

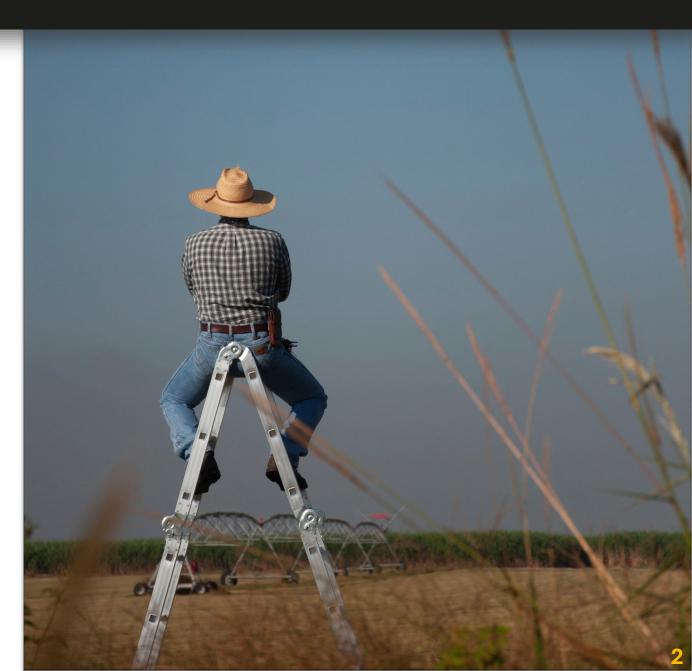


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About this report

The Sustainability Report aims to present Komet's sustainability performance, risk management and value creation, and demonstrates the link between our strategy and the company's commitment to a sustainable global economy.





SUMMARY & INTRODUCTION





A MESSAGE FROM LEADERSHIP

At Komet Irrigation, our journey has always been defined by a commitment to conserving resources and enhancing efficiency, driven by the belief that our actions can not only improve our lives but also contribute to a better world. Today, we are thrilled to share an important chapter in this journey. Since our inception, our focus has been on innovating irrigation solutions that not only meet the needs of today but also contribute to a sustainable and prosperous future. We are proud to announce that over the past year, Komet took significant strides to formalize and intensify our commitment to sustainability, transforming our company into a sustainability leader in the agricultural irrigation space.

Our comprehensive approach started with the creation of transparency on Impact and ESG metrics, ensuring that we not only meet industry standards but exceed them. This data-driven strategy allows us to measure our sustainability impact with precision and work towards continuous improvement. Over the past two years, we have been able to reach >1 million hectare (~1.4 million soccer fields) of irrigated crop surface and hence enable water savings of 1.2bn m³ (~1.6 times of yearly municipal water withdrawal in Austria). We have also focused on our internal sustainability set-up, having worked on our scope 1, 2 and 3 emissions as well as diversity and employee engagement. Beyond that, we have implemented a Code of Conduct, incl. diversity policy and an anti-bribery and anti-corruption policy together with a training series. The roll-out of a whistle-blower system supported us to increase transparency of potential pain points in our organization. All those efforts serve as a testament to our dedication to sustainable and ethical business practices.

As we look forward to 2024, our strategy continues to focus on the impact we make on the society and climate. Through more efficient irrigation methods, we will continue aiming to increase crop yield and further reduce water losses caused by run-off and evaporation. At the same time, we will continue focusing on our internal sustainability. We want to express our gratitude to everyone who has been a part of this journey. Your support and partnership have been instrumental in shaping Komet's identity as a company that not only delivers efficient irrigation solutions but also stands as a beacon of sustainability in our industry.

Together, we can make a lasting impact and contribute to the success and well-being of our shared world.

Arno Drechsel

Chief Executive Officer









SACHA HOFFMANN Managing Director





ABOUT KOMET

In 1952, Roland Drechsel, the father of Arno, Viktor and Hugo, and founder of the company, realized his full potential in agriculture in South Tyrol. His fascination turned into Komet's mission, and his values still accompany every step the company takes today. Based on trust, mutual respect, and above all, honesty, Komet has become a global leader in agricultural sprinkler manufacturing.

Since the production of the first polymer sprinkler in the 1960s, pioneering efficiency in irrigation through cutting-edge technology provide Komet with a competitive edge. From 2000s onwards, Komet fully specializes on big volume guns and products for Pivot irrigation systems.

As Komet shapes the future of water distribution in global agriculture, its subsidiaries in US and Brazil play a vital role in ensuring localized expertise and seamless customer service, exemplifying visionary leadership, technological innovation, and a people-first approach. As a family-run business Komet always strongly emphasizes the development of each and every one within the company.

OUR OPERATIONAL FOOTPRINT

Komet's operational excellence is epitomized by a singular, vertically organized manufacturing site located in Lienz, Austria. Within this facility, every stage of production unfolds in-house.

Proximity to suppliers is a strategic choice, minimizing transportation emissions and enabling highest quality that is a key focus for Komet.

Komet's operational footprint embodies a synthesis of innovation, environmental responsibility, and a relentless pursuit of quality, making it a standout player in the field of irrigation technology.



KEY FACTS - 2023

Locations and subsidiaries:	3 (Austria, USA, Brazil)
Employees:	63
Nationalities:	9
Susceptible irrigated crop surface:	~460k ha
Water saved*:	~550m m³
Renewable energy in own production:	99 %
Gender diversity:	33 % females across hierarchies
Code of Conduct employee signature rate:	100 %
Whistle blower tool:	Yes
Anti-bribery & anti-corruption Policy:	Yes

^{*}compared to the same surface irrigated by flood irrigation



IMPACT LEADERSHIP:

Mission and growth strategy to deliver a positive impact on the world









ESG RESPONSIBILITY:

Efforts to manage own operations in the most responsible resource-efficient manner







Komet is committed to creating impact to society and climate by enabling increased crop yield, reducing water losses and minimizing energy consumption within agricultural irrigation.

By prioritizing sustainability, Komet contributes to a greener future and promotes responsible water management for sustainable food and fiber production.

Susceptible irrigated crop surface ('23):

~460k ha

Water saved* ('23):

~550m m³



We enable food & fiber security

Food supply is at risk.
While the global
population will likely grow
from 7.5 billion to 10
billion people by 2050



We save water

Water scarcity is expected to intensify as a result of climate change. Irrigation of agricultural crops comprises 70 % of global water use and experts predict that water extraction to keep people fed will increase



We fuel energy-efficiency

More food production means increased need for more energy to pump water



THE WORLD AROUND US



Sustainable Megatrend:

GROWING POPULATION AND FOOD SECURITY

Societal challenge: The global food system is expected to provide food to a population that will likely grow from 7.5 billion people today, to nearly 10 billion by 2050, requiring an increased yield at a similar rate.

Komet's contribution: Increased crop yield through uniform water distribution and precise dosing of plant water requirements.

Sustainable Megatrend:

WATER SCARCITY

Societal challenge: Irrigation of agricultural crops comprises 70 % of global water use and experts predict that water extraction to keep people fed may increase an additional 15 % by 2050.

Komet's contribution: Up to 35 % water savings compared to flood irrigation, through optimized droplet size reducing water loss due to run-off, wind drift and evaporation as well as precise dosing of plant water requirements.

Sustainable Megatrend:

ENERGY EFFICIENCY

Societal challenge: High energy use in agricultural irrigation, specifically in mechanized irrigation, encompass heightened demand for finite resources, environmental impact and economic strain on farming communities.

Komet's contribution: Efficient irrigation with lower water pressure thus reducing required energy.

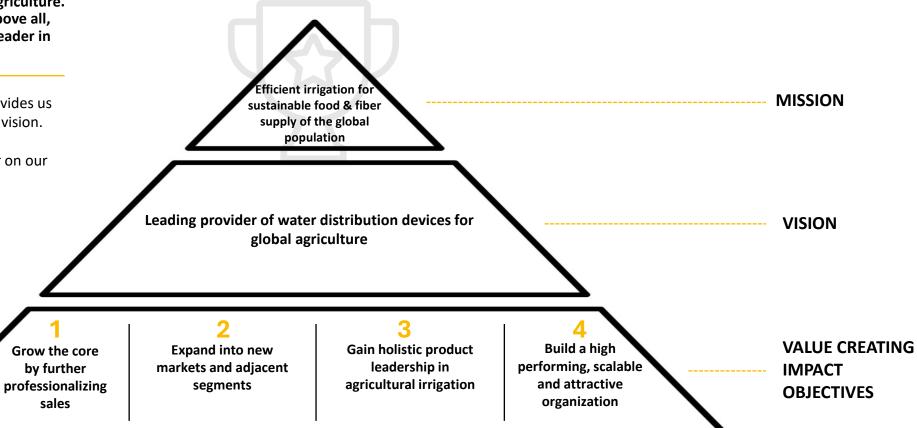




Over 70 years ago, Komet was founded with the mission to contribute to sustainable agriculture. Based on trust, mutual respect, and above all, honesty, Komet has become a global leader in agricultural sprinkler manufacturing.

Our Value Creation Impact Pyramid provides us with a clear purpose – our mission and vision.

The pyramid also supports us to deliver on our vision and how we measure progress along the way (our value creating impact objectives).



Grow the core by further

sales



OUR MOST MATERIAL ESG TOPICS

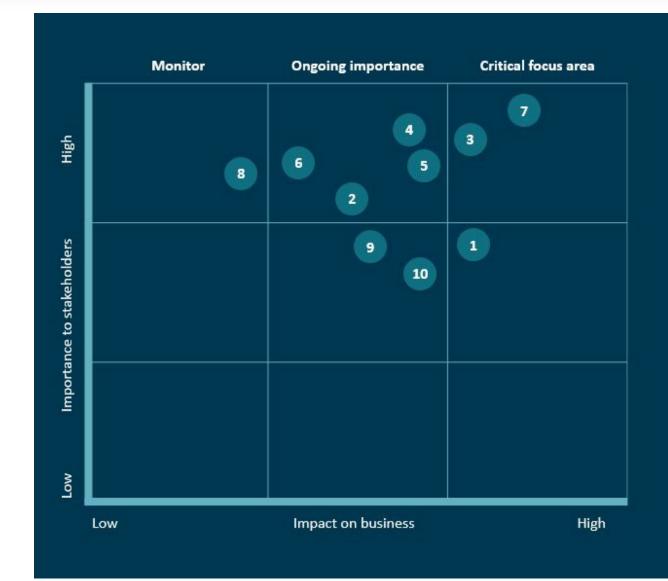
To be able to work strategically with sustainability in the short, medium, and long term, we have conducted a materiality analysis. Our basic starting point is to maximize the opportunities that our sustainable business enables and minimize the negative effects of our business. Komet's ambition is for all employees to have ownership of sustainability topics that are close to their own position and are expected to integrate the sustainable business into operations.

The materiality analysis has been based on both risks and opportunities related to sustainable business and how we affect our stakeholders. Overall areas that have been considered are the environment, social conditions and aspects, business model and innovation as well as governance. The most important sustainability aspects have been identified and these are weighted based on how important the aspect is for our stakeholders and the extent of the impact.

All areas in the matrix are important but prioritization has been done based on risk which means that aspects that are lower prioritized we already handle well. Prioritization of identified risks is managed through active risk management and risk monitoring. The following pages give a more detailed explanation in how we work with each topic.

Main sustainability matters - risks & opportunities:

- 1) Resource-intensity of products
- 2) Environmental footprint of operations
- 3) Supply chain management / resilience
- 4) Employee health & safety
- 5) Employee engagement
- 6) Diversity
- 7) Business ethics
- 8) Data security and privacy
- 9) Regulatory compliance
- 10) Board practices





ENVIRONMENTAL EFFORTS – SUSTAINABLE OPERATIONS

PROGRESS 2023

CO2 footprint, target setting and reduction 1:

Since 2022, Komet measures scope 1 and 2 and since 2023 also scope 3 emissions and has set CO2 reduction targets in line with Paris Agreement and according to the Science-based-targets methodology. In 2023, the CO2 emissions have been slightly increased by 6%, due to an increased sales workforce and hence required car fleet. In comparison, same-sized companies in similar industries have ~15x higher scope 1-2 emissions than Komet².

Energy reduction:

Komet's manufacturing site relies on 99% renewable energy sources. The latest acquired injection molding machines are equipped with hydraulic drives that have 30% less energy requirements. The company has further enhanced its energy efficiency by upgrading all facility lighting to LED technology saving 21,183 Kwh/year corresponding to 8,9 t in greenhouse gases.

Sustainable material use and supply:

In Komet's manufacturing process, thoughtful and resourceful material usage takes center stage. Examples are the in-house production of parts made of technical polymers to improve efficiency and reduce transport requirements. Furthermore, sustainable paper packaging is used for all products.

Waste reduction:

Komet is committed to minimizing waste generation throughout its operations. Responsible waste disposal methods are reflected in high share of waste re-used (20%) and recycled (36%). Komet was able to reduce waste by 44% from '22 to '23.

KEY PRIORITIES 2024

Continuous CO2 footprint monitoring:

Having measured scope 3 emissions for the first time in 2023, Komet aims to increase transparency on their up- and downstream emissions.

Energy reduction:

Komet will invest in two new pivot product assembly lines doubling the production capacity without increasing the energy consumption. This is possible due to conversion from pneumatic to highly efficient electric actuators.

Sustainable car policy:

So far, two new electric vehicles have been introduced, one substituting a combustion engine car in the fleet. Worldwide, where feasible new cars purchased will be electric or hybrid.

Sustainable warehousing:

With the transition to a more energy efficient warehouse in the US, Komet expects to be able to further reduce its scope 1 and 2 emissions.

Environmentally-friendly packaging:

Komet is considering substituting the last nylon-based element in its packaging (required for instruction manuals) with carton/paper-based packaging to reach 100% sustainable packaging material share.

GHG EMISSIONS (tCO2, SCOPE 1-2)



KPIs	2022	2023	
Scope 3 emissions (tCO2)	N/A	3,417	
Renewable energy in own production (%)	99	99	
Waste generated (t)	98	55	
Waste re-used (t)	20	11	
Waste recycled (t)	32	20	

¹ Targets derived with Science-based targets methodology (in line with Paris agreement)

²According to Normative's industry benchmark for companies in "basic plastic manufacturing"



SOCIAL EFFORTS – PROMOTING A SAFE & HEALTHY WORKPLACE

PROGRESS 2023

Employee wellbeing:

The 63 employees are Komet's most valuable asset. Komet is committed to providing a safe and inclusive working environment. Investments in employee training, health & safety, and well-being initiatives ensure a positive and zero-incident workplace. Since the introduction of a bi-annual employee engagement survey, Komet has reached its eNPS target of 25 at a response rate of >90%.

Diversity & inclusion:

Komet promotes diversity and inclusion within the workforce, recognizing the value of diverse perspectives. The company is committed to maintaining a workplace that fosters equality and provides opportunities for all employees, as outlined in its diversity policy (part of the Code of Conduct). To measure diversity, Komet utilizes the SHE Index and has set a target for 2024.

Community engagement:

Komet actively engages with local communities to understand their needs and concerns. Komet supports community development projects, encompassing education aiming to foster positive contributions to the region's growth. In 2023, Komet has organized 1 open day, during which 500+ interested visitors from our proximate environment have engaged on-site in Lienz, Austria.

KEY PRIORITIES 2024

Employee engagement:

Komet strives to maintain its eNPS at 25 during 2024 and has defined measures accordingly, such as regular employee-focused discussions with managers, fostering a more transparent and appreciative working culture.

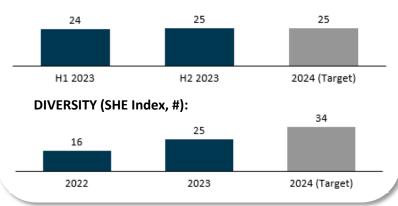
Diversity:

To reach the 2024 SHE Index score, Komet will continue to focus on gender-diverse recruiting and increase focus on structured parental leave processes. Furthermore, diversity awareness training is offered via its Code of Conduct training.

Community engagement:

Building on the success of the first open house in 2023, Komet plans to organize another community engagement day in 2024 to further expand its relationships with local communities.

EMPLOYEE WELLBEING (eNPS, - 100 to + 100):



KPIs	2022	2023	
FTE	64	63	
Female share (% of employees)	22	33	
Female share (% of top mgmt.)	40	40	
Training hours (h)	192	216	
Injuries (#/FTE)	0	0	
Employee absenteeism (# days/FTE)	9	9	

GOOD GOVERNANCE EFFORTS



PROGRESS 2023

Code of Conduct:

In 2023 Komet has rolled-out a company-wide Code of Conduct covering dimensions such as business ethics, human rights and workplace standards. The Code of Conduct was signed by 100% of employees and is part of every new employment contract.

Whistle-blower system:

To increase transparency on any perceived risks or concerns about Komet's business practices, an internal whistle-blower system was installed. When an alert is raised through the system, it is subject to a thorough investigation with confidentiality and protection of the individual.

Anti-bribery and anti-corruption:

An anti-bribery and anti-corruption policy was rolled-out in H2 of 2023 and signed by all external-facing employees as well as anchored with a training session from an external compliance expert.

Board diversity and independence:

Komet is committed to maintaining a governance structure that promotes integrity and responsible corporate behavior. Our board of directors is diverse and includes three independent members to ensure balanced decision-making and accountability.

KEY PRIORITIES 2024

Supplier Code of Conduct:

Recognizing the importance of its suppliers in the value chain, Komet will work on implementing a supplier Code of Conduct in line with its values and requirements reflected in the internal Code of Conduct.

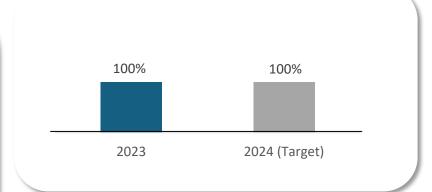
Advanced anti-bribery and anti-corruption:

Together with its external compliance expert, Komet will develop a risk assessment handbook and roll-out company-wide risk assessments throughout 2024 to mitigate any potential compliance risk occurring in its global operations. A training session on anti-bribery and anti-corruption will be held again for all external facing employees of Komet.

Data privacy & security:

Komet will continue to exercise extreme care while managing data and runs dedicated compliance controls and implementation programs according to the General Data Protection Regulation and other applicable rules and regulations.

CODE OF CONDUCT SIGNATURES (% empl.)



	KPIs	2022	2023	
	Code of Conduct (Y/N)	No	Yes	\
	Whistleblower reports	0	0	
	Business ethics incidents	0	0	
	GDPR compliance (Y/N)	N/A	Yes	
	Data privacy officer (Y/N)	Yes	Yes	
	Anti-bribery & anti-corruption policy	No	Yes	
\	Anti-bribery & anti-corruption training	No	Yes	1



CASE STUDIES FROM CUSTOMERS





REFLECTIONS ON CURRENT STATE

The development of today's industrial societies has brought issues that damage our ecosystem. With the adoption of the United Nation's Sustainable Development Goals, the world has embarked on a journey towards sustainability where all countries and sectors are expected to contribute.

The global food system is expected to provide food to a population that will likely grow from 7.5 billion people today, to nearly 10 billion by 2050, requiring an increased yield at a similar rate. At the same time, irrigation of agricultural crops comprises 70% of global water use and experts predict that water extraction to keep people fed may increase an additional 15% by 2050.



AGENDA 2030

The global challenges have a direct impact on the agricultural business worldwide, and therefore also on Komet's business strategy. Komet's approach to sustainability is proactive and in tune with those changes. Komet's goal is to measure the impact and efficiency of water application with a scientific approach and with help of a laboratory set-up. The ambition is to help solve one of the world's most critical needs – a more sustainable agriculture system with improved food and fiber production and reduced water usage. By providing effective and smart water distribution solutions for farmers Komet contributes to those needs.

Komet will remain committed to increase food and fiber production and saving water by embracing new technologies that will bring major opportunities to keep providing solutions for more effective and smarter irrigation. Through product innovation Komet works closely with its clients, farmers all over the world to find solutions to the challenges ahead. Combined with constantly improving the way of conducting business, Komet will stay ahead.



THE FUTURE IS GREEN!