



Sustainability Report 2021|2022

**SEEDING
THE FUTURE**
SINCE 1856



Contents

Foreword	3
Principles of our Sustainability Reporting	5
KWS in Brief	6
Sustainable Management at KWS	8
Sustainability Management – Strategy and Objectives	9
Sustainability Ambition 2030	10
Material Sustainability Issues and Risks	19
Corporate Governance & Compliance	23
Responsibility in the Supply Chain	27
Product Responsibility	29
Modern Plant Breeding	30
Product Quality and Safety	33
Intellectual Property	36
Environmental Protection at the Company	38
Environmental Management at KWS	39
Emissions and Resource Management	40
Resource-conserving Products	44
Social Aspects	47
Labor and Social Standards	48
Diversity in the Workforce	50
Recruitment and Qualification	53
Occupational Health and Safety	57
Social Commitment	59
Management Approach	60
Supraregional Commitment	61
Regional Commitment	63
GRI Content Index	64
Annex	72



Hagen Duenbostel, Chief Executive Officer of the KWS Group.

Foreword

2-5

Dear readers,

The global supply and price stability of food have rarely been so insecure as now. With the increasing impacts of climate change, the ongoing effects of the COVID-19 pandemic, and now Russia's war of aggression on Ukraine, agriculture faces ever-growing challenges just about all over the world.

A sustainable food supply requires sustainable solutions. As a reliable partner to farmers, we have the task of developing these solutions with innovativeness and farsightedness. But where do you start in the face of such a plethora of complex interrelationships? Our answer is: with seed.



Our motto “Seeding the Future – since 1856” stands over all our activities to promote sustainable agriculture. This is more than just a slogan. It’s an expression of how we think and act in terms of generations. Guided by this motto, we make an important contribution to securing food production under changing circumstances and help achieve the objectives for sustainable agriculture formulated in the European Green Deal and Farm to Fork Strategy. A specific focus of that is to reduce the use of chemical pesticides and increase varietal diversity. Our many years of intensive research and development in these and many other areas to ensure agriculture with a viable future allows us to make a relevant contribution – now and moving forward.

Our seed’s sustainability aspects include resistances to drought stress, pests and diseases. These resistances can minimize crop failures, reduce the use of pesticides and conserve the precious resource of water. Moreover, our focus is also on emissions – not only those we cause, but also from our products during their use. We thus make it possible for farmers to cut emissions in their production activities simply through their choice of seed, as a result of which the impacts of climate change can be reduced by means of tailored measures and our customers and KWS can continue to do business long-term and sustainably.

Such important product traits are delivered by our Research & Development department with its pioneering work. The Sustainability Ambition 2030 we adopted last year defines objectives in this regard that will ensure we can continue investing strongly in our innovativeness in the future and report transparently on our progress. The Sustainability Ambition 2030 is our roadmap. It’s feasible and measurable. And it goes further than the goal of sustainable agriculture. Under it, we also set clear goals for us as a company in working for a commercially successful, ecologically sustainable and socially responsible future.

Our guiding principles will help us to stay on course and expand our business even in troubled waters. My heartfelt thanks go out to KWS’ employees worldwide for their great commitment and efforts. I also thank our customers, partners and shareholders for the successful working relationship and their trust in KWS.

I now invite you to learn more about our activities and successes in all areas of sustainability. I hope you find our Sustainability Report both informative and enjoyable.

Dr. Hagen Duenbostel
Chief Executive Officer



Principles of our Sustainability Reporting

2-2, 2-3, 2-4, 2-6, 2-7

We have published Sustainability Reports regularly since 2008 and they have also covered our global activities since the 2017/2018 reporting period. 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 2021/2022 Annual Report: List of shareholdings, pages 140 et seq). Where key figures and information are not currently available at the global level or relate to a different scope of consolidation, we indicate that 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, 2021, to June 30, 2022. It has been prepared in reference to 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 2021/2022 Annual Report, pages 80 et seq).

The information in this report was recorded largely by electronic means 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 KWS 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 October 20, 2021.

Contact

If you have any suggestions or questions about the report, please contact:

Corporate Sustainability:

Wolf-Gebhard von der Wense
wolf-gebhard.vonderwense@kws.com
Phone: +49 5561 311-968

Press:

Gina Wied
press@kws.com
Phone: +49 5561 311-1427

Investor Relations:

Peter Vogt
investor.relations@kws.com
Phone: +49 30 816 914-490



The new laboratory building "Biotechnology Center 2": further testimony to KWS' commitment to Einbeck as a research location.

KWS in Brief

2-1, 2-6

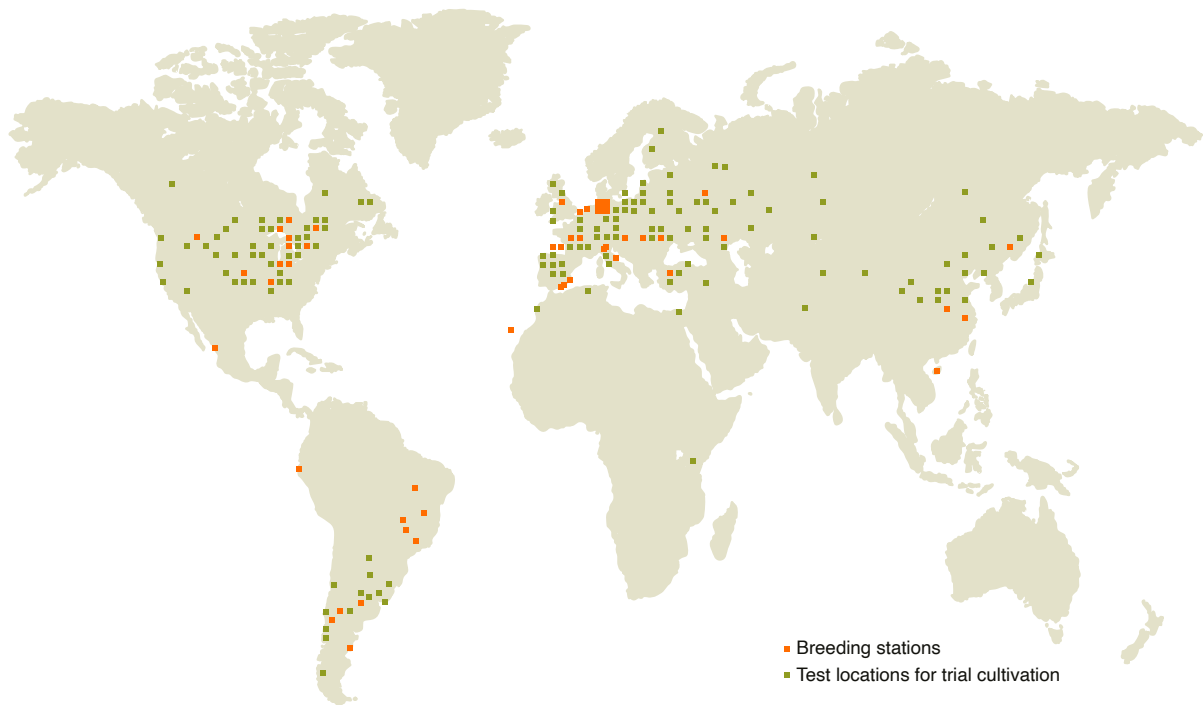
KWS operates around 140 branches in more than 70 countries. Their activities range from seed multiplication and processing to consulting for farmers and shipment of the finished seed to customers. We offer our customers – farmers – a broad range of seed for agricultural crops. With our seed for 24 crops, including sugarbeet, corn, rapeseed and sunflower, for the cereals rye, wheat and barley and for various varieties of vegetable (such as spinach, red beet and tomatoes), as well as distribution of seed for catch crops and soybeans, we offer a broad portfolio of products for conventional and organic farming. In addition to selling seed, our field staff is also on hand to offer farmers consulting on choosing and cultivating varieties. We also offer consulting with our digital services and on our website.

Since it was founded in 1856, KWS has specialized in breeding, producing and distributing high-quality seed for agriculture. From its beginnings in sugarbeet breeding, KWS has evolved into an international and innovative supplier with a broad portfolio of crops. The Company covers the complete value chain of a modern seed producer – from developing new varieties, multiplication and processing, to marketing of the seed and consulting for farmers. KWS' core competence

is in breeding new, high-performance varieties that are adapted to regional conditions, such as climatic and soil conditions. Targeted breeding of resistances against fungi or viruses, for example, and increases in efficiency and yields also enable a significant reduction in the use of chemical pesticides and other agricultural resources, such as fertilizer. Every new variety delivers added value for the farmer and can also help protect the environment and climate. KWS' business model is based on this added value – which is ultimately attributable to breeding progress, optimization of seed quality and pinpointed consulting.

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 85 subsidiaries and associated companies in 34 countries (<https://www.kws.com/corp/en/company/kws-worldwide/>). An overview of the most relevant sales regions can be found in the annex (see page 72). The companies in the KWS Group employed 5,120 people¹ in the 2021/2022 reporting period.

¹ Excluding trainees and interns

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

201-1

Economic value added generated by KWS

KWS Group (in € millions)	2021/2022	2020/2021
EBIT	155.1	137.0
Equity	1,245.9	1,053.7
Net income for the year	107.8	110.6
Total assets	2,651.8	2,376.7
Economic value generated (net sales)	1,539.5	1,310.2
Operating expenses ¹	1,394.2	1,194.3
Expenses for wages and salaries	282.8	259.7
Social security contributions, expenses for pension plans and benefits	73.1	66.6
Payments to providers of capital ²	40.8	34.7
Taxes and other payments to government	31.6	31.6
Expenditure on non-profit causes	0.7	0.6
Sponsorship	0.6	0.8
Economic value distributed	1,823.8	1,588.3

¹ Including the cost of sales, selling expenses, research and development expenses, and general and administrative expenses
(Annual Report, Consolidated Statement of Comprehensive Income p. 84)

² Including dividend payout, interest (Annual Report, Consolidated Cash Flow Statement p. 88 et. seq, interest paid including transaction costs for issuing bonds and raising (finance) loans; Annual Report, Consolidated Cash Flow Statement p. 88 et. seq, for dividend payout)



Sustainable Management
at KWS

Product Responsibility

Environmental
Protection at the
Company

Social
Aspects

Social Commitment

Sustainable Management at KWS



Sustainability Management – Strategy and Objectives

Corporate vision, mission and principles

2-23

Guided by our unmistakable brand values, we work to achieve an overriding goal: our vision. How we attain this overriding goal is described by the mission.

Vision

Our high-performance seed and deep knowledge of agriculture make us a trusted supplier for generations of farmers. That is our contribution to growing global demand for food.

Mission

We enhance genetic potential through outstanding research & breeding programs. We supply top-quality seed to our farmers. We act as trusted partners to our farmers throughout their value chain. We ensure entrepreneurial freedom so that each individual can develop his or her potential. In this way, we generate trust, both within and outside the Company.

Apart from our brand values and our vision and mission, responsible business activity with regard to people and the environment is a firmly entrenched principle of how we run our company.

We also have a central policy framework (Group Standards) with which we create a common understanding of the freedoms and decision-making processes within the KWS Group. The Group Standards are continuously improved by means of constant monitoring and feedback. They complement our existing guiding principles, with the objective of preserving KWS' unmistakable profile, also against the backdrop of the Group's increasing internationalization, and of further strengthening responsibility for our employees, our environment and society.

Sustainability as part of our corporate strategy

201/103

With a view to the future, we regard ideas and decisions as being sustainable if they are economically feasible, ecologically viable and socially responsible.

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. ■ 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 control structure shaped by the family owners
Sustainability	<ul style="list-style-type: none"> ■ Implementation of KWS' Sustainability Ambition 2030



Sustainability Ambition 2030

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. In the reporting period, we devoted around €286 million to research and development, and thus once again a significant share of our net sales. We are tackling these challenges with this spending and regard it as an investment in future growth.

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 & 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 in agriculture begins with seed,” we pursue these concrete goals.

Throughout our 165-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 – in the past reporting period. It can be divided into two categories and six ambitions:

Product impact

- Securing food production
- Minimizing the use of resources
- Increasing varietal diversity
- Supporting sustainable nutrition

Corporate responsibility

- Improving our ecological footprint
- Strengthening our social commitment

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

In the 2021/2022 reporting period, the processes required for effective management and measurement of the degree of target achievement were designed and partially implemented. Reporting on the key figures, where that is already possible, can be found in the relevant subsection.



Sustainability starts with the seed



Safeguard food production

203/103, 203-2

Our objective is to achieve an average increase in yields of 1.5% a year (for crops). To accomplish that, 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 that 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 that, 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 that, we will introduce additional practical measures to support farmers in achieving the best-possible results with the available arable land.



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. That 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 that 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 1.7 million hectares has already been supported by the solutions we offer.

Minimizing the use of resources

201/103, 201-1, 203/103, 203-2, 301/103

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 that 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 that 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.

Side note: Robot systems for mechanical weed control in sugarbeet farming

KWS launched its “Future Live – Robotic Weeding in the Field” project around three years ago in order to test various robot systems for combating weeds. “After all, weed control is the main cost factor in growing sugarbeet,” says Stefan Meldau, a project manager from Business Development Sugar Beet who is in charge of the project at KWS.

The tests with the various robot systems are being conducted as part of FarmerSpace. The trial field for digital crop protection is funded by the German Federal Ministry of Food and Agriculture and provides an experimental platform for players from practical agriculture.

In addition, KWS is working with farmers in several countries in cooperation with manufacturers of precision weed control systems. Data collected in the field can be used as an objective means of evaluating future potential uses. The analyses focus, among other things, on the number of weeds and sugarbeet before and after the use of different systems, as well as the cost-effectiveness of the systems.



Investment of more than 30% of the annual R&D budget in reducing the use of resources

A key factor in breeding innovative varieties is for them to be adapted to changing requirements. That 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 around €286.4 million on R&D activities in the 2021/2022 reporting period, or 18.6% 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 that, 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 that 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 & breeding work to them early on and in good time.

We spent 19.8% of the budget on the above R&D work in the reporting period.

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

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 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 that way, we can keep on expanding our product range and offering farmers reliable recommendations on the potential for saving resources.



Rapeseed: an important part of crop rotations as a main or catch crop.



Side note: Drought tolerance to safeguard yields

Increasing drought has long since ceased to be an exceptional phenomenon. The World Meteorological Organization (WMO) says that the years from 2015 to 2019 were the hottest five-year period since measurements began about 150 years ago – worldwide. Crop failures caused by climate change are emerging as one of the most pressing issues for farmers. That is why KWS is conducting intensive research into drought stress.

In southeastern Europe in particular, KWS is intensively breeding and testing varieties that are well adapted to the frequent periods of drought and the challenges in the various growth phases. In addition, drought tolerance-related traits that contribute to variety stability are included as part of breeding.

Under the “ClimaControl3” label, KWS offers drought-tolerant grain corn varieties for the particularly heat-stricken markets in southeastern Europe, such as Romania, Bulgaria, Croatia, Hungary and Serbia/Montenegro. They come from a special research & breeding program. The number 3 in the name stands for the fact that drought stress can have very different consequences for plants, depending on the time of growth at which it occurs: before, during or after flowering. In each of these three phases, the corn plant requires very specific traits to mitigate drought damage.

Increasing 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 24 different crops, has one of the broadest portfolios in the global seed market. 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 24 to 27 by 2030 under pinpointed breeding programs. KWS had breeding programs for a total of 24 crops at the end of the fiscal year.

Expanding our portfolio means more for us than licensing additional varieties from external providers. Instead, we want to invest in creating breeding programs for three new crops and in developing high-performance varieties that meet our customers' requirements. That 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. That is the only way to deliver competitive products that offer farmers genuine value added.



People and crop farming:
the foundation our society is built on.

Supporting sustainable nutrition

Our goal is for more than 40% of KWS' varieties to be able to be used directly in the food we eat.

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 vegetable).

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 that 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).

Improving our ecological footprint

302/103, 305/103

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.



For the coming 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 & 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 8% in the reporting period. You can find more details on this subject in the section "Sparing Use of Resources at the Company" (page 40 et seq).

Peas bind nitrogen in the soil and thus perform various tasks in agriculture.



Introduction of ecological scorecards for all seed production sites

302/103, 303/103, 304/103, 305/103

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 multiplication areas, will be evaluated individually. That 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, that will enable us to enhance transparency for our stakeholders.

Four locations were analyzed and evaluated in this way in the 2021/2022 reporting period.

Strengthening our social commitment

401/103, 403/103, 413/103

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 socio-economic 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 the past reporting period totaled €1.3 million (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 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 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.

The social component is a key part of end-to-end sustainability.





Continuous reduction in the number of occupational accidents/illness rate

KWS does its utmost to keep on improving work conditions and employees' health and safety at the workplace. That 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.

Sustainable Development Goals

2-23

KWS supports achievement of the Sustainable Development Goals (SDGs) under the United Nation'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.

Responsibility for sustainability

2-9

Our Executive Board is the governance body at KWS that has uppermost responsibility for the Company's sustainable development. Our Corporate Sustainability Manager is responsible for operational sustainability management and reports to the Chief Executive Officer. 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 & Communications, Research & Development, and Sustainability Management.



Under its Sustainability Ambition 2030, KWS aims to further enhance its positive impact on the environment.

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





Material Sustainability Issues and Risks

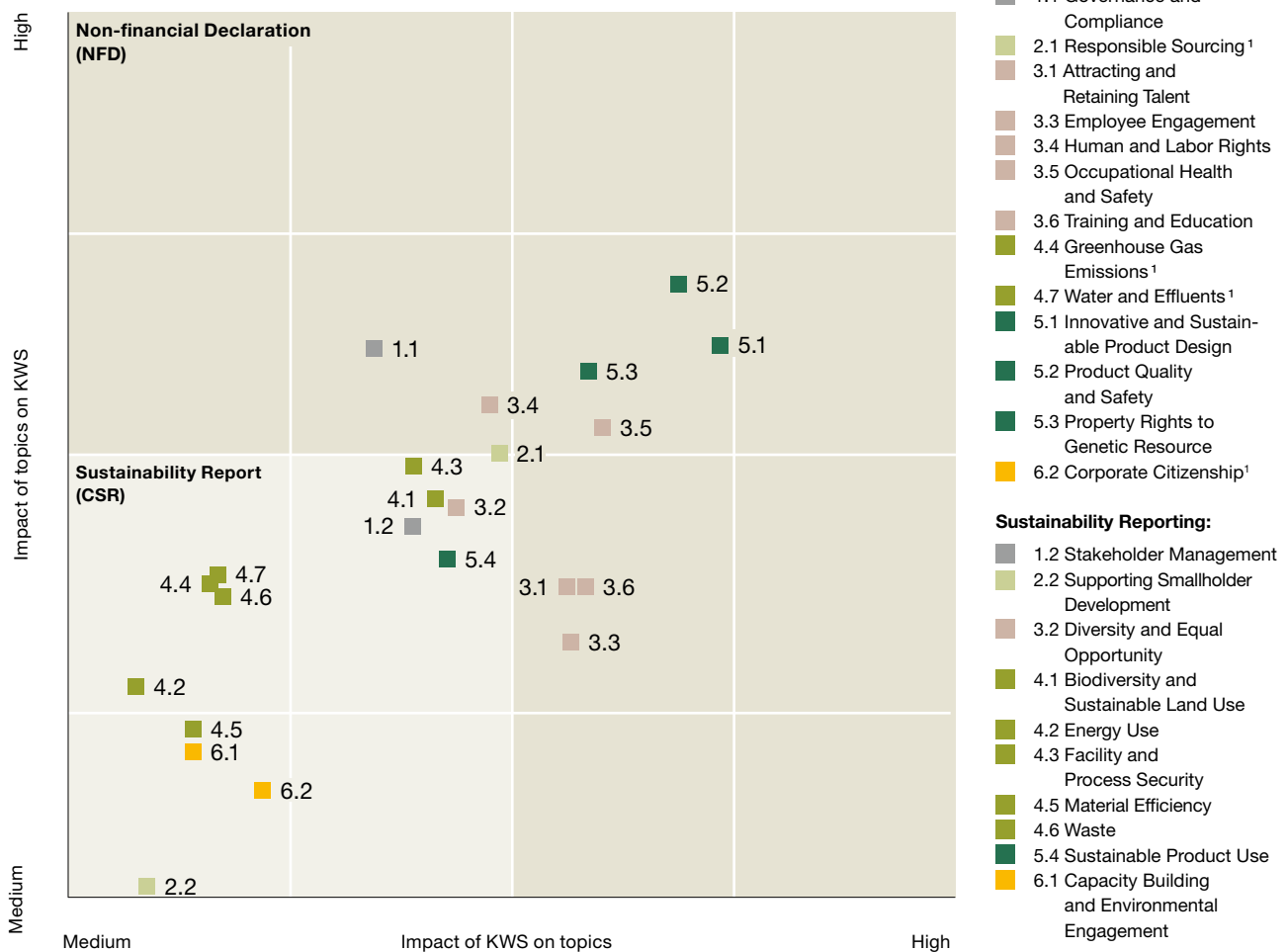
Report standard and issues

2-29, 3-1, 3-2

We updated our strategic planning as usual in the 2020/2021 reporting period. Among other things, it was used as the basis for defining the sustainability goals explained in the previous section, including new quantitative targets. We also determine the material topics in this report by means of a regular materiality analysis integrating internal and external stakeholders' views. The last materiality analysis was conducted in the reporting period (see the figure).

In our reporting, we are guided by the issues that have been identified as material and by the Global Reporting Initiative (GRI). In the reporting period, the topics identified in the previous year were reviewed and compared with the goals of our Sustainability Ambition. This resulted in a reassessment of the issue "6.2 Social Commitment," which was included in the non-financial reporting. Beyond that, there were no adaptations to the issues.

Materiality Analysis 2021/2022



¹ Management decision to include in non-financial reporting



In addition, the KWS Group has an obligation to report on non-financial issues in accordance with Sections 289b et seq and Sections 315b et seq of the German Commercial Code (HGB). In order to identify aspects that need to be reported in the Non-Financial Declaration, the relevant issues based on a GRI materiality analysis in fiscal year 2020/2021 were systematically reassessed to determine their impact on the environment and society and on the position of the KWS Group. The analysis was reviewed in the past fiscal year. As part of the Sustainability Ambition 2030, social commitment was included as a further material issue in our reporting. Further material issues were not identified. The subject areas of innovative and sustainable product development, product quality

and safety, emissions, water, occupational health and safety, recruitment and employee loyalty, qualification, further training and development, employee engagement, human and labor rights, business ethics and compliance, responsibility in the supply chain, use of genetic resources and social commitment are therefore defined as material within the meaning of the statutory regulations. These issues are likewise reported on in the Non-Financial Declaration contained in the Annual Report ([see the Annual Report, pages 43 et seq](#)).

The materiality analysis is conducted every two years, i.e., the next one is scheduled for the 2022/2023 reporting period.

List of material issues for KWS in accordance with the GRI

GRI Index no.	GRI Standard
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	Effluents and Waste
307	Environmental Compliance
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
412	Human Rights Assessment
413	Local Communities
414	Supplier Social Assessment
415	Public Policy
416	Customer Health and Safety
417	Marketing and Labeling
419	Socioeconomic Compliance



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 policy makers, 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 that, 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 Germany, KWS additionally attends the biennial German Agricultural Society's Field Days.

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





Apart from these Agricultural Forums, we have also established the Orange Agricultural Circles in southern Germany, at which we – as at the Agricultural Forums – provide farmers with specialist information for the current vegetation period.

**Side note: myKWS Agricultural Forums
– Online meeting place for agricultural
expertise**

This year we again broadcast the myKWS Agricultural Forums online – live and directly from KWS' studio in Einbeck. We held four different events filled with interesting short presentations and discussions. Feel free to check out the recordings! (German only)



[www.kws.com/de/de/beratung/
veranstaltungen/agrarforen/](http://www.kws.com/de/de/beratung/veranstaltungen/agrarforen/)

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 Innovations, and the International Institute for Beet Research (IIRB) and participate in the Committee for Field Phenotyping established by the IIRB. Together with scientists from various fields, this committee discusses possible future applications and research issues relating to the use of new field phenotyping technologies in plant breeding so as to use the results as the basis for new research strategies. In addition, KWS has for many years played an active part in the Bioeconomy Council, the independent advisory body to the German government, and – as a member of the “Climate Protection Companies,” an excellence initiative of the German business community in the field of climate protection and energy efficiency – has worked toward ensuring continuous, sustainable ecological development (www.klimaschutz-unternehmen.de).

**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. The function of “Global Lead Scientific Affairs” we created last year 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.

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) or as an active partner of Thought For Food (TFF), a worldwide non-profit innovation and cooperation platform for the future of global agriculture. We use our membership in the ISF and Euroseeds to represent the position of our industry, as was the case in relation to the International Treaty on Plant Genetic Resources for Food and Agriculture of the United Nations Food and Agriculture Organization (FAO). Our goals as an industry here are, among others, to modernize the Standard Material Transfer 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 (page 73).



Corporate Governance & Compliance

Controlling and management of the Company

2-9, 2-23

The five-member Executive Board 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 Carl-Ernst 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).

That 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

405/103, 405-1

At June 30, 2022, the KWS Group's Executive Board had five members, one of whom was a woman and four were men, and the Supervisory Board had six members, three of whom were women and three were men. The ratio of female members on the Executive Board was thus 20% and that on the Supervisory Board was 50%. The target figures set in 2017 in accordance with section 111 (5) AktG and section 5.4.1 DCGK for June 30, 2022 are 25% each for the Board of Management and Supervisory Board.

Hagen Duenbostel, CEO	Dr. Felix Büchting	Dr. Peter Hofmann	Eva Kienle	Nicolás Wielandt
<ul style="list-style-type: none"> ■ Corn China/Asia ■ Corn North America ■ Group Strategy 	<ul style="list-style-type: none"> ■ Research ■ Breeding ■ Global Human Resources ■ Farming 	<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 and South America

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

	Ratio on the Executive Board	Ratio on the Supervisory Board
Female	20%	50%
Male	80%	50%

**Executive Board and Supervisory Board members
by age group**

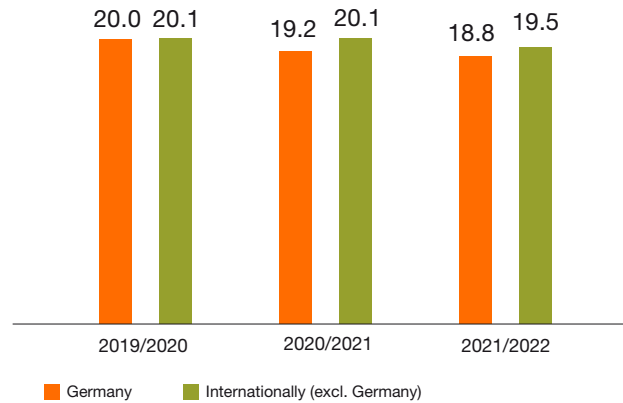
	Ratio on the Executive Board	Ratio on the Supervisory Board
Younger than 30	0%	0%
Between 30 and 50 years	40%	33%
Aged 50 and above	60%	67%

**Compensation of the Executive Board and the
Supervisory Board**

201/103

The remuneration 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 is disclosed in the separate Remuneration Report 2021/2022 on our website www.kws.com/corp/en/company/investor-relations/.

2-21

Manager to worker pay ratio¹¹ Excluding seasonal workers

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 18.8 (19.2) for all German companies in the reporting period. The pay ratio for the KWS Group was calculated with reference to the basic compensation and is 19.5 (20.1).

Compliance

205/103, 206/103, 307/103, 403/103, 412/103, 419/103

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, 205/103, 205-2, 206/103, 307/103, 403/103, 412/103, 419/103

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. That 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

205/103, 205-2, 412/103, 412-2

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, tool-kits, 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% (81%) of the total workforce has access to the Compliance Portal. In addition, all supervisors are obliged to inform their employees about compliance issues.

The entire system for compliance training and workshops was reorganized to enable the events to be held online due to global travel restrictions and home-office regulations. Large on-site workshops were replaced by numerous smaller online events.

In the reporting period, the e-learning course on anti-corruption and antitrust law was rolled out further and a total of 2,285 employees were additionally invited to participate.



Of these, around 1,658 (73%) had completed the course by the end of the reporting period. In addition, data protection training for employees at the EU companies was integrated in the e-learning program in the final quarter of the fiscal year. A total of 3,384 staff were enrolled for the training; 2,332 (69%) of the invited employees had completed it by the end of the reporting period. Further e-learning modules are being prepared and will be rolled out gradually.

Reporting violations of our principles

205/103, 206/103, 307/103, 403/103, 412/103, 419/103

If an examination or internal 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. Information can be sent to the platform in any required language. 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 and is also accessible to employees. 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, among other things. The sanctions consequently range from cautions and 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 individual 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 law relating to social, economic and environmental matters, or of our compliance principles, that would have resulted in disciplinary consequences or official measures such as fines were reported to the Compliance department in the 2021/2022 reporting period.

Our Code of Business Ethics is lived and breathed in interaction.





Responsibility in the Supply Chain

2-6, 204/103

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 a broad range of different materials for breeding, multiplying, processing and packaging our seed and for our administrative processes.

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

We buy in seed, seed multiplication, pesticides, fertilizer, packaging material and logistics services as direct materials and services. The related strategic suppliers are managed by a team of direct material experts.

Investments in production and breeding plant or laboratory equipment and other technical goods and services are supervised by a further team of experts.

A third team specializes in indirect services and materials with purchasing categories such as energy, office equipment and services in areas such as IT, consulting and marketing.

We have a network of around 28,000 suppliers worldwide. Our efforts to further centralize procurement are almost complete. This will enable consistent and standardized supplier management. In addition, pooling of procurement activities strengthens our purchasing power. Our central digital supplier management system has been, and will be still further, expanded with important investments in process digitization. Collaboration with our external partners will be simplified and made more transparent. Our goal is to continuously monitor suppliers' compliance with our business standards and, where possible, to screen potential business partners before significant business transactions are concluded with them.

Digitization improves transparency in supply chains.





Good business relationships with clear standards are important for us.

What we expect from our business partners

2-23, 203/103, 205-2, 206/103, 308/103, 403-7, 406/103, 407/103, 408/103, 409/103, 412/103, 414/103

We demand that our business partners ensure compliance with our business ethics. We expect our suppliers and service providers, their employees and 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 that, 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).

Observance of fundamental human rights is enshrined in our Code of Business Ethics for Suppliers. It contains requirements on compensation, the minimum age of employment, occupational safety, freedom of association and assembly, and equal treatment and non-discrimination of employees.

Other important components of the code are workplace safety, product safety, protection of the environment, anti-corruption and the requirement to ensure fair competition and protection of personal data and third-party know-how.

Our suppliers must sign the code before we enter into a business relationship with them; in doing so, they also 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 all the necessary data and facts 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 the reporting period.



Sustainable Management
at KWS

Product Responsibility

Environmental
Protection at the
Company

Social
Aspects

Social Commitment

Product Responsibility



Modern Plant Breeding

201/103, 203/103

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. That 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. That is why, as mentioned in the section “Sustainability Management,” 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. Research and development expenditure in the 2021/2022 reporting period was €286.4 million or 18.6% of total net sales.

Research & development expenditure

		2021/2022	2020/2021	2019/2020
R&D expenditure	in € millions	286.4	252.2	236.1
R&D intensity ¹	in %	18.6	19.3	18.4

¹ As % of net sales



Modern breeding methods allow new varieties to be developed in a fraction of the time that would otherwise be needed.

Modern breeding methods

2-26, 203/103, 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. Genetically modified plants can also be developed in this way. 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 are campaigning for European law to be amended in the medium term so that such innovative methods can also be used in agriculture in Europe. We therefore also welcome the study on the assessment of new breeding methods presented by the European Commission in April 2021. The results prove that they have the potential to contribute to a more sustainable food supply as part of the objectives under the European Green Deal and the Farm to Fork Strategy. In addition, the study identifies clear indications that the prevailing legal regulations are no longer expedient and need to be adapted to scientific and technical progress.

KWS is currently using genome editing to a greater extent in research and, as part of creating varieties with this technology, is evaluating, in particular, markets where these methods are not regulated like genetic engineering.

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. That makes the breeding process complicated 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 & 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 now use robots, cutting-edge camera and lighting technologies, and artificial intelligence and climate control methods in our greenhouses. That 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.



Product Quality and Safety

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. However, it is clear that progress must not come at any price. It is important to examine the potential risks of innovations. Every new technology might have unanticipated impacts on people and the environment. Taking precautions is therefore a responsible and necessary policy.

However, it is important to apply the precautionary principle in a balanced way. Lawmakers restrict the use of new technologies, among other things, on the basis of the precautionary principle. The fact that scientific findings are unverified may also be enough for certain innovations to be prohibited. That puts heavy demands on researchers and inventors. We therefore believe that an up-to-date scientific risk assessment and ensuring awareness of potential risks are vital requirements in a balanced precautionary approach.

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

Quality standards and quality testing

416/103

We want to supply top-quality seed to our farmers. KWS keeps on developing and establishing new technologies, processes and methods for improving product quality and safety. 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. The requirements and time of – as well as responsibilities for and documentation of – the tests and the measures to be taken in response to deviations are precisely defined. 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.

Our locations undergo regular certification based on our integrated management system. A decision to have our locations certified externally depends on the economic value added they contribute to the Company's success and is evaluated regularly.

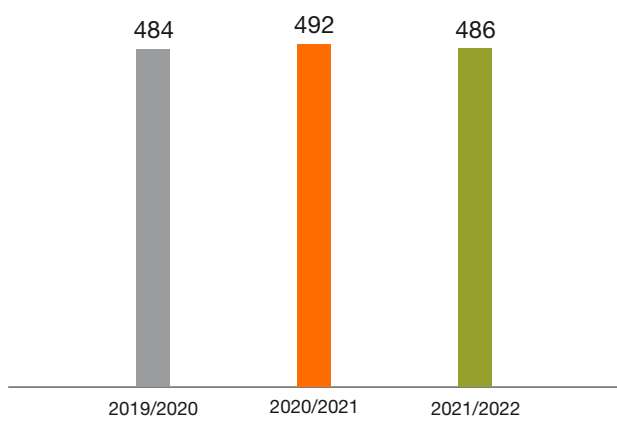
The majority of our German locations held ISO 9001 (quality management) certification at the end of the reporting period. Certification in accordance with ISO 14001 (environmental management) was previously confined to our Einbeck location, but was extended in the 2021/2022 reporting period to include all German locations that were likewise already certified under ISO 9001. Within KWS, various locations are individually certified in accordance with further standards, such as the Wohlde seed laboratory in accordance with ISO 17025, or GMP+ B3 for feed quality in relation to cereals. SeedGuard, which focuses on the proper use of seed treatments, is also an important industry standard. Seven treatment facilities in Germany currently hold SeedGuard certification.



Responsible use of genetically modified organisms has always been an important issue. KWS works in compliance with the international “ETS – Excellence through Stewardship” industry standard, which is tailored specifically to this field. Here, too, we apply our quality management maxim “plan-do-check-act”: Documented processes throughout the life cycle, training, defined quality controls, a network of local contact persons, internal and external audits, and a standardized approach to handling unforeseen events are key pillars of the system. The whole KWS Group has also been certified in accordance with this standard since 2015, and this certification was confirmed in 2022.

In particular, however, our products are also continuously monitored by the Company itself, public authorities or institutes, for example to ascertain the consistency of their 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 486 variety approvals in the reporting period.

Marketing authorizations for the KWS Group



Protection of the environment and health in the use of pesticides

304-2, 416/103

We use pesticides in our internal processes for operational reasons. They are used at KWS in particular in research & 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, rapeseed, corn and rye seed with biologicals since fiscal 2019/2020. Biological applications for further crops, such as sorghum, are being developed. In the reporting period, we submitted further applications for approval so that biological seed treatments developed by us can be offered in additional countries. We also expanded our screening capabilities to identify usable biologicals and supported the development of these sustainable applications in academic research partnerships.



Our transparency commitment and required product labeling

417/103, 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

416/103

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, semifinished 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 rolled out 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. That 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. All activities relating to seed quality are designed, coordinated and conducted by a multidisciplinary team. Our range of activities comprises not only basic research & breeding activities, but also practical projects, such as optimization of agricultural technologies used in seed multiplication and further development of process engineering in the areas of processing and pelleting. One of the focal areas of research is to develop and utilize new or alternative methods for improving seed quality. KWS cooperates with universities and other institutes in some of the projects.

The responsible departments were not aware of any violations of statutory health and safety standards in the reporting period.





Intellectual Property

201/103-2

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, it 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.

The KWS Group is therefore actively involved in licensing platforms that ensure fair access to patented elements. In the field of vegetables, KWS is a member of the International Licensing Platform Vegetable (ILP), which grants its members free access to commercial varieties for breeding, as well as guaranteed licenses for traits at fair conditions. A group of companies including KWS is currently developing a platform that is basically similar for all crops specified in the CPVO catalogue, namely the Agricultural Crop Licensing Platform (ACLP), and it will be implemented this year.

Use of plant genetic resources

411/103, 411-1

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 in this regard and supports the various international access and benefit-sharing frameworks. 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 is particularly relevant to regulating the transfer of genetic resources. 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.



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. In addition, new employees are offered training, and an annual seminar is held for all the employees involved. 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.

No deviations were identified as part of the above due diligence process in fiscal 2021/2022. As part of the Breeding Information Circle, KWS has begun 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 & 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.

Soil: the basis of all KWS' activities and source of genetic diversity.





Sustainable Management
at KWS

Product Responsibility

Environmental
Protection at the
Company

Social
Aspects

Social Commitment

Environmental Protection at the Company



Whether in relation to the supply of energy or other processes, health, safety and protection of the environment are always vital concerns.

Environmental Management at KWS

302/103, 303/103, 304/103, 305/103, 306/103

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.

We keep on developing our HSE management system further and regularly update it and add new aspects and elements. For example, the HSE Guidelines were revised in the past reporting period in relation to KWS' sustainability goals, and managers were also assigned greater obligations in this regard. In addition, two new procedures on the topics of entrepreneurs' and operators' duties were rolled out in Germany as accompanying documents to the HSE Guidelines. In particular, comprehensive compliance with operators' duties is a key component in relation to environmental management.

Control of our HSE stipulations in relation to the environment

302/103, 303/103, 304/103, 305/103, 306/103

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 the reporting period, the Einbeck location was awarded the HPR (Highly Protected Risk) status by our non-life insurer. KWS thus meets a very high industry standard in terms of the protection of property and its emergency organization at this location.

In addition, HSE audits are carried out as part of internal quality management. After the first internationally planned audits had to be canceled in 2020/2021 due to the pandemic, ten HSE audits were conducted in fiscal 2021/2022.

Outside our HSE management system, there are also further audit and control systems that likewise minimize environmental risks (see the previous section). 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/.



Emissions and Resource Management

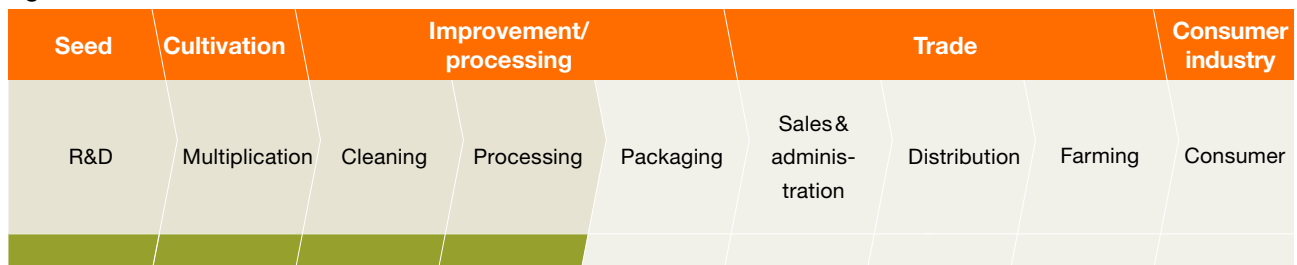
302/103, 303/103, 303-3

As a seed company, KWS is part of the agricultural value chain. For production-related reasons, seed development, multiplication and processing account for a significant proportion of the resources the Company uses. KWS uses cold storage cells in sugarbeet research and development to simulate cold weather dormancy, while an important factor in seed multiplication 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.

We have recorded key consumption indicators for all German locations since fiscal 2008/2009. That process was internationalized in fiscal 2017/2018 and has been continuously expanded since. The internal materiality analysis we conducted in fiscal 2019/2020 focused on the Company's own emissions and water consumption, among other things. As part of its Sustainability Ambition 2030, KWS rolled out scorecards for evaluating internal production sites, including the processing plants and internal seed multiplication areas, and has already analyzed them for some locations. Our goal is to leverage greater transparency on our production sites in the future, in order to support the choice of sustainable locations and investment planning. New approaches and developments are presented to the Executive Board and discussed as part of the Sustainability Ambition 2030. In addition, the Executive Board and Supervisory Board are informed about progress in sustainability management as part of annual reporting. The quantities of the resources we use fluctuate from year to year since they depend on our production volumes and on external factors such as weather conditions or, in the case of pesticides, the occurrence of diseases and pests (see also Protection of the environment and health in the use of pesticides on pages 34).

Agricultural value chain



■ KWS activities with high water and energy consumption



Energy & emissions

302/103, 305/103

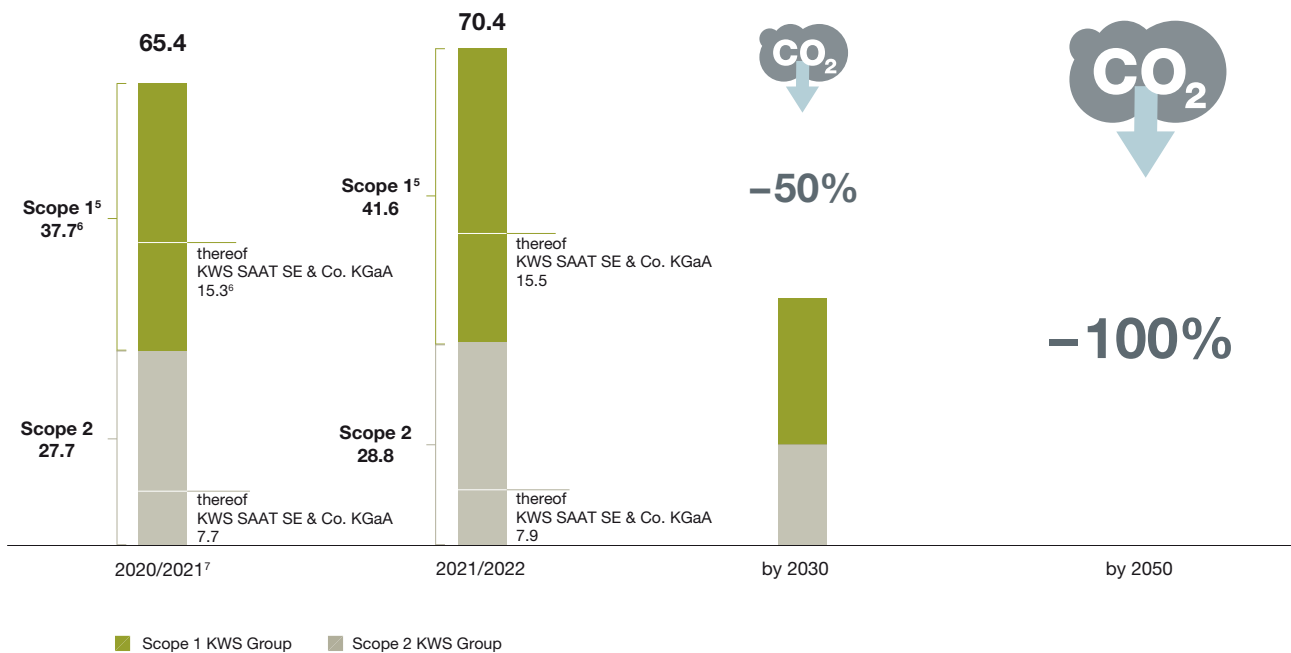
In fiscal 2020/2021, we defined quantitative targets for continuously reducing the emissions caused by KWS: The Company aims to reduce all Scope 1 and Scope 2 emissions it causes by 50% by 2030. The goal is then to cut them to net zero by 2050 in accordance with current, science-based standards. The base year for that is the past fiscal year 2020/2021. The Company aims to move ahead and expand the target to include Scope 3 emissions, which are attributable to purchased goods and the use of services, for example.

Scope 1 emissions are produced directly through the use of resources (such as combustion of gas or emissions from fertilizing fields). Scope 2 emissions, on the other hand, are caused indirectly by the purchase of energy, district heating and district cooling. All emissions are recorded worldwide and consolidated centrally. This covers all companies in which KWS owns a stake of more than 50%, with the exception of holding companies. In the current fiscal year, emissions caused by the application of fertilizer by KWS were included in data collection.

Total emissions in the fiscal year 2021/2022 were 70,388 (65,398) tons of CO₂e, of which the parent company KWS SAAT SE & Co. KGaA produced 23,443 (22,979) tons.

305-1, 305-2

Emissions¹ of the KWS Group and the KWS SAAT SE & Co. KGaA² (in tons of CO₂e)^{3,4}



1 Calculation according to Greenhouse Gas Protocol using the site-specific method. Compliance with the Greenhouse Gas Protocol not given, as the emission factors used also take into account emissions from upstream and downstream value chain activities.

2 As a rule, the emissions relate to the fiscal year. In individual cases, the consumption figures for the calendar year were used due to lack of availability.

3 According to Ecoinvent cut-off 3.8 – IPCC 2013-climate change-GWP 100a-(kg CO₂-Eq) per 1 unit of reference product

4 Total emissions also include emissions from biomass.

5 Emissions from fertilizer were calculated in accordance with the "Metodologia do GHG Protocol da agricultura" (https://ghgprotocol.org/sites/default/files/standards_supporting/Metodologia.pdf).

6 Emissions from fertilizer application were included for the first time this year, and the previous year's figures were adjusted accordingly.

7 Errors in the previous year's figures corrected



305-1, 302-1

Use of energy

In fiscal year	2021/2022	2020/2021
Total energy used	1,165,569	1,093,662
Renewable energy sources		
Corn cobs	128,007	103,276 ³
Biogas	93,080	107,404
Wood chips	14,058	25,166
Solar	1,932	1,352
Ethanol ¹	1,136	989
Non-renewable energy sources		
Natural gas	339,786	297,230 ³
Electricity ²	233,139	212,294 ³
Diesel ¹	183,261	182,020 ³
Liquefied petroleum gas ¹	95,401	86,026
Gasoline ¹	49,123	37,740 ³
Propane gas ¹	21,113	32,789
Fuel oil	2,762	5,009
District heating	2,771	2,329
CNG ¹	0	38

¹ Including leased vehicles and agricultural machinery

² Country-specific electricity mix

³ Correction of the previous year's figures due to recording errors

adopted guidelines stating that the use of renewable resources in construction projects must be examined so that, for example, the use of groundwater can be reduced further. We also use rainwater for the sanitary facilities at our Einbeck location.

Alongside water consumption in offices and research buildings, the highest levels of fresh water are used in watering the plants at our trial and multiplication locations. This is necessary so as to create the best-possible conditions for healthy seed and ensure a high yield in multiplication. The water we need is taken from local water supply networks or, if possible in a region, we use groundwater, surface water or rainwater.

It is unlikely that we can minimize absolute water consumption long term, given our growing business activity and the strong variable influences of external factors (such as the temperature or precipitation). We are currently recording and consolidating our global water consumption. Development of a normative key performance indicator and suitable auditing systems was discussed by the Executive Board in the 2020/2021 reporting period and we are striving to implement them in the future.

303-3

Water

303/103, 303-1

Water is an important business resource for us as a seed specialist and plant breeder. It is vital in every phase of seed production – from research to the finished product that is ready for sale. We believe it is our obligation to maximize efficiency and eco-friendliness in consuming water. Apart from our HSE Guidelines, the HSE Manual specifies that we aim to work in a way that conserves resources and to avoid process-related effluents as far as possible. In the 2019/2020 reporting period, KWS also

Water consumption

In m ³ (internationally)	2021/2022	2020/2021
Total water consumption	1,010,659	881,782
Tap water	86,174	130,517
Water from wells/ groundwater	788,490	409,689
Cistern water/rainwater	3,603	3,376
Surface water	132,392	338,200
Seawater	–	–



Waste and effluents

303/103, 303-2, 306/103

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. Waste is, in accordance with its composition, recycled by suitable internal or external means or disposed of in an approved manner.

In principle, we dispose of waste and effluents at all our locations 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:

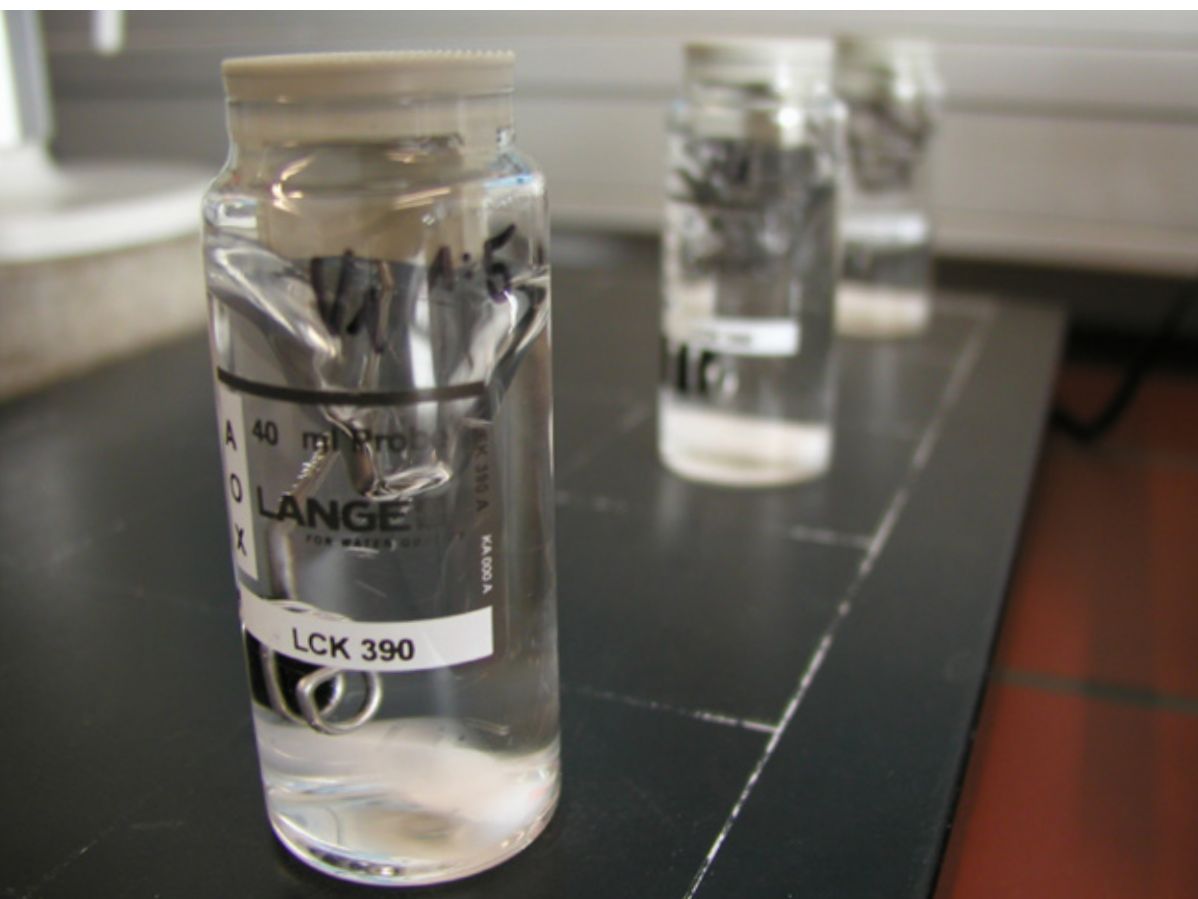
- The recording of data on and discharge and disposal of effluents and surface water from the Company campus is ensured by constructional and organizational measures.

- 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 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.

Testing and treatment of effluents: a key element in water management at the Company.





Resource-conserving Products

304/103, 304-2

As a company specializing in seed production, we can influence biodiversity in agriculture for the long term with our products and services, wherever farmers grow plants with our seed and make use of our consulting. By continuously improving our seed and thereby enabling yields to be increased on existing agricultural land, we help minimize the use of agrochemicals and the natural resources required, reduce agricultural emissions and preserve near-natural areas.

Apart from the core breeding objective of increasing our varieties' yield, we also strive to develop variety traits that reduce the resources needed. These requirements were defined in concrete objectives as part of our sustainability strategy in this reporting period. They include nutrient efficiency, drought tolerance and a variety's resistance to pests and diseases. The crop-specific development objectives are agreed annually between Research, the respective breeding departments, Production and Sales, submitted for the Executive Board to be decided on and reported to the Supervisory Board. The progress made over the past years is also examined and reported on regularly as part of that.

Biotic resilience thanks to catch crops and mixed cropping

304/103, 304-2

We make a positive contribution to biodiversity with our diversified product portfolio, for example our catch crops, mixed cropping solutions and high-performance varieties, including 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.

Biodiversity through seed for organic farming

304/103

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. As part of that, we hired new personnel with specific expertise in organic farming for our breeding activities and for our trial technology. 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

203/103, 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.

KWS' mission is to ensure a reliable crop yield using plants that have resource-conserving traits. These traits range from resistance to diseases (which means less pesticide is required), formation of specific tolerances (resulting in less need for fertilizer and water where there are exceptional prevailing soil and weather conditions), to the use of alternative means of treating seed so as to save resources during the production process.

With that goal in mind, KWS has launched the PILTON wheat project together with 54 other plant breeding companies. The project's objective is to examine what benefits new breeding methods deliver for resource-conserving and productive agriculture, and specifically to evaluate the potential for reducing the use of pesticides.

In the past years, we have also worked intensively on rye ergot resistance and added further pollen shedding genes to our PollenPlus technology through breeding. The result is varieties such as KWS GATANO or TREBIANO, which exhibit greatly increased pollen shedding and therefore have exceptionally good ergot resistance. Our success has also been confirmed by KWS TUTOR, a variety that gained approval in 2021. It impresses with one of the best ergot resistances compared to the other varieties examined in official tests. Ergot resistance for rye farmers will probably become a further focus in the coming years. The EU Commission will reduce the maximum permissible levels of ergot sclerotia and alkaloids for rye intended for consumption beginning in 2024, the objective of which is to significantly improve food safety. We therefore expect increasing demand for rye varieties with very high ergot resistance. In order to be able to address such a trend sustainably, we will further increase the proportion of rye hybrids with greater pollen shedding in our portfolio in the coming years.

The infestation pressure from Cercospora is also very high in many regions where we are enjoying market success with CONVISO® SMART varieties. To enable farmers who are convinced of the benefits of the CONVISO® SMART system for controlling weeds to leverage our Cercospora-resistant CR+, too, we are now combining both technologies in one product. Initial variety candidates with both traits have already been developed and will be tested for the first time in official approval trials in 2022. The CR+ sugarbeet varieties offer maximum leaf health and a very high level of performance on fields where there is heavy or light infestation pressure from the phytopathogenic fungus.

A further important approach in enabling sustainable agriculture is the use of biostimulants and pesticides of natural origin, termed biologicals. They include microorganisms such as fungi and bacteria, as well as various substances that are obtained from plants or microorganisms and have a positive effect on plant growth. A special method enables us to make biologicals long-lasting when used as a coating to gently treat the seed of many crops. After the crops have been sown, the microorganisms multiply at the roots, establish themselves in the soil and create favorable growth conditions for the plants. That can demonstrably strengthen crops' growth, especially under stress conditions, or increase their resistance to pests. We now treat sugarbeet, rapeseed, corn and rye seed with biologicals. Biological applications for further crops, such as sorghum, are being developed. KWS also expanded its screening capacities to identify usable biologicals and is supporting the development of these sustainable applications in academic research partnerships. We continued to press ahead with gaining approvals for internally developed biological seed applications in the 2021/2022 reporting period, so that these treatments can be offered in further countries.



From the field to the finished product: digitization and automation play an important role.

Digitization and automation at KWS

Digitization is penetrating more and more areas of our research and development work. 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. 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 – and that entails quite a logistical effort. Cutting-edge harvesting systems can help make this harvesting process much more efficient.

KWS developed its first mobile laboratory for sugarbeet more than 15 years ago. Although the Beet-Mobil was not yet able to harvest the beets, it was able to process them directly on the trial field for analysis. KWS PUMA, our latest-generation harvesting system, integrates all work operations – from grubbing to analysis – in a single process. The high-tech system is able to harvest two plots simultaneously, process the beets and analyze them immediately using an NIRS method developed by KWS. There is no faster way to provide data to the breeders.



Sustainable Management
at KWS

Product Responsibility

Environmental
Protection at the
Company

Social
Aspects

Social Commitment

Social Aspects





Labor and Social Standards

403/103, 405/103, 406/103, 408/103, 409/103, 419/103

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

Some 92% (Germany: 89%) of our employees throughout the Group had a permanent employment contract in the reporting period.¹ KWS also employed 1,526 seasonal workers in harvesting and 27 external employees and temporary workers. The conditions for using temporary workers, as a flexible and complementary HR tool, are defined in company agreements or, where that is not the case, are governed by individual contracts. Seasonal workers are especially important for KWS, since they do an important part of the work in the field, such as harvesting. Some seasonal workers are employed directly by KWS, while others are hired from agencies. The length of time they are employed for may vary depending on their task area.

¹ Excluding all employment relationships with seasonal workers

2-7

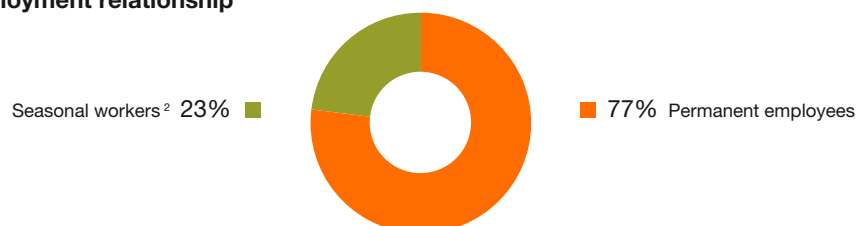
Employees by type of contract

Ratio of women/men/non-binary persons (in %)	2020/2021 Permanent	2020/2021 Temporary	2021/2022 Permanent	2021/2022 Temporary
Full-time	31/69/0	45/55/0	31/69/0	45/55/0
Part-time	79/21/0	56/44/0	79/21/0	56/44/0
Seasonal workers ¹	31/69/0		32/68/0	

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

Employees by employment relationship

6,646 employees¹



¹ Average headcount

² No distinction is made between permanent and temporary seasonal workers.



Internal dialogue and collective representation of interests

407/103

Open and trusted dialogue is of great importance at KWS globally. The respective elected national employee codetermination bodies, the relevant trade unions and management teams work together in this spirit and are engaged in regular and close dialogue. 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. This cooperation is open, is based on treating each other as equals and has proven its great value from the perspective of both the employees and the Company's management.

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

Employees by region¹

Number of employees 5,120



Employees by function¹

Number of employees 5,120



¹ Excluding trainees, interns and seasonal workers

Demographic data

2-7, 405-1

In the reporting period, the KWS Group employed an average of 5,120 (4,833) people worldwide (without seasonal workers), a year-on-year increase of 6%.

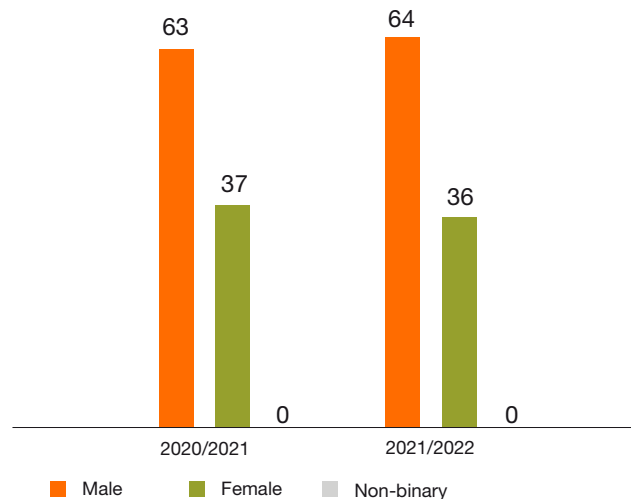
A total of 2,294 (2,201), or around 44.8% (45.6%) of the workforce, were employed in Germany. Once again, the area that accounted for the most employees was Research & Development, which made up 35.8% (34.5%) of the total workforce.

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

405-1

Employees by gender¹ in %

Average number of employees: 6,646



¹ Average headcount including participants in training programs



2-30

Employees by age group¹

KWS Group	2021/2022	2020/2021	2019/2020
< 30	18.3%	20.5%	20.3%
30–50	60.8%	58.5%	58.6%
> 50	20.9%	21.0%	21.0%

Germany	2021/2022	2020/2021	2019/2020
< 30	18.0%	21.8%	19.9%
30–50	57.9%	54.6%	55.6%
> 50	24.2%	23.6%	24.5%

¹ Average headcount excluding seasonal workers

Diversity and anti-discrimination

405/103, 406/103

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, not only in product development and marketing, but also in developing the potential of all employees. Diversity encourages creativity and innovativeness and strengthens our understanding of different cultures. Diversity and building our intercultural skills enable us to operate successfully and grow further in other regions and markets around the world. Diversity and an inclusive corporate culture have a positive impact on KWS' economic success. The principles of diversity also define how we assemble our teams, develop managers, and create and preserve a company that respects every single person.

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 gender, 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 also Corporate Governance & Compliance on pages 23 et seq). We work continuously to further strengthen diversity at the KWS Group.

Fair compensation

2-30, 405/103

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%.



Side note: Collective bargaining at KWS 407/103

The newly negotiated company collective bargaining agreement between the construction, agricultural and environmental workers' union Bauen-Agrar-Umwelt (IG BAU) and KWS SAAT SE & Co. KGaA came into effect on July 1, 2021. In this context, various regulations have been successively revised and adapted to the current requirements of the labor market. They include, in particular, regulations on working hours, vacation, business trips and semi-retirement. With the exception of the regulations on semi-retirement, they came into force in the current reporting period.

By far the biggest change here was the redesign of working time accounts, which focused on greater flexibility, but also on protecting employees and enabling appropriate times for rest and recuperation. The transition period ended on July 1, 2022, at which time all time accounts were replaced and switched over.

Women in management positions

405/103, 405-1

We aim to promote diversity at all levels of the KWS Group. In 2017, the Executive Board defined target figures for the ratio of women in the two management tiers below it and the date by which they must be achieved in accordance with Section 76 (4) of the German Stock Corporation Act (AktG). They are a ratio of at least 15% in management tier 1 (top management) and of at least 10% in management tier 2 (senior management), which must be achieved by June 30, 2022.

At June 30, 2022, the ratio of female employees in management tier 1 had increased year over year from 16.7% to 21.1%. The figure in management tier 2 rose from 23.7% to 27.6%. As at the end of the 2020/2021 reporting period, the current ratios for women are therefore above the target quotas we adopted.

We are currently establishing a means of ascertaining international key figures on diversity for further parts of the organization and plan to report on them in the coming reporting periods.

Family-friendly spirit

405/103

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.

The work of production employees is of a highly seasonal nature and they must also work directly on-site. Mobile working is therefore not possible for them in principle, nor can we offer them flextime models during the season. However, production employees can gradually reduce the hours they have accumulated in their account during the season by taking leave after the campaigns have finished.

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 9% of our employees worldwide (Germany: 20%) worked part-time in the 2021/2022 reporting period.



Recruitment and Qualification

401/103, 404/103

KWS is one of the world's leading seed companies, has a global footprint and continues to grow. It is therefore particularly important for us to recruit and qualify suitable employees. We take local differences and requirements into special consideration when implementing our global recruiting strategy.

Our Human Resources department has developed diverse programs, initiatives and measures to recruit and develop the right colleagues for KWS. A standard global recruitment process was created, for example, and a global recruitment team was established and uses the latest recruiting platform SAP SuccessFactors. We aim to ensure excellent recruitment with our selection process and with the tools and standards we use in it and also leave candidates with a very good initial impression of KWS as a potential employer.

Keeping employees with our company is very important for us. Our goal is therefore to continuously measure employee engagement in the future in order to identify

Closeness: one of our four core values that we also practice in interaction with each other.

action areas based on the results and to develop measures that will help to further strengthen employee engagement. Our mission is to create the right conditions for them in every phase of their employment. As part of onboarding, for example, we attach great importance not only to introducing new employees to their field of work and assignments, but also communicating the Company's values. With this goal in mind, we have developed the "Local Ambassador Program," which is used worldwide. Our "Local ambassadors" are experienced, committed employees who organize the local induction events, accompany our new colleagues in their first days and weeks, and act as contacts for any questions they may have, so that they can feel at home with us from day one. Parts of our onboarding process, such as the monthly induction events in Berlin or Einbeck, were held virtually during the COVID-19 pandemic. In addition, a multi-day International Onboarding and Networking Summit (IONS) is held once a year specifically for managers who are new to the Company or are promoted from their previous position to a management role. Participants gain extensive insights into all areas of the Company, including the corporate and unit strategy, as well as the opportunity to network with each other and with top management.

Development of global networks

2-29, 401/103, 404/103

Establishing networks and nurturing contacts with relevant professional groups are key elements of our recruiting strategy. We use digital and traditional channels to reach out to potential applicants. That enables us to address each target group specifically, for example on social networks such as LinkedIn, XING, Glassdoor, kununu and Facebook. As a result, we were able to increase the number of our direct followers by staging targeted campaigns (in Berlin, for example) and actively publishing job advertisements on these networks. Apart from using common digital channels, we continued to take part in virtual career fairs in fiscal 2021/2022. That gave students the chance to participate in online presentations and workshops and chat directly with employees.





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 & 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. That also allows us to present ourselves as an attractive employer to the next generation of career starters.

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.

Vocational training and induction programs

401/103, 404/103

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. A bus emblazoned with KWS' characteristic orange color and bearing the message "Training at KWS" toured the Einbeck and Northeim district for six months in the

past reporting period. We aimed to persuade the young target group to apply to the Company with the advertising slogan "Pflanz Dir Deine Zukunft" ("Plant Your Future") and the hashtag #AusbildungbeiKWS ("#TrainingAtKWS"). These target group-specific HR marketing activities are supported with social media posts on many relevant platforms such as LinkedIn, Facebook, Instagram, YouTube and TikTok.

In order to reach high-potential individuals for KWS at an early stage, a new graduate program for a carefully selected group of talents entering the labor market for the first time was initiated in October 2021. The two-year program has two paths: the commercially oriented Growing into the Future with its four six-month rotations in various business and functional areas, and the research-focused Growing with Science, in which participants spend twelve months within research and four three-month rotations in research-related units. Both paths include at least one international rotation. The program will be continued in the future.

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 3% for our German locations.

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

Participants in training programs in Germany

Annual average across all quarters	2021/2022	2020/2021	2019/2020
School students	9.0	18.2	18.0
Apprentices	89.0	76.2	77.0
Interns	31.8	22.8	22.5
Trainees	5.0	7.3	7.5



Continuous qualification for all

404/103, 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. We have implemented various central and local development programs aimed at specific target groups to tackle that challenge. Tailored continuing education measures are defined in annual performance and career development reviews, which employees hold together with their manager.

In addition to the individual performance and career development reviews between employees and their managers, we continued our global talent and successor management process in the reporting period. As part of this, we identify talents up to the fourth tier and critical positions up to the third tier below the Executive Board, in order to ensure that functions that are critical to KWS' success are (re)filled. The Orientation Center (OC), an intensive evaluation of potential successors for senior management posts, was held annually up to the outbreak of the pandemic, but was suspended in the reporting period due to COVID-19. The concept of the Orientation Center was revised in the current fiscal year and it will be staged again at shorter intervals starting in September 2022.

Our diverse range of education and development offerings is continuously optimized and supports various learning objectives. Apart from knowledge transfer in various subject areas and language courses, intercultural training, the development of soft skills and international development of (junior) executive staff are gaining in importance, for instance.

To support the further transition to our GLOBE target structure (Global Business Excellence) for administrative functions and the related implementation of the role of Business Partner, we initiated a Business Partner Academy for KWS Business Partners in all functions in October 2020 and continued it in the reporting period. The Business Partner Academy 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. Approximately 70 Business Partners have participated in the academy's various modules since the program was launched in October 2020. We intend to continue focusing on qualifying and developing our employees and managers in the future and will expand our training portfolio nationally and internationally to enable that.

Qualified leadership

404/103, 404-2

In the International Development Program (IDP) we give identified high-potential individuals the opportunity to gain experience through cross-functional project work in an international team and to develop their management and leadership skills. The established development program was expanded in the past fiscal year to include a refined selection process using interviews and psychometric tests specifically tailored to this group. This enabled more pinpointed selection of the final participants. The accompanying events were held virtually and in person in the reporting period.

We are particularly committed to having all employees receive qualified leadership and support from their managers. KWS' existing competence model, which defines the core competencies of managers, was developed further in a participatory process over the past two years by means of interviews and an employee survey and renamed the "Leadership Capability Model." Rollout of the new model is scheduled for fiscal 2022/2023. The objective of the enhanced model is to support continuous development of the whole organization against the backdrop of an increasingly agile and dynamic working world and also to reflect the skills that are additionally required.



We are also continuously expanding the management development program we launched at the end of 2018. The new module “Leading Leaders” for experienced managers was rolled out in May 2022. Around 95 participants completed either the basic module “Leading Self” or the module “Leading Individuals” or began the “Leading Leaders” module in the current reporting period.

The management development program launched in October 2020 specifically for managers in our research & development organization was expanded further and continued. It allows them to acquire management skills that promote innovation and flexibility in developing solutions. Around 200 managers are to take part in the program over a period of three years. Its contents include issues such as feedback and innovation culture, leadership in uncertain times and conflict management.

Further development of HR activities

404/103

Since the end of 2019, a project team has been tasked with implementing the SAP learning management system “SuccessFactors Learning,” which we rolled out at our German locations in the previous reporting period. Internationally, the system has also been rolled out in the UK, Switzerland, Austria and Scandinavia so far. We plan to roll it out to other international locations moving forward. The system pools all our training offerings on a permanently available online platform, and enables regular expansion of the offering, and will thus be available to all our employees worldwide.

Long-standing trust of our employees

401-1

The average length of service of employees at the Group level is approximately nine years, which shows that our employees feel at home at KWS and are satisfied with us as an employer. Globally, the rate of employee turnover was 9.9% and the rate of new employee hires was 17.1% in the reporting period.

401-1

Employment details for our workforce¹

Average for the year		2021/2022	2020/2021	2019/2020
Rate of new (in %) ²	Globally	17.1	11.1	8
Rate of employee turnover (in %) ³	Globally	9.9	9.6	9.5
	(Germany)	(6.7)	(5.8)	(4.6)
Length of service (in years)	Globally	8.9	9.0	9.0 ⁴
	(Germany)	(11.0)	(11.2)	(11.6) ⁴

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 Correction to the previous year's figures from the 2019/2020 Sustainability Report



Occupational Health and Safety

403/103, 403-1

KWS aims to ensure that all employees have a safe and healthy working environment. Our HSE management system (see Environmental Management at KWS on page 39) 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.

Side note: Update on pandemic management

403/103

In the reporting period, KWS continued with the pandemic management activities it initiated in the years before. In order to protect our employees' health, measures appropriate to the local situation are in place at all locations worldwide. Apart from local statutory requirements, we also continue to implement uniform internal regulations, such as on international travel. Our regulations are developed and communicated on an ongoing basis because of the large differences in the pandemic's progression in the various regions.

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 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 a key pillar in protecting the health and safety of our employees.

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). Their meetings were held online in fiscal 2021/2022 due to the ongoing pandemic.

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 will still take some time. It has been available in initial countries since the reporting period.

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. Under the slogan “Creating Awareness,” a fitness studio accompanies entire departments and specifically helps in preventing and reducing incorrect posture that may arise as a result of desk jobs or heavy physical work in production, for example.

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

Work safety incidents and days lost in the reporting period

403-9

We introduced central recording of occupational accidents at the KWS Group for the first time in the reporting period 2020/2021. As part of that, we rolled out a process with the objective of gaining a high level of transparency on the number of accidents and days lost in all areas of the Company. All occupational accidents and work-related injuries and illnesses from all areas of the Company worldwide are recorded. That also covers temporary employees, such as our seasonal workers.

Worldwide, we recorded a total of 132 work safety incidents in 11 countries; they resulted in 1,536 lost days. An average of 20 days were lost per incident. We regret to report that we lost one of our colleagues in Chile at the end of April in a serious work accident during the removal of storm damage. KWS’ accident rate (OSHA incident rate) was 1.2 in the fiscal year.

403-9

Work safety incidents and days lost¹

	2021/2022	2020/2021
Work safety incidents	132	229
Of which lost time incidents	76	105
Of which fatalities	1	1
Total days lost	1,536	1,594
Average number of days lost per incident	20	15
Countries where accidents are documented	11	11

¹ Excluding all employment relationships with seasonal workers



Sustainable Management
at KWS

Product Responsibility

Environmental
Protection at the
Company

Social
Aspects

Social Commitment

Social Commitment





Management Approach

413/103

We also shoulder responsibility outside our direct business activities and thereby propagate our corporate values – such as farsightedness, proximity and reliability – beyond the Company and to society. In this way, we want to make an active contribution to solving social problems.

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

The focus of its supraregional social commitment is on activities and knowledge transfer in the field of natural and agricultural sciences, with the goal of helping to solve current and future problems relating to agriculture and food security. The focus of our regional commitment is on promoting the mostly rural regions around KWS' locations and thus making them more attractive, which is intended to benefit our employees and the local population alike. Defined fields of activity for our regional commitment are regional structural support, education, art & culture, social welfare, health & sports. In addition, the culture of social diversity and openness as well as the encouragement of children and young people are issues that are particularly dear to our heart. The situation in Ukraine required special attention following the outbreak of war with Russia in February 2022. For example, accommodation for employees' families was organized internationally under central supervision as part of the Company's internal risk management system.

In fiscal 2021/2022, KWS spent around €1.3 million¹ – or approximately 0.8% of its operating income (EBIT) – on its social commitment worldwide. Of that sum, approximately €0.7 million was spent on donations and development programs in Peru, Ethiopia and Zambia and €0.6 million on sponsorship activities.

Organization of our social commitment

201/103, 201-1, 413/103

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

In addition, Research & Development is responsible for awarding, administering, budgeting and handling university scholarships, subject-specific donations and sponsorship. The relevant departments and segments are responsible for budgeting and administering other subject-specific sponsorship.

On the basis of past experience and foreseeable projects, the budget for our social commitment is planned in coordination with the Executive Board. The latter then decides every year on the budget available for the next reporting period.

Internal guidelines

413/103, 415/103, 415-1

Internal guidelines on the awarding of funding have been published. They stipulate that organizations can receive funding from KWS once in a reporting period. The following are excluded from receiving funding or other non-commercial assistance from the Company: private persons, organizations and companies that have a close business relationship with KWS or ones that discriminate on the basis of, among other things, gender, gender identity, sexual orientation, disability, age, ethnic or geographic origin or support illegal activities. Support for religious interest groups is permissible only if such assistance is not used to pursue inherently religious purposes, such as missionary work. In principle, we also do not provide funding to political parties or politicians.

In the current reporting period, we staged workshops on the subject of communication to review our regional fields of activity and to further disseminate the standards within the Company.

¹ Does not include KWS Peru S.A.C., KWS Maroc S.A.R.L.A.U., Kant-Hartwig & Vogel GmbH, KWS Vegetables Italia SRL a Socio Unico and KWS Vegetables Mexico S.A. de C.V.



Supraregional Commitment

As an international, innovation-driven company, the issues of education and science are particularly important for us. We wish to make a lasting contribution by promoting forward-looking projects and initiatives and by encouraging young researchers and scientists. For example, KWS continuously supports various scholarship programs and maintains various initiatives in the field of development cooperation.

Scholarships and knowledge transfer

Global Human Resources at KWS Berlin GmbH supports university students who demonstrate very good academic achievements and also show their social commitment by awarding ten scholarships in Germany each year. The goal of this financial support is to enable young people to focus on both their studies and community involvement.

KWS LOCHOW GMBH has awarded the KWS Ferdinand von Lochow Scholarship every year since 2015 to young and committed agricultural science students. It is offered at Osnabrück University of Applied Sciences, the Martin Luther University of Halle-Wittenberg and the University

of Hohenheim. The primary purpose of the funding is to provide agricultural education and training as a means of kindling an entrepreneurial spirit among young talents.

The Plant Research unit at Einbeck supports scientific congresses and conferences that promote scientific discourse on the latest research. In addition, up-and-coming scientists are supported through scholarships. The Company currently participates in 30 doctoral projects. Knowledge transfer and sharing of advances in basic research play an important role in the programs, with young scientists in particular being given the opportunity to discuss ideas and rub minds.

KWS Cereals in the U.S. supported the Plains Nutrition Council Conference in the reporting period. It also provided support for the annual American Society of Animal Science educational conference, which presents research from across the U.S. focusing on animal science and is attended by experts and students with the objective of gaining insights into current research efforts and perspectives on the future of animal sciences and animal production research.

Supporting young students is dear to KWS' heart.





Development cooperation – Seed projects in Peru, Ethiopia and Zambia

203/103, 203-2, 304/103

Since 2012, KWS has been continuously involved in Peru and Ethiopia, in particular with the aim of supporting young researchers in the conservation of plant genetic resources, plant breeding and the establishment of seed systems. KWS implements the regulations stipulated in the International Treaty on Plant Genetic Resources for Food and Agriculture as part of that. The focus is on corn and quinoa in Peru and on barley and wheat in Ethiopia. This was supplemented by a further project in Zambia in the reporting period. Its focus is on corn, sunflower, beans and sorghum.

Peru:

In order to increase food security for Peruvian smallholders, KWS is focusing on three key goals: promoting the development of new corn and quinoa varieties, preserving genetic diversity sustainably and training young Peruvian scientists.

In the reporting period, we pressed ahead with registering new quinoa varieties developed by a KWS-funded breeding program at the National University of the Altiplano (UNAP). Local Peruvian students and a Peruvian doctoral student supervised by the University of Hohenheim are working on the project.

Ethiopia:

Ethiopia is a center of diversity for various crop species, including barley. The availability of robust varieties that can withstand climate variability and environmental degeneration is limited in Ethiopia, as is smallholders' access to quality seed. The objective of the initiative in Ethiopia is therefore to professionalize the national gene bank at the Ethiopian Biodiversity Institute (EBI), enable more efficient design of the plant breeding programs at the Ethiopian Institute of Agricultural Research (EIAR) with a focus on barley, and improve access to high-quality barley and wheat seed for smallholders.



Promoting and preserving diversity – through international cooperation.

In the reporting period, the focus of the initiative in Ethiopia, which is being implemented in cooperation with the German Society for International Cooperation (GIZ), was on strengthening breeding programs for barley and broad beans and production of early generation seed at the Ethiopian Institute of Agricultural Research (EIAR). The barley breeding program was supported by the use of near-infrared spectroscopy (NIRS) technology to evaluate grain and brewing quality features of high-yielding trial varieties.

Zambia:

In 2021, KWS launched its seed project in Zambia with the support of the German Investment Corporation, the Zambia Agricultural Research Institute and a powerful start-up company called Good Nature Agro Seeds for Zambian Income and Livelihoods (SeZIL). SeZIL aims to provide a network of farmers in eastern Zambia with everything they need to conduct seed trials on their own fields and thus foster a community conversation about farmers' requirements as regards traits and harvesting yield. The goal of the joint initiative is for farmers to develop critical skills for assessing their seed and improve their knowledge of, and access to, different varieties of corn, sunflower, beans and sorghum by the end of the project. In the reporting period, the project reached 1,018 farmers, of whom about 44% are women and 18% are under 30 years of age.



Regional Commitment

The focus of our regional commitment is in Einbeck, the Company's headquarters. However, KWS is also actively engaged at other locations and wants to promote the regions around its locations to reflect their needs. The forms of our commitment are diverse and comprise donations and sponsorships or contributing time, knowledge and networks. By supporting education and science, we wish to strengthen intellectual development and research in general, and can position ourselves as a potential employer in the eyes of tomorrow's experts. In order to make a lasting impact and be a part of the local structure, we cooperate with other members of the business community and public institutions who likewise contribute to regional development at our locations.

Knowledge enhancement

413/103

KWS became a sponsor of the "Jugend forscht – Schüler experimentieren" ("Youth Researches – School Students Experiment") contest for young scientists in this reporting period, as a result of which a state contest was held in Einbeck for the first time. The focus here is on inspiring an interest in science, technology, engineering and mathematics (STEM subjects) among young people and motivating them to research, experiment and invent. In addition to this support, KWS had the opportunity to get to know young talents and present itself as a research-intensive plant breeding company and employer.

KWS Sementes Ltda. in Brazil is actively engaged particularly in the rural, mostly very poor regions in Brazil and Argentina where most of its seasonal workers come from. Its goal is to improve the general infrastructure and access to education for employees and their families. For example, the Company forged contacts with a school in the Brazilian village of Mocambinho to ascertain the need for establishing a vegetable garden at the school there. The plans include purchasing tools and seeds, as well as training in planting and tending vegetables, so as to allow the school to cultivate the garden on its own.

Betaseed Inc. in North America helps students by awarding scholarships. The University of North Dakota is also provided with funding to support important programs.

Projects from the field of social welfare and health

413/103

In general, regional initiatives around KWS' world-wide locations are supported. In Serbia, 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.

Every year since 2016, KWS in Russia has supported the Doing Good Together Fund, which specifically helps people in difficult life situations and families with children who have impairments, for example by paying the costs of treatment and rehabilitation, as well as by purchasing special medical equipment. Apart from financial support from the companies, employees also displayed their personal commitment by participating in the annual Charity Marathon.

KWS in Einbeck supports social initiatives that help people of all ages, as well as medical institutions there, such as Einbeck's BürgerSpital hospital. In the reporting period, the acquisition of various items of technical equipment for the reconstruction of the Internal Medicine department there was supported.

Promotion of art and culture

413/103

Promotion of culture is a key component of KWS' commitment in Einbeck. We help strengthen the cultural scene in the town and region by supporting various initiatives and projects, such as the Culture Power Days or the international Handel Festival in Göttingen, since we believe that culture and cultural education are important in helping people develop their personality and participate in social and cultural life. Apart from exhibitions in the Biotechnology Center on the Einbeck campus, KWS has offered the KWS Art Lounge NEWCOMER since 2015, which gives young and budding artists the chance to gain initial – or gather further – experience with exhibitions.



GRI Content Index

Statement of Use

KWS SAAT SE & Co. KGaA has reported the information cited in this GRI content index for the period of July, 1, 2021 to June 30, 2022 in reference to the GRI Standards.

KWS refers to GRI 1: Foundation 2021.

General Disclosures 2021

The organization and its reporting practice

Disclosure	Title	Reference or comment
GRI 2-1	Organizational details	6
GRI 2-2	Entities included in the organization's sustainability reporting	5
GRI 2-3	Reporting period, frequency and contact point	5
GRI 2-4	Restatements of information	5
GRI 2-5	External assurance	3

Activities and workers

Disclosure	Title	Reference or comment
GRI 2-6	Activities, value chain and other business relationships	5, 6, 21, 27, 72
GRI 2-7	Employees	5, 48, 50

Governance

Disclosure	Title	Reference or comment
GRI 2-9	Governance structure and composition	18, 23
GRI 2-21	Annual total compensation ratio	24

Strategy, policies and practices

Disclosure	Title	Reference or comment
GRI 2-23	Policy commitments	9, 18, 22, 23, 25, 33
GRI 2-26	Mechanisms for seeking advice and raising concerns	31
GRI 2-28	Membership associations	22, 28, 73

**Stakeholder engagement**

Disclosure	Title	Reference or comment
GRI 2-29	Approach to stakeholder engagement	19, 21, 22, 53
GRI 2-30	Collective bargaining agreements	51

GRI 3: Material Topics 2021

Disclosure	Title	Reference or comment
GRI 3-1	Process to determine material topics	19
GRI 3-2	List of material topics	19

Economic**Economic Performance (2016)**

Disclosure	Title	Reference or comment
GRI 201/103	Management approach disclosures	9, 12, 24, 30, 36, 60
GRI 201-1	Direct economic value generated and distributed	7, 12, 60

Indirect Economic Impacts (2016)

Disclosure	Title	Reference or comment
GRI 203/103	Management approach disclosures	11, 12, 28, 30, 31, 45, 62
GRI 203-2	Direct economic value generated and distributed	11, 31, 45, 62

Procurement Practices (2016)

Disclosure	Title	Reference or comment
GRI 204/103	Management approach disclosures	27
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	Reference or comment
GRI 205/103	Management approach disclosures	24, 25, 26
GRI 205-2	Communication and training about anti-corruption policies and procedures	25, 28
GRI 205-3	Confirmed incidents of corruption and actions taken	26

**Anti-competitive Behavior (2016)**

Disclosure	Title	Reference or comment
GRI 206/103	Management approach disclosures	24, 25, 26, 28
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	26

Environmental**Materials (2016)**

Disclosure	Title	Reference or comment
GRI 301/103	Management approach disclosures	Work on a system for central recording of materials used by weight and volume is currently in progress.
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	Reference or comment
GRI 302/103	Management approach disclosures	15, 16, 39, 40, 41
GRI 302-1	Energy consumption within the organization	42

Water and Effluents (2018)

Disclosure	Title	Reference or comment
GRI 303/103	Management approach disclosures	16, 39, 40, 42, 43
GRI 303-1	Interactions with water as a shared resource	42
GRI 303-2	Management of water discharge-related impacts	43
GRI 303-3	Water withdrawal	40, 42

Biodiversity (2016)

Disclosure	Title	Reference or comment
GRI 304/103	Management approach disclosures	16, 39, 44, 62
GRI 304-2	Significant impacts of activities, products, and services on biodiversity	34, 44

**Emissions (2016)**

Disclosure	Title	Reference or comment
GRI 305/103	Management approach disclosures	15, 16, 39, 41
GRI 305-1	Direct (Scope 1) GHG emissions	41, 42
GRI 305-2	Indirect (Scope 2) GHG emissions	41

Effluents and Waste (2016)

Disclosure	Title	Reference or comment
GRI 306/103	Management approach disclosures	39, 43
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	Reference or comment
GRI 307/103	Management approach disclosures	24, 25, 26
GRI 307-1	Non-compliance with environmental laws and regulations	26

Supplier Environmental Assessment (2016)

Disclosure	Title	Reference or comment
GRI 308/103	Management approach disclosures	28
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	Reference or comment
GRI 401/103	Management approach disclosures	53, 54
GRI 401-1	New employee hires and employee turnover	56

**Occupational Health and Safety (2018)**

Disclosure	Title	Reference or comment
GRI 403/103	Management approach disclosures	16, 24, 25, 26, 48, 57
GRI 403-1	Occupational health and safety management system	57
GRI 403-2	Hazard identification, risk assessment, and incident investigation	57
GRI 403-3	Occupational health services	57
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	57
GRI 403-5	Worker training on occupational health and safety	57
GRI 403-6	Promotion of worker health	58
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	28
GRI 403-9	Work-related injuries	58

Training and Education (2016)

Disclosure	Title	Reference or comment
GRI 404/103	Management approach disclosures	53, 54, 55, 56
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	55

Diversity and Equal Opportunity (2016)

Disclosure	Title	Reference or comment
GRI 405/103	Management approach disclosures	23, 48, 51, 52
GRI 405-1	Diversity of governance bodies and employees	23, 50, 51, 52

Non-discrimination (2016)

Disclosure	Title	Reference or comment
GRI 406/103	Management approach disclosures	28, 48, 51
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	Reference or comment
GRI 407/103	Management approach disclosures	28, 49, 52
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	Reference or comment
GRI 408/103	Management approach disclosures	28, 48
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	Risks relating to child labor 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.

Forced or Compulsory Labor (2016)

Disclosure	Title	Reference or comment
GRI 409/103	Management approach disclosures	28, 48
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Risks relating to forced or compulsory labor 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.

Rights of Indigenous Peoples (2016)

Disclosure	Title	Reference or comment
GRI 411/103	Management approach disclosures	36
GRI 411-1	Incidents of violations involving rights of indigenous peoples	36

**Human Rights Assessment (2016)**

Disclosure	Title	Reference or comment
GRI 412/103	Management approach disclosures	24, 25, 26, 28
GRI 412-2	Employee training on human rights policies or procedures	25 Employee groups for whom human rights issues are of particular relevance due to their field of activity are given compliance training on these issues. We cannot currently report the percentage figures for employees who have undergone such training given its selective nature and the fact that the train-the-trainer principle is applied.

Local Communities (2016)

Disclosure	Title	Reference or comment
GRI 413/103	Management approach disclosures	16, 60, 63
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	Reference or comment
GRI 414/103	Management approach disclosures	28
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	Reference or comment
GRI 415/103	Management approach disclosures	60
GRI 415-1	Political contributions	60

**Customer Health and Safety (2016)**

Disclosure	Title	Reference or comment
GRI 416/103	Management approach disclosures	33, 34, 35
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	35

Marketing and Labeling (2016)

Disclosure	Title	Reference or comment
GRI 417/103	Management approach disclosures	35
GRI 417-1	Requirements for product and service information and labeling	35

Socioeconomic Compliance (2016)

Disclosure	Title	Reference or comment
GRI 419/103	Management approach disclosures	24, 25, 26, 48
GRI 419-1	Non-compliance with laws and regulations in the social and economic area	26

Other material topics**Sustainable Product Use**

Disclosure	Title	Reference or comment
No GRI reference available	Management approach disclosures	11, 44



Annex

2-6

List of sales markets

- | | | | |
|------------------|--------------|-------------------|------------------|
| ■ Albania | ■ Estonia | ■ Latvia | ■ South Korea |
| ■ Algeria | ■ Ethiopia | ■ Lebanon | ■ Southeast Asia |
| ■ Argentina | ■ Finland | ■ Libya | ■ Spain |
| ■ Australia | ■ France | ■ Lithuania | ■ Sri Lanka |
| ■ Austria | ■ Georgia | ■ Luxembourg | ■ Sudan |
| ■ Azerbaijan | ■ Germany | ■ Mexico | ■ Sweden |
| ■ Belarus | ■ Greece | ■ Moldavia | ■ Switzerland |
| ■ Belgium | ■ Hungary | ■ Morocco | ■ Tanzania |
| ■ Brazil | ■ India | ■ Netherlands | ■ Thailand |
| ■ Bulgaria | ■ Iran | ■ New Zealand | ■ Tunisia |
| ■ Burkina Faso | ■ Iraq | ■ North Macedonia | ■ Turkey |
| ■ Canada | ■ Ireland | ■ Norway | ■ U.S. |
| ■ Chile | ■ Israel | ■ Pakistan | ■ UK |
| ■ China | ■ Italy | ■ Poland | ■ Ukraine |
| ■ Croatia | ■ Japan | ■ Portugal | ■ Uruguay |
| ■ Cyprus | ■ Jordan | ■ Romania | ■ Uzbekistan |
| ■ Czech Republic | ■ Kazakhstan | ■ Russia | |
| ■ Denmark | ■ Kenya | ■ Serbia | |
| ■ Egypt | ■ Kyrgyzstan | ■ Slovakia | |



2-28

List of significant memberships (2021/2022)¹

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	X			
Bioscience for Industry Strategy Panel (BBSRC)		X		
British Society of Plant Breeders (BSPB)	X			
Bundesverband Deutscher Pflanzenzüchter e. V. (BDP) (German Plant Breeders Association)	X	X	X	
EuropaBio		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	
Innovate UK KTN Plant Sector Advisory Board	X			
International Seed Federation (ISF)	X	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		

¹ Updating of the list for fiscal 2021/2022 has not been possible due to process changes.



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.

Contacts

Corporate Sustainability:

Wolf-Gebhard von der Wense

wolf-gebhard.vonderwense@kws.com

Phone: +49 5561 311-968

Press:

Gina Wied

press@kws.com

Phone: +49 5561 311-1427

Investor Relations:

Peter Vogt

investor.relations@kws.com

Phone: +49 30 816 914-490

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

Cooperation



Kirchhoff Consult AG, Hamburg – design concept and realization

Andrew Szép, Mainz – translation

AndrewSzep@t-online.de

Photo credits

Stefan Blume ■ Julien Duval ■ Eberhard Franke ■ KWS ■ Karsten Koch ■ Julia Lormis ■ Robert Maschke ■
Ina Siebert ■ Spieker Fotografie ■ Roman Thomas ■ Sebastian Vollmert

Published on: September 27, 2022

