KAEFER

ESG & SUSTAINABILITY REPORT 2024

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Introduction

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Message from the CEO

Dear Reader,

I am delighted to present our ESG Report for 2024, a year that represents a special milestone in the history of our company. With a turnover of around 2.4 billion EUR and an EBITDA of around 8%, we not only achieved the best results in our company's history, but also proved to be resilient and successful in a challenging economic environment.

The global economic conditions in 2024 were anything but easy. However, despite the uncertainties on the markets, we not only achieved our ambitious targets, but exceeded them in many respects. We owe this above all to the exceptional performance of our 33,000 employees worldwide. They are the true key to our success, and their passion, commitment and innovative strength drive our company forward every day.

Our employees are not only the backbone of our organisation, but also the driving force behind our continuous growth and our ability to respond flexibly to change. At a time when sustainability and social responsibility are becoming increasingly important, we recognise the need to create a working environment that not only promotes excellent performance, but also supports the well-being and development of everyone. We therefore continue to invest in the training, development, health and safety and engagement of our teams to ensure that our employees thrive not only in their work, but also as people in our corporate culture.

Our refreshed company values - Reliability, Ambition, Team Spirit and Respect - form the foundation of our joint success. They reflect what characterises us as a company and how we continuously develop as a team. These values are the benchmark for our daily actions and ensure that we are not only successful in a business context, but also create a working environment characterised by trust, cohesion and respect.

As part of our commitment to more sustainable and responsible behaviour, we have also committed to the Science-Based Targets initiative (SBTi) to significantly reduce our carbon footprint. Our near-term targets envisage a 50.4% reduction in Scope 1 and 2 emissions and a 30% reduction in Scope 3 emissions by 2032. We have also set ourselves an ambitious target of achieving a net-zero emissions balance across our entire value chain by 2050 which has been validated by SBTi. These targets are not only crucial for our environmental footprint, but also for our long-term competitiveness and our commitment to global climate targets.

Our responsibility as a global company goes beyond the success of our business figures. We are aware that we must make a significant contribution to the global challenges in the areas of the environment, social justice and responsible corporate governance. For us, the ESG approach is not a short-term trend, but a long-term component of our corporate strategy. We set ourselves ambitious goals to minimise our environmental impact, promote diversity and inclusion and take responsibility as a reliable partner in the societies in which we operate.

We have already made significant progress in 2024, but we know that there is still much to do. We are determined to take the right steps to further advance our ESG goals and ensure that our company continues to be a place where innovation, responsibility and collaboration are encouraged at all levels.

I would like to thank all our employees, partners and all other stakeholders for their commitment and support. Without you, our successes would not have been possible. Together, we can create an even more sustainable and successful future.

Yours sincerely from Bremen,

Dr. Roland Gärber

Highlights 2024

~33,000
Employees in more than 30 Countries

2023: >32,000

~2.4
Billion Turnover in EUR

2023: >2.3 bn EUR

E

20.7
Scope 1 & 2 Emission Intensity (gCO_2e/EUR)[1]

2023: 17

72%
Share of ISO 14001 Certification[1]

2023: 73%

S

0.7
Lost Time Injury Frequency (YTD)

2023: 0.6

7.8%
Share of Women among Workforce

2023: 8.9%

G

97%
Code of Conduct Training Participation

2023: 95%

B for Climate
CDP Rating

2023: N/A[2]

1 Based on Total Operating Performance 2024
2 First group assessment in 2024

Strategy & Business Model

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Market

As a global service provider, KAEFER operates across diverse markets and industries, reducing dependency on any single sector. Nevertheless, worldwide developments—especially in energy and climate—continue to shape our business environment. Among the most significant trends are the following:

- **Global emissions dynamics**: while emissions are expected to peak in 2024[1], reductions post-peak remain insufficient to meet climate targets, highlighting the pressing need for stronger policies and coordinated global action.
- **Accelerating renewable energy**: solar PV installations surged by 80% in 2023, driven by falling battery costs, significantly increasing renewables' share in the global energy mix. In contrast, offshore wind lags behind, stressing the need for targeted investments and faster deployment.
- **Shifting energy demand**: electric vehicle adoption is slowing the growth of petroleum demand for passenger vehicles, but rising demand in aviation and shipping suggests a global plateau by the decade's end.
- **Sector-specific challenges**: hard-to-electrify sectors, such as heavy industry and maritime, continue to face barriers. Key technologies like hydrogen and Carbon Capture & Storage (CCS) remain essential yet constrained by cost and deployment challenges.
- **Policy and investment as drivers:** strong policy frameworks, such as Europe's renewable incentives and fossil fuel disincentives, demonstrate the critical role of government action. With annual non-fossil energy investments projected to reach $1.7 trillion by 2050, regulatory and financial support will be essential to advancing the energy transition.

KAEFER's role in the energy transition remains promising: the transition to a low-carbon economy will demand extensive upgrades to infrastructure, adoption of clean technologies, and efficient energy systems — areas where KAEFER excels.

As an industry-independent service provider, KAEFER is uniquely positioned to support the evolving needs of various sectors during their energy transition.

The following project examples showcase KAEFER's capabilities in helping our customers every step of the way to improve plant efficiency and reduce their carbon footprint:

Northern Lights Carbon Capture Project, Equinor, Norway (2023-2025): world's first cross-border commercial CCS project located in Norway

HyLube 3, Paralube GmbH, Germany (2022-2024): refinery plant that will make it possible for the first time to process used oil in such a way that it fulfils the requirements for the group of high-quality base oils

Dombasle Énergie, Veolia & Solvay, France (2024): aims to replace coal with refuse-derived fuel (RDF) for the production of clean and competitive energy for the historical Dombasle-sur-Meurthe plant

Kwinana Waste-to-Energy Plant, Acciona, Australia (2023-2024): integrates recovery and reuse of waste with the generation of electricity set to deliver renewable base load power to a large metropolitan population and an industrial base

NoVo Gigafactory for Electric Car Batteries, Annebergy Bygg & Anläggning AB + Rodoverken, Sweden (2023-2024): involves connecting the purified wastewater via circuits and water lines to the energy system and cooling the facility with wastewater

The path forward is clear: the energy transition is not merely a challenge but a generational opportunity. KAEFER is committed to leveraging its expertise to support industries worldwide, ensuring we remain a trusted partner in building a sustainable future.

Hornsea 3 Offshore Wind Platform, Aibel, Thailand (2023-2025): once installed 160km off the Yorkshire coast, it will have a generating capacity of 2.9 GW to power more than 3 million UK homes (world's single largest offshore wind farm)

Biomass Power Plant, Lynemouth Power Station, United Kingdom (2019-2027): former coal fired power station converted to biomass electricity generation, one of the largest sites of its kind in Europe

Hydroelectric Power Plant, Jirau Energia, Brazil (2024-2025): fourth largest power generation facility in Brazil in installed capacity and providing renewable energy to more than 40 million people

E.ON UK Solar Photovoltaic Plants, Effective Energy Solutions, United Kingdom (2022-2023): large-scale installations of photovoltaic (PV) panels (UK-wide) that generate electricity from sunlight

Campillo & Roalabota Onshore Wind Farms, Nordex Energy, Spain (2023-2024): providing 62,500 kW of nominal power with 36 turbines in total

1 Source: DNV Energy Transition Outlook 2024

Contract Portfolio

Reliability and professionalism are the cornerstones of our work. Before concluding contracts, we thoroughly assess and classify all associated risks to ensure we fulfil our commitments to customers' satisfaction, on time and on budget. Our approach ensures that risk assessments are based on our experience with the customer, our understanding of local conditions, and our technical knowledge, allowing us to develop effective mitigation measures.

KAEFER benefits from steady Revenue Streams, and a diversified Service Portfolio

In 2024, over 70% of KAEFER's total operating performance came from recurring contracts, including planned and unplanned maintenance, shut-downs, and refurbishments. This provides us with stable and predictable revenue streams. Our backlog of contracted revenue includes hundreds of maintenance contracts, typically ranging from three to five years. In most cases (retention rate of 89% in 2024), these contracts are extended or renewed. Our on-site expertise enhances the credibility of our renewal offers and enables us to submit competitive quotes.

Diversified Industry Mix through the Cycle and wide geographical Reach

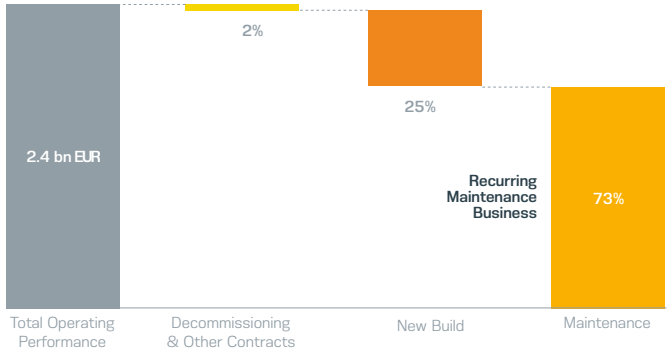
Diversified by end-industry and geography, KAEFER's customers include large industrial and energy-related blue-chip companies. Our services are mission-critical – often technically or legally required – to ensure the efficient and safe operation of their assets. We take great pride in building long-standing client partnerships. As a trusted one-stop-shop provider, we often secure long-term contracts covering multiple services.

In Europe, for example, the average duration of our customer relationships in asset maintenance exceeds 30 years. Diversification across multiple countries and industrial segments – including serving customers active at every stage of the value chain, from raw materials to processing and manufacturing – provides natural hedging, reducing our exposure to economic fluctuations in any single sector.

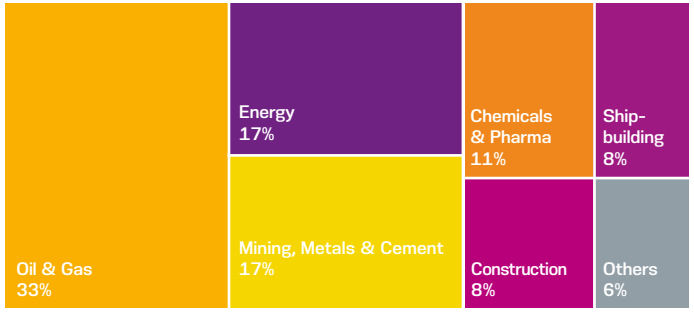
KAEFER benefits from a granular Portfolio of small Contracts with a limited Risk Profile

KAEFER's contract portfolio is primarily composed of smaller contracts. In 2024, we delivered services for more than 5,500 individual contracts, with the ten largest contracts accounting for a combined revenue of 12%. The average contract value during this period was approximately 400,000 EUR. Around 77% of contracts had an individual revenue of less than 250,000 EUR, while only 8% exceeded 1 mEUR. As a specialised industrial services provider, KAEFER maintains a very limited risk profile - especially in comparison to traditional Engineering, Procurement and Construction (EPC) companies.

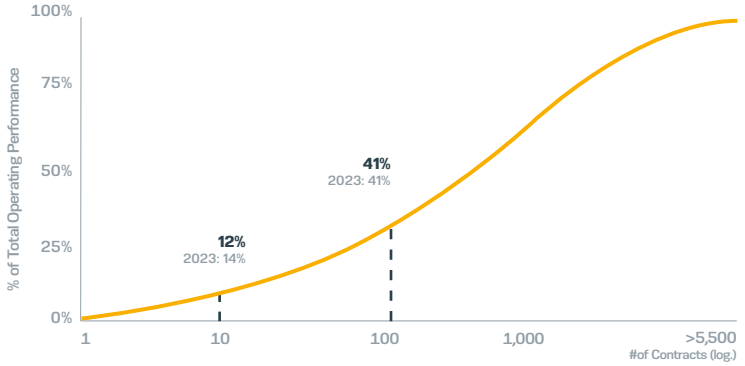
Revenue Share by Type of Contract



Revenue Share by Industry



Allocation of Contracts



Service Portfolio

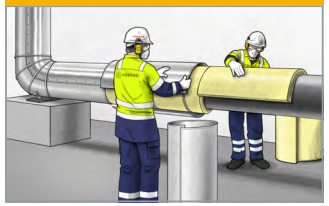
At KAEFER, we pursue the path to eliminate GHG emissions exposure, partnering with clients around the world to improve energy efficiency, and extend the life cycles of industrial assets. Our customers trust us because they know we make no compromises on Health, Safety, Environment and Quality (HSEQ), risk management, or compliance controls. Combined with our strict focus on efficiency measures, this contributes to our aim to continuously improve our quality of earnings as well as the resilience of our business.

We offer a comprehensive range of services to protect, maintain and ensure the integrity, performance, and function of our clients' assets under extreme operational and climate conditions. As one of few global pure play industrial service companies, KAEFER is well positioned for profitable and sustainable growth with the mission to be the most reliable and efficient provider of technical industrial services.

The strengthening of KAEFER in the national and international competitive environment is achieved not only by expanding the business model through organic and inorganic growth, but also through the standardisation of group-wide processes, the comprehensive implementation of LEAN management and the digitalisation of business processes while integrating environmental, social and corporate governance (ESG) criteria.

IASP[1]

Insulation 23%

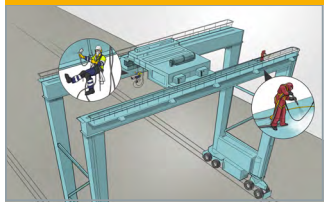


Ensuring stable temperatures – hot and cold – to support efficient and reliable operating – and contribute substantially to the reduction of energy loss.

Access Solutions 32%

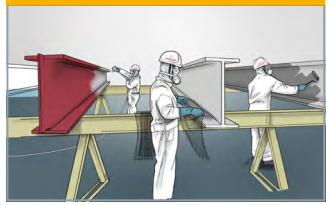
Facilitating access so that work can be performed at heights, under safe conditions, and with minimal asset downtime.

Surface Protection 9%



Mitigating corrosion from weather cycles to enhance functionality, increase levels of resilience, and extend asset life.

Passive Fire Protection 3%



Protecting structural performance under heat exposure to increase safety.

Related Industrial Services

Electromechanical 12%

Providing plant and asset reliability through maintenance, repaint, and innovation around electromechanical components.

Other Industrial Services 13%

Offering a complementary portfolio of related services such as refractory, industrial cleaning, non-destructive testing, inspection, and energy auditing services.

Interior Outfitting

Interior Outfitting 8%

Creating innovative solutions focused on the highest standards of quality and functional design.

Based on Total Operating Performance 2024
1 IASP: stands for Insulation, Access, Surface Protection & Passive Fire Protection.

Sustainable Value Creation

As a business-to-business service provider, we take a connecting position between early steps in the value chain and the manufacturing industry. While our clients are often many times our size, we frequently partner with small, local craftsmen to perform our services. Balancing different interests and levels of maturity regarding ESG is therefore a key challenge for us in the context of sustainable value creation.

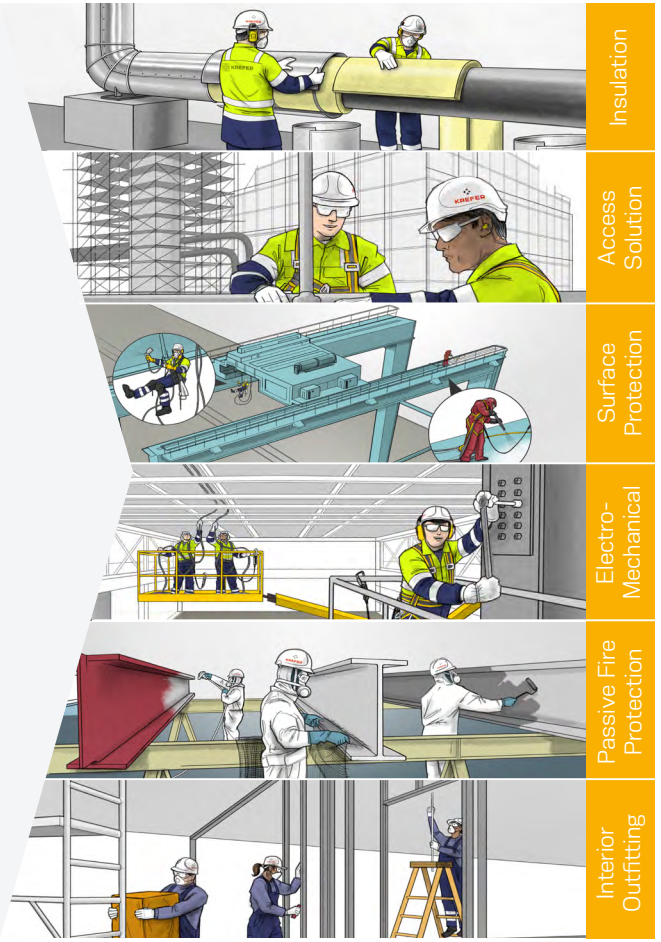
We use our Resources... **and deliver tailored Services...** **to drive sustainable financial and Stakeholder Value Creation.**

Upstream — Own Operations — Downstream

~ 19,000
Suppliers

~ 33,000
Employees

> 5,000
Client Sites



2,357 mEUR

Total Operating Performance
We optimise asset efficiency with cost- and energy-saving solutions, extending life cycles and enhancing financial performance

1,041 mEUR

Employees
We provide a safe workplace, fair wages, and growth opportunities, ensuring financial stability and development

1,051 mEUR

Suppliers
We build long-term partnerships with suppliers through collaboration and agreements, ensuring mutual financial stability

227 mEUR

Society
We support economic and social growth through community support, sustainable development, and covering social security, pensions, and taxes

99 mEUR

Provider of Capital
We ensure profitability and long-term value through sustainable growth, financial stability, and managing debt interest and shareholder income

Based on Financials 2024

Operational & Technical Excellence

KAEFER's success lies in finding the right balance between standardisation—such as in work procedures and equipment—and empowering operational teams with the autonomy and expertise to adapt to local conditions.

Structurally, we achieve this balance through our shared commitment to LEAN and through making the necessary resources available to our operational units and network of global experts.

Global Network of Internal Experts

KAEFER operates a global, decentralised network of experts covering all technical aspects of our service offering, as well as a state-of-the-art technical laboratory.

- Experts from KAEFER's entities worldwide frequently meet in dedicated expert groups to exchange knowledge and discuss current market trends and innovations. Our experts also provide support during project tenders and ensure the latest technology is employed during estimation, planning, and execution.
- Our expertise gives us a deep understanding of the technical requirements of our customers, enabling us to deliver projects tailored exactly to their needs. We focus our innovation efforts on the creation of sustainable, cost-efficient solutions to increase quality and safety during project execution.
- KAEFER operates laboratories for material testing, acoustics and small scale fire tests as well as a pipe test stand to evaluate performance of different insulation systems. On top, a climate chamber offers the opportunity to conduct comprehensive climate tests at different temperature, pressure and humidity levels.

Total # of Experts from Operating Entities	
Surface Protection	10
Passive Fire Protection	13
Insulation	16
Access Technology	22
Non-Destructive Testing	12

LEAN

In 2024, we have enhanced our global KAEFER LEAN vision, empowering each business unit to chart its own unique path to achieving it. This new approach embraces country-specific strategies and targets, offers tailored local training alongside standard programmes, and establishes functional KPIs to drive meaningful improvements. The global LEAN Team continues to provide a strong framework, mentoring, coaching, and monitoring to ensure that the Group's LEAN vision is implemented consistently.

At the heart of this transformation are the five guiding elements that are at the foundation of everything we do in LEAN: customer & process alignment, optimised site leadership, performance measurement framework, empowerment through training and recognition as well as continuous improvement and knowledge sharing.

One of the main principles of LEAN is "Going Gemba", going to the place where the actual value addition happens, talking to people, understanding their concerns, empowering and recognising them. In 2024, our global management teams made more than 1,000 structured Gemba Walks, where they actively observed the processes to identify improvement potential, asked our front-line crews about their challenges, recognised the efforts of our people for great work and provided feedback.

We implement LEAN principles at every stage of a project to ensure thorough planning, efficient execution, and post-completion analysis. Focusing on building capabilities of our people and establishing routines for continuous improvement towards waste-free processes also ties into our ESG approach.

More than 10,000 KAEFER employees in 28 countries have participated in our LEAN trainings and our more than 265 certified LEAN Practitioners as well as LEAN Professionals are also available to our customers for consulting and thoughtful leadership.

> 265	**LEAN Certifications:** number of certified employees in leading functions
85%	**LEAN Turnover Coverage:** share of total operating performance on LEAN projects
28	**LEAN Footprint:** number of countries with LEAN projects

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Leadership

KAEFER's Administrative, Management and Supervisory Bodies

KAEFER's Administrative Board consists of eight non-executive members, whereof one member identifies as female, with both KAEFER Holding SE & Co. KG and SMS Altor Holding SA nominating four each. The Administrative Board determines fundamental guidelines for our business activities, supervises their implementation by managing directors, provides support to the Group Management Board, and consults on important business, and operational and financial matters. This includes responsibility for determining the remuneration of the Executive Board. In 2024, a portion of the variable remuneration of the Executive Board was linked to ESG-related matters.

The Administrative Board also serves as a forum where the partners contribute their respective expertise and know-how. Meetings of the Administrative Board are convened at least four times a year and include regular updates on ESG-related topics, with one meeting per year entirely dedicated to ESG. Decisions are generally made via a majority vote, with current members appointed until the conclusion of the KAEFER Management SE Ordinary Shareholder Meeting in 2027.

The Executive Board is entrusted with the management of the KAEFER Group, which is headed by KAEFER SE & Co. KG and headquartered in Bremen. The members are Dr. Roland Gärber as CEO, Karsten Wirth as CFO and COO Sandro Barrach.

KAEFER's Executive Board is the group's highest executive body, with overriding responsibility for group management, the supervision of day-to-day management and operations, and compliance. The board focuses on strategic development, the implementation of standards and systems, and the promotion of regional activities. Members of the Executive Board are appointed by and report directly to KAEFER's Administrative Board.

Members of KAEFER's Administrative and Executive Board:
Alexander von Witzleben, Dr. Roland Gärber, Dr. Hubert Lienhard, Edwin Eichler, Sandro Barrach, Karsten Wirth, Dr. Hans Christoph Atzpodien, Dr. Dierk Paskert, Johan Reisersen, Giovanna Maag, Moritz Koch

KAEFER Values

In 2024, we have reshaped our values to better reflect the spirit of our times. This transformation has been driven by a bottom-up approach, involving our KAEFER teams worldwide, aiming at simplifying what matters most. As a result, we tightened our values from seven to four: Reliability, Ambition, Team Spirit, and Respect.

Reliability

"We do what we say."

- We keep our promises
- We **choose what is right** over what is comfortable
- We are **accountable** for our results or mistakes
- We build **trustworthy** relationships, respect our colleagues and clients
- We commit to **confidentiality**

Ambition

"We fulfil our targets."

- We use our knowledge and expertise to generate **high impact for our customers**
- We work smart and efficiently, we keep learning and strive for **continuous improvement**
- We are committed to **sustainable growing** our business

Team Spirit

"We care for each other."

- We work together in teams reaching a high level of **collaboration**
- We take care of one another: **Safety** is our priority
- We create a warm, welcoming and inclusive environment for everyone
- We accept differences and consider **diversity as a resource**
- We bring our team spirit to our customers for the most successful **collaboration**

Respect

"We value people."

- We treat people with **dignity** and **consideration**
- We are kind and fair, acknowlodging different **opinions**
- We **listen carefully** to others and communicate in a **polite** courteous manner
- We **avoid arrogance or vanity**, partnering with our business partners offering solutions
- We create a **positive** environment for relationships and interactions

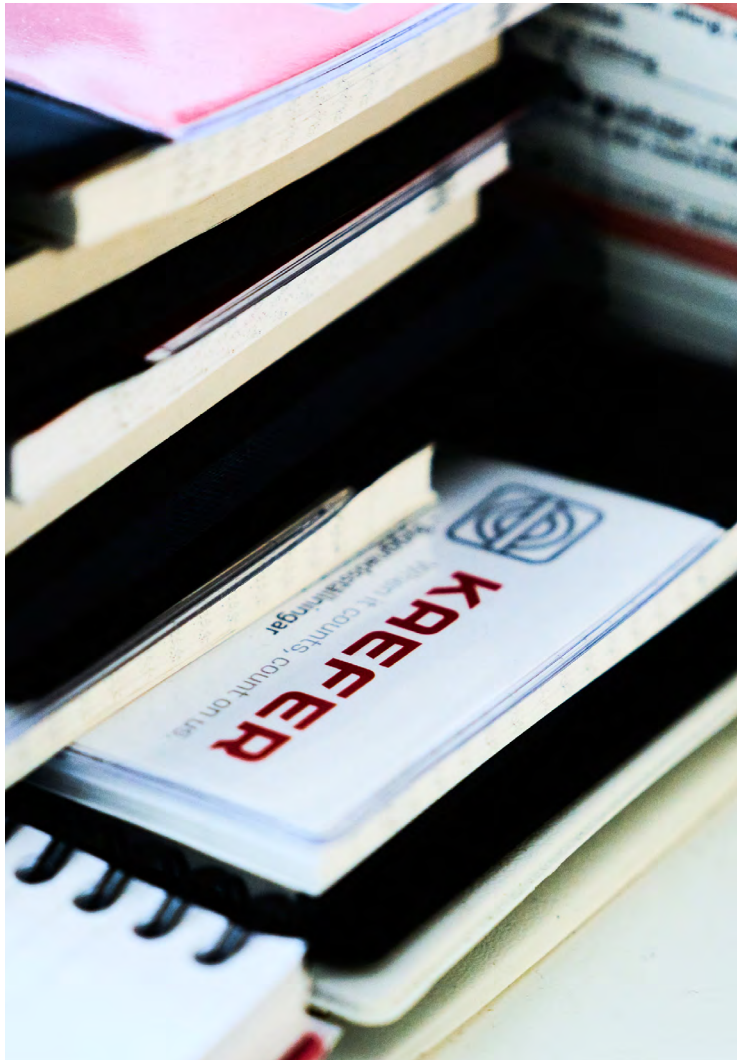
Risk Management

KAEFER operates in a dynamic environment influenced by various external and internal factors. These factors can significantly impact both our financial and non-financial targets. Therefore, identifying and managing risks and opportunities is a key element of our strategic management.

The Executive Board is responsible for ensuring effective risk management across the entire group. The implementation of risk management within our operational units and departments lies with their senior management who builds on subject matter experts and project managers to perform day-to-day risk management.

This is a core element of our corporate governance, covering compliance, human rights, supply chain sustainability, health and safety, and operational project management. To manage risks effectively, we have established integrated and aligned management systems.

The tables on the following pages provide an overview of key risks identified in 2024. Based on our current assessment, management confirms that the group's long-term viability is not at risk and that identified challenges can be successfully managed. Overall, the risk situation remains largely unchanged compared to the previous year, indicating that our risk management processes are effective, and our business well diversified by countries and industries.



Market Risks

Risk	Risk Overview	Risk Management
General macro-economic trends	We are affected by macroeconomic trends and developments in our industrial end markets: the demand for some of our services is dependent on the level of investment in end markets, which in turn is affected by macroeconomic factors such as economic growth, inflation and commodity prices and are sometimes cyclical in nature. Uncertainty may lead to a significant delay in investment decisions.	KAEFER reduces its exposure to cyclical fluctuations through targeted diversification across different countries and industrial segments as well as the natural hedge of working for clients at every stage of the value chain. Further, KAEFER is ensuring a high share of recurring maintenance contracts within its contract portfolio to reduce dependence on fluctuating new build business.
Competition	We operate in a competitive and fragmented industry: KAEFER operates in a market environment characterised by strong price competition in many countries and across a broad range of services. Failure to compete effectively may result in the loss of key customers.	KAEFER aims to safeguard its competitiveness and profitability through the pinpointed selection of contracts, and by focusing on lean and professionalised work flows.
Increasing instability	We are affected by political and economic instabilities: wars, crises, and economic or financial instabilities in certain countries can directly impact our employees and financial performance. Tariffs and trade wars threaten free trade and can lead to price increases and availability risks. Furthermore, indirect effects such as supply chain disruptions, stricter sanctions, or rising inflation may also pose significant challenges.	KAEFER mitigates financial risks from instability by diversifying markets and supply chains across multiple regions. Our global crisis management framework defines clear procedures for various scenarios, ensuring business continuity and regulatory compliance. In uncertain situations, safeguarding our people remains the top priority. We actively monitor geopolitical and economic developments, adapting to changing legal provisions that may impact operations or require temporary shut-downs. Through robust financial planning and stakeholder engagement, we enhance resilience against political and economic disruptions.
Volatile energy and raw material prices	We are impacted by higher energy and raw materials costs: geopolitical tensions as well as uncertainty in the energy market may lead to rising prices for energy and raw materials such as steel, aluminium and insulation materials directly or indirectly harming KAEFER's ability to reach financial targets.	Effective operations excellence programmes and LEAN approaches can partially offset cost increases through efficiency gains. As part of our strategic ESG approach, we take concrete actions to reduce energy consumption. Depending on the contract design, higher purchase prices can be passed on to customers.

Strategic Risks

Risk	Risk Overview	Risk Management
Acquisition	We are subject to risks in connection with acquisitions: in order to achieve our ambitious growth targets, we regularly make acquisitions. Each acquisition is associated with various risks, particularly legal and operational risks. There are also uncertainties with regard to the financing of acquisitions, notably in the event of additional financial requirements. Additionally, there is no certainty that suitable acquisition opportunities will arise. Also, we may not be able to achieve the synergies and other benefits that may be expected from potential acquisitions as successfully or rapidly as projected, or at all.	In order to obtain control and mitigate the risks, KAEFER normally acquires either all or a majority of the shares in suitable companies. Interesting acquisition targets are analysed and assessed by internal and external experts (Due Diligence). The final decision remains with the Executive Board, with approval given by the Administrative Board. The purchase price decision is assessed and verified based on cash flow-based and market-based multiples methods. New companies and their risk management are integrated into the group following a clearly defined integration process.
Rising and diverging ESG Expectations	We may face challenges in positioning ourselves as a reliable partner amid rising ESG expectations and growing backlash: while customers increasingly demand transparency and alignment with ESG standards, criticism of ESG-related efforts—especially in countries like the USA—can pose reputational and strategic risks. Navigating these diverging expectations is essential to avoid stakeholder mistrust, loss of business, or greenwashing accusations.	KAEFER pursues a clear ESG strategy based on double materiality and embedded in our core business. We focus on transparency, risk mitigation, and stakeholder engagement to meet evolving expectations. To avoid ESG backlash, we follow a modest, business-driven approach—avoiding symbolic actions and emphasising ESG measures that deliver real value. This ensures lasting progress and supports customer trust across regions.

Strategic Risks (cont.)

Risk	Risk Overview	Risk Management
Regulations	Our global presence subjects us to a variety of regulations: operating globally, KAEFER is exposed to risks arising from differing regulations, partly beyond our control, that could negatively impact our operations or financial performance.	The group's geographical diversification and the decentralised approach help to achieve a healthy balance. In order to counter permanently changing regulatory requirements, management observes the external environment on an ongoing basis. In this way, KAEFER ensures that they receive the proper attention and are correctly reflected in our business outlook.
Quality and adaptation	We depend on the ability to maintain the quality of our services and processes and adapt to new regulations, technological standards and customer preferences: the markets for our services are characterised by increasing regulatory and technical standards, new technologies and changes in customer preferences. A decrease in the actual or perceived quality of our services or our ability to innovate could damage our image and reputation.	A team of over 70 experts, from more than 20 countries, frequently meet in dedicated expert groups to exchange knowledge and discuss current market trends and innovations. Our experts also provide support during project tenders and ensure the latest technology is employed during estimation, planning, and execution.

Financial Risks

Risk	Risk Overview	Risk Management
Currency	Exchange rate fluctuations may expose our consolidated financial statements to translation risks and adversely impact our business, financial condition, and results of operations: as we use a local currency as our functional currency for the financial statements of our non-Euro subsidiaries, we translate or adjust the assets and liabilities of such subsidiaries at the exchange rate as of the balance sheet date and the results of operations of such subsidiaries at the average exchange rate during the relevant period. The depreciation of foreign currencies against the Euro reduces the contribution in Euro terms of our operations outside the Euro zone and consequently has a negative impact on our equity, assets, liabilities and income in the foreign currency.	Since KAEFER mainly operates in regional markets, its services are normally billed in the same currency in which the costs are incurred. To ensure refinancing in the same currency, funds are mainly issued in the required currency through the centrally managed overdraft facilities or through loans provided by the group. There is only a small amount of transfer payments made in different currencies. The group's geographical diversification with operations in numerous countries around the world helps to achieve an internal balance of currencies. In addition, relevant positions from customer contracts as well as loans and earnings are hedged against a deterioration in exchange rates. KAEFER's strategy is to achieve a hedge rate of close to 100%, which is equivalent to a risk limit of zero.
Interest rate	Changes in the market interest rate could increase our interest cost and reduce our cash flow: a rise in interest rates could lead to higher interest expenses on any variable-rate obligations that are not hedged, even if the amounts borrowed remain unchanged, thereby reducing cash flow.	Risks from potential increases in interest rates are counteracted by raising loans with fixed rates of interest. In the case of floating-rate interest, interest rate derivatives are concluded to hedge the interest rate risks, to the extent that such risks are apparent. Fixed interest rates give KAEFER a stable planning basis. The interest charged on the overdraft facilities is linked to the development of short-term refinancing rates. Drawings in some countries are offset by investments in other countries which are also subject to floating rates of interest, giving rise to compensation effects that result in a low interest rate risk assessment.
Financing and liquidity	We are exposed to the risk to raise new or refinance existing loans on acceptable terms: KAEFER is exposed to the risk of not being able to raise new, or refinance existing, loans on acceptable terms. The group is also exposed to liquidity risk, which is defined as being unable to meet immediate payment obligations.	A group-wide Treasury Management System is used to monitor the liquidity status of all KAEFER companies. This status is derived from the liquidity and project plans of the operating entities. In addition, the development of the financial covenants is simulated based on the current results and earnings forecasts, so there is sufficient time to respond to any negative developments. Central monitoring ensures that adequate cash and guarantee facilities are available for operations.

Operational Risks

Risk	Risk Overview	Risk Management
Operational execution	Recurring maintenance service contracts and new build projects in our business are subject to risks, including delays and cost overruns: failure to estimate costs accurately on our contracts and to deploy effective site and project management may result in additional costs. Different factors can lead to a reduction in the margin and order volume, if there is no entitlement to supplementary costs.	KAEFER has set up a comprehensive project governance aiming to reduce risks linked to service execution. Depending on a contract's risk classification, which is determined when a proposal is prepared, independent central control functions are involved in the assessment and approval of risk. The insights from these project-related risk analyses inform the decision as to whether and under what circumstances to submit a proposal. Additionally, dedicated systems and processes allow deviations to be identified at an early stage and countermeasures to be initiated.
Labour shortage and costs	A labour shortage or increases in the cost of labour could materially affect our operations: in some of the markets in which we operate, the availability of labour is prone to rapid swings based on the wages offered by other industry employers of similar labour. In order to meet our labour demands, we must provide competitive wages which may result in increased cost of labour.	Competition for qualified skilled workers with an eye for quality is very fierce. Successful future operations will therefore depend on our ability to externally recruit the required qualified personnel in competition with other industries, integrate them into the work processes and retain them in the long-term. KAEFER attaches great importance to in-house vocational training, some of which is held at the company's own training centres. Furthermore, the strong identification of the workforce with KAEFER is leveraged to identify and facilitate personal development opportunities.
Occupational injuries and health issues	Working in remote places and sometimes under critical circumstances results in risks for occupational injuries and overall well-being: due to the nature of our business and the services we offer, not all risks in regard to health and safety can be fully eliminated. Therefore, it is essential to minimise them so far as is reasonably practicable.	To make sure all our people return home safely at the end of each working day, we invest substantial resources in fostering an inclusive safety culture, as well as in providing state of the art equipment, tools, and training. As part of our health and safety programme, KAEFER continuously monitors key leading indicators alongside occupational safety KPIs, such as the frequency of workplace accidents and Lost Time Injury Frequency (LTIF), to track progress, prevent incidents, and ensure the effectiveness of our safety measures.
Compliance	Compliance violations may harm our reputation, our relationship with key stakeholders and/or result in financial penalties and costs: KAEFER's business activities, esp. the tender process for new contracts, involve risks associated with, inter alia, antitrust violations, fraud, bribery, corruption and violations of sanctions or export control laws. We may be unable to detect or prevent these instances which could subject us to penalties, reputational damage or other sanctions or other limitations on our ability to conduct our business.	Combating compliance risk is a central component of the KAEFER Compliance Management System (CMS). A focus of the CMS is the identification, assessment and thorough analysis of potential risk that may arise from global business and activities. KAEFER's compliance organisation coordinates group-wide training activities, monitors compliance with internal and external regulations and supports the development and implementation of globally binding internal standards. In addition, KAEFER offers internationally accessible channels for reporting compliance breaches. Internal audit team provide objective assurance and insight into the effectiveness and efficiency of risk management, internal control, and governance processes.
Cyberattacks/ Disruption in IT systems	Disruptions in our IT systems could adversely affect our business: we depend on the continuous availability and reliability of our IT systems and are, therefore, subject to operational risks such as the occurrence of equipment failures, power interruptions and unlawful conduct by third parties. The occurrence of any such events, and any consequent slowdown or interruption, may impair our ability to manage operational data and financial information, which could have a material adverse effect on our business.	KAEFER carries out an assessment on IT risks group wide. The assessment will produce different threat scenarios for the group, whose possibility of occurrence and effects can in turn be minimised. The targeted breach of our infrastructure with the aim of industrial espionage, sabotage or attacks is addressed within our cyber security policy. At on-boarding, all KAEFER employees are registered for data protection as well as cyber security training, which especially also includes training on how to handle attacks by emails, telephone and other communication channels (phishing attacks). In 2024, KAEFER has initiated a global business continuity project aiming to prepare for crisis scenarios like the temporary failure of IT systems.
ESG violations in the supply chain	We are exposed to the risk of being held accountable for our partners' behaviour: suppliers may not have the same level of awareness or commitment to ESG issues, leading to potential gaps in compliance and/or performance. Being linked to violations from suppliers and failure to comply with applicable regulations can result in legal and reputational risks.	KAEFER ensures ESG Due Diligence within its supply chain through a group-wide risk management system based on the UN Guiding Principles for Business and Human Rights.

ESG Governance & Monitoring

At KAEFER, we actively work to enhance our positive environmental and social contributions while minimising our ecological footprint and social risks. Our governance model establishes clear responsibilities and transparent reporting structures to embed sustainability into our daily operations and decision-making processes.

KAEFER's Administrative Board is responsible for approving and monitoring the company's overall strategic focus and goals. Our Executive Board is responsible for defining our sustainability vision, steering our strategic agenda, and setting priorities and targets. Overall responsibility for ESG lies with our CEO.

Since 2023, KAEFER's Corporate Strategy & ESG department serves as the coordinating hub for ESG-related topics. The team defines concrete goals and measures, conducts materiality assessments to identify key priorities, and coordinates global ESG efforts across all business units. Additionally, it monitors the evolving regulatory landscape to ensure compliance with sustainability-related requirements. ESG-related developments, progress, and key insights are regularly discussed with the Executive Board and are presented to the Administrative Board in a dedicated meeting.

Several corporate departments support the implementation of strategic directives as well as defined measures and KPIs. Of particular note here are our Health, Safety, Environment & Quality (HSEQ), our Compliance and our Human Resources functions, which have implemented comprehensive management programmes to mitigate relevant risks and implement the necessary measures. These departments work with a global network of experts from operational entities.

The operational entities within KAEFER are responsible for implementing sustainability initiatives and programs. To address local circumstances, requirements and priorities, they also derive entity-specific targets and actions.

Made up of representatives from business units around the world as well as corporate departments, KAEFER's Sustainability Sounding Board has a review and network function designed to support the development of our ESG strategy, share knowledge, and connect KAEFER entities worldwide.

IT Governance & Security

In today's digital business landscape, KAEFER recognises the crucial role of Information Technology and the growing threat of cyber-attacks. The company therefore prioritises a strong IT Governance and Security framework.

KAEFER employs various technical safeguards, including virtual private network systems, anti-virus/anti-malware software, and a modern Identity Management Solution. By implementing the Critical Security Controls (version 8) from the Centre for Internet Security, KAEFER strengthens its defences against common cyber threats.

A robust IT Governance framework ensures that IT risks are effectively managed, and IT activities are aligned with KAEFER's business objectives.

Employee involvement is achieved through clear IT policies and procedures. In line with the Code of Business Conduct, KAEFER's IT Governance and Security framework emphasises the importance of data protection, confidentiality, and legal compliance. Through continuous training programs, employees are informed about current cybersecurity threats.

In 2024, KAEFER significantly enhanced its cybersecurity posture through several key initiatives:

- KAEFER implemented an external Security Operation Center (SOC) providing 24/7 monitoring and response capabilities. This continuous security oversight strengthens the company's ability to detect and mitigate threats in real-time.
- A comprehensive phishing simulation program was launched to improve employee cyber awareness. This initiative included customised training materials for all KAEFER users. The first campaign, ending 31st of March 2025, has seen impressive results with 7,205 users participating. So far, 98% of simulated phishing emails have been successfully delivered, and notably, 73% of these potential phishing emails were correctly identified by users who took appropriate action.
- KAEFER also made significant progress in Business Continuity Management implementation, specifically focused on improving organisational resilience against ransomware attacks. This proactive approach ensures business operations can continue with minimal disruption in the event of a security incident.

These initiatives demonstrate KAEFER's ongoing commitment to strengthening its cybersecurity framework and cultivating a security-conscious culture throughout the organisation.

Internal Audit

KAEFER's Internal Audit department is responsible for providing objective assurance and insight into the effectiveness and efficiency of risk management, internal control, and governance processes.

A team of internal auditors regularly monitors and evaluates KAEFER's risk management processes and controls. Within the Three Lines Model (according to the Institute of Internal Auditors), they provide assurance on the effectiveness of internal governance processes and advise on improvements. Where their evaluations identify issues, the auditors draw up action plans with the relevant managers and put measures in place to monitor progress against agreed goals.

KAEFER internal audits include on-site inspections of processes and management systems. The annual internal audit plan is submitted upfront to the Executive Board and Administrative Board for approval. Internal Audit reports are discussed with the Executive Board. In addition, a summary of key findings is presented twice a year to the Administrative Board.

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ESG Reporting at KAEFER

KAEFER's journey on ESG reporting dates back to 2008 when the topic of sustainability was anchored in the organisation by systematically seeking stakeholder engagement and producing annual sustainability reports from 2012. Over the years, the system has further evolved from being focused on narrative to looking at data and performance.

Since March 2023, sustainability is part of the corporate department Strategy & ESG. The department continues to develop KAEFER's ESG Strategy, raising awareness and ensuring that the environmental, social, and community-based efforts of our employees are properly resourced and effectively implemented.

KAEFER's comprehensive ESG strategy is in line with the United Nation's Sustainability Goals (SDG), regulatory and science-based frameworks, and the expectations of our stakeholders – including employees, clients, investors, and ratings agencies.

Our approach is based on an ESG structure that clarifies responsibilities and governance at every level of the company. We see this also as a starting point to further drive our transition to a sophisticated approach on all ESG topics – from labour practices and GHG emissions to leadership and supplier assessments. At all times, we assess the risks and opportunities we face, the impact(s) we have globally as a company – both positive and negative – and the concerns and priorities of our stakeholders.

This Sustainability & ESG Report 2024 is the 14th annual sustainability statement for KAEFER intended to present KAEFER's overall approach, best practices as well as comparative figures for the previous year and the current year providing an appropriate link between retrospective and forward-looking information. In its sustainability reporting, KAEFER establishes clear links between the narrative information on governance, strategy and risk management and the associated key figures and targets by means of direct references or reconciliation.

2012 First group-wide Sustainability Report published

2015 Initial stakeholder survey on sustainability takes place within the KAEFER Group

2019 Integration of UN Sustainable Development Goals into KAEFER's sustainability reporting

2022 First double materiality assessment based on GRI2021

2023 Assessment of climate-related risks and opportunities in line with TCFD as well as Scope 3 emissions

2024 Reporting compliant to SBTi in regards to our validated emission reduction targets and with reference to CSRD/ESRS

General Basis for Preparation

KAEFER's reporting is based on a comprehensive ESG strategy in line with the United Nations Sustainable Development Goals (SDG), Task Force on Climate-Related Financial Disclosures (TCFD), regulatory and scientific frameworks and stakeholder expectations. It is based on rigorous and robust double materiality analysis that meets upcoming regulatory of the EU Corporate Sustainability Reporting Directive (CSRD) / European Sustainability Reporting Standards (ESRS) and already existing reporting (GRI) requirements.

External assurance for the entire report was not obtained for the development of this document. However, KAEFER's approach on double materiality has been subject to an in-depth exchange with our external auditor.

KAEFER's reporting period is consistent between the sustainability report and the financial report. It runs from 1st of January to 31st of December. The KAEFER Sustainability Statement is prepared on a consolidated basis which is consistent with KAEFER's financial statements and ensures that all entities under its operational and financial control are included, unless otherwise stated. A full list of entities covered has been included at the end of the report (see Reporting Details section).

The statement highlights KAEFER's impact in both its upstream and downstream value chains, with a particular focus on emissions calculations and sustainability risks in its operations and supply chain. Where KAEFER is unable to collect the upstream and downstream value chain information, the information is estimated using any reasonable and supportable information, such as industry averages and other proxies that meet the qualitative characteristics of information.

KAEFER ensures consistency of key data, assumptions and qualitative information between the sustainability report and the annual financial statements and explains any discrepancies, taking into account topic-specific ESRS. The sustainability statement is prepared according to the qualitative characteristics of information, including relevance and faithfulness, comparability, verifiability, and understandability.

KAEFER reports its data in accordance with the ESRS definition for the short-, medium- and long-term time horizons. Any discrepancies are noted and commented on.

Time Horizons selected in line with ESRS:

- Short-term: within 1 year
- Medium-term: 1 to 5 years
- Long-term: more than 5 years

2023 has been defined as the base year for which information is available and against which subsequent data can be compared over time. Comparative information is presented in relation to the base year.

As an international company, KAEFER believes in diversity, equal opportunities, openness and respect. This is also reflected in our values and general communication. However, in the interest of better readability, all terms chosen within this report explicitly refer to all genders and identities.

KAEFER ensures that sustainability disclosures reflect the most accurate and up-to-date information available at the time of reporting. If new data or insights are received after the reporting period but before the ESG report is approved, KAEFER will, where appropriate, update relevant estimates and disclosures to reflect conditions existing at the end of the period. Additionally, if significant events or material transactions occur after the reporting period, KAEFER will provide narrative disclosures to describe their nature and potential impacts. Emission data and other key metrics are based on the best available information and assumptions as of the publication date.

Within the Scope 3 calculation, some metrics might be subject to a degree of measurement uncertainty which are highlighted accordingly. Further details can be found as an explanation next to the respective data points.

KAEFER maintains consistency in defining and calculating metrics for target setting and progress monitoring. Restated comparative figures will be provided when metrics are redefined or when new information requires adjustments, as per applicable standards.

KAEFER is committed to maintaining the integrity of its sustainability reporting by correcting material prior period errors in accordance with established policies. When such errors are identified, comparative amounts for the affected prior periods are restated unless it is impracticable to do so. Estimates are revised as additional information becomes available.

The data and assumptions used in the preparation of the sustainability statement are in line with the corresponding financial data to the extent possible. KAEFER does not disclose classified or sensitive information. However, every reasonable effort will be made to ensure that the omission does not detract from the overall relevance of the disclosure in question. Phase-in options concerning the omission of information in line with ESRS do not apply.

Double Materiality

KAEFER will be subject to the EU CSRD in future years. To prepare for the upcoming requirements specified in the ESRS, KAEFER evolved its double materiality assessment (DMA) in 2024. The first steps have already been taken in 2022 in line with the GRI Universal Standards 2021 and were expanded in 2023.

The concept of double materiality considers the financial implication of sustainability issues on KAEFER (Outside-In / Financial Materiality) as well as both the environmental and social impact of our business activities (Inside-Out / Impact Materiality). A sustainability topic meets the criteria of double materiality if it is material from at least one perspective.

The materiality of an Impact, Risk or Opportunity (IRO) is assessed across the entire value chain, considering KAEFER's own operations as well as upstream and downstream value chain.

As the impact of IROs might vary for different time horizons, the materiality is assessed with regards to short-, medium- and long-term time horizons. KAEFER applies the same time horizons as set in the ESRS. Where an IRO spans several time horizons, materiality is determined based on time horizon with the highest impact.

Value Chain

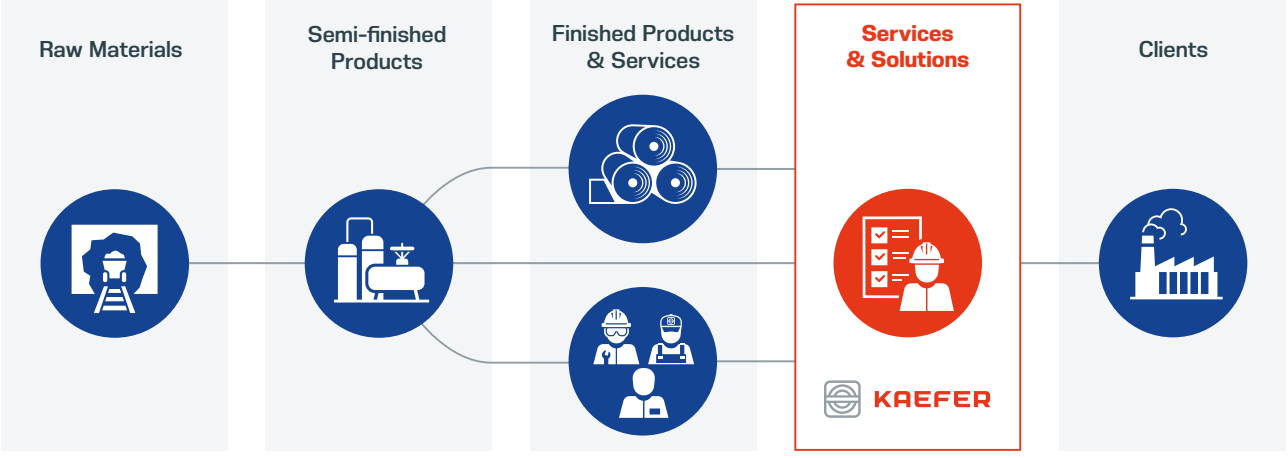
KAEFER operates within a highly international, professional, and complex value chain. As a business-to-business provider, we offer a wide range of services for major industrial clients across various industries, including energy, shipbuilding, and mechanical engineering.

In this context, we regularly act as a link between the upstream stages of the value chain, from the (semi-)finished product to the end customer.

We engage with a wide variety of company sizes, countries of operation, and industries in our upstream supply chain. Crucial to our business model are our partnerships with smaller service providers who work on our behalf on customer sites. Materials, including metals, insulation materials like mineral wool and polyurethane foam, solvents, and paints, are mainly procured at local specialist retailers and hardware stores.

Overall, what we purchase highly depends on the respective project characteristics and is largely determined by customer specifications.

KAEFER's Position in the Value Chain



Process

The analysis began with the development of a comprehensive overview of potentially material sustainability topics, guided by the framework outlined in ESRS 1. A thorough review was conducted to assess whether any KAEFER-specific additions were necessary. For the 2024 reporting period, no such adjustments were required.

To ensure a robust and well-founded process, benchmark analyses and targeted research were employed. The sources included risk assessments, ratings, benchmark results, insights from regular informal dialogues with suppliers, consultants, clients and banks, as well as publicly available inputs. This effort leads to the compilation of all identified topics into a preliminary longlist which also consists of the explicit ESRS specifications.

Based on this longlist, impacts, risks, and opportunities (IROs) were derived. Where appropriate, IROs were clustered to address multiple sustainability topics effectively.

Each IRO was characterised based on its classification (positive/negative as well as actual/potential impact or risk/opportunity). The scope was defined to indicate whether the IRO applies to the entire group or specific entities. On top, IROs were assessed based on likelihood of occurrence and severity. For impacts, severity was evaluated as a combination of scale, scope, and (for negative impacts) irremediability. For risks and opportunities, financial magnitude was considered as impacts on future cash flows and access to capital.

An impact or risk / opportunity score was determined through a combined evaluation of likelihood and severity. Moreover, the level of responsibility / trigger (within KAEFER's control, business relationship dependencies, resource dependencies) has been considered. For human rights related impacts, severity took precedence over likelihood.

The methodology is aligned with established risk management practices at KAEFER, such as the Compliance Risk Assessment, Project Risk Management, and Human Rights Risk Analysis. This approach aims to ensure consistent management strategies, a common understanding and leverage synergies across the organisation.

To identify material sustainability topics, an evaluation is carried out at sustainability topic level. In the next step, the outcome has been discussed with subject matter experts, as well as representatives from our internal HSEQ and sustainability community. Following our methodology, we clustered some of the matters to avoid duplication and used stakeholder dialogue to verify and assess impacts.

Material topics are then determined based on a defined materiality threshold for the impact or risk / opportunity score. This threshold is designed to ensure appropriate prioritisation of topics while avoiding the exclusion of significant issues. A topic is considered material if it includes at least one material IRO. For topics that are not sufficiently covered, additional company-specific information is provided. For 2024, no entity-specific indicator has been identified.

Financial Materiality		Impact Materiality			
			Severity		
Likelihood	Magnitude	Likelihood	Scale	Scope	Irremediability
Likelihood	Magnitude of the potential financial effects	Likelihood	Scale of the impact	Scope of the impact	Irremediable character of the impact
How likely is it that the risk or opportunity will materialise? (Scale from < 10% to > 90%)	**How big of an impact would this risk or opportunity have if it was to materialise?** (Scale from negligible to jeopardise business continuity/game changer)	**How likely is it that the (potential) negative or positive impacts will occur?** (Scale from < 10% to > 90%)	**How severe are the (potential) negative or positive impacts?** (Scale from negligible to severe)	**How broad are the (potential) negative or positive impacts?** (Scale from highly localised to worldwide)	**To what extent is it possible to remediate the negative impacts?** (Scale from recovery not required to irreversible)

In the case of a potential negative human rights impact, the severity of the impact takes precedence over its likelihood.

If the materiality assessment results in the identification of situations where measures to address certain impacts result in a material negative impact/risk, KAEFER discloses this and provides a description of how the material negative impact/risk is addressed within KAEFER's due diligence process in accordance with the disclosure requirements of ESRS 2 and the topical ESRS.

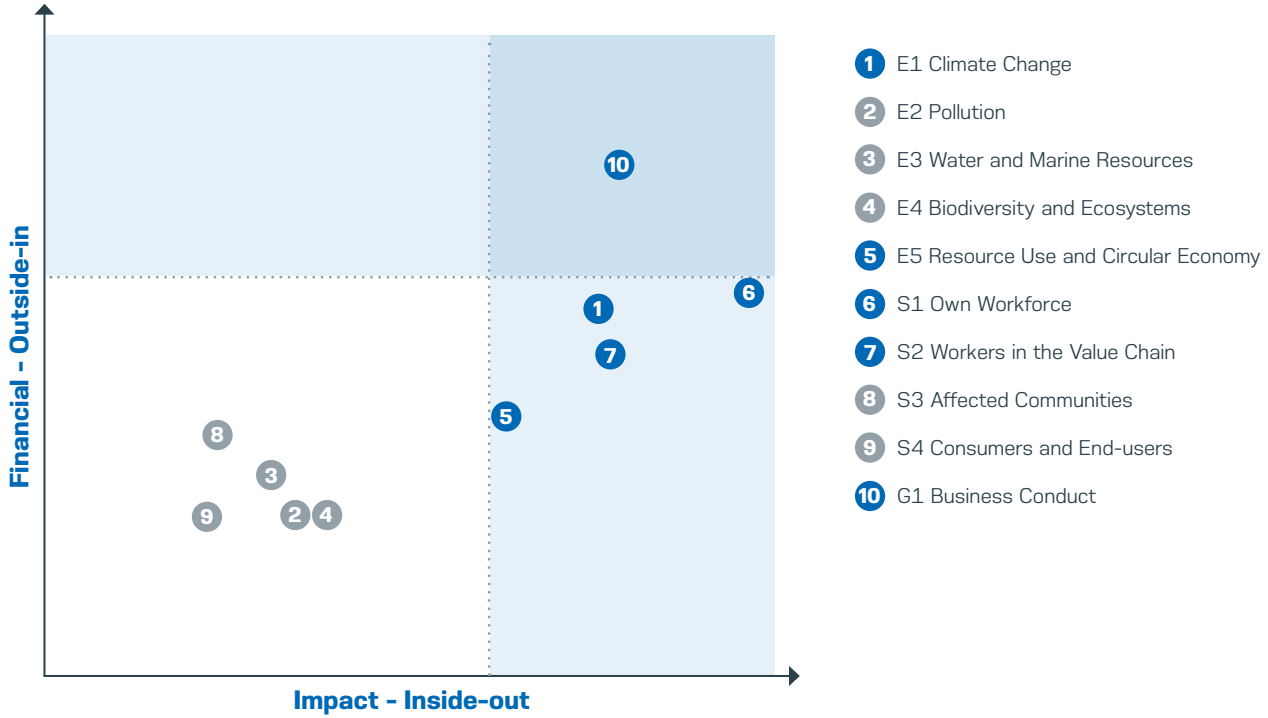
To finalise the process, an allocation of all material IROs to the respective ESRS topics and standards has been performed to determine the reporting requirements. In ESRS terms this relates to E1 Climate Change, E5 Circular Economy, S1 Own Workforce, S2 Workers in the Value Chain and G1 Governance. A list of all respective data points can be found at the end of this report.

The outcome of the entire process has also been shared with KAEFER's Executive Board.

Results

The following matrix presents an overview of the results of the assessment on sustainability topic level. For each material topic or cluster of topics, an overview of material IROs will be provided at the beginning of each chapter.

Results of KAEFER's Double Materiality Assessment 2024



Stakeholder Engagement

KAEFER actively engages with a wide range of stakeholders as part of its overall management approach, as well as its due diligence and double materiality assessment process including employees covering worker representatives, customers, suppliers, financial market participants, governments, regulators, NGOs, and the public, to explore their views in regards to strategy and business model , perceptions of material ESG issues and demonstrate a commitment to incorporating diverse viewpoints into its strategic planning, ensuring the ESG strategy addresses external concerns and priorities. As part of our stakeholder engagement, we considered both affected stakeholders and those who are users of the information we publish.

The following stakeholder groups have been identified to be key and thus require a regular and intensive involvement.

Stakeholder Group	Channels	Crucial Topics	Our Strategy	Our Actions
Customers Downstream	– Client meetings and assignments – Client events – Prequalification and tender process – Ratings (EcoVadis, CDP)	– Health and safety – Environmental and climate impact – Equity and diversity – Recycling/Circular economy	– Understand their needs – Ensure competitiveness – Prove commitment to ESG	– Regular exchange with strategic customers on sustainability – Providing ESG information (e.g. as part of questionnaires)
Management Own operations	– KAEFER Business Days / Strategy Meetings – Management meetings – Boards and committees	– Health and safety – Working conditions – Climate impact – Economic sustainability – Development and value creation – Mandatory regulation	– Understand their needs – Create engagement / ensure participation – Agree on targets	– Regular exchange – Quarterly review meetings – ESG Sounding Board / Local ESG Committees – Regularly presentation to the Administrative Board
Employees & Representatives Own operations	– Intranet & Social media – Employee survey (including eNPS) – Meetings – Trainings	– Working conditions – Health and safety – Values and ethics – Training – Equity and diversity	– Explain our approach – Create engagement / ensure participation – Take complaints / concerns seriously	– Townhall meetings/Meetings with workforce – Coordination with (group) works council – Active involvement through campaigns
Suppliers & Partners Upstream	– Suppliers' meetings – Contract negotiations – Review meetings	– Anti-corruption and bribery – Work environment, labour conditions and human rights – Environmental and climate impact	– Explain our expectations – Understand their abilities / limitations – Cooperate to improve	– Regular exchange with strategic suppliers on sustainability issues (E.g. Roundtable meetings) – Self-assessment questionnaires as part of the German Supply Chain Act implementation
Shareholders & Financial Institutions	– Financial reporting – Investor meetings – Stakeholder surveys – Press releases	– Development and value creation – Corporate governance and ethics – Environmental impact – Sustainable investments	– Understand their needs – Prove commitment to ESG – Stay attractive	– Participation in a sustainability-focused networking initiative hosted by one of our shareholders – Regular exchange with shareholders representatives on ESG matters – Regular exchange with financial institutions
General Public & Authorities	– Meetings with authorities, politicians and researchers – Traditional and social media	– ESG Compliance – Delivering from a sustainability perspective – Sustainable products – Circular economy	– Create transparency – Meet legal requirements – Take complaints / concerns seriously	– Public reporting on ESG and sustainability – Freely accessible complaints procedure – Membership in Econsense sustainability network – Founding member of European Industrial Insulation Foundation (EiiF)

Environment

E1 Climate Change

Tackling climate change is one of our sustainability commitments and manifested in our science-based near-term, long-term and net-zero targets which are the catalysts for our efforts in climate change mitigation and adaptation, energy efficiency, and the transition to a low carbon economy.

Impacts, Risks and Opportunities (IRO) related to ESRS E1 Climate Change

IRO	Description	Type	Location in Value Chain	Time Horizon
GHG Emissions	KAEFER's operations generate greenhouse gas emissions from its vehicle fleet and energy use. The majority of our emissions arise from the upstream supply chain, including purchased materials, transport, and travel.	Actual, negative impact	Upstream value chain Own operations	Long-term
Energy efficiency and low GHG technologies	KAEFER supports its clients in increasing their energy efficiency. Due to increasing legal requirements and CO_2 prices, demand is expected to rise. At the same time, the conversion of industrial energy supply to hydrogen, for example, offers various opportunities for KAEFER.	Potential, positive impact	Own operations	Long-term
Customer-related transition risks of climate change	As climate change progresses, stricter regulations regarding GHG emissions as well as rising CO_2 prices are to be expected. The fact that KAEFER clients are partly active in GHG-intensive industries can increase their operating costs so dramatically that they either relocate to countries without regulation / CO_2 prices or even abandon business models thus reducing demand for KAEFER services.	Risk	Downstream value chain	Long-term

As an international service provider that is supporting clients all over the world to improve the efficiency of their industrial facilities and assets, KAEFER supports the Paris Climate Agreement as we are convinced of the objectives of this agreement. As a result, KAEFER has set itself ambitious targets and systematically analyses Greenhouse Gas emissions and other environmental impacts along its entire value chain with the aim to make climate protection a key element of its ESG and business strategy.

Targets

Our science-based targets serve as the foundation of our climate transition plan, ensuring that our actions are aligned with the global goal of limiting warming to 1.5°C and setting ambitious targets to reduce greenhouse gas emissions across our operations and value chain.

Looking further ahead, our net-zero target for 2050 aims to eliminate greenhouse gas emissions across our entire value chain. At that point, any residual emissions will be neutralised using credible offsets and removals, marking our transition to a fully climate-neutral future.

To achieve these goals, we have developed a climate transition plan that highlights key areas for improvement and outlines the emission reductions needed to meet our targets. This plan helps reinforce the credibility of our goals and includes practical measures based on science-based benchmarks. It serves as the foundation for a decarbonisation strategy, organised around four key milestones: defining decarbonisation levers, identifying trends, setting reduction targets based on analysed scenarios, and turning these into actionable steps at the entity level. We started by analysing our 2023 baseline GHG emissions to identify high-priority areas with the greatest potential for meaningful reductions.

The selection was guided by two key criteria: the extent to which emissions could be directly controlled and their overall contribution to total emissions, ensuring that only categories with a substantial impact on the company's overall carbon footprint were considered.

Our own emissions (Scope 1 and 2) were prioritised, as these categories offer the greatest potential for direct influence and control. In addition, categories within the value chain (Scope 3) with emissions exceeding 10,000 t CO_2e—such as Purchased Goods and Services, Capital Goods, Employee Commuting, and Business Travel—were included to address significant contributors to our overall footprint. To maximise efficiency, Scope 3.1 and 3.2 emissions were further refined by focusing on high-impact and uniform subcategories only. Together, these key decarbonisation levers account for approximately 56% of our total baseline emissions.

Overall Net-Zero Target:
KAEFER SE & Co. KG commits to reach net-zero GHG emissions across the value chain by 2050.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

THE NET ZERO STANDARD
APPROVED NET-ZERO TARGETS

Near-Term Targets:
KAEFER SE & Co. KG commits to reduce absolute Scope 1 and 2 GHG emissions 50.4% by 2032 from a 2023 base year*. KAEFER SE & Co. KG also commits to reduce absolute Scope 3 GHG emissions 30.0% within the same timeframe*.

Long-Term Targets:
KAEFER SE & Co. KG commits to reduce absolute Scope 1 and 2 GHG emissions 90.0% by 2050 from a 2023 base year*. KAEFER SE & Co. KG also commits to reduce absolute Scope 3 GHG emissions 90.0% within the same timeframe*.

*The target boundary includes land-related emissions and removals from bioenergy feedstocks.

"Think of SBTi as a Michelin star: just as it signals excellence in cuisine, SBTi validation signals excellence in a company's commitment to sustainability. We are incredibly proud of this milestone, but like a Michelin-starred chef, we know that this is just the beginning, and there is a lot of hard work ahead of us."

Erhard Dubs, Head of Corporate Strategy & ESG

Building on the identified key decarbonisation levers, we analysed their short-, medium- and long-term developments. The analysis considered projected decarbonisation trends, including technological advancements, regulatory changes, and market developments, while assuming steady progress toward the 1.5°C target. From this, we were able to forecast the potential emission reductions for each category, allowing us to establish efficient reduction targets.

Actions

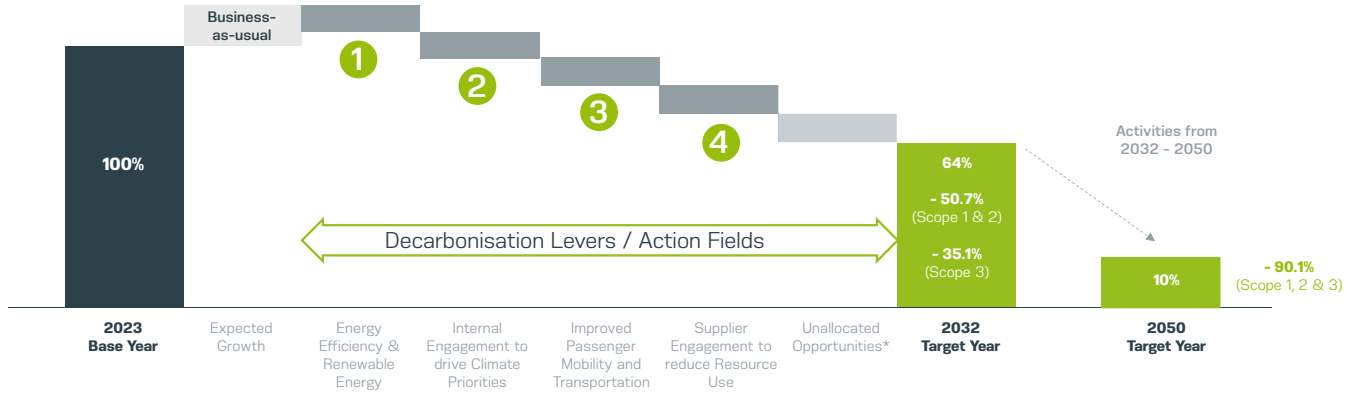
To achieve these targets, we identified four overarching action fields, each capable of driving cross-lever impact on emissions throughout our operations and value chain. The action fields focus on enhancing energy efficiency and transitioning to renewable energy, strengthening internal engagement to integrate climate priorities into daily operations, reducing emissions in mobility and transportation, and collaborating with suppliers to minimise GHG emissions and resource use.

By narrowing the scope to key decarbonisation levers, we ensure actionable, concrete steps for emission reductions. However, there are additional opportunities beyond these core areas that could further contribute to reducing KAEFER's overall emissions, which we will continue to explore and address as part of our ongoing sustainability efforts.

To ensure effective execution, all entities worldwide have been provided with checklists of practical measures tailored to their specific needs. Many have already begun implementing these actions, taking proactive steps towards achieving our climate goals.

*KAEFER identified key decarbonisation levers based on their level of controllability and their impact on overall emissions. Only these levers were incorporated into the climate transition plan and translated into action fields for emissions reduction. All other categories are grouped together as unallocated opportunities.

Climate Transition Plan



1 Increased Energy Efficiency and Switch to renewable Energy

Reducing Scope 1 and 2 emissions is achieved through a combination of improved energy efficiency, electrification, and the transition to renewable energy. Key actions include modernising buildings and heating systems to improve energy performance, along with conducting regular energy audits. By using 100% green energy and increasing the share of electric vehicles, emissions are significantly lowered, supporting the decarbonisation of our operations.

2 Building internal Engagement to drive Climate Priorities

Internal engagement is crucial to drive climate priorities. This includes regular trainings, workshops, and information campaigns to raise awareness, along with leadership commitment and a clear vision. A comprehensive communication strategy, along with incentive programs, encourages staff involvement and motivates action, ensuring a collective effort toward decarbonising operations and achieving sustainability goals.

3 Actively chase Emission Reduction in Passenger Mobility and Transportation

We are dedicated to reducing transportation emissions by promoting low-carbon travel for employees and subcontractors, subsidising eco-friendly travel options, and collaborating with suppliers who prioritise low-carbon transportation. Our efforts include striving for a nearly fully electrified vehicle fleet, partnering with logistics companies using electric vehicles, and encouraging the increased use of low-emission public transport.

4 Engagement with Suppliers to reduce GHG Emissions and Resource Use

We are committed to working with suppliers to reduce GHG emissions and resource use. This includes increasing recycled content in materials like aluminium and steel, sourcing sustainable materials, and prioritising suppliers who use renewable energy for production processes. We also support programs that help suppliers reduce emissions and promote a circular economy, driving a more sustainable supply chain.

ENERGY CONSUMPTION AND MIX	2024
Total Renewable Energy Consumption (MWh)	5,255
Share of Renewable Sources in total Energy Consumption (%)	2.6%
Total Energy Consumption (MWh)	205,041

The effectiveness of the measures with which KAEFER intends to achieve its science-based targets is evaluated on the basis of our group-wide emission reporting and monitoring system covering Scope 1, 2 and 3 emissions.

KAEFER calculates and documents its GHG emissions in accordance with the Corporate Accounting and Reporting Standard 2004 of the GHG Protocol using a software solution which incorporates internationally applicable and recognised emission factors from DEFRA, MLC (formerly GaBi) and USEEIO. The figures for Scope 1 and 2 intensity are subject to an external audit with limited assurance.

KAEFER discloses reporting boundaries on GHG emissions across all legal entities operationally and financially controlled by the company. This includes buildings and offices, as well as vehicles owned or controlled by the company (i.e. for which KAEFER pays and influences energy consumption).

Emissions for Scope 1 and 2 are reported in the year in which they occur. Scope 3 emissions can occur simultaneously, upstream, or downstream of our business activities.

For Scope 3, not all of the 15 categories are material for KAEFER due to a lack of relevance to our business model. This assessment has been confirmed within the validation process by the SBTi in 2024. All details can be found in the GHG emission accounting principles in the appendix.

For 2024, we see an increase in our overall emissions which is on the one hand coherent with our business growth, but is also due to some previous underreporting of emission-related consumption. However, since the deviations are below our threshold, a recalculation and restatement of our base year figures is currently not executed. In the event of further adjustments or detecting of errors that exceed the threshold boundaries, a recalculation and publication of re-stated figures will be done in line with our SBTi commitment and reporting obligations.

Despite the overall development, we see a decrease in our Scope 2 emissions, mainly due to an increasing share of renewable electricity consumption, which accounted for 17.5% in 2024.

Overall, we perceive this as a necessary steps towards a transparent and consistent reporting and we see ourselves still climbing up the learning curve.

TOTAL OPERATING PERFORMANCE FOR INTENSITY CALCULATION	2023	2024
Total Operating Performance (in financial statements)	2,256.8	2,357.4
Add back of Intragroup Business	108.6	68.2
Total Operating Performance used to calculate GHG intensity	2,365.4	2,425.6

GHG EMISSIONS	RETROSPECTIVE			TARGETS	
	2023 (BASE YEAR)	2024	CHANGE (IN %)	2032	2050
Scope 1 GHG Emissions					
Gross Scope 1 GHG Emissions (tCO_2e)	35,589	47,521	33.5	17,796	3,588
Scope 2 GHG Emissions					
Gross location-based Scope 2 GHG Emissions (tCO_2e)	4,319	3,577	-17.2	2,005	404
Gross market-based Scope 2 GHG Emissions (tCO_2e)	5,158	4,883	-5.3	2,743	553
Significant Scope 3 Emissions					
Total Gross indirect (Scope 3) GHG Emissions (tCO_2e)	519,735	547,941	5.4	364,598	52,085
1 Purchased Goods and Services	421,461	450,451	6.9	295,785	42,255
2 Capital Goods	27,805	30,206	8.6	19,463	2,780
3 Fuel and Energy-related Activities - (not included in Scope 1 or Scope 2)	9,285	12,488	34.5	6,517	931
4 Upstream Transportation and Distribution	14,508	15,259	5.2	10,512	1,450
5 Waste generated in Operations	401	640	59.7	287	41
6 Business Travel	15,589	17,152	10.0	10,912	1,559
7 Employee Commuting	30,686	21,746	-29.1	21,480	3,069
Total GHG Emissions					
Total GHG Emissions (location-based) (tCO_2e)	559,643	599,040	7.0	384,399	52,490
Total GHG Emissions (market-based) (tCO_2e)	560,482	600,345	7.1	385,136	52,638
Intensity					
Intensity (Scope 1 & 2) – Market-based (gCO_2e/EUR)[1]	17.2	21.6	25.4	-	-

Note: emission data for target years was calculated based on SBTi commitments assuming a linear reduction. Some figures for 2023 have been slightly modified and updated after the external audit in 2024.

1 Based on Total Operating Performance 2024

Climate Risk Analysis

As we are fully committed to reduce our impact on the planet, climate-related risks and opportunities are directly linked to our business model and strategy. It is therefore a key component to assess the climate resilience of our business by looking at climate-related transition and physical risks and opportunities, in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

The first climate risk assessment has been conducted in 2023 to identify risks and opportunities for the group and its business model in line with TCFD recommendations. Our analysis covers the entire group and comprises of an assessment of the resilience of KAEFER's strategy based on different climate-related scenarios, including a 2°C or lower scenario. This approach helps to identify and assess potential implications for a range of plausible future states under conditions of uncertainty. Although these scenarios are hypothetical constructs, they provide a method to consider how the future might look if certain trends continue or specific conditions are met.

For KAEFER's assessment, the following science-based reference scenarios from the International Energy Agency's World Energy Outlook (IEA WEO) and the Intergovernmental Panel on Climate Change (IPCC) were chosen:

Transition Risk Scenarios: IEA WEO 2022
Net-Zero 2050 Scenario (NZE2050 = 1.4°C)
Stated Policies Scenario (STEPS = 2.5°C)

Physical Risk Scenarios: IPCC AR6
Stabilisation Scenario (RCP4.5 = 2.7°C)
Hothouse-world Scenario (RCP8.5 = 4.4°C)

From the range of available scenarios, high emission scenarios as well as low emission scenario have been selected to assess risks across multiple plausible pathways.

KAEFER determined the identification and relevance of the climate-related impacts, risks and opportunities in our own operations and along the upstream and downstream value chain through the sustainability context and sectoral peer analysis. The assessment has been performed by KAEFER's Corporate Strategy & ESG department supported by external consultants.

Our focus on climate impacts, risks and opportunities means that we look at these primarily from an outside-in perspective. KAEFER assessed the magnitude, likelihood, duration, time horizon, and area of impact of risks considered relevant, as well as the potential financial impact. Time horizons for the climate risk assessment differ from conventional financial and business planning in order to provide management with an even more forward-looking perspective.

The following thresholds for risk characterisation have been applied:

Magnitude of financial impact:
- 5 categories from "critical" (> 5 mEUR) to "insignificant" (< 100 tEUR)

Likelihood (in line with CDP):
- 9 categories from "virtually certain" to "unknown"

Time horizons:
- short-term (up to 3 years)
- mid-term (4 – 7 years)
- long-term > 7 years

Overall, this assessment of climate-related impacts, risks and opportunities for KAEFER creates transparency on transition and physical risk hotspots as well as potential strategic opportunities. As such it is a starting point for KAEFER to build knowledge, create awareness, and eventually integrate climate-related impacts, risks and opportunities into risk management processes and strategic decision-making. This will allow us to manage the transition and increase the resilience of our business model.

Key Findings

Since KAEFER has no capital-intensive production assets, the findings confirm that the financial impact of physical climate risk is in the short- to mid-term limited. The most significant risks result from effects of acute weather events and rising mean temperatures. Due to the slight proportion of direct emissions (Scope 1), KAEFER's direct exposure to carbon pricing risks is limited.

Where transitional risks occur, it is because of the potential impact of the low-carbon transition related to emission-intensive players within the downstream value chain. As a service company, KAEFER is in a position to benefit from the transition to a low-carbon economy by taking an active role in the market, successfully positioning itself as a partner in the transition from an emission-intensive business model to a low-carbon business model.

A simplified simulation of KAEFER's current business exposure under the "Net-Zero 2050 Scenario" (a pathway to limit global warming to 1.5°C above pre-industrial levels in line with the ambitious Paris Agreement goals) illustrates the robustness of the business model, where the impact of a potential phase-out of oil and gas might be compensated for via increasing climate mitigation/adaption activities.

Results of KAEFER's Climate Risk Assessment

Material risks and opportunities have been considered for the assessment.
Non-material topics have been greyed out.

Transition Risks

Policy / Legal
- 1 Increased pricing of GHG emissions
- 2 Enhanced emissions reporting obligations
- 3 Mandates on, and regulation of, existing products and services
- 4 Exposure to litigation

Market
- 5 Changing customer behaviour
- 6 Uncertainty in market signals
- Increased costs of raw materials

Technology
- Substitution of existing products & Services with lower emissions options
- Unsuccessful investment in new technologies
- 7 Costs to transition to lower emissions technology

Reputation
- Shifts in consumer preferences
- Stigmatisation of sector
- 8 Increased stakeholder concern or negative stakeholder feedback

Physical Risks

Acute
- 1 Increased severity of extreme weather events such as cyclones and floods

Chronic
- Changes in precipitation patterns and extreme variability in weather patterns
- 2 Rising temperatures
- Rising sea levels

Opportunities

Resource Efficiency
- 1 Use of more efficient modes of transportation
- Use of more efficient production and distribution processes
- Use of recycling
- 2 Move to more efficient buildings
- Reduced water usage and consumption

Products and Services
- 3 Development and/or expansion of low emission goods and services
- 4 Development of climate adaptation solutions
- Development of new products/ services through R&D and innovation
- Ability to diversify business activities
- Shift in consumer preferences

Reputation
- Participation in renewable energy programs and adoption of energy efficiency measures
- Resource substitutes/diversification

Energy Source
- Use of lower emission sources of energy
- Use of supportive policy incentives
- Use of new technologies
- Participation in carbon markets
- Shift toward decentralised energy generation

Markets
- 5 Access to new markets
- Use of public-sector incentives
- Access to new assets and locations needing insurance coverage

EU Taxonomy

KAEFER supports the transformational objectives of the EU Taxonomy Regulation, which matches our ambition to accelerate our industry's transition to a net-zero world. However, for good reasons, the regulation currently prioritises activities with a large share of overall emissions and huge reduction potential, including the manufacturing, transportation, and construction industry. This approach excludes many activities in our industry, where the potential impact could be significant but is currently not covered by the available guidelines.

Eligibility

We have identified our taxonomy-eligible activities by screening the economic activities outline in the Delegated Acts. Overall, the findings of this initial assessment confirm that KAEFER has a limited number of potentially taxonomy-eligible activities. Those include infrastructure projects, remediation services and energy efficiency installation and maintenance whereby the eligibility in a specific case depends on various factors, such as the customer's industry.

In 2024, we have implemented changes to our current project controlling process to more accurately identify eligible activities as a foundation for future taxonomy reporting.

Alignment

Moreover, a concept to assess compliance with the "Technical Screening Criteria" for turnover and capital expenditures was developed in 2024. Focussing on the minimum safeguards in a first step, KAEFER has assessed its maturity regarding human rights due diligence and compliance management (esp. bribery and corruption, anti-trust and tax). Based on the lessons learned, we will work to further strengthen our management systems to achieve full conformity from the start of the disclosure requirements.

Taking into account KAEFER's asset-light business model, we consider our operating expenses - which focus on the costs of day-to-day maintenance of the company's assets - to be immaterial.

In general, we hope the role of industrial service providers with manual workers expertise will be better reflected in the EU Taxonomy Regulation in future times in order to fully leverage the transformational benefits we all aspire to. For this reason, we are following the current political discussions at European level on simplifying the EU Taxonomy and making it more practical with great interest. In our view, the simplification of the evaluation process for the "Do No Significant Harm" (DNSH) criteria, the introduction of materiality thresholds and the use of estimates would help to reduce the implementation effort without diluting the beneficial purpose of the regulations.

ESG Highlights 2024

CDP Rating

Our efforts are acknowledged by CDP (formerly known as Carbon Disclosure Project), a global organisation that assesses and rates the environmental performance of companies and institutions. CDP questions are designed to compile data on organisational climate change risks and opportunities, carbon emissions, energy efficiency, water use, and deforestation. In the end, the NGO scores companies based on their responses to its annual questionnaire on a scale of A to F.

In 2024, KAEFER has been ranked:

- B for Climate
- C for Forests
- C for Water Security

KAEFER is focussing its efforts on the "Climate" section in line with the results of its double materiality assessment, as "Forests" and "Water Security" have been currently assessed as being non-material. While we recognise that biodiversity is vital to the achievement of most SDGs and underpins human well-being and livelihoods, the aspect is not a material sustainability matter for KAEFER's business operations. At KAEFER, we want our organisation to have a minimal impact on natural ecosystems throughout the entire value chain and aim to conserve biodiversity and avoid negative impacts. Our direct impacts are limited by the fact that we provide services in established industrial areas. Furthermore, no water is used in production at our workshops (prefabrication of insulation, etc.) and only for drinking and sanitary purposes at our facilities.

World Environment Day at KAEFER

World Environment Day on 5th of June has been initiated to encourage awareness and action for the protection of our planet. This year's theme was focussing on resilience. As a result, different KAEFER entities participated in tree planting campaigns to green the planet. In the UAE, tree planting around the facilities further helps to stop desertification. On top, awareness campaigns took place on sites and in office locations, including interactive sessions on sustainable practices and habits.

Fleet Management Award in Brazil

In Brazil, KAEFER's team from RIP became 3rd within the 100 Best Fleet Award contest. The competition focusses on best practices in fleet management, highlighting the 20 most outstanding companies within the entire country. KAEFER's Brazilian team convinced the organisers with their approach that successfully combines purchasing, environmental and safety aspects.

Reduction initiatives in Middle East

KAEFER Qatar has deployed solar lighting throughout its Ras Laffan facility to reduce carbon emissions. To minimise resource consumption, KAEFER Oman implemented sun protection films, converting all yard lights to solar and using scrap materials for shelter areas.

E5 Resource Use and Circular Economy

We have a responsibility to continuously improve our resource consumption in terms of efficiency and minimise waste. KAEFER fosters best practices and explores opportunities to leverage our global purchasing volume as a worldwide operating service provider to promote circular economies wherever possible. However, since KAEFER is mainly purchasing services, and materials are used and disposed on clients' sites, resource inflow is not seen as a material aspect.

Impacts, Risks and Opportunities (IRO) related to ESRS E5 Resource Use and Circular Economy

IRO	Description	Type	Location in Value Chain	Time Horizon
Extending lifespan and recycling	KAEFER's services help to extend the lifespan of our clients' facilities (e.g. through maintenance and repairs). This reduces resource consumption and the environmental footprint. Also, KAEFER is supporting our customer regarding the recycling of contaminated materials (e.g., insulation, cladding).	Actual, positive impact	Own operations	Short-term
Waste generation	Waste generated by our operations and offices, especially hazardous waste like contaminated insulation materials, can contribute to environmental degradation if not managed properly. This includes waste from manufacturing processes and packaging materials, some of which may be hazardous and require specialised disposal methods.	Actual, negative impact	Upstream value chain Own operations	Short-term

Our Approach (Policies)

KAEFER has identified different waste aspects in the upstream value chain and its own operations. Within our upstream value chain, waste streams occur due to production of purchased goods and materials and related packaging in accordance with local logistics, which are out of control from KAEFER. Our material purchase and related waste factors are strongly dependent on the individual character of the service that we execute as well as the location. Compared to companies in the manufacturing sector, we only have a small quantity of waste.

Our office-based operations mostly generate household-type waste. Waste reduction awareness campaigns are in place across many locations to encourage behavioural change in this area.

In operations, the different locations and characteristics of clients site, changing technical specifications and varying operational processes have significant impact on the individual material usage.

Our approach on waste management and circular economy is defined in our environmental policy that serves as a guideline and framework on how we govern the proper management, handling and disposal.

Targets

Due to the nature of our business, setting of reduction targets is difficult. As the quantity and nature of waste is project-driven and within the control of our clients, setting targets based on volume is rather not reasonable. Therefore, KAEFER has decided to work towards the correct sorting of waste which means that all items are correctly separated out for recycling, composting or other specific disposal methods.

Actions

Acting as a service provider incorporates already little material consumption, thus – based on our experience - we have already a very low level of waste. LEAN principles are a proper tool which has been implemented along all KAEFER entities in order to maintain a level of efficient and reliable operation in all services.

This includes best practice sharing for operational equipment and applying LEAN principles through monitoring our administration, project planning and execution to optimise material flow and redundant process elements.

However, as we serve our customers directly on their premises, our waste management is typically incorporated into the clients' waste handling process. This allows us to adapt recycling schemes established from the plant owners but has limitations in the ability to control material flows, select waste handling companies and monitor specific waste volumes. For the quantities that we are in charge of, the proportion of hazardous waste is relatively small and amounts to 5.6% in 2024.

In 2024, the awareness and reporting has been a focus topic within our HSEQ network to further improve the group-wide waste reporting among all entities. As a result, more waste streams could be included into our group-wide reporting. This also resulted in a lower level of sorting compared to 2023. In 2024, our sorting rate accounted for 62.0%.

On top, guiding principles for waste management have been developed and implemented to provide best practice on waste management standards and clear roles and responsibilities for line managers and site personnel. These best practices are continuously re-assessed and further developed.

WASTE	2024
Volume and Type	
Non-hazardous Waste (t)	6,977
Hazardous Waste (t)	388
Share of Waste Treatment	
Incineration	35%
Landfill	16%
Recycling	30%
Recovery	11%
Other Disposal Methods	4%
Disposal Method not known	4%

ESG Highlights 2024

Recycling initiative on the occasion of World Earth Day

World Earth Day is marked every year on 22nd of April. The purpose of this day is to raise awareness of environmental issues and to mobilise people all over the world to take action for the environment. At KAEFER, we are not just concerned about the environment but we are convinced that everyone needs to take action to protect it.

At KAEFER Borneo, the team successfully launched a recycling programme to help conserving natural resources and minimise landfill by focussing on proper segregation, handling and disposal. In Poland, the team initiated creative challenges such as a recycling game, assembling of birdhouses, as well as waste collection and segregation competition.

"Clean" Walk in Paris

While meeting for one of their international training sessions, the members of KAEFER's personal development programme for high potentials "GROW" went on a waste walk through the French capital. During their 9km long walk, they have collected approximately 25kg of waste, mainly cigarette butts and plastic packaging.

Say "no" to Single-use Plastic

In Malaysia, KAEFER launched the "say no to single-use plastic campaign" to reduce waste and protect the environment. To kick-off the initiative, cotton bags and glass water bottles have been distributed to all employees. Further project steps to reduce single-use plastics in different areas will be rolled-out throughout the year.

Garnet Return Programme in Saudi Arabia

Abrasive blasting is an essential part of surface preparation in industrial fabrication projects, but the disposal of spent garnet can pose environmental challenges. Without a structured recycling initiative, used garnet often ends up in landfills, leading to increased waste generation and disposal costs. KAEFER in Saudi Arabia sought a more sustainable and cost-effective solution that aligned with its ESG objectives, particularly in the areas of circular economy and emissions reduction.

By partnering with Garnet Arabia Company (GAC), GMA Garnet Group's local subsidiary in Saudi Arabia, KAEFER has adopted a closed-loop approach to garnet use. Instead of disposing spent abrasive, the company returns it to GAC's reprocessing facilities, where up to 80% of the garnet can be recovered and reintroduced into the supply chain for other ancillary applications. This initiative contributes to reducing landfill and creating a longer lifespan for every grain of garnet mined.

Social

S1 Own Workforce

At KAEFER, we employ over 33,000 people and work in approximately 30 countries around the world. As a people business, KAEFER's success relies on their expertise, dedication and experience. Consequently, the number of IROs related to our own workforce is significantly higher compared to other ESRS standards. The IROs apply to all employees within the KAEFER Group; however, negative impacts related to health and safety are particularly relevant for employees performing manual work on site.

Impacts, Risks and Opportunities (IRO) related to ESRS S1 Own Workforce

IRO	Description	Type	Location in Value Chain	Time Horizon
Health, safety & well-being of our employees	Employees are exposed to high risks such as working at heights, handling heavy equipment and complex installations, which can lead to serious accidents. Demanding assignments, overtime, pressure to perform and being away from family due to location-related assignments makes the work-life balance more difficult, resulting in stress, exhaustion and long-term mental health problems.	Actual, negative impact	Own operations	Short-term
Adherence to labour and human rights standards	Monitoring work hours and rest periods on sites remains challenging. Adherence to local minimum wage laws may not always ensure coverage of basic living costs. KAEFER also operates in regions where unionisation and collective bargaining rights are restricted, which can hinder progress in improving labour practices due to limited negotiation channels. When working with migrant workers, we face risks such as debt bondage resulting from exploitative recruitment fees and inadequate housing conditions, particularly in countries with weak government oversight.	Actual, negative impact	Own operations	Short-term
Inclusion, training and skill development	KAEFER offers secure employment, contributing to employees' financial stability. We provide comprehensive employee support and development opportunities that enable employees to develop skills, improving job performance and creating advancement opportunities. By providing employment opportunities for persons with disabilities, we support them to achieve economic independence, develop a sense of purpose, and feel valued in their professional environment	Actual, positive impact	Own operations	Short-term
Work place characteristics & labour disputes	Work place characteristics of our industry and challenging working conditions may lead to low employee satisfaction, high staff turnover and additional recruitment costs, enhancing labour shortage. Risk of legal disputes might involve considerable financial and reputational damage.	Risk	Own operations	Short-term

Our Approach (Policies)

We employ people all around the world, whether in administrative roles or in operational functions. As we are specialised in hands-on manual labour work, our workforce consists of a high share of skilled operational staff (so-called "Blue Collar"). A minor share of employees is working in administrative, managerial and planning roles, usually in offices (so-called "White Collar").

Within our business, having the right people at the right place at the right point of time is key to success. Taking into account specific project characteristics and availability of skilled workers on specific markets, we aim to prioritise employing our own operational workers, providing them with secure and long-term employment.

Still, as customer demand for specialised skills varies over time and is sometimes driven by individual projects, we need to rely on temporary workers to a significant extent.

Peak times are also covered by building on additional manpower from commissioning of subcontractors and workers provided through labour agencies.

Metrics & Targets

We are proud of our employees that are dedicated to performing their tasks in sometimes harsh environments, remote areas and sometimes under challenging climate conditions directly on our clients' sites. At the same time, these factors contribute to the fact that KAEFER's workforce is - as is typical for the industry - male-dominated. Female employees perform "White Collar" functions particularly frequently.

However, progress has been made in recent years and there are also cultural regional differences within KAEFER.

Share of Blue Collar and White Collar Employees

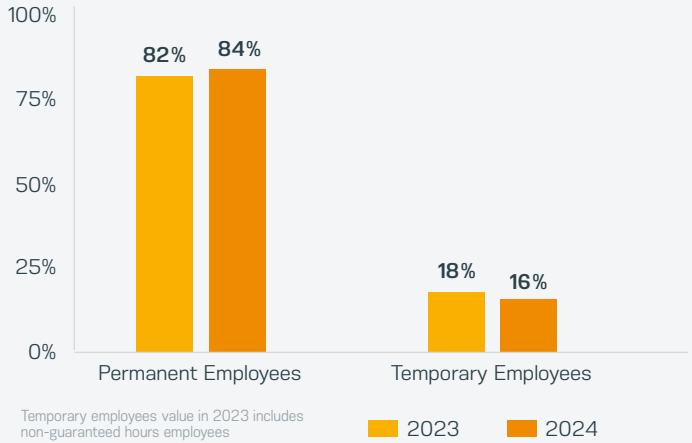
82% of our employees are working on site ("Blue Collars")

Skilled workers providing hands-on manual labour work, mainly on clients' sites such as insulators and scaffolders.

18% of our employees are working in offices ("White Collars")

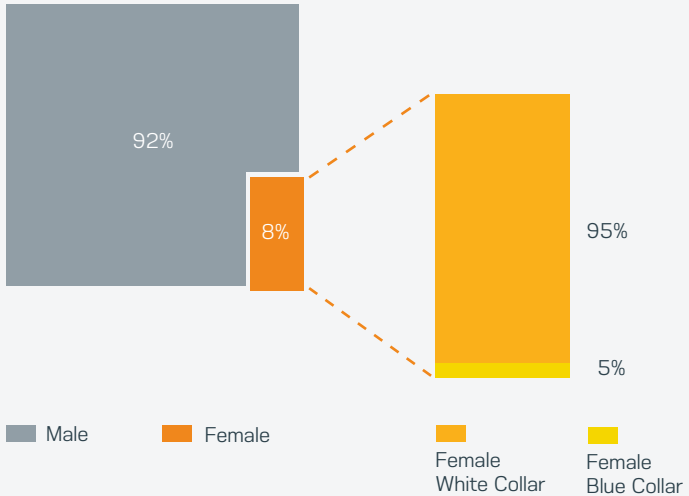
Colleagues involved in administrative, managerial and planning roles.

Permanent and Temporary Employees



Temporary employees value in 2023 includes non-guaranteed hours employees

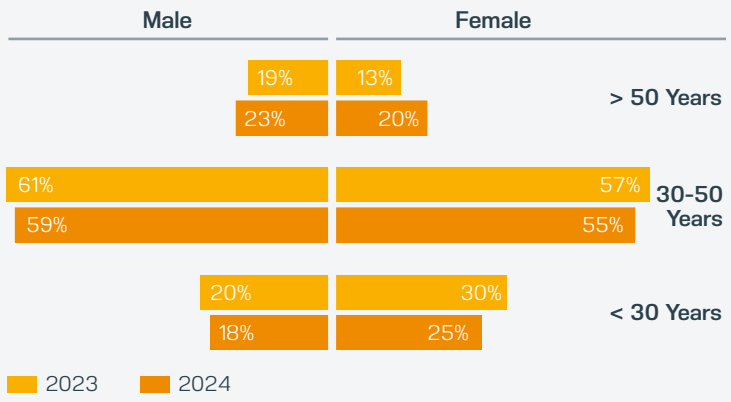
Share of Female and Male Employees



We take pride in being different and foster a culture that embraces the many facets of diversity inherent in our workforce. This brings out the best in our people, who embody our values and live them every day.

A balanced mix of young talents and senior experts contributes to a culture of mutual encouragement and learning.

Distribution of Age Groups among Workforce



Actions

Direct dialogue with employees and their union representatives, such as the European Works Council, helps to ensure our people take a personal interest in determining the conditions for their future. It also ensures that all employees are fully involved in our corporate objectives.

We have regular discussions on working conditions and health and safety. It is a key priority to ensure that our employees are covered by adequate social protection, especially with regards to sickness and injuries.

While this is already the case for more than 90% of our workforce, we continuously evaluate actions to reach coverage for every employee.

We believe our people deliver their best when they have a healthy work-life balance and feel a sense of purpose and team spirit. As performing manual tasks in challenging conditions on industrial sites pose stress on employees, we offers our employees various programmes to improve their work-life balance, as far as this is possible within our business model. These include options for family support programs, which can improve stress management and well-being.

On group level, KAEFER's Human Resource department is in charge for the overalll strategy, implementation and monitoring as well as providing guidance to all enitities. However, KAEFER follows a decentralised management approach to ensure that services can be targeted to local needs and decisions are taken closer to the point of action.

Health & Safety

Ensuring the health and safety of everyone at KAEFER is fundamental to ensure a safe and successful organisation. Although all employees are covered in our health and safety management system, special attention needs to be put on our colleagues working on industrial client sites around the world giving their all by braving the heights, the cold, the heat and wind and rain.

We acknowledge that the work of our people on site in these sometimes extreme environmental conditions and/or isolated locations may result in a negative impact related to mental and physical health. Therefore, we make sure to take appropriate and preventive measures to ensure a safe and healthy working environment including continuous improvement our local and global programmes, minimisation of risks and proactive optimisation of processes.

Our Approach (Policies)

Overall accountability for health and safety and the mitigation of negative impacts lies with Group Health, Safety, Environment & Quality (HSEQ). We have implemented a dedicated policy which sets the standards on how we protect, manage and ensure the well-being of our employees and is a commitment to prevent work-related injuries and illnesses. This policy is applicable to all KAEFER entities and employees and is available internally in KAEFER's intranet as well as on the Group web page. The policy is further supported by our Health & Safety Reporting and Investigation Rule where we have updated the definitions on injuries and illnesses in line with ESRS in 2024. In order to support the continous improvement of KAEFER's Health & Safety performance, a well established structure of internal expert groups is developing guidance to ensure best practice is considered to mitigate risks and effective behavioural tools are in place across KAEFER.

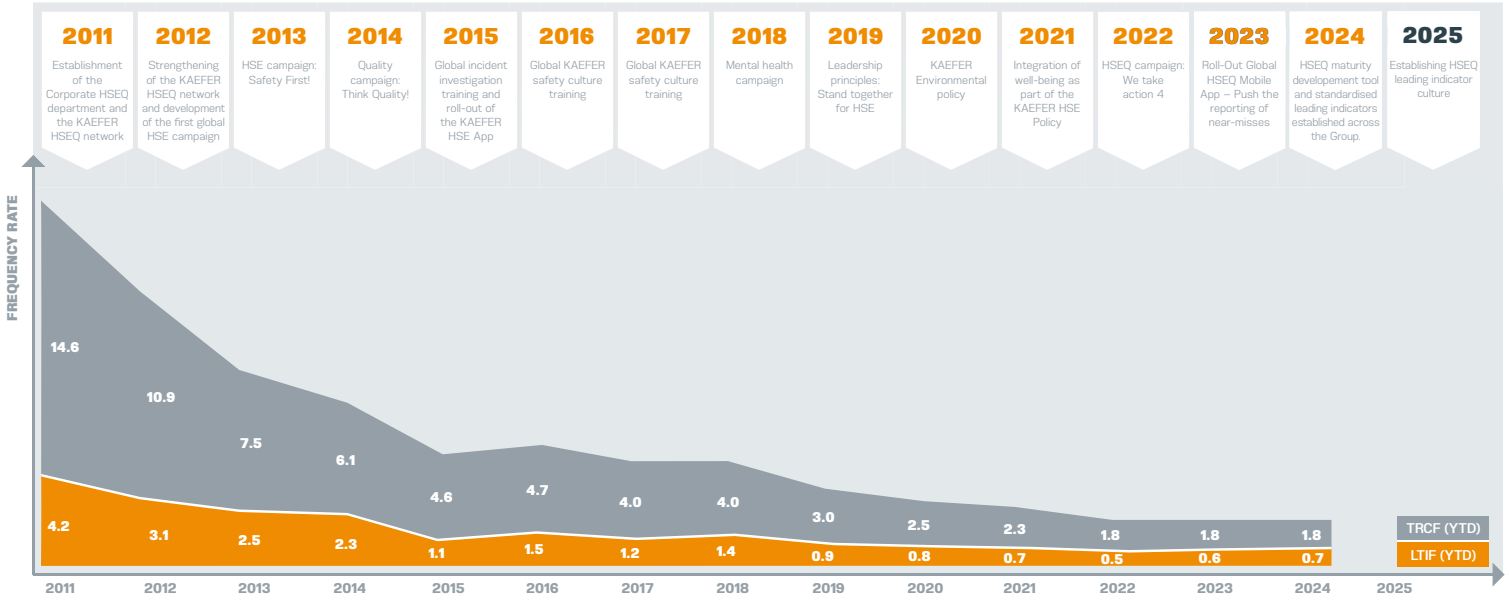
Metrics & Targets

Ensuring health and safety is simply essential and something we must practice every day and in all areas of the business. In 2024, the coverage of ISO 45001 certification based on total operating performance was 89.3%. We are constantly looking for ways to minimise risk and optimise processes to drive continuous improvement with the target to achieve a 50% reduction in group-wide LTIF by 2030, compared with 2022 figures.

As it is everyone's responsibility to do so, KAEFER has introduced a mobile application to easily report incidents, near misses and observations. The ProtACT tool can be used by all KAEFER colleagues but is mainly focussing on our colleagues on site that are closest to the risks and are therefore most suited to report issues.

Although it is our utmost priority to avoid any harmful incidents, we are well aware that they may happen regardless of using only the right tools, high-quality personal protective equipment and extensive training. If they do occur, we need to ensure they don't happen again by learning from our experiences and sharing that knowledge across the organisation.

Managing all type of events in one system strengthens our safety culture and gives us not only the opportunity to track our performance in terms of Lost Time Incident Frequency (LTIF) development, but to ensure



LTIF: 'Lost Time Incident Frequency' refers to lost time incidents per one million man-hours, 'Lost time' being a situation where a worker needs to stay home following an injury.
TRCF: also counted per one million manhours, stands for "Total Recordable Cases Frequency" and consists of all incidents which have to be included in the statistics.

consistent investigations and to monitor supporting leading indicators, based on observations and actions. Compared to the former numerical near-miss and observations reporting at KAEFER the new reporting tool provides the insights behind each number.

KAEFER's Lost Time Injury Frequency (LTIF) figures from 2024 unfortunately see an increase compared to 2023. When analysing the reasons, we see that the observation frequency is increasing which we perceive as a positive sign towards a more transparent and harmonised reporting on group level, looking into recently gained insights we also see that we have to further increase the awareness in the field on the most frequent hazards. Focus areas that remain a top priority in terms of prevention are working in the line of fire, working at height, slip, trip or fall, and the appropriate use of protective equipment.

We will further set clear objectives on the investigation of near-misses and observations to promote an inclusive safety culture at locations around the world greatly contributes to our vision of achieving zero work-related injuries.

Actions

KAEFER's established Corporate HSEQ department is driving continous improvement using a structure of global expert group: our HSEQ Excellence Network which consists of more than 700 HSEQ managers and officers. Our local experts identify and share best practice and are empowered to further develop HSEQ in their own business units based on the unique challenges, environment and priorities inherent in every market. The continuous exchange allows our excellence network to set and maintain the highest standards and actively shape our HSEQ culture.

In 2024, we have further improved our approach and extended our HSEQ cultural programmes. This includes cultural excellence criteria as well for our line management and their teams, and guidance on how to increase effectivness of the behavioural tools in use. Within this approach we continously measures our cultural maturity and reinforce the idea of sharing best practice within the group to ensure that values are promoted and the right attitude is fostered.

Based on the results of our maturity assessment in 2023, we are working towards a fully established leading KPI culture, which is backed up by personal objectives through-out the line.

Our group-wide incident management tool ProtACT to report nearmisses and observations enables us to gain further insights and improve transparency. It supports us in monitoring trends in regards to frequency rates for observations, near-misses and first aid cases, facilitating the root cause analysis across all type of events including high-potential events and helps us to define appropriate measures and actions that can be followed up systematically in terms of effectiveness.

Awards and Recognition 2024

Australia: Gladstone Engineering Alliance Safety Excellence Award for the SAFE Hands Program to reducing hand injuries and improving safety culture.

Benelux: celebrating 3,000,000 hours without lost time due to injury.

Brazil: recognition by KAEFER's client Vale for outstanding performance and commitment to the Principles of Safety and Risk Management.

France: 1st place in TotalEnergies' Health, Safety & Environment Challenge.

Germany: awarded with Safety Award 2024 Gold by client DOW in the category "General Mechanical Partner".

Middle East: 5,000,000 safe manhours in Borouge #4 Project.

South Africa: celebrating eleven years without a lost time injury at Richards Bay Coal Terminal.

Spain: 1st prize in the category "We feel prevention" of the Escolástico Zaldívar Awards for KAEFER's approach in preventing harmful or damaging postures in the workplace.

Thailand: certificate of Achievement for Outstanding SSHE Performance 2024 by Thailand Oil Public Company Ltd.

UK: the Devonport team has been awarded the prestigious Gold Performance Award as part of the 21st Century Supply Chain's (SC21) Operational Excellence programme.

ESG Highlights 2024

UK Safety Culture Survey

Safety remains our top priority, and regular assessments of our processes and behaviours are key to maintaining a strong safety culture. Therefore, KAEFER in the UK & Ireland repeated the Safety Culture Survey in 2024.

The survey was conducted face-to-face or via video call, with an external facilitator ensuring anonymity and encouraging open discussion. Almost 300 employees participated, selected through voluntary sign-up, random selection, or management nomination.

Overall, the outcome shows that safety is well embedded as a leadership value and employees are competent to perform safely in their roles. However, the survey also indicated areas with room for improvement which will help strengthen our safety culture and drive meaningful measures across the organisation.

KAEFER Health Week

In February 2024, KAEFER celebrated its global annual Health Week, focused on raising awareness of key health topics and sharing best practices from across the group. The week aims to promote healthy habits, putting the topic at the forefront, and encourage open dialogue on health-related issues.

Various initiatives and programs highlighted our Guiding Principles for Health, with a special focus on health awareness, well-being, manual handling advice, workplace hygiene, as well as noise and vibration safety.

Labour & Human Rights

Our teams are working directly on our projects sites – sometimes in very remote areas. Monitoring work hours and rest periods on within projects or on our clients' sites remains difficult, risking worker health through excessive overtime and insufficient recovery. Additionally, some regions' minimum wages meet legal standards but might fall short of covering basic living costs. KAEFER also operates in areas with restricted unionisation and collective bargaining rights, potentially enabling unfair labour practices and poor conditions due to limited negotiation avenues. This incorporates industry-systematic persistent risks also in regards to debt bondage from exploitative recruitment fees and inadequate migrant worker housing in regions with weak oversight.

Our Approach (Policies)

To manage the above-mentioned impacts, the KAEFER Code of Business Conduct as well as the statement on human rights and environmental protection serve as the foundation covering obligations to respect and monitor human rights and labour standards. Both documents are publicly available and subject to an at least annual revision.

The KAEFER Code of Business Conduct defines globally binding principles to all members of the KAEFER Group which are designed to guide our employees to conduct themselves ethically, with integrity and in compliance with all applicable laws and regulations. These binding guidelines of conduct have been detailed in several further KAEFER Group Policies, the KAEFER Supplier Code of Conduct (SCoC) and internal KAEFER Rules.

KAEFER's statement on human rights and environmental protection takes full account of widely recognised standards and international frameworks such as the UN Guiding Principles on Business and Human Rights, OECD Guidelines and International Labour Organisation (ILO) standards.

Metrics & Targets

KAEFER does not set quantitative targets for human rights, as this topic is highly complex and encompasses a wide range of risks and challenges. Setting specific metrics could create false incentives by focusing on measurable but potentially less relevant aspects, while neglecting complex or difficult-to-quantify human rights issues.

One exception is the coverage of collective agreements, which we have been tracking for our employees for several years. Although we operate in various countries where there are restrictions on trade union freedom, more than two thirds of our employees are covered by collective agreements.

In addition, we closely monitor reported cases via our Compliance Helpline[1] and other channels. In 2024, no cases of verifiable and severe human rights violations were reported to us.

Actions

In 2024, KAEFER has conducted a human rights risk assessment to monitor compliance with international human rights standards in our own operations. While certain challenges remain regarding human rights, particularly in the area of freedom of association due to national legal restrictions, the analysis shows a high degree of maturity in the prevention processes for human rights violations, e.g. through the establishment of suitable recruitment processes to avoid forced labour. We use the findings of the analysis to further improve the measures, e.g. in the further expansion of voluntary employee participation programs.

It is equally important that we become aware of potential human rights issues at an early stage. For this reason, KAEFER has established a secure web-based whistleblowing system through which all employees can report violations and concerns internationally.

1 The KAEFER Compliance Helpline is operated by an external provider and can be used by employees, suppliers, customers and other third parties. It is available worldwide in different languages and offers anonymous reporting. Once accessed, the KAEFER Compliance Helpline provides clear instructions and is self-explanatory.
Link to Compliance Helpline: https://www.bkms-system.com/kaefer

Inclusion, Training & Skills Development

Our Approach (Policies)

KAEFER is a people business that is characterised by multifaceted talents with different cultural, educational and professional backgrounds. As we can only succeed as a business if everyone at KAEFER is motivated, loyal and feels included, KAEFER is committed to ensure that all employees are guaranteed respect and equal opportunities regardless of the individual background. For us as a company, employing skilled and motivated people is essential to ensure long-term success and competitiveness and we see the challenge to attract and retain the right talents. Therefore, our areas of focus such as training and development, inclusion and employee dialogue are intended to contribute to further strengthening KAEFER as a great place to work.

Our commitments to our career development opportunities and promotion of talents are outlined via global policies, country-specific policies, and employee handbooks.

Metrics & Targets

We encourage our employees to continue to develop their knowledge and skills and create an environment where everyone can fulfil their potential. Evaluations of our training hours per employee show that these remain at a comparably high level. On average, all employees in the KAEFER Group invest around four working days in training.

To further strengthen our approach on personal development, we offer regular performance and career reviews – mainly on a voluntary basis – aligned with business strategic objectives. Whereas most "White Collars" already make use of this opportunity, there is still room for improvement with regard to our "Blue Collars".

Training & Skills Development	2023	2024
Training-related Figures		
Training per Employee (Hours)	20	26
Employees participated in regular Performance and Career Development Review		
Total Employees (Share)	33%	28%
- Share of female Employees	49%	54%
- Share of male Employees	32%	26%
- Share of Blue Collar Employees	26%	21%
- Share of White Collar Employees	67%	61%

Actions

Due to the nature of our business and the services we are providing, it is difficult to integrate people with disabilities, especially in "Blue Collar" positions. Despite these limitations, we will continue to work on providing employment opportunities for persons with disabilities as we want to enable everyone to achieve economic independence, gain a sense of purpose, and feel valued in the workplace.

KAEFER prioritises the continuous development of all employees to support the achievement of our strategic goals. Therefore, we have established local and international development programmes for alongside other learning and development opportunities to enhance the skills and competences of our people worldwide. These range from vocational trainings and opportunities for early careers to training-on-the-job and e-learnings.

Offering learning and growing opportunities, as well as implementing comprehensive training programs help employees enhance their skills and knowledge, leading to improved job performance, greater job satisfaction, and career advancement opportunities.

ESG Highlights 2024

Investing in our People

In line with our commitment to offer development and growth opportunities in different stages, we are proud on the following achievements in 2024:

- In the UK and Ireland, KAEFER has been awarded Gold accredited membership via "The 5% Club" where members aspire to achieve 5% of their workforce in earn and learn positions (including apprentices, sponsored students and graduates on formalised training schemes).
- Investing into the younger generation pays off as we could see from the results of the scaffolding championship in May 2024 were the KAEFER team from Poland won the trophy.
- In Germany, KAEFER has been awarded as "Leading Employer 2024" which means that the company belongs to the top 1% of German employers.

Fostering Respect and Inclusiveness

KAEFER's Reconciliation Action Plan (RAP), endorsed by Reconciliation Australia, reflects a deep commitment to First Nations peoples. It acknowledges past injustices, honours traditional custodians, and fosters cultural recognition, collaboration, and employment opportunities. This commitment is more than just words—it is action. Through dedicated job readiness and apprenticeship programs, KAEFER empowers young Aboriginal and Torres Strait Islander people to secure skilled employment, helping to break cycles of disadvantage. With 35 Indigenous employees as of May 2024, KAEFER continues to build strong relationships with First Nations communities, ensuring their voices are heard and respected.

In 2024, KAEFER, in partnership with our client Santos, welcomed the first scaffold trainees as part of the Indigenous Employment & Pathways Program. The participants acquire a formal scaffolding qualification covering practical as well as theoretical aspects and includes also a mentoring from KAEFER's experienced Darwin team. Within the same program with the first candidate to start his journey as a Higher Education Trainee another milestone was achieved in 2024.

Celebrating Diversity and Inclusion

In July, KAEFER in Brazil celebrated its second PLURAL Week, dedicated to the themes of diversity and inclusion. The initiative aimed to raise awareness and encourage meaningful exchanges by sharing experiences that foster a more inclusive workplace and society.

A key focus of PLURAL Week 2024 was the inclusion of people with disabilities which is not only about providing opportunities but also ensuring long-term accessibility, adaptation, and socialisation. Removing physical and architectural barriers is essential, but real progress comes when accessibility is integrated into all environments and upheld by everyone.

Female Power in Operations

Given the usual split of men and women in our industry, a project entirely led by women is rarely seen. Therefore, KAEFER is proud to celebrate the Female Operations Team that is working on a construction site in Minas Gerais, Brazil focussing on civil works and electromechanical assembly.

Under the coordination of Luíza Mascarenhas, the team works with a high level of professionalism and commitment. She notes that female leadership brings diverse perspectives, fostering a collaborative and solution-oriented work environment. Their success not only inspires women across our company but also strengthens our ongoing commitment to gender equality throughout the organisation.

S2 Workers in the Value Chain

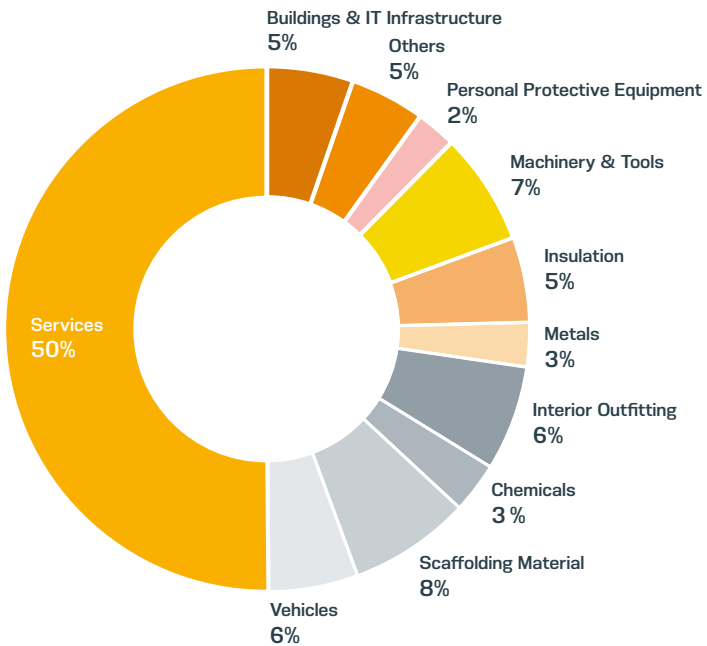
To perform our day-to-day operations, we are dependent on reliable partnerships with our suppliers. We manage our suppliers closely and expect them to meet the same standards as we do in our own operations. Preferably, we enter into long-term framework agreements with certified and preferred suppliers – a formal commitment designed to ensure quality and compliance in the supply chain.

Impacts, Risks and Opportunities (IRO) related to ESRS S2 Workers in the Value Chain

IRO	Description	Type	Location in Value Chain	Time Horizon
Labour rights violations and exploitation risks	Subcontractors' non-compliance with working hour regulations, restricted unionisation rights in operating regions, and systemic risks of forced/child labour in the first steps of the upstream supply chain might lead to severe physical, emotional, and psychological harm.	Actual, negative impact	Upstream value chain	Short-term
Occupational health and safety hazards	High-risk site activities on industrial sites and inadequate (migrant) worker accommodations increase physical injury risks and disease transmission. Site conditions lead to prolonged periods away from home, strained personal relationships, and diminished time for relaxation. The resulting stress can adversely affect mental and physical health	Actual, negative impact	Upstream value chain	Short-term
Economic precarity and job instability	Project-based contracts and reliance on low-wage subcontractors perpetuate income insecurity, with wages failing to meet living costs. Insufficient wages hinder workers' ability to afford essential goods and services, including housing, health care, and education.	Actual, negative impact	Upstream value chain	Short-term
Systemic discrimination and inequality	Male-dominated structures enabling gender pay gaps, discrimination based on identity factors, and lack of training investments reinforce workplace inequities and career barriers. This can lead to mental health issues as well as dissatisfaction and decreased motivation among female employees.	Actual, negative impact	Upstream value chain	Short-term
Non-compliance with due diligence obligations	Non-compliance with supply chain due diligence laws, including the German Supply Chain Due Diligence Act, poses significant risks. Financial impacts include substantial fines and penalties, legal costs, and potential compensation payments to affected parties.	Actual, negative impact	Upstream value chain	Short-term

Procurement at KAEFER

Procurement at KAEFER is decentralised to address specific contract requirements effectively. We primarily work with local suppliers, collaborating with over 20,000 suppliers and service providers across more than 30 countries.



The majority of procurement spend is allocated to services. Service providers are typically small, locally sourced companies that perform comparable activities to KAEFER. Working with services providers ensures flexibility, cost efficiency, and access to specialised expertise while enabling KAEFER to scale operations based on demand and to cover short-term peaks.

In contrast, material spends play a subordinate role. This is because material selection is largely determined by customer specifications, ensuring compliance with high industrial quality standards. Depending on the contract, material is either procured by KAEFER or provided by the customer. Evidently, the material volumes that we purchase depend on the characteristics of services our customers request us to fulfil, resulting in year-to-year project-based fluctuations.

Human Rights Due Diligence

Our Approach (Policies)

KAEFER has established a comprehensive risk management system for human rights and environmental protection in the supply chain based on the UN Guiding Principles for Business and Human Rights and OECD Guidelines for Multinational Enterprises.

To embed supply chain risk management in our organisation, KAEFER has nominated Supply Chain Sustainability Officers in the operating units, who are responsible for human rights and environmental risk management in the day-to-day management of our suppliers. Internal guidelines ensure a consistent and systematic approach across all KAEFER entities worldwide.

We expect our suppliers to live by the same standards as we do. Our expectations are defined in the KAEFER Supplier Code of Conduct, which is a mandatory part of supplier contracts at KAEFER. Among others, the Supplier Code of Conduct contains requirements with regards to business integrity, labour and human rights, including forced labour and child labour, and environmental protection.

Actions & Targets

KAEFER understands due diligence as a continuous improvement process with constantly changing framework conditions. We conduct at least annual analyses to identify potential and actual negative impacts on human rights and the environment in our supply chain.

We work with an external provider to provide an objective, holistic and understandable assessment of our suppliers with respect to their ESG performance. Taking into account the country of operation, the industry and the spend level, specific suppliers are requested to provide us with an ESG self-assessment on their sustainability related procedures through a digital platform to confirm that they fulfil the standards that we defined in our Supplier Code of Conduct. Certifications on health and safety, environmental management and others can be provided and are considered in the assessment. In addition, we incorporate experience from our local procurement units into our risk analyses to improve our understanding of the risks of our suppliers.

Through ongoing dialogue with suppliers and their employees, e.g. as part of on-site audits, we strive to achieve a better understanding of the key issues from the perspective of those affected. Potential negative impacts are assessed with regards to likelihood of occurrence and severity. Thereby, severity is defined as a combination of scale, scope and irremediability.

Our risk analysis highlights subcontracted workers as a key focus area, given their role alongside our own employees in project execution. We have prioritised specific regional markets and processes, such as the secondment of workers from third countries. In contrast, most of our material suppliers are large, publicly traded companies already subject to strict transparency requirements.

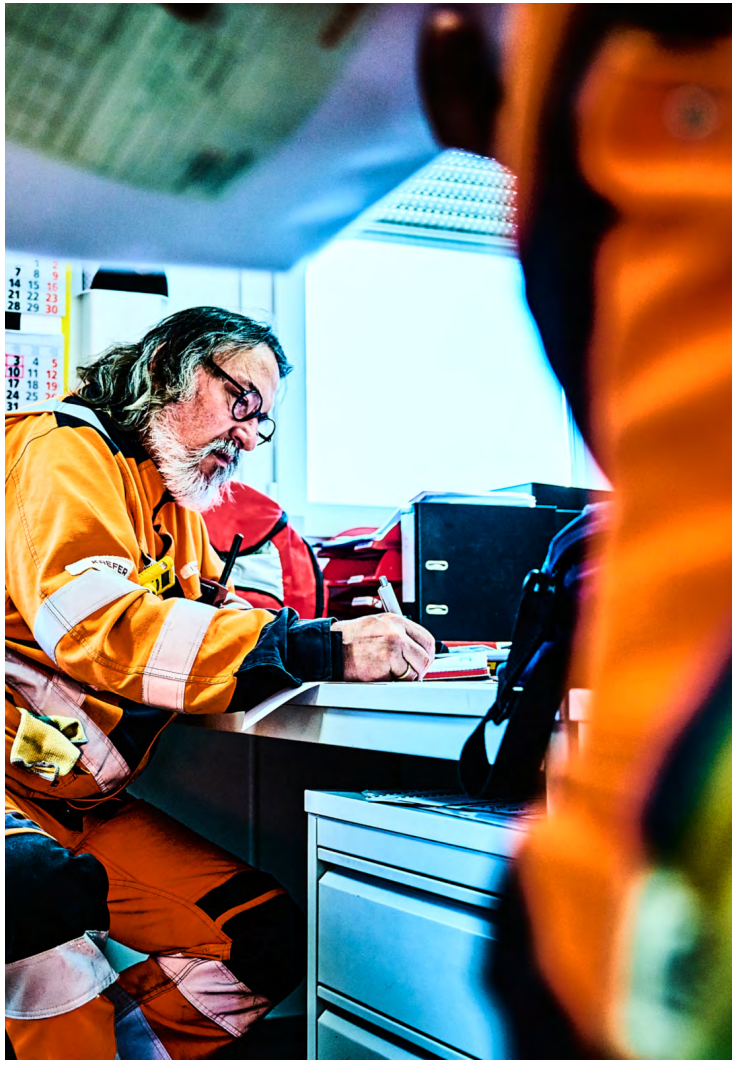
Regarding specific human rights concerns, we have identified health and safety, forced labour, and freedom of association as key issues. This assessment is based on the industries in which our suppliers operate and the geographic distribution of our supply chain.

In 2024, more than 750 selected suppliers participated in the ESG self-assessment questionnaire, covering over 50% of our global spend. Results show that the majority of suppliers fully meet our requirements or only show minor deviations. Where we see that suppliers fail to meet our expectations stated in the Supplier Code of Conduct, KAEFER follows up with the affected suppliers to agree on a corrective action plan to improve the ESG performance and reduce the risk of adverse impacts.

Even though the implementation of measures is within the responsibility of the suppliers, KAEFER aims to provide guidance and support. For that purpose, KAEFER has for example shared one-pagers on key human rights topics like forced labour, child labour and freedom of association based on the conventions of the International Labour Organisation (ILO) with suppliers to ensure a good understanding of the requirements.

When employees of service providers work on behalf of KAEFER at customer sites, we ensure they receive appropriate personal protective equipment and safety training. We are committed to providing subcontracted workers with the same level of safety as KAEFER employees. Within our control, we take proactive measures to prevent violations of labour and human rights.

We regularly review the effectiveness of all risk management measures and adjust where necessary to continuously improve. The Executive Board is informed regularly, at least once a year, about our risk management activities. The most important information is also made available to the Administrative Board.



Complaints Procedure

Our Approach (Policies)

Since 2023, KAEFER has offered a publicly available complaints procedure, enabling individuals and groups to report human rights risks and suspected violations. This allows us to take immediate action to prevent or mitigate potential harm.

The KAEFER Rules of Procedure[1] for the Handling of Complaints, published on our website, outline the process in detail, including key features, accessibility, and responsibilities.

To raise awareness among workers in our value chain, KAEFER references the procedure in its Supplier Code of Conduct. As subcontractor workers often share work sites with KAEFER employees, our poster campaigns further help to inform them about their rights and reporting options.

Recognising that many issues are best resolved at the source, we also require our suppliers to establish their own effective complaints procedures as part of our Supplier Code of Conduct.

Actions & Targets

KAEFER recognises that despite the utmost care, violations may occur. If one of our suppliers or an actor in our supply chain is involved in the violation, we will seek to remedy the situation. We expect and require our suppliers to put an immediate end to actual abuses.

If necessary, we will agree with the responsible actor to develop a plan to end the abuse, with defined time lines and responsibilities ("corrective action plan"). We reserve the right to suspend or terminate the business relationship if the violation is not remedied in a sustainable manner.

KAEFER will not tolerate retaliation against anyone who provides information or reports concerns in good faith. All information is processed by a small group of selected and specially trained employees at KAEFER who are contractually required to keep the information confidential.

As described in the rules of procedures, complaints are tracked by our Local Compliance Officers and reported to the Executive Board. In 2024, KAEFER has not received any complaint with regards to severe human rights issues and incidents in the value chain.

1 The Rules of Procedure inform you about the detailed complaint process and how we effectively protect you from discrimination or retaliation.
Link: https://kaefer.com/wp-content/uploads/2024/03/240101_KAEFER-Rules-of-Procedure-for-the-handling-of-complaints.pdf

Governance

G1 Business Conduct

Good governance and sound business conduct are the foundation for a healthy, thriving company, and a necessity for achieving our ESG ambitions.

An overview on the material IROs associated with compliance, social commitment and integrity can be found below:

Impacts, Risks and Opportunities (IRO) related to ESRS G1 Business Conduct

IRO	Description	Type	Location in Value Chain	Time Horizon
Payment practices	KAEFER frequently works with smaller service providers and subcontractors. They depend on prompt payment of invoices and fair purchasing practices. Otherwise they risk insolvency and their employees lose their jobs, including the associated social consequences.	Potential, negative impact	Own operations	Short-term
Integrity, compliance, and sustainable supply chain management	KAEFER promotes integrity and compliance through its Code of Business Conduct, supported by training and communication. The company's compliance management system focuses on anti-corruption and is audited according to IDW PS 980. Our sustainable supply chain management system requires suppliers to adhere to the Supplier Code of Conduct and improve ESG performance. A grievance mechanism enables affected individuals to report concerns and drive improvements.	Actual, positive impact	Own operations	Short-term
KAEFER FOUNDATION and commitment	Through the KAEFER FOUNDATION, KAEFER supports various charity projects and is committed to the community. KAEFER contributes to technological innovation by forming expert networks and participating in industry associations. This can, for example, improve energy efficiency and thus have a positive impact on the protection of natural resources.	Actual, positive impact	Own operations	Short-term
Regulatory risks	Non-compliance with global regulations can result in penalties, exclusion from tenders, and reputational damage. Failure to protect whistleblowers exposes KAEFER to legal sanctions and public criticism. Data breaches or security incidents may lead to financial losses, operational disruptions, and long-term reputational harm.	Risk	Own operations	Short-term
ESG-Driven financing and digital efficiency	Sound financing and strong ESG management strengthen KAEFER's capital market position, reducing financing costs and enhancing shareholder value. Digital technologies and automation improve operational efficiency, lower costs, and boost productivity.	Opportunity	Own operations	Short-term

Our Approach (Policies)

We are committed to fostering a corporate culture defined by integrity. This commitment is reflected in our Code of Business Conduct. Our Code of Business Conduct provides the foundation for our compliance programme, setting expectations of and guiding the daily decisions made by our employees around the world. Available in 16 languages, the code details our ethical standards across a range of areas, including anti-corruption, conflicts of interests, antitrust and fair competition, fraud prevention and detection, data protection. The KAEFER Code of Business Conduct is reinforced by numerous, supplementary rules.

Actions & Targets

Corporate culture is shaped by the behaviour of the top management. The Executive Board and the Administrative Board, as well as every member of the management team at KAEFER, is aware of its responsibility to lead by example and its role in shaping corporate culture by tone-from-the-top. Corporate culture is fostered within KAEFER by a sophisticated awareness program including – among others – rules, newsletters, posters, town hall meetings and trainings.

CODES AND POLICIES	PURPOSE
Code of Business Conduct	The KAEFER Code of Business Conduct defines globally binding principles for the KAEFER Group which are designed to guide our employees to conduct themselves ethically, with integrity and in compliance with all applicable laws and regulations.
Supplier Code of Conduct	The Supplier Code of Conduct sets our expectations for our suppliers to share the same values and meet the standards, we have implemented and live in our company.
Company Policy	The Company Policy sets our fundamental commitment that characterise our corporate culture as well as our way of doing business and allows to provide consistent client satisfaction to maintain a sustainable customer relationship. Furthermore, it states our overall commitment to integrate environmental protection, social responsibility and good governance in our entire value chain.
Environmental Policy	The Environmental Policy states our commitment towards environmental protection, by identifying, reducing and monitoring environmental impacts and effects on climate change within our business activities and foster environmentally friendly work practices.
Policy Statement on Human Rights and Environmental Protection	The Policy Statement states our commitment in respect to human rights within the organisation and its value chain and is guided by international standards. It encompasses equality and freedom from discrimination, freedom of association and collective bargaining, labour rights, freedom from harassment or bullying, forced labour and child labour.
Health & Safety Policy	The Health & Safety Policy states our commitment to provide a healthy and safe working environment by preventing work related injuries and illnesses.
Quality Policy	The Quality Policy states our commitment to ensure client satisfaction through efficient procedures and high-class services.

All policies are subject to an annual review process to ensure their relevance and accuracy. The latest version is available on KAEFER's Group web page: https://kaefer.com/about-us/leadership-governance/compliance/

Anti-Corruption and Bribery

Our Approach (Policies)

We have zero tolerance for all forms of bribery and corruption. Being aware of the risks linked to our business model and geographic footprint, KAEFER has set up an anti-corruption program. Building on our Anti-Corruption Rule, several measures have been implemented to prevent, detect and address allegations or incidents of corruption and bribery.

Our Compliance Management System, which is overseen by the Executive Board and led by the Group Chief Compliance Officer (GCCO), is of central importance in preventing corruption. Local Compliance Officers, nominated in each of our operating entities, report directly to the GCCO, who regularly updates the Executive and Administrative Boards. The Group Compliance Committee supports the GCCO in monitoring and advising on compliance incidents.

In 2023, KAEFER has subjected its group-wide compliance program to an external audit by KPMG Germany according to the Compliance Standard AsS 980 of the Institute of Public Auditors in Germany (IDW PS 980 n.F.) and with due consideration to ISO 19600 in relation to the areas of anti-corruption, antitrust and fraud.

Actions & Targets

Every new employee at KAEFER is required to participate in different trainings as part of their on-boarding process. Respective trainings such as the anti-corruption training are carried out via e-learning or in person, they are available in thirteen languages and were developed by KAEFER and tailored to the needs of the learners.

Our trainings on business conduct provide our employees with the knowledge to recognise situations of possible corruption and take the necessary steps to avoid it.

To mitigate risks related to our dealings with business partners, KAEFER implemented a Business Partner Due Diligence process to get a clearer picture of who our high-risk business partners are and how they operate. The KAEFER Supplier Code of Conduct contains clear requirements for our suppliers to comply with recognised international standards on the prevention of corruption.

In our efforts, we pay particular attention to functions at risk. In our understanding, employees at risk are either having frequent contact with business partners and authorities or are operating in a country that shows high risk for corruption and bribery.

Members of our independent and objective internal audit function are responsible for the investigation of allegations and incidents on group level. On local level, the Local Compliance Officers are in charge. Outcomes of investigations are reported to the Executive Board and Administrative Board on a regular basis.

We take it as an indicator of the effectiveness of our actions that KAEFER had no convictions or fines for violating anti-corruption or anti-bribery laws in 2024. As part of our program, KAEFER has set up procedures and standards to address potential breaches, including disciplinary measures such as warnings or dismissals.

KAEFER Compliance Trainings

– Code of Business Conduct (e-learning)	Share 97%
Thereof Senior Management	Share 100%
– Code of Business Conduct (offline)	Share 96%
– Anti-Corruption	Share 97%
Thereof Senior Management	Share 100%
– Anti-Trust	Share 93%
Thereof Senior Management	Share 100%
– Conflicts of Interest	Share 96%
Thereof Senior Management	Share 100%
– Fraud Prevention	Share 96%
Thereof Senior Management	Share 100%

Figures relate to employees that have been identified as relevant for participating in the trainings based on an internal assessment.

Senior Management: highest management level, that oversee key strategic decisions. These include, for example, the Chief Executive Officer (CEO)/ Managing Director, Chief Financial Officer (CFO), Chief Operating Officer (COO) on group as well as on local level.

Protection of Whistleblowers

Our Approach (Policies)

At KAEFER, compliance is everybody's business. This also includes voicing concerns and reporting illegal or unethical behaviour. For this reason, KAEFER has established a group-wide whistleblowing system offering various channels for reporting. Direct exchange on a personal level is KAEFER's preferred approach to building a culture of open communication and a trusting working environment. Where personal communication is not an option, KAEFER's Compliance Helpline is also available.

Actions & Targets

KAEFER's well established global speak-up facility called the KAEFER Compliance Helpline includes an appropriate response and escalation process. The KAEFER Compliance Helpline is a secure, web-based reporting system – hosted by an external provider – which can be used by employees, suppliers, clients and other stakeholders to report suspected or actual violations of applicable law and/or KAEFER standards and policies in a structured process. It is also possible to report anonymously.

When a report is received, a member of the compliance organisation evaluates whether an in-depth investigation is required and initiates the relevant steps. All information received is treated confidentially in line with legal requirements and KAEFER's Speak-up Rule to ensure data protection, compliance with privacy laws, and whistleblower protection.

KAEFER does not tolerate retaliation against persons who report misconduct (suspected or actual) or violations (suspected or actual) in good faith. Any person, including supervisors or managers, who tolerates or is involved in an act of retaliation against an individual in response to the report of a misconduct/violation (suspected or actual) made in good faith will be subject to disciplinary measures, up to and including termination of employment. In 2024, no such cases were reported to Corporate Group Compliance.

Political Influence and Lobbying Activities

Our Approach (Policies)

Sponsorship and donations are common practice in professional relationships. All sponsorships and donations made by KAEFER must be in line with our corporate values and reflect our commitment to ethical business practices. KAEFER has an internal binding Sponsoring & Donations Rule that prohibits sponsorship and donations to - among others - political parties and their affiliated organisations, as well as religious movements and institutions. Therefore, KAEFER does not engage in any activities or commitments, or make any monetary or in-kind contributions related to exerting political influence through political contributions, including the nature and purpose of lobbying activities.

Actions & Targets

When it comes to memberships, KAEFER has no significant role in an association or advocacy organisation and does not provide substantive funding beyond routine membership fees. KAEFER is a member of many local industry associations (covering relevant activities such as industrial insulation, scaffolding and construction). Typical memberships include the European Industrial Insulation Foundation, Thermal Insulation Contractors Association in the UK, the National Shipbuilding association Finland, and the Constructional Engineering Association of South Africa. Although we take an active role in some of these associations, we do not regard it as within our remit to seek to influence their mission(s) and/or objective(s).

Within KAEFER, no member of the Executive Board or Administrative Board currently holds a position in public administration or have done so for the past two years.

ESG Highlights 2024

ISO 37001 Certification

KAEFER Saudi Arabia has achieved ISO 37001:2016 certification, underscoring its commitment to ethical business practices and high standards in anti-bribery management systems (ABMS). This certification reflects the company's dedication to preventing bribery and promoting transparency and integrity across its operations.

EcoVadis Silver Medal

KAEFER's Industry division in Germany as well as KAEFER in France have been awarded with the EcoVadis Silver Medal, which is given to the top 15% of companies evaluated by EcoVadis over the past 12 months. This recognition reflects the quality of our sustainability management system throughout the entire value chain. The evaluation is based on international sustainability standards and holisticly evaluates environmental performance, social and human rights aspects, sustainable sourcing and ethics.

Social Commitment

Our Approach (Policies)

As confirmed through KAEFER's double materiality assessment, the company has a strong commitment to care for its employees and the people within our sphere of influence. In this respect, the KAEFER FOUNDATION as non-profit organisation within the KAEFER Group plays a major role and acts as "helping hand".

It was established in 2010 and is at the heart of our charitable work. Financed by donations, the organisation's main goal is to support people in times of acute crisis and those in need. Besides this, the KAEFER FOUNDATION is active in areas such as academic and scientific research, youth development, health care and environmental protection.

Actions & Targets

In general, the KAEFER FOUNDATION pursues long-term goals that contribute to the common good, both internally and externally, with annual focus topics depending on current needs.

In 2024, floods in Germany, Spain and Brazil required the immediate and direct involvement of the KAEFER FOUNDATION. Donation campaigns were launched to minimise the impact and help people in distress.

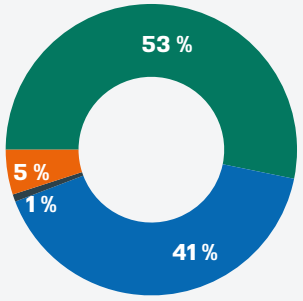
A selection of highlight projects from 2024 can be found on the next page. To donate or find out more about past and current projects, visit our website or our LinkedIn and Instagram profiles.

The KAEFER Foundation gGmbH is a not-for-profit organisation funded entirely by donations. If you would like to support us, we would be very grateful for any contributions:

KAEFER Foundation gGmbH
Deutsche Bank AG
IBAN DE62 2907 0050 0169 0049 00
BIC (SWIFT) DEUTDEHBXXX

CHANGE LIVES
KAEFER FOUNDATION

Split of KAEFER FOUNDATION Donations in 2024



Disaster and Emergency Relief
2023: 35%

Other Social Initiatives
2023: 16%

Environment
2023: 4%

Cancer Charities (Venuslauf)
2023: 45%

Overview on selected KAEFER FOUNDATION Projects 2024:

Emergency Support due to heavy Floods

Since the end of December, many regions in Germany have been struggling with high water and people are experiencing or fearing flooding in their homes. Volunteers from the German Federal Agency for Technical Relief (THW), which is financially supported by the KAEFER FOUNDATION, are helping to fight the floods.

In May, more than 1 million people in southern Brazil were affected by devastating floods and heavy rainfall, and more than 150,000 people were displaced. A global fundraising campaign was launched to help colleagues and people in need directly affected by the worst natural disaster ever to hit the state of Rio Grande do Sul. Thanks to the generosity of all those involved, the KAEFER FOUNDATION was able to provide financial support to directly affected colleagues and the local community to meet their immediate needs and rebuild their homes.

In November, torrential rainfall caused deadly flash floods in southern and eastern Spain. More than 200 people lost their lives and thousands were displaced. The KAEFER FOUNDATION decided to support a local NGO that was helping people in need and coordinating volunteers.

Sport Events for the good Cause

Almost 50 enthusiastic runners from various departments and KAEFER locations showed their unstoppable spirit at the 'BMW Late Shift Company Run' in Bremen, Germany – despite the pouring rainfall. All runners managed to run or walk 5 km for a good cause as part of the entry fee was donated to charity, and on top each kilometre run also raised money for the KAEFER FOUNDATION to support their work.

The charity sports event called "Venuslauf 2024" was a complete success! Almost 5,000 KAEFER registrations were received for the sporting event, which took place all over the KAEFER world in September. As in previous years, participants were able to take part in various sports in which they could count their kilometres. The KAEFER team and their friends and families were able to collect over 55,000 kilometres together – enough to circle the globe which was then converted in donations to cancer charities worldwide.

Christmas Fundraising Campaign

The KAEFER FOUNDATION's annual year-end fundraising campaign has become a wonderful tradition for raising money for social projects. In 2024, the Foundation supported a breakfast initiative in Bremen, Germany that provides needy children with a healthy and tasty breakfast before the start of the school day.

Further Social Projects from all over the World

Social commitment is a responsibility of every company - not only for its own employees but also for the wider society. In 2024, we were delighted to see many different examples all over the KAEFER world that aim to create a positive impact for people and communities - from charitable donations to supporting educational and social welfare initiatives.

Closing Statement

At KAEFER, our journey began over a century ago with a focus on insulation and energy efficiency — a legacy that continues to guide our mission today. We are proud to be a trusted partner in the global transition towards a sustainable, low-carbon future, helping industries improve asset performance, optimise resource use, and reduce emissions.

Our commitment to the United Nations Sustainable Development Goals (SDGs) and science-based climate targets reflects our ambition to create lasting value for all stakeholders. By embedding sustainability across our operations, supply chain, and service delivery, we are making measurable progress in key areas such as emissions reduction, circular resource use, health and safety, diversity, and ethical business practices.

While we acknowledge that we are not yet satisfied with our current short-term performance, we understand that sustainability is a long-term journey. This is a marathon, not a sprint, and we are dedicated to continuously improving and driving meaningful impact over time.

Through ongoing engagement, robust risk management, and a clear focus on decarbonisation, we support our clients and partners in navigating the complexities of the green transition. We take pride in our early actions, such as committing to net-zero targets and implementing human rights due diligence, which reinforce our role as a responsible industry leader.

Looking ahead, we remain focused on advancing our sustainability efforts, strengthening resilience, and creating shared value — for our people, our clients, and the communities we serve.

Together, we are building a more sustainable future.

Erhard Dubs, Head of Strategy & ESG

Reporting Details

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Reporting Frameworks

UN Sustainable Development Goals (SDG)

The UN's Sustainable Development Goals are the blueprint to achieve a better and more sustainable future for all. They were introduced in 2015 and address the global challenges we face, including poverty, inequality, climate change, environmental degradation, peace, and justice. Only through integrated strategies designed to improve health and education, reduce inequality, spur economic growth, and protect our environment can we hope to end poverty. SDGs have been integrated into KAEFER's Sustainability Report since 2019.

Based on an impact assessment, the following SDGs are of major relevance for KAEFER:

- SDG 3: Good Health & Well-being
- SDG 5: Gender Equality
- SDG 8: Decent Work & Economic Growth
- SDG 13: Climate Action
- SDG 16: Peace, Justice & Strong Institutions

A reference can be found within the "ESG at KAEFER" section.

ESRS Reference

KAEFER will be required to comply with Corporate Sustainability Reporting Directive (CSRD) and the corresponding European Sustainability Reporting Standards (ESRS).

As we have started the transition process towards fulfilling these reporting requirements, the double materiality assessment has been updated, additional data points have been integrated and parts of our reporting adopted.

ESRS Standards applicable to KAEFER

(Material standards are reflected in dark grey)

General	Environment	Social	Governance
ESRS 1: General Requirements	ESRS E1: Climate Change	**ESRS S1:** Own Workforce	**ESRS G1:** Business Conduct
ESRS 2: General Disclosures	**ESRS E2:** Pollution	**ESRS S2:** Workers in the Value Chain	
	ESRS E3: Water & Marine Resources	**ESRS S3:** Affected Communities	
	ESRS E4: Biodiversity & Ecosystems	**ESRS S4:** Consumers & End-Users	
	ESRS E5: Resource Use & Circular Economy		

As the CSRD regulation and as well as the supplementary guidance published by the EFRAG, contain wording and terms that are still subject to considerable uncertainties of interpretation and for which clarifications have not yet been published in all cases, some aspects are still subject to internal discussions and alignments.

However, where possible, the additional information referring to the CSRD has already been covered in this report. A reference to the ESRS data points can be found in the GRI Index.

Due to the nature of our business, we have omitted the disclosure requirements of the topical standards E2, E3, E4, S3 and S4 in line with the results of our double materiality assessment.

GRI Index

KAEFER SE & Co. KG has reported in accordance with the GRI Standards for the period 1st of January to 31st of December 2024. As the company has decided to gradually switch from the Global Reporting Initiative (GRI) framework to the European Sustainability Reporting Standards (ESRS) that will become mandatory for the KAEFER Group in future, the index is based on the GRI-ESRS Interoperability Index[1] that has been published jointly by GRI and EFRAG in November 2024. As a result, a reference to the ESRS Disclosure Requirements is made in addition to the GRI Standards.

GRI Disclosures and Requirements		ESRS Disclosure Requirements	Comment / Omission	Page
General Disclosures				
GRI 2	2-1 Organisational details			79
	2-2 Entities included in the organisation's sustainability reporting	ESRS 1 5.1; ESRS 2 BP-1 §5 (a) and (b) i	Non-consolidated companies are not included in this report. However, they also reflect a non-material scope.	78
	2-3 Reporting period, frequency and contact point	ESRS 1 §73		23, 24, 67
	2-4 Restatements of information	ESRS 2 BP-2 §13, §14 (a) to (b)	Restatments if applicable can be found next to the respective charts and tables that include figures from previous reports.	
	2-5 External assurance			24, 33
	2-6 Activities, value chain and other business relationships	ESRS 2 SBM-1 §40 (a) i to (a) ii, (b) to (c), §42 (c)		7-10, 26, 29
	2-7 Employees	ESRS 2 SBM-1 §40 (a) iii; ESRS S1 S1-6 §50 (a) to (b) and (d) to (e), §51 to §52	Blue Collar: performing manual labour through physical work White Collar: performing desk or administrative work (office) Senior Management: Chief Executive Officer (CEO)/ Managing Director, Chief Financial Officer (CFO), Chief Operating Officer (COO) on group as well as on local level.	42-44
	2-8 Workers who are not employees	ESRS S1 S1-7 §55 to §56		43
	2-9 Governance structure and composition	ESRS 2 GOV-1 §21, §22 (a), §23; ESRS G1 §5 (b)		13
	2-10 Nomination and selection of the highest governance body		Parts of this information will not be publicly disclosed (Confidentiality constraints).	13

1 © GRI & EFRAG 2024 [November 2024 Version]. This Interoperability Index uses columns to map the GRI Standards' disclosures (only required data points) to the corresponding ESRS disclosure requirements (both mandatory and voluntary data points) at a granular level.

GRI Disclosures and Requirements		ESRS Disclosure Requirements	Comment / Omission	Page
General Disclosures				
GRI 2	**2-11 Chair of the highest governance body**		This information will not be publicly disclosed (Confidentiality constraints).	
	2-12 Role of the highest governance body in overseeing the management of impacts	ESRS 2 GOV-1 §22 (c); GOV-2 §26 (a) to (b); SBM-2 §45 (d); ESRS G1 §5 (a)		13, 19, 28
	2-13 Delegation of responsibility for managing impacts	ESRS 2 GOV-1 §22 (c) i and ii; GOV-2 §26 (a); ESRS G1 G1-3 §18 (c)		19
	2-14 Role of the highest governance body in sustainability reporting	ESRS 2 GOV-1 §AR 3 (a) ii and iv; IRO-1 §53 (d)		19, 28
	2-15 Conflicts of interest		a) The rules of procedure for the Administrative Board state that any member of the Administrative Board is bound to act in the interest of the company. With regard to his/her decisions, he/she must neither pursue personal interests nor make use for himself/herself of business opportunities to which the company is entitled. Any member of the Administrative Board must disclose conflicts of interest to the Administrative Board, in particular those which could arise from performing advisory or board functions with clients, suppliers, lenders or other third parties. b) So far, conflicts of interest are not publicly disclosed (Confidentiality constraints).	
	2-16 Communication of critical concerns	ESRS 2 GOV-2 §26 (a); ESRS G1 G1-1 AR 1 (a); G1-3 §18 (c)	a) The KAEFER Crisis Management Policy is part of the KAEFER Rules and seeks to provide guidance in the event of an incident, emergency, or crisis. It defines roles and responsibilities as well as reporting channels with the aim of reducing to a minimum the negative impacts and risks on KAEFER entities and KAEFER as a group. The information flow within this rule provides a detailed overview regarding responsibilities, target groups, and timings. Compliance Committee Rule: the Group Compliance Committee is a monitoring and advisory body. Its purpose is to monitor investigations and to advise the Executive Board (EB) in respect of measures to be taken in cases classified as major. b) Will not be disclosed due to confidentiality constraints.	
	2-17 Collective knowledge of the highest governance body	ESRS 2 GOV-1 §23	Some members of the Administrative Board have access to specialist knowledge in their organisation of origin.	
	2-18 Evaluation of the performance of the highest governance body		Not available as company currently is not tracking the requirement of the disclosure.	
	2-19 Remuneration policies	ESRS 2 GOV-3 §29 (a) to (c); ESRS E1 §13	Will not be disclosed due to confidentiality constraints. In 2023, KAEFER received the official confirmation from our financing partners regarding the classification of our current financing. The loan is now recognised as a "Sustainability Linked Loan", marking a significant step forward in our commitment to ESG in terms of a financial incentive. In line with KAEFER's sustainability commitments, an ESG component has been embedded for the first time which links the margin of the new facility to KAEFER's GHG emission reduction and health and safety performance.	
	2-20 Process to determine remuneration	ESRS 2 GOV-3 §29 (e)	Will not be further disclosed due to confidentiality constraints.	
	2-21 Annual total compensation ratio	ESRS S1 S1-16 §97 (b) to (c)	Will not be further disclosed due to confidentiality constraints.	

GRI Disclosures and Requirements		ESRS Disclosure Requirements	Comment / Omission	Page
General Disclosures				
GRI 2	**2-22 Statement on sustainable development strategy**	ESRS 2 SBM-1 §40 (g)		19, 24-25
	2-23 Policy commitments	ESRS 2 GOV-4; MDR-P §65 (b) to (c) and (f); ESRS S1 S1-1 §19 to §21, §24 (c) and §AR 14; ESRS S2 S2-1 §16 to §17, §19, and §AR 16; ESRS S3 S3-1 §14, §16 to §17 and §AR 11; ESRS S4 S4-1 §15 to §17, and §AR 13; ESRS G1 G1-1 §7 and §AR 1 (b)	KAEFER's policies are available on our web page: Compliance - KAEFER SE & Co. KG.	54, 56
	2-24 Embedding policy commitments	ESRS 2 GOV-2 §26 (b); MDR-P §65 (c); ESRS S1 S1-4 §AR 35; ESRS S2 S2-4 §AR 30; ESRS S3 S3-4 §AR 27; ESRS S4 S4-4 §AR 27; ESRS G1 G1-1 §9 and §10 (g)		56
	2-25 Processes to remediate negative impacts	ESRS S1 S1-1 §20 (c), §AR 17 (g); S1-3 §32 (a), (b) and (e), §AR 31; ESRS S2 S2-1 §17 (c); S2-3 §27 (a), (b) and (e), §AR 26; S2-4 §33 (c); ESRS S3 S3-1 §16 (c); S3-3 §27 (a), (b) and (e), §AR 23; S3-4 §33 (c); ESRS S4 S4-1 §16 (c); S4-3 §25 (a), (b) and (e), §AR 23; S4-4 §32 (c)		54
	2-26 Mechanisms for seeking advice and raising concerns	ESRS S1 S1-3 §AR 32 (d); ESRS S2 S2-3 §AR 27 (d); ESRS S3 S3-3 §AR 24 (d); ESRS S4 S4-3 §AR 24 (d); ESRS G1 G1-1 §10 (a); G1-3 §18 (a)	Feedback from KAEFER's operational units is considered when creating new rules.	54
	2-27 Compliance with laws and regulations	ESRS 2 SMB-3 §48 (d); ESRS E2 E2-4 §AR 25 (b); ESRS S1 S1-17 §103 (c) to (d) and §104 (b); ESRS G1 G1-4 §24 (a)	Will not be disclosed due to confidentiality constraints.	56
	2-28 Membership associations			29
	2-29 Approach to stakeholder engagement	ESRS 2 SMB-2 §45 (a) i to (a) iv; ESRS S1 S1-1 §20 (b); S1-2 §27 (e) and §28; ESRS S2 S2-1 §17 (b); S2-2 §22 (e) and §23; ESRS S3 S3-1 §16 (b); S3-2 §21 (d) and §22; ESRS S4 S4-1 §16 (b); S4-2 §20 (d) and §21		27, 29
	2-30 Collective bargaining agreements	ESRS S1 S1-8 §60 (a) and §61	Group-wide: 65%	48

GRI Disclosures and Requirements		ESRS Disclosure Requirements	Comment / Omission	Page
General Disclosures				
GRI 3	3-1 Process to determine material topics	ESRS 2 BP-1 §AR 1 (a); IRO-1 §53 (b) ii to (b) iv	Our most recent assessment was carried out in 2024.	26
	3-2 List of material topics	ESRS 2 SBM-3 §48 (a) and (g); BP-2 §17 (a)		30, 39, 42, 51, 55, 66
	3-3 Management of material topics	ESRS 2 SBM-1 §40 (e); SBM-3 §48 (c) i and (c) iv; MDR-P §62, §65 (a); MDR-A §62, §68 (a) and (d); MDR-M §72, §75; MDR-T §72, §80 (b) and (j), §81 (a) to (b); BP-2 §17 (b) to (e); ESRS S1 S1-2 §27; S1-4 §39 and AR 40 (a); S1-5 §47 (b) to (c); ESRS S2 S2-2 §22; S2-4 §33, §AR 33 and §AR 36 (a); S2-5 §42 (b) to (c); ESRS S3 S3-2 §21; S3-4 §33, §AR 31, §AR 34 (a); S3-5 §42 (b) to (c); ESRS S4 S4-2 §20, S4-4 §31, §AR 30, and §AR 33 (a); S4-5 §41 (b) to (c)		19, 26
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	ESRS 2 SBM-1 §40 (b)		5, 10
	201-2 Financial implications and other risks and opportunities due to climate change	ESRS 2 SBM-3 §48 (a), and (d) to (e); ESRS E1 §18; E1-3 §28; E1-9 §66 (a); §67 (a) and §69 (a)	Partly disclosed: initial assessment according to TCFD has been conducted in 2023.	35
	201-3 Defined benefit plan obligations and other retirement plans		Will not be disclosed due to confidentiality constraints.	
	201-4 Assistance received from government		We operate training centre facilities (vocational schools) in many different countries. For some of them, we receive public funding.	
GRI 205: Anti-Corruption	3-3 Management of material topics	ESRS G1 G1-1 §7; G1-3 §18 (a); G1-4 §24 (b)		21, 55-59
	205-1 Operations assessed for risks related to corruption	ESRS G1 G1-3 §AR 5	100%. All entities are assessed for risks related to corruption.	
	205-2 Communication and training about anti-corruption policies and procedures	ESRS G1 G1-3 §20, §21 (b) and (c) and §AR 7 and 8	Communication is done via our internal and external channels such as our intranet, newsletters, the web page and social media.	
	205-3 Confirmed incidents of corruption and actions taken	ESRS G1 G1-4 §25	Will not be disclosed due to confidentiality constraints. Please see "KAEFER Rules for the handling of complaints" to learn more about how KAEFER handles incoming reports: https://kaefer.com/wp-content/uploads/2024/03/240101_KAEFER-Rules-of-Procedure-for-the-handling-of-complaints.pdf	

GRI Disclosures and Requirements		ESRS Disclosure Requirements	Comment / Omission	Page
General Disclosures				
GRI 305: Emissions 2016	**3-3 Management of material topics and GRI 305 1.2**	ESRS E1 E1-2 §24; E1-3 §28; E1-4 §32, §33 and §34 (b); E1-7 §56 §58 (a); §59 (a); §61 (a) and (c); §AR 61; §AR 62 (b); ESRS E2 §AR 9 (b); E2-1 §14; E2-2 §18 and §19; E2-3 §22	Reported according to Greenhouse Gas Protocol. Conversion factors provided by Sphera. The GHG emissions refer to all business units which are operationally controlled by KAEFER, e.g. for buildings, offices and vehicles where KAEFER is paying and influencing energy consumption.	30-31
	305-1 Direct (Scope 1) GHG emissions	ESRS E1 E1-4 §34 (c); E1-6 §44 (a); §46; §48 (a); §50; §AR 25 (b) and (c); §AR 39 (a) to (d); §AR 40; AR §43 (c) to (d)		34
	305-2 Energy indirect (Scope 2) GHG emissions	ESRS E1 E1-4 §34 (c); E1-6 §44 (b); §46; §49; §50; §AR 25 (b) and (c); §AR 39 (a) to (d); §AR 40; §AR 45 (a), (c), (d), and (f)	Partial omission: biogenic carbon dioxide (CO_2) emission of CO_2 from the combustion or biodegradation of biomass is not relevant for KAEFER.	34
	305-3 Other indirect (Scope 3) GHG emissions	ESRS E1 E1-4 §34 (c); E1-6 §44 (c); §51; §AR 25 (b) and (c); §AR 39 (a) to (d); §AR 46 (a) (i) to (k)		34
	305-4 GHG emissions intensity	ESRS E1 E1-6 §53; §AR 39 (c)		34
	305-5 Reduction of GHG emissions	ESRS E1 E1-3 §29 (b); E1-4 §34 (a) to (c); §AR 25 (b) and (c); E1-7 §56 (b)		31-32, 34
	305-6 Emissions of ozone-depleting substances (ODS)	ESRS E2 E2-5 §34	Not available.	
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	ESRS E2 E2-4 §28 (a); §30 (b) and (c); §31; §AR 21	Not applicable: insignificant air pollution through company's processes.	
GRI 306: Waste 2020	**3-3 Management of material topics**	ESRS E5 §AR 7 (a); E5-1 §14; E5-2 §19; E5-3 §23	Waste data refers to all business units which are operationally controlled by KAEFER, e.g. for buildings where KAEFER is influencing waste generation.	39-40
	306-1 Waste generation and significant waste-related impacts	ESRS 2 SBM-3 §48 (a), (c) ii and iv; ESRS E5 §AR 7 (f); E5-4 §30	Information incomplete.	40
	306-2 Management of significant waste related impacts	ESRS E5 E5-2 §19 and §20 (e) and (f); E5-5 §40 and §AR 33 (c)		39
	306-3 Waste generated	ESRS E5 E5-5 §37 (a), §38 to §40	Information incomplete.	40
	306-4 Waste diverted from disposal	ESRS E5 E5-5 §37 (b), §38 and §40	Information incomplete.	
	306-5 Waste directed to disposal	ESRS E5 E5-5 §37 (c), §38 and §40	Information incomplete.	

GRI Disclosures and Requirements		ESRS Disclosure Requirements	Comment / Omission	Page
General Disclosures				
GRI 308: Supplier Environm. Assessment 2016	3-3 Management of material topics and GRI 305 1.2	ESRS G1 G1-2 §15 (a)		51-52
	308-1 New suppliers that were screened using environmental criteria	ESRS G1 G1-2 §15 (b)	Information unavailable/ incomplete.	
	308-2 Negative environmental impacts in the supply chain and actions taken	ESRS 2 SBM-3 §48 (c) i and iv		51-54
GRI 401: Employment 2016	3-3 Management of material topics	ESRS S1 S1-1 §19; §20 (c); S1-2 §27; S1-4 §37 to §39; §AR 33; §AR 40 (a); S1-5 §46; §47 (b) and (c); S1-17 §104 (a); ESRS S2 §11 (c); S2-1 §16; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §41, §42 (b) and (c)		42
	401-1 New employee hires and employee turnover	ESRS S1 S1-6 §50 (c)	Information incomplete: expected to be disclosed in future reports.	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	ESRS S1 S1-11 §74; §75; §AR 75	Information unavailable: to our best knowledge, there is no different treatment of temporary/part-time employees. However, cases where this might occur, can not be excluded completely.	
	401-3 Parental leave	ESRS S1 S1-15 §93	Information unavailable/ incomplete.	
GRI 403: Occupational Health and Safety 2018	3-3 Management of material topics	ESRS S1 S1-1 §19; §20 (c); S1-2 §27; S1-4 §37 to §39; §AR 33; §AR 40 (a); S1-5 §46; §47 (b) and (c); S1-17 §104 (a); ESRS S2 §11 (c); S2-1 §16; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §41, §42 (b) and (c)		42, 45
	403-1 Occupational health and safety management system	ESRS S1 S1-1 §23		45-46
	403-2 Hazard identification, risk assessment, and incident investigation	ESRS S1 S1-3 §32 (b) and §33		45-46
	403-3 Occupational health services	ESRS S1 S1-1 §AR 17 (d)	Information unavailable / incomplete. Legal and ISO 45001 requirements are met. Definition of quality criteria and monitoring to be established first.	
	403-4 Worker participation, consultation, and communication on occupational health and safety		Information unavailable/ incomplete.	45-46

GRI Disclosures and Requirements		ESRS Disclosure Requirements	Comment / Omission	Page
General Disclosures				
GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety			45-46
	403-6 Promotion of worker health			45-47
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	ESRS S2 S2-4 §32 (a)		45-47
	403-8 Workers covered by an occupational health and safety management system	ESRS S1 S1-14 §88 (a); §90	Information unavailable / incomplete.	45
	403-9 Work-related injuries	ESRS S1 S1-4, §38 (a); S1-14 §88 (b) and (c); §AR 82		45-46
	403-10 Work-related ill health	ESRS S1 S1-4, §38 (a); S1-14 §88 (b) and (d); §89; §AR 82	Information unavailable / incomplete.	
GRI 404: Training and Education 2016	3-3 Management of material topics	ESRS S1 S1-1 §19; §20 (c); S1-2 §27; S1-4 §37 to §39; §AR 33; §AR 40 (a); S1-5 §46; §47 (b) and (c); S1-17 §104 (a); ESRS S2 §11 (c); S2-1 §16; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §41, §42 (b) and (c)		42, 49
	404-1 Average hours of training per year per employee	ESRS S1 S1-13 §83 (b) and §84		49
	404-2 Programs for upgrading employee skills and transition assistance programs	ESRS S1 S1-1 §AR 17 (h)		49-50
	404-3 Percentage of employees receiving regular performance and career development reviews	ESRS S1 S1-13 §83 (a) and §84		49

GRI Disclosures and Requirements		ESRS Disclosure Requirements	Comment / Omission	Page
General Disclosures				
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management of material topics	ESRS S1 S1-1 §19; §20 (c); S1-2 §27; S1-4 §37 to §39; §AR 33; §AR 40 (a); S1-5 §46; §47 (b) and (c); S1-17 §104 (a); ESRS S2 §11 (c); S2-1 §16; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §41, §42 (b) and (c)		42, 49
	405-1 Diversity of governance bodies and employees	ESRS 2 GOV-1 §21 (d); ESRS S1 S1-6 §50 (a); S1-9 §66 (a) to (b); S1-12 §79		13, 43-44
	405-2 Ratio of basic salary and remuneration of women to men	ESRS S1 S1-16 §97 and §98	Information unavailable / incomplete: data collection process at a global level to be set up.	
GRI 406: Non-discrimination 2016	3-3 Management of material topics	ESRS S1 S1-1 §19; §20 (c); §24 (a) and (d); S1-2 §27; S1-4 §37 to §39; §AR 33; §AR 40 (a); S1-5 §46; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §16; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §41, §42 (b) and (c); ESRS S4 §10 (b); S4-1 §15; §16 (c); S4-2 §20; S4-4 §31; §32 (a) and (b); §35; §AR 30; §AR 33 (a); S4-5 §41; §41 (b) and (c)	Information unavailable / incomplete.	42, 56
	406-1 Incidents of discrimination and corrective actions taken	ESRS S1 S1-17 §103 (a), §AR 103	Information unavailable / incomplete: expected to be disclosed in future reports.	
GRI 407: Freedom of Association and Collective Bargaining 2016	3-3 Management of material topics	ESRS S1 S1-1 §19; §20 (c); S1-2 §27; S1-4 §37 to §39; §AR 33; §AR 40 (a); S1-5 §46; §47 (b) and (c); S1-17 §104 (a); ESRS S2 §11 (c); S2-1 §16; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §41, §42 (b) and (c)		42
	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		Information unavailable / incomplete.	
GRI 414: Supplier Social Assessment 2016	3-3 Management of material topics	ESRS G1 G1-2 §15 (a)		51
	414-1 New suppliers that were screened using social criteria	ESRS G1 G1-2 §15 (b)	Information unavailable/ incomplete.	
	414-2 Negative social impacts in the supply chain and actions taken	ESRS 2 SBM-3 §48 (c) i and iv		52-54

TCFD

Recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) have become established as the standard for reporting on the risks and opportunities of climate change for companies. KAEFER has adopted these recommendations and is reporting in line with TCFD criteria.

	Recommended disclosures	KAEFER (Location of Disclosure)
Governance		
Disclose the organisation's governance around climate-related risks and opportunities	a. Describe the board's oversight of climate-related risks and opportunities	**Climate Risk Analysis**
	b. Describe management's role in assessing and managing climate-related risks and opportunities	**ESG Governance & Monitoring**
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material	a. Describe the climate-related risks and opportunities the organisation has identified over the short-, medium-, and long-term	**Climate Risk Analysis**
	b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	**Climate Risk Analysis**
	c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	**Climate Risk Analysis**
Risk Management		
Disclose how the organisation identifies, assesses, and manages climate-related risks	a. Describe the organisation's processes for identifying and assessing climate-related risks	**Climate Risk Analysis**
	b. Describe the organisation's processes for managing climate-related risks	**E1 Climate Change, Climate Risk Analysis**
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	**Climate Risk Analysis**
Metrics and Targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	**Climate Risk Analysis**
	b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks	**E1 Climate Change, Climate Risk Analysis**
	c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	**E1 Climate Change**

Accounting Principles

Sources of Estimation and Outcome Uncertainty

Making judgements, assumptions and estimates is a fundamental part of preparing sustainability-related disclosures. They are disclosed accordingly to aid in the interpretation of sustainability information. These estimates may be further refined in future statements when more relevant and accurate information becomes known.

Linking Past, Present and Future

Where applicable, historical information is presented as it relates to future-oriented aspects. For forward-looking statements on trends, strategies and plans, a certain degree of uncertainty and risk applies as they relate to events and circumstances in future.

Changes in Preparation or Presentation of Sustainability Information

Reporting restatements are covered by KAEFER's Environmental Reporting Rule that describes the principles and thresholds in case of adjustments (errors as well as updating disclosures after the end of the reporting period). If considered material or being above the threshold, the respective information will be restated unless it is unfeasible to do so. The reason as well as necessary contextual information will be provided alongside the topical disclosures.

GHG Emission Calculations

KAEFER reports its greenhouse gas emissions as CO_2 equivalent for Scope 1, 2 and 3 in line with the GHG Protocol Corporate Accounting and Reporting Principles and ESRS. Base year is 2023.

To accurately track progress towards our emission targets, there are certain situations that may trigger a recalculation of the base year emissions on group level, such as structural changes, significant changes in the methodology as well as major errors. These events as well as the threshold have been defined in KAEFER's Environmental Reporting Rule.

SCOPE	APPROACH
Scope 1	Direct energy consumption from company fleet, heating and cooling (database emission factors): emission factors are based on UK's Department for Environment, Food & Rural Affairs (DEFRA).
Scope 2 (market- and location-based)	Energy consumption from electricity usage and district heating (database emission factors): emission factors are based on UK's Department for Environment, Food & Rural Affairs (DEFRA).
Scope 3.1 Purchased Goods and Services	Hybrid approach mainly based on global spend: emission factors are based on supplier-specific information, Environmental Data Sheets, and USEEIO database.
Scope 3.2 Capital Goods	Spend-based approach: emission factors are from NAICS with reference to the relevant code in USEEIO.
Scope 3.3 Fuel and Energy-related Activities	Physical unit approach: emission factors are from DEFRA data set.
Scope 3.4 Upstream Transportation and Distribution	Spend-based approach: emission factors are from NAICS with reference to the relevant code in USEEIO.
Scope 3.5 Waste	Waste type-specific approach: emission factors are from the MLC v15.1 (04/2024) data set.
Scope 3.6 Business Travel	Hybrid approach on distance or emissions provided by supplier: emission factors are from the MLC v15.1 (04/2024) data set.
Scope 3.7 Employee Commuting	Activity-based approach: emission factors are from Sphera LCA for expert software database.

KAEFER Organisational Boundaries

The GHG emissions data will be consolidated across all legal entities. This includes buildings and offices, as well as vehicles which are owned or controlled by the company. Controlled refers to KAEFER paying the energy consumption (Scope 1 & 2).

KAEFER Operational Boundaries

The operational boundaries are based on the operational control approach including all services of Insulation, Access Solutions, Surface, and Passive Fire Protection, Electromechanical Work, Interior Outfitting, and other Services.

The data is collected in a tool that allows the calculation of GHG emissions based on internationally recognised emission factors from different data bases. For spend-based calculations, the emission factors are adjusted for inflation.

Non-material Scope 3 Categories

The following categories within Scope 3 are considered not material/not applicable for KAEFER as explained in the respective reasoning:

3.8 Upstream leased Assets: KAEFER does not lease upstream assets as part of its usual operations.

3.9 Downstream Transportation and Distribution: KAEFER's business involves minimal downstream transportation, as prefabricated products are mainly used in our own services. Transport to client sites is generally covered under Scope 1/2 or Scope 3.4 (Upstream Transportation). If downstream transport occurs, it is included in Scope 3.4.

3.10 Processing of sold Products: as a service provider, KAEFER has no significant processing of sold products.

3.11 Use of sold Products: as part of its usual operations, KAEFER does not sell products. During service execution, we release emissions by using powered tools operated by KAEFER staff on client sites. As those are usually powered by fuel or electricity purchased by KAEFER, majority of emissions in this category is covered by Scope 1 and 2. Only a limited share of electricity is provided through clients power grids, leading to non-materiality of this category.

3.12 End-of-life Treatment of sold Products: as KAEFER is a service provider, there are no physical products requiring end-of-life treatment.

3.13 Downstream leased Assets: KAEFER does not lease downstream assets as part of its usual operations.

3.14 Franchises: KAEFER does not operate any franchises.

3.15 Investments: KAEFER holds no considerable investments or joint-ventures in the reporting period besides two investments that involve very few people and no assets. Given their limited scale and negligible impact on GHG inventory results, this category is considered non-material.

For 2024, KAEFER uses the same methodology and assumptions as for 2023 apart from Category 3.12 which has been part of the reporting scope in previous years. Within the assessment of KAEFER's emission calculation as part of the SBTi target validation process, this category is now considered as not material.

Entities Covered

If not indicated differently, the following entities have been covered in KAEFER's sustainability statement on the year 2024.

- GLOBAL WORK Sp. z o.o.
- Isoliertechnik Holding Ltd.
- Isologics Pty Ltd.
- KAEFER AB
- KAEFER Bahrain W.L.L.
- KAEFER België N.V.
- KAEFER Blu AS
- KAEFER Borneo SDN. BHD.
- KAEFER Canada Inc.
- KAEFER China Holding Ltd.
- KAEFER COMPANY W.L.L.
- KAEFER Construction AS
- KAEFER Construction GmbH
- KAEFER ENERGY AS
- KAEFER Energy Projects (Pty) Ltd.
- KAEFER Engineering (Thailand) Ltd.
- KAEFER Engineering (Vietnam) Ltd.
- KAEFER Foundation gemeinnützige GmbH
- KAEFER Gebäudetechnik GmbH
- KAEFER Holding Inc.
- KAEFER Immobilien Beteiligungs GmbH
- KAEFER Immobilien GmbH & Co. KG
- KAEFER Industrial Services Limited
- KAEFER Industrial Services Ltd.
- KAEFER Industrie GmbH
- KAEFER Industrieholding GmbH
- KAEFER Insulation Engineering (Shanghai) Co., Ltd.
- KAEFER Insulation LLC
- KAEFER Integrated Services Korea Ltd.
- KAEFER Integrated Services Ltd.
- KAEFER Integrated Services Pty Ltd.
- KAEFER International AG
- KAEFER Kuwait General Trading & Contracting Company W.L.L
- KAEFER Limited
- KAEFER, LLC.
- KAEFER L.L.C.
- KAEFER LUXEMBOURG S. à r.l.
- KAEFER (Malaysia) SDN. BHD.
- KAEFER Marken Beteiligungs-GmbH
- KAEFER Marken GmbH & Co. KG
- KAEFER Montage GmbH
- KAEFER NC SARL
- KAEFER Nederland B.V.
- KAEFER Oy
- KAEFER PROSTAR Pte. Ltd.
- KAEFER S.A.
- KAEFER S.A.S.
- KAEFER Saudi Arabia Co.
- KAEFER Schiffsausbau GmbH
- KAEFER SE & Co. KG (Holding)
- KAEFER Servicios Industriales S.A.U.
- KAEFER Technik und Service GmbH
- KAEFER Teckma Engenharia Ltda.
- KAEFER TestTorque Engineering Ltda.
- KAEFER Thermal Contracting Services (Pty) Ltd.
- KAEFER UAB
- KAEFER Unterstützungskasse e.V.
- KLH Australia Pty Ltd.
- PT KAEFER
- RIP Serviços Industriais Ltda.
- RIP Comercia Ltda.
- SIZANI Technical Skills Training Centre (Pty) Ltd.

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Since 2012, KAEFER has published sustainability reports on an annual basis. Prior editions of these reports, as well as additional information on our approach to sustainability and ESG, can be found on our website www.kaefer.com. Information on the KAEFER FOUNDATION is available at www.kaefer.foundation.

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Final Responsibility: Erhard Dubs (KAEFER Head of Corporate Strategy & ESG)

Photos: © KAEFER
p. 38: one of the winning pictures from KAEFER's ESG Photo Competition 2024

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