.1	1.3	1
Total	**—**	**—**	**13.0**	**10.8**	**10.8**

[14]Waste data excludes episodic, non-production-related waste such as remediation, asbestos, construction and demolition debris (C&D), and polychlorinated biphenyl (PCB) waste. Locations like warehouses, RRCs, Corporate and sales offices are excluded from reporting scope as immaterial. Greenfield is excluded from FY25 onward as waste generated during facility closure and clean out activities is not representative of normal operations. Goshen was sold in June 2025 and is excluded from FY26 onward. Beginning in FY25, co-products, including tungsten soft scrap, tungsten hard scrap, metallurgical tailings, cobalt cake, and moly-cake, are excluded from waste totals as these materials are reused on-site or sold as raw materials.

[15]Waste recycled or reused includes recycling, reuse, and other recovery operations. Reuse means using a waste stream for its original purpose without further processing; recycling means reprocessing waste into new materials.

[16]Landfilled waste includes waste sent directly to landfill. Kennametal assumes 20% of incinerated waste is ultimately landfilled based on typical incineration residue rates. Except for Fallon site, which disposes of filter cake in an onsite landfill, all waste is managed offsite.

[17]Wastewater is reported as waste material that is treated at wastewater treatment facilities.

[18]Landfilled waste intensity is calculated as total reported landfilled waste divided by fiscal year revenue.

[19]GRI classifies waste as either “diverted from disposal” (reuse, recycling, and recovery) or “directed to disposal” (incineration and landfilling). For landfilled waste reporting, Kennametal assumes 20% of incinerated waste is ultimately landfilled based on typical incineration residue rates. Wastewater is reported as waste material that is treated at wastewater treatment facilities. Except for Fallon site, which disposes of filtercake in an onsite landfill, all waste is managed offsite.

SOCIAL DATA TABLES

DISCLOSURE	FY2022	FY2023	FY2024	FY2025	FY2026
Human Capital Management					
Turnover rate					
Involuntary	2.6	3.2	3.7	4.1	2.9
Voluntary	9.1	8.1	7.9	7.7	7.5
Overall	11.7	11.3	11.6	11.8	10.5
Diversity and inclusion					
Women in leadership roles (%)					
Board of directors	22.2	20.0	20.0	27.3	25.0
Executives	42.9	42.9	50	42.9	42.9
Senior leadership	27.3	23.1	20.8	22.6	22.6
Senior management	12.4	18.8	18.0	18.5	22.6
Management	20.4	21.5	20.1	20.9	21.5
Number of employees					
Female	1,582	1,623	1,572	1,503	1,506
Male	7,150	7,116	6,875	6,621	6,567
Employees by gender (%)					
Female	18.1	18.6	18.6	18.5	18.7
Male	81.9	81.4	81.4	81.5	81.3
U.S. employee diversity					
Gender diversity (U.S. employees)					
Female	683	684	638	588	586
Male	2,245	2,242	2,073	1,917	1,920
Gender diversity (U.S. professional employees)					
Female	327	326	300	277	285
Male	925	918	856	805	773

SOCIAL DATA TABLES (continued)

DISCLOSURE	FY2022	FY2023	FY2024	FY2025	FY2026
Diversity and inclusion					
Gender Diversity (U.S. Production Employees)					
Female	356	358	338	311	301
Male	1,320	1,324	1,217	1,112	1,147
U.S. Ethnic Diversity (U.S. Employees)					
African American	225	191	165	233	244
American Indian/Alaskan Native	16	16	14	19	19
Asian	81	74	66	72	76
Caucasian	2,274	1,995	1,760	1,996	1,975
Latino	106	93	92	111	118
Native Hawaiian or other Pacific Island	3	2	2	4	4
Two or more races	21	19	16	33	37
Decline to answer	202	536	596	37	33
U.S. Ethnic Diversity (U.S. Professional Employees)					
African American	30	22	20	26	26
American Indian/Alaskan Native	5	5	4	4	5
Asian	50	45	41	45	42
Caucasian	1,063	946	824	945	925
Latino	29	25	27	38	40
Native Hawaiian or other Pacific Island	0	0	0	1	1
Two or more races	8	7	5	7	5
Decline to answer	67	194	235	16	14

SOCIAL DATA TABLES (continued)

DISCLOSURE	FY2022	FY2023	FY2024	FY2025	FY2026
Diversity and inclusion					
U.S. Ethnic Diversity (U.S. Production Employees)					
African American	195	169	145	207	218
American Indian/Alaskan Native	11	11	10	15	14
Asian	31	29	25	27	34
Caucasian	1,211	1,049	936	1,051	1050
Latino	77	68	65	73	78
Native Hawaiian or other Pacific Island	3	2	2	3	3
Two or more races	13	12	11	26	32
Decline to answer	135	342	361	21	19
Employee breakdown by age (%)					
Professional Employees					
Under 30 years old	9.7	10.5	10.4	10.2	10.2
30-50 years old	58.7	57.8	58.0	57.7	58.4
Over 50 years old	31.6	31.6	31.7	32.1	31.4
Production Employees					
Under 30 years old	10.7	11.6	10.9	11.4	11.9
30-50 years old	49.3	49.0	49.9	49.7	49.6
Over 50 years old	40.0	39.4	39.2	38.9	38.5

SOCIAL DATA TABLES (continued)

DISCLOSURE	FY2022	FY2023	FY2024	FY2025	FY2026
Diversity and inclusion					
Employee breakdown per age and region (%)					
North, Central and South America (AMERICAS)					
Professional Employees					
Under 30 years old	9.9	10.9	9.4	9.8	9.9
30-50 years old	47.3	46.8	47.8	47.6	49.1
Over 50 years old	42.8	42.4	42.8	42.6	41.0
Production Employees					
Under 30 years old	11.3	12.9	12.1	12.5	14.1
30-50 years old	41.3	41.5	42.3	41.6	40.9
Over 50 years old	47.4	45.6	45.6	45.9	45.0
Asia and Pacific (APAC)*					
Professional Employees					
Under 30 years old	4.1	4.0	4.8	3.7	3.5
30-50 years old	81.5	80.7	7 7.8	77.2	78.7
Over 50 years old	14.4	15.3	17.4	19.1	17.9
Production Employees					
Under 30 years old	11.0	9.4	8.1	7.9	8.3
30-50 years old	75.1	76.3	7 7.0	77.8	77.4
Over 50 years old	13.9	14.3	14.8	14.3	14.3

SOCIAL DATA TABLES (continued)

DISCLOSURE	FY2022	FY2023	FY2024	FY2025	FY2026
Diversity and inclusion					
Europe, the Middle East and Africa (EMEA)					
Professional Employee					
Under 30 years old	5.1	5.4	5.5	5.4	5.2
30-50 years old	53.9	53.0	53.2	51.8	52.4
Over 50 years old	41.1	41.7	41.3	42.8	42.5
Production Employees					
Under 30 years old	11.1	11.3	10.0	10.2	11.0
30-50 years old	50.4	49.6	50.6	50	49.2
Over 50 years old	38.6	39.2	39.4	39.8	39.8
India					
Professional Employees					
Under 30 years old	21.5	23.1	23.5	22.5	22.1
30-50 years old	70.1	68.5	68.6	69.4	68.6
Over 50 years old	8.4	8.5	7.9	8.1	9.2
Production Employees					
Under 30 years old	4.8	10.2	14.3	17.4	12.5
30-50 years old	41.1	37.8	38.4	39.1	45.1
Over 50 years old	54.1	52.1	47.3	43.5	42.3

*Excluding India

SOCIAL DATA TABLES (continued)

DISCLOSURE	FY2022	FY2023	FY2024	FY2025	FY2026
Parental Leave[1]					
Total number of employees that were entitled to parental leave[2]	—	3,309	3,250	2,984	2900
Female	—	848	751	679	647
Male	—	2,461	2,499	2,305	2253
Total number of employees that took parental leave	—	59	79	61	63
Female	—	9	13	11	12
Male	—	50	66	50	51
Total number of employees that returned to work in the reporting period after parental leave ended parental leave ended	—	59	79	61	63
Female	—	9	13	11	12
Male	—	50	66	50	51
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	—	47	70	53	60
Female	—	7	12	8	12
Male	—	40	58	45	48
Return to work rates of employees that took parental leave (%)	—	100	100	100	100
Female	—	100	100	100	100
Male	—	100	100	100	100
Retention rates of employees that took parental leave (%)	—	79	89	87	95
Female	—	78	92	73	100
Male	—	81	88	90	94

[16]This data represents parental leave in the U.S. only. Due to data limitations, we are unable to report parental leave data prior to FY23.
[17]Eligible employees are benefit-eligible U.S. employees.

SOCIAL DATA TABLES (continued)

DISCLOSURE	FY2022	FY2023	FY2024	FY2025	FY2026
Health and safety[3]					
FSI performance					
FSI actuals	0	0	0	0	0
FSI risk identification target	455	456	798	904	864
FSI risks identified	802	1,403	1,204	1,453	1302
FSI risks mitigated	802	1,403	1,204	1,453	1302
Open past due FSI corrective actions	0	0	0	0	0
Safety performance					
Fatalities	0	0	0	0	0
Fatality rate	0.0	0.0	0.0	0.0	0
Total recordable incidents	29	37	31	36	47
Total recordable incident rate	0.32	0.42	0.3519	0.42	0.56
Near miss events	648	378	268	169	136
Near miss frequency rate	7.30	4.26	3.10	1.99	1.62
Lost time incident	12	11	1020	7	18
Lost time rates	0.14	0.12	0.1120	0.08	0.21
Number of high-consequence work-related injuries (excluding fatalities)	—	0	0	0	0
Rate of high-consequence work-related injuries (excluding fatalities)	—	0	0	0	0

SOCIAL DATA TABLES (continued)

DISCLOSURE	FY2022	FY2023	FY2024	FY2025	FY2026
Health and safety[3]					
Safety performance					
Number of hours worked	17,744,474	17,759,457	17,267,089	16,964,065	16,817,161
Number of fatalities as a result of work-related ill health	0	0	0	0	0
Number of cases of recordable work-related ill health	—	1	0	2	0
Main types of work-related ill health	—	Hearing Loss	N/A	No trends: 1 - Hearing Loss/ Impairment - Standard Threshold Shift >25 dB 1 - Skin Irritation/ Dermatitis	N/A

[3]Data includes all Kennametal employees and supervised contractors globally.

[4]FY24 data updated from previous report to include Urgeles acquisition recordable and Bedford FY24 case that became recordable during FY25.

[5]FY24 data updated to include two Bedford FY24 cases that became lost time during FY25.

GOVERNANCE DATA TABLES

DISCLOSURE	FY2022	FY2023	FY2024	FY2025	FY2026
Board Independence					
Percent of independent directors	89	90	90	90	90
Ethics and compliance					
Americas	1.6	1.3	1.7	2.7	2.2
Asia Pacific	0.9	1	0.9	0.8	0.5
Europe, Middle East and Africa	0.3	0.5	0.7	0.5	0.5
Ethics and compliance reports					
Number of reports	85	82	95	120	99
Reports per 100 employees	1.0	0.9	1.1	1.4	1.1
Anonymous reports (% of total reports)	38	44	49	53	42
Substantiated reports (% of total reports)	27	34	22	46	23
Case closure time (average days)	30	22	31	24	28

GRI CONTENT INDEX

DISCLOSURE	REPORT LOCATION OR EXTERNAL KENNAMETAL REFERENCE	SDG LINKAGE
General disclosures		
GRI 2: General Disclosures 2021		
Organizational Profile		
2-1 Organizational details	a:KENNAMETAL INC.; b:Public Corporation; c :525 William Penn Place, Suite 3300, Pittsburgh, Pennsylvania; d: 2025 Annual Report, priorities pages 14-15, Security Ownership of Certain beneficial Owners and Management and Related Stockholder Matters page 70, 2025 Proxy Statement, pages 65-66	
2-2 Entities included in sustainability reporting	2025 Annual Report, NOTE 2 - Summary of Significant accounting policies, page 39	
2-3 Reporting period, frequency and contact point	a: annual b-c:About This Report, page 2 d-k:corp.ethics@kennametal.com	
2-4 Restatements of information	N/A	
2-5 External assurance	About This Report, page 2; retain “No external assurance provided at this time” if still accurate	
2-6 Activities, value chain and other business relationships	2025 Annual report, Business, Pages 3 - 12, Annual Report, Segment Data, pages 61-66, Supply Chain, pages 45—47; There were no significant changes to the organization nor its supply chain in the reporting year.	#17 Partnerships for the Goals
2-7 Employees	Human Capital Management, pages 19—23; 2025 Annual Report, Human Capital Resources, pages 7-8	#8 Decent Work and Economic Growth #10 Reduced Inequalities
2-9 Governance structure and composition	Governance and Risk Oversight, pages 41—42; 2025 Proxy Statement, Board of Directors and Board Committees, page 25-30 Board of Directors webpage	#5 Gender Equality
2-10 Nomination and selection of highest governance body	Governance and Risk Oversight, page 41; 2025 Proxy Statement, Election of Directors, pages 7-15	#16 Peace, Justice, & Strong Institutions
2-11 Chair of the highest governance body	2025 Proxy Statement, Board of Directors and Board committees, page 25	
2-12 Role of highest governance body in overseeing impacts	Corporate Responsibility Strategy, page 3; Governance and Risk Oversight, pages 41—42 2025 Proxy Statement, nominating/Corporate Governance Committee, page 26 2025 Proxy Statement, The Board's Oversight of Risk Management, page 22	
2-13 Delegation of responsibility for managing impacts	Corporate Responsibility Strategy, page 3; Governance and Risk Oversight, page 42 2025 Proxy Statement, Corporate Responsibility Reporting, page 22	
2-14 Role of highest governance body in sustainability reporting	Corporate Responsibility Strategy, page 3; Corporate Responsibility Governance, page 42	

GRI CONTENT INDEX (continued)

DISCLOSURE	REPORT LOCATION OR EXTERNAL KENNAMETAL REFERENCE	SDG LINKAGE
2-15 Conflicts of interest	Ethics and Compliance, pages 43—44; 2025 Proxy Statement, Ethics and Corporate Governance, page 19	#16 Peace, Justice, & Strong Institutions
General disclosures		
GRI 2: General Disclosures 2021		
2-16 Communication of critical concerns	Enterprise Risk Management and Corporate Responsibility Governance, page 42; Whistleblower Reporting, page 44 2025 Proxy Statement, Code of Conduct, page 16 2025 Proxy Statement, Executive Sessions of the Board/Communications with Directors Page 20	
2-17 Collective knowledge of highest governance body	Governance and Risk Oversight, page 41; 2025 Proxy Statement, Election of Directors, pages 7-14	
2-18 Evaluation of highest governance body	Governance and Risk Oversight, page 41	
2-19 Remuneration policies	2025 Proxy Statement, Compensation Discussion and Analysis, page 82	
2-20 Process to determine remuneration	2025 Proxy Statement, Compensation Discussion and Analysis, Compensation Committee Charter	
2-21 Annual total compensation ratio	2025 Proxy Statement, Compensation Discussion and Analysis, page 82	
2-22 Statement on sustainable development strategy	From the President and CEO, page 2	
2-23 Policy commitments	Environmental Management, page 6; Health and Safety, page 28; Ethics and Compliance, pages 43—44; Human Rights, page 48; Code of Conduct	#16 Peace, Justice, & Strong Institutions
2-24 Embedding policy commitments	Corporate Responsibility Strategy and Oversight, pages 3—4; Governance and Risk Oversight, pages 41—42	
2-26 Mechanisms for seeking advice and raising concerns	Whistleblower Reporting, page 44; Code of Conduct; Ethics Helpline	#16 Peace, Justice, & Strong Institutions
2-27 Compliance with laws and regulations	Environmental Management, pages 6—8; Ethics and Compliance, pages 43—44; Code of Conduct	
2-28 Membership associations	Corporate Responsibility Strategy, pages 3—4; Supply Chain, pages 45—47	
2-29 Approach to stakeholder engagement	Corporate Responsibility Strategy, pages 3—4	
2-30 Collective bargaining agreements	Human Capital Management, page 19; Global Human Rights Policy Statement	#16 Peace, Justice, & Strong Institutions
Material topics		
GRI 3: Material Topics 2021		
3-1 Process to determine material topics	Materiality-Based Approach to ESG, page 4	
3-2 List of material topics	Materiality-Based Approach to ESG, page 4	

GRI CONTENT INDEX (continued)

DISCLOSURE	REPORT LOCATION OR EXTERNAL KENNAMETAL REFERENCE	SDG LINKAGE
3-3 Management of material topics	Responsible Environmental Practices, pages 5—17; Committed to Making a Social Impact, pages 18—39; Ethical and Responsible Governance, pages 40—48; Climate Risk Report, page 76	
Economic topics		
GRI 205: Anti-corruption 2016		
205-1 Operations assessed for corruption risks	Enterprise Risk Management, page 42; Ethics and Compliance, pages 43—44	#16 Peace, Justice, & Strong Institutions
205-2 Communication and training about anti-corruption policies and procedures	Ethics and Compliance, pages 43—44	
Environmental topics		
GRI 301: Materials 2016		
301-2 Recycled input materials used	Waste Management and Recycling Services, pages 15—16; Environmental Data Tables, pages 57-59	#3 Good Health & Well-Being #8 Decent Work and Economic Growth #11 Sustainable Cities & Communities #12 Responsible Consumption & Production
301-3 Reclaimed products and packaging materials	Recycling Services, page 16	
GRI 302: Energy 2016		
Energy		
302-1 Energy consumption within the organization	Climate Protection, pages 11—13; Environmental Data Tables, pages 50—51	#7 Affordable Clean Energy #8 Decent Work and Economic Growth #12 Responsible Consumption & Production #13 Climate Action
302-3 Energy intensity	Climate Protection, pages 11—13; Environmental Data Tables, page 50	
302-5 Reductions in energy requirements of products and services	Climate Protection, pages 11—12	
GRI 303: Water and Effluents 2018		
Water and Effluents		
303-1 Interactions with water as a shared resource	Water Conservation, page 14	#6 Clean Water & Sanitation #12 Responsible Consumption & Production

GRI CONTENT INDEX (continued)

DISCLOSURE	REPORT LOCATION OR EXTERNAL KENNAMETAL REFERENCE	SDG LINKAGE
Environmental topics		
303-2 Management of water discharge-related impacts	Water Conservation, page 14	#6 Clean Water & Sanitation
303-3 Water withdrawal	Water Conservation, page 14; Environmental Data Tables, page 55	
303-5 Water consumption	Water Conservation, page 14; Environmental Data Tables, page 55	
GRI 305: Emissions 2016		
Emissions		
305-1 Direct Scope 1 GHG emissions	Climate Protection, pages 11—13; Environmental Data Tables, pages 52-53	#3 Good Health & Well-Being #12 Responsible Consumption & Production #13 Climate Action #15 Life on Land
305-2 Energy indirect Scope 2 GHG emissions	Climate Protection, pages 11—13; Environmental Data Tables, pages 52-53	
305-4 GHG emissions intensity	Climate Protection, pages 11—13; Environmental Data Tables, pages 52-53	#13 Climate Action #15 Life on Land
GRI 306: Waste 2020		
Waste		
306-2 Management of significant waste-related impacts	Waste Management, pages 15—16	#3 Good Health & Well-Being #6 Clean Water & Sanitation #8 Decent Work and Economic Growth #11 Sustainable Cities & Communities #12 Responsible Consumption & Production
306-3 Waste generated	Waste Management, page 15; Environmental Data Tables, pages 57-59	#3 Good Health & Well-Being #6 Clean Water & Sanitation #11 Sustainable Cities & Communities #12 Responsible Consumption & Production #15 Life on Land
306-4 Waste diverted from disposal	Waste Management and Recycling Services, pages 15—16; Environmental Data Tables, pages 57-59	
306-5 Waste directed to disposal	Waste Management, page 15; Environmental Data Tables, pages 57-59	

GRI CONTENT INDEX (continued)

DISCLOSURE	REPORT LOCATION OR EXTERNAL KENNAMETAL REFERENCE	SDG LINKAGE
Social topics		
GRI 401: Employment 2016		
Employment		
401-1 New employee hires and employee turnover	Human Capital Management, pages 19—23; Social Data Tables, page 60	#5 Gender Equality #10 Reduced Inequalities
401-3 Parental leave	Compensation and Benefits, page 23; Social Data Tables, page 65	#5 Gender Equality #8 Decent Work and Economic Growth
GRI 403: Occupational Health and Safety 2018		
Occupational Health and Safety		
403-1 Occupational health and safety management system	Health and Safety, pages 28—30	#8 Decent Work and Economic Growth
403-2 Hazard identification, risk assessment and incident investigation	Health and Safety, pages 29—32	
403-3 Occupational health services	Occupational Health Controls, page 33; Employee Health and Wellness, page 34	
403-4 Worker participation, consultation and communication on occupational health and safety	Health and Safety, pages 28—32	#8 Decent Work and Economic Growth #16 Peace, Justice, & Strong Institutions
403-5 Worker training on occupational health and safety	EHS Training, page 33	#8 Decent Work and Economic Growth
403-6 Promotion of worker health	Employee Health and Wellness, page 34	#3 Good Health & Well-Being
403-7 Prevention and mitigation of OHS impacts directly linked by business relationships	Contractor Safety, page 32; Supplier Engagement and Evaluation, page 46	#8 Decent Work and Economic Growth
403-8 Workers covered by an OHS management system	EHS Management System, page 30;	
403-9 Work-related injuries	FSI Prevention and Incident Prevention, pages 31—32	#3 Good Health & Well-Being #8 Decent Work and Economic Growth #16 Peace, Justice, & Strong Institutions
403-10 Work-related ill health	Occupational Health Controls, page 33	

GRI CONTENT INDEX (continued)

DISCLOSURE	REPORT LOCATION OR EXTERNAL KENNAMETAL REFERENCE	SDG LINKAGE
Social topics		
GRI 405: Diversity and Equal Opportunity 2016		
Diversity and Equal Opportunity		
405-1 Diversity of governance bodies and employees	Inclusion and Belonging, pages 24—27; Governance and Risk Oversight, page 41	#5 Gender Equality #8 Decent Work and Economic Growth
GRI 413: Local Communities 2016		
Local Communities		
413-1 Operations with local community engagement, impact assessments and development programs	Community Engagement, pages 36—39	#4 Quality Education #11 Sustainable Cities and Communities

SASB TABLE

SASB TOPIC	ACCOUNTING METRIC	CODE	SECTION REFERENCE
Energy management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	RT-IG-130a.1	Climate Protection, pages 11-13; Environmental Data Tables, pages 50-59
Workforce health & safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees	RT-IG-320a.1	Health and Safety, pages 28-34; Social Data Tables, page 60-68
Fuel economy & emissions in use-phase	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	RT-IG-410a.1	Not applicable. Kennametal does not produce vehicles, equipment, generators or engines.
	Sales-weighted fuel efficiency for non-road equipment	RT-IG-410a.2	
	Sales-weighted fuel efficiency for stationary generators	RT-IG-410a.3	
	Sales-weighted emissions of: (1) nitrogen oxides (NOx) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines, and (d) other non-road diesel engines	RT-IG-410a.4	
Materials sourcing	Description of the management of risks associated with the use of critical materials	RT-IG-440a.1	Supply Chain, pages 45-47
Remanufacturing design & services	Revenue from remanufactured products and remanufacturing services	RT-IG-440b.1	Kennametal is unable to disclose this information because it is considered confidential information.
Activity metrics	Number of units produced by product category	RT-IG-000.A	Kennametal is unable to disclose this information because it is considered confidential information.
	Number of employees	RT-IG-000.B	8,073

CLIMATE RISK REPORT

Introduction

At Kennametal, our commitment to responsible business is reflected in our actions and the value we place on our people and the communities we serve. As we share our 2026 Task Force on Climate-related Financial Disclosures (TCFD) report, we are taking another step forward in our journey toward greater transparency and accountability around our approach to managing climate-related risks and opportunities and the related impacts.

To build on Kennametal's legacy of integrity and responsible stewardship and recognizing that the evolving climate landscape presents both challenges and avenues for innovation, we are proactively strengthening our approach: investing in climate risk assessments and enhancing our Corporate Responsibility governance.

Sustaining stakeholder confidence and remaining competitive means holding ourselves to high standards. Our Code of Conduct and Environmental, Health and Safety Policy Statement guide us as we strive to reduce our environmental impact across aspects of our operations - from manufacturing to product delivery. We invite you to learn more about our progress and ongoing initiatives on page 3. By advancing our Corporate Responsibility strategy and reporting, Kennametal is not only managing risk, but we are also positioning ourselves and our communities for a stronger future.

Governance

Disclose the organization's governance around climate-related risks and opportunities.

Describe the board's oversight of climate-related risks and opportunities.

At Kennametal, robust and accountable corporate governance is foundational to how we operate and drive shareholder value. We hold ourselves to the highest ethical standards, ensuring compliance with all applicable regulations while fostering a culture of accountability and transparency across the organization.

We continue to incorporate our Corporate Responsibility strategy into our overall corporate strategic review process. Our Board of Directors, Executive Leadership Team (ELT), and business segment leaders identify where and how their respective plans support our Corporate Responsibility strategy. Our commitment to environmental responsibility starts at the top, with the Board providing oversight of our risks and opportunities, strategies and goals. Our Nominating/Corporate Governance Committee oversees our Corporate Responsibility strategy, its maturity, and related initiatives. The full Board reviews our Corporate Responsibility strategy at least annually as part of the overall corporate strategy review. Additionally, the Board oversees our annual enterprise risk assessment, through which climate risks are contemplated.[1]

Describe management's role in assessing and managing climate-related risks and opportunities.

EXECUTIVE LEADERSHIP

At the management level, implementation of our Corporate Responsibility Strategy is led by the Corporate Responsibility Committee, co-chaired by our Vice President, Secretary and General Counsel and our Vice President and Chief Administrative Officer. This cross-functional team supports the ELT by helping to shape our Corporate Responsibility goals and strategies. Members include representatives from Corporate Environmental, Health and Safety (EHS), business segments, plant leadership and operational teams who work to cascade expectations and drive execution across the enterprise. The Corporate Responsibility Steering Committee owns oversight of the identification, assessment, and management of environmental risks and opportunities. Should climate-related risks and opportunities become material to Kennametal in the future, the Committee will undertake the same oversight and management responsibilities for those climate-specific issues.

[1]See "Risk Management" for more details.

CLIMATE RISK REPORT (continued)

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.

Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

In fiscal year 2025, we conducted an assessment to identify, assess and prioritize climate-related risks and opportunities, and to understand their potential financial impacts on our business.[2] Through our climate risk assessment, we identified two physical risks, two transition risks and two climate-related opportunities that were further evaluated through a qualitative scenario analysis.[3]

The key climate-related risks and opportunities were analyzed for varying potential impacts across time horizons: short-term (1-3 years ~2028), medium-term (3-10 years ~2035) and long-term (10+ years ~2035). These time horizons take into consideration the useful life of our assets and infrastructure, and the fact that climate-related issues often manifest in the long-term. The impacts of climate-related risks and opportunities were deemed not material to Kennametal at this time. Further, no material impacts have historically been present related to these risks. Kennametal aims to further study the potential impacts of identified risks and opportunities and disclose their significance as well as identified actions in response to the potential impacts in a future disclosure.

PHYSICAL CLIMATE RISKS AND TRANSITION RISKS

RISK	RISK TYPE
Acute physical risk to Kennametal's business, supply chain and customers	Acute Physical
Chronic physical risk to Kennametal's business, supply chain and customers	Chronic Physical
Mandates on and regulation of existing products and services	Transition Policy & Legal
Costs to transition to lower-emissions operations and products to meet increasing stakeholder pressure	Transition Reputation & Technology

OPPORTUNITIES

OPPORTUNITY	OPPORTUNITY TYPE
More resilient raw material supply through increasing use of recycled materials	Resource Efficiency
Decreased reliance on fossil fuels from transitioning to lower emission energy sources in production	Energy Source

Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

SCENARIO ANALYSIS

In fiscal year 2025, we engaged a third party to perform our first climate scenario analysis to understand how these risks and opportunities may impact our performance under various climate scenarios and to evaluate the resilience of our strategy. We will continue to review and monitor our performance under these scenarios to help ensure our strategy remains relevant and responsive. Below is a summary of our climate scenarios, scenario analysis methodology and resilience observations.

SCENARIO SELECTION

We explored how the six climate risks and opportunities above may evolve across three future scenarios: low global GHG emissions, medium global GHG emissions and high global GHG emissions. To evaluate future physical climate-related risks, we leveraged the Shared Socioeconomic Pathways (SSPs) utilized by the Intergovernmental Panel on Climate Change (IPCC). To evaluate transition risks and climate-related opportunities, we leveraged scenarios from the International Energy Agency (IEA).

- Low GHG emissions scenario: IPCC SSP1-2.6 (physical) and IEA Net Zero Emissions by 2050 Scenario (transition risks and climate-related opportunities)
- Medium GHG emissions scenario: IPCC SSP2-4.5 (physical) and IEA Announced Pledges Scenario (transition risks and climate-related opportunities)
- High GHG emissions scenario: IPCC SSP5-8.5 (physical) and IEA Stated Policies Scenario (transition risks and climate-related opportunities)

[2]See "Risk Management" for a description of Kennametal's processes to identify and assess climate-related risks and opportunities.

[3]See "Scenario Analysis" for details on approach.

CLIMATE RISK REPORT (continued)

APPROACH

We applied the IPCC scenarios and underlying global climate model data to evaluate future physical climate risk to our operations, including access to raw materials, supply chain, manufacturing sites and logistics. The physical risk scenario analysis of our two physical climate risks considered all worldwide manufacturing and other significant sites. This evaluation considered five acute hazards (extreme heat, extreme precipitation, flood, extreme wind and severe convective storms) and three chronic hazards (water stress, chronic heat and chronic precipitation). To assess the exposure of Kennametal's suppliers to physical climate risk, an analysis was conducted for Kennametal's priority suppliers at the country level to evaluate vulnerability to climate change and readiness to enhance resilience. The findings revealed that several supplier regions face significant physical hazards, which may increase the likelihood of supply chain disruptions for Kennametal. The results of the scenario analysis assessment help us to evaluate the resilience of our own operations and supply chain to ensure preparedness for physical climate impacts.

We informed the transition risk and opportunity analysis by synthesizing insights from industry reports, desktop research and internal stakeholder interviews, leveraging both internal and external perspectives to assess the magnitude and likelihood of Kennametal's financial, strategic and operational exposures across climate scenarios and time horizons.

RESILIENCE

Kennametal is committed to enhancing resilience across our value chain by strengthening supplier partnerships and expanding recycling initiatives. We are continuing to enhance our adaptability by diversifying sourcing strategies and engaging with suppliers to ensure a steady flow of materials, even in the face of extreme weather or market shifts. Our product and service strategies include ongoing innovation to meet evolving customer expectations, and we monitor raw material markets to adapt sourcing and product design as needed.

These efforts collectively strengthen the resilience of our strategy and business to climate risks, ensuring we can continue to deliver value to our customers and stakeholders in a rapidly changing landscape. By embedding climate resilience into our operations and long-term planning, Kennametal is well-positioned to adapt and thrive in the face of future challenges.

Risk Management

Disclose how the organization identifies, assesses, and manages climate-related risks.

Describe the organization's processes for identifying and addressing climate-related risks.

The 2025 assessment spanned not only our own operations but also the wider value chain, including both suppliers and customers, and considered impacts over various time horizons. To identify climate-related risks and opportunities relevant to our business, we collaborated with internal teams, leveraged industry intelligence and engaged an independent consultant for expert input. We then applied a structured rating system to rank these risks and opportunities by their potential impact and probability, identifying six key climate-related risks and opportunities.

Describe the organization's process for managing climate-related risks.

Our approach to climate-related risk and opportunity management is evolving as we consider the potential impacts of climate-related issues on our financial performance and positions. The risks and opportunities identified here constitute the first formally recognized climate-related risks and opportunities for Kennametal. We have begun sharpening our focus to gain a deeper understanding of the identified risks and opportunities, as well as determining effective strategies to address them. Once we have a clear approach in place, we can then move forward with assigning ownership and defining specific responsibilities to ensure successful execution.

Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.

Climate-related risks and opportunities are considered in our enterprise risk management (ERM) process only when they meet that process' established materiality thresholds. Currently, no climate-related risks, including regulatory risks, have reached this level of materiality. As part of our ongoing process, any climate-related risks that become material in the future will be identified, assessed and managed in accordance with our existing governance structures, reporting lines and risk assessment methodologies. This approach ensures that both day-to-day decision-making and long-term strategic planning are supported.

CLIMATE RISK REPORT (continued)

Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.

Kennametal recognizes the value of tracking key climate-related data to inform business strategy and risk management. Currently, we focus on monitoring emissions, along with energy and water usage, to understand and manage the environmental impact of our operations. For additional data, see pages 50-59 of our Corporate Responsibility Report.

Fiscal Year 2025 GHG Emissions (MT CO_2e) (latest data available)

- **Scope 1:** 30,000 (Direct)
- **Scope 2:** 152,000 (Indirect)
- **Scope 2:** 18,000 (Market-Based)
- **Scope 3:** 857,000 (Indirect, value chain emissions)

OTHER CLIMATE-RELATED METRICS

Kennametal quantifies other environmental data that could be linked to Kennametal's climate-related risks and opportunities.

CATEGORY	METRIC	VALUE
GHG Emissions	Reduction in combined Scope 1 and 2 emissions in FY26 (%)	3.5%
GHG Emissions	Reduction in Scope 2 emissions in FY26 (%)	5%
Energy Consumption	US electricity purchased from grid as solar energy FY26 (%)	13%
Water	Reduction in water intensity in FY26 (%)	14%

Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

In refining Kennametal's Corporate Responsibility strategy, our current efforts have centered around our climate scenario analysis and understanding potential impacts, dependencies, risks and opportunities for our business across time horizons. We have not yet established formal reduction plans for Kennametal's worldwide Scope 1, 2, or 3 emissions but will continue to monitor worldwide disclosure and compliance requirements and other developments that may impact Kennametal's operations.