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## 1 Scope of application

This guideline applies to all companies and activities of the KSB Group.

## 2 Purpose

This climate protection guideline serves to support the KSB Group in its efforts to make an active contribution to reducing greenhouse gas (GHG) emissions.

Basic principles and targets for climate protection are therefore defined to support our principle of profitable growth and sustainability responsibility at KSB.

We are committed to supporting the energy transition towards renewable energy sources as well as the avoidance and reduction of greenhouse gases worldwide with our products and solutions. We also want to limit the effects of climate change with our products and solutions. This guideline forms the basis for our commitment to climate protection.

### Why the climate is important to us:

There is a consensus that human activities have an impact on global warming. In particular, the burning of fossil fuels has led to an increase in current and expected global warming. This is also linked to an increase in global energy consumption. Climate change has far-reaching effects on people and the environment. A healthy environment is fundamental to human health and the risks of climate change affect economies worldwide.

## 3 Responsibilities / competencies

### Company management

The company management assumes overall responsibility for the implementation of the climate protection policy. It ensures that the necessary resources are made available to achieve the greenhouse gas (GHG) reduction targets and promotes a culture of environmental awareness and sustainability within the company.

### Coordinators for sustainability

The (regional/local) sustainability coordinators are responsible for the development, coordination and implementation of measures for GHG reduction and reporting. They support the company management in identifying risks and opportunities, implementing derived measures and monitoring progress.

### Employees

All employees are encouraged to actively contribute to the implementation of the climate protection guidelines. They are invited to practice environmentally conscious behavior and make suggestions for improving sustainability activities to protect the global climate.

### External stakeholders

KSB has defined its stakeholders in the context of the organization and scrutinized their expectations. KSB has recognized the importance of cooperation with these external stakeholders and sees them as important partners for the implementation of the derived measures for climate protection in the sense of this guideline. KSB will therefore involve relevant interest groups in the relevant measures. Cooperation with external stakeholders should help to raise awareness of climate protection, e.g. in the supply chains, and to develop joint innovative solutions where appropriate.

**Our contribution:**

KSB SE & Co. KGaA is committed to the following measures as a contribution to climate protection and to our common goal of reducing our GHG emissions worldwide by 30 % by 2025:

- 1. Reduction of greenhouse gas emissions (focus: our factories) to achieve climate neutrality in the long term:**  
Our goal:
  - We want to reduce our carbon emissions in the short and medium term and achieve climate neutrality in the long term.
  - We monitor the reduction of our Scope 1, Scope 2 and underlying Scope 3 emissions.
  - We are implementing our climate strategy (Scope 1 and 2) accordingly with the emission reduction paths for buildings, factory processes and the vehicle fleet.
- 2. Expansion of Scope 3 metrics and analyses (upstream and downstream):**
  - We implement our climate strategy (Scope 3) with a focus on the product use phase and purchased goods and services.
- 3. Review of climate-related risks:**
  - Assessment of business risks and opportunities in connection with physical and transitory changes due to climate change.
  - Integration and mitigation of climate-related risks in the risk management process.
- 4. Ensuring compliance with all applicable regulations and legal requirements:**
  - We strive to work together with our stakeholders to jointly achieve our goals and thus reduce the climate risks for people.

**4 Governance:**

This policy has been reviewed by the management and is made publicly available.

KSB SE & Co. KGaA will implement appropriate management systems and processes to ensure compliance with this guideline.

The guideline is regularly reviewed and updated as required.

**5 Terms / Definitions**

**Climate:** Climate refers to the long-term average values of weather parameters such as temperature, precipitation, wind and other meteorological variables in a particular area over a longer period of time, usually around 30 years.

**GHG:** Greenhouse gases are gases in the atmosphere that trap heat energy from the sun and thus contribute to the warming of the earth's surface. The most important greenhouse gases are water vapor, carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O) and ozone (O<sub>3</sub>). They play a decisive role in the natural greenhouse effect, which is necessary for life on earth. However, an increased concentration of these gases due to human activities such as burning fossil fuels and deforestation leads to an increased greenhouse effect and thus to climate change and global warming.

**Scope 1 emissions:** Refers to direct greenhouse gas emissions caused by an organization or facility. This typically includes emissions from the combustion of fuels on its own premises, such as emissions from company vehicles or heating systems.

**Scope 2 emissions:** Refers to indirect greenhouse gas emissions resulting from the generation of purchased electricity, steam, heating or cooling consumed by an organization. This typically includes emissions resulting from the use of electricity from external sources.

**Scope 3 emissions:** Are indirect greenhouse gas emissions that arise from activities associated with an organization's operations but not directly controlled by it. This includes, for example, emissions from supply chains and the operation of products sold.