

# **Environmental Responsibility Policy**

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# 1. Applicability

This policy applies to all companies (i.e. GEA Group's own operations including all production, sales and administrative sites), managers, employees, suppliers and other business partners of GEA Group worldwide. This includes GEA Group Aktiengesellschaft and all companies affiliated with it under company law (hereinafter "GEA").

The environmental policy statement is to be understood as a constantly evolving document. It it regularly updated, also with regard to upcoming regulatory changes in the future. It presents the motivation for environmental protection, the key environmental objectives, and the identification and management of ongoing assessment and improvement of practices and processes. This directive also refers to specifying standards of conduct such as:

- Code of Conduct
- Code of Conduct for Suppliers and Subcontractors
- Quality Policy
- Occupational Health & Safety Policy
- HSE Responsibilities for GEA managers and employees
- Conflict Minerals Policy
- Human Rights Policy, which also includes a commitment to environmentally friendly business practices
- Mergers & Acquisitions Policy
- Business Continuity and Crisis Management Policy
- General terms and conditions

## 2. Environmental responsibility

Compliance with all applicable environmental legislation is an indispensable basis for all actions of GEA and its employees. GEA's standards go beyond mere compliance with laws and other binding regulations. GEA expects its companies, managers, employees and business partners to take the following environmental principles into account in their business activities and in all situations related to these activities.

Moreover, GEA, as an international company, is committed to its environmental responsibility and takes this into account in all its business activities. GEA achieves this with the following measures, among others:

- 1. Health, safety and environment compliance audits
- 2. Health, safety and environment audits
- 3. Supplier and subcontractor audits
- 4. Training, for our companies, managers and employees as well as for our business partners, especially suppliers and subcontractors
- 5. Introduction and further development of environmental and energy management systems in accordance with ISO standards
- 6. Assessment of environmental risks and chances
- 7. Corporate processes and controls specific to the environment

In addition, GEA promotes the highest environmental and social standards at all levels and locations in



line with the well-known OECD Guidelines for Multinational Enterprises, the 17 United Nations Sustainable Development Goals (UN SDGs), ILO Core Labour Standards, UN Guiding Principles on Business and Human Rights and the International Bill of Human Rights.

GEA's environmental responsibility policy promotes a culture of accountability, where every individual's role and responsibility contribute to the successful execution of sustainable initiatives, ensuring to fulfill GEA's sustainability goals. GEA creates internal and external awareness of environmental initiatives and environmental impact, and expects its business partners, such as its suppliers and subcontractors, to commit to their environmental responsibilities.

## 2.1. Energy efficient acting and climate change

GEA is committed to the continuous implementation of measures to improve energy efficiency within the company. By 2040, GEA intends to run its existing buildings in a climate-neutral manner. In the short term, GEA aims to reduce energy consumption at all sites. Measures to reduce energy consumption include the installation of LED installations, the use of even more efficient insulation materials and the use of efficient machinery controlled by energy management systems. In view of the global situation, GEA has also set itself the goal of reducing gas consumption by 20% at all its sites. GEA is making an important contribution to reducing its own ecological footprint with energy-efficient measures and the use of electricity from renewable energy sources. Across the company, GEA has set itself the goal of reducing energy consumption by 1.5 per cent per year.

In addition, relevant GEA sites regularly undergo a professional climate risk and vulnerability analysis. In this analysis, the climate projections and the impact assessment shall be based on best practices and available guidelines, and take into account the best available science and methodologies for vulnerability and risk analysis in line with the most recent reports of the most recent reports of the Intergovernmental Panel on Climate Change, peer reviewed scientific publications, as well as open source or pay-as-you-go models in accordance with current EU taxonomy requirements.

## 2.2. Greenhouse gas emissions and other air emissions

GEA has adopted a climate strategy incorporating scientifically proven targets that are in line with the latest climate research and make an effective contribution to achieving the 1.5 degree target set out in the Paris Climate Agreement. By 2040, GEA aims to achieve net-zero greenhouse gas emissions across the entire value chain. By 2030, greenhouse gas emissions are to be reduced by 60 percent in scope 1 and 2 and by 18 percent in scope 3 compared to 2019. In order to achieve this goal, GEA continuously implements measures for the efficient use of energy sources and the reduction of greenhouse gas emissions. For example, GEA in continuously increasing the share of renewable energy in its operations. This includes the procurement of electricity from renewable energy sources, the substitution of gas as well as the generation of in-house energy through photovoltaic systems and combined heat and power (CHP) systems.

Other air emissions such as NOx, SOx and VOCs have adverse effects on climate, ecosystems, air quality, habitats and species health. GEA is committed to reducing these emissions. Volatile organic compounds (VOCs) are already emitted by GEA in very small quantities only. The main sources of this are the fuel used for GEA's vehicle fleet and the evaporation of solvents in the painting process. The GEA vehicle fleet is being completely transformed to a climate-neutral fleet as part of the climate strategy. Since 2023, GEA has been systemically collecting VOC values and will set reduction targets based on these. GEA has set itself the target of reducing NOx emissions by 1.5 percent per year. Sulphur oxides (SOx) do not arise for GEA's business activities.



## 2.3. Waste management

GEA strives to avoid and minimise waste generation. In this context, GEA has set itself the goal of achieving a 100 percent waste recycling rate in the long term. Another goal is to reduce the amount of waste by 2.1 percent per employee per year. Moreover, GEA has committed to a continuous reduction of 1.5 percent per year of hazardous waste generated. GEA also ensures that all hazardous materials are collected by a certified external disposal company and disposed of in accordance with local regulations.

GEA continuously improves its production process in order to significantly reduce the amount of waste from its own business operations as well as the consumption of resources. To this end, GEA will introduce recycling management in its spare parts business by 2026. The initiative supports the reuse and use of secondary raw materials and reusable components, the design for high durability, recyclability, easy disassembly and adaptability of the products, and information on substances of concern and traceability of these substances throughout the life cycle of the manufactured products. The reuse as well as the conversion of waste into new and usable materials is a key priority for GEA.

## 2.4. Biodiversity

GEA recognizes that its activities can directly and indirectly impact biodiversity along its product and value chains. GEA, thus, commits to the permanent preservation of biodiversity and strives to minimize its impact on the environment. In alignment with the pledges set in the Biodiversity Commitment, GEA upholds the necessary legal requirements, particularly those set by the EU, during the construction or modification of its facilities. In particular, GEA conducts impact assessments or equivalent evaluations aimed at conserving natural habitats and wild fauna and flora (considering Natura 2000 network of protected areas, UNESCO World Heritage sites), especially in or near areas of sensitive biodiversity. With this, GEA's operations ensure the avoidance of significant degradation and the protection and restoration of biodiversity and ecosystems.

## 2.5. Deforestation

Deforestation poses a threat to the rich biodiversity of tropical rainforests and is a major contributor to the greenhouse effect. GEA is aware of this threat posed by deforestation and forest degradation to our global climate. Although GEA, being one of the largest system providers for the food processing industry and related industries, focuses on machinery and equipment as well as process technology and components, we hereby expressly confirm that GEA does not produce any raw materials such as soy, beef, palm oil, wood, cocoa and coffee and thus does not engage in deforestation. GEA therefore unequivocally commits to a no-deforestation engagement as set out in its Biodiversity Commitment.

## 2.6. Water management

Water is essential for all life on earth and access to clean drinking water and sanitary facilities is a basic human right.

With our mission "Engineering for a better world", GEA promises its customers innovative solutions. The protection of natural resources is an integral part of our commitment to sustainable development. GEA knows that water is a critical resource in the communities we operate and that the sustainable use and protection of water and marine resources is essential. Therefore, we are committed to contributing



to high water quality and sustainable water quantity throughout the value chain. This includes a commitment to provide access to water, sanitary facilities and hygiene services (WASH). In order to protect water resources, GEA has therefore set itself the target of reducing water consumption by 2.1 percent in relation to the previous year per employee for its production sites. In addition to this, we also include our entire value chain by working with suppliers and by providing technology to improve water use efficiency and quality for our customers. We are therefore keen to achieve these results by means of the following measures:

## 2.6.1. In our company

GEA implements the following measures to ensure the continued protection of water resources within its own operations and to comply with international and local laws.

### Assessing our production sites in areas with water shortage/water stress

In order to identify the impact of water shortage on production, GEA has developed a process to identify regions at risk of water shortage. This is done by identifying GEA sites in regions short of water using the "Aqueduct Water Risk Atlas" tool. GEA continuously monitors water demand in these areas, ensures that risks are known to the responsible parties and, where possible, promotes water conservation and water saving measures, including required investments. The development of a water strategy is one of the defined sustainability goals under mission 26.

# Establishment of objectives to reduce global water consumption at GEA production sites by 2.1 percent per employee compared to the previous year

GEA has set water reduction targets to continuously reduce water consumption worldwide every year. GEA strives to achieve this by increasing the share of purified water. The focus is primarily on production sites, especially in areas with water shortage. These goals underline GEA's commitment to providing "clean water and sanitary facilities" in the spirit of sustainable development.

#### Continuous monitoring and reporting of GEA's water consumption at production sites.

In its direct business operations, GEA relies on fresh water for sanitary and hygiene purposes as well as for selected production processes. GEA records and monitors water consumption at its production sites, service workshops, hygiene sites, large office sites and all ISO 14001 certified sites. This includes municipal water, groundwater as well as treated water and waste water. With regard to disclosure and advocacy, GEA will continue to disclose water consumption annually in its financial statement. This also includes continued participation in the CDP Water Disclosure Programme. These mechanisms ensure continuous transparency of reporting in this area.

## Environmental principles to avoid unnecessary water consumption

With its environmental principles, GEA promotes the importance of water resource protection and sustainable water management as a value of GEA's corporate culture. Employees should always consider the best use of water and, whenever possible, identify how to reduce water consumption in the workplace.

## 2.6.2. Products and services

# Provision and development of technologies for waste water treatment and fresh water production

"Engineering for a better world": This statement embodies GEA's core value proposition and its approach to shaping our value creation process with caution. Since GEA's main production processes do not require significant amounts of water, its greatest impact on water resources is through its innovative products and solutions that deliver optimal results with significant water savings. We support our customers in their efforts to ensure sustainable management and the protection of natural resources



by offering ever more efficient products and process solutions. By 2030, GEA will offer its customers the option of "zero fresh water consumption" for the operation of plants and machinery. Until then, GEA will actively work to reduce the economic, environmental and social impacts of its products and operations. For example, GEA cooperates with governments, non-governmental organisations, institutions and industrial sectors to provide a range of key technologies for efficient water treatment. These solutions contribute to improved access to clean and fresh water and support the same around the world. GEA's products and services already have a huge impact on the environment and play a key role in providing safe, clean water to local and regional communities.

In addition, GEA ensures that waste water from its operations is disposed of in accordance with local legal requirements. The risks of environmental degradation associated with maintaining water quality and preventing water shortage are regularly and systematically identified and addressed to achieve good water status and ecological potential. Contaminated waste water is either properly treated in an in-house waste water treatment plant or in an external municipal/industrial waste water treatment plant. Contaminated waste water that cannot be disposed of via the municipal network is collected by certified external disposal companies and disposed of accordingly by the same.

# 3. Supply chain

#### Cooperating with our suppliers to promote environmentally-friendly business practices

Environmental responsibility is of central importance, not only in relation to GEA's products and services, but along the entire supply chain. This includes a registration process for suppliers that requires them to commit to the company's own "Code of Conduct for Suppliers and Subcontractors". This set of rules sets out the commitment of suppliers and their supply chains to promote the conservation of valuable resources, avoid contamination and adopt environmentally-sound business practices including the reduction of water consumption. Suppliers are encouraged to promote the development of technologies to limit water consumption and should implement logistical strategies that minimise the overall impact on the environment. GEA encourages suppliers to be certified according to ISO 14001 or equivalent.

# 4. Environmental product responsibility

GEA is committed to assuming responsibility for the impact and influence in the production and use of the product portfolio offered with regard to environmental aspects. The focus is, for example, on expanding the range of sustainable packaging solutions as well as energy-efficient and production facilities with a neutral impact on fresh water. Moreover, the recycling economy for spare parts will be introduced by 2026 and the aim of accident-free operation by trained operators will be pursued.

In order to meet this responsibility, structured processes apply to the entire product range, as well as performance characteristics and indicators for set targets such as reduced emissions, recycle economy and fresh water use. With these goals, we want to ensure that our customers can operate in a sustainable and competitive manner. Institutionalised reporting of aims thus enables development to focus on the relevant environmental performance indicators and thus reduced product footprints.

GEA continuously trains its sales and service staff to ensure that machines and plants are operated in an ecologically-sustainable manner. To this end, the focus is on the targets (1) of sufficiency for a long service life of the machine, (2) efficiency for a productive use of resources and (3) consistency by means of nature-friendly cycles for ecologically-sustainable production with GEA machinery. In order to meet



this obligation, GEA applies an adaptive learning management system that provides both mandatory and certifying product training for sales and service employees, as well as general product training for all other employees.

In addition to this, GEA feels responsible for instructing every machine operator named by the customer with regard to environmentally-friendly operation and potential ecological risks when commissioning the product. To this end, GEA ensures in the handover protocol that the conditions verified by GEA for the ecologically-responsible operation and the associated risk minimisation can be applied. Moreover, we offer needs-specific customer training, which goes beyond the usual briefing.

## 5. Chemicals and hazardous substances

Information on chemicals and other hazardous substances can be found in the Code of Conduct for Suppliers and Subcontractors and in the safety data sheets. As a condition for conducting business with GEA, we expect suppliers to meet these requirements and to comply with national and international environmental standards and laws. Chemicals produced by GEA itself, e.g. for cleaning in dairy farms, meet the legal requirements in terms of chemical safety but also in terms of safety in contact with food production equipment. When using chemicals and hazardous substances, GEA always complies with legal requirements and has also defined global standard (environmental core rules) for the safe application. Possible use of chemicals that are hazardous according to the relevant EU taxonomy regulations and directives is monitored and controlled.

## 6. Additional information & contact

If you have any questions, please contact:

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Date	Review and revision
26.06.2023	Changes regarding paras 2.4 Biodiversity and 2.5 Deforestation; reference to
	Quality Policy and Occupational Health and Safety Policy; clarification of
	scope in paras 1 and 2.