Sustainability Report 2024

Ready for the New Era of Sustainable Manufacturing

leadec

Step by step to the factory of the future.

Contents

Dear readers,

How can a service specialist for the manufacturing industries make a real difference in sustainability? At Leadec, we believe it starts with a clear purpose, practical solutions, and people who care. 2024 marked a year of meaningful progress on our path toward a more sustainable and digitalized way of doing business.
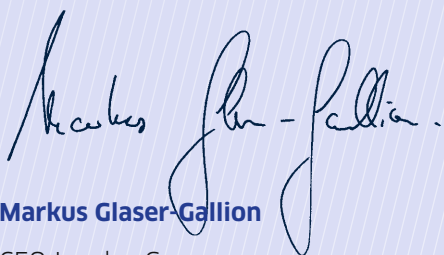
To address the pressing environmental challenges faced by the manufacturing sector, we have significantly expanded our Green Factory Solutions, a comprehensive portfolio of services that support decarbonization and the circular economy. In 2024, these services generated sales in excess of 100 million euros for the first time. This strategic approach aligns closely with emerging regulations like the EU Green Deal, which is a comprehensive strategy aimed at transforming the European Union into the first climate-neutral continent by 2050. We are proud of the trust that our customers place in us to help make their production sites more climate-friendly and efficient.

Beyond the factories, we are taking responsibility along the entire value chain. In line with the German Supply Chain Due Diligence Act and the upcoming EU Corporate Sustainability Due Diligence Directive, we are proactively strengthening supplier due diligence, risk assessments, and human rights compliance.

Our employees are the foundation of our success. Their engagement, skills, and diversity are the basis for the progress we make. Initiatives such as a global employee engagement survey and a global learning week have highlighted how deeply our people care about making a difference and development.

And our occupational safety metrics are impressive: In 2024, we achieved a record-low LTI frequency rate of 1.0. For every million hours worked, there was only one accident resulting in at least one day's absence. How did we achieve this? With our on-going initiative "Safety – It's your life", nearly 33.000 safety walks in our locations and more than 200 dedicated safety experts worldwide.
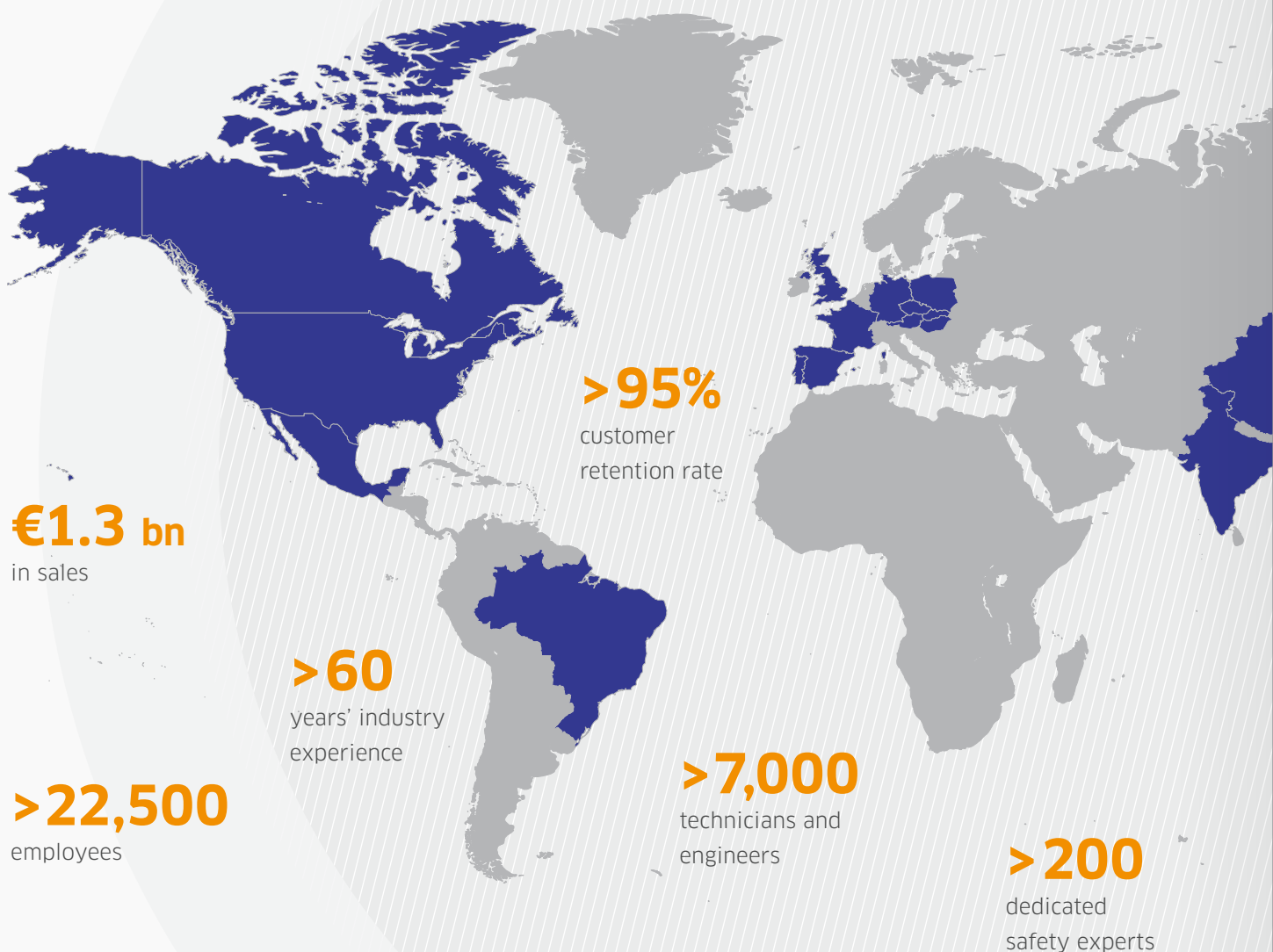
These milestones are only possible because we share a vision with our teams, customers, and partners. Thank you for walking this path with us.

Markus Glaser-Gallion
CEO Leadec Group

"2024 marked a year of meaningful progress on our path toward a more sustainable and digitalized way of doing business."

>95%
customer
retention rate

€1.3 bn
in sales

>60
years' industry
experience

>7,000
technicians and
engineers

>22,500
employees

>200
dedicated
safety experts

The Leadec Group

Customized Services to Keep Factories Running

For over 60 years, Leadec has been offering a comprehensive service portfolio along the entire life cycle of the factory at more than 350 locations in 800 factories worldwide. We offer our services from a single source, allowing our customers to focus on their core business. We are the connecting link between the project business and the recurring services in the factories.

This approach is reflected in our five service clusters:

▶ **Install:** Installation and Relocation
▶ **Automate:** Automation & Commissioning and Smart & Digitalization services
▶ **Maintain:** Production Equipment Maintenance and Technical Cleaning
▶ **Logistics:** Pre-assembly and Logistics Processes
▶ **Support:** Technical and Infrastructural Facility Management

>350

sites in 16 countries

>50

customer awards
in the last 10 years

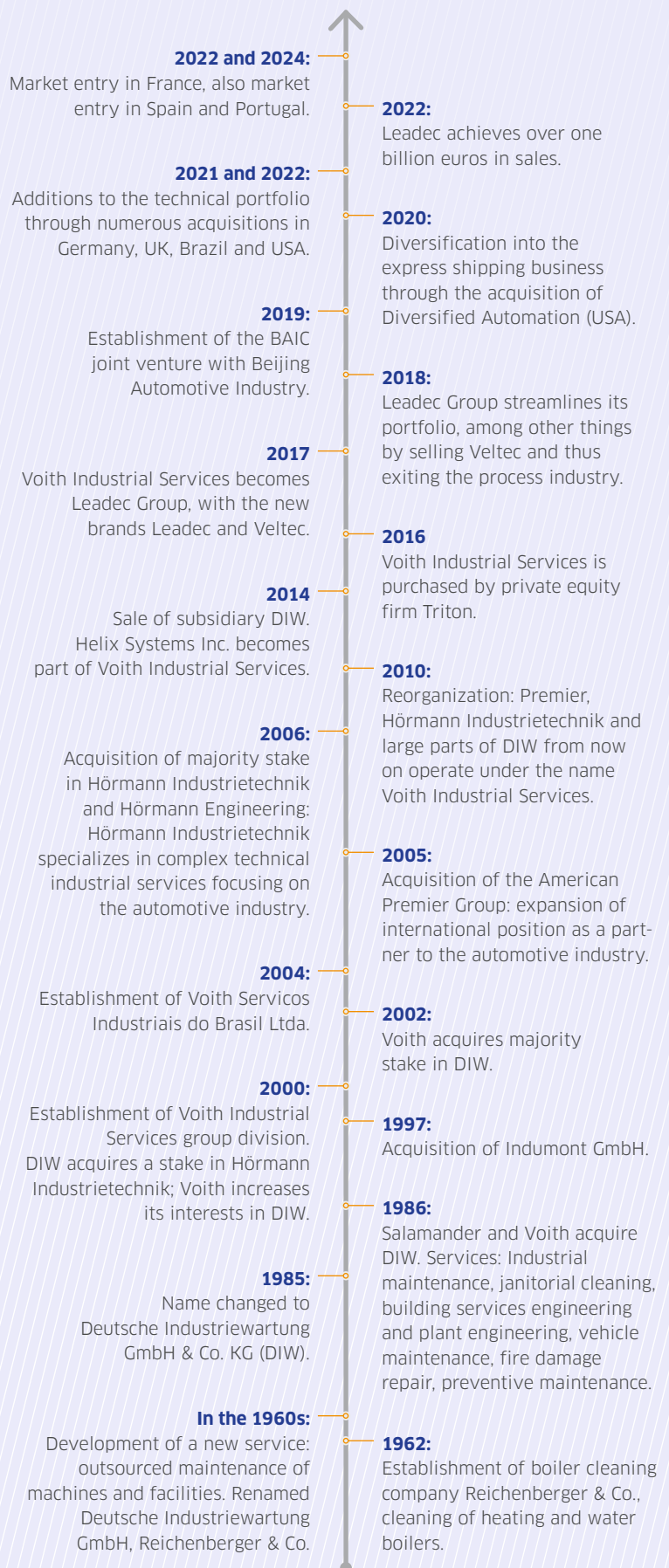**1.0**

lost time injuries
per million hours worked

The digital business platform Leadec.os is used to record all processes end-to-end, to offer consulting services for the smart factory and to integrate own digital services.

Leadec offers services for a wide range of sectors such as the automotive, aerospace and consumer goods industries, as well as for parcel and logistics centers. The aim is to exploit the potential in factories and make them fit for the future.

Headquartered in Stuttgart, the Company employs over 22,500 people in 16 countries and generated sales of €1.3 billion in 2024.

More about Leadec: 🌐 www.leadec-services.com

Milestones in Our History

2022 and 2024:
Market entry in France, also market entry in Spain and Portugal.

2022:
Leadec achieves over one billion euros in sales.

2021 and 2022:
Additions to the technical portfolio through numerous acquisitions in Germany, UK, Brazil and USA.

2020:
Diversification into the express shipping business through the acquisition of Diversified Automation (USA).

2019:
Establishment of the BAIC joint venture with Beijing Automotive Industry.

2018:
Leadec Group streamlines its portfolio, among other things by selling Veltec and thus exiting the process industry.

2017
Voith Industrial Services becomes Leadec Group, with the new brands Leadec and Veltec.

2016
Voith Industrial Services is purchased by private equity firm Triton.

2014
Sale of subsidiary DIW. Helix Systems Inc. becomes part of Voith Industrial Services.

2010:
Reorganization: Premier, Hörmann Industrietechnik and large parts of DIW from now on operate under the name Voith Industrial Services.

2006:
Acquisition of majority stake in Hörmann Industrietechnik and Hörmann Engineering: Hörmann Industrietechnik specializes in complex technical industrial services focusing on the automotive industry.

2005:
Acquisition of the American Premier Group: expansion of international position as a partner to the automotive industry.

2004:
Establishment of Voith Servicos Industriais do Brasil Ltda.

2002:
Voith acquires majority stake in DIW.

2000:
Establishment of Voith Industrial Services group division. DIW acquires a stake in Hörmann Industrietechnik; Voith increases its interests in DIW.

1997:
Acquisition of Indumont GmbH.

1986:
Salamander and Voith acquire DIW. Services: Industrial maintenance, janitorial cleaning, building services engineering and plant engineering, vehicle maintenance, fire damage repair, preventive maintenance.

1985:
Name changed to Deutsche Industriewartung GmbH & Co. KG (DIW).

In the 1960s:
Development of a new service: outsourced maintenance of machines and facilities. Renamed Deutsche Industriewartung GmbH, Reichenberger & Co.

1962:
Establishment of boiler cleaning company Reichenberger & Co., cleaning of heating and water boilers.

Our Corporate Culture

Our Vision, Mission, and Values

▶ **Our vision:** We are the leading service specialist for the factory of today and tomorrow.

▶ **Our mission:** We keep production running smoothly and make factories fit for the future. Our heart beats for your factory.

▶ **Our values:** Our values guide our actions and provide transparency about how we work. For everyone who works for the Company, they are an important behavioral guideline.

Reliability
We stand by what we do and take responsibility. We work with our customers and colleagues honestly, respectfully and ethically. Our customers and our colleagues can rely on us to interact and work with them openly.

Commitment
Each of us knows what it means to represent the Company. This means bringing our expertise, knowledge and skills to the table every day. We are ready to go the extra mile for our customer at any time. We do our utmost to perform every single order successfully.

Leading Edge
Our superior performance is the result of our passion, high standards, tools, our employees' qualifications and skills as well as our hard work. We want to make our business more attractive and valuable – for our employees, customers, suppliers, financial partners and shareholders.

What Makes Us Different

Industry focus

We know our way around your factory and your infrastructure. Discrete manufacturing is our home. We have been offering technical services for production – and everything that goes with it – for more than 60 years now.

Global network

We are represented at more than 350 locations throughout the world and have built up a wealth of know-how. Thanks to our global network, our expert knowledge is available at all times, and we can always offer the best solution. Our quality standards apply throughout the world.

Factory of the future

We are pioneers of the digital shop floor and partners beyond that. In the factory ecosystem, we play the role of a neutral process facilitator. Our industrial services are digitalized, integrated, open, and IoT-capable. The acquired data forms the basis for further services. We make the factory fit for the future.

Green Factory Solutions

Our Green Factory Solutions help our customers prepare for new environmental regulations – tailored to evolving business needs. Our solutions focus on improving energy efficiency, increasing energy self-sufficiency, enhancing circular economy, and supporting our customers on their CO_2 reduction journey.

Single source

We bundle our comprehensive services and offer everything from a single source. This reduces the number of interfaces and allows our customers to concentrate on their actual core business.

The factory as a system

We consider the entire life cycle of a factory. This also applies to the cost. Instead of treating the maintenance costs in isolation, we take them into account in the factory planning stage. With the total cost of ownership assessment procedure, we offer proven cost and efficiency advantages.

First-class team

Our employees are service specialists in the factory and the associated buildings. They stand for excellent planning and execution of our services.

Safety

We at Leadec attach great importance to occupational health and safety. For our Company, the well-being of our employees, customers, and business partners is a top priority. With the Group initiative "Safety – It's your life" we have set ourselves the goal of "zero".
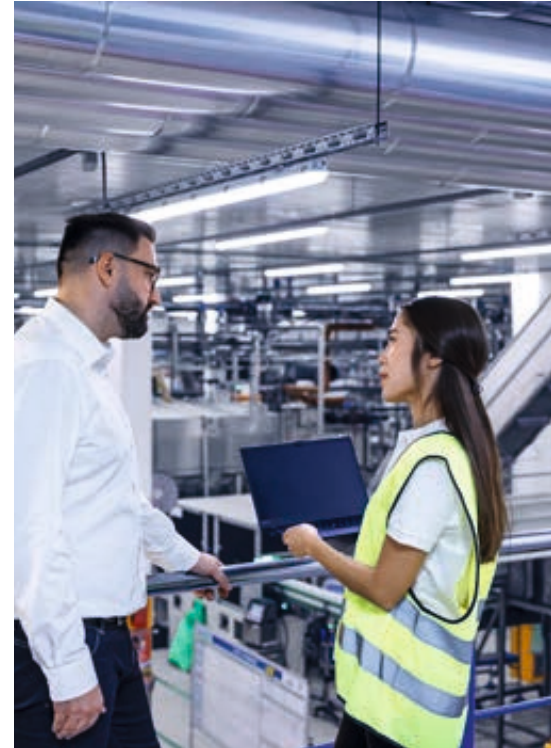
Our Stakeholders

Leadec pursues a sustainability approach that is fully aligned with its stakeholders. This approach ensures that our organization is aware of all market expectations and can respond quickly to the changing needs of our stakeholders, adding value to everything we do.

We identify our most important stakeholders through in-house discussions, external analyses, and industry comparisons. To identify, inform, and prioritize our sustainability strategy, we engage with our key internal and external stakeholders, including employees, shareholders, customers, and business partners like suppliers amongst others.

Customers
Production plant operators

Employees
Management
Operators
Corporate & administrative
Trainees & students

Shareholders
Investors
Senior management

Business partners
Suppliers
Consultants
Contractors

Communities
Local communities

Capital market
Investors
Banks
Analysts

Media
Social media
Newspapers & journals

Authorities
Governmental
Environmental

Competitors
Service providers

■ Daily to weekly engagement   ■ Monthly engagement   ■ Annual or less frequent engagement

Employees are one of Leadec's most frequently engaged stakeholder groups. Corporate and administrative staff are engaged through various channels, including a global pulse survey, town hall meetings, and management meetings between different management levels.

Furthermore, engagement with customers is facilitated through workshops, meetings and dialogue, particularly involving key account managers. Additionally, they are in exchange with associations, in conferences, and conventions. Tools like Self-Assessment Questionnaires (SAQ) by providers like NQC are used to ensure compliance and quality. This engagement ensures that customer interactions are aligned with sustainability goals.

Lastly, the majority shareholder, Triton Partners, is regularly engaged through topical expert meetings such as ESG (Environmental, Social, and Governance), HR (Human Resources), finance, and communications. These meetings include regular discussions, benchmarking against other portfolio companies, structured data exchange, and feedback sessions. Presentations with Q&A sessions are also conducted to ensure transparency and strategy alignment.

The overarching purpose of these interactions with all Leadec's stakeholders is to ensure alignment, foster engagement, secure commitment, provide information, gather feedback, address criticism, and facilitate exchange among all stakeholders.

Memberships in associations

Leadec is a member of more than 100 industry associations worldwide, including:

- ABRAMAN – Associação Brasileira de Manutenção e Gestão de Ativos (Brazilian Association of Maintenance and Asset Management)
- ABRAVA – Associação Brasileira de Refrigeração, Ar Condicionado, Ventilação e Aquecimento (Brazilian Association of Refrigeration, Air Conditioning, Ventilation and Heating)
- ABSL – Association of Business Service Leaders in Hungary
- ACOD – Automotive Cluster Ostdeutschland e.V. (Automotive Cluster Eastern Germany e.V.)
- AHK – Câmara de Comércio e Indústria Brasil-Alemanha (Brazil-Germany Chamber of Commerce and Industry)
- AHK – Chambre Franco-Allemande de Commerce et d'Industrie (French-German Chamber of Commerce and Industry)
- AHK – Indo-German Chamber of Commerce
- AHK – Német-Magyar Ipari és Kereskedelmi Kamara (German-Hungarian Chamber of Industry and Commerce)
- AHK – 中国德国商会 (German Chamber of Commerce in China)
- APA – American Payroll Association
- ATD – Association for Talent Development
- BME – Bundesverband Materialwirtschaft Einkauf Logistik e. V. (Association for Supply Chain Management, Procurement and Logistics)
- BSC – British Safety Council
- BVL – Bundesvereinigung Logistik e.V. (The Supply Chain Network)
- BVMW – Bundesverband mittelständische Wirtschaft e.V. (the SME Alliance)
- CIWM – Chartered Institution of Wastes Management

- DIN – Deutsches Institut für Normung e.V. (German Institute for Standardization)
- GfKORR – Gesellschaft für Korrosionsschutz e.V. (Society for Corrosion Protection e.V.)
- HFMS – Hungarian Facility Management Society (Magyar Létesítménygazdálkodási Társaság)
- IACET – International Accreditors for Continuing Education and Training
- ICV – Internationaler Controllerverein e.V. (International Association of Controllers)
- MAKE UK – The Manufacturers' Organisation (EEF Ltd.)
- MATISZ – Hungarian Cleaning-Technology Association (member of ISSA, the world's leading trade association for the cleaning industry)
- NFPA – National Fire Protection Association
- NSC – National Safety Council
- SAPE – 上海市设备管理协会 (Shanghai Association of Plant Engineering)
- SHRM – Society of Human Resource Management
- UNGC – United Nations Global Compact
- VDA – Verband der Automobilindustrie e.V. (German Association of the Automotive Industry)
- VDI – Verein Deutscher Ingenieure e.V. (The Association of German Engineers)
- WJA – The Water Jetting Association
- ZAP SR – Zväz automobilového priemyslu Slovenskej republiky (Automotive Industry Association of the Slovak Republic)

Reporting on What Matters – 2024

Environmental

Energy

Energy use (total)	Energy intensity
55,576 MWh	**42.9** MWh/€ million
2023: **53,221 MWh** ▼	2023: **42.0 MWh/ € million** ▼

Water

Water use
18,092 m³
2023: **20,159 m³** ▲

Energy Consumption by Type

Fuel	Natural gas	Electricty[1]
41,936 MWh	**4,334** MWh	**9,306** MWh
2023: **37,955 MWh** ▼	2023: **860 MWh** ▼	2023: **14,406 MWh** ▲

Share of renewable electricity	Share of zero-emissions electricity[2]
62%	**73**%
2023: **65%** ▼	2023: **65%** ▲

Key Biodiversity Areas

Sites assessed
359
2023: **360**

Sites in key biodiversity areas
1
2023: **2** ▲

Waste

Waste (total)	Non-hazardous	Hazardous	Share of recycled waste
5,036 metric tons	**4,998** metric tons	**38** metric tons	**65**%
2023: **5,113 metric tons** ▲	2023: **5,106 metric tons** ▲	2023: **7 metric tons** ▼	2023: **67%** ▼

GHG Emissions Scope 1–3
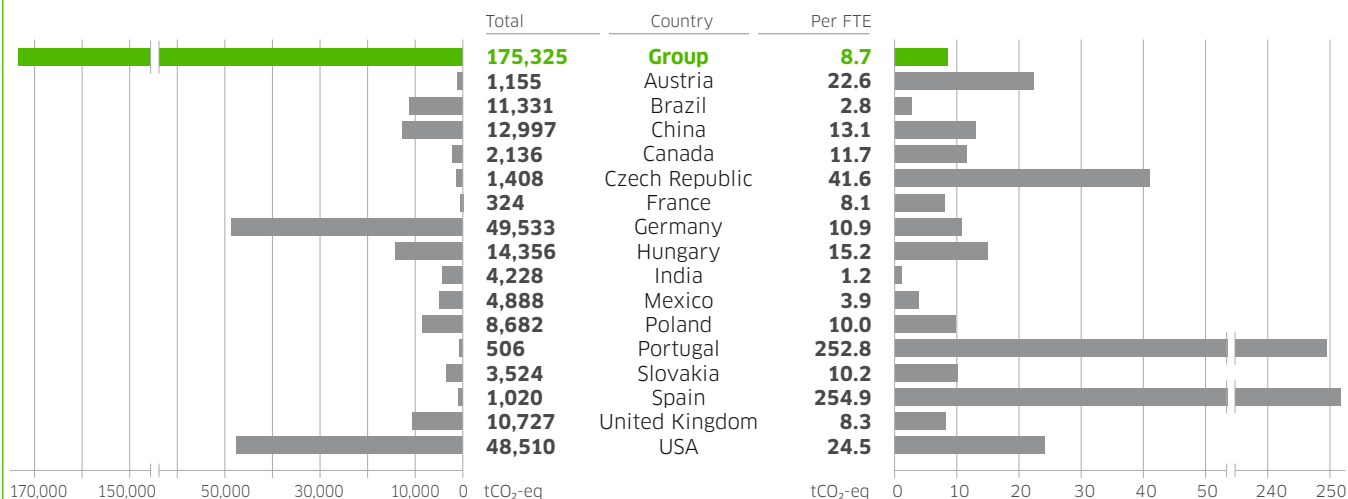
Total	Country	Per FTE
175,325	**Group**	**8.7**
1,155	Austria	22.6
11,331	Brazil	2.8
12,997	China	13.1
2,136	Canada	11.7
1,408	Czech Republic	41.6
324	France	8.1
49,533	Germany	10.9
14,356	Hungary	15.2
4,228	India	1.2
4,888	Mexico	3.9
8,682	Poland	10.0
506	Portugal	252.8
3,524	Slovakia	10.2
1,020	Spain	254.9
10,727	United Kingdom	8.3
48,510	USA	24.5

170,000 150,000 50,000 30,000 10,000 0   tCO₂-eq

tCO₂-eq   0 10 20 30 40 50 240 250

▲ **Improvement in 2024 compared to previous year**
▼ **Deterioration in 2024 compared to previous year**

[1] 2024 data includes heating and cooling.
[2] 2024 data includes nuclear electricity.

Climate Risk Assessment

Sites assessed	Sites with gross-risk	Sites with site-level net-risk	Sites with group-level net-risk
98	**10**	**6**	**3**
2023: n.a.	2023: n.a.	2023: n.a.	2023: n.a.

Corporate Carbon Footprint (tCO$_2$-eq)

Total (location-based)	Total (market-based)
175,659	**175,325**
2023: **190,437** ▲	2023: **189,717** ▲

Scope 1	Scope 2 (location-based)	Scope 2 (market-based)	Scope 3
10,326	**2,590**	**2,256**	**162,743**
2023: **9,061** ▼	2023: **3,423** ▲	2023: **2,703** ▲	2023: **177,953** ▲

Scope 3 by Category (tCO$_2$-eq)

Purchased goods and services	Capital goods	Fuel- and energy-related activities	Upstream transportation and distribution	Waste generated in operations	Business travel	Employee commuting
129,992	**1,089**	**3,279**	**2,032**	**306**	**2,791**	**23,254**
2023: **132,360** ▲	2023: **2,499** ▲	2023: **2,868** ▼	2023: **3,729** ▲	2023: **1,192** ▲	2023: **3,035** ▲	2023: **32,272** ▲

GHG Intensity (tCO$_2$-eq/€ million)

Year	Value
2019	14.5
2020	16.1
2021	11.7
2022	134.2
2023	152.8
2024	133.4

■ Scope 1 GHG emissions per net revenue ■ Scope 2 (market-based) GHG emissions per net revenue ■ Scope 3 GHG emissions per net revenue
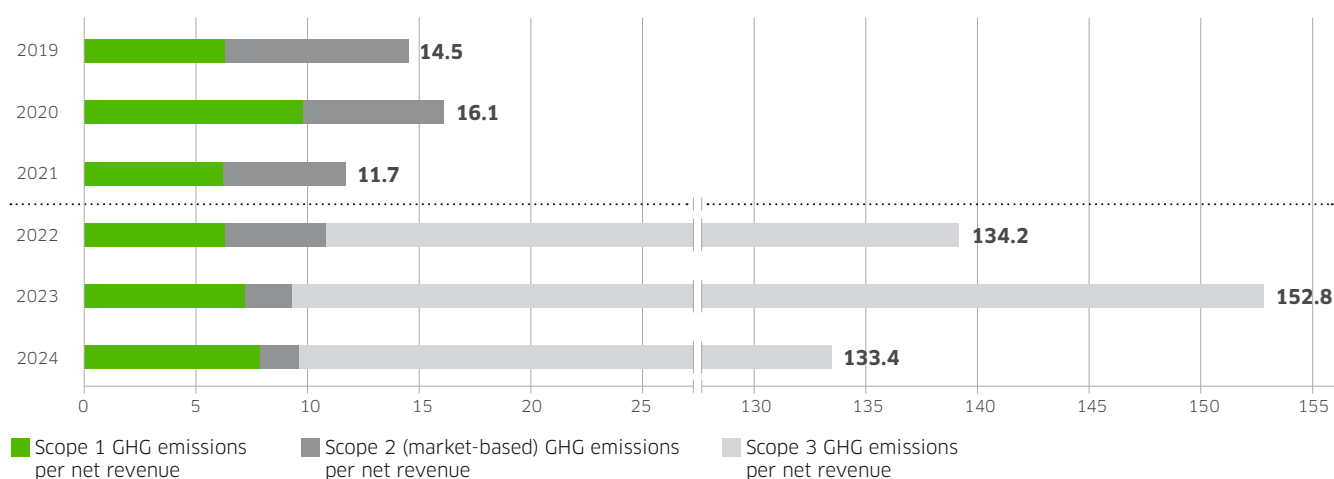
Social

Workforce

Full-time equivalents	Headcount
20,862.3	**22,571**
2023: **20,874 FTE**	2023: **23,324 HC**

Workforce Composition[1]

Men	Women	Full-time employees	Part-time employees
78%	**22%**	**84%**	**16%**
2023: **77%**	2023: **23% ▼**	2023: **85%**	2023: **15%**

Emplyoyees in Europe	Emplyoyees in the Americas	Emplyoyees in Asia	Permanent employees	Temporary employees
46%	**34%**	**20%**	**88%**	**12%**
2023: **48%**	2023: **34%**	2023: **18%**	2023: n.a.	2023: n.a.

Nationalities in workforce	Employee turnover (total)	Employee turnover rate
109	**10,340**	**45%**
2023: **107 ▲**	2023: **10,557 ▲**	2023: **47% ▲**

Employees <30 years old	Employees 30–50 years old	Employees >50 years old
24%	**48%**	**28%**
2023: **24%**	2023: **51%**	2023: **25%**

Governance Bodies

Advisory Committee	Board of Management	Other executive positions	CEO pay ratio
4:1 (male : female)	**3:0** (male : female)	**76:24** (male : female)	**10.7**
2023: **4:1 (male : female) ▶**	2023: **3:0 (male : female) ▶**	2023: **79:24 (male : female) ▲**	2023: n.a.

Employee Engagement

Employee Net Promoter Score	Global pulse survey participation rate
18 (scale from −100 to +100)	**79%**
2023: n.a.	2023: n.a.

Collective Bargaining Agreement

Share of employees covered
60%
2023: **69% ▼**

▲ **Improvement in 2024 compared to previous year**
▼ **Deterioration in 2024 compared to previous year**

[1] Based on headcount

Health and Safety

Total recordable incident rate (TRIR)	Total recordable injuries (TRI)	Lost time injuries (LTI)	Fatalities
5.5 per 1 milion hrs worked	**227**	**43**	**1**
2023: **6.5 per 1 million hrs worked** ▲	2023: **261** ▲	2023: **45** ▲	2023: **1** ▶

Prevention Measures

Safety walks	Digital risk asessments	Share of sites covered by risk assessments	Share of sites using HSE suite
32,959	**3,230**	**100%**	**97%**
2023: **29,121** ▲	2023: **502** ▲	2023: **100%** ▶	2023: **91%** ▲

Reported Lost Time Injuries (LTI) per 1 million hours worked

FY	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016	2017	2018	2019	2020	2021	2022	2023	2024
	5.3	3.2	2.4	2.2	1.5	2.0	1.8	1.8	2.1	1.6	1.7	1.6	1.2	1.1	1.0
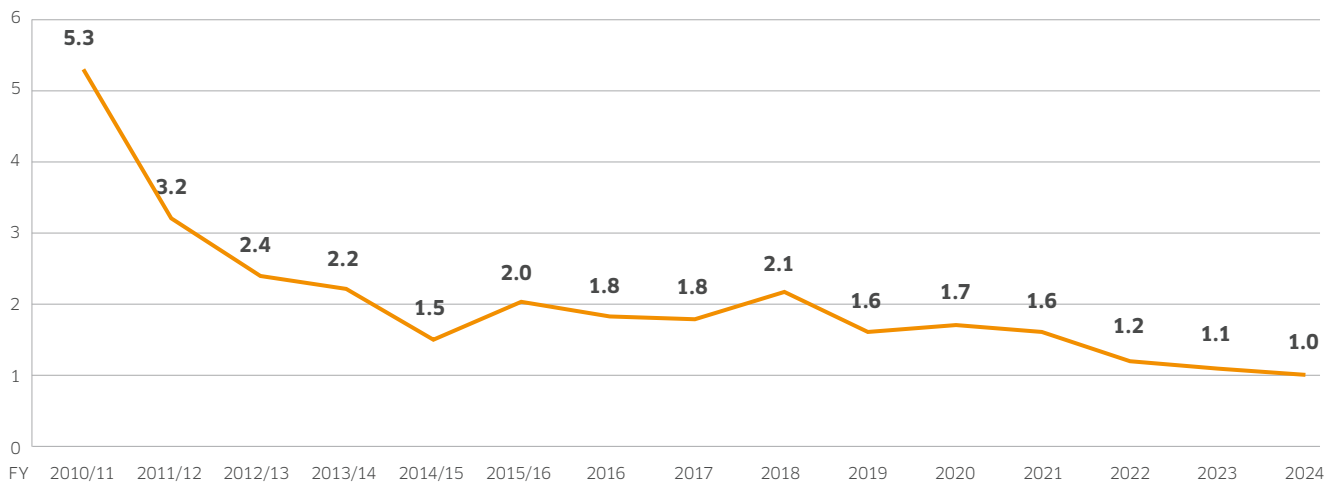
Gender Pay Gap

Unadjusted (average)	Unadjusted (weighted)
11.3%	**9.2%**
2023: n.a.	2023: n.a.
Adjusted (average)	Adjusted (weighted)
3.6%	**5.1%**
2023: n.a.	2023: n.a.

Adequate Wage

Share of employees earning adequate wage
82%
2023: n.a.
Share of employees earning minimum but not adequate wage
18%
2023: n.a.

Governance

Operational Legal Entities Certified According to ISO Standards

ISO 9001 Quality Management	ISO 14001 Environmental Management	ISO 27001 Information Security Management	ISO 45001 Occupational Health and Safety Management
82%	**86**%	**100**%	**82**%
2023: **79**% ▲	2023: **75**% ▲	2023: **100**% ▶	2023: **79**% ▲

Number of Sites Leadec Group

Year	Value
2019	255
2020	277
2021	304
2022	323
2023	365
2024	379
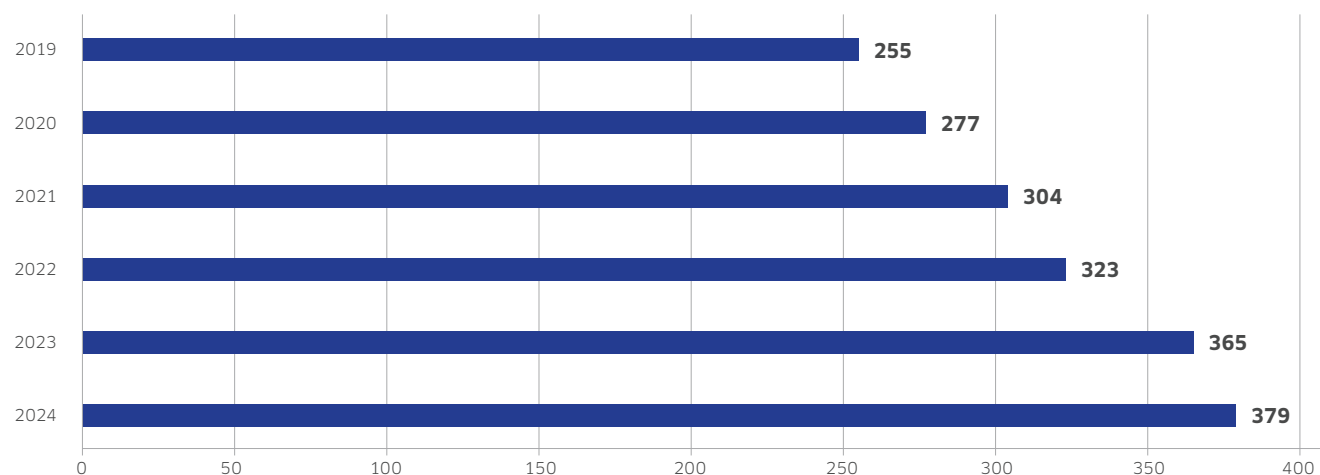
Governance Scope

Legal entities	Governance committees	Material CSRD datapoints
29	**7**	**529**
2023: **29**	2023: **7**	2023: **529**

Customers

Customer retention rate
97%
2023: **97**% ▶

ESG ratings

EcoVadis
79/100
2023: **60**/100 ▲

Sustainalytics	CDP assessments
10.4	**C	B–** Climate Change	Supplier Engagement
2023: **8.4** ▼	2023: **C	C** ▲

Suppliers

Active suppliers
~12,500
2023: **~12,400**

Share of suppliers screened for human rights and environmental issues	Share of A-suppliers[1] who signed the BP CoC
100%	**62**%
2023: **100**% ▶	2023: **53**% ▲

▲ **Improvement in 2024 compared to previous year**
▼ **Deterioration in 2024 compared to previous year**

[1] Account for 80% of Leadec's spend volume

Trainings

Average training hours per employee

12.1

2023: **11.5** ▲

Cybersecurity and data protection

85%

2023: **81%** ▲

Compliance

98%

2023: **97%** ▲

Incident Reporting Via Integrity Line

Incidents reported

90

2023: **54**

Confirmed incidents

40

2023: **21** ▼

Incidents related to discrimination

12

2023: **1** ▼

Incidents regarding human rights and whistleblower protection

0

2023: **0** ▶

Anti-corruption and anti-bribery violations

0

2023: **0** ▶

EU Taxonomy-eligible economic activities (EEA)

Green Factory Solutions sales (EEA total)

> €100 million

2023: **> €40 million** ▲

Share EEA of Group sales

~8%

2023: **~3%** ▲

Share decarbonization services of total EEA

51%

2023: **50%**

Share circular economy services of total EEA

47%

2023: **49%**

Leadec's Global Sustainability team coordinates worldwide activities, defines strategies, ensures alignment with internal and external stakeholders, and collects data for the sustainability statement.

Green Factory Solutions

Powering the Factories of a Greener Tomorrow

Leadec is driving the green transformation in the industrial sector with its comprehensive Green Factory Solutions portfolio. These solutions support decarbonization and the transition to a circular economy for manufacturing companies worldwide, helping them reduce emissions, optimize energy use, and handle waste.

As one of the most significant contributors to global greenhouse gas emissions, the industrial sector faces immense pressure to reduce its carbon footprint and adopt more sustainable practices. And this is where Leadec is stepping up to strengthen its position as a leading provider of sustainable industrial services. In 2024, Leadec took a bold step forward by significantly expanding its Green Factory Solutions (GFS), integrating new technologies and services to address the evolving needs of the industrial sector.

"We are committed to helping our customers achieve their sustainability goals. It's not just about meeting regulations – it's about creating real value by reducing resource consumption and emissions", says Markus Bölke, Global Head of Green Factory Solutions, Sustainability & HSE at Leadec.

A global network for local impact

The launch of the Green Hub in the UK in 2024 is a prime example of Leadec's commitment to expanding sustainable services. This dedicated hub supports companies in achieving their environmental targets by providing practical, scalable solutions for energy and waste management. It also serves as a hub for innovation, testing, and implementation of new technologies that further enhance resource efficiency and carbon reduction. "Innovation is the key to a sustainable future. Our Green Hub is a perfect example of how we turn sustainability into a competitive advantage for our customers", Markus Bölke emphasizes.

Solutions meet customer expectations

Leadec's focus on sustainable solutions is also reflected in its financial growth. In fiscal year 2024, the GFS business reached annual sales of more than €100 million. This growth underscores the rising demand for environmentally friendly factory solutions as manufacturers worldwide work to comply with tightening regulations, including the EU Green Deal and other national climate policies. "Collaboration is at the core of our success. By working closely with our customers, we not only meet their needs but also drive the comprehensive green transformation of the industrial sector", says Markus Bölke.

The future looks green

With its decades of experience and deep technical expertise, Leadec is perfectly positioned to lead the green transformation of the manufacturing sector. As factories around the world strive to become greener and more efficient, Leadec is ready to guide them every step of the way: from the first energy audit to the installation of cutting-edge technologies.

For more information see ⊕Green Factory Solutions

Green Factory Solutions portfolio

Decarbonization

Energy Efficiency Solutions
1. **Energy-efficient devices** (HVACR, chillers etc.)
2. **Energy-efficient system** (e.g., power factor correction, (PFC))
3. **Power grid modernization**
4. **Energy management system** (ISO 50001)

Intelligent Lighting
5. **LED lighting**
6. **Smart lighting system with daylight and motion sensors**

Renewable Energy Solutions
7. **Photovoltaic systems**
8. **EV charging station** (for fleets)
9. **Sustainable heating** (heat pumps)

Climate Change Adaptation
10. **Climate risk analysis**
11. **Climate change risk mitigation**

Circular Economy

Zero Waste Services
12. **Waste management (collection, sorting, transport, disposal of hazardous and non-hazardous materials)**
13. **Digital waste tracking**
14. **Waste data reporting**
15. **Batteries** (repair for re-use or second life, dismantling for recycling)

Sustainable Facility Services
16. **Green cleaning**
17. **Ecological upgrade** (flora, fauna, landscaping, habitat)

Green Industrial Automation
18. **Automation for recycling plants, biomass utilization, solar cell production, power-to-X systems, battery storage systems and for hydrogen production**

How Battery Storage and Solar Solutions Are Fueling the Green Energy Transition

As the world accelerates its shift toward renewable energy, battery storage solutions and photovoltaic (PV) systems have emerged as critical components in achieving a sustainable energy future. These technologies are essential not only for reducing carbon emissions and thereby aligning with global climate goals and regulatory frameworks such as the EU Green Deal. Leadec's Green Factory Solutions are at the heart of this transformation, offering businesses a pathway to more sustainable operations and energy independence.

In factories across the globe, the energy landscape is undergoing a transformation. Battery storage systems play a critical role in stabilizing power grids, enhancing energy security, and supporting the decarbonization of energy systems. They enable companies to store excess energy generated from renewable sources, such as solar, for use during periods of high demand. "This not only reduces reliance on the grid but also lowers energy costs and supports a cleaner energy mix by reducing the need for fossil fuel-based power during high-demand periods", describes Markus Bölke, Global Head of Green Factory Solutions, Sustainability and HSE at Leadec.

Leadec's battery storage solutions include bespoke engineering, installation, maintenance, and repair services to ensure seamless integration with existing infrastructure. By enabling customers to store and manage their energy more effectively, Leadec's battery storage offerings contribute to a more resilient and sustainable energy system. This approach is particularly critical as companies face increasing regulatory pressure to decarbonize and improve their energy efficiency to meet the stringent requirements of the EU Green Deal.

Markus Bölke highlights the strategic importance of battery storage: "Battery storage is not just a technical solution, but a crucial step toward a low-carbon economy. It allows our customers to take control of their energy usage, reduce costs, and contribute to a sustainable future. This is where true energy independence begins".

Germany's Renewable Energy Sources Act (EEG) stipulates that the share of renewable energies should increase to at least 80% by 2030.

Photovoltaic systems as a key component
But where does the energy come from that will be stored in the batteries? The answer lies in the sky: PV systems play a key role in enabling companies to generate their own renewable energy. With Leadec's support, businesses can harness the full potential of solar energy through custom-designed PV solutions, including rooftop and ground-mounted systems or PV carports.

These systems not only reduce dependence on external power sources, but also provide long-term financial benefits by insulating businesses from volatile energy prices and reducing overall operating costs. "Photovoltaic systems are a cornerstone of the green energy revolution", adds Markus Bölke. "They turn unused rooftops and open spaces into productive, power-generating assets, turning energy consumers into energy producers. This is a critical advantage in today's energy landscape".

From planning to operation
Leadec's PV services cover the entire life cycle of a solar project, from site analysis and system design to installation and ongoing maintenance, ensuring that systems operate at peak efficiency.

NOMINEE

German Sustainability Award Products 2025

Markus Bölke
Global Head of Green Factory Solutions, Sustainability, and HSE

Triple recognition for pioneering sustainable services

Leadec's commitment to sustainability has been recognized with not one, not two, but three prestigious nominations in 2024, reaffirming its position as a leader in sustainable industrial solutions. The Green Factory Solutions have received significant industry recognition, reflecting the tangible impact they make in the transition to a more sustainable industrial future.

Nominated for the German Sustainability Award
Leadec's Green Factory Solutions was nominated for the prestigious German Sustainability Award – one of the largest and most respected awards for ecological and social commitment in Europe. This recognition underscores the pioneering role that Leadec's Green Factory Solutions play in transforming industrial sustainability. "This nomination shows that our efforts are being recognized. Our solutions are setting new standards in the green transformation of industry", says Markus Bölke, Global Head of Green Factory Solutions, Sustainability & HSE. The nomination was selected by 224 expert jurors from research, associations, consulting and civil society who decided on role models of change in all sectors of the German economy.

Shortlisted for the Tomorrow's FM Awards 2025
Green Factory Solutions have also been shortlisted for the Tomorrow's FM Awards 2025, finishing 8th out of 60 finalists. The finalists for this award were selected

from reader nominations and editorial picks, reflecting broad industry support for Leadec's innovative solutions.

Winner of the Triton Lighthouse Award "Environment"
Rounding out this trio of honors, Triton Partners, the private equity firm that has acquired Leadec in 2016, honors outstanding achievements in the environmental, social, and governance (ESG) categories, as well as for overall sustainability. In 2024, Leadec secured a major award for its innovative Green Factory Solutions in the "Environment" category. The award highlights the important role that Leadec's Green Factory Solutions play in driving sustainable investments and services. Since 2021, these solutions have helped industrial customers reduce their carbon footprint, increase energy efficiency, and embrace circular economy solutions. Alongside this award, Leadec received money to donate to a charitable cause of its choice.

People

Fueling Growth, Fostering Talent

At Leadec, our people are our greatest asset. With over 22,500 dedicated employees worldwide, we know that their expertise, commitment, and passion are the driving force behind our success. That is why we invest in their growth, protect their well-being, and create an environment where they can thrive.

Develop. Empower. Inspire.

To support our employees' personal and professional growth, Leadec offers a wide range of development opportunities. From apprentices to seasoned professionals, we believe in unlocking the potential of every individual. Our vocational training programs cover more than 20 career paths, from technical and IT roles to commercial and industrial professions. In Germany, we train the next generation through dual education programs, while globally, we collaborate with students to build the workforce of tomorrow. Our Leadec Campus, integrated into our HR Connect platform, offers more than 200 courses that enable our people to learn, grow, and excel. In 2024, our second annual Learning Week brought together around 1,300 participants in Europe, the U.S., Brazil, Mexico, China, and India for over 60 interactive sessions, sparking innovation and fresh perspectives.

Safety first. Always.

Safety isn't just a priority at Leadec – it's a core value. Our "Safety – It's your life" initiative has driven our lost time injury frequency rate (LTIFR) to a historic low of 1.0 in 2024. With over 80% of our sites certified according to the ISO 45001 Occupational Health and Safety Management standard, we are serious about protecting our people. Regular audits, frequent safety walks, systematic risk assessments, and targeted training, supported by more than 200 dedicated safety experts worldwide, ensure our teams stay safe every day.

Together, we thrive.

Engaged and motivated employees are the key to our long-term success. In 2024, we conducted our first global employee survey, achieving a 79% participation rate – a powerful statement of the strong connection

our people feel to Leadec. This feedback shapes our ongoing improvement efforts and is at the heart of our refreshed employer branding, "One Team. One Journey", capturing the spirit of our workforce: one that thrives on respect, team spirit, and diversity.

Diversity drives innovation.
Diversity is our strength. With over 109 nationalities represented in our global team, we believe that different perspectives drive innovation and create value. This commitment is reflected in initiatives like the "Elas PODEM" program in Brazil, supporting women in technical roles, and our signing of the German Diversity Charter, underscoring our dedication to equal opportunity. We are also focused on increasing the share of women in leadership roles, creating an environment where everyone can thrive, regardless of background or identity.

Employee engagement survey: Grow as an organization and as a team

Why did Leadec launch the employee engagement survey?
Theresa Intorp: The people who work at Leadec are our greatest asset. To succeed as a company, we need people who feel connected, engaged and create a good performance environment that enables people to work effectively and efficiently. The goal of the survey was to understand where we stand today and where we can still improve in these areas.

What were the key steps and challenges in the project?
In the 2024 survey we could build on initial experiences of the pilot in 2023 with our leadership team. The first key step was to further develop the questionnaire. We used a scientifically validated framework – the so-called "strategic fitness model" of our external partner – and combined it with topics that are important for Leadec like sustainability and psychological safety. Due to the first survey with such a large scope across all our business units worldwide, we faced several challenges. We had to define our target group, prepare the data structure properly for later analysis, enable leaders to understand the results and derive the right actions, and ensure clear communication across all levels – from global management to team leaders. The feedback so far has been very positive, showing that employees appreciate being heard and that their input is taken seriously.

Theresa Intorp
Senior Specialist
Global People Development

What comes next, and what have you learned so far?
Based on the survey results, we have already implemented a range of global and business unit-specific action plans. These include strengthening our feedback culture, aligning teams with our vision, and optimizing work processes. We have learned some valuable lessons along the way: regional coordinators are essential, clear communication is key, and data privacy must be a priority to build trust. We also realized the importance of shortening the time between survey completion and sharing the results. This survey was just the first step – we are committed to making meaningful, lasting improvements.

Health and Safety Record: LTIFR of 1.0

While we have already achieved a very high level of safety, we constantly strive toward making the work place environment even safer. This resulted in an excellent HSE performance in 2024, expressed through KPIs like the lost time injury frequency rate.

Safety is a top priority at Leadec. With a lost time injury frequency rate (LTIFR) of 1.0, Leadec recorded the lowest accident frequency in its history in 2024. This means that for every million hours worked, there was only one accident resulting in at least one day of absence.

Fostering a strong safety culture
Markus Glaser-Gallion, CEO of Leadec, emphasizes the importance of this success: "Safety is a top management task, which is essential for creating a strong safety culture. Our group-wide "Safety – It's your life"

campaign is a central component of our work. Because accidents at work and work-related illnesses are preventable. I am very pleased that we have been able to further improve occupational safety through the daily efforts of many employees". In the previous year, the LTI frequency rate was already at a very low level of 1.1.

Our success is based on systematic safety management. High safety standards are firmly anchored in Leadec's HSE (Health, Safety, Environment) management system and are consistently improved and implemented. In 2024, 33,000 preventative safety inspections, over 3,200 new risk assessments for workplaces, and specific activities and comprehensive global audits were carried out. Leadec also places particular emphasis on regular training and the global exchange of best practices.

Digital solution for safety
Leadec's HSE software is used globally at over 95% of Leadec sites, around 1,500 people manage all safety-relevant processes in real time: from accident reporting to audits and training. This integrated approach contributes to the fact that over 80% of the sites are already certified in accordance with the international standards ISO 45001 (Occupational Health and Safety Management), ISO 9001 (Quality Management) and ISO 14001 (Environmental Management).

In 2024, we had the lowest number of lost time injuries in the Company's history despite increased business volume.

"The LTI rate of 1.0 is a great success. We work every day to make our workplaces even safer", confirms Markus Bölke, who is globally responsible for Green Factory Solutions, Sustainability and HSE at Leadec. "Leadec customers regularly reward this commitment with awards for occupational safety."

Global audits turning insights into actions

As a globally operating service company, Leadec's top priority lays in the well-being and safety of its employees. Cross-regional occupational health and safety (H&S) assessments and audits ensure that our sites comply with global best practices and proven safety standards. Furthermore, the audits help to identify new best practices and foster exchange within the H&S community. Local Health, Safety, and Environment (HSE) communities have the advantage of benefiting from cross-regional experience gained at more than 350 locations.

Professionalization of HSE processes
Leadec's enhanced assessment methodology helps to systematically evaluate safety risks and the level of safety culture which indicates the HSE maturity level of a site. It allows benchmarking of safety procedures, track progress, and implement new processes to drive safety excellence across the organization. Auditors will get to know best practice cases of local communities that they can apply to accelerate workplace safety improvements.

Neutral assessments by our safety professionals within Leadec help to identify additional improvement potential and reduce risks. In April 2024, Leadec released an updated audit methodology which is defined in an audit questionnaire clustered in 3 categories and a total of 18 levers:

(A) Routine tasks such as Hazard Identification, Safety Walks, Safety Management, Incidents Reporting and Management, Compliance and Permits, Trainings, Personal Protection Equipment (PPE), Customers' Requirements Adherence, Environmental lever. (B) Enablers with Equipment and Maintenance, HSE Policies and Directives, Safety Meetings and Communication, KPI reporting, HSE Suite, Lock-out Tag-out, Health lever, and (C) Occasional tasks such as Fire Safety and Emergency Evaluation, Contractor Management. Each lever consists of five single questions, totaling 90 questions. All of them are evaluated to reach maturity status from 0 to 5. An indicator to identify strengths and opportunities across different sites.

"It's always beneficial for both sides", says Markus Bölke, whose responsibilities include occupational health and safety at Leadec worldwide, "the auditor sees the ideas and solutions on site, and the auditee receives suggestions gained at another region – a win-win situation". In this way, Leadec's international footprint brings tangible added value.

Supply Chain Management

Setting Highest Standards for Us and Our Suppliers

A paradigm shift has been taking place in recent years: Customers and other stakeholders increasingly expect companies to consider the wider impact of their actions and to take responsibility for their supply chains and for society at large, going beyond their immediate internal obligations. Leadec is fully aware of its responsibility in this regard. Therefore, we work proactively to ensure that our business activities are fair, sustainable for the environment, and respectful of the people they affect. At the same time, we systematically implement the necessary processes to comply with the relevant legal requirements.

While Leadec's expectations of employees are codified in our Code of Conduct, we provide guidance for our suppliers and education about supply chain topics through our Business Partner Code of Conduct. In addition, the Value Chain Workforce Management Policy gives a comprehensive framework for managing all workers involved in the value chain, including contractors, suppliers, subcontractors, outsourced workers, and temporary workers. This policy aims to ensure that all these workers adhere to the highest standards of health, safety, and environmental practices, thereby minimizing risks and promoting a safe and sustainable working environment. The Supplier Sustainability Policy emphasizes that human and labor rights are to be respected by our business partners. Our Information Security Supplier Management Policy aims to ensure that our suppliers meet state-of-the-art standards in information and cybersecurity to guarantee secure and uninterrupted cooperation. We explicitly ask every essential supplier to commit to the principles outlined in the policies mentioned above.

Translating commitment into action
To ensure that suppliers live up to Leadec's sustainability understanding and standards we implemented a yearly supplier due diligence screening process, based on a software-supported supply chain risk management system. Within this framework, all active suppliers are risk-analyzed in a multi-step process. Suppliers with an elevated risk are examined more closely through a self-assessment questionnaire, which is subsequently validated by the system. Recommendations for improvement and evaluation are forwarded to the supplier. If areas remain marked as red, Leadec will investigate further, implement preventive and corrective measures with the supplier, and ultimately communicate results to the relevant authorities, if necessary.

A crucial tool to raise awareness about ethical and sustainable supply chain management among Leadec employees are training sessions on sustainable procurement, environmental regulations, sustainability at Leadec and the relevant directives, standards, and regulations that govern all dealings with suppliers and other business partners. The purchasing teams are trained specifically regarding the German Supply Chain Due Diligence Act (LkSG).

All those affected by or witnessing violations of human rights and environmental obligations in our supply chain have access to an open and fair complaints mechanism, the Leadec Integrity Line. This channel is available in several languages via the Leadec website. Employees and external contacts can use it – without

fear of personal repercussions – to report incidents or suspicions of the same, even anonymously.

Going forward, our intention is to teach and inform our workforce about relevant human rights topics such as modern slavery and relevant environmental regulations. To this end, an e-learning program was purchased at the end of 2024 and will be rolled out to relevant employee groups during 2025. Furthermore, compliance with human rights requirements and environmental standards has become an integral part of our internal audit and compliance organization.

LkSG compliance efforts as preparation for CSDDD
There have been two major new regulations focusing on supply chain due diligence on a national and a European level in recent years, the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz, LkSG) and the EU Corporate Sustainability Due Diligence Directive (CSDDD). Leadec is committed to complying with both.

For this purpose, we have improved the processes of our supplier management over the past few years and, for example, introduced the software-based supply chain risk management system mentioned above. As part of the ongoing review and enhancement of the LkSG regulations, the German Federal Office for Economic Affairs and Export Control (BAFA) has recently suspended the annual public reporting requirement until December 31, 2025. Feedback of diverse stakeholder groups led to discussions among lawmakers about how to adjust the requirements of the supply chain due diligence acts. We support the efforts to create effective and practical regulations and are adapting our processes accordingly.

The CSDDD aims at standardizing due diligence requirements with respect to human rights and the environment for companies throughout Europe. Just like the LkSG, this EU directive pursues a risk-based approach, but in part goes beyond the regulations set out in the LkSG. We agree with the principles expressed in the new EU regulation and do everything to

source raw materials responsibly in our supply chain in strict adherence with legislation. This is underscored by our commitment to uphold human rights and our endeavor to prevent human rights violations in all areas of our business and supply chain. The CSDDD was adopted in July 2024. Member states must transpose the EU directive into national law. As part of the first Omnibus package proposed in spring 2025, the implementation deadline will be postponed, moving the date of application of the national rules for the first companies to July 2028. Regardless of the shifting regulatory timelines, we continue to proactively work toward implementing the CSDDD requirements. We anticipate that the national rules will apply to us as of July 2028 and are already working to ensure a seamless integration. In addition to the postponement, the EU Commission has also proposed numerous simplifications to the content, on which agreement is to be reached at European level in the course of 2025. We will make the relevant adjustments to our internal processes once the national draft implementing act becomes available.

Sustainability Ratings

For an objective assessment of our performance and progress, we have our sustainability efforts regularly analyzed and compared with industry and regional benchmarks by third-party rating agencies. This reveals strengths and provides valuable insights with respect to optimization potential. Currently we hold ratings from EcoVadis, Sustainalytics and CDP.

EcoVadis: Gold medal
EcoVadis is one of the world's leading independent ESG assessment agencies. Its company ESG ratings give buyers and suppliers reliable indicators of their business partners' sustainability performance and development over time. We have had our sustainability efforts reviewed annually by EcoVadis since 2019.

According to the latest rating issued in February 2025, we significantly improved our performance compared to the previous year: Leadec scored 79 out of 100 points (previous year: 60/100). This score placed Leadec among the best 1% within our industry and among the best 3% of all of the approximately 150,000 companies evaluated worldwide. Therefore, Leadec was awarded a gold medal for the first time.

Performance enhancement in all four key areas
In all four key areas reviewed by EcoVadis – Environment, Labor and Human Rights, Ethics, and Sustainable Procurement – Leadec was able to improve compared to the previous assessment and achieved above-average results. The highest score (91/100) and the most significant enhancement was achieved in the "Environment" category (previous audit: 60/100).

Enabling informed sustainable supply chain decisions
We will continue working to improve these results, as our EcoVadis certifications help us provide transparency and value to our customers, business partners, and stakeholders. In 2024, we increased our efforts in our climate change mitigation and adaptation projects and worked on transitioning from the GRI framework toward CSRD readiness under the EU Green Deal. We also increased the share of operations certified according to ISO DIN EN 9001 (Quality Management Systems), 14001 (Environmental Management Systems), and 45001 (Occupational Health and Safety Management System). In 2025 we are focusing on conducting climate risk assessments, further improving the transparency of Scope 3 CO_2 emissions in our supply chain, and on the preparation of our science-based targets, which will replace our current sustainability goals until 2025.

EcoVadis Rating: Leadec's score improved in every key area

	Score
Overall Score	**79**/100
2024 Pillar Score	
Environment	**91**/100
Labor & Human Rights	**82**/100
Ethics	**65**/100
Sustainable Procurement	**74**/100

GOLD | Top 5%
ecovadis
Sustainability Rating
FEB 2025
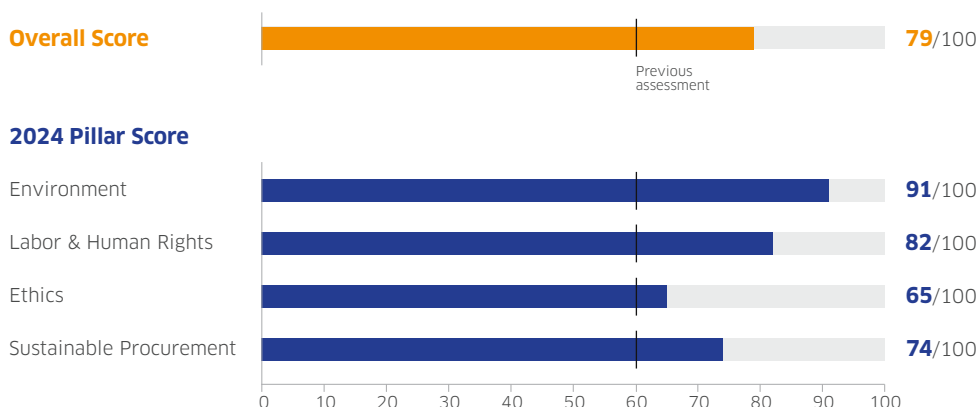
Sustainalytics: Low risk rating

In addition to EcoVadis, we have been undergoing the more capital market-oriented rating process of the Morningstar company Sustainalytics since 2021. Sustainalytics is a global research and data firm that rates companies based on their ESG performance. Banks and lenders can use ESG Risk Ratings and data to analyze their clients and provide sustainability-linked loans. Investors can also use these ratings to identify, understand, and manage ESG risks and performance development. Sustainalytics primarily focuses on financially material ESG issues relevant to a company's value.

Among the best 3% companies worldwide

In its latest assessment of Leadec, based on fiscal year 2023, Sustainalytics rated our risk of significant financial impacts from ESG factors as "low", which corresponds to the second-best level on a five-level scale. With an overall score of 10.4 points, we only slightly missed a "negligible" risk rating; this best rating category in the Sustainalytics system starts at 9.99 points. The rating achieved ranks Leadec in 351st place worldwide, i.e. among the best 3% of the more than 14,600 companies reviewed by Sustainalytics as of May 14, 2025. Within its region and industry, Leadec is one of the highest-rated companies. Compared to the previous year (8.4, "negligible risk"), our rating with Sustainalytics has slightly deteriorated.

The Sustainalytics rating considers the ESG risks we face as a factory service specialist as well as how we manage these risks. Sustainalytics looks at ESG indicators from the following eight areas: Stakeholder Governance, Human Capital, Business Ethics, Data Privacy and Cybersecurity, Emissions, Affluents and Waste, Carbon – Own Operations, Product Governance, Occupational Health and Safety. In seven out of these eight material ESG issues as defined by Sustainalytics, Leadec received a "negligible" risk rating.

Morningstar Sustainalytics has announced to focus on publicly listed companies in the foreseeable future and to update their ESG risk ratings only for companies which are part of the Morningstar financial ratings universe. For this reason, the Leadec Group will not be provided further ESG rating updates by Sustainalytics.

Sustainalytics Rating: "Low" risk assessment as of January 2025

10.4
Low Risk

Negligible	Low	Medium	High	Severe
0–10	10–20	20–30	30–40	40+
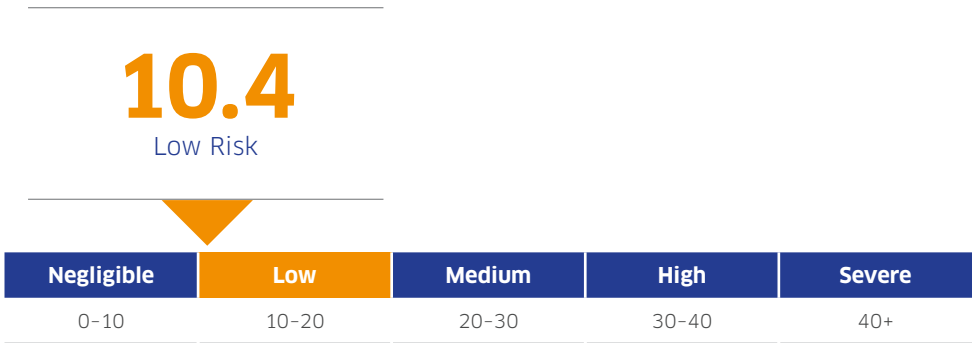
CDP Climate Change: C-level rating

We also report extensive environmental data to CDP. The non-profit organization CDP, which arose from the Carbon Disclosure Project, has expanded its focus and now offers companies, investors, municipalities, regions and states a globally uniform system for disclosing their effects on climate change, water security and deforestation along with the appropriate risk assessment scheme. As a result, CDP provides a comprehensive environmental database which is geared toward businesses and financial institutions as well as academics and policymakers.

Climate change assessment

In 2024, Leadec submitted the CDP questionnaire on the topic of Climate Change for the second time. The other two CDP topics, Water and Forest, are not material to Leadec. For the information relating to fiscal year 2023, we received a C-level rating ("awareness"), as for the previous year. According to the CDP classification scheme, this means that Leadec is among those companies that have a comprehensive understanding of the effects of their business operations on people and ecosystems and of how their business operations are influenced by environmental issues.

CDP adjusted its methodology as well as their questionnaire in 2023 to account for CSRD requirements. Therefore, some new topics were integrated like Public Policy Engagement and Industry Collaboration, Pricing of Environmental Externalities, Environmental Policies, and Dependencies, Impacts, Risks, and Opportunities Process. We consider it positive that we were able to maintain the overall C-level rating in view of the changed and more challenging assessment methods applied. In the categories of Energy, Governance, Opportunity Disclosure, Risk Disclosure, and Scope 3 Emissions (including verification) Leadec improved its rating.

Supplier engagement assessment

Furthermore, Leadec has been recognized with a B– score in the CDP Supplier Engagement Assessment, reflecting our efforts to engage suppliers on climate-related issues. This annual assessment, evaluates how effectively companies are working with their supply chains to address climate change, reduce emissions, and promote environmental transparency. This score underscores Leadec's commitment to sustainability and continuous improvement in our environmental practices across the value chain.

In our preparations for the 2025 disclosure cycle, we expect various projects executed during 2024 at Leadec to have a positive impact on the upcoming rating of our Company. Among these enhancements are Leadec's climate risk assessments, the SBTi commitment, the identification of priority locations in our value chain, environmental governance mechanisms, improvements on the CCF transparency and data quality, an increased use of consumption-based data as well as the alignment of our reporting with the ESRS E1 standard.

Sustainability Frameworks

Leadec's sustainability reporting reflects a structured and transparent approach, grounded in internationally recognized frameworks to ensure accountability and alignment with global standards.

Reporting in reference to Global Reporting Initiative

Leadec sustainability reporting references the Global Reporting Initiative (GRI) Standards, GRI 1: Foundation 2021, GRI 2: General Disclosures 2021, and GRI 3: Material Topics 2021. These standards ensure transparency, structure, and comparability in reporting environmental, social, and governance (ESG) performance. In its latest report, Leadec expanded its use of topical GRI Standards to deepen its disclosures.

The GRI content index includes detailed information on organizational structure, governance, employee data, supply chain practices, and sustainability goals. Leadec's report covers all entities included in its financial reporting and provides insights into global operations, stakeholder engagement, and material topics.

Sustainability strategy aligned with the Sustainable Development Goals

Leadec also aligns its sustainability strategy with the United Nations Sustainable Development Goals (SDGs), integrating them into its ESG priorities. Environmentally, the Company focuses on reducing CO_2 emissions, increasing zero-emissions electricity use, and minimizing waste—supporting SDGs related to clean energy, responsible consumption, and climate action. Socially, Leadec promotes workplace safety, gender diversity, a multinational workforce, employee development, and human rights awareness, contributing to goals such as good health, gender diversity, and decent work.

On the governance front, Leadec emphasizes ethical business conduct and sustainable supply chains. Employees receive training in compliance areas like data protection and anti-corruption. Additionally, Leadec supports clients in achieving their sustainability goals through our Green Factory Solutions, which promote decarbonization and circular economy practices. This year, the Company enhanced its GRI content index by mapping each disclosure to relevant SDGs, reinforcing its commitment to global sustainability.

In its 2024 report, Leadec demonstrates readiness for the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). While aligning with these new regulations, the Company maintains its foundation in GRI and SDG frameworks. This hybrid approach – combining CSRD disclosures with GRI and SDG alignment – ensures compliance with evolving legal standards while upholding transparency and responsible business practices. The ⊕SDG_and_GRI_content_index_2024 is published on Leadec's sustainability website.

> Leadec's ESG journey reflects the dynamic nature of sustainability standards. From our early alignment with the SDGs to adopting GRI guidelines, and now gearing up for CSRD compliance, we are committed to transparency and continuous improvement.

CSRD Reporting for 2024

Over the last two years, we have been working intensively to integrate the Corporate Sustainability Reporting Directive (CSRD) requirements into the Leadec Group's business and organization. Implementation is fully on track, and our sustainability report 2024 for the first time provides comprehensive reporting in accordance with the CSRD. For all three sustainability matters – Environmental, Social and Governance – we present issues of major relevance to the business activities of the Leadec Group, together with policies and actions to address these issues as well as targets and metrics to control them. Leadec's material topics cover most of the reporting requirements according to the Sustainable Finance Disclosure Regulation (SFDR). Nonetheless, we report on the remaining SFDR-relevant topics in the last chapter of this report.

As part of the implementation project, we have involved external consulting and auditing services to ensure an objective assessment of progress. According to the external auditor, progress of implementation and the approaches chosen by Leadec correspond to the current requirements for implementation under the directive. However, our 2024 sustainability reporting was not subject to a limited insurance audit. Furthermore, due to the dynamic development of regulation and the fact that the CSRD has not yet been transposed into national law, it cannot be ruled out that statements as at the reporting date will have to be adjusted.

General Information

Leadec's sustainability strategy, supported by a robust materiality assessment and stakeholder engagement, has led to significant achievements, including surpassing €100 million in sales for our Green Factory Solutions and earning the EcoVadis Gold Medal.

Leadec is implementing the Corporate Sustainability Reporting Directive (CSRD) and the EU Taxonomy Regulation, ensuring transparency and compliance in its sustainability reporting.

Since 2018, a materiality assessment has been conducted every two years through consultations with key stakeholders to ensure alignment of our sustainability strategy with stakeholder expectations and regulatory requirements. This process identified 529 material datapoints for Leadec.

Simultaneously, our Green Factory Solutions (GFS) portfolio, which supports decarbonization and a circular economy, exceeded the €100-million-sales mark for the first time in 2024, showcasing the growing demand for sustainable services.

In 2024, we launched our first global employee engagement survey resulting in an Employee Net Promoter Score (eNPS) of 18 (on a scale from –100 to +100). Our engagement scores outperform industry-specific benchmarks. In comparison, the Global Employee Engagement Index, which is a comprehensive survey conducted every two years in 54 countries and in different industries, shows an average eNPS of 6.

Leadec's commitment to sustainability is reflected in our strong ESG ratings. Scoring 79 out of 100 points, we earned the EcoVadis Gold Medal, placing us in the top 1% within our industry. This underscores our ambition to be a sustainability frontrunner in the manufacturing services sector.

529

material datapoints were identified in the double materiality assessment

18

Employee Net Promoter Score

Top 1%

within our industry, according to our latest EcoVadis assessment

General Disclosures [ESRS 2]

General basis for preparation of the sustainability statement

This sustainability statement for 2024 includes the reporting of Leadec Holding S.à r.l. (further referred to as "the Leadec Group", "the Company", "the Group", or "Leadec"), in compliance with the Corporate Sustainability Reporting Directive (CSRD). The CSRD is in accordance with Article 68a(2) of the Luxembourg Law of December 19, 2022 on the Trade and Company Register on bookkeeping, annual accounts of companies, and amending certain legal provisions, as well as with the EU Taxonomy Regulation (EU) 2020/852 of the European Parliament and of the Council, including the delegated acts adopted in this respect. The Leadec Group presents sustainability issues of major relevance to its business activities together with the impact of its activities on a comprehensive set of sustainability matters. The current report references the Global Reporting Initiative (GRI) Standards 2021. The ⊕GRI content index is available in the form of an appendix, outlining the specific GRI Standard Disclosures addressed, on the Group's sustainability website.

Expert judgement of external auditor

CSRD

Leadec is currently in the process of implementing the CSRD content. The implementation is carried out in accordance with the approaches described on ⇨ page 55 (section "Impact, risk, and opportunity management" in this chapter. The progress of implementation and the approaches chosen by Leadec correspond to the current requirements for implementation in accordance with the directive. Leadec also involves external consulting and auditing services to ensure an objective assessment of progress. Regarding Leadec's materiality assessment, this was assessed by an external audit as part of a "CSRD readiness assessment for the materiality assessment" project. The results of this assessment were jointly discussed, and comments were integrated into the implementation, although no errors with a material impact were identified during the review, and the approach was classified as comprehensible by the auditors. However, due to the dynamic development of regulation and the fact that the CSRD has not yet been transposed into national law, it cannot be ruled out that statements will have to be adjusted as at the reporting date.

EU Taxonomy

Leadec is currently in the process of implementing the EU Taxonomy content. The implementation is carried out in accordance with the approaches described on ⇨ page 70 onward (chapter "Environmental/Reporting in Accordance with the EU Taxonomy"). The progress of implementation and the approaches chosen by Leadec correspond to the current requirements for implementation in compliance with the directive. Leadec also involves external consulting and auditing services to ensure an objective assessment of progress. Regarding Leadec's Taxonomy readiness analysis, the project was assessed by an external audit as part of an "EU Taxonomy Readiness Assessment – Eligibility" project. The results of this assessment were jointly discussed and comments were integrated into the implementation, although no significant deviations from the EU Delegated Act were identified during the review and the approaches was deemed to be comprehensible. However, due to the dynamic development of regulatory requirements, it cannot be ruled out that statements may need to be adjusted as at the reporting date. Progress made since the initial readiness assessment was presented to the external auditor and jointly discussed.

Leadec Holding S.à r.l. is a privately owned corporation domiciled in Luxembourg (2, rue Edward Steichen, 2540 Luxembourg). The reporting period for the sustainability statement is fiscal year 2024 (January 1 to December 31, 2024). Unless otherwise specified, the information of this sustainability statement covers all fully consolidated companies of the Leadec Group (see under "Legal entities of Leadec").

In addition to the financial consolidation, the scope was amended to account for one subsidiary which is an associate due to missing control. This entity rents out office buildings to Leadec. Hence, it provides a significant production factor to Leadec and is therefore part of the upstream value chain. This sustainability statement covers the upstream and downstream value chains as well as all of Leadec's own operations. The value chain was identified through a bottom-up process within the Leadec Group.

The sustainability statement was prepared according to the requirements of the European Sustainability Reporting Standards (ESRS). The Leadec Group did not use the option to omit specific pieces of information corresponding to intellectual property, know-how, or the results of innovation in accordance with ESRS 2 BP-1 and ESRS 1.105.

Strategy, business model, and value chain

What we do

The Leadec Group is a leading global service specialist for factories across their entire life cycle and related infrastructure. For more than 60 years, Leadec has been supporting its customers in the manufacturing industry along the entire production value chain. We are familiar with the specific demands of manufacturing sites today and develop solutions for the factory of tomorrow.

For general information on the Company see of this Sustainability Report under "Overview" and the Leadec website.

Our business model

Leadec is based at more than 350 sites, often directly at the customers' plants and facilities. Leadec is active in 16 countries in Europe, Asia, Latin America, and North America with a decentralized organizational governance. Our employees work on-site with the customers – either on a permanent basis or flexibly for the needs of specific projects.

In 2024, a total headcount[1] of 22,572[2] employees were working within the Leadec Group:

As of Dec. 31, 2024	Number of employees (headcount)		
	Female	Male	Total
Global			
Leadec Group	4,953	17,618	22,571
Region			
Europe (incl. Holding)	2,474	8,004	10,478
North America (incl. Diversified Automation)	583	1,596	2,179
Latin America	1,713	3,730	5,443
Asia	183	4,288	4,471

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[1] Our financial reporting according to IFRS is based on a different HC definition which does not include interns, working students, trainees, and apprentices.

[2] One employee self-identified their gender as "Other". To protect their anonymity, this individual was excluded from any employee data tables where applicable. Therefore, the total will be 22,571 employees.

Leadec's global footprint enables the Company to share its specialist knowledge across its network of experts. Leadec offers customers an extensive service portfolio covering a wide range of competencies: IT specialists develop software for automation solutions as well as for production management and optimization. Our technicians assemble and install equipment in facilities and put them into operation. Once the factory is ready for operation, Leadec teams keep the production and facility infrastructure running, manage logistics, and support all peripheral processes. In this way, the Company releases its customers from having to deal with secondary processes, enabling them to focus on their core business.

Our value chain

Regarding the preparation of the sustainability statement, the upstream and downstream value chains as well as all own operations have been covered and were identified in a bottom-up process. The bottom-up process consisted of the review of relevant financial data, the actors in the value chain, the direct and indirect business relationships, as well as the connection to the business model. Furthermore, a workshop on our global service lines was conducted with representatives from Leadec Sustainability and HSE.

Upstream value chain components encompass suppliers that can be categorized in four different types:

▶ Contractors and third-party service providers offering specialized services such as technical facility management, logistics, and specialized engineering services
▶ Electronic equipment suppliers that supply machinery, tools, and equipment needed for maintenance, repair, and operational tasks
▶ Technology providers that supply software and digital tools used for process management, predictive maintenance, and operational efficiency (ERP systems, computerized maintenance management systems, and IoT solutions)
▶ Raw materials suppliers that provide basic materials used in facility maintenance and engineering services (plastics, chemicals, and other industrial materials)

Leadec only holds very limited indirect business relationships. Consequently, the assessment of the upstream value chain concentrated primarily on direct business relationships and the procured goods and the services mentioned above. Furthermore, Leadec's suppliers are primarily located in Europe and the USA. Potential impacts, risks, and opportunities (IROs) related to suppliers in Mexico, India, and China were considered as well in the identification stage of the double materiality assessment. In the aggregated value chain of Leadec, purchased products were consolidated upstream due to similar characteristics or insignificance of individual categories based on purchase volume.

Own operations focused on identifying and assessing IROs within the Leadec Group's offices and operational stations. The offices are responsible for high-level strategic planning, organizational management, and the overall direction of the business, ensuring alignment with the Company's strategic goals and industry standards. Leadec's employees work mostly on our customers' premises and our offices act as hubs for various customer locations. Additionally, Leadec has some of its own workshops outside of our customers' premises where we prepare, for example, mechanical installations before deploying them on-site. Warehouses and storage areas hold spare parts, tools, and materials needed for maintenance and installation services, enabling quick and efficient service delivery.

Downstream value chain activities included identifying and assessing IROs associated with our global service offerings at client sites, with Leadec predominantly serving large manufacturing firms, particularly within the automotive industry as well as in the technology and e-commerce/warehousing sectors. The Leadec Group's global service offerings are grouped into four service clusters (Engineering, Maintenance, Support, Installation)[1], which logically follow a factory's life cycle, from planning, installation, automation, and commissioning through to operation of the factory. The global service portfolio also includes Leadec's Green Factory Solutions (GFS), which were developed to meet our customers' evolving needs in terms of sustainability. The GFS portfolio builds on our existing

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[1] The presentation of our service portfolio was slightly revised in 2024, in order to feature some services that have long been part of our offering more prominently. As a result, in the future, the Leadec portfolio will be composed of ten global service lines which are grouped into five clusters: Install, Automate, Maintain, Logistics, Support.

expertise related to electrical and mechanical installations, and logistics, which we applied to create decarbonization and circular economy measures that help our customers achieve their sustainability goals. Our global services mentioned above are complemented by a number of specific services that are only provided at a regional level. The digital business platform Leadec.os is used to record all processes end-to-end, to offer consulting services for the smart factory and to integrate own digital services. Since a substantial portion of the services are provided by the Company's own workforce, IROs related to these services and affecting Leadec's workforce is assessed in the S1 Own Workforce section. For more information about the global service offerings see ⇨ page 6 (chapter "The Leadec Group/Customized Services to Keep Factories Running") and the Leadec website.

The Leadec Group is not part of a high climate impact sector, the revenues relate to the real estate and services sector. During the reporting period none of the operating divisions of the Leadec Group was active or generated sales out of fossil fuel production, chemical production, the cultivation and production of tobacco, or the production of controversial weapons.

Management and control

The operating business of the Leadec Group is organized in three regions: Europe, Asia, and the Americas. For the following sustainability statement, we have disaggregated the countries within the Americas into North America and Latin America to reflect socio-cultural and geographic differences. The Leadec Holding S.à r.l. is parent to the wholly owned subsidiary Leadec Holding BV & Co. KG along with the latter's subsidiaries. The majority of the Leadec Group, over 90% of the shares, is held by the investment firm Triton. Triton acquired the former Voith Industrial Services business in 2016 and reestablished it under the name Leadec.

The Group's holding company, Leadec Holding BV & Co. KG, is responsible for global strategy, management, IT, and governance. It additionally provides centralized head office support functions such as Group Accounting & Controlling, Global HR, or Global Sustainability & HSE. These functions develop processes of importance to the entire organization, which are subsequently implemented by decentralized units and adapted to the local needs of each region.[1]

> Leadec's "Becoming Leading Edge" strategy is supplemented by market initiatives developed under the "Elevate Leading Edge" program.

Our strategy

Since 2017, Leadec has operated as an independent service specialist, leveraging decades of expertise in manufacturing processes to offer services along the entire life cycle of the factory and the related infrastructure. Led by our strategy, "Becoming Leading Edge", we then performed a strategic and organizational realignment and successfully positioned ourselves on the market.

Our "Becoming Leading Edge" strategy focuses on four pillars:

1. Industry expansion: Diversify by entering new sectors beyond automotive, such as e-commerce/parcel and warehousing centers, technology companies and the consumer goods industry. We aim to balance our customer portfolio and reduce exposure to industry cycles.
2. Regional coverage: Strengthen our presence in core markets like Europe and expand in North America and Asia through acquisitions and joint ventures.
3. Service portfolio: Enhance our technical profile and expand digital and sustainable services across the factory life cycle, from planning to operation.
4. Organization: Drive digitalization, optimize processes, and strengthen our team with a focus on IT and system landscape improvements, leveraging our digital platform Leadec.os and the Operational Excellence program.

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[1] Streamlining management and administrative structures: At the end of the reporting year we decided to make organizational changes that took effect as of January 1, 2025. The Group's holding company was restructured with a more specific focus and will concentrate on strategy, management and governance in the future. The aim of the measures is mainly to create a leaner organization with faster decision-making processes and a stronger operational focus.

Building upon our "Becoming Leading Edge" strategy, we launched the "Elevate Leading Edge" initiative program in fiscal year 2023, which was shaped by insights from multiple stakeholders. Initiatives were developed, tested, and robust approaches integrated into the "Becoming Leading Edge" strategy. One of the successfully implemented market initiatives resulted in the launch of the Green Factory Solutions portfolio. The GFS cater to the identified sustainability needs of Leadec's customers to have an experienced partner at their side who helps tackle decarbonization and circular economy challenges. Other market initiatives led to expanding our Automation business and our Smart Digitalization Services, positioning Leadec as a process facilitator for the smart factory, providing consulting services and integrating own digital services.

> Achieving excellence in sustainability builds credibility with our employees, customers, and shareholders.

Furthermore, Leadec's strategy is informed by its internal paradigm of "safety first" underscoring the importance of protecting the life and health of our employees who are our greatest asset. Since 2020, Leadec's Board of Management (BoM) has regularly signed a safety commitment to emphasize the importance of this issue.

Our sustainability strategy

The strategic rationale behind Leadec's sustainability strategy is to enhance value creation through environmental efficiency, leading to cost savings, improved safety, and better risk management. By innovating green business models, Leadec aims to access new revenue streams and markets, thereby increasing its brand value and reputation through compliance with customer, investor, and legal requirements.

Sustainability is of fundamental importance for the well-being of future generations and a global task that is currently of great concern for politics, society, and businesses. The Leadec Group is aware of the great significance of sustainability at an international and national level as well as for its stakeholders – primarily employees, customers, and shareholders – and the Company itself.

As a signatory to the United Nations Global Compact, the Leadec Group is committed to the 17 United Nations Sustainable Development Goals (UN SDGs) as well as the ten principles of the UN Global Compact and, as a company, the Leadec Group intends to contribute to their fulfillment. Our ⊕SDG mapping is available on our sustainability website. As part of the Leadec Group's individual sustainability strategy, a materiality assessment involving consultations with important stakeholders has been carried out every two years since 2018. The materiality assessment is checked annually and formally updated every two years, and it is also updated as needed.

Leadec has set itself the goal of contributing to the sustainable development of the world and taking leading action in the necessary changes. We want to use the opportunities arising to increase the Company's and its stakeholders' success and to counter risks. Everywhere the Leadec Group operates, we strive to make a positive contribution to the local communities and avoid any possible negative impact of its business operations to the greatest possible extent. What is more, Leadec supports its customers in achieving their sustainability goals through environmentally friendly services like Green Factory Solutions that enhance the sustainable value for them.

The sustainability strategy was set up to be guided by several frameworks, including the Global Reporting Initiative (GRI) and Sustainable Development Goals (SDGs). The Company participates in ESG ratings for benchmarking against other companies and further

external feedback on strengths and potential for further improvement. Key strategic measures include implementing the 2025 sustainability goals, which involve, for example, increasing the share of renewable electricity to 65%, reducing CO_2 emissions by 15%, achieving zero fatalities, reducing injury rates, enhancing gender diversity in leadership roles, and ensuring supplier commitment to human rights and sustainability policies.

We have established a governance structure aimed at enshrining a sustainability mindset across all levels of the Company in order to build a sustainable business and create long-term value. The overall responsibility for sustainability as well as for issues relating to health, safety, and the environment (HSE) lies with the Leadec Group's BoM. This includes, but is not limited to, defining, reviewing, and adapting objectives and strategies. Over and above this, the BoM is responsible for empowering all employees to participate in fulfilling our sustainability goals.

The organizational structure supporting this strategy includes global responsibilities with direct reporting to the Board of Management. The sustainability network comprises regional, functional, and legal entity representatives, supported by dedicated full-time employees and a budget for sustainability initiatives. Governance and reporting mandates involve steering the sustainability strategy, ESG goals, and reporting, managing customer-related sustainability audits and projects, and creating annual ESG reports and sustainability brochures.

Key initiatives and timelines include energy management to increase renewable energy use and conduct energy audits, health and safety measures to implement controls for top risk exposures and maintain equipment, supplier management to ensure top suppliers adhere to human rights and sustainability policies, and employee training to achieve high compliance and human rights training rates. This comprehensive strategy aims to integrate sustainability into Leadec's core operations, enhancing its attractiveness to investors, customers, and employees while ensuring compliance and continuous improvement in environmental, social, and governance (ESG) performance.

2025 sustainability goals

In the year 2018, the Leadec Group defined the following sustainability goals for 2025 and aligned them with the Sustainable Development Goals (SDGs). For further information please see ⊕SDG and GRI content index 2024.

Environmental

SDGs: 13, 9	Goal (2025)	Actual (2024)
Carbon efficiency	**We want to reduce our energy consumption and carbon footprint.**	
	Reduce our carbon footprint >–15% CO_2 emissions relative to total output[1] (Scope 1 and 2, compared to 2019 baseline)	–33%
	Increase our share of zero-emissions[2] electricity >65% total electricity from zero-emissions[2] sources	73%
	Reduce our emissions intensity >–2% per year (compared to 2022 reference year)	–7%
Resource efficiency	**We want to reduce waste and use resources efficiently.**	
	Reduce consumption of non-recyclable materials –75% reduction of waste to landfill relative to total output[1]	–65%
	Reduce total waste –15% relative to total output[1]	32%
	Reduce hazardous waste –15% relative to total output[1]	–96%
	ISO 14001 >75% of our operations ISO 14001 certified	86%
Customer focus	**We want to strengthen customer relationships and provide services that meet our customers' needs.**	
	Maintain customer retention rate >90% customer retention rate	97%
	Support customers in becoming more sustainable Increase the share of environmentally friendly services (Green Factory Solutions) of total output[1]	8%

Social

SDGs: 3, 5, 10	Goal (2025)	Actual (2024)
Health and safety	**We want to establish safe and healthy workplaces for our employees and customers.**	
	Provide a safe work environment for our employees <1.5 lost time injuries per million hours worked (LTIFR)	1.0
	Protect our employees' life and health Zero fatalities is our long-term goal	1
	We want to strengthen prevention.	
	Global HSE site audits >24 global HSE site audits per year	28
	Safety walks >15,000 Safety Walks per year	32,959
	Increase digitalization and real-time transparency of HSE >90% of our sites using our HSE suite	97%
	ISO 45001 >75% of our operations ISO 45001 certified	82%

[1] For definition of total output and amounts used for calculation see ➡page 103.
[2] In 2024, this goal refers to "zero-emissions sources", which includes the average nuclear energy provided from the grid. In previous years, it referred to "renewable sources" (excluding nuclear).

Employee development and diversity	We will provide development opportunities for employees and treat all employees fairly.	
	Improve gender diversity 30% women in corporate leadership positions	24%
	Provide training and skill development opportunities to ensure the continued development of our employees	98%
Supplier sustainability	We want to promote sustainability throughout our value chain.	
	Promote supplier sustainability "A suppliers" (account for 80% of the annual spend volume) commit to principles within the Leadec supplier sustainability policy including environment, health and safety, human rights, and working conditions	62%

Governance

SDGs: 8	Goal (2025)	Actual (2024)
Compliance	We want to ensure compliance with the law and build trust with all stakeholders.	
	Maintain compliance training rate >90% of relevant employees trained on topics such as: Code of Conduct, anti-bribery policy, anti-money-laundering policy, anti-trust laws, sanctions management, whistleblowing, human rights, preventing discrimination, etc.	98%
	Maintain information security and data protection training rate >90% of relevant employees trained on topics such as: data protection, cybersecurity, etc.	85%
Human rights	We support the protection of internationally proclaimed human rights.	
	Strengthen human rights >90% of relevant employees trained on relevant human rights topics, e.g., modern slavery	98%
Leadership and culture	We ensure strategic oversight of ESG-related risks, opportunities, and strategies.	
	ESG oversight at Board level ESG standing agenda at all Board of Management meetings	Achieved
	ESG accountability at Board level ESG deep-dive sessions at least bi-annually at Board of Management	Achieved
Corporate governance and ethics	We actively steer and govern ESG-related risks, opportunities, and strategies.	
	UN Global Compact membership commitments are reported annually	Published
	Steering committees Steer relevant ESG topics via dedicated committees, such as: Diversity & Inclusion Committee, Human Rights & Supply Chain Committee, Compliance Committee, etc.	Regular meetings took place
Transparency and credentials	We proactively report on ESG-related risks, opportunities, strategies, initiatives, progress, and recognitions.	
	ISO 9001 >75% of our operations ISO 9001 certified	82%
	Maintain and improve transparency Publish sustainability report annually and publish sustainability disclosures on Leadec website	Published
	Annual ESG ratings - Be above 70/100 points in EcoVadis rating - Be below 10 points in Sustainalytics rating - Achieve an A CDP rating	EcoVadis: 79/100 Sustainalytics: 10.4 CDP: C rating

In 2025, the Leadec Group will reassess the sustainability goals defined in 2018 and adapt them to the current legal requirements and the modified service offerings. Furthermore, Leadec will develop new targets to be validated by SBTi during 2026, ensuring they help manage the Company's material climate-related impacts, risks, and opportunities.

Green Factory Solutions

Leadec offers a series of green services across the entire factory life cycle that promote decarbonization and a circular economy. These services are labeled as Green Factory Solutions (GFS). The Leadec Group's experience from hundreds of manufacturing sites it serves was integrated into the development of this series of innovative services. In fiscal year 2024 sales generated with our GFS portfolio exceeded the 100-million-euros mark for the first time.

The GFS portfolio comprises a variety of services and solutions for factories that create a positive impact on the environment. We have grouped our GFS into seven distinct service fields:

Some of the most frequently requested services are **Zero Waste Services,** which aim to help customers minimize the amount of waste in their facilities and to support them on their way to a circular economy by implementing waste recycling practices and zero waste strategies. We also provide battery repair services. For further information, please see (chapter "Environmental/Resource Use and Circular Economy [E5]").

Through **Energy Efficiency Solutions,** Leadec helps its customers reduce their carbon footprint and save money on their energy bills. To this end, we provide energy consulting which includes conducting energy audits and implementing energy management systems that comply with international standards. Energy metering, calibration, and installation of effective filtering systems yield energy savings that can significantly contribute to a reduction in the carbon emissions from factories. For further information, please see (chapter "Environmental/Climate Change [E1]").

The Leadec Group's **Intelligent Lighting** offering helps customers slash the electricity consumed by their lighting applications through use of LED technology, smart LED solutions, and implementation of lighting designs that are in line with international standards.

Most factories are now transitioning from fossil-based to renewable energy sources and technologies, such as solar power and heat pumps. Leadec supports this transition with the planning, installation and maintenance of photovoltaics systems as well as of heat pumps and induction systems, along with storage solutions. These activities are called **Renewable Energy Solutions.** For further information, please see (chapter "Environmental/Climate Change [E1]").

Within the service field of **Green Industrial Automation** Leadec delivers innovative automation solutions to environmentally sustainable industries such as solar cell, hydrogen cell and battery production, equipment manufacturing for wind power plants or recycling plants. From project management, software, and hardware engineering to electrical installation, Leadec supports at every step of its customer's automation project.

Our **Sustainable Facility Services** address different aspects of facility management, such as green cleaning using eco-friendly cleaning methods and products as well as ecological upgrades that increase biodiversity around the facility.

Industrial companies' climate goals include not only actions to mitigate the effects of climate change (incl. drought, heat waves, flooding, and storms) but also actions to adapt to and strategies to analyze the effects of climate change. These measures fall under the Leadec Group's **Climate Change Adaptation** offering.

Please find information on how our GFS pay into the EU Taxonomy on (chapter "Environmental/Reporting in Accordance with the EU Taxonomy"). For general and current information on GFS see (chapter "Green Factory Solutions" under "Insights").

Interests and views of stakeholders

Identification and prioritization of stakeholders

The Leadec Group has identified its most important stakeholders through a combination of in-house discussions, external analyses, and industry comparisons. This process ensures that all relevant stakeholders are considered in the Company's sustainability strategy. The key internal and external stakeholders include employees, senior management, the Board of Management, shareholders, customers, suppliers, media, and the capital market.

Stakeholder engagment process

To inform and prioritize the sustainability strategy, Leadec engaged with these stakeholders based on their priority levels and the impact they have on the Company. The engagement process involved various methods such as workshops and interviews, particularly with customers, to identify their key challenges and risks in their sustainability transformation.

Key stakeholder groups and engagement activities

1. **Employees**
   ▶ Training and development: Continuous learning opportunities through the Leadec Campus, offering over 200 training programs.
   ▶ Employee surveys: Conducted a global employee survey with a 79% participation rate to gather feedback and identify areas for improvement.
   ▶ Occupational safety: Ongoing "Safety – it's your life" initiative, reducing the lost time injury frequency rate to 1.0 in 2024.
   ▶ Direct information from top and senior management: Regular town hall meetings and management meetings (for middle management).
   ▶ Internal communications channels: "we.do" employee app, intranet.

2. **Customers**
   ▶ Workshops and interviews: Held to understand customers' sustainability challenges and risks.
   ▶ Service quality: Focus on providing high-quality services across various industries, including automotive, e-commerce, and consumer goods.
   ▶ Green Factory Solutions: Developed as a result of stakeholder engagement to drive sustainable business growth and address customer needs.
   ▶ Engagement tools: Tools like SAQ (Self-Assessment Questionnaire) and NQC Supplier Assurance are used to ensure compliance and quality.

3. **Shareholders**
   ▶ Financial reporting: Detailed reporting on financial performance in accordance with the International Financial Reporting Standards (IFRS).
   ▶ Sustainability reporting: Preparations for implementing the CSRD and the EU Taxonomy Regulation to ensure transparency and compliance.
   ▶ Regular consultations: With the majority shareholder, Triton Partners, Leadec engages through topical expert meetings covering areas such as Finance, ESG, HR, and Communications. These meetings involve topical exchanges, benchmarking against other companies in the Triton portfolio, structured data reporting, and feedback sessions. Presentations with Q&As are also conducted to ensure transparency and alignment with sustainability strategy.

4. **Business Partners, Suppliers**
   ▶ Supply chain management: Using a software-based supply chain risk management system to ensure compliance with environmental and social standards.
   ▶ Compliance: Committed to complying with the German Supply Chain Due Diligence Act (LkSG) and the EU Corporate Sustainability Due Diligence Directive (CSDDD), once it has been transposed into national law.

5. **Capital Market**
   ▶ Investor relations: Regular communication with investors and banks through reports, presentations, and Q&A sessions.
   ▶ Market analysis: Continuous monitoring of market trends and investor feedback to align business strategies with market expectations.

6. **Authorities and Regulatory Bodies**
   ▶ Compliance and governance: Adherence to international and national regulations, including the UN Global Compact principles and the EU Green Deal regulations.
   ▶ Governance structure: Strong governance to ensure compliance and ethical business practices.

7. **Media**
   ▶ Public relations: Regular press releases and media briefings to communicate company updates and sustainability initiatives.
   ▶ Media engagement: Active engagement with media outlets to ensure accurate and transparent reporting on Leadec's activities and achievements.

8. **Communities**
   ▶ Sustainability initiatives: Green Factory Solutions help customers reduce CO_2 emissions and conserve resources.
   ▶ Local contributions: Commitment to making positive contributions to local communities and minimizing negative impacts.

Outcomes and commitments

Leadec is committed to seizing identified opportunities and making progress for its business and stakeholders. The Company strives to manage operational risks, mitigate negative impacts, and make positive contributions to the communities in which it operates. The development of Green Factory Solutions is a direct result of stakeholder engagement, driving sustainable business growth and addressing the needs of customers.

Leadec pursues a sustainability approach that is fully aligned with its stakeholders. This approach ensures that our organization is aware of all market expectations and can respond quickly to the changing needs of our stakeholders, adding value to everything we do.

The overarching purpose of these and other engagements with Leadec's stakeholders is to ensure alignment, foster engagement, secure commitment, provide information, gather feedback, address criticism, and facilitate exchange among all stakeholders.

Governance

The role of the administrative, management, and supervisory bodies

The Leadec Group has established a governance model that outlines the roles and responsibilities involved in sustainability reporting. The necessary capabilities for producing disclosed information are integrated into the Company's standardized business processes, followed by all business units and Group services. Process owners are responsible for ensuring that Leadec Group's process environment can transparently deliver the information needed for disclosure. To anchor ESG in the Company's organization, the governance model defines four comprehensive core areas/processes: ESG

strategy, ESG implementation, ESG performance management and steering as well as external ESG reporting and communication. The responsibility of these processes lies with the Sustainability department and the accountability with the COO.

The COO is part of the Group's Board of Management (BoM),[1] which further consists of the Chief Executive Officer (CEO) and Chief Financial Offer (CFO). The BoM is advised by the Leadec Group Advisory Committee (AC), which serves as a consultative body and consists of five members[2]. In 2024, the administrative body was made up of various executive positions including

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[1] All members of Leadec's Group BoM are male.

[2] Four members of Leadec's Group Advisory Committee are male; one female member is currently on leave.

members of the regional BoMs, business unit leads, senior vice presidents, directors, various committees, and heads of global departments. This body consisted of a total of 100 members of which 76 (76%) were male and 24 (24%) were female. Neither body has independent or non-executive members.

The BoM is accountable for the Leadec Group's overall sustainability performance, establishing and reviewing its sustainability goals and strategies. The BoM is also responsible for implementing directives and empowering all employees to contribute to and fulfill the Company's social and environmental objectives. This responsibility is one of the core values embedded in the Leadec Group's Code of Conduct (CoC). The sustainability function is executed by the COO, who is accountable for all environmental and social matters, together with the CFO, who is accountable for all governance matters. Both members report directly to the CEO. The COO has received specialized training and acquired valuable experience in sustainability efforts. This includes the creation, revision, and update of sustainability targets and strategies. Moreover, the

BoM has developed expertise in ESG measurement, reporting, and ratings, which enhances transparency and accountability. Taking charge of initiatives in local decarbonization and energy efficiency, they actively work toward environmental goals.

Leadec has mechanisms to maintain an environmentally competent Board:

Mechanism	Applied
Consulting regularly with an internal, permanent, and subject-expert working group	X
Engaging regularly with external stakeholders and experts on environmental issues	X
Regular training for directors on environmental issues, industry best practice, and standards (e.g., SBTi)	planned
Having at least one Board member with expertise on this environmental issue	X

Therefore, Leadec conducts regular environmental/sustainability internal trainings for Board members and verifies their competencies regularly.

	CEO	CFO	COO	AC
Experience				
Executive-level experience in a role focused on environmental issues			X	
Management-level experience in a role focused on environmental issues			X	
Experience in an organization that is exposed to environmental scrutiny and is going through a sustainability transition			X	

While Board members are not active members of an external environmental organization, do not hold formal degrees or have staff-level experience in sustainability, they are regularly briefed on ESG matters by the Global Sustainability team and other corporate functions. ESG is a standing item on the monthly Board agenda. The team has formal academic qualifications, additional trainings and certifications, as well as practical experience, providing valuable insights to support informed decision-making. These briefings are complemented by targeted training aligned with topics from Sustainability Committee meetings.

Leadec's BoM is responsible for various aspects of the Group's sustainability strategy and implementation:

Responsibility	CEO	CFO	COO
Dependencies, impacts, risks, and opportunities			
Assessing **future trends** in environmental dependencies, impacts, risks, and opportunities			x
Assessing environmental **dependencies, impacts, risks, and opportunities**		x	x
Managing environmental **dependencies, impacts, risks, and opportunities**		x	x
Policies, commitments, and targets			
Setting corporate environmental **policies and/or commitments**			x
Monitoring **compliance** with corporate environmental policies and/or commitments		x	x
Setting environmental **corporate targets**			x
Measuring progress toward **environmental corporate targets**			x
Measuring progress toward environmental **science-based targets**			x
Engagement			
Managing **public policy engagement** related to environmental issues			x
Managing **value chain engagement** related to environmental issues			x
Managing **engagement in landscapes and/or jurisdictions**		x	
Managing **supplier compliance** with environmental requirements			x
Strategy and financial planning			
Conducting environmental **scenario assessment**			x
Developing a **climate transition plan**			X
Implementing a **climate transition plan**			x
Developing a **business strategy** which considers environmental issues	x	X	x
Implementing the **business strategy** related to environmental issues	x	X	x
Managing **acquisitions, mergers, and divestitures** related to environmental issues		X	
Managing **major capital and/or operational expenditures** relating to environmental issues		X	
Managing environmental **reporting, audit, and verification processes**		X	x
Managing **annual budgets** related to environmental issues		X	x
Managing **priorities related to innovation/**low environmental impact products or services (including R&D)		X	
Other			
Providing **employee incentives** related to environmental performance	x		

The Global Head of Green Factory Solutions, Sustainability & HSE, who directly reports to the COO, is responsible for enshrining sustainability in all regions and business operations. This is realized and ensured through a group-wide network consisting of a sustainability team, which is organized as a central holding

function, as well as global and regional HSE officers and other executives. Leadec's end-to-end green transformation is also driven by the Global Head of Green Factory Solutions, Sustainability & HSE, who is responsible for the customer-related green transformation through the establishment of Green Factory Solutions services as well as for the Company's transformation to comply with the legal requirements relating to sustainability and health and safety. This includes, but is not limited to, defining, reviewing, and adapting objectives and strategies. At least once a year, the Advisory Committee and Triton are presented with in-depth information on sustainability. Furthermore, management bodies as well as the Advisory Committee are informed through the monthly reporting on the latest figures for health and safety KPI's as well as on the development of the Leadec Group's Green Factory Solutions.

The Leadec Group's principles and directives are reflected, amongst others, in the House of Governance (HoG), which is accessible to all employees worldwide. The topics covered in the HoG include sustainability, information security, occupational health and safety, procurement, and risk management. Compliance with the Code of Conduct and the directives of the HoG is overseen by the compliance officers of the respective legal entities. The officers send regular compliance reports to the CFO of the Leadec Group, who is also the Chief Compliance Officer.
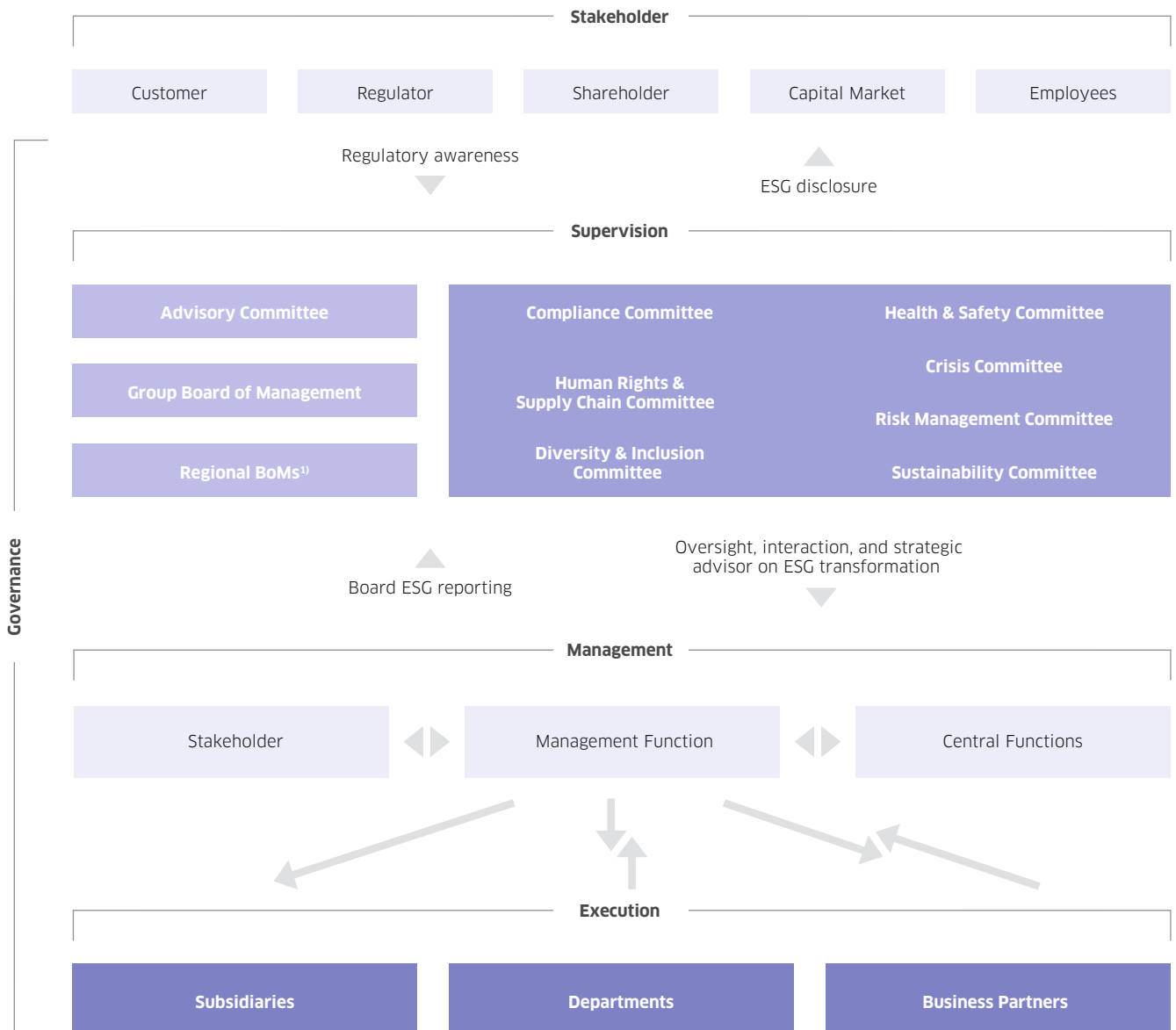
Furthermore, next to the AC and BoM, the Leadec Group has established various committees to function as expert panels with relevant stakeholders from different departments. The following table provides an overview of the committees active in 2024:

Name	Frequency	Description
Group Advisory Committee	8x p.a.	The Advisory Committee consists of shareholder representatives and industry experts and acts as advisory body for the Leadec Group. It is updated on key topics.
Board of Management	15x p.a.	The BoM is responsible for the strategic and operational management of the Group. The steering of the Group is performed by monthly management review calls and quarterly strategic reviews.
Human Rights & Supply Chain Committee	4x p.a.	The HR&SC Committee consists of Global Head of Procurement, Global Head of Legal, Global Head of Risk Management & Internal Audit, German Head of Procurement as well as continuous guests Global Head of HR and Global Head of HSE. The HR&SC Committee is in charge of all risks related to human rights and supply chain and ensures that protected legal positions in human rights and environment are observed.
Compliance Committee	4x p.a.	The Compliance Committee is composed of the leading Group functions of Finance (CFO), Human Resources (Head of HR), Legal (Head of Legal), and the Head of Internal Audit. This committee is responsible for all relevant compliance cases.
Diversity & Inclusion Committee	3x p.a.	The D&I Committee is composed of the Group management (CEO), Human Resources (Head of HR, Head of Talent and People Development), Head of Communications and selected managers out of each region acting as multipliers. The D&I Committee is the sponsor for D&I together with the BoM. It reviews the status of D&I activities and outlines the direction for future activities.
Health & Safety Committee	1x p.a.	The Global H&S Committee is comprised of the BoM and the Global Head of HSE. It is in charge of increasing health and safety activities on the Leadec Group's sites. It is supported by local committees to ensure all requirements relating to occupational safety are fulfilled.
Crisis Committee	situation-based	The Crisis Committee consists of the Core Team of at least one Board of Management member, the Global Heads of Legal, HR, Communications, and at least one Emergency/Crisis Manager. Further, the Crisis Committee expands based on the situation at hand (e.g., Global Head of HSE, Business Continuity Officer, etc.). The Crisis Committee is responsible for the ongoing establishment and the maintenance of the crisis management organization. It acts as a steering committee in cases of crisis.
Risk Management Committee	6x p.a.	The RM Committee is comprised of the CFO, Global Head of Risk Management & Internal Audit, and Head of Group Accounting & Controlling. The RM Committee is the central function and decision-making body for the appropriateness and effectiveness of the risk management process. It reviews all reported risks and is in charge of maintaining and updating the process.
Sustainability Committee	4x p.a.	The Sustainability Committee is comprised of the BoM and Global Sustainability. The SC is responsible for steering and integrating sustainability into all regions and aspects of Leadec's business. On top of the quarterly SC meetings, regular steering committees with regional executives and central functions took place.

The Compliance Committee meets every quarter to discuss existing compliance events and how they should be managed. The Committee also discusses any necessary training measures and improvements to the compliance system. In addition, the CFO regularly reports to the Advisory Committee.

Building up a sustainable business and creating long-term value necessitates establishing a sustainable way of thinking across all levels of the Group by means of a corresponding governance structure:

Governance model

Stakeholder				
Customer	Regulator	Shareholder	Capital Market	Employees

Regulatory awareness ▼

▲ ESG disclosure

Supervision

Advisory Committee	Compliance Committee	Health & Safety Committee
Group Board of Management	Human Rights & Supply Chain Committee	Crisis Committee
		Risk Management Committee
Regional BoMs¹⁾	Diversity & Inclusion Committee	Sustainability Committee

Board ESG reporting ▲

Oversight, interaction, and strategic advisor on ESG transformation ▼

Governance

Management

Stakeholder	◄►	Management Function	◄►	Central Functions

Execution

Subsidiaries	Departments	Business Partners

¹⁾ Until December 2024.

Information provided to and sustainability matters addressed by the undertaking's administrative, management, and supervisory bodies

The Global Head of Green Factory Solutions, Sustainability & HSE, who directly reports to the COO, is responsible for informing administrative, management and supervisory bodies about sustainability matters including IROs, the results and effectiveness of policies, as well as actions, metrics, and targets adopted to address them. At least once a year, the Advisory Committee and Triton are presented with in-depth information on sustainability. Furthermore, for management bodies as well as the Advisory Committee there is a monthly report on the latest figures for health and safety KPIs as well as on the development of the Leadec Group's Green Factory Solutions in place.

The BoM and the Advisory Committee have a strong focus on sustainability, as the Leadec Group is aware of the growing importance of sustainability, both on a global and national level, and its increasing relevance for internal and external stakeholders such as its customers, investors, and employees. At the same time, the Leadec Group strives to integrate sustainability into all decisions in its day-to-day business. As a result, the Leadec Group is setting new standards in sustainable development, guided by a measured and precautionary approach that ensures long-term success. Furthermore, the Company is committed to seizing sustainability opportunities to make progress for its business and its stakeholders, to manage operational risks, to mitigate its negative impacts, and to make a positive contribution to the communities in which the Company operates. The Leadec Group also aspires to help its customers become more sustainable by providing Green Factory Solutions (GFS).

For a comprehensive list of Leadec's identified material IROs please see ⟶ page 56 (section "Material impacts, risks, and opportunities and their interaction with strategy and business model" in this chapter).

> All layers of the organization are incentivized to balance financial performance while fostering safety and sustainable operations.

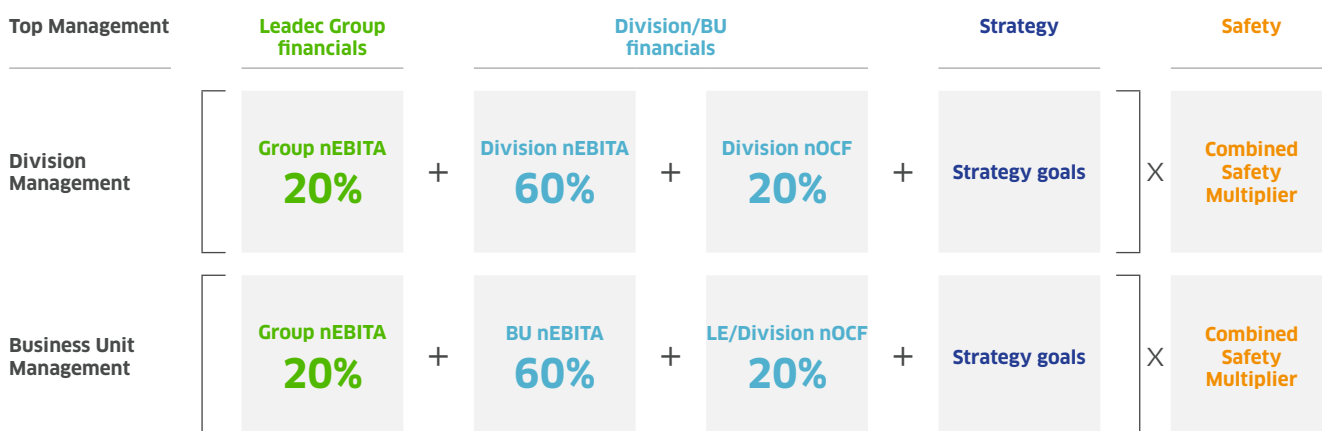**Integration of sustainability-related performance in incentive schemes**

The Leadec Group top managers are incentivized by a bonus scheme with annually updated target values. The scheme and the aggregated targets for FY 2024 were approved by the Board of Management, the Advisory Board was informed, and the specific targets were communicated by Human Resources at the beginning of 2024. The scheme is based on financial as well as non-financial KPIs over four strategic factors. These factors include the normalized EBITA (earnings before interest, income taxes, and amortization of intangible assets) of the Leadec Group, the normalized EBITA and the normalized operating cash flow of the manager's respective division or legal entity as well as up to two individually defined measurable strategic goals. Furthermore, compliance with safety standards expressed as a combined safety KPI, which considers the lost time injury frequency rate (LTIFR) and Safety Walks Ratio (SW), functions as a multiplier.

The KPI figures are updated on an annual basis. The bonus scheme is directly linked to sustainability goals through the safety KPI as well as indirectly through the success of Green Factory Solutions, which affects the results over all divisions. The integration of the combined safety KPI into the bonus scheme is one of the mechanisms used to achieve our safety target of less than 1.5 accidents per one million hours worked. Further adjustments of the bonus scheme toward sustainability goals are considered as part of the Company's implementation of the decarbonization strategy and to ensure compliance with upcoming supply chain acts, especially to include the corporate carbon footprint as a measurable KPI in future periods.

Bonus scheme

Top Management	Leadec Group financials	Division/BU financials		Strategy	Safety
Division Management	Group nEBITA **20%** +	Division nEBITA **60%** +	Division nOCF **20%** +	Strategy goals] X	Combined Safety Multiplier
Business Unit Management	Group nEBITA **20%** +	BU nEBITA **60%** +	LE/Division nOCF **20%** +	Strategy goals] X	Combined Safety Multiplier

Statement on due diligence

Leadec's integrated governance system for ongoing due diligence ensures that governance practices are continuously aligned and embedded across all organizational levels and functions. This approach allows for continuous monitoring, risk assessment, and compliance, making due diligence a dynamic and perpetual process rather than a one-time activity.

Leadec's governance structure and processes are designed to ensure the integrity and reliability of its operations, with the Board of Management (BoM) overseeing governance, risk management, and compliance (GRC) activities. This includes defining and reviewing sustainability goals and strategies, ensuring alignment with the United Nations Global Compact principles, and integrating the EU Green Deal regulations into business processes. The Company's comprehensive risk management system identifies, assesses, manages, and monitors risks across the organization. This system involves regular risk assessments, the implementation of risk mitigation strategies, and continuous monitoring and reporting using multitiered controlling and reporting tools.

Leadec's compliance management system ensures adherence to legal and regulatory requirements, as well as internal policies and ethical standards. Key components include regular training for employees, a Code of Conduct, and a whistleblower system (Leadec Integrity Line) for reporting violations anonymously.

The Company manages legal risks through standardized contracts and the involvement of legal experts in significant transactions, ensuring compliance with the LkSG and the CSDDD.

Sustainability governance at Leadec is integrated into its overall governance framework, with the BoM responsible for defining, reviewing, and adapting sustainability goals and strategies. The Global Head of Green Factory Solutions, Sustainability & HSE ensures the integration of sustainability across all regions and business operations, supported by a centralized sustainability team and HSE officers. Leadec's Green Factory Solutions help customers achieve their environmental objectives through services such as energy management optimization, installation of photovoltaic systems, EV charging stations, smart lighting systems, or waste management concepts.

Financial governance at Leadec ensures the accuracy and reliability of financial reporting through detailed financial statements and KPMG acting as the Group auditor for 2024. Throughout 2024, the Company has implemented standardized risk control matrices to ensure the reliability of financial reporting and also conducts regular internal audits to verify the accuracy of financial information. Operational governance focuses on digitalization, operational excellence, as well as expanding service offerings and market presence. Key initiatives include the Leadec.os digital business platform, which enhances transparency and efficiency

in service delivery, and the Operational Excellence (OPEX) Program, which continuously improves service quality and productivity.

Leadec is committed to transparent reporting and disclosure of its governance processes, sustainability initiatives, and financial performance. The Company's annual report provides comprehensive insights into its operations, strategic initiatives, and compliance with regulatory requirements. Stakeholder engagement is a priority, with the Company actively engaging with employees, customers, investors, and regulatory bodies to ensure that its governance practices align with their expectations and requirements.

Mapping of the due diligence process information in this sustainability statement:

Core elements of due diligence	Pages in the sustainability statement	Paragraphs in the sustainability statement
a) Embedding due diligence in governance, strategy, and business model	[ESRS 2] ➠ p. 51	Information provided to and sustainability matters addressed by the undertaking's administrative, management, and supervisory bodies
	[ESRS 2] ➠ pp. 51–52 [E1] ➠ p. 89	Integration of sustainability-related performance in incentive schemes
	[ESRS 2] ➠ pp. 56–59 [E1] ➠ pp. 74–77, 84–86 [E5] ➠ pp. 104–106 [S1] ➠ pp. 116–119 [S2] ➠ pp. 142–143 [G1] ➠ pp. 152–153	Material impacts, risks, and opportunities and their interaction with strategy and business model
b) Engaging with affected stakeholders in all key steps of the due diligence	[ESRS 2] ➠ p. 51	Information provided to and sustainability matters addressed by the undertaking's administrative, management, and supervisory bodies
	[ESRS 2] ➠ pp. 45–46	Interests and views of stakeholders
	[ESRS 2] ➠ p. 55	Description of the process to identify and assess material impacts, risks, and opportunities
	[ESRS 2] ➠ p. 49 [E1] ➠ pp. 88–89 [E5] ➠ p. 74 [S1] ➠ pp. 118–121, 123–124, 126–127, 130–131, 133 [S2] ➠ pp. 144–145, 147–148 [G1] ➠ p. 154	Policies adopted to manage material sustainability matters
	[E1] ➠ pp. 80, 87, 95 [E5] ➠ p. 105 [S1] ➠ pp. 128–129 [S2] ➠ p. 149 [G1] ➠ pp. 155–156	Topical ESRS reflecting the different stages and purposes of stakeholder engagement throughout the due diligence process
c) Identifying and assessing adverse impacts	[ESRS 2] ➠ p. 55	Description of the process to identify and assess material impacts, risks, and opportunities
	[ESRS 2] ➠ pp. 56–59 [E1] ➠ pp. 74–77, 84–86 [E5] ➠ pp. 104–106 [S1] ➠ pp. 116–119 [S2] ➠ pp. 142–143 [G1] ➠ pp. 152–153	Material impacts, risks, and opportunities and their interaction with strategy and business model
d) Taking actions to address those adverse impacts	[ESRS 2] ➠ pp. 51–52 [E1] ➠ pp. 87, 89–90 [E5] ➠ pp. 105–106 [S1] ➠ pp. 119–121, 124–131, 134 [S2] ➠ pp. 143–148 [G1] ➠ pp. 153–159	Actions and resources in relation to material sustainability matters
e) Tracking the effectiveness of these efforts and communicating	[ESRS 2] ➠ pp. 37, 46–47 [E1] ➠ pp. 91–92, 95–103 [E5] ➠ p. 106 [S1] ➠ pp. 120–123, 126, 128–129, 131–134, 136–141 [S2] ➠ p. 149 [G1] ➠ p. 157	Metrics in relation to material sustainability matters
	[ESRS 2] ➠ pp. 42–43 [E1] ➠ p. 90 [S1] ➠ p. 135 [G1] ➠ p. 157	Tracking effectiveness of policies and actions through targets

Risk management and internal controls over sustainability reporting

Leadec's risk management system is designed to protect the Company from risks that put achievement of corporate goals into question or, in particular, pose a threat to the continued existence of the Leadec Group. It aims to identify risks early, reduce them, and balance risks with opportunities to increase the Company's value. The process consists of four stages: risk identification, risk analysis and assessment, risk management, and risk monitoring and reporting. Regular reviews of macroeconomic and industry-specific developments, as well as internal business processes, help identify risks. These risks are then assessed in terms of potential harm (magnitude) and probability of occurrence (likelihood). Where possible, potential impacts are quantified. Strategies such as risk avoidance, reduction, transfer (e.g., insurance), or acceptance are employed to manage these risks. Controlling and reporting tools are used to analyze risks and support decision-making.

The Internal Control System (ICS) ensures the appropriateness and reliability of internal and external reporting, operational efficiency, and compliance with the Leadec Code of Conduct. It includes standardized risk control matrices and integrates risk and quality management. In 2023, the system was reassessed in accordance with the updated legal requirements of the Corporate Sustainability Reporting Directive (CSRD). The Risk Management Committee's remit was expanded to further strengthen the monitoring of risks and controls on sustainability matters. Additionally, a central risk database was set up, containing at least five top risks per business unit plus the risks of greatest significance to the Group from the BoM's point of view. Structures and processes were implemented to establish governance for compliant sustainability reporting. These measures increase the transparency of risk management and awareness through an up-to-date, comprehensive, and consolidated overview of risks.

In the BoM's assessment based on the information known to date, there are no risks that could jeopardize the Leadec Group's ability to continue as a going concern. The Company is confident in its ability to manage risks associated with its business operations.

Furthermore, Leadec actively manages opportunities to support business performance, including identifying opportunities related to economic trends, industry developments, performance improvements, and strategic acquisitions as demonstrated by the establishment and performance of the Green Factory Solutions.

> The Internal Control System (ICS) will be continuously updated to maintain high standards of reporting reliability, operational efficiency, and compliance.

Impact, risk, and opportunity management

Description of the process to identify and assess material impacts, risks, and opportunities

As a key element of CSRD-compliant reporting, the Leadec Group has developed a methodology with reference to the principles in the draft ESRS from November 2022 and in available guidelines for conducting the Double Materiality Assessment (DMA). Learnings from the 2023 process, dialogue with peers, and network and industry association meetings together with the final ESRS and newest guidance helped refine the process and ensured alignment with the DMA-related requirements in 2024.

For the Company's own operations, the DMA identified and assessed impacts on people and the environment as well as potential risks to, and opportunities for, its business, focusing on specific activities where impacts are particularly relevant. Furthermore, the Leadec Group assessed its value chain impacts, risks, and opportunities (IROs), primarily focusing on upstream activities. Value chain assessments were based on internal knowledge and stakeholder interviews and mainly focused on Tier 1 suppliers and customers. In the impact materiality assessment, the Company considered both positive and negative impacts as well as actual and potential impacts related to sustainability matters. In the financial materiality assessment, the Company assessed potential sustainability-related risks and opportunities that could affect Leadec's economic performance negatively or positively, respectively.

Scoring

As per the ESRS guidance, the three parameters of "scale", "scope", and "irremediable character" have been used to define the "severity" of the Company's actual impacts: When scoring "scale", it was assessed how great the impact is on the environment or people. When scoring "scope", Leadec assessed how widespread the impact is based on parameters such as percentage of sites, employees, or financial spend that the impact relates to. When scoring "irremediable character" (only applicable to negative impacts), it was assessed how difficult it is to reverse the damage in terms of cost and time horizon. For potential impacts, an additional parameter of "likelihood" was scored.

When scoring risks, two factors were included, magnitude and the likelihood of occurrence. The magnitude indicates the risk potential of financial effects, e.g., on the normalized EBITA or the normalized operating cash flow of the Leadec Group. The likelihood of occurrence was rated on a scale of one to five using relevant time horizons of short-, mid-, or long-term, in accordance with ESRS 1.

The Leadec Group's Sustainability Committee defined the materiality threshold at 8 out of 15 for impacts and 2 out of 5 for risk and opportunities.

Disclosure requirements in ESRS covered by the undertaking's sustainability statement

In the IRO assessment of the latest DMA, conducted in 2024, we identified the following material impacts (impact materiality), risks, and opportunities (financial materiality):

	Environment (ESRS E1: Climate change)	Environment (ESRS E5: Waste)
Results of the Double Materiality Assessment (DMA)		
Impact materiality	• **Climate change mitigation** Negative impact (actual)	
Financial materiality	• **Energy** Downstream opportunity • **Climate change adaptation** Transition risk • **Climate change adaptation** Climate-related physical risk	• **Waste** Downstream opportunity

Material impacts, risks, and opportunities and their interaction with strategy and business model

The following impacts and financial materiality were the basis of the Leadec Group's conclusion:

▶ **Environment (E1 – Climate change):**

- Climate change mitigation – Negative impact (actual): While the Leadec Group's direct (Scope 1) and energy-related (Scope 2) emissions are comparatively low, the majority of its climate impact arises from significant emissions in the upstream and downstream value chains (Scope 3).
- Energy – Downstream opportunity: Leadec is well-positioned to play a significant role and benefit from helping industries transition to greener practices through its Green Factory Solutions. As a result, Leadec's revenues are expected to increase over time. Relevant GFS promote decarbonization and pay into the sub-topics of climate-change mitigation and energy.

- Climate change adaptation – Risk: Ten locations are projected to face material physical climate risks by 2030 and 2050, mainly due to drought, water stress, and temperature variability. After considering site-level mitigation measures, this number was reduced to six, with drought remaining a significant risk. A final assessment, including group-level health and safety measures, further reduced the number down to four hazards across three sites.
- Climate change adaptation – Risk: Leadec faces a transition risk as the shift from internal combustion engine to electric vehicles reduces production depth and site size among automotive OEMs, decreasing demand for Leadec's services. Despite some regulatory uncertainty, the assessment assumes a net-zero path with stricter climate policies.

Social (ESRS S1: Own workforce)	Social (ESRS S2: Workers in the value chain)	Governance (ESRS G1: Business conduct)
• **Secure employment** Positive impact (actual) • **Working time** Negative impact (actual) • **Adequate wages** Negative impact (actual) • **Collective bargaining** Negative impact (potential) • **Health and safety** Negative impact (potential)	• **Collective bargaining** Negative impact (potential) • **Health and safety** Negative impact (potential) • **Forced labor** Negative impact (potential)	• **Corporate culture** Positive impact (potential) • **Corporate culture** Positive impact (potential)
	• **Health and safety** Risk	

▶ **Environment (E5 – Circular economy):**

- Waste – Downstream opportunity: Leadec is well-positioned to play a significant role and benefit from helping industries transition to greener practices through its Green Factory Solutions. As a result, Leadec's revenues are expected to increase over time. Relevant GFS promote a circular economy and pay into the sub-topic of waste.

▶ **Social (S1 – Own workforce):**

- Secure employment – Positive impact (actual): Regardless of location, the Leadec Group's members of staff are offered long-term/unrestricted employment opportunities. The Company's offerings and service lines provide additional access to the labor market for unskilled workers.

- Working time – Negative impact (actual): Working hours vary depending on tasks and locations. Blue-collar workers may also work night shifts, though Leadec implements country-specific measures to monitor working hours and ensure legal compliance. While overtime is uncommon, it can lead to psychological issues such as burnout or reduced focus, as well as physical harm.

- Adequate wages – Negative impact (actual): The Leadec Group typically provides competitive salaries for white-collar workers, exceeding minimum wage. Leadec focuses on fair wages of blue-collar workers in accordance with national minimum wage legislation. Leadec has also focused on blue-collar workers to pay adequate wages according to countries' average adequate wages standards wherever economically possible. This ensures an adequate standard of living for them and their families. Securing employment in alignment with national legislation provides the opportunity to participate in the local labor market.

- Collective bargaining – Negative impact (potential): The Leadec Group typically provides competitive salaries for white-collar workers, exceeding minimum wage. Leadec focuses on fair wages of blue-collar workers in accordance with national minimum wage legislation. Leadec has also focused on blue-collar workers to pay adequate wages according to countries' average adequate wages standards wherever economically possible. This ensures an adequate standard of living for them and their families. Securing employment in alignment with national legislation provides the opportunity to participate in the local labor market.
- Health and safety – Negative impact (potential): Failure to provide the appropriate health and safety measures can result in incidents which cause physical or psychological harm during working hours. While minor incidents are common, the severity of injuries varies, and in some unfortunate cases there have been casualties. This is why the Company's entire workforce is dependent on adequate health and safety measures and is at risk of physical or psychological harm if appropriate means are not enforced.

▶ **Social (S2 – Workers in the value chain):**

- Collective bargaining – Negative impact (potential): Non-compliance with standard collective bargaining agreements may lead to the infringement of workers' social and economic rights, jeopardizing adequate wages, work hours, benefits, job security, working conditions, and grievance procedures.
- Health and safety – Negative impact (potential): Inadequate provision of health and safety measures during working hours can result in incidents causing physical or psychological harm. The severity of these incidents varies, from common minor ones that can be quickly remedied to irremediable cases.
- Forced labor – Negative impact (potential): The potential employment of individuals against their will and without contracts respecting human rights could lead to physical harm, restrict freedoms, and contribute to negative psychological consequences such as PTSD.

- Health and safety – Risk: Failure to ensure adequate safety measures could lead to legal and market challenges, negatively affecting the Company financially, particularly if subcontractors or suppliers providing leasing personnel are involved.

▶ **Governance (G1 – Business conduct):**

- Corporate culture – Positive impact (potential): A supportive corporate culture fosters employee well-being, job satisfaction, personal development, and promotes ethical conduct among employees.
- Corporate culture – Negative impact (potential): A harmful corporate culture can result in stress and burnout, exacerbating psychological distress, and impacting overall well-being negatively.

In addition to material impacts, risks, and opportunities, the Leadec Group has chosen to voluntarily report on the following topics which are not deemed material:

▶ **Social (S1 – Own workforce):**

- Measures against violence and harassment in the workplace – Negative impact (potential): Harassment or violence directed toward employees can lead to profound effects on mental well-being, including long-term psychological consequences, as well as physical injuries and economic repercussions resulting from an inability to fulfill work duties or from the termination of employment. The Leadec Group acknowledges the potential negative impact and is dedicated to preventing its occurrence.
- Diversity – Negative impact (potential): Considering gender, ethnicity/race, or age in recruitment/promotion decisions can exacerbate socio-economic disparities, resulting in immediate and long-term economic consequences. Additionally, such practices can psychologically affect individuals with disabilities by diminishing their social influence. It must be emphasized in this context that the Leadec Group is not aware of any such cases in the past, and various measures and policies have been developed to prevent this kind of discrimination.

- Child labor – Negative impact (potential): Utilizing child labor undermines fundamental human rights and ethical standards. It exposes children to physical and emotional harm, denies them access to education and opportunities for personal development, and perpetuates cycles of poverty. Furthermore, it contributes to a culture of exploitation and inequality, hindering societal progress and perpetuating intergenerational cycles of poverty and deprivation. It must be emphasized in this context that there have been no such cases at the Leadec Group in the past, and various measures and policies have been developed to prevent child labor.
- Forced labor – Negative impact (potential): Engaging individuals without their consent and without contracts that respect human rights may lead to physical harm (due to lack of human rights safeguards), restrict freedoms, and contribute to adverse psychological effects. It must be emphasized in this context that there have been no such cases at the Leadec Group in the past, and various measures and policies have been developed to prevent forced labor.

▶ **Social (S2 – Workers in the value chain):**

- Child labor – Negative impact (potential): Utilizing child labor undermines fundamental human rights and ethical standards. It exposes children to physical and emotional harm, and denies them access to education and opportunities for personal development. Furthermore, it contributes to a culture of exploitation and inequality, hindering societal progress and perpetuating intergenerational cycles of poverty and deprivation. It must be emphasized in this context that the Leadec Group is not aware of any such cases in its value chain in the past, and various measures and policies have been developed to prevent child labor.

As listed above, the Leadec Group has identified several material impacts, risks, and opportunities (IROs) that interact with its strategy and business model. These IROs are crucial for understanding how the Company navigates its sustainability journey and aligns its operations with broader environmental,

social, and governance (ESG) goals. For further information on each identified impact, risk, and opportunity, please refer to the respective sections in the following chapters.

Excellence in governance

Once a year, the private equity company Triton Partners, to which Leadec has belonged since 2016, presents their Lighthouse Awards in environmental, social, and governance categories as well as for overall sustainability. In 2024, Leadec was able to impress with its progress in the field of "Corporate Governance", which relates to preparations for compliance with CSRD-reporting requirements as part of the EU Green Deal regulations. For example, the initial double materiality assessment has already been prepared for fiscal year 2023 and was updated in 2024. Furthermore, a comprehensive internal project has been launched to compile all data globally in accordance with the legal requirements. This enabled Leadec to prepare its fiscal year 2023 report in alignment with ESRS 2 requirements. Alongside this award, Leadec received money to donate to a charitable cause of its choice.

Datapoints in cross-cutting and topical standards that derive from other EU legislation

This appendix is an integral part of ESRS 2. The table below illustrates the datapoints in ESRS 2 and topical ESRS that derive from other EU legislation.

The appendix according to ESRS 2 is supplemented by an indication whether the disclosure requirement is material or not as per Leadec's latest DMA results.

Disclosure requirements under ESRS 2 are described in the chapter above, disclosure requirements under the topical ESRS E1, E5, S1, and S2 are described in the following chapters under the header "CSRD", and information on all not material disclosure requirements can be found under the header "SFDR" which addresses the topical ESRS E2, E3, E4, S3, and S4 respectively.

Disclosure requirement and related datapoint	SFDR[1] reference	Pillar 3[2] reference	Benchmark Regulation[3] reference	EU Climate Law[4] reference	Materiality	Pages in the report
ESRS 2 GOV-1 **Board's gender diversity** **Paragraph 21 (d)**	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		Material	[ESRS 2] ⇒ pages 46–47
ESRS 2 GOV-1 **Percentage of Board members who are independent** **Paragraph 21 (e)**			Delegated Regulation (EU) 2020/1816, Annex II		Material	[ESRS 2] ⇒ page 47
ESRS 2 GOV-4 **Statement on due diligence** **Paragraph 30**	Indicator number 10 Table #3 of Annex 1				Material	[ESRS 2] ⇒ pages 52–53
ESRS 2 SBM-1 **Involvement in activities related to fossil fuel activities** **Paragraph 40 (d) i**	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on environmental risk and Table 2: Qualitative information on social risk	Delegated Regulation (EU) 2020/1816, Annex II		Material	[ESRS 2] ⇒ page 39
ESRS 2 SBM-1 **Involvement in activities related to chemical production** **Paragraph 40 (d) ii**	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Material	[ESRS 2] ⇒ page 39
ESRS 2 SBM-1 **Involvement in activities related to controversial weapons** **Paragraph 40 (d) iii**	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Material	[ESRS 2] ⇒ page 39

Disclosure requirement and related datapoint	SFDR[1] reference	Pillar 3[2] reference	Benchmark Regulation[3] reference	EU Climate Law[4] reference	Materiality	Pages in the report
ESRS 2 SBM-1 **Involvement in activities related to cultivation and production of tobacco** **Paragraph 40 (d) iv**			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Material	[ESRS 2] ⇒ page 39
ESRS E1-1 **Transition plan to reach climate neutrality by 2050** **Paragraph 14**				Regulation (EU) 2021/1119, Article 2(1)	Material	[E1] ⇒ page 87
ESRS E1-1 **Undertakings excluded from Paris-aligned Benchmarks** **Paragraph 16 (g)**		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate Change transition risk: Credit quality of exposures by sector, emissions, and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		Material	[E1] ⇒ page 87
ESRS E1-4 **GHG emissions reduction targets** **Paragraph 34**	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: Alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Material	[E1] ⇒ page 90
ESRS E1-5 **Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)** **Paragraph 38**	Indicator number 5 Table #1 and Indicator number 5 Table #2 of Annex 1				Material	[E1] ⇒ page 91
ESRS E1-5 **Energy consumption and mix** **Paragraph 37**	Indicator number 5 Table #1 of Annex 1				Material	[E1] ⇒ pages 91–92
ESRS E1-5 **Energy intensity associated with activities in high climate impact sectors** **Paragraph 40 to 43**	Indicator number 6 Table #1 of Annex 1				Material	[E1] ⇒ page 92

[1] Regulation (EU) 2019/2088: Sustainable Finance Disclosures Regulation
[2] Regulation (EU) No 575/2013: Capital Requirements Regulation
[3] Regulation (EU) 2016/1011: Benchmark Regulation
[4] Regulation (EU) 2021/1119: European Climate Law

Disclosure requirement and related datapoint	SFDR[1] reference	Pillar 3[2] reference	Benchmark Regulation[3] reference	EU Climate Law[4] reference	Materiality	Pages in the report
ESRS E1-6 **Gross Scope 1, 2, 3 and total GHG emissions** **Paragraph 44**	Indicator numbers 1 and 2 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions, and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Material	[E1] ➡page 96
ESRS E1-6 **Gross GHG emissions intensity** **Paragraph 53 to 55**	Indicator number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: Alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Material	[E1] ➡page 97
ESRS E1-7 **GHG removals and carbon credits** **Paragraph 56**				Regulation (EU) 2021/1119, Article 2(1)	Material	[E1] ➡page 95
ESRS E1-9 **Exposure of the benchmark portfolio to climate-related physical risks** **Paragraph 66**			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Material	[E1] ➡pages 84–85
ESRS E1-9 **Disaggregation of monetary amounts by acute and chronic physical risk** **Paragraph 66 (a)** **ESRS E1-9** **Location of significant assets at material physical risk** **Paragraph 66 (c)**		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk			Material	[E1] ➡page 82 [E1] ➡page 85
ESRS E1-9 **Breakdown of the carrying value of its real estate assets by energy-efficiency classes** **Paragraph 67 (c)**		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book – Climate change transition risk: Loans collateralized by immovable property – Energy efficiency of the collateral			Material	[E1] ➡page 78

Disclosure requirement and related datapoint	SFDR[1] reference	Pillar 3[2] reference	Benchmark Regulation[3] reference	EU Climate Law[4] reference	Materiality	Pages in the report
ESRS E1-9 **Degree of exposure of the portfolio to climate-related opportunities** **Paragraph 69**			Delegated Regulation (EU) 2020/1818, Annex II		Material	[E1] ➠ page 86
ESRS E2-4 **Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water, and soil** **Paragraph 28**	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Not material	[SFDR – E2] ➠ pages 162–163
ESRS E3-1 **Water and marine resources** **Paragraph 9**	Indicator number 7 Table #2 of Annex 1				Not material	[SFDR – E3] ➠ pages 163–164
ESRS E3-1 **Dedicated policy** **Paragraph 13**	Indicator number 8 Table #2 of Annex 1				Not material	[SFDR – E3] ➠ pages 164–165
ESRS E3-1 **Sustainable oceans and seas** **Paragraph 14**	Indicator number 12 Table #2 of Annex 1				Not material	[SFDR – E3] ➠ page 165
ESRS E3-4 **Total water recycled and reused** **Paragraph 28 (c)**	Indicator number 6.2 Table #2 of Annex 1				Not material	[SFDR – E3] ➠ page 165
ESRS E3-4 **Total water consumption in m³ per net revenue on own operations** **Paragraph 29**	Indicator number 6.1 Table #2 of Annex 1				Not material	[SFDR – E3] ➠ page 165
ESRS 2 – SBM 3 – E4 **Paragraph 16 (a) i**	Indicator number 7 Table #1 of Annex 1				Not material	[SFDR – E4] ➠ page 166
ESRS 2 – SBM 3 – E4 **Paragraph 16 (b)**	Indicator number 10 Table #2 of Annex 1				Not material	[SFDR – E4] ➠ page 166

Disclosure requirement and related datapoint	SFDR[1] reference	Pillar 3[2] reference	Benchmark Regulation[3] reference	EU Climate Law[4] reference	Materiality	Pages in the report
Material ESRS 2 – SBM 3 – Material E4 **Paragraph 16 (c)**	Indicator number 14 Table #2 of Annex 1				Not material	[SFDR – E4] ➡ page 166
ESRS E4-2 **Sustainable land/ agriculture practices or policies** **Paragraph 24 (b)**	Indicator number 11 Table #2 of Annex 1				Not material	[SFDR – E4] ➡ page 165
ESRS E4-2 **Sustainable oceans/ seas practices or policies** **Paragraph 24 (c)**	Indicator number 12 Table #2 of Annex 1				Not material	[SFDR – E4] ➡ page 165
ESRS E4-2 **Policies to address deforestation** **Paragraph 24 (d)**	Indicator number 15 Table #2 of Annex 1				Not material	[SFDR – E4] ➡ page 165
ESRS E5-5 **Non-recycled waste** **Paragraph 37 (d)**	Indicator number 13 Table #2 of Annex 1				Not material	[SFDR – E5] ➡ pages 110–112
ESRS E5-5 **Hazardous waste and radioactive waste** **Paragraph 39**	Indicator number 9 Table #1 of Annex 1				Not material	[SFDR – E5] ➡ pages 110–112
ESRS 2 – SBM3 – S1 **Risk of incidents of forced labor** **Paragraph 14 (f)**	Indicator number 13 Table #3 of Annex I				Material	[S1] ➡ pages 118–120
ESRS 2 – SBM3 – S1 **Risk of incidents of child labor** **Paragraph 14 (g)**	Indicator number 12 Table #3 of Annex I				Material	[S1] ➡ pages 118–120
ESRS S1-1 **Human rights policy commitments** **Paragraph 20**	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Material	[S1] ➡ pages 118–119
ESRS S1-1 **Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8** **Paragraph 21**			Delegated Regulation (EU) 2020/1816, Annex II		Material	[S1] ➡ page 130
ESRS S1-1 **Processes and measures for preventing trafficking in human beings** **Paragraph 22**	Indicator number 11 Table #3 of Annex I				Material	[S1] ➡ pages 118–120

Disclosure requirement and related datapoint	SFDR[1] reference	Pillar 3[2] reference	Benchmark Regulation[3] reference	EU Climate Law[4] reference	Materiality	Pages in the report
ESRS S1-1 **Workplace accident prevention policy or management system** **Paragraph 23**	Indicator number 1 Table #3 of Annex I				Material	[S1] ➠pages 120–123
ESRS S1-3 **Grievance-/ complaints-handling mechanisms** **Paragraph 32 (c)**	Indicator number 5 Table #3 of Annex I				Material	[S1] ➠pages 129, 155–156
ESRS S1-14 **Number of fatalities and number and rate of work-related accidents** **Paragraph 88 (b) and (c)**	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Material	[S1] ➠page 121
ESRS S1-14 **Number of days lost to injuries, accidents, fatalities, or illness** **Paragraph 88 (e)**	Indicator number 3 Table #3 of Annex I				Material	[S1] ➠page 121
ESRS S1-16 **Unadjusted gender pay gap** **Paragraph 97 (a)**	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Material	[S1] ➠page 131
ESRS S1-16 **Excessive CEO pay ratio** **Paragraph 97 (b)**	Indicator number 8 Table #3 of Annex I				Material	[S1] ➠page 131
ESRS S1-17 **Incidents of discrimination** **Paragraph 103 (a)**	Indicator number 7 Table #3 of Annex I				Material	[S1] ➠page 120
ESRS S1-17 **Non-respect of UNGPs on Business and Human Rights and OECD Guidelines** **Paragraph 104 (a)**	Indicator number 10 Table #1 and Indicator number 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Material	[S1] ➠page 120
ESRS 2- SBM3 – S2 **Significant risk of child labor or forced labor in the value chain** **Paragraph 11 (b)**	Indicators number 12 and number 13 Table #3 of Annex I				Material	[S2] ➠page 147

Disclosure requirement and related datapoint	SFDR[1] reference	Pillar 3[2] reference	Benchmark Regulation[3] reference	EU Climate Law[4] reference	Materiality	Pages in the report
ESRS S2-1 **Human rights policy commitments** **Paragraph 17**	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Material	[S2] ➠pages 144–147
ESRS S2-1 **Policies related to value chain workers** **Paragraph 18**	Indicator number 11 and number 4 Table #3 of Annex 1				Material	[S2] ➠pages 144–149
ESRS S2-1 **Non-respect of UNGPs on Business and Human Rights and OECD Guidelines** **Paragraph 19**	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Material	[S2] ➠pages 144–147
ESRS S2-1 **Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8** **Paragraph 19**			Delegated Regulation (EU) 2020/1816, Annex II		Material	[S2] ➠pages 144–145
ESRS S2-4 **Human rights issues and incidents connected to its upstream and downstream value chain** **Paragraph 36**	Indicator number 14 Table #3 of Annex 1				Material	[S2] ➠pages 145–147
ESRS S3-1 **Human rights policy commitments** **Paragraph 16**	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Not material	[SFDR – S3] ➠pages 166–167
ESRS S3-1 **non-respect of UNGPs on Business and Human Rights, ILO principles or OECD Guidelines** **Paragraph 17**	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	[SFDR – S3] ➠page 167
ESRS S3-4 **Human rights issues and incidents** **Paragraph 36**	Indicator number 14 Table #3 of Annex 1				Not material	[SFDR – S3] ➠page 167

Disclosure requirement and related datapoint	SFDR[1] reference	Pillar 3[2] reference	Benchmark Regulation[3] reference	EU Climate Law[4] reference	Materiality	Pages in the report
ESRS S4-1 **Policies related to consumers and end-users** **Paragraph 16**	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Not material	[SFDR – S4] ➡page 167
ESRS S4-1 **Non-respect of UNGPs on Business and Human Rights and OECD Guidelines** **Paragraph 17**	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	[SFDR – S4] ➡page 167
ESRS S4-4 **Human rights issues and incidents** **Paragraph 35**	Indicator number 14 Table #3 of Annex 1				Not material	[SFDR – S4] ➡page 167
ESRS G1-1 **United Nations Convention against Corruption** **Paragraph 10 (b)**	Indicator number 15 Table #3 of Annex 1				Material	[G1] ➡pages 156–157
ESRS G1-1 **Protection of whistleblowers** **Paragraph 10 (d)**	Indicator number 6 Table #3 of Annex 1				Material	[G1] ➡pages 155–156
ESRS G1-4 **Fines for violation of anti-corruption and anti-bribery laws** **Paragraph 24 (a)**	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		Not material	[G1] ➡page 157
ESRS G1-4 **Standards of anti-corruption and anti-bribery** **Paragraph 24 (b)**	Indicator number 16 Table #3 of Annex 1				Not material	[G1] ➡pages 156–157

[1] Regulation (EU) 2019/2088: Sustainable Finance Disclosures Regulation
[2] Regulation (EU) No 575/2013: Capital Requirements Regulation
[3] Regulation (EU) 2016/1011: Benchmark Regulation
[4] Regulation (EU) 2021/1119: European Climate Law

Environmental Information

"Our environmental targets are ambitious. But our strong CO_2 reductions, broader ISO 14001 coverage, and focus on circular solutions show that environmental responsibility is not just a goal, it's part of who we are."

Markus Hucko, COO Leadec Group

At Leadec, environmental stewardship is at the heart of our sustainability strategy. In 2024, we achieved an impressive 33% reduction in greenhouse gas emissions compared to our 2019 baseline (covering direct emissions, Scope 1, and purchased energy, Scope 2) relative to total output. This achievement far surpasses our 2025 target of a 15% reduction, reflecting our ongoing decarbonization efforts and supporting our plans to set science-based targets.

Our ISO 14001 certification rate increased by 11%, now covering 86% of our operational legal entities. ISO 14001 is the internationally recognized standard for environmental management systems. This demonstrates our systematic approach to environmental management and continuous improvement across our global operations.

Despite continued business growth, the total waste handled in 2024 amounted to 5,036 metric tons, slightly below the 2023 level. Moreover, we do not only manage our own waste but also support our customers with our Green Factory Solutions. We generated approximately 40% of our sales, identified as eligible economic activities, via waste services that contribute to the circular economy. These results reaffirm our ambition to lead environmental transformation in the industrial services sector.

>€100 million
in sales generated with
Green Factory Solutions portfolio

–33%
reduction in Scope 1 and 2
greenhouse gas emissions vs. 2019
relative to total output

86%
of operational legal entities
certified according to ISO 14001

Reporting in Accordance with the EU Taxonomy

Preamble

The EU Taxonomy is a classification system for economic activities that was developed to direct investments in ecologically sustainable projects. It provides a uniform terminology and precise definition of what makes an economic activity "sustainable". "Economic activities" in general are defined as specific actions or processes carried out by companies or organizations to produce goods or provide services. The EU Taxonomy's focus is crucial to achieving the European Union's climate and energy targets for 2030 and meeting the requirements of the EU Green Deal.

Leadec is supporting the European Union's path to a green economy and sustainable development set out by the EU Green Deal. In order to contribute to the European Union's climate and energy targets for 2030, Leadec has been working on implementing the EU Taxonomy regulation into its own organization. As part of this process, Leadec analyzed its existing Green Factory Solutions (GFS) portfolio with respect to the Taxonomy, assessing and allocating these activities to the new structure under the EU classification. The EU Taxonomy for sustainable activities is therefore an

How Leadec's Green Factory Solutions pay into the EU Taxonomy

The industry sector is a major emitter of greenhouse gas emissions and a key consumer of resources. Leadec's greatest contribution to sustainable development consists in supporting our customers in reaching their environmental objectives.

Under the Green Factory Solutions (GFS) heading, we are offering a whole range of services along the entire factory life cycle that promote decarbonization and a circular economy. Leadec has strategically expanded its Green Factory Solutions offering over the past three years and supports an ever-increasing number of customers in their efforts to reduce CO_2 emissions and conserve resources, for example by providing a well-thought-out waste management concept, by optimizing energy management or by installing photovoltaic systems, EV charging stations, and smart lighting systems. 2024 was the first year

in which sales generated with our GFS portfolio exceeded the 100-million-euros mark.

The Green Factory Solutions are not only a rapidly growing business area with immense potential for the future but also form the basis for Leadec's EU Taxonomy approach. After almost all of the GFS qualified as Taxonomy-eligible in our assessment process, it is now our goal to substantiate Taxonomy alignment for the largest possible part of the portfolio. Any future services we develop which can be aligned with the EU Taxonomy will also be marketed under the Green Factory Solutions heading.

For more information on our GFS portfolio see ➠page 40 (section "Our sustainability strategy" in chapter "General Disclosures [ESRS 2]") and ➠page 18 (chapter "Green Factory Solutions" under "Insights").

essential tool for aligning our investments and business strategies with environmental objectives pursued by the legislator.

Based on the currently ongoing discussions around the Omnibus packages, Leadec expects to report in full accordance with the EU Taxonomy, which includes the complete set of KPIs required, from 2028 onwards starting with fiscal year 2027 as its first reporting period. The EU Taxonomy reporting will be part of the annual report and will therefore be published accordingly.

Policies of recognition

Leadec implemented detailed procedures to ensure fulfillment of the requirements of the EU Taxonomy relating to the disclosure of and narratives for sales, CapEx and OpEx KPIs as defined by the EU Taxonomy.

Eligible activities under the EU Taxonomy
While assessing the economic activities within the Climate Delegated Acts and its amendments, our approach was to compare them to the relevant operational activities of the Leadec Group. From the EU Taxonomy list of sustainable activities, we identified 11 activities that related to revenue-generating operations of the Leadec Group.

Considering these activities Leadec's related sales for sustainable services exceeded in total the 100-million-euros mark in fiscal year 2024, with the activities under 2.3, 7.3, and 3.20 in sum representing roughly 80% of the total eligible sales.

Additionally, two Taxonomy-eligible activities were identified which do not relate to revenue generating activities, but incur CapEx or OpEx. These are "Transport by motorbikes, passenger cars, and light commercial vehicles" (6.5/climate change mitigation) and "Acquisition and ownership of buildings" (7.7/climate change adaptation).

Activity	No.	Environmental objective
Manufacture, installation, and servicing of high-, medium-, and low-voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	3.20	Climate change mitigation
Manufacture of other low-carbon technologies	3.6	
Installation and operation of electric heat pumps	4.16	
Installation, maintenance, and repair of energy-efficiency equipment	7.3	
Installation, maintenance, and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	7.4	
Installation, maintenance, and repair of instruments and devices for measuring, regulation, and controlling energy performance of buildings	7.5	
Installation, maintenance, and repair of renewable energy technologies	7.6	
Collection and transport of non-hazardous and hazardous waste	2.3	Circular economy
Repair, refurbishment, and remanufacturing	5.1	
Product-as-a-service and other circular use- and result-oriented service models	5.5	
Conservation, including restoration, of habitats, ecosystems, and species	1.1	Protection and restoration of biodiversity and ecosystems

Aligned activities under the EU Taxonomy

All eligible economic activities identified are assessed regarding their conformity with the following three criteria, in order to determine whether they meet the definition of aligned economic activities:

▶ **Substantial contribution:** Do they comply with technical screening criteria (TSC) for substantial contribution to at least one of the six environmental objectives?

▶ **Do no significant harm (DNSH):** Do they comply with the TSC ensuring that no significant harm is done to any of the other remaining environmental objectives? These are divided by Leadec into specific DNSH per activity and generic DNSH based on the published appendices A–D by the EU.

▶ **Minimum safeguards:** Do they comply with the defined minimum safeguards regarding social and governance standards?

The criteria are under ongoing assessment in the way that the substantial contribution TSC and the activity-specific DNSH are assessed at an individual activity level, whereas the generic DNSH as well as the minimum safeguards are primarily assessed at Group level. Based on individual cases, the Group level assessment may be further specified and carried out at site or activity level.

In 2024, we created the basis for EU Taxonomy-aligned reporting, linking our Green Factory Solutions to 11 eligible economic activities.

Substantial contribution

The alignment assessment of Leadec activities[1] is done on a case-by-case basis using individual checklists per economic Taxonomy activity and with a system-based and partly automated approach to ensure appropriate assessments for individual operational conditions.

Do no significant harm

The generic DNSH are further assessed and documented in line with the various appendices of the EU Taxonomy. To comply with the criteria set out in Appendix A, a climate risk assessment has been conducted. The criteria set out in Appendix B are addressed through Leadec's Water Management Policy and an assessment of the nature of Leadec's activities for overall water usage and sustainable use and protection of water and marine resources. Relevant criteria set out in Appendix C are evaluated using Leadec's resource and procurement management policies, as well as with the help of the Procurement organization. The criteria set out in Appendix D are addressed through Leadec's health, safety, and environmental (HSE) assessment processes.

Minimum safeguards

The ongoing assessment considers our commitment to respect human rights, which is an incremental part of our ⊕ Code of Conduct for employees as well as the ⊕ Business Partner Code of Conduct for suppliers and lives up to the UN Guiding Principles and OECD's Guidelines for multinational enterprises.

For more information on the Code of Conduct, the Business Partner Code of Conduct and the Compliance Committee see ⇒ page 153 onward (section "Business conduct policies" in chapter "Governance [G1]").

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[1] Order volume per activity must exceed a specified materiality threshold

Leadec's EU Taxonomy approach

1 **Eligibility assessment**
Mapping of Leadec business activities to list of economic activities under the EU Taxonomy

Leadec Green Factory Solutions

List of business activities under EU Taxonomy

2 **Alignment assessment**
Checking and documenting conformity with alignment requirements

Substantial contribution **+** Do no significant harm **+** Minimum safeguards

Compliance with technical screening criteria (TSC)

3 **Reporting of KPIs**
Integration into controlling and accounting systems; reporting share of eligible and aligned activities

Sales

CapEx

OpEx

Non-eligible economic activities

Aligned economic activities

Eligible, but non-aligned, economic activities
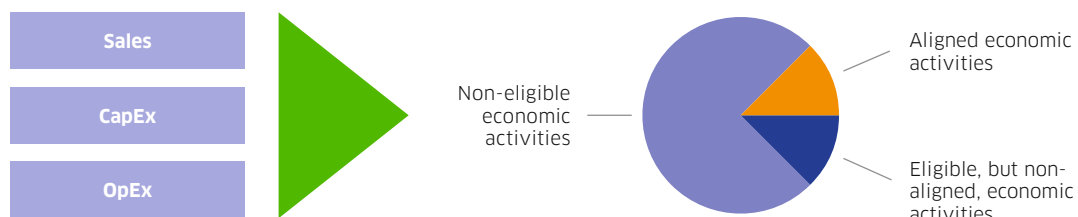
Climate Change [E1]

Why it matters

The Leadec Group is constantly working to minimize its environmental impact. This vital goal helps the Company protect the environment, use resources more wisely, and mitigate the effects of climate change. At the same time, it makes Leadec more competitive, efficient, better able to manage risks, and to create value for its customers. As a service provider, Leadec can support its clients' climate goals by offering services that help them improve energy efficiency and reduce emissions.

On the other hand, climate change can lead to extreme weather events such as floods, storms, and heat waves, which can disrupt our operations and those of our customers. Ensuring operational resilience in the face of these events is crucial to maintaining service continuity and meeting contractual obligations. Climate change is a critical issue for the Company's operations and its stakeholders because it can affect every aspect of the business, from day-to-day operations to long-term strategic planning. Addressing climate change proactively can help Leadec mitigate risks, capitalize on new opportunities, and build a strong, sustainable business that meets the needs of all stakeholders.

Sub-topic and description	Type	Value chain location	Time horizon[1]	Policies and frameworks
Climate change mitigation				
While the Leadec Group's direct (Scope 1) and energy-related (Scope 2) emissions are comparatively low, the majority of its climate impact arises from significant emissions in the upstream and downstream value chains (Scope 3).	Negative impact (actual)	Upstream, own operations, and downstream	Short-term	• Global Sustainability Directive • Supplier Sustainability Policy • Commitment to SBTi (as of 08/2024) • Green Factory Solutions portfolio • Planned: Climate transition plan
Energy				
Leadec is well-positioned to play a significant role and benefit from helping industries transition to greener practices through its Green Factory Solutions. As a result, Leadec's revenues are expected to increase over time. Relevant GFS services promote decarbonization and pay into the sub-topics of climate-change mitigation and energy.	Opportunity	Downstream	Short- to long-term	• Commitment to UN SDGs • Commitment to UN Global Compact • "Becoming Leading Edge" strategy • EU Taxonomy

[1] short-term = 1 year, medium-term = 1–5 years, long-term = over 5 years (as per ESRS 1.77)

Leadec's climate-related impacts, risks, and opportunities

The material impacts, risks, and opportunities (IROs) related to climate change have been identified in a double materiality assessment based on the principles of the Leadec Group's risk management process. The materiality assessment described on (section "Impact, risk, and opportunity management" in this chapter) identified the material IROs related to climate change. Additionally, Leadec has assessed and identified climate-related physical risks as well as transitions risks in relation to a greener, more climate-friendly economy. The assessment processes for climate-related physical risks and transition risks are described in the following sections.

Actions

• Annual calculation of corporate carbon footprint per legal entity for all GHG (greenhouse gas) protocol emissions categories (CO_2e) • Tracking of all CO_2 footprint associated KPIs • Definition of decarbonization measures	• Switching to zero-emissions energy sources wherever possible • Purchasing strategy focusing on eco label certified products and services • Staff training on resource efficiency • Certifying operations according to ISO 14001 (Environmental Management Systems) • Carrying out EU EED audits in compliance with national regulations • Annual CDP submissions • Preparing the integration of CO_2 efficiency into incentive scheme
• Offering GFS services aimed at decarbonization, e.g., Energy Efficiency Solutions, Renewable Energy Solutions	• Strengthening GFS' market positioning and expanding service delivery to the customer

Sub-topic and description	Type	Value chain location	Time horizon[1]	Policies and frameworks
Climate adaptation				
Gross risk: 10 locations are projected to face material physical climate risks by 2030 and 2050, mainly due to drought, flood, and temperature-variability. Net risk: After considering site-level mitigation measures, this number was reduced to 6, with drought remaining a significant risk. A final assessment, including group-level health and safety measures, further reduced the number to 4 hazards across 3 sites.	Risk	Own operations, downstream	Short- and long-term	• Sustainability Directive • Suppliers Sustainability Policy • Occupational Health and Safety Directive and other HSE policies • ISO 14001 certifications • Planned: Climate transition plan
Leadec faces a transition risk as the shift from internal combustion engines to electric vehicles reduces production depth and site size among automotive OEMs, decreasing demand for Leadec's services. Despite some regulatory uncertainty, the assessment assumes a net-zero path with stricter climate policies.	Risk	Downstream	Medium- and long-term	• "Becoming Leading Edge" strategy • Green Factory Solutions portfolio

[1] baseline = recent, short-term = until 2030, medium-term = until 2040, long-term = until 2050

Description of the processes to identify and assess material climate-related impacts, risks, and opportunities

Climate-related material impacts, risks, and opportunities in own operations and along the upstream and downstream value chain

Leadec conducted its first double materiality assessment (DMA) in 2023 and updated it at the end of 2024 based on further insights. For further information on the process, methodology, and a comprehensive overview of the outcomes, please refer to ➠page 36 onward (chapter "General Disclosures [ESRS 2]"). Regarding climate change, the DMA resulted in a downstream opportunity for energy as well as climate change mitigation (please see ➠page 93 (section "Energy – downstream opportunity" in this chapter) and an actual negative impact regarding climate change mitigation along the entire value chain, including Leadec's own operations.

When carrying out the double materiality assessment, Leadec screened its own operations as well as its upstream and downstream value chains for material potential and actual impacts related to greenhouse gas (GHG) emissions. Furthermore, in evaluating climate-related impacts, the global emissions profile of the industrial service providers sector was benchmarked against emissions from other sectors, such as the manufacturing industry, at each stage of the value chain.

Leadec identified material negative impacts from GHG emissions within its own operations and across the value chain. While Scope 1 and 2 emissions of industrial services providers are relatively low, most emissions occur upstream in the value chain from purchased goods and services and employee commuting. Material positive impacts on climate change in the context of GHG emissions have not been identified.

Climate-related physical risks in own operations and along the upstream and downstream value chain

In addition to Leadec's double materiality assessment, a climate risk assessment has been carried out. The following sub-chapters describe the process to identify and assess climate-related physical risks to Leadec's and to our customers' material sites. The assessment was conducted in accordance with the requirements under CSRD as well as EU Taxonomy.

- Commitment to maintain up-to-date climate-related risk assessments
- Assessment of climate-related Resilience Analysis
- Conducting a detailed analysis for sites with material physical climate risks to help determine effective measures to mitigate them
- Developing targeted strategies to further enhance resilience and ensure long-term sustainability of operations at sites facing material physical climate risks

- Integration of climate risk management into the Company's risk management process to systematically identify, assess, and manage both physical and transition climate risks
- Engaging stakeholders on a global and local level
- Updating of HSE policies and directives to address the identified risks

- Diversifying customer industries by expanding business into new sectors beyond automotive
- Strengthening GFS' market positioning and expanding service delivery to the customer

The climate-related physical risk assessment included the following four steps:

Step 1 – Preparation
Pre-screening of climate hazards, definition of time horizons, selection of climate scenarios, and the selection of material sites for which climate-related physical risks are to be identified and assessed.

1.1 Pre-screening of climate hazards – The classification of climate hazards is aligned with Annex II, Appendix A of Delegated Regulation (EU) 2021/2139 under the EU Taxonomy. Not all 28 climate-related hazards are relevant for Leadec. Following pre-screening and stakeholder discussions, 11 hazards were excluded due to low geographic relevance, limited impact on operations, or low stakeholder concern. This helped focus the analysis on only relevant hazards. Please find the results of the pre-screening in the table on .

1.2 Time horizon definition – Leadec assessed its exposure to physical risks both in its own operations and along the value chain. For this analysis, the Leadec Group applied time horizons that differ from those outlined in the General Disclosures. The time horizons

for the climate-related physical risk assessment were defined as follows:

- Baseline (recent)
- Short term (2030)
- Medium term (2040)
- Long term (2050).

1.3 Selection of future climate scenarios – Leadec has evaluated the physical risks using the following two potential future climate scenarios from the Shared Socioeconomic Pathways (SSP):

- **SSP5-8.5:** A worst-case scenario assuming continued growth in greenhouse gas emissions throughout the 21st century. It assumes rapid economic growth driven primarily by fossil fuel use, minimal mitigation policies, and limited efforts to reduce carbon intensity. The result is a global temperature increase exceeding 4 °C by 2100, leading to severe physical climate risks such as more frequent and intense heat waves, wildfires, storms, and sea level rise. Both CSRD and EU Taxonomy require evaluation of physical climate risk under this worst-case scenario.

Climate hazard selection for physical risk assessment

Risk type	Climate hazard	Included/excluded
Temperature	Changing temperature (chronic)	✅
Temperature	Heat stress (chronic)	✅
Temperature	Temperature variability (chronic)	✅
Temperature	Permafrost thawing (chronic)	❌
Temperature	Heat wave (acute)	✅
Temperature	Cold wave/frost (acute)	✅
Temperature	Wildfire (acute)	✅
Wind	Changing wind patterns (chronic)	✅
Wind	Cyclones, hurricanes and typhoons (acute)	✅
Wind	Storms (acute)	✅
Wind	Tornado (acute)	✅
Water	Changing precipitation patterns and types (chronic)	❌
Water	Precipitation or hydrological variability (chronic)	❌
Water	Ocean acidification (chronic)	❌
Water	Saline intrusion (chronic)	❌
Water	Sea level rise (chronic)	✅
Water	Water stress (chronic)	✅
Water	Drought (acute)	✅
Water	Heavy precipitation (acute)[1]	✅
Water	Flood (acute)[1]	✅
Water	Glacial lake outburst (acute)	❌
Solid mass	Coastal erosion (chronic)	❌
Solid mass	Soil degradation (chronic)	❌
Solid mass	Soil erosion (chronic)	❌
Solid mass	Solifluction (chronic)	❌
Solid mass	Avalanche (acute)	❌
Solid mass	Landslide (acute)	✅
Solid mass	Subsidence (acute)	✅

✅ Hazard included in physical risk exposure assessment.

❌ Hazard excluded from physical risk exposure assessment.

[1] Heavy precipitation was further analyzed regarding snow depth and rainfall; flood was further analyzed regarding pluvial, fluvial, and tidal floods.

• **SSP2-4.5:** A moderate scenario in which emissions peak around 2040 and then gradually decline. It reflects a world in which development and climate policy proceed unevenly, with moderate efforts toward sustainability. Temperature increases are projected to remain around 2.5–3 °C by 2100. Physical climate risks under this scenario are material but less extreme than in SSP5-8.5, with moderate disruptions due to climate variability and events.

1.4 Site selection – The CSRD requires the assessment of all financially material sites bringing our office spaces, operational stations, and customer sites in scope.[1] While materiality of customer sites was determined using a revenue threshold, materiality of our own office spaces and operational stations was based on total headcount and estimated personnel costs associated with those sites. Additionally, asset-heavy sites and operations were also deemed financially material. Sites relevant to EU Taxonomy are those associated with significant eligible economic activities. Leadec excluded supplier sites in the upstream value chain from the analysis, as our supplier base is highly diversified, and no material dependencies were identified pertaining to climate-related physical risks.

Using these criteria, Leadec initially selected 100 sites for the physical climate risk assessment. These sites cover over 60% of our workforce and account for over 80% of total personnel costs. There was notable overlap between some financially material customer sites and EU Taxonomy-relevant sites associated with significant eligible economic activities.
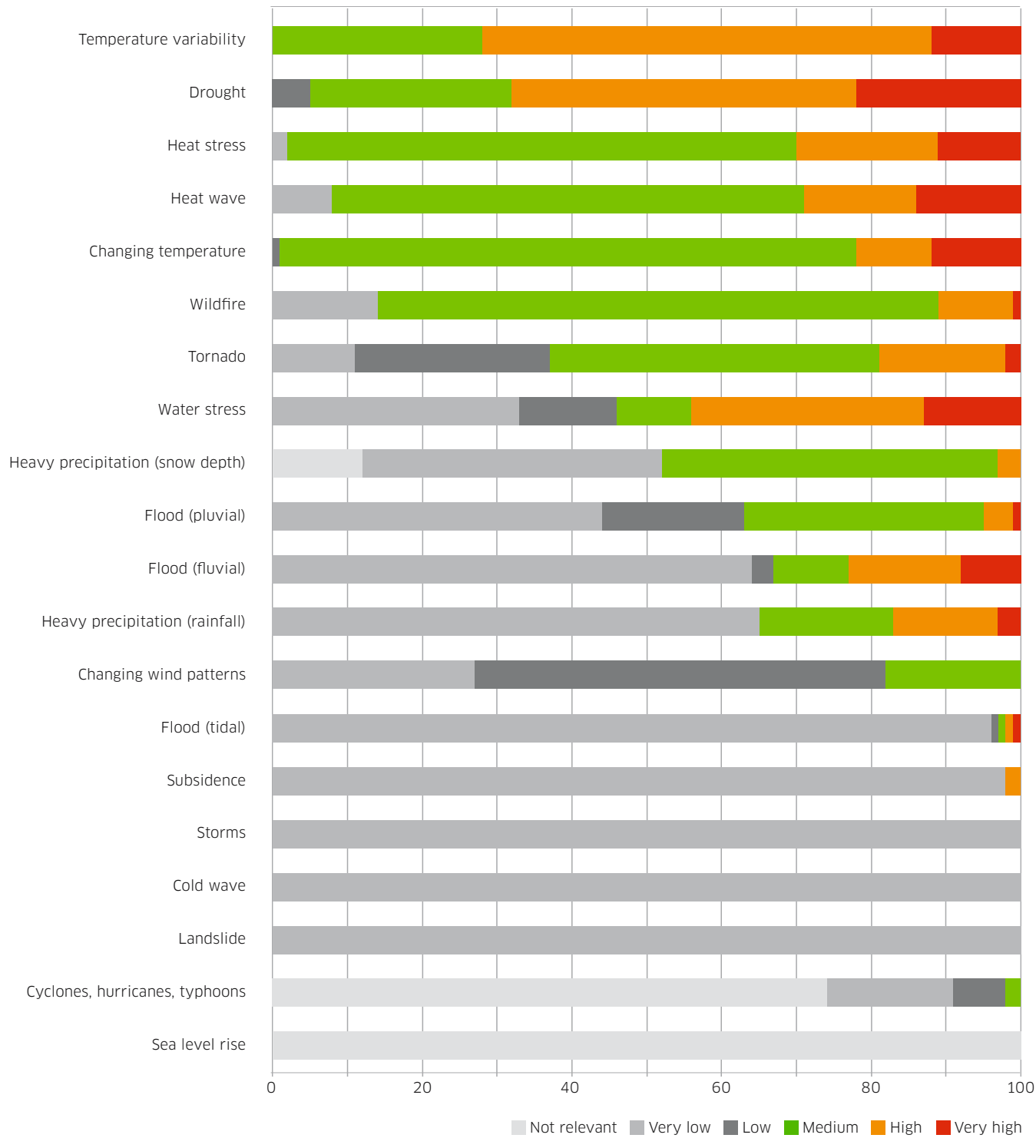
Step 2 – Identification
The quantitative assessment of exposure level (under step 3.1) and vulnerability (step 3.2) considers hazard-level analysis (2.1), qualitative assessment of exposure to these hazards (2.3.1), vulnerability (2.3.2) of relevant site elements (2.2) and past climate events.

2.1 Hazard-level analysis – Quantitative geospatial analysis based on site geolocation and climate data (SSP5-8.5 and SSP2-4.5).

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[1] A breakdown of the carrying value of its real estate assets by energy-efficiency classes was not considered as our dataset only covers selected European sites.

The following graph represents the distribution of hazard levels across pre-selected sites, per climate hazard.

Hazard level across sites – 2050[1]

Legend: Not relevant, Very low, Low, Medium, High, Very high

Categories (top to bottom): Temperature variability, Drought, Heat stress, Heat wave, Changing temperature, Wildfire, Tornado, Water stress, Heavy precipitation (snow depth), Flood (pluvial), Flood (fluvial), Heavy precipitation (rainfall), Changing wind patterns, Flood (tidal), Subsidence, Storms, Cold wave, Landslide, Cyclones, hurricanes, typhoons, Sea level rise

[1] Climate hazards were assessed for 82 sites with a time horizon up to 2050. An additional 18 customer sites were assessed only until 2030, in line with the requirements of the EU Taxonomy.

2.2 Definition of site elements – To assess the potential impacts of a changing climate on the selected sites, Leadec has defined site elements where these impacts would manifest themselves. Nine site archetypes were deemed relevant for Leadec's own operations and customers' sites:

Site elements

Health and safety of employees	Building structures	Energy supply
Plant and equipment (stationary)	Equipment (mobile)	Water supply
Indoor facilities	Outdoor facilities	Site access

2.3 Stakeholder engagement – The stakeholder engagement process involved qualitative assessment and feedback from regional employees from the HSE community and operations which informed two aspects of the climate-related physical risk assessment:

- **2.3.1 –** The regional stakeholders provided input on the exposure to the identified hazard levels for each site based on geospatial analysis conducted in step 2.2.
- **2.3.2 –** They provided information on existing and planned mitigation and adaptation measures. Knowledge about these types of mitigation measures is the basis for the following evaluation in step 3, specifically the vulnerability assessment (gross vs. net risks at a site level).

Additionally, during the course of this stakeholder engagement, two sites that were initially selected using fiscal year 2024 data were found to no longer be operational and hence excluded from the analysis leading to a total of 98 sites being evaluated in step 3.

Step 3 – Evaluation
The evaluation of gross and net risk for each site based on the hazard level (type and likelihood of climate-related events) which was derived in step 2.1.

3.1 Exposure level identification – Exposure is assessed by stakeholders (step 2.3.1) when the allocated hazard level (from step 2.1) does not match actual exposure to a climate hazard based on site topography or geography. This identification quantifies the stakeholder feedback.

3.2 Vulnerability levels per hazard – Gross and net vulnerability at a site level were assessed based on the information gathered in step 2.3.2. To determine gross vulnerability, we consider current mitigation and adaptation measures. To determine net vulnerability, we also consider planned measures.

The graph on ⇨ represents the distribution of gross vulnerability levels across the 98 sites evaluated, per climate hazard. The net vulnerability levels can be found on ⇨ (section "Material climate-related physical risks identified" in this chapter).

98
sites evaluated for
climate-related physical risks

Gross vulnerability levels per hazard – 2050[1]

	Not affected	Minimally affected (<25%)	Somewhat affected (25–50%)	Moderately affected (50–75%)	Heavily affected (>75%)
	■	■	■	■	■
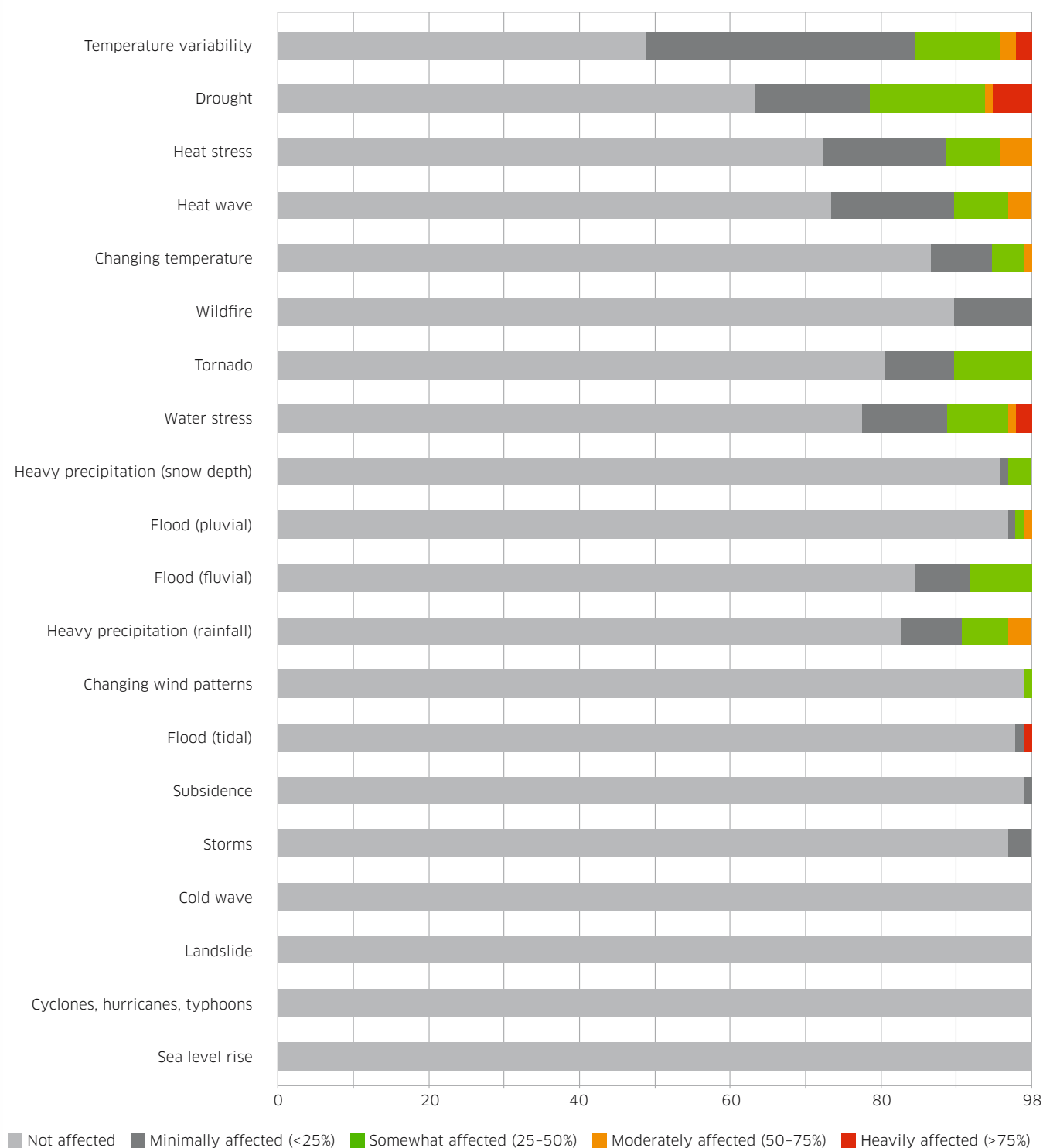
[1] Only 98 out of the 100 selected sites were evaluated, as two sites were identified as discontinued operations during the course of the analysis.

As a last step, we calculated risk scores per site. Scores range from 0 to 100 and are calculated by multiplying the hazard level (scale 0–5), exposure (scale 0–5), and vulnerability (scale 0–4). When gross vulnerability is used for this calculation, the score represents gross climate-related physical risk at the site level. When net vulnerability is used, the score represents net climate-related physical risk at the site level. Sites scoring above 60 are considered to be material.

In addition to the bottom-up assessment of net vulnerability and net risk, that was informed by regional stakeholders, a top-down assessment was performed. This top-down vulnerability assessment, informed by Global HSE, further accounts for planned group-level mitigation measures. For results on the number of sites projected to have material physical gross risk vs. net risk (site level) vs. net risk (group level) please see ⇛▶page 84 (section "Material climate-related physical risks identified" in this chapter).

Step 4 – Assessment of resilience
Documentation[1] of all inputs and results from previous steps allows for the assessment of resilience to be performed. Leadec considers the results of this climate-related physical risk assessment as a basis for the identification and prioritization of future adaptation measures to manage the identified risks.

Climate-related transition risks and opportunities in own operations and along the upstream and downstream value chain
Additional to Leadec's double materiality assessment and climate risk assessment, a transition risk assessment has been carried out. The following sub-chapter describes the process to identify and assess climate-related transition risks and opportunities relevant to Leadec.

The transition risk and opportunity assessment process included the following four steps:

Step 1 – Preparation
Definition of time horizons and potential future climate scenarios:

1.1 Time horizons – Leadec has assessed climate-related transition risks and opportunities using the same time horizons as for physical risks which differ from those outlined in the General Disclosures. The time horizons for the climate-related transition risks and opportunities assessment were defined as follows:

- Baseline (recent)
- Short term (2030)
- Medium term (2040)
- Long term (2050)

1.2 Potential future climate scenarios – Leadec has considered the following climate scenario in the assessment:

SSP1-2.6 – This net-zero scenario is aligned with the objectives of the Paris Agreement and aims to limit global warming to 1.5 °C with no or only limited overshoot. It envisions a rapid transformation toward a low-carbon global economy through strong international cooperation, widespread adoption of clean technologies, significant policy interventions, and behavioral changes. This scenario implies considerable transition risks (e.g., regulatory shifts, carbon pricing, market changes) but also substantial opportunities in innovation, energy efficiency, and green technology sectors.

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[1] The assumptions derived from climate scenario analyses were not reflected in the annual asset impairment test as per December 31, 2024, as the analysis was completed only shortly prior to the publication of this sustainability statement. Furthermore, no disaggregation of monetary amounts by acute and chronic physical risk is available.

Step 2 – Identification

The Task Force on Climate-related Financial Disclosures (TCFD), which originally introduced voluntary climate risk assessments, has now influenced mandatory disclosures under the CSRD. Therefore, a screening for potential transition risks and opportunities across its value chain was conducted in alignment with the classification of the TCFD as recommended in the ESRS Standard. The identification step draws on input from internal and external experts, relevant academic and industry literature, and includes a peer review process.

2.1 Transition risk drivers identification – Transition risks, which are defined as those arising from the shift to a low-carbon economy, were assessed in line with the classifications of the TCFD. This included a qualitative review of strategic-level risks linked to:

- Policy and legal
- Technology
- Market
- Reputation

2.2 Transition opportunities identification – Transition opportunities are understood as potential business benefits resulting from efforts to mitigate and adapt to climate change in the course of the global transition to a low-carbon economy. These opportunities were also evaluated in accordance with the TCFD framework. This assessment comprised both a qualitative analysis and a quantitative evaluation, specifically for the Green Factory Solutions (GFS) portfolio, based on current forecasts. The assessment considered opportunities related to:

- Resource efficiency
- Energy source
- Products and services
- Markets
- Resilience

Step 3 – Evaluation

Evaluation of transition events with potential gross and net financial impacts across upstream, own operations, and downstream activities is based on financial magnitude and likelihood. This assessment comprised both a qualitative analysis and a quantitative evaluation (specifically for GFS, based on current forecasts) of strategic-level risks and opportunities in a workshop with internal stakeholders.

Step 4 – Assessment of resilience

Documentation of all inputs and results from previous steps allows for the assessment of resilience to be performed. For information on the outcomes, see (section "Results of resilience analysis" in this chapter).

Material impacts, risks, and opportunities and their interaction with strategy and business model

Leadec has identified the following climate-related impacts, risks, and opportunities based on the double materiality assessment and the analyses carried out in the first two quarters of 2025.

The double materiality assessment is updated every two years and on a need basis. As for the climate risk assessment, the climate hazard analysis (encompassing hazard level and exposure) remains valid unless new climate models or new Leadec locations are brought into scope that are deemed material to the business operations. Vulnerability results will only change if there are relevant modifications at the assessed sites. The transition risk assessment is valid until new scientific climatic data is released (occurs every 6–7 years), or when regulations change (not currently expected).

Material impacts on climate change identified

Regarding climate change, Leadec's DMA resulted in a downstream opportunity for energy as well as climate change mitigation (please see ⇒ , section "Energy – downstream opportunity" in this chapter). This material opportunity has been confirmed by the transition risk and opportunity analysis. Furthermore, an actual negative impact regarding climate change mitigation has been identified along the entire value chain, including across Leadec's own operations. Material positive impacts on climate change in the context of GHG emissions have not been identified.

Leadec's emissions as well as those of our business partners along the value chain are acting immediately when released into the atmosphere, thereby contributing to climate change. In order to mitigate these actual negative impacts, Leadec has already policies, actions, and targets in place and regularly collects data on metrics (further details on each topic further down in this chapter).

The Science Based Targets initiative (SBTi) helps companies set GHG emissions reduction targets in line with climate science, ensuring that sustainability goals are both credible and impactful. As we continually improve our management of climate change and all associated topics outlined in this chapter, Leadec has committed to SBTi as of August 2024. The development of science-based targets enables Leadec to manage its impact to stay in line with the Paris Agreement's goal to limiting global temperature increase to well below 2 °C, while pursuing efforts to limit the increase to 1.5 °C. Based on science-based targets, we will adjust our policies and actions accordingly. These actions will also be reflected in the climate transition plan (CTP), which is currently being developed.

Material climate-related physical risks identified

Leadec's climate risk analysis has identified eight hazards that are projected to pose material physical risks across ten locations (eight own operations, two customer sites) among 98 evaluated sites in its gross risk assessment. Subsequently, in the net risk assessment, which considered not only current mitigation and adaptation measures on a site level but also planned measures, and measures under consideration for the future, the number dropped to seven hazards across six locations.

An additional and final net-vulnerability assessment also accounts for group-level mitigation measures, a top-down assessment was conducted. To strengthen overall governance oversight and validate local site evaluations, the assessment was done in coordination with the Global Head of HSE. When the vulnerability assessment also accounted for group-level mitigation measures, e.g., global health and safety management, the number of material physical climate risks further declined.

The following table outlines the number of locations for which a material climate-related physical risk has been identified for any of the system elements under a high emissions scenario (SSP5-8.5 which correspond to +4 °C warming above pre-industrial levels):

Hazard	Number of sites projected to face material physical risks out of 98 evaluated sites		
	Gross	Net – site evaluation	Net – group evaluation
Drought	5	3	1
Water stress	2	1	0
Temperature variability	2	1	1
Flood (tidal)	1	1	1
Flood (pluvial)	1	0	0
Changing temperature	1	1	1
Heat wave	1	1	0
Heat stress	1	1	0
Wildfire	0	0	0
Heavy precipitation (snow depth)	0	0	0
Tornadoes	0	0	0
Changing wind patterns	0	0	0
Flood (fluvial)	0	0	0
Heavy precipitation (rainfall)	0	0	0
Cold wave	0	0	0
Storm	0	0	0
Landslide	0	0	0
Subsidence	0	0	0
Sea level rise	0	0	0
Cyclones, hurricanes, and typhoons	0	0	0

Number of sites projected to face material physical risk per hazard type:

■ Not relevant (0)　■ Very low (1–20)　■ Low (21–40)　■ Medium (41–60)　■ High (61–80)　■ Very high (81–98)

Leadec has an established global occupational health and safety policy, supplemented by multiple global HSE policies, which will be further refined based on future findings. Health and safety are a top priority for the Company, as demonstrated by the reduction in the lost time injury frequency rate (LTIFR) from 1.6 in 2019 to 1.0 in 2024. For further information please also refer to ⇒ page 120 onward (section "Health and safety" in chapter "Social/Own Workforce [S1]"). No material physical risks have been identified related to employee safety or the ability to work. As a result, the number of sites classified as material has been further reduced to four hazards spread across three locations among 98 evaluated sites. Temperature-related risks remained material only for our customer site in Chicago. Flood and drought were material for our own operations in Hamburg and Coventry respectively.

Material transition risks identified

The gross and net transition risk assessment identified one material transition risk related to climate change mitigation. This risk arises from the shift from internal

combustion engines to electric vehicles. For detailed information on this risk please refer to the IRO table on ⇥ page 74 in this chapter. To mitigate this transition risk, the Leadec Group's "Becoming Leading Edge" strategy focuses amongst others on diversifying its customer base. Furthermore, the initiative program "Elevate Leading Edge" has successfully established Green Factory Solutions, which is not only contributing to climate change mitigation but also capitalizing on the shift toward a greener, more climate-friendly economy. For further information on Leadec's strategy and initiative program see ⇥ page 39 (section "Our strategy" in chapter "General Disclosures [ESRS 2]").

Aside from the diversification and the fast growth of GFS, Leadec does also anticipate another opportunity relating to its core business. Through increasing outsourcing, specifically technical services, relating to mature technologies such as the internal combustion engine. The refocusing of manufacturers' activities away from the internal combustion engine toward alternative drive concepts could lead to a situation in which, in the future, a larger share of services relating to traditional engine production will be outsourced to external service providers. If this were to concern activities, which were traditionally considered to be among the core activities of manufacturers, then it could result in additional potential for master agreements. Leadec monitors the development and potential materialization of the opportunity.

Material transition opportunities identified

Furthermore, the gross and net transition risk assessment identified two material transition opportunities related to climate change mitigation. These opportunities arise from the global shift toward a net-zero economy and from an increasing demand for circular economy solutions. Both opportunities have also been identified in our double materiality assessment. For detailed information on these opportunities please refer to ⇥ page 105 (section "Downstream opportunity: Waste" in chapter "Resource Use and Circular Economy [E5]") regarding services aimed at supporting circular-economy solutions and to ⇥ page 93 (section "Energy – downstream opportunity" in this chapter) regarding services supporting our customers in their decarbonization journey.

Results of the resilience analysis

The Leadec Group employees deliver services primarily on customers' premises, with some preparation done at its own operational facilities. Its short-term service contracts (typically under five years) reduce dependency on individual customer locations. Leadec's flexible and service-oriented business model is found to be resilient to climate-related physical hazards under various climate scenarios (2.7 °C and 4 °C) with eight sites exposed to certain hazard types. After considering mitigation measures planned for the future, three locations are projected to face material physical climate risks (two own operations and one customer site). Furthermore, the Leadec Group's strategy aims at further diversifying the industries we serve to further mitigate risks.

3

sites are projected to face material climate-related physical risks

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Moreover, one outcome of Leadec's initiative program "Elevate Leading Edge" is our Green Factory Solutions (GFS) portfolio. GFS enables the Leadec Group to be well-positioned to support any industry in its transition to a low-carbon economy. Regarding the identified transition risk, GFS services will help mitigate the risk associated with the reduced production depth in the automotive sector, ensuring Leadec can continue to meet the evolving needs of its clients. As all industries decarbonize, demand for GFS is set to increase, driving both short- and long-term growth for the Leadec Group. No assets or business activities were identified that are incompatible with, or would require significant efforts to become compatible with, the transition to a climate-neutral economy.

Transition plan and science-based GHG emissions targets

With the information of the double materiality assessment, the climate risk analysis results, as well as the transition risk and opportunity analysis, Leadec is currently working on the development of a climate transition plan (CTP) that considers short- and long-term climate impacts, risks, and opportunities. Leadec's CTP will further include:

▶ Validation of targets through the Science Based Targets initiative (SBTi) to support the Paris Agreement's target of limiting global warming to 1.5 °C above preindustrial levels. The Leadec Group is not excluded from the EU Paris-aligned benchmarks. Leadec committed to SBTi since August 2024.
▶ Identification of potential locked-in GHG emissions in key operations.
▶ Increase use of zero-emissions energy sources.
▶ Switch vehicle fleet from internal combustion engines to electric.

▶ Decarbonization levers for (influenceable part of) Scope 3 GHG emissions.
▶ Potential dependencies on future availability and allocation of resources, including a dedicated amount of the CapEx and/or OpEx budget to ensure implementation and support emissions reduction.
▶ Alignment with strategy, financial planning, and business model.
▶ Approval by the Advisory Committee (AC), and the Board of Management (BoM)
▶ Leadec plans to adopt the CTP by the end of fiscal year 2026.

Committed to SBTi

The Paris Climate Agreement, which was signed by almost all countries in the world in 2015, has an ambitious goal: limiting the global average temperature increase in this century to well below 2 °C above preindustrial levels, while pursuing efforts to limit it to 1.5 °C. In order to achieve this, corresponding national targets have been set. "We have committed to the Science Based Targets initiative (SBTi) to ensure compliance with new climate-related reporting obligations set by the countries," explains Markus Bölke, Global Head of Green Factory Solutions, Sustainability & HSE at Leadec.

The decision to adopt the science-based standards of the Science Based Targets initiative (SBTi) not only set targets in line with the latest climate-related regulations but provides clear guidance for decarbonizing our own operations. The commitment to the initiative in 2024 also marked the start of the phase in which the current targets will be put to the test. "We are collecting data on our emissions from across the Leadec world," says Alejandra Ruiz Valdes from the Global Sustainability team, then we will analyze it and review our decarbonization measures for effectiveness.

Climate-related policies

The Global Sustainability Directive outlines Leadec Group's commitment to sustainability across all its business units and legal entities worldwide. The directive emphasizes the Company's dedication to sustainable development, aligning with the EU Taxonomy, the UN Global Compact, and the Sustainable Development Goals (SDGs). The purpose of the directive is to operate sustainably, meeting current needs without compromising future generations' opportunities.

Leadec is committed to social responsibility, ensuring the health, safety, and human rights of all employees. Furthermore, the Company aims to manage its environmental impact by increasing energy efficiency, reducing environmental impact, and taking action on climate change. Maintaining integrity through good corporate governance and compliance with laws is a priority. Additionally, Leadec strives to add long-term customer value by providing sustainable solutions. Leadec commits to transparent reporting of its ESG performance, including energy use, GHG emissions, and other relevant environmental KPIs.

The Board of Management of the Leadec Group has oversight and responsibility for establishing and reviewing sustainability goals. The Global Sustainability team coordinates worldwide activities, ensuring alignment with stakeholder requirements and monitoring potential risks and opportunities, defining strategies, and developing KPIs for improved reporting.

To extend Leadec's efforts to combat climate change, Leadec's Supplier Sustainability Policy outlines the Company's commitment to sustainability, emphasizing responsible sourcing and promoting sustainability throughout the value chain. The policy encourages all suppliers delivering goods or services to any entity within the Leadec Group to adopt environmental practices, ensure compliance with relevant laws, and uphold human rights and working conditions.

Energy

Leadec is committed to increasing energy efficiency across its operations. This includes continuous improvements in energy management and promoting the reduction of energy consumption. Investment in renewable energy sources is a priority, fostering an energy transition to reduce reliance on non-renewable energy.

Likewise, suppliers are encouraged to take action to reduce their energy consumption and minimize the impact of their activities on climate change. This includes reducing greenhouse gas emissions across the entire supply chain. Suppliers should adopt practices that promote energy conservation and efficiency.

Climate change mitigation

Leadec tracks and reports its greenhouse gas (GHG) emissions, promoting decarbonization in manufacturing and logistics to reduce its own and our customers' carbon footprint. The Company invests in the development of sustainable services, aiming to provide environmentally friendly solutions to customers and support their climate goals. Other continuous improvements in managing environmental impacts are emphasized, including managing water and waste production, and promoting recycling and re-use of resources. Please refer to (section "Policies" in chapter "Resource Use and Circular Economy [E5]") for further information on waste, and to (section "Water and marine resources [E3]" in chapter "Non-Material Topics Relevant to SFDR") for further information on water.

Suppliers should also implement measures to mitigate climate change by reducing greenhouse gas emissions. This involves adopting sustainable practices, using renewable energy sources, and improving energy efficiency. Suppliers should also support initiatives that aim to reduce the carbon footprint of their operations and products.

Climate change adaptation

Employees are trained in resource conservation and efficiency. The Company integrates climate change adaptation measures into its operations, ensuring resilience against climate-related risks on a local level, where appropriate.

Similarly, suppliers should develop strategies to adapt to the impacts of climate change. This includes assessing risks related to climate change and implementing measures to enhance resilience. Suppliers are encouraged to invest in technologies and practices that help them adapt to changing environmental conditions and ensure the sustainability of their operations.

Climate-related actions

Energy

Fuel consumption used for the Company vehicles is one of the largest contributors to the Leadec Group's energy-related corporate carbon footprint. We are working to reduce the carbon emissions of our fleets by choosing more fuel-efficient vehicles and transitioning to electric and plug-in hybrid models where possible. In addition, we consider fuel efficiency when selecting commercial vehicles for our services and plan to complement these efforts by providing fuel-efficient driver training and by optimizing the logistical route planning.

Furthermore, the Leadec Group aims to increase the share of renewable energy in the energy mix and intends to ensure that the share of renewable energies in its own energy procurement meets or exceeds the respective national average. In 2024, 73% of the electricity used by the Leadec Group came from zero-emissions sources. We are improving our energy sources by converting from coal to renewable sources wherever possible.

Outside of Leadec's own operations and as part of our service portfolio, we strategically positioned our Green Factory Solutions (GFS) in the market. Several GFS services focus on decarbonization. For further details see ⇢page 93 (section "Energy – downstream opportunity" in this chapter). In addition to helping our customers decarbonize their factories and achieve their sustainability goals, we also use our GFS expertise to implement internal measures that improve energy efficiency of our own operations, such as internal EU EED (Energy Efficiency Directive) audits.

Climate change mitigation

To further address our emissions Leadec uses the following levers and actions: Leadec tracks its water and waste metrics. Please see ⇢page 111 (section "Metrics" in chapter "Environmental/Resource Use and Circular Economy [E5]") for further information on waste and ⇢page 163 (section "Water and marine resources" in chapter "Non-Material Topics Relevant to SFDR") for further information on water.

Fuel- and energy-related activities are also covered in section "Energy" above. In addition, we are adapting our purchasing strategy by focusing more on buying products or services with certified eco labels. Furthermore, we are expanding the use of biodegradable cleaning fluids and training staff in resource efficiency.

Approximately 86% of Leadec's own operations hold ISO 14001 certification, which brings significant benefits to the customers. This globally recognized standard for environmental management not only benefits the environment but also supports strong due diligence performance. In the future, we plan to integrate performance measures related to GHG emissions reductions into our management incentive schemes. For further information on Leadec's current incentive scheme, please see ⇢page 51 (section "Integration of sustainability-related performance in incentive schemes" in chapter "General Disclosures [ESRS 2]").

In line with its firm commitment to mitigating the climate change impacts of its business, Leadec has been taking part in the CDP (Carbon Disclosure Project)

assessment since 2023 based on the data for fiscal year 2022. This involves submitting corporate data on subjects such as CO_2 emissions and climate risks as well as reduction targets and strategies. For further information see ➡ page 30 (section "CDP Climate Change: C-level rating" in chapter "Sustainability Ratings"). These strategies encompass for example the positioning of Green Factory Solutions in the market but also a diversification strategy. Leadec aims to serve more industries with its standard service portfolio while also supporting their journey toward a greener, more climate-friendly economy.

As part of Leadec's commitment to SBTi and within the context of our plans to create a climate transition

plan (please refer to section "Transition plan and science-based GHG emissions targets" in this chapter, see ➡ page 87), further actions will be defined.

Climate change adaptation

As an initial action taken, Leadec assessed its climate-related physical risks as well as climate-related transition risks and opportunities. For further information on the process for assessing and identifying these risks and opportunities please see above in this chapter ➡ page 76 onward for physical and ➡ page 82 onward for transition risks and opportunities. Based on these results, Leadec is currently working on the development of a climate transition plan that considers short- and long-term climate risks and opportunities.

Climate-related targets

Building on the sustainability priorities that Leadec identified for itself, the Company defined its 2025 sustainability goals, in relation to the baseline in 2019. Leadec's sustainability goals ensure the Company seeks to improve and contribute to sustainable development on a continual basis. They also help the Company track the effectiveness of implemented policies and actions.

Regarding the topics of energy and climate change mitigation, Leadec wants to reduce its energy consumption and carbon footprint:

	2025 Sustainability Goals	2024	2023
	Increase the share of zero-emissions electricity		
	>65% total electricity from zero-emissions sources[1]	73%	65%
	Reduce the carbon footprint		
Carbon efficiency	>–15% CO_2 emissions relative to total output[2] (Scope 1 and 2, compared to 2019 baseline)	–33%	–54%
	Reduce the emissions intensity		
	>–2% per year (compared to 2022 reference year)	–7%	6%

[1] In 2024, this goal refers to "zero-emissions sources", which includes the average nuclear energy provided from the grid. In previous years, it referred to "renewable sources" (excluding nuclear).
[2] For definition of total output and amounts used for calculation see ➡ page 103.

Leadec will develop new targets to be validated by SBTi during 2026, ensuring they help manage the Company's material climate-related impacts, risks, and opportunities.

Energy consumption and mix

Leadec monitors energy consumption in all legal entities to identify reductions gained during the previous year and to gain insights into further reduction potential. Furthermore, analyzing energy sources as well as respective energy consumption per energy source helps to better manage and reduce CO_2 emissions for Scope 1 and 2, thereby mitigating climate change.

Energy consumption

Leadec obtains most of its energy from external energy supply companies. The consumption figures and the electricity mix are taken from the supplier's invoices. In 2024, energy consumption increased by 4.4% compared to the previous year, mainly due to an increase in fuel consumption. In 2024, the fuel consumption by forklifts and other types of machinery was included in the calculations, which was not the case in previous years. This is one factor in the increase in total energy consumption in 2024 as compared to 2023. Further, the rise in total energy consumption and other

resources is also due to the increased business volume. In 2024, the Leadec Group's net revenue increased by 5.8% compared to the previous year.

The following figures represent the energy intensity from all of Leadec's activities, not only those from activities in high climate impact sectors. As stated on (section "Our value chain" in chapter "General Disclosures [ESRS 2]"), Leadec is not part of a high climate impact sector, the revenues over all divisions relate to the real estate and services sector. During the reporting period none of the operating divisions of the Leadec Group was active in or generated sales out of fossil fuel production, chemical production, the cultivation and production of tobacco, or the production of controversial weapons. Therefore, no reconciliation to relevant line item or notes in financial statements of net revenue from activities in high climate impact sectors can be reported.

Energy consumption by source

	Unit	2024	2023	Δ 2023 vs. 2024
Consumption from fossil sources	**MWh**	**48,230**	**46,238**	**4.3%**
Share of fossil sources in total energy consumption	%	86.8	86.9	−0.1
Consumption from nuclear sources	**MWh**	**980**	**n.a.**	**0%**
Share of nuclear sources in total energy consumption	%	1.8	n.a.	n.a.
Consumption from renewable sources	**MWh**	**6,366**	**6,983**	**−8.8%**
Share of renewable sources in total energy consumption	%	11.5	13.1	−12.7
Fuel consumption for renewable sources, including biomass, biofuels, biogas, hydrogen	MWh	1,154	1,102	4.7%
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	5,204	5,881	−11.5%
Consumption of self-generated non-fuel renewable energy	MWh	8	0	100.0%
Total zero-emissions sources (sum of nuclear and renewable sources)	**MWh**	**7,347**	**6,983**	**5.2%**
Total energy consumption	**MWh**	**55,576**	**53,222**	**4.4%**

n.a. = not available

Electricity consumption by source

Electricity consumption	2024 (MWh)	2024 (%)	2023 (MWh)	2023 (%)	Δ 2023 vs. 2024
From the grid	**8,455**	**99.9**	**9,101**	**100.0%**	**−7.1%**
Fossil (non-renewable)	2,271	26.8	3,220	35.4	−29.5%
Renewable (mix)	5,204	61.5	5,881	64.6	−11.5%
Renewable – nuclear	980	11.6	n.a.	n.a.	n.a.
Own generation	**8**	**0.1**	**0**	**0**	**n.a.**
Fossil (non-renewable)	0	0	0	0	n.a.
Renewable – solar	8	0.1	0	0	n.a.
Renewable – nuclear	0	0	0	0	n.a.
Total	**8,463**	**100.0%**	**9,101**	**100.0%**	**−7.0%**

n.a. = not available

In 2024, total energy consumption increased by 4.4% compared to 2023, rising from 53,222 MWh to 55,576 MWh. The consumption from fossil sources also saw a 4.3% increase, reaching 48,230 MWh, while its share in total energy consumption slightly decreased by 0.1% to 86.8%. The share of zero-emissions sources used increased in 2024 by 5.2% compared to 2023.

Nuclear energy consumption, which was not reported separately in 2023, contributed 980 MWh in 2024, making up 1.8% of the total energy consumption. In 2024, consumption from nuclear energy is shown separately for the first time. Further, nuclear energy is considered a zero-emissions form of energy and is included in "renewables".

Renewable energy consumption decreased by 8.8%, from 6,983 MWh to 6,366 MWh, reducing its share in total energy consumption by 12.7% to 11.5%. Within the renewable sector, fuel consumption (including biomass, biofuels, biogas, and hydrogen) increased by 4.7% to 1,154 MWh. However, the consumption of purchased or acquired renewable electricity, heat, steam, and cooling dropped by 11.5% to 5,204 MWh. Notably,

self-generated non-fuel renewable energy, which was zero in 2023, contributed 8.0 MWh in 2024.

Energy intensity

The following figures represent the energy intensity from all of Leadec's activities, not only those from activities in high climate impact sectors. As stated on (section "Our value chain" in chapter "General Disclosures [ESRS 2]"), Leadec is not part of a high climate impact sector; the revenues over all divisions relate to the real estate and services sector. During the reporting period none of the operating divisions of the Leadec Group were active in or generated sales out of fossil fuel production, chemical production, the cultivation and production of tobacco, or the production of controversial weapons. Therefore, no reconciliation to relevant line items or notes in financial statements of net revenue from activities in high climate impact sectors can be reported.

To calculate the energy intensity, Leadec uses net revenue and the total value of energy consumption in MWh as per the table above.

Energy intensity per net revenue	Unit	2024	2023	Δ 2023 vs. 2024
Energy intensity	MWh/€ million	42.3	42.9	−1.3%

Energy – downstream opportunity

Leadec's Green Factory Solutions (GFS) portfolio includes a comprehensive number of services aimed at enhancing energy efficiency and promoting the use of renewable energy. Furthermore, other GFS services provide circular economy solutions. For further information see ⇒ page 105 onward (section "Downstream opportunity: Waste" in chapter "Resource Use and Circular Economy [E5]"). The decarbonization services are designed to address various aspects of energy management and sustainability, providing significant benefits to customers and promising growth prospects for our Company.

1. Energy Consulting
Detailed Energy Audits: Conduct thorough assessments of current energy consumption patterns to identify inefficiencies and areas for improvement.

Customized Energy Strategies: Develop tailored energy-saving plans based on the specific needs and goals of each customer, including recommendations for equipment upgrades, process optimizations, and behavioral changes.

Implementation Support: Assist customers in executing energy-saving measures, providing technical expertise and project management services to ensure successful implementation.

2. Smart Lighting
Smart Lighting Technologies: Utilize cutting-edge lighting solutions such as LED systems, movement and daylight sensors, and automated controls to optimize energy use.

Lighting Design and Installation: Offer professional design and installation services to ensure that lighting systems are both energy-efficient and effective in meeting the functional needs of a given space.

Ongoing Monitoring and Maintenance: Provide continuous monitoring and maintenance services to ensure that lighting systems remain efficient and operational over time.

3. Customized Solar Installations
Solar Feasibility Studies: Conduct feasibility studies to assess the potential for solar energy generation at customer sites, considering factors such as location, roof and ground space, and energy needs.

Design and Engineering: Create customized solar solutions that integrate seamlessly with existing energy systems, maximizing energy production and efficiency.

Installation and Commissioning: Manage the entire installation process, from procurement to commissioning, ensuring that solar systems are installed correctly and perform optimally.

Maintenance and Optimization: Offer ongoing maintenance and optimization services to ensure that solar installations continue to operate at peak efficiency.

4. Battery Solutions
Energy Storage Systems: Provide advanced battery solutions that enable customers to store excess energy generated from renewable sources, enhancing energy independence and reliability.

Integration with Existing Systems: Support the integration of battery solutions with existing energy infrastructure, ensuring seamless operation and optimal performance.

Management and Monitoring: Offer comprehensive management and monitoring services to track battery performance, optimize usage, and extend the lifespan of the systems.

Expected benefits

Substantial reduction in energy consumption: By implementing GFS's solutions, customers can achieve significant reductions in energy usage, leading to lower energy bills and reduced environmental impact.

Promotion of renewable energy usage: Customized solar installations and battery solutions facilitate the transition to renewable energy sources, reducing reliance on fossil fuels and contributing to sustainability goals.

Growth potential for the Leadec Group: The increasing demand for energy-efficient and sustainable solutions presents promising growth opportunities for our Company, positioning it as a leader in the green energy sector.

Contribution to eligible economic activities under EU Taxonomy

Leadec's related sales for sustainable services exceeded in total the 100-million-euros mark in fiscal year 2024. The activities under 2.3 "Collection and transport of non-hazardous and hazardous waste", alongside activities under 7.3 "Installation, maintenance, and repair of energy efficiency equipment" and 3.20 "Manufacture, installation, and servicing of high-, medium-, and low-voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation" build the largest share of eligible economic activities within the Green Factory Solutions portfolio.

These three services account in sum for roughly 80% of the total eligible sales, whereof 7.3 and 3.20 account

Solutions for charging stations

Electric vehicles are becoming more common on the roads, which increases the demand for charging infrastructure. Leadec's Green Factory Solutions support industrial customers in the transition to low-emissions transportation by implementing integrated systems that combine electric vehicle charging infrastructure with photovoltaic carports and energy management technologies. These technologies are key enablers for reducing emissions and increasing energy efficiency in industrial environments.

Our offer spans the full project life cycle: from analyzing power needs and upgrading electrical panels to installing high-power chargers for heavy-duty fleets and integrating on-site renewable energy generation. PV systems on carports transform existing parking areas into decentralized energy sources, directly powering EV infrastructure and reducing reliance on external power supply. Additional features such as lighting systems, load

balancing, and central monitoring ensure reliable and legally compliant operation.

This technology mix addresses several elements of ESRS E1 – Climate Change. It helps reduce Scope 1 and 2 emissions, enhances energy self-sufficiency, and supports companies in meeting climate targets and regulatory requirements by decarbonizing their mobility and energy use.

for almost 40%. The activity 2.3 is covered under the E5 downstream opportunity identified in our DMA, see (section "Downstream opportunity: Waste" in chapter "Resource Use and Circular Economy [E5]"). For further information on Leadec's approach to the EU Taxonomy, see (chapter "Environmental/Reporting in Accordance with the EU Taxonomy").

Leadec's corporate carbon footprint 2024

Greenhouse gas emissions and GHG emissions intensity

Leadec calculated its first corporate carbon footprint (CCF) in 2019 and has since continuously enhanced the data collection process and data quality. The calculation adheres to the Greenhouse Gas Protocol, encompassing all Scope 1 and 2 emissions, as well as relevant Scope 3 categories from 2022 onwards. These relevant Scope 3 categories were identified through dedicated workshops. The CCF is calculated annually for each legal entity within the Leadec Group, considering emissions from the entire value chain and assessing the impact of each activity.

> A structured governance process ensures the accuracy of Leadec's carbon footprint, with multiple review layers and third-party verification.

Leadec does not finance GHG removals or mitigation projects through carbon credits or other means. Additionally, the Company does not implement internal carbon pricing in its business operations.

Data quality is maintained through a structured governance process involving the Global Sustainability team, functional departments, and local representatives. Multiple review steps are in place, including assurance letters signed by each regional Managing Director to confirm accuracy. Furthermore, the investor's ESG team conducts a final review, and an independent third party verifies compliance with the GHG Protocol. The results are published in Leadec's sustainability report and made available on the Company's website.

To ensure accuracy and prevent overestimation of the carbon footprint Leadec employs three key safeguards: introducing a globally harmonized data structure using United Nations Standard Products and Services Codes (UNSPSC), a high proportion of primary data to reflect actual conditions, and the use of consumption-based data wherever possible. For fiscal year 2024, the calculation of the GHG emissions was based on 29.0% consumption-based and 70.6% spend-based data. Only 0.4% of the calculation was made through extrapolation based on primary data. Spend-based data is usually used when emissions data-bases do not yet provide CO_2 equivalent factors for specific consumption data. The results of the CCF calculations are presented in the tables on .

The following tables provide a comprehensive overview of the greenhouse gas (GHG) emissions as well as GHG intensity figures for the fiscal years 2022 through 2024, with comparisons to the base year of 2019 for Scope 1 and 2. For Scope 3, the reference year is 2022 as this is the year we calculated Scope 3 for the first time comprehensively. The official base year will be defined as part of the SBTi validation process.

For a visual breakdown of the 2024 Scope 1–3 GHG emissions in CO_2 equivalents, please refer to our corporate website which displays the Leadec Corporate Carbon Footprint.
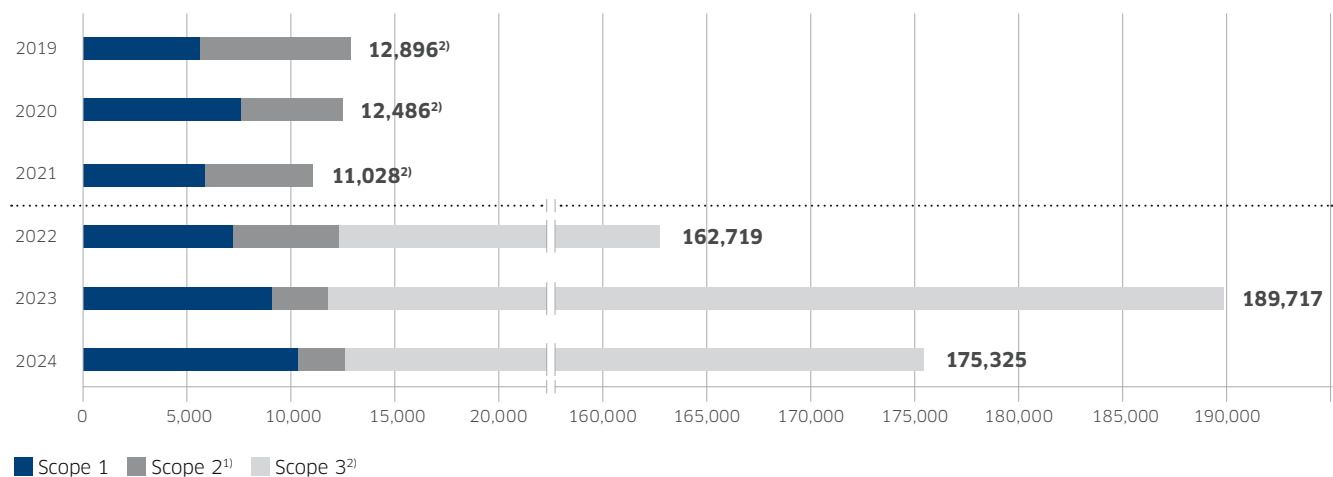
Greenhouse gas emissions

in tCO$_2$-eq

	2024	2023	2022	Δ 2023 vs. 2024	Δ 2022 vs. 2023	Base year (2019)	Δ 2024 vs. base year
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions	**10,326**	**9,061**	**7,165**	**14%**	**26%**	**5,590**	**85%**
Percentage of Scope 1 GHG emissions from regulated emissions trading schemes	0%	0%	0%	0%	0%	0%	0%
Scope 2 GHG emissions							
Location-based	**2,590**	**3,423**	**2,557**	**−24%**	**34%**	**n.a.**	**n.a.**
Market-based	**2,256**	**2,703**	**5,123**	**−17%**	**−47%**	**7,306**	**−69%**
Significant Scope 3 GHG emissions							
Total gross indirect GHG emissions	**162,743**	**177,953**	**150,431**	**−9%**	**18%**	**n.a.**	**n.a.**
C1: Purchased goods and services	129,992	132,360	121,350	−2%	9%	n.a.	n.a.
C2: Capital goods	1,089	2,499[1]	n.a.	−56%	n.a.	n.a.	n.a.
C3: Fuel- and energy-related activities	3,279	2,868	2,605	14%	10%	n.a.	n.a.
C4: Upstream transportation and distribution	2,032	3,729	2,387	−46%	56%	n.a.	n.a.
C5: Waste generated in operations	306	1,192	342	−74%	248%	n.a.	n.a.
C6: Business travel	2,791	3,035	3,246	−8%	−7%	n.a.	n.a.
C7: Employee commuting	23,254	32,272	20,502	−28%	57%	n.a.	n.a.
Total GHG emissions							
Location-based	**175,659**	**190,437**	**160,153**	**−8%**	**19%**	**n.a.**	**n.a.**
Market-based	**175,325**	**189,717**	**162,719**	**−8%**	**17%**	**n.a.**	**n.a.**

n.a. = not available
[1] Capital goods was identified to be relevant and calculated post-publication of the Sustainability Report 2023.

GHG emissions

in tCO$_2$-eq

| | Scope 1 | Scope 2[1] | Scope 3[2] |

2019   12,896[2]
2020   12,486[2]
2021   11,028[2]
2022   162,719
2023   189,717
2024   175,325

[1] Market-based
[2] Since 2022 Leadec calculates its Scope 3 emissions. 2019–2021 total emissions include Scope 1 and 2 emissions only.

GHG emissions intensity is calculated in metric tons of CO_2 equivalents per unit of net revenue (€ million). This metric helps to understand the GHG efficiency of the Company's operations in relation to its economic output.

Greenhouse gas emissions intensity

in tCO_2-eq/€ million

	2024	2023	2022	Δ 2023 vs. 2024	Δ 2022 vs. 2023
Scope 1 GHG emissions per net revenue	7.9	7.3	6.3	8%	16%
Scope 2 location-based GHG emissions per net revenue	2.0	2.8	2.2	–28%	23%
Scope 2 market-based GHG emissions per net revenue	1.7	2.2	4.5	–21%	–52%
Scope 3 GHG emissions per net revenue	123.9	143.4	132.4	–14%	8%
Total Scope 1–3					
Location-based total GHG emissions per net revenue	133.8	153.4	140.9	–13%	9%
Market-based total GHG emissions per net revenue	133.5	152.8	143.2	–13%	7%

in tCO_2-eq/USD million

	2024	2023	2022	Δ 2023 vs. 2024	Δ 2022 vs. 2023
Scope 1 GHG emissions per net revenue	7.6	6.6	5.9	14.6%	12%
Scope 2 location-based GHG emissions per net revenue	1.9	2.5	2.1	–23.9%	19%
Scope 2 market-based GHG emissions per net revenue	1.7	2.0	4.2	–16.1%	–53%
Scope 3 GHG emissions per net revenue	119.3	129.7	123.7	–8.1%	5%
Total Scope 1–3					
Location-based total GHG emissions per net revenue	128.8	138.8	131.7	–7%	5%
Market-based total GHG emissions per net revenue	128.5	138.3	133.8	–7%	3%

Overall, the total GHG emissions for 2024 (both considering location-based or market-based Scope 2 emissions) were approximately 175,000 tCO_2-eq, showing an 8% decrease (–14,392 tCO_2-eq) from the previous year. This data highlights the Company's ongoing efforts to manage and reduce its carbon footprint over the years.

As for the GHG intensity, combining all Scopes, the total GHG emissions per net revenue (for both location-based Scope 2 emissions or market-based Scope 2 emissions), decreased by 13% compared to 2023. The positive trend in total GHG emissions efficiency underscores the Company's efforts to improve its carbon efficiency, particularly in reducing indirect emissions

and optimizing energy use. However, the increase in Scope 1 emissions intensity indicates that there is still work to be done in managing direct emissions as the Company grows.

For comparison, Leadec had an increase in net revenue for fiscal year 2024 compared to 2023 of 5.8% and of 47.6% compared to 2019. This increase in net revenue and the associated expansion of our operations is reflected in an increase in energy consumption and other resources, thereby increasing parts of our CCF. The following sections of this chapter describe the main changes in the Company's CCF from 2023 to 2024:

Scope 1

In 2024, the gross Scope 1 GHG emissions were recorded at 10,326 tCO_2-eq, marking a 14% increase (1,265 tCO_2-eq) from the previous year and an 85% (4,736 tCO_2-eq) increase from the base year. Notably, there were no emissions from regulated emissions trading schemes across all years.

The reason behind the increase in Scope 1 emissions is tied to growing business operations, and therefore an increased fuel consumption by our vehicle fleet. Additionally, the fuel consumption by forklifts and other types of machinery was included in the 2024 calculations, which was not the case in previous years.

In 2024, Scope 1 GHG emissions per net revenue were 7.9 tCO_2-eq/€ million, which represents an 8% increase from 2023.

Scope 2

For Scope 2 GHG emissions, the location-based emissions in 2024 were 2,590 tCO_2-eq, which is a 24% decrease (–833 tCO_2-eq) from 2023. The market-based emissions for the same year were 2,256 tCO_2-eq, showing a 17% decrease (–447 tCO_2-eq) from 2023 and

a significant 69% decrease (–5,050 tCO_2-eq) from the base year of 2019.

The decrease in Scope 2 emissions is tied to Leadec's activities associated with our goal to reach a 65% share of renewable energy in our total electricity consumption. Additionally, in 2024 we had a 7.0% decrease in electricity consumption compared to 2023. Moreover, we improved our data transparency as in 2023, most of the legal entities reported heating and cooling as part of their electricity consumption. In 2024 we improved the data and were able to identify the electricity mix used for heating and cooling. For further insights on Leadec's energy consumption and mix, please refer to ⇒ page 91 onward in this chapter.

> In 2024, Leadec reduced its total GHG emissions by 8% and its GHG emissions intensity by 13%, compared to the previous year.

For Scope 2 emissions, the location-based GHG emissions per net revenue in 2024 were 2.0 tCO_2-eq/€ million, a 28% decrease from 2023. The market-based GHG emissions per net revenue in 2024 were 1.7 tCO_2-eq/€ million, a 21% decrease from 2023. These figures highlight the successful improvements in the Company's energy sourcing and efficiency.

Scope 3

The Company reported on its Scope 3 emissions for the first time in 2022. Therefore, no data can be disclosed in relation to the base year 2019 relevant to Scope 1 and 2.

The significant Scope 3 GHG emissions, which include various indirect emissions, totaled 162,743 tCO_2-eq in 2024, reflecting a 9% decrease (–15,211 tCO_2-eq) from 2023. Leadec's Scope 3 GHG emissions encompass a wide range of indirect emissions that occur throughout the value chain of a company. These emissions are usually by far the largest portion of a company's carbon footprint and include for us several relevant categories:

Purchased goods and services: In 2024, emissions from purchased goods and services were 129,992 tCO_2-eq, representing a 2% decrease from 2023. This category includes emissions from the production of goods and services that the Company acquires, reflecting the carbon footprint of our suppliers associated with their business with us. As this category is the largest contributor to Scope 3 emissions, Leadec places a high emphasis on improving data quality and transparency for purchased goods and services. Enhanced data quality and transparency lead to more accurate CO_2-eq figures, supporting more efficient management. Moreover, it provides a solid foundation for further projects, such as the climate transition plan, which aims to consider locked-in GHG emissions, and setting science-based targets.

For the 2024 disclosure, we significantly improved data collection by allocating our purchased goods and services to specific UNSPSC codes. This allowed our third-party supplier to assign the correct emissions factor in most cases. We also increased our consumption-based data and decreased the reliance on spend-based data, reducing the need for extrapolations. Even though our business grew in 2024, we achieved a 2% reduction in Scope 3 GHG emissions compared to 2023.

Capital goods: Emissions from capital goods in 2024 were 1,089 tCO_2-eq, showing a significant 56% decrease from 2023. Capital goods include long-term assets such as machinery and buildings, and their production and transportation contribute to GHG emissions. The reduction is associated with significantly improving data transparency and quality compared to 2023, which was the first year we calculated the emissions for capital goods.

Fuel- and energy-related activities: This category accounted for 3,279 tCO_2-eq in 2024, a 14% increase from 2023. It includes emissions from the production and transportation of fuels and energy purchased by the Company, excluding those already reported under Scope 1 and Scope 2. The increase is associated with better data quality and transparency.

Upstream transportation and distribution: Emissions from upstream transportation and distribution were 2,032 tCO_2-eq in 2024, a 46% decrease from 2023. This category covers emissions from the transportation and distribution of products purchased by the Company, before they reach the Company. The decrease is associated with better data quality and transparency.

Waste generated in operations: In 2024, emissions from waste were 306 tCO_2-eq, a substantial 74% decrease from 2023. This includes emissions from the disposal and treatment of waste produced by the Company's operations. In addition to a decrease in actual waste generated, the legal entities across the Group were able to provide better quality data, reducing the need for extrapolation. For further information on waste, please refer to ⇒ page 104 (chapter "Environmental/Resource Use and Circular Economy [E5]").

Business travel: Emissions from business travel were 2,791 tCO_2-eq in 2024, an 8% decrease from 2023. This category includes emissions from employee travel for business purposes, such as flights, car rentals, and hotel stays. Virtual meetings and avoiding flights whenever possible contributed to decreased emissions.

Employee commuting: Emissions from employee commuting were 23,254 tCO_2-eq in 2024, a 28% decrease from 2023. This includes emissions from employees traveling to and from work, using various modes of transportation. This category is Leadec's second-largest contributor to Scope 3 emissions and in 2024 we saw an increase in the share of primary data. The increase of primary data is significant as it involves empirical data collected from- and validated by the respective legal entities. Secondary data, in contrast, is based on extrapolation and Leadec's internal benchmarking. Additionally, we observed a decrease in headcount in 2024 compared to 2023, and an increase in the home-office workdays. Furthermore, Leadec has, in various countries, specific employee benefit offers for commuting such as job tickets for trains or subsidizing e-bikes.

Overall, Scope 3 emissions are critical for understanding the full environmental impact of our Company's activities. They highlight the importance of engaging with suppliers, improving operational efficiencies, and promoting sustainable practices throughout the value chain to collectively achieve significant reductions in GHG emissions. The Scope 3 GHG emissions per net revenue in 2024 were 123.9 tCO_2-eq/€ million, a 12% decrease from 2023. This category includes a wide range of indirect emissions, indicating that the Company has made progress in reducing its overall value chain emissions relative to its revenue.

GHG type disclosure for Scope 1 and 2

Since 2022, Leadec's emissions have been reported in CO_2 equivalents (CO_2-eq). This means that in addition to carbon dioxide emissions, greenhouse gases like methane and nitrous oxide and other GHG are also considered and converted into CO_2 equivalents. Additionally, in 2024, Leadec discloses the individual contribution per GHG type for Scope 1 and 2 for the first time:

Greenhouse gas type	GWP1 tCO_2-eq	
	Scope 1	Scope 2 (market-based)
Carbon dioxide (CO_2)[2]	10,027.5	2,241.7
Methane (CH_4)	14.9	6.1
Nitrous oxide (N_2O)	84.0	7.6
Hydrofluorocarbons (HFCs)	199.7	0.6
Perfluorocarbons (PFCs)	0.0	0.0
Sulfur hexafluoride (SF_6)	0.0	0.0
Nitrogen trifluoride (NF_3)	0.0	0.0
	10,326.2	**2,256.1**

	GWP1 tCO_2-eq
Total Sope 1 + 2 (market-based)	**12,582.2**

[1] GWP = Global Warming Potential
[2] Scope 2 carbon dioxide includes the supplier-specific emissions factor for purchased electricity

External validation of CCF

It is important to Leadec to engage in external validation of its corporate carbon footprint measurements. Therefore, we have worked with ClimatePartner to calculate and validate Leadec's emissions.

ClimatePartner

Certificate

Partner in climate action

Leadec Holding BV & Co. KG

as a customer of ClimatePartner, is actively engaged in climate protection with the following activities:

• Calculation of a Corporate Carbon Footprint

Together with ClimatePartner, Leadec measured the company's corporate carbon footprint of 2024 (CCF 2024). These measurements were calculated according to the guidelines of the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol). The underlying organizational and operational system boundaries as well as the consumption data used for the calculation were checked and validated by ClimatePartner.

Issued on: **14.07.2025**

Moritz Lehmkuhl
Managing Director
ClimatePartner Deutschland GmbH

Accounting policies

Energy mix and consumption
Energy consumption: Leadec considers all energy sources used, such as fuels used for different types of machinery, operations, and vehicle fleet, electricity from the grid, own generated electricity (for example through solar panels), energy used for heating and cooling, energy used for electric vehicles of own vehicle fleet.

Energy intensity: This is calculated considering the total energy consumption divided by the total fiscal year net revenue in € million and in USD million. For definition and values of net revenue, please see below.

Greenhouse gas gross Scope 1, 2, 3 and, total GHG emissions
Carbon dioxide equivalents (CO_2-eq): CO_2-eq is a measure of the effect of various greenhouse gases (GHGs) on the climate. By converting different emissions to the equivalent amount of carbon dioxide (CO_2), their impacts can be compared. Where tCO_2-eq is used in this report, it equals a metric ton of carbon dioxide equivalents.

Scope 1 – Direct GHG emissions: CCF calculations performed in accordance with the guidelines of the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol).
Categories included:
1.01 Direct emissions from company facilities
1.02 Direct emissions from company vehicles

Scope 2 – Indirect GHG emissions (market- and location-based): CCF calculations performed in accordance with the guidelines of the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol).
Categories included:
2.01 Purchased heating, steam, cooling for own use
2.02 Purchased electricity for own use

Scope 2 market-based: The market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). It derives emissions factors from contractual instruments, which include any type of contract between two parties for the sale and purchase of energy bundled with attributes about the energy generation, or for unbundled attribute claims.

Scope 2 location-based: The location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emissions factor data).

Scope 3 – Indirect GHG emissions: CCF calculations performed in accordance with the guidelines of the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol). It was established together with a third-party provider that the relevant categories for the Leadec Scope 3 calculation are the following:

3.01 Purchased goods and services
3.02 Capital goods
3.03 Fuel- and energy-related activities
3.04 Upstream transportation and distribution
3.05 Waste generated in operations
3.06 Business travel
3.07 Employee commuting

The non-relevant categories, not included in the Scope 3 calculation are:

3.08 Upstream leased assets
3.09 Downstream transportation and distribution
3.10 Processing of sold products
3.11 Use of sold products
3.12 End-of-life treatment of sold products
3.13 Downstream leased assets
3.14 Franchises
3.15 Investments

All identified categories relevant to Leadec's CCF are related to upstream activities. Therefore, downstream emissions are 0.

GHG emissions, Scope 1–3, breakdown per country (fiscal year 2024)

in tCO$_2$-eq

	Scope 1	Scope 2 (market-based)	Scope 3	Total Scope 1–3
Group	**10,326**	**2,256**	**162,743**	**175,325**
Austria	41	26	1,088	**1,155**
Brazil	604	20	10,708	**11,331**
China	217	131	12,650	**12,997**
Canada	77	0	2,058	**2,136**
Czech Republic	111	12	1,285	**1,408**
France	24	2	298	**324**
Germany	5,981	83	43,469	**49,533**
Hungary	623	122	13,611	**14,356**
India	349	88	3,790	**4,228**
Mexico	257	5	4,626	**4,888**
Poland	372	208	8,103	**8,682**
Portugal	5	0	500	**506**
Slovakia	44	216	3,264	**3,524**
Spain	11	0	1,008	**1,020**
United Kingdom	197	1,102	9,427	**10,727**
USA	1,413	239	46,858	**48,510**

GHG intensity: This is calculated considering the total GHG generated for Scope 1, 2 (market- and location-based), and 3 in metric tons of CO$_2$ equivalents divided by the total fiscal year net revenue in € million and in USD million.

Net revenue: Equals sales in the financial reporting stated in the annual report. It is defined as income from selling goods and services, less sales deductions.

Total output: Encompasses sales plus changes in inventories and other own work capitalized.

Year	Total output (€ million)	Net revenue (€ million)
2019	890.3	889.7
2022	1,129.3	1,136.5
2023	1,245.6	1,241.3
2024	1,303.0	1,313.2

Year	Total output (USD million)	Net revenue (USD million)
2019	997.2	996.4
2022	1,208.4	1,216.0
2023	1,376.4	1,371.7
2024	1,353.7	1,364.3

Resource Use and Circular Economy [E5]

Why it matters

The Leadec Group is constantly working to minimize its environmental impact. This vital goal drives the Company to use resources more wisely and contribute to a circular economy. The sub-topic of waste offers a material business opportunity for Leadec that we have been increasingly capitalizing on: Within our Green Factory Solutions (GFS) portfolio, "Zero Waste Services", which aims to implement waste recycling practices, zero waste strategies, and sustainable operations in our customers' factories, is one of the most frequently requested GFS services. We aim to leverage this opportunity through professional service delivery and further market positioning of GFS. While the Company's environmental impacts relating to resource use and circular economy were deemed not material in our DMA assessment, Leadec has a robust waste-management approach in place, that we have chosen to voluntarily report on.

Leadec's impacts, risks, and opportunities related to resource use and circular economy

The material impacts, risks, and opportunities (IROs) related to resource use and circular economy have been identified in a double materiality assessment (DMA) based on the principles of the Leadec Group's risk management process. The materiality assessment described on ⇒ page 55 onward (section "Impact, risk, and opportunity management" in chapter "General Disclosures [ESRS 2]") identified the following material opportunity, which refers to the sub-topic of waste:

Sub-topic and description	Type	Value chain location	Time horizon[1]	Policies and frameworks
Waste				
Leadec is well-positioned to play a significant role and benefit from helping industries transition to greener practices through its Green Factory Solutions. As a result, Leadec's revenues are expected to increase over time. Relevant GFS promote a circular economy and pay into the sub-topic of waste.	Opportunity	Downstream	Short-, medium-, and long-term	• Commitment to UN SDGs • Commitment to EU Green Deal

[1] short-term = 1 year, medium-term = 1–5 years, long-term = over 5 years (as per ESRS 1.77)

Topic E5 – resource use and circular economy along with the associated datapoints was excluded from Leadec's CSRD sustainability statement in accordance with the European Sustainability Reporting Standards (ESRS) as it was deemed immaterial based on the Leadec Group's IRO assessment, aside from one downstream opportunity referring to the sub-topic of waste. Nonetheless, as some disclosures under E5 are significant to SFDR and Leadec has a robust waste-management approach in place, Leadec has provided information on SFDR-relevant disclosures and its management approach alongside an explanation of the identified business opportunity.

Downstream opportunity: Waste

Zero Waste Services offered as part of Leadec's Green Factory Solutions (GFS) are designed to help customers implement effective waste recycling practices, zero waste strategies, and sustainable operations in their factories. The waste-related opportunity pertains exclusively to customer-owned waste, as Leadec is handling the waste on behalf of the customer. Hence, no significant negative impact on Leadec's own operations is associated with these activities.

One of the primary components of Zero Waste Services is comprehensive waste management. This involves the efficient collection and sorting of both hazardous and non-hazardous waste materials. Leadec ensures safe transport and disposal of waste, adhering to legal regulations and environmental standards. Additionally, digital waste-tracking tools are employed to monitor waste management processes, ensuring transparency and accuracy.

Zero waste strategies are implemented to optimize waste management. This includes developing strategies to minimize waste generation and maximize recycling and re-use. Circular economy principles are applied to ensure that waste materials are continuously reused and recycled, thereby reducing the overall environmental footprint. Leadec focuses on the recovery of valuable materials from waste streams, such as metals, plastics, and paper.

The expected benefits of Zero Waste Services are significant. By implementing these services, customers can achieve a substantial reduction in waste generation and disposal, leading to a lower environmental

Actions

- Offering GFS aimed at a circular economy, e.g., Zero Waste Services
- Further market positioning of GFS and service delivery to the customer

footprint. Cost savings are realized through efficient recycling and re-use practices, and compliance with local and international environmental regulations is ensured. Enhanced customer satisfaction is achieved through sustainable and responsible waste management practices.

The increasing demand for sustainable waste management solutions presents promising further growth opportunities for Leadec. By offering comprehensive Zero Waste Services, Leadec can position itself as a leader in this sector, attracting new customers and expanding its market share.

Leadec's sales related to sustainable services as listed in the EU Taxonomy ("eligible activities") exceeded in total the 100-million-euros mark in fiscal year 2024. Leadec's activities under 2.3 "Collection and transport of non-hazardous and hazardous waste" within the framework of the EU Taxonomy account for a large share of almost 40% of the total eligible sales.

These services alongside services under 7.3 and 3.20 account in sum for roughly 80% of the total eligible sales. The decabonization activities 7.3 and 3.20 are covered under the E1 downstream opportunity identified in our DMA (see ⇢ page 93, section "Energy – downstream opportunity" in chapter "Climate Change [E1]"). For further information on Leadec's approach to the EU Taxonomy, please see ⇢ page 70 (section "Reporting in accordance with the EU Taxonomy" in chapter "Environmental Information").

Although Leadec has identified a material opportunity within the sub-topic of waste it is only related to downstream activities for our customers, at no time does Leadec own the waste or process it as part of its own operations. While the sub-topic of waste was not identified as material to our business operations as part of the materiality assessment, we have robust policies and measures addressing these issues governing waste handling and guiding our employees in their daily actions.

Holistic approach to waste management

At Leadec, we ensure the efficient operation of industrial waste management centers. Our Green Factory Solutions deliver waste management systems tailored to industrial environments, with a strong focus on digitalization and alignment with ESRS E5 – Resource Use and Circular Economy. Our services ensure compliant handling of hazardous and non-hazardous waste at every stage: from collection and segregation to documentation and disposal – fully supported by integrated digital tools.

A key element is our digital waste management platform, which enables real-time recording of all waste transactions. The system tracks materials by type and volume, flags missing or expired documents, and automatically generates legal transport and disposal documentation. Customers and suppliers access a centralized compliance portal to review performance, initiate orders, and ensure transparent traceability. This reduces human error, increases efficiency, and ensures regulatory compliance.

On-site, our teams operate waste logistics with specialized equipment for collection, container handling, and transportation. Containers are regularly cleaned and maintained to ensure hygiene and operational readiness.

Leadec also drives performance improvement through data-driven waste reviews, KPI tracking, and structured optimization. Lean tools help identify inefficiencies in the waste stream, while targeted staff training increases awareness and operational quality. Where feasible, circular economy and zero waste principles are evaluated and implemented.

Policies

Leadec's Waste Management Policy emphasizes sustainable practices and ensures compliance with local, national, and international regulations regarding waste management. This adherence guarantees that all waste handling and disposal practices meet stringent legal standards, thereby maintaining high levels of environmental protection.

Regular monitoring and transparent reporting of waste generation and disposal are key components of the policy. By tracking waste metrics, Leadec can identify areas for improvement and ensure accountability. This systematic approach helps the Company maintain high standards of waste management and demonstrate progress in its sustainability efforts.

Leadec's Waste Management Policy focuses on sustainable practices, regulatory compliance, and waste reduction through recycling and employee education.

To minimize waste production, Leadec implements measures such as recycling and reusing materials. These waste reduction strategies aim to lower the Company's environmental footprint by addressing waste at its source. Additionally, proper waste handling and disposal methods are employed to prevent pollution, including the use of environmentally friendly technologies and practices.

Employee education is another crucial aspect of the Waste Management Policy. Leadec educates its employees on best practices for waste management and sustainability, fostering a culture of responsibility and awareness within the organization. This training ensures that all employees are equipped to contribute to the Company's sustainability goals.

Leadec also encourages its suppliers to ensure they follow sustainable waste management practices via the Business Partner Code of Conduct as well as the purchasing conditions. This extends the Company's commitment to sustainability throughout its supply chain, promoting responsible practices beyond its immediate operations. Furthermore, Leadec works with local communities on initiatives to reduce waste and promote sustainability. Community collaboration like, for example, Leadec's participation in the ⊕World Cleanup Day helps build strong relationships and supports local environmental efforts.

In line with ESRS application requirements, Leadec's Waste Management Policy is integrated into broader environmental and sustainability policies. The policy addresses the waste hierarchy, prioritizing prevention, preparing for re-use, recycling, other recovery methods like energy recovery, and disposal. Waste treatment is not considered a recovery method. The policy emphasizes the avoidance or minimization of waste through re-use, repair, refurbishment, remanufacture, and repurpose, over recycling.

Leadec considers the principles outlined in the EU Paper ⊕"Categorisation System for the Circular Economy" wherever applicable. This includes circular design and production models, circular use models, circular value recovery models, and circular support along the principles of the nine circular economy "R" strategies: refuse, rethink, reduce, re-use, repair, refurbish, remanufacture, repurpose, and recycle.

Together, these strategies enable Leadec to manage its operations sustainably, minimizing environmental impact and promoting responsible waste management. By integrating these comprehensive measures, Leadec demonstrates its commitment to sustainability and its proactive approach to environmental stewardship.

Actions

The following key actions are implemented based on Leadec's Waste Management Policy:

1. Waste management program implementation
- Hierarchy of waste disposal: Prioritize waste minimization, re-use, recycling, recovery, incineration (without energy recovery), and landfill disposal.
- Circular economy principles: Implement practices to eliminate waste and pollution, keep products and materials in use, and regenerate natural systems.

2. Waste management audit and monitoring
- Regular audits: Conduct regular audits of waste storage, handling, transportation, segregation, labeling, and treatment.
- Monthly reporting: Implement monthly waste reporting, including trend monitoring and analysis.

3. Waste management improvement actions
- Identify and implement improvements: Focus on ecological and economic benefits, prioritizing actions to minimize waste generation and enhance recycling and recovery.

4. Waste collection, storage, segregation, and transportation
- Designated areas: Establish designated collection, storage, and segregation areas.
- Internal transportation: develop route plans for efficient and safe waste transportation within and outside the site.

5. Employee involvement and training
- Work instructions and training: Define work instructions and training needs to educate employees on waste minimization and efficient segregation.
- Employee engagement: Promote employee involvement through campaigns and training programs.

6. Incident reporting and performance review
- Incident reporting: Use tools like Leadec's HSE suite reporting tool for waste-related environmental incidents.
- Performance review: Regularly review waste management trends and identify areas for improvement.

Leadec UK closes the recycle loop for plastic bags

Leadec in the United Kingdom and plastic recycler Jayplas have developed a solution to recycle and re-use plastic packaging waste. Together they have developed a new closed-loop recycling process with promising results: An 81-metric-ton carbon dioxide equivalents reduction from the 30.5 metric tons of bags purchased annually at the site in Halewood (UK).

At a plant in Halewood, Leadec is responsible for both cleaning and waste management. Over the course of a year, the Leadec team currently goes through around 230,000 plastic bags, which are used to collect waste materials from the factory. In addition, it is responsible for processing the waste, i.e., collecting it, basic sorting, bailing plastic packaging, and finally finding the best waste supplier to purchase the waste.

Turning waste into a resource

The goal for the team was clear: improve the waste hierarchy by increasing recycling while reducing costs by 6.6 pence per sack. To achieve this, Leadec teamed up with Jayplas, one of the UK's largest specialist plastic recyclers. Together, they developed a plan to collect and recycle the polyethylene film waste produced at the plant.

New bags made from recycled materials

In 2023 Leadec and Jayplas reached a decision on the specifications for the types of film waste needed to be recycled and on the end product. This was followed by trials of the collection and recycling of the film waste, and supply of finished, recycled plastic bags.

The Leadec team is responsible now for completing a presort by hand and supply of all post-industrial polythene film waste, which is then transported to Jayplas' fully automated flexible plastic segregation facility. An optical near-infrared (NIR) sorting system sorts the incoming bales a second time, this time by polymer type and color. The bales are then transported to the washing and pelletizing system to a preprocessor which then blows and converts the LDPE (low density polyethylene) into strong sacks made from 100% reclaimed polymer. The bags are then delivered back to the Halewood site.

Real impact, real results

The results of the project speak for themselves: This new recycling process equates to a carbon reduction of 81 metric tons per year.

Targets

Although the topical reporting of E5 for our own operations was assessed to be not material, Leadec is committed to enhancing resource efficiency and minimizing waste generation across its operations. The following targets and achievements for 2024 reflect our dedication to sustainable practices and environmental stewardship wherever Leadec has influence on processes based on our business model. Furthermore, setting targets is driven by investor and ratings requests, as well as the need to collect and track waste data as input for our corporate carbon footprint. Moreover, ISO 14001 certifications ensure good waste management where Leadec has operational control.

Resource-efficiency targets	Target[1]	2024	2023
Reduce consumption of non-recyclable materials	–75% reduction of waste to landfill relative to total output[2] Contributing to reducing packaging waste, water use, and water pollution	–65%	–74%
Reduce total waste	–15% relative to total output[2]	32%	40%
Reduce hazardous waste	–15% relative to total output[2]	–96%	–99%
ISO 14001 certifications	>75% of our operations ISO 14001 certified	86%	76%

[1] Reduction targets compared to the 2019 baseline
[2] For definition of total output and amounts used for calculation see ⇨ page 103.

Leadec is committed to enhancing resource efficiency and minimizing waste generation across its operations. Our 2025 goal is to achieve a 75% reduction in waste to landfill relative to total output. In 2023, we nearly reached this goal with a 74% reduction. However, in 2024, more non-recycled waste was directed to landfill and less to incineration for energy recovery. Consequently, 2024 saw a deterioration in our progress toward our goal which now stands at –65% compared to our base year. Although Leadec's operations grew, the overall share of waste being recycled was maintained, and the total sum of waste generated was reduced by –1.5%. For detailed metrics, please refer to the associated numbers disclosed under "Metrics" (in this section).

Our target to reduce total waste by 15% relative to total output resulted in a 32% reduction in 2024, down from 40% in 2023. We reduced our total waste relative to total output in 2024 to 3.86 metric tons per million euros from 4.11 tons per million euros of total output in 2023. We also set a goal to reduce hazardous waste by 15% relative to total output, achieving a remarkable 96% reduction in 2024, slightly lower than the 99% reduction in 2023. Additionally, we aimed to have more than 75% of our operations ISO 14001 certified, and we surpassed this with 86% certification in 2024, up from 76% in 2023.

This year also marked the first time hazardous waste data was collected from two legal entities in Germany and one in Austria. Eight legal entities across Austria,

China, Czech Republic, France, Germany, Mexico, and Poland successfully decreased their total waste generation compared to 2023. Our recycling rate reached 65.3%, and we generated 5,036.2 metric tons of waste, representing a 1.5% reduction from 2023. Of this, 1,746.13 tons were non-recyclable waste.

Examples of our waste management initiatives include selective waste storage and resale of materials in Poland, the placement of recycling bins and community litter-picking challenges in the UK, and the repurposing of scrap metal plates in China. Leadec remains dedicated to continuous improvement in waste management and resource efficiency, striving to achieve our sustainability goals and contribute positively to the environment.

Metrics

Leadec's Waste Management Policy establishes a system for accurately documenting waste. This data is collected once per fiscal year. The following metrics provide a detailed overview of Leadec's waste management performance and progress toward our sustainability targets. These datapoints are crucial for understanding our achievements, identifying areas for improvement, and ensuring transparency in our

environmental impact. By closely monitoring these metrics, we can effectively measure our resource efficiency, waste reduction efforts, and adherence to ISO 14001 standards, thereby reinforcing our commitment to sustainable practices and environmental stewardship. The following table presents a breakdown of Leadec's waste stated in metric tons (t).

	2024 (t)	2024	2023 (t)	2023
The total amount by weight diverted from disposal[1]	**3,289.9**	**65.3%**	**3,425.5**	**67.0%**
Preparation for re-use	0	0%	0	0%
Recycling	3,289.9	65.3%	3,425.5	67.0%
Other recovery operations	0	0%	0	0%
The amount by weight directed to disposal	**1,746.1**	**34.7%**	**1,687.9**	**33.0%**
Hazardous waste	37.9	0.8%	7.6	0.1%
Non-hazardous waste	1,708.1	33.9%	1,680.4	32.9%
Incineration	1,243.5	24.7%	1,324.3	25.9%
Hazardous waste	0.4	0%	0	0%
Non-hazardous waste	1,243.2	24.7%	1,324.3	25.9%
Landfill	502.5	10.0%	363.7	7.1%
Hazardous waste	37.6	0.7%	7.6	0.1%
Non-hazardous waste	465.0	9.2%	356.1	7.0%
Other disposal operations	0	0%	0	0%
Hazardous waste	0	0%	0	0%
Non-hazardous waste	0	0%	0	0%
Total amount of waste generated	**5,036.0**	**100.0%**	**5,113.4**	**100.0%**

[1] All non-hazardous waste

Despite increased operations, Leadec generated 5,036.0 metric tons of waste in 2024, a slight reduction from 5,113.4 tons in 2023. Of this, 65.3% (3,289.9 tons) was diverted from disposal, primarily through recycling, compared to 67.0% (3,425.5 tons) in 2023. No hazardous waste was diverted in either year.

65%
of waste was diverted from disposal,
primarily through recycling.

Waste directed to disposal increased to 1,746.1 tons (34.7%) in 2024 from 1,687.9 tons (33.0%) in 2023. This includes 37.9 tons of hazardous waste, up from 7.6 tons in 2023, and 1,708.1 tons of non-hazardous waste, up from 1,680.4 tons in 2023.

Waste to incineration dropped slightly to 1,243.5 tons (24.7%) in 2024 from 1,324.3 tons (25.9%) in 2023, while landfill disposal rose by 38% to 502.5 tons (10.0%) from 363.7 tons (7.1%) in 2023.

A small amount of radioactive waste (0.1 tons) was generated in 2024, none in 2023.

Leadec employees engage in World Cleanup Day

When it comes to protecting the environment, Leadec employees don't just talk the talk – they walk the walk. In September 2024, Leadec teams around the globe joined the effort of 114 million people, in 211 countries, supporting the 🌐World Cleanup Day on September 20, making a tangible impact on their local environments. It was the first year that this day was marked as an International Day in the United Nations calendar.

Building a better environment

The teams in Mexico and India went above and beyond. On the sun-soaked beaches of Baja California, Mexico, the Tijuana team tackled the challenge of Sargassum algae, which collects harmful microplastics and toxic substances like pesticides. In addition to cleaning the shoreline, the team also engaged local communities, raising awareness about the dangers of ocean pollution.

In India, the Mysuru team took on a major project, clearing waste from a water reservoir and restoring the ecological balance by releasing fish back into the clean water. This thoughtful approach helps protect local biodiversity and supports the health of the ecosystem.

Full bags, full hearts

In Polkowice, Poland, and Győr, Hungary, teams were set to join the cleanup effort but instead responded to a different kind of crisis – severe flooding along the Danube and Oder rivers. Without hesitation, they pivoted to support their communities, filling sandbags and reinforcing flood protection dams near Głogów, Poland. Leadec employees didn't just show up for a single day – some even took four days off to volunteer, working shoulder to shoulder with hundreds of others to protect their neighbors. The Polish team also organized a local donation drive to support those affected by the floods.

Social Information

"At Leadec, social responsibility is more than a commitment. It's the foundation of how we work, grow, and create value together with our people and partners."

Markus Glaser-Gallion, CEO Leadec Group

People are at the heart of everything we do. In 2024, we reached a new milestone in workplace safety with a lost time injury frequency rate (LTIFR) of just 1.0 – our best result to date. This reflects our deeply embedded safety culture and the dedication of our more than 22,500 employees worldwide.

Our team is as diverse as the industries we serve: colleagues from 109 nationalities work together across our global network. Engaging our stakeholders and promoting a culture of transparency are essential to our sustainability efforts. Leadec's first global employee survey achieved a 79% participation rate, gathering valuable feedback to identify areas for improvement and enhance our organizational culture and internal engagement.

We also reinforced our social responsibility across the supply chain. All new suppliers are now required to adhere to our Business Partner Code of Conduct. By the end of 2024, 62% of our active "A suppliers" had formally committed to these principles with the goal of reaching 80% by 2025. Furthermore, we implemented a software-driven risk management system to assess 100% of our approximately 12,500 active Tier 1 suppliers.

Social responsibility at Leadec means providing a safe, inclusive, and accountable environment across our operations and along our value chain.

1.0
lost time injury frequency
rate (LTIFR) per one million
hours worked

79%
participation rate in our first
global employee survey

100%
of active Tier 1 suppliers
screened for human rights and
environmental topics

Own Workforce [S1]

Why it matters

The Leadec Group is committed to fostering a work environment that prioritizes safety and inclusivity for everyone, encompassing permanent employees, temporary employees, and business partners. With more than 22,500 employees in 16 countries, the importance of human life is the utmost priority for the Leadec Group. As a service provider, the Leadec Group relies on its employees' unique skills and expertise to provide specialized industrial services to customers, which is why the employees are the Leadec's greatest asset. The Company acknowledges that a secure workplace not only safeguards its workforce but also enhances productivity and reduces operational expenses. By protecting the rights, health, and safety of its employees and cultivating a learning environment that promotes equality and opportunity, Leadec aims to attract and develop top talents, thereby improving its performance. The organizational ethos and strategies for talent recruitment, professional development, leadership cultivation, fair labor practices, diversity, and inclusion are integral to the Leadec Group's ability to achieve its strategic objectives.

Sub-sub-topic and description	Type	Value chain location	Time horizon[1)]	Policies and frameworks
Secure employment				
Regardless of location, the Leadec Group's members of staff are offered long-term/unrestricted employment opportunities. The Company's offerings and service lines provide additional access to the labor market for unskilled workers.	Positive impact (actual)	Own operations	Short-term	• Human Resources Principles Directive • Commitment to human rights standards • Commitment to ILO standards
Working time				
Working hours vary depending on tasks and locations. Blue-collar workers may also work night shifts, though Leadec implements country-specific measures to monitor working hours and ensure legal compliance. While overtime is uncommon, it can lead to psychological issues such as burnout or reduced focus, as well as physical harm.	Negative impact (actual)	Own operations	Short-term	• Human Resources Principles Directive • Regional policies on shift and working time models • Commitment to ILO standards • Commitment to human rights standards
Adequate wages				
The Leadec Group typically provides competitive salaries for white-collar workers, exceeding minimum wage. Leadec focuses on fair wages of blue-collar workers in accordance with national minimum wage legislation. Leadec has also focused on blue-collar workers to pay adequate wages according to countries' average adequate wages standards wherever economically possible. This ensures an adequate standard of living for them and their families. Securing employment in alignment with national legislation provides the opportunity to participate in the local labor market.	Negative impact (actual)	Own operations	Short-term	• Human Resources Principles Directive • Global Bonus Directive • Job architecture • Commitment to ILO

Material impacts, risks, and opportunities related to our own workforce

The material impacts, risks, and opportunities (IROs) related to Leadec's own workforce have been identified in a double materiality assessment based on the principles of the Leadec Group's risk management process. The materiality assessment described on ⇒page 55 onward (section "Impact, risk, and opportunity management" in chapter "General Disclosures [ESRS 2]") identified the following material impacts, which refer to five different sub-sub-topics:

Actions

• Offering long-term/unrestricted employment opportunities • Pension schemes and benefits to foster long-term retention • If employees are no longer required in their previous role, conducting joint searches for socially acceptable terminations, or, if possible, retraining and redeploying affected employees	• Use of online recruiting platforms to publish all internal and external vacancies • Quarterly HR Dashboards to control workforce skill levels and contract durations • Future-ready strategy "Becoming Leading Edge", incl. development of Green Factory Solutions portfolio to account for potential negative impacts arising from transition to greener, climate-neutral economy
• Monitoring and managing working hours • Ensuring fair remuneration of working hours, depending on local regulations	• Quarterly HR Dashboards to control contract forms • Shift and working time models, part-time or mobile working models
• Ongoing check of legal requirements • Annual adequate wage assessment • Yearly HR Dashboards to control wage structures in legal entities • Job architecture for comparability • Providing fair, transparent, competitive remuneration; yearly salary review and salary benchmarks	• Unconscious bias trainings to support equal pay for equivalent roles • Bonus system based on transparent, objective, and measurable KPIs • Ensuring standard of living for employees on assignments abroad

Sub-sub-topic and description	Type	Value chain location	Time horizon[1]	Policies and frameworks
Collective bargaining				
The Leadec Group typically provides competitive salaries for white-collar workers, exceeding minimum wage. Leadec focuses on fair wages of blue-collar workers in accordance with national minimum wage legislation. Leadec has also focused on blue-collar workers to pay adequate wages according to countries' average adequate wages standards wherever economically possible. This ensures an adequate standard of living for them and their families. Securing employment in alignment with national legislation provides the opportunity to participate in the local labor market.	Negative impact (potential)	Own operations	Medium-term	• Human Resources Principles Directive • Commitment to ILO • Commitment to human rights standards
Health and safety				
Failure to provide the appropriate health and safety measures can result in incidents which cause physical or psychological harm during working hours. While minor incidents are common, the severity of injuries varies, and in some unfortunate cases, there have been casualties. This is why the Company's entire workforce is dependent on adequate health and safety measures and is at risk of physical or psychological harm if appropriate means are not enforced.	Negative impact (potential)	Own operations	Short-term	• Global Occupational Health and Safety Directive • Many specific HSE policies for the most common risks and operational procedures • ISO certificates of most operational sites (ISO 45001, ISO 14001, ISO 9001)

[1] short-term = 1 year, medium-term = 1–5 years, long-term = over 5 years (as per ESRS 1.77)

Human and labor rights

Approach and policies

The Leadec Group is passionate about safeguarding human rights and committed to preventing human rights violations in all areas of the business as well as the upstream and downstream supply chain. In particular, Leadec respects human and women's rights as well as the rights of minorities and indigenous people worldwide and accepts its social responsibility. Furthermore, the Company respects key international human and labor rights outlined in the International Bill of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises.

The Company's commitment to uphold human rights is anchored in the Code of Conduct and the Policy Statement. Like all guidelines, directives, and policies of the Leadec Group, these policies apply to all employees worldwide, also for those working for legal entities under the laws of the United States if a separate approval by the local Board of Directors exists.

The Code of Conduct explicitly focuses on ethical cooperation with business partners, effective human resources management, protection of Company assets, confidentiality and data protection, occupational safety, environmental protection, and robust compliance reporting. The Policy Statement covers Leadec Group's commitment to respecting human and environmental rights, prohibiting child labor and forced labor, ensuring freedom of association and collective bargaining, protecting against discrimination, promoting diversity and inclusion, safeguarding health and safety at work, providing adequate remuneration, managing working hours, addressing high-risk raw materials and environmental impacts, and implementing preventive and corrective measures. These guidelines are designed to uphold integrity, responsibility, and sustainability within the Leadec Group. In 2023

- Ongoing check of legal requirements
- Respecting employee rights and collective bargaining agreements
- Supporting employee representation and collective bargaining

- Fostering trusting collaboration with employee representatives
- Providing structured dialogue opportunities for employees

- Global "Safety – It's Your Life" communications campaign
- Safety as a core component of the integrated HSEQ management system
- Approximately 200 dedicated safety experts within the Leadec Group, plus local safety coordinators at every site
- Preventative actions (e.g., job and task-related risk assessments, safety walks), hazard spots reporting, HSE audit programs, regularly updating personal protective equipment, etc.
- Employee trainings (general and specific)

- All sites are digitally integrated into an HSE suite; fully digitalized regarding audits and inspections, occupational health and safety management, incident management, risk management, permits and compliance, pandemic management, and trainings management
- Internal global community management and best practice exchange
- Detailed reporting by all Leadec sites
- Monthly reporting to BoM and AC
- Safety targets integrated into bonus schemes
- Regular benchmarking (competitors, customers, etc.)

the Company appointed a Human Rights Committee to ensure compliance with human rights and to prepare relevant audit, declarations, and reports for Germany's Federal Office for Economic Affairs and Export Control (BAFA). The annual public reporting requirement, originally announced as an integral part of the LkSG, was repeatedly suspended by the BAFA, most recently until December 31, 2025.

Besides the importance of human rights, Leadec rejects any form of forced or child labor, human trafficking and all forms of modern slavery, servitude or other forms of domination or oppression in the workplace environment, such as economic or sexual exploitation and humiliation. This is emphasized in the Code of Conduct, the Policy Statement, and the Human Resources Principles Directive. Children must not be prevented from their education and in this way restricted in their development by gainful employment. Their dignity must be respected, and their safety and health protected. Furthermore, employment relationships are always based on voluntariness, and all employment relationships can be terminated subject

to a reasonable or legally regulated period of notice. The Leadec Group offers services all over the world and is aware of the increased risk of child labor in certain countries in Asia where the Company operates. However, due to our business model and our customers' business model, the risk is very limited. The Leadec Group continues its efforts to mitigate the risks described.

Actions

The Leadec Group conducts regular human rights due diligence, documents the activities in its own business as well as in the supply chain, and reports annually on current processes. Leadec uses internal regulations and instructions as guidelines for complying with the legal provisions regarding human rights due diligence. Within the individual Group entities, risk managers identify and prioritize risks related to human rights and compliance officers perform the compliance tasks relating to Leadec's Policy Statement. Responsibility for effective implementation lies primarily with the relevant operating units of the Leadec Group companies, which must fulfill the due diligence obligations

that apply to them. Experts in Human Resources (HR) & Organization (for labor and social standards), Purchasing, Global Health, Safety & Environment (HSE), and Global Sustainability work risk-based to ensure that the Company respects the relevant human rights in its own operations.

However, global conditions and the business environment are constantly changing. For this reason, Leadec reviews the effectiveness of all the measures described annually as well as on an ad hoc basis and adjusts where necessary. The monitoring of legal due diligence requirements and processes in accordance with the German Supply Chain Due Diligence Act (LkSG), in particular supply chain risk management, as well as the implementation of the policy statement has been assigned to the Human Rights Committee, which reports directly to the Board of Management (BoM) on a regular basis, at least once a year, as well as on an ad hoc basis. The established control instruments include employee surveys, audits, and comprehension checks following training in the own business. Leadec ensures its due diligence with regard to human rights with the measures described. In addition, internal audits are conducted to detect human rights issues, and the Company obliges its employees to annual training on human rights topics. As part of the compliance training, employees are made aware of the ban on forced and child labor and, as a core element of the management

culture, are taught to treat employees in a trusting, fair, responsible, and honest manner.

The Leadec Group offers those affected by human rights and environmental rights violations access to remedial action. Furthermore, the Leadec Integrity Line serves, among others, as a human rights complaints procedure and is available to employees, business partners, as well as customers via the Leadec Group website. For further information see (section "Mechanisms for identifying, reporting, and investigating concerns" in the "Business Conduct [G1]" chapter).

Metrics

In 2024, 90 incidents were reported to the Leadec Group. 40 were found to be confirmed, out of which 12 are related to discrimination, including incidents of harassment. Cases concerning discrimination based on gender, race or ethnic origin, nationality, religion or belief, disability, age, sexual orientation, or other relevant forms of discrimination affecting internal and/or external stakeholders across operations can be reported to the HR department or through the Leadec Integrity Line. This also includes incidents of harassment as a specific form of discrimination. No cases of severe human rights incidents (e.g., forced labor, human trafficking, or child labor) were identified during 2024.

Health and safety

Approach and policies

At Leadec, the health and safety of its employees is a top priority. A Safety Commitment declaration signed by the BoM is reviewed and updated every two years. It features the statements that are most central to our understanding of and approach to occupational health, e.g., that the ongoing focus on incident prevention and continuous improvement is an integral part of our daily work.

Leadec aims to sustain and improve employee health and well-being across its global workforce. Therefore, it is fundamental to the Company's operations that there is a robust health and safety management

system in place covering all people in its workforce. Dedicated health and safety managers work with the site and operations teams to proactively control risks by identifying circumstances that may place people in danger, and by taking all necessary corrective actions. Safety is a core component of the Leadec's integrated Health, Safety, Environment, and Quality (HSEQ) management system.

The corresponding global Occupational Health and Safety Directive outlines the minimum binding requirements and standards for the Leadec Group. The supervision lies with the Global Head of HSE, together with the local HSE teams. The key topics are prevention of

work-related injury and ill health, continual improvement of the organization and processes in health and safety, mental health for its employees, as well as compliance with the applicable legal and, if necessary, other requirements. In 2024 further specific global HSE policies and directives, namely the HSE Performance Metrics and Reporting Policy, Health Protection and Personal Protective Equipment Policy, Lock-Out Tag-Out Policy, and the Value Chain Work Force Management Policy were developed and are available on the global HSE SharePoint for all employees.

The global HSEQ software digitalizes various occupational health and safety processes, including accident and incident management, audits, inspections, training, permits, compliance, risk management, and pandemic management to enable a more effective monitoring of these processes. Besides, over 80% of the Leadec Group's operations hold an ISO 45001 certification. In addition, Leadec complies with specific customer requirements at their locations.

Actions
The Leadec Group runs the global "Safety – It's Your Life" campaign which creates a strong health and safety mindset and integrates safety into the corporate culture, as well as operating processes and management systems.

The Leadec Group conducts strong preventive work, including risk assessments, safety inspections, and extensive audits. Through a group-wide internal audit process at least 24 site maturity assessments are performed by Global HSE regarding a location's occupational health, safety, and environment yearly in Europe, the Americas, and Asia. On top of that, regional HSE heads conduct internal HSE audits within their area of responsibility to ensure compliance with Leadec HSE policies and standards.

Management bodies as well as the Advisory Committee are informed monthly of the actual figures for work and safety KPIs. To ensure robust, Company-wide health and safety leadership, Leadec has linked the remuneration of its executives, senior managers, and site managers to the LTI safety target. In 2024, the Leadec Group achieved an LTI frequency rate of 1.0, which puts the Company in a leading position in the industry.

To prevent incidents, injuries, and fatalities, there are regular updates and improvements to the employees' personal protective equipment, regular safety walks and training sessions such as evacuation exercises, and first aid courses in place.

The HR departments provide support, for example by emphasizing everyone's responsibility for ensuring occupational health and safety in their own area of responsibility when hiring employees and assigning management tasks, offering events and training courses to promote health, as well as supporting reintegration into everyday working life after a long-term illness.

Metrics

As of Dec. 31	2024	2023	2022	Δ (2024 vs. 2023)	Δ (2023 vs. 2022)
Number of fatalities related to work-related injuries/ill health	1	1	1	0%	0%
Number of lost time injuries	43	45	49	−5%	−9%
Lost time injury frequency rate (LTIFR) per million hours worked	1.0	1.1	1.2	−10%	−9%
Number of recordable work-related accidents	227	261	181	−15%	31%
Total recordable incident rate (TRIR) per million hours worked	5.5	6.5	4.5	−18%	31%
Cases of recordable work-related ill health	2	-	-	-	-
Number of days lost to work-related injuries/ fatalities/accidents/ill health	715	674	466	6%	31%

A very strong safety commitment by employees and management led to the best safety performance in Leadec's history in 2024. Occupational health and safety within the Leadec Group has continually improved over the years, which is reflected, for example, in an appreciably reduced number of accidents – both in absolute and relative terms. In fiscal year 2024, the lost time injury frequency rate, i.e., the number of accidents per one million hours worked resulting in at least one working day, fell again, to 1.0 (previous year: 1.1). Most accidents were related to contusion and cuts. Mainly fingers, hands, knees/ legs were injured. Nonetheless, the reporting year was the year with the lowest number of accidents in the history of the Company so far. The fact that the absolute number of days lost to work-related injuries or ill health increased is due to the rise in the total number of days worked.

Safety prevention was further intensified resulting in the lowest number of severe (red) incidents despite an increase in hours worked. As part of those safety prevention measures, which cover 100% of our operations, over 33,000 safety walks were carried out

A safety culture needs time to grow

What is the role of occupational safety in Brazil?
Aline Zanon: At Leadec, people are our greatest asset and protecting them is our top priority. Not only in Brazil, occupational safety goes beyond following rules – it is about genuinely caring for our teams and making safety a mindset. For our more than 4,000 employees, we conduct regular risk assessments at all sites to identify and eliminate potential hazards. This proactive approach not only safeguards our employees but also builds a strong safety culture and reinforces our commitment to a safe and supportive work environment.

What are the main challenges you face?
One of our biggest challenges is raising awareness among a diverse workforce. In the past, safety was often seen as an administrative topic, but now it must become part of everyday practice on the shop floor. This shift requires a mindset change among employees, from simply following the rules to taking personal responsibility for their own safety and that of their colleagues. A real safety culture is something that needs time to grow.

Aline Zanon
Safety Manager
Leadec Brazil

And what measures have proven to be effective?
We have made significant progress with our LOTO (Lock-Out and Tag-Out) program, which ensures equipment is safely shut down during maintenance. Simple, visual safety posters and targeted technical training have also been very effective. We have also expanded our focus to include mental health, with ongoing evaluations to identify and reduce stress factors. In addition, our teams are actively improving their chemical safety knowledge. I think this is a real win-win, as it reduces health risks for our employees while helping clients choose safer, more sustainable cleaning products. This benefits everyone involved, creating a safer workplace and a more responsible supply chain.

globally, over 3,200 site-specific risk assessments were recorded in our HSE suite, over 75% of operational sites received an updated risk profile, and over 3,000 new safety prevention measures were defined. Per site, at least five risk assessments are carried out, but with increasing diversity of services performed, the number of risk assessments increases as well with a tendency to perform one risk assessment per reoccurring service. The efficiency of Leadec's occupational health and safety management system was demonstrated as about 2,200 measures were implemented within less than two months. Due to the maturity of our management system, we were also able to expand ISO management standards 9001 (Quality Management), 14001 (Environmental Management), and 45001 (Occupational Health and Safety Management) to additional locations, increasing the overall coverage to approximately 80% of all operational legal entities.

The degree of digitalization was further increased. As of December 2024, our digital HSE suite has been implemented in 97% of all Leadec sites and is used actively by over 1,500 users on a regular basis. Additionally, the global HSE audit program was carried out for the second year with an updated checklist and methodology. 28 global HSE site audits were conducted covering 12% of the total workforce of employees. Furthermore, several new HSE policies were jointly developed with functional experts addressing areas in need of improvement or ensuring compliance with new regulations. The policies have been approved and published in 2024. These policies are implemented, and the listed prevention measures are managed by over 200 safety experts who work for Leadec globally. There were sufficient resources available to ensure professional safety management at Leadec.

32,959
safety walks in 2024

Diversity and inclusion

Approach and policies

Diversity and inclusion play a significant role in achieving the Leadec Group's overall vision to be the leading industrial service specialist for the factory of today and tomorrow. As a company with global reach, Leadec works with diverse employees, customers, and business partners. The sum of the unique capabilities, backgrounds, life experiences, and perspectives that the employees invest in their work represents Leadec's culture and is significant for the Company's sustainable success. We do not tolerate discrimination, harassment, or disparagement, and therefore take active measures to prevent such incidents. In particular, we do not tolerate any discrimination based on national or ethnic origin, social origin, health status, disability, sexual orientation, age, gender, pregnancy or parenthood, marital status, religion or belief, political opinion, or any illegal discriminative practice.

Ensuring diversity and inclusion (D&I) plays a vital role in meeting and anticipating customers' needs and in attracting and retaining talents. The Leadec Group's commitment is to promote a diverse workforce, equal opportunities, and a welcoming workplace for all. The Company strives to actively increase the number of women at management levels to 30% until 2030 and to also enhance the diversity of employees in terms of nationality, ethnicity/race, and cultural background. In addition, Leadec aims to create a diverse and inclusive environment in which all employees feel respected, accepted, fairly treated, and valued. To support this, the Company determined its position on diversity and inclusion in the Human Resources Principles Directive and established a global Diversity and Inclusion Directive. The main responsibility for executing the directives lies with the Leadec Group BoM, managers of each legal entity, and global and regional HR. The Human Resources Principles Directive makes it possible to introduce uniform rules across all legal entities, a global approach and understanding of key human resource topics relevant for the Leadec Group. The global Diversity and Inclusion Directive is centered

on five guiding principles which lead the global and regional D&I strategies and activities:

▶ The diversity of our employees, equity and inclusion are an integral part of Leadec's identity, making us strong.
▶ We are committed to offering fair treatment to all groups of employees.
▶ We strive for balanced representation of different employee groups across all levels of the organization.
▶ We see ensuring an inclusive culture for our employees as our responsibility as an employer.
▶ We treat D&I actions with high management priority and monitor the success with KPIs.

Leadec's D&I requirements are based on national and international provisions and conventions, including

Committed to diversity

Leadec joined the German "Charta der Vielfalt" (Charter of Diversity) initiative in May 2023 to promote diversity and equal opportunities. This includes fair recruitment and career development, regardless of gender, age, origin, religion, sexual orientation, or ability. Embracing diversity boosts creativity, innovation, and a positive work culture. With a growing focus on inclusivity in the industry, and by learning from others in the Charter of Diversity network, Leadec aims to further develop its diversity strategy and foster an open, respectful environment.

The Charter of Diversity is a German initiative promoting diversity and inclusion in the workplace. By signing the Charter, companies and institutions give a voluntary commitment to create an inclusive work environment that values all employees, regardless of their background, including age, ethnicity, gender, religion, disability, or sexual orientation. More than 6,000 companies have already signed the Charter of Diversity.

the principles of the UN sustainability development goals (SDG). Leadec is also a signatory to the German "Diversity Charter".

Actions

The Leadec Group sets goals to live up to that ambition and implements actions for the ongoing development of a working environment built on the premises of diversity and inclusion. One of our current fields of action focus on increasing the number of women in top 100 leadership levels. We are aiming for a quota of 30% by 2030. In 2024, 77% of all female hirings belong to the young and upcoming generation (born after 1977) to strengthen the Leadec trend toward more gender equality in future.

109
nationalities work at Leadec

In addition, we intend to reflect the internationality of our Company in the diversity of our employees regarding nationalities, race, and cultural background – at employee and management levels. In 2024, Leadec employed workers from 109 different nationalities. HR contributes to increasing diversity and improving inclusion along the entire employee life cycle. To make diversity and inclusion a topic of regular discussion and integrate it in the daily business, a Diversity Council is in place. It consists of a group of top managers from various business areas and subject matter experts from HR, Sustainability, and Global Communications. The council meets every two months and discusses goals together with the BoM, positions itself as a sponsor and sparring partner, reviews regular reports, and prepares decisions.

Global Communications supports D&I activities from a communications point of view. They keep the staff informed about the value of diversity and inclusion and involve them in implementing D&I activities. They monitor and track activities on all external platforms

and make sure that the external image is consistent with the internal D&I fitness by creating relevant content.

Managers provide fair training, development, and promotion opportunities to all staff members, support reasonable accommodations for the religious beliefs and practices of employees (where possible), and support reasonable accommodations for employees with disabilities (where possible). They act on any inappropriate or unlawful behavior.

The Global Sustainability team collects relevant KPIs and reports them to the Leadec Group BoM, Diversity Council, and Advisory Committee as well as other stakeholders in close collaboration with HR.

Celebrating "Diversity Month" at Leadec

In the EU, May is traditionally a month dedicated to diversity, and in 2024 Leadec embraced this spirit with a special focus on its employee app, we.do. Throughout the month, employees were introduced to inspiring diversity projects within the Leadec world, learned about colleagues and their personal experiences of diversity, and had the chance to challenge common misconceptions about diversity.

The goal of this initiative was to raise awareness and make the importance of diversity within Leadec more visible, fostering an inclusive and open workplace for all.

Powerful women in the industry

Leadec US empowers women through its annual Women in Manufacturing Summit and its Women in Welding initiative. Under the theme "Time to Shine" the participants came together for two days of training, focusing on self-confidence and career growth. Meanwhile, the Women in Welding program, in partnership with Greenville Tech College, opens doors for women in this traditionally male-dominated field by providing training and career paths. Both initiatives are designed to inspire more women to pursue technical careers and further increase the representation of women at Leadec.

The collection of data regarding equal pay took place for the first time in fiscal year 2024. As soon as data was collected and analyzed, recommendations for actions and programs were derived from the results in 2025.

Metrics

The Leadec Group's top management consists of the members of the Advisory Committee, the members of the global Board of Management, and various executive positions.

Gender distribution at top management

As of Dec. 31, 2024	Number	Share
Advisory Committee		
Male	4	80%
Female	1[1]	20%
Other	0	0%
Board of Management		
Male	3	100%
Female	0	0%
Other	0	0%
Other executive positions		
Male	76	76%
Female	24	24%
Other	0	0%

[1] Currently on leave

The Advisory Committee is a consultative body composed of five individuals, of which one is currently on leave. The committee consists of shareholder representatives and industry experts and acts as an advisory body for the Leadec Group. It is provided with in-depth information on sustainability matters at least once a year.

The Leadec Group's Board of Management is responsible for strategic and operations management. It is responsible for empowering all employees to participate in fulfilling the Company's sustainability goals.

In 2024, the administrative body consisted of other executive positions, including members of the regional BoMs, business unit leads, senior vice presidents, directors, various committees, and heads of global departments.

Age distribution in total workforce

As of Dec. 31	2024		2023	
	Number	Share	Number	Share
Employees <30 years old	5,359	24%	5,598	24%
Employees 30–50 years old	10,753	48%	11,895	51%
Employees >50 years old	6,459	28%	5,831	25%

Training and skills development

Approach and policies

The Leadec Group is steadfast in its commitment to foster continuous growth and development among employees, recognizing that the Company's success is inseparably linked to the evolution and job satisfaction of the workforce. We believe that a company thrives when its employees are provided with many opportunities to develop their skills and build their careers.

The Human Resources Principles Directive specifically addresses training and skills development and introduces global training and development tools which are elaborated in the "Actions" section of this chapter (see). Continuing training plays an essential role in the Leadec Group in terms of the global strategy "Becoming Leading Edge". To ensure this, the global Training Directive encompasses a training guideline and a sample training contract, which regulates the framework conditions including the assumption of costs for operationally necessary

and desirable training courses. It covers internal and external seminars/training (incl. e-learning), coaching, (part-time) training or studies (incl. a degree), and certification measures.

The employee and the direct manager are both responsible for keeping the employees' skills and competencies required for work up to date and improving them. Furthermore, the Board of Management, the Global People Development department, and the regional HR departments are responsible for creating favorable framework conditions for continuous learning. Furthermore, Leadec places a high priority on the growth of its own young technical and commercial talents to fulfill the increasing demand for qualified employees within the Leadec Group.

Actions

To this end, the Leadec Group has instituted a comprehensive suite of programs designed to cater to the diverse developmental needs of employees. The initiatives range from on-the-job training and mentoring to professional certifications and leadership workshops. The Company has systems in place to ensure progress is closely monitored and tailored to individual career paths to maximize growth for employees and the Company, which also includes assignments abroad. In addition, structured talent management (leadership review, talent conferences, deep dives), which ensures targeted succession planning and career development, is practiced. Central to the development strategy is the Performance Development Dialogue (PDD), a dynamic platform for employees and their managers to engage in meaningful discussions about individual performance, aspirations, and professional goals. These conversations are scheduled annually, fostering a culture where feedback is exchanged openly, and development objectives are jointly established. The Leadec Development Kit, a comprehensive collection of development measures, can be used for guidance.

All people development measures are based on the "Leadec Competencies" concept. The Leadec competencies for employees focus on several key areas that we consider essential for our Company's success: We deliver, we collaborate, we empower, and we move

forward. In concrete terms these include Managing Complexity, which involves understanding complex topics and making logical decisions; Action Orientation, which emphasizes proactive problem-solving and persistence; and Managing Tasks, which ensures tasks are completed systematically and with high quality. Additionally, Creating Synergies highlights the importance of cooperative teamwork, while Open Communication encourages clear and constructive dialogue. Entrepreneurship focuses on cost-conscious actions and identifying business opportunities, and Driving Change promotes openness to innovative ideas and continuous improvement. Finally, Self-Management

Our Leadec competencies for employees
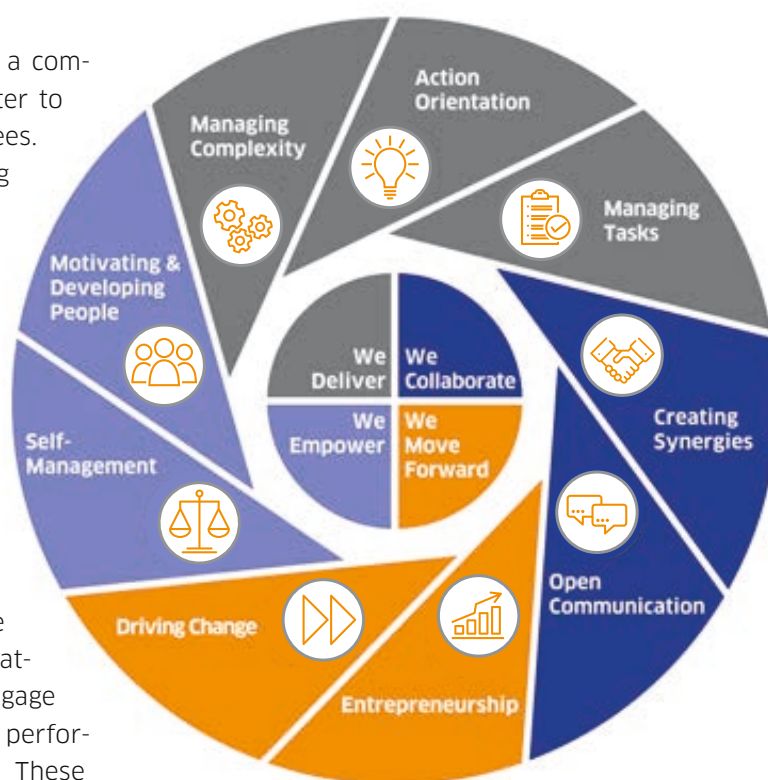
stresses the importance of self-motivation, maintaining effectiveness under pressure, and personal development.

Besides, the Leadec Campus for Learning & Development was established to support the learning journey of the employees. This platform offers a wide array of courses and programs that cover the three pillars of

business excellence, leader's excellence, and technical excellence. A learning format featured by the Campus that is highly engaging for employees is the annual Learning Week, an event packed with workshops, seminars, and collaborative forums aimed at accelerating personal and professional growth within the ranks. Within this format, external as well as Leadec employees acting as internal trainers are passing on their knowledge. The Learning Week 2024 was structured around four key themes – "Do It Mindful", "Do It Smart", "Do It Together", and "Do It the Leadec Way" – which reflect the Company's multifaceted approach toward improvement and excellence.

Recognizing the diverse needs of the workforce, Leadec offers a range of employee benefits designed to improve the quality of life for its employees in various locations. Therefore, Leadec's benefits are set up locally rather than centrally to be more targeted. For example, in Germany, Leadec provides benefits such as the "Jobticket", which subsidizes public transport costs to promote eco-friendly commutes, and bike leasing options, which encourage physical well-being and environmental responsibility for employees

working at German sites. These offerings are just a few examples of how the Company invests in the holistic well-being of its employees.

Metrics

In 2024, the average number of training hours per full-time equivalent employee was 12.1 hours, up from 11.5 hours in the previous year. Leadec Campus offers more than 200 courses globally. Completion rate in global e-learnings is above 85% with 98% for Compliance e-learnings. Participant satisfaction with Leadec Campus offers is high with an average 4.4 rating (scale 1 to 5).

<div align="center">

4.4

is the average rating given by participants
to Leadec Campus offers (scale 1 to 5)

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Engaging with our own workforce

Approach, actions, and metrics

Listening to and engaging with the employees is crucial to upholding a healthy corporate feedback culture. Ultimately the responsibility lies with the CEO of the Leadec Group who delegates the execution of engagement initiatives to global and regional top management. After a successful pilot survey in 2023 with managers, Leadec conducted its first global Pulse Survey in July 2024 to give a voice to the Company's employees worldwide. Approximately 3,500 white-collar employees, trainees and dual students were invited to give their feedback on working at Leadec. The survey provides concise information on how strongly employees identify with the Leadec Group as a Company and employer ("engagement") and how they perceive their working environment ("performance environment"). In addition, the survey measured the Employee Net Promoter Score (eNPS) and aspects around psychological safety.

The participation rate was encouragingly high at 79%. The results show that employees are highly committed and would strongly recommend Leadec as an employer. Most colleagues feel a positive connection with the Leadec Group and their work. According to the Pulse Survey 2024, over 90% of participants enjoy doing their work, know what is expected of them and think that their skills match well with their job. One result that stands out particularly positively is the eNPS with a score of 18 (global benchmark = 6). The performance environment at the Leadec Group is good and shows that, overall, people can work effectively and efficiently at Leadec. Over 80% say they know how their team can contribute to the Company's success. The key improvement areas from the employees' perspective are more closeness to Leadec's vision and strategy, optimization of work processes and cross-company collaboration, and strengthening feedback culture and development opportunities.

Based on the results of the Pulse Survey, we started to work on the identified improvement areas and will implement concrete measures. Joint global focus areas are supplemented by further topics relating to individual business units, sites, departments, or teams. Top Management is highly involved in designing and implementing measures.

In addition, Leadec practices trusting and constructive cooperation with the respective employee representatives with the aim of maintaining a sustainable constructive relationship in the long term. A direct exchange with, and HR surveys of, employees who change to a new stage in the employee life cycle, especially during onboarding, change of function, and departure, is essential to drawing conclusions that can benefit other employees in the Company. For the employees working in the headquarters, a town hall meeting is held every quarter, in which the CEO gives Company updates and answers questions from the workforce.

>**90%**
of Leadec employees
enjoy doing their job

Remediation and channels to raise concerns

The Leadec Group's own workforce can report any ethical concerns or non-compliance with legislation they detect through the ⊕ Leadec Integrity Line or to their supervisor, local management, HR, or the Compliance Committee. The Leadec Integrity Line and the process for handling reports are discussed in more detail on (section "Mechanisms for identifying, reporting and investigating concerns" in the "Business Conduct [G1]" chapter).

Secure employment

The Leadec Group recognizes that the nature of the industry involves demanding physical labor, which is why prioritizing safe and attractive working conditions is essential. Besides, the service industry is very dynamic. Customers' orders are limited in time and follow-up orders are usually put out to tender again, putting Leadec back in competition. Despite this uncertainty, the Company offers its employees, regardless of location and whenever possible, long-term, and unrestricted employment opportunities. Moreover, the Company's offerings and service lines provide additional access to the labor market for unskilled workers.

In order to make these positive impacts, the ongoing efforts focus on enhancing attractiveness as an employer and fostering the long-term retention of skilled employees. This includes measures such as Company pension schemes and numerous benefits for employees. The HR function ensures that the applicable termination regulations are applied, checks whether the affected employees can be deployed in other projects, at other locations, or in other Leadec companies if a contract is lost, as well as, if necessary, arranging for the employees to be retrained. In case of unavoidable redundancies for operational reasons, a joint search with the employees for a socially acceptable way of ending the employment relationship is practiced. Through these measures and other efforts, Leadec experiences employee turnover rates that are significantly lower than the industry norm. The approach and principles regarding secure employment are defined in the Human Resources Principles Directive.

Furthermore, to account for potential negative impacts on workers that arise from a transition to a greener, climate-neutral economy, Leadec's strategy was updated to "Becoming Leading Edge" during 2022. The update was informed by insights from multiple stakeholders, considering the already underway shift away from high-emissions industries and products. Therefore, initiatives were developed, tested, and robust approaches integrated. Notably, the Green

Factory Solutions initiative offers services supporting Leadec's customers in their transition to a greener, climate-neutral economy by offering decarbonization and circular-economy solutions services. Thereby, Leadec mitigates the potential negative impacts on its own workforce through such a transition by becoming a reliable and long-term business partner to its customers.

Working time, adequate wages, and remuneration

Approach, policies, and actions

The Leadec Group's commitment to fair labor practices and employee well-being is outlined in the Human Resources Principles Directive and reflected in monitoring working hours, remuneration, and ensuring legal compliance through country-specific measures. However, working hours differ depending on tasks and locations. Specific employees may also be assigned to night shifts. By monitoring the actual hours worked against the planned hours, the Company can assess performance indicators and take appropriate actions when needed. For the Leadec Group, managing working hours is also crucial for maintaining its appeal as an employer, which is why the Company prioritizes fostering a healthy work-life balance. All employees are subject to mandatory minimum regulations, especially concerning adherence to legal limits on working hours and compliance with laws regarding night shifts, rest intervals, vacation time, and breaks. Where minimum standards or laws are absent, the Leadec Group applies the international benchmark set by the International Labor Organization (ILO), which stipulates a maximum of 48 working hours per week and mandates a rest period of at least 24 consecutive hours every seven days. Additionally,

> Leadec believes in fair, transparent, and non-discriminatory pay. We analyze thoroughly the adjusted gender pay gap and derive countermeasures.

the ILO permits up to 12 hours of overtime weekly during peak periods or in urgent situations. The HR department designs and implements shift and working time models, develops, and offers work-life balance models, such as part-time models and mobile working at a freely selectable location within the country of work, if the job allows.

In terms of remuneration, the Leadec Group offers all employees fair, transparent, non-discriminatory, competitive remuneration in line with the market and appropriate to their skills and work performance. To enable internal and external comparability of positions and equal treatment of employees in the same positions, a job architecture was established in which each position worldwide is categorized in terms of its tasks and career level. In addition, annual remuneration reviews for all employees who are not covered by a collective agreement and remuneration adjustment in accordance with the collective agreement for employees who are covered by a collective agreement are in place. Besides, the Leadec Group guarantees the standard of living of employees on assignments abroad. Wages as well as expenses to be reimbursed are paid punctually and in full and may only be withheld with sufficient

legal basis in payroll accounting. Legal garnishment limits for earned income to secure subsistence are observed. In all cases, the respective locally applicable legally guaranteed minimum standards and minimum wages of the respective economic sectors are complied with, to the extent that they exist, to enable employees to secure their livelihood and thus their existence. Not only is minimum wage paid, but employees also receive an adequate wage according to the country's average adequate wage to ensure an adequate standard of living for them and their families, where possible in view of the intense competition in the market. Regular benchmark analysis demonstrates that the Company's white-collar employees are remunerated above the industry average, salaries are adjusted regularly, and good performance is rewarded. Nevertheless, the intense competition in the market does not allow the Leadec Group to generally pay higher-than-average salaries in the blue-collar sector.

The Global Bonus Directive defines mandatory bonus models for variable remuneration of top management, site managers, and sales functions. The bonus system is characterized by transparent, objective, and measurable KPIs, market conformity, and globally aligned standards. The incentivization of relevant financial, strategic, and sustainability targets has a strong impact on the Company's culture of performance and fairness.

The Leadec Group maintains a steadfast dedication to equal pay as set out in ILO Convention No. 100 (Equal Remuneration Convention), consistently emphasizing the importance of providing equal pay for equivalent roles and skills during the recruitment and promotion of employees. Leadec strives to evaluate every position regardless of gender and has, for example, offered training for top management on the topic of unconscious bias with regard to performance appraisal. The Company determined the gender pay gap per legal entity with the aim of reducing the pay gap between the genders and compiling the annual survey of the Adequate Wage Index.

Metrics
Remuneration

As of Dec. 31

Unadjusted gender pay gap (average across legal entities)	11.3%
Unadjusted gender pay gap (weighted average)[1]	9.1%
Adjusted gender pay gap (average across legal entities)	3.6%
Adjusted gender pay gap (weighted average)[1]	5.1%
Ratio of the highest paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual)	10.7

[1] HC considered for calculations according to annual report (excluding interns, working students, trainees, and apprentices)

In the analysis of the unadjusted gender pay gap, 27 of Leadec's 29 legal entities were assessed. There was no data obtained from two legal entities in Spain and Portugal with a headcount (HC) of 4 and 2 respectively as they were not eligible for an anonymous assessment. On average, the unadjusted gender pay gap across all 27 legal entities stands at 11.3%, with a weighted average of 9.1%.

3.6%
adjusted gender pay gap
(average across legal entities)

The adjusted gender pay gap, which accounts for numerous factors, is 3.6%, though this figure also excludes data from Spain and Portugal. The weighted average of the adjusted gender pay gap is 5.1%. This analysis underscores the complex and varied nature of gender pay disparities across different regions and organizational structures.

Furthermore, the analysis of the ratio of the highest paid individual to the median annual total remuneration for all employees (excluding the highest paid individual) was also conducted for 27 out of a total of 29 legal entities, excluding Spain and Portugal for the same reason.

Adequate wage

The collection of data regarding equal pay took place for the first time in fiscal year 2024, covering 100% of Leadec's employees. A total of 72% of Leadec's employees are paid an adequate (living) wage according to Leadec's understanding outlined in the accounting policies (see in this section). The remaining 18% of Leadec's workforce are paid a minimum wage which does not equal an adequate wage. The share and distribution per legal entity and country are outlined in the table below.

		Share of employees paid minimum, but not adequate, wage	
As of Dec. 31, 2024	Number of affected legal entities	per affected legal entity	weighted average per country
Group	29	18%	-
UK[1]	2	44% and 22%	43%
USA[1, 2]	3	58%, 37%, and 1%	53%
Mexico[2]	1	86%	-
China[1, 2]	2	73% and 75%	73%
India	1	16%	-

[1] Per legal entity
[2] Regional (instead of country) benchmarks apply

The analysis of adequate wage levels across various countries highlights significant differences between the legal entities in terms of dominating service lines and their associated skill levels needed in the respective workforces. The overall percentage of employees paid at least the minimum wage but not the adequate wage (or also living wage) benchmark identified per country, and in some cases, like the US and China, regional benchmarks stands at 18%. In the above-mentioned countries, the percentages of workforce falling in this category between minimum and adequate wage are outlined. In the UK, where 60% of employees are unskilled, the shares are 44% and 22% per legal entity, respectively.

In the USA, where the minimum wage is significantly lower than the adequate wage, our workforce in two entities consists of 45% unskilled workers, resulting in disparities of 58% and 37% per legal entity, respectively. However, in the third US entity, Diversified Automation, only 1% of employees are paid below

adequate wages. Mexico shows a high disparity of 86%, also largely due to the prevalence of unskilled workers. In China, where minimum wage is also significantly below the adequate wage, 50% of employees are unskilled or low-level of experience, leading to disparities of 73% and 75% per legal entity. India has a lower share of 16%. This analysis underscores the varied impact of unskilled labor on the share of workforce paid minimum but not regional benchmarks for adequate/living wages across different countries and regions.

The collection of data regarding equal pay took place for the first time in fiscal year 2024. As soon as data was collected and analyzed, recommendations for actions and programs were derived from the results in 2025.

Collective bargaining coverage and social dialogue

Approach and policies

The Leadec Group abides by all relevant laws, rules, and collective bargaining agreements and ensures that employee rights are protected across all entities. Leadec acknowledges that not following standard collective bargaining agreements could infringe upon employees' social and economic rights, which include, among other topics, fair wages, working hours, benefits, job security, working conditions, and grievance procedures. Consequently, the Company's goal is to proceed without any conflicting interests that might adversely affect any parties involved. The Leadec Group endorses the principles set forth in the core conventions of the International Labour Organization (ILO) on freedom of association and collective bargaining. In countries where these values are incorporated into local legislation, the Company fully honors and applies the local regulations concerning trade unions and worker representation. In countries that have not adopted the relevant ILO conventions, local laws are respected and seeking ways to enable the workers to organize and express their interests to management are supported.

Leadec values the opinions of its employees. Therefore, we foster a constructive collaboration with all employee representative bodies.

Recognizing the employees' right to establish representative bodies, to collective bargaining to determine working conditions, and to strike, all within the bounds of the legal framework, is a matter of course for the Leadec Group and is captured in the Human Resources Principles Directive. The Company does not obstruct the lawful formation of employee representative bodies. The culture at Leadec is defined by a trusting and constructive collaboration with the respective employee representatives. Even in the case of differing points of view, a fair balance is sought between the economic interests of the Company and the interests of the employees, to maintain a sustainable constructive relationship in the long term. Employees are treated equally regardless of whether they are members or non-members of a trade union or an employee representative group.

Everyone who bears responsibility for employees at Leadec ensures through their attitude and measures that all employees are given the opportunity to express their opinions freely without fear of possible negative consequences or reprisals.

Actions

Aside from the employees' right to collective bargaining, Leadec also provides formal opportunities for each individual to address concerns, give and receive feedback, and engage in structured dialogue with their direct managers. These dialogues can include any topic regarding working conditions including, but not limited to, fair working conditions, wages, working hours, health and safety. Moreover, collaboration and working at Leadec, development of the employee's skills and competencies, and assessment of current and future focus topics are covered. Furthermore,

an anonymous pulse survey is provided for various stakeholder groups of employees. For further information on the pulse survey see (section "Engaging with our own workforce" in this chapter).

Metrics

In total, 60% of employees were covered by collective bargaining agreements (incl. agreements concerning working conditions). Within Germany, 93% of Leadec's workforce was covered under multiple collective bargaining agreements.

	Collective bargaining coverage		Social dialogue
Coverage rate	**Employees – EEA[1]**	**Employees – non-EEA**	**Workplace representation (EEA only)**
0–19%		Asia	
20–39%		North America	
40–59%		UK	
60–79%			
80–100%	Germany	Latin America	Germany

[1] For countries/regions with >50 employees and representing >10% of total employees

Targets and achievements

The following table provides a comprehensive overview of the targets and achievements concerning the well-being, development, and diversity of Leadec's own workforce, reflecting the commitment to social responsibility and employee empowerment. The Company defined its 2025 sustainability goals applicable to its own workforce in relation to the baseline in 2019 and aligned them with the UN SDGs.

Overview of employee targets and ambitions

As of Dec. 31, 2024	2025 sustainability goals	2024	2023
Health and safety	**Establishing safe and healthy workplaces for employees and customers**		
	Reaching <1.5 LTIFR	1.0	1.1
	Zero fatalities	1	1
	Strengthen prevention		
	Carry out at least 24 global HSE site audits per year	28	31
	Conduct a minimum of 15,000 safety walks per year	32,959	29,121
	Increase digitalization and real time transparency of HSE by ensuring that at least over 90% of the sites are using the HSE suite	97%	91%
	>75% of the operations ISO 45001 certified	82%	79%
Employee development and diversity	**Providing development opportunities for employees and treating all employees fairly**		
	Improve gender diversity by employing 30% women in corporate leadership positions until 2030	24%	23%
	Provide training and skill development opportunities to ensure the continued development of employees	98%	93%
Supplier sustainability	**Promoting sustainability throughout the value chain**		
	"A suppliers" (account for 80% of the annual spend volume) commit to principles within the Leadec Group supplier sustainability policy including environment, health and safety, human rights and working conditions	62%	53%

[1] Per legal entity
[2] Regional (instead of country) benchmarks apply

Characteristics of employees

Employees by gender and country

As of Dec. 31, 2024	Number of employees (headcount)		
	Female	**Male**	**Total**
Global			
Leadec Group	4,953	17,618	22,571
Region			
Europe (incl. Holding)	2,474	8,004	10,478
North America (incl. Diversified Automation)	583	1,596	2,179
Latin America	1,713	3,730	5,443
Asia	183	4,288	4,471
Country			
Germany	1,525	5,212	6,737
Hungary	239	715	954
Austria	7	47	54
Poland	158	729	887
Slovakia	222	140	362
France	6	34	40
Portugal	0	2	2
Spain	2	2	4
Czech Republic	6	28	34
UK	309	1,095	1,404
USA	516	1,478	1,994
Canada	67	118	185
Mexico	601	652	1,253
Brazil	1,112	3,078	4,190
China	120	884	1,004
India	63	3,404	3,457

Employees by gender and contract type

As of Dec. 31, 2024	Number of employees (headcount)		
Contract type	**Female**	**Male**	**Total**
Employees	4,953	17,618	22,571
Permanent employees	4,328	15,481	19,809
Temporary employees	625	2,137	2,762
Non-guaranteed hours employees	0	0	0
Full-time employees	3,710	15,278	18,988
Part-time employees	1,243	2,340	3,583

Employees by region and contract type

As of Dec. 31, 2024	Number of employees (headcount)			
Contract type	**Europe (incl. Holding)**	**North America (incl. Diversified Automation)**	**Latin America**	**Asia**
Employees	10,478	2,179	5,443	4,471
Permanent employees	8,537	2,177	5,441	3,654
Temporary employees	1,941	2	2	817
Non-guaranteed hours employees	0	0	0	0
Full-time employees	7,739	2,035	4,805	4,409
Part-time employees	2,739	144	638	62

Employee turnover

	2024	**2023**	**2022**
Total number of employees leaving (headcount)	10,340	10,557	10,519
Employee turnover rate	45%	47%	49%

Employee turnover rate, defined as the total number of employees leaving an organization (including voluntary and involuntary departures, as well as other reasons such as the end of temporary employment and retirement), can be influenced by a range of factors. High turnover rates are often observed in certain service lines and countries with higher fluctuation rates. For instance, employees may be poached from customer locations, contributing to increased turnover. Additionally, the nature of specific service lines can lead to higher turnover due to the work's demands and conditions. Economic downturns also play a significant role, as they can lead to involuntary layoffs and increased voluntary departures due to job insecurity. Understanding these factors is crucial for organizations aiming to effectively manage and reduce employee turnover.

Accounting policies

Characteristics of employees
The number of employees per country, gender, contract type, and age distribution are based on headcounts at the end of the reporting period, December 31, 2024, and all historical years.

Headcount (HC) is defined as the number of employees in a company at a specific point in time. Headcount is always given in absolute figures and is independent of the individual contractual number of hours worked per week.

For Leadec, the following employee groups are included or not included in the headcount within the context of the CSRD[1]:

Included in HC

- All regular employees (blue-collar, white-collar, Board members, and executives)
- Mini jobbers
- Employees on short-time working
- Employees in the active phase of partial retirement
- Employees who are in a training contract (e.g., dual students, bachelor/master students, interns, trainees, working students)

Excluded from HC

- External temporary workers
- Employees on leave/absent employees (e.g., parental leave, care leave, long-term sickness, passive phase of partial retirement)

Employees can choose a gender category corresponding to their identity. The available choices include man, woman, or other. In 2024, one employee chose the category "other" which is why this category is not shown in the tables. To protect their anonymity, this individual was excluded from any employee data tables where applicable.

Full-time equivalent (FTE) is defined as a unit of measurement used to standardize the working hours of part-time and full-time employees. An FTE of 1.0 corresponds to a full-time employee who works the regular working hours.

Each employee can be the equivalent of a maximum of 1.0 FTE. Only employees included in the HC are included in the FTE.

The basis of an FTE is the ratio of actual weekly hours to standard weekly hours.

Number of permanent employees: Number of employees with an unlimited working contract. This number is based on the HC definition.

Number of temporary employees: Number of employees with a limited working contract. This number is based on the HC definition.

Number of non-guaranteed hours employees: Non-guaranteed hours employees are employed by the undertaking without a guarantee of a minimum or fixed number of working hours. The employee may need to make themselves available for work as required, but the undertaking is not contractually obliged to offer the employee a minimum or fixed number of working hours per day, week, or month. Casual employees, employees with zero-hour contracts, and on-call employees are examples of those that fall under this category.

Number of full-time employees: Employees who work full-time have an FTE of 1.0. For them, the actual weekly hours are the same as the standard weekly hours. This number is based on the HC definition.

Number of part-time employees: Employees who do not work full-time are part-time employees. For them, the actual weekly hours are lower than the standard weekly hours. Therefore, they have an FTE <1.0 and are labeled as part-time. This number is based on the HC definition.

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[1] Our financial reporting according to IFRS is based on a different HC definition which does not include interns, working students, trainees, and apprentices.

Employee turnover rate: The employee turnover rate is the number of leavings divided by the average headcount and can only be viewed per calendar month or YTD. The number of leavings is defined as the number of employees for whom the termination date has occurred. Only employees included in headcount are taken account of in the employee turnover rate.

Health and safety

Fatality is defined as a death resulting from a work-related injury or illness. This includes deaths that occur immediately as a result of the incident, as well as those that occur sometime after the incident, provided there is a clear causal link to the work-related injury or illness.

Lost time injury (LTI) is an injury sustained on the job that results in the loss of productive work time. This typically occurs when an employee is unable to work on a subsequent scheduled workday due to the injury.

Red incidents: These are occupational injury/illness incidents with a high severity potential. They are defined as major incidents that result in an absence of one day or more. The general impact of such incidents is significant, often disrupting normal operations and requiring immediate attention and action.

Commuting accident: A commuting accident applies when an insured person suffers on the way to or from the place of the insured activity. But it is considered work-related once it happens within the factory gate. For example, the employee involved has passed the factory gate, even if not entering the work area yet, any accidents would be defined as work-related.

Lost time injury frequency rate (LTIFR): Lost time injuries are the sum of fatalities, permanent total disabilities, and lost workday cases. These are injuries sustained by an employee or worker while on the job that prevent the employee or worker from being able to perform their job for at least one workday. The injuries are reported within the defined reporting period (e.g., fiscal year) in which they occur and are measured against 1 million hours worked. To calculate the LTIFR, the number of lost time injuries is multiplied by 1 million and then divided by the total hours worked in the reporting period. The LTIFR provides a standardized

measure of safety performance, allowing for comparisons across different workplaces, industries, or time periods. The calculation of the lost time injury frequency rate (LTIFR) relies on two key pieces of data:

▶ Number of lost time injuries: This data is primarily sourced from the incident reports recorded in the global HSE suite. In our context, the number of lost time injuries corresponds to the number of red incidents as per Leadec's Special Incident Terminology.
▶ Total hours worked: This data is collected using the software utilized by the Global Human Resources department.

Total recordable injuries (TRI) = recordable work-related accidents plus recordable work-related ill health. TRI is commonly used in occupational health and safety to encompass all work-related injuries and illnesses that require medical treatment beyond first aid, lost time at work, restricted work or job transfer, and fatalities.

Total recordable incident rate (TRIR) = recordable work-related accidents rate. TRIR measures the rate of occurrence of work-related injuries and illnesses during the defined reporting period (e.g., fiscal year) against 1 million hours worked. It includes any work-related injury and illness that fulfills at least one of the following conditions:

▶ Anytime that an employee or worker loses consciousness.
▶ If an incident causes a worker to take on light duty, activity restrictions, or the need to be transferred to other work.
▶ If an incident causes a worker to take days away from work.
▶ If the injury requires medical treatment, beyond what a first aid kit can address.
▶ If any other work-related health issue is diagnosed by a medical professional.

Sources for calculation:

▸ Number of recordable incidents: This data is primarily sourced from the incident reports recorded in the global HSE suite. The number of recordable incidents corresponds to the number of red and yellow incidents as per Leadec's Special Incident Terminology.

Yellow incidents: These incidents have a medium severity potential. They are defined as moderate incidents that result in restrictive duty of less than one day. The general impact of such incidents is medium, often requiring medical attention beyond basic first aid but not significantly disrupting normal operations.

Days lost to work-related injuries/fatalities/accidents/ill health: Inactive period due to accidents – the total duration that employees are unable to work due to work-related incidents.

Safety walk: Safety walks are systematic inspections conducted in the workplace to identify potential hazards and unsafe conditions. They may involve the observation of work processes, inspection of the work environment, and discussions about safety performance with staff members.

Engaging with our own workforce
eNPS indicates the extent to which employees find the Leadec Group an attractive employer and would recommend it to others.

Remuneration
Gender pay gap: The unadjusted gender pay gap is calculated as the difference of average pay levels between female and male employees, expressed as percentage of the average pay level of male employees. The unadjusted GPG measures the difference in income between men and women without accounting for any other factors that determine pay. Unadjusted GPG ≠ 0 means no gender balance in low-paid and high-paid positions (+ GPG: men earn more, – GPG: women earn more).

The adjusted GPG measures the difference in income between men and women after accounting for important factors that determine pay. At Leadec, it is the career level. Adjusted GPG ≠ 0 means women and men on the same career level are paid differently (+ GPG: men earn more, – GPG: women earn more). When aggregating the results for each career level, a weighted average is calculated, based on the number of total employees.

Adequate wage: A wage that allows workers to meet their basic needs and also provides them with some discretionary income for other expenses. It is often higher than the legal minimum wage and reflects the actual cost of living in a particular location. An adequate wage takes into account factors such as the cost of housing, healthcare, education, and other basic needs. An adequate wage is a wage on which a worker and his or her family can live.

All Leadec countries in the European Economic Area (EEA) have a minimum wage, which corresponds to the adequate wage, except for Austria, where the benchmark is the minimum wage according to collective agreements.

For Leadec countries outside the EEA, different benchmarks have been used. The UK has the official real living wage and China has the social average salary. For the US, this website was consulted: ⊕ Learning: Living Wage and Why It Is Important – Living Wage For US. There, the highest adequate wage per state was used. The basis for the benchmarks for other Leadec countries was the website ⊕ Home – Global Living Wage Coalition.

CEO/CFO pay ratio is the annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual).

Workers in the Value Chain [S2]

Why it matters

The Leadec Group has a significant indirect impact on society and the environment through its value chain. Ensuring sustainable business practices can only be effective if they encompass the entire value chain. The well-being and safety of workers in the value chain can have a profound impact on the Company's operational success, innovation capacity, and overall competitiveness.

Sub-topic and description	Type	Value chain location	Time horizon[1]	Policies and frameworks
Collective bargaining				
Non-compliance with standard collective bargaining agreements may lead to the infringement of workers' social and economic rights, jeopardizing adequate wages, work hours, benefits, job security, working conditions, and grievance procedures.	Negative impact (potential)	Upstream, downstream	Medium-term	• BP CoC • Supplier Sustainability Policy
Health and safety				
Inadequate provision of health and safety measures during working hours can result in incidents causing physical or psychological harm. The severity of these incidents varies, from common minor ones that can be quickly remedied to irremediable cases.	Negative impact (potential)	Upstream, downstream	Short-term	• General Terms and Conditions of Purchase • BP CoC • Global HSE Value Chain Workforce Management Policy • Supplier Sustainability Policy
Failure to ensure adequate safety measures could lead to legal and market challenges, negatively affecting the Company financially, particularly if subcontractors or suppliers providing leasing personnel are involved.	Risk	Upstream	Short-, medium-, long-term	
Forced labor				
The potential employment of individuals against their will and without contracts respecting human rights could lead to physical harm, restrict freedoms, and contribute to negative psychological consequences such as PTSD.	Negative impact (potential)	Upstream, downstream	Short-term	• General Terms and Conditions of Purchase • BP CoC • Supplier Sustainability Policy • Policy Statement

[1] Short-term = 1 year, medium-term = 1–5 years, long-term = over 5 years (as per ESRS 1.77)

Material impacts, risks, and opportunities related to workers in the value chain

The material impacts, risks, and opportunities (IROs) related to workers in the value chain have been identified in a double materiality assessment based on the principles of the Leadec Group's risk management process. The Company's value chain is described on ⇢ page 39 (section "Strategy" in chapter "General Disclosures [ESRS 2]") and Tier 1 suppliers' employees have primarily been assessed. Leadec's contractors and third-party service providers offer mostly specialized services such as technical facility management, logistics, and specialized engineering services, as well as leasing personnel. The materiality assessment described on ⇢ page 55 onward (section "Impact, risk, and opportunity management" in chapter "General Disclosures [ESRS 2]") identified the following material impacts, risks, and opportunities, which refer to three different sub-sub-sub-topics:

Actions

- Supply Chain Risk Management: Software-supported system to monitor suppliers and identify risks related to collective bargaining
- Incident reporting via Leadec Integrity Line: The portal for anonymous reporting of legal infractions or ethical irregularities is accessible to all workers in the value chain

- Supply Chain Risk Management: Software-supported system to monitor suppliers and identify risks related to health and safety
- Additional HSE validation process for suppliers of value chain workers and ongoing HSE monitoring
- Incident reporting via Leadec Integrity Line: The portal for anonymous reporting of legal infractions or ethical irregularities is accessible to all workers in the value chain

- Supply Chain Risk Management: Software-supported system to monitor suppliers and identify risks related to forced labor
- Incident reporting via Leadec Integrity Line: The portal for anonymous reporting of legal infractions or ethical irregularities is accessible to all workers in the value chain

Supplier due diligence

The Leadec Group's obligation to maintain responsible and lawful behavior extends beyond the Company's walls. The suppliers and subcontractors make a significant contribution to the Company's success. Hence, a common understanding of law-abiding, ethically correct, and sustainable actions is important, and it is seen as a prerequisite and basis for cooperation.

Approach
Leadec's approach to sustainability includes committing to responsible sourcing of raw materials, water, and energy, and managing waste materials in accordance with applicable regulations. The Supplier Sustainability Policy and the BP CoC cover the minimum requirement that the Company's suppliers must maintain. The Leadec Group expects suppliers to share and implement these standards with their own suppliers and subcontractors.

In addition, the Value Chain Workforce Management Policy gives a comprehensive framework for managing all workers involved in the value chain, including contractors, suppliers, subcontractors, outsourced workers, and temporary workers. This policy aims to ensure that all these workers adhere to the highest standards of health, safety, and environmental practices, thereby minimizing risks and promoting a safe and sustainable working environment. This holds much significance as most value chain workers work alongside Leadec employees on various customers' premises. The accountability and responsibility for the policy lies with the Global HSE team, and it is applicable to all business units and legal entities. Besides, the Leadec Group recommends its business partners to be certified according to or oriented toward the international standards ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System) and ISO 45001 (Occupational Health and Safety Management System).

Policies
The Leadec Group is deeply committed to sustainability, embracing its responsibility for the economic, ecological, and social impacts of its actions. The Company expects this equally from its business partners, especially regarding fair competition, anti-corruption, human rights, working conditions, environmental protection, and data security. Therefore, Leadec has defined its expectations of its business partners in a corresponding ⊕Business Partner Code of Conduct (BP CoC). The Leadec Business Partner Code of Conduct emphasizes the importance of maintaining high standards in various areas. It ensures that the health and safety of employees are respected and protected, with measures in place to avoid hazards in the workplace. The Code also recognizes and protects the right to form associations to safeguard and improve working and economic conditions, including the right to collective bargaining. Furthermore, it strictly prohibits any form of forced or child labor, human trafficking, or modern slavery within the business or supply chain.

The goal is for every supplier to accept the BP CoC, with specific focus on Leadec's "A suppliers" (suppliers who account for 80% of Leadec's annual spend volume). Furthermore, by signing our General Terms and Conditions each supplier commits to the outlined principles. Lastly, an explicit agreement on the contents of the BP CoC with suppliers who pose a specific risk can be a follow-up measure in the supplier risk management process. Besides, each of the business partners is responsible for always conducting themselves at least in accordance with the rules of their own Code of Conduct and for reviewing their own Code of Conduct, if applicable, to ensure that it at least meets the legal requirements. Requirements defined in the Leadec BP CoC are based on national and international provisions and conventions, including the principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the Conventions of the International Labour Organization (ILO) and the UN Guiding Principles on Business and Human Rights.

Furthermore, Leadec's 🌐Policy Statement, Supplier Sustainability Policy, and Global HSE Value Chain Workforce Management Policy all emphasize the importance of maintaining high standards for health and safety, collective bargaining, and the prohibition of forced labor throughout the value chain. They ensure that workers are provided with a safe and healthy work environment, recognize the rights of workers to engage in collective bargaining and form representative bodies, and strictly prohibit any form of forced labor, child labor, human trafficking, and modern slavery. While all three documents align closely in their commitments, the Supplier Sustainability Policy places a stronger emphasis on compliance with local laws and specific practices related to forced labor, the Policy Statement provides a broader commitment to ethical practices across the entire Company, and the Global HSE Policy offers detailed procedures for selection, onboarding, training, and performance monitoring of value chain workers, ensuring continuous improvement and compliance with health, safety, and environmental standards.

Actions

To ensure that the supplier lives up to Leadec's sustainability understanding and standards and fulfills the requirements of the German Supply Chain Due Diligence Act (LkSG), a software-supported supply chain risk management system has been implemented. The software has been rolled out globally in the Leadec Group and is used to monitor the active suppliers.

The supplier screening process involves five stages. In stage one, supplier data like the legal company name, NACE code and DUNS number are uploaded to the system by global Procurement, accounting for 100% of active Tier 1 suppliers. Besides, the accuracy and completeness of the data in the system is constantly checked by local and global Procurement.

We recognize the importance to consider the broader impact of our actions and take responsibility for our business activities being respectful of the people they affect – including those in our value chain.

The second stage deals with the abstract risk analysis covering topics across the environmental, social, and governance pillars including, among others, the material topics of health and safety, collective bargaining, and forced labor. Based on the country (ISO) code, the industry (NACE) code, and possible critical news from the internet, it is determined whether there is an abstract potential risk for the respective supplier. The classification according to risk is based on the traffic light system (green = low risk, yellow = medium risk, red = high risk).

Thirdly, once an abstract risk has been identified, it must be prioritized to determine whether further (concrete) risk analysis based on turnover, severity, critical news, or influence on the supplier is necessary or sensible. Prioritization is carried out in coordination with the supply chain risk management system, global and local Procurement.

In the fourth stage, based on the results of the abstract risk and the impact analysis, the decision is made as to which supplier needs to be examined more closely through a self-assessment questionnaire (e.g., suppliers with high risk). If the questionnaire is not filled out or other issues arise, an escalation process via local procurement structures will take place. Once the questionnaire has been handed in, it is validated by the system and recommendations for improvement and evaluation are forwarded to the supplier.

Finally, if one area, or multiple areas, remain marked as red in the risk assessment after a self-assessment has been completed, the Leadec Group investigates further, implements preventive and corrective measures with the supplier, and ensures that the documentation of these steps is recorded in the system. If necessary, the results are communicated to the relevant authorities.

In addition, the purchasing teams are trained regarding the German Supply Chain Due Diligence Act.

The following graph shows the yearly supplier screening process at the Leadec Group:

Supply chain risk management process

1 Data quality check, optimization, and import
2 Abstract risk analysis
3 Impact analysis
4 Concrete risk analysis and validation process
5 Preventive and corrective measures

Selecting and prequalifying value chain workers is a critical process that ensures only those who meet the Leadec Group's HSE requirements are engaged in its operations. The HSE validation process involves four key steps after the preliminary supplier registration: initial screening, detailed evaluation, risk assessment, approval, and documentation. These steps are either performed manually or supported by a supplier management software in selected countries. The initial screening consists of a review of safety records, technical qualifications, as well as a reference check, and leads to a shortlist of suppliers who meet the basic criteria for further evaluation. Afterwards, if necessary, a comprehensive assessment is performed including interviews. In the third step, to mitigate identified risks associated with the

suppliers' activities, including safety, operational, and environmental risks, specific measures are defined ensuring robust risk management plans are in place. And finally, for selected countries, a detailed report summarizing the evaluation findings is prepared, stakeholder approval is obtained, and the prequalification status is documented.

In addition, during ongoing employment of value chain workers, regular inspections, performance metrics, and feedback mechanisms are in place. The Leadec Group conducts regular, scheduled inspections to assess compliance with HSE, operational, and contractual standards. These inspections provide a comprehensive review of performance, ensuring that all aspects of the work environment meet the requirements. Besides inspections, safety walks are performed to ensure ongoing adherence to policies and identify any immediate issues. Both measures help maintain high standards of compliance and quickly address any deviations from established protocols. Leadec requires value chain workers to submit regular performance reports, including data on KPIs and any incidents or deviations from standards. These reports provide ongoing visibility into performance and facilitate timely interventions when necessary.

Feedback from site managers, employees, and other stakeholders who interact with value chain workers is collected regularly. This feedback provides valuable insights into day-to-day performance and highlights any issues that may not be evident from formal inspections. The Leadec Group also encourages value chain workers to provide feedback on their experiences and any challenges they face, fostering a collaborative improvement process. This two-way communication helps build a strong working relationship and ensures that workers feel supported in their efforts to meet standards. Furthermore, formal performance reviews are conducted with value chain workers at regular intervals to discuss performance, address issues, and set goals for improvement. These reviews provide an opportunity for constructive dialogue and help align performance with expectations.

Human and labor rights

The Leadec Group is dedicated to maintaining human rights, which encompasses rights related to labor. Our commitment is outlined in the Policy Statement and the Code of Conduct for Business Partners. For more information on the Policy Statement and its role in tackling the effects on human and labor rights see (section "Human and labor rights" in chapter "Social Information/Own Workforce [S1]").

The Business Partner Code of Conduct and Supplier Sustainability Policy especially emphasize that the fundamental rights of people, including those of minorities and indigenous people, are to be respected by the business partners globally. No discrimination based on national or ethnic origin, social background, health status, disability, sexual orientation, age, gender, pregnancy or parenthood, marital status, religion, ideology or political opinion will be tolerated. Moreover, no form of forced or child labor, human trafficking and modern slavery, servitude, or other forms of domination or oppression in the workplace, such as through economic or sexual exploitation and humiliation, will be accepted.

We have a supply chain risk management system in place screening our suppliers for compliance with human and labor rights.

The occurrence of negative impacts is widespread or systemic in contexts where the Leadec Group operates, sources, or has other business relationships. Based on insights through Leadec's supplier risk management software, the geographies and commodities for which there is significant risk of child labor, or of forced or compulsory labor among workers in Leadec's value chain were assessed. Regarding child labor, India, Mexico, USA, and China show heightened abstract risks as well as the commodity groups/industries "Manufacture of wearing apparel", "Manufacture of textiles", and "Manufacture of leather and related products". Regarding forced or compulsory labor, Hungary, Slovakia, India, and Mexico show heightened abstract risks alongside the commodity groups/industries "Manufacture of wearing apparel", "Manufacture of electrical equipment", and "Manufacture of textiles".

Onboarding and training

The Leadec Group established a comprehensive process for onboarding and training value chain workers. The goal is to ensure that value chain workers understand the Company's mission, values, and operational standards, and are equipped to perform their duties safely and efficiently. Training in health and safety is a vital component of the onboarding process. On sites where value chain workers are employed, mandatory training programs tailored to the specific roles and responsibilities of value chain workers are implemented. These programs cover crucial topics such as HSE training, regulatory compliance training, operational training, and workers' rights and engagement processes.

Health and safety

The Leadec Group outlines the essential health, safety, and environmental requirements that all value chain workers must adhere to in its Value Chain Workforce Management Policy. All personnel must wear appropriate personal protective equipment at all times, tailored to the specific risks and requirements of their activities.

Regular inspections of personal protective equipment are required to ensure it is in good condition and replaced as necessary. Adherence to all site-specific health and safety procedures is required. This includes implementing safe work practices, conducting hazard identification, and performing risk assessments relevant to the specific activities of value chain workers. Emergency response plans must be developed and communicated, including evacuation procedures and emergency contact information. Regular drills and training sessions should be conducted to ensure all personnel are prepared for emergencies, with plans tailored to the specific needs of each site.

At our customer sites, regular meetings are scheduled to reinforce safety, health, and environmental protocols and address any new or emerging risks. Leadec's subcontractors and leasing personnel work together with Leadec's own employees on the customer's premises. Therefore, these meetings encourage open communication and continuous improvement of practices. They include meetings held at regular intervals and whenever there are significant changes to the work environment or procedures, reminding value chain workers of the safety, health, and environmental protocols they must follow and addressing and discussing any new or emerging risks identified since the last meeting.

Remediation and channels to raise concern

The independent third-party provider helpline, the Leadec Integrity Line, offers all stakeholders, including those working within the supply chain, an anonymous and confidential easy channel for reporting any legal infractions or ethical irregularities they encounter in their interactions with the Leadec Group. The Business Partner Code of Conduct motivates and encourages the suppliers' employees to disclose any violations of the BP CoC through the Leadec Integrity Line. Besides the Leadec Integrity Line, value chain workers also have the option to communicate any issues they notice directly to their Leadec Group contact person. It is also the supplier's responsibility to ensure that their workers and other concerned parties have the means to express any issues or complaints, and that proper procedures are in place to manage such matters.

The availability of the channels is supported through regular training, awareness campaigns, and partnerships with third-party organizations to ensure that value chain workers are aware of and can access these resources. A thorough investigation of all incidents must be conducted to determine root causes and contributing factors. Corrective actions should be developed to prevent recurrence and improve overall safety performance, tailored to the specific activities and risks of each site. Incident findings and lessons learned must be regularly communicated to

Leadec Integrity Line

An important component in our compliance practices is the 🌐 Leadec Integrity Line. It offers all stakeholders a confidential, easily accessible channel for reporting matters relevant to ethical supply chain management such as:

- risks related to human rights and the environment
- violations of human rights or environmental obligations, especially within the supply chain
- violations of statutory provisions or other legal regulations
- other compliance infringements, e.g., of internal guidelines or the Leadec Code of Conduct

The complaints mechanism is available in several languages via the Leadec website. Employees and external contacts can use it to report incidents or suspicions of the same, even anonymously.

all relevant personnel. Follow-up on the implementation of corrective actions is necessary to ensure they are effective and sustained, with communication strategies adapted to the specific needs of each site. The incident reporting procedures are determined in the Value Chain Workforce Management Policy. If there is reasonable suspicion of a violation of the BP CoC by a business partner or if the business partner does not sufficiently fulfill its obligation to clarify and cooperate in the event of suspicion, the Leadec Group may terminate the business relationship with immediate effect on the basis of existing contractual or statutory rights. In the event of a breach of the BP CoC, Leadec reserves the right to take further legal

action, in particular claims for damages. The Company expects its business partners to protect reporting parties from reprisals due to a report made in good faith. For more details regarding the Leadec Integrity Line, the process of voicing concerns, the protection of reporting persons, and investigation of incidents see (section "Mechanisms for identifying, reporting, and investigating concerns" in chapter "Governance/Business Conduct [G1]").

Engaging with value chain workers

The Leadec Group is committed to fostering a collaborative and inclusive environment for all value chain workers. Regarding occupational health and safety, regular communication, feedback mechanisms, and participatory processes to ensure their perspectives are considered in decision-making are crucial. Therefore, subcontractors and leasing personnel are participating in regular meetings. Please also refer to (section "Health and safety" in this chapter). This approach helps Leadec identify and address potential issues proactively, ensuring a safe and supportive working environment. Engagement with

value chain workers occurs at various stages, including onboarding, training, and regular performance reviews. The types of engagement include face-to-face meetings and digital self-assessment surveys, which are conducted on a frequent basis to ensure continuous dialogue. Nevertheless, the Leadec Group has not yet adopted a general process to engage with workers in the value chain. A globally applicable and effective process is planned for the future as part of the CSDDD implementation.

Targets and ambitions

The Leadec Group wants to promote sustainability throughout the value chain. Our target is that 80% of "A suppliers" commit to the principles outlined in the Business Partner Code of Conduct including environment, health and safety, human rights, and working conditions by the end of year 2025 (in 2024: 62%). "A suppliers" account for 80% of the annual spend volume of the Leadec Group.

62%

of "A suppliers" have committed to our Business Partner Code of Conduct

Governance Information

"Governance at Leadec means
more than rules and policies.
It is how we lead responsibly,
manage risks transparently,
and empower our teams to act
with integrity every day."

Christian Geißler, CFO Leadec Group

Transparent and responsible governance is essential to Leadec's role as a trusted partner in industrial services. We embed integrity at every level of our organization, from strategic planning to daily operations. In 2024, 98% of relevant employees completed our compliance training, reinforcing our culture of ethical conduct. This training covered topics such as our Code of Conduct, anti-bribery and anti-money laundering policies, antitrust laws, sanctions management, whistleblowing, human rights, and anti-discrimination measures.

Our cybersecurity readiness remains robust, with 85% of staff trained regularly in information security and an ISO 27001 certified information security management system encompassing all legal entities. This certification highlights our commitment to protecting data and systems against threats.

We actively promote a speak-up culture through our Integrity Line, ensuring that employees and partners feel empowered to report concerns safely and confidentially. This initiative fosters an environment of openness and accountability. With these tools and structures in place, Leadec strengthens its foundation for sustainable growth.

98%
compliance training
completion rate

85%
information security and data
protection training completion rate

100%
of legal entities covered
by ISO 27001

Business Conduct [G1]

Why it matters

The Leadec Group relies on trust, transparency, and ethical conduct throughout its organization and value chain to maintain its success. Therefore, one of our priorities is to ensure compliance with the law, foster ethical conduct, and build trust with all stakeholders. Adhering to applicable laws, regulations, and our own policies, procedures, and directives reduces various risks, covering topics such as, but not limited to, corruption, antitrust issues, human rights, information security, health and safety, environmental concerns, data protection, and corporate disclosure obligations. Non-compliance with these regulations and the standards for ethical business behavior can lead to the revocation of operating licenses and may subject the Company to inquiries, as well as criminal and civil penalties, including fines, which can significantly affect financial performance. Moreover, non-compliance can result in negative consequences for the individuals involved and damage the Leadec Group's reputation.

Material impacts, risks, and opportunities related to business conduct

The material impacts, risks, and opportunities (IROs) related to business conduct have been identified in a double materiality assessment based on the principles of the Group's risk management process. The materiality assessment described on (section "Impact, risk, and opportunity management" in chapter "General Disclosures [ESRS 2]") identified the following material impacts, which refer to the sub-topic of corporate culture.

Sub-topic and description	Type	Value chain location	Time horizon[1]	Policies and frameworks
Corporate culture				
A supportive corporate culture fosters employee well-being, job satisfaction, personal development, and promotes ethical conduct among employees.	Positive impact (potential)	Own operations	Medium-term	Fostering corporate culture: • Human Resources Directive • Leadec Group values • Pulse Survey results report Promoting ethical conduct: • House of Governance • Leadec Code of Conduct • Business Partner Code of Conduct • Policy Statement • Compliance Directive • Corruption Prevention Directive
A harmful corporate culture can result in stress and burnout, exacerbating psychological distress, and impacting overall well-being negatively.	Negative impact (potential)	Own operations	Medium-term	

[1] Short-term = 1 year, medium-term = 1–5 years, long-term = over 5 years (as per ESRS 1.77)

Business conduct policies and corporate culture

Corporate culture

Corporate culture fosters employee well-being, job satisfaction, personal development, and promotes ethical conduct among employees. Contrary, a harmful corporate culture can result in stress and burnout, exacerbating psychological distress, and impacting overall well-being negatively.

Our corporate culture (, chapter "Corporate Culture") unites and inspires us. We share a common vision and mission, and our values – Reliability, Commitment, and Leading Edge – define the daily business approach.

At Leadec, people take the center stage, because they are the crucial factor for our success. We attach great importance to respectful interaction, team spirit, and various talents and perspectives. As a globally operating group of companies, Leadec collaborates with employees, customers, and business partners from diverse nationalities, genders, cultures, and customs. The collective sum of individual differences, life experiences, knowledge, perspectives, and unique capabilities that the employees bring to their work is a significant part of both Company culture and sustainable success. The Leadec Group is committed to equal opportunities and recognizes that a diversity of backgrounds and experiences makes the Company better able to understand the needs of employees and external stakeholders.

We are continuously working on promoting our corporate culture by consistent messaging, leadership examples, and engaging employees through various channels. To this end, we have various actions and measures in place. Employee well-being, job satisfaction, personal development, and ethical conduct among employees are an integral part of global HR standards and offerings. The Leadec Group Human Resources Directive defines standards securing well-being and personal development. Systematic employee dialogue provides the framework for mutual feedback and personal growth. Personnel development programs with tailored modules enable employees to develop their full potential. The Leadec Campus offers more than 200 e-learning and in-person training courses. HR KPIs track relevant topics, e.g., minimum wage, sick rate, and learning hours. Having conducted our first global employee engagement survey in 2024, we are currently working on follow-up measures in

Actions

Fostering corporate culture:
- Promoting Employee Well-being: Through HR standards and offerings.
- Systematic Employee Dialogue: Framework for mutual feedback and personal growth.
- Personnel Development Programs: Tailored modules for employee development.
- Leadec Campus: Offering over 200 e-learning and in-person training courses.
- Employee Engagement Survey: Conducted globally with follow-up measures.
- Global HR IT Platform "HR Connect": Ensuring high-quality, efficient HR work.
- Controlling of HR KPIs, e.g., minimum wage, learning hours, and sick rate
- Consistent Messaging and Leadership Examples: To promote corporate culture.
- Engaging Employees through Various Channels: To foster a positive work environment.

Promoting ethical conduct:
- Adherence to Legal Regulations and Internal Compliance Rules: Ensuring trust and integrity.
- Compliance with Code of Conduct: Guided by the Compliance Committee.
- Regular Compliance Training: For all employees, including specialized training for high-risk functions.
- Leadec Integrity Line: Anonymous reporting system for suspected misconduct.
- Anti-corruption and Bribery Measures: Zero-tolerance policy, mandatory e-trainings, and internal audits.
- Compliance Audits and Monitoring: Regular audits and six-monthly compliance reports.
- Whistleblower Protection: Safeguards against retaliation for reporting misconduct.
- Transparency and Traceability in Sponsorships and Donations: To avoid conflicts of interest.

three defined fields of action. For more information about this employee survey see ⇒ page 128 (section "Engaging with our own workforce" in chapter "Social Information/Own Workforce [S1]"). Furthermore, our global HR IT platform "HR Connect" ensures high-quality, efficient HR work.

Business conduct policies

At Leadec, we are committed to working with our customers and colleagues with honesty, respect, and strong ethics. Every individual employee is integral to ensure the trust of the Company's customers, business partners, and the public. To safeguard this trust, all employees adhere to legal regulations and internal compliance rules.

The values as well as the internal guidelines, directives, and policies that are binding on the Leadec Group have been summarized in a special area of the Company's intranet, the House of Governance. Employees without direct access to the intranet are provided with either paper copies or access via shared computers or noticeboards. The guidelines, directives, and policies captured in the House of Governance are applicable to all employees worldwide, also for those working for legal entities under the laws of the United States if a separate approval by the local Board of Directors exists. By offering guidance to all employees on the expected behavior at the Leadec Group, we endeavor to sustain a healthy corporate culture with a high level of integrity.

The Leadec Group's guiding principles are anchored in the ⊕ Policy Statement. The Company's understanding of business conduct is outlined in the ⊕ Code of Conduct (CoC). It provides a clear ethical road map for interactions with third parties such as business partners, competitors, and government authorities. The Code of Conduct contains guidelines that govern day-to-day professional activities as well as a commitment on the part of the Leadec Board of Management to act in accordance with the Leadec Group's values. The Code of Conduct is complemented by the ⊕ Business Partner Code of Conduct which outlines the expectations for suppliers to conduct business in a sustainable,

legal, and ethically responsible manner. All three of the aforementioned key documents in the House of Governance are also published on the Leadec website and accessible to all stakeholders.

In addition to that, the House of Governance includes principles regarding, for example, information security, occupational health and safety, diversity, and inclusion, working conditions, and human rights. Furthermore, the Company's clear position against and handling of corruption and bribery is outlined. The Compliance Directive governs the structures, processes, and responsibilities within the compliance management system (CMS) and is part of the Group's risk management system. Additionally, Leadec's Corruption Prevention Directive is to uphold the highest standards of integrity and transparency by strictly prohibiting any form of corruption and ensuring compliance with anti-corruption laws and regulations. The purpose of consistently implementing these directives is to avoid unlawful conduct.

Compliance with Leadec's Code of Conduct and the directives of the House of Governance is overseen by the Compliance Committee. In 2024, the Compliance Committee was composed of the Global Head of Legal, the Global Head of HR, the Global Head of Risk Management and Internal Audit, and the CFO of the Leadec Group, who serves as the Chief Compliance Officer. This committee meets quarterly to review compliance issues, decide on appropriate responses, and consider updates and training for the compliance framework. All compliance officers per legal entity draw up six-monthly reports with a focus on the type and the number of compliance cases, as well as the amount of expected loss or damage by the relevant business unit. In addition, the CFO regularly reports to the rest of the BoM, as well as to the Advisory Committee.

Mechanisms for identifying, reporting, and investigating concerns

Employees are encouraged to speak up and report any suspected misconduct to their supervisor, local HR staff member, local Compliance Officer, or Compliance Committee, while external stakeholders can raise concerns with the relevant Leadec manager. However, if circumstances are such that the reporting person prefers to report in confidence, they can do so, anonymously or by giving personal contact details, via the various channels laid out in the Company's Compliance Directive or the internet through the ⊕Leadec Integrity Line.

The Leadec Integrity Line is a reporting system provided by an independent third-party provider covering three different functions. Firstly, it helps identify risks related to human rights and the environment and violations of human rights or environmental obligations, particularly within the value chain. It therefore serves as a complaints procedure in accordance with the German Supply Chain Due Diligence Act (LkSG). For more information on the LkSG see ⟹page 26 (chapter "Supply Chain Management" under "Insights"). Secondly, violations subject to penalties or fines, particularly of statutory provisions or other legal regulations, are unveiled. It therefore serves as a whistleblowing system in accordance with the German Whistleblower Protection Act (HinSchG). And thirdly, the Leadec Integrity Line facilitates reporting any other compliance violations, e.g., violations of internal guidelines of the Leadec Code of Conduct, as well as violations against other applicable local laws. It therefore serves as a general compliance reporting system.

The Leadec Integrity Line is available at any time in various languages on the external Leadec Group webpage. All good faith reports of suspected violations of the Code of Conduct or any other policies and violations of the law are investigated. According to the Compliance Manager Certificate of Appointment and the Compliance Directive, each reported case must be promptly entered into the Leadec Integrity Line by the respective person and must be investigated in a factual and objective manner. The process for handling a case is set out in the Human Resources policy and in the Rules of Procedures for Filing Complaints. The complaints procedures and the reporting tool itself are available in multiple languages. Employees from the Group Legal and the Group-wide compliance organization are responsible for the complaints procedure and therefore handle individual case investigations within the framework of the Leadec Integrity Line. The Group Legal department and the Compliance officers are trained specifically in case management and the Leadec Integrity Line. The HR department which needs to forward cases brought to them is trained specifically on the HinSchG and the LkSG. The Head of Group Legal, who is also a member of the Compliance Committee, reports directly to the Chief Financial Officer and Head of Compliance Committee of the Leadec Group.

The protection of reporting persons who are employees against retaliation in accordance with the EU Whistleblowers Directive (EU 2019/1937) is outlined in the Rules of Procedure of the Reporting Channel of the Leadec Integrity Line, the Code of Conduct, and the Policy Statement. Reporting persons are assured that their concerns will be treated seriously and sensitively, and that the Leadec Group will not tolerate harassment, discrimination, or victimization of any person who raises a concern in good faith. All employees

> Speaking Up, Moving Forward: The Leadec Integrity Line fosters an open and trustworthy environment, encouraging transparency, protecting stakeholders, and driving positive change.

with access to the intranet are trained every three years through a Compliance e-learning course on compliance reporting channels and their principles. The availability of the channels is supported through regular training, provision of policies, and awareness campaigns. In 2024, there were no critical concerns regarding protection of whistleblowers communicated to the CFO who acts as Chief Compliance Officer.

The Leadec Group is subject to legal requirements under national law transposing Directive (EU) 2019/1937, e.g., the "HinSchG". The Company has incorporated the necessary changes mandated by the EU Whistleblowers Directive (EU) 2019/1937 across its operating countries. This includes adjustments to the Compliance and Ethics Channel, the investigation of reported incidents, and the protection of whistleblowers during fiscal year 2024, in line with the enactment of local legislation in EU member states.

Anti-corruption and bribery

The Leadec Group has a zero-tolerance policy of bribery or corruption in any form. All Company-related business activities must be conducted in a spirit of honesty and responsibility. The Leadec Corruption

Prevention Directive summarizes the standards for working with the Company's customers, suppliers, banks, organizations as well as the public sector and is consistent with the UN Convention against Corruption. To continue ensuring the Company's success while adhering to its principles and values, this directive defines internal guidance for the entire Leadec Group. Therefore, this policy is intended to support all employees in recognizing and avoiding risks of corruption. To ensure that grants do not result in conflicts of law or a negative image, the Leadec Group considers transparency and traceability as particularly important. The Group regulations regarding sponsorships, donations, gifts, and entertainment captured in the Corruption Prevention Directive are rigorously enforced. Leadec relies on the quality and success of its services as it faces competition. It therefore does not allow any agreements or supplementary agreements that involve granting inadmissible benefits. The CFO is responsible for the Corruption Prevention Directive, which is reviewed regularly and updated in accordance with relevant legislation.

In the Leadec Group, certain functions pose elevated risks for corruption and bribery due to their involvement in critical financial transactions, interactions with external stakeholders, and sensitivity to regulatory and ethical compliance. These functions – Sales, Procurement and Top Management – received special training focused on their specialist field to ensure compliance expertise. In addition to the Corruption Prevention Directive, the main measures for preventing and detecting corruption and bribery are mandatory e-trainings every three years, the possibility to

address cases to the Leadec Integrity Line, supplier due diligence, and internal audits to assess the effectiveness of anti-corruption and anti-bribery measures.

In 2024, the Leadec Group did not receive any conviction, fine, or similar for violation of anti-corruption or anti-bribery laws.

Training on compliance and information security

The Leadec Group ensures that all employees are provided with the Code of Conduct and receive training on its contents as part of the onboarding process. To support easier comprehension, the CoC is available in multiple languages.

We also offer a number of mandatory compliance training courses for employees with access to the intranet. All compliance officers complete a training course soon after they have been appointed, and all executives are prepared centrally on a training course to meet Compliance Management's specific requirements. The HR and Procurement departments receive training in Leadec's understanding of business conduct as outlined in the Code of Conduct and are specifically trained in the LkSG. In addition, all employees who have access to the central HR IT system, HR connect, must complete mandatory compliance e-training courses every three years. During these courses they will acquire and deepen their fundamental understanding of compliance as described in the Code of Conduct. This is stated in the Compliance Directive as well as the Policy Statement. The e-training courses cover topics such as corruption, anti-bribery, fair working conditions, tolerance and equal opportunities, protection of reporting persons, etc. In the last three years all the compliance training rates were well above 90%. Every

two years top management and relevant management positions defined by the Compliance Committee need to complete special compliance training. Employees who require special compliance expertise in their work area (e.g., Procurement, Sales) will be given special training focused on their specialist field.

98%
compliance training
completion rate

In addition to the compliance training, employees with access to the intranet are obliged to complete an annual information security e-training course which covers the topics cybersecurity, IT security, data privacy, dangers in the internet, etc. The information security rates were above 80% in the last three years. In 2025, the information security e-training will be improved and updated according to the new regulations. The Company's target is to maintain the mandatory compliance and information security training rate above 90% across all legal entities.

Information security

While information security is not identified as material to our business operations as part of the materiality assessment, we have robust policies and measures addressing these issues.

The global electronic exchange of information is essential for staff efficiency and business success in general. But besides having benefits, electronic communication can also pose risks to information security and data

protection. Official documents and data storage media must therefore always be protected from unauthorized access by third parties. Effective protective measures against these risks must be taken, which is a vital component of information security and IT management. Protecting the employees' and business partners' constitutionally recognized personality rights and ensuring data security are paramount for the Leadec Group. The BoM has the intention and obligation to

ensure the right to personal data protection of natural persons. It is the Company's aim to comply with any legal data protection regulations and to ensure that they are implemented in the entire Group. However, data protection compliance for the Leadec Group does not only mean complying with data protection laws. It is the basis for trusting cooperation. Therefore, data protection is also a true indication of quality for customers, suppliers, and other business partners. This is why the Leadec Group sees data protection as an integral part of the information security management system. In addition to the protection of personal data, this includes protective measures for all types of data, regardless of the form in which the information is available and regardless of whether it is personal or Company-related. The information security management system also contains specifications for cybersecurity to protect the Leadec Group against cyber risks. The information security management system (ISMS) of Leadec Beteiligungen

> Information security and data protection are key to our digital responsibility. Using clear processes, modern technologies, and global standards, we protect data, build customer trust, and ensure organizational resilience.

GmbH, which provides the Group's global IT services, is therefore certified based on ISO 27001:2013.

The Company's Information Security Policy, among other policies, defines principles for ensuring the protection of all data, and covers a uniform information security standard. The BoM is responsible for ensuring that the legally required data protection is complied with. Furthermore, the BoM is responsible for ensuring that the processes relevant for data protection are implemented and regularly monitored using adequate control mechanisms.

Compliance with data privacy requirements is monitored by an external data protection officer and is also part of internal audit topics. All audit activities within the Leadec Group's ISMS are based upon ISO 19011:2011. In 2024, internal audits for the ISMS are coordinated with the Corporate Audit department. The Company operates an internal audit program to ensure

continuous compliance with the ISMS. The internal audit program has the objective of conducting a holistic review of the respective scope of application of the ISMS and to provide the respective management with information that can be considered in the decision-making processes of the management.

Partnerships and commitments

As a signatory to the United Nations Global Compact, the Leadec Group is committed to the 17 United Nations Sustainable Development Goals (UN SDGs) as well as the ten principles of the UN Global Compact on human rights, labor, environment, and anti-corruption. Leadec is dedicated to making the UN SDGs and the UN Global Compact and its principles part of the strategy, culture, and day-to-day operations of its Company. The ⊕SDG content index is available in the form of an appendix on the Group's sustainability website, outlining the specific SDG Standard Disclosures addressed. In addition, Leadec is committed to adhering to the fundamental principles and rights at work of the International Labour Organization. No wages were paid below the applicable national minimum wages, which complies with the UK Modern Slavery Act or other local laws. As a member of the Charter of Diversity, the Company promotes the recognition, appreciation, and inclusion of diversity in daily business. For more information on the Charter of Diversity see ⟶page 123 (section "Diversity and inclusion" in chapter "Social Information/Own Workforce [S1]")

Committed to the UN Global Compact

As a signatory to the United Nations Global Compact, we are committed to [the 17 United Nations Sustainable Development Goals (UN SDGs) as well as] the Ten Principles of the UN Global Compact and, as a company, intend to contribute to their fulfillment.

Our dedication to practicing and promoting safe, environmentally sustainable, and legally compliant business practices worldwide is also reflected in our Policy Statement, first published in 2023. This Policy Statement is clearly aligned with the Ten Principles of the UN Global Compact:

Human Rights
▶ Businesses should support and respect the protection of internationally proclaimed human rights; and
▶ make sure that they are not complicit in human rights abuses.

Labor
▶ Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
▶ the elimination of all forms of forced and
▶ compulsory labor;
▶ the effective abolition of child labor; and
▶ the elimination of discrimination in respect of employment and occupation.

Environment
▶ Businesses should support a precautionary approach to environmental challenges;
▶ undertake initiatives to promote greater environmental responsibility; and
▶ encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption
▶ Businesses should work against corruption in all its forms, including extortion and bribery.

WE SUPPORT

UN GLOBAL COMPACT

Non-Material Topics Relevant to SFDR

Leadec's commitment to transparency includes voluntarily reporting additional environmental and social indicators under the SFDR, enhancing informed decision-making for stakeholders and investors.

Leadec is committed to transparency beyond material disclosures. In line with the Sustainable Finance Disclosure Regulation (SFDR), we voluntarily report on additional environmental and social topics and indicators to support informed decision-making by stakeholders and investors.

In 2024, our water management measures led to a 10% reduction in total water consumption compared to the previous year. This improvement in water efficiency was achieved despite continued business growth, demonstrating our commitment to sustainable resource management.

Leadec also conducted a manual assessment of our sites' proximity to Key Biodiversity Areas (KBAs), identifying one location within such an area. Based on current operations and risk evaluations, we do not anticipate any negative impacts on local biodiversity.

By monitoring and disclosing these non-material datapoints, Leadec aims to strengthen its position as a responsible service provider and to contribute to the redirection of capital toward sustainable industrial transformation. This proactive approach not only enhances transparency but also fosters trust and accountability among stakeholders, reinforcing our commitment to sustainable practices.

5

additional ESRS topics
voluntarily covered

1

site identified in key biodiversity
area, with effective mitigation
measures in place

−10%

reduction in total water
consumption

Voluntary Reporting on Non-Material Topics Relevant to SFDR

Why it matters

The following chapter covers topics that were identified to be not material based on the Leadec Group's IRO assessment. In contrast, the previous chapters deal with Leadec's material topics and at the same time cover most of the reporting requirements according to the Sustainable Finance Disclosure Regulation (SFDR). A mapping between the SFDR's disclosure requirements and the respective sections within Leadec's sustainability statement on the identified material topics under the CSRD can be found on ➠ page 60 onward (section "Datapoints in cross-cutting and topical standards that derive from other EU legislation" in chapter "General Disclosures [ESRS 2]"). To complement this mapping and fulfill the requirements under the SFDR, the following chapter outlines Leadec's approach to these non-material topics.

Pollution [E2]

The topic E2 – pollution along with the associated datapoints was excluded from Leadec's CSRD sustainability statement in accordance with the European Sustainability Reporting Standard (ESRS) as it was deemed immaterial based on the Leadec Group's IRO assessment (see ➠ page 55 onward, section "Impact, risk, and opportunity management" in chapter "General Disclosures [ESRS 2]"). Nonetheless, as pollution to air, water, and soil are significant to the SFDR, Leadec has assessed the applicability of the EPRTR regulation. According to Annex I of Regulation (EC) No 166/2006 of the European Parliament and of the Council (European Pollutant Release and Transfer Register "EPRTR Regulation") there is no reporting obligation for Leadec to report on Annex II (emissions to water, air, and soil) as Leadec does not fall into any of the industries listed.

Emissions to air

Leadec's non-materiality assessment for air pollution indicates minimal relevance across its supply chain and operations. The topic of pollution is closely connected to other environmental sub-topics such as climate change. Thus, to provide a comprehensive overview of what is material to Leadec in regards to pollution, relevant disclosure requirements are covered in chapter "Climate Change [E1]" (see ➠ page 74 onward), which addresses the following seven greenhouse gases connected to air pollution: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6) and nitrogen trifluoride (NF_3). Upstream, despite reporting requirements, suppliers do not share pollution data, and the products sourced by Leadec are generally unrelated to air pollution. Downstream, Leadec's role is limited to, for example, production equipment maintenance or technical facility management, and it lacks data on the extent of air pollution caused by this machinery or facility installations. The responsibility for any potential downstream pollution lies with the machinery producers and users, not Leadec. In its own operations, Leadec does not control any significant air pollution components and is unaware of any air pollution at its sites. Additionally, there is no legal obligation for Leadec to track specific pollutants, suggesting that air pollution is largely irrelevant to the Company. This assessment underscores the limited impact and responsibility Leadec has concerning air pollution.

Emissions to water

Leadec's non-materiality assessment for water pollution reveals several key points across its supply chain and operations. Upstream, Leadec faces challenges in

assessing the environmental impact due to incomplete data disclosure from suppliers. While biodegradable chemicals are assumed to have minimal adverse effects, the potential pollution at supplier sites remains a concern. In its own operations, Leadec acknowledges the risk of chemical spillage, although safety measures are in place to mitigate this. The impact is considered medium, with efforts required to reduce negative consequences. Downstream, the extent of water pollution depends heavily on the customer's location and sewage infrastructure, with significant concerns in regions lacking comprehensive systems like India and Brazil. Despite the low economic impact of technical cleaning services, a high number of employees are involved. Financial risks are generally low across all stages, with the primary responsibility for pollution lying with suppliers and customers. Leadec is also expanding the use of biodegradable chemicals, although opportunities for significant positive impacts are limited.

Emissions to soil

Leadec's non-materiality assessment for soil pollution indicates minimal relevance across its supply chain and operations. Upstream, Leadec faces challenges in

assessing the environmental impact due to incomplete data disclosure from suppliers. While biodegradable chemicals are assumed to have minimal adverse effects, potential soil pollution at supplier sites remains a concern. In its own operations, Leadec acknowledges the risk of chemical spillage, although safety measures are in place to mitigate this. The impact is considered medium, with efforts required to reduce negative consequences. Downstream, Leadec takes precautions to prevent chemical spillages, although it cannot document the number of spillages. The impact of technical cleaning and facility management depends on customer practices and the country's sewage system, with additional waste from construction services and potential soil damage from winter services due to road salt. Financial risks are generally low across all stages, with the primary responsibility for pollution lying with suppliers and customers. Opportunities for significant positive impacts are limited, particularly in downstream operations where the use of biodegradable chemicals is not frequently requested by customers. This assessment underscores the limited impact and responsibility Leadec has concerning soil pollution.

Water and marine resources [E3]

The topic E3 – water and marine resources along with the associated datapoints was excluded from Leadec's CSRD sustainability statement in accordance with the European Sustainability Reporting Standard (ESRS) as it was deemed immaterial based on the Leadec Group's IRO assessment (see ⇢ , section "Impact, risk, and opportunity management" in chapter "General Disclosures [ESRS 2]"). Nonetheless, as some disclosures under E3 are significant to SFDR, Leadec has assessed the information that can be provided for these SFDR-relevant disclosures.

Policies

While the topic of water and marine resources was not identified as material to our business operations as part of the materiality assessment, we have robust policies and measures in place addressing these issues, governing water resource efficiency and guiding our employees in their daily actions. On the other hand,

Leadec does not have a dedicated policy to govern the topics of marine resources, oceans, and seas. As per our business model we do use water but have no interactions with marine resources, oceans, or seas. Our employees are obliged to manage any resource responsibly and behave diligently at all times as per Leadec's Code of Conduct.

Water resource efficiency is a key part of the Leadec Group's Water Management Policy. In compliance with this policy, the Leadec Group is committed to reducing its water use across all sites. The Water Management Policy is available to all employees and serves as a general guide for the Company's approach toward water management.

This policy covers various aspects, including the measurement of water consumption, management of water-related risks, promotion of water efficiency

and conservation, raising awareness of water scarcity, and the importance of water conservation. The policy establishes a system for accurately measuring water consumption across all sites, identifies and mitigates potential water-related risks, encourages efficient use of water, and minimizes wastage, enhances awareness among employees about water scarcity and conservation, and implements consistent monitoring and reporting practices. The policy addresses physical risks such as water scarcity, flooding, and water quality issues, regulatory risks related to changes in water-related laws and standards, and reputational risks concerning stakeholder perceptions of water management practices. Regular monitoring and reporting of water consumption, risk assessment and mitigation strategies, as well as continuous improvement through feedback and updates are integral parts of the policy.

The Water Management Policy is globally applicable and includes all employees and relevant legal entities within the Leadec Group, also those under the laws of the United States, if a separate approval by the Board of Directors exists. More stringent local regulations take precedence over this policy where applicable. The Global HSE team is accountable for the review and update of the policy, while Regional HSE Managers and Site Managers are responsible for implementation and adherence.

The policy references the Alliance for Water Stewardship (AWS) and its standards, with deeper insights provided in a separate Annex. The policy emphasizes the importance of engaging employees through educational initiatives, with regular updates and feedback mechanisms to ensure it remains relevant and effective. The policy is made available to all employees and relevant stakeholders within the Leadec Group to ensure understanding and engagement. Besides the internal measures, the Leadec Group refers to the Alliance for Water Stewardship (AWS), a global membership collaboration comprising businesses, non-governmental organizations (NGOs), and the public sector, for further guidance on responsible water management practices.

Regarding Leadec's value chain, Leadec's Business Partner Code of Conduct emphasizes environmental responsibility, requiring partners to adhere to

sustainable practices and regulations, while the Supplier Sustainability Policy specifically addresses water management by expecting suppliers to reduce and optimize water consumption and control the release of wastewater to minimize environmental impact.

Actions

To monitor the potential need for increased governance of these topics, Leadec has conducted climate risk assessments through which the risks "drought", "temperature variability", "changing temperature" and "flood" were found to be hazards projected to pose material physical risk across three sites. For further information see (section "Climate-related physical risks" in chapter "Climate Change [E1]").

The Climate Risk Assessment (CRA) results for water-related hazards indicate that out of the 98 most relevant sites evaluated, one site is projected to have material risk of "drought" and one site is projected to have a material risk of "tidal flooding". One final site is projected to face physical risks from both a "changing temperature" as well as "temperature variability" Furthermore, when breaking down the affected site elements by the projected physical risk to the aforementioned four hazards, water supply was determined to affect all three sites facing potential physical risks. It is important to note that these 98 sites represent the most significant locations concerning climate risk for the Company, as determined by the Corporate Sustainability Reporting Directive (CSRD) and EU Taxonomy regulations.

Leadec's effluents and water management policies are designed to minimize environmental impact, particularly in areas of high water stress. The Effluents Policy emphasizes compliance with stringent regulations, regular monitoring and transparent reporting, pollution prevention through eco-friendly chemicals and technologies, effective wastewater treatment, and promoting water-saving technologies. Complementing this, the Water Management Policy applies to all sites, including those facing potential material physical risks affecting their water supply, to prevent exacerbating local water issues. This policy includes efficient water use practices, regular monitoring and reporting of water usage, engaging suppliers in water-efficient practices, educating employees on water conservation,

conducting risk assessments, and collaborating with local communities on water conservation initiatives. Together, these policies and measures ensure sustainable water use and operations management, reducing environmental impact in water-stressed regions.

Metrics

Leadec's Water Management Policy establishes a system for accurately measuring water consumption. This data is collected once per fiscal year:

	2024	2023
Total water usage (m³)	18,092	20,159
Total water recycled and re-used (m³)	unknown	unknown
Water intensity ratio (m³ per € million of net revenue)	13.8	16.2

In 2024, the total water usage was 18,092.3 m³, showing a decrease from the 20,159.3 m³ used in 2023 despite increased operations. The water intensity ratio also improved, dropping from 16.2 m³ per million euros of net revenue in 2023 to 13.8 m³ in 2024. Net revenue equals sales in the financial reporting stated in the annual report; for definition and amounts used for calculation see . However, the data for total water recycled and re-used remains unknown for both years. This indicates a positive trend in water efficiency, despite the lack of information on recycling and re-use.

Biodiversity and ecosystems [E4]

The topic E4 – biodiversity and ecosystems along with the associated datapoints was excluded from Leadec's CSRD sustainability statement in accordance with the European Sustainability Reporting Standard (ESRS) as it was deemed immaterial based on the Leadec Group's IRO assessment (see , section "Impact, risk, and opportunity management" in chapter "General Disclosures [ESRS 2]"). Nonetheless, as some disclosures under E4 are significant to SFDR, Leadec has assessed the information that can be provided for these SFDR-relevant disclosures.

Policies

Leadec has not adopted dedicated policies nor practices for sustainable land or agriculture, sustainable oceans or seas, and deforestation as these topics are not materially connected to Leadec's business model. Nonetheless, Leadec's Policy Statement, Business Partner Code of Conduct (BP CoC), Code of Conduct (CoC, mainly geared toward employees), Sustainability Directive, Environmental Directive, and Global Health, Safety, and Environmental (HSE) policies collectively emphasize sustainable land and agriculture, sustainable oceans and seas, deforestation, and biodiversity and ecosystems.

Sustainable Land and Agriculture: Leadec and its business partners commit to minimizing land use, preventing illegal eviction, and ensuring the responsible use of land, forests, and waters to counteract biodiversity loss.

Sustainable Oceans and Seas: Although not explicitly mentioned, Leadec's focus on environmental protection and sustainable practices indirectly supports marine ecosystems by reducing water pollution and promoting responsible waste management.

Deforestation: Leadec expects its business partners to work on avoiding illegal forest deprivation and promote sustainable land use practices to preserve forest ecosystems and biodiversity.

Biodiversity and Ecosystems: Leadec emphasizes reducing harmful environmental impacts such as soil alteration, water pollution, and excessive resource consumption. The Company and its partners are encouraged to use environmentally friendly technologies and practices to minimize their ecological footprint.

These commitments are integrated into Leadec's overall strategy to ensure sustainable and responsible business practices across its operations and supply chain.

Actions and metrics

No negative impacts with regards to land degradation, desertification or soil sealing have been identified, therefore no mitigation measures other than creating awareness around these topics through the above-described policies have been implemented. To monitor the potential need for increased governance of these topics, Leadec has conducted a screening of all its sites based on their geolocation codes to identify potential impacts on key biodiversity-sensitive areas or natural protected areas in which our operations could affect threatened species.

In 2024, Leadec manually identified two sites within Key Biodiversity Areas (KBAs). The first site, located in Whitby, UK, is at a customer site within the "North Yorkshire Moors" KBA. The associated contract was fulfilled in October 2024 with no further engagement. The second site is in Oakville, Canada, within the "West End of Lake Ontario" KBA, where Leadec operates a tool workshop. Currently, only the Oakville site remains active within a KBA. Leadec believes its activities at this site have no impact on the KBA. No sites in natural protected areas were identified.

Affected communities [S3]

The topic S3 – affected communities along with the associated datapoints was excluded from Leadec's CSRD sustainability statement in accordance with the European Sustainability Reporting Standard (ESRS) as it was deemed immaterial based on the Leadec Group's IRO assessment (see , section "Impact, risk, and opportunity management" in chapter "General Disclosures [ESRS 2]"). Nonetheless, as some disclosures under S3 are significant to SFDR, Leadec has assessed the information that can be provided for these SFDR-relevant disclosures.

Approach and policies

The Leadec Group is dedicated to maintaining human rights, which encompasses rights related to labor. Our commitment is outlined in the Policy Statement, the Code of Conduct, and the Business Partner Code of Conduct. All three documents emphasize that the fundamental rights of people, including those of minorities and indigenous people, are to be respected by all Leadec employees and Leadec's business partners globally. For more information on the Policy Statement and its role in tackling the effects on human and labor rights see (section "Human and labor rights" in chapter "Social Information/Own Workforce [S1]"). For more information on the CoC see (section "Business conduct policies" in chapter "Governance/Business Conduct [G1]") and on the BP CoC see (section "Human and labor rights" in chapter "Social Information/Workers in the Value Chain [S2]").

Although the Leadec Group does not have a dedicated policy with regard to affected communities, Leadec's Code of Conduct and other policies address the broader social impacts of the Company's operations, ensuring that its actions contribute positively to the communities it affects. This includes adherence to environmental protection standards and combating corruption.

Actions

Regular engagement with affected communities is not taking place at the moment. For more information on key stakeholder groups and stakeholder engagement please see (section "Stakeholder engagement" in chapter "General Disclosures [ESRS 2]").

Nonetheless, the independent third-party provider helpline, the Leadec Integrity Line, offers all stakeholders, including affected communities, an anonymous and confidential easy channel for reporting any legal infractions or ethical irregularities they encounter in their interactions with the Leadec Group or its business partners. The tool can be used to disclose any violations through the Leadec Integrity Line in regard to risks related to human rights and the environment, violations of human rights or environmental obligations, violations of statutory provisions or other legal regulations, and other compliance infringements. Besides the Leadec Integrity Line, affected communities also have the option to communicate any issues they notice directly to the Leadec Group. For more details regarding the Leadec Integrity Line, the process

of voicing concerns, the protection of reporting persons, and investigation of incidents see (section "Mechanisms for identifying, reporting, and investigating concerns" in chapter "Governance/Business Conduct [G1]").

Metrics

In 2024, no severe human rights issues and incidents connected to affected communities have been reported to Leadec.

Consumers and end-users [S4]

The topic S4 – consumers and end-users along with the associated datapoints was excluded from Leadec's CSRD sustainability statement in accordance with the European Sustainability Reporting Standard (ESRS) as it was deemed immaterial based on the Leadec Group's IRO assessment (see , section "Impact, risk, and opportunity management" in chapter "General Disclosures [ESRS 2]"). Nonetheless, as some disclosures under S4 are significant to SFDR, Leadec has assessed the information that can be provided for these SFDR-relevant disclosures.

Approach and policies

For Leadec as a business-to-business service provider, its customers are the "consumers and end-users" of its services and at the same time form part of its business partners. Although the Leadec Group does not have a dedicated policy in regard to customers' human and labor rights, the Company's Code of Conduct and other policies address the broader social impacts of its operations, ensuring that its actions contribute positively to the customers and their workforce.

The Leadec Group is dedicated to maintaining human rights, which encompasses rights related to labor. Our commitment is outlined in the Policy Statement, Code of Conduct, and the Business Partner Code of Conduct. All three documents emphasize that the fundamental rights of people are to be respected by all Leadec employees and Leadec's business partners, like subcontractors or leasing personnel. For more information on the Policy Statement and its role in tackling the effects on human and labor rights see (section "Human and labor rights" in chapter "Social Information/Own Workforce [S1]"). For more information on the CoC see (section "Business conduct policies" in chapter "Governance/Business Conduct [G1]") and on the BP CoC see (section "Human and labor rights" in chapter "Social Information/Workers in the Value Chain [S2]").

Actions

Engagement with our customers takes place regularly. For more information on customers as one of our key stakeholder groups and the stakeholder engagement process in general please see (section "Stakeholder engagement" in chapter "General Disclosures [ESRS 2]").

Furthermore, the independent third-party provider helpline, the Leadec Integrity Line, offers all stakeholders, including our customers and their employees, an anonymous and confidential easy channel for reporting any legal infractions or ethical irregularities they encounter in their interactions with the Leadec Group or its business partners. The tool can be used to disclose any violations in regard to risks related to human rights and the environment, violations of human rights or environmental obligations, violations of statutory provisions or other legal regulations, and other compliance infringements. Besides the Leadec Integrity Line, customers and their employees also have the option to communicate any issues they notice directly to the Leadec Group or their Leadec contact person. For more details regarding the Leadec Integrity Line, the process of voicing concerns, the protection of reporting persons, and investigation of incidents see (section "Mechanisms for identifying, reporting, and investigating concerns" in chapter "Governance/Business Conduct [G1]").

Metrics

In 2024, no severe human rights issues and incidents connected to consumers and/or end-users have been reported to Leadec.

Legal Entities of Leadec

The Company's consolidated financial statements include the Company itself and its subsidiaries.

Company	Country	Share of voting rights and capital as of Dec 31, 2024	Consolidation method
Leadec Holding S.à r.l. (Group parent)	Luxembourg		Full consolidation
Leadec Holding BV & Co. KG	Germany	100%	Full consolidation
Leadec Beteiligungen GmbH	Germany	100%	Full consolidation
Leadec Austria GmbH	Austria	100%	Full consolidation
Leadec Servicos Industriais do Brasil Ltda.	Brazil	100%	Full consolidation
Leadec Servicos Industriais do Parana Ltda.	Brazil	100%	Full consolidation
Leadec (CA) Corp.	Canada	100%	Full consolidation
BAIC Leadec Industrial Services (Beijing) Co., Ltd.	China	50%	Full consolidation
Leadec Industrial Services (Shanghai) Co., Ltd.	China	100%	Full consolidation
Leadec s.r.o.	Czech Republic	100%	Full consolidation
Leadec SAS	France	100%	Full consolidation
Leadec Automation & Engineering GmbH	Germany	100%	Full consolidation
Leadec BV & Co. KG	Germany	100%	Full consolidation
Leadec FM BV & Co. KG	Germany	100%	Full consolidation
Leadec Management Central Europe BV & Co. KG	Germany	100%	Full consolidation
Markasit Grundstücksverwaltungsgesellschaft mbH & Co. Vermietungs KG	Germany	Share of voting rights 23.5%, share of capital 94%	Associate
Projektlogistik Kölleda GmbH	Germany	100%	Full consolidation
SRE Schulz & Reichl Elektrobau GmbH	Germany	100%	Full consolidation
Leadec Kft.	Hungary	100%	Full consolidation
Leadec India Private Limited	India	100%	Full consolidation
Leadec Mexico S. de R.L. de C.V.	Mexiko	100%	Full consolidation
Leadec Sp.z.o.o.	Poland	100%	Full consolidation
Leadec Unipessoal Limitada	Portugal	100%	Full consolidation
Leadec s.r.o.	Slovakia	100%	Full consolidation
Leadec S.L.U.	Spain	100%	Full consolidation
Elmleigh Electrical Systems Limited	UK	100%	Full consolidation
Leadec Limited	UK	100%	Full consolidation
Diversified Automation Inc.	USA	100%	Full consolidation
Leadec Automation & Engineering Holding, Corp.	USA	100%	Full consolidation
Leadec Corp.	USA	100%	Full consolidation
Meiners Electrical Services, LLC	USA	100%	Full consolidation

About this Report

This sustainability report provides a comprehensive overview of Leadec's environmental, social, and governance (ESG) performance for fiscal year 2024. It is designed to offer stakeholders, including investors, customers, employees, and the broader community, a transparent and detailed account of our sustainability initiatives, achievements, and future commitments.

Scope and boundaries
The report covers our global operations and includes data from all our operational legal entities. It encompasses our efforts in key areas such as environmental stewardship, social responsibility, and governance practices. The reporting period is from January 1, 2024, to December 31, 2024, with comparative data from previous years where applicable. This report is published annually.

Reporting standards
We have prepared this report in anticipation of the requirements of the Corporate Sustainability Reporting Directive (CSRD), a new EU directive, which requires companies to report on their environmental and social impact activities. To meet these requirements, a set of European Sustainability Reporting Standards (ESRS) has been developed. In 2024, we adopted as much as possible of the fundamental structure of the standards in this standalone sustainability report.

Furthermore, this report is in reference to the Global Reporting Initiative (GRI) Standards and being a signatory and an "active" member of the UN Global Compact, this report discloses information on applicable Sustainable Development Goals (SDGs). The ⊕SDG and GRI content index 2024 is available on our sustainability website, outlining how the information in the report addresses the SDGs as well as the specific GRI Standard (2021) Disclosures addressed. These frameworks ensure that our disclosures are consistent, comparable, and aligned with international best practices. Additionally, we have integrated relevant information from the EU Taxonomy to highlight our contributions to sustainable economic activities.

Data Collection and verification
The Sustainability Report was prepared and published by the Global Sustainability team and approved for publication by the Board of Management. The data presented in this report has been collected through our internal management systems. Our fundamental methodology and assumptions as they pertain to CSRD and the EU Taxonomy were verified by a third-party auditor expert judgement to ensure accuracy and reliability. We have implemented robust data collection processes and controls to maintain the integrity of our reporting.

Stakeholder engagement
Our sustainability strategy is shaped by ongoing dialogue with our stakeholders. This report reflects the feedback and expectations of our key stakeholders, gathered through surveys, consultations, and materiality assessments. We are committed to addressing their concerns and aligning our sustainability efforts with their priorities.

Continuous improvement
Leadec is dedicated to continuous improvement in our sustainability performance. This report not only highlights our achievements but also identifies areas for further development. We welcome feedback from our stakeholders to help us enhance our sustainability practices and reporting.

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