

Sustainability at Grundfos

Executive summary 2024

Grundfos is taking a leading role in addressing the world's most pressing sustainability challenges

Sustainability and a deep-rooted respect for people and planet has always been at the core of Grundfos' business. As one of our core values, sustainability is ingrained in how the company operates and is a fundamental component of our business strategy.

Building on a legacy of responsibility and reliability, we aim for a just, green and resilient future by pioneering innovative pump and water technology solutions.

We adopt and follow international standards and guidelines for sustainability and responsible business conduct, and we communicate transparently on our progress in our annual sustainability report.

In this executive summary, we aim to give you an overview of our sustainability commitments and progress. We invite you to read our [2024 Sustainability Report](#) for a detailed view.



In 2024 we received an EcoVadis platinum medal, placing us in the top 1% of all rated companies.



We're the world's first water solutions company with net-zero targets approved by the Science Based Targets initiative. We hold a CDP B score in climate.



Grundfos is rated B by CDP Climate based on 2023 data. We continue to aim for an A.



Grundfos holds global certifications on:
ISO 9001:2015 Quality Management
ISO 14001:2015 Environmental Management
ISO 45001:2018 Occupational Health & Safety



We are signatories since 2002 and continue to support the UN Global Compact and report on progress accordingly.



We align with the OECD Guidelines for Responsible Business Conduct and the UN Guiding Principles on Business & Human Rights through our value chain.

GRUNDFOS

Possibility in every drop

Sustainability performance overview

Category	Ambitions	2024 YOY Progress	2024 status	2023 status	Progress from Baseline
Climate	Reduce total absolute emissions by 90% in 2050 compared to the 2020 baseline.	11% reduction	112,116,501 t CO ₂ e	125,318,071 t CO ₂ e	23.6% reduction from 2020 baseline
	Reduce Scope 1 and 2 absolute emissions by 50% by 2030 compared to 2020 baseline.	19% reduction	76,482 t CO ₂ e	94,109 t CO ₂ e	35.7% reduction from 2020 baseline
	Reduce Scope 3 absolute emissions by 25% by 2030 compared to 2020 baseline.	11% reduction	112,040,019 t CO ₂ e	125,223,962 t CO ₂ e	23.6% reduction from 2020 baseline
Water	Reduce water withdrawal by 50% in 2025 compared to 2008 baseline.	1% reduction	335,610 m ³	339,608 m ³	45% reduction from baseline: 90% of target achieved.
	Enable our end users to save 50 billion m ³ water by 2030 against a 2020 baseline.	6% reduction	1.5 billion m ³	1.6 billion m ³	16% of target achieved.
Circular Business	Reduce waste to landfill by 50% in 2025 compared to 2018 baseline.	23% reduction	669 tons	872 tons	Reduced waste to landfill by 73% compared to baseline.
	Recover 500,000 kg from take-back in 2025.	34% reduction	89,054 kg	134,098 kg	18% of target achieved.
Diversity & Inclusion	33% women in Board of Directors by 2025.	65% increase	33%	20%	Target achieved.
	27% women in leadership positions by 2025.	Same progress	25%	25%	98% of target achieved.
	3.5% representation of people with disabilities by 2025.	7% increase	3.00%	2.80%	86% of target achieved
Health, Safety & Wellbeing	Lost Time Injury ratio of 1.5 by 2025.	6% increase	1.87	1.77	Positive trend in LTI ratio, another 0.37 improvement in ration required to meet ambition.
	Employee Motivation Score of 78 by 2025.	Accounting principle has been changed.	Score of 77	Score of 78	Target Achieved for Grundfos branded business.
	Reduce the level of stress by 12% by 2025.	Same progress	21%	21%	9%-point improvement required in stress level to meet ambition
Water Access	Promote access to drinking water for 300 million people by 2030.	205% increase	6.4 million people reached	2.1 million people reached with drinking water (reported project data)	Cumulative estimate 51.2 million people reached between 2020 and 2024 from projects and calculated sales data.
		116% increase	10.8 million people reached	5 million people (sales data estimates)	
Employee and Community Engagement	Increase employee volunteering participation to 20% by 2025, and 50% by 2030.	1600% increase	17%	1%	85% of target achieved for 2025.
	Provide 100,000 people with access to drinking water through Water2Life by 2030.	77% increase to target since 2022	115,640 people reached	Status quo	Last year of tracking this target.
Sustainable Procurement	500 suppliers to be onboarded to be Ecovadis platform by 2025.	34% increase	495	408	99% of target achieved.
	Overall CSR compliance rate of 91% for all suppliers by 2025.	Same progress	91.3%	91.6%	Surpassed our 2025 target by 0.3%
	Spend coverage on carbon footprint for all suppliers of 30% by 2025.	37% increase	30.5%	22.3%	Surpassed our 2025 target by 0.5%
	Spend coverage on water footprint for all audited suppliers of 25% by 2025.	29% increase	26.0%	20.1%	Surpassed our 2025 target by 1%
	41,593 accepted Part Number-Vendor combination lines by 2025.	38% increase	35,093	25,366	84.4% of target achieved.
	100% completed data sharing request by 2025.	5.7% increase	95.7%	92.5%	95.7% of target achieved.

Governance and strategy

We govern our sustainability efforts strictly to ensure we deliver on our commitments across the business.

Approach

Sustainability governance is anchored within the Board of Directors and flows through Group Management and our Sustainability Council into group functions and divisions. The Sustainability Council members, composed of nine senior leaders representing Grundfos' Group functions and divisions, meets six times per year to align and follow up on performance and key initiatives.

Since the beginning of 2023, our sustainability KPIs are monitored by the Sustainability Council, Group Management and the Board of Directors in a regular cadence with progress reports shared internally on a quarterly basis.

Our current sustainability framework, which has served as an important foundation for some of our key achievements and initiatives such as our commitment to Net Zero, is currently being updated and will be aligned with the new Grundfos strategy 2025-2027.

Board training

In 2024, the Grundfos Holding Board of Directors participated in an ESG training sequence tailored for board members. The

training objective was to build on the Board's existing capacity, and to ensure that members are fully up to date with trends and regulatory developments. It is expected that the Board will regularly participate in further ESG training sessions in the future.

Linking sustainability and remuneration

Since 2017, executive remuneration has been tied to our sustainability performance. Two out of six evenly rated KPIs in the current Grundfos executive short-term incentive programme are linked to sustainability goals: Employee Motivation & Satisfaction, and Reduction of CO₂ emissions (scope 1, 2 and 3).

Sustainability goals also account for 25% of the executive long-term incentive programme, with three-year programmes for scope 1 & 2 and scope 1, 2 & 3 CO₂ emission reductions introduced in 2022 and 2023 respectively.



Environmental impact

We drive environmental sustainability across the product lifecycle and beyond.

Climate

Innovating towards net zero, with and for our customers

The need to move, manage and treat water for a growing world – and the huge amounts of energy needed to do so – will only increase in the coming decades. To mitigate further climate change, it is paramount to decarbonise the flow of water.

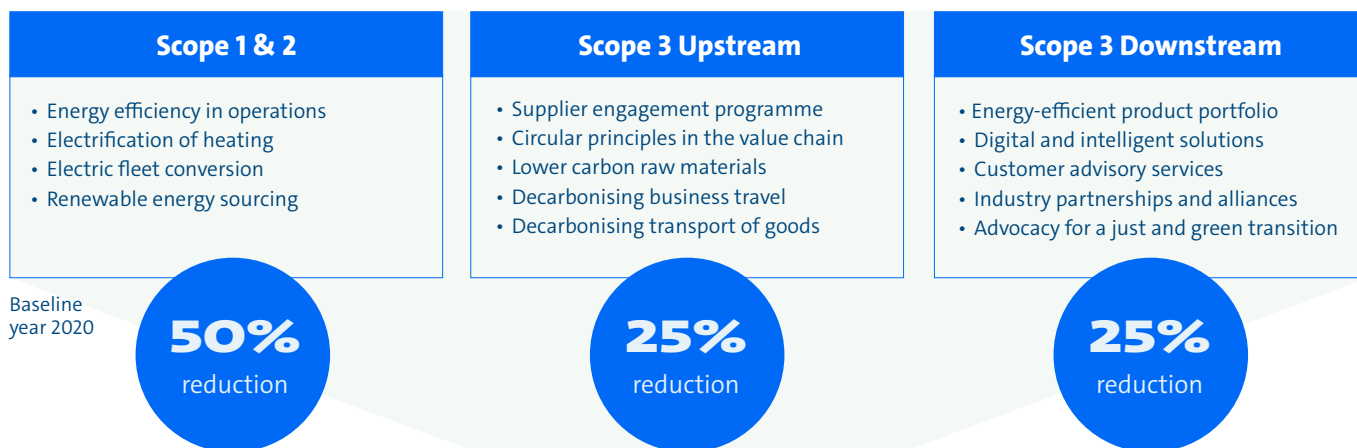
We're proud to be the world's first water solutions company with a net-zero target approved by the Science Based Targets initiative. From a 2020 base year, we are committed to reducing by 2030 our Scope 1 & 2 greenhouse gas emissions by 50% and Scope 3 by 25%. By 2050, we are committed to net zero – reducing absolute emissions by 90% and removing residual emissions.

Grundfos holds a B-score in the CDP Climate rating, confirming our strong climate action.

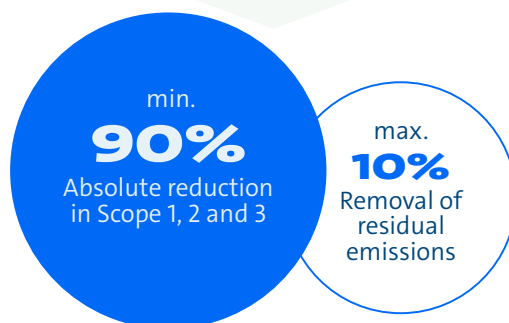
We're on course to achieving our near-term own operations (Scope 1 & 2) 50% emission reduction target in 2025, five years ahead of schedule, in part due to a Power Purchase Agreement signed in 2023. Since 98.8% of our emissions are in the use of sold products (Scope 3), we focus our innovation on intelligent, energy-efficient products and solutions, engaging in partnerships for a green grid transition and the decarbonisation of value chains. Since 2020, we have reduced our absolute carbon emissions by 23.6% across scopes.

Our supply chain decarbonisation strategy builds on three main pillars: measuring the emission reduction from our suppliers' own initiatives, using lower-carbon materials in manufacturing, and engaging our key suppliers to help with reducing our carbon footprint.

2030 Goals & Roadmap



Net Zero by 2050





**We promise to respect,
protect and advance
the flow of water**

Water

Reducing water withdrawal and advancing water sustainability for a water-secure future

Solving the water crisis will take more than just a focus on water technology. Effective action needs a collective effort. This is why we work with our customers and partners across not only our solutions technologies, but also on innovation and on strengthening policy to catalyse change.

In 2024, we reached 93% of our 2025 target to reduce water withdrawal in our own operations by 50%. Our solutions also enabled our end users to save an estimated 1.5bn m³ of water in their operations.

We launched a new strategy in 2024 that both expands our strategic focus and better leverages the different parts of our business to drive action. This includes strengthening how we manage water in our own operations and collaborate with our supply chain to drive down water risks. We are advancing our work on water resilience and water efficiency, and further developing cross-sector partnerships to advocate for water sustainability action locally and globally.

Circular business

Embedding circularity principles across the lifecycle of our products

The circular economy represents the opportunity to reduce our resource consumption while still growing our business. To guide our approach towards becoming circular business leaders, we have defined four action areas: designing products for reuse, using non-virgin and renewable materials, developing a circular business model, and creating value for next-life offerings.

We are building out our take-back offerings to customers across segments and geographies, although the number of pumps returned through our [take-back programme](#) in 2024 decreased from the previous year. In our own operations, in 2023 we surpassed our 2025 target for reduction in waste-to-landfill. In 2024, we established governance and data systems for Grundfos to prepare for the EU CSRD.

2024 environment highlights

**10.5%
emissions
reduction**

Climate

Compared to 2020 baseline, emissions were reduced by 23.6%.

**1.2% own
water
withdrawal
reduction**

Water withdrawal

46% reduction of own water withdrawal since 2008 baseline.

**1.5bn m³
water
saved**

Saving water for end users

We have enabled end users to save an estimated 8bn m³ water since 2020.

Social impact

We respect human rights and empower people across our value chain.

Human rights

Respecting the human rights of everyone we impact, employ and interact with

We're committed to respecting human rights across our value chain in line with OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights (UNGPs), and the International Labour Organization.

View our [Human Rights Policy](#).

We have a strong due diligence process across our value chain, including an annual review of our identified, prioritised [salient human rights issues](#). We drive awareness of and respect for human rights in our organisation through guidelines and trainings in more than ten languages, ensuring global accessibility.

We are compliant with relevant national legislations including the Norwegian Transparency Act, German Supply Chain Act, UK and Australian Modern Slavery Acts, and the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act. View our [Modern Slavery & Transparency Statement](#).

Water access

Bringing clean water to people in need

[SafeWater](#), a strategic business unit of Grundfos, drives our water access ambition, initiating and monitoring programmes and proactively supporting NGO and humanitarian partners in delivering vital water access services globally.

85% of those without water access live in Sub-Saharan Africa, Central & Southern Asia and Eastern & South-Eastern Asia. Grundfos operates across all of these regions, and the Water Access & Sustainability team has deployed seven staff members within them.

Our strategy hinges on pioneering innovative solutions and forging strategic partnerships with a diverse array of stakeholders. Since 2020 we have contributed to providing access to drinking water for 51.2 million people.

Health, safety & well-being

Fostering an environment of physical and mental well-being

To ensure the [health and safety](#) of our employees, we commit to providing a safe work environment, preventing work-related injuries and ensuring a good physical, psychological and social balance at work.

Our accreditation to ISO 45001 encompasses our overall approach, and we regularly monitor health and safety through an annual self-assurance process as well as a rotating audit process and third-party management certification. We continuously work to embed consideration for team member health, safety and well-being into our culture and everyday activities through a range of programmes and campaigns reaching across every part of our operations.

In 2024, our Lost Time Injury Rate (LTIR) increased to 1.87, missing our target set the previous year of 1.6. We scored 77 points in our Employee Motivation Survey, having for the first time extended its scope to the entire Grundfos Group.





Diversity, equity & inclusion

Striving for a global working culture where everyone feels included and valued

We want to create a culture that champions respect and fosters a diverse and inclusive workplace, where people feel valued, respected, and supported. We believe our [approach to DE&I](#) builds competitive advantage.

To support our ambition of providing equitable possibilities to all, we have set targets within four key themes: leadership commitment, inclusive and equitable culture, recruitment and advancement of women, and representation of people with disabilities. We also look to foster inclusive environments through a variety of initiatives, including our five global employee resource groups (ERGs).

In 2024, our annual DE&I survey identified that our focus on promoting DE&I to our employees and management is having a positive effect, and we have 25% women leaders across the entire Grundfos Group.

Learning and talent development

Creating a world-class place to work, learn and grow

Challenging and motivating people in their professional roles is something we strongly believe in as a success factor for our business. We want our people and our company to develop together. Equally important, our colleagues must feel that they are empowered to take ownership of their personal development.

One way we ensure growth for every employee is with the Performance and Development Dialogue, where we set objectives for the period ahead and carry out regular reviews focusing on both deliverables and development. In 2025, we will further strengthen our learning, leadership and talent development programmes to ensure alignment with our new strategic goals.

2024 social highlights

**17.2m
people
reached**

Water access

An estimated 51.2m people reached since 2020.

**25%
women
leaders**

Diversity, equity & inclusion

The representation at all leadership levels remained at 25%, two percentage points from our 2025 target.

**Employee
Motivation
Score of 77**

Employee motivation survey

We achieved the high score of 77 in our 2024 employee motivation survey.

Business ethics

We drive a holistic approach to business ethics across our value chain.

Quality, product compliance and customer safety

Upholding high-quality standards, ensuring the compliance and safety of all our products

The Grundfos Quality Policy defines our overarching approach to quality and applies universally to all companies within the Grundfos Group. We are [certified to the ISO 9001 Standard for Quality Management](#).

We take the following actions as part of our quality management approach: ensure CE marking where appropriate, certify all domestic products in the IEC CB scheme, develop Technical Construction Files for all products, conduct supplier audits, and undertake safety risk assessments including chemical and product compliance checks.

Through our Procurement, Supplier Quality and Sourcing Sustainability teams, we are committed to developing strong partnerships and cooperating with our suppliers to continue driving quality performance and results.

For Grundfos Environmental Product Declarations (EPDs), please see: [Published EPDs | Institut Bauen und Umwelt e.V.](#)

Business conduct

Embedding ethical behaviour into the fabric of Grundfos

At Grundfos, we see [business ethics](#) as a fundamental aspect of our corporate culture and long-term success.

In 2024, a new and expanded [Code of Conduct](#) was launched, and 87% of Grundfos employees completed the Code of Conduct training during the year.

The Grundfos Ethics Committee oversees the upholding of ethical standards across Grundfos, including processing cases reported to our whistleblower system.





Sustainable supply chain

Driving social and environmental sustainability throughout our supply chain

We set high expectations to our suppliers, and our ambition is to build a procurement process where sustainability is integrated as a core element in all our sourcing activities.

To drive deployment and integration, we focus on the following key areas: strategy and policy deployment, supplier performance monitoring, and supplier engagement.

By the end of 2024 we onboarded 495 suppliers to the EcoVadis platform for sustainability performance monitoring, and saw a 91% compliance rate on supplier audits. In 2024, we launched our Sustainable Purchasing Policy, harmonised with our Direct and Indirect Purchasing Policies, ensuring coherence and consistency throughout our operations.

Looking ahead, we will extend our sustainable supplier management programme, and introduce a sustainable supplier scorecard to intensify the integration of sustainability as a core business element into the sourcing processes.

Tax governance

Acting globally as a responsible tax citizen

We see taxes and responsible behaviour on taxes as an essential part of a well-functioning society. We adhere to our Global Tax Principles that apply to all Grundfos entities, and pay taxes responsibly in all jurisdictions where we operate, engaging openly with relevant tax authorities.

Tax is one of the many factors involved in key business planning activities. We will accept and utilise tax incentives, reliefs and similar to support local development where the incentives are widely accessible, the use is comfortably within the intention of the law and the establishment of businesses are not driven by these opportunities.

In fiscal year 2024, we contributed DKK 6.5 billion globally in tax payments to local authorities. Full details of payments in each jurisdiction are published in our [Responsible Taxes Report](#).

Advocacy & partnerships

Driving systemic impact and change together with our partners.

We recognise our position as a global industry leader in driving global change, and we are committed to working with key public and private stakeholders in investing and driving collective action for social and environmental sustainability.

Through our strategic partnerships and advocacy with international organisations, governments and NGOs, we are addressing the global climate and water agendas while promoting the advancement of human rights and wellbeing, step by step.

Advocacy

Grundfos is actively engaging in policy and advocacy for a just, green and resilient future. We contribute to policy development for increased uptake of energy-efficient solutions across continents, and we share our voice as business leaders through the World Economic Forum and United Nations Global Compact, pushing for an accelerated transition to green energy.

We also contribute to raising awareness on the importance of recognising the value of water and its essential role in sustainable development. Key engagements during 2024 included the World Economic Forum Annual Meeting, the IWA World Water Congress & Exhibition, and COP29 in Azerbaijan, where we advocated for the role of water in developing an equitable and sustainable world that can protect and improve people's quality of life, particularly in the face of water scarcity and climate change.



Partnership overview

We have long-standing relationships with partners such as:



Discover more

Read our sustainability report



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Email us
sustainability@grundfos.com

