



Executive summary sustainability 2025

In 2025, Grundfos continued to help customers and end users save water and energy, while bringing water access to millions worldwide. We closed out several of our 2025 targets, and while not all were met, we made progress across key impact areas and captured valuable lessons along the way. In the coming year, we will set new targets.

Water access



20.4m people reached with safe water access in 2025, totalling 70.6m people since 2020.

Water stewardship

4.5% increase of own water withdrawal in 2025, 46% reduction of own water withdrawal since 2008 baseline

1.6bn m³ estimated water saved for end users in 2025, 9.6bn m³ estimated water saved by end users using Grundfos products compared to our 2020 baseline

Climate transition

1.5% total greenhouse gas (GHG) emissions reduction in 2025, 25% total GHG emissions reduction since 2020 baseline

NEW climate transition action plan launched

B CDP Climate score

Circularity

83 tonnes of used products collected by Grundfos in 2025

People

25% women in leadership positions, meeting our 2025 target



Governance and integrity

Top 1% **ecovadis** second consecutive year with an EcoVadis platinum medal, keeping Grundfos in the top 1% of all rated companies

93.4% audited suppliers' compliance rate



Sustainability framework

In 2025, we updated our sustainability framework to align with our Ignite'27 business strategy and the outcome of our double materiality assessment. The sustainability framework highlights our four strategic priorities on water stewardship, water access, climate transition and circularity, in line with our Winning Aspiration 2024 to shape our industry in innovation, circularity and net zero impact. These priorities are supported by two key enablers: empowering people and respecting human rights and building a strong foundation of business integrity.



Continued support for the United Nations Sustainable Development Goals (UN SDGs)

While we support and have a positive impact on a range of the SDGs, we focus on Goal 6 (Clean water and sanitation) and Goal 13 (Climate action), where we have the most positive impact through our core solutions and wider influence.

Our purpose is to pioneer solutions to the world's water and climate challenges and improve quality of life for people

	Water stewardship	Water access	Climate transition	Circularity
Ambitions	Build a water resilient world	Transform lives through access to water	Decarbonise every drop of water	Realise the value of circular solutions
Impact	Reduce water use through water efficiency, reuse and recycling of water	Provide access to safe water for 300 million people	Net zero by 2050 25% GHG emission reduction by 2030	Drive circularity across the lifecycle of our products
Key enablers	People Empower people and respect human rights			
	Governance and integrity Build on a strong foundation of business integrity			

Sustainability governance

Sustainability governance is integrated into the overall corporate governance framework and underpins our ability to deliver on our ambitions. Our Board of Directors holds ultimate responsibility for the oversight of our sustainability approach. The Audit Committee monitors compliance with legal and regulatory reporting requirements and supervises the internal control and assurance processes that underpin our environmental, social and governance data. Group Management sets the strategic direction for our sustainability efforts.

Board competence and training

The board is updated annually on strategic sustainability enablers and monitors key sustainability performance indicators, such as total greenhouse gas (GHG) emissions and employee motivation.

Remuneration and incentives

Sustainability performance is directly linked to executive and senior leadership remuneration. Since 2017, our incentive programme has included sustainability KPIs.

Sustainability due diligence

We manage sustainability risks through structured, risk-based due diligence aligned with international standards like the OECD Guidelines and UN Guiding Principles. Our process spans operations and our value chain, focusing on identifying and reducing negative impacts on people and the planet, including human rights and environmental risk assessments. We support regulations that promote responsible conduct and help build global transparency and accountability.

Double materiality assessment

To prepare for the EU Corporate Sustainability Reporting Directive (CSRD), we conducted a double materiality assessment (DMA) in 2025. This process identifies our most significant impacts, risks and opportunities across the value chain, directly informing our business strategy. The DMA (IROs) reinforced our Ignite'27 goal to lead in water and climate solutions and shaped our 'lead in water and net zero' initiative. It also feeds into our annual risk management process, ensuring ESG-related risks are integrated into governance. Incorporating sustainability topics keeps our strategy resilient, proactive and aligned with our mission to address global water and climate challenges.



Water stewardship

Water-related pressures are growing and impacting communities, ecosystems and businesses everywhere. As demand for water rises across sectors, these challenges directly influence how we manage our supply chain and serve our customers.

In 2025, we advanced our water stewardship plan by adopting a context-based approach to measure water withdrawal, prioritising areas facing the most water stress. We created a new water accounting method and set up a global rollout for 2026. The initial phase will target sites with high water usage or those in water-stressed areas. In our supply chain, we assessed selected suppliers' water management maturity and developed plans to address gaps and strengthen resilience in high-risk areas.

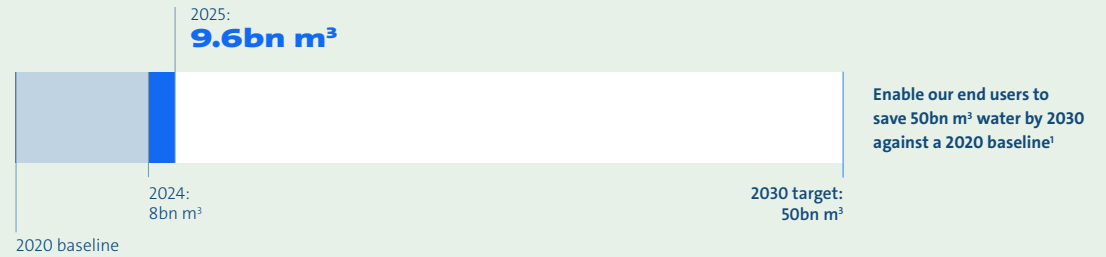
Through our intelligent water solutions, we continue to help end users save water and improve system efficiency. In 2025, we launched the SE/SL Range 48 and 52 pumps and the Grundfos Connect Sewer Insights platform, both designed to support better wastewater management, reduce water use and optimise operations.

On the global stage, we strengthened our influencing efforts by contributing to the EU Water Resilience Strategy and joining the Water Resilience Coalition, where our first collective action project is now underway. These partnerships reinforce our commitment to driving systemic change and advancing water resilience.



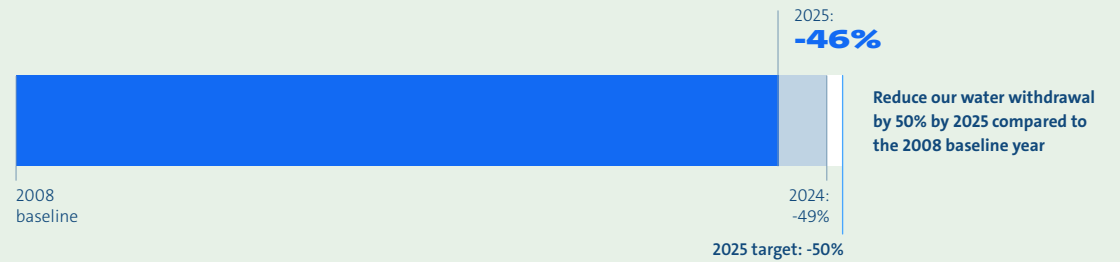
Achievements

Progress on water stewardship



In 2025, we helped end users save 1.6bn m³ of water using our intelligent water solutions. This was driven by higher demand in water treatment and water reuse applications, reflecting a broader shift towards sustainable water management.

¹ This metric is limited to data from the Industry division.



We also closed out our 2025 target to reduce our water withdrawal by 50% compared to our 2008 baseline. While we have made progress, we have not fully met this ambitious target. The primary reason for this is that we have acquired several companies in recent years, and this has contributed significantly to our overall water withdrawal. We will continue the focus on water withdrawal reduction, particularly at our sites based in areas where water stress and water-related risks are most critical because this is where we can make the most valuable impact.

Metrics

Table 1 (m³)	2025 vs 2024	2025	2024	2023
Water withdrawal	4.5%	350,711	335,610	339,608
Reduction compared to 2008 baseline	3%p	-46%	-49%	-48%
Water saved by end users	7%	1.6bn m³	1.5bn m³	1.6bn m³



Water access

The global water crisis is deepening with two billion people lacking clean water. In sub-Saharan Africa, rapid urbanisation and population growth are expected to drive a 163% increase in water demand by 2050, intensifying the challenge. We see this crisis as a shared responsibility. Guided by our purpose, we are committed to making a tangible difference by providing access to safe water in some of the world's most vulnerable communities.

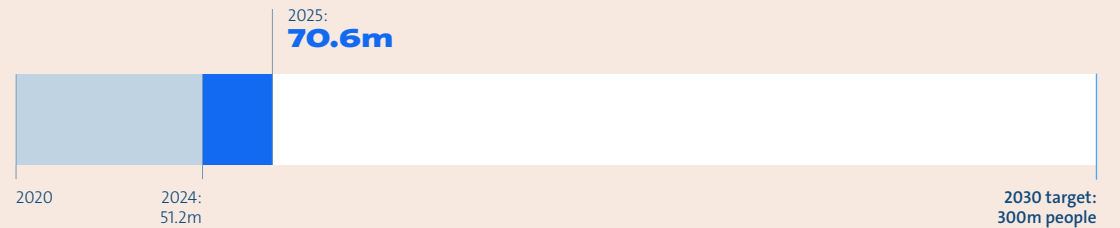
Our ambition is to reach 300 million people with safely managed drinking water by 2030. It is a strategic ambition aligned with the United Nations Sustainable Development Goal (SDG) 6. Using the WHO/UNICEF Joint Monitoring Programme (JMP) Ladder as a guide, we have defined a strategy to address water access in some of the most water stressed countries in the world, including countries across East and West Africa, Southeast Asia and the Middle East.

We collaborate with humanitarian organisations/NGOs, governments, local distributors, service providers, utilities, investors and financial institutions to deliver lasting impact. We combine innovative, commercially viable solutions with deep local engagement. We identify needs, design tailored systems and provide training and long-term service support to ensure solutions are sustainable, scalable and owned by the communities they serve.



Achievements

Progress on water access



300 million

We made headway towards our ambition of reaching 300 million people with safely managed drinking water by 2030

The reduction in global development and humanitarian funding means that many water sector actors must sharply reduce their budgets, leading to lower investment in new water infrastructure in 2025 and forward. This shift has also accelerated new forms of collaboration with the private sector. Through these partnerships, we aim to mobilise innovative blended financing models that enable water access solutions to scale despite a constrained funding environment.

Metrics

Table 2 (amount)	2025 vs 2024	2025	2024	2023
People reached with drinking water access (estimate)	19%	20.4m	17.2m	7.1m
Project-based	-13%	5.6m	6.4m	2.1m
Sales based (estimate)	38%	14.8m	10.8m	5.0m



Climate transition

The impacts of climate change, rising temperatures, extreme weather and pressure on energy and resource systems are accelerating and reshaping industries, communities and ecosystems. For Grundfos, these present realities influence how we operate, innovate and serve our customers. In 2025, we strengthened our climate leadership by publishing our first climate transition action plan, a strategic framework that defines our actions to decarbonise our business, customers and supply chain.

In 2025, we made strong progress towards our scope 1 and 2 near-term target with a 13% GHG emission reduction compared to 2024, and a 45% GHG emission reduction compared to baseline. We are ahead of our 2030 net-zero commitment, having accelerated scope 1 and 2 reductions in 2025 through our power purchase agreement.

We are also ahead of our scope 3 target with a 1.5% GHG emission reduction compared to 2024, and a 25% GHG emission reduction compared to baseline. Our most important initiative in achieving this reduction has been our continued focus on transforming our portfolio toward a higher share of energy-efficient products.

Within our products and solutions, we continued to deliver intelligent, energy-efficient technologies that help customers reduce energy use and GHG emissions. Among the year's standout innovations were the ALPHA GO circulator, designed to optimise energy and comfort performance in homes, and TPE3, developed to enhance energy performance in commercial buildings and industrial systems.

Grundfos representatives participated in global climate dialogues at the World Economic Forum and UN Climate Week, helping elevate water on the climate agenda. We also joined the Industrial Alliance for Competitiveness and Energy Efficiency (ALLICE) to promote industrial decarbonisation through the water-energy nexus, underscoring the vital link between water efficiency and energy savings.

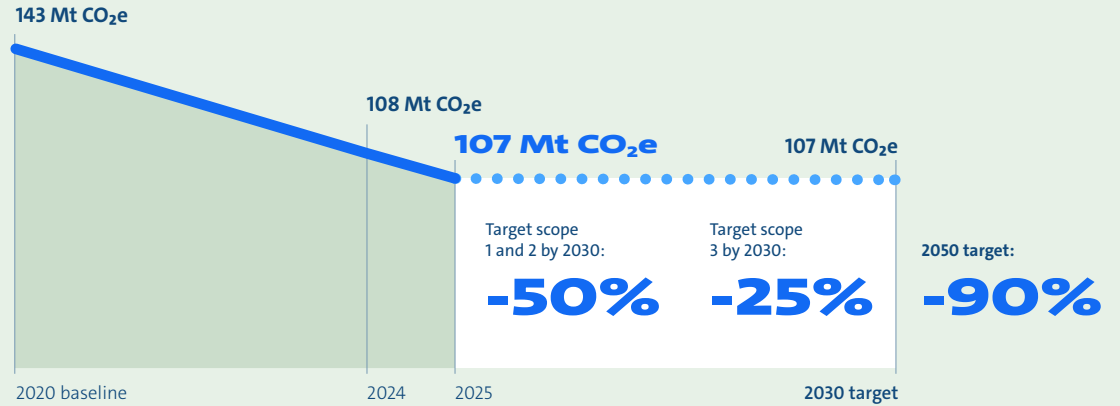
Achievements

Progress toward our 2030 target

GHG emissions - scope 1, 2 and 3 (market-based)

25%

reduction of GHG emissions scope 1, 2 and 3 in 2025 compared to 2020 baseline



Metrics

Energy

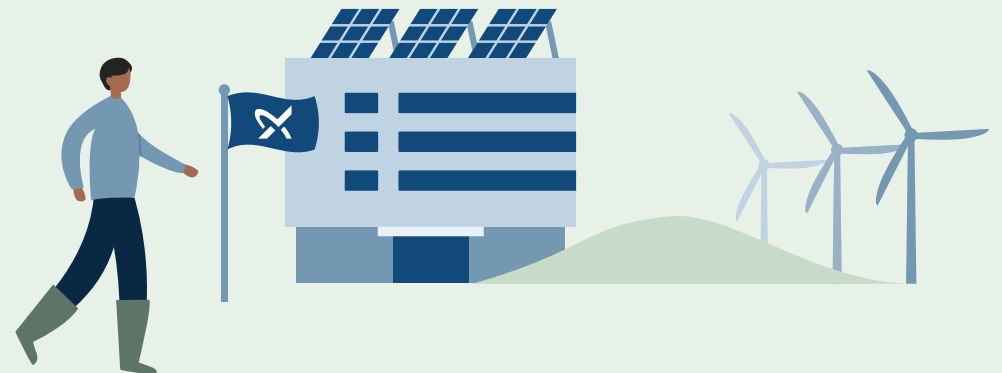
Table 4 (MWh)	2025 vs 2024	2025	2024	2023
Energy consumption	3%	292,072	284,611	286,264
Energy consumption from fossil sources	-7%	209,045	224,679	269,173
Energy consumption from renewable sources	39%	83,027	59,932	17,091
Fuel consumption from renewable sources	-13%	350	401	716
Consumption of purchased electricity, heat, steam and cooling from renewable sources	47%	71,168	48,550	9,179
Consumption of self-generated non-fuel renewable energy	5%	11,509	10,981	7,196
Percentage of renewable energy sources (%)	7%p	28%	21%	6%

Metrics

Emissions

Table 3 (tonnes CO ₂ e)	2025 vs 2024	2025	2024	2023
GHG emissions - scope 1, 2 and 3 (market based)	-1.5%	106,628,369	108,296,638*	122,008,675*
<i>GHG emissions reduction compared to 2020 baseline - scope 1, 2 and 3 (market-based)</i>	-1%p	-25%	-24%	-15%
GHG emissions - scope 1, 2 and 3 (location based)	-1.5%	106,630,709	108,288,457	121,981,905
Scope 1 and 2 emissions (market-based)	-13%	66,734	76,482	94,109
<i>Scope 1 and 2 emissions reduction compared to 2020 baseline (market-based)</i>	-8%p	-45%	-37%	-22%
Scope 1 and 2 emissions (location-based)	1%	69,074	68,301	67,339
<i>Scope 1 emissions</i>	-1%	23,140	23,363	25,485
Scope 2 emissions (market-based)	-18%	43,594	53,119	68,624
<i>Scope 2 emissions reduction - contractual instruments</i>	56%	-40,871	-26,208	-3,933
Scope 2 emissions (location-based)	2%	45,934	44,938	41,854
Scope 3 emissions	-1.5%	106,561,635	108,220,156*	121,914,566*
<i>Scope 3 emissions reduction compared to 2020 baseline</i>	-1%p	-25%	-24%	-15%
<i>Emissions from purchased goods and services (category 1)</i>	1%	1,022,882	1,010,127	1,039,031
<i>Emissions from capital goods (category 2)</i>	-25%	87,998	116,642	94,556
<i>Emissions from fuel and energy related activities (category 3)</i>	0%	15,212	15,233	16,495
<i>Emissions from upstream transportation and distribution (category 4)</i>	11%	94,233	84,556	69,540
<i>Emissions from waste generated in operations (category 5)</i>	-26%	624	846	1,008
<i>Emissions from business travel (category 6)</i>	-11%	41,655	46,601	46,147
<i>Emissions from employee commuting (category 7)</i>	6%	17,855	16,774	15,981
<i>Emissions from use of sold products (category 11)</i>	-1.5%	105,277,951	106,926,372*	120,628,407*
<i>Emissions from end-of-life treatment of sold products (category 12)</i>	7%	3,225	3,005	3,401
GHG emissions intensity, market-based (emissions per net revenue)	-6%	3,070	3,259*	3,546*
GHG emissions intensity, location-based (emissions per net revenue)	-6%	3,070	3,259	3,545

* Number has been restated, please refer to page 75 in the Annual Report 2025.





Circularity

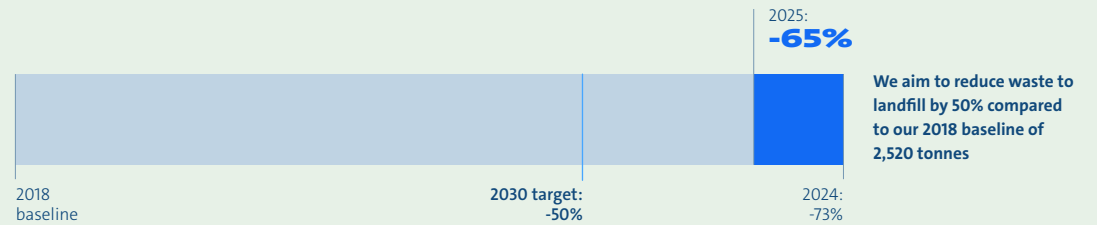
Circularity is central to how we manage environmental impact and build long-term resilience. Circular economy is key to addressing global challenges, such as resource extraction, waste management, water scarcity and biodiversity loss. The materials we use and the way our products are designed and operated influence emissions and affect supply chain stability. As resource pressures grow, the environmental cost of extraction and processing becomes more relevant to our business.

In 2025, we continued to drive take-back services of circulator pumps in 11 European countries, expanding our collaboration with OEM customers for further scale and business integration. In addition, we launched the Joint Circularity Experiment to test and explore capabilities for take back, reuse and refurbishment of components from larger pump categories, such as our CR pumps. The learnings from this experiment are informing our future efforts to build 'next life' capabilities and further probe into remanufacturing, refurbishing and circular supply chains.

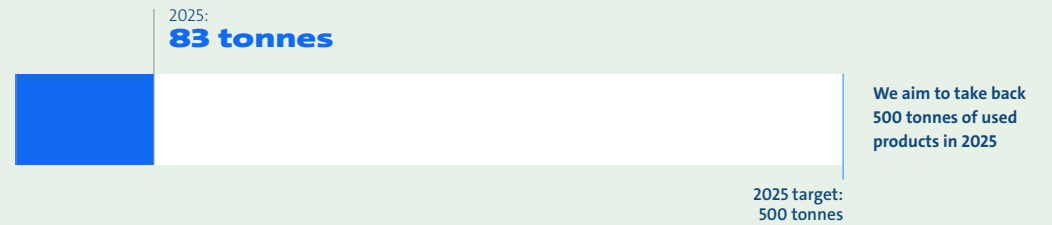
A heatmap was developed to identify opportunities for using recycled and renewable materials. Acting on these insights, we have further reduced reliance on virgin raw materials by sourcing aluminium and stainless steel with high recycled content. In addition, 10% regrind polymer from production waste has been incorporated into pump housings for selected circulators. We continue applying topology optimisation to minimise material use while maintaining functionality.

Achievements

Progress on circularity



The 31% increase in waste to landfill in 2025 is primarily driven by recent acquisitions. On a comparable scope to 2024, 2025 performance reflected a 2% reduction in waste to landfill. This improvement highlights the continued efforts across our plants to strengthen waste sorting and segregation practices. We have planned a series of actions to address our increase from our acquired companies going forward.



In 2025, we collected approximately 83 tonnes of end-of-life pumps for reuse and responsible recycling. This is well below our 2025 target of 500 tonnes. The gap reflects primarily reverse logistics challenges. We are using these learnings to improve our approach and support future scalability.

Metrics

Table 5 (t)	2025 vs 2024	2025	2024	2023
Resource recovery through take back	-7%	83	89	134
Waste to landfill	31%	876	669	872
Hazardous waste to landfill	22%	57	47	76
Non-hazardous waste to landfill	32%	819	622	797



People

It is deeply rooted in our purpose and values that we seek to improve quality of life for people and respect human rights. We are determined to foster a safe and healthy workplace, inclusive culture and environment supporting continuous learning — ensuring that every individual thrives.

Health, safety & well-being

We take a structured and proactive approach to health, safety and well-being, built on strong systems and a culture of care. We have been accredited with the ISO 45001 standard for Occupational Health and Safety Management since 2000. This certification applies to our production sites and R&D functions. It is fully integrated into our management system and guides our continuous improvement efforts.

In 2025, we strengthened our health, safety and well-being approach by adopting TRIR as our primary KPI, expanding cultural initiatives such as Health, Safety and Well-being Week, and enhancing global safety standards across newly acquired entities. We also advanced our holistic well-being efforts by integrating a new well-being measure into the EMS and updating our factory operating model in line with the 'Three Ways to Well-being' framework.

DE&I

When people with different perspectives from around the world come together, they create better solutions, collaborative teams and a more resilient business. This is why we foster an inclusive environment where people feel respected, supported and empowered to thrive. We adhere to the applicable laws and regulations within the markets we serve. Accordingly, we make any talent and employee decisions in accordance with applicable laws and regulations, including local non-discrimination laws.

In 2025, we focused on strengthening inclusion and belonging by expanding access to inclusion tools, improving employee resource group processes, introducing a cultural assessment approach and partnering with Sunflower to support awareness of invisible disabilities. We also reinforced our governance through new expertise on the Inclusion Council as part of shaping an enhanced inclusion framework.

Achievements

Progress on health, safety and well-being



Learning and talent development

With rapid technological advances, demographic shifts, digital transformation and our commitment to sustainability, we recognise the potential for a growing skills gap. We see this as an opportunity to invest in learning and development, ensuring our workforce is equipped to thrive in a changing business landscape.

In 2025, we made progress in strengthening our learning and development efforts across the organisation. We welcomed 438 people leaders into our global leadership programme, which continues to receive positive feedback. At the same time, we promoted a culture of self-directed learning and a growth mindset, encouraging employees at all levels to take ownership of their development.

Employee and community engagement

We believe that real change starts with people. That is why we support our colleagues in taking action where it matters most to them, namely in their own communities. We support employee and community engagement through our global volunteer programme and community engagement grants.

In 2025, we progressed across our employee and community engagement ambitions. 27% of our Grundfos colleagues volunteered for community engagement, which exceeded our 2025 target of 20% participation. The Grundfos Foundation approved 60 employee-led projects, totalling DKK 27m in funding. We also launched partnerships with United Way and Agua Segura, supporting community projects in 13 countries across Latin America and Europe.

Human rights

Human rights impact across our value chain can potentially affect stakeholder groups in several ways. Key areas include discrimination and harassment, working conditions, freedom of association and collective bargaining, access to remedy, child labour, working hours and environmental impact on local communities.

Our approach is guided by internationally recognised frameworks and standards, including the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. These frameworks shape our due diligence approach to assess and manage potential risks and impacts that we may cause, contribute to or be directly linked to through our business activities.

Metrics

Table 6 (amount)	2025 vs 2024	2025	2024	2023
Health and safety				
Number of fatalities in own workforce as result of work-related injuries	0%	0	0	0
Number of recordable work-related accidents for own workforce	5%	135	128	129
Total Recordable Injury Rate (TRIR)	6%	3.72	3.52	3.57
Well-being				
Employee motivation score	0%	77	77*	78
Employee engagement score		3.99		
Workforce composition				
Average number of full-time employees	4%	20,570	19,854	19,916
Number of employees at year-end	3%	21,433	20,818	19,937
Women	3%	7,401	7,214	-
Men	3%	14,023	13,596	-
Other	13%	9	8	-
Women on the Board of Directors	7%p	40%	33%	20%
Women in top leadership	-1%p	20%	21%	21%
Women in leadership positions	0%p	25%	25%	25%
People with disabilities	0%p	3.0%	3.0%	2.8%
Voluntary turnover	-0.4%p	5.5%	5.9%	7.6%
Employee volunteering participation rate	10%p	27%	17%	1%
People reached with access to drinking water through Water2Life (estimated)	-1%	115,000	115,640	-

* Accounting principle has been changed, please refer to the relevant description on page 74 in the Annual Report 2025.



Governance

We are deeply committed to running a responsible business across all operations, guided by our values and code of conduct, and aligned with international frameworks. Our approach is built on transparency, accountability and a culture where speaking up is encouraged and protected.

As a global organisation, we have a duty to ensure that our code of conduct meets consistent ethical standards across all markets. It applies to all employees, board members and third parties acting on our behalf. Our code of conduct sets clear expectations in areas such as human rights, non-discrimination, data privacy, environmental responsibility, anti-corruption and fair competition.

In 2025, 90% of employees successfully completed our mandatory code of conduct training. The training topics included human rights, working environment, data privacy, anti-corruption, anti-bribery, fair competition, export control and sanctions, as well as the whistleblower system.

Whistleblower system

We have a zero-tolerance approach towards corruption, including bribery, facilitation payments, conflicts of interest and other unethical practices.

This applies to all employees and third parties acting on our behalf. We remain politically neutral and do not contribute to political parties or organisations. Our policies align with the EU Whistleblower Directive (2019/1937) and the UN Convention against Corruption. Concerns can be raised internally or anonymously via our whistleblower system.

In 2025, 72 whistleblower cases were reported. After assessment, 29 cases were within the scope of the whistleblower system. Cases outside scope, such as HR-related or other matters, were referred to relevant HR professionals or business departments, if justified. The Ethics Committee closed 64 cases by year-end.

Access to remedy

We are committed to providing or cooperating in remedy where we have caused or contributed to adverse human rights and/or environmental impacts. We continuously work to strengthen our processes for enabling effective access to remedy for affected stakeholders, including our own workforce, workers in the value chain and impacted communities.

We engage with legitimate judicial and non-judicial mechanisms to ensure access to remedy when credible allegations are raised externally. Where Grundfos is directly linked to adverse impacts through our business relationships, we seek to use and build our leverage to prevent or mitigate harm.

Supplier engagement

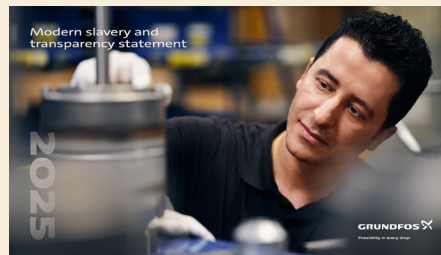
Through ongoing monitoring and collaboration with suppliers, we aim for continuous improvement of sustainability performance across our supply chain. This involves risk mitigation, due diligence and the creation of lasting value for all stakeholders. In 2025, we onboarded 77 suppliers into the EcoVadis platform for sustainability assessments, reaching a total of 572 suppliers onboarded to the platform, and thereby exceeding our target to have onboarded 500 suppliers by 2025. We conducted 67 on-site audits, achieving a 93.4% compliance rate among the audited suppliers.

Learn more about sustainability at Grundfos



Annual report 2025

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Modern slavery and transparency statement 2025

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Grundfos sustainability policy

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Grundfos human rights policy

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