Annual report summary
Grundfos USA

2025

GRUNDFOS

Possibility in every drop

Contents

Introduction

Our impact

Sustainability

On the cover:
a glimpse of our U.S. headquarters in Brookshire, Texas.

Introduction

Letter from the CEO

Looking back on an eventful 2025, I am proud to see how the combined efforts of my 21,000 colleagues have paid off. In a year where we celebrated our 80th anniversary, we once again made significant progress, both in expanding our business and advancing our sustainability ambitions.

We delivered a robust sales growth of 5.7% and successfully met our financial targets. We made investments to gain market shares and continued to ensure a healthy bottom line of 10.6% of our revenue. At the same time, our customer satisfaction reached an all-time high, demonstrating that our success is rooted in the trust we build and the experiences we create for our customers. One of the highlights of the year was the significant growth of our business in the world's biggest pump market, the USA, where we also welcomed Newterra into the Grundfos group, thereby expanding our water treatment and reuse capabilities.

Like many other global companies, we faced geopolitical challenges in 2025, and we expect this to continue in the coming year. Nevertheless, I remain confident that we will navigate the evolving global landscape in 2026 with the same determination and agility we demonstrated throughout 2025. I would like to take this opportunity to thank my Grundfos colleagues across the group for their hard work and contribution to our progress and results.

At Grundfos, we provide increasingly intelligent and energy-efficient water solutions that strengthen the efficiency and resilience of societies, industries, businesses and homes. In 2025, we increased sales of our most energy-efficient solutions and grew their share of our portfolio. As artificial intelligence becomes a more integrated part of our daily lives, the need for data centre water cooling is rising. The rapid global expansion of data centres has created new opportunities for us in 2025, and created the foundation for strong growth in this part of our business as we help customers reduce both water and energy consumption.

> **"Our deep understanding of water gives us strong advantages in the markets and reinforces our commitment to address the world's water challenges."**

We like to say that water is the messenger of climate change. The increasing frequency of floods and droughts makes this clearer than ever. Our deep understanding of water gives us strong advantages in the markets and reinforces our commitment to address the world's water challenges.

These challenges include that more than two billion people still lack access to safely managed drinking water and that within a few years, half of the world's population will be affected by water stress. Action here is essential. I am pleased that in 2025, we enabled an additional 20 million people globally to gain access to safely managed drinking water.

Finally, we remain firmly committed to achieving net zero in line with the Paris Agreement and continue to support the UN Global Compact. Our aspiration is clear: We want to be the leading provider of intelligent water and climate solutions globally, shaping our industry in innovation, circularity and net zero impact.

I hope that you will enjoy reading this special annual report summary that we have tailored specifically for our partners and stakeholders in the US. On the next page, Country President Ansell Sims will share his thoughts on 2025 and the outlook for 2026.

Poul Due Jensen
Group President & CEO

Letter from the Country President

As I reflect on 2025, I am incredibly proud of what we accomplished together in the United States—Grundfos' largest and fastest growing market. The U.S. remains one of our must win geographies globally, and 2025 demonstrated the strength, resilience, and dedication of our teams across the country. Our results show that our growth continued to outpace expectations, further solidifying our position as the largest market in the Grundfos family—nearly double the size of the next largest country growing market. The U.S. remains one of our must win geographies globally, and 2025 demonstrated the strength, resilience growing market.

Our success this year is rooted in momentum across every division and in a marketplace undergoing significant transformation. From the expansion of data centers, to reshoring trends, to companies prioritizing robust, localized supply chains, demand for high performance, energy efficient water solutions has never been stronger. Our continued work to qualify more products under USMCA and strengthen U.S.-based supply chains is helping ensure that we meet customer needs with speed, reliability, and impact.

One of the achievements I am most proud of is our certification as a Great Place to Work® in 2025. This recognition is a direct reflection of our culture built on trust, collaboration, and the shared belief that we can make a meaningful difference for customers and communities alike. Being officially recognized for what we already know to be true is both validating and energizing as we move forward.

We also announced one of our most significant U.S. investments to date: a brand-new production facility in Brookshire, Texas. This site will deepen our manufacturing footprint, enhance our operational resilience, and better position us to serve customers across North America. In addition, we have begun planning a new training academy on our Brookshire campus, which will become a center of excellence for developing the next generation of technical experts, partners, and employees.

> **"Our continued work to qualify more products under USMCA and strengthen U.S.-based supply chains is helping ensure that we meet customer needs with speed, reliability, and impact."**

Our commitment to communities was equally strong. This year, we supported flood relief efforts in the Texas Hill Country, partnered with organizations such as the Fresno Mission in California and continued to expand our local engagement through grantmaking and volunteer initiatives. These actions reflect our belief that great companies do more than build great products—they build stronger communities.

As we look ahead, I am confident that the foundation we set in 2025 positions us for an even more ambitious and impactful year.

Ansell V. Sims

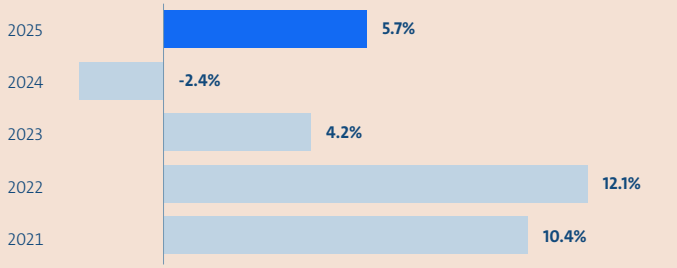
Ansell Sims
Country President, Grundfos USA

Group level performance at a glance

Sales growth in local currencies

%

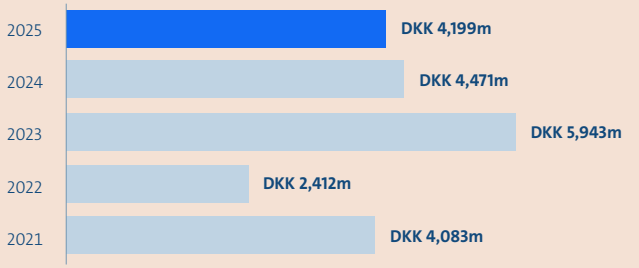
5.7%



Cash flow from operating activities

DKKm

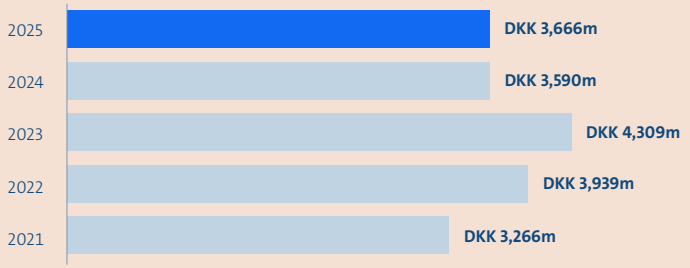
4,199



EBIT before special items

DKKm

3,666

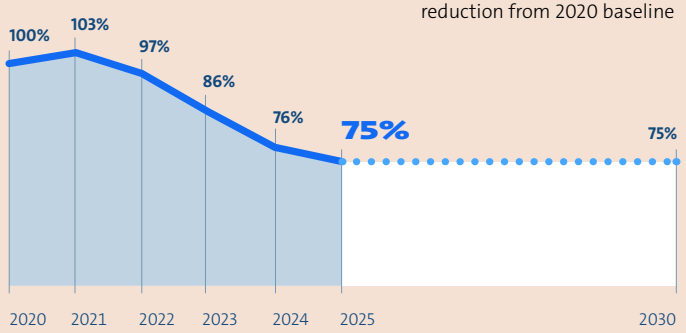


GHG emissions reduction - scope 1, 2 and 3 (market-based)[1]

%

25%

reduction from 2020 baseline

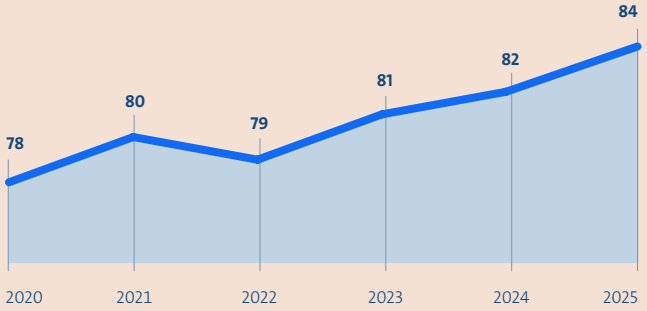


[1] 'GHG' = greenhouse gases

Customer satisfaction

Score

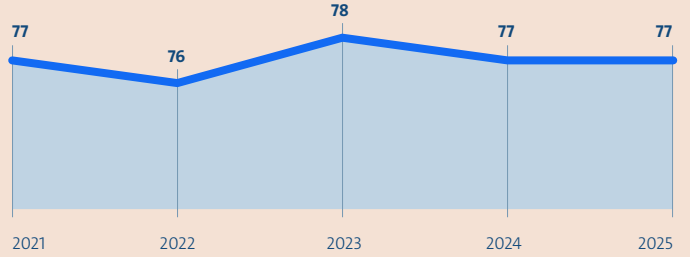
84



Employee motiviation

Score

77



U.S. performance review

The United States once again proved to be a cornerstone of Grundfos' global success in 2025. As the world's largest pump market and a strategic growth priority, the U.S. delivered **15% sales growth**, significantly outperforming global results and reinforcing our position as the company's most substantial market. This double-digit expansion reflects not only strong customer demand across all divisions but also the continued effectiveness of our U.S. focused commercial strategy. Even amid a year defined by geopolitical uncertainty and shifting market dynamics, our teams demonstrated resilience, agility, and a sharp customer focus that allowed us to turn disruption into opportunity.

A major contributor to U.S. growth was the accelerating demand for solutions supporting the fast-growing data center sector. As hyperscale operators and enterprise customers expand their footprints, they increasingly look to Grundfos for energy efficient, water saving solutions capable of supporting mission critical cooling and utility systems. This surge in demand parallels global trends identified in the company's 2025 results, underscoring the U.S. market's key role in capturing these "growth pockets" through strong technical performance, application expertise, and collaboration with customers and partners.

Beyond data centers, momentum across a broad range of applications supported U.S. performance. Customer interest in resilient, localized supply chains continued to rise, and our expanded U.S. manufacturing footprint allowed us to respond more quickly and effectively. Progress in qualifying additional products under USMCA, combined with ongoing investments in supply chain robustness, improved Grundfos' ability to serve the market with higher reliability and reduced lead times. These efforts are closely aligned with Ignite'27, the company's ambitious strategy to accelerate growth through innovation, customer collaboration, and strategic capacity expansion.

Looking ahead, the U.S. is poised to maintain its position as a growth engine for Grundfos. Our investments—including a new production facility and training academy in Brookshire, Texas—signal a long-term commitment to strengthening our capabilities in this critical market. With strong customer satisfaction, a rapidly growing portfolio of energy efficient and water saving solutions, and market demand continuing to rise, the U.S. is well positioned to play a central role in delivering on Grundfos' strategic ambitions in 2026 and beyond.

Group level performance review

Group revenue
DKKbn

34.7

Group EBIT before special items ratio

10.6%

A quick overview
Poul Due Jensen,
Group President, CEO

Purpose

We pioneer solutions to the world's water and climate challenges and improve quality of life for people.

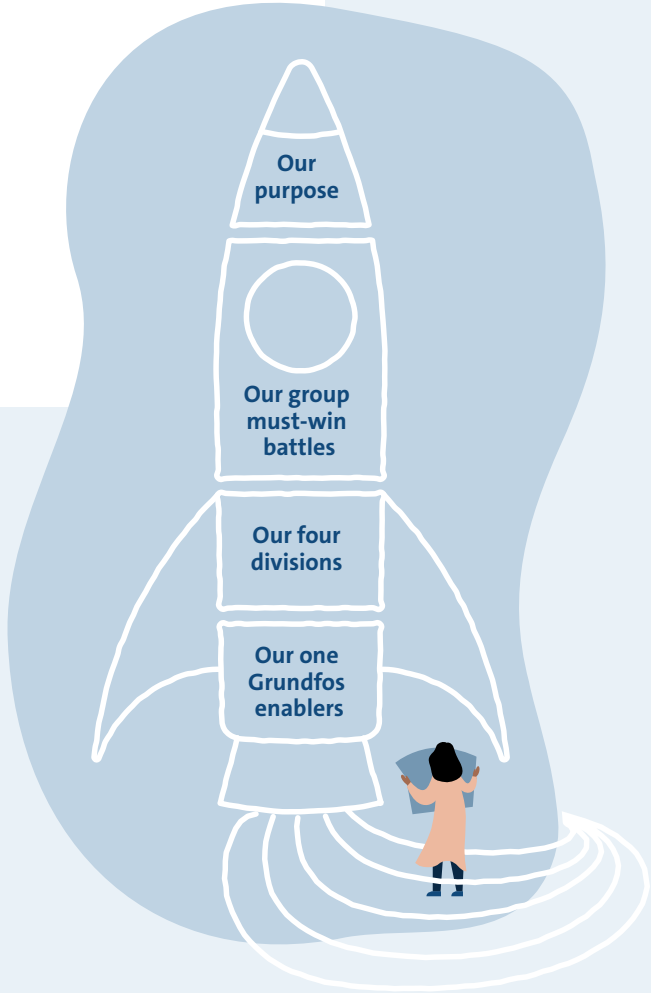
Since the birth of Grundfos, water and treating people with respect and dignity have been at the heart of what we do. Today, this is expressed in our purpose statement.

This purpose is central to everything we do, and it also guides us in our promise to respect, protect and advance the flow of water.

Winning Aspiration 2040

In 2040, we are the leading provider of intelligent water and climate solutions globally, shaping our industry in innovation, circularity and net-zero impact.

We see the achievement of our winning aspiration as a rocket journey to the Moon. This ambitious journey consists of several steps or strategic phases. We are now one year into the first strategic phase, which is called Ignite'27.



We pioneer solutions to the world's water and climate challenges and improve quality of life for people.

The current strategy phase is called Ignite'27 because we see it as the ignition of our journey.

For Ignite'27, we have defined the following must-win battles:

- Innovate to grow
- Expand through M&A
- Win in the US
- Organise for competitiveness

Our strategy comes to life through the efforts of four business divisions.

Read more about our divisions on the next page.

- Commercial Building Services
- Industry
- Domestic Building Services
- Water Utility

To empower our four business divisions, our business enabling functions provide what we call 'group enablers.'

Our four critical group enablers are:

- Lead in water sustainability and net zero
- Build people and organisational capabilities
- Build efficient and resilient supply chains
- Differentiate through software, digital and AI

Ignite'27 strategy

Launched in February 2025, Ignite'27 outlines the strategic agenda for Grundfos in 2025-2027.

Important steps were taken during 2025 to deliver on the Ignite'27 strategy, for example the launch of several new and innovative products, the acquisition of Newterra to continue the development of our water treatment business platform and the announcement of the expansion of our production facility in Brookshire, Texas.

Business model

Grundfos is organised into four divisions, with full end-to-end accountability to accelerate innovation and create the best customer experiences.

Together, the four divisions and the non-Grundfos branded entities DAB and Peerless Pumps form a unified Grundfos group, guided by our shared purpose and values. The divisions are supported by three corporate functions, led by the Chief Operating Officer, Chief Human Resources Officer and Chief Financial Officer.

We call our business model 'One Grundfos to the power of four.' This refers to the fact that - while our four divisions have end-to-end accountability within their areas - they and our group functions are united by a common culture and common values, as well as a shared responsibility to realise synergies, functional excellence and specialised capabilities to serve customers and to accelerate innovation and growth.

Commercial Building Services (CBS)

CBS serves customers within commercial building services with reliable, high-technology products and solutions, as well as a range of services, including energy and system optimisation. CBS is dedicated to helping the end users of commercial buildings reach their water and climate ambitions, while respecting, protecting and advancing the flow of water.

Domestic Building Services (DBS)

DBS serves OEMs, distributors, installers and homeowners with the world's most energy-efficient pumps and solutions for domestic homes. DBS develops, produces and sells smaller domestic pumps and solutions for single-family housing and residential buildings, serving five domestic applications; heating, HVAC OEM, domestic hot water, boosting and wastewater. The DBS division aspires to offer homeowners the most attractive choices for sustainable homes and comfortable lives.

Industry (IND)

IND serves industry customers with a wide range of premium-quality products, solutions and services based on pumping and water treatment systems. IND optimises industrial utilities and processes, covering areas such as water treatment and water reuse, system integration and energy and process optimisation by delivering value-adding digital solutions. The division helps industrial customers and end users globally reach their water and climate ambitions while maximising their output.

Water Utility (WU)

WU serves water utilities customers by providing intelligent pumping solutions aimed at optimising water management in groundwater and irrigation, clean water distribution, wastewater collection and transport, as well as water intake. WU is committed to transforming challenges into opportunities, pioneering innovation and delivering consistent value.

Our impact

Case

Domestic water pressure boosting system upgraded with 25% yearly energy savings

In a project exemplifying successful collaboration and innovative engineering, the aging domestic water boosting system at San Francisco's 345 California building was replaced by a Grundfos Hydro MPC Quadruplex solution. The transition to the new variable-speed, packaged pump system was seamless, causing no disruptions and improving energy efficiency by at least 25%.

345 California, a 48 story mixed use tower in the heart of San Francisco's financial district, undertook a strategic modernization of its domestic water pressure boosting system to enhance efficiency, reliability, and sustainability. The LEED Platinum–certified building includes a five star hotel on its upper floors, creating a uniquely demanding operating profile with 24/7 water pressure requirements. Heavy daytime office consumption is paired with peak hotel usage in the early mornings and evenings, placing continuous strain on the building's aging, constant speed pumping system. Approaching 40 years in operation, the system had become increasingly inefficient and was identified for replacement under the property's rolling five year capital improvement plan.

Precise coordination needed

As part of the upgrade planning, the building partnered with Grundfos and its representative, Osborne Company, Inc., identifying Grundfos' Hydro MPC technology as the preferred solution. Project success required precise coordination to avoid disrupting water supply to hotel guests and office tenants.

The engineering team selected the Grundfos Hydro MPC Quadruplex packaged pump system, consisting of four high efficiency pumps, motors, variable frequency drives, and the advanced CU 352 intelligent controller. The controller continuously monitors power, pressure, and system demand, dynamically sequencing pump operation to deliver optimal performance at the lowest possible energy consumption.

A key accomplishment of the project was the installation strategy. Instead of dismantling the old system first—a process that would have caused costly service interruptions — the new Hydro MPC system was constructed alongside the existing infrastructure. This allowed uninterrupted operation until a carefully planned, single four hour overnight shutdown enabled the final cutover.

Verified energy savings

Long term power consumption data had been collected for up to seven years prior to the replacement. This baseline made it possible to quantify improvements with high confidence. According to the building's chief engineer, the new system is at least 25% more energy efficient than the previous constant speed system. Revenue grade metering later confirmed an even higher improvement: the Hydro MPC solution operates 26% more efficiently and significantly reduces base kilowatt demand. These savings directly support the building's long term sustainability objectives and contribute to maintaining its LEED Platinum certification.

Beyond energy performance, the system delivers additional operational and environmental benefits. The stainless steel pump and manifold construction have improved domestic water quality, while enhanced redundancy and advanced protection features increase system reliability. The new installation's smaller footprint and improved service accessibility further optimize maintenance and lifecycle performance.

The project exemplifies a highly successful, collaborative effort between Grundfos, contractors, and onsite engineering teams—demonstrating how intelligent system design and coordinated execution can provide substantial efficiency gains and long term value for property owners and occupants alike.

Case

Florida family's low water pressure problem solved with SCALA2 pressure booster

The Merz family of five was constantly battling the daily frustration of fluctuating water pressure. Simple tasks became a constant struggle as simultaneous water use turned showers into trickles and running the dishwasher became a calculated risk, adding unnecessary stress to their already busy days. The consistent fluctuations disrupted their daily routines, leaving them feeling frustrated and inconvenienced. Discover how a single solution, the Grundfos SCALA2 pressure boosting pump, effortlessly transformed their water struggles into a smooth, consistent flow.

Low water pressure in Cape Coral, FL.

Abby and Chris Merz, who reside in Cape Coral, FL., with their three children and two dogs, were always at odds with their unpredictable water pressure. The simple act of showering while the dishwasher was running was a luxury they couldn't afford.

Abby explains, "We are constantly doing laundry, running the dishwasher, sprinklers, and we have a pool. Not to mention the amount of showers that take place at our house all the time. When multiple water sources are being used at the same time, the water pressure fluctuates pretty significantly, making it harder to do everyday normal tasks." This daily annoyance took a toll on their comfort and peace of mind.

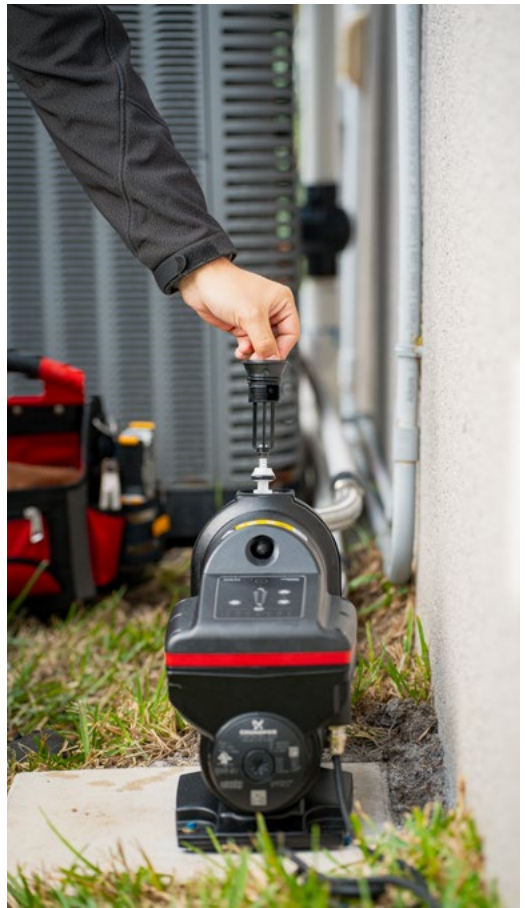
Grundfos SCALA2 to the rescue

A pressure boosting pump like the Grundfos SCALA2 gives water systems a helping hand. It essentially increases the incoming water pressure to a more usable and consistent level, ensuring a steady flow even when multiple taps are open and appliances are in use.

Abby recalls, "Because of the water fluctuation issue that we've had, we called out Plumbing Nerds, an amazing plumbing company in Southwest Florida. They suggested that we install the SCALA2 from Grundfos and assured us with confidence that that would solve all of our water fluctuation problems."

Zackery Talvy, Plumbing Technician at Plumbing Nerds, states, "Customers in Southwest Florida have issues with low pressure, and when you have multiple people in the house, you'll have more issues with consistent water pressure. The Grundfos SCALA2 is our most used pump, and when we install the SCALA2 pump, customers can see the benefit immediately."

Zackery Talvy worked with Jeff Blumenauer from the Blumenauer Corporation on the SCALA2 install. Jeff shares, "We've partnered with Grundfos for the better part of four decades to bring the highest quality and innovative products to the Florida plumbing market. The SCALA2 residential pressure booster is designed to give a home not only a boost in pressure but to give a constant pressure.



The SCALA2 offers incredible value for a residential pressure booster. First, it's quiet. Second, it has an ECM (electronically commutated motor) that provides variable speed capabilities, which makes the pump very energy efficient."

Zackery Talvy installed the SCALA2 quickly, stating, "The SCALA2 is easy to install. There are basically two connections that a plumber can do in a snap, and keeps us from going back on recalls."

Jeff emphasizes, "The SCALA2 is incredibly easy to install out of the box; It's all integrated. All you have to do is set it, plumb it, plug it in, prime it, and you're good to go. It's very plumber-friendly, and it's indoor-outdoor rated, so you have versatility for a homeowner of whether they want to install it indoors in their garage, or if they want to, in the case of Florida, install it outside as well."

Jeff continues, "The SCALA2 has a variable speed drive ECM that allows the motor to ramp up or down only based on the need for sensing. It's not a pump that's going to ramp up to a 100% operation all the time. It's going to ramp up slowly. That's what makes it energy efficient. We're not going from start to stop at 100%. And that's unlike any other pump on the market today."

The outcome: Improved water pressure and comfort

The Merz family enjoyed immediate results after the pump was installed. It created instant relief in their daily lives, removing the stress of their low and inconsistent water pressure. Now they enjoy long, relaxing showers, clean clothes, and green grass all at once.

Abby raves, "Now that the SCALA2 has been installed, we are running multiple showers, our dishwasher, our laundry, even our pool pump. And we've had no issues at all, which has made everyday life a breeze and such a joy in our home not to have to struggle with the water pressure issue anymore!"

Case

Turkey processing plant increases reliability while cutting energy usage with a Grundfos high-pressure pump solution

The Virginia Poultry Growers Cooperative (VPGC), based in Hinton, Virginia, operates a large turkey processing plant supported by roughly 200 growers. A critical part of its operations involves a high pressure washdown and sanitation system, essential for maintaining stringent hygiene standards in food processing. For years, the plant relied on two 150 horsepower pitot tube pumps to supply high pressure water—yet these pumps continually failed. Their lifespan ranged from only six months to a year, resulting in ongoing disruptions and annual maintenance costs between $40,000 and $50,000. Excessive noise also characterized the old system, highlighting inefficiencies and signaling deeper performance issues.

Multi-pump configuration for high-pressure applications

During a site visit, Carotek — an industrial equipment supplier and long time Grundfos partner—identified the inadequacy of the existing pumps and recommended a more modern, energy efficient alternative: the Grundfos Hydro HP system. VPGC already had positive experience with Grundfos technology, having installed a Hydro MPC E system in the past, which strengthened their confidence in exploring another Grundfos solution.

The proposed Hydro HP system was a multi pump configuration engineered specifically for high pressure applications in food and beverage environments. A key component of this system was the Grundfos CU352 controller, which enabled highly precise control and monitoring of pumps. The configuration included two 15 horsepower jockey pumps designed for low flow periods, typically under 60 gallons per minute (gpm), corresponding with low demand operational phases like first shift production. Only during sanitation and washdown—when higher flow rates are needed—would the larger pumps engage.

Pilot pump creates balance according to demand

When designing the replacement system, VPGC engineers recognized that the original specification of 1000 psi was excessive for their actual cleaning needs. By lowering the pressure requirement to 680 psi, they could significantly reduce energy expenditure while still maintaining effective cleaning performance. The resulting Hydro HP system delivered over 400 gpm at this reduced pressure, operating with higher efficiency and reliability.

A standout feature of the CU352 controller was its “pilot pump” functionality. This allowed the system to automatically determine which pumps to run at any given moment, dynamically balancing small and large pumps depending on real time demand. This variable speed approach ensured that the pumps ran only when needed, reducing wear and energy consumption. The controller also continuously monitored system information—pressures, run times, alarms, and energy usage—providing full transparency and operational insight.

50% energy consumption decrease

The results were substantial. By lowering system pressure and switching to the highly efficient Grundfos pumps, VPGC cut energy consumption for its high pressure system by more than 50%. This translated to annual energy savings exceeding 600,000 kWh, equivalent to more than $50,000 per year. Coupled with reduced maintenance costs, the plant is projected to achieve a return on investment in less than two years.

Phil Miller, VPGC’s Engineering Manager, emphasized that Grundfos was the first company in decades to offer a viable alternative to their pitot tube pumps. He praised the system’s reliability, responsiveness to varying flow demands, and overall operational improvements. The plant now completes its sanitation process in the same amount of time but at significantly lower pressure—without any reduction in cleaning performance—demonstrating the effectiveness and long term value of the Grundfos Hydro HP solution.

Case

Non-clogging wastewater pump keeps small town running smoothly

The primary wastewater pump at a small-town lift station was failing and needed replacement. The Grundfos Range 56 SL pump was installed on the existing rails with minor connection customization, making the retrofit seamless. The new pump excels a year later with its lower energy consumption and non-clogging capabilities.

The challenge of wear and tear

In the close-knit community of Owen, Wisconsin, with a population of about 940, the primary wastewater pump in the town's lift station was failing. Chad Smith, the Director of Public Works for Owen, emphasized their commitment: "We do it 100%. We want to do everything to the best of our ability for our residents, for our customers that are using our water and sewer."

The existing pump, over 25 years old, was showing significant wear. "The impeller was getting worn down quite a bit where it, gallons per minute, wasn't meeting what its specs should be. We have to pump four miles out to our wastewater treatment plant," Chad explained. The worn impeller made the pump prone to clogging with solids and fibers, leading to frequent maintenance and the risk of blockages disrupting service to residents.

Recognizing the need for an upgrade, Chad contacted William Reid, a trusted local supplier. Together, they sought a new pump to meet the community's needs.

Low horsepower pump saves energy

William Reed and Associates recommended the Grundfos Range 56 SL pump, a submersible pump designed for wastewater applications. The pump's key feature is its non-clogging impeller, which is engineered to handle solids and fibers without clogging. This significantly reduces maintenance needs and the risk of future issues.

William Reid's Richard Pierce noted, "The regular Preventive Maintenance should be done once a month, like the manufacturer or dealer states. Just make sure you change out the oil on a regular basis. Check your gapping between the impeller and wear ring. Make sure there's no rag in it. That's one of the nice benefits of this pump. They should only have to pull it once a year to do all the maintenance."

Additionally, the Grundfos pump operates on lower horsepower, saving energy without compromising performance. Chad remarked, "This one actually has a little bit smaller horsepower, but it outperforms other pumps that we have here. Also, the non-clogging impeller keeps our operations running smoothly."

The installation was seamless, reusing existing guide rails and fitting into the old pump's space without modifying the controls or base hubs. However, the connection required some customization. Anthony from Grundfos explained, "The biggest challenge in this retrofit was the breakaway fitting. The slide bracket from the existing manufacturer was very proprietary. To fit our pump, we used our engineering team in Aurora, Illinois, to reverse engineer the slide bracket on the existing volute. This allowed us to retrofit our pump without modifications."

An easy job

Anthony stated, "The Grundfos solution makes the City of Owen's job extremely easy. Less maintenance and less repair cost because it's a smaller motor size. And the non-clogging capability of the impeller allows them to run that pump without having any issues."

Paul Ludwig from William Reid added, "With this pump selection, when we pulled the pump, we just pulled a bunch of rags off around the pump, and the pump did not clog at all. So, it's preventing those issues from happening."

Chad is pleased with the improved performance, ease of installation, and reduced maintenance. He said, "I would recommend Grundfos to other people in the industry. They do a fantastic job."

Case

Supporting Communities Across the U.S.: Responding to Crisis and Investing in Hope

In 2025, Grundfos and the Grundfos Foundation demonstrated a deep commitment to strengthening communities across the United States—especially in moments of hardship. Through major philanthropic initiatives in Texas and California, the Foundation supported recovery, resilience, and long term transformation in regions closely connected to Grundfos' operations and employees.

In the wake of the devastating floods that struck the Texas Hill Country in July 2025, the Grundfos Foundation donated $100,000 to the Kerr County Flood Relief Fund to aid both immediate and long term recovery. The disaster claimed more than 100 lives statewide and left lasting physical and emotional damage in Kerr County. At a check presentation ceremony in Kerrville, community leaders, relief partners, and Grundfos representatives gathered to honor the lives lost and the strength of the region. The grant will support humanitarian aid, infrastructure rebuilding, environmental restoration, and preparedness initiatives designed to help the community recover over the coming years.

"This grant reflects our commitment to improving quality of life and supporting communities in times of crisis," said Kim Nøhr Skibsted, Executive Director of the Grundfos Foundation. Grundfos US Country President Ansell Sims underscored the company's long standing pledge to be a trusted neighbor, noting that recovery requires sustained support long after news coverage fades.

On the West Coast, the Grundfos Foundation also contributed $118,000 to Fresno Mission, a leading nonprofit serving individuals and families experiencing homelessness, addiction, and poverty in California's Central Valley. With a major Grundfos manufacturing facility located in Fresno, the donation reflects the company's belief that meaningful impact begins with investing in local partnerships. The gift will support expanded services at a time when shelter capacity in the region has been reduced due to multiple facility closures.

"Fresno Mission is a beacon of hope for thousands of people," Skibsted said. The mission's CEO, Matt Dildine, emphasized that the donation will directly improve lives and strengthen programs that offer dignity, stability, and opportunity to those in need.

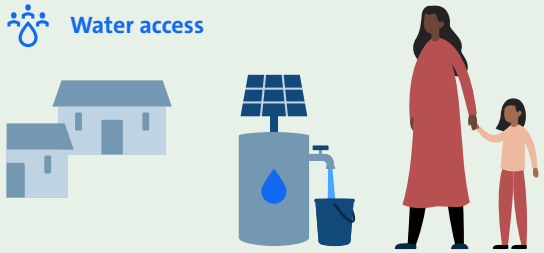
Across the U.S., Grundfos and the Grundfos Foundation remain dedicated to advancing resilient, thriving communities—standing alongside partners as they rebuild, grow, and envision a better future.

Sustainability

Group level sustainability performance at a glance

In 2025, we 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 sustainability 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 to guide our sustainability journey.

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 (DMA).

The sustainability framework highlights our four strategic priorities on water stewardship, water access, climate transition and circularity, in line with our Ignite'27 strategy and Winning Aspiration 2040 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.

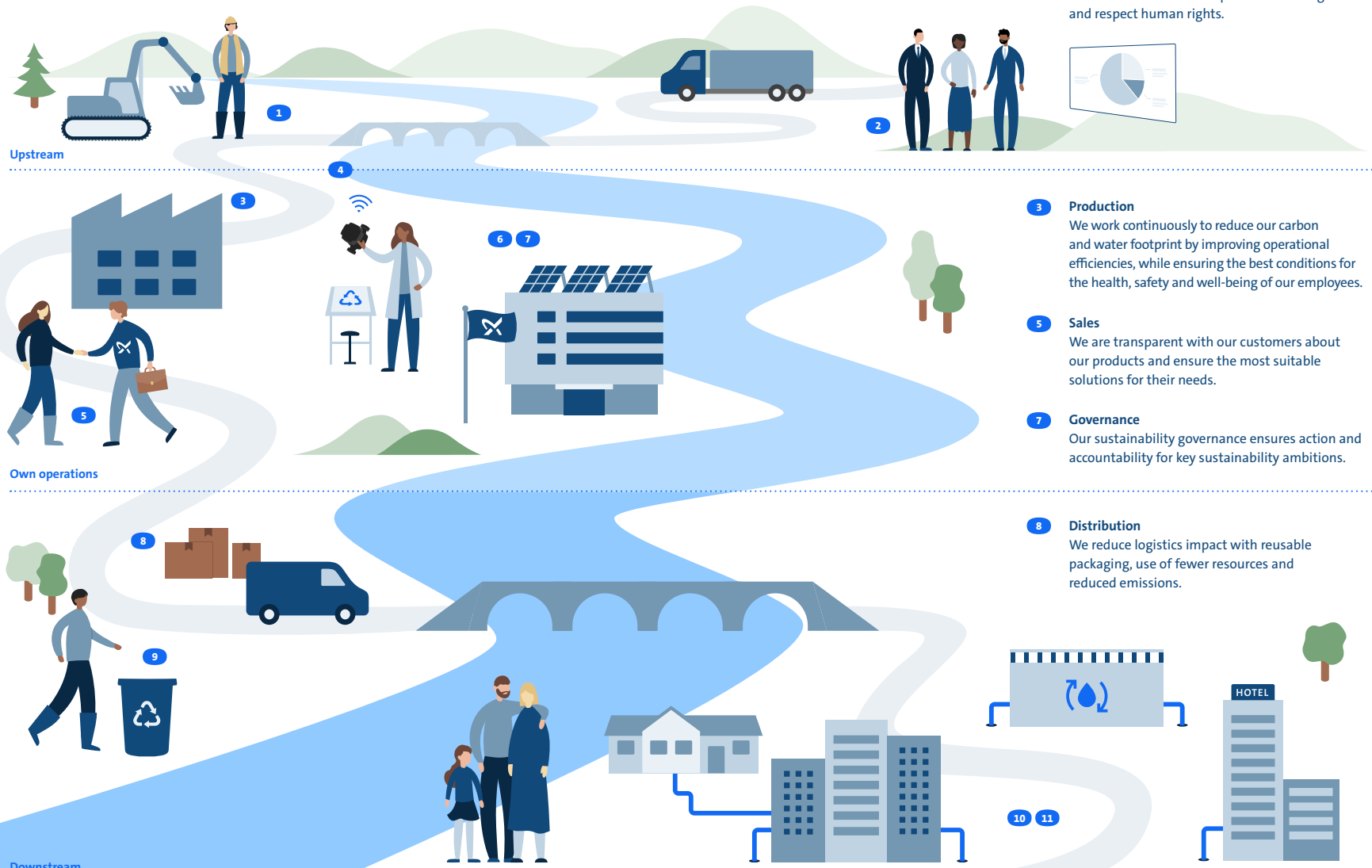
Our purpose is to pioneer solutions to the world's water and climate challenges and improve quality of life for people

	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

Managing impacts, risks and opportunities across our value chain



1 Raw material sourcing
We conduct due diligence and strive to enhance our efforts in responsible sourcing and respect human rights.

2 Supply chain
We hold ourselves and our suppliers to the highest standards of social and environmental responsibility by upholding human rights, maintaining labour standards, reducing carbon and water footprints, ensuring chemical compliance and sourcing materials responsibly, including conflict minerals.

3 Production
We work continuously to reduce our carbon and water footprint by improving operational efficiencies, while ensuring the best conditions for the health, safety and well-being of our employees.

4 Design and product development
We focus on developing products and solutions that enable energy and water efficiency, as well as circularity and reduced material use.

5 Sales
We are transparent with our customers about our products and ensure the most suitable solutions for their needs.

6 Research and development
We invest in research and development of products and solutions that enable energy and water efficiency, as well as circularity and reduced material use.

7 Governance
Our sustainability governance ensures action and accountability for key sustainability ambitions.

8 Distribution
We reduce logistics impact with reusable packaging, use of fewer resources and reduced emissions.

9 End-of-life
We take back end-of-life products to cut waste through remanufacturing and reuse.

10 Use and services
We cut emissions with efficient solutions and extend product life through our global service programme.

11 Collective action and local communities
Through collective action, we actively engage with partners to improve quality of life for people.

Water stewardship

Water challenges across the US are becoming more severe as communities and industries face rising water stress, aging infrastructure, and more frequent climate-related shocks. These pressures affect business continuity and community resilience. As part of a global organization focused on intelligent water and climate solutions, our work in the US contributes to the global ambition to build a water-resilient world through responsible water stewardship, innovation, and collaboration.

In 2025, Grundfos strengthened its global water stewardship position with a holistic approach that spans the value chain. This approach guides our work in the US, where drought, flooding, and regional water stress can influence operations and supply chains.

At the same time, the US offers strong opportunities as demand grows for water-efficient and digitally enabled solutions across commercial buildings, homes, industries, and utilities. Water-intensive sectors, including manufacturing and data centers, increasingly require reliable, efficient, and resilient water-management technologies.

Our approach to climate

Our US approach aligns with the global water stewardship plan introduced in 2025. It is designed to reduce water use, strengthen resilience to water shocks, and expand water access where needs are greatest.

The plan is structured around six action areas: supply chain, operational sites, water solutions, water access, advocacy and partnerships, and collective action. These areas align the organization around a shared goal to build a water-resilient world. In the US, this means supporting customers and communities facing water stress, aging systems, and climate-related risks.

Across buildings, industry, homes, and utilities, we deliver solutions that move, manage, and treat water more efficiently.

- **In buildings**, we aim to create resilient commercial buildings for the future. We ensure business continuity by delivering water precisely where and when it is needed, while creating resilience in and around buildings, through intelligent solutions and energy efficient products.
- **In industry**, we redefine industrial water treatment to accelerate the global water and energy transformation. Our smart water treatment solutions help customers reduce water and energy consumption and waste, enabling recovery, reuse and compliance. And by expanding in water critical industries, we are turning circularity from ambition into reality.
- **In homes**, we advance energy and water-efficient products and solutions, enabling homeowners to save water and energy and decarbonise their homes. We help homeowners adapt to water shocks by offering solutions like rainwater harvesting and flood prevention.
- **In utilities**, we safeguard sustainable water management from source to tap. We protect vital water resources, reduce water loss and enable recycling and reuse through intelligent, system level water and wastewater solutions. Our technologies deliver reliable, efficient water services, build resilient infrastructure and promote water access, empowering communities to thrive today and adapt for tomorrow.

We apply the same principles across our US operations by working to reduce water withdrawal where water stress is high, improving site resilience, and strengthening supplier water-management maturity. Our efforts are supported by global advocacy and collective action, which shape how we engage in US-based partnerships aimed at improving water outcomes for communities, customers, and local stakeholders.

Actions on water

In 2025, we advanced our water stewardship efforts in the US by contributing to national conversations on water reuse and by strengthening partnerships that support more efficient and resilient water systems. A key highlight was the Accelerating Industrial Reuse white paper, developed with Black & Veatch and The Water Reuse

Association. The paper evaluates the potential impact of scaling water reuse across five major industrial sectors. It has informed engagement with industry stakeholders throughout the year.

Grundfos continued to participate in the Water Recycling Coalition, a cross-sector group under The Water Reuse Association that brings together some of the largest industrial actors in the water space. Participation in this coalition supports shared efforts to expand water reuse and strengthen water resilience at a national level.

Advocacy remained a significant part of our work. Grundfos supported the Advancing Water Reuse Act (HR 2940), a bipartisan bill with broad industry backing. The legislation was a key focus during Water Week on Capitol Hill and reflects our commitment to advancing national policy that supports more resilient water systems.

At the global level, we continued to help end users save water and improve system efficiency. In 2025, we launched the SE and SL Range 48 and 52 pumps and the Grundfos Connect Sewer Insights platform, both designed to support better wastewater management, reduce water use and optimize operations. These solutions strengthen our global portfolio and support customers facing increasing water management demands.

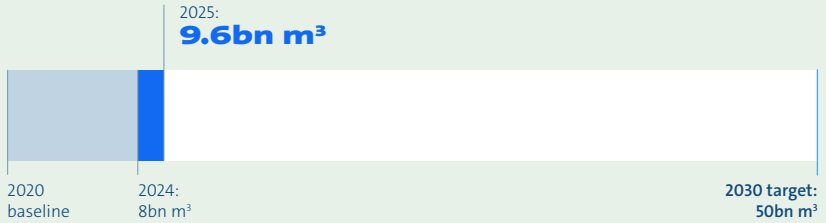
Looking ahead

In 2026, we will continue strengthening our water stewardship efforts in the United States by advancing solutions that support efficient water use, resilient infrastructure and expanded water reuse. We will build on our national partnerships and apply our expanded water treatment capabilities to help customers and communities respond to increasing water stress and climate related impacts.

Group achievements

Progress on water stewardship

Water saved by end users



Enable our end users to save 50bn m³ water by 2030 against a 2020 baseline[1]

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.

Water withdrawal

Reduce our water withdrawal by 50% by 2025 compared to the 2008 baseline year

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.

Group metrics

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

'-' indicates that the KPI has not been assured

Climate transition

Climate change is reshaping industries and communities across the US as rising temperatures, more frequent extreme weather events and increasing pressure on energy systems create new challenges for businesses. As part of a global organization committed to intelligent water and climate solutions, our work in the US is grounded in the same global ambition to lead the transition to a net zero future.

In 2025, Grundfos introduced its first climate transition action plan, which sets out a clear pathway to reach net zero by 2050 with near term targets to reduce scope 1 and 2 emissions by 50% and scope 3 emissions by 25% by 2030. These goals guide our efforts in the US where climate risks, such as flooding and drought, continue to disrupt operations and supply chains.

At the same time the US presents significant opportunities as demand grows for energy efficient, climate resilient and digitally enabled pump and water solutions across commercial buildings, homes, industries and utilities, including fast growing segments like data centers.

Our approach to climate

Our local approach is grounded in the global approach on climate transition while meeting the needs of the US market. Because almost all of our carbon footprint stems from the use of our products our greatest opportunity lies with helping customers reduce energy consumption and greenhouse gas emissions. We focus on three core pathways:

Energy efficient pumps

Our speed regulated pump technologies help customers cut electricity use compared with traditional systems. This supports building efficiency goals and industrial decarbonization efforts across the US.

Digital and optimization services

Through smart controls real time monitoring and data driven insights we help customers understand system performance identify inefficiencies and extend equipment life. These services are especially valuable for data centers and large commercial facilities.

Intelligent water and climate systems

Integrated solutions that optimize water and energy together help customers manage resource constraints improve reliability and strengthen resilience against climate related impacts such as drought and grid instability.

Across our own operations in the US, we continue to improve energy efficiency and work closely with suppliers to advance decarbonization across the value chain. We also contribute to national and global climate dialogue through partnerships and industry forums that support the shift to a resilient low carbon future.

Actions on climate

In 2025, we continued to expand our climate actions in the US through a combination of operational decisions, customer-focused innovation and cross-industry collaboration. A key milestone was the expansion of our Brookshire, Texas facility, which is being developed to meet LEED Gold standards and supports our focus on energy efficient and high-performance buildings.

Throughout the year, we strengthened our presence at key national events that shape climate action. At New York Climate Week, Grundfos brought together leaders from data centers and the water sector to highlight the link between digital infrastructure, water use and climate resilience as demand for efficient cooling and resource management grows.

One of our largest events was the 2025 Industry Sustainability Summit in Kansas City, which brought together more than 150 representatives from major sectors including data centers, food and beverage and power generation to address decarbonization and resource efficiency. Speakers from industry and research provided practical examples of how companies are reducing emissions and improving system performance.

Across our commercial portfolio, the increased adoption of Grundfos intelligent solutions, particularly within data centers and industrial facilities, contributed to emissions reductions for customers and supported progress toward our own scope 3 goals. We experienced significant year on year growth in the shift from standard equipment to high efficiency speed regulated systems.

We also advanced climate aligned innovation through new digital control offerings, including the rollout of our Soft PLC (CIM 550P) capability. This enables customers to optimize complete systems using fewer components, improving efficiency, reducing energy demand and simplifying operations.

Looking ahead

In 2026, we will continue strengthening our climate transition efforts in the United States by advancing intelligent and energy efficient solutions that help customers lower emissions and improve system resilience while engaging actively in national conversations on climate action. We will continue developing solutions that support customers as they respond to changing resource needs and climate related challenges.

Group metrics

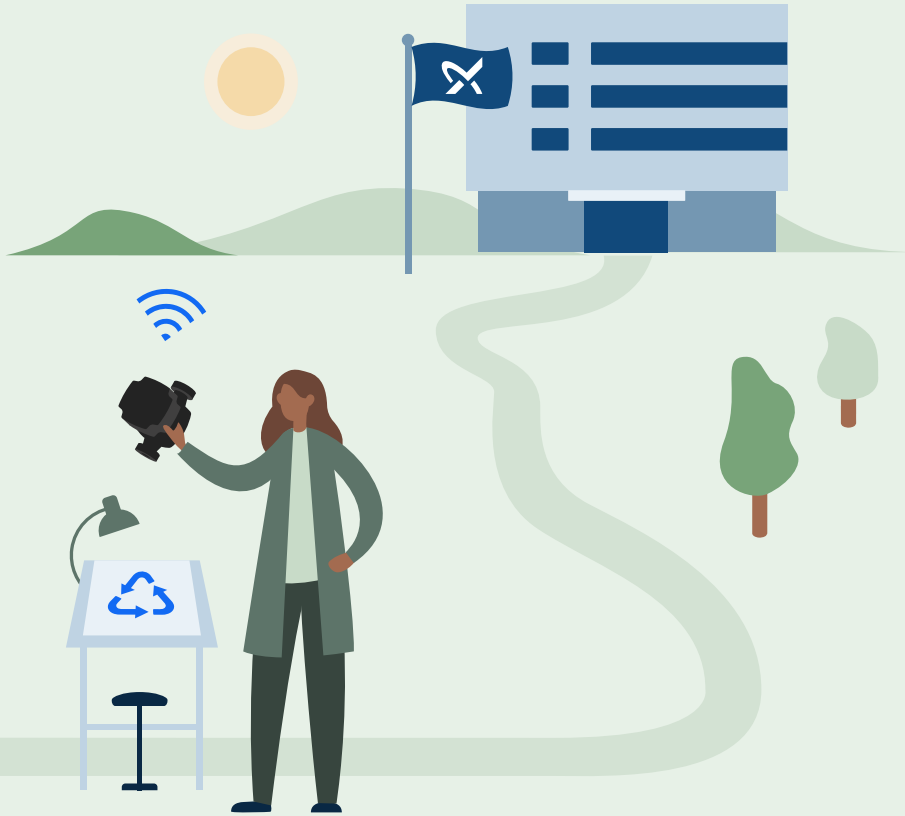
Emissions (tonnes CO_2e)	**2025 vs 2024**	**2025**	2024	2023	Assurance level 2025
GHG emissions - scope 1, 2 and 3 (market based)	-1.5%	106,628,369	108,296,638	122,008,675	Reasonable
GHG emissions reduction compared to 2020 baseline - scope 1, 2 and 3 (market-based)	-1%p	-25%	-24%	-15%	-
GHG emissions - scope 1, 2 and 3 (location based)	-1.5%	106,630,709	108,288,457	121,981,905	Reasonable
Scope 1 and 2 emissions (market-based)	-13%	66,734	76,482	94,109	Reasonable
Scope 1 and 2 emissions reduction compared to 2020 baseline (market-based)	-8%p	-45%	-37%	-22%	-
Scope 1 and 2 emissions (location-based)	1%	69,074	68,301	67,339	Reasonable
Scope 1 emissions	-1%	23,140	23,363	25,485	Reasonable
Scope 2 emissions (market-based)	-18%	43,594	53,119	68,624	Reasonable
Scope 2 emissions reduction - contractual instruments	56%	-40,871	-26,208	-3,933	Reasonable
Scope 2 emissions (location-based)	2%	45,934	44,938	41,854	Reasonable
Scope 3 emissions	-1.5%	106,561,635	108,220,156*	121,914,566*	Reasonable
Scope 3 emissions reduction compared to 2020 baseline	-1%p	-25%	-24%	-15%	-
Emissions from purchased goods and services (category 1)	1%	1,022,882	1,010,127	1,039,031	Reasonable
Emissions from capital goods (category 2)	-25%	87,998	116,642	94,556	Reasonable
Emissions from fuel and energy related activities (category 3)	0%	15,212	15,233	16,495	Reasonable
Emissions from upstream transportation and distribution (category 4)	11%	94,233	84,556	69,540	Reasonable
Emissions from waste generated in operations (category 5)	-26%	624	846	1,008	Reasonable
Emissions from business travel (category 6)	-11%	41,655	46,601	46,147	Reasonable
Emissions from employee commuting (category 7)	6%	17,855	16,774	15,981	Reasonable
Emissions from use of sold products (category 11)	-1.5%	105,277,951	106,926,372*	120,628,407*	Reasonable
Emissions from end-of-life treatment of sold products (category 12)	7%	3,225	3,005	3,401	Reasonable
GHG emissions intensity, market-based (emissions per net revenue)	-6%	3,070	3,259*	3,546*	Reasonable
GHG emissions intensity, location-based (emissions per net revenue)	-6%	3,070	3,259	3,545	Reasonable

'-' indicates that the KPI has not been assured

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

Circularity

Circularity is a core element of Grundfos's global approach to sustainability. Around the world, increasing resource scarcity and growing environmental pressures highlight the need for business models that reduce waste, lower reliance on virgin materials, and minimize embedded emissions.



Pumps and water solutions rely on metals, polymers, and complex components, and their production carries clear environmental impact. Circularity enables us to address these challenges while strengthening long-term business resilience.

In 2025, Grundfos advanced its global circularity journey through targeted initiatives in product design, material choices, and end-of-life management. These efforts included collecting 83 tonnes of used pumps for reuse and building internal capabilities needed for circular transformation. While the journey is ongoing, these actions support our shift to more resource-efficient systems.

For the US, this global direction provides a strong foundation. As we build out local circularity initiatives, we draw from global learnings, proven design approaches, and emerging circular business models to meet the needs of customers, partners, and regulatory environments.

Our approach to circularity

Grundfos's global approach to circularity is anchored in four action areas that guide how we design products, source materials, develop business models, and manage end-of-life solutions. These principles will shape our actions in the US and inform how we scale circularity across the value chain.

Product design

We balance trade-offs between durability, repairability and recyclability into our products to extend their lifespan and enable reuse or refurbishment.

Inputs and materials

We actively collect data from our supply chain and maintain a heatmap of opportunities for increasing the use of recycled and renewable materials. This supports our aim to reducing our reliance on virgin resources.

Circular business models

We explore service-based offerings that extend product lifespans and improve end-of-use recovery, keeping products at their highest value for as long as possible.

End-of-life/next-life solutions

We expand take-back programmes and next-life initiatives to recover used products and create new value from them.

Actions on circularity

In 2025, we began laying the groundwork for a stronger circularity agenda in the US by identifying opportunities in product recovery, waste reduction and improved materials management. We also initiated discussions with our operations teams in Brookshire and Fresno to gather information on waste handling and site-level initiatives that support circularity.

At the Fresno site, this work was supported by a series of audits and improvement activities that strengthened operational discipline and resource efficiency, including successful ISO audit across quality, environmental and safety standards. Sustainability audits highlighted strong efforts in water and energy management, including solar generation and water savings through retention ponds. An operational water management assessment identified priority projects to improve tracking of water withdrawal and discharge, further reinforcing the site's contribution to resource efficiency and circularity.

Together, these actions represent the continued focus of building a localized circularity framework that supports global ambitions while responding to specific market needs.

Looking ahead

In 2026, we will continue to develop our circular approach in the US, building on progress at sites such as Fresno and maintaining a focus on ongoing efficiency initiatives.

Group achievements

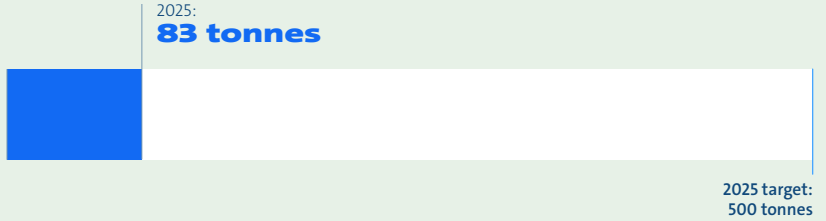
Progress on circularity

Waste to landfill

We aim to reduce waste to landfill by 50% compared to our 2018 baseline of 2,520 tonnes

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.

Resource recovery through take-back



We aim to take back 500 tonnes of used products in 2025

In 2025, we collected approximately 83 tonnes of end-of-life pumps for reuse and responsible recycling. However, 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.

Group metrics

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

People

In 2025, we strengthened our commitment to providing a safe, healthy, and inclusive workplace that supports employee development and community engagement.

Guided by our global approach to helping employees work, learn, and grow, and aligned with the needs of our U.S. workforce, we continued building a culture where people are equipped and encouraged to contribute to our purpose of improving quality of life for others.

Health, safety, and well-being

Safety remains central to how we operate around the world, including in the US. Our practices align with the global ISO 45001 standard for occupational health and safety, as well as national regulatory requirements, including OSHA standards and site-level procedures. In 2025, we continued promoting the core safety behaviors of be present, take action, and do not compromise as the expected norms for all employees.

Across our facilities, we focused on improving reporting and awareness of workplace hazards, near misses, and preventive actions. A proactive reporting culture helps identify trends early, address risks efficiently, and ensure that learnings are shared across sites.

Well-being continued to be part of leadership responsibilities. Managers held regular check-ins to identify workload concerns and support needs. Employees around the world participated in the global Health, Safety, and Well-being Week, which included activities such as guided walks, mental health discussions, and ergonomics sessions.

As our footprint expanded through acquisitions, we worked to ensure new colleagues were aligned with Grundfos safety expectations and reporting systems. This supported consistent standards across all operations.

Diversity, equity, and inclusion (DE&I)

Grundfos USA continued to cultivate an environment where all employees feel respected, welcomed, and supported. Our DE&I efforts reflect Grundfos global ambitions while responding to the expectations and lived experiences of our local workforce.

In 2025, we prioritised actions that strengthened belonging and inclusion. Employee Resource Groups (ERGs) played an important role in this work. The five global ERGs, Pride, Gender Balance, Abilities, Future, and Multicultural, expanded programming across our locations and offered opportunities for dialogue, education, and community-building.

We continued to expand access to resources for employees who benefit from accommodations or specialised support. Awareness initiatives, including collaboration with partners focused on invisible disabilities, helped normalise conversations about accessibility and neurodiversity across teams.

Learning and talent development

Employee development remains a core element of our global and local Grundfos culture. In 2025, we expanded learning opportunities that supported career growth, technical capability, and leadership effectiveness.

US employees used digital platforms, such as LinkedIn Learning and internal academies, to build skills across engineering, operations, leadership, digital literacy, customer engagement, and project management. Annual performance and development dialogues supported employees in identifying development goals and exploring career pathways.

Leadership development continued to be a priority. People leaders participated in the global leadership program, which sets consistent expectations for leadership behavior, coaching, and team engagement. This strengthened leadership capabilities across functions and locations.

Employee and community engagement

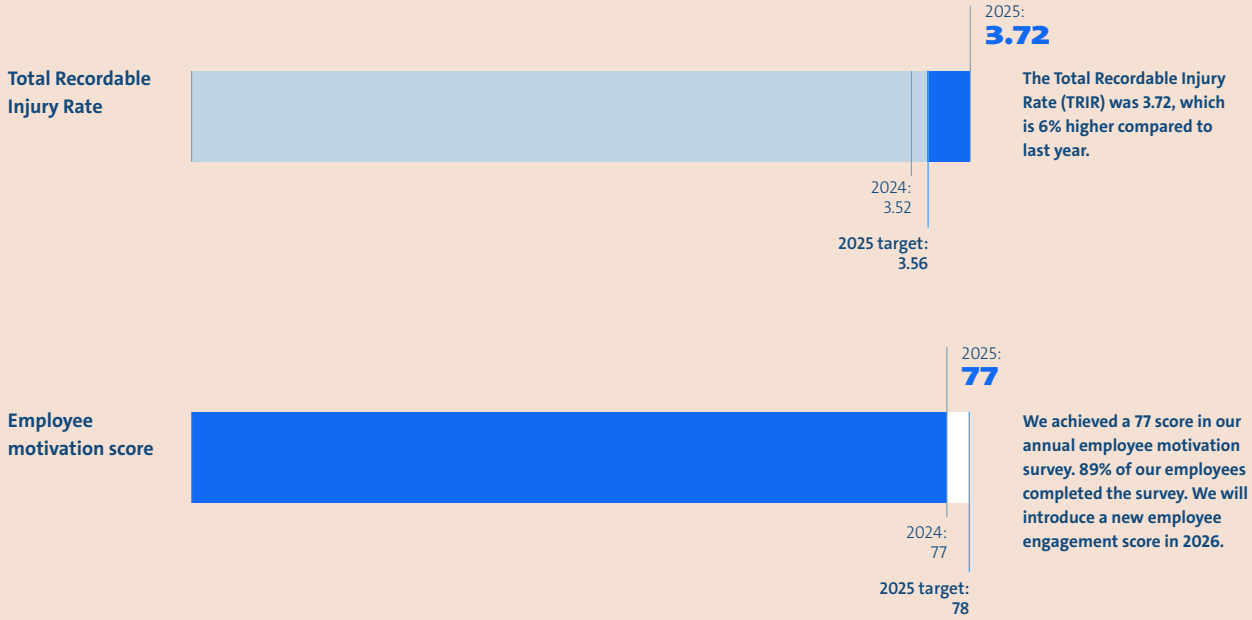
We believe employees thrive when they feel connected to the communities they serve. Through volunteer opportunities, employee-led initiatives, and partnerships, our teams continued to bring our purpose to life by addressing local needs related to water, climate, and community well-being.

Again last year, employees received up to three paid volunteer days, which they used to support local activities and water-related nonprofit organisations, contributing expertise and advocacy to projects aligned with our climate and water ambitions.

Employee-led projects supported through the Grundfos Foundation continued to enable colleagues to design and deliver initiatives that address local needs. In 2025, two Foundation-supported grants demonstrated Grundfos commitment to supporting communities in times of need. The Foundation awarded $118,000 to the Fresno Mission, helping expand essential services across its campuses, including meals, shelter, recovery programs, job training, and wraparound support for vulnerable families. The Foundation also provided $100,000 dollars to the Kerr County Flood Relief Fund following severe flooding in the Texas Hill Country. This grant supported immediate humanitarian needs, including food, shelter, and medical assistance, and contributed to long-term recovery efforts such as infrastructure repair, environmental restoration, and preparedness planning. These grants reflect Grundfos commitment to being a reliable partner to the communities in which it operates.

Group achievements

Progress on health, safety and well-being



Headquarters
8850 Bjerringbro
Denmark

+45 87 50 14 00
Info@grundfos.com

Further information:
www.grundfos.com
www.poulduejensenfoundation.com

GRUNDFOS

Possibility in every drop