

**Statement by the General Partner
and the Supervisory Board of KSB SE & Co. KGaA
on Compliance with the Recommendations of the
Government Commission on the German Corporate Governance Code
Pursuant to Section 161 of the AktG [German Public Companies Act]**

1. Preface

The German Corporate Governance Code (“Code”) is tailored to companies with the legal form of a public limited company (Aktiengesellschaft – “AG”) or a European company (“SE”) with a two-tier management structure and does not consider the specifics of a partnership limited by shares (“KGaA”). Many recommendations of the Code can therefore not be applied to KSB SE & Co. KGaA, or only in a modified form. Aspects to be taken into consideration include but are not limited to:

(a) Company Management

Many recommendations of the Code relate to the Board of Management. However, a KGaA has, unlike an AG, no Board of Management; in a KGaA the latter’s tasks are performed by the general partner, in this case KSB Management SE.

(b) Supervisory Board

Some recommendations of the Code relating to the Supervisory Board do not consider the legal specifics of a KGaA either. For instance, the Supervisory Board of a KGaA, unlike the Supervisory Board of an AG, has no personnel decision-making and remuneration competence with regard to the management body and can also not commit it by defining transactions requiring consent.

(c) Annual General Meeting

The Annual General Meeting of a KGaA essentially has the same rights as the Annual General Meeting of an AG. In addition, it decides on the adoption of the annual financial statements of the Company. Contrary to an AG, some resolutions of the Annual General Meeting (e.g. the adoption of the annual financial statements) require the consent of the general partner.

The Company’s general partner, KSB Management SE, has a one-tier management structure. According to Articles 43–45 of the SE Regulation in conjunction with Sections 20 et seq. of the SE Implementation Act (SEAG), this is characterised by the fact that the management is the responsibility of a single management body, the Administrative Board. The Administrative Board manages KSB Management SE, determines the basic principles of its activities and monitors their implementation by the Managing Directors. The Managing Directors conduct the business of KSB Management SE and represent it in and out of court.



2. Statement of Compliance

The Managing Directors of KSB Management SE and the Supervisory Board of KSB SE & Co. KGaA declare that since issuing the last statement of compliance on 14 December 2022, the company has complied with and will continue to comply with the recommendations of the Code in its version dated 28 April 2022, with the exception of the following:

A.1:

The risks and opportunities associated with social and environmental factors, as well as environmental and social impacts, had not yet been fully identified or systematically assessed. Similarly, the corporate strategy and planning had not yet fully included sustainability-related goals.

Reason:

Part of the recommendation had already been fulfilled in the past; however, its full implementation required content-related and process-related adjustments in the company. These adjustments were achieved by September 2023. The company has since then complied with the recommendation.

A.3:

Sustainability-related objectives had not yet been fully covered in the internal control and risk management systems in line with the recommendation.

Reason:

Part of the recommendation had already been fulfilled; however, its full implementation required content-related and process-related adjustments in the company. These adjustments were achieved by September 2023. The company has since then complied with the recommendation.

C.1 sentences 1 to 5:

The Supervisory Board does not specify concrete objectives regarding its composition and does not draw up a competency profile for the body as a whole; therefore, no qualification matrix is disclosed either.

Reason:

We appreciate the objectives-oriented and competence-oriented composition of the Supervisory Board aimed at by the Code, which will generally be conducive to the interests of the Company. To date, we have always followed this principle. However, we take a critical view of detailed specifications going beyond legal requirements, as we believe that this would make it more difficult to ensure an appropriate and adequately flexible composition of this body.

D.1:

The Supervisory Board's Rules of Procedure are not accessible on the Company's web site.

Reason:

Essential procedural regulations of the Supervisory Board have already been laid down as stipulated by law and in the Articles of Association and are accessible. We do not believe there is any need to extend the access to the body's internal working practices and procedural issues adopted autonomously by the body.

G.1 – G. 13 and G. 15, G.16:

Only part of the recommendations on the Board of Management's remuneration have been implemented analogously for the Managing Directors of the general partner. However, in our opinion (see the above preface), these recommendations are in any case not applicable to a KGaA structured like KSB SE & Co. KGaA. Therefore, we list this exception by way of precaution only.

Reason:

In general, we consider a clear, comprehensible and appropriate remuneration system for the Management to be required. However, we do not believe it necessary to take into account the numerous recommendations of the Code on the Board of Management's remuneration, which supplement the legal requirements, for this purpose. Moreover, a KGaA does not have a Board of Management. In addition, neither the Supervisory Board nor any other body of KSB SE & Co. KGaA has the competence or responsibility to determine the remuneration of the Managing Directors of KSB Management SE.

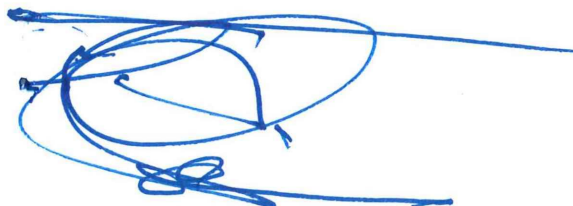
Frankenthal (Pfalz), 13 December 2023

For the Supervisory Board
of KSB SE & Co. KGaA

A handwritten signature in blue ink, appearing to be 'B. Flohr'.

– Dr. Bernd Flohr –
(Chairman of the Supervisory Board)

For the Managing Directors
of the General Partner

A large, complex handwritten signature in blue ink, appearing to be 'S. Timmermann'.

– Dr. Stephan Jörg Timmermann –
(Chief Executive Officer)