



2025 FISCAL YEAR

CORPORATE RESPONSIBILITY REPORT



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From the President and CEO

Dear Kennametal Stakeholders,

I am pleased to present our Corporate Responsibility Report for fiscal year 2025 (FY25), showcasing our commitment to delivering continuous improvement and meaningful change. This report reflects our dedication to sustainable practices and highlights our progress in environmental stewardship and social responsibility over the past year.

In FY25, we advanced environmental performance across energy and greenhouse gas emissions, water, and waste. Localized energy-efficiency projects and process upgrades reduced energy use and supported a 4% year-over-year decrease in combined Scope 1 and 2 GHG emissions. We completed a comprehensive water risk assessment and developed facility-level action plans for our highest-risk sites; alongside technology and infrastructure upgrades, these measures reduced total water withdrawal by 5%. We also expanded alternative waste pathways — including reuse and recycling — to minimize landfill disposal across key facilities..

In FY25, we took further steps to understand how environmental and social factors influence our operations and long-term resilience. We conducted a double materiality assessment to evaluate both our external impacts and how these issues affect our businesses internally. We also completed a climate-related financial risk assessment aligned with the Task Force on Climate-related Financial Disclosures (TCFD) framework. These efforts illustrate our comprehensive approach to sustainability as we strategically plan for the future.

Our focus on the health and safety of our workforce remains a top priority at Kennametal. We expanded our Environment, Health and Safety (EHS) Skill Builder program to strengthen facility-level risk recognition through focused training. In parallel, we intensified Fatal and Serious Injury (FSI) prevention: this year, teams identified an average of 125 potential FSI risks per month (100 in FY24) and mitigated more than 1,500 serious risks over the year (1,200 in FY24), demonstrating tangible results from our proactive safety management.

We expanded training opportunities for employees this year with early-career programs and academic partnerships in support of a future-ready workforce. Our upgraded Performance Management System and Strategic Cascade process helped align individual goals with enterprise priorities, while new coaching and mentorship programs strengthened leadership capabilities across regions.

Our governance practices are anchored in our core values of integrity and accountability. We maintain high standards on ethical conduct, compliance and transparent reporting. Through rigorous internal audits and strict adherence to anti-corruption policies, along with company-wide Code of Conduct training, we reinforce our commitment to responsible business practices at every level of the organization.

We take great pride in the dedication and effort of our employees in advancing our corporate responsibility initiatives. We will continue to evolve our strategy to meet emerging market challenges and opportunities while maintaining our focus on delivering long-term value through growth, operational excellence and fostering a workplace culture where every employee can thrive.

Best regards,

Sanjay Chowbey

Sanjay Chowbey, President and CEO



Sanjay Chowbey

Corporate Responsibility Strategy

Corporate Responsibility is an essential component of Kennametal's strategy for generating long-term value. Our strategy is grounded in continuous improvement and risk awareness, with a focus on strengthening business resilience and meeting stakeholder expectations. We embed environmental, social and governance (ESG) considerations into daily decision-making when they support our success through risk mitigation, resilience and value creation.

Our core values — safety, respect, integrity and accountability — remain at the heart of this work. These values guide how we engage with one another and the global communities in which we serve. Corporate Responsibility plays a key role in supporting Kennametal's three value creation pillars (see following graphic), which are built on a strong foundation of an engaged workforce, shared values and a winning culture.

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. Members include representatives from Corporate EHS, business segments, plant leadership and operational teams who work to cascade expectations and drive execution across the enterprise.

Three Value Creation Pillars with Strong Foundation

DELIVERING GROWTH	CONTINUOUS IMPROVEMENT	PORTFOLIO OPTIMIZATION
Growing Above Market	Doing Things Better	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

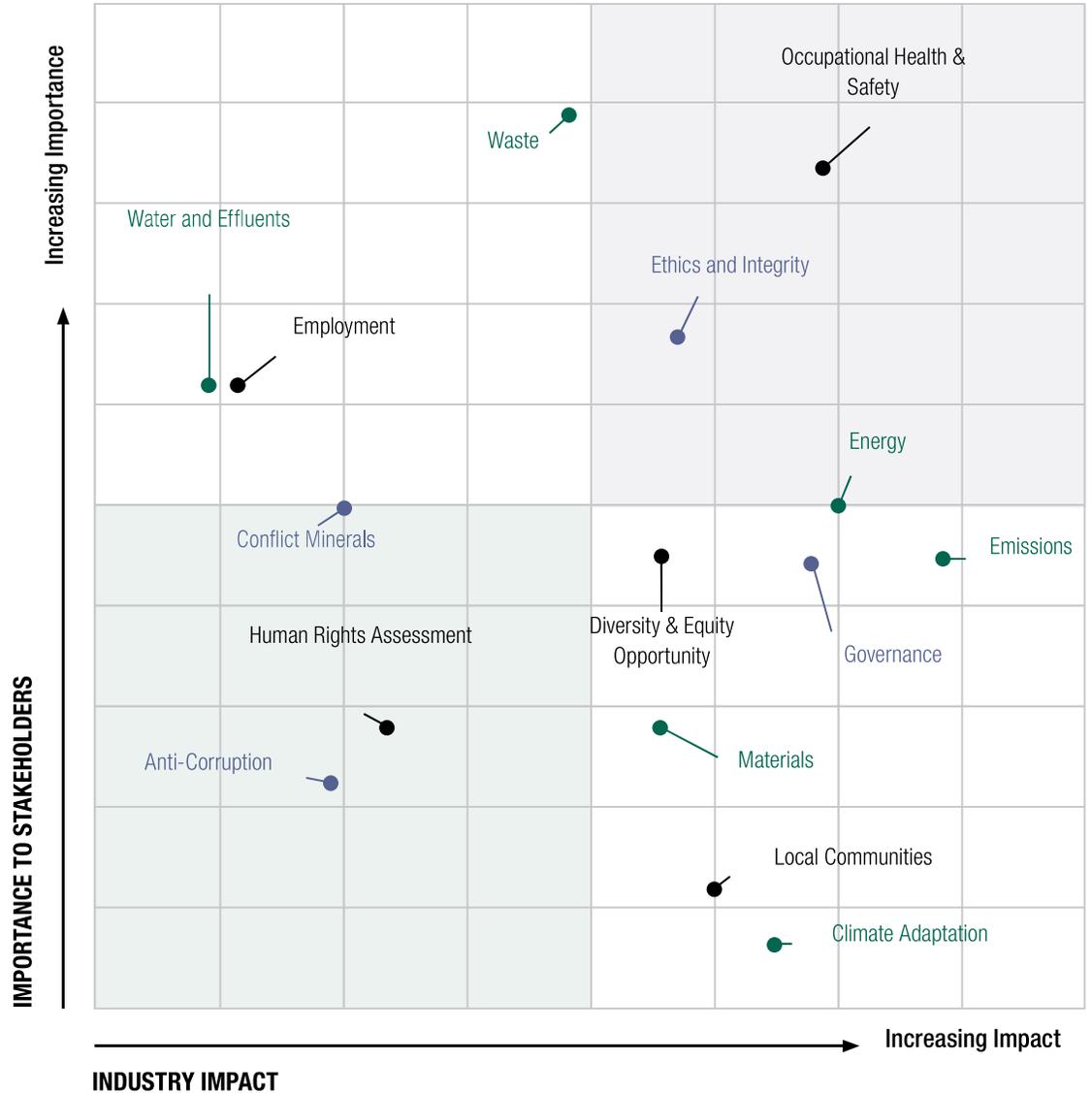


Materiality-based Approach to ESG

Kennametal's Corporate Responsibility framework continues to be guided by the comprehensive materiality assessment conducted in FY22, the results of which are shown in the materiality matrix on the right. Performed by an independent third party, the assessment identified and prioritized the ESG topics most material to our operations and value chain, drawing on 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 process mapped relevant sector-specific topics to the Global Reporting Initiative (GRI) Standards and the Sustainability Accounting Standards Board (SASB) Industrial Machinery & Goods Standard. Additional non-GRI topics were also incorporated based on stakeholder interest. Methodologies from leading ESG raters and institutional investors were considered to further inform prioritization. This prioritization also reflects alignment with the 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 64.

In FY25, we conducted a double materiality assessment (DMA) to expand our understanding of both Kennametal's internal and external ESG impacts and the financial implications of ESG-related risks and opportunities. While the FY22 assessment remains the foundation for this report, findings from the FY25 DMA will inform the evolution of our Corporate Responsibility Strategy and disclosures. New this year, we completed a climate-related financial risk assessment aligned with the Task Force on Climate-related Financial Disclosures (TCFD) framework. This assessment supports our compliance with California Senate Bill 261 (SB 261), which requires disclosure of climate-related financial risks. It outlines how such risks may affect our operations and includes a discussion of scenario analysis, governance practices and risk management approaches. The full disclosure is available in the appendix of this report on page 73.





01

Responsible Environmental Practices

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Environmental Management

Kennametal's environmental management approach is rooted in proactive risk reduction, regulatory compliance and continuous improvement across our global operations. We integrate environmental responsibility into daily decision-making through a structured governance model, supported by a robust Environmental, Health and Safety (EHS) management system. In FY25, we expanded this foundation with new environmental standards, enhanced training programs and targeted site-level initiatives that address both operational performance and long-term sustainability. These efforts reflect our commitment to minimizing environmental impact while supporting the health and resilience of our employees, communities and the ecosystems in which we operate.

Environmental Strategy and Oversight

Environmental responsibility is embedded at the highest levels of our organization. The Board of Directors provides strategic oversight of environmental matters as part of our integrated Corporate Responsibility strategy. The ELT ensures that environmental objectives are operationalized across the business, setting internal goals and monitoring progress through a structured governance framework. Cross-functional teams support this effort by implementing initiatives, addressing risks, capturing opportunities and tracking progress through EHS site plans and key indicators such as self-assessments, site audits, corrective action plans and regulatory compliance performance. Progress is reviewed monthly and reported quarterly to the Board, reinforcing accountability and continuous improvement.



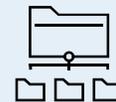
Environmental Strategy



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 is fundamental to our strategy, enabling consistent tracking and reporting from individual facilities through to regional operations and enterprise-level business units. The EHS management system equips employees globally with the tools and verification processes needed to manage environmental risks and ensure compliance with applicable legislation and standards.

To strengthen chemical safety and reduce environmental risks, we've introduced and updated key internal standards:

- **Toxic Substances Control Act (TSCA):** Refreshed to guide employees in recognizing, recording and reporting chemical-related health and environmental concerns.
- **Underground Storage Tanks (USTs):** Newly introduced standard requiring facilities with USTs to develop action plans for safe removal and replacement, if necessary, reducing long-term environmental risks.

We use our EHS management system to track all environmental incidents through a structured process that categorizes it as major, minor, near miss or under review (see chart that follows). All environmental incidents are assigned corrective actions with due dates, and progress is closely monitored to ensure timely and sustained resolution. Major incidents and timely closure rates of all incidents are tracked and reported to leadership. We conduct regular site visits, virtual tours and self-assessments of environmental programs with a risk-based approach to evaluate compliance and drive continuous improvement.

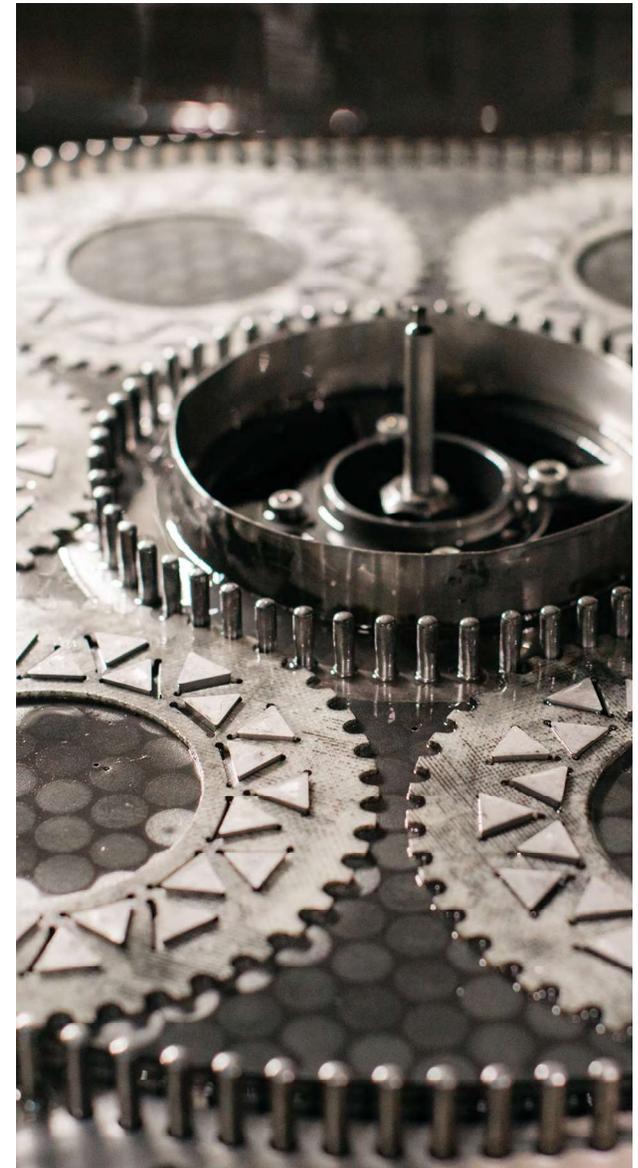
Environmental incident categories used in EHS system

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

For the second consecutive year, Kennametal's Bengaluru, India, facility has been recognized by the Confederation of Indian Industry (CII) for its leadership in EHS performance. In May 2025, our India EHS team was awarded Gold at the 17th annual CII Excellence EHS Awards, which honor organizations that not only meet EHS standards, but also demonstrate a culture of continuous improvement and innovation.

This recognition underscores the Bengaluru team's commitment to operational excellence and its role in advancing Kennametal's global EHS and sustainability objectives.



Kennametal locations with ISO 14001 and ISO 50001 certifications

ISO 14001
(Environmental management)

21 locations

ISO 50001
(Energy management)

11 locations

Training and Awareness

We are committed to equipping our workforce with the knowledge, skills and tools necessary to reduce environmental risks. Our training programs are informed by regulatory requirements, ESG risks and opportunities, workplace best practices and past incidents. These programs are tailored to employee roles and responsibilities and delivered through both formal and on-the-job formats.

In FY25, we strengthened this commitment by adding environmental topics into our FSI Skill Builder series to enhance environmental risk recognition at the facility-level and promote proactive management. Facilities received a checklist and demonstration video to support best practices and continuous improvement on a focused topic.

Salaried employees, executives and independent directors continue to complete mandatory annual refreshers on our Code of Conduct, which includes our environmental commitments. Our [EHS Policy Statement](#) remains publicly available and accessible to employees, customers and suppliers.

Earth Day Activities

Kennametal highlights the importance of Earth Day throughout the month of April by raising awareness of environmental protection and participating in Earth Day activities worldwide. In FY25, Kennametal celebrated Earth Day through a series of activities reflecting our dedication to sustainability. These activities involved planting trees and wildflowers, litter clean-up days, electronic recycling and promoting emission-free transport.



Flowers, herbs and vegetables handed out to the employees of our Whitehouse, Ohio, facility for the 2025 Earth Day activity.

Protecting our Planet Projects

Kennametal’s employee-driven Protecting Our Planet (POP) initiative continues to help raise awareness and involve employees in our environmental responsibility efforts. As part of this initiative, all operating locations are expected to take part in an Earth Day event during the month of April every year and are also encouraged to pursue additional projects across any one of the seven categories: energy conservation, recycling and paper conservation, waste reduction, air emissions reduction, water conservation, community engagement or process/system improvement, where feasible. Since the launch of this initiative, over 500 projects have been implemented.

Select POP projects are highlighted throughout this report in the sections most relevant to their environmental impact area — for example, water conservation, waste management and energy and GHG emissions.

POP PROJECTS FISCAL YEAR 2008–2025	Number of projects
Energy conservation	221
Community engagement	146
Process/system improvement	49
Waste reduction	45
Recycling and paper conservation	29
Water conservation	29
Air emissions reduction	13
Total	532

Climate Protection

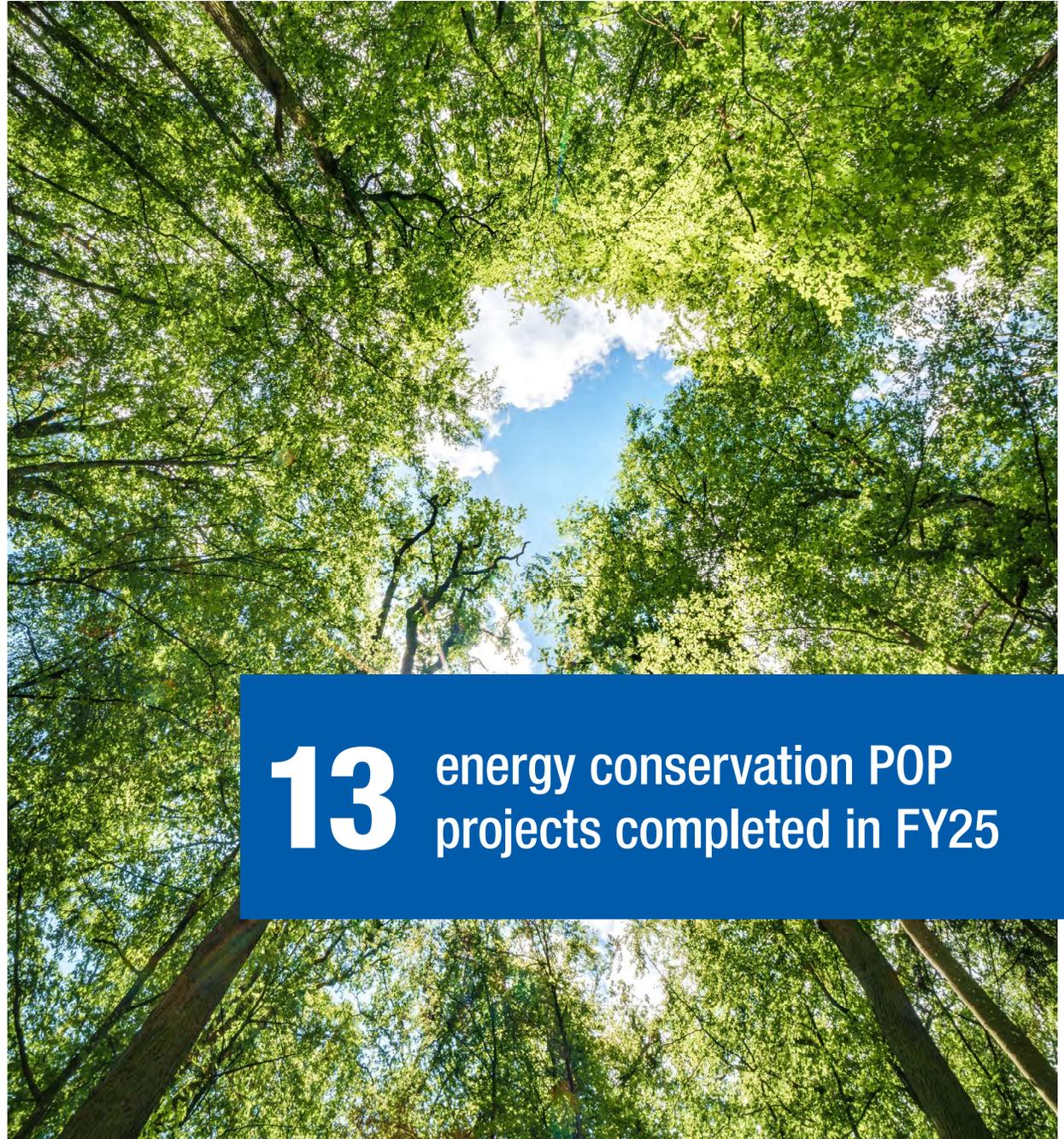
Kennametal remains focused on reducing GHG emissions and improving energy performance across our global operations. In FY2025, we continued to implement localized energy efficiency projects and process upgrades, and expanded our procurement of clean energy credits to support reducing our carbon footprint and strengthening operational resilience.

Energy and GHG Emissions

In FY25, we reduced our combined Scope 1 and 2 location-based emissions by 4%, with GHG emissions intensity remaining relatively flat. This reduction reflects the impact of energy efficiency projects, greater renewable energy availability on the grid and lower production levels.

In addition, we continue to expand our purchase of emission-free energy credits at select locations to match the equivalent of their electricity consumption. For example, our Bengaluru facility increased solar-sourced REC procurement from 86% to 91% in FY25. We also expanded emission-free energy certificate (EFEC) coverage beyond the Orwell facility to now include our Solon and Whitehouse locations in Ohio.

When factoring in these credits, our market-based GHG emissions were 22% lower than our location-based emissions. Refer to page 48 for Scope 2 market-based GHG emissions.



13 energy conservation POP projects completed in FY25

Highlights of recent energy-saving projects include:

Photovoltaic System Installation at Ebermannstadt

Kennametal's Ebermannstadt facility in Germany advanced its use of renewable energy in FY25 with the installation of a rooftop photovoltaic system paired with a battery storage unit for peak load management. This integrated system captures solar energy during daylight hours and stores surplus power for use during periods of high demand, enhancing both energy efficiency and grid resilience.



Aerial view of Ebermannstadt facility showing completed installation of rooftop solar panels.

Within just three months of implementation, the system has contributed to reducing peak electricity demand from the grid by 345,000 kWh. This improvement supported overall FY25 progress, helping to lower electricity consumption and Scope 2 GHG emissions, though these reductions also reflect other ongoing energy-efficiency measures across the company.

HVAC & Oil Cooling System Upgrade at Tianjin

In FY25, Kennametal's Tianjin facility in China completed a site-wide upgrade by replacing air-cooling systems on air handling units and oil grinding machines with water-based cooling systems. The improved thermal efficiency of water significantly enhanced overall energy performance. The air handling units alone are now consuming 68% less electricity, contributing to the 14% reduction in total site electricity use.



Water-cooled air handling units located on the roof of the Tianjin facility.

Hot Press Improvements at Shanghai-Sintec

In pursuit of greater energy efficiency, Kennametal's Shanghai-Sintec facility in China upgraded its hot press furnace process. Previously, only one billet could be pressed at a time, but by increasing the size of the furnace casing and molds, the facility can now process larger-diameter billets without lengthening cycle time. This enhancement has resulted in a 21% reduction in furnace electricity consumption due to improved production output. The upgrade was first implemented in November 2024, and by April 2025, 50% of the site's hot press furnaces had been converted.



Enlargement of billet diameter used in the hot press process at our Shanghai-Sintec facility.

Transition to Green Electricity Sourcing at Germany Facilities

In January 2025, all Kennametal facilities in Germany began sourcing 100% green electricity, improving on our previous energy mix. The electricity is generated entirely from hydropower — 99% from Norway and 1% from Sweden — and is accompanied by Guarantees of Origin¹ to confirm that the electricity is renewable. Across the German facilities, this initiative reduced Scope 2 GHG emissions from electricity by 50% in FY25.

Other notable energy initiatives

- **Huntsville, Alabama:** Replaced metal halide lighting with LEDs in a high-bay production area, improving safety and cutting lighting-related electricity use by 67% and saving over 250,000 kWh annually.
- **Bengaluru, India:** Increased procurement of RECs from a local solar farm enabled the facility to meet approximately 91% of its electricity needs — up from 86% in prior year.
- **Ohio facilities, USA:** Expanded procurement of EFECs beyond Orwell to include Solon and Whitehouse locations.

¹ Guarantees of Origin are official energy certificates used to verify that a specific quantity of energy was generated from renewable sources.

ENERGY CONSUMPTION Millions of Gigajoules	Direct	Indirect	Total
FY2021	0.52	1.30	1.81
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

Data represents consumption of natural gas, electricity, propane, heating oil, diesel fuel, district heating and steam. Direct energy results from the combustion of fossil fuels, and includes natural gas, propane, heating oil and diesel fuel. Indirect energy is purchased grid electricity, district heating and steam. Other energy sources not mentioned here are immaterial. Energy from our fleet services is not included.

Energy data from warehouses, Rapid Response Centers and offices (corporate, sales, other) are deemed immaterial and have been excluded from this scope. Data includes contributions from our Goshen facility (sold June 2025) and Greenfield facility (closed operation in April 2025). Figures may not sum to exact totals due to rounding.

GREENHOUSE GAS EMISSIONS Scope 1 and 2 (Location-based) Thousand Mt CO ₂ e	Scope 1	Scope 2	Total
FY2021	27	156	183
FY2022	30	152	182
FY2023	28	155	183
FY2024	31	151	182
FY2025	27	147	174

The source of greenhouse gas emissions is energy consumption, including electricity, natural gas, fuel oil, propane, diesel fuel, gasoline, steam and district heating. Emissions calculations are based on the WRI GHG Protocol Corporate Standard guidance methodology, U.S. EPA emission factors, International Energy Agency (IEA) country emission factors, IPCC Guidelines for National Greenhouse Gas Inventories, UK DEFRA emission factors, Government of Canada Environment and Climate Change emission factors and reference values, and India's CEA CO₂ baseline data for the Indian Power Sector Report. The gases considered in the calculations are carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O). Excluded emissions include hydrofluorocarbons used in refrigeration systems and SF₆ used in high-voltage dielectrics because they are considered immaterial. Warehouses, Rapid Response Centers (RRCs), corporate offices and sales offices are also deemed immaterial and have been excluded from this scope.

Refer to ESG Data Tables (on page 48) for Scope 2 market-based and location-based emissions.

Data includes contributions from our Goshen facility (sold June 2025) and Greenfield facility (closed operation in April 2025).



Water Conservation

Water conservation is a fundamental aspect of our global manufacturing operations.

Our manufacturing facilities primarily rely on water for production processes, cooling systems, and both potable and sanitary needs. Most of our water intake is sourced from municipal supplies, while the remainder is drawn from groundwater for three of our manufacturing plants. We consistently monitor our water withdrawals to identify opportunities for reduction and to address any unexplained increases.

Adherence to stringent discharge standards and regulatory requirements is fundamental to our wastewater and stormwater management and helps to safeguard our local bodies of water. Each of our manufacturing facilities either discharges wastewater to local treatment plants for additional processing or does not discharge any industrial wastewater. For those facilities that discharge to wastewater treatment plants, on-site pretreatment measures are taken to ensure the quality of the wastewater before the water is sent to the local treatment plant. Additionally, we proactively minimize potential stormwater contamination by effectively protecting our industrial materials and operations from rain and snow melt.

In FY25, we completed a global water risk assessment to identify operations that face the greatest water-related challenges, such as limited supply or high local demand. The assessment identified the facilities with the most challenges, enabling us to prioritize action plans that improve water efficiency and resilience. We are piloting water-saving measures at one of those facilities, creating a model that can be adapted for other sites as needed. We will work with the next tier of high-risk facilities to develop similar plans, strengthening water efficiency and advancing sustainable water management across our operations.

Water Conservation Initiatives

Process Water Reduction in Tianjin, China

The washing process for removing grinding fluids from part surfaces during tool production has undergone significant improvements at our Tianjin facility. We have made strategic investment in facility upgrades, equipment enhancements and advanced control systems to optimize this washing process. As a result of these initiatives, we achieved a 14% reduction in total water consumption and an 18% decrease in chemical usage in FY25.

In FY25, we reduced our water withdrawal by approximately 5% compared to the previous fiscal year, while maintaining a relatively stable withdrawal intensity. Ongoing process and equipment improvements and lower production levels in FY25 contributed to water savings, and further conservation efforts implemented over the past year have resulted in additional reductions.

Water Withdrawal by Source

WATER WITHDRAWAL BY SOURCE Megaliters	Municipal/Third Party	Groundwater	Total
FY2021	803	74	877
FY2022	769	87	856
FY2023	690	87	777
FY2024	650	98	748
FY2025	622	89	711

Outside of municipal/third-party water and groundwater, Kennametal does not directly withdraw from surface water, seawater or produced water. Water used for irrigation is excluded from the scope. Warehouses, Rapid Response Centers, Corporate offices/other offices and Sales offices are deemed immaterial and have been excluded from scope. Data includes contributions from our Goshen facility (sold June 2025) and Greenfield facility (closed operation in April 2025).



Waste Management

Across our operations, we seek to integrate circular economy principles and keep materials in productive use for as long as possible — through recycling, reuse and the recovery of valuable inputs. Materials such as carbide, ceramic powder and evaporator boats are regularly recycled or reconditioned, and end-of-life products are evaluated for recovery opportunities wherever feasible. In some cases, waste characterization assessments at the site level have led to the reclassification of certain materials, enabling beneficial reuse and reducing reliance on landfill disposal.

In the U.S., we partner with a national waste broker to streamline waste management services and identify recycling/reuse opportunities for our waste materials. This collaboration also creates space for innovation; at our Solon, Ohio, facility, for example, we are piloting a waste metering system to better understand the volume and composition of waste generated on site, and our disposal output. At the facility, sophisticated camera technology was installed on the dumpsters to monitor waste data and identify opportunities for waste reduction and cost savings. The system helps reduce unnecessary pickups, prevent the commingling of incompatible materials and generate data to inform future decisions. Pending results, the pilot may be extended to additional locations.

Waste data excludes episodic non-production related waste such as remediation waste, asbestos waste, construction & demolition debris (C&D), and polychlorinated biphenyl (PCB) waste. Warehouses, Rapid Response Centers (RRCs), Corporate offices/other offices, Sales offices are deemed immaterial and have been excluded.

We define landfilled to include landfilling, incineration, solidification and other means of disposition outside of recycle/reuse.

In FY25, Kennametal undertook a focused initiative to re-classify as “co-products” and responsibly manage the materials which we historically accumulated across multiple sites (including tungsten soft scrap [powders, sludges, etc.], tungsten hard scrap, metallurgical tailings, cobalt cake and moly-cake). Through this effort, we identified more than 4,000 MT of moly-cake, cobalt cake, and metallurgical tailings worldwide, in addition to over 1,700 containers of soft and hard scrap (both historically stored and newly generated) all now designated as co-products. These co-products were stored onsite for several years while we pursued reuse and/or recycling opportunities, and add period after opportunities. Out of the 4,000 MT, over 2,700 MT of these co-products were sold to others as raw materials, while a portion of the tungsten soft and hard scrap were reused on-site. Approximately over 1,300 MT of these co-products remain in temporary storage as we continue to sell to others, reused onsite and/or identify reuse and/or recycling options.

In addition, our Goshen facility was sold in June 2025 and our Greenfield facility closed operations in May 2025. Although Goshen and Greenfield facilities data is included in the total waste generated, 400 metric tons were excluded from the Greenfield data due to clean-up activities as part of the closure.

Waste generated across our sites is properly characterized to ensure safe handling. In addition, we implement internal controls to ensure proper storage, labeling and inspection procedures are consistently followed. Waste vendors must go through our comprehensive waste audit and approval process before they are permitted to handle waste materials. This is our way of driving best practices and responsible waste handling to reduce potential environmental risks and liabilities.

Landfilled waste decreased by approximately 21% in FY25 compared to FY24, while landfill waste intensity fell approximately 18% over the same period. Key drivers of this trend include improved landfill diversion at facility sites and reduced production.

Landfilled Waste

LANDFILLED WASTE Thousand metric tons	Total
FY2021	5.0
FY2022	5.0
FY2023	5.4
FY2024	6.1
FY2025	4.8

Waste Reduction Initiatives

Waste Reclassification and Recovery at La Paz

In our commitment to minimizing waste and enhancing recycling efforts, Kennametal's La Paz facility in Bolivia conducted a comprehensive review of 760 metric tons of metallurgical residues previously classified as hazardous waste. Through this assessment, 397 metric tons were reclassified as non-hazardous, resulting in a 52% reduction in hazardous waste volume, thereby lowering associated environmental risks. The reclassified material, which contains high concentrations of tin, is now recycled through a third-party buyer. The remaining 363 metric tons of hazardous residue are being partially reprocessed on-site to further reduce volume, with the balance managed by an approved external vendor.



PPE Recycling Initiative at Belleville

In Spring 2025, Kennametal's Belleville facility in Canada launched a personal protective equipment (PPE) recycling program in partnership with a recycling provider. The site began collecting used gloves, face shields, safety glasses, masks, protective clothing and hearing protection for processing into reusable plastic materials. The program targets both single-use and reusable PPE and is designed to reduce landfill waste generated through daily operations.

Recycling Services

At Kennametal, our commitment to sustainability is exemplified through our robust recycling and reconditioning initiatives managed in-house. We prioritize the recycling of scrap materials, fluids and sludges generated from metal cutting, machining and grinding processes. These materials are repurposed as tungsten feedstock, which is essential for our operations. Our end-of-life sintered carbide products and hard scrap carbide, primarily composed of tungsten carbide, are infinitely recyclable and serve as the foundation of our comprehensive global recycling strategy.

Our Green Box™ recycling program — which enables us to collect carbide from customers through a web-based buyback platform — has continued to grow this year. In FY25, we enhanced the recycling service on our website to make it easier for customers to return used products and provided training to select customers. This facilitated the return of more than a truckload of used carbide, contributing to a 12.7% increase in scrap volume collected through the website.

Kennametal's global Blue Box™ reconditioning program continues to support our recycling efforts by extending the life of used tools through refurbishment. Customers and end users can return tools made from carbide, polycrystalline diamond, cubic boron nitride and ceramics for services such as sharpening, retipping and recoating — restoring to nearly full performance.

To reduce packaging waste, reconditioned tools are shipped back in their original containers. Tools that are no longer viable for reconditioning are redirected to our Green Box™ recycling program, ensuring that valuable materials are recovered and reintegrated into production.

Additionally, we collaborate with our suppliers to recycle tungsten scrap generated throughout our supply chain and encourage the return of tungsten remnants, offering toll-processing services for customers interested in converting tungsten scrap into new materials.

We continue to invest in our capabilities and infrastructure to handle and recycle scrap materials. In one process, we more than doubled throughput while also lowering the energy required to convert scrap into reusable form.



Recycled Tungsten Carbide Introduced in Steel Mill Roll Production

In India, we have initiated a significant shift in our steel mill roll production by replacing virgin tungsten carbide with 100% recycled material. Historically, rolls produced with virgin powder delivered a 20% performance advantage over competitors, albeit at a cost 25–30% higher than the market average. To address both environmental and cost considerations, we set a target to reduce production costs by 15–20%. This transition was enabled by our R&D team, which developed an effective formulation for incorporating reclaimed carbide into the manufacturing process. Field testing of the recycled grade has shown positive results, supporting a smooth transition into production and demonstrating the practical application of recycled tungsten carbide in high-performance manufacturing.

Air Emissions

We remain committed to minimizing the impact of all other regulated criteria air pollutants besides GHG emissions — including volatile organic compounds (VOCs), hazardous air pollutants (HAPs), nitrogen oxides (NO₂), sulfur oxides (SO₂) and particulate matter (PM), as well as persistent organic pollutants (POPs) — across our facilities. These non-GHG emissions are generally very low due to the nature of our operations and are managed through regulatory compliance and best management practices. In general, our larger facilities operate under air permits or licenses, while our smaller facilities have little to no emissions. In locations with limited regulatory requirements, we apply our own internal standards and best management practices to uphold environmental performance expectations.

We use engineering controls, preventive maintenance, material substitution and standard work practices tools to help maintain compliance and reduce local environmental impacts. We capture nearly all PM emissions and their precursors from raw material handling in high-efficiency dust collectors, with captured materials reused on-site or recycled at other Kennametal locations. HAP emissions are minimal and are captured and reused similarly to PM emissions. VOC, SO₂, NO₂ and POP emissions are insignificant from our operations and are considered immaterial. We will continue to monitor our air emissions to determine which pollutants are material enough for future disclosure.

Reducing Fugitive Emissions at Mistelgau

In FY25, our Mistelgau, Germany, operations significantly reduced hexane emissions through a series of targeted process improvements. By enclosing powder transfer systems and investing in advanced exhaust controls, the site achieved over 50% reduction in fugitive hexane emissions and is now avoiding more than 5,000 kilograms of annual hexane releases.





02

Committed to Making a Social Impact

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Human Capital Management

At Kennametal, we recognize that effective Human Capital Management (HCM) programs, which focus on employee development and engagement, are crucial for attracting and retaining the skilled talent essential for our long-term growth and success.

These programs are led by our Vice President and Chief Administrative Officer, who provides regular updates to the Board's Compensation and Human Capital Committee.

Our approach is anchored in equitable labor practices, an inclusive workplace culture and open communication. We respect employees' right to freedom of association and maintain collaborative relationships with labor organizations across our global operations. Continuous feedback is a key part of how we shape our workforce strategy — we regularly seek employee feedback to help identify priorities, improve engagement and inform workplace practices. Further details on our inclusion-related efforts are provided on page 22.

To support a consistent and data-informed talent strategy, we use an enterprise-wide HCM system that helps manage workforce planning, development and retention. This system enables structured processes for hiring, goal setting, performance evaluation, training, mentoring and succession planning. A quarterly HCM scorecard tracks progress of key indicators across four primary areas: bench strength, talent development, culture and engagement and inclusive practices.

Career development at Kennametal is supported through an annual performance cycle that includes quarterly check-ins and requires mid-year and year-end reviews. These touchpoints encourage meaningful discussions between employees and managers around goals, growth and feedback. They also support our performance-based compensation process and help ensure alignment with our Value Creation Pillars.

Culture and Engagement

Our cultural journey is characterized as the Kennametal Way. Introduced in 2019, the Kennametal Way is grounded in five core cultural beliefs (listed in the diagram below) and the behaviors that bring them to life. It acknowledges the role each employee plays in driving long-term business success and shaping a high-performing and inclusive workplace.

To assess the impact of our cultural transformation, we conduct an annual “Be Heard” engagement survey that monitors key performance indicators across criteria such as teamwork, inclusion, health and safety, ethical behavior and decision-making. The survey uses a 5-point rating scale and serves as a critical feedback loop for refining employee engagement programs and identifying new opportunities for improvement.

In April 2025, our latest survey achieved a 76% response rate, above the industry benchmark. The average engagement score was 70, reflecting a one-point decrease from FY24. While overall sentiment declined slightly, we saw improvements in four key categories: inclusion in teams,

authenticity, feedback and diversity commitment. These gains reflect the continued impact of our efforts to strengthen workplace culture and reinforce our commitment to listening, learning and acting on employee feedback.

Each year, the Executive Leadership Team reviews the Be Heard survey results to identify key focus areas for leaders across the organization. These priorities inform targeted actions designed to address employee feedback, enhance engagement, and further strengthen our workplace culture.

As part of our broader focus on strategic execution and continuous improvement, we also launched an upgraded Performance Management System and Strategic Cascade process in FY25. This new system is designed to align individual goals with enterprise priorities, reinforcing that how we work is just as important as what we achieve. By emphasizing accountability, collaboration and continuous growth, the system fosters a shared sense of purpose and supports high-performing teams. It also enables more frequent feedback, clearer expectations and stronger career development, which we view as key drivers of engagement and cultural alignment.

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.



Completed in FY25

>18,800
employee
learning courses

Learning and Development

We continue to evolve our learning and development ecosystem to cultivate a skilled, motivated workforce and support a culture of continuous growth, strategic alignment and individual empowerment. Our learning management system, available in multiple languages, now offers more than 20,000 online courses. This year, over 4,000 employees completed more than 18,800 courses with roughly 90 subject-matter experts contributing to the development of 800 interactive e-learning modules tailored to our operations.

To reinforce our redesigned Performance Management System and Strategic Cascade process, we introduced an innovative webinar series centered on coaching, feedback and collaboration — reaching more than 800 leaders globally. These sessions were complemented by over 25 leader coaching engagements, crafted to deepen leadership capability and support alignment with enterprise priorities.

Mentorship also played a central role in our talent development strategy this year. We expanded our use of a third-party mentorship enablement platform with the launch of two new regional programs in EMEA (Europe, the Middle East and Africa) and APAC (Asia-Pacific), engaging 49 participants. Outside of the platform, Kennametal India also implemented a structured mentoring program, engaging 46 participants. With an average satisfaction rating of 4.8 out of 5, mentoring continues to be one of our highest-rated development offerings, helping employees build meaningful connections and navigate their career paths.

Our EMERGE program remains a cornerstone of early-career development, offering rotational experiences across Sales, Operations, Technology and IT functions for 29 professionals worldwide in FY25. Since its inception in 2005, EMERGE has helped build a strong internal pipeline, with many graduates progressing into leadership positions.

We also continued to strengthen our long-term talent pipeline through our Talent Review and Succession Planning process, which identifies high-potential employees and critical roles. Career development plans are supported through mentoring, coaching and structured learning pathways.

To further bolster academic sponsorship, we expanded our tuition reimbursement program in FY25. In addition to our

existing partnership with Colorado Technical University, we added American Intercontinental University, broadening access to undergraduate and graduate degree programs through fully funded eight-week courses for U.S. employees.



Recent EMERGE program graduates.

Leadership and Capability Building at Kennametal India

To equip leaders with the tools to navigate complexity and lead with clarity, Kennametal India launched “Leading with Purpose” — a four-month development program for more than 16 senior leaders. The initiative combined 360-degree assessments, classroom training, individual coaching and engagement with the India Leadership Council to strengthen decision-making, communication and managerial effectiveness.

TRAINING PROGRAM	Highlights
Kennametal Knowledge Center (KKC)	<ul style="list-style-type: none"> 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 while supporting the health and well-being of employees across our 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 and strategic goals. Since FY23, the plan has included Corporate Responsibility metrics, reinforcing the connection between business performance and environmental and social impact. In FY25, these metrics served as a 10% modifier — positive or negative — based on performance in areas such as worker safety, inclusion and belonging.

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:
<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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, we are committed to fostering a workplace where every employee feels respected, supported and empowered to contribute meaningfully. Our Inclusion & Belonging (I&B) strategy is built on four pillars — **Awareness, Acquisition, Development and Community** — each led by senior executives and supported by our Talent and Organizational Effectiveness team. This commitment is rooted in our cultural belief that “*Everyone Matters*”, which drives collaboration across the enterprise and reinforces our view that unlocking individual potential strengthens both our teams and our business.

In FY25, we evolved our strategy by introducing *Belonging* as a strategic pillar. This shift reflects a deeper focus on cultivating a culture where employees feel connected, valued and engaged. While inclusive practices remain central, the addition of belonging — defined by shared connection and active participation — emphasizes the critical role of employee well-being in organizational success. By embracing a wide range of perspectives and experiences, we enhance decision-making, drive innovation and create a stronger, more resilient organization.

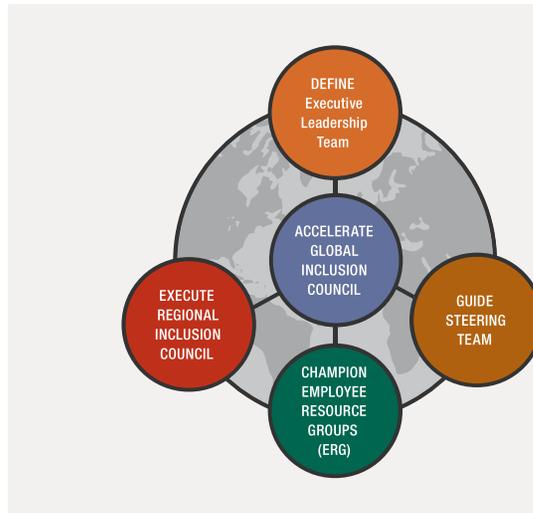
I&B Oversight and Strategy

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).

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 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, which is reported to the Compensation and Human Capital Committee.

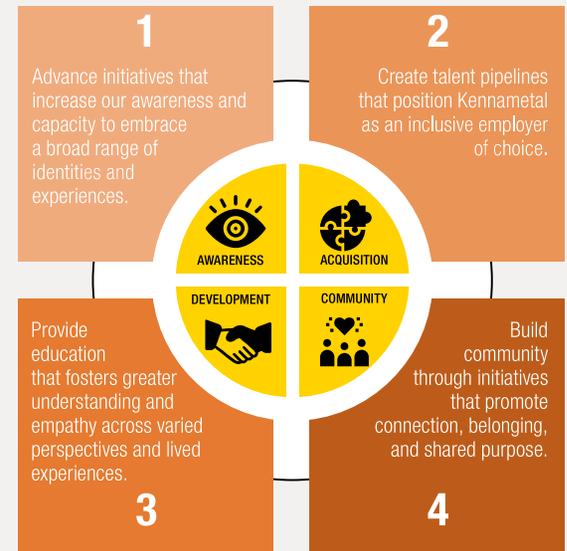
The Global Inclusion Council, Regional Inclusion Councils, and Employee Resource Groups (ERGs) translate strategy into action across geographies, with representation from the Americas, EMEA, Asia Pacific and India. This governance structure ensures continuity year over year while enabling targeted refinements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

ERGs at Kennametal continue to serve as vital platforms for creating connection, improving belonging and sharing learnings across the organization. With five active ERGs spanning the Americas, EMEA and India, these groups support employees with similar experiences and interests, while contributing to a more engaged and informed workplace. The current ERG network includes Women at Work (W@W), the Women Inspired Network, the Women's Business Council, the Black Excellence Network (BXN) and the Different Abilities ERG. A standardized toolkit supports the launch of new ERGs, ensuring alignment with business priorities and consistent structure.

In February 2025, BXN led its second annual Black History Month campaign, delivering a month-long series of educational content and global engagement through the company's internal communication channels. March brought company-wide recognition of Women's History Month and International Women's Day, with events that celebrated the remarkable achievements of our female colleagues across roles and regions. Additionally, Kennametal India hosted a two-day program focused on holistic wellbeing and team cohesion to celebrate International Women's Day.

At the Latrobe Technology Center, the W@W ERG welcomed more than 60 female students from eight local high schools for the second annual Next in STEM event. The day featured hands-on activities, inspiring panel discussions and a service component where students assembled interactive STEM kits for local nonprofits. The event continues to spark interest in manufacturing careers and STEM pathways among young women in the community. The W@W ERG sustained momentum throughout the year by hosting quarterly book clubs, offering members a space for reflection, learning and connection.

Interactive Workshops

Beyond ERGs, Kennametal activates its I&B strategy through interactive, skills-based workshops offered across locations. For example, in Bengaluru, employees participated in sessions such as "Understanding Micro-aggressions at the Workplace" and "Understanding Emotional Triggers." These workshops encouraged reflection on interpersonal dynamics and provided practical ways to show empathy in day-to-day interactions.



Next in STEM event panelists.

Manufacturing Institute's Women MAKE Awards



Mandy Lv

In April 2025, Mandy Lv, Logistics Senior Analyst, was recognized as an Honoree at the Women MAKE Awards by the Manufacturing Institute.

Mandy was selected for her leadership in customs compliance and international logistics, as well as her role in advancing lean manufacturing initiatives at Kennametal's Xuzhou, China, facility. She led the site in achieving Kennametal's Production System Bronze Certification and launched its green belt program, resulting in several employee certifications in value stream mapping, setup reduction and total productive maintenance. Mandy also brings a strong sense of empathy to her work, using her background in psychological counseling to support employee well-being and lead mental health awareness efforts. She joins a distinguished group of 17 Kennametal women who have received this honor in prior years, cementing the company's continued presence among manufacturing's most impactful leaders.

Talent Acquisition Initiatives

As part of our ongoing commitment to attracting and retaining top talent, Kennametal recently launched a strategic initiative to define and expand our global employee value proposition (EVP). This work is focused on deepening our understanding of what employees value most, while positioning Kennametal as an employer of choice. By amplifying our strengths and clearly articulating our culture, opportunities and purpose, we aim to strengthen our talent pipeline and enhance our competitiveness in the market.

Aligned with this approach, our I&B initiatives focus on expanding access to meaningful career opportunities and fostering a workplace where all employees can thrive. Through partnerships with organizations that promote inclusive practices in manufacturing, we continue to broaden our reach and connect with individuals from a wide range of backgrounds and experiences. These organizations include:

- Vibrant Pittsburgh
- Women in Manufacturing
- INROADS/IPROS

Additionally, Kennametal signed the Charta der Vielfalt, a German corporate initiative promoting recognition and respect for all employees, and the CEO Action Pledge, the largest CEO-driven commitment to advance workplace inclusion. Both commitments aim to further foster a culture where our people feel valued, respected and connected — regardless of background or identity.

Through our partnership with the award-winning NGO Katalyst India, we help broaden opportunities for young women from less privileged communities by sponsoring educational expenses and providing mentoring and internship experiences that prepare them for future leadership roles. We also invest in early-career development through various workforce development and apprenticeship programs, which aim to attract top talent and reinforce our commitment to an inclusive workforce.

Development Initiatives

Creating an environment where employees feel included and connected is central to Kennametal's approach to talent development. We offer a range of programs that strengthen leadership skills, encourage knowledge sharing, and support career growth at all levels. Our Talent Development Mentoring Program pairs managers with mentees to provide career guidance, business insights and opportunities, improving mentoring and leadership skills. The program continues to receive positive feedback, supported by a platform that helps track and facilitate mentor–mentee interactions.

I&B principles are embedded in our learning and development efforts. Professional employees complete an inclusion module as part of quarterly ethics training while a broader catalog of I&B courses is also available through our online learning management system that includes content from partners such as LinkedIn Learning, Big Think and Blue Ocean Brain (a specialized I&B content provider).



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.



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.

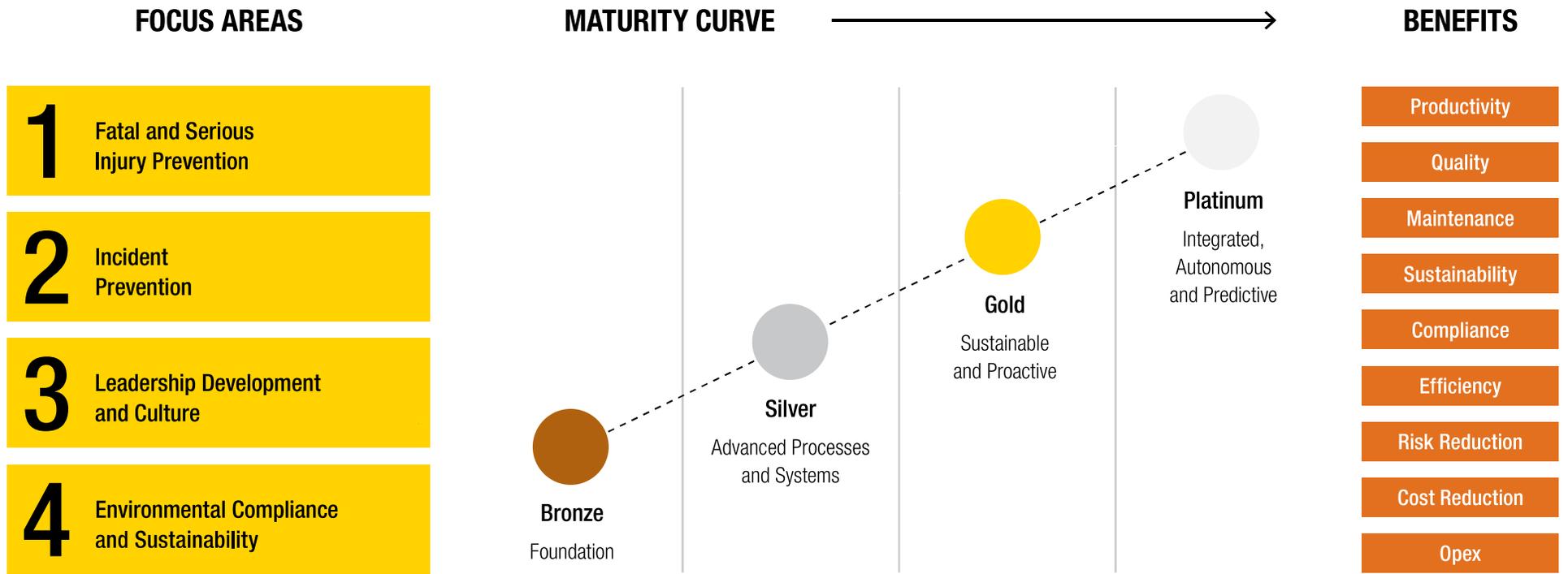
Kennametal's health and safety strategies are overseen by Safety Lead Teams composed of EHS and operations leaders, beginning at the plant level and extending through the Business Unit, Segment and Executive Leadership Team. These teams meet monthly to review critical issues, accomplishments and progress 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.



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. This framework defines four progressive stages that guide each location toward building an integrated, autonomous and predictive EHS culture. The roadmap plays a central role in our annual planning process, helping to align site-level actions with enterprise-wide priorities and establish key metrics to track performance.



EHS Management System

Kennametal's EHS Management System supports 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.

4 Kennametal locations with 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 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, conducts 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 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
- Document management
- 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 at select sites, we assess the effectiveness of FSI prevention measures, verify compliance with critical standards, and evaluate operational ownership of EHS responsibilities. In FY25, we completed 10 in-depth assessments, each followed by tailored action plans and progress reviews to ensure lasting improvements. This expansion reflects our strengthened commitment to proactive evaluation and continuous enhancement of safety practices.

Complementing these audits, plant leadership team members perform more than 100 on-site and virtual walkthroughs annually 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 reinforcing expectations, sharing best practices and identifying opportunities for continuous improvement across our global footprint.

Safety Metrics

43%

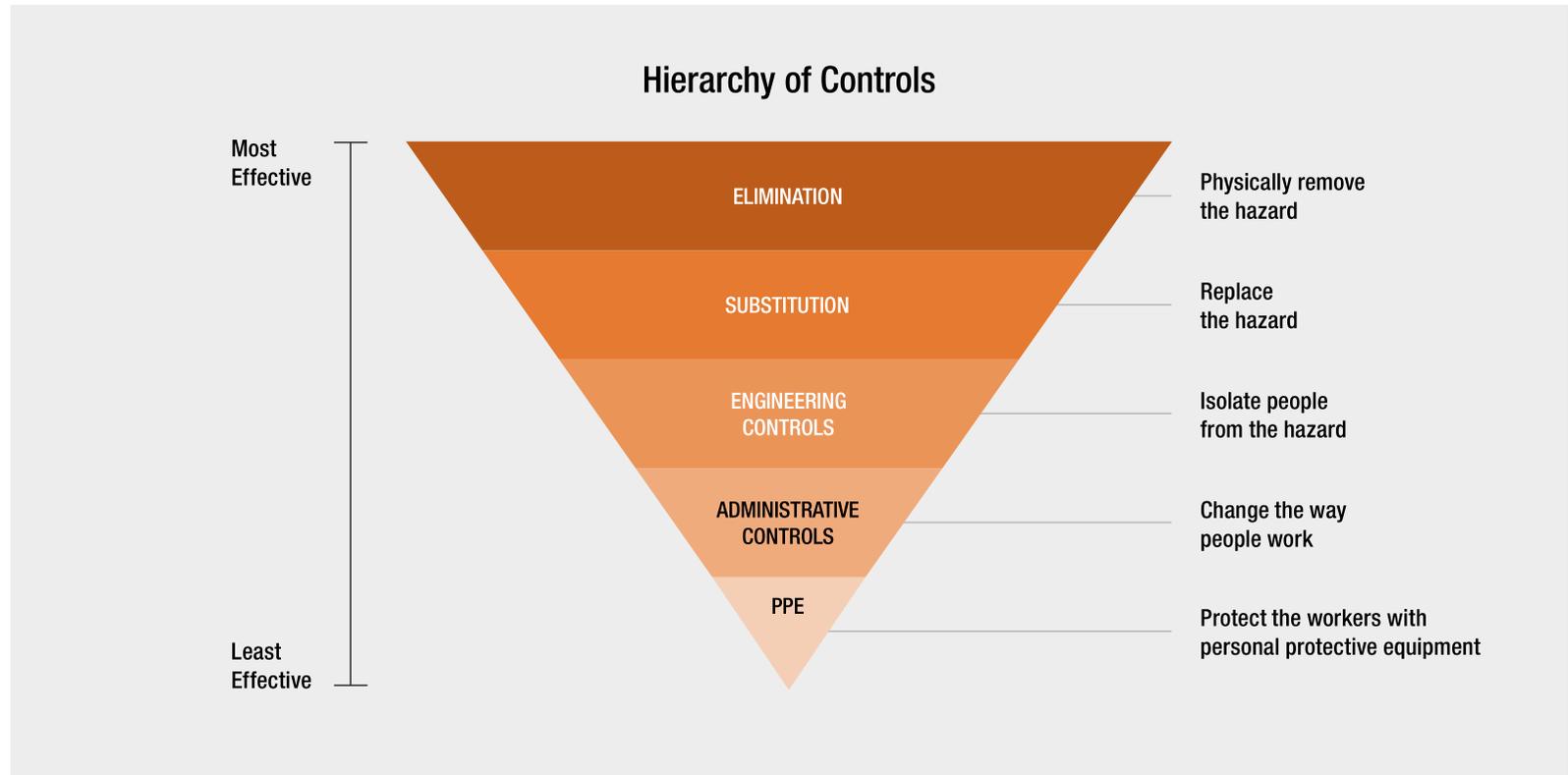
Lost Time Incident Rate (LTIR) decrease from FY22–FY25.

FSI Prevention

In FY25, 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 125 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 1,500 serious risks over the year, reflecting a notable increase from the 1,200 mitigated in the prior year and underscoring our commitment to proactive safety management.

We also completed phase two of our powered industrial vehicle risk reduction strategy. This phase focused on hazard mapping, material flow optimization and the pilot use of artificial intelligence to help reduce vehicle-pedestrian interactions — building on the segregation measures introduced in phase one.

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 19% of reported events classified as FSI-related — and 99% of FSI hazards identified proactively — these efforts continue to demonstrate the importance of comprehensive reporting in driving root cause analysis and long-term prevention.



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:

- 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 Checklist and Video series to include environmental topics, addressing critical hazards such as lockout/tagout, electrical safety, machine guarding, robotics, stormwater, waste management and spill prevention.
- Applying the management of change process 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.

Through these initiatives and others, we continue to drive proactive risk-reduction in our operations. As of FY25, we are still performing 136% better than the U.S. industry average.⁷

⁷ 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.

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.

We supplement supervisor-level EHS leadership development with targeted training and coaching focused on technical EHS knowledge and key leadership skills to cultivate a strong safety culture and manage risks effectively within their teams.

Health and safety expectations are clearly defined across the organization. Every employee has a role in incident prevention, compliance and hazard identification. To reinforce accountability, health and safety objectives are included in the annual performance plans of leadership roles throughout the company.



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. For 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.

Leadership development is further supported through Kennametal's Operations Leadership Excellence Advancement Program (LEAP). As part of this cross-functional curriculum, corporate EHS delivers training on technical topics and EHS management practices to prepare future leaders to drive performance and manage risk effectively.

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 FY25, seven new Kennametal-specific learning modules were created and distributed to plants to support evolving training needs.

EHS Training Modules

In FY25, the Corporate EHS Team continued to expand our 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:

- Root Cause Analysis
- Emergency Operations Command (German)
- Crane Operator & General Awareness
- Toxic Substances Control Act (TSCA)
- New Chemical/Material Review Process
- Stormwater Pollution Prevention Awareness
- Environmental Reporting – U.S. Tier II & Toxic Release Inventory (TRI)

All topics are available for local translation and classroom delivery. English versions of these 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.



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 Employee Assistance Program (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 trainings, a lunch-and-learn series and an employee newsletter focused on well-being topics and access to supportive resources.

In addition, 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.

Safety Initiatives

Mistelgau Commissions Upgraded Fire Suppression

In FY25, Kennametal's Mistelgau facility in Bavaria, Germany, reached a major milestone in its long-term fire protection strategy by commissioning an advanced sprinkler system that meets the highest level of industrial fire safety standards in the country. This installation marks the penultimate phase of a comprehensive renovation project that began in 2016 with the development of the site's first fire protection concept. Building on its commitment to safety and community engagement, the site previously invested in a state-of-the-art, remote-controlled turbine fire extinguishing robot, which was donated to the local fire department in 2023. The city of Mistelgau became the first of Bavaria's 7,500 registered fire brigades to deploy such a modern device.

Indaiatuba Accident Prevention and Wellness Week

At Kennametal's facility in Indaiatuba, Brazil, a week-long interactive safety and wellness campaign engaged 100% of employees through a digital platform offering daily activities focused on topics such as risk perception, situational awareness and managing anxiety. Participation was tracked through daily questionnaires, with prize raffles incentivizing engagement. The initiative fostered widespread involvement both in person and virtually and generated overwhelmingly positive feedback from employees.



Emergency Preparedness Training at Mistelgau and La Paz

In FY25, Kennametal advanced its emergency preparedness efforts through coordinated drills at multiple sites. At the Mistelgau facility in Germany, the leadership team participated in a district-led emergency response exercise involving approximately 80 to 100 participants from fire departments, law enforcement, hospitals and technical support functions. The seven-member Mistelgau team acted as consultants, testing their communication and coordination skills in a simulated incident scenario involving a hydrogen delivery truck and a concrete mixing lorry. The exercise emphasized the importance of cross-functional collaboration and highlighted the environmental risk profile of the site.

Separately, the La Paz facility in Bolivia conducted a fire and injury response drill, achieving a full evacuation in under 9 minutes — a 24% improvement from the previous year's drill record. These drills reinforced emergency procedures and demonstrated measurable progress in site-level readiness.



Community Engagement

Kennametal's approach to community engagement embodies our dual role as both a global employer and a responsible neighbor. We focus on supporting the long-term vitality of the communities where we operate and live, by promoting workforce readiness through technical education and backing local programs that improve quality of life and environmental well-being. These efforts take shape through financial and in-kind donations, volunteerism and partnerships with local organizations. Engagement activities are organized at the facility level and through the Kennametal Foundation, which includes partnering with Goodera to facilitate employee-led volunteer initiatives. We prioritize educational programs that serve manufacturing communities and surrounding regions, while also maintaining open channels of communication through social media and the "Contact Us" option on our website to engage with Kennametal contacts.

46 community POP Projects completed in FY25

Inspiring Early Interest in Manufacturing and STEM

Kennametal actively supports early-stage science, technology, engineering and mathematics (STEM) education to inspire and encourage students to explore career opportunities in the manufacturing industry. Through school-based programs, national awareness events and interactive learning experiences, we aim to spark curiosity and broaden access to technical education. These initiatives are designed to reach formative students and to build enthusiasm for science, engineering and hands-on problem-solving.

1. Kennametal teams across Germany opened their doors to students during Girls' Day, a nationwide initiative aimed at expanding career horizons for young women. At facilities in Königsee, Ebermannstadt, Vohenstrauß and Essen, participants engaged in hands-on activities and behind-the-scenes tours designed to showcase manufacturing and highlight its potential as a future career path.
2. In India, Kennametal expanded its STEM education outreach by launching a science kit initiative across 233 government high schools in the Mysore district, reaching approximately 42,000 students. Designed to bridge the gap between theory and practice, the kits promote hands-on learning, stimulate interest and encourage innovation among young learners. This effort builds on a broader Kennametal India program that has reached around 1,600 schools across six districts since 2021, directly impacting 400,000 students.
3. At the RAPID + TCT tradeshow in Detroit, Michigan, Kennametal participated in the Society of Manufacturing Education Foundation's Bright Minds Student Summit, a program held alongside the event to introduce high school students to careers in advanced manufacturing. As a Summit partner, we helped engage students through guided tours and demonstrations of modern manufacturing technologies.



Building Skills Through Academic and Technical Partnerships

Kennametal's alliance with universities and technical colleges is central to our strategy for cultivating a future-ready workforce. These partnerships provide students with access to industry-standard tools, expert mentorship and real-world applications of engineering and manufacturing concepts. By supporting scholarships, research and technical training, we help close the divide between academic learning and industrial practice.

United States

- For more than seven years, Kennametal has proudly partnered with Purdue University to bring high-performance tooling into the hands of future engineers. This collaboration gives students practical experience using industry-standard tools and expert application support, preparing them to enter the workforce with confidence and advanced skills. Dr. Matthew Swabey, Director of Purdue's Bechtel Innovation Design Center, credits the partnership with elevating the program's capabilities and unlocking new learning opportunities for students. See [video](#) for more details.

China

- Twenty undergraduates were awarded scholarships at the University of Science and Technology Beijing, continuing more than a decade-long commitment to fostering China's future leaders in science.
- Kennametal's Tianjin Plant hosted top students from Tianjin Mechanical and Electrical Technical School for a plant tour and final interviews, offering hands-on exposure to advanced manufacturing.

Indonesia

- Kennametal Indonesia hosted a knowledge-sharing session with mechanical engineering students at Politeknik ATMI Surakarta, focusing on cutting tools and metal cutting fundamentals.

UK

- As part of our ongoing partnership with the University of Sheffield AMRC, Kennametal UK delivered a metal cutting masterclass to nearly 70 mechanical engineering apprentices from leading companies.

By supporting scholarships, research and technical training, we help close the divide between academic learning and industrial practice.



Developing Talent Through Apprenticeship and Early-Career Programs

Kennametal's global apprenticeship and early-career programs continue to provide structured pathways into manufacturing careers, combining technical instruction with immersive, hands-on experience. In the Americas apprenticeship program — launched in 2022 — five production employees completed the program across three sites in FY25. In EMEA, 86 apprentices participated across six training locations, with intake guided by long-term workforce planning. In APAC, 164 apprentices engaged in skill-building and on-the-job training across Bengaluru, Tianjin and Xuzhou, supporting future talent needs in both production and professional roles. Across all regions, these programs are reinforced by peer mentorship and a shared commitment to continuous learning.

- Kennametal's Xuzhou facility in China marked the third year of its apprenticeship program by hosting a plant tour for nearly 20 students from a local technical college. With 17 apprentices hired to date, the program continues to strengthen industry-academic partnerships and support workforce development in the region.
- In Germany, apprentices participated in Kennametal's annual Apprentice Camp, a multi-day event focused on safety, collaboration and career development. The camp fosters teamwork and reinforces our commitment to preparing the next generation of skilled professionals through practical applications.
- At our Solon, Ohio, facility, four apprentices graduated from a one-year program in machining, processes and product knowledge. Now employed full-time, these graduates are mentoring the next class of apprentices, helping to sustain a culture of continuous learning and peer development.
- Kennametal's New Market, Virginia facility celebrated the graduation of its first Machinist Apprenticeship class. The program provided new hires with hands-on manufacturing experience and strong mentorship from experienced team members, laying the foundation for long-term career growth in precision manufacturing.

Connecting Career Advancement in Manufacturing

Beyond early education and technical training, Kennametal supports initiatives that promote professional growth and visibility within the manufacturing industry. Through partnerships with industry organizations and employee-led events, we help create spaces for networking, mentorship and skill development.

In partnership with the Women in Manufacturing (WiM) Western Pennsylvania chapter, Kennametal's Latrobe team hosted a women's empowerment event, featuring a Technology Center tour and panel discussions on key professional skills.



Employee Volunteerism

Volunteerism at Kennametal is more than a tradition — it’s a reflection of how our employees live our values beyond the workplace. Across regions and roles, team members continue to take initiative, lend their time and lead efforts that strengthen communities and support those in need. From coordinated campaigns with strategic partners like United Way and Goodera to locally driven projects addressing education, health and environmental well-being, these contributions demonstrate the reach and impact of our workforce. To encourage participation, U.S.-based employees receive eight hours of paid volunteer leave annually, helping ensure that meaningful engagement remains accessible and supported.

Core Strategic Partnerships — United Way and Goodera

In the U.S., we support United Way through employee pledges, volunteerism, and a donation from the Kennametal Foundation. In FY25, our campaign raised over \$625,000, with more than 250 employees volunteering to support local community agencies.

The Kennametal Foundation also partnered with Goodera to coordinate enterprise-wide volunteering, focusing on STEM, education, mental health and well-being. To date, nine events were hosted with various non-profit partners, engaging more than 220 volunteers and reaching over 900 beneficiaries.

220+
volunteers

9
total events

900+
beneficiaries impacted

Kennametal Foundation Hosts Earth Day Events

In celebration of Earth Day, the Kennametal Foundation hosted several events in April for Kennametal employees in partnership with Goodera, offering an opportunity to give back to the communities where we work and live. From virtual to in-person events, here are some highlights:

- The Tianjin, China, team made pollinator hotels and packaged together learning materials for a local children’s educational charity to raise awareness on the importance of bee protection.
- In Xuzhou, China, our volunteers assembled and donated foldscopes (foldable paper microscopes) for children to explore the inner workings of flora and fauna.
- Over 30 employees from around the world came together to engage in three virtual volunteer activities, which included creating DIY guides on upcycling everyday items into useful products and analyzing images from the Great Barrier Reef to identify marine life, thereby contributing to conservation efforts.



Highlights from our employee volunteer efforts worldwide include:

POLAND AND SLOVAKIA:

Employees from Poznan, Zory and Slovakia participated in the virtual Poland Business Run to raise funds for individuals with disabilities, supporting access to prosthetics, wheelchairs and rehabilitation.

PA LAU COMMUNE, VIETNAM:

Following a devastating typhoon, our Vietnam team joined efforts to support aid and recovery activities in Pa Lau Commune, where damaged roads and nearly 30 households required relocation. Contributions included 15 solar lights for roadways and various forms of support for Giao Chau Kindergarten, such as playground equipment, a TV screen for educational use, clothing and rice boxes.

PITTSBURGH & LATROBE, PENNSYLVANIA:

Employees raised \$10,000 to support more than 100 children through Westmoreland Community Action and the United Way of Southwestern Pennsylvania. Volunteers shopped for toys and filled out 200 holiday cards for local seniors. In a separate initiative, 50 children received gifts through the Silent Angel Giving Tree event in partnership with the Salvation Army, while 50 senior citizens were supported through a collaboration with St. Anne Home.

BENGALURU & PUNE, INDIA:

Nineteen volunteers from Kennametal India participated in a cleanup and restoration drive at the Mula-Mutha riverfront in Pune, collecting 325 kilograms of waste for recycling or safe disposal. In Bengaluru, the team organized a free health camp across eight government schools, providing health checkups and education sessions for more than 3,600 students. Additionally, Kennametal supported early childhood education, nutrition and medical care for 150 children through its partnership with Diya Ghar.





03

Ethical and Responsible Governance

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Governance and Risk Oversight

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

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 outlines 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.

Policies listed in these guidelines include:

Independent Directors

The Board is composed of a majority of independent directors, with 10 of 11 directors remaining 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 performance and effectiveness, ensuring continuous improvement.

Stock Ownership Guidelines

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

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

Board Composition and Expertise

Kennametal's Board brings together individuals with expertise across financial disciplines, industrial operations and Corporate Responsibility themes. This mix of experience supports informed oversight of complex risk, strategic and Corporate Responsibility matters. A skills matrix is used to periodically evaluate Board composition, highlight 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, ensuring that risk processes are comprehensive and mitigation strategies are effectively deployed.

Compensation and Human Capital Committee

The Compensation and Human Capital Committee is responsible for shaping the overall compensation philosophy for senior leadership, including short- and long-term incentive plans. It also reviews and oversees the company's strategies and programs for human capital management.

Nominating/Corporate Governance Committee

The Nominating/Corporate Governance Committee supports selection of candidates for the Board and its committees. It also provides recommendations for improving governance policies and assesses the effectiveness of the Board and its committees each year. This committee is essential in integrating Corporate Responsibility into the governance agenda and ensuring that Board practices align with the company's business strategy.

Enterprise Risk Management

At Kennametal, integrating ERM into day-to-day operations and strategic planning is essential for long-term business success. We promote a culture of risk awareness that is present in all functions and operations, allowing both management and the Board to effectively identify and assess emerging risks.

The Board oversees the company's risk management processes, with the Audit Committee delegated specific oversight responsibilities. The Vice President, Secretary and General Counsel leads the ERM program as the Chief Compliance Officer and ensures that ethics and compliance are prioritized 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 focuses on implementing ethics and compliance initiatives.

Regular updates are provided to the Audit Committee and the full Board, covering important topics such as ethics training, whistleblower case handling and significant risk issues. By embedding risk management into its corporate strategy and daily operations, Kennametal is well-equipped to navigate emerging issues 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 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. In FY25, Internal Audit implemented AuditBoard software to manage planning, scoping, fieldwork, documentation and reporting, improving automation, efficiency and standardization. The team also initiated an assessment against the updated Institute of Internal Auditors Global Internal Audit Standards and aligned the charter and documentation practices.

All global locations are reviewed on a rolling five-year cycle, with higher-risk sites audited more frequently. A dynamic, year-round risk assessment — fed by real-time updates from the business — guides scoping and scheduling and enables timely adjustments to the plan as risk conditions change.

During FY25, Internal Audit supported enterprise initiatives including control readiness for the SAP S/4HANA program and sustainability reporting workstreams such as Corporate Sustainability Reporting Directive (CSRD) scoping, the double materiality assessment and climate-related risk work aligned to the TCFD framework. Regional reviews, including ESG process audits in India, strengthened governance and future assurance readiness.

Corporate Responsibility Governance

Oversight of Corporate Responsibility activities is provided by the Nominating/Corporate Governance Committee. This includes reviewing key initiatives, strategy alignment and disclosures in the company's annual Corporate Responsibility report. Updates are provided biannually by management functions responsible for ESG implementation.

The Audit Committee's role toward Corporate Responsibility governance includes reviewing the control framework for public disclosures of non-financial metrics and discussing these processes with management to ensure accuracy and transparency.

Additional information about the Board's role in climate risk governance and Corporate Responsibility strategy is available in the Corporate Responsibility Strategy section of this report.



Ethics and Compliance

At Kennametal, we hold integrity, accountability and transparency as core values, and we support these values through strong governance frameworks. Our Code of Conduct and anti-corruption initiatives play a crucial role in promoting ethical business practices. To consistently uphold these standards, we implement strict policies and provide comprehensive training in ethics and compliance. Oversight of these efforts rests primarily with our Audit Committee, which is supported by the personnel detailed in the Corporate Responsibility Strategy section of this report, ensuring ongoing monitoring and improvement in our compliance programs.



Code of Conduct and Ethics Training

The Kennametal Code of Conduct establishes the benchmark for ethical practices throughout our organization. It defines the values that direct our business conduct, guaranteeing that we operate as conscientious corporate members and maintain fair competition.

Our Code of Conduct is widely communicated and annual training is provided to employees at all levels and the Board. Additional compliance trainings that cover emerging or trending topics deriving from our Help Line reports are provided to employees through “Compliance Moments” on a quarterly basis. Training programs are customized according to employees’ responsibilities and encompass internal discussions during town hall meetings, education on controls and SOX compliance and coordination with external auditors.

We provide essential ethics and compliance training to our business partners, ensuring that they are informed and aligned with the risk landscape of our global operations. During the partner selection process, we conduct risk-based due diligence to verify adherence to ethical standards and compliance requirements. This includes our Export and Trade Compliance Procedure, Anti-Corruption and Anti-Bribery Policy and Supplier Code of Conduct, as applicable.

Compliance Moments

In FY25, 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

Our compliance framework relies on the Global Anti-Corruption and Anti-Bribery Policy, supplemented by additional policies accessible in several languages internally and on our website for employees, business partners and the public. These include the Kennametal Global Non-Retaliation and Reporting Obligation Policy, Gifts and Entertainment Standards, Conflict of Interest Guidelines, Insider Trading Rules and Export and Trade Compliance Procedure. Kennametal upholds a strict zero-tolerance stance against bribery and corruption, adhering to the U.S. Foreign Corrupt Practices Act, the UK Bribery Act and other international statutes.

To ensure compliance with our policies, we conduct regular risk assessments and audits. Our anti-money laundering controls conform to global laws and regulations, incorporating diligent procedures for screening transactions to prevent engagement with sanctioned or embargoed entities. Continuous monitoring of transactions is integral to our Export and Trade Compliance process, supported by a global network of trade compliance coordinators in all operating countries.

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. 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

Our Whistleblower Reporting HelpLine, managed by an independent third party, provides a secure and anonymous channel for reporting issues or concerns and is available 24/7 in multiple languages. Reports can be confidentially submitted via phone or through the HelpLine internet portal. Additionally, concerns may be communicated to our Office of Ethics and Compliance through phone, email or mail. We enforce a strict nonretaliation policy that safeguards whistleblowers, allowing them to report issues without fear of retribution. The Office of Ethics and Compliance is responsible for investigating all reports, with findings shared with leadership and, when applicable, the Board.



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Supply Chain

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

We prioritize transparency and accountability in our supplier relationships, ensuring that our standards are upheld through due diligence, training and oversight. The Audit Committee provides oversight of ethics and compliance, while day-to-day operational responsibility for supply chain matters resides with Kennametal's Global Sourcing team, supported by cross-functional teams as outlined in the Corporate Responsibility Strategy section. Together, these systems help ensure that our supply chain reflects our values and contributes to long-term resilience in the regions where we operate.

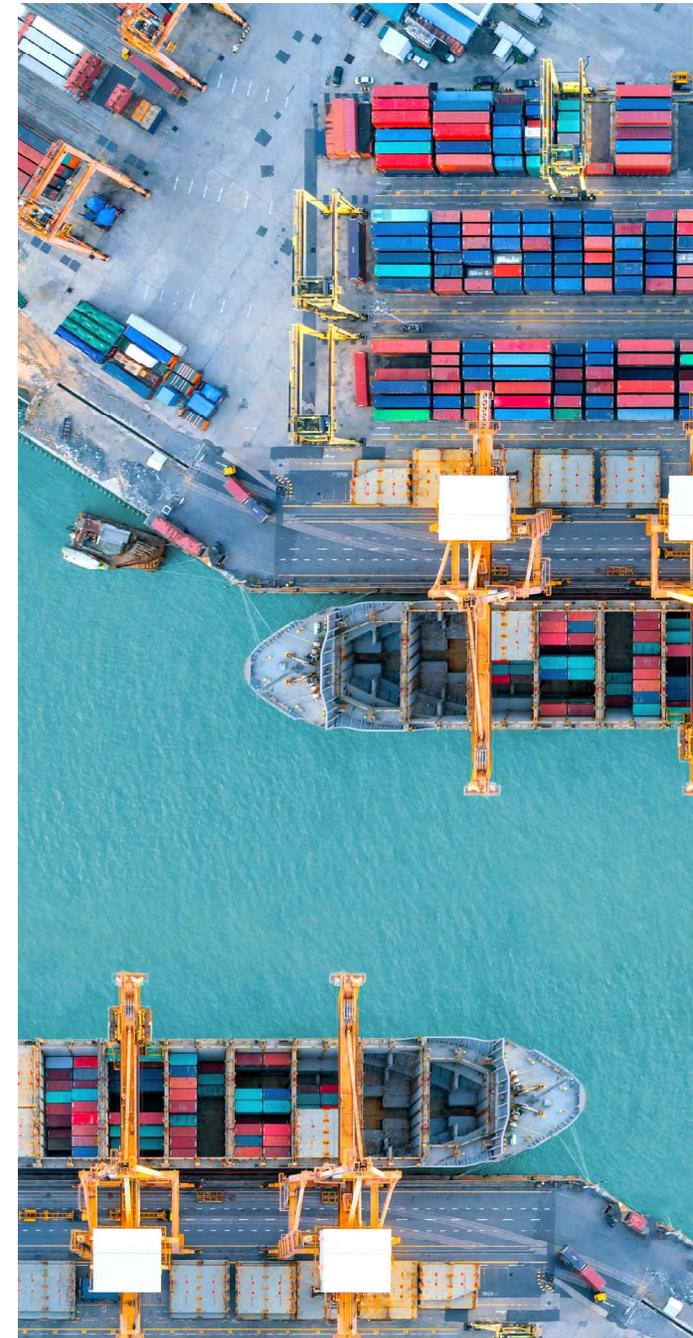
Supplier Engagement and Evaluation

Identifying and partnering with the right suppliers begins with robust due diligence. Kennametal evaluates prospective and current partners against a comprehensive set of criteria — from anti-corruption policies and occupational safety to environmental practices and human rights safeguards. The suppliers of certain materials, such as tungsten, tantalum, tin and gold (3TG), are subject to enhanced scrutiny. Supplier assessments are designed to ensure full compliance with U.S. conflict minerals regulations and to support our broader commitment to ethical sourcing.

Supplier Compliance

To maintain high standards across our supply chain, our suppliers are required to align with Kennametal's Principles of Supplier Conduct and the Global Anti-Corruption and Anti-Bribery Policy. These policies stipulate zero tolerance for forced labor, human trafficking, corruption and conflicts of interest. Compliance is not treated as a one-time exercise but as an ongoing responsibility. Regular monitoring includes documentation reviews, formal questionnaires and site inspections. Any confirmed violations in our Code of Conduct can lead to disciplinary action, including termination of contract.

In FY25, we enhanced our third-party due diligence tool for supplier risk assessments, enabling more rigorous evaluation before contracts are executed. We also conducted 38 supplier audits to assess compliance and performance against our standards. This approach reinforces our commitment to ethical business practices and ensures that our partners align with Kennametal's mission, vision and core values — fostering a culture of integrity, accountability and responsible sourcing across the value chain.



Conflict Minerals and Critical Materials

Kennametal applies strict sourcing protocols for all 3TG conflict minerals, recognizing their strategic importance and the risks associated with conflict-affected regions.

In FY25, we strengthened our commitment to responsible sourcing through a series of targeted actions designed to reinforce awareness, accountability and capacity within our raw material sourcing function:

- More than 100 employees received Conflict Mineral Training, expanding organizational awareness and understanding of responsible sourcing practices.
- A new procedure was introduced requiring all members of the raw material sourcing team to formally acknowledge and confirm understanding of our Responsible Conflict Mineral Sourcing Procedures.
- Additional team members were onboarded to the raw material sourcing group, increasing our capacity to support the company's Conflict Mineral Statement as we manage growth in tungsten procurement.

Kennametal's Conflict Minerals Supply Chain Policy ensures compliance with U.S. and EU regulations through annual reporting and executive oversight. Working in alignment with the Responsible Minerals Initiative (RMI), Kennametal collaborates with upstream suppliers and smelters to promote traceability and transparency throughout the value chain.

Our conflict minerals compliance program is grounded in the OECD (Organization for Economic Co-operation and Development) Due Diligence Guidance and provides a clear framework for identifying, addressing and mitigating any sourcing that does not meet the established standards. Suppliers that fall short are held accountable through a structured response process.

Upcoming Activities

Our practices are continually evolving to ensure alignment with emerging due diligence legislation and global supply chain regulatory requirements. As we look ahead to the next fiscal year, we remain focused on monitoring supplier risk levels with the support of trusted third-party providers. Enhancing our supplier engagement processes and tools remains a priority, enabling more efficient information flow and streamlined communication across the supply chain.

To support this effort, Kennametal Europe currently uses a supplier questionnaire to assess environmental and social performance, with plans for global implementation underway. A supplier management portal is also in development, with rollout targeted for mid to late 2026. This platform will enhance existing processes and improve visibility across the supply chain. In parallel, we are exploring the integration of a third-party tool to automate data collection and analysis, further strengthening our ability to manage supplier sustainability performance.

Kennametal's Conflict Minerals Supply Chain Policy ensures compliance with U.S. and EU regulations through annual reporting and executive oversight.

Supply Chain Initiatives



Fleet Emissions Reduction Commitment

A North American fleet management supplier aims to cut Scope 1 and 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 proactive engagement with labor organizations and ongoing efforts to foster safe, respectful and inclusive workplaces.

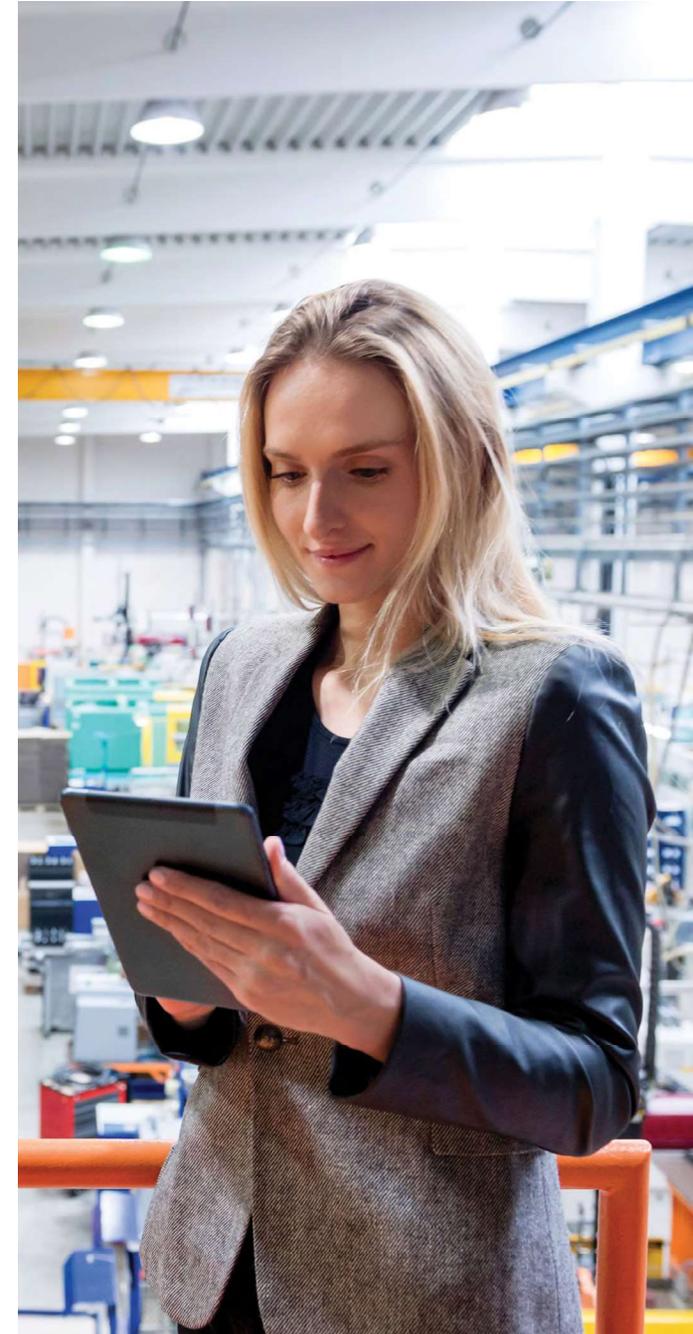
We assess and address human rights risks across our operations and supply chain to ensure the safety, dignity and well-being of all individuals connected to our business. Our Global Modern Slavery Statement outlines our compliance with key legislation, including the California Transparency in Supply Chains Act, the UK Modern Slavery Act, the Canadian Modern Slavery Act and the Australian Modern Slavery Act. Through this framework, we are committed to ensuring our supply chain remains free from child labor, forced labor, and human trafficking, and to continuously strengthening our due diligence processes.

Oversight and Supplier Compliance

The Global Sourcing and Global Ethics and Compliance teams remain accountable for upholding our human rights commitments, with oversight from the company's Vice President, Secretary and General Counsel. We require all suppliers and business partners to align with our human rights and modern slavery policies. 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

To enhance our efforts on human rights initiatives and processes, we engage a third-party service provider to work alongside select suppliers, collecting crucial insights into their workforce and contract labor in high-risk regions and industries. As part of this engagement, suppliers receive ongoing training on modern slavery and are provided with access to resources such as the National Human Trafficking Hotline to support awareness and compliance. Supplier data is audited internally for non-compliance, and if necessary, may lead to corrective actions such as further due diligence, collaborative mitigation processes or termination of the supplier relationship.





04

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Environmental Data Tables

DISCLOSURE	FY2021	FY2022	FY2023	FY2024	FY2025
Climate protection^{1, 2, 3, 4, 5, 6, 7}					
Energy consumption (millions of gigajoules)					
Direct	0.52	0.56	0.55	0.61	0.51
Indirect	1.30	1.34	1.30	1.26	1.29
Total	1.81	1.90	1.85	1.87	1.81
Energy intensity (gigajoules/million USD of revenue)	0.99	0.95	0.89	0.91	0.92
Energy consumption by business segment (millions of gigajoules)					
Infrastructure	1.07	1.15	1.10	1.15	1.09
Metal cutting	0.75	0.75	0.75	0.72	0.71
Total	1.81	1.90	1.85	1.87	1.81
Energy consumption by utility (millions of gigajoules)					
Natural gas	0.47	0.50	0.44	0.47	0.45
Grid electricity	1.30	1.34	1.30	1.26	1.27
Other energy sources	0.04	0.06	0.11	0.14	0.08
Total	1.81	1.90	1.85	1.87	1.81
Energy consumption by utility (percent of total consumption)					
Natural gas	26	26	24	25	25
Grid electricity	71	70	70	68	70
Other energy sources	2	3	6	7	5

Environmental Data Tables

DISCLOSURE	FY2021	FY2022	FY2023	FY2024	FY2025
Climate protection^{1, 2, 3, 4, 5, 6, 7}					
Energy consumption by region (millions of gigajoules)					
Americas	1.25	1.31	1.25	1.28	1.21
APAC	0.24	0.25	0.26	0.26	0.27
EMEA	0.33	0.34	0.35	0.34	0.33
Total	1.81	1.90	1.85	1.87	1.81
Grid electricity usage by business segment (millions of gigajoules)					
Infrastructure	0.61	0.65	0.62	0.61	0.63
Metal cutting	0.69	0.69	0.68	0.65	0.64
Total	1.30	1.34	1.30	1.26	1.27
Total U.S. locations electrical grid energy consumption by source (millions of gigajoules)					
Renewable	–	0.10	0.09	0.09	0.09
Nonrenewable	–	0.62	0.60	0.57	0.58
Total	–	0.72	0.69	0.66	0.67
U.S. locations electrical grid energy consumption by source (%)					
Renewable	–	13.4	12.9	13.2	13
Nonrenewable	–	86.6	87.1	86.8	87
Total	–	100	100	100	100
U.S. locations purchased grid electricity consumption by source for business segments (millions of gigajoules)					
Infrastructure					
Renewable	–	0.07	0.06	0.06	0.04
Nonrenewable	–	0.32	0.30	0.30	0.28
Metal cutting					
Renewable	–	0.03	0.03	0.03	0.05
Nonrenewable	–	0.31	0.30	0.27	0.30

Environmental Data Tables

DISCLOSURE	FY2021	FY2022	FY2023	FY2024	FY2025
Climate protection^{1, 2, 3, 4, 5, 6, 7}					
Sources of renewable energy from U.S. supplied electrical grid (%)					
Hydro	–	47.9	41.3	37.8	34.3
Biomass	–	9.7	8.6	7.7	7.3
Wind	–	36.0	40.9	43.4	44.8
Solar	–	6.3	9.0	10.9	13.4
Geothermal	–	0.2	0.2	0.2	0.2
Other	–	–	–	–	–
Scope 1 and 2 greenhouse gas emissions (thousand metric tons of carbon dioxide equivalents)					
Scope 1 (direct)	27	30	28	31	27
Scope 2 (indirect)	146	134	134	128	109
Scope 2 (market-based)	10	18	21	23	38
Sum of Scope 1 + Scope 2 (including market-based portion)	183	182	183	182	174
Total Scope 1 + Scope 2 (adjusted for market-based emissions)	173	164	162	159	136
Scope 3 greenhouse gas emissions (thousand metric tons of carbon dioxide equivalents)⁴					
Scope 3 (indirect)	–	–	470	480	533
Greenhouse gas emissions intensity (mt CO₂e/Million USD of revenue)					
Scope 1 (direct)	0.15	0.15	0.13	0.15	0.14
Scope 2 (indirect)	0.79	0.67	0.64	0.63	0.55
Total	0.94	0.82	0.77	0.78	0.69
Location-based	1.00	0.91	0.88	0.89	0.89
Greenhouse gas emissions by business segments by scope (thousand metric tons of carbon dioxide equivalents)					
Infrastructure					
Scope 1 (direct)	24	26	26	29	24
Scope 2 (indirect)	70	70	71	69	66

Environmental Data Tables

DISCLOSURE	FY2021	FY2022	FY2023	FY2024	FY2025
Climate protection^{1, 2, 3, 4, 5, 6, 7}					
Metal cutting					
Scope 1 (direct)	3	3	2	3	3
Scope 2 (indirect)	75	65	63	59	44
Greenhouse gas emissions by business segment (thousand metric tons of carbon dioxide equivalents)					
Infrastructure	95	96	96	97	90
Metal cutting	78	68	65	62	46
Total	173	164	162	159	136
Greenhouse gas emissions by region (thousand metric tons of carbon dioxide equivalents)					
Americas	108	96	94	93	82
APAC	33	36	36	33	45
EMEA	32	32	32	34	21
Total	173	164	162	159	147

* Amounts in tables do not always agree exactly with the totals due to rounding issues of truncated values.

¹ Sources of GHG emissions include energy consumed in the form of electricity, natural gas, fuel oil, propane, diesel fuel, gasoline and district heating. GHG emissions calculations are based on WRI GHG Protocol Corporate Standard Guidance methodology, U.S. EPA's GHG emission factors, International Energy Agency (IEA) country emission factors, IPCC Guidelines for National Greenhouse gas inventories, U.K. DEFRA emission factors, Government of Canada Environment and Climate Change emission factors and reference values and India's CEA CO₂ baseline data for the Indian Power Sector Report. Gases considered in the GHG calculations are carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O). Excluded emissions include hydrofluorocarbons primarily used in refrigeration systems and SF₆ used in high voltage dielectrics because they are immaterial.

² Emissions from warehouses, Rapid Response Centers (RRCs) and offices (corporate, sales, other) are deemed immaterial and have been excluded from this scope. Our Latrobe campus, which includes the corporate center, administrative buildings and a technology center, is included within the Metal Cutting Business Segment. Data includes contributions from our Goshen facility (sold June 2025) and Greenfield facility (closed operation in April 2025).

³ GHG emissions are adjusted to account for Scope 2 Market-based emissions reductions (carbon-free emission credits). In FY25, Our Bengaluru, India, facility used 91% green electricity through a contract backed by Renewable Energy Credits (RECs), sourced from an in-country solar farm to match their electricity consumption. Our three Ohio facilities — Orwell, Solon and Whitehouse — used almost 100% nuclear energy backed by Emission-Free Energy Certificates (EFECs) to match their electricity consumption, and our eight manufacturing facilities in Germany switched to 100% green electricity (hydropower from Norway & Sweden) through a new contract with our energy supplier backed by Guarantees of Origins (GOs) to match their electricity consumption.

⁴ Scope 3 emissions for FY23, FY24 and FY25 do not include category 3 (non-Scope 1 and 2 fuel- and energy-related activities), category 8 (upstream leased assets), category 10 (processing of sold products), category 11 (use of sold products), category 12 (end-of-life treatment of sold products), category 13 (downstream leased assets), category 14 (franchises) and category 15 (investments), as our current ongoing assessment indicates the emissions from these categories are either immaterial or not applicable to Kennametal. We will continue to further refine our Scope 3 GHG emissions over time to reflect the best available data.

⁵ All renewables and nonrenewables that we consume are from grid-supplied electricity and are based on data available from those grids that supply to our locations (USEPA eGrid). Renewable refers to wind, hydro, biomass, solar and geothermal energy sources. Nonrenewable comprises natural gas, coal, diesel, propane, nuclear, distillates and other oils.

⁶ Energy and GHG emissions intensity data represents consumption of natural gas, electricity, propane, heating oil, diesel fuel and district heating and the resultant GHG emissions compared to the fiscal year revenue.

⁷ "Other" energy sources include propane, fuel oil, diesel fuel and district heating.

Environmental Data Tables

DISCLOSURE	FY2021	FY2022	FY2023	FY2024	FY2025
Water conservation⁸					
Water withdrawal by source (megaliters)					
Municipal/third party	803	769	690	650	622
Groundwater	74	87	87	98	89
Total	877	856	777	748	711
Water withdrawal by business segment (megaliters)					
Infrastructure	439	495	490	467	442
Metal cutting	438	360	288	280	269
Total	877	856	777	748	711
Water intensity (megaliter/million USD of revenue) ⁹	0.48	0.43	0.37	0.37	0.36
Water withdrawal by region (megaliters)					
Americas	597	570	476	441	426
APAC	198	210	211	216	197
EMEA	82	76	90	90	88
Total	877	856	777	748	711
Water withdrawal by category (megaliters)¹⁰					
Freshwater	803	769	690	650	622
Other water	74	87	87	98	89
Total	877	856	777	748	711
Wastewater discharge by level of treatment (%)¹¹					
Primary/secondary/tertiary treatment	80-90	80-90	80-90	80-90	80-90
Discharge to the natural environment without treatment	0	0	0	0	0
Discharge to a third party without treatment	0-5	0-5	0-5	0-5	0-5
No process water discharge	0-5	0-5	0-5	0-5	0-5

Environmental Data Tables

FY25 Water Withdrawal, Discharge and Consumption at Select Sites (Megaliters) ¹²	Withdrawal	Discharge	Consumption
Bengaluru	51	0	51
Fallon	71	2	69
Greenfield	4	1	2
Huntsville	158	74	84
Nashville	5	4	1
Roanoke Rapids	8	8	0
Rogers	43	30	13
Total	338	119	219

⁸ Outside of municipal/third-party water and groundwater, Kennametal does not directly withdraw from surface water, seawater or produced water. Water used for sanitary purposes are included in this data. Water used for irrigation is excluded from the scope, where possible. Warehouses, RRCs, corporate offices/other offices and sales offices are deemed immaterial and have been excluded from scope. Our Latrobe campus, which includes corporate center, administrative buildings and technology center, is included within the Metal Cutting Business Segment. Data includes contributions from our Goshen facility (sold June 2025) and Greenfield facility (closed operation in April 2025).

⁹ Data represents water withdrawal volume compared to the fiscal year revenue.

¹⁰ All water supplied by municipalities is classified as freshwater, defined by a dissolved solids content of less than or equal to 1,000 mg/l. Conversely, all groundwater withdrawals are categorized as other water, with dissolved solids exceeding 1,000 mg/l. Warehouses, RRCs, corporate offices/other offices and sales offices are deemed immaterial and have been excluded from scope. Additionally, water utilized for irrigation purposes is not included.

¹¹ All Kennametal operating locations either indirectly discharge industrial wastewater or do not discharge it at all. While we do not currently track all discharges quantitatively, we qualitatively monitor where our wastewater is directed. Primary treatment processes eliminate solid substances that settle or float on the water's surface. Secondary treatment methods further cleanse the water by removing materials that are suspended or dissolved. Tertiary treatment enhances the water quality to a higher standard before discharge, employing techniques to extract heavy metals, nitrogen and phosphorous.

¹² We do not currently meter all wastewater discharges at our operating locations, focusing instead on sites with metered discharge points to estimate wastewater volumes. For sites with separate sanitary and industrial wastewater flows, we estimate sanitary flow for inclusion in discharge calculations. Water consumption encompasses all water used, evaporated, leaked or consumed for sanitary purposes, and not released back to any water bodies or third parties within the reporting period, estimated by the difference between water withdrawn and discharged. Our wastewater discharges are exclusively indirect, sent to third-party municipalities for treatment, with no direct discharges to surface water, groundwater or seawater. Our Bengaluru site operates with zero discharge, indicating that all water withdrawn is fully consumed. Data includes contributions from our Goshen facility (sold June 2025) and Greenfield facility (closed operation in April 2025). Figures may not sum to exact totals due to rounding.

Environmental Data Tables

DISCLOSURE	FY2021	FY2022	FY2023	FY2024	FY2025
Waste management^{13, 14, 15}					
Waste (thousand metric tons)					
Total waste recycled/reused	6.5	6.5	7.5	8.3	6.7
Total waste landfilled	5.0	5.0	5.4	6.1	4.8
Wastewater treatment	0.7	0.6	1.3	1.3	1.5
Total	12.2	12.1	14.2	15.7	13.0
Landfilled waste intensity (metric tons/million USD of revenue)	2.7	2.5	2.6	3.0	2.4
Waste by type (thousand metric tons)					
Hazardous	2.3	2.3	2.6	2.7	2.2
Non-hazardous	9.9	9.8	11.5	13.0	10.8
Total	12.2	12.1	14.2	15.7	13.0
Waste generated by business segment (thousand metric tons)					
Metal cutting	5.8	4.7	5.9	6.7	5.6
Infrastructure	6.4	7.4	8.3	9.0	7.4
Total	12.2	12.1	14.2	15.7	13.0
Waste type generated by business units (thousand metric tons)					
Hazardous	–	–	2.6	2.6	2.2
Metal cutting	–	–	2.3	2.2	1.9
Infrastructure	–	–	0.3	0.4	0.3
Non-hazardous	–	–	11.5	13.0	10.8
Metal cutting	–	–	3.5	4.5	3.7
Infrastructure	–	–	8.0	8.5	7.1
Total	–	–	14.2	15.7	13.0

Environmental Data Tables

DISCLOSURE	FY2021	FY2022	FY2023	FY2024	FY2025
Waste management^{13, 14, 15}					
Total waste generated by region (thousand metric tons)					
Americas	7.4	7.2	8.7	10.3	7.9
APAC	1.7	1.8	2.2	2.0	2.3
EMEA	3.1	3.1	3.2	3.4	2.9
Total	12.2	12.1	14.2	15.7	13.0
Waste by disposal method – hazardous (thousand metric tons)					
Directed to disposal	–	–	–	0.4	0.3
Incineration (with energy recovery)	–	–	–	0.1	0.1
Incineration (without energy recovery)	–	–	–	0.0	0.1
Landfilling	–	–	–	0.3	0.1
Other disposal operations	–	–	–	0.0	0.0
Diverted from disposal	–	–	–	2.1	1.7
Recycling	–	–	–	2.1	1.7
Reuse	–	–	–	0.0	0.0
Other recovery operations	–	–	–	0.0	0.0
Other	–	–	–	0.2	0.2
Wastewater treatment	–	–	–	0.2	0.2
Total	–	–	–	2.7	2.2

Environmental Data Tables

DISCLOSURE	FY2021	FY2022	FY2023	FY2024	FY2025
Waste management^{13, 14, 15}					
Waste by disposal method – non-hazardous (thousand metric tons)					
Directed to disposal	–	–	–	6.1	5.1
Incineration (with energy recovery)	–	–	–	0.4	0.4
Incineration (without energy recovery)	–	–	–	0.0	0.1
Landfilling	–	–	–	5.7	4.4
Other disposal operations	–	–	–	0.0	0.2
Diverted from disposal	–	–	–	5.8	4.4
Recycling	–	–	–	5.8	4.3
Reuse	–	–	–	0.0	0.0
Other recovery operations	–	–	–	0.0	0.1
Other	–	–	–	1.1	1.3
Wastewater treatment	–	–	–	1.1	1.3
Total	–	–	–	13.0	10.8

¹³ Prior to FY24, recycling/reuse data was aggregated. Following data collection improvements effective for FY24, these can be reported separately.

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 considered immaterial to our waste metrics and are thus excluded. Landfilled waste encompasses incineration (both with and without energy recovery) and other disposal methods. Incineration typically reduces waste volume by 95–96% and mass by 80–85%, with an assumed 20% of incinerated waste contributing to landfill volume. Reuse involves using a waste stream for its original purpose without treatment, while recycling entails reprocessing waste into new materials. Kennametal defines "recycling" to include recycling, reuse and other recovery operations, excluding the portion from incineration that is landfilled.

In FY25, Kennametal undertook a focused initiative to re-classify as "co-products" and responsibly manage the materials which we historically accumulated across multiple sites (including tungsten soft scrap [powders, sludges, etc.], tungsten hard scrap, metallurgical tailings, cobalt cake and moly-cake). Through this effort, we identified more than 4,000 MT of moly-cake, cobalt cake, and metallurgical tailings worldwide, in addition to over 1,700 containers of soft and hard scrap (both historically stored and newly generated) all now designated as as co-products. These co-products were stored onsite for several years while we pursued reuse and/or recycling opportunities, and add period after opportunities. Out of the 4,000 MT, over 2,700 MT of these co-products were sold to others as raw materials, while a portion of the tungsten soft and hard scrap were reused on-site. Approximately over 1,300 MT of these co-products remain in temporary storage as we continue to sell to others, reused onsite and/or identify reuse and/or recycling options.

¹⁵ GRI considers "Waste diverted from disposal" to include reuse, recycling and other recovery options. "Waste directed to disposal" includes incineration (with energy recovery), incineration (without energy recovery), and landfilling. Wastewater is waste that is treated at wastewater treatment facilities. Outside of our Fallon, Nevada, facility, with on-site landfill for disposal of filter cake, all of our waste is directed to offsite disposal.

Social Data Tables

DISCLOSURE	FY2021	FY2022	FY2023	FY2024	FY2025
Human capital management					
Turnover rate					
Involuntary	4.2	2.6	3.2	3.7	4.1
Voluntary	7.5	9.1	8.1	7.9	7.7
Overall	11.7	11.7	11.3	11.6	11.8
Diversity and inclusion					
Women in leadership roles (%)					
Board of directors	22.2	22.2	20.0	20.0	27.3
Executives	42.9	42.9	42.9	50	42.9
Senior leadership	24	27.3	23.1	20.8	22.6
Senior management	11.5	12.4	18.8	18.0	18.5
Management	19.5	20.4	21.5	20.1	20.9
Number of employees					
Female	1,485	1,582	1,623	1,572	1,503
Male	7,150	7,150	7,116	6,875	6,621
Employees by gender (%)					
Female	17.2	18.1	18.6	18.6	18.5
Male	82.8	81.9	81.4	81.4	81.5
U.S. employee diversity					
Gender diversity (U.S. employees)					
Female	644	683	684	638	588
Male	2,236	2,245	2,242	2,073	1,917
Gender diversity (U.S. professional employees)					
Female	290	327	326	300	277
Male	903	925	918	856	805

Social Data Tables

DISCLOSURE	FY2021	FY2022	FY2023	FY2024	FY2025
Diversity and inclusion					
Gender Diversity (US Production Employees)					
Female	354	356	358	338	311
Male	1,333	1,320	1,324	1,217	1,112
US Ethnic Diversity (US Employees)					
African American	243	225	191	165	233
American Indian/Alaskan Native	18	16	16	14	19
Asian	81	81	74	66	72
Caucasian	2,286	2,274	1,995	1,760	1,996
Latino	91	106	93	92	111
Native Hawaiian or other Pacific Island	5	3	2	2	4
Two or more races	23	21	19	16	33
Decline to answer	133	202	536	596	37
US Ethnic Diversity (US Professional Employees)					
African American	27	30	22	20	26
American Indian/Alaskan Native	4	5	5	4	4
Asian	48	50	45	41	45
Caucasian	1,035	1,063	946	824	945
Latino	25	29	25	27	38
Native Hawaiian or other Pacific Island	1	0	0	0	1
Two or more races	7	8	7	5	7
Decline to answer	46	67	194	235	16

Social Data Tables

DISCLOSURE	FY2021	FY2022	FY2023	FY2024	FY2025
Diversity and inclusion					
US Ethnic Diversity (US Production Employees)					
African American	216	195	169	145	207
American Indian/Alaskan Native	14	11	11	10	15
Asian	33	31	29	25	27
Caucasian	1,251	1,211	1,049	936	1,051
Latino	66	77	68	65	73
Native Hawaiian or other Pacific Island	4	3	2	2	3
Two or more races	16	13	12	11	26
Decline to answer	87	135	342	361	21
Employee breakdown by age (%)					
Professional Employees					
Under 30 years old	9.6	9.7	10.5	10.4	10.2
30–50 years old	59.2	58.7	57.8	58.0	57.7
Over 50 years old	31.1	31.6	31.6	31.7	32.1
Production Employees					
Under 30 years old	9.8	10.7	11.6	10.9	11.4
30–50 years old	49.3	49.3	49.0	49.9	49.7
Over 50 years old	40.9	40.0	39.4	39.2	38.9

Social Data Tables

DISCLOSURE	FY2021	FY2022	FY2023	FY2024	FY2025
Diversity and inclusion					
Employee breakdown per age and region (%)					
North, Central and South America (AMERICAS)					
Professional Employees					
Under 30 years old	8.9	9.9	10.9	9.4	9.8
30-50 years old	47.2	47.3	46.8	47.8	47.6
Over 50 years old	43.9	42.8	42.4	42.8	42.6
Production Employees					
Under 30 years old	8.6	11.3	12.9	12.1	12.5
30-50 years old	40.7	41.3	41.5	42.3	41.6
Over 50 years old	50.8	47.4	45.6	45.6	45.9
Asia and Pacific (APAC)*					
Professional Employees					
Under 30 years old	3.8	4.1	4.0	4.8	3.7
30-50 years old	82.7	81.5	80.7	77.8	77.2
Over 50 years old	13.5	14.4	15.3	17.4	19.1
Production Employees					
Under 30 years old	11.8	11.0	9.4	8.1	7.9
30-50 years old	75.6	75.1	76.3	77.0	77.8
Over 50 years old	12.6	13.9	14.3	14.8	14.3

Social Data Tables

DISCLOSURE	FY2021	FY2022	FY2023	FY2024	FY2025
Diversity and inclusion					
Europe, the Middle East and Africa (EMEA)					
Professional Employees					
Under 30 years old	5.5	5.1	5.4	5.5	5.4
30–50 years old	55.1	53.9	53.0	53.2	51.8
Over 50 years old	39.4	41.1	41.7	41.3	42.8
Production Employees					
Under 30 years old	11.1	11.1	11.3	10.0	10.2
30–50 years old	50.3	50.4	49.6	50.6	50
Over 50 years old	38.6	38.6	39.2	39.4	39.8
India					
Professional Employees					
Under 30 years old	22.4	21.5	23.1	23.5	22.5
30–50 years old	70.4	70.1	68.5	68.6	69.4
Over 50 years old	7.2	8.4	8.5	7.9	8.1
Production Employees					
Under 30 years old	5.7	4.8	10.2	14.3	17.4
30–50 years old	44.2	41.1	37.8	38.4	39.1
Over 50 years old	50.1	54.1	52.1	47.3	43.5

* Excluding India

Social Data Tables

DISCLOSURE	FY2021	FY2022	FY2023	FY2024	FY2025
Parental leave¹⁶					
Total number of employees that were entitled to parental leave ¹⁷	–	–	3,309	3,250	2,984
Female	–	–	848	751	679
Male	–	–	2,461	2,499	2,305
Total number of employees that took parental leave	–	–	59	79	61
Female	–	–	9	13	11
Male	–	–	50	66	50
Total number of employees that returned to work in the reporting period after parental leave ended	–	–	59	79	61
Female	–	–	9	13	11
Male	–	–	50	66	50
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
Female	–	–	7	12	8
Male	–	–	40	58	45
Return to work rates of employees that took parental leave (%)	–	–	100	100	100
Female	–	–	100	100	100
Male	–	–	100	100	100
Retention rates of employees that took parental leave (%)	–	–	79	89	87
Female	–	–	78	92	73
Male	–	–	80	88	90

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

DISCLOSURE	FY2021	FY2022	FY2023	FY2024	FY2025
Health and safety¹⁸					
FSI performance					
FSI actuals	0	1	0	0	0
FSI risk identification target	456	455	456	798	904
FSI risks identified	1,057	802	1,403	1,204	1,453
FSI risks mitigated	1,057	802	1,403	1,204	1,453
Open past due FSI corrective actions	0	0	0	0	0
Safety performance					
Fatalities			0	0	0
Fatality rate			0.0	0.0	0.0
Total recordable incidents			37	31 ¹⁹	36
Total recordable incident rate	0.43	0.37	0.42	0.35 ¹⁹	0.42
Near miss events	802	648	378	268	169
Near miss frequency rate	9.29	7.30	4.26	3.10	1.99
Lost time incident	8	12	11	10 ²⁰	7
Lost time rates	0.09	0.14	0.12	0.11 ²⁰	0.08
Number of high-consequence work-related injuries (excluding fatalities)	–	–	0	0	0
Rate of high-consequence work-related injuries (excluding fatalities)	–	–	0	0	0

Social Data Tables

DISCLOSURE	FY2021	FY2022	FY2023	FY2024	FY2025
Health and safety¹⁸					
Safety performance					
Number of hours worked	–	17,744,474	17,759,457	17,267,089	16,964,065
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
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

¹⁸ Data includes all Kennametal employees and supervised contractors globally.

¹⁹ FY24 data updated from previous report to include Urgeles acquisition recordable and Bedford FY24 case that became recordable during FY25.

²⁰ FY24 data updated to include two Bedford FY24 cases that became lost time during FY25.

Governance Data Tables

DISCLOSURE	FY2021	FY2022	FY2023	FY2024	FY2025
Board independence					
Percent of independent directors	89	89	90	90	90
Ethics and compliance					
Americas	2.5	1.6	1.3	1.7	2.7
Asia Pacific	0.8	0.9	1	0.9	0.8
Europe, Middle East and Africa	0.6	0.3	0.5	0.7	0.5
Ethics and compliance reports					
Number of reports	118	85	82	95	120
Reports per 100 employees	1.4	1.0	0.9	1.1	1.4
Anonymous reports (% of total reports)	36	38	44	49	53
Substantiated reports (% of total reports)	34	27	34	22	46
Case closure time (average days)	16	30	22	31	24

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: 2024 Annual Report, Properties, pages 14–15 2024 Annual Report, Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters, page 69 2025 Proxy Statement, pages 65–66	
2-2 Entities included in the organization's sustainability reporting	2024 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 80 d-k: corp.ethics@kennametal.com	
2-4 Restatements of information	N/A	
2-5 External assurance	No external assurance provided at this time	
2-6 Activities, value chain and other business relationships	2024 Annual Report, Business, pages 4–13 2024 Annual Report, Segment Data, pages 63–66 Supply Chain, page 42 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, page 18 2024 Annual Report, Human Capital Resources, pages 6–8	#8 Decent Work and Economic Growth #10 Reduced Inequalities
2-9 Governance structure and composition	Governance and Risk Oversight, page 38 2025 Proxy Statement, Board of Directors and Board Committees, pages 25–30 Board of Directors Webpage	#5 Gender Equality
2-10 Nomination and selection of the highest governance body	2025 Proxy Statement, Election of Directors, pages 7–15	#16 Peace, Justice, & Strong Institutions

GRI Content Index

DISCLOSURE	REPORT LOCATION OR EXTERNAL KENNAMETAL REFERENCE	SDG LINKAGE
General disclosures		
GRI 2: General Disclosures 2021		
2-11 Chair of the highest governance body	2025 Proxy Statement, Board of Directors and Board Committees, page 25	
2-12 Role of the highest governance body in overseeing the management of impacts	Governance and Risk Oversight, page 38 2025 Proxy Statement, Nominating/Corporate Governance Committee, page 26 2025 Proxy Statement, The Board's Oversight of Risk Management, page 22	#16 Peace, Justice, & Strong Institutions
2-13 Delegation of responsibility for managing impacts	Governance and Risk Oversight, page 38 2025 Proxy Statement, Corporate Responsibility Reporting, pages 22	
2-14 Role of the highest governance body in sustainability reporting	Governance and Risk Oversight, page 38 2025 Proxy Statement, Corporate Responsibility Reporting, page 22	
2-15 Conflicts of interest	2025 Proxy Statement, Ethics and Corporate Governance, page 19	#16 Peace, Justice, & Strong Institutions
2-16 Communication of critical concerns	Governance and Risk Oversight, page 38 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 the highest governance body	2025 Proxy Statement, Election of Directors, pages 7–14	
2-18 Evaluation of the performance of the highest governance body	Governance and Risk Oversight, page 38	
2-19 Remuneration policies	2025 Proxy Statement, Compensation Discussion and Analysis	#8 Decent Work and Economic Growth
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	

GRI Content Index

DISCLOSURE	REPORT LOCATION OR EXTERNAL KENNAMETAL REFERENCE	SDG LINKAGE
General disclosures		
GRI 2: General Disclosures 2021		
2-22 Statement on sustainable development strategy	CEO Letter, page 2	
2-23 Policy commitments	Ethics and Compliance, page 40 Code of Conduct	#16 Peace, Justice, & Strong Institutions
2-24 Embedding policy commitments	Governance and Risk Oversight, page 38	
2-26 Mechanisms for seeking advice and raising concerns	Ethics and Compliance, page 40 Code of Conduct Helpline	#16 Peace, Justice, & Strong Institutions
2-27 Compliance with laws and regulations	Ethics and Compliance, page 40 Code of Conduct (Winning with Integrity)	
2-28 Membership associations	Supply Chain, page 42	
2-29 Approach to stakeholder engagement	Corporate Responsibility Strategy, page 3	
2-30 Collective bargaining agreements	Human Capital Management, page 18 Global Human Rights Policy Statement	#16 Peace, Justice, & Strong Institutions
Material topics		
GRI 3: Material Topics 2021		
3-1 Process to determine material topics	Corporate Responsibility Strategy, page 3	
3-2 List of material topics	Corporate Responsibility Strategy, page 3	
3-3 Management of material topics	Responsible Environmental Practices, page 5 Committed to Making a Social Impact, page 17 Ethical and Responsible Governance, page 37 Climate Risk Report, page 73	

GRI Content Index

DISCLOSURE	REPORT LOCATION OR EXTERNAL KENNAMETAL REFERENCE	SDG LINKAGE
200 Series (economic topics)		
GRI 205: Anti-corruption 2016		
205-1 Operations assessed for risks related to corruption	Governance and Risk Oversight, page 38	#16 Peace, Justice, & Strong Institutions
205-2 Communication and training about anti-corruption policies and procedures	Ethics and Compliance, page 40	
Environmental topics		
GRI 301: Materials 2016		
301-1 Materials used by weight or volume	Environmental Data Tables, page 46	
301-2 Recycled input materials used	Waste Management, page 14 Environmental Data Tables, page 46	#3 Good Health & Well-Being #8 Decent Work and Economic Growth
301-3 Reclaimed products and their packaging materials	Waste Management, page 14 Environmental Data Tables, page 46	#11 Sustainable Cities & Communities #12 Responsible Consumption & Production
GRI 302: Energy 2016		
Energy		
302-1 Energy consumption within the organization	Climate Protection, page 10 Environmental Data Tables, page 46	#7 Affordable Clean Energy
302-3 Energy intensity	Climate Protection, page 10 Environmental Data Tables, page 46	#8 Decent Work and Economic Growth #12 Responsible Consumption & Production
302-5 Reductions in energy requirements of products and services	Climate Protection, page 10 Environmental Data Tables, page 46	#13 Climate Action

GRI Content Index

DISCLOSURE	REPORT LOCATION OR EXTERNAL KENNAMETAL REFERENCE	SDG LINKAGE
Environmental topics		
GRI 303: Water and Effluents 2018		
Water and Effluents		
303-1 Interactions with water as a shared resource	Water Conservation, page 13	#6 Clean Water & Sanitation #12 Responsible Consumption & Production
303-2 Management of water discharge-related impacts	Water Conservation, page 13	#6 Clean Water & Sanitation
303-3 Water withdrawal	Water Conservation, page 13 Environmental Data Tables, page 46	
303-5 Water consumption	Water Conservation, page 13 Environmental Data Tables, page 46	
GRI 305: Emissions 2016		
Emissions		
305-1 Direct (Scope 1) GHG emissions	Climate Protection, page 10 Environmental Data Tables, page 46	#3 Good Health & Well-Being #12 Responsible Consumption & Production
305-2 Energy indirect (Scope 2) GHG emissions	Climate Protection, page 10 Environmental Data Tables, page 46	#13 Climate Action #15 Life on Land
305-4 GHG emissions intensity	Climate Protection, page 10 Environmental Data Tables, page 46	#13 Climate Action #15 Life on Land
GRI 306: Waste 2020		
Waste		
306-2 Management of significant waste-related impacts	Waste Management, page 14	#3 Good Health & Well-Being #6 Clean Water & Sanitation #8 Decent Work and Economic Growth #11 Sustainable Cities & Communities #12 Responsible Consumption & Production

GRI Content Index

DISCLOSURE	REPORT LOCATION OR EXTERNAL KENNAMETAL REFERENCE	SDG LINKAGE
Environmental topics		
306-3 Waste generated	Waste Management, page 14 Environmental Data Tables, page 46	#3 Good Health & Well-Being #6 Clean Water & Sanitation
306-4 Waste diverted from disposal	Waste Management, page 14 Environmental Data Tables, page 46	#11 Sustainable Cities & Communities #12 Responsible Consumption & Production
306-5 Waste directed to disposal	Waste Management, page 14 Environmental Data Tables, page 46	#15 Life on Land
Social topics		
GRI 401: Employment 2016		
Employment		
401-1 New employee hires and employee turnover	Human Capital Management, page 18 Social Data Tables, page 55	#5 Gender Equality #10 Reduced Inequalities
401-3 Parental leave	Human Capital Management, page 18 Social Data Tables, page 55	#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, page 25	
403-2 Hazard identification, risk assessment, and incident investigation	Health and Safety, page 25	#8 Decent Work and Economic Growth
403-3 Occupational health services	Health and Safety, page 25	
403-4 Worker participation, consultation, and communication on occupational health and safety	Health and Safety, page 25	#8 Decent Work and Economic Growth #16 Peace, Justice, & Strong Institutions
403-5 Worker training on occupational health and safety	Health and Safety, page 25	#8 Decent Work and Economic Growth
403-6 Promotion of worker health	Health and Safety, page 25	#3 Good Health & Well-Being

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DISCLOSURE	REPORT LOCATION OR EXTERNAL KENNAMETAL REFERENCE	SDG LINKAGE
Social topics		
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety, page 25	#8 Decent Work and Economic Growth
403-8 Workers covered by an occupational health and safety management system	Health and Safety, page 25	
403-9 Work-related injuries	Health and Safety, page 25 Social Data Tables, page 55	#3 Good Health & Well-Being #8 Decent Work and Economic Growth
403-10 Work-related ill health	Health and Safety, page 25 Social Data Tables, page 55	#16 Peace, Justice, & Strong Institutions
GRI 405: Diversity and Equal Opportunity 2016		
Employment		
401-1 New employee hires and employee turnover	Human Capital Management, page 18 Social Data Tables, page 55	#5 Gender Equality #10 Reduced Inequalities
401-3 Parental leave	Human Capital Management, page 18 Social Data Tables, page 55	#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, page 25	#8 Decent Work and Economic Growth
403-2 Hazard identification, risk assessment, and incident investigation	Health and Safety, page 25	
403-3 Occupational health services	Health and Safety, page 25	
403-4 Worker participation, consultation, and communication on occupational health and safety	Health and Safety, page 25	#8 Decent Work and Economic Growth #16 Peace, Justice, & Strong Institutions
403-5 Worker training on occupational health and safety	Health and Safety, page 25	#8 Decent Work and Economic Growth
403-6 Promotion of worker health	Health and Safety, page 25	#3 Good Health & Well-Being

GRI Content Index

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, page 22	#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, page 32	#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, page 10 Environmental Data Tables, page 46
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, page 25 ESG Data Tables, page 46
Fuel economy & emissions in use-phase	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	RT-IG-410a.1	These metrics are not applicable for our business, as we do 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, page 42
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	8,124

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 2025 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 7. 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.

¹ See "Risk Management" for more details.

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.

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. 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.

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.

In fiscal year 2025, Kennametal conducted a climate risk assessment. The 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. Our next steps will focus on gaining 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.

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 46–54 of our Corporate Responsibility Report.

Fiscal Year 2025 GHG Emissions (MT CO₂e) (latest data available)

- **Scope 1:** 27,000 (Direct)
- **Scope 2:** 147,000 (Indirect)
- **Scope 2:** 38,000 (Market-Based)
- **Scope 3:** 533,000 (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 FY25 (%)	4%
	Reduction in Scope 2 emissions in FY25 (%)	3%
Energy Consumption	US electricity purchased from grid as solar energy FY25 (%)	13%
Water	Reduction in water withdrawal in FY25 (%)	5%

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 inaugural 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 impact Kennametal's operations.



About this Report

Our FY2025 Corporate Responsibility Report covers all global operations where we have financial and/or operational control related to the 2025 fiscal year from July 1, 2024, to June 30, 2025, 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 sixth annual report, which takes a materiality-based approach to disclosure.



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