



2022 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) REPORT

INNOVATING FOR A BETTER WORLD

Experience in Motion





The goals, targets and projects described in this report are aspirational and forward-looking. Data, statistics and metrics included in this report are non-audited and may be based on assumptions. As such, results may vary significantly and no guarantees are made that the goals and targets will be met or that projects will be successfully executed. See “About This Report” on [Page 167](#).

TABLE OF CONTENTS

4	LEADERSHIP MESSAGE	
6	ABOUT FLOWSERVE	
	8 Our Purpose, Values and Behaviors	14 Diversification, Decarbonization and Digitization
18	OUR ESG APPROACH	
	18 ESG Stakeholder Engagement and Materiality Assessment	24 Our ESG Vision
	20 United Nations Sustainable Development Goal Alignment	26 Climate, Culture and Core Responsibility
		28 Enabling Our ESG Strategy
32	CLIMATE	
	Our Products	
	32 Enabling Our Customers	64 Energy Use, Efficiency and Renewable Energy
	36 Product Innovation	65 GHG Reduction Strategy
	48 Sustainable Processes	66 Air Emissions
	50 Quality & Product Stewardship	71 Water
	56 Product Lifecycle	74 Waste Generation & Recycling
	Our Operations	
	60 Operational Excellence	76 Biodiversity
84	CULTURE	
	Health, Safety and Employee Well-being	
	84 Supporting Our People	96 Flowserve Cares
	85 Labor Relations / Human Rights	Talent & Diversity, Equity and Inclusion
	86 Employee Health and Safety	102 Talent Development
	92 Total Rewards & Well-being	108 Diversity, Equity and Inclusion
		114 Supply Chain
120	CORE RESPONSIBILITY	
	Business Ethics & Compliance	
	120 Reinforcing our Business	Cybersecurity & Data Privacy
	121 Governance & Risk Management	142 Cybersecurity and Data Privacy
	132 Integrity & Compliance	
145	DATA SUMMARY AND REPORTING INDICES	



LEADERSHIP MESSAGE

Since the founding of our first legacy brand in 1790, Flowserve has served as an industry-leading partner in manufacturing and delivering fluid motion control solutions for the world's toughest, most critical applications. Whether it's providing clean drinking water where access to freshwater is scarce, delivering heat and light to homes around the globe or reimagining industrial processes to protect our climate, our customers rely on us for the most innovative fluid motion expertise, technology and solutions.

2022 marked a significant milestone in Flowserve's journey, celebrating 25 years together as a publicly traded corporation on the New York Stock Exchange. While we've accomplished so much in our 25 years, our associates have long been dedicated to our Purpose – making the world better for everyone. It is this Purpose and our commitment to our Environmental, Social and Governance (ESG) principles that drove our many successes in our 25th year.

Our ESG approach continues to influence our growth strategy and our path forward, and I am proud of the progress we've made balancing the challenges of an ever-changing energy sector while serving our customers, engaging our people and improving our planet. In 2022, we continued to make significant strides

on our Diversify, Decarbonize and Digitize (3D) growth strategy to position Flowserve for accelerated growth. Over 25% of our total bookings for 2022 were attributed to our 3Ds, which is expected to fuel strong growth in 2023 and position us to better serve our customers in their own energy transition goals over the long term.

The success of our 3D strategy in supporting our customers' ESG efforts inspired us to reframe our ESG approach to align more closely with the 3Ds and catalyze our own ESG progress. Inspired by our vision to create flow control for a better world, we have centered our ESG strategy around three main pillars: **Climate, Culture and Core Responsibility**.

This year's ESG Report provides more details on the strides we have made under each of these pillars, but here are a few successes that I'd like to highlight from 2022:

- Delivered record safety performance, recording our first ever incident-free month in June with no recordable injuries at any of our sites — a testament to the continued success of our TargetZero program

- Launched more than 20 new and redesigned products that directly align with our 3D strategy, enhance our ESG initiatives and support our customers' sustainability efforts
- Reached 80% of our 2030 carbon emissions reduction goal
- Achieved nearly \$140 million in energy transition bookings while continuing to support our core markets, contributing to a robust backlog of \$2.7 billion
- Entered strategic partnerships and collaborations to advance our innovation in critical markets and emerging technologies such as hydrogen fueling, LNG, carbon capture, utilization and storage (CCUS), hydrogen and other sustainable fuels
- Empowered leadership training for over 2,000 People Leaders through our Leadership in Motion program, equipping them with tools and alignment on People Leader Expectations to deliver value to our associates and customers
- Invested over \$500,000 with Flowserve 25th Anniversary grants through our global

community impact program, Flowserve Cares, reinforcing our commitment to serving the local communities where we operate around the world

As we look to 2023 and beyond, we will continue to deliver on our near-record backlog with critical focus on operational excellence, innovation and acceleration of our 3D strategy to drive us forward. Backed by our greatest asset — Flowserve associates — I am confident that we will continue to innovate for a better world for our customers, suppliers and the global community.

I am proud to share our ESG progress in this year's report and want to extend my thanks to our customers, suppliers and other stakeholders for their continued partnership and commitment to our Purpose. Together, we can make a difference by owning today to build a better tomorrow.

R. Scott Rowe, President and CEO
Flowserve Corporation
June 2023

ABOUT FLOWSERVE

COMPANY OVERVIEW

Flowserve is a world-leading manufacturer and aftermarket service provider of comprehensive flow control systems. Driven by our Purpose, we are committed to building a more sustainable future to make the world better for everyone.



Associates:
16,000+

With a global team of more than 16,000 associates, Flowserve works to support global infrastructure industries, including oil and gas, chemicals, power generation, water management, carbon capture and general industry, leveraging an extensive portfolio of pumps, valves, seals, automation, and aftermarket and engineering services.



Countries:
50+

With operations in over 50 countries around the world, we are able to provide our customers with world-class customer service through localized support.



Facilities:
206

Our 206 facilities include manufacturing sites and Quick Response Centers (QRCs) around the world that not only manufacture our products safely and with the highest quality, but also offer our customers a broad array of aftermarket services, including installation, advanced diagnostics, repair and retrofitting.



Customers:
10,000 +

We support more than 10,000 customers worldwide, including some of the world's leading engineering, procurement and construction firms (EPCs); original equipment manufacturers; distributors and end users.



Financial Performance
\$3.6B / \$197.2M

In 2022, we delivered \$3.6B in sales and \$197.2M in operating income.



- World Headquarters
- ▲ Sales Offices
- Service Centers and Quick Response Centers
- Manufacturing Plants and Regional Operations Centers



**TOGETHER, WE CREATE
EXTRAORDINARY
FLOW CONTROL SOLUTIONS
TO MAKE THE
WORLD BETTER
FOR EVERYONE.**

Our Purpose

WHY WE ARE HERE

At Flowserve, we come to work each day to deliver on a purpose that is bigger than ourselves.

Together, we are driven by our purpose to create extraordinary flow control solutions to make the world better for everyone – for our customers, our associates, our shareholders and our communities.

From providing fresh drinking water and controlling flood waters to reducing carbon emissions and increasing energy efficiency, we are more than just a flow control company. Our products and services are making a difference both locally and globally and truly making the world better for everyone.

From providing fresh drinking water and controlling flood waters to reducing carbon emissions and increasing energy efficiency, we are more than just a flow control company.

Our Values

Together, these guiding principles support our commitments to value people, protect the planet and promote operational excellence.

OUR GUIDING PRINCIPLES FOR HOW WE ACHIEVE OUR PURPOSE

We accomplish our purpose by aligning our mindset around six guiding principles.



Trust and value each other.

Develop each other, embrace differences, respect one another and create a collaborative team culture. The collective energy of our people sets us apart from our competitors.



Create safe workplaces and products for our employees, customers and communities.

Embrace Flowserve's safety rules and hold each other accountable. We do this for ourselves, our customers, our partners and the communities we serve.



Do the right thing, always.

Act ethically and transparently toward associates, customers and shareholders in accordance with the Flowserve Code of Conduct. Be consistently open, honest and trustworthy.



Be empowered with a mindset to do things differently.

Take risks and learn from mistakes. Leverage and expand our knowledge to bring the best products and services to market. Achieve this through creativity, modernization and ingenuity.



Be accountable for your commitments and do what's best for our company and customers.

Take the initiative to own your work and follow through on your commitments to achieve results that exceed expectations.



Show passion for continuous improvement.

Perform ambitiously with dedication and enthusiasm to deliver outstanding products, services and business results.

Our Behaviors



THE ACTIONS WE TAKE TO LIVE BY OUR VALUES

- WORK TOGETHER WITH AN ENTERPRISE MINDSET
- DELIVER BEYOND OUR CUSTOMER EXPECTATIONS
- TAKE ACTION AND LEARN FROM MISTAKES
- TRUST AND RESPECT EACH OTHER
- THINK SAFE, WORK SAFE, BE SAFE
- EMBRACE AND DRIVE CHANGE
- ACT WITH INTEGRITY, ALWAYS



Our behaviors shape the actions and decisions we make on an everyday basis to help meet our purpose and live by our values.



DIVERSIFY | DECARBONIZE | DIGITIZE



3D Growth Strategy

Globally, society is entering a new era. Technology is advancing rapidly, access to information is growing exponentially and the demand for accountability and action is urgent. The world recognizes the need for energy transition while safeguarding a secure energy supply. Individuals, corporations and governments worldwide are heeding the call to progress innovation for a better world.

Our 3D strategy has positioned us in the marketplace as a key partner in innovating for a better world and continues to inform our own ESG approach on our journey to make the world better for everyone.

Driven by our Purpose, we are committed to answering this global call to action. With a legacy that dates back over 230 years, Flowserve has continuously evolved with the rapidly changing needs of our customers, our employees and our communities. With a storied heritage of partnership and acquisition, it is the collection of our innovative products, pioneering brands, comprehensive global service network and industry-leading technology that enable us to deliver value for our customers, shareholders and the environment.

Our history is guiding us to shape the future, all supported by our Diversify, Decarbonize and Digitize (3D) Strategy. Together, these three pathways define how we support our customers, where we expand and how we innovate for a better world.

DIVERSIFICATION



Today, Flowserve is meaningfully levered to traditional oil and gas markets in each of our divisions. Our goal now is to re-engage our offerings with market participants in areas like water, specialty chemical and other general industries and to support our customers' energy transition efforts across all industries. Today's energy transition requires a unique balance of driving carbon reduction while also meeting the world's growing energy demands. To do both will require the development and adoption of cleaner, safer and more reliable sources of energy within the global energy mix. While we remain fully committed to supporting our traditional market customers today and into the future, our Diversify strategy is focused on creating a balanced portfolio with cleaner sources of energy and increasing our exposure to the end markets offering long-term outsized growth potential.

DECARBONIZATION



We recognize that governments and corporations around the globe are increasingly focused on addressing the effects of climate change and implementing efforts to reduce greenhouse gas emissions. In addition to our own efforts to reduce carbon emissions in our operations, many of our current products and services can be utilized in our customers' carbon reduction efforts. We are also committed to expediting technology investment in new product development to support our customers through the energy transition. With several technologies already available in liquefied natural gas (LNG), hydrogen, carbon capture, renewables and others, Flowserve's innovative portfolio of flow control solutions is driving decarbonization efforts around the world. In addition, our Energy Advantage program is specifically tailored to help customers' energy transition efforts in three key areas – energy efficiency, carbon reduction and operational cost mitigation.

DIGITIZATION



Digitize represents our focus on helping our customers digitize their operations, driven by our RedRaven Internet-of-Things, or IoT, suite of equipment monitoring and predictive maintenance services. RedRaven technology, with its ability to remotely monitor equipment, help predict failures and avoid costly downtime in critical applications, has enabled improvements in efficiency, sustainability and safety of flow control systems around the world. Since its launch in 2021, RedRaven has helped us expand our service capabilities and relationships with our customers. We now support over 50 customer sites across a diverse set of industry applications and have over 1,700 instrumented assets under contract in 17 countries. Our goal is to Digitize as much of our existing installed base and new original equipment as possible as we progress innovation for a better world.



Create safe workplaces and products for our employees, customers and communities.

PROGRESSING OUR SAFETY CULTURE

All Flowserve associates play a crucial role in preventing accidents and keeping our workplaces safe. In 2019, we launched the Safety Maturity Assessment (SMA) model to clearly define expectations of a safety-focused working environment and drive behavior-based safety performance through a strengthened safety culture.

With five levels of progress, SMA creates a dynamic process in which our sites around the world are

actively managing their safety performance and promoting safety engagement at all levels of the organization.

Our team in Tlaxcala, Mexico, was the first Flowserve site to reach Excelling on their Safety Maturity journey in September 2022. This Quick Response Center (QRC) has a highly integrated safety culture with an emphasis on safety training with associates of all levels and departments across the facility. With an increased focus on accountability, celebrating wins and implementing local environmental projects, this Flowserve site is truly exemplary in creating and maintaining safe workplaces and products for our employees, customers and communities.

We are proud of how our safety culture has progressed at Flowserve utilizing the Safety Maturity framework and look forward to sharing in the successes of all of our facilities worldwide.



OUR ESG APPROACH



ESG Stakeholder Engagement & Materiality Assessment

APPROACH AND PROCESS

In late 2021, we partnered with Business for Social Responsibility (BSR) to conduct a third-party materiality assessment of ESG issues impacting Flowserve, as well as those over which Flowserve has an influence. Although we believe all ESG issues are important, the goal of the materiality assessment is to help us better articulate and prioritize which issues are of the greatest impact to our business, society and environment. We expect to regularly participate in such assessments to ensure the views and practices captured in this report remain relevant among the evolving business landscape.

The ESG Materiality Assessment was conducted utilizing the following five-step process:

Step 1 Identify Issues

The materiality process started by developing a comprehensive list of potentially material ESG topics to review. This list was populated using the expertise of BSR, relevant reporting, and sustainability standards and frameworks; industry-specific issues; current and emerging industry regulations; and stakeholder interests.

Step 2 Understand Internal and External Stakeholder Perspectives

We then administered a series of internal and external interviews and surveys with key stakeholders to gauge their perspective on each of the ESG issues identified in Step 1. The stakeholder groups selected consisted of subject matter experts of Flowserve's business who heavily influence ESG topics relevant to our business success. These groups included employees, customers, investors, trade associations and suppliers. Qualitative and quantitative data was collected during the interview and survey process for review and analysis.

Step 3 Synthesize and Score the Issues

Following the interviews and surveys, stakeholders' insights and perspectives were prioritized and weighted utilizing a variety of internal and external input sources, including input from BSR's industry knowledge, best practices and expectations.

Step 4 Prioritize the Issues

The results from Step 3 were then used to generate a Materiality Matrix to help identify which ESG topics are most pertinent to various stakeholders, while remaining in line with Flowserve's business and ESG strategy tenets: Climate, Culture and Core Responsibility. We prioritized Flowserve's key issues using two parameters:

- The impact of each issue on Flowserve's business success
- The impact of each issue on society and the environment

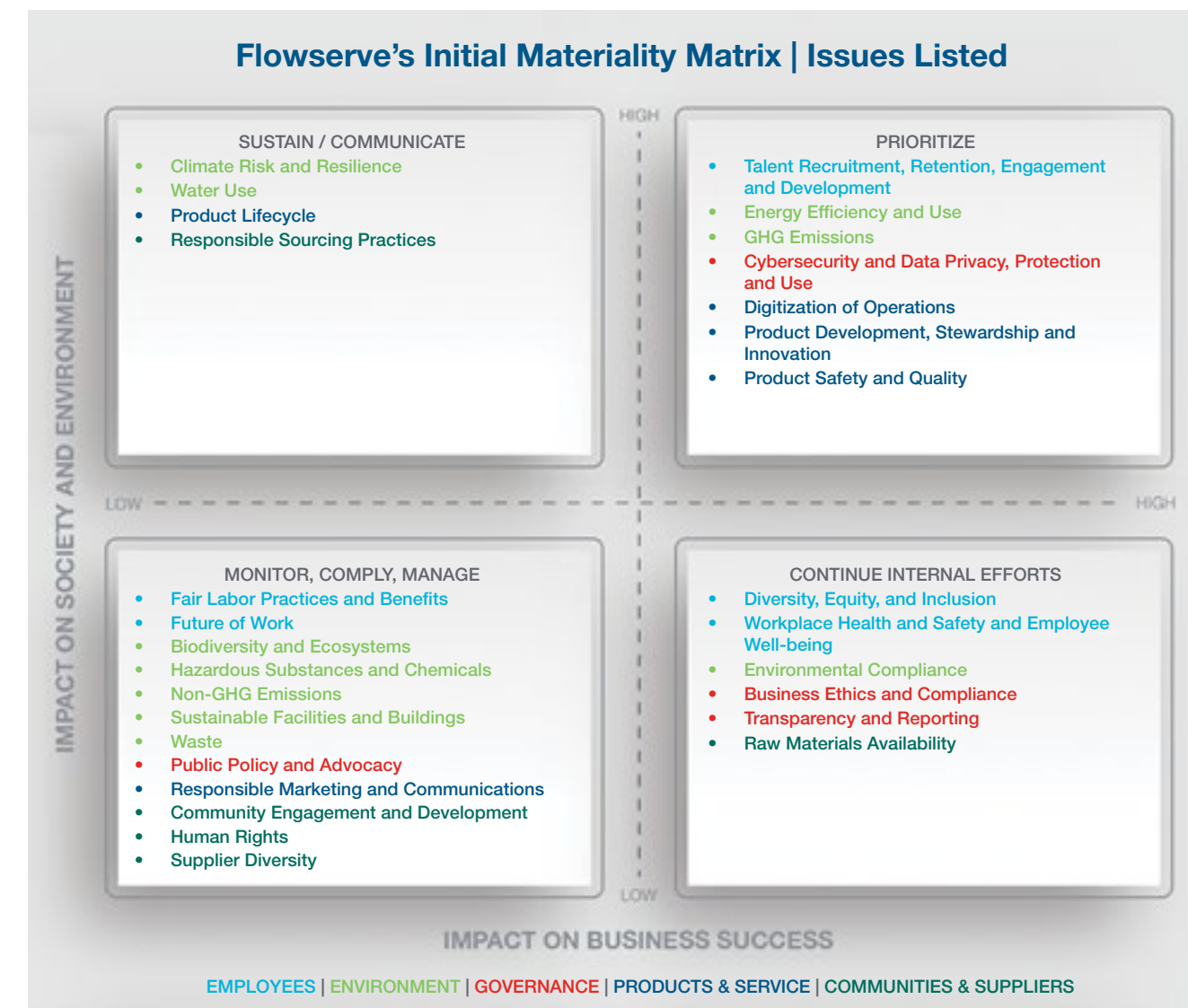
Step 5 Validate

As a final step, a broad set of senior leadership representing all business functions and regions reviewed, refined and validated the results of the ESG Materiality Assessment and the resulting Materiality Matrix.

MATERIALITY MATRIX

Although all ESG topics identified on the matrix are important to Flowserve, the following ESG topics and material issues within each topic are currently of greater significance to our business and are priorities for our reporting.

- **Climate:**
 - o Energy Efficiency and Use
 - o GHG Emissions
 - o Product Development, Stewardship and Innovation
 - o Product Safety and Quality
 - o Digitization of Operations
- **Culture:**
 - o Talent Recruitment, Retention, Engagement and Development
- **Core Responsibility:**
 - o Cybersecurity and Data Privacy, Protection and Use



The information included in, and any issues identified as material for purposes of, this document may not be considered material for SEC reporting purposes. In the context of this document, the term "material," if any, is distinct from, and should not be confused with, how such term is defined for SEC reporting purposes.

SUSTAINABLE DEVELOPMENT UNITED NATIONS ALIGNMENT GOALS

Adopted by all United Nations Member States in 2015, the 2030 Agenda for Sustainable Development acts as a roadmap for global peace and prosperity for people and planet, now and into the future. This agenda is supported by 17 Sustainable Development Goals (SDGs) that act as individual yet complementary calls to action to end poverty, improve the lives and prospects of the global population, and tackle climate change. Flowserve's flow control solutions, core values and employee actions support many of these SDGs – from education to energy transition and economic growth. Many of our successes in 2022 promoted the tenets of these SDGs. We will continue to refine our operations, products and services to help build a better tomorrow for all.

SDG 1 NO POVERTY



The first of the Sustainable Development Goals is committed to ending poverty in all forms everywhere. At Flowserve, we are committed to empowering our associates and giving back to our communities to promote financial wellness. Our U.S.-based partnership with Ayco Financial Services offers free financial planning and assistance to employees through personalized counseling and free online tools to help them reach their financial goals, creating a strong foundation for their financial future. Our global community impact program, Flowserve Cares, engages with our global communities through monetary donation and volunteer opportunities, helping philanthropic organizations combat poverty and assist those in need.

SDG 2 ZERO HUNGER



Aimed at ending hunger, achieving food security and improved nutrition, Flowserve supports this goal by developing our products for critical food applications. Our pumps enable the development of sustainable feed solutions for animals such as fish, livestock and pets, helping meet the world's ever-increasing need for more food without placing more stress on scarce resources. We are also partnered with several organizations through Flowserve Cares that support feeding the hungry.

SDG 3 GOOD HEALTH AND WELL-BEING



Rooted in our values, we are committed to positively impacting the health and safety of our employees and the communities in which we operate. Through Flowserve Cares, we mobilize our purpose to drive positive change in our communities and invest in a healthier tomorrow through donation and volunteerism. We've also increased our focus on health and wellness internally with expanded well-being benefits, including mental health and financial planning resources.

SDG 4 QUALITY EDUCATION



This goal seeks inclusive, equitable and lifelong learning for all. Flowserve's community impact program, Flowserve Cares, promotes this goal through its support of multiple at-risk youth and science, technology, engineering and math (STEM) educational programs. Through these efforts, we help provide opportunities for youth who need greater access to quality education. Flowserve also supports continuing education for its own employees through tuition reimbursement programs and other adult education offerings.

SDG 5 GENDER EQUALITY



We are proud to have women represent more than one-third of our Executive Leadership Team and more than one-quarter of our Board of Directors. We value gender diversity and are committed to promoting equity and inclusivity at all levels. We proudly support the empowerment of women and girls, especially women in STEM through the educational tenet of Flowserve Cares.

SDG 6 CLEAN WATER AND SANITATION



Flowserve is committed to increasing water-use efficiency in our operations. We use process improvement methodologies such as Lean Six Sigma to improve operating efficiency and reduce water use. As a result, many of our manufacturing facilities recycle process water in closed-loop product test systems to minimize freshwater use. Additionally, Flowserve supports the World Business Council for Sustainable Development's initiative to provide safe water, sanitation and hygiene (WASH) at all of our facilities.

Flowserve products and services are employed globally to help meet society's need for fresh water. We have been a leader in seawater desalination since it was commercialized on a large scale. Flowserve equipment is installed in 90% of the world's desalination plants and two-thirds of seawater reverse osmosis (SWRO) projects operate with our pumps and energy recovery devices (ERDs).

SDG 7 AFFORDABLE AND CLEAN ENERGY



Among many product applications, Flowserve flow control equipment is widely used in fuel and energy production. For decades, our products have supported

traditional oil and gas production and refining, conventional and combined-cycle power generation and nuclear power production to help world economies prosper.

As the world moves to cleaner forms of energy, Flowserve products are supporting less carbon-intensive technologies, including geothermal, biomass and concentrated solar power generation. For processes that will continue to generate greenhouse gases, our products are helping to advance carbon capture, utilization and storage (CCUS) technologies to control these emissions.

The transition to cleaner forms of energy, or energy transition, is an important element of our growth strategy that will influence future innovation, investment and product development. By helping our customers reduce their carbon emissions and improve energy efficiency, as well as our own, we seek to build a cleaner and more sustainable future.

SDG 8 DECENT WORK AND ECONOMIC GROWTH



Targets within SDG 8 include actions to achieve higher levels of economic productivity through diversification, technological upgrading and innovation and the decoupling of economic growth from environmental degradation. Our focus on developing technology to increase energy efficiency, reduce air emissions and support the transition to less carbon-intensive energy production is helping society achieve this goal.

SDG 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



This goal encourages the development of quality, reliable, sustainable and resilient infrastructure to support economic development and human well-being, with a focus on affordable and equitable access for all. Among

other infrastructure needs, management of flood hazards is a major concern for many who live and work in low-land areas – particularly areas of rising sea level. Flowserve is a world leader in the manufacturing of large-scale flow control equipment to protect flood-prone areas.

SDG 10 REDUCE INEQUALITIES



This United Nation goal calls for the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion, economic or other status, by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and actions. Flowserve's core values include a commitment to develop each other, embrace differences, respect others and create a collaborative team culture. Our values are supported by our Code of Conduct Human Rights Policy, and training programs promoting inclusion. Our diversity of thought, background and experience are a powerful catalyst for success and inclusion. We are fully committed to building and sustaining diversity, equity and inclusion (DE&I) throughout the enterprise.

SDG 11 SUSTAINABLE CITIES



SDG 11 calls for all cities and human settlements to be safe, resilient and sustainable, particularly focused on natural disaster response, municipal waste reduction and resilience of infrastructure. Supported by our Safety value of creating safe workplaces and products for our employees, customers and communities, Flowserve is a leading partner in reinforcing the world's most critical processes. From COVID-19 vaccine development and production to helping vulnerable cities implement flood control solutions to protect against natural disasters, our products are relied upon to support many of the tenets of SDG 11.

SDG 12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Responsible consumption and production outlines targets to ensure sustainable consumption and production patterns, including efficient natural resource use and waste recycling. Consistent with our focus on operational excellence, Flowserve is committed to reducing the volume and toxicity of discarded materials generated by its manufacturing operations. Through educating and deploying lean methodologies throughout the enterprise, we are continuously striving for a more efficient work environment on our journey to zero waste. We continue to dispose of a majority of discarded waste materials via recycling, incineration or burning for fuel value to minimize landfill use.

As we partner with our customers and end users, Flowserve is engaged throughout the product lifecycle to promote maximize equipment performance while minimizing environmental footprint and prioritizing responsible reuse, refurbishment and disposal.

SDG 13 CLIMATE ACTION

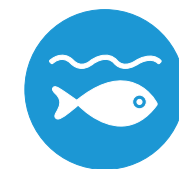


With global temperatures and sea levels rising, as well as energy-related emissions reaching their highest levels ever in 2021, SDG 13 is humanity's code red warning to act quickly in response to climate change. This goal includes targets aimed at strengthening resilience and adaptive capacity to climate-related hazards and natural disasters in all countries, improving education and awareness on climate change and its effects, and integrating climate change measures into policy and planning.

At Flowserve, we strive to enable a clean energy future by advancing technologies that reduce climate impact, embedding sustainability within our core operations and strengthening our purpose-driven culture. As part of our commitment to sustainability, Flowserve targets to reduce

Scope 1 and Scope 2 carbon intensity 40% by 2030, using 2015 as a baseline year. We plan to meet this target through energy efficiency improvements, renewable energy project development and other measures to offset our greenhouse gas emissions. As of December 31, 2022, Flowserve has achieved 80% of our 2030 carbon reduction target. Further, the Decarbonize pillar of our 3D strategy is driving us to support our current and future customers in reaching their carbon reduction goals today and through the energy transition.

SDG 14 LIFE BELOW WATER



SDG 14 calls for the conservation and sustainable use of oceans, seas and marine resources for sustainable development. The effects of climate change and human pollution of our oceans are endangering the planet's largest ecosystem. Our 3D strategy is committed to accelerating innovation to combat climate change and deliver technologies dedicated to using resources, like water, more efficiently. Additionally, Flowserve equipment is utilized in applications around the world promoting fresh water and marine life preservation.

SDG 15 LIFE ON LAND



It is estimated that 10 million hectares of forest are destroyed every year, jeopardizing biodiversity and putting as many as 40,000 species at risk of extinction over the coming decades. This SDG centers around the protection, restoration and sustainable use of terrestrial ecosystems to halt and reverse the effects of deforestation, land degradation and

biodiversity loss. Flowserve technologies have been applied to some of the largest environmental restoration projects in the world, including the Everglades Restoration Plan, where our pumps are helping to store water and preserve one of the largest wetlands in the world. Flowserve associates have also had a direct hand in combating deforestation by nurturing and planting trees. Our site in Tlaxcala, Mexico has an on-site greenhouse dedicated to reforestation of the local region, caring for over 6,000 trees per year for future planting.

SDG 16 PEACE, JUSTICE AND STRONG INSTITUTIONS



Flowserve's Supplier Code of Conduct (Supplier Code) prohibits forced labor, child labor, and human rights abuses. Flowserve also contractually reserves the right to terminate any supply chain contract for violation of the Supplier Code.

Flowserve is working to promote a conflict-free supply chain that reflects our Conflict Minerals policy. These policies are communicated to our suppliers and are included in our purchase order agreements.

Flowserve's flow control solutions, core values and employee actions support many of these SDGs – from education to energy transition and economic growth. We will continue to refine our operations, products and services to help build a better tomorrow for all.

Our ESG Vision

In 2022, Flowserve launched a refreshed ESG vision and strategy to align our approach to our overall purpose statement, the results of the materiality assessment, and our 3D growth strategy.

Flowserve is committed to providing flow control products and services for a better world. Rooted in our Purpose statement, our ESG vision drives us to continue developing and investing in ESG priorities and principles at Flowserve, because we recognize that positively impacting ESG is an effort that impacts the world for generations to come. We work to accomplish this goal through the products we create, the services we provide to customers and our collective actions in the communities where we operate. Our contribution to societal progress ranges from products that support dependable energy and water supplies to providing educational assistance for at-risk youth. As we work to create a more sustainable future, we remain focused on operating with the highest integrity consistent with our core values.

The Flowserve ESG vision outlines our commitment to ensure environmental, social and governance issues are effectively managed. Through our actions, Flowserve associates are committed to:

- Providing high quality products and services to advance environmental and societal improvement
- Maintaining a strong governance structure to manage risks and capitalize on market opportunities
- Engaging with customers, communities and governmental entities in the public space to promote ethical and socially responsible business conduct
- Partnering with suppliers and other stakeholders who share the same commitment to ethics, human rights and environmental stewardship
- Promoting health, safety and well-being of all our associates and contract workers
- Fostering an inclusive work environment that supports our diverse workforce
- Increasing energy efficiency, reducing carbon emissions, conserving water and reducing waste
- Tracking and reporting ESG metrics and other relevant data to monitor our progress and seek continuous improvement

By taking these actions, we promote the well-being and prosperity of people, the planet and our business.



Our ESG vision is to create flow control for a better world. We strive to enable a clean energy future by advancing technologies that reduce climate impact, embedding sustainability within our core operations, and strengthening our purpose-driven culture.



Climate, Culture and Core Responsibility

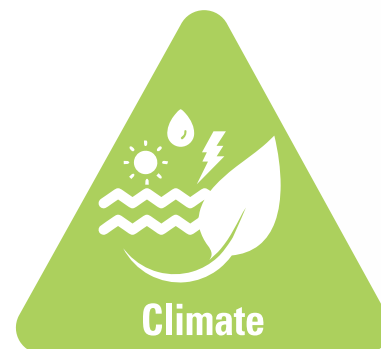
This overall ESG vision informed our new ESG strategic pillars:

CLIMATE | **CULTURE** | **CORE RESPONSIBILITY**

Building on our history of sustainability progress, our new strategy charts a focused and ambitious approach and establishes ESG as core to our purpose, strategy and operations. We have organized this year's ESG Report around these three key pillars.

Our starting point in developing the new ESG strategy and defining our priorities were the United Nations' Sustainable Development Goals, ESG benchmarks and the results of the materiality assessment. The assessment results helped us understand the expectations of several of our key stakeholders, including customers, investors and suppliers. Their input and expectations were critical in determining our ESG priorities. We considered both the risks and opportunities we face as a company as well as the impact we can have as a global enterprise.

We believe our new Climate, Culture and Core Responsibility approach seamlessly integrates with our Diversification, Decarbonization and Digitization strategy and captures how we will advance ESG practices at Flowserve.



Climate captures the environmental pillar of our ESG approach and outlines our commitment to enabling a clean energy future for our operations and our customers.

Under the Climate pillar, we are focused on the following initiatives to enable success and ensure progress on environmental initiatives:

- Energy use and efficiency
- GHG emissions reductions
- Digitization of operations
- Product safety and quality



Culture refers to the social pillar of our strategy, rooted in our belief that the collective energy of our People sets us apart. Informed by our People value, we are committed to developing each other and creating a collaborative culture to support our associates and the communities where we live and work.

We have focused programs to continue to improve our Culture initiatives:

- Talent recruitment, retention, engagement and development
- Diversity, equity and inclusion
- Workplace health and safety
- Employee well-being



Core Responsibility represents governance and how we conduct business ethically and in accordance with laws and regulations around the world.

Our Core Responsibility initiatives include focus on the following programs:

- Integrity and compliance
- Cybersecurity and data privacy
- Product safety and quality
- Environmental compliance
- Reporting practices
- Responsible sourcing practice



Enabling Our ESG Strategy

To help refine our focus and realize the ambitions outlined in our updated strategy, leaders and subject matter experts across Flowserve developed issue roadmaps on our top eight near-term ESG priorities. As we built our roadmaps, Flowserve leaders were identified to lead ownership of each issue, working with BSR and our ESG Steering Committee to establish specific goals, targets and key performance indicators to drive meaningful progress. Flowserve's Board of Directors also provided direction and feedback on issue roadmaps to ensure alignment with our 3D strategy and ESG strategic pillars.

THE INITIAL ROADMAPS WILL FOCUS ON THE FOLLOWING:



Internal Operations

- Energy Efficiency and Use
- GHG Emissions
- Water Use
- Environmental Compliance

Product

- Energy Efficiency and Use
- GHG Emissions
- Water Use
- Product Development Stewardship and Innovation
- Product Lifecycle
- Digitization of Operations
- Product Safety & Quality

Talent + DEI

- Talent Recruitment, Retention, Engagement and Development
- Diversity, Equity, and Inclusion

Responsible Supply Chain

- Responsible Sourcing Practices
- Raw Materials Sourcing

Health, Safety & Employee Well-being

- Workplace Health and Safety, and Employee Well-being

Business Ethics & Compliance

- Integrity & Compliance

Cybersecurity & Data

- Cybersecurity & Data Privacy

While these are not the only priorities or material ESG issues identified for Flowserve, we aspire to drive meaningful progress in these key areas and enhance our entire ESG program by executing on the roadmaps under our new strategic pillars.

SPOTLIGHT STORY



MAKING MEDICAL INNOVATION POSSIBLE WITH CELL CULTURE MANUFACTURING

Flowserve is partnering with the world's second largest contract manufacturer of biopharmaceuticals as it develops innovative medicines to treat serious illnesses. This customer manufactures cultured cells that are utilized in the manufacturing of vaccines, therapeutic proteins, antibodies and cell therapy products – all treatments that are in high demand globally. Flowserve supplied over 1,300 valves for a \$900 million large-scale cell culture manufacturing expansion at a Denmark-based plant as part of a larger scale initiative that will take place in the U.S. and Denmark. Through this partnership, Flowserve is enabling medical innovation and advancements that make the world better for everyone.



CLIMATE

OUR PRODUCTS

Enabling Our Customers

The Climate pillar of our ESG strategy is two-fold: embedding sustainability into our operations that aim to reduce Flowserve's impact on the environment and delivering technologies and capabilities through our 3D strategy that enable our customers to increase efficiency, reduce emissions and positively impact our climate for a clean energy future.

Our people challenge themselves to approach each situation with ingenuity and creativity to help provide our customers with the most innovative flow control products and services. From the products themselves to the processes we leverage to design and manufacture our products, innovation is built into every step along the way.

In 2022, we launched more than 20 new and redesigned products to enable our customers' ESG goals through energy efficiency and emissions reduction, minimizing lifecycle equipment costs, reducing maintenance requirements and simplifying equipment operation. Whether it's the product design or product application, we're diversifying, decarbonizing and digitizing our offerings to support our customers and help them achieve their sustainability goals.

The products and services highlighted here offer just a few examples of how Flowserve is driving Diversification, Decarbonization and Digitization and enhancing our ESG initiatives through our offerings.



Our people challenge themselves to approach each situation with ingenuity and creativity to help provide our customers with the most innovative flow control products and services.



Be empowered with a mindset to do things differently.

PARTNERING WITH CHART INDUSTRIES TO FUEL THE HYDROGEN ECONOMY

In 2022, we announced our partnership with Chart Industries, a leading manufacturer of highly engineered equipment servicing applications in the clean energy and industrial gas markets. Flowserve will acquire in-process research and development related to Chart's liquid hydrogen fueling pump and will be Chart's sole manufacturer and supplier of the pump once commercial production has begun. This equipment will be incorporated into systems that will be used to fuel hydrogen-powered fuel cell electric trucks, cars, buses, as well as future hydrogen vehicles. Currently, more than 100 fueling systems are planned to go into operation over the next five years worldwide.

Hydrogen represents a significant opportunity in helping the world reduce carbon emissions and is a critical driver of our Decarbonization pathway. Our partnership with Chart is accelerating our 3D growth strategy and sustainability efforts while also making significant strides in progressing through the energy transition. With orders already placed to meet the international goal of Zero Emissions, we are proud to serve as a leading provider of this innovative technology.

Product Innovation



DIVERSIFY

FLEX™ ISOBARIC ENERGY RECOVERY DEVICE

Driven by the Diversification pillar of our 3D strategy, Flowserve introduced the Flowserve FLEX™ pressure exchanger (FLEX™) in 2022 to further invest in our desalination portfolio – which is already considered one of the most complete and outstanding in the world. The FLEX™ was designed to be the most efficient and compact isobaric and rotary energy recovery device (ERD). Energy is the primary cost driver in any reverse osmosis (RO) desalination process, so we engineered FLEX™ to be capable of recovering more than 98% of hydraulic energy, representing significant savings in energy-intensive seawater or brackish water RO desalination processes. In addition, with this product's ability to reduce high-pressure pump capacity by 60%,

customers can experience significant savings in operating and maintenance costs.

FLEX™ has a higher unit capacity than any pressure exchanger of its type, meaning sites need fewer units to achieve the plant's total flow capacity, creating a smaller overall footprint. Its simple design boasts smaller, less complicated headers and fewer couplings, which helps simplify installation and ensures increased reliability and up time.

Mixing rate and leakage flow are key performance indicators for isobaric devices, and the extremely low mixing rate and leakage flow of FLEX™ design helps minimize energy consumption of the RO desalination process. Further, it is the most compact, lightweight



pressure exchanger available, making it easier to handle and a quick drop-in replacement for existing isobaric ERD installations.

Finally, FLEX™ is designed to be RedRaven ready, enabling remote-monitoring of the equipment to predict performance, avoid unplanned downtime, and reduce maintenance and energy costs.



Product Innovation



DECARBONIZE

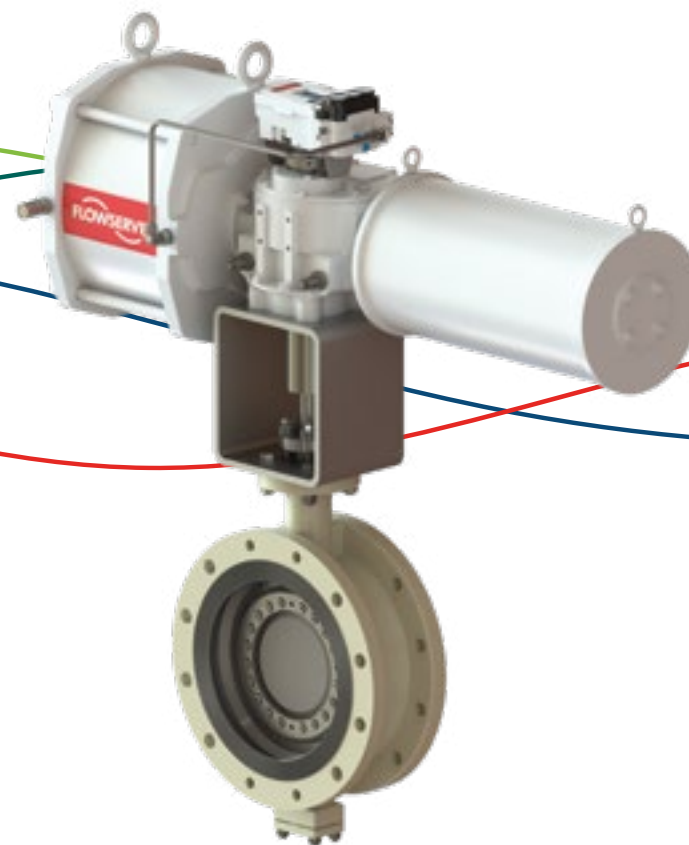
VALTEK® TX3 MOLTEN SALT TRIPLE-OFFSET BUTTERFLY VALVE

Flowserve products and services are helping to support energy transition by helping our customers operate more efficiently and lower carbon emissions. Concentrated solar plant operators require optimally designed flow control solutions to efficiently harness the clean energy of the sun and reduce carbon footprint. We designed the Valtek® TX3 (TX3) Molten Salt triple-offset butterfly valve to provide concentrated solar power (CSP) plant operators with reliable performance, tight shut off and minimized maintenance in molten salt applications.

The TX3 Molten Salt valve is targeted toward CSP plants that utilize molten chloride salts as heat transfer fluid or high-temperature thermal energy storage, designed to withstand temperatures ranging

from 260°C to 600°C (500°F to 1,112°F) with standard live-loaded hybrid or Thermiculite® packing. The live-loading delivers constant packing load and external sealing during thermal cycling and is designed and tested to ensure reliable performance through the CSP plant's operational lifecycle.

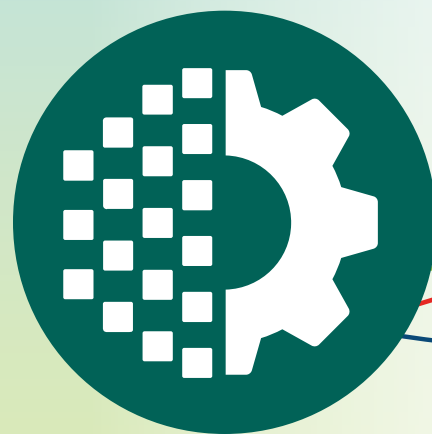
Thanks to the specialized designs, TX3 offers customers a host of benefits. The shut off design and construction reliably comply with FCI 70-2 Class V for control valve applications and API 598 for On-Off applications, while keeping the molten salt in a fluid state during thermal cycling, preventing salt solidification. The valve stem and packing region are designed to provide a comprehensive solution for packing/heat tracing, including integrated heating,



controls and sensors. With proven durability and reliable performance, unforeseen maintenance episodes may be minimized, improving up time at plants converting sunlight into heat or electricity for people around the world.



Product Innovation



DIGITIZE

REDRAVEN PREDICTIVE MAINTENANCE FOR SEALS

Today's plants must maintain production rates while facing challenges with aging equipment, complex datasets, and limited expertise and maintenance personnel. These can lead to equipment failure, emergency repairs, safety hazards, and lost revenue from unplanned downtime, which rarely comes from a single factor. RedRaven is a predictive maintenance service by Flowserve that measurably mitigates potential equipment challenges and safety risks by analyzing equipment performance data with technology specifically designed for pumps, valves and seals. The RedRaven platform includes a suite of solutions: hazardous area-certified equipment sensors, secure communication, performance analytics and trend reporting tools. It also has a

range of offerings that can be customized to meet your plant's unique needs. Options include condition monitoring services, which allow you to capture asset performance data for analysis, and predictive monitoring capabilities, which apply data analysis software and algorithms to identify and diagnose equipment problems.

In 2022, we introduced the newest RedRaven offering: RedRaven Predictive Maintenance for Seals. Mechanical seal performance data is often the best and earliest indicator of a critical system problem, even when the seal is not the root cause.

RedRaven predictive maintenance services for seals gives customers the ability to discover and



understand conditions inside the seal chamber and support system before an issue arises. This allows operators to analyze and predict seal performance, avoid unplanned downtime, plan maintenance proactively and optimize processes. With improved reliability through proactive rather than reactive maintenance, customers can spend less time physically inspecting running equipment and looking at data used in failure analysis. The new predictive maintenance for seals has applications in the oil and gas, power, chemical, water and general industries.



SPOTLIGHT STORY

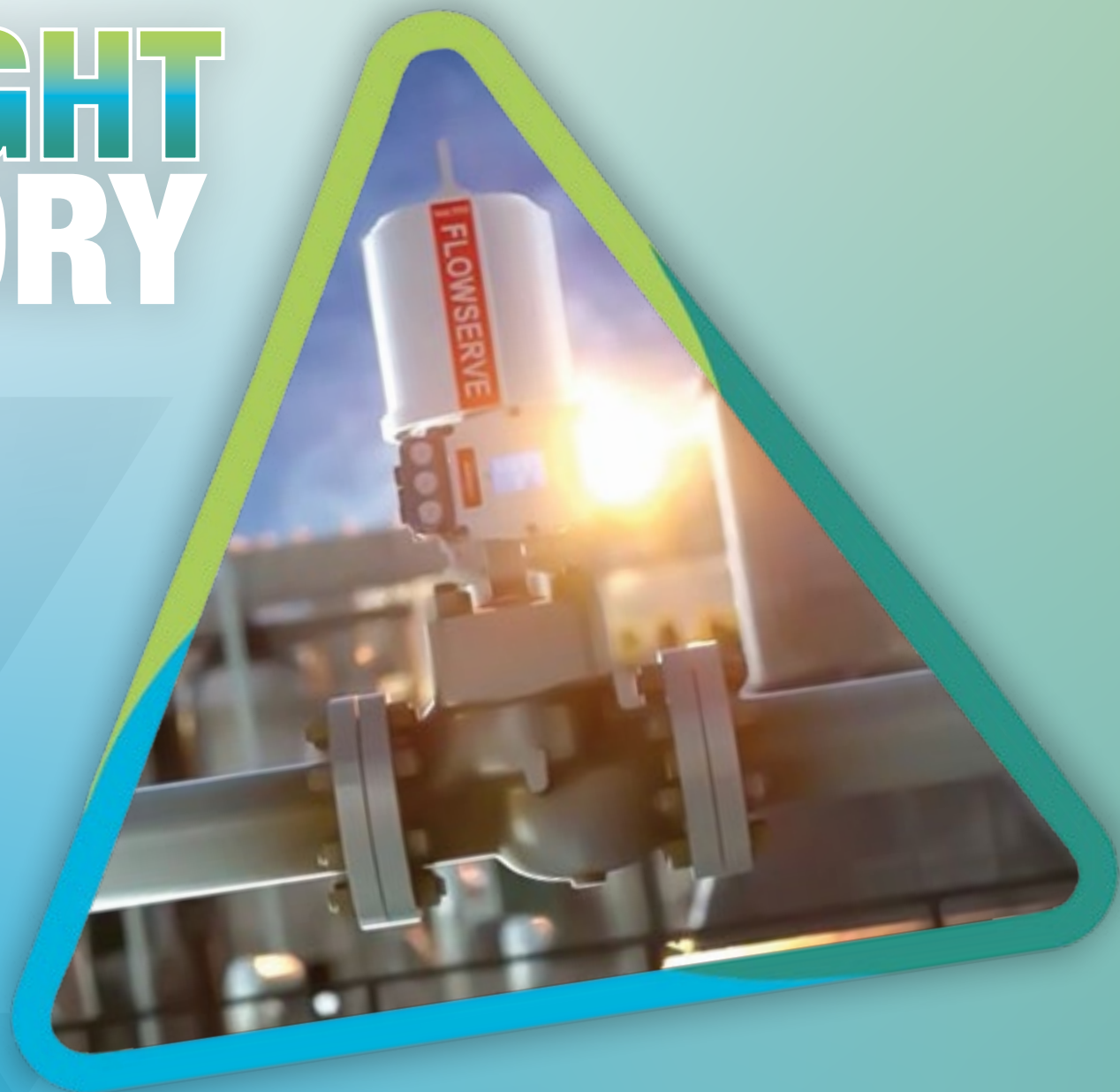


PROVIDING CLEAN DRINKING WATER TO THE PEOPLE OF OMAN

Flowserve is now providing digital support and analytics for one of the largest water desalination plants in Oman, with state-of-the-art RedRaven predictive analytics installed on 22 critical process pumps. This is the third large-scale desalination plant with RedRaven IoT capabilities. With these capabilities, we are expanding our ability to better serve growing markets, helping our customers easily digitize their operations and predict failures before they occur. This can prevent costly downtime, reduce carbon emissions and save energy. Digitizing operations to deliver clean drinking water is another way Flowserve is making the world better for everyone.



SPOTLIGHT STORY



ENHANCING SUSTAINABILITY IN WATER RESOURCE MANAGEMENT

At Flowserve, we're committed to safeguarding water as a valuable resource as well as supporting our customers to do the same as they take steps to build a sustainable future. Flowserve partnered with a municipal water supplier in the Middle East to resolve operational issues that were resulting in outages and affecting regional water supply. By installing RedRaven sensors on 17 pumps, our predictive analytics IoT solution monitored vibration, water temperature, pressure and flow, alerting plant technicians when a pump began to experience issues. The operator was able to begin streamlining maintenance protocols to prevent prolonged pump failure, helping to reduce costs and increase operational resilience for the water supplier. The cloud-based portal also reduced the need to travel to remote locations for equipment checks. This is a clear example of how Flowserve is enhancing sustainability, solving mission-critical challenges and preventing downtime – helping ensure an uninterrupted supply of water for regional communities.



Sustainable Processes

At Flowserve, innovation isn't just a part of our products and services—it's also integrated into the way we design, develop and produce our products. These are just a few highlights of how innovation is driving efficiencies and the sustainability of our manufacturing processes.

DESIGN TO VALUE

Our Design-to-Value (DtV) program enables us to redesign, rationalize and improve our products to deliver increased value to our customers while optimizing costs. Through our systemic, data-driven approach, we seek to continuously improve our product safety, quality, reliability, efficiency and manufacturability. When we can simplify a design, use less material and labor, or standardize parts without sacrificing quality, we increase energy efficiency and reduce carbon emissions and waste, ultimately helping us better serve our customers in a more sustainable way. DtV initiatives align our organization closely to our 3D strategy—a core objective for Flowserve.



ADDITIVE MANUFACTURING

Our innovation goes beyond just product design. We also leverage innovative ways to accelerate new product development and the availability of spare parts and other aftermarket offerings.

Additive manufacturing technology helps drive Flowserve's ESG practices in three primary ways:



Additive manufacturing for aftermarket parts can reduce inventory, long-distance logistics and waste involved with traditional manufacturing – leading to decreased carbon emissions and energy consumption.



Innovating our manufacturing processes to replace traditional foundry work reduces exposure to hazards and minimizes human labor required, keeping our associates and contractors safe.



Additive manufacturing parts can be produced quicker and can be more cost-effective than conventional manufacturing processes. This allows for multiple iterations of changes and test results in the time it would take to get castings manufactured with one change, dramatically decreasing time to market for new product development. Additionally, customers are able to minimize their inventory of spare parts and thus reduce the total cost of ownership of their pumps.

To date, our additive metal manufacturing program can deliver impellers up to 400 mm (16") and other non-pressure-containing replacement parts, such as inducers for any pump. We also continue to ensure our parts are produced at the highest quality. Flowserve follows a rigorous technical and commercial qualification process that is aligned with API-20S and ensures that material properties meet or exceed their respective ASTM standards. Additionally, we use 316L stainless steel, which can be used to replace or upgrade cast impellers made of cast iron or carbon steel. We are evaluating other materials such as Inconel® 718, CA6NM, 410 stainless steel, titanium Ti6Al4V-ELI and super duplex stainless steel. These metals will be introduced to the additive manufacturing program once fully qualified.

Since introducing our additive metal manufacturing program, we have been able to significantly lower lead time from eight to twenty weeks to as few as four weeks for certain parts. We will continue to advance our program in the development of other part types and available sizes and our reach in other industrial applications.

Quality and Product Stewardship

Flowserve provides critical products and services to essential global applications, including energy, water, food production and other infrastructures that benefit our growing world. Quality is paramount in our ability to deliver flow control equipment and expertise, and we hold ourselves to the highest quality standards.

Flowserve manages product quality through its Zero Defect Program (ZDP) as part of our TargetZero initiative. Our quality program includes a comprehensive set of processes and procedures focused on eliminating product defects and addressing customer equipment issues. The program has the additional benefit of improving operating efficiency by reducing materials, cycle time and labor expense.

ZERO DEFECTS

LEADERSHIP COMMITMENT

The foundations of our commitment to quality are rooted in our global leadership teams. Flowserve's executive leadership is committed to the goal of achieving zero defects in its manufacturing processes.

The Vice President of Global Operational Excellence, Divisional Vice Presidents of Manufacturing, Global Quality Leader, Divisional Quality Leaders and Functional Quality Leaders form the global Quality Executive Team (QET). This team is accountable for the overall design and performance of the company's quality management system. The team meets regularly to assess management system effectiveness and make any necessary adjustments to drive improvement.

The Flowserve Quality Council is responsible for execution of ZDP, including strategic initiatives and communications. This global team, which includes Quality, Operations, Supply Chain and Engineering leaders, oversees execution of ZDP at the site and function levels and provides timely feedback to the QET on quality initiatives. The team meets monthly to review ZDP implementation progress and effectiveness.

Quality Improvement Teams (QITs) consist of site and functional Quality leads and regional Quality Managers. QITs are responsible for mobilizing ZDP at the site and function levels and regularly reviewing all aspects of quality program implementation to provide feedback to the Quality Council, sharing both ZDP successes and opportunities.





Quality and Product Stewardship

EMPLOYEE ENGAGEMENT

At Flowserve, we believe each of our employees impact the quality of our offerings, and as such, aim to empower them to take ownership of their roles through quality education and awareness. We stay engaged with our employees through worker training, auditor training, workdays dedicated to Zero Defect programming and employee recognition.

The goal of these programs is to help ensure our people:

Are educated on and follow our policies and procedures to the best of their abilities



Aspire to complete their processes and job responsibilities with zero defects



Recognize that product quality can impact our customers' operational safety and the communities where they operate



Know their responsibility and authority to stop work when a quality issue is discovered and ask for assistance in its resolution



Take ownership in our quality journey and hold each other accountable



ZERO DEFECT DAY

Each year, our global teams come together for Zero Defect Day to realign our focus and renew our commitment to quality. Through leadership messages, engaging discussions and other training activities, our associates are reminded of ZDP principles and further learn ways to incorporate the program into their day-to-day activities. Through these sessions, we aim to address site initiatives and customer and supplier quality as well as promote a quality culture at Flowserve. Training materials and other resources are translated into all nine of Flowserve's languages and available for access year-round on Quality Central, our global SharePoint site.

MEASUREMENT

Flowserve has established metrics for tracking product non-conformance. We monitor quality through a set of key performance indicators (KPIs): Customer Issue Management, Manufacturing Process First Pass Yield, Product Rework, Scrap and Warranty Claims. Going further, we collect metrics associated with resolving individual customer product quality concerns, including defect severity and issue resolution time. KPIs and associated metrics are maintained and managed in a common database with data visualization that allow efficient assessment of quality trends and corrective actions. Metrics are updated daily or monthly (depending on the KPI data source) to promote timely resolutions of quality issues and visualization of quality trends.

QUALITY AWARENESS

Flowserve maintains ISO 9001:2015 quality management standard certification at all original equipment manufacturing (OEM) facilities worldwide. All site quality certification documents are stored in a common database that tracks audit schedules, expiration dates and other management system information. We also maintain ISO 14001 environmental and ISO 45001 safety certifications at several of these facilities.

To promote awareness and employee development, associates receive periodic training on ISO 9001:2015 as well as other relevant industry-specific quality standards and methodologies to apply its principles to manufacturing operations. This training also educates employees on how to conduct and respond to quality management audits. Quality management audits are conducted at Flowserve facilities by Flowserve Internal Auditors and key external stakeholders (including customers and external agencies) under the direction and supervision of a Lead Auditor. Lead Auditors are qualified and certified in specific disciplines such as NQA-1, ISO 9001:2015, API Q1 and/or Q2, and conduct audits in accordance with the scope, complexity or special nature of the audited activities.

We have also invested in online tools to facilitate remote auditor training with increased business flexibility and safety. Remote auditing allows auditors to review documentation and conduct interviews and site tours using video technology and other electronic resources while maintaining the same high standards of onsite audits. Multiple stakeholders can simultaneously witness an audit and interact with auditors via a live stream.

Flowserve strives for quality at each stage of the value chain, starting with our suppliers. Supplier Auditor Training develops personnel to evaluate and address potential supply chain issues that might impact Flowserve manufacturing quality. Flowserve conducts periodic supplier audits to promote compliance with our quality requirements and specifications. These supplier audits are an important component of working with our supplier partners to conform to Flowserve’s quality program and recognized industrial standards.

PRODUCT SAFETY AND CERTIFICATION

Safe application and operation of our products begin with their design. Our product engineering teams report and remedy product safety issues in a standardized and rigorous process built into Design Review. Design Review occurs at two separate stages of every Product Development or Design to Value (DtV) project, and in our Engineer-to-Order (ETO) process for order-related design activity.

Product safety training is included in our employee standard safety and product-related training programs, with special emphasis on equipment assembly. We conduct employee training on product safety every two years or as product specifications require. Additionally, Flowserve provides customer training programs aimed at promoting safe operation and maintenance of flow control equipment.

Flowserve designs and manufactures highly engineered equipment to meet customer specifications and withstand the most severe applications. For the maximum protection of life and property, the American Society of Mechanical Engineers (ASME) provides rigorous rules for high-pressure equipment. In many countries, governments require our customers to purchase ASME-labeled flow control equipment. Applicable Flowserve products conform to ASME Standards and receive the “U” or “R” stamp designation based on new or repaired product status. The ASME requirements apply to the design, fabrication, inspection and testing of pressure vessels, including high-pressure pumps. In addition, Flowserve products conform to applicable industry standards governing the safe use of its products in potable water service, including NSF/ANSI 61.



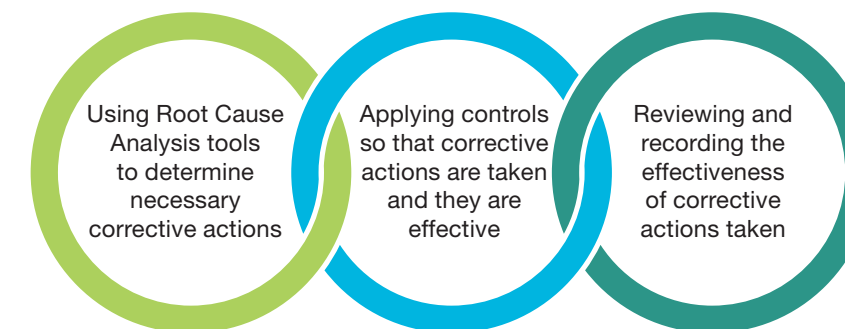
DEFECT MANAGEMENT

Promoting quality by addressing product issues is a key aspect of the Flowserve Zero Defect Program. We seek to continuously improve product quality and reduce defects by preventing defective product shipments, correcting quality issues in a timely manner and preventing future non-conforming product issues.

Facilities maintain procedures to help prevent products that do not conform to specified requirements are not unintentionally used or delivered. These procedures define the controls, related responsibilities and authorities for dealing with non-conforming product. When a non-conformance occurs, controls require identification, documentation, evaluation, segregation and disposition of non-conforming products and for notification to the functions or parties concerned. Each Flowserve OE factory utilizes a Non-Conformance Report (NCR) system to manage and resolve non-conformances for product manufactured by Flowserve and material from suppliers.

We use Flowserve’s Corrective Action Request (CAR) system to log all actions addressing non-conformance issues identified by customers.

THE CAR SYSTEM PROMOTES THE EFFECTIVE HANDLING OF CUSTOMER CONCERNS AND REPORTS OF PRODUCT NON-CONFORMANCES BY:

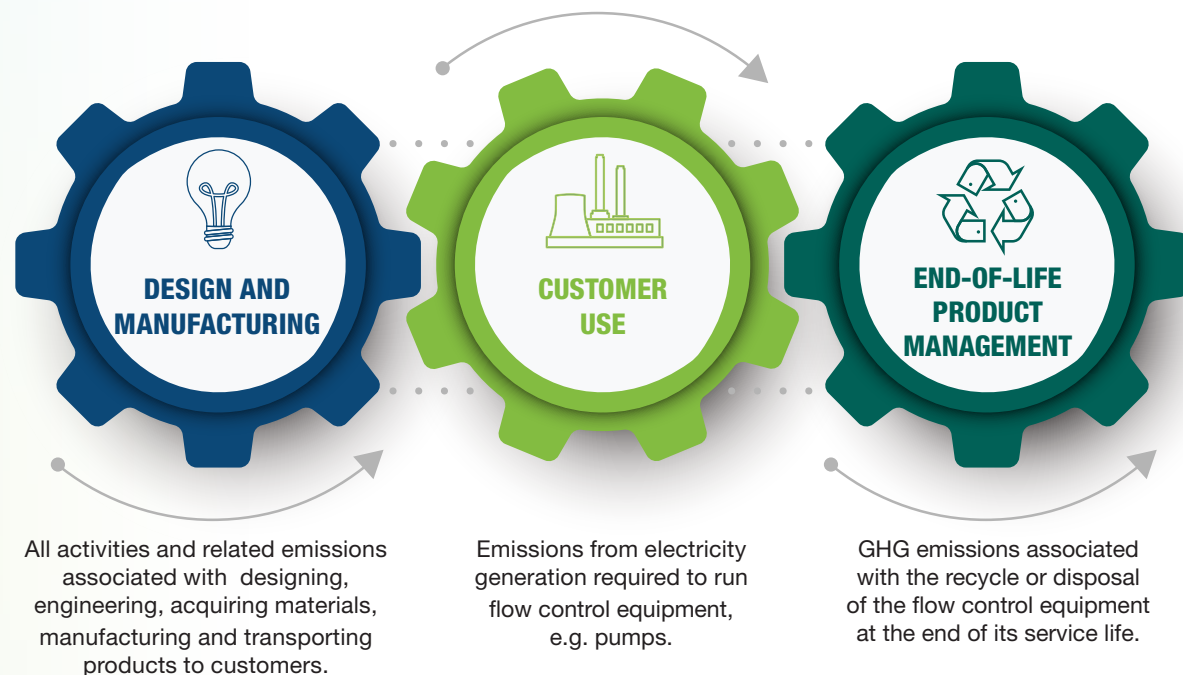


Flowserve sites investigate actions to preempt future non-conformances using appropriate sources of information and analytical tools. If preventative actions can be identified and implemented, we periodically assess the effectiveness of these actions to reduce defects. Sites use the CAR System to record all preventive actions to eliminate future non-conformances, in addition to the corrective actions identified by the root cause analysis. Consistent with our core values, Flowserve works to notify the public and/or recall any non-conforming product that poses a public safety concern.

Product Lifecycle

We create products to meet the needs of our customers who are supplying energy, fresh water, pharmaceuticals and other essentials to consumers, businesses and governments globally. Flowserve partners with our customers and end-users throughout the product lifecycle to help maximize equipment performance while minimizing environmental footprint.

THE PRODUCT LIFECYCLE EMISSIONS OCCUR IN THREE PRIMARY PHASES:



DESIGN AND MANUFACTURING

We are engaged in all aspects of pump, valve and seal design to provide customers with a wide range of equipment options to meet their specific process needs and to achieve optimal efficiency during operation. From standard equipment to highly engineered solutions, we design and deliver flow control solutions for the world's toughest applications.

In support of industry efforts to reduce carbon emissions, Flowserve has been involved with government and industry interest groups to set pump efficiency standards with the goal of reducing energy-related emissions. Currently, we are involved with EUROPUMP, a working group developing standard Product Environmental Footprint documentation for consumer awareness.

CUSTOMER USE

To help reduce carbon emissions and maximize product service life for our customers, Flowserve provides a comprehensive program to optimize operating performance. Our Scope 3 metrics support European Union studies which identify the pump use phase as the predominant source of GHG emissions during the product lifecycle, so maintaining peak performance is critical to reducing energy use and environmental impact.

Pumps consume electricity, and the quantity of carbon emissions created during use depends on the energy source and process conditions within each unique customer operation. We strive to maximize pump efficiency during the selection process to play our part in decarbonizing electricity production and improve performance monitoring of the component. By doing so, we aim to improve operating efficiency and lower emissions.

Through our global network of service centers, quick response centers and our RedRaven offering, Flowserve assists customers in monitoring real-time performance of their equipment to promote safe and efficient operation. We take equipment monitoring a step further by combining wireless asset monitoring and predictive analytics to help determine when and why equipment fails, and provide equipment and process solutions to prevent or minimize business interruption. Accurately predicting equipment performance alerts customers to potential process failures before they happen, increasing asset availability and uptime, reducing maintenance costs and avoiding unnecessary startup and shutdown emissions.

To maintain process efficiency, our engineers can reduce downtime and improve safety at customer sites via targeted equipment evaluations, field performance tests and complex system assessments. We can enhance operator skills by providing certified trainers at customer sites or hosting teams at one of our world-class training facilities. We can also streamline inventory and equipment management to reduce customer operating costs. Flowserve's global network of service centers can ship a large selection of quality replacement parts in as little as 24 to 48 hours so maintenance teams can quickly get equipment back into operation. Our technicians can troubleshoot and repair customer-critical assets at their site or at our facilities, helping to minimize process interruptions.

END-OF-LIFE PRODUCT MANAGEMENT

One of the important capabilities of our global service network is repairing and refurbishing products to help extend equipment life and maximize its beneficial use. Restoring equipment to original performance involves substantially less manufacturing intensity compared to product replacement, which reduces customer cost and the environmental footprint. When it is no longer economically feasible to restore a specific piece of equipment, customers can move end-of-life products into established metals markets to reduce emissions associated with producing iron, steel and specialty metals from virgin ore.



Show passion for continuous improvement.

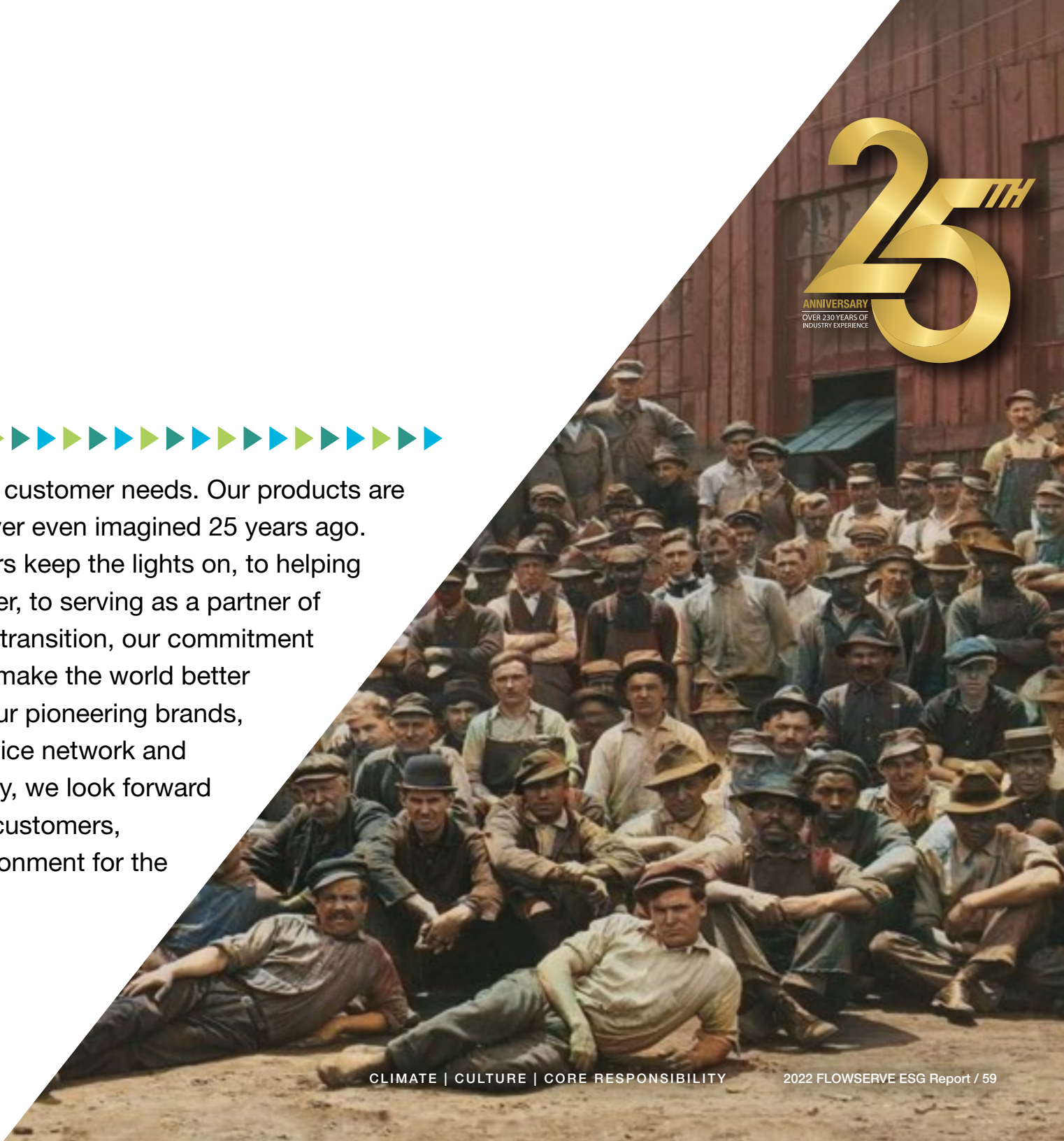
CELEBRATING 25 YEARS OF EXCELLENCE

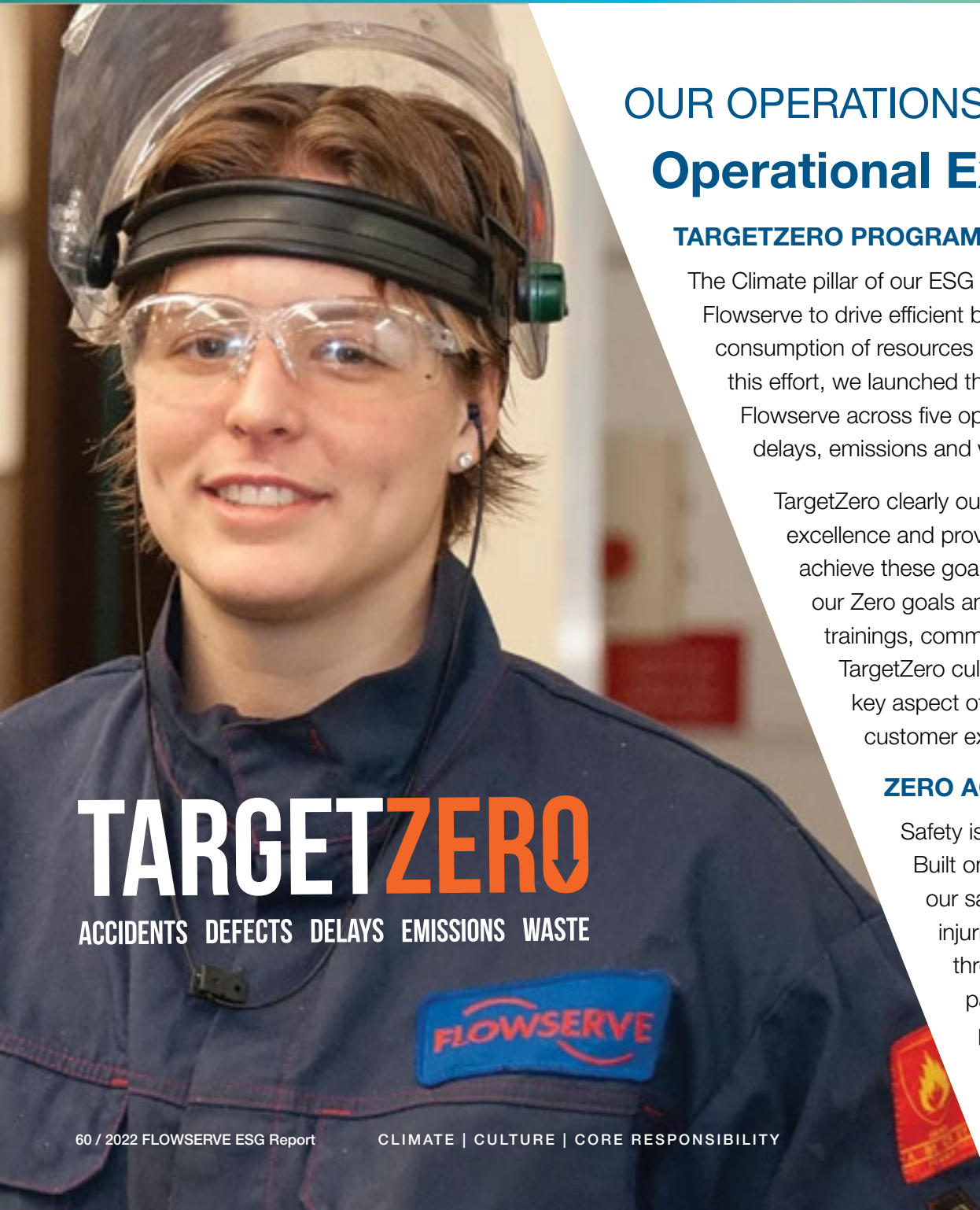


At Flowserve, our legacy dates back more than 230 years with the founding of our oldest brand, Simpson & Thompson in 1790. Since then, we've continued to evolve, innovate and leverage the strength of our people to create solutions that make us the flow control leader we are today.

In 2022, we celebrated the 25 years that we've been together under the Flowserve name. For a quarter of a century, we have driven Excellence by solving the toughest flow control challenges for our customers, growing our teams, operations and footprint, and advancing our manufacturing processes to more efficiently and more sustainably produce our products and better

support our ever-changing customer needs. Our products are being used in ways we never even imagined 25 years ago. From helping our customers keep the lights on, to helping provide clean drinking water, to serving as a partner of choice through the energy transition, our commitment to Excellence drives us to make the world better for everyone. Backed by our pioneering brands, comprehensive global service network and industry-leading technology, we look forward to delivering value for our customers, shareholders and the environment for the next 25 years and beyond.





OUR OPERATIONS

Operational Excellence



TARGETZERO PROGRAM

The Climate pillar of our ESG strategy calls us to promote operational excellence at Flowserve to drive efficient business execution and innovation while reducing our consumption of resources and minimizing our environmental footprint. As part of this effort, we launched the TargetZero Program in 2019 to drive alignment at Flowserve across five operational excellence targets: zero accidents, defects, delays, emissions and waste.

TargetZero clearly outlines our strategic parameters for promoting operational excellence and providing a unified approach across the organization to achieve these goals. Our team members and suppliers are committed to our Zero goals and remain engaged throughout the year through various trainings, communications and other programs dedicated to promoting TargetZero culture. We believe that TargetZero not only mobilizes a key aspect of our ESG strategy but also serves to enhance our customer experience.

ZERO ACCIDENTS

Safety is at the forefront of everything we do at Flowserve. Built on our Safety value, Zero Accidents calls us to embrace our safety rules to create a workplace free of incidents and injuries. We are committed to promoting safety culture throughout our operations and amongst all of our business partners to empower our organization to think safe and prevent injuries.

ZERO DEFECTS

As a leading provider of flow control solutions for the world's toughest applications, our customers and other partners depend on us to design, manufacture and deliver products and services that are safe, reliable and free of defects. At Flowserve, quality underscores our innovation, and our goal of Zero Defects strengthens our commitment to delivering outstanding products and services to our customers.

ZERO DELAYS

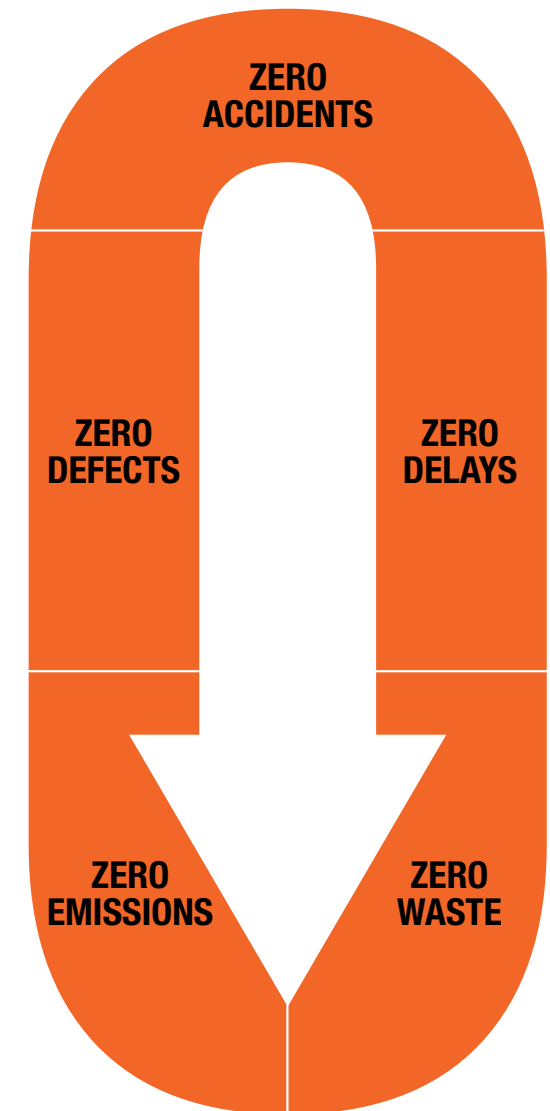
Timely delivery of our products and services is imperative in critical applications. Zero Delays outlines our initiative to reduce lead times and enhance our materials management in order to improve on-time delivery to those who depend on us.

ZERO EMISSIONS

As part of our Climate approach, we are focused on investing in our operations to increase energy efficiency, reduce our carbon footprint and deploy sustainable solutions to help address climate change. We have an ambitious goal to reduce our combined Scope 1 and Scope 2 carbon emissions intensity by 40% by 2030. Through targeted energy efficiency programs and renewable energy project investments, we are taking steps to help offset our greenhouse gas emissions.

ZERO WASTE

As part of the Global Operational Excellence group, the Continuous Improvement team utilizes Six Sigma management tools and techniques to help reduce process waste associated with parts overproduction, excess inventory, unnecessary motion, over-processing, scheduling delays and transportation issues.



TARGETZERO

ACCIDENTS DEFECTS DELAYS EMISSIONS WASTE

SPOTLIGHT STORY



PROVIDING RENEWABLE ELECTRICITY TO OVER 500,000 U.S. HOMES

A global leader in clean energy is developing an offshore wind farm along the U.S. Eastern Seaboard. In collaboration with an engineering, procurement and construction (EPC) company, Flowserve is supplying control valves and electric actuators for the project's high-voltage direct current (HVDC) converter cooling water and fire protection systems. The offshore wind farm will generate electricity to power more than 500,000 homes and will ultimately generate 50% of New York state's electricity from renewable sources by 2030. Through this partnership, Flowserve is helping our customers reach their long-term decarbonization goals by promoting clean energy for all.



Air Emissions

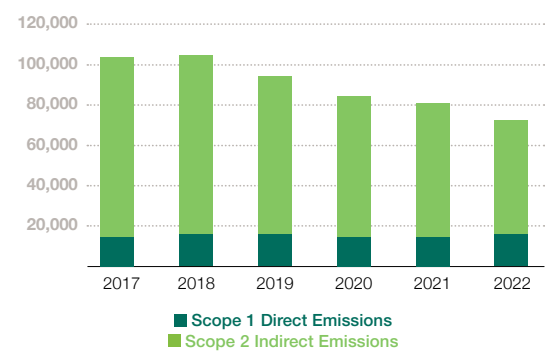
We report our GHG emissions annually on an operational control basis using the GHG Protocol Corporate Accounting and Reporting, and Corporate Value Chain (Scope 3) standards. Emissions are reported separately for:

- **Scope 1 Direct Emissions:** GHG emissions produced from combustion sources owned or controlled by Flowserve (e.g., facility heating, vehicles).
- **Scope 2 Indirect Emissions:** GHG emissions associated with purchase of electricity (and other forms of produced energy) used by Flowserve facilities. Scope 2 emissions physically occur at the site where the energy is produced (e.g., electric power stations).
- **Scope 3 Other indirect emissions:** Sources of GHG emissions resulting from Flowserve's operations that are not owned or controlled by the company (e.g., extraction and production of purchased materials, transportation of purchased fuels, use of sold products and services).

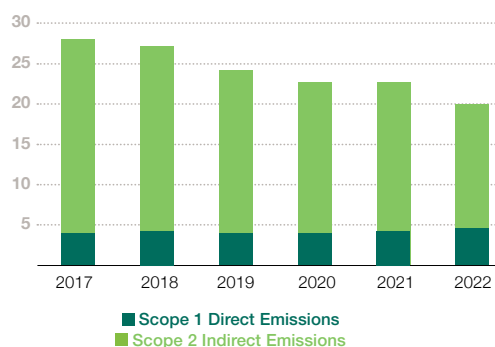
SCOPE 1+2

Our Scope 1+2 GHG metrics are presented both on an absolute and intensity basis, where intensity is calculated as absolute quantity per million dollars of sales. Combined Scope 1+2 emissions are 11% lower than reported in 2021. Energy conservation projects, new solar PV systems, improved data quality and decreasing grid carbon intensity factors contributed to this reduction.

CARBON EMISSIONS
TONNE CO₂E

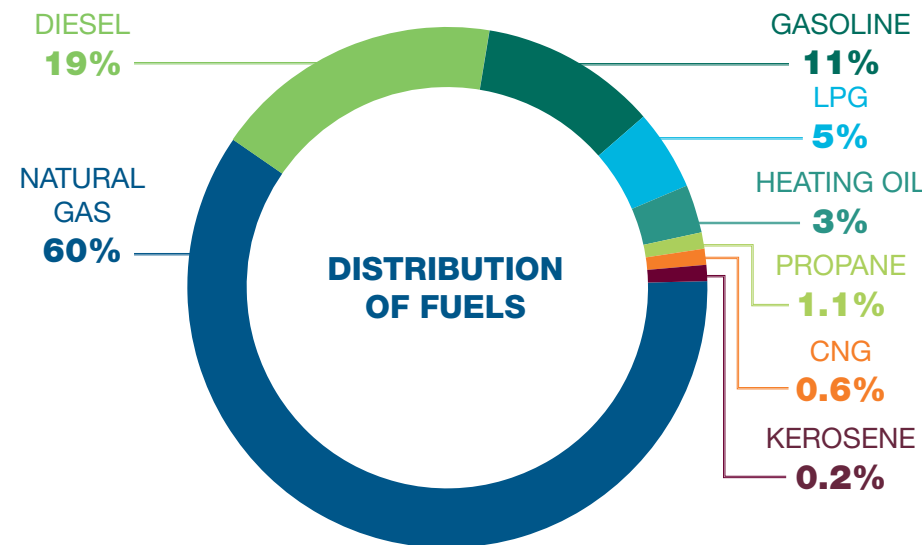


NORMALIZED CARBON EMISSIONS
TONNE CO₂E/\$MM USD



Non-GHG emissions associated with fuel combustion are calculated based on EPA AP-42 emission factors.

In 2022, we achieved an additional 12% reduction in Scope 1+2 carbon intensity. At 19.7 tCO₂e/\$MM USD, Flowserve has now achieved 80% of its target to reduce carbon emissions by 40% by the year 2030.



SCOPE 3

Scope 3 emissions are reported on an absolute basis across the 15 value chain categories defined by the Value Chain Standard. In 2022, we have evaluated all 15 GHG Protocol Scope 3 categories for materiality in Flowserve operations. Category 11 Product Use emissions total 65.3 million tonnes CO₂e (99% of all Scope 3 emissions) based on the requirement to evaluate emissions over the product lifetime. We estimate Category 1 Purchased Goods and Services “cradle-to-gate” emissions total 0.6 million tonnes CO₂e (0.9%), reflecting the carbon intensity of steel, cast iron and specialty metals production. Per GHG Protocol guidance, the substantial benefit of recycling our metal products is not reported in Category 12 End-of-Life Treatment of Sold Products. Instead, we separately report that a roughly one million tonnes CO₂e reduction can be realized if metals manufacturers substitute metal scrap for virgin ore.

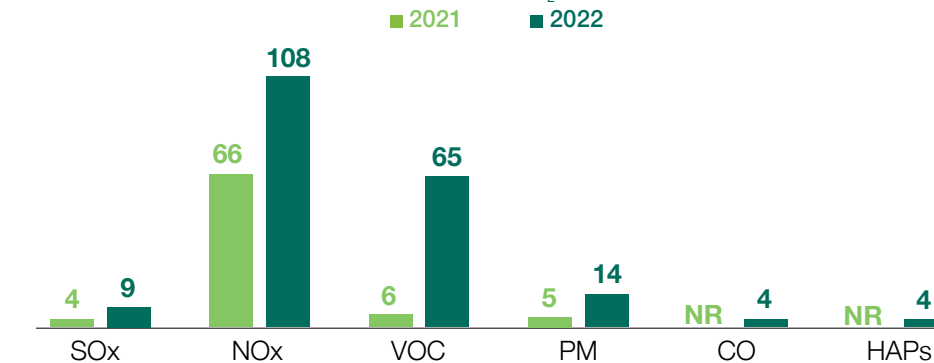
Refer to the Data Summary and Reporting Indices for additional Scope 3 data.

NON-GHG AIR EMISSIONS (CRITERIA POLLUTANTS)

Flowserve's non-GHG emissions result from fuel combustion, painting, welding, grinding and related fabrication activities. Our reported values include emissions from both facilities and vehicles managed by our operating sites. Our non-GHG emissions are relatively small, considering reported pollutant amounts represent more than 200 facilities in over 50 countries.

In 2022, we upgraded our data collection process to include additional non-GHG emissions associated with manufacturing operations. Non-GHG estimates are based on facility environmental compliance records and USEPA AP-42 fuel emission factors.

POLLUTANT
TONNE CO₂E



Non-GHG emissions associated with fuel combustion are calculated based on EPA AP-42 emissions factors.

SPOTLIGHT STORY



GREENHOUSE PROJECT AIDS LOCAL ECOYSTEM

With Flowserve making companywide strides toward a more sustainable future, our Tlaxcala, Mexico, site has also been prioritizing actions that will enable environmental protection and create a more sustainable plant. Flowserve's ESG approach inspired associates in Tlaxcala to start and participate in projects focused on sustainability and helping the environment. Some of these efforts include paper waste prevention, a plastic bottle and cap recycling program that also benefits children with cancer, a waste sorting program, using eco-friendly packaging materials and a greenhouse environmental project.

The Tlaxcala environmental project has a twofold purpose: reducing the facility's carbon footprint and helping La Malinche through reforestation. La Malinche is a volcanic region surrounded by hills and forested areas and acts as an integral piece of the state's most protected ecosystem. With many of the trees affected by a plague, the Tlaxcala site has started constructing an onsite greenhouse to nurture seedlings for replanting in the La Malinche region. The team aims to grow and provide 6,660 trees per year as part of the reforestation effort.





Water

WATER WITHDRAWAL

As a leading supplier of equipment providing fresh water to communities around the world, Flowserve recognizes the importance of water as a resource in building sustainable communities. We are working to reduce water demand in our operations and complying with applicable regulatory requirements for wastewater discharge.

Flowserve obtains most of its water from municipal water systems and groundwater wells. Four of our facilities supplement these sources with collected storm water. Water withdrawals support pump assembly and performance testing to verify product quality and safety. Testing processes for manufactured products typically have minimal water quality impacts, allowing the recycle and reuse of pump test water multiple times before discharge.

Water withdrawals increased 17% to 509,474 cubic meters in 2022, driven by increased product demand. Similarly, water withdrawal intensity increased 16%. Despite these increases, Flowserve water withdrawals remains 2% lower than 2017.

WATER CONSUMPTION

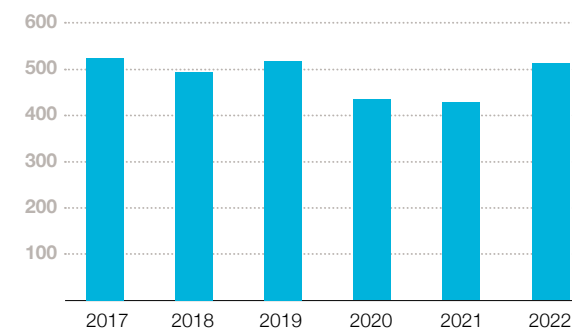
Flowserve manufacturing operations consume relatively small amounts of the water withdrawn from municipal water systems and groundwater wells. Some water is consumed in the blending of lubricating fluid for machining equipment. The lubricant mixture is shipped offsite for treatment and disposal after its useful life. Some manufacturing facilities use evaporators to reduce oily wastewater volumes prior to offsite treatment in a permitted waste facility. Offsite disposal and evaporated liquid volumes are small enough such that the total withdrawn volume closely approximates to total water discharge volume.

WATER DISCHARGE

Periodically, our facilities discharge process water to public wastewater treatment plants under permit or similar authorization. A substantial part of discharge is water that has been recycled several times during pump testing and is no longer clean enough for further product evaluation. Discharged wastewater treated at offsite facilities is generally returned to the environment for future beneficial use.

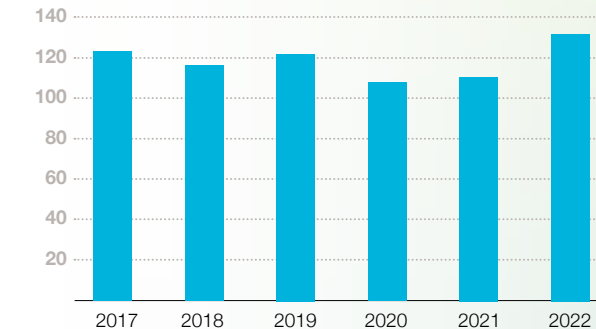
WATER USE

THOUSAND CUBIC METERS



WATER USE INTENSITY

CUBIC METERS/\$MM USD



SPOTLIGHT STORY



SUSTAINABLE SOLUTIONS THROUGH THE POWER OF WATER STORAGE

The West Kauai Energy Project (WKEP) in Hawaii is an integrated renewable energy and irrigation project that will utilize state land and water with four main objectives: renewable energy production via hydroelectric generation, renewable energy production via solar photovoltaic generation, pumped hydroelectric and battery storage and irrigation delivery to support diversified agriculture. Once completed, the project is expected to equip Kauai with 25% of its electricity needs. With the help of Flowserve's vertical turbine pumps, WKEP is paving the way for Hawaii to meet its goal of 100% renewable energy by 2045.



Waste Generation & Recycling

WASTE MANAGEMENT

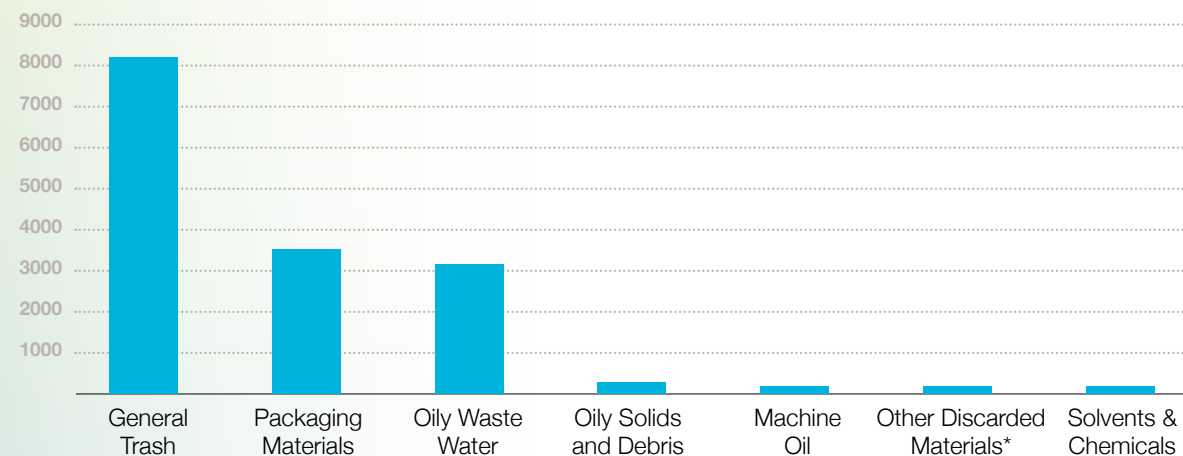
Consistent with our focus on operational excellence, Flowserve is working to reduce the volume and toxicity of discarded materials generated by its manufacturing operations. Through education and the deployment of lean methodologies throughout the enterprise, we are continuously striving for a more efficient work environment on our journey to Zero Waste.

Flowserve operates in several countries with varying regulatory definitions of hazardous and nonhazardous waste. While we report our metrics based on U.S. EPA hazardous waste definitions, we manage discarded materials consistent with local regulations.

The graph below shows the weight of various discarded materials managed as hazardous and nonhazardous waste in 2022. General trash, packaging materials and oily wastewater represent over 94% of discarded materials. All three waste types are generally considered nonhazardous. Roughly 1% of discarded materials, including solvents and chemicals, are classified as hazardous waste.



WASTE DISTRIBUTION
TONNES



RECYCLING

Where practical, Flowserve pursues recycling and reuse options for discarded materials. Recycling yields both economic and environmental benefits, with one metric tonne of recycled iron eliminating over one metric tonne of CO₂e that would have been required for virgin iron ore processing.

Approximately 67% of discarded waste materials were recycled, incinerated or burned for fuel value. The remaining materials were landfilled or treated to reduce toxicity. We preferentially send machine oil to authorized incineration facilities to reduce the risk of groundwater contamination at landfills. This approach also saves valuable landfill space for future use.

Our metals recycling activity represented 29% of all discarded material in 2022. Figure A shows the disposition of all 2022 discarded materials.

Figure B shows hazardous, nonhazardous and recycled material quantities over the last five years. The combined hazardous, nonhazardous and recycled material quantity totaled 22,878 tonnes in 2022. The combined metal and non-metal recycling weight increased 4% in 2022. Similarly, annual nonhazardous waste volume increased from 2021 to 2022, but remains substantially below the peak quantity reported in 2018. The hazardous waste volume sent offsite for disposal remained steady at 1% of overall waste volume.

We recycled approximately 6,700 tonnes of scrap metal in 2022. Considering the carbon emissions associated with manufacturing steel from virgin materials, our recycling effort had the potential to reduce carbon emissions from steel/iron manufacturing by 9,000 tonnes, which would offset over 50% of our Scope 1 carbon emissions.

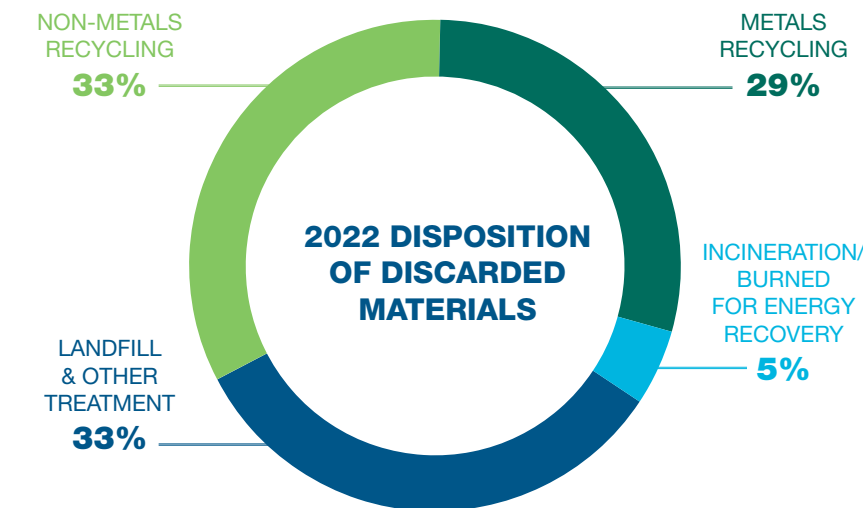


Figure A

RECYCLED AND DISCARDED MATERIALS
THOUSAND TONNES

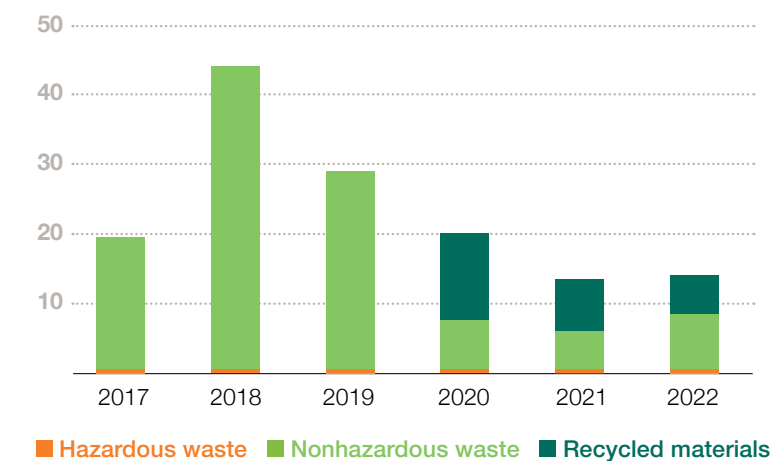


Figure B

SPOTLIGHT STORY



MAKING HISTORY THROUGH CO₂ TRANSPORTATION AND CARBON CAPTURE

Flowserve will provide a complete flow control solution to the world's largest carbon capture and storage project to date. This project seeks to partner with more than 30 ethanol plants across a five-state region in the United States, capturing carbon dioxide from the fermentation of biorefineries for permanent underground storage in deep geologic storage locations. We will supply engineered pumps, industrial ANSI pumps, control valves, automation, mechanical seals and RedRaven IoT monitoring equipment to support this effort, drastically reducing the carbon footprint of ethanol production and enhancing the long-term economic viability of the ethanol and agriculture industries. We are proud to take an active role in the decarbonization of the ethanol industry.



SPOTLIGHT STORY



INNOVATING RECYCLING OF PLASTICS TO LOWER CARBON FOOTPRINT

Various Flowserve pumps and a vacuum unit will be used in the upgrade of a petrochemical refinery in Moerdijk, the Netherlands. The pilot plant will have the capacity to annually convert 50,000 tons of plastic waste—otherwise destined for landfill or incineration—into raw materials to produce new plastics and petrochemical products with a lower carbon footprint. If successful, an additional three plants with 300,000 tons of capacity are planned. Through providing innovative solutions to reduce environmental impact, we are proud to partner with our customers to protect the planet and make the world better for everyone.





Trust and value each other.

MOBILIZING OUR PURPOSE



At Flowserve, our People value guides to embrace our differences to create a collaborative culture. This value is displayed each day in our workplace but often extends beyond the walls of our facilities, fueling the positive impacts we make on the world. When the Ukrainian conflict started, we were compelled to “do the right thing, always” to help support those impacted. Our associates and sites stepped up to help, donating supplies and money, volunteering and opening their homes to refugees.

EMA Legal Director, Senior Counsel Heiko Beplat and his family decided they wanted to help by hosting a family from Kiev, Ukraine, in their home. A colleague of Heiko’s worked for the United Nations and was able to arrange contact with a family who had left their home due to the conflict. By the end of March, Heiko’s family opened their

home to a mother and her two sons, providing them with sleeping spaces and a separate kitchen. While living together, the families played soccer or chess and even held barbeques. Heiko’s family also collected clothing for the growing boys to wear. The family stayed with Heiko’s family until December 2022, when they were able to move into an apartment close to the school the boys were attending.

Associates like Heiko and his exemplary actions are just one instance of our People value driving our Purpose of making the world better for everyone.



Employee Health and Safety

SAFETY OWNERSHIP

At Flowserve, we believe that safety belongs to everyone. From the CEO to the newest employee at any of our locations, we drive ownership and accountability to our Safety value by promoting safety culture, best practices and top-down governance. It is up to each of our employees to create and maintain safe workplaces and products for our associates, customers and communities by embracing a zero-injury approach as demonstrated through our TargetZero program.

Global commitment to our Safety value and multi-layer safety leadership is the foundation of our program at Flowserve. Guided by strong governance policies and procedures that are applicable to all Flowserve employees, contractors and other partners, managerial responsibility for our employees' health and safety resides locally with the highest operational leadership at each of our locations. Enterprise-wide accountability lies with our Vice President of Global Operational Excellence. Flowserve's Executive Leadership team is regularly briefed on the latest health, safety and environment (HSE) performance, trends and initiatives. Leading metrics, such as Safety Maturity Levels and observation data, as well as lagging indicators like Total Recordable Rate (TRR) and Lost Time Incidents (LTR) are routinely cascaded throughout all levels of our organization and provided to our customers as needed.

Reporting directly to the Vice President of Global Operational Excellence, our Director of HSE oversees a global team of HSE professionals that provide additional support, oversight and monitoring of performance at each Flowserve location. With over 150 years of combined experience, these leaders remain engaged with our global teams through regional HSE meetings, the HSE Council, site audits, Safety Maturity Assessment reviews and daily communications to support the business in achieving Zero Accidents.

Local site leadership reinforces our Safety value to drive performance through activities such as Gemba walks, continuous coaching and Safety Maturity Assessments. These activities, as well as local reporting and training, are supported by knowledgeable HSE personnel who act as true partners in keeping our employees safe. HSE personnel are certified through our Flowserve HSE Certification course. Since the inception of the program in 2009, we have certified over 1,600 individuals – including HSE, Operations, and functional associates – through multi-day coursework that includes topics such as the value of safety, risk assessments, incident investigation, mechanical lifting, and environmental and sustainability issues in our operations.

SAFETY MATURITY

After years of continued cultural improvements, Flowserve moved away from the absence of injury and regulatory compliance as the measures of success and moved to an all-encompassing measurement of Safety Maturity. The Safety Maturity Assessment (SMA) not only identifies areas of improvement in sites but also lays a prescriptive path for each location to take in building a sustainable safety culture and driving injuries out of the business. This model includes leading indicators focused on injury prevention and creates a dynamic process in which sites are actively managing those leading indicators and cultural elements to promote health and safety in our business. Such leading indicators include completion of new employee training, number of HSE observations per associate, 6s scores and senior leadership engagement.

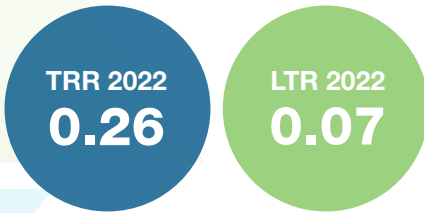
While TRR, LTR and compliance scores remain a benchmark by which we measure our progress, the SMA level now acts as our primary indicator of safety culture and performance for all levels of the organization. It has actionized our Safety value and demonstrated what success can be achieved as a result of a holistic safety approach. In 2022, our Tlaxcala, Mexico location was the first Flowserve site to reach Excelling on the SMA journey, with several other sites joining their ranks by the end of the year. These Flowserve sites are truly exemplary in their practices and procedures and demonstrate how safe behaviors lead to positive performance.



Employee Health and Safety

SAFETY PERFORMANCE

Flowserve's safety performance is measured by applying US OSHA recordkeeping requirements globally which creates consistent measurement and guiding principles around the world. We experienced record safety performance in 2022 thanks to the dedication of each Flowserve associate. Underscored by strong governance and promotion of our safety culture, Flowserve was able to achieve a TRR of 0.26 and a LTR of 0.07, putting us in the 99th performance percentile of our industry. Not only did we achieve our corporate performance goal, but also achieved Flowserve's first ever accident-free month in June of 2022, with zero recordable injuries occurring at any of our sites that month. We are proud of this incredible accomplishment and look forward to the additional successes we will share with our dedicated associates on our journey to Zero Accidents.



STOP WORK AUTHORITY

At Flowserve, safety is a shared responsibility, and we aim to inspire each associate to embrace our Safety value. Our Stop Work Authority Policy both empowers and obligates all employees to stop work when they perceive a condition or at-risk behavior that poses potential danger or when they are unsure how to safely proceed with work. Employees exercising their Stop Work Authority are recognized and celebrated and any lessons learned are captured and shared throughout the business. This mentality doesn't stop at our shop floor doors. Our Onsite Services teams are also empowered and obligated to stop work, even when that work isn't happening at a Flowserve location. In 2022, Flowserve recognized multiple employees for exercising their Stop Work Authority at customer and supplier locations.



CONTRACTOR SAFETY

We view our customers, facility visitors and contractors as critical extensions of our safety culture. As outlined in the Outside Contractor Work and Visitor Safety Policies, Flowserve sets expectations for partnership and safe work from all contractor parties that include training, compliance, reporting and safe operating guidelines. These expectations are communicated in both contractual language and through the Contractor Safety Orientation procedure.

SAFETY WEEK

Every year, Flowserve associates around the world participate in Safety Week—a time when we reflect on our commitment to safety, highlight critical safety priorities and focus on reaching our goal of Zero Accidents. During the week, our sites conduct hands-on activities, awareness sessions and safety celebrations that reinforce our safety culture. At Flowserve, our safety value means more than just workplace safety, so Safety Week has evolved to also address personal well-being, mental health and home safety. In 2022, Safety Day focused on how our mental and physical health may impact our ability to make safe decisions at work, how we can better identify and eliminate these error traps in the face of risk, and how Flowserve is innovating safety protocol to create safer workplaces for our employees.



SPOTLIGHT STORY



MAKING WAY FOR THE WORLD'S LARGEST GREEN HYDROGEN PLANT

At present, the majority of the world's hydrogen fuel is produced with electricity generated by burning fossil fuels, which releases carbon dioxide CO₂ into the atmosphere. The resulting fuel is known as gray hydrogen. But more and more companies are producing hydrogen fuel through an electrolysis process that is powered by renewable energy and results in a zero-emissions fuel known as green hydrogen. Green hydrogen is highly pure and ready to be fed into end-user downstream processes. It is also suitable for vehicles such as buses powered by hydrogen fuel cells, and it can be stored for later uses such, like production of fertilizer and as a substitute for diesel fuel or gasoline used in buses and trucks. Flowserve partnered with a European manufacturer that provides industrial-scale Electrolyzers needed for green hydrogen production. As part of this partnership, Flowserve supplied over 2,000 control and ball valves utilized in the construction of the world's largest commercially based green hydrogen plant. Upon completion in 2026, it will produce over 650 tons of hydrogen daily and 1.2 million tons of green ammonia annually – reducing an estimated 3 million tons of CO₂ emissions each year. Flowserve valves are enabling the future of global decarbonization while helping customers reach their sustainability goals.



Total Rewards and Well-being

Our goal is to improve the well-being of our associates through programs that meet their needs and the needs of their families. We offer benefits that support our people in all facets of well-being including physical, mental, and financial health, with an emphasis on safety. We aim to educate and engage our associates through internal well-being campaigns, webinars, educational content and partnerships with leading wellness partners across the globe.

COMPENSATION PHILOSOPHY

Our market-based compensation and benefits structure ensures we are offering benefits and support services aligned to the needs of our associates now and in the future.

OUR PHILOSOPHY IS BASED ON FIVE KEY DRIVERS:



ATTRACT & RETAIN

Attract and retain high-quality leaders with a passion for driving high performance, as well as our purpose, values, behaviors



REINFORCE OUR STRATEGY

Align our incentive programs with our vision and business strategy



COMPETITIVE AND MARKET-BASED

Maintain a market-based compensation program that provides a competitive total target compensation opportunity approximating the market median



ALIGN PAY WITH PERFORMANCE

Provide incentive programs that reward short- and long-term performance leading to shareholder value without undue risk taking



ALIGN PAY WITH SHAREHOLDERS

Provide a majority of total executive compensation that is tied to performance and/or stock price and is aligned with shareholder interests

SPIRIT OF FLOWSERVE

The Spirit of Flowserve Awards recognize how associates live our values and behaviors through the work they do each day to drive us toward our Purpose. When an associate goes above and beyond exemplifying our values and behaviors, others show their appreciation by nominating them for a recognition award. Recognition can include e-cards, varied levels of monetary awards and, in exceptional instances, company stock. In 2022, more than 17,000 Spirit of Flowserve Awards were distributed to celebrate and recognize associates.

FINANCIAL PLANNING

Flowserve offers several programs in partnership with leading financial firms to support associates in reaching their financial goals. Our U.S.-based partnership with Ayco Financial Services offers free financial planning and assistance to employees through personalized counseling and free online tools to help them reach their financial goals. Ayco offers free webinars each quarter to meet associates where they are with planning for their current stage of life and creating a strong foundation for their financial future.

MENTAL HEALTH

Flowserve partners with a leading wellness provider to offer free services to support employees and their families through circumstances that affect health, job performance and mental and emotional well-being. The partnership allows Flowserve to scale our Employee Assistance Program globally with enhanced service offerings for all employees, which include treatment for stress, depression, family issues, elder care, and legal and finance issues. Mental health has also been a key focus of Flowserve's DE&I communications by highlighting free support resources and community forums for underrepresented groups.





Be accountable for your commitments and do what's best for our company and customers.

WORKDAY SYSTEM EMPOWERS INDIVIDUAL OWNERSHIP



Each Flowserve associate embraces ownership in all parts of our business to achieve results that surpass expectations and help solve the world's toughest flow control challenges. To harness efficiency and empower our people, in August 2022, we transitioned from Global Employee Management System (GEMS) to Workday as our primary system for associate and candidate data. This allowed us to have one true source of associate data, while streamlining reporting and enabling more informed ways of managing our most important resource: our people. Workday enhances a self-service culture that leverages technology to enable efficiency and speed in our internal operations, which is core to the Digitization aspect of our 3D strategy.

With a global workforce constantly on the move, Workday is helping our associates and people leaders stay connected to Flowserve by providing real-time access to information about teams and critical business processes. By embracing ownership of the employee experience, our teams are able to manage our business in new and more efficient ways, providing more opportunities to collaborate and have conversations that impact business results and keeping us focused on delivering beyond customers' expectations.



In 2022, Flowserve partnered with over 50 organizations to make the world better for everyone. We are proud to showcase five of the 2022 global projects in this year's ESG Report.

SUPPORT OF UKRAINIAN REFUGEES

In response to the conflict in Ukraine, we made a combined donation of \$50,000 USD to the Hungarian Red Cross and the World Central Kitchen, which provided warm meals, water, clothing and other needed aid to Ukrainian refugees. Hungary shares a border with Ukraine, and associates from our Budapest and Debrecen locations initiated a drive to provide household and hygiene products for the refugees, delivering them to the Hungarian Charity Service of the Order of Malta for distribution.



FUTURE ENGINEERING LEADERS GIVE BACK

To make a direct impact on improving local communities, Flowserve and IGNITE, our career development program for selected engineering graduates, supported Boys & Girls Clubs of America (B&GC). IGNITE members provided more than 480 hours of STEM-focused tutoring to children, and Flowserve donated \$7,500 to the organization and Flowserve sites that partner with B&GC.



RIO DE JANEIRO BEACH CLEANUP

With the goal of increasing awareness of the contaminating and damaging effects of waste on the environment, associates from our plant in Rio de Janeiro, Brazil, joined with employees from other companies to clean a section of protected beach. The team collected close to 5,300 pieces of litter and trash, which was categorized and recorded for the sponsoring organization's data-collection and reporting program.



SUPPORTING UNDERSERVED COMMUNITIES IN RURAL MOROCCO

Through our site in El Jadida, Morocco, Flowserve provided volunteer and financial support for a four-prong initiative in rural regions in the center of the country. These included sponsoring a sheep breeding project for the inhabitants of a small community in a vulnerable situation, distributing essential foodstuffs to families who could not otherwise afford them, supplying a team of dentists to provide care for underserved community members, and launching the construction of a multimedia center to benefit a resource-challenged village.



ENCOURAGING SCHOOL-TO-STEM CAREERS

Flowserve was the title sponsor for a high -school robotics competition organized by the FIRST® in Texas Foundation. For Inspiration and Recognition of Science and Technology (FIRST®) is dedicated to strengthening the school-to-STEM career pipeline in Texas, inspiring the next generation of innovators and increasing accessibility for low-income and underrepresented students. More than 40 teams participated in this competition, comprising 1,900 students and 120 adult coaches and mentors. In addition, close to 100 volunteers from Flowserve and other companies donated their time to support the event.



SPOTLIGHT STORY



HEATING THOUSANDS OF HOMES, REDUCING CO₂ EMISSIONS

An energy grid owner based in the Netherlands plans to capture waste heat from industrial plants and distribute it to heat Dutch homes. The project is the first large-scale heating grid in the Netherlands. Its pipeline will carry residual heat reaching 130°C (266°F) from existing industrial plants near the port of Rotterdam to nearby cities, where it will be distributed by local third-party pipeline operators. Flowserve partnered with our customer to engineer, commission and support pump and heat transfer stations needed to transport hot water about 16 km (10 miles) to the first pump station near the city of Delft. Once completed, the pumping stations and heat exchange facility will transfer heat through a water pipeline network reaching as many as 120,000 homes.



TALENT & DIVERSITY, EQUITY AND INCLUSION

Talent Development

Attracting, retaining and developing our associates is the cornerstone of our Culture approach. We promote talent development and invest in the employee experience by:

- Creating opportunities for associates to be heard and provide feedback through our employee engagement survey
- Facilitating performance management with continuous coaching
- Establishing goals to align the work we do as individuals and teams to our strategic objectives
- Prioritizing targeted development program for People Leaders
- Investing in early career engineers through rotational programs
- Investing in e-learning platforms to provide additional training opportunities to all in the areas of business conduct, safety, management, global languages, and industrial manufacturing skills

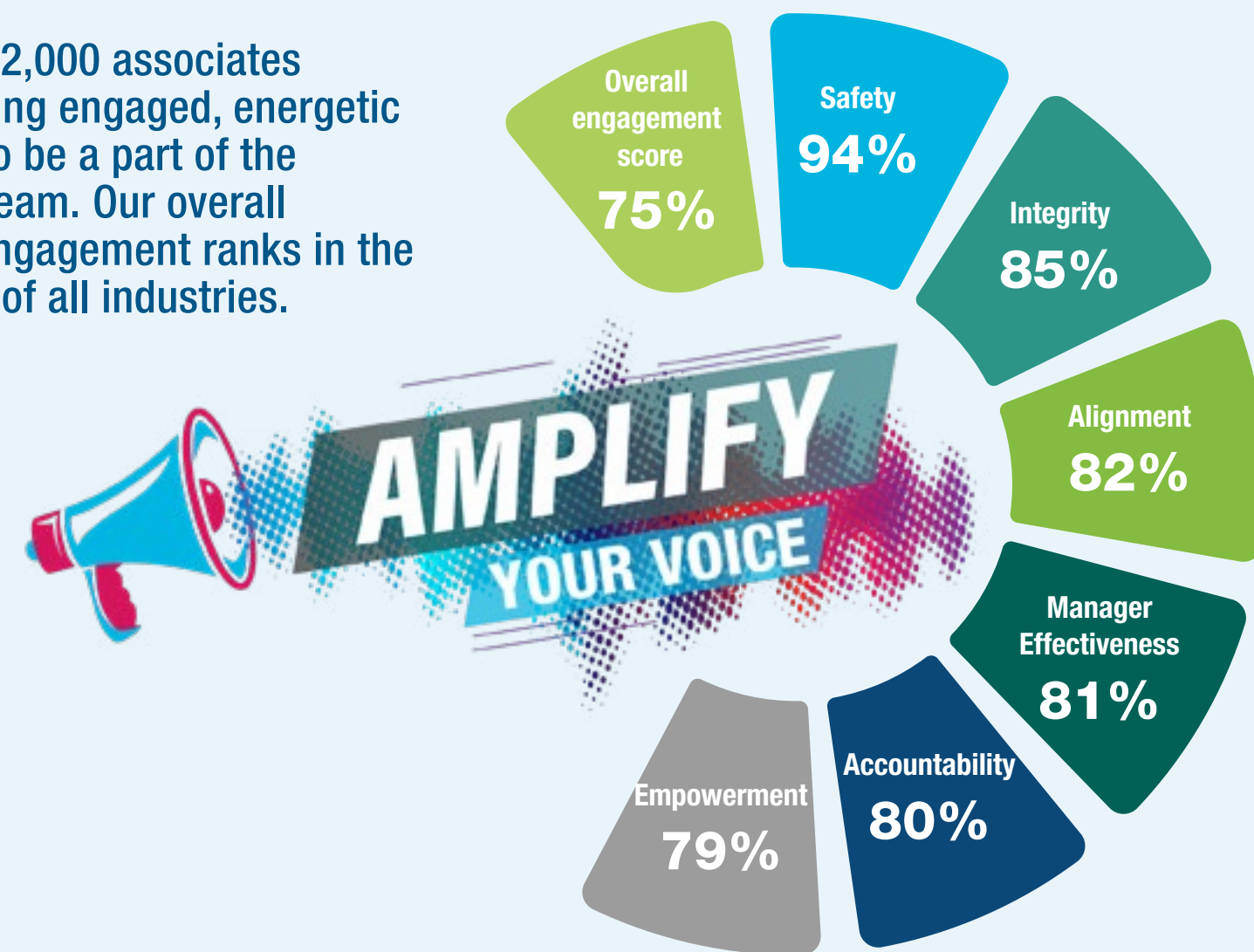
AMPLIFY YOUR VOICE EMPLOYEE ENGAGEMENT SURVEY

Since the inception of our values and behaviors, we have taken steps to align our actions as a company to our Purpose, values and behaviors and recognize our success through “values moments” shared among teams and in enterprise communications.

In 2022, we invited all associates to share their feedback on the Flowserve experience and drive continuous improvement through our global employee engagement survey, Amplify Your Voice. The survey results recognized us for living our values through our clear commitments to creating a safe workplace, acting with integrity, alignment among teams and creating a collaborative culture between associates and their managers. More than 12,000 associates reported being engaged, energetic and proud to be a part of the Flowserve team. Our overall employee engagement ranks in the top quartile of all industries.

The results of the survey were shared with leaders to develop specific action plans to address feedback from their respective teams and improve their leader effectiveness. By the end of Q1 2023, over 2,000 action plans have been charted by Flowserve leaders to improve the employee experience.

More than 12,000 associates reported being engaged, energetic and proud to be a part of the Flowserve team. Our overall employee engagement ranks in the top quartile of all industries.



Talent Development

PEOPLE LEADER EXPECTATIONS

In late 2021, our People Leader Expectations were introduced as an extension of our values and behaviors to help people leaders find the right balance between driving results and motivating and engaging associates.

FLOWSERVE'S PEOPLE LEADER EXPECTATIONS



These expectations empower People Leaders to grow in their own abilities, build skills within their teams and provide a clear framework for ongoing development. After widely implementing these in 2022, we saw significant increases in manager effectiveness across Flowserve through our employee engagement survey.

LEADERSHIP IN MOTION

In 2022, in an effort to engage our 2,000+ People Leaders across the globe, we deployed Leadership in Motion, a development program focused on the foundational capabilities of leadership, anchored in Flowserve's values, behaviors and People Leader Expectations. The seven-week program includes 16 hours of live-facilitated, virtual sessions with time between sessions for participants to practice what is

learned to more deeply ingrain behavior change. Leadership in Motion is available in all nine of our core languages to enable leaders to advance their skills in collaborating across the enterprise, developing their teams and strengthening our culture of inclusion. The program also provides an important opportunity to enhance our enterprise mindset by networking and learning together with other leaders at Flowserve. Leadership in Motion also supports talent succession with a sharpened focus on building the skills necessary for leaders to take the next steps in their career.

CONTINUOUS COACHING

Growing our people is an important aspect of the Flowserve journey, and we partner with our associates to build the skills needed to reach their short-term and long-term career goals. Performance management is a process at Flowserve that enables higher levels of performance within the organization. Approaches like continuous coaching help associates see how their work contributes to Flowserve's strategy and success, allows for ongoing performance conversations and serves to assist in the evaluation of performance.

Setting goals with associates individually and collectively supports our People value. We prioritize opportunities to give and receive feedback throughout the year, because we believe it leads to the development of associates in their current and future roles. To bolster employee coaching and mentorship, we offer ongoing development opportunities such as leadership and management training, rotational programs, professional memberships and e-learning for associates.

IGNITE EARLY CAREER PROGRAM

IGNITE, our early development rotational program for young engineers, was established to accelerate the development of early career technical talent through defined yet diverse experiences. The experiences are designed to build a talent pipeline for future leaders with a broad perspective and a strong foundational understanding of Flowserve operations. The participants rotate through a variety of corporate and Global Operational Excellence operational roles with access to engaged leaders and mentors while following a robust curriculum. Through this program, the participants learn the importance of diverse experiences, how to work with an enterprise mindset across teams and sites, the importance of building a strong network and how mobility can support career growth opportunities. The participants drive our Innovation and Excellence values through Action Learning Projects (ALPs) to create new solutions and continuous improvement opportunities for operational challenges. ALPs require that participants take ownership to drive results and achieve committed outcomes, but also dive into lessons learned to explore the outcomes. The program also includes opportunities for service within the participants' communities through Flowserve Cares. In 2022, IGNITE participants served more than 800 hours with their local schools and Boys & Girls Clubs to provide STEM-focused tutoring. In 2022, the program consisted of roughly 30 participants at seven Flowserve sites around the U.S. with 58% of participants representing diverse groups. Looking forward, Flowserve is committed to growing female representation within the program while also reaching universities around the globe.



Talent Development

TRAINING

At Flowserve, we view continuous learning and development as key elements of the employee experience. We offer a variety of internal company training options to increase organizational knowledge, including on-the-job methods to develop skills and invest in talent, and online learning through our Learning Management System (LMS).

We recognize that 70% of training and learning experiences happen on-the-job, and as such, we believe in harnessing live experiences to enhance skillsets and identify talent capabilities. In 2022, we leveraged on-the-job observation skills assessments to identify talent capabilities across our engineering organization, enabling talent to be matched to open roles with targeted development opportunities.

With a diverse workforce of professionals on-the-go, Flowserve has invested in e-learning platforms to make training readily accessible in multiple languages and interfaces. In 2022, we deployed a personalized interface to create a more seamless learning experience, enabling associates to easily browse for and access relevant training. In addition, we expanded our course catalog to offer over 17,000 courses across various business and leadership subjects, including digital transformation, DE&I, project management and more. We also upgraded our course catalog to include additional language selectivity, with 18 total languages available for audio listening and over 40 languages available in closed captions for all courses.

In 2022, our associates collectively completed more than 17,000 hours of professional training across 1,200+ unique learning experiences offered by Flowserve.

Diversity, Equity and Inclusion

We pride ourselves on a culture of inclusion driven by the different ideas, perspectives and experiences of 16,000+ associates across 50+ countries. Embracing differences is a core aspect of our People value. We know our diversity of thought, background and experience is a powerful catalyst for success.

It is critical that as we live out our Purpose to make the world better for everyone, we are recognized as an organization that includes everyone, regardless of gender, race, nationality or religious beliefs. Building an inclusive mindset allows us to influence positive change in the communities where we live and work, and ultimately provide greater value to our customers with diverse, innovative thinking.

GLOBAL OBSERVANCES

As a multinational organization, recognition and education of cultural observances is an important part of creating a greater understanding and appreciation for each other's experiences and for the experiences of our global customer base. Each month, Flowserve participates in national and global observances by creating educational experiences in several languages for all associates. In 2022, Flowserve created experiences for international and U.S.-based observances including: Black History Month, International Women's Day, Autism Awareness Day, Cultural Diversity Day and more.



SPOTLIGHT STORY

“One of the luxuries we have as female leaders is supporting people in letting go of their imposter syndrome. It’s an absolute blast to give women the chance to get rid of that fear, to face that fear head on, and go out and deliver great things to the organization.”

Elizabeth Burger, Chief Human Resources Officer



FLOWSERVE EXECUTIVES CELEBRATE INTERNATIONAL WOMEN’S DAY

International Women’s Day is observed each year on March 8 as a global celebration to recognize women’s achievements and raise awareness about women’s equality. In 2022, the theme, Break the Bias, reminded Flowserve associates that simply knowing bias exists isn’t enough and we must take action to raise awareness about women’s equality.

At Flowserve, we are proud that over one-third of our executive leadership team is female. Our trusted female leaders are a true testament to our commitment to diversity at the highest levels. In observance of International Women’s Day 2022, we sat down with our female executives to share their own experiences of bias, their take on gender equality and their inspiring paths to leadership and advice for others. This fireside chat video was shared with all Flowserve associates to hear directly from female leaders on the importance of breaking the bias.

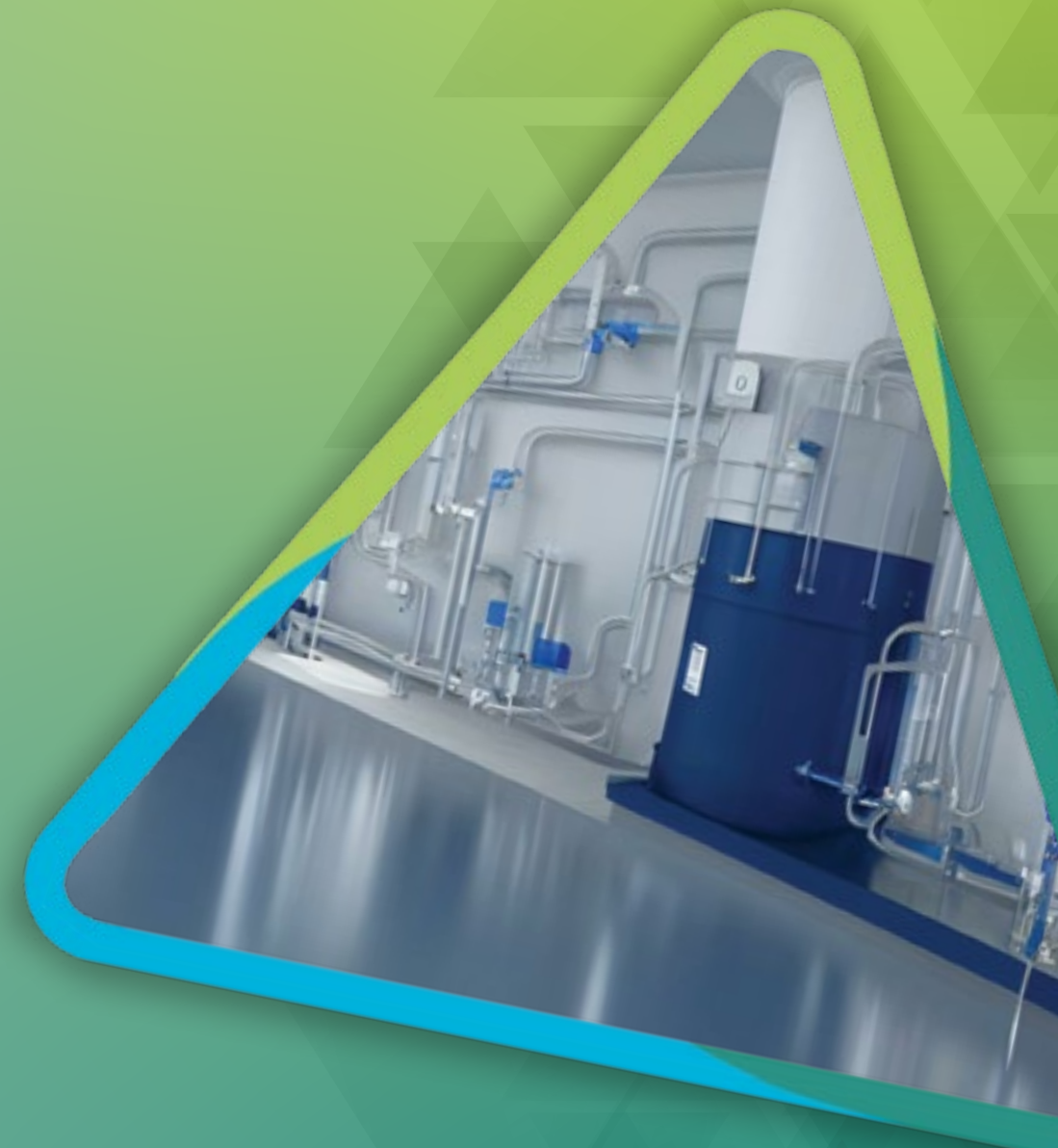


SPOTLIGHT STORY



PRESERVING CHILE'S FRESH WATER RESOURCES

An operator of one of the largest copper mines in the world currently uses a freshwater supply from aquifers for its mining operations in Chile. To enable their planned increase in capacity and extend the life of the mine by 20 years, they are developing a seawater desalination plant and water pumping and transport system to supply the water for their mining needs. Flowserve will supply 25 DMX pumps for the Water Impulse System from the Port Sector to the Cordillera Sector. Our pumps will be pivotal in helping preserve and care for the region's natural resources.



Supply Chain

Flowserve recognizes our suppliers as critical partners in delivering innovative solutions and achieving our Purpose. We are strategic in selecting suppliers who uphold our standards on quality, value and service, while keeping the highest safety and ethical practices at the center of their offerings.

SUPPLIER CONDUCT AND DEVELOPMENT

Flowserve has a Code of Conduct as well as a Supplier Code of Business Conduct, both of which include a zero-tolerance policy against unethical, unsafe and illegal business practices. Flowserve works with its suppliers to support and enforce both Codes, and it reserves the right to terminate its contracts with suppliers found to not be in compliance. The Flowserve Ethics Hotline may be utilized anonymously to report any concerns over supplier non-compliance.

Through regular communications reflecting the latest jurisdictional guidance, Flowserve works closely with suppliers and associates to stay up to date on the latest guidance and promote adherence to all applicable laws, sanctions and other regulations. Furthermore, as key partners in our commercial offerings, we recognize the need to foster and support supplier growth to meet the evolving market landscape.

We are working to nurture strong business relationships with our suppliers and investing in their development, including new technologies and capabilities, to promote mutual success.

SUPPLIER RISK MITIGATION

Flowserve's key suppliers are subject to ongoing risk audits as part of Flowserve's Supplier Risk Assessment process. When suppliers' risk levels change substantially, we review the impact of the change on Flowserve's enterprise risk and develops a plan to mitigate any incremental impact, as appropriate. Each supplier's risk portfolio is maintained in a global database, accessible by all supply chain associates, and is updated on a regular basis.

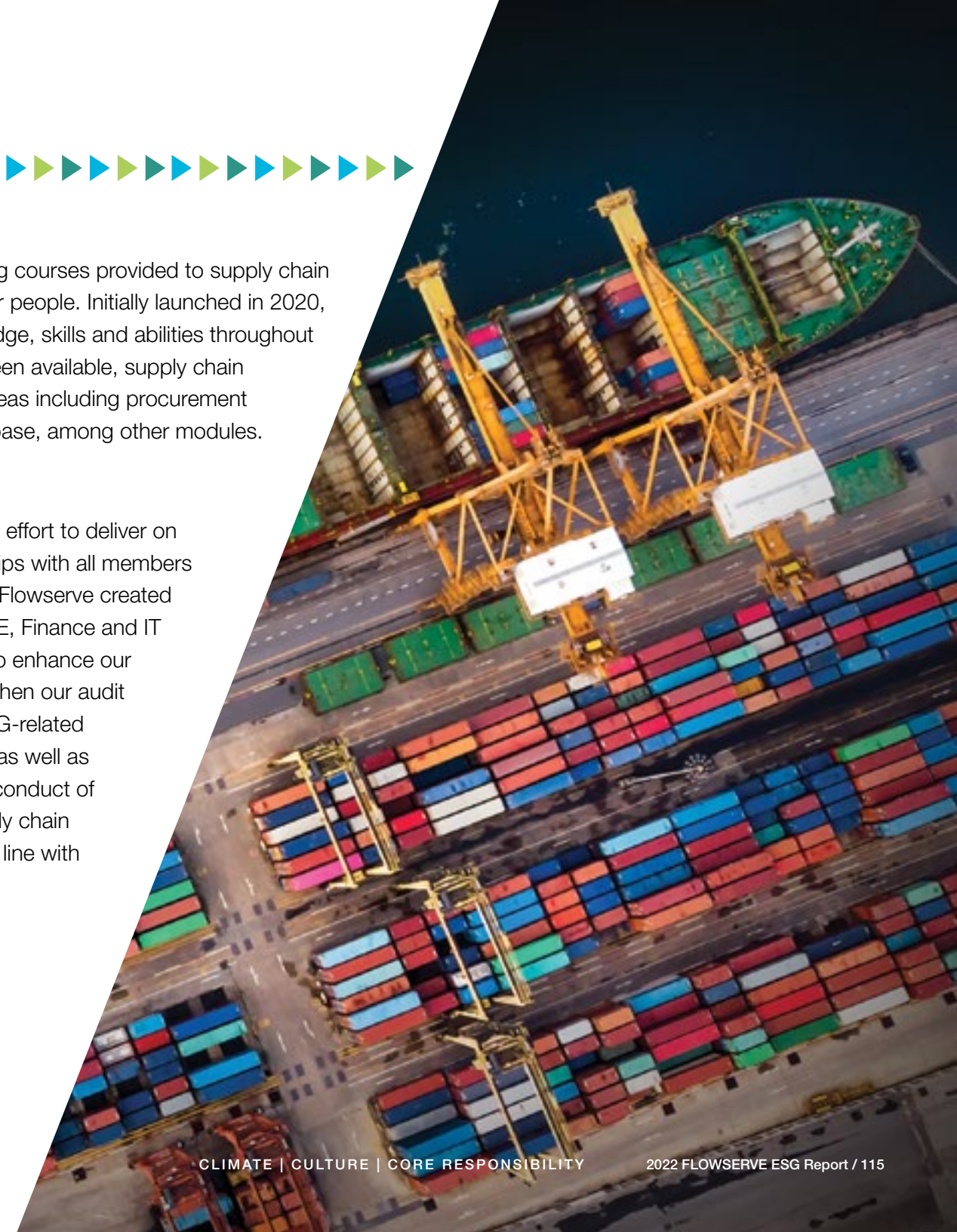
A supplier's risk level may substantially change as a result of a financial viability or regulatory findings. Significant planned changes to a supplier's manufacturing process (e.g., change in physical address, outsourcing or insourcing decisions, new capital equipment) require advanced written notification to Flowserve to allow for review of the supplier's risk mitigation plan as a means of protecting continuity of production for Flowserve products. With the integration of SAP Master Data Governance – Supplier (MDG-S), we will have improved visibility to our supplier diversity and manufacturing locations worldwide, as well as an increased ability to identify ESG-related risks within the host country. Our MDG-S is expected to be fully operational in 2023.

SUPPLY CHAIN UNIVERSITY

Supply Chain University is Flowserve's suite of e-learning courses provided to supply chain associates as part of our commitment to developing our people. Initially launched in 2020, the curriculum was designed to further develop knowledge, skills and abilities throughout our supply chain. In the three years this program has been available, supply chain associates have completed thousands of modules in areas including procurement excellence training and creating a sustainable supplier base, among other modules.

SUSTAINABLE SUPPLIER BASE

We believe our suppliers are a critical component of our effort to deliver on our Purpose, inspiring us to build responsible relationships with all members in our value chain to advance our ESG efforts. In 2022, Flowserve created a cross-functional team consisting of Supply Chain, HSE, Finance and IT to implement Cority, an industry-known SaaS solution to enhance our data reporting, fine tune our documentation and strengthen our audit trails. This software will allow supply chain to collect ESG-related metrics from suppliers, such as carbon emissions data as well as the social responsibility steps taken by suppliers in the conduct of their business. This data will be utilized at a global supply chain level to help create a more sustainable supplier base, in line with Flowserve's 3D strategy.



Supply Chain

CONFLICT MINERALS

FlowsERVE works closely with our suppliers to adhere to all applicable reporting and mitigation activities for conflict minerals, chemical substances, and other commodities. We support global efforts to assist in the eradication of human rights abuses in the Democratic Republic of the Congo and adjoining countries, where the mining of certain minerals has partially financed the long-standing conflict in this region. FlowsERVE also supports the objectives and intent of the U.S. Securities and Exchange Commission (SEC) Conflict Minerals rules that call for periodic reporting on company efforts to manage conflict minerals risk. In 2022, FlowsERVE began an assessment to verify supplier spend was not utilized to purchase conflict minerals. While the assessment is ongoing, we have verified over half of our global supplier spend has not been utilized to purchase conflict minerals.

If we discover supplied minerals originate from sources in countries not deemed conflict-free, we will take action to transition to conflict-free sources. We have committed time and resources to meet this objective and will continue to be transparent in our progress. FlowsERVE communicates its Conflict Minerals program expectations through

the Supplier Code of Business Conduct, our terms and conditions of purchase with suppliers and our purchase order requirements, which include the following:

- FlowsERVE will not knowingly procure raw conflict minerals from covered countries that are not deemed conflict-free
- FlowsERVE will perform reasonable due diligence to document that conflict minerals used in the materials and components supplied to FlowsERVE are procured from outside the covered countries or if they originate from the covered countries that they are certified as conflict-free
- FlowsERVE is working to educate our employees and our suppliers to help promote improved visibility regarding the origin of the minerals and compliance

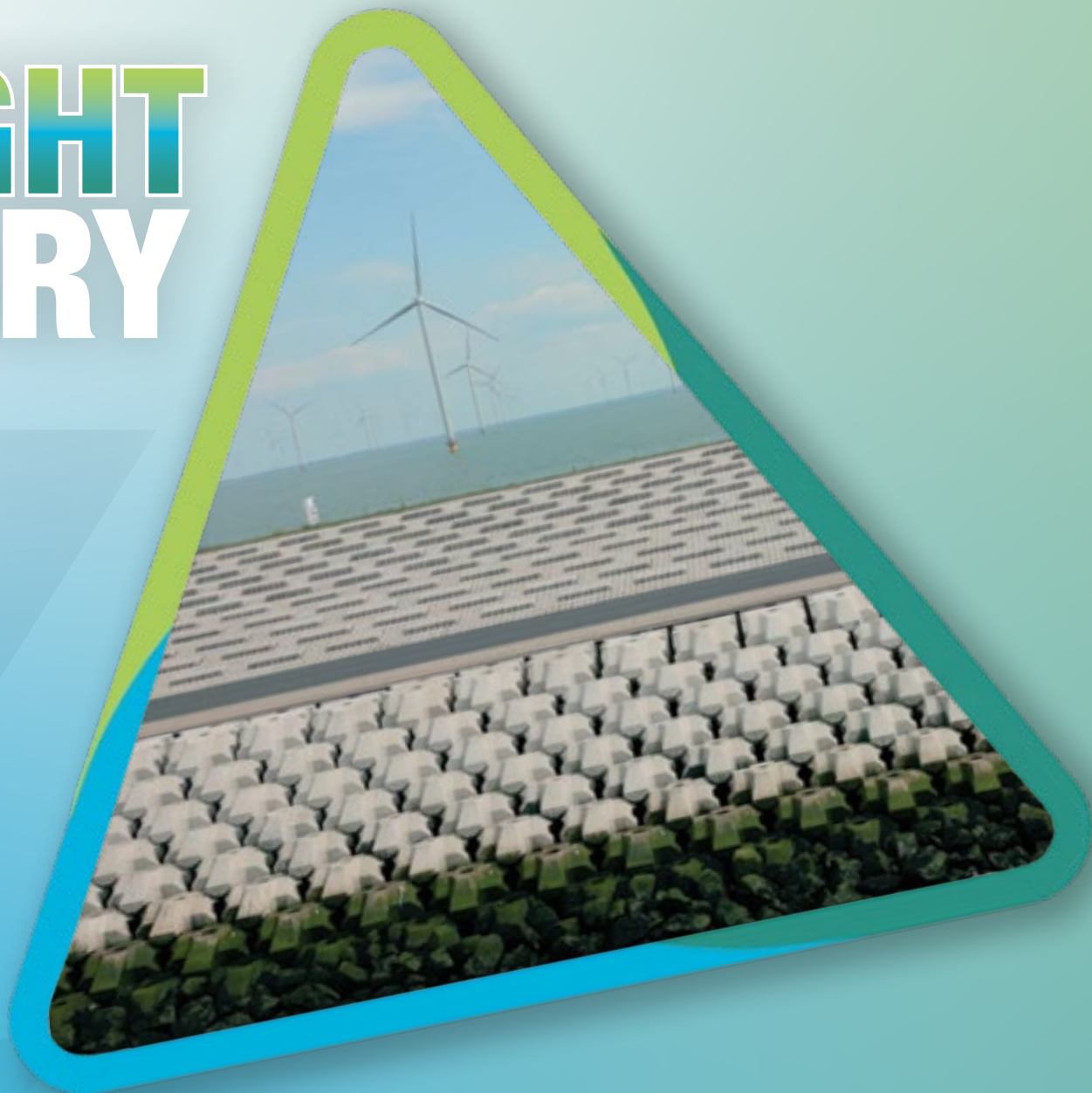
We are taking steps toward a conflict-free supply chain through our management program integrated with our policies and processes and ensuring that our worldwide suppliers are aligned with this policy.

REGULATORY COMPLIANCE

Supply chain is assisting local sites to comply with various environmental regulations being implemented across the globe. Examples include engaging our supplier base to conduct risk assessments focused on human rights, identifying and reporting on carbon intensive products, and limiting the sourcing of goods directly linked to deforestation and forest degradation.



SPOTLIGHT STORY



AFSLUITDIJK PROJECT FEATURED ON BBC SERIES

As changing climate conditions continue to cause extreme weather events and the world answers a global call to action to reduce emissions, Flowserve is committed to helping our customers reach their sustainability goals while protecting the environment through our products and services.

As part of an online film series “Beneath the Surface,” presented by the International Water Association and produced for Flowserve by BBC StoryWorks Commercial Productions, a short film showcased Flowserve’s ongoing support of the Netherlands’ Afsluitdijk, the largest flood control project in Europe. This series looks at how Flowserve has provided and maintained concrete volute pumps for the project to prevent flooding in the Netherlands and continues to support the effort through innovation. The pumps involved in the project are the largest Flowserve has ever manufactured with impellers of nearly 15 feet. We are proud to play a role in protecting the Netherlands from future flooding.



Governance and Risk Management

BOARD AND EXECUTIVE OVERSIGHT OF ESG PROGRAM

Our Board of Directors has primary oversight responsibility of our ESG program and receives updates on our program, goals and initiatives on at least an annual basis. In addition, our Corporate Governance and Nominating Committee (CGNC) directs and reviews key aspects of our ESG program on at least a biannual basis. With involvement of both the full Board of Directors as well as the CGNC, we believe the Board provides robust strategic direction, guidance and support for our ESG program. The Finance and Risk Committee advised the Board on corporate financing and related treasury matters which includes oversight of our Enterprise Risk Management (ERM) and cybersecurity programs.

Our Executive Leadership Team (ELT), under the direction of our CEO, leads each of our functional areas in their efforts to analyze, design, implement, monitor and, when necessary, change and revise, elements of our ESG program into Flowserve's overall strategy to achieve our purpose. In doing so, key ELT members represent management on several key committees that drive our ESG program, including our ESG Steering Committee and ERM Committee.

CORPORATE GOVERNANCE AND NOMINATING COMMITTEE

The Corporate Governance and Nominating Committee (CGNC) of the Board of Directors advises the Board on all corporate governance and board recruiting matters, including the company's corporate citizenship, ESG and related activities.

The committee, composed of at least three members (all of whom must be independent), has the power, without additional approval from the Board, to directly retain outside legal counsel, financial advisors, consultants and other advisors as it determines necessary to perform its responsibilities and the power to investigate any matter within the scope of its duties, with full access to books, records, facilities and personnel necessary to do so.

The key responsibilities of the CGNC are to:

1. Identify, review the qualifications of and recruit candidates for membership on the Board of Directors, including chairman of the Board and the company's President and CEO
2. Review related party transactions in accordance with the company's Related Party Transaction Policies and Procedures.
3. Recommend Board committee assignments and the appointment of committee chairs
4. Oversee the annual review process of each member of the Board and the company's President and CEO
5. Establish and review procedures for shareholder communications and the effectiveness of shareholder engagement policies and procedures
6. Review the company's ESG program and related activities

The CGNC meets at least four times per year. It receives an in-depth presentation of the ESG program from members of management biannually and advises management on the company's overall ESG strategy, execution and effectiveness.

FINANCE AND RISK COMMITTEE

The Finance and Risk Committee (FRC) of the Board of Directors advises the Board on all corporate financing and related treasury matters, including on related risks regarding capital structure and major corporate transactions with the goal of accomplishing the company's objectives and operating strategies while maintaining sound fiscal health. Additionally, the committee monitors corporate risk management and information technology programs (including its cybersecurity program), as well as oversees management's enterprise risk assessment process and the Board's overall risk management responsibilities.

The committee, composed of at least three members, has the power, without additional approval from the Board, to directly retain outside legal counsel, financial advisors, consultants and other advisors as the committee determines necessary to perform its responsibilities and the power to investigate any matter within the scope of its duties, with full access to books, records and facilities and personnel necessary to do so.

The key responsibilities of the FRC are to:

1. Assist the Board in performing its enterprise risk management oversight responsibilities through periodic review of management's enterprise risk assessment process, including with respect to information technology and cybersecurity risks, emerging areas of risk and other risks as relevant to the company
2. Review and discuss the process by which the Board and its committees oversee senior management's exercise of risk management responsibilities
3. Periodically review the scope, cost and basic terms of the company's insured risk management programs, including general liability, director and officer, property and other insurance policies



Governance and Risk Management

ESG STEERING COMMITTEE

Various members of our Executive Leadership Team (ELT) serve as sponsors on the two committees that guide Flowserve’s ESG program.

Our Environmental, Social and Governance (ESG) Steering Committee develops and implements the company’s overall ESG strategy. It provides leadership to the ESG working group regarding setting goals and objectives that align with the overall strategy of the program. The ESG Steering Committee assesses strategic ESG issues, seeks to improve sustainability performance; provides recommendations to the ELT regarding the company’s ESG strategy, goals and objectives; and oversees ESG risks and opportunities in our business. The ESG Steering Committee is a cross-functional committee that meets regularly to discuss pressing issues, as well as broader strategic initiatives and objectives.

The ESG Steering Committee is chaired by our Chief Legal Officer and made up of representatives from several of our internal functions, including:

- Finance
- Global Operational Excellence
- Human Resources
- Legal and Compliance
- Technology and Innovation
- Divisional Operations

The objectives of the ESG Steering Committee include:

- Conducting regular ESG materiality assessments
- Identifying and evaluating emerging strategic ESG issues
- Considering regulatory, legislative, shareholder, market, and other developments and emerging issues related to ESG
- Coordinating company responses to strategic public policy and regulatory issues.
- Establishing ESG strategy, goals and objectives
- Reviewing enterprise-wide ESG programs and performance and providing input for establishing and/or modifying goals and objectives

The work and input of the ESG Steering Committee is used by the Board and ELT to inform the following areas of activity:

- Operational efficiency and improvement
- Monitoring external ESG rating reports and metrics and conducting gap analysis of areas of concern
- Development and implementation of strategic programs, including regarding health and safety; sustainability; diversity, equity and inclusion; and social responsibility programs
- Public reporting/disclosure
- Business strategy
- Product development and innovation

- Supply chain management
- Stakeholder engagement
- Marketing
- Employee engagement
- Rating report analysis and updates
- Enhancement of the Flowserve ESG Report and other reporting, as necessary
- Communicating with functional area leaders and leadership teams on ESG strategy

ERM COMMITTEE

Enterprise Risk Management (ERM) is essential to our purpose of creating extraordinary flow control solutions to make the world better for everyone. The ERM Committee seeks to identify and address risks that may impact our ability to achieve our purpose, objectives and long-term strategy. The ERM Committee is composed of senior management and other cross-functional team members with representation from several internal functions.

The ERM Committee applies the Committee of Sponsoring Organizations of the Treadway Commission (COSO) risk management framework in seeking to achieve the following objectives:

- Identify risks through a robust top-down and bottom-up assessment
- Quantify and qualify risks in terms of both impact and likelihood
- Develop and update risk register prioritization
- Establish risk mitigation plans
- Create a risk-aware organizational culture
- Provide regular updates to the Board and its committees

The Board and its committees oversee senior management’s policies and procedures in assessing and addressing risk areas, carefully evaluate reports received from management and make inquiries of management with respect to areas of particular interest.

SHAREHOLDER ENGAGEMENT ON ESG

In fall 2022, we proactively solicited feedback from shareholders representing approximately 80% of our outstanding shares to discuss our ESG and executive compensation program with our Chairman and members of management. We received insightful feedback from these shareholders regarding the progress on our ESG program that was helpful as we further develop our ESG strategy, goals and objectives.



Governance and Risk Management

ALIGNING EXECUTIVE PAY TO ESG GOALS

The Company believes that aligning executive pay and performance to ESG goals will help drive our ESG performance. At the end of 2021, the Company aligned 2022 annual incentive plan metrics to new priorities to grow the business, including the introduction of performance metrics related to our 3D strategy to fuel growth in these strategic areas. Such metrics include bookings related to diversification and decarbonization, as well as digitization asset monitoring.

We also introduced a strategic payout modifier in our annual incentive plan to drive progress against our ESG and other strategic priorities. The modifier allows for adjustment of otherwise earned payouts by up to +/- 15% based on accomplishments relative to key objectives. For 2022, the ESG strategic objectives included creating a multi-year strategic roadmap and implementing 2022 initiatives.

The Organization and Compensation Committee determined that these objectives were met for 2022 and considered the following objectives and accomplishments in its determination:

- Achieved improvements in third-party ESG ratings due to significant updates and a refresh of our 2021 ESG Report that incorporated new strategy, materiality assessment and risk mitigation policies
- ESG Strategy Development, utilizing a completed materiality assessment and peer benchmarking
- ESG roadmaps completed for eight priority issues which identifies short- and long-term goals and targets
- ESG project review board established to encourage investment in ESG projects
- Adopted Human Rights Policy and implemented throughout the Company
- New ESG strategic vision and pillars created to align with our 3D strategy

For more information on our executive compensation at Flowserve, see pages 34-58 of our [2023 Proxy Statement](#).

CLIMATE-RELATED RISKS, OPPORTUNITIES AND STRATEGY

Many scientists, legislators and others attribute global warming to increased levels of heat-trapping greenhouse gases (GHGs) in the atmosphere, including carbon dioxide. As a result, many countries are participating in the Paris Climate Agreement seeking to limit global temperature rise to well below 2 degrees Celsius above pre-industrial levels, while pursuing action to cap the increase at 1.5 degrees Celsius. Consistent with the Paris Agreement, industries around the world are reducing their GHG emissions.

Flowserve provides flow control products and services that support individual companies in reaching their reduction goals. Our experience and success in adapting our products to new flow control applications positions us to capitalize on new and expanding markets related to GHG emission reduction and climate change resilience. For instance, several customers around the world rely on Flowserve's products in concentrated solar power; bioenergy; geothermal; carbon capture, utilization and storage; desalination and flood control.

The International Energy Agency (IEA) uses three models to assess potential governmental action to reduce GHG concentrations in the atmosphere. The Current Policies Scenario assumes no change in regulations controlling GHG emission or promoting energy efficiency. The Stated Policies Scenario (STEPS) assumes the pace of industrial decarbonization is guided by existing policy frameworks and stated policy plans. The Sustainable Development Scenario (SDS) is the only model that includes the actions necessary to achieve the Paris

Governance and Risk Management

Agreement climate goals. Under all three scenarios, we believe that our customers will continue to rely on our products and services to improve energy efficiency and reduce carbon emissions. We continue to research and develop equipment and diagnostic tools to promote increased energy efficiency and expand our product offerings to penetrate new and emerging markets to address climate change.

The IEA models are focused on change in the energy markets and do not consider industries that are responding to other climate-related risks, including rising sea level, more severe and more frequent weather events, subsidence and the need for reliable fresh water sources to support population growth and migration. Flowserve already supplies products and services to large-scale flood management projects, desalination plants and conventional water supply facilities and is well-positioned to meet society's increased need for water management.

RISK MANAGEMENT OVERSIGHT

Our Board of Directors is accountable for the overall implementation of our risk management process, including climate change-related risks and opportunities. Members of our Board have a responsibility to exercise oversight of our business by developing a broad understanding of our business, risk profile and strategy, understanding and respecting the roles of the Board and management, offering support and guidance to management and engaging management effectively and constructively.

Throughout the year, the Board discusses risk in general terms and in relation to specific proposed actions taken or planned to be taken by the company. As part of this process, the Board receives regular updates from management on the financial and operating results of the company, as well as on the strategic and annual operating plans and key enterprise risks and provides appropriate input and perspectives. The Board has delegated responsibility for the oversight of certain risk categories to its committees based on each committee's expertise and applicable regulatory requirements. Each committee regularly receives updates on these matters from management and reports on them to the Board. In addition to discussing risks with the Board at periodic and scheduled meetings throughout the year, management also reports to the Board and its committees on specific, material risks as they arise or as requested by the Board, whether by calling a special meeting or by other means.

The Finance and Risk Committee (FRC) of the Board assists with enterprise risk management oversight responsibilities through periodic review of management's enterprise risk assessment process, including current and emerging areas of risk relevant to our business and stakeholders. The FRC reviews the process by which the Board and its committees oversee senior management's exercise of risk management responsibilities.

Management is responsible for the day-to-day management of risk and opportunities facing Flowserve, including the design and implementation

of appropriate risk management policies, practices and initiatives. Management leverages an enterprise risk management program, which is an evergreen process using a widely accepted framework to identify, assess, monitor and communicate the company's strategic, operational, financial, compliance, legal and reputational risks. Management works with our Board, the FRC, our independent and internal auditors and other external advisors, to incorporate our enterprise risk management program into our operations and overall strategy.

For more information on governance at Flowserve, see pages 23-30 of our [2023 Proxy Statement](#).





Do the right thing,
always.

INTEGRITY ONE



Integrity is foundational to our Purpose of making the world better for everyone and we are committed to fostering a culture of Global Integrity, Local Ownership, empowering each of our associates to do the right thing, always.

In October 2022, we launched INTEGRITY ONE, a new hire integrity and compliance training program geared toward providing new associates with an introduction to our Integrity value. The program includes an overview of the resources available to them to keep Integrity in Motion at Flowserve, including our Code of Conduct, Ethics Hotline, and Integrity Champions program. These resources guide the actions associates take every day to ensure we continue conducting our business in an ethical, honest and transparent manner. Another goal of INTEGRITY ONE is to engage associates in our Speak Up culture early in their Flowserve journey.

Our 2022 employee engagement survey demonstrated our strong culture of Global Integrity, Local Ownership with Integrity among our top-scoring strengths. This culture can only be achieved through the collective commitment of our people to doing the right thing, always, and we are proud to continue building a strong foundation of integrity through programs like INTEGRITY ONE.



Integrity & Compliance

Our Integrity & Compliance program is a critical part of who we are as a company and how we do business. As one of six established core values at Flowserve, integrity is embedded into everything we do. Built on our commitment to Act with Integrity, Always, the pillars of our Integrity & Compliance program are: Culture, Speaking Up, Strategy, Risk Management and Accountability.

In this section, we highlight the main tenets of the Integrity & Compliance program at Flowserve and how they align with each of our guiding pillars that demonstrate our commitment to uphold the highest ethical standards.



POLICIES & RESOURCES

Our policies and resources reflect our Culture of integrity and our Risk Management strategy to effectively identify, manage and mitigate compliance risks.



Code of Conduct

Our Code of Conduct reflects who we are as a company and how we do business, incorporating and reinforcing our shared Flowserve values as well as the laws, regulations and policies that apply to each of us and our global business. Serving as the guiding document in making ethical decisions and resolving challenging issues, the Code applies to everyone who works for or represents Flowserve in any capacity, including:

- Associates at all levels, in any position, around the world
- Board of Directors members and corporate Officers
- All external companies and individuals who work with or represent Flowserve, such as suppliers, agents, sales representatives, distributors, joint venture partners and other business partners

The Code of Conduct outlines our ethical responsibilities, educates associates on resources available to them, including our Ethics Hotline, and reinforces our commitment to integrity as it pertains to all areas of our business.

All associates are required to complete annual Code of Conduct training to remain equipped in ethical decision-making scenarios in accordance with Flowserve's Code of Conduct and values and behaviors. As

part of this annual training, associates complete a Code of Conduct Acknowledgement.

Supplier Code of Conduct

In addition to our Code of Conduct, our Supplier Code of Conduct outlines how we work toward conducting business in an ethical, legal and socially responsible manner within our global supply chain. The Supplier Code of Conduct complies with International Labor Organization standards and communicates expectations for socially responsible operations in support of Flowserve's business and values. The Supplier Code of Conduct serves as a proactive Risk Management tool, and we expect all Flowserve suppliers to adhere to our Supplier Code of Conduct. If a supplier is found to be in violation of the Supplier Code of Conduct or any other Flowserve policy, it may result in the termination of the business relationship.

Trade Compliance

As a global business, a key priority in Acting with Integrity, Always is ensuring we comply with the laws in all jurisdictions in which we operate. Our trade compliance team members serve as partners to our sites in conducting business in accordance with the latest laws, regulations and sanctions. Trade compliance utilizes a robust process to review relevant regulatory requirements and communicate in a timely manner to Flowserve associates at each stage in the value chain.

To proactively minimize trade compliance risks, we constantly evaluate and enhance our trade compliance program. We operate using a central corporate trade compliance Team and a network of trade compliance

Integrity & Compliance

coordinators. Together, the corporate team and the trade compliance coordinators are responsible for the implementation and management of our trade compliance program at each level of the organization and provide training to corporate and site-level personnel. Coordinators are required to complete an annual curriculum of advanced trade compliance courses to continue developing their subject matter expertise.

Our trade compliance playbook is a detailed reference manual to help guide Flowserve trade compliance coordinators. The playbook is available in nine languages and is accessible to all associates. It provides an overview of each element of Flowserve's trade compliance program, including simple instructions, key insights into each trade topic and embedded links to core trade compliance policies.

REPORTING



At Flowserve, all associates are encouraged to Speak Up, and we value and protect those who report concerns. We also hold ourselves Accountable to continuously improve our Integrity & Compliance program by reviewing internal metrics and trends as well as implementing remediation measures when appropriate.

A critical component of upholding our Code of Conduct and nurturing a culture of Integrity is empowering our associates to Speak Up and providing them the appropriate channels to do so. Flowserve has established a variety of methods through which associates can raise concerns, ranging from reporting issues to managers to utilizing our anonymous hotline.

Associates are encouraged to report concerns to a manager or supervisor, as they are usually in the best position to address concerns. The following resources are also available:

- Human Resources Contact
- Regional Integrity & Compliance Contact
- Member of the Legal Department
- Member of Senior Management
- Members of the Board of Directors
- Member of the Audit Committee
- Flowserve Ethics Hotline

Flowserve's Ethics Hotline, managed by an independent third-party vendor, is available to all associates, suppliers, customers, or third parties 24 hours a day/7days a week. Reports can be made in any of Flowserve's nine languages, in any location, via phone, online or QR Code. Those who report to the Hotline may choose to remain anonymous. Each report is reviewed and treated as confidentially as possible.

Associates are proactively and continuously reminded of the Hotline and other Speaking Up resources through monthly Integrity Insiders newsletters and Integrity & Compliance posters. The Hotline and other resources are also accessible on our Integrity & Compliance intranet site or Flowserve.com.

Speaking Up Trends

To continuously evaluate the efficacy of our Speaking Up resources, the Integrity & Compliance department regularly monitors metrics and trends, such as the number of overall reports, the number of reports made anonymously, the types of issues being reported, the number of reports made in each region and the number of reports made within each business platform.

Investigations Playbook

All associates may access our Global Investigations Playbook, which provides a general overview of how investigations are conducted at Flowserve and details the mechanisms in place to process reports. By providing increased transparency surrounding the reporting process, we hope to further encourage associates to Speak Up and report any unethical or questionable conduct. Increased reporting enables Flowserve to address issues quickly and helps promote compliance with our policies and the law. Through the Playbook, we assure associates that when an investigation is warranted, it will be conducted in a manner that is timely, thorough and as discreet as possible.

Remediation Measures

Remediation measures are a mechanism for us to take action and hold ourselves Accountable. After an investigation is complete, the investigator may recommend remediation measures to address concerns, reduce ethical risks and deter non-compliance discovered during the investigation, especially if there are substantiated allegations. Remediation measures may include, but are not limited to, discipline, training, control enhancements or improvements, policy or procedure changes, or other reforms. The implementation and timing of any remediation measures are made in partnership with appropriate business leaders. Remediation measures are also tracked internally by our Global Investigations team.

NON-RETALIATION

Regardless of the reporting method, Flowserve policies prohibit retaliation against anyone who Speaks Up and raises a concern in good faith or participates in an investigation.



Integrity & Compliance

COMMUNICATION & EDUCATION

Communication with and education of our associates and business partners is vital to the success of our Integrity & Compliance program. These resources reflect our Culture of integrity and ensure consistency and sustainability.



Integrity Champions

To promote a Culture of global integrity with an emphasis on local ownership, we established the Integrity Champions program. Associates from local sites or offices across various functions and geographic locations are nominated and selected to serve as Integrity Champions at their locations. With approximately 85 associates currently serving as Integrity Champions, Champions are empowered and responsible for:

- Raising integrity awareness
- Rolling out integrity-focused education and training
- Sharing Integrity & Compliance communications
- Helping make integrity a consideration in site decisions

The diverse composition of the team and collaborative commitment of our Integrity Champions to serve as key resources for our associates is integral to the program's success and a testament to the strength of our Integrity culture.

Integrity Insiders

We provide our associates with practical guidance to navigate ethical issues through our Integrity Insiders. Integrity Insiders are monthly

internal email communications that highlight real ethical situations faced by Flowserve associates and serve as reminders of available Integrity & Compliance policies and resources. To promote global accessibility, Integrity Insiders are provided in nine languages and include companion training materials so leaders can present the information to associates who may not have direct email access. Integrity Insiders are monthly reminders to all associates that acting with integrity, honesty and transparency is part of our Culture and critical to our company's success.

Integrity & Compliance Day

We celebrate our Culture of integrity and build associate engagement annually during our global Integrity & Compliance Day (I&C Day). During I&C Day, we highlight Integrity & Compliance tools and resources, raise overall awareness of compliance issues and provide guidance on navigating ethical dilemmas.

For I&C Day 2022, our theme was "Integrity in Motion," focusing on the many ways integrity is in motion across Flowserve. I&C Day included a video montage of associates around the world sharing how they experience integrity in motion at their sites, in their projects and on their teams. We also offered a skit and discussion activity in which participants acted out a situation that highlighted topics such as conflicts of interest, bribery, theft, misuse of assets and falsification of documents.

During I&C Day, we also launched I&C resource posters in all of our core languages with QR codes to our Code of Conduct and Ethics Hotline.

INTEGRITY ONE

Integrity & Compliance Orientation for New Employees

Finally, we announced our Integrity ONE – Orientation for New Employees. As new associates join Flowserve, Integrity ONE introduces them to the ways we live our Integrity value at Flowserve and our I&C resources. Integrity ONE is led by our Integrity Champions and offered at sites with Integrity Champions.

We were proud to offer all I&C Day content in all nine of Flowserve's languages on our I&C Day SharePoint site.

Training

We offer associates a variety of trainings to promote a consistent Culture and remind them that they are expected to Act With Integrity, Always.

In addition to annual Code of Conduct training, the Integrity & Compliance team provides associates with customized training based on recent trends, by request and as remediation measures. These trainings may cover topics such as trade, anti-corruption, anti-trust, investigations and data privacy, and are conducted in various regions and often in multiple languages. The Integrity & Compliance team captures training engagement data on digital dashboards to visualize how, where and when Flowserve associates participate in mandatory or optional trainings. We utilize these dashboards to enhance our training offerings across topics, geographies and business functions. Associates may always access additional Integrity & Compliance trainings, at no cost and at their discretion, on our Learning Management System and Integrity & Compliance site.

INTEGRITY & COMPLIANCE SITE

The Integrity & Compliance intranet site provides our associates with helpful Integrity & Compliance resources, such as the Ethics Hotline, Code of Conduct and other Integrity & Compliance policies, programs, forms, playbooks and trainings in an easily accessible location.





Integrity & Compliance

RISK MANAGEMENT

Our Risk Management strategy includes identifying, managing and mitigating risk by conducting risk assessments on a regular basis.

To embrace our Accountability pillar, our Chief Compliance Officer (CCO) has independent responsibilities and reporting duties, including to several key committees.



Chief Compliance Officer Responsibilities

Flowserve's CCO has overall responsibility for the management of our Integrity & Compliance program, including anti-bribery and anti-corruption. The CCO reports directly to the Chief Legal Officer and, to provide independent accountability, has access and reporting responsibility to the Audit Committee of Flowserve's Board of Directors.

Risk Assessments

The Integrity & Compliance department conducts a scenario-based internal compliance risk assessment annually, which covers scenarios regarding compliance culture, fraud, bribery, corruption and more. The assessment includes an associate survey and interviews, as well as a review of substantiated investigations and Internal Audit SOX controls. In 2022, the participants in the survey and interviews represented all regions and all levels of management.

Flowserve is committed to addressing any major business ethics risks and the top risk areas identified by the assessment are monitored and considered when updating internal policies, practices and trainings.

In addition, Flowserve conducts an annual enterprise risk assessment, which includes interviews with ELT members and risk owners, conducting an external scan of risks and establishment of key risk indicators. The results are used to identify and prioritize the top risks in the company which are then monitored with mitigation measures implemented when necessary. The results of the enterprise risk assessment and corresponding risk mitigation plans are shared with the Board of Directors and monitored by the Finance and Risk Committee.

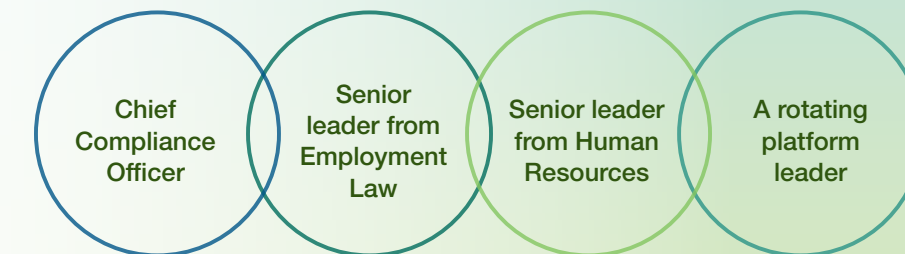
Audit Committee

Associates can raise concerns directly to the Audit Committee of the Board of Directors, which is independent of management. Additionally, our CCO updates the Audit Committee on Integrity & Compliance initiatives, key investigations and the status of the Integrity & Compliance program quarterly or as needed.

Disciplinary Committee

Flowserve has established a Disciplinary Committee to provide independent, objective, efficient and consistent disciplinary actions in instances where disciplinary action is recommended as a result of an ethics investigation.

The Disciplinary Committee consists of the following members:



The Disciplinary Committee is responsible for determining the level of disciplinary action where:

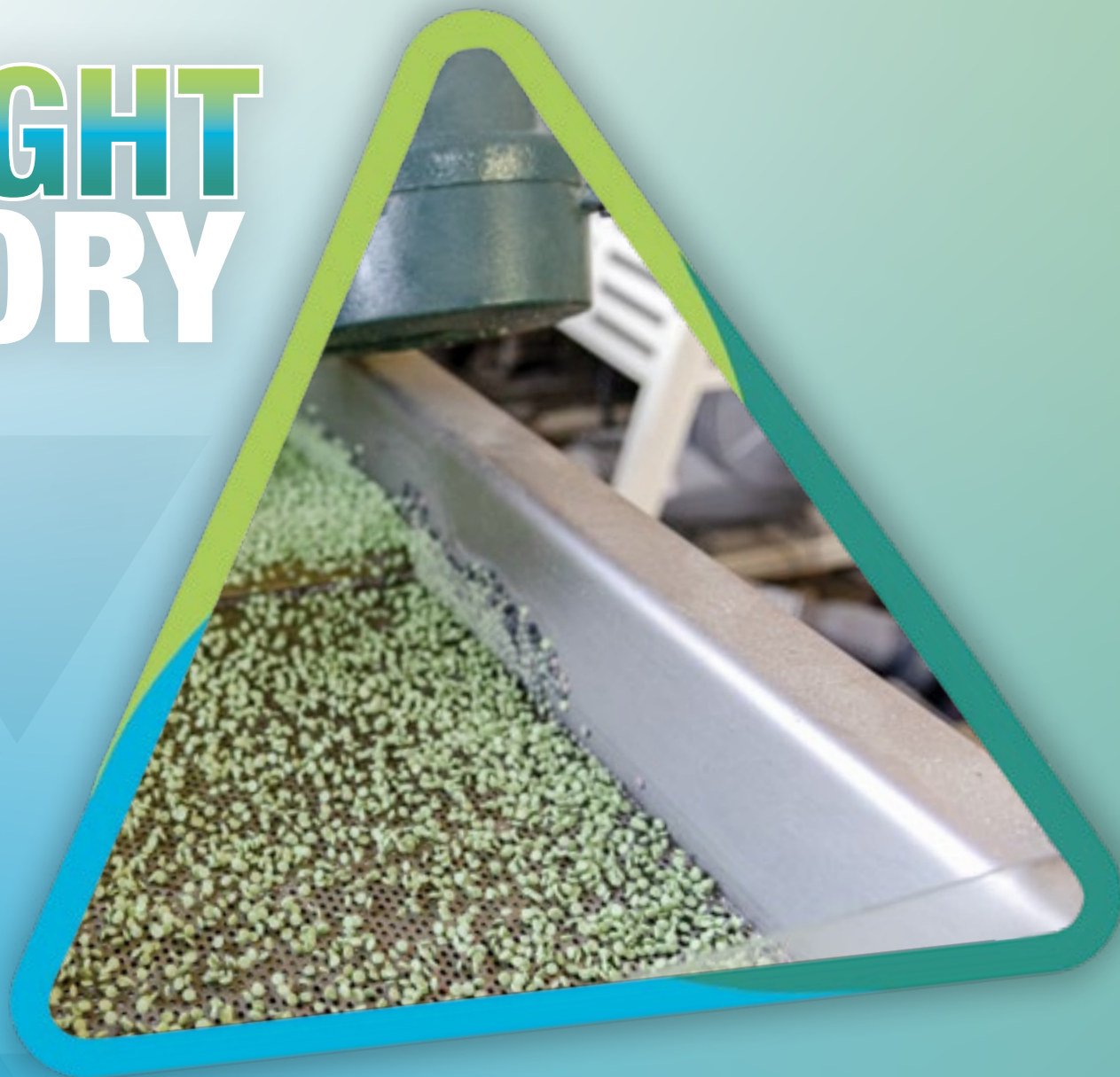


Ethics & Compliance Committee

To hold ourselves accountable and continuously improve our program, the Integrity & Compliance team regularly conducts internal reviews and tracks internal metrics, such as due diligence reviews, investigations cycle time and remediation measures.

The CCO and Integrity & Compliance department report to the Ethics & Compliance Committee on these metrics and any trends on a quarterly basis. The committee is also apprised of regulatory compliance developments and provides management with feedback on overall strategy for the Integrity & Compliance program.

SPOTLIGHT STORY



ENABLING THE FUTURE OF BIODEGRADABLE PLASTIC PRODUCTION IN CHINA

Flowserve will supply G4 Sleeved Plug Valves to a leading China-based civil explosives company that traditionally develops products for industries like mining, water conservancy, and railway and highway construction. The company will use the valves in the production of polybutylene adipate terephthalate (PBAT) – a chemical used in the manufacturing of biodegradable plastic products. Through this opportunity, Flowserve is enabling its customer to manufacture products in a growing market that is environmentally friendly and sustainable for the future – making the world better for everyone.



Cybersecurity and Data Privacy

As cyberthreats grow more frequent and more complex, we are committed to strengthening our cybersecurity practices to protect the data of our associates, customers and partners, as well as reinforce our operational resilience. The protection and integrity of our data are foundational to driving our operational excellence, enhancing our customer experience, and ensuring our continued growth and success.

With the heightened importance of cybersecurity, our Finance and Risk Committee (FRC) receives regular updates on cybersecurity risks and the company's action plan to respond to such risks. The Board of Directors is also briefed at least annually on cyber-related risks and strategy. Additionally, to help drive focused execution on our cybersecurity program, our Enterprise Risk Management (ERM) Committee, composed of several members of the ELT and other cross-functional team members, oversees senior management's policies and procedures in assessing and addressing risk areas, including those related to cybersecurity and information technology.

OUR APPROACH

Flowserve partners with leading cybersecurity experts and organizations to leverage best practices and trends, and also undergoes complete assessments to identify ways we can further strengthen our cyber landscape and framework. From a strategic standpoint, Flowserve follows both the International Organization for Standardization (ISO) and National Institute of Standards and Technology (NIST) cybersecurity standards. Tactically, Flowserve uses the MITRE ATT&CK Framework for cybersecurity technology operations. In 2021, Flowserve hired third-party experts to assess our current cyber risks, perform a gap analysis and to provide recommendations for improvement opportunities. Throughout 2022, we continued to make progress on the gaps and recommendations identified, and we are committed to working toward achieving an ISO 27001 certification.

Flowserve's dedicated Cybersecurity team not only monitors, detects and responds to potential threats, but it also takes proactive steps to strengthen our security posture through robust policies, processes and innovative technology. We are committed to building a culture across our organization where we all take ownership in protecting our part of the cyberspace.

PEOPLE	POLICIES & PROCESSES	TECHNOLOGY & TESTING
<p>CYBERSECURITY AWARENESS MONTH</p> <p>Cybersecurity is a priority and embedded into our culture. During the month of October, we regularly observe the Cybersecurity & Infrastructure Security Agency's Cybersecurity Awareness Month. During this time, a series of communications and trainings helped associates better understand how they can protect the enterprise and recognize and respond to real-life cyberattacks.</p> <p>PHISHING TESTS</p> <p>In 2022, we partnered with leading cybersecurity awareness training provider, KnowBe4, to send simulated phishing tests to associates. This process provided associates additional education on cybersecurity and promoted a safer digital environment.</p> <p>TRAININGS</p> <p>We leverage our partnership with KnowBe4 to also conduct in-house Cyber Awareness Training. Since we began baseline phishing tests in 2019, the Cyber Awareness Training completed by associates has reduced phishing test failures by 85.71%.</p>	<p>CYBERSECURITY IT POLICIES</p> <p>Acceptable use of Flowserve's technology, software and applications for associates is outlined in our Cybersecurity IT Policies via the company intranet and is updated accordingly as new technologies and solutions are introduced.</p> <p>ENHANCING TECHNOLOGY PROCESSES</p> <p>We are continuously evaluating and enhancing the security of all technology processes. In 2022, we formally implemented a new policy that limits the use of USB drives and external storage devices. As a result, the number of USB-originated events dropped by 70.73% from 2021, which did not have a USB blocking policy in place. Additionally, after previously implementing stronger password complexity standards and multi-factor authentication, we observed a significant decrease in the number of breached accounts in 2022.</p>	<p>THREAT MONITORING</p> <p>We leverage a suite of innovative security services and solutions to monitor potential threats across our enterprise and our RedRaven IOT platform, to maintain a secure environment for our associates, customers and partners.</p> <p>PENETRATION TESTING</p> <p>Regular penetration testing identifies potential vulnerabilities in Flowserve's network, applications and wireless network. In 2022, we conducted three tests each quarter as operational maturity exercises. By regularly assessing our cybersecurity infrastructure, we prioritize a proactive approach to identify and mitigate potential risks.</p>



DATA SUMMARY AND REPORTING INDICES



146	SASB Index
147	TCFD Index
148	GRI Reporting Index
165	Data Summary
167	About This Report

The information in the indices below is based on the best available data at time of publication and is subject to change. In some cases, data is estimated and is based solely on our interpretation and judgment. The index below lists indicators from SASB, TCFD and GRI on which we have full or partially reported. We strive to continually improve our data performance reporting and continue to assess alignment with other emerging frameworks.

SASB INDUSTRIAL MACHINERY AND GOODS REPORTING STANDARD

Topic	Standard	Metric	Units	2018	2019	2020	2021	2022
Energy Management	RT-IG-130a.1	Total energy consumed ¹	Gigajoules	908,073	847,867	843,646	784,511	767,343
		Percentage grid electricity	%	70	67	68	65	62
		Percentage renewable ²	%	2	2	3.4	2.4	7
Employee Health & Safety	RT-IG-320a.1	Total recordable incident rate (TRIR)	Incidents x 200,000 / Total hours worked	0.38	0.35	0.29	0.32	0.26
		Near-misses x 200,000 / Total hours worked		87.8	237.1	5.89	7.09	5.82
Materials Sourcing	RT-IG-440a.1	Description of the management of risks associated with the use of critical materials	Description	See Governance & Risk Management/Supply Chain Sections for discussion of supply chain risk management.				
Remanufacturing Design & Service	RT-IG-440b.1	Revenue from remanufactured products and remanufacturing services ³	Millions USD	NR	NR	NR	NR	NR
Activity Metrics	RT-IG-000.A	Number of units produced by product category ⁴	Millions USD	3,833	3,945	3,728	3,541	3,615
	RT-IG-000.B	Number of employees (including full-time equivalents)	Number as of 12/31	16,719	17,261	15,986	15,510	16,408

Footnotes
 1. Total Energy Consumed is combined direct (fuel) and indirect (purchased electricity and heat) energy use.
 2. Percent renewable content is quantity of energy derived from renewable sources (i.e. solar, biomass and hydro) divided by indirect energy use.
 3. Flow control equipment lifecycles can be extended in several ways: (1) pump, valve and seal repair, (2) real-time advanced diagnostics to identify and mitigate premature wear and (3) customer personnel training to optimize operating and maintenance practices. We do not presently report the individual or combined revenue from these specific services. Therefore, we have answered “NR” – Not reported.
 4. Flowserve produces standard and engineered flow control products (e.g. pumps, valves and seals), which are generally categorized as “parts and components.” Because equipment sizes and complexity vary greatly, Flowserve uses overall product sales as a proxy for business activity (versus number of units produced). Sales figures are used to assess environmental performance, including carbon emissions, water use and waste generation.

TCFD REPORTING FORMAT

Governance	
Disclose the organization’s governance around climate-related risks and opportunities.	
a) Describe the Board’s oversight of climate-related risks and opportunities	See “Climate-Related Risks, Opportunities and Strategy”, p 127-129 .
b) Describe management’s role in assessing and managing climate-related risks and opportunities.	
Strategy	
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning.	
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	
b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning.	See “Climate-Related Risks, Opportunities and Strategy”, p 127-129 .
c) Describe the resilience of the organization’s strategy, taking into consideration different climate related scenarios, including a 2°C or lower scenario.	
Risk Management	
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.	
a) Describe the organization’s processes for identifying and assessing climate-related risks.	
b) Describe the organization’s processes for managing climate-related risks.	See “Climate-Related Risks, Opportunities and Strategy”, p 127-129 .
c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization’s overall risk management.	
Metrics and Targets	
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.	
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	See “Air Emissions”, p 66-67 .
b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	See “Air Emissions”, p 66-67 .
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	See “GHG Reduction Strategy”, p 65 .

GRI REPORTING INDEX

ORGANIZATIONAL PROFILE		
102-1	Name of organization	Flowserve Corporation
102-2	Activities, brands, products and services	<p>We develop and manufacture precision-engineered flow control equipment for broad range of existing and emerging industrial markets. Our product portfolio of pumps, valves, seals, energy recovery devices, flow control automation and aftermarket services supports global infrastructure, including oil and gas, chemicals, (nuclear, fossil and renewable) power generation, water management, carbon capture, and other general industrial markets. Through our manufacturing platform and global network of Quick Response Centers (“QRCs”), we offer a broad array of aftermarket equipment services, such as installation, advanced diagnostics, repair and retrofitting.</p> <p>We sell our products and services to more than 10,000 companies, including some of the world’s leading engineering, procurement and construction firms (“EPC”), original equipment manufacturers, distributors and end users.</p> <p>Flowserve Pump Division Brands BW Seals • Meregalli • Byron Jackson • Niigata Worthington • Calder Energy Recovery Devices • QRC™ • Durametallic • Pacific • Durco • Pacific Weitz • Five Star Seal • Pac-Seal • Flowserve • ReadySeal • GASPAC™ • Scienco • Halberg • SIHI • IDP • TKL • Innomag • United Centrifugal • Interseal • Western Land Roller • Lawrence • Worthington • Worthington-Simpson • Labour • FLEX™</p> <p>Flow Control Division Brands Accord • McCANNA/MARPAC • Anchor/Darling • NAF • Argus • Noble Alloy • Atomac • Norbro • Automax • Nordstrom • Durco • PMV • Edward • Serck Audco • Flowserve • Valbart • Kammer • Valtek • Limitorque • Worcester Controls • Logix</p>
102-3	Location of headquarters	5215 N O Connor Blvd, Irving, TX 75039 United States

GRI REPORTING INDEX

102-4	Location of operations	<p>Flowserve operates over 200 facilities in over 50 countries as shown on our location map on p 6.</p> <p>Our major manufacturing facilities (those with 50,000 or more square feet of manufacturing capacity) operating at December 31, 2022, are located in:</p> <table border="0"> <tr> <td>North America</td> <td>Europe, Middle East and Africa</td> <td>Asia Pacific</td> </tr> <tr> <td>• United States</td> <td>• Austria</td> <td>• Australia</td> </tr> <tr> <td>• Canada</td> <td>• France</td> <td>• China</td> </tr> <tr> <td>Latin America</td> <td>• Germany</td> <td>• India</td> </tr> <tr> <td>• Argentina</td> <td>• Italy</td> <td>• Japan</td> </tr> <tr> <td>• Brazil</td> <td>• Netherland</td> <td></td> </tr> <tr> <td>• Chile</td> <td>• Saudi Arabia</td> <td></td> </tr> <tr> <td>• Mexico</td> <td>• Spain</td> <td></td> </tr> <tr> <td></td> <td>• Sweden</td> <td></td> </tr> <tr> <td></td> <td>• UK</td> <td></td> </tr> </table>	North America	Europe, Middle East and Africa	Asia Pacific	• United States	• Austria	• Australia	• Canada	• France	• China	Latin America	• Germany	• India	• Argentina	• Italy	• Japan	• Brazil	• Netherland		• Chile	• Saudi Arabia		• Mexico	• Spain			• Sweden			• UK	
North America	Europe, Middle East and Africa	Asia Pacific																														
• United States	• Austria	• Australia																														
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• Brazil	• Netherland																															
• Chile	• Saudi Arabia																															
• Mexico	• Spain																															
	• Sweden																															
	• UK																															
102-5	Ownership and legal form	Incorporated in New York and publicly traded on the New York Stock Exchange																														
102-6	Markets served	<p>Our bookings mix by industry in 2022 and 2021 consisted of:</p> <table border="1"> <thead> <tr> <th></th> <th>2022</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td>oil and gas</td> <td>40%</td> <td>35%</td> </tr> <tr> <td>general industries⁽¹⁾</td> <td>22%</td> <td>26%</td> </tr> <tr> <td>chemical⁽²⁾</td> <td>22%</td> <td>24%</td> </tr> <tr> <td>power generation</td> <td>12%</td> <td>12%</td> </tr> <tr> <td>water management</td> <td>4%</td> <td>3%</td> </tr> </tbody> </table> <p>Footnotes 1. General industries include mining and ore processing, pulp and paper, food and beverage and other smaller applications, as well as sales to distributors whose end customers typically operate in the industries we primarily serve. 2. Chemical industry is comprised of chemical-based and pharmaceutical products</p>		2022	2021	oil and gas	40%	35%	general industries ⁽¹⁾	22%	26%	chemical ⁽²⁾	22%	24%	power generation	12%	12%	water management	4%	3%												
	2022	2021																														
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chemical ⁽²⁾	22%	24%																														
power generation	12%	12%																														
water management	4%	3%																														

GRI REPORTING INDEX

102-7	Scale of the organization	Number of employees	16,408
		Revenue	\$3.615 Billion
		Working Capital	\$1.208 Billion
		Total Equity	\$1.859 Billion
		Total Debt	\$1.274 Billion
		Net debt to net capital ratio	31.1%
102-8	Information on employees and other workers	See "Culture", p 84-109 .	
102-9	Supply chain	See "Supply Chain", p 114-117 .	
102-10	Significant changes to the organization and its supply chain	No significant change to the organization and its supply chain in the 2022 calendar year.	
102-11	Precautionary Principle or approach	See "Governance and Risk Management", p 121-129 .	
102-12	External initiatives	Through our products, services and employee actions, Flowserve supports several of the UN Sustainable Development Goals.	
102-13	Membership of associations	Flowserve is a member of the following industry, trade and advocacy groups: <ul style="list-style-type: none"> National Association of Manufacturers (NAM) Hydraulic Institute 	

STRATEGY

102-14	Statement from senior decision-maker	See "Leadership Message", p 4-5 .	
102-15	Key impacts, risks and opportunities	See "Governance and Risk Management", p 122-129 .	

ETHICS AND INTEGRITY

102-16	Values, principles, standards and norms of behavior	See "Integrity & Compliance", p 132-139 .	
102-17	Mechanisms, for advice and concern about ethics	See "Integrity & Compliance", p 132-139 .	

GRI REPORTING INDEX

GOVERNANCE		
102-18	Governance structure	See "Governance and Risk Management", p 121-129 . See, "Board and Executive Oversight of ESG Program", p 122 and "Risk Management Oversight", p 128 .
102-19	Delegating authority	The Board of Directors of Flowserve Corporation (the "Board") has the primary responsibility for overseeing the Company's overall strategy and approach to risk mitigation. As part of this effort, our Board, primarily through its Corporate Governance & Nominating Committee ("CG&NC"), exercises oversight of the Company's sustainability and corporate social responsibility efforts. Additionally, our Executive Leadership Team ("ELT"), under the direction of our Chief Executive Officer, leads each of our functional areas in their efforts to analyze, design, implement, monitor and, when necessary, change and revise sustainable processes within Flowserve's strategy to better achieve our purpose.
102-20	Executive-level responsibility for economic, environmental and social topics	See "Board and Executive Oversight of ESG Program", p 122 , "ESG Steering Committee", p 124 , and "ERM Committee", p 125 .
102-21	Consulting stakeholders on economic, environmental and social topics	See "ESG Stakeholder Engagement and Materiality Assessment", p 18-19 . We regularly engage with our shareholders on a variety of topics relating to company performance, ESG strategy and overall strategy for long-term growth, including on earnings calls, at industry and financial conferences and during in-person scheduled meetings.
102-22	Composition of the highest governance body	The identification and evaluation of director candidates begins with our Corporate Governance Guidelines, which establish the criteria for Board membership. As a starting point under the Guidelines, all prospective Board members must, for example, adhere to the highest standards of integrity and ethics, exercise diligent and constructive oversight to the Company's business, risk profile and strategy, demonstrate relevant and successful career experience, display a global business perspective and possess the time to responsibly perform all director duties and effectively represent the interests of the Company's shareholders. The Guidelines further articulate the Board's firm belief that the Board's members should also have a diversity of backgrounds, which we view holistically. In evaluating diversity of backgrounds, the Board considers individual qualities and attributes, such as educational background, professional skills, business experience and cultural viewpoint, as well as more categorical diversity metrics, such as race, age, gender and nationality. For more information, please see pages 23-24 of our 2023 Proxy Statement .

GRI REPORTING INDEX

102-23	Chair of the highest governance body	Our Board has been led by an independent chairman since 2005. We believe that separating the positions of Chairman of the Board and CEO is appropriate for the Company because it places an independent director in a position of leadership on the Board, which in turn adds value to our shareholders by facilitating a more efficient exercise of the Board's fiduciary duties and best enables the Board to effectively manage our business, risks, opportunities and affairs in the best interests of our shareholders.
102-24	Nominating and selecting the highest governance body	<p>The Corporate Governance and Nominating Committee (CG&NC) considers various potential director candidates who may come to the attention of the CG&NC through current Board members, professional search firms, shareholders or other persons. The CG&NC generally retains a national executive-recruiting firm to research, screen and contact potential candidates regarding their interest in serving on the Board, although the CG&NC may also use less formal recruiting methods. All identified candidates, including shareholder-recommended candidates, are evaluated by the CG&NC Committee using generally the same methods and criteria, although those methods and criteria may vary from time to time depending on the CG&NC's assessment of the Company's needs and current situation.</p> <p>For more information, please see pages 23-24 of our 2023 Proxy Statement.</p>
102-25	Conflicts of interest	<p>Our Code of Conduct, supplemented by our Conflicts of Interest Policy, requires that all of our associates and members of the Board make decisions based on what is best for Flowserve without considering our own personal interests. We do not allow personal interests, relationships, investments or other factors to interfere with business decisions we make on behalf of the Company and we avoid situations or activities that can give rise to conflicts of interest.</p> <p>The Company also maintains a Related Party Transactions Policy that supplements our Code of Conduct and covers, but is not limited to, the related party transactions and relationships required to be disclosed under SEC rules. The policy requires prompt notice to all material facts regarding an interest transaction with related parties to the CG&NC, who shall review the material facts and either approve or disapprove of the entry into the interest transaction.</p> <p>In determining whether to approve or ratify an Interested Transaction, the Corporate Governance and Nominating Governance Committee will take into account, among other factors it deems appropriate, whether the Interested Transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances and the extent of the Related Person's interest in the transaction.</p> <p>The Related Party Transactions Policy provides for the pre-approval of certain types of transactions that the CG&NC has determined do not pose a significant risk of conflict of interest,</p>

GRI REPORTING INDEX

102-26	Role of highest governance body in setting purpose, values and strategy	See "Governance and Risk Management", p 121-129 .
102-27	Collective knowledge of highest governance body	A discussion of each director's experience and skills is provided on pages 16-22 of our 2023 Proxy Statement .
102-28	Evaluating the highest governance body's performance	A discussion of our evaluation process for our Board is provided on page 25 of our 2023 Proxy Statement .
102-29	Identifying and managing economic, environmental and social impacts	See "Governance and Risk Management", p 121-129 .
102-30	Effectiveness of risk management processes	See "Governance and Risk Management", p 121-129 .
102-31	Review of economic, environmental and social topics	See "Governance and Risk Management", p 121-129 .
102-32	Highest governing body's role in sustainability reporting	<p>Our Board, primarily through the CG&NC, provides oversight of our approach to environmental, social and governance programs and policies.</p> <p>See "Governance and Risk Management", p 121-129.</p>
102-33	Communicating critical concerns	<p>Shareholders and other interested parties may communicate with the Board directly by writing to:</p> <p>Non-Executive Chairman of the Board c/o Flowserve's Corporate Secretary 5215 N. O'Connor Blvd., Suite 700 Irving, Texas 75039</p> <p>All such communications will be delivered to our chairman. These communications are reviewed by the Corporate Secretary to determine whether it is appropriate for presentation to the Board or such director. The purpose of this screening is to avoid having the Board consider irrelevant or inappropriate communications (such as advertisements, solicitations and product inquiries).</p>

GRI REPORTING INDEX

102-34	Nature and total number of critical concerns	Refer to "Governance and Risk Management", p 121-129 on our process for managing critical concerns.
102-35	Remuneration policies	A comprehensive discussion of non-employee director and executive compensation may be found on pages 29-70 of our 2023 Proxy Statement .
102-36	Process for determining remuneration	A comprehensive discussion of non-employee director and executive compensation may be found on pages 29-70 of our 2023 Proxy Statement .
102-37	Stakeholder's involvement in remuneration	Our Board and the Organization & Compensation Committee of the Board (the "OCC") value the insights and feedback of our stakeholders. We routinely engaged with our stakeholders each year on a wide range of topics, including executive compensation and corporate governance matters. Our policy is to conduct an annual say-on-pay shareholder vote. In 2023, approximately 93% of shares voted at our 2023 annual meeting supported our executive compensation.
102-38	Annual total compensation ratio	In 2022, the ratio between the annual total compensation for the chief executive officer and the annual total compensation for the median employee was 109:1. For more information, please see page 71 of our 2023 Proxy Statement .
102-39	Percentage increase in annual total compensation ratio	The ratio between the annual total compensation of the chief executive officer and the annual total compensation for the median employee was 136:1 in 2019, 98:1 in 2020, 147:1 in 2021 and 109:1 in 2022. For more information, see page 71 of our 2023 Proxy Statement .

STAKEHOLDER ENGAGEMENT

102-40	List of stakeholder groups	See "ESG Stakeholder Engagement & Materiality Assessment", p 18-19 .
102-41	Collective bargaining agreements	Approximately 5% of our U.S. employees are represented by unions. We also have unionized employees or employee work councils in Argentina, Australia, Austria, Brazil, Finland, France, Germany, India, Italy, Japan, Mexico, The Netherlands, South Africa, Spain, Sweden and the U.K. No individual unionized facility produces more than 10% of our revenues.
102-42	Identifying and selecting stakeholders	See "ESG Stakeholder Engagement & Materiality Assessment", p 18-19 .
102-43	Approach to stakeholder engagement	See "ESG Stakeholder Engagement & Materiality Assessment", p 18-19 .
102-44	Key topics and concerns raised	See "ESG Stakeholder Engagement & Materiality Assessment", p 18-19 .

GRI REPORTING INDEX

REPORTING PRACTICES

102-45	Entities included in the consolidated financial statement	The consolidated financial statements include the accounts of our company and our wholly and majority-owned subsidiaries.
102-46	Defining report content and topic Boundaries	See "ESG Stakeholder Engagement & Materiality Assessment", p 18-19 .
102-47	List of material topics	See "ESG Stakeholder Engagement & Materiality Assessment", p 18-19 .
102-48	Restatements of information	No restatement of information since last report
102-49	Changes in reporting	No changes in reporting since last report
102-50	Reporting period	January 1, 2022 - December 31, 2022
102-51	Date of most recent report	June 30, 2022
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	esg@flowserve.com
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with GRI Standards: Core Option
102-55	GRI content index	This index organizes the material ESG topics per the GRI Standard.
102-56	External assurance	2021 Limited Assurance statement provided. 2022 Assurance process ongoing.

GRI REPORTING INDEX

GRI 204 PROCUREMENT PRACTICES		
103-1	Explanation of the material topic and its Boundary	
103-2	The management approach and its components	Flowserve operates 206 facilities in over 50 countries. See "Supply Chain", p.114-117 .
103-3	Evaluation of the management approach	
204-1	Proportion of spending on local suppliers	See "Supply Chain", p.114-117 .

GRI 205 ANTI CORRUPTION 2016		
103-1	Explanation of the material topic and its Boundary	
103-2	The management approach and its components	See "Integrity & Compliance", p.132-139 .
103-3	Evaluation of the management approach	
205-1	Operations assessed for risks related to corruption	
205-2	Communication and training about anti-corruption policies and procedures	See "Integrity & Compliance", p.132-139 .
205-3	Confirmed incidents of corruption and actions taken	

GRI REPORTING INDEX

GRI 206 ANTI COMPETITIVE BEHAVIOR 2016		
103-1	Explanation of the material topic and its Boundary	
103-2	The management approach and its components	See "Integrity & Compliance", p.132-139 .
103-3	Evaluation of the management approach	
206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	There were no legal actions for anti-competitive behavior, anti-trust or monopoly practices in 2022.

GRI 302 ENERGY 2016		
103-1	Explanation of the material topic and its Boundary	
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
302-1	Energy consumption within the organization	Energy use metrics pertain to facilities under Flowserve operational control. See "Energy Use", p.64 .
302-2	Energy consumption outside the organization	
302-3	Energy intensity	
302-4	Reduction of energy consumption	
302-5	Reductions in energy requirements of products and services	

GRI REPORTING INDEX

GRI 303 WATER AND EFFLUENTS 2016		
103-1	Explanation of the material topic and its Boundary	
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
303-1	Interactions with water as a shared resource	Water use metrics pertain to facilities under Flowserve operational control. See "Freshwater Use" for information on water withdrawals, discharge and consumption, p 71 .
303-2	Management of water discharge-related impacts	
303-3	Water withdrawal	
303-4	Water discharge	
303-5	Water consumption	

GRI 305 EMISSIONS 2016		
103-1	Explanation of the material topic and its Boundary	
103-2	The management approach and its components	
103-3	Evaluation of the management approach	Air emissions metrics pertain to facilities under Flowserve operational control. See "Air Emissions", p 66-67 .
305-1	Direct (Scope 1) GHG emissions	
305-2	Energy (Scope 2) GHG emissions	
305-3	Other indirect (Scope 3) emissions	
305-4	GHG emissions intensity	
305-5	Reduction of GHG emissions	
305-6	Emissions of ozone-depleting substances (ODS)	Flowserve does not use ozone-depleting substances (ODS) in its operations.
305-7	Nitrogen oxides (Nox), sulfur oxides (Sox) and other significant air emissions	Nitrogen Oxides and Sulfur Oxides result from the combustion of natural gas, liquified petroleum gas, propane, kerosene, diesel and other fuels. See "Air Emissions", p 66-67 .

GRI REPORTING INDEX

GRI 306 EFFLUENTS AND WASTE 2016		
103-1	Explanation of the material topic and its Boundary	
103-2	The management approach and its components	Water use and waste generation metrics pertain to facilities under Flowserve operational control. See the "Water" and "Waste Management and Recycling" sections for information on water discharges and waste generation.
103-3	Evaluation of the management approach	
306-1	Water discharges by quality and destination	Flowserve water discharges are primarily related to new pump performance testing. Test water is generally not significantly impacted by the test operation.
306-2	Waste by type and disposal method	Hazardous wastes are typically incinerated or otherwise treated to allow land disposal. Non-hazardous waste are typically land disposed in approved landfill facilities. See the "Waste Generation and Recycling" section, p 74-75 .
306-3	Significant spills	There were no significant spills in 2022.
306-4	Transport of hazardous waste	Hazardous waste represents only 1% of all discarded materials. See the "Waste Generation and Recycling" section, p 74 .
306-5	Water bodies affected by water discharges and/or runoff	There were no significant effects of water discharges on water bodies.

GRI 307 ENVIRONMENTAL COMPLIANCE 2016		
103-1	Explanation of the material topic and its Boundary	
103-2	The management approach and its components	This topic relates to facilities under Flowserve's operational control.
103-3	Evaluation of the management approach	
307-1	Non-compliance with environmental laws and regulations	The organization has not identified any non-compliance material with environmental laws during the reporting period.

GRI REPORTING INDEX

GRI 403 OCCUPATIONAL HEALTH AND SAFETY 2016		
103-1	Explanation of the material topic and its Boundary	
103-2	The management approach and its components	Safety statistics apply to all Flowserve operations worldwide.
103-3	Evaluation of the management approach	
403-1	Occupational health and safety management system	
403-2	Hazard identification, risk assessment and incident investigation	See "Employee Health and Safety", p 86-89 .
403-3	Occupation health services	
403-4	Worker participation, consultation and communication on occupational health and safety	
403-5	Worker training on occupational health and safety	
403-6	Promotion of worker health	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	
403-8	Workers covered by an occupational health and safety management system	
403-9	Work-related injuries	
403-10	Work-related ill health	

GRI REPORTING INDEX

GRI 404 TRAINING AND EDUCATION 2016		
103-1	Explanation of the material topic and its Boundary	
103-2	The management approach and its components	This section applies to all Flowserve associates across its global operations.
103-3	Evaluation of the management approach	
404-1	Average hours of training per year per employee	
404-2	Programs for upgrading employee skills and transition assistance programs	See "Talent Development", p 102-107 .
404-3	Percentage of employees receiving regular performance and career development reviews	
GRI 413 LOCAL COMMUNITIES 2016		
103-1	Explanation of the material topic and its Boundary	
103-2	The management approach and its components	The "Flowserve Cares" community impact program is implemented across all facilities in over 50 countries.
103-3	Evaluation of the management approach	
413-1	Operations with local community engagement, impact assessments and development programs	
413-2	Operations with significant actual and potential negative impact on local communities	There are no operations posing significant actual or potential negative impacts on communities.

GRI REPORTING INDEX

GRI 416 CUSTOMER HEALTH AND SAFETY 2016		
103-1	Explanation of the material topic and its Boundary	
103-2	The management approach and its components	This section applies to all Flowserve products and services.
103-3	Evaluation of the management approach	
416-1	Assessment of the health and safety impacts of product and service categories	See “Quality and Product Stewardship”, p 50-55 .
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There were no identified incidents of non-compliance with regulations or voluntary codes.

COMPANY-SPECIFIC (NON-GRI) DISCLOSURES

ADAPTATION AND CLIMATE RESILIENCY		
103-1	Explanation of the material topic and its Boundary	
103-2	The management approach and its components	Flowserve views the global transition to cleaner fuels and renewable energy as an opportunity to develop new technologies which support these emerging markets.
103-3	Evaluation of the management approach	
306-1	Innovation to support energy transition and climate change-related impacts.	See “Product Innovation”, p 36-41 and “Energy Advantage”, p 46-47 .

GRI 404 TRAINING AND EDUCATION 2016		
SDG	Topic	Flowserve Management Approach
(2)	Zero Hunger,	
(3)	Good Health and Well-being	
(4)	Quality education	
(5)	Gender Equality	
(6)	Clean Water and Sanitation	
(7)	Affordable and Clean Energy	
(8)	Decent work and economic growth	
(9)	Industry, Innovation and Infrastructure	The products and services provided by Flowserve and employee actions demonstrating Flowserve values help achieve certain targets within the UN SDG targets goals. See p 20-23 for details on how we support the thirteen goals related to our operations.
(10)	Reduce inequalities	
(11)	Sustainable cities	
(12)	Responsible Consumption and Production	
(13)	Climate Action	
(16)	Peace, Justice and Strong Institutions	



2022 METRICS SUMMARY

Indicator	Description	Units	2022	2021	2020
Activity	Sales Revenue	\$Millions USD	3,615	3,451	3,728
	Number of Employees (including full-time equivalents as of 12/31/2022)		16,408	15,510	15,986
Safety	OSHA Total Recordable Rate		0.26	0.32	0.29
	OSHA Lost Time Day Rate		0.075	0.09	0.09
	OSHA Lost Time Severity Rate		4.7	5.2	3.1
Energy	Direct Energy	Gigajoules	288,819	275,451	274,073
	Indirect Energy	Gigajoules	478,534	509,060	569,574
Greenhouse Gases	Direct Emissions (Scope 1)	Tonne CO ₂ e	16,120	14,809	14,429
	Indirect Emissions (Scope 2)	Tonne CO ₂ e	55,298	65,021	69,815
	Other Indirect Emissions (Scope 3)				
	1. Purchased goods and services	Tonne CO ₂ e	619,309		
	2. Capital goods	Tonne CO ₂ e	20,046		
	3. Energy and fuel-related	Tonne CO ₂ e	18,889	8,990	9,097
	4. Upstream transportation and distribution	Tonne CO ₂ e	91,559		
	5. Waste generated in operations	Tonne CO ₂ e	2,148		
	6. Business travel	Tonne CO ₂ e	17,992	6,103	7,551
	7. Employee commuting	Tonne CO ₂ e	16,608	13,340	13,492
	8. Upstream leased assets	Tonne CO ₂ e	NM*	2,533	4,695
	9. Downstream transportation and distribution	Tonne CO ₂ e	NM*		
	10. Processing of sold products	Tonne CO ₂ e	NM*		
	11. Use of sold products	Tonne CO ₂ e	64,523,645		
	12. End-of-life treatment of sold products	Tonne CO ₂ e	NM*		
13. Downstream leased assets)	Tonne CO ₂ e	NM*			
14. Franchises	Tonne CO ₂ ee	NM*			
15. Investments	Tonne CO ₂ e	NM*			
Water	Fresh Water Use	Cubic meters	509,474	422,988	428,940
Waste	Nonhazardous waste	Tonne	7420	5,939	7,616
	Hazardous	Tonne	170	259	314
Recycled Materials	Recycled	Tonne	13,954	13,401	20,324

*NM - Not a significant or material source of CO₂e.



ABOUT THIS REPORT

Unless otherwise specifically stated, this report covers Flowserve's performance in 2022. This report, which speaks only as of its date, is not comprehensive and for that reason, this report should be read in conjunction with our 2022 Annual Report on Form 10-K and our [2023 Proxy Statement](#).

The goals and projects described in this report are aspirational; as such, no guarantees or promises are made that these goals and projects will be met or successfully executed. Furthermore, data, statistics and metrics included in this report are non-audited estimates, not prepared in accordance with generally accepted accounting principles (GAAP), continue to evolve and may be based on assumptions believed to be reasonable at the time of preparation, but should not be considered guarantees or subject to future revision. This report uses certain terms including those that GRI or others refer to as "material" to reflect the issues or priorities of Flowserve and its stakeholders. Used in this context, however, these terms are distinct from and should not be confused with, the terms "material" and "materiality" as defined by or construed in accordance with securities, or other, laws or as used in the context of financial statements and reporting. Accordingly, the information included in this report should not be construed as material to our financial results or for purposes of the U.S. securities laws.

The information covered in this report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our ESG goals and strategies and related business and stakeholder impacts. These statements can be identified by words such as "future," "anticipate," "believe," "estimate," "expect," "intend," "plan," "aim," "strategy," "goal," "commit," "target," "objective," "predict," "will," "would," "could," "can," "may," and similar terms and are based on management's current expectations and beliefs concerning future developments and plans and their potential effects on Flowserve and its subsidiaries. These statements involve risks and uncertainties, many of which are beyond our control and are difficult to predict, are not guarantees for future performance, and actual results may differ materially from any future results expressed or implied by the forward-looking statements. More information on risks, uncertainties and other potential factors that could affect our business and performance is included in our filings with the SEC, including in the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of Flowserve's most recently filed periodic reports on Form 10-K and Form 10-Q and subsequent filings. The standards of measurement and performance contained herein are developing and based on assumptions, and no assurance can be given that any plan, initiative, projection, goal, commitment, expectation, or prospect set forth in this report can or will be achieved. The forward-looking statements in our report are made as of the date first published, unless otherwise indicated and except as required by law, we undertake no obligation to update these forward-looking statements as a result of new information or to reflect subsequent events or circumstances.



North America

Latin America

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Middle East

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