

Climate Transition Plan 2040

## **GEA ups ambitious climate targets and is the first company in the DAX index family to ask shareholders to vote on its path to net zero**

- The company aims to pass “Say on Climate” resolution on its Climate Transition Plan 2040 at next Annual General Meeting
- Medium-term climate targets for 2030 raised for the entire value chain, with a short-term target for 2026 set for the first time for the company’s own business activities (Scope 1 and 2)
- GEA to invest a total of EUR 175 million in the decarbonization of its own sites by 2040
- Reduction of product-related emissions (Scope 3) factored into the Executive Board’s long-term variable remuneration

**Düsseldorf, December 12, 2023** – GEA has raised its medium-term climate targets for 2030 and for the first time set a short-term target to reduce greenhouse gas (GHG) emissions from its own operations by 2026. In addition, the company plans to present its Climate Transition Plan 2040 to shareholders and pass the corresponding resolution at its Annual General Meeting on April 30, 2024. This underscores GEA’s role as a sustainability pioneer and will make it the first DAX index family company to put its climate transition plan to the vote.

“Having positioned ourselves at the forefront of our industry two years ago with our ambitious climate strategy, we are now shifting up a gear and going a step further,” says CEO Stefan Klebert. “By holding a ‘Say on Climate’ vote, we are actively involving our shareholders in our net zero transformation and creating maximum transparency regarding our actions in the area of climate protection.”

### **Climate targets raised and submitted to the SBTi**

GEA’s Climate Transition Plan 2040 aims to reduce greenhouse gas emissions to net zero at every link in the value chain by 2040. The company has now set the following climate targets compared with the base year of 2019:

- **Introduction** of a **short-term target for 2026**:
  - Reduction in GHG emissions from our own operations (Scope 1 and 2) by 60 percent by 2026. This target was originally set for 2030.
- **Medium-term targets for 2030 raised**:
  - Reduction in GHG emissions from our own operations (Scope 1 and 2) by 80 percent (previously: 60 percent reduction) by 2030.
  - Reduction in product-related GHG emissions (Scope 3) by 27.5 percent (previously: 18 percent reduction) by 2030.

- **Validation of the long-term target for 2040:**
  - Alongside the medium-term targets raised, the net zero target is currently in the process of being validated by the Science Based Targets initiative (SBTi). The globally recognized organization is reviewing whether GEA's targets are in line with the latest climate research findings and that they make an effective contribution to achieving the 1.5°C target.
  - Both the net zero target for 2040 and the medium-term targets for 2030 are expected to receive validation in the first quarter of 2024.

## Investment in decarbonization of Scope 1 and Scope 2 emissions

GEA plans to invest a total of EUR 175 million in specific measures to further reduce greenhouse gas emissions in its own operations by 2040. This investment is required to complete the phase-out of fossil fuels, convert the entire fleet to electric vehicles as well as develop our own renewable energy production. At the same time, GEA plans to install additional energy management systems for our sites and upgrade our buildings to make them more energy-efficient.

## The path to net zero by 2040

GEA has devised a specific action plan to achieve the net zero target by 2040. These measures focus on three core areas:

1. **Transformation of our operations (Scope 1 and 2):** GEA supplies its own sites with purchased or self-produced renewable energy and invests in climate-friendly building infrastructure to reduce its own emissions. GEA aims for self-generated renewable energy to account for 25 percent of the total by 2030.
2. **Product portfolio transformation (downstream Scope 3):** GEA develops innovative and resource-efficient solutions that reduce its customers' environmental footprint.
3. **Supply chain decarbonization (upstream Scope 3):** GEA requires its suppliers to have their own SBTi-validated climate targets and supports low-emission transport options.

"We are aware that this action plan is ambitious. That is why we are accelerating the transformation of our business model to develop solutions that range from more sustainable to fully climate-neutral products and services by 2040," says Chief Sustainability Officer Dr. Nadine Sterley. "Our goal is to reach net zero sooner than Germany or the EU. To achieve this, we need all of our employees, business partners and customers to pull together."

## Presentation of the detailed climate transition plan in March 2024

The comprehensive Climate Transition Plan 2040 sets out the short, medium and long-term targets for reducing greenhouse gas emissions in the value chain. It also specifies timings, the measures to be implemented and the investments required. GEA will publish the Climate Transition Plan 2040 together with its 2023 Annual Report on March 7, 2024. Additionally, the company will continue to report on the progress of its climate strategy in its annual sustainability report.

## **Decarbonization reflected in Executive Board remuneration: targets for all scopes from 2024**

To demonstrate the Executive Board's commitment to GEA's target of achieving net zero by 2040, the reduction of Scope 1 and Scope 2 emissions has been taken into account in the Executive Board's long-term variable remuneration since 2022. From 2024, Scope 3 will also be part of the long-term remuneration.

## **Annual General Meeting to vote on path to net zero**

At the next Annual General Meeting on April 30, 2024, GEA plans to hold an advisory vote by shareholders on the Climate Transition Plan 2040. In addition, the Annual General Meeting will be asked to vote on the progress made every three years.

"We are proud to be pioneering 'say on climate' in Germany," says CEO Stefan Klebert. "This move highlights not only the importance of climate protection to GEA, but also its role as a success driver for our future growth."

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## **NOTE TO EDITORS**

- Further **information** about GEA
- Please visit GEA's **press website**
- **GEA images**
- Further **information** on our pathway to net zero 2040
- **Press release** on the presentation of the climate strategy in June 2021
- Please visit our **feature's** section for information on current topics
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## **About GEA**

GEA is one of the world's largest suppliers of systems and components to the food, beverage, and pharmaceutical industries. The international technology group, founded in 1881, focuses on machinery and plants, as well as advanced process technology, components, and comprehensive services. With more than 18,000 employees working across five divisions and 62 countries, the group generated revenues of more than EUR 5.1 billion in fiscal year 2022. GEA plants, processes, components, and services enhance the efficiency and sustainability of production processes across the globe. They contribute significantly to the reduction of CO<sub>2</sub> emissions, plastic usage, and food waste. In doing so, GEA makes a key contribution toward a sustainable future, in line with the company's purpose: "Engineering for a better world".

GEA is listed in the German MDAX and the STOXX® Europe 600 Index and is also among the companies comprising the DAX 50 ESG and MSCI Global Sustainability and the Dow Jones Sustainability Europe Indices.

More information can be found online at [gea.com](https://www.gea.com).

If you do not want to receive any further information from GEA, please send an e-mail to [pr@gea.com](mailto:pr@gea.com).