

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) REPORT

Published February 2026

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

Introduction

The following report was generated by Hillenbrand in accordance with TCFD reporting guidance. This report details Hillenbrand's Governance, Strategy, Risk Management, and Metrics and Targets as they relate to our climate-related risk and opportunity assessment and monitoring processes.

Hillenbrand engaged an external consultant in 2024 to evaluate and prioritize climate-related risks and opportunities and to review our existing ERM process in alignment with recommendations from the TCFD. In 2025, Hillenbrand performed risk assessments to ensure these results remained consistent with prior conclusions. The results of the risk assessment, as well as an overview of Hillenbrand's processes and strategies related to climate, are outlined in the report below.

Governance

Describe the board's oversight of climate-related risks and opportunities.

Hillenbrand's Board of Directors has the ultimate oversight of all ESG risks, including climate-related risks.

- The NCGC of the Board of Directors conducts quarterly reviews of Hillenbrand's objectives, progress, practices, and strategies related to sustainability, including risk management of sustainability and climate change.
- The Audit Committee of the Board of Directors annually reviews with senior management the ERM evaluation, which includes climate-related risks, and the steps management has taken to monitor and control such risks.

Describe the management's role in assessing and managing climate-related risks and opportunities.

Sustainability at Hillenbrand is a shared commitment embedded at all levels of the organization. The risks identified through this structure are integrated into our ERM process, as outlined in the Risk Management section of this report.

- The Sustainability Steering Committee consists of executive leaders from across the organization who meet quarterly to review ESG strategies, action plans, and key performance indicators. This committee is led by the CSO, who also reports quarterly to the NCGC.
- The ESG Council consists of subject matter experts across global functions and Operating Companies. This Council meets every other month to review progress made by the Sustainability Working Groups in preparation for the Sustainability Steering Committee.
- The Sustainability Working Groups are typically led by subject-matter experts from key global functions and by representatives from each of Hillenbrand's Operating Companies. The Working Groups meet to discuss sustainability initiatives, gather feedback on business concerns and recommendations, and align on implementation and resource planning.

Strategy

Describe the resiliency of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

We conducted a scenario analysis to assess the potential risks and opportunities Hillenbrand may face under three hypothetical future scenarios. The climate scenarios used for this analysis were developed by the NGFS, in collaboration with a number of external climate scientists and economists.

NGFS Net Zero 2050 Scenario

- An ambitious climate scenario that would limit global warming to 1.5°C through stringent climate policies and immediate action, allowing net zero CO2 emissions to be reached around 2050.
- The global climate policy landscape assumed to have medium variation.
- A focus on innovation, with CO2 removal used to accelerate decarbonization alongside bioenergy production and electrification.
- Physical climate risks are relatively low, with the most limited global warming of the scenarios, but transition risks are high due to the immediate and decisive change.

NGFS Delayed Transition Scenario

- Assumes business-as-usual until 2030 with no decrease in global emissions during this time; strong and rapid climate action is then required following 2030 in order to limit global warming to below 2°C.
- The global climate policy landscape assumed to have high variation.
- Development of CO2 removal technology is assumed to be low, leading to high carbon prices to increase decarbonization.
- Physical climate risks are medium, given the actions being taken to limit global warming, but transition risks are very high due to the rapid change in policy and market preferences around 2030.

NGFS Current Policies Scenario

- A business-as-usual scenario that assumes only currently implemented climate policies are maintained without the implementation of any new climate action.
- Emissions would continue to grow, leading to global warming of 3°C or higher.

- Physical climate risks are severe and result in irreversible damage, but transition risks are minimal as market preferences are not expected to change significantly.

Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

With the support of an external consultant, Hillenbrand assessed the potential climate-related risks and opportunities facing the organization. The following process was used to identify and prioritize climate-related risks and opportunities:

1. Pertinent climate-related risks and opportunities were identified by compiling recommendations from the TCFD, industry research, and peer analysis.
2. Internal stakeholder interviews and a comprehensive survey were used to prioritize a subset of risks and opportunities for further quantitative and qualitative review.
3. The time horizon, likelihood of occurrence, and magnitude of financial impact were analyzed for the prioritized risks and opportunities.
4. Three climate-related risks and three climate-related opportunities were identified using the scenario analysis described above.

Risk 1 - Relying on energy efficiency improvements and product pricing to recover sustainability-related investments.

The sustainability and decarbonization efforts required from Hillenbrand to meet market and stakeholder expectations may exceed the savings gained through energy efficiency improvements. If additional sustainability-related costs are not absorbed, and instead impact Hillenbrand's product pricing, this could impact Hillenbrand's market competitiveness.

Hillenbrand's Internal Perspective on Risk

- Risk Type: Market
- Time Horizon: Mid-term
- Likelihood of Occurrence: Low
- Magnitude of Financial Impact: High
- Primary Potential Financial Effect: Competitive Landscape Losses

Scenario Analysis of Modeled, Hypothetical Futures

While the likelihood of Hillenbrand experiencing additional sustainability-related costs is high under all three scenarios analyzed, the magnitude of the financial impact varies significantly. Under the Current Policies scenario, this risk is expected to have a lower financial impact due to the lower cost and Hillenbrand's ability to absorb such costs, whereas under the Delayed Transition and Net Zero 2050 scenarios, the cost to decarbonize is expected to be high, and the potential loss of business derived by passing on such costs through product pricing is expected to have a much higher financial impact.

Considering both Hillenbrand's internal perspective and the scenario analysis results, this risk is an overall low priority for the Company. As concluded through our ERM process, the priority lies with the absorption of cost, rather than passing them on to the customer, from which the loss of business would exceed the cost of absorption according to current business estimates. As pressures to decarbonize continue to evolve, Hillenbrand will continue to monitor sustainability-related costs and the associated market risk.

Risk 2 - The cost of compliance with emissions regulations and value chain analysis

As state, regional, and country regulatory bodies continue to implement more rigorous emissions-related disclosures or require emissions reductions, Hillenbrand may incur additional costs to comply with these requirements or incur fines for noncompliance. Additional headcount and systems may also be required to meet the information disclosure requirements.

Hillenbrand's Internal Perspective on Risk

- Risk Type: Policy and Legal
- Time Horizon: Short-term
- Likelihood of Occurrence: High
- Magnitude of Financial Impact: Medium
- Primary Potential Financial Effect: Increased Controls Costs

Scenario Analysis of Modeled, Hypothetical Futures

Under the Net Zero 2050 scenario, the risk of additional compliance costs is expected to have a very high likelihood of occurrence and a very high financial impact due to the significant cost required to comply with such ambitious decarbonization policies, as well as the cost associated with the risk of noncompliance. The likelihood of this risk is high in both the Delayed Transition and Current Policies scenarios; however, the magnitude of the impact is expected to be lower in the Current Policies scenario, as investments would be focused primarily on supporting customers and avoiding non-compliance.

Considering both Hillenbrand's internal perspective and the scenario analysis results, this risk is an overall high priority for the Company. Particularly, the risk of non-compliance with ESG regulation has been identified as a risk through our ERM process and disclosed in our Annual Report on 10-K, noting that regulations to address climate change and other environmental risks could increase our expenses and potentially disrupt operations due to the physical impacts of climate change. Hillenbrand is closely monitoring emerging climate-related policies and has begun to plan accordingly for existing policies, including the EU CSRD, as well as California's Climate Disclosure Rules, among others.

Risk 3 - New regulations, including policies and taxation, could have a substantial impact on hillenbrand's core markets.

Policies and taxation that affect Hillenbrand's core end markets, such as plastic regulations, could affect the demand for Hillenbrand's products or services.

Hillenbrand's Internal Perspective on Risk

- Risk Type: Policy and Legal
- Risk Horizon: Long-term
- Likelihood of Occurrence: Medium
- Magnitude of Financial Impact: Low
- Primary Potential Financial Effect: Sales Revenue

Scenario Analysis of Modeled Hypothetical Futures
As new regulations are implemented, a continuation but not expansion of today's policies is expected across all three scenarios. This analysis reveals an insignificant impact on Hillenbrand's core markets, especially when compared to other macroeconomic factors. Virgin resin demand is projected to remain steady across all three scenarios, and the durable plastics end market is not anticipated to be significantly impacted by plastics regulation, resulting in both the expected financial impact and likelihood of this risk remaining low.

Considering both Hillenbrand's internal perspective and the scenario analysis results, this risk is considered low for the Company. Hillenbrand will continue to monitor changes in market demand related to plastics, but no impact on demand has yet been observed. As indicated in our Annual Report on 10-K, Hillenbrand is working towards the regulatory requirements it is subject to and is taking the necessary actions to comply where required.

Opportunity 1 – Addressing market demand for products that use less energy and produce fewer emissions.

With an increased focus on decarbonization, cost savings, and energy demand, customers may demand products that use less energy. Hillenbrand has the opportunity to meet this demand through product innovation.

Hillenbrand's Internal Perspective on Opportunity

- Opportunity Type: Products and Services
- Time Horizon: Long-term
- Likelihood of Occurrence: Medium
- Magnitude of Financial Impact: High
- Primary Potential Financial Effect: Sales Revenue Increases

Scenario Analysis of Modeled, Hypothetical Futures

Under the Current Policies scenario, the likelihood of this opportunity occurring is high, as demand for products using lower energy is already being observed with a moderate financial impact. Under the Net Zero 2050 scenario released in 2023 however, the magnitude of the impact is expected to grow, as demands for low-carbon, energy-efficient products would increase and remain strong throughout the projected timelines.

Considering both Hillenbrand's internal perspective and the scenario analysis results, this opportunity is an overall high priority for the Company. Hillenbrand remains focused on helping to support customer goals around energy and emissions, whether through innovative product offerings, aftermarket upgrades, and modernization projects, to provide a low total cost of ownership and a high compatibility with decarbonization.

Opportunity 2 – Addressing customers' need to meet regulatory requirements.

As more countries continue to implement strict regulatory requirements related to value chain emissions and materials requirements, Hillenbrand has an opportunity to support customers in meeting these requirements.

Hillenbrand's Internal Perspective on Opportunity

- Opportunity Type: Products and Services
- Time Horizon: Mid-term
- Likelihood of Occurrence: Medium
- Magnitude of Financial Impact: Low to Medium
- Primary Potential Financial Effect: Sales Revenue Increases

Scenario Analysis of Modeled, Hypothetical Futures

The likelihood of occurrence and magnitude of the financial impact for this opportunity are expected to range from low to medium across all three scenarios. While some policies such as those for recycled material percentages are already in place, the financial opportunity is not expected to grow significantly beyond the current state. Low-carbon needs prompted by regulatory requirements around decarbonization are expected to grow the most quickly in a Net Zero scenario, prompting a modest financial opportunity.

Considering both Hillenbrand's internal perspective and scenario analysis results, this opportunity is one that allows us to serve our customers in a transitioning regulatory world. Customer service remains a high priority for Hillenbrand, but we assess this impact as low due to the gradual nature of the transition. The Company will continue to monitor changes in market demand due to regulations as we assess how best to support the needs of our customers.

OPPORTUNITY 3 – ADDRESSING MARKET DEMAND FOR RECYCLED MATERIALS AND RECYCLING SYSTEMS.

Innovating products to support the need for plastic recycling systems could provide Hillenbrand with an opportunity to meet additional customer needs. However, for this scenario to truly be an opportunity, we believe post-consumer resin (PCR) needs to be at a similar price point to virgin resin.

Hillenbrand's Internal Perspective on Opportunity

- Opportunity Type: Products and Services
- Time Horizon: Short to Mid-term
- Likelihood of Occurrence: Low
- Magnitude of Financial Impact: High
- Primary Potential Financial Effect: Sales Revenue Increases

Scenario Analysis of Modeled, Hypothetical Futures

While the potential financial opportunity is considered high from an internal perspective, both the likelihood of occurrence and the predicted magnitude for this opportunity are low across all three scenarios, as current market forecasting anticipates customer demand to not be significantly impacted by Net Zero requirements. Demand for virgin resin in particular is anticipated to remain strong across all three scenarios and is currently at a lower price point than PCR, which makes it the more appealing choice for customers.

Considering both Hillenbrand's internal perspective and the scenario analysis results, this opportunity is an overall low priority for the Company. Hillenbrand will continue to monitor changes in market demand for PCR content and plastic recycling systems as we remain well positioned to meet the existing demand. However, no additional action is deemed necessary at this time.

Risk Management

Describe the organization's processes for identifying and assessing climate-related risks.

Since 2022, Hillenbrand has included climate-related risks in our ERM process. Annually, the Sustainability Team, led by Hillenbrand's CSO, compiles and discusses a list of potential risks from global sources. In collaboration with our Sustainability Working Groups embedded across Hillenbrand's Operating Companies, potential climate-related risks are evaluated based on their consequences, likelihood, immediacy, dollar impact, and reputational impact. Results from this process are reviewed with Hillenbrand's EMT and Board of Directors, and the steps taken to monitor and control risks are evaluated.

Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.

The Sustainability Team, in collaboration with external advisors, focused on expanding climate-related risk and opportunity identification, evaluation, and prioritization. Hillenbrand intends this to be an ongoing process with an annual review of risks and opportunities as required by the CSRD. Additionally, improvements have been implemented to align Hillenbrand’s existing ERM process more closely with the TCFD recommendations.

Describe the organization’s processes for managing climate-related risks.

Following the annual climate-related risk identification process, a risk response plan is developed and communicated to relevant stakeholders and our Sustainability Working Groups within Hillenbrand’s businesses. In 2025, Hillenbrand expanded the annual ERM process to include a mid-year Risk Committee review to summarize updates to risk mitigation actions, increase the visibility and review of identified risks, allow a mid-year reprioritization of Enterprise risk, and formally tie the impacts of the ERM review to the Strategic Forecast process.

Metrics And Targets

Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

Hillenbrand recognizes the urgency to address climate change and the risks posed by inaction. In our 2024 Sustainability Update, we disclosed our Scope 1, 2, and 3 emissions, by which we have been able to identify the most significant emissions across the full value chain

of our products. Every year, we look to expand our decarbonization initiatives, which include energy audits, expanding renewable energy across our operations, and converting Scope 1 into Scope 2 emissions through the electrification of gas-fuel equipment and processes. We partner with customers and our supply chain on Scope 3 emissions reductions. Whether for our operations or our customers, our goal remains the same: to minimize energy use within our processes.

In addition to energy and emissions, Hillenbrand monitors several other metrics related to climate risks and opportunities. In the 2024 Sustainability Update, Hillenbrand disclosed our annual water usage (including withdrawal, discharge, and consumption) as well as results from water stress analyses and our mitigation strategy. Waste generation and biodiversity impacts are also monitored and disclosed.

Disclose Scope 1 And Scope 2, And If Appropriate, Scope 3 GHG Emissions, And The Related Risks.

The 2025 emissions inventory includes emissions generated from Hillenbrand’s own operations (Scopes 1 and 2), as well as the most significant Scope 3 emissions from across the value chain. The following table provides an overview of Hillenbrand’s reported emissions in 2025. Emissions calculations were performed in accordance with the GHG Protocol, by which we define the reporting boundary for our climate-related impacts in terms of operational control.

Scope	FY2025 Emissions (Tons CO2e)
Scope 1	12,519
Scope 2 ¹	29,453
Scope 3	32,255,840

¹See Methodology & Footnotes on Pg. 20.

The most significant risk to decarbonization lies in Hillenbrand’s Scope 3 emissions, which account for over 99% of our total emissions, and more than 98% of which can be categorized into Category 11: Use of Sold Products. This reflects the durability of our products, which in some cases have a projected lifespan of more than 20 years. The benefits of this longevity are not captured in Scope 3 GHG accounting since it requires evaluating emissions over the product’s lifetime. Any increase in the durability of our products could therefore counter increases in efficiency and jeopardize our ability to reduce our Scope 3 emissions. In response, we are working to incorporate energy efficiency assessments and product carbon footprinting into the product development process where needed and to expand our aftermarket service offerings, including modernization of our equipment to further improve the energy efficiency of our products. These changes could then be captured in the ongoing restatement of our historic data, mitigating the impact of Category 11 on our overall emissions.

Another risk lies in our ability to electrify operations and processes that currently rely on natural gas and other fuels, as cost and operational downtime present significant barriers to decarbonization. As part of our energy audits, a cross-functional team of experts has examined the viability of various electrification and renewable energy projects, comparing their GHG emissions reduction potential and return on investment to develop a customized approach to decarbonization for our customers. Subsequent discussions have transformed these outcomes into an actionable project pipeline, which will guide our priorities as we continue to monitor for any potential disruption.

Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

With a comprehensive understanding of our organization’s GHG emissions, Hillenbrand has established internal GHG emissions reduction targets for Scope 1 and Scope 2. Hillenbrand recognizes the importance of setting reduction targets not only to mitigate the effects of climate change, but also to address stakeholder expectations and better anticipate regulatory, policy, and market developments.