

Press Release

Munich, April 8, 2020

Knorr-Bremse responds flexibly to economic downturn

Munich, April 8, 2020 – The economic impact of the COVID-19 pandemic is also leading to far-reaching adaptation measures at Knorr-Bremse. Substantial proportions of customers and suppliers in Europe have temporarily shut down their production plants. Many customers have also reduced capacities in their administration and development departments. Against this backdrop, Knorr-Bremse has reached agreements with employee representatives across Germany with the aim of safeguarding jobs and being able to ramp up production again at any time in close coordination with customers. All parts of Knorr-Bremse are taking a proactive approach and adapting their activities flexibly to the current situation.

“Keeping our customers supplied takes top priority,” says Knorr-Bremse CEO, Bernd Eulitz. *“Many of our customers have shut down operations for several weeks and we now have to adapt accordingly. At all our sites we are reconciling the interests of the company, our customers and our employees and together we will overcome the crisis.”*

Most of the company’s sites in Germany are working short-time from this week onwards. This mainly affects the Munich and Schwieberdingen sites and the Truck division plants in Aldersbach and Berlin, as well as the Rail division plant in Düsseldorf. In the context of short-time working, between 20 and 60% of production and administrative activities will initially be cut back for around three months, including administration at the parent company Knorr-Bremse AG. The level of short-time working and the agreed duration varies from one site to the next. The largest Truck division plants in Germany – Aldersbach and Berlin – had already begun cutting back working hours in March. An additional contribution by the company will increase employees’ short-time working allowance to around 85%.

“Our joint aim is to safeguard all jobs,” says the Chairman of the Knorr-Bremse Group Works Council, Michael Jell. *“At the same time we have to respond flexibly to the market situation, because we still want to have a stable and dependable employer when the crisis is over. And we are all making a decisive contribution to this.”*

Where necessary and possible, Knorr-Bremse sites in other European countries, such as Italy, Spain and France, and in the USA are also making use of similar programs to help protect employees and ensure job security.

About Knorr-Bremse

Knorr-Bremse (ISIN: DE000KBX1006, Ticker symbol: KBX) is the global market leader for braking systems and a leading supplier of other safety-critical rail and commercial vehicle systems. Knorr-Bremse’s products make a decisive contribution to greater safety and energy efficiency on rail tracks and roads around the world. About 29,000 employees at over 100 sites in more than 30 countries use their competence and motivation to satisfy customers worldwide with products and services. In 2019, Knorr-Bremse’s two divisions together generated revenues of EUR 6.9 billion. For more than 115 years the company has been the industry innovator, driving innovation in mobility and transportation technologies with an edge in connected system solutions. Knorr-Bremse is one of Germany’s most successful industrial companies and profits from the key global megatrends: urbanization, sustainability, digitization and mobility.

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