

+GF+

Our approach to biodiversity



Excellence
in **Flow⁺**



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1 Introduction

As a global leader in flow solutions, GF supports diverse industries and contributes to everyday life.

Guided by its purpose—excellence in flow—the company is committed to a sustainable future through responsible operations, ecosystem respect, and long-term stakeholder value.



1.1 GF's approach to biodiversity

Nature underpins all business activity. According to IPBES, biodiversity—the variety of life including species, ecosystems, and genetic diversity—supports essential natural processes for human well-being and economic resilience.

For GF, biodiversity enables key ecosystem services such as water availability, raw material supply, and climate regulation—critical to operations and supply chain resilience. Healthy ecosystems are vital for resource security and sustainable growth.

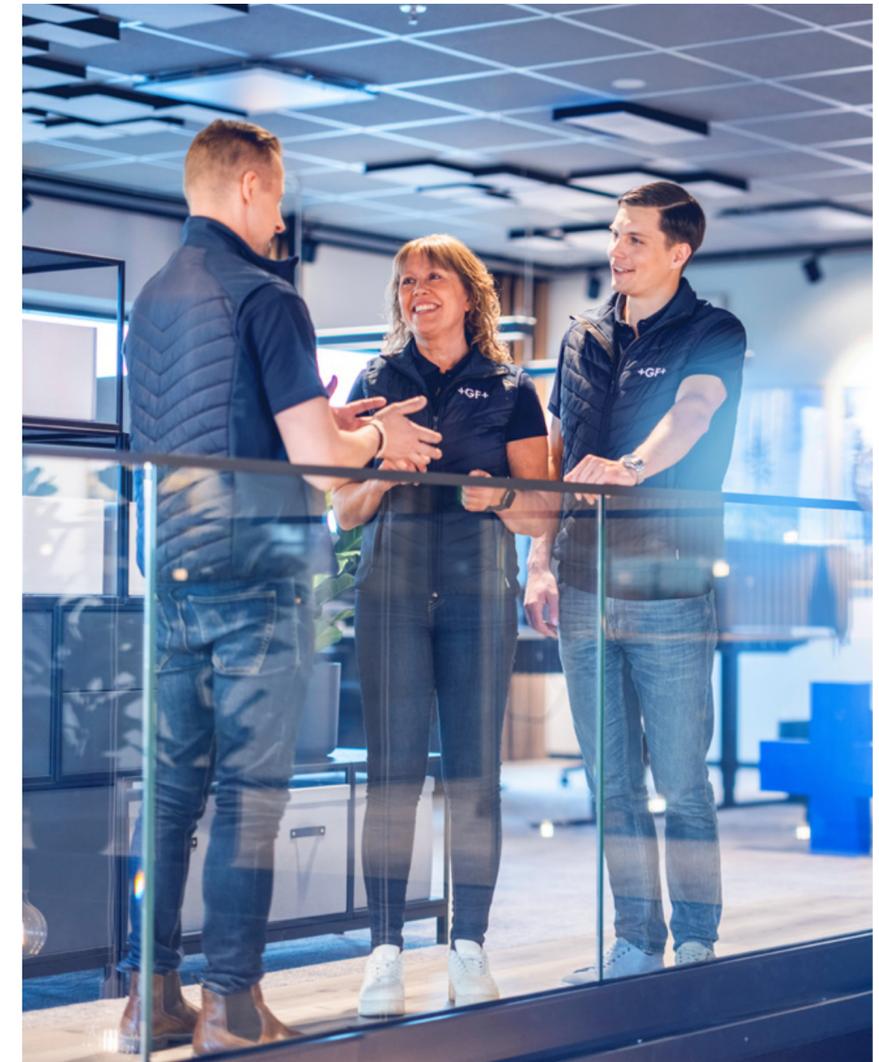
GF's biodiversity approach aligns with international frameworks and is integrated into its environmental and Sustainability Framework. The focus is on identifying and managing nature-related impacts and dependencies across operations and the value chain.

While progress has been made in reducing the environmental footprint, protecting biodiversity remains an ongoing challenge. GF's actions are science-based, partnership-driven embedded in its Net Zero program supporting resilience, continuity, and a nature-positive future.

1.2 Our Sustainability Framework

GF's sustainability approach is guided by the UN Sustainable Development Goals (SDGs), helping us assess global risks and opportunities relevant to our business. Anchored in our corporate strategy, the Sustainability Framework 2030 defines our ambition across four focus areas: products, planet, people, partnerships.

Each focus area of the Sustainability Framework 2030 is backed by measurable targets. The framework includes nine quantitative goals covering carbon reduction, employee safety, and sustainable innovation.



Sustainability Framework 2030



Products

Sustainable innovations and solutions for our customers

80%

of sales with social or environmental benefits



Planet

Cutting emissions and conserving water in high-stressed areas

63%

reduction in absolute Scope 1 and 2 CO₂e emissions by 2035

66%

reduction in Scope 3 CO₂e emission per kg of production output by 2035

10%

reduction in water intensity

80%

waste recycling rate



People

Empowering people in a safe, healthy and inclusive workplace

30%

reduction in LTIFR, embedding a zero-harm culture in daily operations.

30%

of all GF management positions are held by women



Partnerships

Leverage collaboration for impact

10

sustainability collaborations with key customers completed

10

Collaborate with top 10 priority suppliers to accelerate emissions reduction initiatives

1.3 Governance and accountability

GF's approach to biodiversity is overseen by the Board of Directors through the Nomination and Sustainability Committee (NSC). The Executive Committee drives progress and receives regular updates on biodiversity initiatives.

The Group Sustainability team leads implementation in close collaboration with global teams. As the center of excellence, it ensures consistency, knowledge-sharing, and alignment across the organization. Functions such as Risk Management also integrate nature-related considerations into their areas of responsibility.

At the operational level, global Sustainability teams coordinate local initiatives to ensure alignment with GF's strategic priorities and stakeholder expectations.

To reinforce accountability, sustainability is embedded in GF's incentive structures. Executive compensation is linked to progress on key environmental goals, including greenhouse gas reduction, health and safety, and sustainable product innovation—many of which support positive biodiversity outcomes.



2 Operationalizing biodiversity at GF

GF's biodiversity management follows the widely recognised mitigation hierarchy.



2.1 Guiding framework: The biodiversity mitigation hierarchy

This stepwise approach prioritises avoiding negative impacts, minimising unavoidable effects, restoring ecosystems where feasible, and offsetting residual impacts as a last resort.

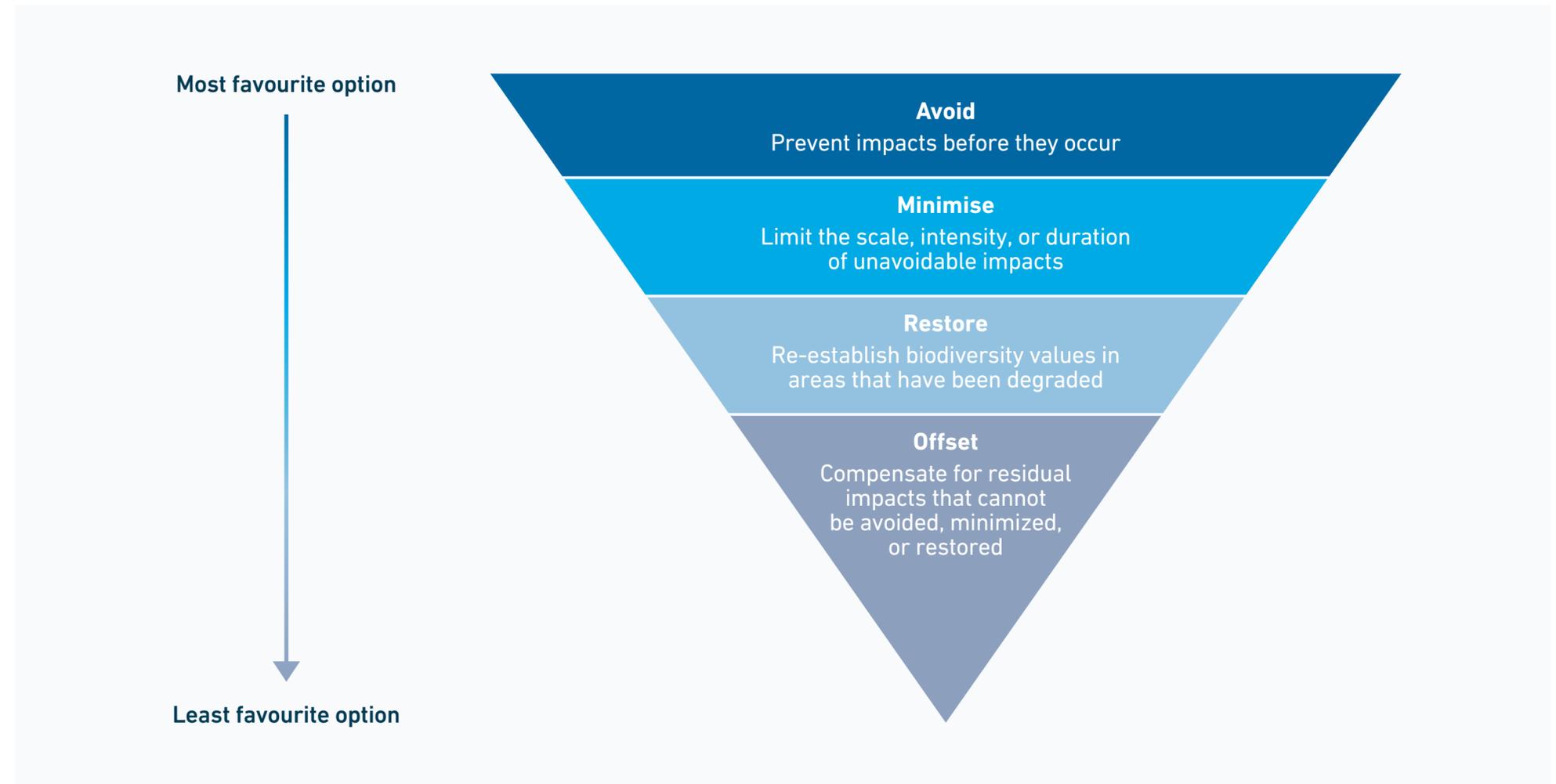


Figure 1: Biodiversity Mitigation Hierarchy, by IUCN.

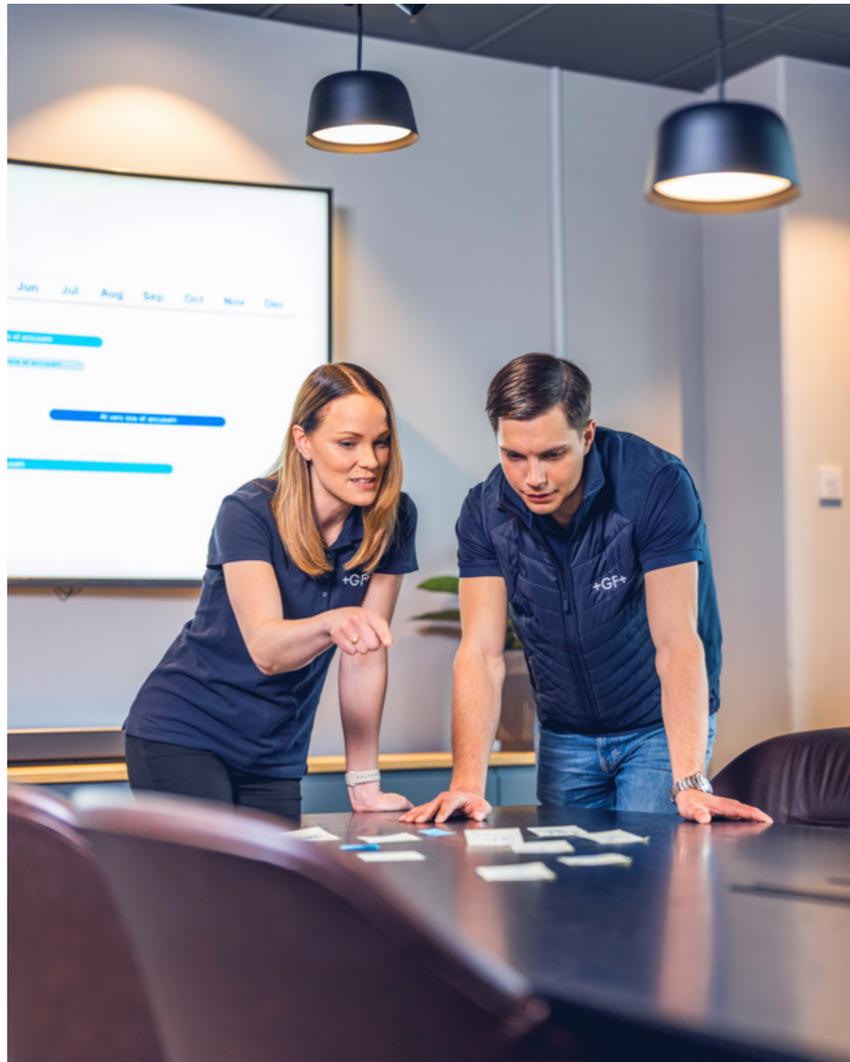
2.2 Biodiversity management process

GF's approach follows a four-step management process, illustrated below and described in the paragraphs that follow.

Assess and prioritize	Define actions, raise awareness	Collaborate with partners	Progress and improvement
<ul style="list-style-type: none"> ■ Tool based approach to identify potential impacts, dependencies and risks ■ Prioritize findings by conducting double materiality assessment <p>1</p>	<ul style="list-style-type: none"> ■ Define targets, KPIs and measures for the identified material aspects ■ Raise awareness to stakeholders <p>2</p>	<ul style="list-style-type: none"> ■ Collaborate with GF water foundation and other partners on impactful projects <p>3</p>	<ul style="list-style-type: none"> ■ Assess progress through GF's climate and water programs ■ Assess impact with partners ■ Amend program if necessary <p>4</p>

Table 1: Four-step management process.





2.3 Step 1. Assess and prioritize

GF's operations interact directly with nature. Understanding how our activities affect ecosystems helps us manage our footprint, comply with regulations, and support sustainable development.

In 2024, GF conducted its first global biodiversity assessment to evaluate dependencies and impacts across.

To support this work, GF used two specialized tools: Kuyua and BESTCAT.

2.3.1 Kuyua assessment – focus on economic activity

The Kuyua assessment evaluated the potential impact and dependency profile of each GF location based on its specific economic activities and industry focus.

- **Impact profile:** Twelve key impacts were assessed across GF's up and downstream value chain, aligned with the five main drivers of biodiversity loss such as emissions, land use, and pollution.
- **Dependency profile:** Twenty-one ecosystem services were analyzed, including climate regulation, water flow maintenance, and soil fertility.

This dual perspective supports a more complete understanding of GF's interaction with natural systems and informs future mitigation strategies.

The assessment covered all GF production sites and material activities across the value chain. It also extended to key supply chain sectors, identifying where upstream activities such as raw material extraction may pose biodiversity risks. The focus was on potential rather than actual impacts, helping GF pinpoint locations that could exert significant pressure on biodiversity due to the nature of their operations in a qualitative rating for each impact and dependency, ranging from very low to very high.

2.3.2 BESTCAT assessment – focus on location

The BESTCAT tool assessed the biodiversity sensitivity of GF sites using metrics such as global and threatened species richness, biome-based richness, carbon stock, and water availability.

The assessment identified sites where GF operations intersect with biodiversity hotspots and ecosystem service dependencies:

- **High biodiversity sensitivity** was observed at sites in Australia, Brazil, Malaysia, Singapore, India, Indonesia, the United States, and China—driven by high species richness and concentrations of threatened or small-ranging species.
- **Water stress** compounds ecological risk in several regions. Many high-biodiversity sites are also in water-scarce areas. Notably, GF's Riverwood site (Australia) faces both high species richness and water scarcity.

■ Regional highlights:

- **Singapore, Malaysia, Brazil:** High biodiversity combined with water availability challenges.
- **United States:** Elevated risk from small-ranging species and regional water stress.
- **UAE, Austria, China:** Low carbon stock and reduced habitat intactness affect ecosystem resilience.

Water stress emerged as a common factor across many locations, reinforcing the need for tailored biodiversity risk management at priority sites. These findings highlight the importance of strengthening site-specific mitigation measures in alignment with GF's climate and water programs.



2.3.3 Prioritization of biodiversity through the Double Materiality Assessment

The impact and dependency profiles were integrated into GF’s Double Materiality Assessment (DMA) and are reviewed annually.

- **Potential impacts:** Identified across ecosystem disturbance, land and freshwater use, and pollution—potentially degrading ecosystem condition, reducing species richness, and altering ecological communities.
- **Potential dependencies:** GF’s operations and supply chain rely on ecosystem services such as climate regulation, water flow maintenance, and access to clean groundwater.
- **Key risks:** Include reputational damage, increased procurement costs due to impaired ecosystem services, and transition risks linked to climate adaptation.
- **Opportunities:** Arise from aligning nature-related actions with broader environmental goals, including water, emissions, and waste.

These findings highlight the interconnected nature of GF’s biodiversity footprint and the importance of integrating nature-related considerations into strategic planning, risk management, and sustainability reporting.

Issue Area	Type	Scope	Description
Water use and availability	Impact	Upstream	The use of freshwater ecosystems in the upstream value chain can reduce water quality and availability, harm aquatic habitats, and contribute to biodiversity loss.
	Impact	Own business	GF’s freshwater use at operational sites may reduce downstream availability, contributing to water stress in local ecosystems and communities.
Climate regulation	Risk	Upstream	Biodiversity and ecosystem degradation weaken natural climate regulation, which can increase raw material procurement costs and disrupt production (e.g., aluminum, iron). In parallel, growing climate-related regulation may raise financial exposure through higher compliance and transition costs.

Table 2: Potential material impacts and risks.

2.4 Step 2. Define actions, raise awareness

Climate change and water availability are critical to biodiversity. Freshwater ecosystems host a large share of global biodiversity and are highly sensitive to climate pressures and human use.

Both topics are embedded in GF's sustainability strategy, supported by dedicated programs and measurable targets. GF's climate targets are validated by the Science Based Targets initiative (SBTi), and a carbon transition plan outlines the path to net-zero emissions by 2050. Progress is reported annually in the Sustainability Report.

Water stewardship is central to GF's sustainability framework, reflecting the link between water management and biodiversity. Under the Sustainability Framework 2030, GF aims to reduce water intensity by 2030. This target supports responsible resource use and the protection of freshwater ecosystems vital to biodiversity and community well-being.

2.5 Step 3. Collaborate with GF Water Foundation

Complementing operational targets, the GF Water Foundation delivers sustainable water solutions to vulnerable communities worldwide. Its work focuses on three areas:

- **Humanitarian aid:** Providing life-saving support to communities in crisis.
- **Community development:** Building skills and resilience in water-scarce, climate-impacted regions.
- **Ecosystem preservation:** Supporting conservation projects that protect water ecosystems and livelihoods.

Leveraging GF's expertise in sustainability and innovation, the foundation has improved access to safe water for over 400,000 people in more than 50 countries enhancing well-being and strengthening local ecosystem resilience.

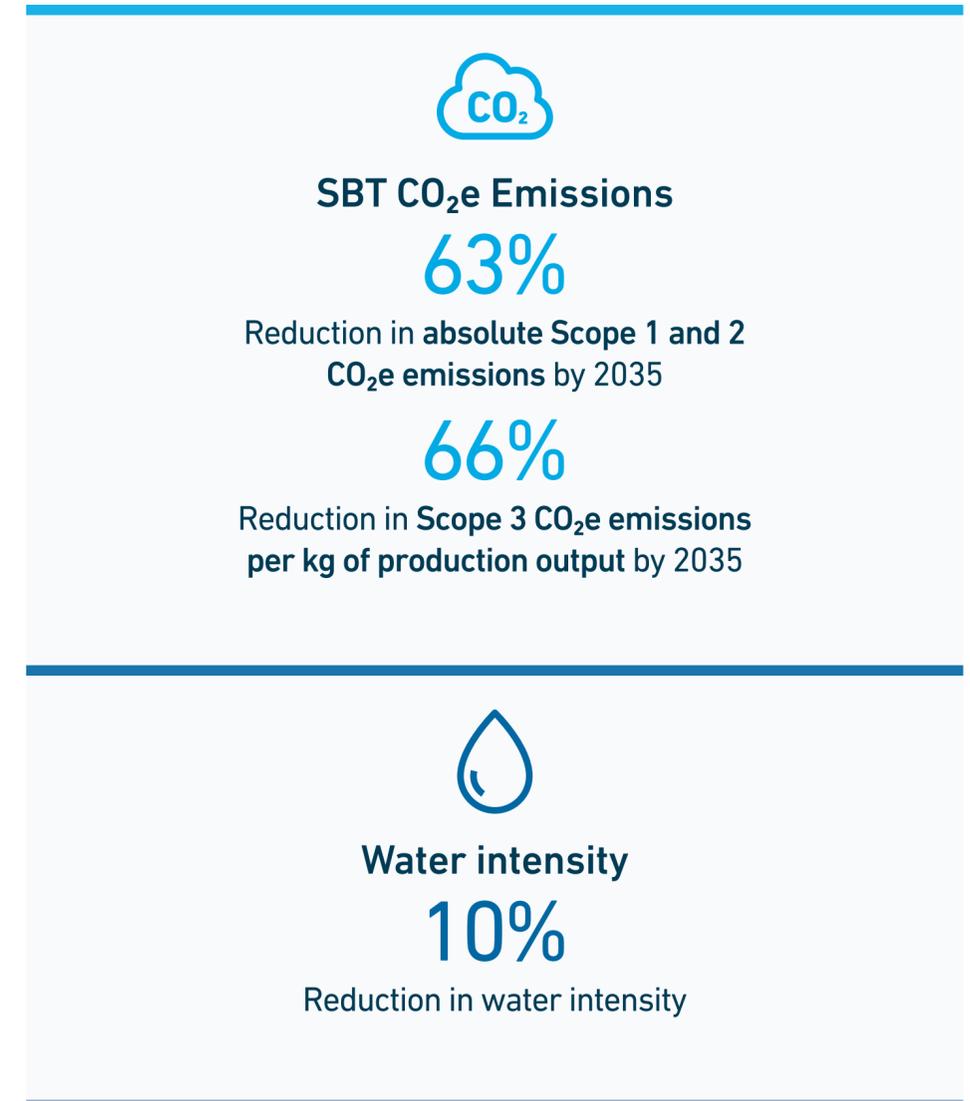


Figure 2: Sustainability targets 2030.



2.6 Step 4. Progress and improvement

GF tracks biodiversity-related progress through its climate and water programs, which include defined targets, regular monitoring, and transparent reporting.

Annual updates on GHG emissions and water targets are published in the Sustainability Report. Governance and risk disclosures are included in the CDP report, where GF achieved an A score for climate change and A- for water security. Additional external ratings further highlight GF's leadership in sustainability.

 **More information is available on the GF website under [Sustainability Ratings](#)**

3 GF biodiversity commitment

Recognizing biodiversity as a complex and evolving field, GF will regularly review its approach to stay aligned with scientific developments, stakeholder expectations, and regulatory change.



3.0 GF biodiversity commitment

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- **Collaboration:** GF will pursue partnerships with scientific institutions, NGOs, peer companies, and sustainability networks to share expertise and promote consistent, evidence-based practices that support both biodiversity and broader sustainability goals.
- **Value Chain Engagement:** Where material risks are identified such as resource use, emissions, or land and water impacts GF may engage upstream partners through platforms like its climate engagement program, reinforcing its commitment to responsible value chain stewardship.
- **Raising Awareness:** GF recognizes the importance of building internal understanding of biodiversity and will communicate and provide training to support this. These efforts will focus on how GF's activities interact with nature and aim to promote informed decision-making, particularly among site leadership teams operating in biodiversity-sensitive areas.

- **Periodic Review:** GF will reassess its biodiversity footprint and exposure at least every two years, aligned with its double materiality cycle. This review incorporates the latest scientific insights, stakeholder priorities, and regulatory updates. Oversight is provided by the Executive Management and supported by Group Sustainability Leads.
- **Microplastics and Pollution:** While not currently material, pollution—especially from micro-plastics—can harm biodiversity, particularly in freshwater and marine ecosystems. Risks to aquatic species and ecosystem health may affect water resource resilience. The company will continue to monitor scientific developments and stakeholder expectations and evaluate the relevance of microplastic impacts through ongoing materiality and risk assessments.

GF will maintain a biodiversity-aware stance by monitoring regulations, benchmarking peer practices, and refining KPIs—especially around ecosystem sensitivity and exposure to threatened species. It will also assess alignment with global frameworks such as TNFD and SBTN.



Recognizing biodiversity as a complex and evolving field, GF will regularly review its approach to stay aligned with scientific developments, stakeholder expectations, and regulatory change.

Our approach to biodiversity

This approach has been approved by the Executive Committee of Georg Fischer AG. The scope covers all fully consolidated operations worldwide as of 2024.

GF is keen to receive feedback from internal and external stakeholders. If you wish to share feedback or would like to discuss this approach, please send an email to sustainability@georgfischer.com.



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