

Sustainability Report
2022 | 2023

SEEDING
THE FUTURE
SINCE 1856



**Overview of the status of implementation of key sustainability goals**

Environmental objectives	Target in 2030	2022/2023	2021/2022
Biodiversity and Ecosystems (Section 3.1)			
Crops in breeding programs	27	23	24
Budget for resource-conserving research	>30% of the annual R&D budget on reducing the use of resources	20.2%	19.8%
Ratio of varieties for resource-conserving agriculture	Suitability of >25% of KWS' varieties for low-input farming	9% ¹	n/a
Climate Change (Section 3.2)			
Emissions (Scopes 1 + 2)	50% reduction (2050: net zero)	65,278 t CO ₂ e	64,000 t CO ₂ e
Use of scorecards to measure local environmental performance	Use of scorecards at all production sites, including at processing plants and our own seed propagation areas (currently 71 locations)	56 locations	n/a
Innovative Product Design (Section 3.4)			
Annual yield gain	1.5% on average	1.3% ¹	n/a
Use of digital farming solutions on customers' fields	Use of digital solutions on >6 million hectares	2.5 million hectares	1.7 million hectares
Ratio of varieties for direct human nutrition	>40% of KWS' varieties can be used directly in human nutrition	63% ¹	n/a
Social objectives	Target in 2030	2022/2023	2021/2022
Social Engagement (Section 4.2)			
Ratio of expenditures as part of our social commitment	1% of operating income (EBIT) p.a.	0.6%	0.8%
Working Conditions (Section 4.5)			
OSHA incident rate at the KWS Group ²	<1.0	1.6	1.3
Governance objectives	Target in 2030	2022/2023	2021/2022
Business Ethics and Compliance (Section 5.1)			
Access to the Compliance Portal	95%	80%	80%
Property Rights to Genetic Resources (Section 5.2)			
ITPGRFA incidents ³	No incidents under the ITPGRFA	0	0

¹ Recorded for the German market

² Rate of lost-time occupational accidents relative to hours worked (per 200,000 working hours); OSHA = Occupational Safety and Health Administration

³ International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA); KWS is committed to complying with the stipulations of the ITPGRFA.

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Dr. Felix Büchting, Spokesperson of the Executive Board

1. Foreword

Dear readers,

As one of the world's leading seed specialists, we develop innovative and sustainable solutions for the future of agriculture, true to our corporate vision of "Seeding the future for generations." I am delighted in my new function as Spokesperson of KWS' Executive Board to be able to continue shaping the future at our company, because innovative seed will play an important role in the transformation toward more sustainable agriculture.

As the repercussions of climate change become more and more tangible and the world's population keeps on increasing, the challenges facing agriculture are growing. Climate change is leading to a greater prevalence of extreme weather events and the spread of plant diseases and insects that previously had hardly any relevance. As a result, stable harvests can no longer be taken for granted. As a plant breeder, we believe it is our responsibility to help solve these key



challenges by providing farmers with appropriately adapted varieties. New breeding methods are a suitable approach in this regard. Genome editing, for example, offers us the chance to develop new products more quickly with precision and, because it is relatively simple to apply, to use it for many crops. We thus welcome the EU Commission's decision to reform genetic engineering legislation and the classification of genome editing in this respect.

In order to be able to rapidly drive the development of adapted varieties, we have created special testing systems for diseases in recent years and integrated them in our breeding work. Our varieties boast diverse resistances or tolerances to diseases and pests and can thus safeguard and also increase yields. As a result, for instance, the use of pesticides can be reduced. Plant diseases, such as the sugarbeet disease "syndrome basses richesses" (SBR), which is widespread in Europe, pose considerable problems for farmers. Here, too, we as a seed specialist can be part of the solution. For example, this fiscal year 2022/2023 we were awarded approval for the first time for a sugarbeet variety that delivers good yields under conditions where crops suffer from SBR infestation.

We achieved a total of almost 500 new variety registrations in markets worldwide, enabling us to supply our customers with highly innovative seed. We are not only committed to expanding our portfolio of varieties for organic farming, but also want to make a positive contribution to diversity in fields overall with an even broader portfolio in the future.

The European Union has set concrete and ambitious targets for European agriculture with its Farm to Fork Strategy as part of the Green Deal. By 2030, for example, the use of chemical pesticides is to be cut in half and the use of synthetic fertilizers reduced

by one-fifth, while organic farming is to be significantly expanded. With our seed, we will support agriculture, one of the world's largest emitters of greenhouse gases, as best we can in reducing its ecological footprint and strengthening biodiversity and soil health.

We have set ourselves clear goals for these issues under our Sustainability Ambition 2030. For example, our goal moving forward is for at least a quarter of our varieties to be suitable for low-input farming and for a large part of our varieties to be able to be used for direct human nutrition. We therefore aim to invest over 30% of our research and development budget in reducing the use of resources. Certain varieties have the ability to deliver comparable yields even when less nitrogen is applied as fertilizer, for instance. We are determined to accomplish these goals and thus make a positive contribution to environmental protection and society.

I wish to take this opportunity to express my particular thanks to my dedicated and highly qualified colleagues at KWS worldwide! It fills me with pride and joy to be a part of this exceptional team. Our motivation and what unites us is encapsulated by our mission: "Our passion for plants sustains farming, food and planet."

I would like to take this opportunity to thank all of you for the successful working relationship and your trust in KWS, and I hope you find this Sustainability Report both informative and interesting.

Yours, Felix Büchting

Dr. Felix Büchting

Spokesperson of the Executive Board



2. Fundamentals of Sustainability Management at the KWS Group

2.1 General Information

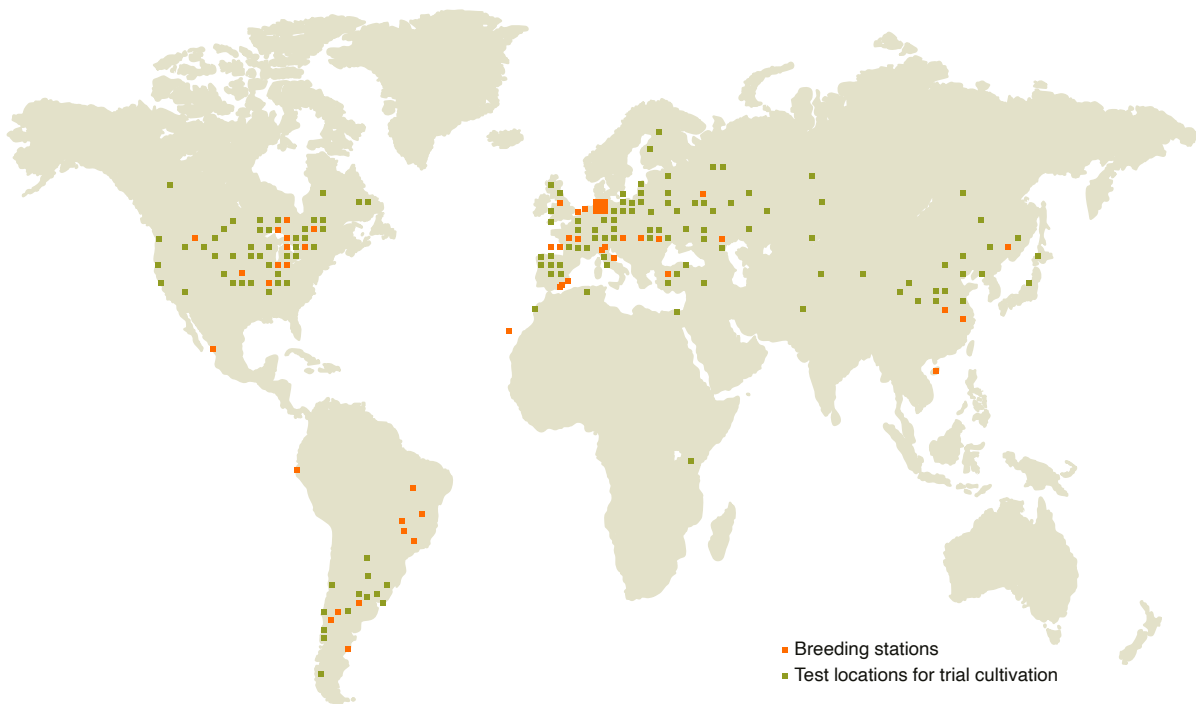
2-1, 2-2, 2-6, 2-7

KWS is an international seed producer with around 140 branches in more than 70 countries. Our activities range from research into and development of innovative solutions and new, high-performance varieties, seed propagation, seed processing and consulting for farmers through to shipment of the finished seed to customers. We offer our customers – farmers – a broad range of seed for agricultural crops. With our seed for 23 crops, including sugarbeet, corn, oilseed rape and sunflower, cereals seed, various varieties of vegetable (such as spinach, red beet and tomatoes), as well as distribution of seed for catch crops, we offer a broad portfolio of products for conventional and organic farming.

KWS SAAT SE & Co. KGaA is the parent company of the KWS Group. Strategic management of all of KWS' global activities is pooled under its roof. It is headquartered in Einbeck, Germany, and controls breeding of the KWS Group's range of varieties, conducts basic research, produces and distributes sugarbeet and corn seed, and is home to a number of central functions. There are also currently 88 subsidiaries and associated companies in 34 countries (www.kws.com/corp/en/company/kws-worldwide/). An overview of the most important sales regions can be found in the annex to this report. The companies in the KWS Group employed 5,055 (4,865) people¹ in fiscal 2022/2023. The economic value added generated by the KWS Group keeps on growing constantly.

¹ FTEs excluding trainees and interns

Breeding and test activities of the KWS Group in over 70 countries





201-1

Economic value added generated by the KWS Group

KWS Group (in € millions)	2022/2023	2021/2022
EBIT	222.8	155.1
Equity	1,291.1	1,245.9
Net income for the year	127.0	107.8
Total assets	2,749.6	2,651.8
Economic value generated (net sales)	1,819.8	1,539.5
Operating expenses ^{1,2}	1,567.0	1,381.9
Wages and salaries	322.1	282.8
Social security contributions, expenses for pension plans and benefits	79.7	73.1
Payments to providers of capital ³	54.9	40.8
Taxes and other payments to government	48.7	31.6
Expenditure on non-profit causes	0.9	0.7
Sponsorship	0.5	0.6
Economic value distributed	2,037.8	1,811.4

¹ Including the cost of sales, selling expenses, research and development expenses, and general and administrative expenses (see the Annual Report, Statement of Comprehensive Income)

² The previous year's figures have been adjusted as presented in section 3.1 "Consistency of accounting policies" in the Notes for the KWS Group.

³ Including dividend payout, interest (see the Annual Report, cash flow statement, interest paid including transaction costs for issuing bonds and raising (finance) loans; see the Annual Report, Cash Flow Statement, for the dividend payout)

More detailed information on our organization, products and corporate strategy can be found in the 2022/2023 Annual Report and on KWS' website.

2.2 KWS' Brand Values, Vision and Mission

2-23

KWS pursues a uniform understanding of values throughout the Group worldwide. The fundamentals of our values are available to all employees and are intended to form an integral part of our work. They shape our social interaction as part of our daily work, as well as fostering respect and mutual support. KWS proactively communicates these values to its employees, for example by means of events with the Executive Board. We briefly present our values in the following.



Vision

“Seeding the future for generations.”

Our vision brings together all of KWS' core values: We shape a sustainable future with foresight, maintain closeness to generations of farmers and, as an independent company, are a trustworthy and reliable partner to all our customers.

Mission

“Our passion for plants sustains farming, food and planet.”

We are convinced that we can make a difference with our specialization in plant breeding and seed. We are passionate about breeding and research – and we optimize the potential of plants and varieties in order to create value added for farmers year after year. This is not just confined to increasing yields: We create solutions by delivering varieties with relevant traits such as improved drought tolerance and less need for pesticide and help agriculture successfully tackle the challenges it will face in the coming years.

KWS' seed is at the beginning of the food chain – and therefore makes an important contribution throughout the agricultural production process. End consumers are also a growing focus: What variety traits are important for processing and the end product, and how can plant breeding help improve them? Last but not least, our work also has an impact on the environment as a whole: Reducing inputs such as pesticide or water, innovations also for areas such as alternative energies, and of course the efficient use of available land all make a contribution to the agriculture of the future.

Our services (in the shape of consulting and by means of digital tools) help farmers get the most out of our seed on healthy soils. Our broad and growing portfolio of crops and vegetables lays a foundation for maintaining biodiversity on fields. In this way, our work makes a key contribution every day to supplying the world's growing population with good food.



2.3 Corporate Strategy

201/3-3

With a view to the future, we regard ideas and decisions as being sustainable if they are economically feasible, ecologically viable and socially desirable. In this regard, our focus is on optimizing our products and internal processes.

Our internal strategic planning is the foundation for the KWS Group’s further development. As part of it, we define strategic objectives, initiatives and core measures for existing activities and for potential new fields of business. Our regular planning, with its ten-year horizon, includes an analysis and assessment of market trends, competitors and the KWS Group’s position. We believe

that strategic success factors include, in particular, our intensive research, the breeding of new, sustainable varieties and the continuous expansion of our global footprint so that we can further enhance our know-how in regional markets with their special climatic conditions.

Corporate objectives of the KWS Group

Sustainable solutions for agriculture have always been the foundation and driver of our business model. We use them as the basis for deriving our objectives, which form the framework for all divisions and strategic decisions: independence, profitable growth, constant innovation and sustainability.

The KWS Group’s medium- and long-term objectives

Main strategic subject areas	
Profitable growth	<ul style="list-style-type: none"> An average increase in consolidated net sales of at least 5% p.a.¹ EBIT margin $\geq 10\%$ A dividend payout ratio of 20% to 25% of the KWS Group’s net income for the year
Innovation	<ul style="list-style-type: none"> R&D intensity of at least 17% of consolidated net sales
Independence	<ul style="list-style-type: none"> Retention of a corporate structure shaped by the family owners
Sustainability	<ul style="list-style-type: none"> Implementation of the KWS Sustainability Ambition 2030

¹ On a comparable basis, excluding exchange rate and portfolio effects



Profitable growth

is vital for our future development. Long-term profitable growth ensures we can retain our commercial freedom of action. We strive to increase net sales by an average of at least 5% p.a. and achieve an EBIT margin of at least 10%.

Innovation

drives our business model. The need for innovative technology in plant breeding continues to increase. Climate change, significant population growth and changes in eating habits, where alternative protein sources are growing in importance, are challenges we all need to address. In addition, digitization is playing a greater and greater role in agriculture.

Independence

has always been a key corporate objective for KWS. It is part of the shared values held by our customers and employees. Our independence and long-term orientation enable us, in particular, to invest in research and breeding projects with an eye to the future.

Sustainability

is, and always will be, both an obligation and an opportunity for us. Agriculture faces huge challenges globally. They include the world's growing population, increasingly severe consequences of climate change, and the preservation of biodiversity and natural resources. Innovations in plant breeding play a key role in tackling these challenges.

With our KWS Sustainability Ambition 2030, we clearly define the framework for the focus of KWS' sustainable development – economically, ecologically and socially – in the coming years. Guided by the principle that “sustainability begins with seed,” we pursue these concrete goals.



2.4 Sustainability Ambition 2030

Throughout our almost 170-year history, we have always regarded seed as the central starting point for improvements in agriculture. Proximity to farmers and continuous expansion of our research and development activities have helped us become established as a leading seed specialist. New varieties now help reduce the use of pesticides, fertilizer and other agricultural resources on fields, yet deliver higher and higher yields.

With our KWS Sustainability Ambition 2030, we defined the framework for KWS' sustainable development – economically, ecologically and socially. It can be divided into two categories and six ambitions.

While the first four objectives describe the impact of our products and solutions, the last two describe the impact we want to make as a company and a responsible member of society.

In the 2022/2023 reporting period, the processes required for effective management and measurement of the degree of target achievement were implemented and expanded. We report on the key figures in the relevant subsections.

Sustainability starts with the seed

Product impact	
 <p>Safeguard food production</p> <ul style="list-style-type: none"> 1.5% annual yield gain for farmers through <ul style="list-style-type: none"> progress in plant breeding and digital farming solutions on >6 million hectares 	 <p>Minimize input required</p> <ul style="list-style-type: none"> Enable >50% reduction of chemical crop protection (in line with European Farm to Fork Strategy) <ul style="list-style-type: none"> Invest >30% p.a. of R&D budget into reduction of inputs >25% of KWS varieties are suitable for low input cultivation
 <p>Enhance crop diversity</p> <ul style="list-style-type: none"> Increase number of crops with dedicated breeding programs from 24 to 27 	 <p>Support sustainable diets</p> <ul style="list-style-type: none"> >40% of KWS varieties are suitable for predominantly direct use in human nutrition
Corporate responsibility	
 <p>Improve operational footprint</p> <ul style="list-style-type: none"> Reduce Scope 1 and 2 emissions by 50% by 2030 and to net zero by 2050 Establish score cards to provide transparency on ecological footprint of all seed production sites 	 <p>Foster social engagement</p> <ul style="list-style-type: none"> Min. 1% EBIT p.a. into social projects Measurement and continuous improvement of employee engagement Continuous decline in the number of occupational accidents/illness ratio



2.4.1 Safeguard Food Production

203/3-3, 203-2

Our objective is to achieve an average increase in yields of 1.5% a year (for crops). To accomplish this, we focus on delivering progress in plant breeding and developing digital solutions for agriculture.

Progress in plant breeding

Progress in plant breeding makes the most important contribution to securing food production against the backdrop of the world's growing population, climatic changes and limited resources. An annual increase in yield is therefore usually regarded as the key breeding objective for all crops. The goal of increasing and stabilizing yields is closely linked to other breeding objectives, such as resistance traits or nutrient efficiency. Scientific studies estimate that at least 60% more food will have to be produced worldwide by 2050 in order to feed the whole human race adequately, while climatic conditions will change fundamentally. Current rates of increase are not sufficient to handle this demand and, at the same time, to preserve areas for natural habitats and wildlife and to counter the effects of climate change. In view of this, we have decided not only to retain our long-standing focus on continuously increasing yields, but also to monitor and analyze our own performance more closely than before. Based on the conclusions from this, we will introduce additional practical measures to support farmers in achieving the best-possible results with the available arable land.

For the 2022/2023 reporting period, we are able for the first time to disclose our average annual increase in yield on the basis of breeding progress for Germany. Based on the test results of all varieties in official trials over the past ten years, corn, wheat, barley, oilseed rape, rye and sugarbeet achieved an average yield progress of 1.3% p.a. for the German market. This key indicator is to be collected for further countries and recorded globally in the future. The results were derived from data from official approval authorities.

Digital solutions for agriculture

Digital solutions like the applications provided on myKWS help farmers make better cultivation decisions and thus optimize their yields. This ranges from choosing the right seed and variety to recommendations on cultivation management, such as the best seed rate, constantly monitoring crops for diseases, and predicting yields and the ideal time to harvest plants. Our extensive range of digital tools permits higher yields and the smarter use of resources such as pesticides. We believe that digital solutions are a key tool in achieving the best-possible results with KWS varieties. This is why we have set ourselves a clear goal: To enable digital solutions to be used over a cultivation area of more than 6 million hectares by 2030. We mainly aim to achieve this by offering KWS varieties that are awarded approval in the future directly to farmers, along with personalized digital support. In this way, up to a quarter of the target of increasing yields by 1.5% a year might be achieved with digital solutions by 2030. Farmers in 30 countries already rely on the digital tools from the myKWS platform.

Since the myKWS solution was launched, a cultivation area of approximately 2.5 million hectares has already been supported by the solutions we offer.

2.4.2 Minimize Required Inputs

201/3-3, 201-1, 203/3-3, 203-2, 301/3-3

The European Green Deal and Farm to Fork Strategy define clear objectives for sustainable agriculture in Europe. One of them is to reduce the use of chemical pesticides by 50%. Means of accomplishing this include a revision of the directive on achieving the sustainable use of pesticides, improved regulations on integrated plant protection, and greater research and use of effective alternatives for protecting harvests against pests and diseases. The seed sector will also play a major role as a solution provider in this scenario in the future. New seed varieties can secure yields, yet reduce the use of pesticides, fertilizer and other resources.



We intend to achieve this objective by investing more than 30% of our annual R&D budget in reducing the use of resources and ensuring that more than 25% of KWS varieties are suitable for low-input farming.

The EU aims to act as a role model with its Green Deal. We at KWS do not confine these requirements solely to Europe, but also apply them to our global activities.

More than 30% of our annual R&D budget is to be spent on reducing the use of resources.

A key factor in breeding innovative varieties is for them to be adapted to changing requirements. This includes changes in eating habits, new quality requirements and – very particularly – changing environmental conditions. It takes an average of approximately ten years to develop a new seed variety. Breeding objectives are therefore long term and geared to global challenges such as climate change and the needs of farmers and their land. KWS has always made substantial investments in developing improved seed varieties for agriculture. We spent €314.2 million on R&D activities in the 2022/2023 reporting period, or 17.3% of the KWS Group's annual consolidated net revenue.

Although we have always acted true to the motto of “achieving more with less,” we are now going one step further. We intend to spend more than 30% of our annual R&D budget specifically on reducing the use of resources (water, fertilizer and pesticides). To enable this, we are launching projects targeted at developing varieties that are more resistant to diseases or pathogens, have greater tolerance to climatic stress factors such as drought, and therefore require less pesticide and work by the farmer. All this is possible only by thinking and acting proactively – after all, breeding plants is not so much a sprint as a marathon. It is all the more important to anticipate future developments and adapt our research and breeding work to them early on and in good time.



We spent 20.2% (19.8%) of the annual R&D budget on the above R&D work in fiscal year 2022/2023.

More than 25% of KWS' varieties are suitable for low-input farming.

We currently provide our customers with a total of 209 varieties¹ for sugarbeet, silage corn, winter oilseed rape, wheat, barley and rye in Germany, of which 19 varieties (9%) were classified by us as resource-efficient in fiscal 2022/2023. Growth and yield are determined by plants' genetic makeup and performance and by ecological factors such as light, water and nutrients in the soil. The extent to which plants can unfold their potential depends directly on the environmental conditions in the region they are grown. Varieties that are well adapted to their location deliver more stable yields. Low-input varieties can use the available resources very efficiently and have been tested specifically for performance under cultivation conditions where few resources are or

¹ Varieties that generated net sales in fiscal 2022/2023



can be used. We define low-input conditions as those where there is little application of fertilizer, limited water availability or reduced use of chemical pesticides. Only highly efficient varieties can flourish under such conditions. We want at least 25% of the varieties in our portfolio to be suitable for low-input farming.

For many years now, we have invested research capacities and funds in testing existing varieties from our portfolio in large-scale low-input trials. In this way, we can keep on expanding our product range and offering farmers reliable recommendations on the potential for saving resources.

2.4.3 Enhance Crop Diversity

A high degree of diversity in agricultural crops is vital in order to feed the world's growing population long-term and preserve the genetic heritage and biodiversity on our fields. The loss of crop diversity could jeopardize global food security, since we would have to get by with a smaller number of plant species and there would be fewer crop rotation options, which are indispensable for soil health.

KWS is already committed to fostering diversity and, with its breeding programs for 23 different crops, boasted one of the broadest portfolios in the global seed market in fiscal 2022/2023. In order to preserve this diversity, we also invest in minor crops that are less well

researched, such as peas and catch crops, in order to increase their attractiveness for farmers. We intend to expand our portfolio by 2030 in order to offer the agricultural sector further crop rotation options that are both economically and ecologically viable. KWS aims to provide additional crops so as to make a contribution to protecting and safeguarding diversity in farming. We will press ahead with expanding our vegetable portfolio in the coming years, for example. One other focus is on crops that can offer alternative or local sources of protein. And last but not least, we are examining the possibility of integrating breeding programs for crops that enable or complement sustainable cultivation systems and crop rotations.

Specifically, we aim to make crop rotation more flexible by increasing the number of our crops from 23 to 27 by 2030 under pinpointed breeding programs.

We want to invest in creating breeding programs for new crops and in developing high-performance varieties that meet our customers' requirements. This includes resistance to biotic and abiotic stress factors and an improved nutrient profile that makes them more suitable for use as food or feed. Establishing a breeding program demands perseverance, funding and know-how. This is the only way to deliver competitive products that offer farmers genuine value added.



2.4.4 Support Sustainable Diets

Our goal is for more than 40% of KWS' varieties to be able to be used directly in the food we eat. The share of varieties intended by KWS for direct use in human nutrition was 63% for the German market in fiscal 2022/2023.

More and more people are adopting a mainly plant-based diet. In order to satisfy growing demand, the food industry is turning to new plant-based products and is substituting vegetarian alternatives for meat, eggs or milk, for example. At the same time, crops are increasingly used to produce food instead of fodder for animals. Plant breeding has a key role in developing varieties and crops that are suitable for a plant-based diet. We are responding to these trends by including new food and protein crops in our research programs and complementing our existing breeding programs with related activities (such as for peas and other types of vegetables).

In 2019, we included seed for various types of vegetables in our portfolio and are now more strongly aligned toward delivering a diverse source of nutrition and to satisfying growing demand for plant-based foods. We intend to achieve this by developing nutrient-rich varieties that, when harvested, can be used in food directly or with little processing (such as in the form of flour). At the same time, we continue to work on a diverse and efficient variety portfolio for animal feed (such as silage corn or fodder beet).

2.4.5 Improve Operational Footprint

302/3-3, 305/3-3

We intend to attain this goal by reducing our Scope 1 and Scope 2 emissions by 50% by 2030 and get them to net zero by 2050. The introduction of scorecards to enable transparent documentation of the ecological footprint of all seed production sites will complement and support that objective.

Reduction in CO₂e emissions by 2030 and 2050

We are committed to using innovative processes, eco-friendly technologies and clearly defined internal standards to minimize the environmental impact of our locations and operational activities. In addition to the requirements demanded by law, KWS has recorded the consumption figures of all its branches in Germany since the 2008/2009 reporting period. Starting in the 2017/2018 reporting period, we have internationalized and continuously improved this documentation. KWS now has a global platform for monitoring greenhouse gas emissions and water consumption and records the relevant data worldwide. This allows us to identify hotspots at our research, breeding and production locations and instigate appropriate improvement measures. The focus in the 2020/2021 reporting period was on analyzing greenhouse gas emissions from operational activities and water consumption, since they had been determined to be relevant environmental factors in the materiality analysis we conduct every two years.

KWS has set itself the ambitious target of cutting its greenhouse gas emissions by 50% by 2030. We aim to reduce these emissions to net zero by 2050. As a plant breeder, KWS consumes the highest amount of energy in production and research (for laboratory and production processes and operating greenhouses, for example). Important levers to reduce emissions here will include the use of resource-conserving technologies, more efficient use of existing plant and resources, and greater use of renewable energies in office buildings and breeding and production halls.

KWS has undertaken to reduce its Scope 1 and Scope 2 greenhouse gas emissions by 50% in absolute terms from 2021 levels by the year 2030 and also to measure and cut its Scope 3 emissions. The targets for reducing greenhouse gas emissions from operational activities (Scope 1 and 2) match the reductions required to meet the goal of limiting global warming to 1.5 degrees.



The KWS Group's absolute Scope 1 and Scope 2 greenhouse gas emissions increased by 2% in fiscal 2022/2023. More details can be found in [section 3.2 "Climate Change."](#)

2.4.6 Introduction of Ecological Scorecards for All Seed Production Sites

[302/3-3](#), [303/3-3](#), [304/3-3](#), [305/3-3](#)

The continuous review of our processes and the responsible running of all locations are tasks that we discharge with great seriousness. We are also aware that customers and regulators demand greater transparency on value chains and production processes and their impact on the environment.

In order to attain the goals we have set, we will use special scorecards to assess the environmental performance of all of KWS' seed production sites as a complement to the existing internal guidelines and audits. The scorecard system will record data for criteria such as biodiversity, water protection and emissions. All production sites, including the processing

plants and internal seed propagation areas, will be evaluated individually. This will allow us to examine our locations and processes to determine any potential for improvement and to clearly show the ecological footprint of our activities.

We can leverage the data we obtain from analyzing the scorecard system so that the impact of our innovations and process optimization measures is factored in more strongly. Not least, this will enable us to enhance transparency for our stakeholders.

In fiscal 2022/2023, data was recorded for 56 out of 71 production and propagation sites and used as the basis for our scorecards.

2.4.7 Foster Social Engagement

[401/3-3](#), [403/3-3](#), [413/3-3](#)

We intend to accomplish this ambition by investing in social projects worldwide, measuring and continuously enhancing employee loyalty, and constantly reducing the number of occupational accidents and illnesses.



Financial support for social projects worldwide

KWS has committed to invest at least 1% of its annual EBIT in social projects worldwide. The funds are to go to donations and sponsorship projects.

Our social engagement focuses on developing the regions around our locations, which are mostly of a rural character, at the cultural, social and socioeconomic level in order to foster the general welfare of residents and increase the locations' attractiveness as a whole. Children and young people are particularly dear to our heart. A further focus is on promoting education and science, in particular in the field of natural and agricultural sciences. As part of our continuous engagement in Peru and Ethiopia since 2012, we support young researchers, in particular in conservation of plant genetic resources, plant breeding and development of sowing systems.

KWS' specific donations and sponsorship activities in fiscal 2022/2023 totaled €1.4 (1.3) million or 0.6% (0.8%) of EBIT.

Measurement and continuous improvement of employee loyalty

Employee engagement is expressed in the strength of the emotional bond employees feel toward their employer and thus in their willingness, commitment and motivation at work (i.e., the extent to which employees are willing to contribute to the company's success and the achievement of its goals).

KWS will continuously maintain its Employee Engagement Index in the future and work to improve it by means of appropriate measures. A project that is planned moving ahead envisages a regular, global engagement survey that will help us calculate the Engagement Index, ascertain our employees' expectations, and improve our systems and offerings to reflect them. The project was continued in fiscal 2022/2023 and initial data will be available in fiscal 2023/2024.

The survey is to be held regularly so as to identify engagement drivers (i.e., factors with the greatest influence on employee engagement). The results are to be used as the basis for developing targeted improvement measures together with the individual units; these measures will be reviewed regularly, and their success will be able to be measured by the results of the survey in the next cycle. Recording data on employee engagement is therefore not a one-off task for KWS, but a continuous process that is integrated throughout the company and in which managers and employees alike are involved.

Continuous reduction in the number of occupational accidents / illness rate

Achieving the goal under the Sustainability Ambition 2030 of reducing occupational accidents in the long term by 2030 should, from today's perspective, be reflected in an accident frequency rate of <1.0. To achieve this, the focal areas of accidents are assessed, after which targeted measures are taken in the form of training or, if necessary, decisions to change work processes. The OSHA incident rate for the KWS Group in fiscal 2022/2023 was 1.6 (1.3).

KWS does its utmost to keep on improving work conditions and employees' health and safety at the workplace. This includes accident prevention and living up to our responsibility for employees' mental health. We are currently working to roll out a uniform system worldwide so that we can lastingly minimize the accident frequency rate and number of work-related illnesses. That is why we are defining consistent global standards and conduct systematic management training on the subject of workplace health and safety.

The central accident database we had already established provides us with a global overview of the scale and causes of occupational accidents. We will use the findings we obtain as the basis for further improving our processes and safety precautions.



2.5 Sustainability Organization

2.5.1 Responsibility of the Executive Board

2-9

Our Executive Board is the governance body at KWS that has uppermost responsibility for the company's sustainable development. Our Corporate Sustainability Managers are responsible for operational sustainability management and report to the Spokesperson of the Executive Board. We have also established an interdisciplinary body that reports to the Executive Board and, with external assistance, evaluates our current and future sustainability goals and how to achieve them. The body is made up of representatives from Strategy, Marketing and Communications, Research & Development, and Sustainability Management.

2.5.2 Sustainability Reporting

Our sustainability reporting

2-3, 2-4, 2-29, 3-1, 3-2

We have published regular Sustainability Reports since 2008, and since the 2017/2018 reporting period they have also covered our global activities. We now publish a Sustainability Report for the KWS Group every year and strive to present as complete a picture as possible over all our locations reflecting the current scope of consolidation (see the 2022/2023 Annual Report: List of shareholdings). Where key figures and information are not currently available at the global level or relate to a different scope of consolidation, we indicate this and make reference to the scope of consolidation covered by the report at the place in question. The changes in key figures over time are shown only if data recorded in previous years is comparable in terms of the scope of consolidation.

The period reviewed in the current report covers the year from July 1, 2022, to June 30, 2023. It has been prepared on the basis of the GRI reporting standard. The report supplements the Non-Financial Declaration, which complies with the requirements of the CSR Directive Implementation Act (CSR-RUG) and is included as part of the Combined Management Report in the KWS Group's Annual Report (see the 2022/2023 Annual Report, Chapter "2.4 Sustainability Information (Combined Non-Financial Declaration)").

The information in this report was recorded by the departments and the expert team for sustainability. There may be rounding differences for percentages and numbers. Unless otherwise specified, the data on our employees includes seasonal workers and participants in training programs, but not externally employed persons. The sustainability issues of relevance to the KWS Group and their boundaries were updated in the reporting period.

The Sustainability Report is available in German and English on KWS' website. The previous year's report was published on September 27, 2022. The contact persons for the Sustainability Report can be seen from the contact details at the end of the report.

Our understanding of sustainability

It is our understanding of sustainability that sustainable commercial success requires – in addition to stringent implementation of our commercial goals – a socially, ecologically and economically balanced business culture. Our corporate vision, mission and values form the basis for this and are a key component in our activity and in ensuring KWS' long-term economic success.

“Our passion for plants sustains farming, food and planet.”

The KWS Group's mission

We set ourselves long-term and concrete objectives under our sustainability strategy, for which the Executive Board is jointly responsible. In our global strategic planning process, their appropriateness is regularly reviewed, with the aim of orienting our business activities toward social, ecological and economical aspects. In this spirit, KWS adopted sustainability goals in 2021 as part of the Sustainability Ambition 2030, and the status of their implementation is reported on in the Non-Financial Declaration. A central Sustainability Team operates as a staff unit under the responsibility of our Chief Financial Officer and coordinates the main sustainability activities within the KWS Group.



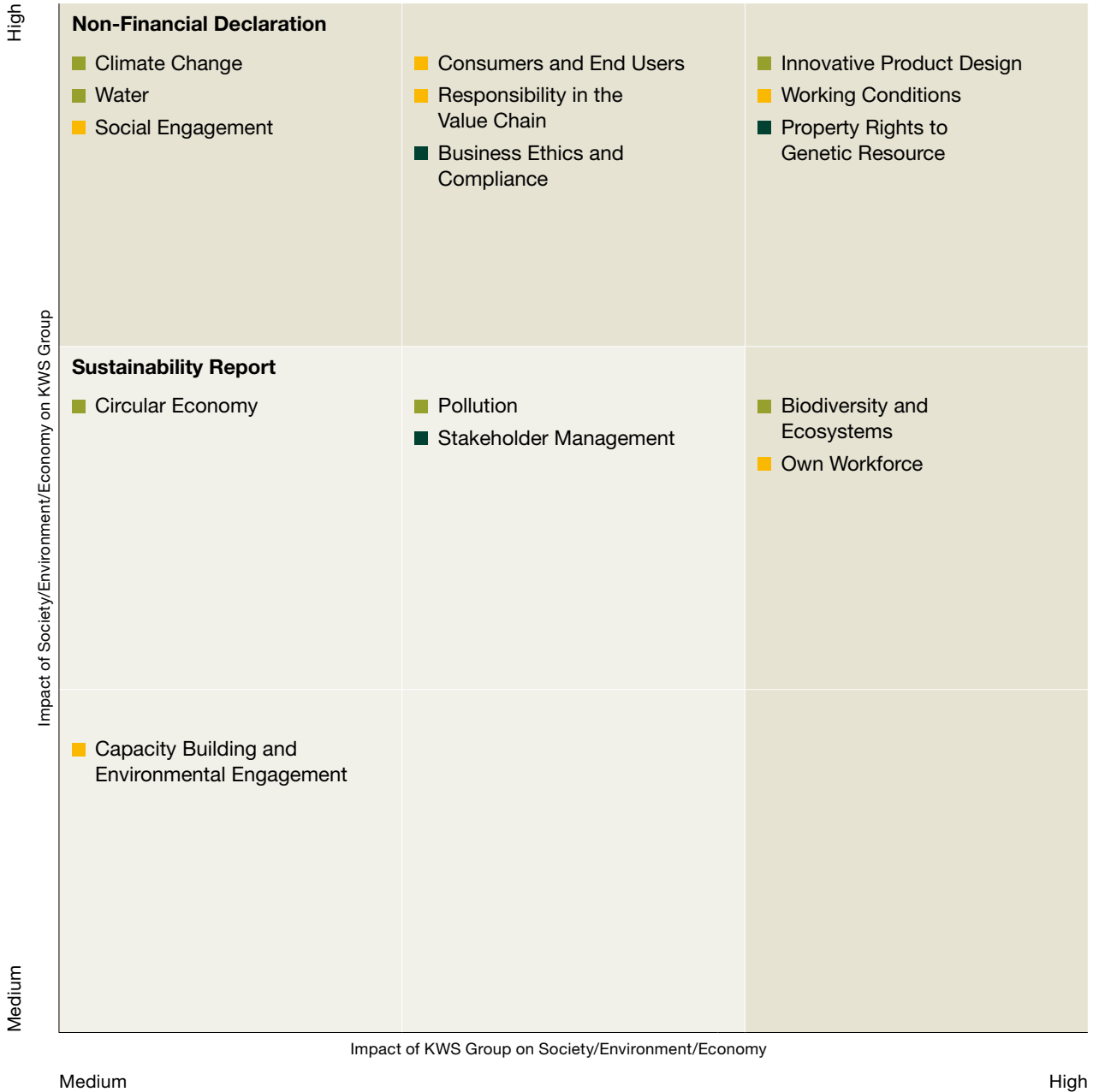
Report standard and issues

2-29, 3-1, 3-2

Sustainability issues of moderate to high materiality

Materiality matrix 2022/2023

■ Environment ■ Social ■ Governance





We derive the issues we report on in the Non-Financial Declaration and in the Sustainability Report from a materiality analysis that was conducted in 2020/2021 and was based on the GRI Standards and in which we involved our relevant stakeholder groups. The key stakeholder groups include not only our direct customers, i.e., farmers, but also our shareholders and employees. We also include various stakeholders throughout the agricultural value chain in our analysis, such as sugar producers, food manufacturers, retailers and end consumers, as well as policymakers, public authorities, non-governmental organizations, science, academia and the media. We reviewed the materiality analysis in the past fiscal year 2022/2023 and made adjustments to how the issues are categorized. The 2022/2023 materiality analysis was prepared as a result and used as the basis for identifying issues of high relevance in terms of their impact on the KWS Group's business activities and situation. Since fiscal 2022/2023, we have consequently assessed the issues of biodiversity and ecosystems as being of greater materiality for KWS and are expanding our reporting accordingly. Sustainability-related issues that were categorized as being of high materiality are presented in the Non-Financial Declaration. The Combined Non-Financial Declaration is presented in the 2022/2023 Annual Report (see the Annual Report, section 2.4 "Sustainability Information (Combined Non-Financial Declaration)"). Sustainability-related issues that are categorized as being of moderate materiality are reported on in the 2022/2023 Sustainability Report. We plan to conduct the materiality analysis again in fiscal 2023/2024.

In order to prepare for the requirements stipulated under the EU's Corporate Sustainability Reporting Directive (CSRD), which will be mandatory for KWS for the first time from fiscal 2024/2025, we have already made adjustments to our reporting structure for fiscal 2022/2023. We now report on the issues relating to the environment, social aspects and governance in separate sections of the Sustainability Report.

In our reporting for 2022/2023, we are guided by the issues that have been identified as material and by the Global Reporting Initiative (GRI). The material issues for KWS in accordance with the GRI are listed in the annex (see section 7 "Annex") to this Sustainability Report.

2.5.3 Sustainable Development Goals

2-23

KWS supports achievement of the Sustainable Development Goals (SDGs) under the UN's Agenda 2030 (www.un.org/sustainabledevelopment/sustainable-development-goals/). KWS feels it has a particular commitment in this regard and makes concrete contributions to the following SDGs through its business activities: fighting hunger (2), promoting economic growth (8), efficiency in production (9), sustainable production (12), climate protection (13), protection of terrestrial ecosystems (15) and global partnerships (17). We will be guided by the SDGs in the future development of our company and intend to continue integrating them in the Group.

KWS' focal issues from the 17 Sustainable Development Goals (SDGs)

Economical		Ecological			Social	



3. Environmental Aspects





3.1 Biodiversity and Ecosystems

Enhance crop diversity (Sustainability Ambition 2030)

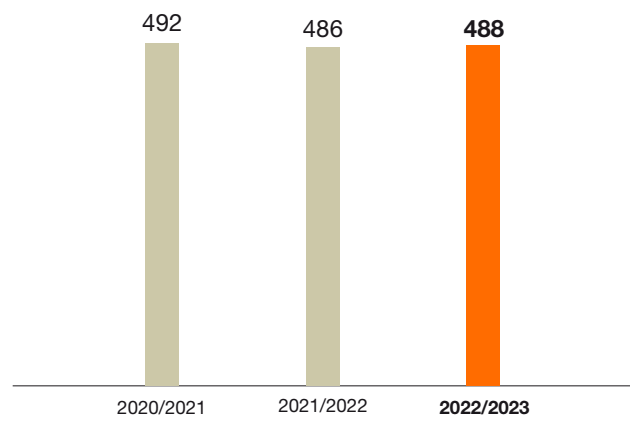
Objective	Target in 2030	2022/2023	2021/2022
Crops in breeding programs	27	23	24

Flexible and sustainable crop rotation in agriculture is part of our sustainable product strategy. We therefore offer our customers a broad portfolio of varieties for different crops. We plan to increase the number of our breeding programs from 23 at present to 27 by 2030. A plant breeding program for agricultural crops is a systematic and science-based method of developing plants with improved traits and properties. It comprises the pinpointed crossing of plants to enhance desirable traits such as yield, resistance to diseases and pests, drought tolerance, nutrient efficiency and adaptability to different environmental conditions. A breeding program involves the selection of parent plants with the desired traits and the systematic implementation of crossing and selection processes over several generations. The goal is to develop varieties that meet farmers' needs, increase yields, improve food security and promote sustainable agricultural practices. Modern plant breeding programs also use advanced technologies such as genomics, marker-assisted selection and genetic engineering to speed up the breeding process and make it more efficient. Crop-specific development objectives are agreed annually between Research, the breeding departments, Production and Sales, submitted for the Executive Board to be decided on and reported to the Supervisory Board. In fiscal 2022/2023, we completed the breeding program for carrots in the Vegetables Segment. Consequently, the number of our breeding programs fell from 24 to 23.

We support both conventional and organic farming with our varieties, catch crops and mixed cropping solutions from breeding programs. Compared to traditional agriculture, organic farming has a more positive influence on biodiversity, since no chemical pesticides are used in it and near-natural areas are fostered to a greater extent. We already have one of the most diverse product portfolios in plant breeding, enabling us to provide extensive support for multiyear crop rotation strategies and conventional and organic market segments with our own products.

Another indicator of the success of our breeding programs is the number of official variety approvals awarded per year. Only varieties of agricultural plant species that offer a clear improvement in cultivation or further processing (what is termed "value for cultivation and use") over already approved ones can be marketed in the EU. We obtained 488 variety approvals worldwide in fiscal 2022/2023, compared to 486 in the previous year.

Marketing authorizations for the KWS Group





304/3-3, 304-2

Minimize input required (Sustainability Ambition 2030)

Objective	Target in 2030	2022/2023	2021/2022
Expenditures on reducing the use of resources	>30% of the annual R&D budget	20.2%	19.8%
Ratio of varieties for resource-conserving agriculture	Suitability of >25% of KWS' varieties for low-input farming	9% ¹	n/a

¹ Recorded for the first time in fiscal 2022/2023, only for the German market and excluding vegetable varieties

KWS has set itself the goal of minimizing the use of natural and chemical resources in agriculture. To achieve this, we have formulated two targets in our Sustainability Ambition 2030:

More than 30% of our annual R&D budget is to be spent on reducing the use of resources.

In the future, we intend to spend more than 30% of our annual R&D budget specifically on reducing the use of resources (water, fertilizer and pesticides) in arable

farming. To enable this, we are planning to develop varieties that, for example, are resistant to diseases or pathogens or have greater tolerance to climatic stress factors and therefore require less pesticide and work by the farmer. In fiscal 2022/2023, we spent 20.2% (19.8%) of the R&D budget¹ on breeding and developing resource-conserving varieties.

Research & development expenditure in fiscal 2022/2023 was €314.2 (286.4) million or 17.3% (18.0%) of total net sales.

Research and development expenditure

	2022/2023	2021/2022	2020/2021
R&D expenditure in € millions	314.2	286.4	252.2
R&D intensity ¹ in %	17.3	18.0	19.3

¹ As a % of net sales

More than 25% of our portfolio of varieties are to be suitable for low-input farming.

We develop resource-saving traits as part of our breeding activities. They include varieties that deliver yields that are customary for the market with little use of fertilizer, limited water availability or reduced use of chemical pesticides. At least one trait of a variety must enable lower resource use in cultivation and, at the same time, offer a yield potential that is customary for the market, in which case the variety is classified as resource-efficient. Very high yields may also result

in varieties being awarded this classification, as they can achieve the same yield level as customary varieties with fewer resources. These "low-input varieties" must prove their performance under cultivation conditions, either in our internal trials or as part of official approval processes. We intend to further expand breeding of low-input varieties in the future so as to selectively add them to our portfolio.

Resource-conserving traits in sugarbeet are, for example, disease resistance, which may entail the use of less pesticide and reduce the number of times

¹ In R&D controlling, not all research and breeding activities that contribute to reducing the use of resources can be clearly separated from other breeding activities such as increasing yield. Consequently, the key figure includes the actual costs for individual R&D projects and a pro-rata share of the total costs for the breeding programs for corn, cereals and vegetables. This share is based on the ratio reported for sugarbeet, which was approximately 22% (19%) for fiscal 2022/2023.



machines have to run over the field; in the case of oilseed rape, they are traits where there is demonstrably lower infestation by pests. We are reporting the ratio of low-input varieties for the first time in fiscal 2022/2023. We currently provide our customers with a total of 209 varieties¹ for sugarbeet, silage corn, winter oilseed rape, wheat, barley and rye in Germany, of which 19 varieties (9%) were classified by us as resource-efficient in fiscal 2022/2023. Recording of the portfolio is also to be extended to other markets in the following years.

Biotic resilience thanks to catch crops

304/3-3, 304-2

We make a positive contribution to biodiversity with our diversified product portfolio, for example with our catch crops for organic farming. Catch crops are growing in importance in modern agriculture, especially in Europe. Breaking up the crop rotation cycle by cultivating catch crops offers various advantages. They include promoting soil life and insect diversity, natural combating of pests such as nematodes, production of a large amount of biomass over a lengthier period of time, reduction in soil erosion due to wind and water, and consequently less nutrient leaching. Growing catch crops therefore helps preserve the long-term fertility of soil and improve the nitrogen efficiency of the entire crop rotation. The additional nitrogen that is generated reduces the amount of fertilizer farmers use, while ensuring a favorable carbon footprint in production.

We have successfully established catch crops such as phacelia, mustard and oilseed radish in our KWS FIT4NEXT range of catch crop mixtures over the past decades and expanded our portfolio of various catch crop mixtures with species such as Italian ryegrass, turnips and buckwheat in our portfolio.

¹ Varieties that generated net sales in fiscal 2022/2023

Biodiversity through seed for organic farming

304/3-3

Compared to traditional agriculture, organic farming has a more positive influence on biodiversity, since no chemical pesticides are used in it and near-natural areas are fostered to a greater extent, for instance. The KWS Group believes that the key to creating more sustainable agriculture lies in efficiently combining elements from organic and conventional farming.

Our focus in the organic farming arena in the past years was on variety development. KWS has its own location for organic farming in Germany, the Wiebrechtshausen monastery estate. In addition, we expanded our trial areas and improved the quality of trials by means of statistical analyses, enabling even more precise selection of candidate varieties under ecological conditions.

Resource-conserving new developments

203/3-3, 203-2

Developing resource-conserving seed is always a balancing act and is often directly linked to other non-financial, as well as financial, aspects. It enables plants to survive despite obtaining fewer nutrients or being exposed to high pest pressure, although they might then produce less plant mass, resulting in a lower harvest.

A relatively new sugarbeet disease is the “syndrome basses richesses” (SBR), which is a growing threat in Germany and Switzerland in particular and in some cases causes considerable losses in yield. The disease is caused by pathogens transmitted by the plant hopper *Pentastiridius leporinus*. There are at present no known effective chemical or agronomic measures to combat SBR. The disease results in dramatically lower sugar content and reduces beet yields by up to 25%. KWS responded immediately by establishing testing systems so that it can press ahead with developing



adapted varieties in a pinpointed manner. A first variety called JOSEPHINA KWS boasting good yields under conditions where crops suffer from SBR infestation was awarded approval in 2022. Further variety candidates with very good suitability for regions infested with SBR are undergoing official approval in Germany and Switzerland. In addition, we are continuously working to identify and cross in further resistance traits in order to further improve the tolerance of KWS' sugarbeet varieties to SBR.

For information on new varieties in fiscal 2022/2023, please refer to the Research and Development Report in the 2022/2023 Annual Report.

Digitization and automation at KWS

We can increasingly make breeding decisions on the basis of big data and using algorithms. Elsewhere, we are transferring important processes to technical systems so as to automate and increase the efficiency of workflows in the lab, greenhouse and field.

One example of the automation of breeding processes is our PUMA mobile harvesting and laboratory system. The harvesting and subsequent examination of sugarbeet performance is a logistical challenge. Up to 1,000 tons of beets can be produced at trial locations and must be analyzed in terms of their yield, sugar content and other properties that determine their value. In traditional processes, all the harvested material had to be transported to central analysis laboratories for this purpose. Cutting-edge mobile harvesting systems can help make this harvesting process much more efficient.



3.2 Climate Change

Improve operational footprint (Sustainability Ambition 2030)

Objective	Target in 2030	2022/2023	2021/2022
Scope 1 and Scope 2 emissions globally ¹	50% reduction (2050: net zero)	65,278 t CO ₂ e	64,000 t CO ₂ e
Rollout of scorecards to measure environmental performance	Use of scorecards at all production sites, including at processing plants and our own seed propagation areas (currently 71 locations)	56 locations	n/a

¹ We selected new sources for our emissions factors in the reporting period. In addition, emissions from the use of biomass are reported outside the scopes for the first time in accordance with the Greenhouse Gas Protocol. Moreover, corrections were made to the figures for our fertilizer consumption. The figures for the previous year 2021/2022 were adjusted accordingly.

Energy and emissions

302/3-3, 305/3-3, 305-1, 305-2

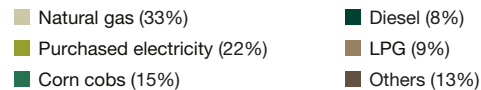
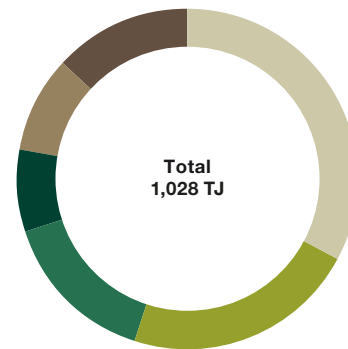
KWS has set itself the goal of reducing Scope 1 and Scope 2 emissions by 50% by 2030 compared with the baseline year 2020/2021. Our aim is to reduce our emissions to net zero in 2050. These objectives are geared toward meeting the 1.5 degree target defined in the Paris Agreement.

Energy

As a plant breeding company, KWS is part of the agricultural value chain. We mainly require heat for drying seed, and cold and heat for breeding work in greenhouses or climatic chambers, and for operating agricultural machinery. We currently cover these energy requirements predominantly with natural gas, with diesel, by purchasing electricity from national power grids and also by using energy obtained from biomass (biogas, wood chips and corn cobs). The company also has its own photovoltaic systems at various locations and they help reduce the amount of energy that has to be purchased externally. Our global energy requirements totaled 1,028 (1,026) terajoules (TJ)¹ in fiscal 2022/2023, of which 24% (23%) was covered by renewable energies². The energy intensity was 0.57 (0.67) gigajoules (GJ) per €1,000 of net sales.

Energy consumption by energy type

in % of total



¹ We use the relevant physical conversion variables to calculate energy consumption. We also take into account energy losses of diesel and gasoline engines and generators, and in this regard assume an energy efficiency ranging from 37% to 41%, depending on the technology.

² This includes energy obtained from the combustion of biogas, corn cobs and wood chips and from in-house power generation. We currently do not have any information to enable the data on electricity we buy in to be broken down by renewable energies.



305-1, 302-1

Energy consumption at the KWS Group

Energy source	Energy consumption (in GJ) 2022/2023	Energy consumption (in GJ) 2021/2022 ¹
Natural gas	336,845	339,786
Purchased electricity	228,302	233,120
Corn cobs	148,560	128,007
LPG (heating)	93,664	95,105
Biogas	89,178	93,080
Diesel (mobility)	58,007	53,362
Diesel (generator)	26,459	21,862
Gasoline (mobility)	17,381	18,678
Propane (heating)	12,584	20,728
Wood chips	5,134	14,058
Fuel oil	3,565	2,762
Propane (mobility)	2,978	385
District heating	2,597	2,771
Solar	1,788	1,932
Coal	811	0
Bioethanol (mobility)	254	458
CNG (mobility)	105	0
Purchased electricity (mobility)	95	19
LPG (mobility)	85	131
Total	1,028,394	1,026,245

¹ The previous year's figure has been revised.

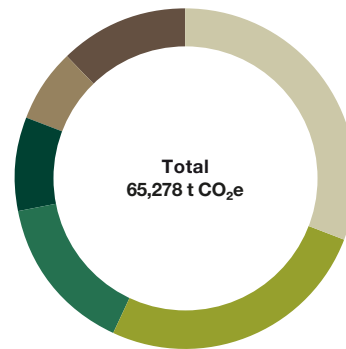
Emissions

In order to achieve our emissions targets, we are planning adjustments in our use of energy – where this is economically viable. In fiscal 2022/2023, photovoltaic systems were installed and projects for cost-cutting measures in Germany were evaluated with the Executive Board. Our objectives in this regard are to increase the use of biomass-based energy generation, expand our own photovoltaic plants and purchase green electricity under power purchase agreements. We are currently examining other conversion options, such as the use of heat pumps, heat exchangers or technical energy efficiency measures, to reduce our energy requirements. As part of this, we take into account both the potential of such projects to reduce emissions and their cost-effectiveness. An internal carbon policy is currently being drawn up to provide a Group-wide catalogue of requirements for capital expenditures and operating expenditures.

In fiscal 2022/2023, the KWS Group's Scope 1 and Scope 2 emissions were 65,278 (64,000) tons of CO₂e. The increase of 2.0% is due to higher diesel consumption in the use of generators and agricultural machinery. This gives an emission intensity of 35.9 (41.6) kg of CO₂e per €1,000 of net sales. The Scope 1 and Scope 2 footprint of the parent company KWS SAAT SE & Co. KGaA was 15,503 (15,139) tons of CO₂e.

Scope 1 and Scope 2 emissions

by source



Emissions resulting from the use of biomass (biogas, corn cobs, wood chips, bioethanol and organic fertilizer) are mainly reported outside the GHG Scopes in accordance with the Greenhouse Gas Protocol (GHG Protocol). These out-of-scope emissions in fiscal 2022/2023 were 22,100 (20,941) tons of CO₂e for the KWS Group and 4,930 (5,191) tons of CO₂e for KWS SAAT SE & Co. KGaA.

**The KWS Group's greenhouse gas emissions**

Type of emissions	2022/2023 ¹ (tons of CO ₂ e)	2021/2022 ² (tons of CO ₂ e)	Delta (%)
Direct emissions (Scope 1)	45,294	43,879	+3.2
Indirect emissions (Scope 2)	19,984	20,121	-0.7
Total	65,278	64,000	+2.0
Biomass emissions (out of scope)	22,100	20,941	+5.5

¹ The measurement period is the calendar year; see the section "Methodology."

² See the first footnote in this section.

The KWS Group's greenhouse gas emissions

Source	GHG Scope	Emissions in 2022/2023 (kg CO ₂ e)	Emissions in 2021/2022 (kg CO ₂ e)
Purchased electricity	Scope 2	19,866,654	20,003,965
Natural gas	Scope 1	17,080,083	17,229,194
Corn cobs	Out of scope	14,275,420	12,300,404
	Scope 1	533,182	459,415
Diesel (mobility)	Scope 1	10,032,260	9,228,992
LPG (heating)	Scope 1	5,580,621	5,666,455
Biogas	Out of scope	4,930,032	5,145,722
	Scope 1	5,440	5,678
Diesel (generator)	Scope 1	4,690,403	3,875,601
Other fertilizer	Scope 1	3,046,783	2,639,456
Gasoline (mobility)	Scope 1	3,041,673	3,268,612
Organic fertilizer	Out of scope	2,344,812	2,032,148
Propane (heating)	Scope 1	748,440	1,232,796
Wood chips	Out of scope	504,206	1,380,702
	Scope 1	15,016	41,120
Fuel oil	Scope 1	244,403	189,333
Propane (mobility)	Scope 1	177,123	22,883
District heating	Scope 2	108,833	116,137
Coal	Scope 1	73,126	0
Purchased electricity (mobility)	Scope 2	8,158	1,336
Bioethanol (mobility)	Scope 1	269	485
Solar	Scope 1	0	0



Methodology

We are guided by the requirements of the GHG Protocol in accounting for our greenhouse gas emissions. As part of this, our energy and fertilizer consumption is recorded worldwide, consolidated centrally and converted into CO₂ equivalents using emissions factors. We use factors from the Department for Environment, Food and Rural Affairs (DEFRA) for Scope 1 and factors from the International Energy Agency (IEA) for Scope 2 as part of that. Emissions from fertilizers are calculated using the “Metodologia do GHG Protocol da agricultura¹.” Our Scope 2 footprint is reported in accordance with the location-based method. In addition to Scope 1 and Scope 2 emissions, we report our emissions resulting from the use of biomass mainly outside the GHG Scopes, as they are not to be attributed to any scope according to the GHG Protocol. We have adjusted the carbon accounting period starting in fiscal 2022/2023 to January 1 to December 31, since energy billing statements are usually issued for the calendar year. Data availability was increased as a result. The consolidated group for the reported energy and emissions data in this section is the same as that for our financial reporting.

Scope 3 emissions and product carbon footprint

We currently record our Scope 3 emissions in a project with several service providers. We plan to publish our Scope 3 footprint for the first time in fiscal 2023/2024. Our products can help farmers reduce CO₂ emissions relative to the amount they harvest by delivering higher yields or nutrient efficiency. This effect is also currently being analyzed in more detail as part of a strategic initiative.

Rollout of environmental scorecards

In order to minimize the ecological impacts of its locations and operations, KWS strives to continuously improve internal processes, the technologies it uses and internal company standards. The locations themselves are responsible for the concrete application and operational implementation of resource-conserving measures. Concrete minimum requirements in our global HSE (health, safety and environment) management activities ensure that all KWS locations are governed by comparable regulations.

Our objective is to roll out scorecards to assess the environmental performance of KWS' locations worldwide. All production sites, including the processing plants and our own seed propagation areas, will thus be evaluated individually. The scorecard system will record data for criteria such as biodiversity, water protection and emissions. This will allow us to show the ecological footprint of our activities internally and tap potential for improvement at our locations. In fiscal 2022/2023, data was recorded for 56 out of 71 production and propagation sites and used as the basis for our scorecards. The next step will be to prepare the data for internal reporting and make it available throughout the Group.

¹ See www.ghgprotocol.org/sites/default/files/standards_supporting/Metodologia.pdf.

3.3 Water

303/3-3, 303-2

Water is an important business resource for KWS as a breeding company. As part of our seed production and breeding processes, a water supply suitable for the needs of our plants is vital so that we can harvest healthy seed and ensure a high yield from propagation. As part of its global HSE management, KWS has committed itself to the resource-conserving operation of its processes. KWS strives to reduce water consumption and use the resource of water as efficiently as possible. To enable this, we record and monitor our global water consumption and have implemented internal stipulations on using water and handling effluents in order to promote resource conservation.

Use of fresh water and water stress

Our internal HSE management system defines a global standard specifying that we aim to work in a way that conserves resources and to avoid process-related effluents as far as possible.

Our global water consumption is recorded and consolidated internally. We are striving to develop a normative key performance indicator for water use intensity and suitable auditing systems in the future. We are currently not aiming for an absolute reduction in water consumption due to our high dependency on weather conditions and the planned expansion of our business activities.

Alongside water consumption in offices and research buildings, the highest levels of fresh water are used in watering the plants at our trial and in-house propagation locations. “Smart” drip irrigation that controls watering based on the plants’ needs is already used in some of our greenhouses. We prescribe that the use of regenerative resources must be examined for new construction projects so that the use of groundwater can be reduced further. The location survey introduced in fiscal 2022/2023 to determine scorecards includes questions on the subject of water stress. This captures qualitative data about whether production sites rely on renewable water sources (currently nine out of



56 production sites for which data is recorded) and whether locations are situated at or within areas of water stress (currently 22 out of 56 locations for which data is recorded). In fiscal 2022/2023, we collected data on detailed water consumption for the first time, covering around 80% of the sites.

303-3

Water consumption

in m ³ (internationally)	2022/2023	2021/2022
Total water consumption	970,829	1,010,659
Tap water	88,691	86,174
Water from wells / ground-water	851,759	788,490
Cistern water / rainwater	2,200	3,603
Surface water	28,179	132,392
Seawater	–	–



3.4 Innovative Product Design

Securing food production and supporting sustainable nutrition (Sustainability Ambition 2030)

Objective	Target in 2030	2022/2023	2021/2022
Annual yield progress	1.5% on average	1.3% ¹	n/a
Use of digital solutions on customers' fields	Use of digital solutions on >6 million hectares	2.5 million hectares	1.7 million hectares
Ratio of varieties for human nutrition	>40% of KWS' varieties can be used directly in human nutrition	63% ¹	n/a

¹ Recorded for the first time in fiscal 2022/2023, only for the German market

KWS keeps on developing innovative plant varieties that have to meet the differing requirements of farmers and consumers. We breed sugarbeet, corn, various cereals and vegetables, oilseed rape and catch crops and thus offer a broad range of products for conventional and organic farming. Innovation through plant breeding can help reduce the consumption of limited resources such as water, land and energy while increasing resource efficiency. Plant breeding is therefore an important factor in making agricultural cultivation more resource-efficient.

Modern plant breeding

201/3-3, 203/3-3

Two core aspects of plant breeding are that it has long development cycles and is research-intensive. Parent lines have to be crossed to develop a new variety and their progeny examined and selected with regard to the desired traits over a period of several years. In order to achieve our breeding objectives, we at KWS use a mix of various methods – from crossing, selection and hybrid breeding to biotechnology approaches. The key factor here is always what traits in a plant are to be improved. An average of ten years elapses between the first crossing and market launch. The KWS Group therefore has long-term, global breeding programs for the various crops and is able to leverage a worldwide network of breeding and trial stations. This lets us test variety candidates under – and tailor them specifically to – different location-specific and environmental conditions.

Our breeding objectives are geared to the long term and address global challenges and the local needs of farmers. International scientific studies predict that weather extremes such as drought or torrential rain will increase in the future. Climatic changes may also result in a more conducive breeding ground for pests that have been inconspicuous and have only occurred in warmer regions to date. In view of this, we as a plant breeder are working on new, adapted varieties to ensure stable yields, since our seed is crucial to the success of a harvest and the quality of the agricultural raw materials. Apart from changes in climatic conditions, sudden or divergent changes to the statutory framework pose challenges for our breeding work.

We aim to increase average yields by 1.5% p.a. with our seed. The cost and work required to achieve that breeding progress keeps on increasing. Changes in the climate mean that more and more additional traits, such as resistance to plant diseases and pests, are of relevance to our breeding work. At the same time, a variety must be attractive to grow and produce a high yield. This is why, as mentioned in section 2 “Fundamentals of Sustainability Management at the KWS Group,” we have included further breeding objectives in our strategy as part of our sustainability goals.



Varieties combining these characteristics can only be obtained successfully by intensive field trials and greater use of modern breeding methods, which entails rising product development expenditure.

Product innovation made by KWS

We continuously develop varieties for agriculture further in our breeding programs. A particular focus of that – apart from the development of resistances, tolerances as well as nutrient efficiencies – is to increase yields. Among other things, high-yielding varieties help to alleviate pressures on land use in food production resulting from the rising world population.

This year, for the first time, we are able to report our average annual increase in yield based on breeding progress for Germany. Based on the test results of all varieties in official trials over the past ten years, corn, wheat, barley, oilseed rape, rye and sugarbeet achieved an average yield progress of 1.3% p.a. for the German market. This key indicator is to be expanded to further countries and recorded globally in the future. The results were derived from data from official approval authorities.

In addition to the genetic makeup of the plant varieties, digital services also contribute to yield progress. KWS supported farmers on around 2.5 (1.7) million hectares with digital solutions by the end of fiscal 2022/2023. These solutions can be used to calculate the seed rate for specific subplots or to determine when to harvest plants, for example. As part of our Sustainability Ambition 2030, we aim to expand that figure to more than 6 million hectares.

In addition, our goal is for more than 40% of KWS' varieties to be suitable and intended for direct human consumption or use in a plant-based diet. The share of varieties intended by KWS for direct use in human nutrition was 63% for the German market in fiscal

2022/2023. Recording of the portfolio will be extended to other markets in the following years. The portfolio of varieties differs from Germany in other markets. Consequently, the target to be achieved by the Group remains at >40%. Since more and more people are adopting a mainly vegetarian diet, we intend to cater for this growing demand for plant-based foods. In addition to our existing vegetable portfolio, our goal is to develop nutrient-rich varieties for the global market that, when harvested, can be used in food directly or with little processing.

As part of its strategy for sustainable agriculture, KWS develops plant traits that make plants more resistant to external influences so that they have greater yield stability or that increase resource efficiency. Yield progress alone is not sufficient to measure advances by plant breeding. Further examples of our innovativeness are breeding successes in the crops sugarbeet and barley, which are described in more detail in the Research and Development Report ([see the Group Management Report in the Annual Report](#)).

KWS Fit4NEXT catch crop mixtures offer European farmers solutions that support typical crop rotations. As an important component in sustainable arable farming, they contribute in diverse ways to successful cultivation of the main crop. They protect the climate and soil, promote biodiversity and also help limit unwanted accompanying plants and harmful nematodes. They are also important in maintaining and creating humus in arable land. Catch crop mixtures containing legumes also enable CO₂ to be bound in the soil by fixing atmospheric nitrogen and also reduce the use of fertilizer. A digital tool has been developed for the pilot market Germany in fiscal 2022/2023 that will be able to show farmers the specific performance figures of numerous KWS Fit4NEXT catch crop mixtures starting in fiscal 2023/2024.

In addition, we have worked for years on developing biologicals as an alternative or complement to chemical means of seed treatment. They comprise microorganisms such as fungi and bacteria, as well as substances obtained from plants or microorganisms. We have treated sugarbeet, oilseed rape, corn and rye seed with biologicals since fiscal 2019/2020. Biological applications for further crops, such as sorghum, barley, spinach and beans, are being developed. In fiscal 2022/2023, we submitted further applications for approval so that biological seed treatments developed by us can be offered in additional countries in the future. Moreover, we are now also establishing biologicals as part of seed treatments in international markets such as Brazil (corn) and North America (sugarbeet).

We are working to expand our portfolio of varieties for organic farming. As part of this, we have hired new personnel with specific expertise in organic farming for our breeding activities and for our trial technology in the past years. In addition, our trial areas were expanded and the quality of trials was improved by means of statistical analyses. Variety candidates for winter rye and winter wheat, which have been selected with regard to the requirements of organic farming, are currently undergoing approval tests. KWS has had its own location for organic farming in Germany, the Wiebrechtshausen monastery estate, for 20 years.

Modern breeding methods

2-26, 203/3-3, 203-2

Apart from our breeding programs, we also leverage molecular biology, IT or technical approaches in our own research activities to further optimize our breeding methods and develop new product traits. These activities are complemented by partnerships with public research institutes and private enterprises. Research work over the past years has shown that breeding can be sped up and made more efficient when modern methods are used.



Genome Editing

Genome editing techniques are molecular biology methods that are used in plant breeding to adapt the plant DNA. Depending on the application, they can be used to develop plants that are identical to conventionally bred ones or could have emerged naturally. Genome editing thus offers us the chance of attaining breeding objectives sooner and, in particular, very precisely. Moreover, small crops that can be bred only at very great cost can benefit from genome editing. By using these techniques, we can provide farmers with new varieties to meet challenges in agricultural practice faster. Such breeding objectives include higher yield reliability, resistance to diseases, less use of pesticides, greater drought tolerance and better nutrient efficiency.



The European Court of Justice ruled in July 2018 that, under the directive on the deliberate release into the environment of genetically modified organisms, all plants created using genome editing have to be classified as genetically modified organisms (GMOs), even if they are identical to plants that have emerged naturally or have been created by conventional breeding. Since this sweeping classification as GMOs would mean that a lot of time and money is required to obtain approval for varieties in the EU and there is no market acceptance for genetic engineering in the EU, plant breeders are as good as prevented from exploiting the potential of these methods in the European market.

The KWS Group's stance is that plants that do not differ from conventionally bred plants or might be produced naturally should not be regulated as genetically modified organisms, since they do not contain foreign or recombinant DNA. We thus welcome the reform of genetic engineering legislation presented by the EU Commission in July 2023. KWS is currently using genome editing to a greater extent in research and is evaluating it for developing genome edited varieties.

We have also achieved methodological advances in the past years by using genomic analyses. Most of the biological traits we want to improve through breeding are complex and therefore depend on many genes. This makes the breeding process complex and time-consuming. Genomic selection enables us to determine a plant's potential for further breeding, with the result that only some of the progeny from a crossing need to be examined in the field. The performance of the rest of the material can be predicted with the aid of computer models using the genomic data. Genomic selection boasts the advantage that far more plant material can be examined and selected with the same budget. Greater efficiency in developing material and generating genomic data resulted in a further significant increase in the application of this technology in the past years. KWS now uses genomic selection for just about all crops in its product portfolio.

Phenotyping and phytopathology

Despite these modern methods, field tests are an indispensable part of breeding. An important aspect of them is to accurately assess plant traits, such as height or the potential incidence of disease. The technical term for that is phenotyping. A breeder's eyes are now assisted by technological advances. The focus is on tools for recording and evaluating digital images and hyperspectral measurement data to assist phenotyping. Among other things, KWS' experts use drones that are equipped with special cameras and cutting-edge software and identify the color, size, shape or temperature of the leaves when they fly over the field. Large plant stands are recorded by digital means and their phenotype is thus defined in a precise and standardized manner. This gives our breeders more extensive information to help them make decisions on selection. In addition, we use robots, cutting-edge camera and lighting technologies, and artificial intelligence and climate control methods in our greenhouses. This allows us to gain new findings for our breeding work, for example on the water balance of corn and sugarbeet plants, which are an important foundation for developing new drought-tolerant varieties.

Another important field in the development of plant varieties is phytopathology. The ban on some chemical pesticides, climate change and globalization are bringing back many plant diseases and pests, necessitating new approaches to secure yields in a more sustainable way. Phytopathology makes an important contribution here. The goal in this field of science is to closely monitor which plant diseases and pests are spreading or whether resistance in varieties is becoming ineffective. Important pathogens are cultivated and selectively applied to candidate varieties. In this way, it is possible to make an informed assessment in the greenhouse or in the field as to how susceptible or resistant a plant line is. In addition, tests are being developed in phytopathology in order to reliably diagnose plant diseases and to be able to evaluate infestation in the breeding material.



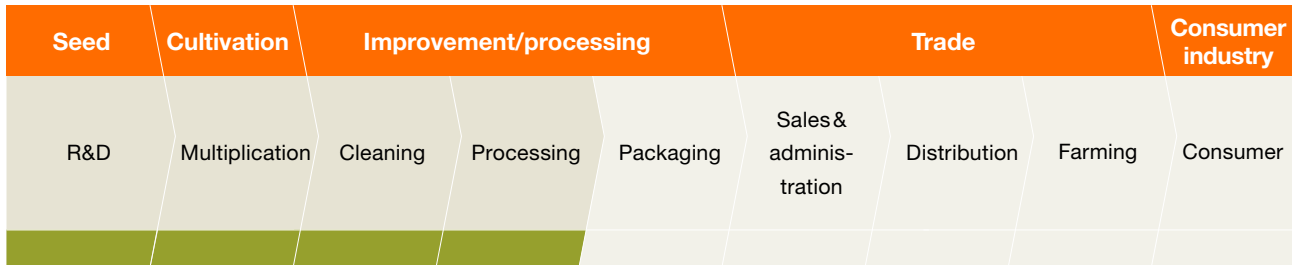
3.5 Resource Use and Circular Economy

302/3-3, 303/3-3, 303-3

Seed development, propagation and processing account for a significant proportion of the resources KWS uses. KWS uses cold storage cells in sugarbeet research and development to simulate cold weather dormancy, while an important factor in seed propagation is to supply plants with water and nutrients, as well as the use of pesticides. Moreover, energy is used in drying and treating seed in the pre-cleaning and further processing stages.

In order to minimize the ecological impacts of its locations and operations, KWS strives to continuously improve internal processes, the technologies it uses and internal company standards. The locations themselves are responsible for the concrete application and operational implementation of resource-conserving measures. Concrete minimum requirements in our global HSE (health, safety and environment) management activities ensure that all KWS locations are governed by comparable regulations.

Agricultural value chain



■ KWS activities with high water and energy consumption



3.6 Pollution

Waste and effluents

303/3-3, 303-2, 306/3-3

Our mission as part of our global HSE management system is to work in a way that conserves resources and ensures we largely avoid producing process-related waste and effluents. Our Code of Business Ethics and our Code of Business Ethics for Suppliers serve as the framework for this.

Waste at KWS is, in accordance with its composition, recycled by suitable internal or external means or disposed of in an approved manner. Waste and effluents at all our locations are disposed of in compliance with local legislation. The disposal companies we engage must have the appropriate expertise and official approval.

Our HSE management system also governs the procedure for dealing with waste and effluents in regions where there are no minimum requirements enshrined in law. The main processes include:

- The recording of data on, and discharge and disposal of, effluents and surface water from the company campus is ensured by constructional and organizational measures.
- Wastewater flows, such as surface water, process-related effluents and domestic effluents, are recorded separately.
- The quantities of waste and process-related effluents are documented.
- Where there is a connection to the public sewerage system, constructional measures are taken to prevent effluents from flowing back.
- Wastewater systems for the company campus are monitored, maintained and cleaned regularly.

The effluents we produce are mostly water-based from rinsing and cleaning operations at our production and research facilities and are treated as “liquid waste.”

The most significant waste flows occur in production in the form of waste seed, residues from filters and wind sifters, and packaging materials. The organic-mineral dusts produced in pelleting sugarbeet seed are completely returned to the process. Dusts polluted with pesticide are disposed of as special waste together with treated seed that can no longer be marketed.

Recording of the quantities of waste is currently being expanded internationally and standardized.



4. Social Aspects





4.1 Consumers and End Users

In all our research and development work and production processes, the quality and safety of our seed are our key competitive factors. With our international quality management activities, we help ensure that our standards for products and processes are achieved in all areas of the company.

Precautions, Group-wide product quality standards and quality testing

Precautionary principle in plant breeding

2-23

Breeders rely on forward-looking innovations in order to protect ecosystems and satisfy people's food needs. We therefore examine every innovation for possible risks and regard it as our responsibility to take precautions. As part of this, we apply a balanced precautionary principle based on an up-to-date scientific risk assessment and enhancing awareness of potential risks.

We at KWS apply the precautionary principle in various process steps in research and breeding.

Quality standards and quality testing

416/3-3

KWS keeps on developing and establishing new technologies, processes and methods for improving product quality and safety so as to offer farmers top-quality seed. They include X-raying untreated sugarbeet seed so as to obtain information on the seedling's development or the use of image analysis methods in examining germination speed.

We also set internal standards of quality exceeding those required by law and accompany the entire process – from breeding to seed processing – with extensive quality tests. For example, with our internal QualityPlus quality standard for cereals, we exceed the statutory minimum standards in all relevant criteria and carry

out additional checks. Quality examinations are largely conducted in our own laboratories and in accordance with the methods specified by the International Seed Testing Association (ISTA).

The rules, standards and processes relating to quality assurance are defined in our Group Standards, which apply internationally. They, along with internal audit management, are a key pillar in our integrated management system. Additional information on our certifications and quality standards can be found in the 2022/2023 Annual Report in the section “Sustainability Information (Combined Non-Financial Declaration).”

Moreover, our products are also continuously monitored by the company itself, public authorities or institutes, for example to ascertain the consistency of their variety performance – even after they have been awarded market approval. Varieties are awarded approval in the EU only if they have “value for cultivation and use,” i.e., they differ significantly from already approved varieties and offer a clear improvement in cultivation or further processing.

One of the measures of our breeding progress and the quality of our products is thus the number of annual variety approvals for new KWS varieties. We obtained 488 (486) variety approvals worldwide in fiscal 2022/2023.

Protection of the environment and health in the use of pesticides

304-2, 416/3-3

We use pesticides in our internal processes for operational reasons. They are used at KWS particularly in research and breeding, on its trial areas and for treating seed in compliance with the law and in accordance with the rules of good professional



practice. Depending on the trial, crop, and disease and pest pressure, different products must be used in different quantities in order to protect plants in their vegetation phases.

In principle, the active agent concentration in the pesticides we use is controlled in our company's own laboratory before they are used. Seed treatment, i.e., the application of pesticide to seed, is also subject to strict regulations. The goal of treatment is to disinfect the seed and protect the young seedling against pests in the soil. As a result, our seed delivers the best-possible field emergence. The technical methods for seed treatment and the relevant formulations and additives are developed by KWS itself and tested intensively before being used on commercial seed.

In addition, we have worked for years on developing biologicals as an alternative or complement to chemical means of seed treatment. They comprise microorganisms such as fungi and bacteria, as well as substances obtained from plants or microorganisms. We have treated sugarbeet, oilseed rape, corn and rye seed with biologicals since fiscal 2019/2020.

Our transparency commitment and required product labeling

417/3-3, 417-1

In addition to labeling our products in compliance with national statutory requirements, we are committed to the greatest possible transparency in relation to our products and in our supply chain. In particular, treated seed must be labeled so as to prevent its incorrect use. We use pictograms from the European Seed Association (ESA) – an initiative of the seed and pesticide industry – on most of our packaging. In addition, farmers are provided with informational material, such as brochures, containing additional explanations of the warnings on the packaging. Further product labeling makes reference to the quality assurance technologies we have developed ourselves.

Handling of defective products, complaints and customer satisfaction

416/3-3

Regulations on how defective raw goods and defective semifinished and finished products are handled are defined and documented in internal instructions. The objective is to prevent inadvertent, erroneous further processing or shipment of raw goods, semi-finished products and finished products that do not meet our quality requirements. Complaints about products are likewise recorded, described, documented and reported centrally on the basis of defined processes. Every complaint is examined in detail and discussed together with the customer, and solution approaches tailored to the customer are found.

As part of our ETS certification, we have a standardized process for managing incidents with transgenic material. If we should find that deviations may result in the violation of internal or external standards and regulations, the process comprises clear stipulations and procedures for correcting them immediately.

We also conduct regular customer satisfaction surveys to assess our customers' satisfaction with KWS' products, support and consulting. This helps us identify any need for action and initiate appropriate measures.

Improving the quality of seed

416-2

Ensuring high seed quality and further enhancement of key quality parameters are continuous processes and a focus of our research and breeding work. One of the focal areas of research is to develop and utilize new or alternative methods for improving seed quality. For more details and information on compliance with statutory health and safety standards, please refer to section 2.4.3.5 "Working conditions" in the 2022/2023 Annual Report.



4.2 Social Engagement

413/3-3

Foster social engagement (Sustainability Ambition 2030)

Objective	Target in 2030	2022/2023	2021/2022
Ratio of expenditures as part of our social commitment	1% of operating income (EBIT) p.a.	0.6%	0.8%

KWS sees itself as a responsible, reliable and active member of society and wishes to give expression to that vision through its supraregional and regional commitment.

As a forward-looking, innovative company, KWS is committed to developing the company's locations and to training and education in the field of natural and agricultural sciences.

The company also had to respond to extraordinary events in fiscal 2022/2023. For example, it continued to keep track of developments in Ukraine and helped address current needs by donating power generators, and it reacted to the earthquake in Turkey and Syria by making donations to aid organizers on the ground.

KWS underscores the importance of social commitment with its ambition of using around 1% per annum of its operating income (EBIT) for social commitment and social projects up to 2030.

Expenditures as part of our social commitment

in € millions	2022/2023	2021/2022
Expenditures as part of our social commitment¹	1.4	1.3
of which for donations and development programs in Peru and Zambia	0.9	0.7
of which for sponsorship activities	0.5	0.6
As a % of operating income (EBIT)	0.6	0.8
KWS SAAT SE & Co. KGaA's percentage share of expenditures relative to the KWS Group's operating income (EBIT)	0.5	0.7

¹ Does not include KWS Maroc SARLAU, KWS Vegetables Italia S.R.L., Kant, Hartwig & Vogel GmbH, Kenfeng – KWS Seed (Beijing) Co., Ltd., KWS Vegetables MÉXICO S.A. de C.V., Aardevo B.V. and all joint ventures



Organization of our social commitment

201/3-3, 201-1, 413/3-3

Donations and sponsorship measures are selected, coordinated and budgeted by the respective local KWS companies or by Research and Development and Strategy regionally, independently and under their own responsibility.

Internal guidelines

413/3-3, 415/3-3, 415-1

Internal guidelines on the awarding of funding have been published. These include stipulations on combating discrimination, preventing illegal activities, and avoiding religious, political or economic conflicts of interest.

Knowledge enhancement and scholarships

413/3-3

As an international, innovation-driven company, the issues of education and science are particularly important for us, which is why KWS continuously

supports various scholarship programs and maintains various initiatives in the field of development cooperation. We wish to make a lasting contribution to tackling issues related to agriculture and food security by promoting forward-looking projects and initiatives and by encouraging young researchers and scientists.

In the reporting period, KWS sponsored the state contest “Jugend forscht – Schüler experimentieren” (“Youth Researches – School Students Experiment”) in Einbeck for the second time in succession. The contest’s aim is to inspire an interest in science, technology, engineering and mathematics (STEM subjects) among young people and motivate them to research, experiment and invent. In addition to staging the contest in cooperation with the PS.SPEICHER, KWS provided four members of the jury and took the opportunity to get to know young talents and present itself as a research-intensive plant breeding company and employer.

Supporter	Scholarship / knowledge enhancement	Objective
Global Human Resources at KWS Berlin GmbH	Germany Scholarships	Promotion of social commitment and very good academic achievements
KWS LOCHOW GMBH	KWS’ Ferdinand von Lochow Scholarship	Promotion of agricultural education and training
Plant Research	Participation in doctoral projects and conferences/congresses	Fostering of up-and-coming scientists in the field of plant research



Development cooperation – seed projects in Ethiopia, Peru and Zambia

203/3-3, 203-2, 304/3-3

Our long-standing engagement in Ethiopia was rounded out by its conversion into a self-sustaining initiative in the form of a public-private partnership, under the leadership of the German Society for International Cooperation (GIZ), between Ethiopian maltsters and the barley breeding program of the EIAR (Ethiopian Institute of Agricultural Research).

In Peru, three new quinoa varieties bred as part of the project financed by KWS are in the final phase of approval at the University of the Altiplano of Puno (UNAP).

In Zambia, the SeZIL (Seeds for Zambian Incomes and Livelihoods) project, which was launched in 2021, completed a very successful second year, again enabling more than 1,000 smallholders to experiment with new corn, bean, sorghum and sunflower varieties and identify those best suited to their local contexts. In addition, selected farmers were trained in seed production. Our local partner, Good Nature Agro, also helps farmers access agricultural resources and forge market connections, as a result of which their incomes are doubled or even tripled.

Projects from the field of social welfare

413/3-3

In general, regional initiatives around KWS' worldwide locations are supported. In France, the Netherlands and the U.S., for example, various social, school and cultural initiatives as well as sports clubs are supported to maintain and promote health, especially among children and young people. However, the focus is on the region around Einbeck, the company's headquarters, where there is broad networking with local stakeholders and extensive financial support for regional structural development.



A project of KWS Sementes Ltda. in Brazil is particularly worthy of mention. A school garden was created in the rural region of Mocaminho, where many seasonal workers come from. Its goal is to improve the general infrastructure and access to additional educational opportunities. A drinking water well was installed and seed and tools were purchased in fiscal 2022/2023. In addition, training on how to take care of plants and vegetables is planned so as to enable the pupils to cultivate the school garden on their own in the long term.

Promotion of art and culture

413/3-3

Promotion of culture is a key component of KWS' commitment in Einbeck. As part of this, the company supports various initiatives and projects as well as sponsoring exhibitions, such as at the Biotechnology Center on the company campus in Einbeck since 2015. KWS also offers young artists the chance to initial – or gather further – experience with exhibitions with the KWS Art Lounge NEWCOMER.



4.3 Own Workforce

Labor and social standards

403/3-3, 405/3-3, 406/3-3, 408/3-3, 409/3-3, 419/3-3

KWS is committed to fair labor and social standards throughout the Group and ensures they are observed. The basis for this is the respective location-specific labor and social standards specified by law and, where applicable, by collective bargaining agreement.

Our main labor standards entrenched in KWS' Group Standards are:

- The applicable regulations under labor and social insurance law are observed in all employment relationships at the KWS Group.
- Worldwide, KWS implements the local statutory regulations in relation to the principle of "equal pay for equal work, taking into account individual expertise, professional experience and local market conditions."

- Our labor standards also include technical, organizational and occupational health measures to prevent accidents and illnesses at work.
- In order to ensure we observe human rights when recruiting, hiring and employing staff, we are guided by prevailing anti-discrimination laws and the standards of the International Labour Organization (ILO) relating to child, forced and compulsory labor.
- Our labor and social standards apply to all the KWS Group's employees.

Contracts with our employees

2-7

A total of 93% (92%) (Germany: 89% (89%)) of our employees throughout the Group had a permanent employment contract in fiscal 2022/2023.¹ KWS also employed 2,035 (1,557) seasonal workers in harvesting and 22 (27) external employees and temporary workers.

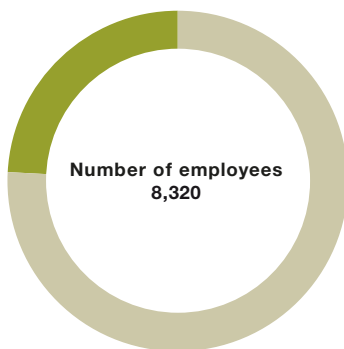
¹ Excluding all employment relationships with seasonal workers

Employees by type of contract

Ratio of women / men / non-binary persons (in %)	2022/2023 Permanent	2022/2023 Temporary	2021/2022 Permanent	2021/2022 Temporary
Full-time	31 / 69 / 0	46 / 54 / 0	31 / 69 / 0	45 / 55 / 0
Part-time	80 / 20 / 0	59 / 41 / 0	79 / 21 / 0	56 / 44 / 0
Seasonal workers ¹	37 / 63 / 0		32 / 68 / 0	

¹ No distinction is made between permanent and temporary seasonal workers.

Employees by employment relationship



■ Permanent employees (76%) ■ Seasonal workers¹ (24%)

¹ No distinction is made between permanent and temporary seasonal workers.



Internal dialogue and collective representation of interests

407/3-3

We are committed to upholding ILO 87 “Freedom of Association and Protection of the Right to Organise Convention” and ILO 98 “Right to Organise and Collective Bargaining Convention.” Employees’ interests are represented collectively to management by the locally elected Works Councils and the persons entrusted with representing young people and trainees and disabled employees.

Since 2015, we have also had a European Employees’ Committee (EEC), a body that represents European employees and is responsible for cross-border matters within the EU.

Employees’ interests in Germany are represented collectively by the elected Works Councils, the persons entrusted with representing young people and trainees, and the disabled employees’ representatives. They work closely with management in a spirit of trust. There are also employee codetermination bodies in other countries, such as France. In meetings with management, issues are discussed openly and common solutions are found constructively.

In countries where there is no collective employee representative body, we also nurture a spirit of mutual respect and open, trusted dialogue with employees. If the workforce wishes to have a collective representative body or such a body is prescribed by law, we support our employees in establishing it.

Diversity in the workforce

2-7

Demographic data

2-7, 405-1

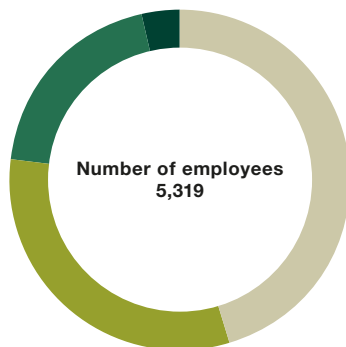
The KWS Group employed an average of 5,319 (5,120) people (excluding seasonal workers) in the fiscal year, a year-on-year increase of around 4%.

A total of 2,417 (2,294), or around 45.4% (44.8%) of the workforce, were employed in Germany. Once again, the area that accounted for the most employees was Research & Development, which made up 35.7% (35.8%) of the total workforce.

As in previous years, the workforce’s age structure was evenly balanced. Around 60% (61%) of employees are aged 30 to 50, around 19% (18%) are younger than 30 and around 21% (21%) are older than 50. The average age of our workforce in the reporting period was approximately 40 (40) years.

2-7

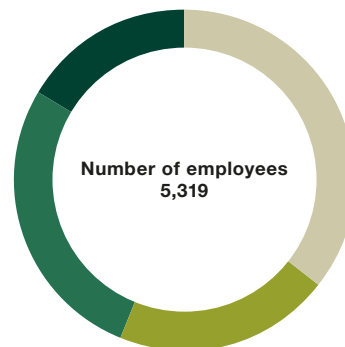
Employees by region



- Germany (2,417)
- Europe (excluding Germany) (1,676)
- North and South America (1,048)
- Rest of world (178)

1 Excluding trainees, interns and seasonal workers

Employees by function



- Research & Development (1,897)
- Production (1,102)
- Distribution (1,450)
- Administration (871)

1 Excluding trainees, interns and seasonal workers



405-1

Employees by age group¹

KWS Group	2022/2023	2021/2022	2020/2021
<30	19.0%	18.3%	20.5%
30–50	60.3%	60.8%	58.5%
>50	20.7%	20.9%	21.0%

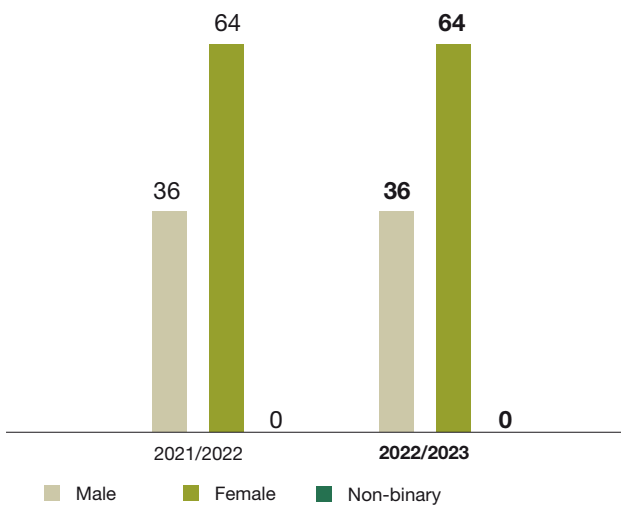
Germany	2022/2023	2021/2022	2020/2021
<30	18.4%	18.0%	21.8%
30–50	58.0%	57.9%	54.6%
>50	23.6%	24.2%	23.6%

¹ Average headcount

405-1

Employees by gender in %¹

Average number of employees²: 6,294



¹ Average headcount excluding seasonal workers
² Relative to the headcount

Diversity and anti-discrimination

405/3-3, 406/3-3

KWS operates in more than 70 countries. This international range means more than having a variety of languages at KWS. People from different cultures, age groups and disciplines and with different personal backgrounds work together at our company and thus enrich our corporate culture. We believe that diversity is a crucial success and competitive factor for KWS.

In order to live and practice diversity, we also oppose any form of discrimination. KWS is committed to equal opportunities and rights for all employees, regardless of religion or belief, ethnic origin, age, disability, skin color, language or sexual orientation. Our anti-discrimination guidelines and rules to ensure mutual respect among employees are a firm part of the internal Code of Business Ethics, which is binding on all employees (see section 5.1 “Business ethics and compliance”). We work continuously to further strengthen diversity at the KWS Group.

Fair compensation

2-30, 405/3-3

The overall compensation package for all employees in the KWS Group takes into account their individual expertise and local market circumstances. It consists of a basic salary, social benefits, performance-related payments (if applicable) and, if they exist locally, Employee Stock Purchase Plans where staff can buy shares in the company.

Equal pay for equal work, taking into account individual expertise, professional experience and local market conditions, is a fundamental principle of our compensation policy and is specified in our Group Standards. Among other things, this principle ensures that employees with comparable expertise and professional experience are paid the same for performing the same tasks at the individual locations



and it is also enshrined in our collective bargaining agreements.

Over half of our employees worldwide are covered by collective bargaining agreements. The figure in Germany is more than 96%.

Collective bargaining agreement at KWS

407/3-3

The company collective bargaining agreement between the construction, agricultural and environmental workers' union Bauen-Agrar-Umwelt (IG BAU) and KWS SAAT SE & Co. KGaA currently applies. It includes, in particular, regulations on working hours, vacation, business trips and semi-retirement.

Women in management positions

405/3-3, 405-1

Our goal is to promote diversity at all levels of the KWS Group. KWS aims to increase the ratio of female managers, for instance.

Ratio of female managers at the KWS Group

in %	Target in 2030	2022/2023	2021/2022
First management tier	25% ¹	19%	21%
Second management tier	30% ¹	27%	28%

¹ The target values apply up to fiscal 2026/2027.

At KWS SAAT SE & Co. KGaA, the ratio of women in the first management tier is 24% (24%) and the target is 25%¹, while the ratio in the second management tier is 29% (27%) and the target 30%¹.

¹ The targets apply up to fiscal 2026/2027

Family-friendly spirit

405/3-3

KWS is committed to family-friendly work. The life situations of our employees differ greatly and are highly individual – and so they also have different needs regarding when and where they work.

One of the factors that helps our employees achieve a good work-life balance is our wide range of working time models. Flextime models are available to almost all employees. We have developed a global policy that generally permits mobile working for our employees, where that is compatible with their specific activity and in compliance with local legislation.

Apart from highly flexible working models, which can also include flexible arrangements on where and when employees can work, various part-time models are also used. Around 10% (9%) of our employees worldwide (Germany: 19% (19%)) worked part-time in fiscal 2022/2023.



4.4 Responsibility in the Supply Chain

2-6, 204/3-3

Our suppliers have a substantial impact on the economic value added our products generate, their sustainability and their ecological footprint. We therefore strive for long-term partnerships with our suppliers and for structured supplier management. Our Purchasing department has special expert teams that centrally administer more than 120 purchasing categories and organize sourcing from the local regions where KWS operates. We buy in various materials for breeding, propagating, processing and packaging our seed and for our administrative processes.

Our purchase volumes are determined, in particular, by our seed propagation and processing activities, laboratory requirements to conduct research and development, and investments in technical plant.

We have a network of more than 28,000 suppliers worldwide.

The central sourcing concept aims to support standardized and cost-effective cooperation with external partners and observance of specific social or environmental standards. We will also include requirements from the German Supply Chain Due Diligence Act, which will be binding on KWS from January 1, 2024, or the expansion of our emissions management to cover Scope 3 emissions in our sourcing concept and related purchasing processes in the future.

Our goal is to strengthen sustainability in the supply chain by means of a centralized system that increases efficiency and productivity and minimizes the ecological footprint of our supply chain. Our Sourcing Policy, which defines the fundamental principles in the procurement

process, and a largely centralized process landscape are the basis for making sure that our purchasing transactions worldwide can be conducted in accordance with consistent regulations. Purchase agreements relating to the supply of goods and services are concluded on the basis of standardized templates and specify the general conditions, including application of the Code of Business Ethics for Suppliers. A central Seed Purchasing Policy stipulates that these standards are also to be applied in agreements concluded with external seed propagation partners.

KWS has centralized its supplier data management over the past years. Eight strategically important suppliers were audited for the first time in fiscal 2022/2023. We aim to automate management of sourcing risks in fiscal 2023/2024; implementation of this was already commenced in fiscal 2022/2023.

What we expect from our business partners

2-23, 203/3-3, 205-2, 206/3-3, 308/3-3, 403-7, 406/3-3, 407/3-3, 408/3-3, 409/3-3, 412/3-3, 414/3-3

We demand that our business partners ensure compliance with our business ethics. We expect our suppliers, service providers, subcontractors, consultants and other business partners (jointly termed “suppliers”) to act in an ethical, socially responsible, fair and sustainable manner and commit to the principles defined in our Code of Business Ethics for Suppliers. In order to ensure this, we obligate our suppliers to comply with our Code of Business Ethics for Suppliers when they conclude contracts with KWS (www.kws.com/corp/en/company/suppliers/code-of-business-ethics-for-suppliers.html/). The Code of Business Ethics for Suppliers is to be updated in fiscal 2023/2024.



The suppliers we choose must commit to obeying our Code of Business Ethics for Suppliers. The code states, for example, that our suppliers must not permit forced labor or child labor and must comply with the regulations on the minimum age for admission to employment defined in the latest version of ILO Convention No. 138 (Minimum Age Convention). They are also to comply with the provisions on safety at work, product safety, protection of the environment and avoidance of corruption, as well as on the requirement to ensure fair competition and protection of personal data and third-party know-how.

Our suppliers must undertake to comply with environmental and social standards. If a supplier violates the code or fails to take corrective actions, KWS has the right to terminate the contract at its own discretion and to demand damages.

To permit structured monitoring of violations of human rights and environmental requirements by our suppliers, we are currently working to roll out a software-based solution that will provide us with information on the most important social and environmental criteria when selecting suppliers.

No significant violations of the Code of Business Ethics for Suppliers were identified and no contracts were terminated due to inadequate compliance with the code in fiscal 2022/2023.

KWS is committed to internationally recognized human rights standards, such as those of the UN's Universal Declaration of Human Rights and the International Labour Organization (ILO) proscribing child, forced and compulsory labor. As part of implementation of the German Supply Chain Due Diligence Act, which will apply to KWS from January 1, 2024, we are planning to establish appropriate processes for our supplier management and publish new standards in a Human Rights Policy.



4.5 Working Conditions

Recruitment and qualification

401/3-3, 404/3-3

In rapidly changing times, it is particularly important for us to understand the needs and expectations of our employees even better and leverage those insights to create and continuously enhance an inspiring working environment. The goal is for all employees to feel valued, respected and motivated to contribute to the company's success.

To support this goal, we plan to roll out an Employee Engagement Index with the aid of a global employee survey. The resultant key figures are to enable us to take data-driven and effective measures to further

strengthen our employees' satisfaction and sense of belonging lastingly. The concept for rolling out the index and selection of potential partners were initiated in fiscal year 2022/2023.

To keep on enhancing recruitment at KWS and promoting employee loyalty, we launched a project in fiscal 2022/2023 to analyze the path taken by an applicant from being a candidate to becoming an employee in greater detail. A particular focus here is on improving the application and selection processes in order to provide candidates with a faster, more transparent and more appealing solution.

Work safety incidents and days lost

Strengthening our social commitment (Sustainability Ambition 2030)

Objective	Target in 2030	2022/2023	2021/2022
OSHA incident rate at the KWS Group ¹	<1.0	1.6	1.3 ²

¹ Per 200,000 working hours

² The previous year's figures have been adjusted.

403-9

The health and safety of our employees at all locations has top priority for us. The organization of occupational health and safety is a core management task. KWS has therefore set itself the goal of recording occupational accidents globally and reducing them in the long term. As part of this an OSHA (Occupational Safety and Health Administration) incident rate was determined and published for the first time in fiscal 2021/2022. This is a method of calculating the frequency of lost-time occupational accidents and is used to compare the accident frequency rate of individual industries and locations.

Achieving the goal under the Sustainability Ambition 2030 of reducing occupational accidents in the long term by 2030 should, from today's perspective, be reflected in an accident frequency rate of <1.0. To achieve this, the focal areas of accidents are assessed, after which targeted measures are taken in the form of training or, if necessary, decisions to change work processes.

Worldwide, we recorded a total of 204 (132) work safety incidents in eleven countries; they resulted in 1,310 (1,536) lost days. An average of 14 (20) days were lost per incident.



403-9

Work safety incidents and days lost ¹

	2022/2023	2021/2022
Work safety incidents	204	132
of which lost time incidents	95	76
of which fatalities	0	1
Total days lost	1,310	1,536
Average number of days lost per incident	14	20
Countries where accidents are documented	8	11

¹ Excluding all employment relationships with seasonal workers**Development of global networks**

2-29, 401/3-3, 404/3-3

Establishing networks and nurturing contacts with relevant professional groups are key elements of our recruiting strategy. KWS is represented at numerous career fairs. In addition, we continue to use digital and traditional channels to target potential applicants and talents. One of the ways we do this is through tailored campaigns, for example on social networks such as LinkedIn and Facebook.

Through the post of Global Lead of Scientific Affairs, we are also intensifying our direct dialogue with universities and research institutes in the field of research and development in order to strengthen our position in the scientific and academic arena. The objective is to deepen our cooperation with these institutions and thus intensify our recruitment activities. We also give school pupils and students the chance to gain initial insights into working life at KWS by means of internships or excursions, or by giving them the opportunity to write their degree theses at our company. This also allows us to present ourselves as an attractive employer to the next generation of career starters.

Vocational training and induction programs

401/3-3, 404/3-3

The training we offer helps our employees develop practical skills. They are offered diverse options to choose from – from vocational training to a dual course of study. Under Germany’s training system, our instructors and trainee supervisors support trainees in seven different fields of training on their path to gaining their vocational qualifications.

In order to reach high-potential individuals for KWS at an early stage, we established a graduate program for a carefully selected group of talents entering the labor market for the first time.

We again accompanied many young people successfully on their path to gaining vocational qualifications in the reporting period by means of various programs. The ratio of participants in training programs among employees was around 4% (3%).

Our diverse training programs help KWS enhance its attractiveness as an employer.



Continuous qualification

404/3-3, 404-2

KWS' continuing commercial success is founded not only on its employees' commitment, entrepreneurial freedom and satisfaction, but also on their personal skills and professional qualifications. Since our global growth and regional markets mean our employees constantly face new requirements and need to be highly adaptive, diverse qualification offerings are particularly relevant.

Individual performance and career development reviews between employees and their managers are held once

a year with the aim of helping our employees advance further. KWS has also implemented an annual talent and successor management process covering the critical positions up to the third tier and all employees up to the fourth tier below the Executive Board. In this way, we aim to ensure qualified staffing of these critical positions at KWS in the medium and long term. The Orientation Center (OC), a concept involving an intensive evaluation of potential talents to take over senior management posts, was staged twice in fiscal 2022/2023 and will also be held in the future at least twice a year with six talents each time.

Participants in training programs in Germany

Annual average across all quarters	2022/2023	2021/2022	2020/2021
Apprentices	107.0	89.0	76.2
Interns	41.5	31.8	22.8
Trainees	3.0	5.0	7.3

Qualified leadership

404/3-3, 404-2

We are particularly committed to having all employees receive qualified and values-based leadership and support from their managers. Rollout of the core competency model Leadership Capability Model (LCM) for managers began in fiscal 2022/2023 in the form of workshops and evaluations at the top management level and will be continued in the next fiscal year. In addition, the new model has been integrated into the ongoing development offerings under our management development program.

Our management development program has also been continuously expanded and continued in fiscal 2022/2023. The "Leading Leaders" module developed in the last fiscal year 2021/2022 for experienced managers

who themselves lead executives in their area of responsibility was rolled out in May 2022 and has since been an integral part of the management development program. In fiscal 2022/2023, 170 employees started or completed one or more of the modules "Leading Self," "Leading Individuals" or "Leading Leaders."

The Business Partner Academy, which was launched in 2020 to support implementation of the Business Partner role, was continued in fiscal 2022/2023. It comprises development measures focusing on the role of Business Partner and necessary key competencies and on imparting more in-depth knowledge of KWS' business activities. In fiscal 2022/2023, around 45 business partners participated in various modules. The program will be given a more compact design in fiscal 2023/2024 and offered to future and new Business Partners.



Further development of HR activities

404/3-3

KWS' learning management system was further expanded in fiscal 2022/2023, making our international training and development offerings more transparent and easier to access for our employees. This also comprises our internal subject-specific academies, such as the International Sugarbeet Academy, the Sales and Farming Academy, and the various self-learning offerings. They include the digital onboarding program and self-learning offerings to deepen English language skills, video learning offerings from LinkedIn Learning, and e-books and audio books from Bookboon on various competencies.

True to KWS' brand essence, "Make yourself grow," we also intend to focus on developing our employees and managers in the future and are continuously expanding our training portfolio nationally and internationally to achieve this.

Long-standing trust of our employees

401-1

The average length of service of employees at the Group level is approximately nine years, which clearly shows that our employees feel at home at KWS and are satisfied with us as an employer.

Employment details for our workforce ¹

Average for the year		2022/2023	2021/2022	2020/2021
Rate of new employee hires (in %) ²	Globally	15.4	15.7 ⁴	11.1
Rate of employee turnover (in %) ³	Globally (Germany)	10.8 (6.5)	9.9 ⁴ (6.7)	9.6 (5.8)
Length of service (in years)	Globally (Germany)	8.8 (10.9)	8.9 (11.0)	9.0 (11.2)

¹ Excluding seasonal workers and participants in training programs

² Ratio to the average total workforce

³ Ratio of employees leaving the company within the reporting period relative to the total workforce

⁴ The previous year's figures have been adjusted

Occupational health and safety

403/3-3, 403-1

KWS aims to ensure that all employees have a safe and healthy working environment. Our HSE management system (see section 3.6 "Environmental pollution") offers the entire KWS Group a consistent framework for achieving that goal. It applies to all employees worldwide and also covers seasonal and temporary workers. The contents relating to occupational health and safety in our HSE management system are based on German occupational safety regulations and the ILO standards.

question, they include occupational physicians, who are on hand at the location to give medical advice and provide healthcare. As part of local management of the pandemic, the HSE managers together with location management are key pillars in protecting the occupational health and safety of our employees.

Organization of work safety

403-2, 403-3, 403-4

There are local HSE managers at all our production sites and breeding locations worldwide to implement the regulations and monitor compliance with them. The HSE managers are partly supported by work safety experts and external specialists. Depending on the country in

In Germany, current safety-related issues are discussed in our work safety committees in cooperation with occupational physicians, the Works Council and company management. These committees meet every quarter, and employees and the employer are equally represented, in accordance with the German Occupational Safety Act (ArbSichG).

We also involve our employees directly in HSE management, for example through participation in inspections to analyze risks at our locations.



Risk assessment and minimization

403-2, 403-4, 403-5

As with our regulations relating to environmental protection, the work safety regulations are documented in our HSE Guidelines. They include regulations relating to risk assessments, instruction, personal protective equipment and what to do in the event of an emergency. Local risk assessments ensure that potential risks are identified and then mitigated by appropriate measures. The identified work safety risks are assessed, taking into account the likelihood of their occurring and the potential severity of the damage. Suitable measures to minimize the risks are then specified based on a defined hierarchy of measures. They consist of technical, organizational or personal protective measures, for example.

Risk assessments are reviewed and, if necessary, updated if there are significant changes in operations, for example when new facilities are commissioned, and after incidents and occupational accidents. Regular inspections of our German locations are also conducted together with representatives of the occupational accident social insurance fund.

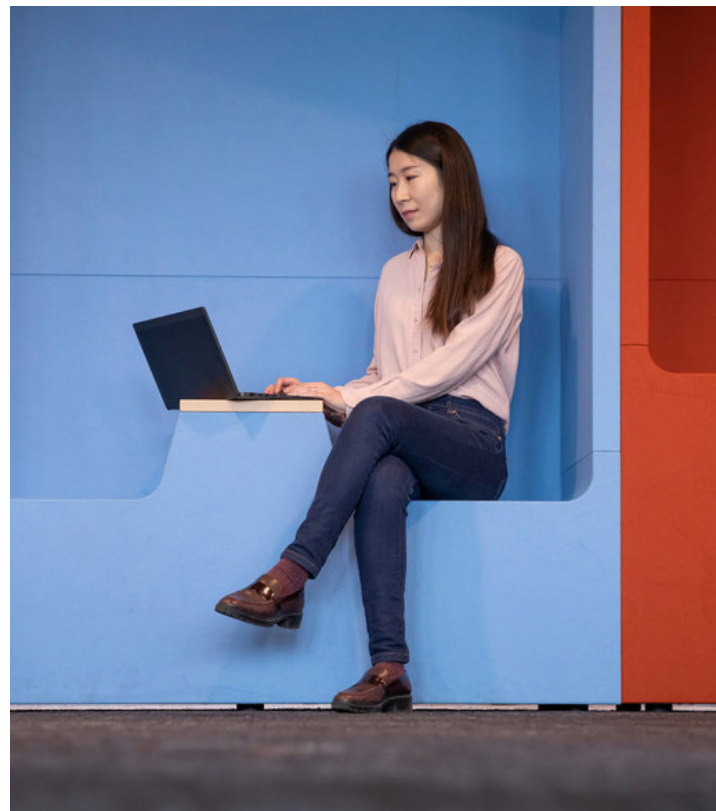
Managers are responsible for giving employees regular training on safety issues. The frequency of training depends on the law in the country in question and the identified risk situation. Training is usually provided at least once a year and in general when any changes are made to processes or task areas. The topics that must be covered at a minimum are derived from our internal HSE regulations. We intend to provide managers with support in their tasks in the future by means of training software. Worldwide expansion of the training platform is the responsibility of the Human Resources department and is underway at present.

Preventive healthcare

403-6

Apart from measures under our HSE management system, there are other preventive healthcare activities for our employees. The various measures to promote their well-being at our German locations are pooled in the “KWS Healthy Working World” program.

Checkups, dietary advice and sports courses, as well as the chance to relax at the company’s own rest home, are offered, for example. There is the opportunity to obtain a “JobRad,” a leased bicycle, or join fitness studios at special terms.





4.6 Development Cooperation and Commitment to the Environment

302/3-3, 303/3-3, 304/3-3, 305/3-3, 306/3-3

We implement Group-wide standards for environmental protection, resource-conserving operation of our locations, health and occupational safety, and protection of business assets as part of our global HSE (health, safety and environment) management activities.

In relation to the environment, they include internal stipulations on air pollution control, waste disposal and the handling of hazardous substances. These are especially relevant to our production sites and research locations, but are also binding throughout the KWS Group. In general, all KWS locations are run in compliance with the applicable local statutory requirements. In regions with low statutory standards, our internal stipulations ensure compliance with a Group-wide minimum standard.

Control of our HSE stipulations in relation to the environment

302/3-3, 303/3-3, 304/3-3, 305/3-3, 306/3-3

Plant and process safety is – alongside preventing occupational accidents – another key aspect in avoiding negative environmental impacts. A particular focus here is therefore on our HSE stipulations. For example, our non-life insurer conducts multiple risk assessments a year at the KWS Group's locations in order to examine fire and explosion prevention measures, among other things, and issues appropriate recommendations if necessary.

In addition, HSE audits are carried out as part of internal quality management. Five HSE audits were conducted in fiscal 2022/2023.

Outside our HSE management system, there are further audit and control systems that likewise minimize environmental risks. Examples include certification of treatment facilities in accordance with SeedGuard or the ISO 14001 environmental management standard.

An overview of the valid certification we currently hold can be found at: www.kws.com/corp/en/company/corporate-responsibility/quality-stewardship/.



5. Governance





5.1 Business Ethics and Compliance

Controlling and management of the company

2-9, 2-23

The four-member Executive Board of the general partner is tasked with running the KWS Group's business responsibly. Together with our Supervisory Board, its duty is to manage our company and steer it toward achieving sustainable development. The Executive Board and the Supervisory Board have strictly separate competencies and different members and thus act independently of each other (www.kws.com/corp/en/company/investor-relations/corporate-governance/). The Executive Board's task area is divided into divisions. The distribution-of-business plan below shows the separate areas of responsibility and who acts as deputy if an Executive Board member is temporarily incapacitated.

KWS SAAT SE & Co. KGaA, the KWS Group's parent company, is a partnership limited by shares (KGaA). The legal form of a partnership limited by shares enables the KWS Group to leverage future growth opportunities with greater agility and flexibility and raise the equity required for that without losing our company's character as a listed family business.

The majority shareholders in KWS SE, the company's general partner, are the associated companies of the C.-E. Büchting and Arend Oetker families. It assumes a number of rights and obligations that lie with the Supervisory Board at a stock corporation or European Company (Societas Europaea or SE). This means in particular that the Supervisory Board at a partnership

limited by shares does not have personnel-related powers as regards management, i.e., does not have the authority to appoint personally liable partners and define the contractual terms and conditions for them, enact bylaws for the Executive Board or define business transactions requiring its consent.

KWS largely complies with the requirements of the German Corporate Governance Code. You can obtain the Declaration of Compliance in Accordance with Section 161 of the German Stock Corporation Act (AktG) and the reasons for the deviations at www.kws.com/corp/en/company/investor-relations/declaration-of-compliance.html.

Diversity of the Executive Board and the Supervisory Board

405/3-3, 405-1

At June 30, 2023, the KWS Group's Executive Board had four members, one of whom was a woman and three were men, and the Supervisory Board had six members, two of whom were women and four were men. The ratio of female members on the Executive Board was thus 25% and that on the Supervisory Board was 33%. The target figures for the Executive Board and the Supervisory Board that were set in 2017 in accordance with Section 111 (5) of the German Stock Corporation Act (AktG) and Clause 5.4.1 of the German Corporate Governance Code and that had to be achieved by June 30, 2023, are 25% in each case.

Dr. Felix Büchting	Dr. Peter Hofmann	Eva Kienle	Nicolás Wielandt
<ul style="list-style-type: none"> ■ Research ■ Breeding ■ Global Human Resources ■ Farming ■ Group Strategy ■ Corporate Office 	<ul style="list-style-type: none"> ■ Sugarbeet ■ Vegetables ■ Cereals ■ Oilseed Rape / Special Crops ■ Organic Seeds ■ Global Marketing & Communications 	<ul style="list-style-type: none"> ■ Global Finance & Procurement ■ Global Controlling ■ Global Transaction Center ■ Global Legal Services & IP ■ Global Information Technology ■ Group Compliance Office and Group Governance & Risk Management 	<ul style="list-style-type: none"> ■ Corn Europe, South America, North America, China/Asia

**Executive Board and Supervisory Board members by gender**

	Ratio on the Executive Board	Ratio on the Supervisory Board
Female	25%	33%
Male	75%	67%

Executive Board and Supervisory Board members by age group

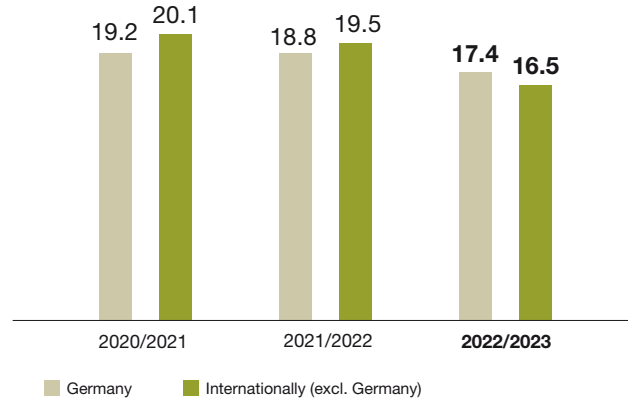
	Ratio on the Executive Board	Ratio on the Supervisory Board
Younger than 30	0%	0%
Between 30 and 50 years	50%	17%
Aged 50 and above	50%	83%

Compensation of the Executive Board and the Supervisory Board

201/3-3

The compensation system for members of the Executive Board aims to promote the company's sustainable development and comply with the objectives of the German Act Implementing the Second Shareholder Rights Directive (SRD II) and the German Corporate Governance Code. Their total compensation includes not only a basic salary, but also performance-based components that are linked to the company's success, and fringe benefits. The compensation of the Executive Board is set by the company's general partner and approved by the Annual Shareholders' Meeting. The compensation for members of the Supervisory Board is governed by the Articles of Association and is based on the size of the company and their responsibilities. The company believes that a fixed compensation structure means that the Supervisory Board can better exercise its control function. The composition and level of the total compensation are disclosed in the Compensation Report for 2022/2023.

2-21

Manager to worker pay ratio

The manager to worker pay ratio, which denotes under the GRI the total compensation of the highest-paid employee relative to the average total compensation of all employees (with the exception of the highest-paid employee), was 17.4 (18.8) for all German companies in fiscal 2022/2023. The pay ratio for the KWS Group was calculated with reference to the basic compensation and is 16.5 (19.5).



Compliance

205/3-3, 206/3-3, 307/3-3, 403/3-3, 412/3-3, 419/3-3

The objective of our compliance concept is to protect the company's employees, reputation and assets, and to gain and retain customers' trust through ethical conduct. It is based on our corporate culture, values and principles.

We believe compliance with basic principles of business ethics is vital to our license to operate, even when statutory standards in a country are lower. Accordingly, our compliance rules apply to all employees in the KWS Group worldwide.

Information, training and intensive consulting help integrate compliance in business processes and support management in making business decisions rooted in our corporate culture.

The Executive Board and the Supervisory Board's Audit Committee are informed once a year about the current status of the Compliance Management System and the latest developments.

Code of Business Ethics and internal rules

2-23, 205/3-3, 205-2, 206/3-3, 307/3-3, 403/3-3, 412/3-3, 419/3-3

The KWS Group's fundamental and overriding business ethics principles are enshrined in our Code of Business Ethics. This code with its accompanying guidelines contains stipulations on compliance with the law, fair competition, prevention of corruption and money laundering, safety at work, protection of the environment and the need to treat each other, customers, business partners, public authorities and other third parties with respect.

Our Code of Business Ethics gives employees guidance in their day-to-day work. All employees must commit to complying with it by signing a declaration to that effect and confirming that they have read and understood the compliance regulations, as well as to contacting the Compliance department if they are unsure as to whether actions may violate these regulations.

The Code of Business Ethics is supplemented by KWS' Group Standards on important individual topics, such as fair competition, prevention of money laundering, and the avoidance and combating of bribery. There are also regulations on insider law and on protecting data and know-how. The code also defines the issue of international anti-corruption management as an integral part of our compliance management work. On the basis of the regulations in the code, an important component of our values management is a policy of zero tolerance toward any form of corruption in KWS' business activities. This principle is codified in Group-wide anti-corruption standards governing the responsibilities, processes and requirements relating to prevention of corruption and bribery at the KWS Group. The standard therefore applies regardless of whether bribery is prohibited by law, tolerated or not regulated in the country in question.

Our Group Standards apply internationally and govern a large number of important topics, such as workforce concerns, IT standards and quality assurance aspects. The local entities at all our locations are responsible for ensuring compliance with the Group Standards there. The Group Standards are developed further, revised and supplemented as part of a continuous improvement process.



Conduct and communication

205/3-3, 205-2

Access to the Compliance Portal

Objective	Target in 2030	2022/2023	2021/2022
Access to the Compliance Portal	95%	80% ¹	80%

¹ Adjusted calculation excluding seasonal workers

The Compliance department advises all divisions of the KWS Group in complying with laws, regulations and internal rules of conduct. The focus is on the subjects of antitrust law, anti-corruption, prevention of money laundering, data protection and capital market law.

The Compliance Officers regularly provide information about the compliance system and its principles, as well as about frequently asked questions and the latest developments, in training courses, information events and workshops. Apart from this information, a broad range of aids is also available to our employees. Checklists, toolkits, instructional leaflets and other guides provide practical tips on observing compliance rules in everyday work. All information and rules of conduct can be accessed by employees worldwide in the Compliance Portal on KWS' intranet. Around 80% (80%) of the total workforce has access to the Compliance Portal. In addition, all supervisors are obliged to inform their employees about compliance issues.

In fiscal 2022/2023, the e-learning courses we offered were expanded and used to a greater extent. Of the invited employees,

- 56% completed the training tool on anti-corruption and antitrust law,
- 46% the data protection training and
- 66% the training in prevention of money laundering.

Reporting violations of our principles

205/3-3, 206/3-3, 307/3-3, 403/3-3, 412/3-3, 419/3-3

If an examination or reports reveal indications of a compliance violation, the investigation is conducted in accordance with KWS' regulations "Procedures of Internal Compliance Notification." KWS' employees are obligated to report suspected violations; the open door principle applies to that. Employees can supply information on suspected violations to their supervisor, to the Compliance department or to the Compliance Reporting Platform. The Compliance Reporting Platform also acts as a whistleblower hotline and can be called by employees and external third parties from our homepage in more than 50 languages 24 hours a day, seven days a week. Reports of suspected violations can also be submitted anonymously. The reported cases are investigated by KWS. Whistleblowers do not suffer any disadvantages unless they have obviously abused their right to report violations. They receive confirmation that their report has been received and may be contacted via the portal and asked to provide further information. Finally, whistleblowers are informed when the investigation has been completed.

If suspected cases prove to be violations, the system of sanctions is applied. In general, it can be applied to all types of compliance violations. The system of sanctions defines various criteria governing the measures to be taken, such as the gravity of the violations, the degree of the person's breach of duty, the functional level, behavior after the violation – help in investigating it or attempts to cover it up – as well as consequences of the violation, such as the threat of damage or actually incurred damage. The sanctions range from cautions or warnings to immediate dismissal and filing of charges.



Review of compliance and continuous improvement
205-3, 206-1, 307-1, 419-1

The Compliance Officers conduct an assessment of risks related to compliance together with the Finance and Risk Management functions. The results are used to make decisions on further examinations at our individual companies and to derive measures for improvement.

The implementation and observance of specific compliance aspects and regulations, as well as compliance with the processes specified in the Group Standards, is examined in internal and external audits.

The companies to be audited are chosen on the basis of the risk assessments carried out in the previous reporting period.

No significant violations of the international Anti-Corruption Policy or antitrust or money laundering regulations resulting in disciplinary consequences or official measures such as fines were reported to the compliance function in fiscal 2022/2023. However, there were two reportable data protection violations, which were immediately reported to the relevant authorities and dealt with internally.



5.2 Ownership Rights to Genetic Resources

Intellectual property

201/3-3

The KWS Group runs a global network of stations and trial fields for seed breeding. We test our own or externally procured genetic material for the respective application areas there.

These activities entail a lot of cost and work. Protecting intellectual property is of fundamental importance to us at the KWS Group in order to maintain our economic attractiveness. Variety protection is a tried-and-tested instrument for protecting our plant varieties and, thanks to the breeder's exemption, also safeguards access to plant genetic resources for further breeding. It is important for us to have unhindered access to biological starting material and to protect our intellectual property relating to innovative plant varieties and new breeding technologies.

Since innovations and ideas not only merit protection once a patent, copyright or trademark can be filed for them, KWS believes comprehensive internal information and know-how management is particularly important. To enable this, we have established an internal policy on protecting our know-how.

Patenting

In plant breeding, the protection of intellectual property fosters the development of new varieties for the benefit of society. There are two systems for protecting IP in plant breeding: variety protection and patent law. Both systems complement each other and are used by KWS alongside each other. The possibility of patenting technological inventions in the field of plant breeding is important because it enables long-term and cost-intensive research projects and creates incentives to finance them. Nevertheless, patent protection should not cover plants obtained exclusively by essentially biological processes.

In order to breed new varieties with better traits, breeders need starting material that has as broad a genetic diversity as possible. In the variety protection system, the genetic diversity of innovative commercial varieties is freely available under what is termed the breeder's exemption. However, if a variety contains a patented trait, the breeder's exemption guaranteed by variety protection is nullified. KWS is therefore in favor of legal regulations on IP to this effect that ensure further breeding progress and diversity, as is the case with the breeder's exemption. At the same time, patents should not be used to establish monopolies, but rather to promote sustainable innovations for the benefit of society.

Access to genetic resources is also important with regard to intellectual property. This is why there is variety protection in plant breeding. It protects intellectual property, as well as ensuring access to protected varieties by means of the breeder's exemption (Section 10a of the German Plant Variety Protection Act (SortG)) so that they can be used for further breeding. At the same time, patented traits that have been technically developed and are intended to offer resistance to pests or diseases, for example, are increasingly found in plant varieties. This trend will probably intensify as new breeding methods grow in importance. These traits have not yet been accessible for breeding in all European countries; KWS is therefore a strong advocate of licensing platforms that enable guaranteed access to genetic material and traits on fair terms. KWS is thus a member of the International Licensing Platform Vegetable (ILP Vegetable) and a member of the Agricultural Crop Licensing Platform (ACLIP). In addition, KWS offers its own patents on its own TraitWay website for licensing to interested parties, who can obtain a free breeding license for the patents offered in TraitWay there.



Use of plant genetic resources

411-1

Incidents under the ITPGRFA

Objective	Target in 2030	2022/2023	2021/2022
ITPGRFA incidents	No incidents under the ITPGRFA	0	0

Where genetic material is used, the rights of the indigenous peoples in the regions the material originates from must be respected. KWS is aware of its obligations and supports the various international access and benefit-sharing frameworks to protect the rights of indigenous peoples and the sustainable use of biodiversity. Of prime mention in this respect are the Convention on Biological Diversity with the Nagoya Protocol and the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA). The ITPGRFA aims to preserve the genetic diversity of crops and use it sustainably. KWS is committed to complying with the stipulations of the ITPGRFA and has thus set a target of zero incidents under the ITPGRFA. KWS works through industrial associations, such as Euroseeds and the International Seed Federation (ISF), to ensure practicable means of securing sustainable access to genetic resources and preserving them now and ensuring fair benefit-sharing in the future. To achieve this, KWS concluded the required Standard Material Transfer Agreements (SMTAs) in fiscal 2022/2023 when accessing genetic resources covered by the ITPGRFA.

We have implemented a due diligence process to ensure compliance with these guidelines. All employees who work with genetic material are obligated to digitally register all materials used. Our Intellectual Property

department then instigates an examination of where the genetic material has come from. If an examination should find that the origin of the genetic material or the process by which it was obtained is unclear, we refrain from using it. If this material were already being used commercially by KWS, that would constitute an infringement. In addition, new employees are offered training, and an annual seminar is held for all the employees involved.

No such incidents were identified as part of the above due diligence process in fiscal 2022/2023. As part of the Breeding Information Circle, KWS works to optimize IT processes relating to the documentation and approval of access to new genetic resources. The Breeding Information Circle, which is currently being developed, is a digital platform for integrating research information on all of KWS' crops. It enables information currently stored and used in individual tools to be linked and aggregated.

There is regular dialogue during the year with the Executive Board member responsible for research and breeding, both in the context of the semiannual meetings of the ISF and also as and when required. An annual report to the Executive Board is only drawn up if specific issues or incidents have been identified as part of the due diligence process. No such incidents were reported in the reporting period.



5.3 Stakeholder Management

2-6, 2-26, 2-29

As a seed producer, KWS occupies a key position at the beginning of the food value chain. Apart from our customers' requirements, the requirements and interests of other players throughout this chain are of relevance for us, too.

The key stakeholder groups include not only our direct customers, i.e., farmers, but also our shareholders and employees, various stakeholders throughout the agricultural value chain (such as sugar companies, food processors, retailers and end consumers), as well as policymakers, public authorities, non-governmental organizations, science, academia and the media.

We maintain a constant dialogue with them in various ways, depending on the stakeholder group – as part of our daily business, in our extensive work for associations or through dialogue with stakeholders at the local and international level. As part of this, we respond to external inquiries, but also participate proactively in global discussions. KWS employees regularly take part as speakers or panel members at various events. For example, KWS works through industrial associations, such as Euroseeds and the International Seed Federation (ISF), to ensure practicable means of securing sustainable access to genetic resources and preserving them now and in the future.

Dialogue with customers

2-29

We nurture contacts with our customers worldwide through our expert consultants. They offer advice on choosing varieties, crop rotation, tilling, the use of fertilizer and measures to protect plants tailored to the specific location. Depending on the region, this offering is complemented by regional field days, where our sales consultants discuss topical issues with customers and prospects, present new and tried-and-proven varieties in the field, and are on hand to answer questions and listen to suggestions in a relaxed atmosphere. The field days are held to reflect the crop's growth stage and the season when the individual performance of the varieties is best visible to farmers in the field.

In addition, we have run our Agricultural Forums in Germany since 2004 at various locations and also digitally as myKWS Agricultural Forums. These events offer farmers an attractive program with various experts on issues relating to plant growing, business management and animal husbandry, and a platform for extensive discussion. With our special Agricultural Forums for organic farming, we offer farmers an established platform for dialogue and for sharing our experience from our organic farm at Wiebrechtshausen.

2-6





Dialogue with science, academia, associations and initiatives

2-23, 2-28, 2-29

Successful breeding work requires the latest scientific and technical findings. Partnerships with public and private research institutions are therefore highly important. Our “Global Lead Scientific Affairs” function enables direct scientific dialogue with universities, students and graduates as peers. The Global Lead Scientific Affairs is in constant contact with the Research & Development department. This function is an effective means of communicating our current requirements and hearing what interested graduates expect from KWS.

We are also represented in diverse organizations and associations from the fields of plant research and breeding, as well as in bioeconomics. As a result, we help promote science and research, preserve scientific excellence worldwide and enable interdisciplinary research alliances. Among other things, we are a

long-standing member of the GFPI, the German Association for the Promotion of Plant Innovation. KWS is also a member of the “Climate Protection Companies,” an excellence initiative of the German business community in the field of climate protection and energy efficiency (www.klimaschutz-unternehmen.de).

Because our headquarters are in Germany, much of our work in associations is in German-speaking countries. However, we are also represented at the international level, for example in the management body of the International Seed Federation (ISF) and as a member of Euroseeds. Our goals as an industry here are, among others, to modernize the Standard Transfer Material Agreement, include further crops in the treaty’s annex and change the opt-in procedure to a subscription model.

You can find an overview of all relevant memberships in the Sustainability Report’s annex.



GRI Content Index

Statement of Use

KWS SAAT SE & Co. KGaA has reported the information in this GRI content index for the period from July 1, 2022, to June 30, 2023, on the basis of the GRI Standards. KWS refers to GRI 1: Foundation 2021.

GRI 2

The organization and its reporting practice

Disclosure	Title	Chapter
GRI 2-1	Organizational details	2.1 (pp. 7–8)
GRI 2-2	Entities included in the organization's sustainability reporting	2.1 (pp. 7–8)
GRI 2-3	Reporting period, frequency and contact point	2.5 (pp. 19–21)
GRI 2-4	Restatements of information	2.5 (pp. 19–21)
GRI 2-5	External assurance	

Activities and workers

Disclosure	Title	Chapter
GRI 2-6	Activities, value chain and other business relationships	2.1 (pp. 7–8); 4.4 (p. 49); 5.3 (p. 65); annex (p. 76)
GRI 2-7	Employees	2.1 (pp. 7–8); 4.3 (pp. 45–46)

Governance

Disclosure	Title	Chapter
GRI 2-9	Governance structure and composition	2.5 (p. 19); 5.1 (p. 58)
GRI 2-21	Annual total compensation ratio	5.1 (p. 59)

Strategy, policies and practices

Disclosure	Title	Chapter
GRI 2-23	Policy commitments	2.2 (p. 9); 2.5 (pp. 19–21); 4.1 (p. 40); 4.4 (pp. 49–50); 5.1 (p. 58); 5.3 (p. 66)
GRI 2-26	Mechanisms for seeking advice and raising concerns	3.4 (pp. 35–36); 5.3 (p. 65)
GRI 2-28	Membership associations	5.3 (p. 66); annex (p. 77)

Stakeholder engagement

Disclosure	Title	Chapter
GRI 2-29	Approach to stakeholder engagement	2.5 (pp. 19–21); 4.5 (p. 51); 5.3 (p. 65)
GRI 2-30	Collective bargaining agreements	4.3 (pp. 47–48)

**GRI 3: General Disclosures 2021**

Disclosure	Title	Chapter
GRI 3-1	Process to determine material topics	2.5 (pp. 19–21)
GRI 3-2	List of material topics	2.5 (pp. 19–21)

Economic**Economic Performance (2016)**

Disclosure	Title	Chapter
GRI 201/3-3	Management approach disclosures	2.3 (pp. 10–11); 2.4 (p. 13); 3.4 (pp. 33–35); 4.2 (p. 43); 5.1 (p. 59); 5.2 (p. 63)
GRI 201-1	Direct economic value generated and distributed	2.1 (p. 8); 2.4 (pp. 13–15); 4.2 (p. 43)

Indirect Economic Impacts (2016)

Disclosure	Title	Chapter
GRI 203/3-3	Management approach disclosures	2.4 (pp. 13–15); 3.1 (pp. 25–26); 3.4 (pp. 33–35); 4.2 (p. 44); 4.4 (pp. 49–50)
GRI 203-2	Direct economic value generated and distributed	2.4 (pp. 13–15); 3.1 (pp. 25–26); 3.4 (pp. 35–36); 4.2 (p. 44)

Procurement Practices (2016)

Disclosure	Title	Chapter
GRI 204/3-3	Management approach disclosures	4.4 (p. 49)
GRI 204-1	Proportion of spending on local suppliers	The percentage of procurement spending on local suppliers has not been calculated to date. We aim to implement a formal process for analyzing that in the future.

Anti-corruption (2016)

Disclosure	Title	Chapter
GRI 205/3-3	Management approach disclosures	5.1 (p. 61)
GRI 205-2	Communication and training about anti-corruption policies and procedures	4.4 (p. 49); 5.1 (p. 60)
GRI 205-3	Confirmed incidents of corruption and actions taken	5.1 (p. 62)

**Anti-competitive Behavior (2016)**

Disclosure	Title	Chapter
GRI 206/3-3	Management approach disclosures	4.4 (p. 49); 5.1 (p. 61)
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	5.1 (p. 62)

Environmental**Materials (2016)**

Disclosure	Title	Chapter
GRI 301/3-3	Management approach disclosures	2.4 (pp. 13–15)
GRI 301-1	Materials used by weight or volume	Work on a system for central recording of materials used by weight and volume is currently in progress.

Energy (2016)

Disclosure	Title	Chapter
GRI 302/3-3	Management approach disclosures	2.4 (p. 17); 3.2 (p. 27); 3.5 (p. 37); 4.6 (p. 56)
GRI 302-1	Energy consumption within the organization	3.2 (pp. 28–31)

Water and Effluents (2019)

Disclosure	Title	Chapter
GRI 303/3-3	Management approach disclosures	2.4 (p. 17); 3.3 (p. 32); 3.5 (p. 37); 3.6 (p. 38); 4.6 (p. 56)
GRI 303-1	Interactions with water as a shared resource	
GRI 303-2	Management of water discharge-related impacts	3.3 (p. 32); 3.6 (p. 38)
GRI 303-3	Water withdrawal	3.3 (p. 32); 3.5 (p. 37)

Biodiversity (2016)

Disclosure	Title	Chapter
GRI 304/3-3	Management approach disclosures	2.4 (p. 17); 3.1 (p. 25); 4.2 (p. 44); 4.6 (p. 56)
GRI 304-2	Significant impacts of activities, products and services on biodiversity	3.1 (p. 25); 4.1 (pp. 40–41)

**Emissions (2016)**

Disclosure	Title	Chapter
GRI 305/3-3	Management approach disclosures	2.4 (pp. 16–17); 3.2 (p. 27); 4.6 (p. 56)
GRI 305-1	Direct (Scope 1) GHG emissions	3.2 (pp. 27–31)
GRI 305-2	Indirect (Scope 2) GHG emissions	3.2 (p. 27)

Effluents and Waste (2016)

Disclosure	Title	Chapter
GRI 306/3-3	Management approach disclosures	3.3 (p. 32); 3.6 (p. 38); 4.6 (p. 56)
GRI 306-2	Waste by type and disposal method	Work on a system for central recording of waste by type and disposal method is currently in progress.

Environmental Compliance (2016)

Disclosure	Title	Chapter
GRI 307/3-3	Management approach disclosures	5.1 (pp. 60–61)
GRI 307-1	Non-compliance with environmental laws and regulations	5.1 (p. 62)

Supplier Environmental Assessment (2016)

Disclosure	Title	Chapter
GRI 308/3-3	Management approach disclosures	4.4 (p. 49)
GRI 308-1	New suppliers that were screened using environmental criteria	There has not been a concrete screening of suppliers on the basis of environmental or social criteria to date. A formal process is currently being rolled out.

Social**Employment (2016)**

Disclosure	Title	Chapter
GRI 401/3-3	Management approach disclosures	2.4 (pp. 17–18); 4.5 (p. 52)
GRI 401-1	New employee hires and employee turnover	4.5 (p. 53)

**Occupational Health and Safety (2019)**

Disclosure	Title	Chapter
GRI 403/3-3	Management approach disclosures	2.4 (pp. 17–18); 4.3 (p. 45); 4.5 (p. 53); 5.1 (p. 60)
GRI 403-1	Occupational health and safety management system	4.5 (p. 53)
GRI 403-2	Hazard identification, risk assessment, and incident investigation	4.5 (pp. 53–55)
GRI 403-3	Occupational health services	4.5 (p. 53)
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	4.5 (p. 53)
GRI 403-5	Worker training on occupational health and safety	4.5 (pp. 54–55)
GRI 403-6	Promotion of worker health	4.5 (pp. 54–55)
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.4 (p. 49)
GRI 403-9	Work-related injuries	4.5 (p. 51)

Training and Education (2016)

Disclosure	Title	Chapter
GRI 404/3-3	Management approach disclosures	4.5 (pp. 51–54)
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	4.5 (pp. 51–53)

Diversity and Equal Opportunity (2016)

Disclosure	Title	Chapter
GRI 405/3-3	Management approach disclosures	4.3 (p. 45); 5.1 (p. 58)
GRI 405-1	Diversity of governance bodies and employees	4.3 (p. 47); 5.1 (p. 58)

Non-discrimination (2016)

Disclosure	Title	Chapter
GRI 406/3-3	Management approach disclosures	4.3 (p. 45); 4.4 (p. 49)
GRI 406-1	Incidents of discrimination and corrective actions taken	Any incidents of discrimination are currently reported and handled at the local level. We aim to record and report on them internationally.

**Freedom of Association and Collective Bargaining (2016)**

Disclosure	Title	Chapter
GRI 407/3-3	Management approach disclosures	4.3 (p. 46); 4.4 (p. 49)
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Risks relating to freedom of association and assembly at our own locations or at our suppliers have not been systematically investigated to date. The local managers were not aware of any such risks in the reporting period.

Child Labor (2016)

Disclosure	Title	Chapter
GRI 408/3-3	Management approach disclosures	4.3 (p. 45); 4.4 (p. 49)
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	As part of our global risk processes, local risk managers are tasked with screening our processes for social risks, such as child labor, twice a year. The local risk managers were not aware of any such risks in the reporting period.

Forced or Compulsory Labor (2016)

Disclosure	Title	Chapter
GRI 409/3-3	Management approach disclosures	4.3 (p. 45); 4.4 (p. 49)
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	As part of our global risk processes, the respective risk officers are tasked with screening our processes for social risks, such as forced labor, twice a year. The local risk managers were not aware of any such risks in the reporting period.

Rights of Indigenous Peoples (2016)

Disclosure	Title	Chapter
GRI 411/3-3	Management approach disclosures	
GRI 411-1	Incidents of violations involving rights of indigenous peoples	5.2 (p. 64)

**Human Rights Assessment (2016)**

Disclosure	Title	Chapter
GRI 412/3-3	Management approach disclosures	4.4 (p. 49); 5.1 (p. 60)
GRI 412-2	Employee training on human rights policies or procedures	5.1 (p. 61) In training sessions, information events and workshops, the Senior Compliance Office regularly provides information on the compliance management system and its principles, as well as on frequently asked questions and current developments.

Local Communities (2016)

Disclosure	Title	Chapter
GRI 413/3-3	Management approach disclosures	2.4 (pp. 17–18); 4.2 (pp. 42–43)
GRI 413-1	Operations with local community engagement, impact assessments, and development programs	We are currently establishing a system for central recording of the operations where local community engagement measures, impact assessments, and/or development programs have been implemented.

Supplier Social Assessment (2016)

Disclosure	Title	Chapter
GRI 414/3-3	Management approach disclosures	4.4 (p. 49)
GRI 414-1	New suppliers that were screened using social criteria	There has not been a concrete screening of suppliers on the basis of environmental or social criteria to date. A formal process is currently being rolled out.

Public Policy (2016)

Disclosure	Title	Chapter
GRI 415/3-3	Management approach disclosures	4.2 (p. 43)
GRI 415-1	Political contributions	4.2 (p. 43)

**Customer Health and Safety (2016)**

Disclosure	Title	Chapter
GRI 416/3-3	Management approach disclosures	4.1 (pp. 40–41)
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	4.1 (p. 41)

Marketing and Labeling (2016)

Disclosure	Title	Chapter
GRI 417/3-3	Management approach disclosures	4.1 (p. 41)
GRI 417-1	Requirements for product and service information and labeling	4.1 (p. 41)

Socioeconomic Compliance (2016)

Disclosure	Title	Chapter
GRI 419/3-3	Management approach disclosures	4.3 (p. 45); 5.1 (p. 61)
GRI 419-1	Non-compliance with laws and regulations in the social and economic area	5.1 (p. 62)

Other material topics**Sustainable Product Use**

Disclosure	Title	Chapter
No GRI reference available	Management approach disclosures	2.4 (pp. 12–18); 3.4 (pp. 33–36)



Annex

List of material issues for KWS in accordance with the GRI

GRI Index no.	GRI Standards
201	Economic Performance
203	Indirect Economic Impacts
204	Procurement Practices
205	Anti-corruption
206	Anti-competitive Behavior
301	Materials
302	Energy
303	Water and Effluents
304	Biodiversity
306	Waste
308	Supplier Environmental Assessment
401	Employment
403	Occupational Health and Safety
404	Training and Education
405	Diversity and Equal Opportunity
406	Non-discrimination
407	Freedom of Association and Collective Bargaining
408	Child Labor
409	Forced or Compulsory Labor
411	Rights of Indigenous Peoples
413	Local Communities
414	Supplier Social Assessment
415	Public Policy
416	Customer Health and Safety
417	Marketing and Labeling



2-6

List of sales markets

- Albania
- Algeria
- Argentina
- Armenia
- Australia
- Austria
- Azerbaijan
- Belarus
- Belgium
- Brazil
- Bulgaria
- Canada
- Chile
- China
- Croatia
- Cyprus
- Czech Republic
- Denmark
- Egypt
- Estonia
- Finland
- France
- Georgia
- Germany
- Greece
- Hungary
- India
- Iran
- Iraq
- Ireland
- Israel
- Italy
- Japan
- Jordan
- Kazakhstan
- Kenya
- Kyrgyzstan
- Latvia
- Lebanon
- Lithuania
- Luxembourg
- Macedonia
- Mexico
- Moldavia
- Morocco
- Netherlands
- New Zealand
- Norway
- Pakistan
- Poland
- Portugal
- Romania
- Russia
- Serbia
- Slovakia
- Slovenia
- South Africa
- South Korea
- Spain
- Sweden
- Switzerland
- Thailand
- Turkey
- Turkmenistan
- U.S.
- UK
- Ukraine
- Uruguay
- Uzbekistan



2-28

List of significant memberships (2022/2023)

Name of the organization	KWS represented in management bodies	Participation in other bodies	Project work	Substantial funding of the organization
Agricultural Industries Confederation Ltd. (AIC)	X			
American Seed Trade Association (ASTA)		X		
Asociación Semilleros Argentinos (ASA) (Association of Argentinean Seed Producers)		X		
ASSOSEMENTI – Associazione Italiana Sementi (Italian Seed Association)	X			
British Society of Plant Breeders (BSPB)	X			
Bundesverband Deutscher Pflanzenzüchter e.V. (BDP) (German Plant Breeders Association)	X	X	X	
Euroseeds (previously ESA)	X	X	X	X
Excellence Through Stewardship (ETS)	X			
Fonds de Soutien à l'Obtention Végétale (FSOV) (Plant Variety Support Fund)		X		
Forum Moderne Landwirtschaft (Modern Agriculture Forum)		X		X
Gemeinschaft zur Förderung von Pflanzeninnovation e.V. (GFPI) (German Association for the Promotion of Plant Innovations)	X	X	X	
International Seed Federation (ISF)		X		
Plantum		X		
Polska Izba Nasienna (PIN) (Polish Seed Association)		X		
Saatgut-Treuhandverwaltungs-GmbH (STV)	X			
Seed Committee at the Association of European Businesses	X			
Société d'Intérêt Collectif Agricole des Obtenteurs de Variétés Végétales (SICASOV) (French Society of Plant Breeders)	X			
Ukrainian Seed Association	X			
Union Française des Semenciers (UFS) (French Association for Seed Companies and Plant Breeders)	X	X		



About this report

The Sustainability Report can be downloaded on our websites at www.kws.de and www.kws.com. The KWS Group's reporting period begins on July 1 and ends on June 30. Unless otherwise specified, figures in parentheses relate to the same period or date in the previous year.

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Safe Harbor Statement

This Sustainability Report includes forward-looking statements based on assumptions and estimates. These forward-looking statements may be identified by words such as "forecast," "assume," "believe," "assess," "expect," "intend," "can/may/might," "plan," "should" or similar expressions.

These statements are based on current assessments and forecasts and the information currently available and are subject to certain elements of uncertainty, risks and other factors that may result in significant deviations between expectations and actual circumstances. These factors may be, for example, changes in the overall economic situation, the general statutory and regulatory framework, and the industry.

KWS SAAT SE & Co. KGaA does not warrant that the future development and actual results achieved in the future match the assumptions and estimates expressed in this report and shall not assume any liability if they do not. Forward-looking statements must therefore not be regarded as a guarantee or pledge that the developments or events they describe will actually occur. KWS SAAT SE & Co. KGaA does not intend, nor does it assume any obligation, to update forward-looking statements in order to adapt them to events or developments after the date of this report.

Cooperation

KIRCHHOFF | **TEAM FARNER**

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