

Sustainability Report 2025

Resilient Growth in Times of Regulatory Divergence



leadec

A woman with dark curly hair and a man with glasses and a bun are walking through a large warehouse. They are both wearing bright yellow safety vests over light blue shirts. The woman is holding a pair of white gloves, and the man is holding a tablet. They are smiling and talking to each other. The warehouse has high ceilings with industrial lighting and tall shelving units filled with boxes in the background.

Achieving
resilient
growth while
mastering
regulatory
complexities.

Contents

Overview _____ 4

Foreword	4
The Leadec Group	6
Our Corporate Culture	8
What Makes Us Different	9
Reporting on What Matters–2025	10

Insights _____ 16

Green Factory Solutions	16
People	22
Artificial Intelligence in ESG	26
Sustainability Ratings	28

CSRD Reporting for 2025 _____ 30

General Information _____ 32

General Disclosures [ESRS 2]	34
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Environmental Information _____ 62

Reporting in Accordance with the EU Taxonomy	64
Climate Change [E1]	68
Resource Use and Circular Economy [E5]	98

Social Information _____ 106

Own Workforce [S1]	108
Workers in the Value Chain [S2]	142

Governance Information _____ 148

Business Conduct [G1]	150
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Non-Material Topics _____ 168

Pollution [E2]	170
Water [E3]	174
Biodiversity and Ecosystems [E4]	176
Affected Communities [S3]	178
Consumers and End-Users [S4]	178

Additional Information _____ 180

Legal Entities of the Leadec Group	180
About this Report	181

Dear readers,

In recent years, sustainability in the manufacturing industries has entered a new era. What initially started as a mainly compliance-driven transformation has become much more complex, shaped by economic uncertainty and rapid technological change. One thing, however, has stayed the same: manufacturing continues to transform quickly, and sustainability remains an important driver of business success.

At Leadec, these global developments reinforce our strategic direction. Sustainability is not separated from our business, it is deeply embedded in how we support our customers and shape the factory of the future.

Our Green Factory Solutions business continued to grow significantly in 2025, driven by the global electrification trend and increasing investments into sustainable manufacturing. Together with customers and partners worldwide, we support projects related to energy efficiency, renewable energy integration, battery life cycle solutions, zero waste, and sustainable facility services. Through close cooperation with energy suppliers, Leadec is actively contributing to the energy transition in manufacturing.

Operational excellence and safety remain at the center of our daily work. In 2025, we achieved our best-ever health and safety performance, with a lost time injury frequency rate for continued business of 0.7 per one million hours worked. With this figure, we remain below the industry average. This progress reflects the strong commitment of our employees and leadership teams worldwide to our "Safety–It's Your Life!" initiative.

Our progress has also been recognized externally through customer awards, our EcoVadis Gold rating, and our CDP "B" score.

In governance and reporting, the increasing complexity of global ESG regulations requires companies to become more digital and more transparent. At Leadec, we have further strengthened our ESG management and reporting capabilities through continued digitalization. These investments improve data quality, reporting efficiency, and our ability to support customers navigating rapidly evolving regulatory requirements worldwide.

Above all, our progress would not be possible without the dedication of our employees. Across around 380 locations worldwide, they contribute every day to keeping factories running smoothly and efficiently while making them fit for a more sustainable future.

The transformation of manufacturing is ongoing. Despite differing regional approaches and economic uncertainties, sustainability remains a defining driver of industrial competitiveness and resilience. We are convinced that companies which successfully combine operational excellence and innovation with responsible business practices and a sustainable approach will lead this transformation.

At Leadec, we are committed to driving sustainable manufacturing together.



Markus Glaser-Gallion
CEO Leadec Group

“Despite differing regional approaches, sustainability remains a defining driver of industrial competitiveness.”





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 around 380 locations in more than 900 factories worldwide. We offer our services from a single source, allowing our customers to focus on their core business.

This approach is reflected in our five service clusters which are geared toward the dynamic requirements of the industry.

- ▶ **Install:** Installation and Relocation
- ▶ **Automate:** Production IT and Automation & Commissioning
- ▶ **Maintain:** Production Equipment Maintenance and Technical Cleaning
- ▶ **Logistics:** Value Added Services and Intralogistics
- ▶ **Support:** Technical Facility Management and Infrastructural Facility Management

At Leadec, project business and on-site operations go hand in hand. The resulting synergies enable seamless processes and integrated end-to-end solutions from a single source. 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



>380

own and customer sites
in 16 countries

>50

customer awards
in the last 10 years

0.7

LTIFR per million hours worked
for continued business

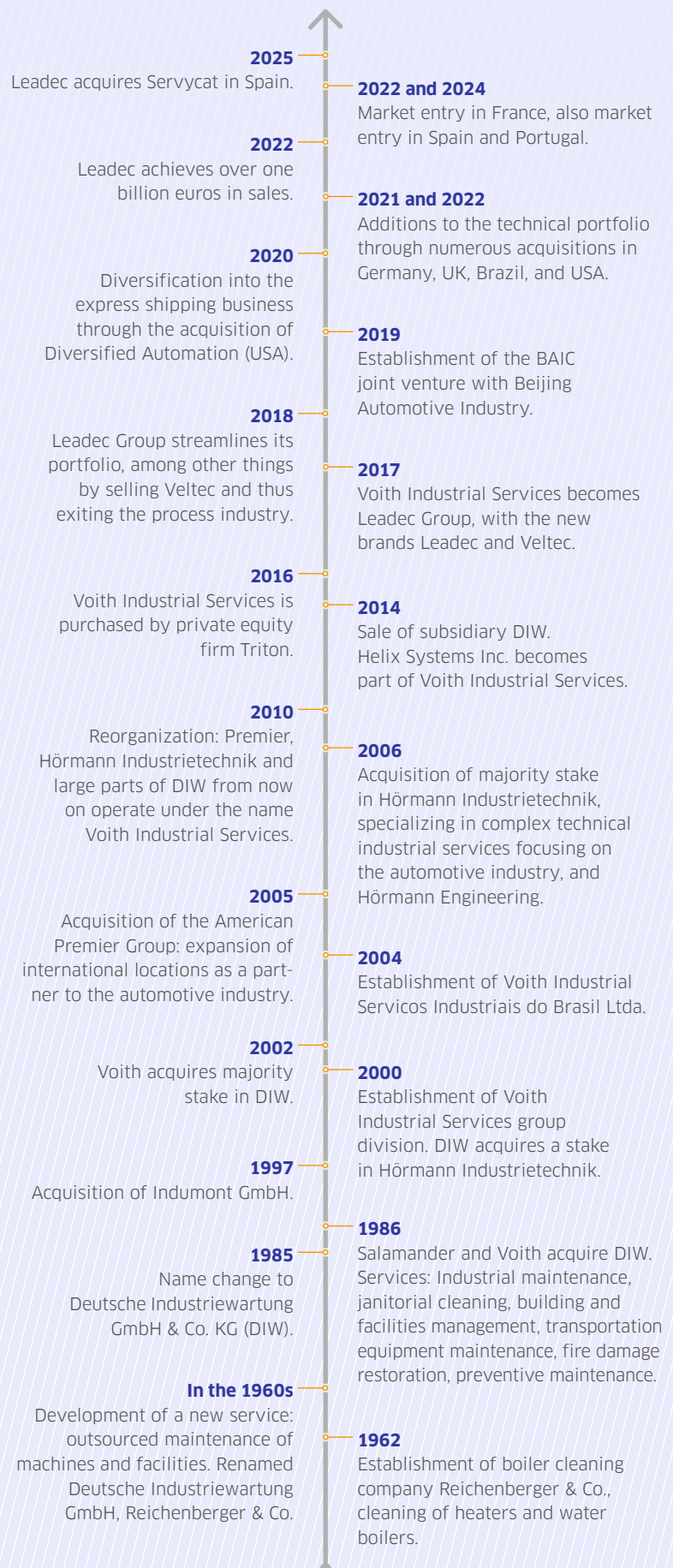
customers' own digital services. Through our Green Factory Solutions, we support our customers with sustainable services that enable decarbonization and foster the transition to a circular economy.

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 hidden potential in factories and make them fit for the future.

Headquartered in Stuttgart, Germany, the Company employs more than 22,700 people¹ in 16 countries and generated sales of over €1.35 billion in 2025.

More about Leadec: www.leadec-services.com

Milestones in Our History



¹ ESRS-reported headcount; for definition please refer to [page 139](#) in chapter [S1].

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 customers 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.

Global network

We are represented at around 380 locations worldwide 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 CO₂ 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 costs. Instead of treating 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 are strengthening prevention and minimizing safety risks with the “ultimate” goal of zero fatalities.

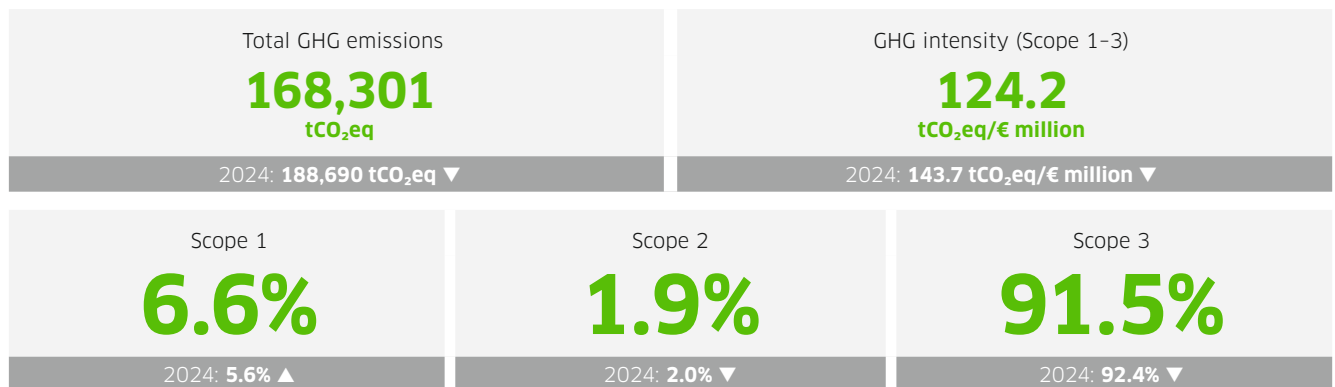
Digitized processes

Our Leadec.os business platform records our processes digitally throughout and forms seamless interfaces to the customer’s systems. This creates maximum transparency in the planning and provision of all services. The acquired data forms the basis for optimizing processes—on the way to the “factory of the future.”

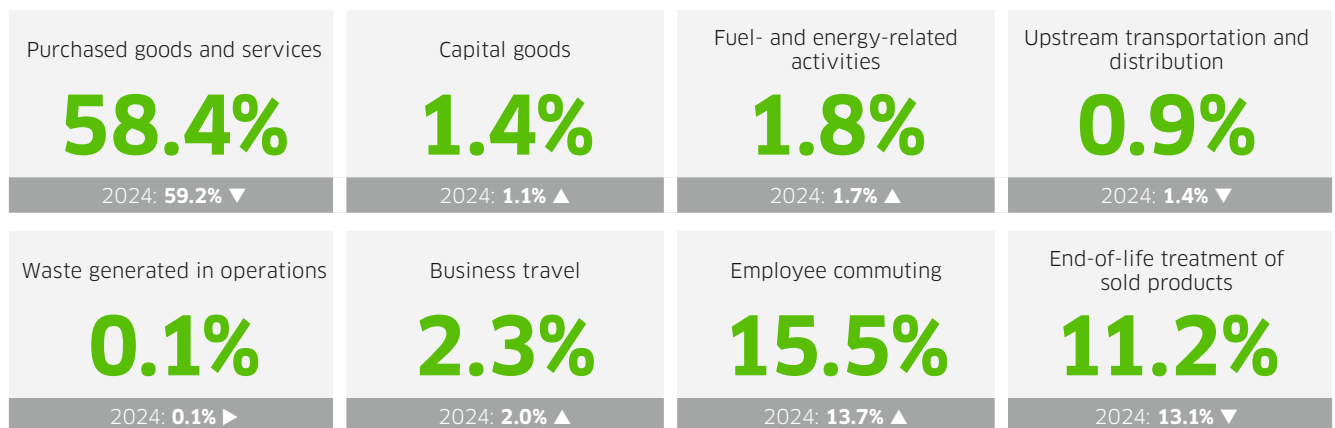
Reporting on What Matters–2025

Environmental

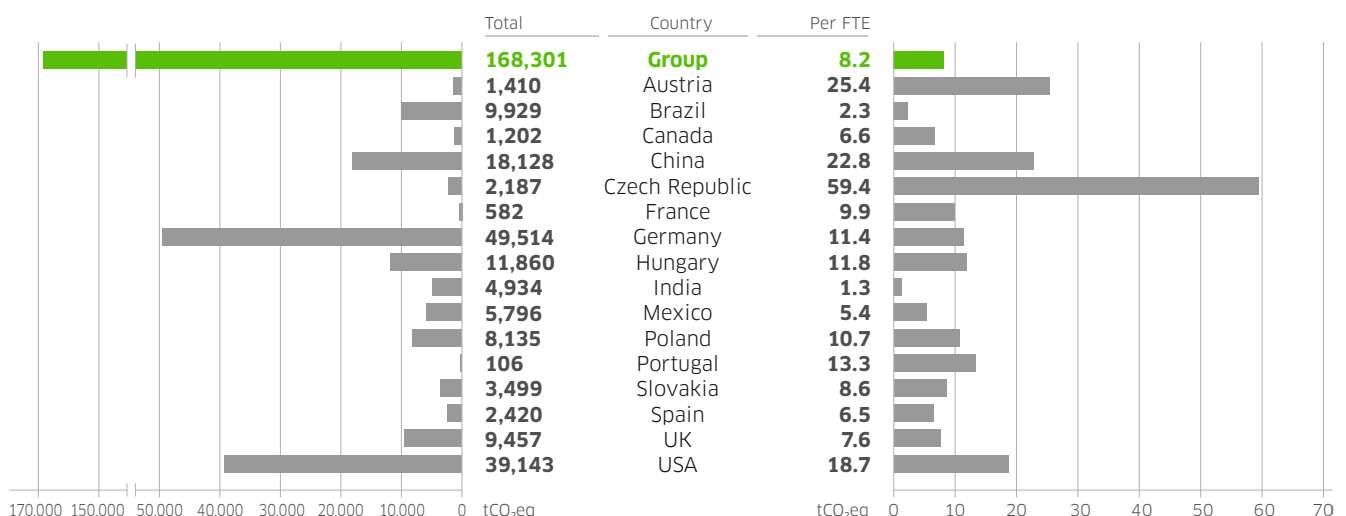
Corporate Carbon Footprint: Greenhouse Gas (GHG) Emissions¹⁾



Share per Scope 3 Category¹⁾



GHG Emissions Scope 1–3



▲ Increase in current reporting year compared to previous year.
▼ Decrease in current reporting year compared to previous year.
► No change between current and previous reporting year.

¹⁾ 2025 and 2024 market-based GHG emissions; CCF 2024 recalculated.

Energy Consumption

Energy (total)	Fuel	Electricity	Natural gas
50,833 MWh	33,058 MWh	14,456 MWh	3,319 MWh
2024: 55,576 MWh ▼	2024: 41,936 MWh ▼	2024: 9,307 MWh ▲	2024: 4,334 MWh ▼

Electricity

Share from fossil sources	Share from zero-emissions sources ¹⁾	Share from renewable sources	Share from nuclear sources
34.9%	65.1%	55.7%	9.4%
2024: 26.8% ▲	2024: 73.2% ▼	2024: 61.6% ▼	2024: 11.6% ▼

Waste

Waste (total)	Non-hazardous	Hazardous	Share of recycled waste
2,728 metric tons	91.4%	8.6%	73.4%
2024: 5,036 metric tons ▼	2024: 99.2% ▼	2024: 0.8% ▲	2024: 65.3% ▲

Water

Water use
21,023 m ³
2024: 18,092 m ³ ▲

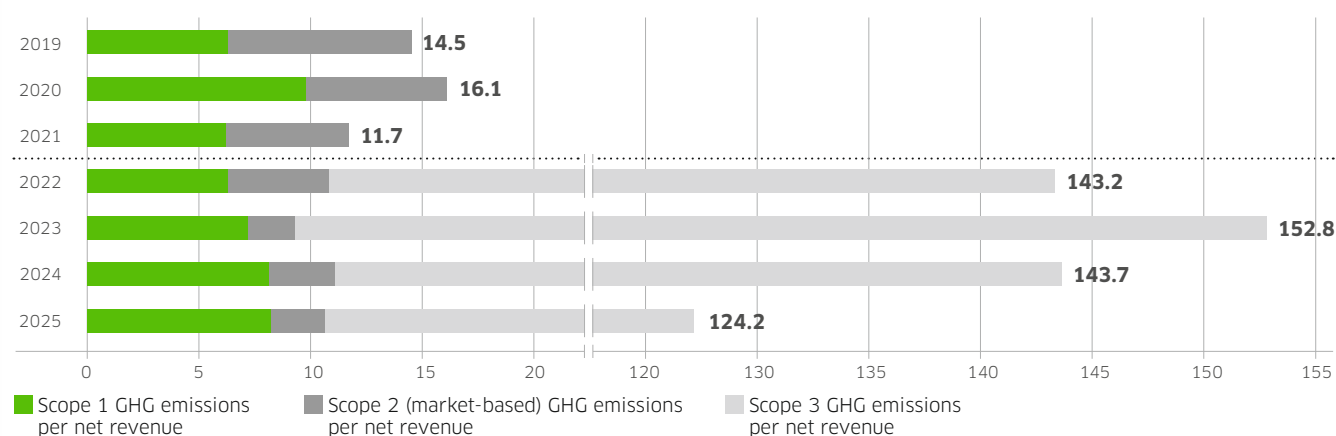
Key Biodiversity Areas

Sites in key biodiversity areas
0
2024: 1 ▼

Climate Risk Assessments

Sites with gross physical risk	Sites with net physical risk
10	3
2024: 10 ►	2024: 3 ►

GHG Intensity (tCO₂eq/€ million)



¹⁾ "Zero-emissions sources" includes renewable as well as nuclear sources.

Social

Characteristics of Leadec's Employees¹⁾

Headcount	Full-time equivalents
22,741	20,716
2024: 22,572 ▲	2024: 20,862 ▼

Workforce Composition²⁾

Male	Female	Employees <30 years old	Employees 30-50 years old	Employees >50 years old
78.6%	21.4%	23.6%	47.9%	28.5%
2024: 78.1% ▲	2024: 21.9% ▼	2024: 23.8% ▼	2024: 47.6% ▲	2024: 28.6% ▼
Full-time employees	Part-time employees	Permanent employees	Temporary employees	
82.9%	17.1%	90.7%	9.3%	
2024: 84.1% ▼	2024: 15.9% ▲	2024: 87.8% ▲	2024: 12.2% ▼	
Blue-collar workers	White-collar workers	Employees in training	Direct employees	Indirect employees
83.4%	15.9%	0.7%	93.7%	6.3%
2024: 80.1% ▲	2024: 18.6% ▼	2024: 1.3% ▼	2024: 93.5% ▲	2024: 6.5% ▼

Employee Turnover

Employee turnover (total)	Employee turnover rate	Employees in Europe	Employees in the Americas	Employees in Asia
9,018	39.6%	45.9%	34.3%	19.8%
2024: 10,340 ▼	2024: 45.8% ▼	2024: 46.4% ▼	2024: 33.8% ▲	2024: 19.8% ►

Employees by Region

Employee Training and Skills Development³⁾

Average training time per employee	Performance and development dialogue	Compliance training	Information security training
12.6 hrs	81.0%	95.6%	72.8%
2024: 12.1 hrs ▲	2024: 88.0% ▼	2024: 98.3% ▼	2024: 85.2% ▼

▲ Increase in current reporting year compared to previous year.
▼ Decrease in current reporting year compared to previous year.
► No change between current and previous reporting year.

¹⁾ At the end of the reporting period; ESRS-reported headcount and full-time equivalents; for definition please refer to ►page 139 in chapter [S1].

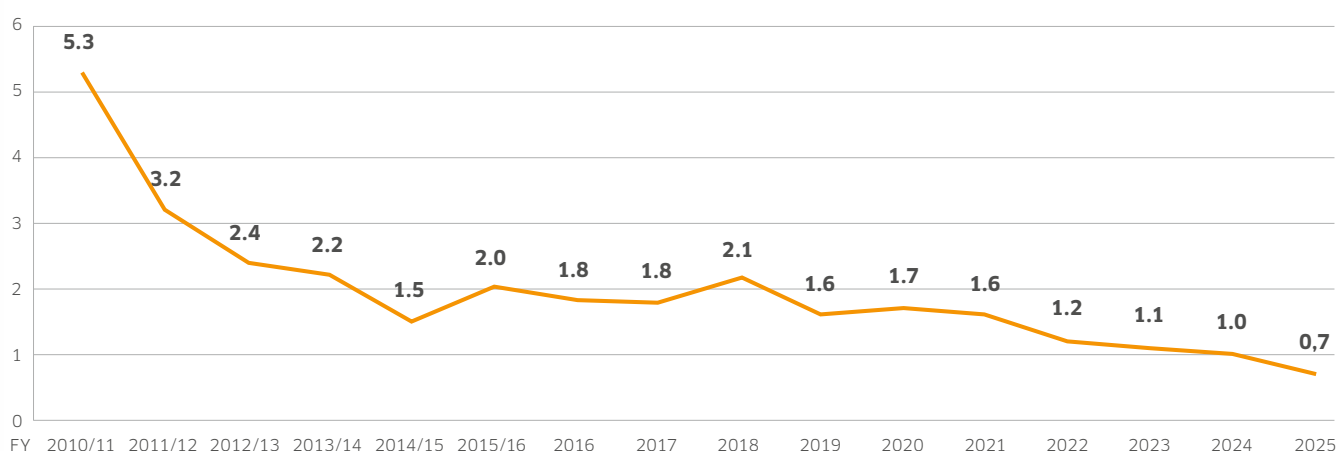
²⁾ Based on headcount as of December 31; one employee identified as "other."

³⁾ Completion rates cover targeted employees; for further information please refer to ►page 133 in chapter [S1].

Health and Safety¹⁾

Regulatory reportable incidents	Total recordable incidents (TRI)	Total recordable incident rate (TRIR) per 1 million hrs worked	Lost time injuries (LTI)	Fatalities
231	250	5.8	31	0
2024: 229 ▼	2024: 266 ▼	2024: 6.4 per 1 million hrs worked ▼	2024: 43 ▼	2024: 1 ▼

Reported Lost Time Injuries Frequency Rate (LTIFR) per 1 million hours worked¹⁾



Prevention Measures

HSE management system employee coverage	Safety walks conducted	Active and valid risk assessments ²⁾	Safety actions closed
100%	43,660	4,195	3,948
2024: 100% ►	2024: 32,959 ▲	2024: 3,230 ▲	2024: 2,170 ▲

Gender Pay Gap

Unadjusted (average)	Unadjusted (weighted)	Adjusted (average)	Adjusted (weighted)
10.6%	7.9%	1.9%	2.0%
2024: 11.3% ▼	2024: 9.1% ▼	2024: 3.6% ▼	2024: 5.1% ▼

Adequate Wage

Annual total remuneration ratio (average)	Annual total remuneration ratio (median)	Share of employees earning adequate wage	Share of employees earning minimum but not adequate wage	Collective bargaining agreement coverage
8.4	3.9	83.7%	16.3%	57.4%
2024: 10.7 ▼	2024: 5.5 ▼	2024: 82.4% ▲	2024: 17.6% ▼	2024: 60.5% ▲

¹⁾ 2025 values: for continued business (without acquisitions).

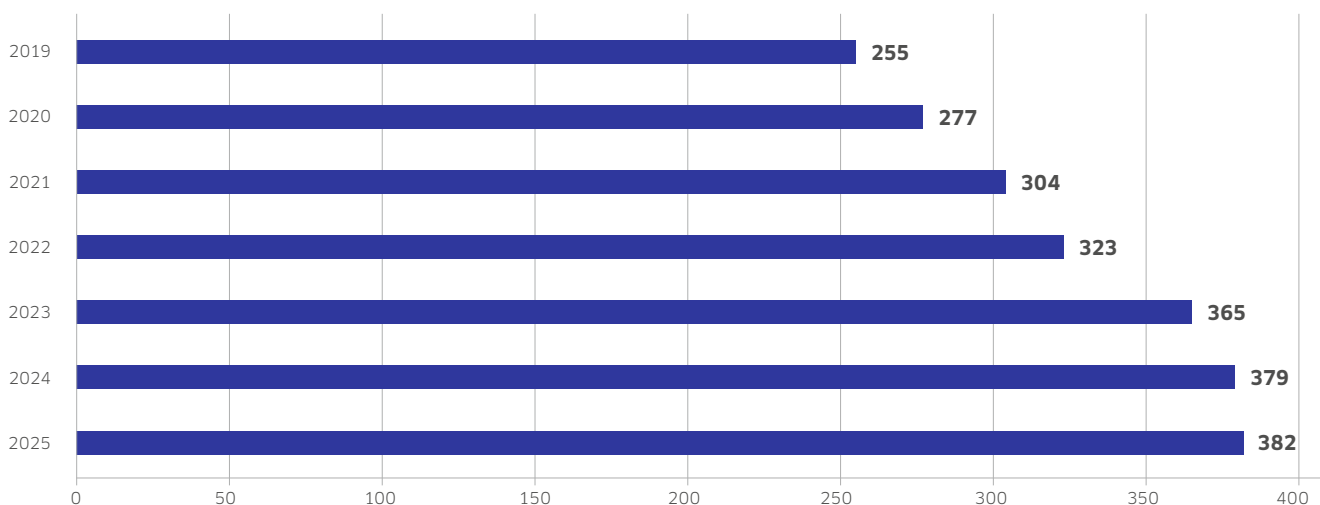
²⁾ 2024: the value represents risk assessments done for new sites before starting work;
2025: the value indicates updated in-place risk assessment with hazard-control measures in place.

Governance

Leadec Legal Entities and Sites

Legal entities	Total number of sites	Own operational sites	Customer sites
29	382	117	265
2024: 29 ►	2024: 379 ▲	2024: 102 ▲	2024: 277 ▼

Number of Sites Leadec Group



Governance Bodies

Advisory Committee	Board of Management	Administrative body	Governance committees
1:4 (female:male)	0:3 (female:male)	27:81 (female:male)	7
2024: 1:4 (female:male) ►	2024: 0:3 (female:male) ►	2024: 24:76 (female:male) ▲	2024: 7 ►

Own Operational Sites Certified According to ISO Standards¹⁾

ISO 9001 Quality Management	ISO 14001 Environmental Management	ISO 27001 Information Security Management	ISO 45001 Occupational Health and Safety Management
82.1%	80.3%	100%²⁾	76.9%
2024: 81.8% ▲	2024: 86.3% ▼	2024: 100% ²⁾ ►	2024: 81.8% ▼

ESG Ratings

EcoVadis	CDP Climate Change ³⁾	CDP Supplier Engagement Assessment ³⁾
79 (scale 0-100)	B (scale A-F)	B- (scale A-F)
2024: 79/100 ►	2024: C ▲	2024: B- ►

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► No change between current and previous reporting year.

¹⁾ ISO-certifications share is calculated based on the number of own operational sites where Leadec is financially and operationally in control.
²⁾ Of Leadec's global IT services provided to all legal entities.
³⁾ 2025 submission score based on fiscal year 2024 information.

Customers		Suppliers ¹⁾	
Customer retention rate	Green Factory Solutions sales (EEA ²⁾ total)	Active suppliers	Active "A suppliers"
96.2%	> €140 million	~12,500	1,758
2024: 96.6% ▼	2024: > €100 million ▲	2024: ~12,500 ►	2024: 1,729 ▲
Share EEA ²⁾ of Group sales	Share AEA ²⁾ of Group sales	Share of "A suppliers" who signed the BP CoC	
~10.5%	~1.6%	65.6%	
2024: ~8.0% ▲	2024: n.a.	2024: 62.5% ▲	
Share ³⁾ decarbonization services of total EEA ²⁾	Share ³⁾ circular economy services of total EEA ²⁾	Active suppliers covered by abstract risk analysis	High-risk "A suppliers" covered by concrete risk analysis
~45%	~40%	100%	100%
2024: ~50% ▼	2024: ~45% ▼	2024: 100% ►	2024: 100% ►

Incident Reporting via Integrity Line

Incidents reported	Confirmed incidents	Time to respond to reported incidents	
83	31	<7 days	
2024: 90 ▼	2024: 40 ▼	2024: <7 days ►	
Confirmed discrimination incidents	Confirmed human rights and whistleblower protection violations	Confirmed corruption and bribery incidents	Sanctions or fines for corruption and bribery incidents
18	0	0	€0
2024: 12 ▲	2024: 0 ►	2024: 0 ►	2024: €0 ►

¹⁾ Assessed suppliers were active in the previous fiscal year; "A suppliers" account for 80% of Leadeo's spend volume.

²⁾ EEA are EU Taxonomy-eligible economic activities; AEA are EU Taxonomy-aligned economic activities.

³⁾ Share services of total EEA represent those services that are reported as material downstream opportunities in the sustainability statement.

Green Factory Solutions

Tapping into Opportunities Driven by the Energy Transition

With its comprehensive Green Factory Solutions portfolio, Leadec supports the green transformation of the industrial sector. By building strategic partnerships across the energy transition ecosystem, Leadec expands the reach of its sustainable services to new customers, while delivering added value through joint offerings.

Further expansion of Green Factory Solutions

Leadec's greatest contribution to sustainable development consists in supporting our customers in reaching their environmental objectives. The industrial sector is a major emitter of greenhouse gas emissions and a key consumer of resources. Over the next few years, companies in the manufacturing sector worldwide will be facing a major transformation which will require large investments. Under the Green Factory Solutions (GFS) heading we are offering a whole series of services along the entire factory life cycle that promotes decarbonization and circular economy. GFS are at the heart of our EU Taxonomy approach (see chapter "Reporting in Accordance with the EU Taxonomy" on [page 64 onward](#)).

Since we first presented the GFS in 2022, we have expanded the portfolio and marketed it with increasing success; we support an ever-increasing number of customers in their efforts to reduce greenhouse gas emissions by optimizing their energy management or to conserve resources using a well-thought-out waste management concept. In the reporting year 2025 we generated around €140 million in sales with our GFS portfolio. This corresponds to a clear double-digit growth rate. This positive development is mainly driven by high energy prices and environmental regulations. Looking

forward, there is also a growing demand for battery energy storage solutions to ensure grid stability and supply security considering an increased share of renewable energies in the energy mix.

Building strategic partnerships

In 2025, Leadec further strengthened its GFS through targeted expansion of strategic partnerships across the energy transition ecosystem. Leadec collaborates with global consulting firms to develop robust decarbon-

Supporting the green transformation of the industrial sector, Leadec's GFS portfolio is recording clear double-digit growth rates in sales.

ization strategies and conduct technical feasibility studies. Partnerships with energy providers help unlock capital investments for integrated contracting solutions across photovoltaics (PV), battery energy storage systems (BESS), electric vehicle (EV) charging stations, LED lighting systems, heating, ventilation, air conditioning, and cooling (HVAC)

systems, building management system (BMS) optimization, and electrical retrofits. In addition, Leadec works closely with developers and engineering, procurement, and construction partners (EPCs) on the installation and maintenance of BESS projects to enhance grid stability and provides engineering support for the design of new BESS production lines. The Company also partners with specialized PV EPCs to deliver and maintain solar installations.



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

“We are committed to supporting our customers throughout their entire decarbonization journey with tailored solutions.”

Leadec and E.ON Energy Infrastructure Solutions are jointly driving the decarbonization of European industry

One example of a strategic partnership we started in 2025, is the collaboration with E.ON Energy Infrastructure Solutions. As a growth segment of the E.ON Group, E.ON Energy Infrastructure Solutions is a leading European provider of integrated energy solutions for cities and industries in 14 European countries. Its service portfolio spans the entire value chain—from planning and construction to operation and optimization of integrated ecosystems for heating, cooling, and electricity.

Combining energy and factory expertise

The new partnership model allows industrial companies to carry out sustainable modernization projects without having to provide upfront capital investment, thus reaching their sustainability targets more quickly. The portfolio ranges from modern energy supply systems for entire manufacturing plants to energy-efficient building solutions and electric vehicle charging infrastructure. E.ON Energy Infrastructure Solutions takes care of financing and operating the energy solutions, while Leadec contributes technical expertise for implementation and subsequent maintenance, drawing on more than 60 years of experience in factories worldwide.

Industrial customers in Germany, Austria, the UK, Poland, Hungary, the Czech Republic, Slovakia, and France can benefit from this joint offering. The focus industries include automotive, food and beverage, chemicals, steel, glass, pulp and paper, cement, manufacturing, and data centers.

Trusted and long-term partner of energy transition

With around 5,300 experts across Europe, E.ON Energy Infrastructure Solutions combines international experience with deep local expertise. This enables the delivery of solutions that meet the highest standards in technology and safety, while seamlessly integrating into local infrastructures and regulatory frameworks. The comprehensive portfolio ranges from low-temperature district heating, waste heat recovery, and solar photovoltaics to heat pumps, combined heat and power (CHP), district power, Organic Rankine Cycle (ORC), and solar cooling.

Leadec intends to provide both turnkey solutions and partial projects, particularly electrical and mechanical installations, along with subsequent maintenance for PV systems, BESS, LED lighting systems, EV charging stations, HVAC systems and BMS, as well as retrofitting for electrical services.

Customers can meet their sustainability targets and regulatory requirements without the need to finance the decarbonization investment directly. This allows them to allocate their budgets to their core activities, while long-term power purchasing agreements at stable prices ensure their energy security. As a first show case, a project at an automotive OEM plant in Debrecen, Hungary, has already been successfully completed, involving the installation of approximately 320,000 square meters of solar panels.

The strategic importance of advanced BESS capabilities

The European Union targets 42% renewable energy in total consumption and 69% in electricity generation by 2030, with a significant share from variable sources such as wind and solar. This transformation is key to reducing fossil fuel dependency and achieving decarbonization goals. As renewable penetration rises, battery energy storage systems (BESS) are becoming essential to balance supply and demand by storing surplus energy and dispatching it during peak periods.

BESS contributes significantly to alleviating grid congestion and minimizing renewable curtailment. They also enhance system reliability by providing reserve capacity during periods of low generation (“Dunkelflaute”) or unexpected disruptions. Their rapid response time makes them particularly effective for frequency regulation, thereby outperforming conventional turbine-based solutions.

As increasing renewable energy shares reduce grid inertia, advanced BESS with grid-forming capabilities play a vital role. They provide virtual inertia, voltage support, short-circuit power, and black-start

functionality, thereby strengthening overall grid stability and resilience in a decarbonized energy system.

Leadec supports this transition as a subcontractor with its GFS offerings through the installation, commissioning, and maintenance of large-scale BESS projects, and as a general contractor for smaller behind-the-meter solutions. In addition, GFS is expanding its field service capabilities to ensure reliable long-term operation of BESS assets. Further, Leadec provides engineering support for the design of new BESS production lines.



Leadec installs BESS solutions produced by Saft

Starting in 2025, Leadec has also collaborated with battery technology specialist Saft to help build large-scale battery storage facilities. Saft’s Energy Storage Systems division is a leading global provider of lithium-ion battery energy storage, with around 10 GWh deployed or contracted. As a wholly owned subsidiary of TotalEnergies, it benefits from strong backing within a diversified global energy company. Saft delivers turnkey storage solutions that integrate batteries, power conversion, and energy management systems to support renewable energy integration, grid stability, and power supply for industries, datacenters, and remote sites.

Like the vast majority of battery energy storage systems (BESS) providers, Saft uses lithium iron phosphate (LFP) cells to build technically optimized and competitive storage solutions.

Saft’s added value comes from its fully in-house system design expertise based in Bordeaux, France, and high cybersecurity standards supported by European-sourced components. The battery designs focus on three core areas—temperature management, safety, and advanced controls with data management, ensuring optimal battery performance, efficiency, lifespan, and safety through robust risk analysis and homogeneous ageing control. Manufacturing of battery containers in China and the USA enables strict quality control and testing under Saft’s supervision.

Saft is anticipating compliance with the upcoming Battery Regulation in Europe, and actively contributes to shape the boundaries of this regulation in close cooperation with public and private stakeholders. Saft is determined to reduce the environmental impact of

its product to a minimum whilst respecting social and human rights all along the value chain.

Successful commissioning of a BESS project

In 2025, Leadec was subcontracted by Saft to help install and commission a BESS project that forms part of a greenfield development of a large-scale battery storage facility in Germany. Leadec was responsible for the mechanical installation of the LFP battery energy storage system including the installation of containers, routing of cable trays, and implementation of cooling and fire protection systems.

Furthermore, Leadec completed the electrical installation involving full wiring of all components, performing insulation and functional tests, and commissioning the power distribution systems. In addition, protection systems (e.g., relays, grounding, surge protection) were tested and parameterized.

Finally, the system was integrated into the overarching control system, including communication interfaces and monitoring. Both areas concluded with joint factory acceptance and site acceptance testing (FAT/SAT), and preparation for safe grid connection and operation.

Leadec provides green industrial engineering for a scalable, fully automated battery production for Altech

Leadec does not only offer installation and maintenance services for BESS assets, it also applies its engineering and automation expertise to support the design of new BESS production lines.

Altech's BESS project aims to industrialize a next-generation stationary energy storage solution. At the core of the project is the cerenergy® battery, which was developed for large-scale grid and industrial applications. The mission of the project is to deliver safe, durable, and environmentally responsible battery systems while establishing a fully automated, state-of-the-art production facility in Saxony, Germany, that allows for industrial commercialization of the battery.

A next-generation stationary energy storage solution

From a customer perspective, Altech's battery provides substantial technical and economic advantages. Its sodium-nickel chloride chemistry combined with a solid-state ceramic electrolyte ensures inherent safety, as the system contains no flammable materials eliminating the risk of explosion. The battery has a service life exceeding 15 years and maintains stable performance over its entire lifetime. It operates reliably across a wide range of environmental conditions without requiring external cooling or heating systems, which significantly reduces operating costs. In addition, the technology enables multiple daily charge and discharge cycles without performance loss, has no

self-discharge, and is practically maintenance-free due to the absence of moving parts.

Leadec acts as main contractor

Leadec was chosen as the lead engineering, process technology, and plant construction company for the planning and project management of the battery project in Saxony, Germany. This included coordinating the work of more than 50 selected subcontractors involved.

Leadec has made a significant contribution to the successful development and industrialization of the project. This includes comprehensive factory planning for a scalable and future-oriented production facility, as well as the design and implementation of production IT systems to enable efficient and transparent manufacturing operations. Furthermore, Leadec supported the planning of media and utility supply systems, ensuring reliable and sustainable provision of energy and infrastructure. Through detailed process optimization and the integration of advanced automation concepts, Leadec significantly enhanced production efficiency, quality, and stability. The project environment has been highly dynamic, requiring continuous adjustments and rapid decision-making; in this context, Leadec demonstrated a high degree of flexibility, responsiveness, and solution-oriented collaboration, contributing substantially to the overall project success.

From Renewables to Waste: Touchpoints of a Green Factory

With Green Factory Solutions (GFS), Leadec offers its customers a portfolio of sustainable services across the entire factory life cycle. The services help our customers meet their sustainability goals and comply with government regulations. After more than 60 years at the heart of the industry, we know how to deliver on the portfolio's two pillars: decarbonization and the circular economy.

How does it work? Let us step into the shoes of a plant manager, accompany them through a working day, and see how many touchpoints follow once a GFS project is up and running.

Starting the working day, the plant manager arrives at the parking lot, recently upgraded to a solar carport with charging stations for electric vehicles ⑨—turning unproductive ground into productive space. Walking through the gate, the manager passes the photovoltaic (PV) systems ⑦ on the warehouse roof and notices construction crews modernizing the electricity grid ③ and replacing the distribution boards and switchgear. Battery energy storage systems (BESS) ⑧ will soon be connected to the PV systems and make energy costs more predictable, and the site's power supply more resilient.

Energy savings

As the manager enters the warehouse, the intelligent LED system detects the movements and turns on the lighting. Daylight sensors adjust the intensity as the manager moves between the shelves to the main production hall. The recent retrofit of the internal and external lighting, as well as the inspection light tunnel for quality control, has produced immediate savings on energy and maintenance ⑤ ⑥.

Following an energy audit ④ and optimization, the site's high-, medium-, and low-voltage grids now continuously optimize load and regulate voltage ②. The manager continues to its office desk and gets to work.

The first meeting is with a process engineer from the plant. They review proposals for upgrading the heating, ventilation, air conditioning, and refrigeration (HVACR) systems ① and decide on a building management system (BMS) retrofit for several older facilities. Each one will reduce the plant's ecological footprint.

Waste management

Lunch time: on the way to the canteen, the plant manager passes the waste distribution center and watches new electric forklifts collect waste bins and transport them across the site. In the distribution center, employees of the industrial service provider Leadec sort, compact, and weigh the hazardous and non-hazardous waste before shipment to the nearby recycling center ⑫. On the back end, the fully digital documentation system traces every container, boosting efficiency, and simplifying compliance ⑬ ⑭.

Next stop: Contracting solutions

After lunch, the plant manager heads out to meet a representative from Leadec's Green Factory Solutions business. The plant manager's team has developed numerous ideas to further reduce energy demand and carbon emissions. However, they face financial constraints and need to prioritize their capital investments. The plant manager is surprised to learn that Leadec has partnered with energy companies in Europe to offer contracting solutions for energy delivery and performance. Customers gain access to capital from the energy companies themselves, freeing their own cash for higher-priority projects while still advancing decarbonization.

At the end of the day, an electric vehicle charged with the power of the sun awaits the plant manager. The transition to more sustainable manufacturing is one thing above all: varied in all aspects.

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 Battery energy storage systems (BESS)
- 9 EV charging station (for fleets)
- 10 Sustainable heating (heat pumps)

Climate Change Adaptation

- 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

People

Employee Engagement and Development as Key to Success

Empowering people, strengthening connections, and unlocking potential—Leadec is committed to creating a work environment where employees can grow, feel valued, and actively shape the Company's future. In 2024, Leadec conducted its first global Pulse Survey, capturing feedback from employees across the organization. To act on these insights, various follow-up measures were initiated throughout 2024 and 2025.

While the results of the first employee survey reflected a strong sense of identification and engagement with Leadec, they also revealed clear opportunities for improvement. Three priority areas emerged: enhancing feedback and development, increasing transparency around strategy and vision, and improving processes and collaboration across teams. These insights directly formed a wide range of targeted initiatives implemented throughout the reporting year. As Christof Baumgart, SVP Global HR & Organization, emphasizes, “We see employee feedback as a powerful driver for change—by listening closely and acting decisively, we continuously strengthen our organization.”

Making growth visible and accessible

To support employees in their professional development, Leadec significantly improved the transparency

of growth opportunities and learning pathways. Information on development processes, tools, and training offerings—particularly within the Leadec Campus—was comprehensively revised and streamlined. This enables employees to easily explore and navigate their individual development options. Our goal is to make growth opportunities tangible and accessible for everyone. When employees have clarity, they can take ownership of their development journey.

Fostering a continuous feedback culture

A strong feedback culture remains a cornerstone of employee development at Leadec. The Performance & Development Dialogue, which includes competency-based feedback, alignment on focus topics, and development talks, continues to play a central role.



Ahead of the 2025 cycle, managers received support through specialized training sessions. In addition, new feedback formats were introduced, including the interactive “6-week feedback challenge,” where employees collaboratively explore effective feedback practices, as well as expanded digital feedback options via the HR connect platform. “Feedback should be continuous, constructive, and part of everyday work,” emphasizes Theresa Intorp, Senior Specialist Global People Development. “By offering different formats, we encourage open dialogue and mutual learning.”

Empowering people through feedback, growth, and meaningful collaboration.

Strengthening collaboration and processes

To further enhance collaboration across teams and functions, Leadec introduced structured “interface feedback” and initiated cross-functional projects to analyze and improve internal processes. These efforts focus on simplifying workflows, reducing complexity, and increasing digitalization. Strong collaboration across teams and locations is crucial for our performance. Therefore, Leadec is actively working to remove barriers and make cooperation more effective.

Connecting individual contribution to company strategy

Understanding the bigger picture is key to employee engagement. Leadec has expanded its internal com-

munication on strategy and vision, introducing new formats that are accessible in all company languages. Learning initiatives, including dedicated sessions during the global Learning Week, further reinforce strategic alignment. When employees understand where Leadec is heading, they can see how their work contributes to our success.



People behind the success of a “secret market leader”

Leadec has officially been recognized as one of the Hidden Global Market Leaders from Germany, Austria, and Switzerland. In the 2025 ranking, published by the German business magazine WirtschaftsWoche, Leadec was included among the Top 500 companies and named global market leader in the field of “Specialized services for the factory life cycle.”

The ranking, compiled by the University of St. Gallen (Switzerland) in cooperation with the Academy of German Global Market Leaders, honors companies with a leading international market position, strong innovation capabilities, and a global business footprint. To

qualify, companies must generate at least €50 million in annual sales, operate successfully across multiple continents, and achieve a significant share of revenue abroad.

This recognition reflects Leadec’s successful international expansion, deep industry expertise, and continuous commitment to innovation and customer value. This achievement would not have been possible without the dedication, passion, and expertise of Leadec’s global workforce of around 22,700 employees. Their teamwork, commitment, and daily efforts are key drivers of the Company’s sustainable growth.

Safety Is Our Top Priority

Our employees' and business partners' safety continues to have the highest priority in everything we do. Our Group-wide initiative "Safety—It's Your Life!" has enabled us to lower the lost time injury frequency rate per one million hours worked to a historical low of 0.7 for continued business. This means we have set the gold standard for our industry.

Leadec's approach to occupational safety

The Leadec Group attaches utmost importance to occupational health and safety. By taking a responsible and proactive approach to designing workplaces and processes, we aim to avoid accidents and work-related illnesses wherever possible. The highly successful Group-wide campaign "Safety—It's Your Life!" is embedded in the consciousness of our employees at all levels of the organization.

Occupational safety is embedded in an integrated HSE (health, safety, environment) management system. The Group's policy on workplace health and safety contained therein provides binding minimum requirements and standards for the Leadec Group. This policy is supplemented by various topic-specific policies ranging from lock-out tag-out procedures, health protection and personal protective equipment to fire safety instructions. The global occupational safety program includes measures such as regular training, safety discussions, preventive safety walk, workplace- and issue-specific risk analyses, and the systematic and detailed reporting, including analysis of incidents. We aim to align the HSE management system with internationally recognized standards and perform standardized internal safety audits at our locations across the globe at regular intervals by international teams.

Quality matters

Leadec operates in accordance with international standards to ensure high levels of performance of quality, environmental, and safety management systems. Approximately 80% of Leadec's own operational sites are certified according to:

- ▶ ISO 9001:2015 (Quality management systems)
- ▶ ISO 14001:2015 (Environmental management systems)
- ▶ ISO 45001:2018 (Occupational health and safety management systems)

Industry-specific standards, such as IATF 16949 in the automotive sector, are also applied. Furthermore, product managers and operational experts support the ramp-up of new contracts ensuring the successful start-up of new equipment and products in production.

Around 200 dedicated safety specialists and 400 assigned safety experts ensure that the highest standards regarding quality, environment, and safety are applied in day-to-day operations. In addition, approximately 1,600 colleagues are trained first aiders and provide immediate assistance and basic medical care to individuals in an emergency until professional help arrives.

Real-time transparency at all layers of the organization

Our globally available HSE suite, which is standardized throughout the Group, has been implemented at 99% of all Leadec locations and provides real-time data on each location. This means all relevant processes—including incident management, audits and inspections, risk assessments, findings and actions, document management, and training—can be handled digitally. For example, Leadec recorded in 2025 around 44,000 safety walks, 6,400 hazard spots reports, and 4,200 risk assessments that were conducted worldwide. These extensive prevention measures contributed to our once again improved safety performance.

Best safety performance in company history

Various metrics related to occupational health and safety are an integral part of all bonus agreements across all levels within the Leadec Group. In addition to retrospective indicators, the bonus model also contains prospective safety targets in the interest of effective accident prevention.

The results of our commitment: Leadec's safety performance has continually improved over the years, which is reflected, for example, in an appreciably reduced lost

time injury frequency rate (LTIFR). This ratio expresses the number of incidents per million hours worked leading to an absence of at least one working day. In the reporting year, the LTIFR for the entire Leadec Group was 1.2 including acquisitions. We assume that the safety performance of Servycat, Leadec's latest acquisition in Spain, will get closer to the Group average once the occupational health and safety program has been fully implemented. We continue to make every effort to provide an ever-safer working environment for our employees, not only at newly acquired companies, but at all locations worldwide.

To present a fair comparison with previous years, the metrics were normalized for the results of the two

legal entities acquired in Spain. Given that the integration into the Leadec Group, including the implementation of our proven occupational health and safety program, had not been completed by the end of the fiscal year, the accident rate of these two companies was appreciably above the Group average. In 2025, the Leadec Group's normalized LTIFR for continued business fell to 0.7 (from 1.0 in 2024), the lowest in company history, while normalized occupational incidents decreased from 43 to 31, with no fatalities reported.

Safety awards conferred by customers and industry associations time and time again reflect the efforts we made and the successes we achieved.

Award-winning HSE activities

ESG awards with significant impact

Leadec won three Triton Lighthouse Awards in two years for its global sustainability and HSE programs. In 2024, we received the Triton Environmental Award for our "Green Factory Solutions" and the Triton Governance Award for EU Green Deal-aligned corporate governance. In 2025, we earned the Social category award for decreasing LTI rates through our "Safety-It's Your Life!" campaign, donating the €5,000 prize to the German Red Cross.



Comprehensive health and safety program in Mexico

In Tijuana, Leadec Mexico's health and safety program implementation was honored by their customers. The program is based on thirteen principles, featuring regular training, monthly virtual courses, task-specific sessions, daily five-minute briefings, emergency drills, and safety tours documented in the HSE suite. Standardized incident procedures ensure prompt reporting and analysis, while audits and inspections maintain compliance and identify hazards.



Indian team received double recognition

The Leadec team in Visakha Patnam, India, won the "Best Safety-Conscious Contractor of the Year" award for the second consecutive year, recognizing contractors who demonstrate an outstanding commitment to safety, welfare, and environmental protection. Leadec India also received the Excellence Award from the Institution of Safety Engineers (India).

A sustainable benchmark in Poland

The Leadec team in Poland won first place in the Environmental category of the internal Leadec HSE awards for its holistic and practical approach to environmental management. They implemented waste reduction and energy efficiency, decarbonization, and water conservation measures at several customer sites.

Artificial Intelligence in ESG

AI is Becoming Part of Everyday Work

In accordance with the EU AI Act, Leadec is committed to strengthening its employees' artificial intelligence (AI) skills to ensure that AI systems are used and operated responsibly.

To support this goal, mandatory e-learning modules were introduced in 2025. These quarterly trainings cover the safe and responsible use of AI systems, alongside further modules on data protection, information security, and compliance. They also provide an introduction on how they work, key areas of application, practical guidance for productive use, and error prevention.

“The aim of the training courses is to strengthen our employees' skills and lay the foundation for the meaningful use of AI in everyday work, both in the services we provide to our customers and in our support functions,” says Christof Baumgart, SVP Global HR & Organization.

With a broad range of AI training offerings, Leadec actively promotes the competence of its employees.

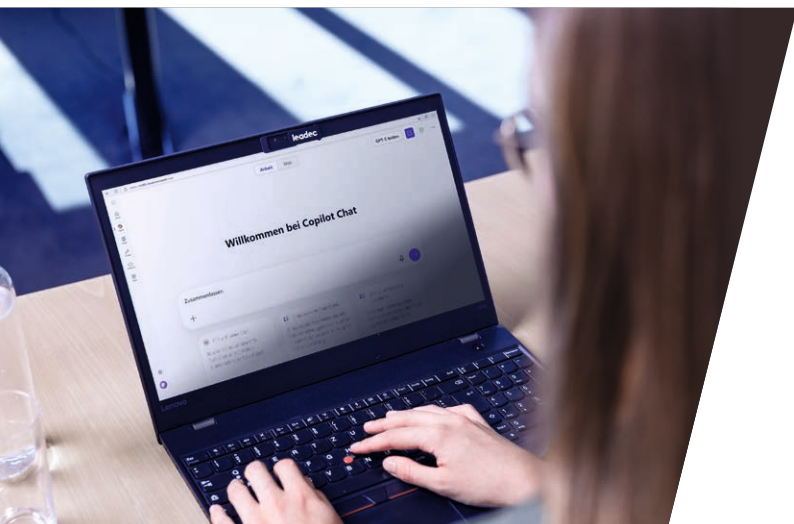
For example, during the global “Leadec Learning Week,” employees can participate in dedicated online sessions to deepen their knowledge. In this way, they learn to integrate digital tools such as Copilot Chat and Agentic AI, as well as new automation tools that use AI safely and effectively into their daily work. The focus is on practical use cases.

Expanding AI learning opportunities

In response to clear employee feedback and growing interest in AI topics, Leadec developed additional training programs in 2025. They were designed to support employees at different levels of proficiency, using digital tools confidently, and to integrate them effectively into their daily work.

In early 2026, Leadec launched additional programs and training initiatives to enhance AI processes and expand employees' skills. One example is the six-week, self-paced learning journey “Discover Copilot Chat,” which consists of three modules tailored for employees with little or no prior AI experience. This program has been well received, with many employees participating, and is planned to become a permanent training option on the “Leadec Campus.” Leadec continues to invest in the competencies of its workforce by offering additional training throughout the year. Moreover, employee suggestions for AI use cases and practical applications are actively collected in an ideas pool to drive continuous improvement and innovation.

To leverage the potential of AI within the organization in a structured manner and accelerate innovation, Leadec launched an AI Competence Center in early 2026. Through this initiative, Leadec consolidates existing expertise, coordinates initiatives which are informed by the suggestions collected through the ideas pool, and creates a central hub for all AI-related topics across the organization.



AI-Native Tools for Structured ESG Data Workflows

At Leadec, artificial intelligence (AI) is already moving from concept to practical application in sustainability reporting. As European regulations require increasingly granular and traceable data, the Global Sustainability department has internally developed its own AI-native tools to work with the complex source information behind the Group's ESG data. Much of this information already exists in purchasing records, invoices, waste manifests, and utility bills, but often in different languages, formats, and levels of detail. While embedding sustainability-specific business logic into the workflow, we harmonize these sources in a consistent and transparent way. This increases the share of primary and activity-based data, reduces reliance on assumptions and extrapolations, and creates a stronger basis for identifying emission drivers and reduction levers.

From source data to emissions data

These capabilities are reflected in two complementary systems: the Greenhouse Gas Engine (GHG Engine) and an ESG document intelligence tool. Both translate and standardize sustainability-relevant source information, perform unit standardization, classify line items using the United Nations Standard Products and Services Code (UNSPSC) taxonomy and GHG Protocol scopes and categories, link them to suitable emission factors, and calculate emissions. The AI workflows behind both systems use document context, validation rules, and confidence checks to select UNSPSC codes and emission factors in a transparent and reviewable way. The GHG Engine strengthens purchasing records by drawing on vendor profiles and historical purchasing patterns, supported by web search enrichment where part numbers or sparse descriptions make classification difficult. The ESG document intelligence tool works directly with emissions-relevant documents such as invoices, utility bills, and waste manifests,

capturing detailed descriptions, contextual information, and activity data such as quantities, consumption periods, material types, and disposal methods that are often not fully transferred into purchasing systems.

Proven in the CO₂ footprint calculation process

Together, the GHG Engine and the ESG document intelligence tool show how AI can bridge the gap between imperfect source data and actionable information. They ease the requirements of sustainability reporting by making emissions calculations more structured, ev-

idence-based, and significantly faster, while also improving accuracy by using richer source data and reducing reliance on assumptions.

In practice, the tools have already been used to validate the corporate carbon footprint for 2024 and 2025 prepared by external partners. This review surfaced methodological and

data-processing issues that were corrected before finalization, demonstrating that the software is not only a calculation aid but also a quality-control layer for emissions data. Building on this success, Leadec is preparing to deploy the software, beyond the Global Sustainability department, as an enterprise solution to the entire Leadec Group.

AI-native ESG workflows at Leadec significantly boost efficiency while enabling consistent, transparent compliance with complex EU reporting requirements through structured, evidence-based data processing.

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 as well as improvement areas to Leadec and helps stakeholders make informed decisions. Currently we hold ratings from EcoVadis and CDP.

EcoVadis

EcoVadis is one of the world's leading independent sustainability assessment agencies. Its company 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.

Gold medal

According to the latest rating issued in February 2026, we achieved 79 out of 100 points, the same score as in the previous year. This score placed Leadec among the best 5% of the around 150,000 companies evaluated worldwide and the Company was awarded a  **gold medal** once again.



Above-average results in all four key areas

In all four key areas reviewed by EcoVadis—Environment, Labor and Human Rights, Ethics, and Sustainable Procurement—Leadec achieved appreciable above-average results, in comparison to the average industry score as well to all companies assessed. The highest score was achieved in the “Environment” category, with 91 out of 100 points.

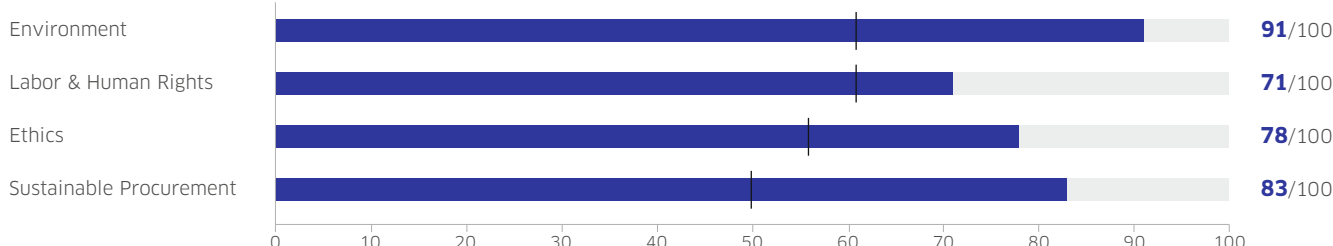
The results in the “Ethics” and in the “Sustainable Procurement” category improved compared to the previous year. In the “Ethics” category, EcoVadis appreciated our extended sustainability reporting: in 2025 we implemented the ESRS framework while still referencing to GRI and to the UN SDGs. In the “Sustainable Procurement” category, the measures taken as part of our supply chain risk management ([page 45 onward](#), section “Actions and resources related to workers in the value chain” in chapter [S2]) positively impacted the score.

EcoVadis rating: Above-average results in every key area

Overall Score



2025 Pillar Score



CDP Climate Change

Since 2023, we have also reported extensive environmental data to CDP (formerly: Carbon Disclosure Project). The non-profit organization CDP has expanded its focus and now supports companies, cities, states, and regions in their efforts to determine and manage risks as well as opportunities related to climate change, water, and deforestation. As a result, CDP provides a comprehensive environmental database which is geared toward businesses and financial institutions as well as academics and policymakers.

Overall Climate Change score improved to “B”

In September 2025, Leadec submitted the CDP questionnaire on the topic of Climate Change. The other two CDP topics, Water and Forest, are deemed non-material to Leadec. For the submitted information relating to the full year 2024 we received the Climate Change score “B” (“Management” level) in February 2026, thus improving our rating compared to the previous assessment “C”-level rating (“Awareness”). According to the CDP classification scheme, which ranges from “A” to “F”, the current “B”-level rating means that Leadec is among those companies that have addressed the environmental impacts of their business and ensure good environmental management.

Supplier Engagement Assessment score stable at “B-“

CDP also uses questionnaire responses to evaluate how effectively companies are working with their supply chains to address climate change, reduce emissions, and promote environmental transparency. In this CDP Supplier Engagement Assessment (SEA), Leadec has been recognized with a “B-“ score. This rating, which remained unchanged compared to the previous year, underlines Leadec’s continuous commitment to sustainability across the entire value chain.

Improved CDP rating reflects continuous efforts

In the overall Climate Change assessment, Leadec improved its rating in eight out of thirteen categories, while achieving constant results in the others. A number of projects in the recent past had a positive impact on our CDP rating, such as Leadec’s climate risk assessments, the SBTi commitment, chain, and the identification of priority locations in our value chain, and environmental governance mechanisms.

Enabling informed decisions

We will continue working to improve our results, both in the EcoVadis and in the CDP rating, as they help us provide transparency and value to our customers, business partners, investors, and other stakeholders. We expect current projects to positively influence the 2026 disclosure cycle (based on full-year 2025 data). Among these enhancements are the climate transition plan (►page 70 onward, in chapter [E1]) and our new sustainability targets for 2030 (►page 48 onward, in chapter [ESRS 2]). They are complemented by science-based GHG emission reduction targets, which were submitted for validation to SBTi.

Improvements on the transparency and data quality of the corporate carbon footprint (CCF), e.g., via an increased use of consumption-based data, are expected to have a positive impact on the CDP disclosures. The CCF enhancements were achieved with the help of in-house developed artificial intelligence native data management solutions.

To further account for changing regulation requirements, Leadec prepared this sustainability report for fiscal year 2025 in alignment with the simplified ESRS published as a draft version in November 2025. Internally, the sustainability policy was aligned with, e.g., the simplified ESRS E1 standard. In addition, internal preparations aim to integrate requirements of the EU Corporate Sustainability Due Diligence Directive (CSDDD) to facilitate the transition from compliance not only with the national supply chain due diligence laws but also the upcoming European regulation.

CSRD Reporting for 2025

General Information	32
General Disclosures [ESRS 2]	34
Environmental Information	62
Reporting in Accordance with the EU Taxonomy	64
Climate Change [E1]	68
Resource Use and Circular Economy [E5]	98
Social Information	106
Own Workforce [S1]	108
Workers in the Value Chain [S2]	142
Governance Information	148
Business Conduct [G1]	150
Non-Material Topics	168

Over the past three years, we have been working continuously to integrate the Corporate Sustainability Reporting Directive (CSRD) requirements into the Leadec Group's business operations and organizational structures. Implementation is on track and already accounts for the proposed amended European Sustainability Reporting Standards (ESRS).

Across all three sustainability dimensions—Environment, 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 reporting on material topics alongside voluntary disclosures covers most requirements under the Sustainable Finance Disclosure Regulation (SFDR), which have been mapped to the corresponding CSRD disclosure requirements. Moreover, we report on the remaining SFDR-relevant topics and disclose additional non-material topics voluntarily in the last chapter of this report.

At the initiation of the implementation project, we engaged external consulting and auditing services to obtain an objective assessment of our methodology and progress. Our 2025 sustainability reporting was not subject to a limited assurance audit. Furthermore, due to the dynamic development of regulation and the fact that the ESRS have not yet been transposed into national law, nor have the final amended ESRS been published, it cannot be ruled out that statements as at the reporting date will have to be adjusted in upcoming reports.



General Information



Leadec demonstrates resilience and long-term value creation by combining strong business growth with proactive alignment to evolving European sustainability regulations and externally recognized sustainability ratings.

In a globally increasingly fragmented and evolving regulatory environment, Leadec continues to demonstrate resilient performance by proactively aligning its sustainability governance with European requirements while maintaining strong business performance. The Company is implementing the amended Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) published in November 2025, together with the EU Taxonomy Regulation. This approach ensures transparency, regulatory compliance, and comparability of sustainability reporting across jurisdictions.

Since 2018, Leadec has carried out a materiality assessment every two years, based on structured engagement with key stakeholders. This process ensures that sustainability priorities remain aligned with stakeholder expectations and evolving regulatory requirements. In light of the amended CSRD/ESRS, the most recent preliminary double materiality assessment identified 147 material datapoints reflecting the draft amended ESRS; the assessment will be updated once the final standards are published.

Despite volatile market conditions, Leadec achieved overall business growth of over 3% (based on net revenue), underlining the resilience of its business model and strategic focus. This performance was supported by consistent cost management, continued digitalization, productivity programs, and the expansion of decarbonization and circular economy solutions, as well as a broad multi-regional and multi-industry presence. Leadec's sustainability performance continues to be externally recognized, with the Company once again receiving the EcoVadis Gold Medal in 2025, achieving a score of 79 out of 100 points and confirming its commitment to responsible business practices and long-term value creation.



147

amended
ESRS datapoints

EcoVadis Gold

with
79/100 points

> 3%

business
growth

General Disclosures [ESRS 2]

Basis for preparation of the sustainability statement

This sustainability statement has been prepared on a consolidated basis and covers Leadec Holding S.à r.l. and all entities included in the consolidated financial statements of the Leadec Group (see [page 180](#) “Legal Entities of the Leadec Group”), unless otherwise stated. The reporting boundary for sustainability reporting of Leadec’s own operation is aligned with the Group’s fully consolidated entities. Further, one subsidiary, which is accounted for using the equity method, rents office buildings to Leadec and provides a significant production factor. Therefore, it is considered part of the upstream value chain.

The sustainability statement covers Leadec’s own operations as well as its upstream and downstream value chain, reflecting the Group’s service-based business model. The upstream value chain primarily includes suppliers and subcontractors, while the downstream value chain includes customer sites where Leadec delivers services and, where relevant, end-use impacts of those services. The extent of value-chain coverage varies by topic and disclosure requirement, and is determined based on materiality, data availability, and relevance to Leadec’s activities.

Leadec Holding S.à r.l. is a privately owned company domiciled in Luxembourg (further referred to as “the Leadec Group,” “the Company,” “the Group,” or “Leadec”). The reporting period for this sustainability statement is the financial year 2025 (January 1 to December 31). The sustainability statement has been prepared in compliance with the Corporate Sustainability Reporting Directive (CSRD, (EU) 2022/2464) as transposed into Luxembourg law and in accordance with the amended European Sustainability Reporting Standards (ESRS, draft version published in November 2025), as well as the EU Taxonomy Regulation (EU) 2020/852).

Further, this report references the Global Reporting Initiative (GRI) Standards 2021. The content index is available in the form of an appendix, outlining the specific GRI Standard Disclosures addressed, on the Group’s [sustainability website](#).

Reliefs, options, or other specific provisions

In preparing this sustainability statement, Leadec has applied the following reliefs, options, and specific provisions in accordance with ESRS 1 General Requirements where applicable:

- ▶ Relief for acquisitions and disposals: Where relevant, newly acquired or disposed entities were integrated progressively into sustainability reporting, reflecting data availability and operational integration.
- ▶ Deviation from predefined time horizons: For certain risk assessments and science-based emissions reduction targets, Leadec applied time horizons that differ from predefined ESRS horizons where this was considered more appropriate for the underlying risk profile and business context.
- ▶ Changes in preparation or presentation of information: Changes in methodologies or presentation compared to prior periods were applied where required to improve alignment with final ESRS requirements and enhance data quality and comparability.
- ▶ Adjustments to comparative information: Comparative figures were adjusted where necessary due to methodological improvements or changes in scope.
- ▶ Application of material judgment and use of estimates: Certain disclosures rely on estimates and assumptions due to data limitations or measurement uncertainty. In such cases, Leadec applied reasonable and supportable assumptions and disclosed qualitative information where quantitative data would not have been decision-useful.

- ▶ Scope limitations in metric calculations: For certain metrics, Leadec excluded activities that are not significant drivers of impacts, risks, or opportunities, in line with ESRS provisions, to ensure a focused and decision-useful representation of performance.
- ▶ Partial reporting boundaries and data limitations: For selected metrics, partial reporting boundaries were applied due to lack of reliable data across the full value chain or global operations. These limitations are disclosed alongside the relevant disclosures.
- ▶ Undue cost or effort provision: For specific data-points, Leadec applied the undue cost or effort provision where data collection would require disproportionate effort relative to decision usefulness.

- ▶ Events after the reporting period: Material events after the reporting period are disclosed where relevant.

As a “wave two” company, under the CSRD, Leadec reports voluntarily in accordance with the amended ESRS requirements for the fiscal year 2025. Leadec does not make use of the option to omit information on the basis of legal prohibitions or confidentiality as set out in ESRS 1 General Requirements. Moreover, Leadec voluntarily discloses selected environmental and social indicators, to support informed decision-making by stakeholders and investors, and to enhance comparability across the market.

Expert judgment of external auditor

CSRD

Leadec is currently in the process of implementing the CSRD reporting requirements. The implementation is carried out in accordance with the approaches described on [page 55 onward](#) (section “Description of the process to identify and assess material impacts, risks, and opportunities, and material information to be reported” 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 amended ESRS have 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 continuously working on implementing the EU Taxonomy content and enhancing the implemented processes. The implementation and enhancement are carried out in accordance with the approaches described on [page 64 onward](#) (chapter “Reporting in Accordance with the EU Taxonomy”). The progress and 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 were deemed to be comprehensible. However, due to the dynamic development of regulatory requirements, lastly, the Omnibus Initiative, it cannot be ruled out that statements may need to be adjusted at the relevant reporting date. Progress made since the initial readiness assessment was presented to the external auditor and consultants and jointly discussed.

Governance

The role of Leadec's administrative, management, and supervisory bodies in relation to sustainability

Leadec's top management

Leadec's governance structure is designed for effective monitoring, management, and oversight of material impacts, risks, and opportunities (IROs). Responsibilities are clearly defined across Leadec's top management, which includes the Advisory Committee (supervisory body), the global Board of Management (management body), and various other executive positions (administrative body). They are supported by established processes, controls, and procedures embedded within the overall governance, risk management, and due diligence framework.

The Advisory Committee (AC) has a consultative function and is composed of five individuals, of which one is currently on leave. The committee includes shareholder representatives and industry experts and acts as an advisory body to the Leadec Group. The AC is considered to be independent and non-executive, resulting in 100% independent members.

The Leadec Group's global Board of Management (BoM)¹ consists of three individuals and is responsible for strategic and operational management. The BoM does not include independent or non-executive members, resulting in 0% independent members. The global BoM plays a key role in empowering employees across the organization to contribute to the achievement of the Company's sustainability targets.

In addition, the administrative body includes other executive positions such as members of regional BoMs, business unit leads, senior vice presidents, directors, various committees, and heads of global departments. In 2025, the composition of these executive roles slightly changed compared to the previous year; male executives increased from 76 to 81 male executives and female executives from 24 to 27.

The Group currently focuses on gender as the primary diversity metric at top management level. In line

with ESRS requirements, gender diversity is assessed based on the ratio of female to male members in each governing body. For the global BoM, the ratio is 0.00 (0 female/3 male), while for the AC the ratio is 0.20 (1 female/4 male) and for the administrative body 0.25 (27 female/81 male). Other aspects of diversity, such as age, nationality, or professional background, are considered qualitatively in appointment decisions but are not systematically disclosed as quantitative indicators. For further information on these aspects regarding Leadec's own workforce, please see [page 126 onward](#) (sections "Characteristics of Leadec's employees" and "Metrics related to own workforce" in chapter [S1]).

Sustainability skills and expertise

The administrative, management, and supervisory bodies ensure that sustainability-related expertise is available and continuously developed through a combination of internal capabilities and structured access to specialist knowledge. The BoM holds expertise in sustainability measurement, reporting, and ratings, and is supported by the Global Sustainability team. Competencies are further strengthened through internal deep dives, structured briefings, and engagement with internal and external experts. Sustainability competence at global BoM level is ensured through formal mechanisms, including regular consultation with internal and external subject-matter experts, engagement with external stakeholders, and sustainability training for BoM members on sustainability issues and industry best practices (e.g., science-based targets). The COO contributes specific environmental expertise, including executive and management-level experience in environmental matters and sustainability transformation contexts. This is complemented by the broader strategic and governance expertise of the CEO and CFO, ensuring that sustainability is reflected across strategic, operational, and governance levels. This is supported by monthly management review calls and quarterly strategic reviews as well as the administrative body which contributes further subject-matter knowledge on topics like employee

¹ Employee representation at Board level is not formally established.

management, health and safety, compliance, and local and regional laws and regulations. Competencies are subject to periodic verification. The AC is provided with in-depth information on sustainability matters at least once a year.

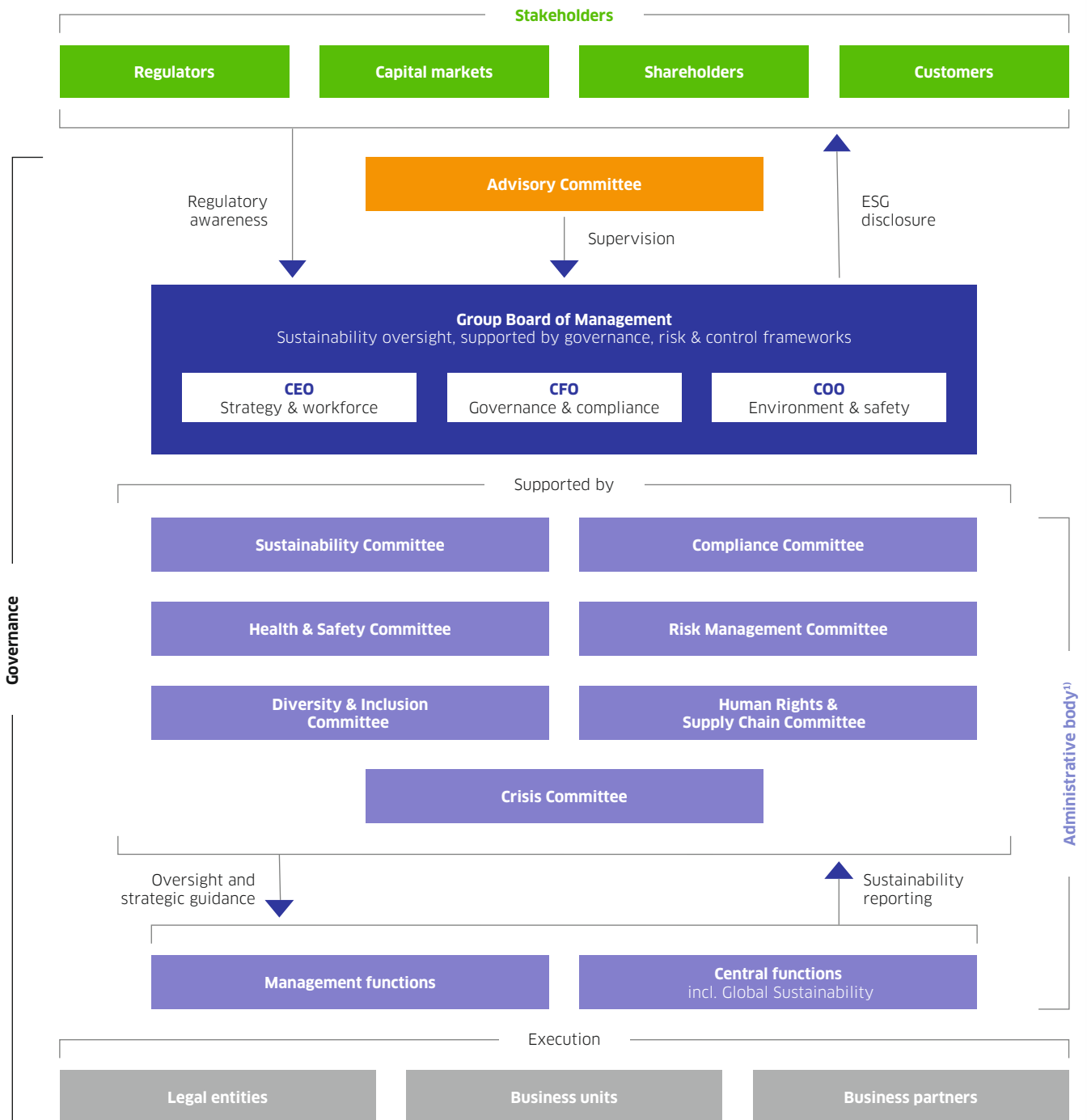
Responsibilities for sustainability matters

Overall responsibility for the management and oversight of material IROs lies with the BoM, as reflected in governance mandates and internal policies; the AC functions in an advisory capacity. Within the BoM, the CEO is responsible for, among other topics, strategy and workforce matters; the COO for environmental and safety matters. The CFO, acting as Chief Compliance Officer, is responsible for governance matters.

Material IROs, including those relating to sustainability strategy and targets, are directly addressed at Board level, supported by a permanently reserved agenda slot for sustainability matters at all Board of Management meetings. To support the BoM, a structured committee landscape, comprised of administrative body members, has been established. These committees ensure that operationalization responsibilities for material IROs are clearly assigned, embedded in the Company's governance framework, and operationalized through internal policies with defined RACIs (clarifying for each topic which function is responsible, accountable, to be consulted, and to be informed).

Name	Frequency	Committee composition	Responsible topics
Compliance Committee	4x p.a.	The Compliance Committee is composed of the CFO, and the heads of Global HR and Group Legal.	Oversight of compliance framework, cases, risks, training, and reporting to ensure legal, ethical, and policy adherence across the Group.
Human Rights & Supply Chain Committee	2x p.a.	The HR&SC Committee consists of the heads of Group Legal, Procurement Europe, as well as Global HR and Global HSE as continuous guests.	Oversight of human rights, supplier due diligence, and supply chain risk management to ensure legal, ethical, and sustainable practices across the value chain.
Health & Safety Committee	1x p.a.	The global H&S Committee is comprised of the BoM and the head of Global HSE. It is supported by local committees to ensure all requirements relating to occupational safety are fulfilled.	Oversight of occupational health and safety strategy, performance, and risk prevention to ensure safe working conditions and regulatory compliance across all operations.
Sustainability Committee	4x p.a.	The Sustainability Committee is sponsored by the COO, orchestrated by the head of Global Sustainability, and comprised of representatives from Group Legal, Group Accounting, Global HR, and Procurement Europe.	Steering sustainability strategy, integration, and performance management to ensure alignment with regulatory requirements, stakeholder expectations, and sustainability targets.
Diversity & Inclusion Committee	3x p.a.	The D&I Committee is composed of the CEO, the heads of Global HR, Talent and People Development, and Global Communications as well as selected managers from each region acting as multipliers.	Oversight of diversity and inclusion initiatives, policies, and progress to ensure equal opportunities, fair treatment, and an inclusive workplace culture.
Risk Management Committee	4x p.a.	The RM Committee is comprised of the CFO, Group Legal, and Group Accounting. Additional topic-specific representatives join as needed.	Oversight of enterprise risk management processes to identify, assess, and monitor risks, ensuring effective mitigation and alignment with corporate governance.
Crisis Committee	Situation-based	The Crisis Committee consists of the core team including at least one BoM member, the heads of Group Legal, Global HR, Global Communications, and at least one emergency/crisis manager. Further, the Crisis Committee expands based on the situation at hand (e.g., Global HSE, business continuity officer).	Management of crisis response and escalation processes to ensure coordinated, timely, and effective handling of critical incidents and business disruptions.

Simplified sustainability governance model



¹⁾ The administrative body includes other executive positions such as members of regional BoMs, business unit leads, senior vice presidents, directors, various committees, and heads of global departments.

Sustainability target setting

The BoM is responsible for reviewing and adapting sustainability targets and associated strategies which are proposed by internal subject-matter experts from the administrative body. Additionally, the targets are presented to the AC for review and approval. Progress

towards these targets is monitored through established reporting and control mechanisms, including regular KPI reporting, sustainability performance reviews in Board meetings, and oversight by the Sustainability Committee. Material sustainability targets cover, inter alia, climate change mitigation, resource efficiency,

occupational safety, diversity and employee development, supply chain due diligence, and compliance (for an overview of Leadec's 2030 sustainability targets, please refer to [page 48 onward](#) in this chapter). Sustainability performance is further integrated into management incentive systems, including variable compensation schemes that incorporate non-financial KPIs, such as safety indicators (please refer to the next section in this chapter).

Sustainability considerations in decision-making

Material IROs are systematically considered in Leadec's strategy, major decisions, including those on significant transactions, as well as in its risk management framework and related policies. Sustainability considerations are embedded in the corporate strategy and a standing agenda slot is reserved for sustainability matters at all Board of Management meetings. The BoM reviews and takes into account material IROs, including associated trade-offs, when overseeing the Company's strategic direction and major decisions. It supervises strategic initiatives addressing sustainability challenges and opportunities, including the development of sustainable service offerings (see [page 45](#) for section "Green Factory Solutions" in this chapter).

A comprehensive set of policies and Leadec's risk management system ensure the identification, assessment, management, and monitoring of IROs; this is supported by structured reporting processes and a central risk database. Due diligence processes are integrated into the governance framework and inform decision-making and risk management. These include, for example, supply chain risk assessments, compliance management systems, and a whistleblowing mechanism.

In decision-making processes, trade-offs between sustainability-related IROs and financial and operational objectives are explicitly considered. This is supported by integrated governance structures, cross-functional committees, and performance management systems, ensuring that sustainability considerations are embedded in Leadec's overall management and strategic direction.

Integration of sustainability-related performance in incentive schemes

Leadec has established Group-wide variable remuneration schemes for different stakeholder groups.

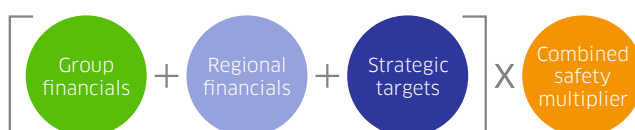
The scheme for the Leadec Group Board of Management is defined by the Company's majority shareholder and is based on a range of financial KPIs.

For the administrative body, both global and local bonus schemes apply, depending on the respective role. The target group for the global bonus scheme within the administrative body comprises Managing Directors and Regional Boards. These schemes link performance-based compensation to financial and strategic targets, complemented by sustainability-related criteria in the form of a safety multiplier that is applied to underline Leadec's strong commitment to occupational health and safety. Other positions within the administrative body are covered by local variations of the bonus scheme, which are designed to reflect specific operational challenges and opportunities in different regions.

All global schemes are governed by a global bonus framework and apply to relevant stakeholders across business units and management levels. The framework is updated annually, approved by the Board of Management, and the Advisory Committee is duly informed. Performance targets are defined and communicated at the beginning of each financial year.

Key characteristics of the global incentive scheme

The global bonus scheme applicable to relevant positions within the administrative body is based on four performance dimensions:



- ▶ 10% Group financial performance, measured by normalized EBITA
- ▶ 70% regional financial performance, consisting of:
 - 50% regional normalized EBITA
 - 20% regional normalized operating cash flow
- ▶ 20% strategic targets, defined individually and aligned with business priorities. In 2025, the strategic focus was on growth targets, where applicable to the respective role
- ▶ Combined safety multiplier, based on the lost time injury frequency rate (LTIFR) and the ratio of planned versus conducted safety walks

For positions with a global focus, the regional financial performance component is replaced by Group financial performance.

The scheme is based on clearly defined and measurable KPIs and follows a standardized annual process for target setting, performance monitoring, and payout determination. It is designed to promote accountability and alignment with the Company's strategic objectives, while ensuring transparency and comparability across management levels.

Sustainability-related targets and metrics

Sustainability is directly embedded in the incentive scheme through occupational health and safety performance, which is especially important to Leadec as an industrial service provider and represents a material sustainability topic for the Company. This is reflected in a combined safety KPI, which functions as a multiplier on the total bonus outcome. The KPI is based on measurable indicators such as the lost time injury frequency rate (LTIFR) and the ratio of planned vs. conducted safety walks (SW). The integration of safety-relevant metrics into incentive schemes and bonus agreements extends beyond the administrative body throughout and across the entire organization, for example to all site managers.

The inclusion of prospective and retrospective safety indicators incentivizes both the prevention of workplace incidents and the continuous improvement of safety performance. This supports the Company's overarching objective of ensuring safe and healthy working conditions and achieving its defined safety targets.

Proportion of variable remuneration linked to sustainability

Overall, sustainability-related performance has an effective quantified influence of up to approximately $\pm 10\%$ of total variable remuneration through the safety multiplier. Sustainability is primarily integrated via a multiplier mechanism rather than a fixed weighting; its impact on variable remuneration is direct, measurable, and linked to clearly defined performance indicators. While financial KPIs currently represent the majority of the weighting, the scheme is designed to ensure

that sustainability performance—particularly in the area of occupational health and safety—has a direct and material impact on total variable remuneration across all management levels.

Statement on due diligence

Leadec applies a structured and integrated approach to due diligence across its own operations and value chain, embedded in its governance, strategy, and business processes. This approach follows the key steps of the due diligence process as outlined in ESRS 1, Accounting Requirement (AR) 33, and is part of a continuous and dynamic process comprising the identification, assessment, mitigation, and monitoring of IROs related to sustainability matters.

The implementation of due diligence is reflected throughout this sustainability statement across the relevant ESRS disclosures. To enhance transparency and facilitate navigation, the table below provides an overview of where the main elements of Leadec's due diligence process are addressed within this report, including cross-references to the respective sections and topical standards. These steps correspond to the elements presented in the table below.

Core elements of due diligence ¹⁾	Pages in the sustainability statement
Embedding due diligence in governance, strategy, and business model	ESRS 2–The role of Leadec’s administrative, management, and supervisory bodies in relation to sustainability [▮▮pp. 36–39] ESRS 2–Integration of sustainability-related performance in incentive schemes [▮▮pp. 39–40] ESRS 2–Strategy [▮▮pp. 43–51] ESRS 2–Interaction of material impacts risks, and opportunities with strategy and business model, and financial effects [▮▮pp. 54–55]
Engaging with affected stakeholders	ESRS 2–Key stakeholders’ interests and views in relation to strategy and business model [▮▮pp. 52–53] S1–Engagement with own workforce and workers’ representatives, existence of channels to raise concerns or needs, and approaches to remedy [▮▮pp. 115–116] S2–Engagement with workers in the value chain, existence of channels to raise concerns or needs, and approaches to remedy [▮▮p. 145] G1–Leadec’s whistleblower and grievance mechanism [▮▮pp. 156–157]
Identifying and assessing negative impacts on people and the environment	ESRS 2–Description of the process to identify and assess material impacts, risks, and opportunities, and material information to be reported [▮▮p. 55]
Taking action to address negative impacts on people and the environment	E1–Actions and resources related to climate change mitigation [▮▮pp. 82–89] S1–Actions and resources related to own workforce [▮▮pp. 117–124] S2–Actions and resources related to workers in the value chain [▮▮pp. 145–147] G1–Actions related to business conduct [▮▮pp. 158–162]
Tracking the effectiveness of these efforts	E1–Targets related to climate change [▮▮pp. 90–91] E1–Energy consumption and mix [▮▮pp. 92–93] E1–Leadec’s gross Scope 1, Scope 2, and Scope 3 GHG emissions [▮▮pp. 94–96] S1–Targets related to own workforce [▮▮p. 125] S1–Metrics related to own workforce [▮▮pp. 129–136] S2–Targets related to workers in the value chain [▮▮p. 147] G1–Targets related to business conduct [▮▮pp. 163–164] G1–Metrics related to business conduct [▮▮pp. 165–166]

¹⁾ Due diligence steps in line with ESRS 1 AR 33.

Risk management and internal controls over sustainability reporting

Leadec has established Group-wide risk management and internal control processes for sustainability reporting to ensure the reliability, completeness, integrity, and accuracy of sustainability information prepared in accordance with the CSRD and amended ESRS.

The scope of the system covers all relevant Group entities, corporate functions, and material upstream and downstream value chain elements included in the sustainability statement. It applies to all sustainability disclosures, including qualitative information, quantitative KPIs, and estimation-based data.

Governance and responsibilities

Overall responsibility for sustainability reporting, including related risks and internal controls, lies with the Board of Management, which exercises oversight on a regular basis by reserving a standing agenda slot for sustainability matters at its monthly meetings. The Global Sustainability team utilizes this slot as needed to present relevant updates.

Operational responsibility is coordinated by the Global Sustainability team, in close cooperation with internal subject-matter experts and responsible departments like Legal, Compliance, Human Resources, Procurement, and relevant operational units. Roles and responsibilities are clearly defined for data owners, process owners,

reviewers, and approvers at local, regional, and Group level, ensuring segregation of duties and accountability.

Risk management process for sustainability reporting

Leadec applies a standardized Group-wide risk management process, which also covers sustainability-related risks and risks associated with sustainability reporting. For more information, please refer to [page 152](#) (section “Leadec’s House of Governance” in chapter [G1]).

The process comprises:

- ▶ risk identification
- ▶ risk analysis and assessment
- ▶ risk management
- ▶ risk monitoring and reporting

Risks are identified through reviews of regulatory developments, macroeconomic and industry trends, internal processes and systems, and the results of the double materiality assessment and other environmental assessments. Risks are assessed based on likelihood and potential impact and quantified where feasible. Both risks and opportunities are considered.

Internal Control System (ICS)

Leadec’s ICS supports the appropriateness and reliability of sustainability reporting and compliance with internal policies and regulatory requirements. The ICS is based on the COSO framework, as recommended by the Committee of Sponsoring Organizations of the Treadway Commission and applies Group-wide. For more information, please refer to [page 152](#) (section “Leadec’s House of Governance” in chapter [G1]).

Key components of the sustainability reporting framework include:

- ▶ defined roles, responsibilities, and approval processes
- ▶ integration with annual data collection process, operational, and IT systems
- ▶ preventive and detective controls, including plausibility checks and reconciliations
- ▶ management reviews
- ▶ governance oversight through relevant committees

The ICS is continuously enhanced to reflect evolving CSRD and ESRS requirements.

Data collection, validation, and reporting

Sustainability data is collected through standardized and documented processes supported by Group-wide IT systems for, for example, human resources or occupational health and safety management. Key controls include:

- ▶ defined methodologies and calculation logic for material KPIs
- ▶ multilevel validation processes (local, regional, and Group level)
- ▶ reconciliation with operational and financial data, where applicable
- ▶ documentation of methodologies, assumptions, and processes
- ▶ controlled access rights and version control

These measures ensure consistency, traceability, and auditability of sustainability information.

Completeness, integrity, and accuracy

Leadec addresses the following aspects within its risk management and internal control framework:

- ▶ **Completeness:** Coverage of all relevant entities, activities, and value chain elements within the reporting scope, supported by completeness checks and escalation procedures.
- ▶ **Integrity:** Protection against unauthorized changes through controlled processes, access controls, and clearly assigned responsibilities.
- ▶ **Accuracy:** Use of standardized methodologies, validation procedures, and internal plausibility checks.
- ▶ **Accuracy of estimation results:** Where estimates are required, consistent and recognized estimation methodologies are applied. Assumptions and uncertainties are documented, and estimation methods are regularly reviewed.

Continuous improvement and going concern

Leadec continuously enhances its risk management and internal control processes through regular framework updates, integration of new ESRS requirements, strengthened sustainability data controls, further digitalization as well as utilization and expansion of AI-native tools, and training measures.

Based on the information currently available, the Board of Management does not identify any risks that could jeopardize the Group’s ability to continue as a going concern.

Strategy

The Leadec Group is a leading global service specialist for factories and related infrastructure across the entire factory life cycle. For more than 60 years, Leadec has supported industrial customers—primarily in discrete manufacturing—by providing integrated technical services that ensure reliable, safe, efficient, and increasingly sustainable production environments. For more information, please visit [🌐 Leadec's website](#).

Leadec operates at around 380 locations worldwide, often directly on customers' premises, and is active in 16 countries across Europe, Asia, and the Americas. Leadec's activities are positioned within the industrial services segment of the manufacturing value chain, where the Group acts as a long-term operational partner rather than a manufacturer of end products. This positioning determines the nature and origin of Leadec's material impacts, risks, and opportunities (IROs), which arise primarily from labor-intensive on-site service delivery with close integration into customers' production environments, as well as a growing share of project business, and reliance on a global supplier base.

Leadec's Group strategy

Since becoming an independent service specialist in 2017, Leadec has pursued its Group strategy "Becoming Leading Edge," aimed at strengthening its position as a technologically advanced, globally connected, and operationally excellent partner for industrial customers. The strategy builds on Leadec's deep understanding of factory operations and infrastructure and responds to structural changes in manufacturing, including automation, digitalization, electrification, and increasing sustainability requirements.

The Group strategy focuses on four pillars:

► Industry expansion

Diversification beyond the automotive industry into additional discrete manufacturing sectors such as e-commerce and logistics centers, technology companies, aerospace, and consumer goods manufacturing. We aim to balance our customer portfolio and reduce exposure to industry cycles.

► Regional coverage

Strengthening our core European markets (Germany, UK, Eastern Europe) while expanding activities in the Americas and Western Europe. We aim to further increase our market penetration in all regions where we are present through organic business development, targeted acquisitions, and joint ventures.

► Service portfolio development

Expansion of technical, digital, and sustainability-oriented services along the entire factory life cycle from planning to operation. This includes automation, smart factory solutions, and services that support customers' decarbonization and circular economy objectives.

► Organizational enhancement

Continuous improvement of processes and systems, supported by the Group-wide digital platform Leadec.os and the operational excellence program (OPEX). We aim to enhance efficiency, transparency, and service quality through standardized, data-driven processes, increased automation, and the growing use of digital solutions and AI across operations and supporting functions.

Safety is a core strategic principle underpinning all activities. Under the Group initiative "Safety—It's Your Life!," Leadec aims to systematically reduce occupational risks with the long-term objective of zero fatalities, reflecting the materiality of workforce health and safety for the Group. For further information on Leadec's occupational health and safety policies, actions, targets, and metrics, please refer to [► page 108 onward](#), chapter "Own Workforce [S1]."

Leadec's sustainability strategy

Leadec's sustainability strategy is an integral part of the Group strategy and addresses those environmental, social, and governance topics that are material to the Company's business model and value chain. The strategic objective is, to not only comply with all relevant laws and regulations, but rather enhance long-term value creation by systematically improving environmental performance, strengthening occupational

health and safety, and managing sustainability-related risks and opportunities across own operations and the value chain.

The strategic rationale of Leadec's sustainability strategy is based on:

- ▶ reducing costs and operational risks through increased energy and resource efficiency across service delivery and internal operations
- ▶ creating new revenue opportunities by expanding sustainable and decarbonization-oriented service offerings, in particular through the Green Factory Solutions portfolio
- ▶ strengthening resilience and competitiveness in response to evolving regulatory requirements, as well as growing sustainability expectations from customers, investors, and other stakeholders

Sustainability-related considerations are particularly relevant due to Leadec's labor-intensive service model, its close operational integration into customers' production environments, and the increasing role of sustainability as a decision criterion in industrial outsourcing and long-term service partnerships.

Material sustainability topics are identified through a regular materiality assessment process involving internal and external stakeholders. The assessment is reviewed annually and formally updated every two years¹ to ensure continued relevance in light of changes in the business model, regulatory environment, and stakeholder expectations.

Overall responsibility for sustainability lies with the Board of Management, which defines, reviews, and oversees sustainability objectives and strategies. Implementation is supported by a global sustainability governance structure with regional and functional representatives, ensuring consistent application across the Group while allowing for adaptation to local requirements.

Leadec's sustainability policy

Leadec's sustainability policy defines the Group-wide policy framework for managing material environmental, social, and governance impacts, risks, and opportunities. It translates Leadec's sustainability strategy into binding principles and responsibilities and supports the prevention, mitigation, and, where relevant, remediation of negative impacts, while enabling sustainable value creation.

The policy is structured around four strategic sustainability commitments that address Leadec's material topics: social responsibility, management of environmental impacts, maintaining integrity, and adding long-term customer value. Key objectives include safeguarding occupational health and safety, respecting human rights, improving energy and resource efficiency, reducing emissions and waste, ensuring ethical business conduct and compliance, and supporting customers in their sustainability and decarbonization efforts, including through EU Taxonomy-aligned services.

The Sustainability policy applies to all business units and legal entities of the Leadec Group worldwide. Legal entities operating under U.S. law are covered upon formal adoption by the respective Board of Directors. The scope primarily covers Leadec's own operations and employees and sets sustainability expectations for the upstream and downstream value chain, particularly regarding labor and human rights standards, environmental protection, and responsible business conduct, across all geographies in which Leadec operates.

The policy is aligned with internationally recognized frameworks. Leadec is a signatory to the United Nations Global Compact and commits to its Ten Principles. The policy further supports alignment with the United Nations Sustainable Development Goals (SDGs) and relevant European regulatory frameworks, including the EU Taxonomy Regulation.

Stakeholder interests are considered through Leadec's regular stakeholder engagement and materiality assessment processes, which inform the identification

¹ The next update is planned upon publication of the final version of the amended ESRS and the updated EFRAG guidance, further considering implementation learnings of the ESRS Set 1.

and prioritization of material sustainability topics. Particular consideration is given to employees as a key affected stakeholder group, especially with regard to health and safety, working conditions, and human rights.

Overall responsibility for the sustainability policy lies with the Board of Management. Implementation is coordinated by the Global Sustainability team and supported by defined responsibilities at departmental and local management level. The policy is embedded in Leadec's governance framework and complemented by topic-specific policies, management systems, and reporting processes that operationalize its principles across the Group.

Green Factory Solutions

Green Factory Solutions (GFS) are a core element of Leadec's strategic response to the sustainability transformation of manufacturing. The GFS portfolio comprises services across the entire factory life cycle that support decarbonization, energy efficiency, and circular economy principles, thereby directly addressing material environmental impacts, risks, and opportunities associated with industrial production.

The GFS portfolio was developed based on Leadec's long-standing operational experience at hundreds of manufacturing sites worldwide and through close collaboration with customers, internal service lines, and sustainability and HSE experts. Insights from customer projects, regulatory developments, and recurring efficiency and decarbonization challenges observed in day-to-day factory operations were systematically consolidated and translated into standardized, scalable service offerings. This development approach ensures that GFS are closely aligned with customers' operational realities while remaining adaptable to different regulatory environments and maturity levels of sustainability transformation.

Drawing on this experience, Leadec designed Green Factory Solutions as modular and scalable offerings that can be applied individually or combined across the factory life cycle. This enables customers to start with targeted measures—such as energy efficiency

improvements or waste reduction—and gradually expand towards comprehensive decarbonization and circular economy concepts. In fiscal year 2025, sales generated with the GFS portfolio stood at around €140 million, which corresponds to a clear double-digit growth rate. This reflects strong market demand driven by electrification and transition of the energy markets as well as increasingly stringent regulatory requirements. For further information please refer to [page 16 onward](#) on Green Factor Solutions under “Insights.”

The GFS portfolio is structured into seven service fields under two pillars:

Decarbonization

- ▶ Energy Efficiency Solutions
- ▶ Intelligent Lighting Systems
- ▶ Renewable Energy Solutions (including battery energy storage systems)
- ▶ Climate Change Adaptation Services

Circular economy

- ▶ Zero Waste Services
- ▶ Green Industrial Automation
- ▶ Sustainable Facility Services

Through Green Factory Solutions, Leadec supports its customers in achieving their environmental and climate objectives while simultaneously strengthening its own sustainable growth profile and expanding sustainability-related revenue streams. GFS therefore represent both a strategic response to material sustainability risks and a key opportunity for long-term value creation within Leadec's business model. Please refer to chapter [E1] ([page 68 onward](#)) and chapter [E5] ([page 99 onward](#)) for more information on Leadec's material downstream opportunities and related GFS services.

2025 sustainability targets

In 2018, the Leadec Group defined the following sustainability targets until 2025 with the base year 2019 (unless stated otherwise). The targets are aligned with the Sustainable Development Goals (SDGs):

Environmental		
SDGs: 13, 9	2025 sustainability target	2025
Carbon efficiency	We want to reduce our carbon footprint.	
	Increase the share of zero-emissions¹⁾ electricity >65% total electricity from zero-emissions sources	65.1%
	Reduce greenhouse gas emissions >-15% Scope 1 and 2 relative to total output ²⁾	-27.1%
	Reduce greenhouse gas emissions intensity >-2% per year (compared to 2022 reference year)	-13.6%
Resource efficiency	We want to reduce waste and use resources efficiently.	
	Reduce consumption of non-recyclable materials >-75% waste to landfill relative to total output ²⁾	-69.0%
	Reduce total waste >-15% relative to total output ²⁾	-31.0%
	Reduce hazardous waste >-15% relative to total output ²⁾	-77.0%
	Certify environmental management systems³⁾ >80% certified according to ISO 14001	80.3%
Customer focus	We want to strengthen customer relationships and provide services that meet our customers' needs.	
	Retain customers >90% customer retention rate	96.2%
	Support customers with decarbonization and circularity Increase share of total output ²⁾ from Green Factory Solutions	10.5%
Social		
SDGs: 3, 5, 10	2025 sustainability target	2025
Health and safety	We want to establish safe and healthy workplaces for our employees.	
	Protect employees' life and health 0 work-related fatalities	0
	Provide a safe work environment <1.5 lost time injury frequency rate (per million hours worked)	0.7 ⁴⁾
	We want to strengthen prevention.	
	Conduct global HSE audits >24 audits per year	11
	Conduct safety walks >15,000 safety walks per year	43,660
	Increase digitalization and real-time transparency >90% HSE-suite user adoption rate	99%
	Certify occupational health and safety management systems³⁾ >80% certified according to ISO 45001	76.9%

¹⁾ Since 2024, this target refers to "zero-emissions sources," which includes renewable and nuclear source. Previously, the target referred to renewable sources.

²⁾ Total output 2025: €1,351.5 million.

³⁾ ISO-certifications share is calculated based on the number of own operational sites where Leadec is financially and operationally in control.

⁴⁾ For continued business (without acquisitions).

	2025 sustainability target	2025
Employee development and diversity	We want to support professional development and equal growth opportunities.	
	Improve gender diversity >30% women in top management by 2030	24.3%
	Provide training and skill development opportunities Ensure the continued development of employees	95.6%
Supplier sustainability	We want to promote sustainability throughout our value chain.	
	Promote supplier commitment to sustainability principles Track "A suppliers" ¹⁾ committed to the Leadec Business Partner Code of Conduct	65.6%
Governance SDGs: 8	2025 sustainability target	2025
Compliance	We want to ensure compliance with the law and build trust with all stakeholders.	
	Train employees on compliance matters²⁾ >90% of targeted employees trained	95.6%
	Train employees on information security, data protection, and artificial intelligence >90% of targeted employees trained quarterly	72.8%
Human rights	We support the protection of internationally proclaimed human rights.	
	Strengthen human rights >90% of targeted employees trained on human rights topics, including modern slavery	95.6%
Leadership and culture	We ensure strategic oversight of sustainability matters.	
	Ensure oversight Standing agenda slot reserved for sustainability matters at all Board of Management meetings	Achieved
	Support accountability Bi-annual ESG deep-dive sessions with global Board of Management	Achieved
Corporate governance and ethics	We actively steer and govern sustainability matters.	
	Conduct regular committee meetings Steer relevant ESG topics via dedicated committees	Achieved
	Commit to internationally recognized sustainability principles Renew active membership in the UN Global Compact annually	Achieved
Transparency and credentials	We want to obtain and maintain sustainability transparency and credentials.	
	Maintain and improve sustainability transparency Publish sustainability report annually	Achieved
	Certify quality management systems³⁾ >80% certified according to ISO 9001	82.1%
	Evaluate sustainability performance through regular benchmarking >70/100 points in EcoVadis rating; achieve an A-rating in CDP	EcoVadis: 79/100 CDP: B rating

¹⁾ "A suppliers" account for 80% of the annual spend volume.

²⁾ The compliance training covers Leadec's Code of Conduct, anti-bribery, anti-corruption, anti-money-laundering, anti-trust, sanctions, whistleblowing, human rights, and anti-discrimination.

³⁾ ISO-certifications share is calculated based on the number of own operational sites where Leadec is financially and operationally in control.

2030 sustainability targets

After reassessing the 2025 sustainability targets and adapting them to current legal requirements as well as Leadec's higher ambitions, we developed the 2030 sustainability targets with 2025 as a base year (unless stated otherwise). The new targets read as follows:

Environmental		
SDGs: 7, 12, 13	2030 sustainability target	2025
Decarbonization	We want to decarbonize and reduce emissions.	
	Increase the share of renewable electricity >65% of total electricity from renewable sources	55.7%
	Increase the share of zero-emissions¹⁾ electricity >70% of total electricity from zero-emissions sources	65.1%
	Reduce greenhouse gas (GHG) emissions >~22% of absolute total market-based GHG emissions vs. 2024 base year	-10.8%
Recycling	We aim to increase our recycling rate and circularity.	
	Increase share of waste recycled >75% of total waste recycled	73.4%
Social		
SDGs: 3, 5, 8, 10	2030 sustainability target	2025
Health and safety	We want to establish safe and healthy workplaces for our employees.	
	Protect employees' life and health 0 work-related fatalities	0
	Provide a safe work environment <1.0 lost time injury frequency rate (per million hours worked)	0.7 ²⁾
	Reduce total recordable injuries requiring medical treatment <6.0 total recordable incidents rate (per million hours worked)	5.8 ²⁾
	Conduct safety walks 1.5 safety walks per employee ³⁾	1.9
	Maintain employee coverage by health and safety management system 100% of employees covered	100%
Employee development and diversity	We want to support professional development and equal growth opportunities.	
	Improve gender diversity >30% women in top management	24.3%
	Provide regular performance and development dialogues (PDD) >85% of assigned employees conducted the PDD	81.0%
	Provide training and skill development opportunities >20% increase in average training hours per employee vs. 2025 base year ⁴⁾	n.a.

¹⁾ "Zero-emissions electricity," includes renewable as well as nuclear sources.

²⁾ For continued business (without acquisitions).

³⁾ Safety walks per employee are calculated based on Leadec's average headcount.

⁴⁾ Base value 2025: 12.6 hours per employee (based on Leadec's average headcount).

	2030 sustainability target	2025
Supplier sustainability	We want to promote sustainability throughout our value chain.	
	Cover active suppliers by an abstract risk analysis 100% of active suppliers of the previous fiscal year covered	100%
	Cover high-risk "A suppliers"¹⁾ by a concrete risk analysis 100% of high-risk "A suppliers" covered	100%
	Promote supplier commitment to sustainability principles >75% of "A suppliers" ¹⁾ committed to the Leadec Business Partner Code of Conduct	65.6%
Governance SDGs: 8	2030 sustainability target	2025
Customer focus	We want to strengthen customer relationships and provide services that meet our customers' needs.	
	Retain customers >90% customer retention rate	96.2%
	Increase share of EU Taxonomy-eligible economic activities >10% relative to total output ²⁾	10.5%
	Increase share of EU Taxonomy-aligned economic activities >5% relative to total output ²⁾	1.6%
Compliance	We want to ensure compliance with the law and build trust with all stakeholders.	
	Respond to incidents reported via Integrity Line promptly <7 days time to react to reported incidents	<7
	Maintain zero confirmed corruption or bribery incidents 0 incidents	0
	Maintain zero convictions for anti-corruption/anti-bribery violations 0 convictions	0
	Train employees on compliance matters³⁾ >90% of targeted employees trained	95.6%
	Train roles most at risk on business conduct, anti-corruption, and anti-bribery >90% of targeted roles trained	95.6%
	Conduct quarterly risk assessments on corruption, bribery, and whistleblower protection ≥4 risk assessments per legal entity	4
Information security	We want to protect the information and data entrusted to us.	
	Train employees on information security, data protection, and artificial intelligence >80% of targeted employees trained quarterly	72.8%
	Maintain certification of global IT services provided to Leadec's legal entities 100% of global IT services provided are certified according to ISO 27001	100%
Certifications and credentials	We want to obtain ESG-related certifications and credentials.	
	Certify quality management systems⁴⁾ >80% certified according to ISO 9001	82.1%
	Certify environmental management systems⁴⁾ >80% certified according to ISO 14001	80.3%
	Certify occupational health and safety management systems⁴⁾ >80% certified according to ISO 45001	76.9%
	Evaluate sustainability performance through regular benchmarking "Gold" rating by EcoVadis	Gold

¹⁾ "A suppliers" account for 80% of the annual spend volume.

²⁾ Total output encompasses sales plus changes in inventories and other own work capitalized; total output 2025: €1,351.5 million.

³⁾ The compliance training covers Leadec's Code of Conduct, anti-bribery, anti-corruption, anti-money-laundering, anti-trust, sanctions, whistleblowing, human rights, and anti-discrimination.

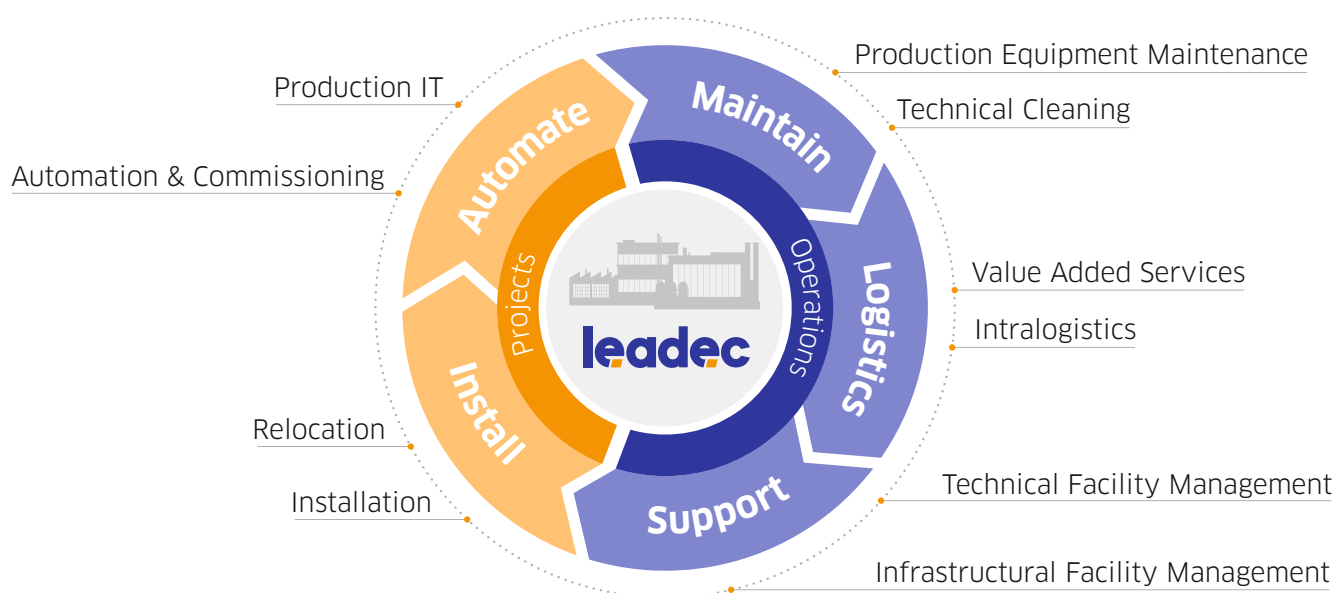
⁴⁾ ISO certifications share is calculated based on the number of own operational sites where Leadec is financially and operationally in control.

In addition to the 2030 sustainability targets, Leadec submitted its emissions reduction targets to the Science Based Targets initiative (SBTi) for validation in Q2 2026. For more information, refer to [page 91 onward](#), section "Leadec's science-based targets" in chapter "Climate Change [E1]."

Business model

Leadec delivers integrated industrial services along the entire factory life cycle through a decentralized operating model. Services are predominantly provided on customer premises, either through long-term on-site contracts or project-based assignments. This model results in close operational integration with customers and shapes Leadec's exposure to workforce-related, environmental, and operational risks and opportunities.

Leadec's customized solutions for manufacturing include:



These services are delivered primarily to large industrial customers in discrete manufacturing sectors, including automotive, technology, aerospace, consumer goods, and logistics; these markets are significant due to their revenue contribution.

Leadec does not offer products or services that are banned in certain markets.

Nature of activities and NACE¹ classification

The Leadec Group is an international provider of technical and industrial services for factories, supporting customers across the entire life cycle of industrial production sites. Core services include integrated technical facility management, production support, maintenance, installation and relocation of industrial

machinery and equipment, as well as industrial engineering and related technical services.

In accordance with NACE Rev. 2, the Group's activities are primarily classified under:

- ▶ NACE 81.10—Combined facilities support activities (primary activity)

Depending on the specific service scope of individual entities and contracts, additional relevant NACE classifications include:

- ▶ NACE 33.12—Repair of machinery
- ▶ NACE 33.20—Installation of industrial machinery and equipment

¹ NACE = Nomenclature statistique des activités économiques dans la Communauté européenne (statistical classification of economic activities in the European Union); relevant NACE codes were considered as defined in ESRS E1 Climate Change, DR 11b.

- ▶ NACE 71.12—Engineering activities and related technical consultancy
- ▶ NACE 81.22—Other building and industrial cleaning activities
- ▶ NACE 43.29—Other construction installation

These classifications reflect the Group's service-based business model and form the basis for sustainability reporting in accordance with the Corporate Sustainability Reporting Directive (CSRD) and the amended European Sustainability Reporting Standards (ESRS).

These sectors are significant either because they account for a substantial share of Group revenues or because they are directly connected to material impacts, risks, and opportunities, particularly in relation to occupational health and safety, energy use, emissions, and supply chain practices.

Although some of Leadec's customers might fall within these industries, Leadec is not active, and does not generate revenues, in:

- ▶ the fossil fuel sector (coal, oil, and gas),
- ▶ chemicals production as defined under Division 20.2 of Annex I to Regulation (EC) No 1893/2006,
- ▶ the controversial weapons industry, or
- ▶ the cultivation or production of tobacco.

Value chain

Leadec's upstream value chain consists primarily of direct suppliers providing goods and services required for service delivery. These include subcontractors, suppliers of machinery, tools and electronic equipment, technology and software providers, and suppliers of consumables and materials. Material upstream impacts and risks relate mainly to labor and human standards, and occupational safety within the supply chain.

Own operations comprise Group offices, own operational sites (where Leadec is financially and operationally in control), including workshops and warehouses. Offices provide strategic management and centralized support functions, while Leadec's own operational sites are typically located at or near customer premises. Workshops and warehouses support service

preparation and logistics. Material impacts in own operations are primarily workforce-related, including health and safety, and labor and human rights standards, as well as energy use and emissions associated with operations.

Downstream activities relate to the delivery of Leadec's services at customer sites. Services are integrated into customers' production environments and influence customers' operational efficiency, safety performance, and environmental footprint. Given the high share of services delivered by Leadec's own workforce, workforce-related impacts connected to downstream activities are addressed primarily in ESRS S1 (Own Workforce). Two downstream opportunities connected to energy and waste were identified.

Interests and views of stakeholders

Stakeholder identification and engagement

Leadec engages with key internal and external stakeholders whose interests are affected by, or may affect, the Company's strategy, business model, and sustainability performance. Stakeholders are identified and prioritized through a structured process combining internal expert assessments, external analyses, and industry benchmarking. This approach ensures that all relevant stakeholder perspectives are considered as part of Leadec's sustainability strategy and governance.

Leadec's key stakeholder groups¹ include:

- ▶ own workforce (employees and workers' representatives)
- ▶ customers
- ▶ suppliers and other business partners (including subcontractors)
- ▶ shareholders and providers of capital
- ▶ authorities and regulatory bodies
- ▶ media and civil society
- ▶ local communities

Engagement formats and frequency are tailored to the relevance of each stakeholder group and to Leadec's material impacts, risks, and opportunities.

¹ In line with the stakeholder categories defined in ESRS 1 General Requirements, AR 21.

Engagement with Leadec's key stakeholders



■ Daily to weekly engagement

■ Monthly engagement

■ Annual or less frequent engagement

Key stakeholders' interests and views in relation to strategy and business model

Through ongoing stakeholder engagement, Leadec develops a structured understanding of key interests and expectations that directly inform its strategy and business model:

- ▶ Employees place strong emphasis on occupational health and safety, skills development, transparent communication, and stable working conditions. These interests shape Leadec's people strategy, safety management system, and continuous investment in training and leadership development. For more information, please refer to [page 115 onward](#)

(section "Engagement with own workforce and workers' representatives, existence of channels to raise concerns or needs, and approaches to remedy" in chapter [S1]).

- ▶ Customers expect reliable, high-quality industrial services and increasing support in their own sustainability transformation, particularly regarding energy efficiency, decarbonization, and resource efficiency. These expectations directly inform Leadec's service portfolio and have led to the development of Green Factory Solutions as a strategic growth area. For more information, please refer to [page 45](#) in this chapter.

- ▶ Shareholders and providers of capital focus on long-term value creation, financial resilience, effective risk management, and credible sustainability governance. Their views influence Leadec's strategic priorities, sustainability road map, and implementation of regulatory requirements.
- ▶ Suppliers, including subcontractors, and other business partners expect clear requirements, fair business practices, and transparency. Their interests inform Leadec's supply chain management approach, including risk assessments, compliance processes, and due diligence obligations.
- ▶ Authorities and regulators expect full compliance with applicable laws and regulations and responsible business conduct. These expectations are reflected in Leadec's governance framework and compliance management systems.
- ▶ Local communities and civil society expect Leadec to minimize negative environmental and social impacts and to contribute positively through responsible operations and sustainable solutions.

Stakeholder engagement activities

Leadec uses a variety of engagement formats to gather stakeholder input, including:

- ▶ Employees: global employee surveys, regular town hall meetings, management meetings, internal communication channels, occupational safety initiatives, and continuous training via the Leadec Campus
- ▶ Customers: structured workshops, interviews and ongoing project-related dialogue to identify sustainability challenges, risks, and expectations
- ▶ Shareholders and capital providers: regular consultations, expert meetings, structured reporting, benchmarking and presentations with Q&A sessions, particularly with the majority shareholder
- ▶ Suppliers and business partners: engagement through supply chain risk management systems, self-assessment tools, and compliance-related dialogue
- ▶ Authorities, media, and communities: regular communication, regulatory dialogue, public reporting, and targeted local engagement activities

Integration into governance and oversight

The interests and views of key stakeholders are systematically brought to the attention of Leadec's administrative, management, and supervisory bodies:

- ▶ Insights from stakeholder engagement are consolidated by relevant functions, including Sustainability, HR, Operations, and Finance.
- ▶ Material stakeholder-related topics, including impacts, risks, and opportunities, are regularly reported to senior management and discussed in management and strategy meetings.
- ▶ Where relevant, these insights are escalated to the Board of Management and supervisory bodies as part of strategic planning, risk management, and sustainability governance.
- ▶ Workers' perspectives, including occupational health and safety and working conditions, are incorporated through employee surveys, safety reporting, and dialogue with employee representatives.

This structured process ensures that stakeholder interests and views meaningfully inform Leadec's strategy, business model, and sustainability priorities.

Outcomes and commitments

Stakeholder engagement enables Leadec to identify opportunities, manage risks, and mitigate negative impacts while strengthening positive contributions along the value chain. The development of Green Factory Solutions is a direct outcome of customer and market engagement and represents a strategic response to stakeholder expectations.

Leadec is committed to maintaining continuous, transparent, and constructive engagement across environmental, social, and governance topics with its stakeholders to ensure alignment with market expectations, regulatory requirements, and societal needs, thereby supporting sustainable long-term value creation.

Memberships in associations

Leadec is a member of various industry associations, initiatives, and networks relevant to its business activities. These memberships support the Company's alignment with applicable standards, regulatory requirements, and market developments. They also

provide a platform for professional exchange and contribute to the continuous development of Leadec's business practices and operations. Leadec is a member of more than 150 industry associations worldwide, including:

- 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–German-British Chamber of Industry & Commerce
- AHK–Indo-German Chamber of Commerce
- AHK–Nemecko-slovenská obchodná a priemyselná komora (German-Slovak Chamber of Commerce and Industry)
- AHK–Német-Magyar Ipari és Kereskedelmi Kamara (German-Hungarian Chamber of Industry and Commerce)
- AHK–Polsko-Niemiecka Izba Przemysłowo-Handlowa (Polish-German Chamber of Industry and Commerce)
- AHK–中国德国商会 (German Chamber of Commerce in China)
- BME–Bundesverband Materialwirtschaft Einkauf Logistik e. V. (German 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)
- EUCCC–中国欧盟商会 (European Union Chamber of Commerce in China)
- GDD–Gesellschaft für Datenschutz und Datensicherheit e.V. (German Association for Data Protection and Data Security)
- NMSDC–National Minority Supplier Development Council (United States)
- NSC–National Safety Council (United States)
- UNGC–United Nations Global Compact
- VDA–Verband der Automobilindustrie e.V. (German Association of the Automotive Industry)
- VDI–Verein Deutscher Ingenieure e.V. (Association of German Engineers)

Interaction of material impacts, risks, and opportunities with strategy and business model, and financial effects

Leadec's material IROs are closely linked to its service-based business model and its strategic ambition to be a leading service specialist for factories across their entire life cycle and related infrastructure. The Group delivers labor-intensive technical and infrastructural services predominantly at customer sites, supported by a decentralized workforce and a global network of suppliers and subcontractors. As a result, sustainability-related IROs arise mainly from on-site service delivery, workforce-related activities, and customer demands.

Interaction with strategy and business model

Material environmental and social impacts originate primarily from Leadec's operating model, including

occupational health and safety exposure during on-site service delivery, working time arrangements, wage structures, and indirect environmental impacts arising from energy use and emissions through primarily purchased goods and services in the value chain. These impacts are inherently linked to Leadec's strategy, which focuses on long-term customer partnerships, operational excellence, and workforce availability. Governance-related impacts, particularly corporate culture and business conduct, are addressed through compliance systems, integrity mechanisms, and Board level oversight.

Potential negative impacts regarding labor and human rights standards in the value chain, alongside the social risk related to health and safety, of value chain workers, directly affect Leadec's ability to deliver services safely, reliably, and at scale. In response, Leadec has

embedded a software-based due diligence process and established health and safety as a strategic priority.

Material opportunities strengthen Leadec's strategy and influence decision-making in several ways. Increasing regulatory pressure and customer expectations create material business opportunities for Leadec to expand sustainability-related services, particularly in energy efficiency, renewable energies, as well as waste management, thereby enabling decarbonization and circular economy solutions. These opportunities are addressed through the strategic creation and expansion of the Green Factory Solutions portfolio, which has become an integral element of Leadec's growth strategy.

Current financial effects

During the reporting period, material sustainability related opportunities had a positive effect on Leadec's growth, particularly through a clear double-digit growth of sales generated by Green Factory Solutions compared to the prior period. These services contribute also to customer retention and market differentiation, and are reflected primarily in sales.

Material impact management resulted mainly in operational expenditures and investments related to prevention and mitigation measures, such as health and safety programs, climate risk assessments, supplier screening, and digital compliance systems. These effects are reflected in operating expenses and investing activities. Impacts are not reflected individually but in aggregated financial statement line items, including sales, operating expenses such as cost of materials and personnel expenses, and payments for the acquisitions of assets and related depreciation and amortization. Therefore, no quantitative attribution of individual investments is provided.

No significant risk of a material adjustment to the carrying amounts of assets or liabilities within the next annual reporting period was derived from the material social risk related to health and safety. Overall, the group had not identified material risks that have led to material impairments within the reporting period 2025.

Anticipated financial effects and resilience

Over the short term, Leadec expects continued investments in safety, compliance, and sustainability

governance, alongside further growth in sustainability-related service revenues; over the medium term, regulatory developments and customer transformation efforts are expected to increase demand for Green Factory Solutions, while also raising internal compliance and reporting requirements; over the long term, structural changes in customer industries and climate transition pathways may affect service demand, which Leadec expects to manage through portfolio diversification and sustainability-driven innovation alongside necessary investments.

Leadec regularly assesses the resilience of its strategy and business model through enterprise risk management, climate risk assessments, and Board level reviews using short-, medium-, and long-term time horizons. These analyses indicate that Leadec's strategy is resilient, supported by diversification across regions and industries, a scalable service portfolio, and increasing alignment with sustainability-driven market demand.

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

As a core element of CSRD-aligned reporting, Leadec applies a structured Double Materiality Assessment (DMA) to identify and assess material impacts, risks, and opportunities. The methodology used for the 2025 reporting year builds on the prior assessment. It will be updated upon publication of the final version of the amended ESRS and the updated EFRAG guidance, also considering implementation learnings of the ESRS Set 1.

The current assessment covers Leadec's own operations as well as upstream and downstream value-chain activities, with a primary focus on first-tier suppliers, including subcontractors, and customers. IROs were identified using a bottom-up approach starting from Leadec's business model, service portfolio, geographic footprint, and key dependencies, such as workforce availability, safe working environments, and customer production continuity.

Inputs to the assessment included enterprise risk management processes, climate risk assessments, HSE audits, supplier due diligence results, stakeholder engagement outcomes, and external benchmarks such

as ESG ratings and peer exchange. Both impact materiality and financial materiality were assessed. Impact materiality considered positive and negative, actual and potential, impacts on people and the environment, while financial materiality assessed sustainability-related risks and opportunities that could affect Leadec’s financial performance.

Impacts were assessed based on severity (scale, scope, and irremediable character) and likelihood, while risks and opportunities were assessed based on magnitude and likelihood over short-, medium-, and long-term horizons. The Sustainability Committee defined materiality thresholds and validated the results, which directly informed the selection of material ESRS topics and disclosures included in the sustainability statement.

Material impacts, risks, and opportunities, and disclosure requirements included in the sustainability statement

The current DMA based on ESRS Set 1 identified a focused set of material actual and potential impacts on people and the environment, as well as material sustainability-related risks and opportunities that could affect Leadec’s financial performance. These outcomes form the basis for determining the sustainability matters reported in accordance with ESRS and define the scope of disclosures included in this sustainability statement.

Material impacts, risks, and opportunities arise from Leadec’s own operations and from its upstream and downstream value chain, reflecting the Group’s decentralized service delivery model, labor-intensive activities, and reliance on suppliers, subcontractors, and customers.

Environmental matters (ESRS E1 and E5)

Leadec identified a material negative actual impact related to climate change mitigation, primarily driven by greenhouse gas emissions in the upstream and downstream value chain. While emissions from own operations are comparatively low, Leadec is directly linked to climate impacts through its service activities and value-chain relationships. From a financial perspective, climate change gives rise to material opportunities associated with customer demand for decarbonization and energy efficiency services.

In addition, Leadec identified a material downstream opportunity related to waste management and circular economy services. Through its service offerings, Leadec enables customers to reduce and recycle waste and improve resource efficiency, creating positive environmental outcomes and business opportunities.

Social matters (ESRS S1 and S2)

For its own workforce, Leadec identified a positive actual impact related to secure employment, alongside negative actual impacts related to working time

	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	• Waste Downstream opportunity

and adequate wages, and negative potential impacts related to health and safety and collective bargaining. These impacts arise primarily from own operations and are influenced by the nature of industrial service delivery.

For workers in the value chain, Leadec identified material potential negative impacts related to health and safety, collective bargaining, and forced labor. A material financial risk related to health and safety incidents involving value-chain workers was also identified, particularly in relation to subcontractors in higher-risk contexts.

Governance matters (ESRS G1)

Leadec identified a material positive potential impact related to corporate culture, reflecting the importance of ethical conduct, compliance, and integrity mechanisms in promoting responsible business practices across own operations and the value chain. At the same time, Leadec identified a material negative potential impact related to corporate culture. An inadequate or harmful corporate culture could lead to increased stress, burnout, and psychological distress among employees, negatively affecting overall well-being and potentially undermining ethical conduct and organizational effectiveness.

Compared to the previous reporting period, the set of material impacts, risks, and opportunities was not

updated. Enhancements and alignment with the final version of the amended ESRS are planned for after their publication.

General Disclosure requirements are described in the chapter above; material disclosure requirements under the topical standards ESRS E1, E5, S1, S2, and G1 are described in the following chapters, alongside voluntary disclosures. Each chapter includes a table illustrating relevant IROs alongside respective descriptions, value-chain position, and time horizons, as well as policies and frameworks and key actions relevant to their management. Additional information can be found under the header “Voluntary Reporting on Non-Material Topics” which addresses the topical standards ESRS E2, E3, E4, S3, and S4 respectively.

An appendix on the datapoints in cross-cutting and topical standards that derive from other EU legislation (from the ESRS Set 1) is provided on [Leadec’s website](#). The appendix is supplemented by an indication of whether the disclosure requirement is material or not as per Leadec’s current DMA results.

The content index listing of all disclosure requirements and their location in the sustainability statement can be found on the next page. Supplementary and voluntarily disclosed information is provided where it enhances understanding and is clearly identified as such.

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 Negative impact (potential)
	Health and safety Risk	

Leadec is committed to a high level of transparency that extends beyond material disclosure requirements. In line with the Sustainable Finance Disclosure Regulation (SFDR), the Sustainable Development Goals (SDGs), the UN Global Compact (UNGC), the German Diversity Charter, in reference to the Global Reporting Initiative (GRI), as well as various ESG-rating requirements, we voluntarily disclose selected environmental and social information to support informed decision-making by stakeholders and investors and to enhance comparability across the market. This further includes information on Leadec's reporting in accordance with the EU Taxonomy ([pages 64-67](#)).

Disclosure requirements (DRs) included in Leadec's sustainability statement

ESRS	DR	Disclosure requirements	Mandatory	Pages	Supplementary information
ESRS 2	BP-1	Basis for preparation of the sustainability statement	Mandatory	34-35	Expert judgment of external auditor on CSRD and EU Taxonomy
	BP-2	Specific information if the undertaking uses phasing-in options	Mandatory	35	
	GOV-1	The role of the administrative, management, and supervisory bodies in relation to sustainability	Mandatory	36-39	
	GOV-2	Integration of sustainability-related performance in incentive schemes	Mandatory	39-40	
	GOV-3	Statement on due diligence	Mandatory	40-41	
	GOV-4	Risk management and internal controls over sustainability reporting	Mandatory	41-42	
	SBM-1	Strategy, business model, and value chain	Mandatory	43-51	Overview of Leadec's 2025 and 2030 sustainability targets
	SBM-2	Interests and views of stakeholders	Mandatory	51-54	Exemplary selection of Leadec's memberships in associations
	SBM-3	Interaction of material IROs with strategy and business model, and financial effects	Mandatory	54-55	
	IRO-1	Description of the process to identify and assess material IROs and material information to be reported	Mandatory	55-56	
	IRO-2	Material IROs and DRs included in the sustainability statement	Mandatory	56-61	

ESRS	DR	Disclosure requirements	Material / voluntary	Pages	Supplementary information
General Disclosure Requirements (GDRs) for policies, actions, metrics, and targets are applied when disclosing in accordance with a topical standard; each topical chapter is introduced by a short overview of why the topic matters to Leadedc as well as by an overview of relevant material IROs.					
E1¹⁾	E1-1	Transition plan for climate change mitigation	Material	→ 70-73	
	E1-2	Identification of climate-related risks and scenario analysis	Material	→ 74-78	
	E1-3	Resilience in relation to climate change	Material	→ 79	
	E1-4	Policies related to climate change mitigation and adaptation	Material	→ 80-82	Overview of accountability for environmental and climate-related commitments at Board level
	E1-5	Actions and resources in relation to climate change mitigation and adaptation	Material	→ 82-89	Case study illustrating Leadedc's activities regarding resource efficiency, including waste circularity, provided to a customer
	E1-6	Targets related to climate change	Material	→ 46-49; 90-91	
	E1-7	Energy consumption and mix	Material	→ 92-93	
	E1-8	Gross Scope 1, 2, 3 GHG emissions	Material	→ 94-96	External validation of Leadedc's corporate carbon footprint
	E1-9	GHG removals and GHG mitigation projects financed through carbon credits	n.a.	n.a.	
	E1-10	Internal carbon pricing	n.a.	n.a.	
	E1-11	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities ²⁾	n.a.	n.a.	
E2	E2-1-E2-4	Pollution (incl. policies, actions and resources, targets, and pollution of air, water, and soil)	Voluntary	→ 170-173	
	E2-5	Substances of concern and substances of very high concern	n.a.	n.a.	
E3	E3-1-E3-4	Water (incl. policies, actions and resources, targets, and metrics)	Voluntary	→ 174-175	
E4	E4-1	Biodiversity and ecosystems transition plan	n.a.	n.a.	
	E4-2-E4-5	Biodiversity and ecosystems (incl. policies, actions and resources, targets, and metrics)	Voluntary	→ 176-177	
E5	E5-1	Policies related to resource use and circular economy	Material	→ 99	Supplemented by metrics on the material downstream opportunity; voluntarily disclosure on E5-1 through E5-3 in regards to its own operations (→ pages 102-104)
	E5-2	Actions and resources related to resource use and circular economy	Material	→ 99-100	
	E5-3	Targets related to resource use and circular economy	Material	→ 46-49; 101	
	E5-4	Resource inflows	n.a.	n.a.	
	E5-5	Resource outflows	Voluntary	→ 105	

¹⁾ This topical chapter includes a section on relevant accounting policies on → page 97.

²⁾ The identified physical and transition risks are not financially material to the Group; the financial development of Leadedc's material downstream opportunity related to energy is disclosed under E1-7 on → page 93.

ESRS	DR	Disclosure requirements	Material / voluntary	Pages	Supplementary information
S1¹⁾	S1-1	Policies related to own workforce	Material	➡ 110-114	This section includes policies relevant to material as well as voluntarily disclosed topics
	S1-2	Engagement with own workforce and workers' representatives, existence of channels to raise concerns or needs and approaches to remedy	Material	➡ 115-116	
	S1-3	Actions and resources related to own workforce	Material	➡ 117-124	This section includes actions relevant to material as well as voluntarily disclosed topics; additional highlight box illustrating stakeholder-specific training programs
	S1-4	Targets related to own workforce	Material	➡ 46-49; 125	
	S1-5	Characteristics of the undertaking's employees	Material	➡ 126-129	
	S1-6	Characteristics of non-employees in the undertaking's own workforce	n.a.	n.a.	
	S1-7	Collective bargaining coverage and social dialogue	Material	➡ 131-133	
	S1-8	Diversity metrics	Voluntary	➡ 129-130	
	S1-9	Adequate wages	Material	➡ 130-131	
	S1-10	Social protection	n.a.	n.a.	
	S1-11	Persons with disabilities	n.a.	n.a.	
	S1-12	Training and skills development metrics	Voluntary	➡ 133	
	S1-13	Health and safety metrics	Material	➡ 133-138	This section includes a highlight box illustrating the safety culture in Mexico
	S1-14	Work-life balance metrics	n.a.	n.a.	
	S1-15	Remuneration metrics	Voluntary	➡ 131	
	S1-16	Incidents of discrimination and other human rights incidents	Material	➡ 138	
S2	S2-1	Policies related to workers in the value chain	Material	➡ 144	
	S2-2	Engagement with workers in the value chain, existence of channels to raise concerns or needs and approaches to remedy	Material	➡ 145	
	S2-3	Actions and resources related to workers in the value chain	Material	➡ 145-147	
	S2-4	Targets related to workers in the value chain	Material	➡ 46-49; 147	
S3	S3-1-S3-4	Affected communities (incl. policies, engagement, actions and resources, targets)	Voluntary	➡ 178	This section further includes a highlight box illustrating examples of local engagement with communities where Leotec operates (➡ page 179)
S4	S4-1	Policies related to consumers and end-users	n.a.	n.a.	
	S4-2	Engagement with consumers and end-users, existence of channels to raise concerns or needs and approaches to remedy	Voluntary	➡ 178	
	S4-3-S4-4	Actions and resources as well as targets related to consumers and end-users	n.a.	n.a.	

¹⁾ This topical chapter includes a section on relevant accounting policies on ➡ pages 139-141.

ESRS	DR	Disclosure requirements	Material / voluntary	Pages	Supplementary information
G1¹⁾	G1-1	Policies related to business conduct	Material	➡ 151-157	This section includes policies relevant to material as well as on voluntarily disclosed topics
	G1-2	Actions related to business conduct	Material	➡ 158-162	Voluntary reporting on management of relationship with suppliers; information security and data protection; emergency response programs; and political influence, including lobbying activities
	G1-3	Targets related to business conduct	Material	➡ 46-49; 163-164	
	G1-4	Metrics related to corruption or bribery	Material	➡ 165	This section further includes information on metrics related to supplier management on ➡ pages 165-166
	G1-5	Metrics related to political influence, including lobbying activities	n.a.	n.a.	(This sub-topic is covered qualitatively under G1-2)
	G1-6	Metrics related to payment practices	n.a.	n.a.	

¹⁾ This topical chapter includes a section on Leadec's sustainability-relevant memberships and commitments on ➡ page 167.

Environmental Information



“Reducing emissions is not an obligation—it is a driver of long-term value creation. By scaling Leadec’s Green Factory Solutions and embedding science-based targets, we enable more sustainable operations while achieving measurable reductions.”

Markus Hucko, COO Leadec Group

At Leadec, environmental stewardship is a core pillar of our sustainability strategy and a key driver of long-term value creation for ourselves and our customers.

As a result of the implementation of decarbonization measures, Leadec achieved a 10.8% reduction in Scope 1–3 emissions in 2025 compared with 2024. This performance demonstrates the effectiveness of our decarbonization measures across operations.

Building on this progress, Leadec has submitted science-based emissions reduction targets covering Scope 1–3 to the Science Based Targets initiative (SBTi). In the near-term, these targets aim to reduce total emissions by 36.2% by 2036.

Beyond managing its own environmental footprint, Leadec supports customers on their sustainability journeys through its Green Factory Solutions, which generated around €140 million in sales in 2025. These solutions play a key role in enabling decarbonization and circular economy approaches across industrial operations, reinforcing Leadec’s ambition to drive environmental transformation in the industrial services sector.



~ €140 million

in sales generated with Green
Factory Solutions portfolio

-36.2%

science-based total emissions
reduction target (by 2036)

-10.8%

emissions reduction Scope 1-3
(2025 vs. 2024)

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. 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 EU 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 of supporting our customers in reaching their environmental objectives.

Under the Green Factory Solutions (GFS) heading, we are offering a 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 years and supports an ever-increasing number of customers in their efforts to reduce CO₂ emissions and conserve resources. Leadec provides, for example, a well-thought-out waste management concept, optimized energy management, or installation services for battery storage systems, photovoltaic systems, EV charging stations, and smart lighting systems as well as cooperations with energy

utility companies. Leadec’s sustainable services generated around €140 million in sales in fiscal year 2025.

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 43 onward](#) (section “Leadec’s sustainability strategy” in chapter [ESRS 2]) and [page 21](#) (chapter “Green Factory Solutions” under “Insights”).

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

After the EU Omnibus Initiative was published in March 2026, Leadec continues to expect to report in line with the EU Taxonomy, including the complete set of KPIs required, from 2028 onwards, starting with fiscal year 2027 as its first reporting period. In summary, the key aspects affecting the Leadec Group are as follows: To reduce administrative complexity and enhance reporting efficiency, the EU Omnibus Initiative has introduced significant simplifications

to the EU Taxonomy framework. Key amendments include the introduction of a 10% materiality threshold, allowing companies to omit detailed disclosures for non-core economic activities, and a substantial reduction in required data points. Furthermore, the “Do No Significant Harm” (DNSH) assessment has been streamlined by increasingly aligning criteria with existing EU environmental legislation and permitting processes. These changes aim to lower the compliance burden while maintaining the transparency and environmental integrity required by the European Green Deal. 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 as well

as in the Omnibus Initiative, 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 related to revenue-generating operations of the Leadec Group.

Considering these activities, Leadec’s sustainable services generated around €140 million in sales in fiscal

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	Circular economy
Collection and transport of non-hazardous and hazardous waste	2.3	
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

year 2025. The activities under 7.3, 2.3, 3.6, and 5.1 in sum represent nearly 90% 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).

Aligned activities under the EU Taxonomy

All eligible economic activities identified are assessed regarding their conformity with the following three criteria 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.

The year 2025, as a transitional period under the Omnibus Initiative, resulted in clearer structures, streamlined processes, and consistent strong growth rates within Green Factory Solutions.

Substantial contribution

The alignment assessment of Leadec activities¹ 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, which also includes our own global REACH compliance guideline (▶page 170 onward, section “Pollution [E2]” in chapter “Voluntary Reporting on Non-Material Topics”). 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 subcontractors and lives up to the UN Guiding Principles and OECD’s Guidelines for multinational enterprises.

For more information on Leadec’s Compliance Committee and Sustainability Committee, please see ▶page 36 onward (section “Governance” in chapter [ESRS 2]).

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



2

Alignment assessment

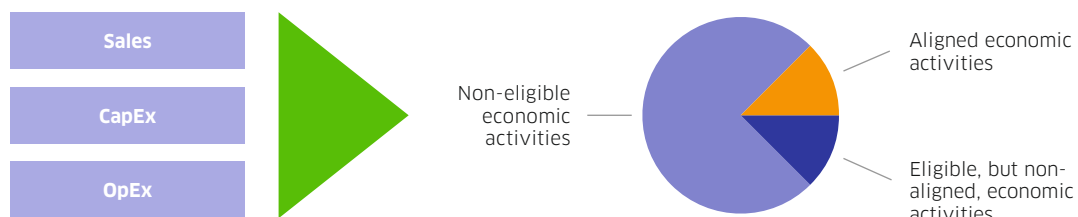
Checking and documenting conformity with alignment requirements



3

Reporting of KPIs

Integration into controlling and accounting systems; reporting share of eligible and aligned activities¹⁾



¹⁾ Note: This figure is a purely illustrative representation used for layout purposes and does not reflect real or reported data.

Climate Change [E1]

Why it matters

Climate change is a key sustainability challenge that shapes regulatory frameworks, market expectations, and customer demand. As a service provider with a global footprint, Leadec is connected to climate change primarily through its greenhouse gas (GHG) emissions across its own operations, and particularly its value chain. These emissions represent Leadec's main environmental impact. Addressing them is essential to reducing the Company's carbon footprint and contributing to global climate targets, including the Paris Agreement.

At the same time, the transition to a low-carbon economy creates new business potential. Demand for energy efficiency, renewable energy, as well as battery energy storage system services is increasing, enabling Leadec to support customers in their decarbonization efforts while further developing its own service portfolio. By actively managing its climate-related impacts and leveraging the opportunities arising, Leadec strengthens its long-term competitiveness and supports the transition toward a more sustainable industrial sector.

Sub-topic and description	Type	Value chain location	Time horizon ¹⁾	Policies and frameworks
Climate change mitigation				
While the Leadec Group's Scope 1 and 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 environmental policy - Global sustainability policy - Climate transition plan (CTP) - GHG Protocol - Science Based Targets initiative (SBTi) framework - Paris Agreement alignment (1.5 °C pathway) - CSRD/ESRS reporting framework - ISO 14001 environmental management systems - EU Energy Efficiency Directive
Energy				
Leadec is well-positioned to play a significant role and benefit from helping industries transition to more sustainable practices through its Green Factory Solutions. As a result, Leadec's revenues are expected to increase over time. Relevant services provide Energy Efficiency and Renewable Energy Solutions thereby contributing to decarbonization.	Opportunity	Downstream	Short- to long-term	- Leadec's "Becoming Leading Edge" strategy - Leadec's stakeholder engagement process "Elevate Leading Edge" initiative - Green Factory Solutions (GFS) portfolio framework - EU Taxonomy - ISO 50001 (energy management systems, where applied) - EU energy transition and decarbonization frameworks

¹⁾ Short-term = 1 year, medium-term = 1-5 years, long-term = over 5 years (as per ESRS 1.77).

Leadec's impacts, risks, and opportunities related to climate change

The material impacts, risks, and opportunities (IROs) related to climate change 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 56 onward](#) (section "Material impacts, risks, and opportunities and disclosure requirements included in the sustainability statement" in chapter [ESRS 2]) identified the material impact related to

climate change and the opportunity related to energy presented in the table below. Additionally, Leadec has assessed and identified climate-related physical risks as well as transition risks with no Group-level materiality identified (see [page 75 onward](#) in this chapter).

Actions

- Renewable electricity procurement and scaling
- Energy efficiency improvements in operations and equipment
- Fleet electrification and low-carbon mobility measures
- Resource efficiency and process optimization
- Preventive maintenance and operational controls

- Emissions monitoring and corporate carbon footprint tracking
- Data quality improvements (activity-based and primary data)
- Sustainable procurement and supplier engagement
- Implementation of decarbonization levers under CTP

- Acting on the strategic pillars of expanding the service portfolio and providing digital and sustainable services across the entire factory life cycle
- Stakeholder engagement with customers identify needs that Leadec can fulfill (decarbonization and circular economy solutions)
- Leadec's "Elevate Leading Edge" initiative launched in 2022, translated stakeholder and market insights into concrete measures, including the successful market introduction of the Green Factory Solutions portfolio

- Offering energy-related services, including:
 - Energy Efficiency Solutions (energy-efficient devices as well as systems; power grid modernization; energy management systems)
 - Renewable Energy Solutions (photovoltaic systems; EV charging infrastructure; sustainable heating solutions; battery storage solutions)
- Further market positioning of Green Factory Solutions and service delivery to the customer

Leadec's transition plan for climate change mitigation

In 2025, Leadec initiated and substantially developed its climate transition plan (CTP) to translate its climate-related commitments into a structured pathway for reducing greenhouse gas emissions across its own operations and value chain. Leadec developed targets under the Science Based Targets initiative (SBTi)'s Corporate Net-Zero Standard Version 1.3.1 and submitted them to SBTi in Q2 2026 for validation. The SBTi framework provides Leadec a foundation to develop its science-based emissions reduction targets and the associated decarbonization levers, including their quantified reduction potential and contribution to target achievement. Building on this, Leadec developed an implementation road map, including operational measures, cost assessments, and execution planning at legal-entity level, which together with the targets aligned with SBTi methodology (submitted for validation) and levers form the full CTP. The science-based targets were developed using 2024 as the base year with Scope 2 target values calculated using the market-based method. The 2024 corporate carbon footprint was recalculated for methodological alignment, mainly the addition of Scope 3 Category 12 end-of-life treatment of sold products as a significant category for Leadec. For further information on the corporate carbon footprint methodology, please refer to section "Leadec's gross Scope 1, Scope 2, and Scope 3 GHG emissions" in this chapter (see [page 94 onward](#)).

The targets and the implementation road map were developed through a bottom-up approach. Decarbonization levers were assessed at legal-entity level, considering service lines, business models, asset profiles, regional feasibility, expected cost impacts, and expected reduction potential; appropriate levers were then aggregated into Leadec's global target pathway.

Leadec's science-based near-term emissions reduction targets are to reduce absolute Scope 1 and 2 emissions by 50.4% and Scope 3 emissions (within the SBTi target boundary) by 34.6% by 2036. Long-term targets are to reduce absolute Scope 1 and 2 emissions by 90% and Scope 3 emissions (within the SBTi target boundary) by 90% by 2050. These submitted targets are gross reduction targets and do not count GHG

removals, carbon credits, or avoided emissions toward target achievement. Additionally, Leadec commits to achieving net-zero GHG emissions across the value chain by 2050.

Detailed target boundaries, base-year values, target values, and methodology are disclosed on [page 90 onward](#) (section "Targets related to climate change" in this chapter).

Decarbonization levers and key actions

Leadec's implementation road map translates the near-term and long-term targets into decarbonization levers across four core strategy areas: energy, operations, mobility, and supply chain. The plan consolidates actions already pursued in 2025 under Leadec's environmental policy, existing decarbonization efforts, and sustainability targets with additional planned measures defined after the reporting period as part of the SBTi target-setting process. Across the road map, priority is given to levers with material emissions reduction potential and potential for financial savings (positive net present value; NPV).

Short- to medium-term reductions are expected to be driven by measures with high technical feasibility and attractive economics while long-term reductions will depend on scaling high-impact levers and enabling developments across assets, transport, procurement, and suppliers. The main levers are emissions-conscious investment decisions, fleet transition, circularity measures, procurement of low-carbon materials and renewable electricity, and supplier decarbonization.

The expected impact varies by lever. For example, renewable energy procurement and fleet electrification are expected to deliver significant reductions in Scope 1 and Scope 2 emissions. Supply-chain-related measures are expected to have a significant impact on Scope 3 emissions. Additionally, more accurate supplier-specific, primary, and activity-based data can reduce current overestimations resulting from conservative assumptions and limited data availability. Measures such as travel optimization, workflow digitalization, and changes in cleaning practices are expected to deliver smaller incremental savings.

For detailed information on all current and planned actions, including their scope, timeframe, and expected outcomes, see section “Actions and resources related to climate change mitigation” (see [page 82 onward](#) in this chapter).

Leadec has assessed the financial resources required to implement the decarbonization levers supporting its near-term targets up to 2036. A quantified financial plan has not yet been defined for the long-term 2050 targets, as investment needs beyond 2036 depend on future business growth, emissions development, technology availability, market conditions, and regulatory developments.

Leadec did not apply an internal carbon pricing scheme in 2025. No internal carbon fee, shadow carbon price, or implicit carbon price was used in business-unit charging, transfer pricing, investment decisions, or the CTP-related NPV analysis during the reporting period.

Approval of the CTP by the administrative, management, and supervisory bodies

Leadec’s CTP is embedded in the Group’s governance framework and was developed under the oversight of Leadec’s top management comprised of the Advisory Committee (AC), global Board of Management (BoM), and various other executive positions including the Sustainability Committee; for more information see [page 36 onward](#) in chapter [ESRS 2] (section “The role of Leadec’s administrative, management, and supervisory bodies in relation to sustainability”). The governance and approval process follows a structured sequence. The global BoM approved the initiation of the SBTi project, and a dedicated project team was established, comprised of regional representatives, external consultants, and the Global Sustainability team.

In order to take a bottom-up approach, the project team conducted regional workshops to identify applicable decarbonization levers, assess implementation challenges, and define feasible regional targets and commitments. These inputs were aggregated into a Group target, applying an absolute cross-sector reduction approach for Scope 1–3 emissions. After selecting the SBTi target-setting method, the feasibility of the identified levers was assessed at legal-entity level using minimum and maximum thresholds. Legal-entity feedback and approval were core features of this step.

This approach enabled a more granular and realistic assessment than a purely top-down allocation, as legal entities within the same country operate different service lines, business models, and asset profiles. Based on the legal-entity-level feasibility assessment, implementation assumptions were defined, and the corresponding NPV cost impacts were subsequently aggregated at country level for consolidation purposes.

As of December 31, 2025, the finalized CTP had not yet been formally approved. After the reporting period, Leadec’s Sustainability Committee approved the target-setting methodology in Q1 2026, and the BoM approved the final CTP and the proposed SBTs including related investment requirements in Q2 2026. Further budget releases for implementation will follow Leadec’s regular governance procedures. The CTP was also presented to the shareholders represented in the Advisory Committee. Feedback has been considered in the finalization of the CTP to support alignment with shareholder expectations and long-term value creation.

The CTP’s targets remain subject to SBTi validation, expected by Q3 2026, and may be updated based on validation feedback as well as evolving supplier data, emissions factors, new technological options, regulatory conditions, and country implementation plans. Accordingly, Leadec will update the transition plan and the disclosures related to sections “Actions and resources related to climate change mitigation,” “Targets related to climate change,” and “Leadec’s gross Scope 1, Scope 2, and Scope 3 GHG emissions” in this chapter.

Alignment of the CTP with overall business strategy

Leadec’s CTP is aligned with the Group’s overall business strategy and reflects the expected development of the business up to 2036. Organic business growth, as reflected in Leadec’s accounting and budget forecasts, is expected to increase GHG emissions by approximately 51% by 2036, and has therefore been explicitly considered in the development of the decarbonization levers and implementation road map. The CTP is designed to reduce emissions despite expected business growth and thereby supports Leadec’s strategic focus on decarbonization.

For the period up to 2031, the business-as-usual scenario is based on legal-entity-specific budgets. For

2032 to 2036, it uses Group Accounting's expected business growth assumption, based on expected inflation and growth rates, which are also applied at year end closing procedures. From 2037 onward, external consultants applied a conservative organic growth approach to ensure that long-term projections up to 2050 are reflected in the submitted long-term targets while acknowledging that detailed business planning beyond 2036 remains subject to further development.

The CTP focuses on GHG emissions, which is in line with the climate-related material negative impact identified by Leadec's double materiality assessment (DMA). Leadec has not identified any material expenditures or revenues related to activities that could contribute to expanding the use of fossil fuels. Other environmental topics, like pollution, including microplastics, water, as well as biodiversity, including forests, were assessed in the DMA to be non-material. As no material impacts, risks, or opportunities were identified, they are not addressed by the CTP.

While avoided emissions are neither included in SBTi's target-setting methodologies, nor in Leadec's CTP, they still represent an important contribution to a decarbonized economy. Through our Green Factory Solutions (GFS), Leadec supports decarbonization at client sites, particularly through Energy Efficiency and Renewable Energy services (see [page 87 onward](#), section "Actions related to downstream opportunity related to energy" in this chapter). Increasing customer demand, represented in a clear double-digit growth rate of the GFS portfolio, presents two downstream opportunities as well as further potential for alignment of decarbonization with Leadec's strategy "Becoming Leading Edge." For more information on Leadec's strategy, its sustainability considerations, and the GFS portfolio, please see [page 43 onward](#), section "Strategy," in chapter [ESRS 2].

Capital expenditure (CapEx) amounts invested during the reporting period in coal, oil, and gas

Leadec provides services to customers in various industries, including customers that may be active in the coal, oil, or gas economic sectors that are covered

by the relevant NACE¹ codes. However, Leadec did not incur significant CapEx in coal, oil, or gas economic activities during the reporting period.

Key assumptions used and dependencies on which the CTP relies

Leadec's CTP is based on defined assumptions and dependencies that influence the feasibility, timing, and scale of the planned emissions reductions across operations, the value chain, and investment decisions. The plan assumes that emissions reductions will be achieved through a combination of renewable energy, operational efficiency, circularity, low-carbon mobility, sustainable procurement, supplier decarbonization, and investment steering.

In the near-term up to 2036, the CTP relies on measures that are already technically feasible and can be implemented within Leadec's current business model to reduce Scope 1 and 2 emissions. The estimated reduction potential of these measures is based not only on internal but also external research, expertise, and forward-looking estimates. Conservative scenarios have been applied to reflect uncertainties, particularly regarding technological maturity, implementation speed, and the evolution of electricity grid emissions factors in countries where Leadec operates. For example, for energy intensity improvements, an 80% roll-out was assumed on a conservative basis, as active measures are required to realize the expected reduction effect. As grid decarbonization and energy intensity improvements are not mutually exclusive, both effects were considered in the scenario modeling.

For Scope 3 emissions, the CTP relies partly on Leadec's ability to influence suppliers through procurement decisions, supplier engagement, and GHG-related criteria in supplier selection. It also depends on suppliers' willingness and ability to disclose emissions data, improve transparency, and implement their own decarbonization measures. Purchased goods and services are particularly relevant because they represent a major part of Leadec's Scope 3 emissions and of the submitted Scope 3 target boundary.

¹ NACE = Nomenclature statistique des activités économiques dans la Communauté européenne (statistical classification of economic activities in the European Union); relevant NACE codes were considered as defined in ESRS E1 Climate Change, DR 11b.

Across all scopes, the plan further assumes a progressive improvement in emissions data quality, including a gradual shift from predominantly spend-based calculations and secondary data to more activity-based methodologies, supplier-specific emissions factors, and primary data obtained directly from the relevant sources. These improvements are expected to strengthen target tracking, procurement steering, and the reliability of reported emissions reductions. These assumptions and dependencies will be reviewed and refined as part of future updates to the CTP.

Qualitative assessment of potential locked-in greenhouse gas emissions and related transition risk

Potential locked-in GHG emissions in Leadec's business model can arise from two main sources: the physical assets used to deliver services and the emissions associated with service-related purchased goods. Both sources have been assessed qualitatively to evaluate their potential to jeopardize the achievement of the CTP and to drive transition risk.

The physical assets required for service delivery mainly consist of buildings, vehicles, and forklifts which are predominantly leased rather than owned. These physical assets are primarily associated with emissions from fuel and electricity consumption and related upstream activities; they accounted for 10.2% of Leadec's total market-based GHG emissions in 2025. As an asset-light service provider, Leadec's business model limits long-term exposure to carbon-intensive infrastructure. Lease structures allow for regular renewal and replacement cycles, enabling the gradual adoption of lower-emissions alternatives. As a result, potential locked-in emissions from physical assets are not expected to jeopardize the achievement of the CTP or to constitute a significant transition risk.

A second source of potential locked-in emissions relates to material handling as part of Leadec's installation, maintenance, and repair services. Leadec does not sell stand-alone physical products; however, purchased parts required to deliver services accounted for approximately 34.5% of GHG emissions in 2025 and are reported under Scope 3 category 1 (Purchased goods and services) and Scope 3 category 12 (End-of-life treatment of sold products). These emissions may be influenced over time through supplier engagement, sustainable procurement practices,

customer collaboration, supplier take-back programs, and improved documentation of actual end-of-life treatment routes. Scope 3 category 12 emissions are currently calculated using a conservative accounting methodology that assumes landfill treatment where recycling evidence is not available. This does not necessarily reflect actual disposal routes. Improved documentation for recycling, particularly for electrical components and valuable metal parts, will support more accurate reporting and is expected to reduce reported end-of-life emissions over time. Importantly, 90% of emissions from Scope 3 category 1 and 100% of Scope 3 category 12 are included within the target boundary and reduction pathways of the CTP. Although their reduction is partly dependent on supplier decarbonization efforts, these emissions are explicitly addressed by the emissions reduction targets and therefore do not jeopardize the achievement of the CTP.

Progress in decarbonization relevant to CTP

During 2025, Leadec continued to advance decarbonization across its own operations and value chain while developing the CTP and SBTi target framework. Progress is reflected in Leadec's corporate carbon footprint (see [page 94 onward](#), section "Leadec's gross Scope 1, Scope 2, and Scope 3 GHG emissions" in this chapter). In 2025, total market-based GHG emissions amounted to 168,301 tCO₂eq, representing an 11% decrease compared with the recalculated 2024 value. Scope 3 emissions remained the largest part of Leadec's footprint and amounted to 154,031 tCO₂eq, representing a 12% decrease compared with the recalculated 2024 value despite business growth and acquisitions.

The actions that supported emissions management during 2025 were implemented through Leadec's global environmental policy described later in this chapter in section "Policies related to climate change mitigation" (see [page 80 onward](#)). Furthermore, existing decarbonization efforts, operational management, and targets were consolidated with additional planned measures under the finalized CTP (see [page 82 onward](#), section "Actions and resources related to climate change mitigation" in this chapter).

Identification of climate-related risks and scenario analysis

Climate hazard selection for physical risk assessment

Risk type	Climate hazard	Included/ excluded
Temperature	Changing temperature (chronic)	✓
	Heat stress (chronic)	✓
	Temperature variability (chronic)	✓
	Permafrost thawing (chronic)	✗
	Heat wave (acute)	✓
	Cold wave/frost (acute)	✓
	Wildfire (acute)	✓
Wind	Changing wind patterns (chronic)	✓
	Cyclones, hurricanes, and typhoons (acute)	✓
	Storms (acute)	✓
	Tornado (acute)	✓
Water	Changing precipitation patterns and types (chronic)	✗
	Precipitation or hydrological variability (chronic)	✗
	Ocean acidification (chronic)	✗
	Saline intrusion (chronic)	✗
	Sea level rise (chronic)	✓
	Water stress (chronic)	✓
	Drought (acute)	✓
	Heavy precipitation (acute) ¹⁾	✓
	Flood (acute) ²⁾	✓
	Glacial lake outburst (acute)	✗
Solid mass	Coastal erosion (chronic)	✗
	Soil degradation (chronic)	✗
	Soil erosion (chronic)	✗
	Solifluction (chronic)	✗
	Avalanche (acute)	✗
	Landslide (acute)	✓
	Subsidence (acute)	✓

✓ Hazard included in physical risk exposure assessment.

✗ Hazard excluded from physical risk exposure assessment.

¹⁾ Further analyzed regarding snow depth and rainfall.

²⁾ Further analyzed regarding pluvial, fluvial, and tidal flooding.

Leadec performed physical and transition climate risk assessments in 2025. The following section explains how Leadec assessed exposure (likelihood and magnitude) and sensitivity to physical climate hazards and transition events over the short-, medium-, and long-term, including the climate-related scenarios used, the scope of the assessment, key assumptions, and the resulting Group-level financial materiality conclusions. The implications for Leadec's strategy and business model, including the assessment of resilience, are disclosed separately on [page 79](#) (section "Resilience to climate change" in this chapter).

Physical climate risk assessment

Leadec conducted a physical climate risk assessment covering own operational sites and customer sites. The assessment followed a structured process covering preparation, identification, and evaluation. It was used to identify and prioritize site-level exposure to climate-related hazards and to support Leadec's Group-level financial materiality review. The site selection criteria were used to define the scope of the assessment.

Preparation

As part of the preparation phase, Leadec pre-screened climate-related hazards, defined assessment time horizons, selected climate scenarios, and determined the sites to be included in the assessment.

The classification of climate hazards was aligned with Annex II, Appendix A of Delegated Regulation (EU) 2021/2139 under the EU Taxonomy. Not all 28 climate-related hazards were considered relevant for Leadec. Following the pre-screening and stakeholder discussions, 11 hazards were excluded due to low geographic relevance, limited operational impact, or low stakeholder concern.

For the physical climate risk assessment, Leadec applied the following time horizons:

- ▶ baseline (recent)
- ▶ short-term (2030)
- ▶ medium-term (2040)
- ▶ long-term (2050)

Leadec assessed physical climate risk exposure using two Shared Socioeconomic Pathway (SSP) scenarios. SSP5-8.5 was used as a high-emissions scenario to test exposure to severe physical climate conditions, including a global temperature increase exceeding 4 °C by 2100. SSP2-4.5 was used as a moderate scenario, with projected warming of approximately 2.5 °C to 3 °C by 2100, to support planning in a moderate scenario of climate variability and physical hazards.

The assessment covered Leadec's own sites and customer sites. Sites were selected based on financial and operational relevance; revenue thresholds for customer sites, as well as headcount and estimated personnel costs for Leadec's own offices and operational stations, asset intensity, and relevance for EU Taxonomy-eligible economic activities were assessed. Collectively, these selection criteria were used to determine the scope of the physical climate risk assessment. Supplier sites in the upstream value chain were not assessed at individual site level, as Leadec's supplier base is highly diversified, and no material dependency on specific supplier locations was identified for physical climate risks.

Using these criteria, Leadec selected 98 sites for the physical climate risk assessment. These sites covered more than 60% of Leadec's workforce and more than 80% of total personnel costs.

Identification

In the identification phase, Leadec used quantitative geospatial climate data to assess hazard levels at the geolocation of the selected sites under SSP5-8.5 and SSP2-4.5.

To assess how climate hazards could affect Leadec's activities, Leadec defined the following site elements:

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

Regional HSE managers validated local exposure based on site-specific knowledge and provided information on current and planned mitigation and adaptation measures. This input supported the evaluation of gross and net exposure at site level.

Evaluation

In the evaluation phase, Leadec calculated risk scores by combining hazard level, exposure, and vulnerability. Hazard levels as well as exposure were each assessed on a scale from 0 to 5 and vulnerability on a scale from 0 to 4. The resulting score ranges from 0 to 100. In the climate risk assessment (CRA) methodology, scores above 60 were classified as risks above the CRA threshold and were therefore subject to further evaluation. When gross vulnerability was used, the score represented gross site-level physical climate risk. When net vulnerability was used, the score represented site-level risk after considering current and planned mitigation and adaptation measures. Leadec then performed a further Group-level net vulnerability review, informed by the global HSE team, to account for Group-level mitigation and adaptation measures, including global health and safety management, environmental management processes, and existing site governance.

The results of the physical climate risk assessment were used as input for the Group-level financial materiality review disclosed in the "Results" section of this chapter (see [page 77 onward](#)). Further, they also informed the resilience assessment disclosed separately in section "Resilience to climate change" on [page 79 onward](#) of this chapter.

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

In addition to the physical climate risk assessment, Leadec assessed climate-related transition risks and opportunities in own operations and across the upstream and downstream value chain. The assessment considered events and trends that may affect Leadec's business model, strategy, financial performance, and customer demand in the transition to a lower-carbon economy.

Leadec used the same assessment time horizons as for the physical climate risk assessment:

- ▶ base-line (recent)
- ▶ short-term (2030)
- ▶ medium-term (2040)
- ▶ long-term (2050)

For transition risks and opportunities, Leadec considered SSP1-2.6 as a net-zero scenario aligned with the objectives of the Paris Agreement and a pathway limiting global warming to 1.5 °C with no or limited overshoot. This scenario was selected because it implies stronger transition dynamics, including regulatory developments, changes in market demand, technology shifts, energy transition effects, and changing customer requirements.

The identification process drew on input from internal and external experts, relevant academic and industry literature, and peer review. Leadec assessed transition risk drivers in line with the classifications of the Task Force on Climate-related Financial Disclosures (TCFD) across the following categories:

- ▶ policy and legal
- ▶ technology
- ▶ market
- ▶ reputation

The assessment considered opportunities related to resource efficiency, energy source, products and services, and markets. Leadec's ability to respond to climate-related risks is addressed separately in section "Resilience to climate change" of this chapter (see [page 79 onward](#)).

The evaluation considered potential gross and net financial effects across upstream, own operations, and downstream activities, based on financial magnitude and likelihood. The assessment combined qualitative analysis with quantitative evaluation of strategic-level risks and opportunities and included workshops with internal stakeholders.

Key assumptions and dependencies

Key assumptions for the physical climate risk assessment include the continued relevance of the selected sites, the accuracy of geospatial climate data for the selected SSP scenarios, and the continuation of current, as well as the implementation of planned, site-level and Group-level mitigation and adaptation measures. The physical climate hazard analysis, including hazard level and exposure, remains valid unless new climate models become available or new Leadec locations are brought into scope that are relevant for the assessment. Vulnerability results may change if there are relevant modifications at assessed sites, including changes in local operations, site infrastructure, mitigation measures, adaptation measures, or contract scope.

Key assumptions for the transition risk and opportunity assessment included a low-carbon transition pathway with stronger climate-related policy and market dynamics, changes in customer demand and automotive production structures, technology adoption, increasing electrification, energy transition developments, and the continued relevance of Leadec's strategic diversification and sustainability-related service portfolio. The transition risk and opportunity assessment will be reviewed if relevant changes occur in climate-related regulation, customer demand, technology development, market conditions, or Leadec's business model.

Results of the climate risk assessments

Leadec reviewed the results of the physical and transition climate risk assessments against Group-level financial materiality criteria. This review considered the potential financial effects on the Leadec Group, including the affected activities' contribution to Group revenue, typical contract and planning durations, the long-term horizon of the projected climate effects, Leadec's limited reliance on assets, the ability to adapt or redeploy resources, customer and sector diversification, and existing or planned mitigation and adaptation measures.

The conclusions below distinguish between site-level or Group-level risks under the CRA methodology and material climate-related financial risks for the Leadec Group under ESRs.

Physical climate risk assessment results

Under the high-emissions scenario SSP5-8.5, the physical climate risk assessment identified a limited number of site-level risks above the CRA threshold. Ten sites showed gross risk above the CRA threshold. This number decreased to six sites after current and planned site-level mitigation and adaptation measures were considered.

Hazard	Number of sites projected to face physical risks above the CRA threshold		
	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 physical risks above the CRA threshold per hazard type:

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

The net Group-level risks above the CRA threshold relate to drought, temperature variability, tidal flooding, and changing temperature. These exposures affected three sites in total. No net risk above the CRA threshold was identified for employee health and safety or the ability to work after Group-level mitigation and adaptation measures were considered.

Based on the subsequent Group-level financial materiality review, the net site-level physical climate risks identified in the assessment were not assessed as material climate-related financial risks for the Leadec Group. The main reasons were the limited contribution of the affected activities to Group revenue, the significant difference in duration between the contracts and the long-term climate projections, Leadec's asset-lean operations, and the availability of site-level and Group-level mitigation and adaptation measures. The net site-level risks are therefore not included as material IROs and are not associated with any anticipated material financial effects, but they continue to inform local follow-up, HSE governance, environmental management, and future updates of the climate risk assessment.

Net climate risks are limited in scope and financially non-material after considering mitigation but continually monitored while opportunities are actively managed.

diversification, the affected activities' contribution to Group revenue, contract and planning horizons, the adaptability of Leadec's service portfolio, and the growth potential of sustainability-related services. Based on this review, the risk was not assessed as a material climate-related financial risk for the Leadec Group; it is therefore not assessed to be a material IRO as it is not associated with anticipated material financial effects. Leadec will continue to monitor the exposure through its strategy, risk management, and market development processes.

The assessment also confirmed transition-related material opportunities related to customer demand for energy efficiency and circular economy solutions, which contribute to decarbonization. These opportunities are addressed primarily through Leadec's Green Factory Solutions portfolio. The energy-related opportunity is reported in this chapter

on [page 93](#), section "Management of downstream opportunity related to energy." The waste-related opportunity is reported in chapter "Resource Use and Circular Economy [E5]" (see [page 98 onward](#)).

Climate transition risk assessment results

The assessment identified a net transition risk related to the automotive sector's transition from internal combustion engine to electric vehicles. This transition may reduce production depth and site size at automotive original equipment manufacturers (OEMs) and therefore affect demand for certain Leadec services. Leadec reviewed this risk against Group-level financial materiality criteria, including customer and sector

Resilience to climate change

Leadec assessed the resilience of its strategy and business model based on the physical and transition climate risk assessments conducted in 2025 and the subsequent Group-level financial materiality review. The analysis considered physical climate hazard exposure under SSP5-8.5 and SSP2-4.5 and transition events and trends under SSP1-2.6. The resilience assessment is subject to inherent uncertainties, including uncertainty in long-term climate model outputs, local hazard development, future customer site portfolios, contract duration, customer demand, regulatory developments, technology adoption, and macroeconomic conditions.

Leadec's strategy and business model were assessed as resilient to the identified climate-related risks and exposures. Leadec's service-oriented and comparatively asset-light business model supports operational flexibility. Services are delivered primarily at customer sites, while some preparation and support activities are carried out at Leadec's own operational facilities. Leadec's contract structures, ability to redeploy resources, and customer and sector diversification reduce dependency on individual sites.

Since the physical climate risks identified were assessed as non-material for the Leadec Group, they do not require changes to Leadec's overall strategy or business model.

The effects identified through scenario analysis inform Leadec's potential response to physical climate exposures. Where relevant, Leadec can conduct site-level follow-up assessments and define adaptation measures related to site access, building structures, equipment, energy supply, water supply, local emergency preparedness, and operational continuity.

Similarly, the transition risk identified was assessed as non-material for the Leadec Group and does not require a change to Leadec's overall strategy or business model. Leadec will continue to monitor this exposure through its strategy, risk management, and market development processes, particularly in relation

to customer and industry diversification, service portfolio development, and demand for digital and sustainable services.

Leadec's climate transition plan, which includes current and planned climate-related actions, contributes to resilience by reducing greenhouse gas emissions across its own operations and value chain, improving emissions and energy management, integrating climate considerations into procurement and operational decision-making, and strengthening the Group's ability to respond to the transition to a lower-carbon economy. Existing HSE and environmental management processes support site-level adaptation and operational continuity. No assets or business activities were identified that are incompatible with, or would require significant effort to become compatible with, a climate-neutral economy.

The continued development of Green Factory Solutions supports resilience by expanding customer-facing services that respond to climate-related market demand.

Leadec did not identify significant areas of uncertainty that would change its conclusion on the resilience of its strategy and business model.

Leadec's capacity to adjust or adapt its strategy and business model is supported by its limited asset intensity, flexible service delivery model, ability to redeploy resources across sites and regions, established HSE and environmental management processes, diversified customer strategy, and scalable sustainability-related service portfolio. Climate-related risks and exposures will continue to be monitored through future updates of the climate risk assessment, site-level follow-up where relevant, and Leadec's regular risk management and sustainability governance processes.

Policies related to climate change mitigation

Leadec's environmental and climate-related commitments are defined in the Company's global environmental policy, which establishes a Group-wide framework to manage material environmental impacts. This policy is embedded in Leadec's overarching sustainability strategy, governed primarily by the global sustainability policy, which defines the Group's commitment to sustainable development across

environmental, social, and governance dimensions. For further information, please see [page 43 onward](#) (section "Strategy" in chapter [ESRS 2]).

The allocation of accountability for implementing environmental and climate-related commitments across the Leadec Group's Board of Management is outlined below.

Accountability for environmental and climate-related commitments	CEO	CFO	COO
Dependencies, impacts, risks, and opportunities			
Assessment of future trends			X
Assessment and management		X	X
Policies, commitments, and targets			
Setting of corporate environmental policies and/or commitments			X
Monitoring of compliance with corporate environmental policies and/or commitments		X	X
Setting of environmental corporate targets (incl. science-based targets)	X	X	X
Measurement of progress toward environmental corporate targets (incl. science-based targets)			X
Engagement on environmental issues			
Management of public policy as well as value chain engagement			X
Management of engagement in landscapes and/or jurisdictions		X	
Management of supplier compliance with environmental requirements			X
Strategy and financial planning related to environmental issues			
Conducting of environmental scenario assessment			X
Development as well as implementation of a climate transition plan			X
Development and implementation of a business strategy which considers environmental issues	X	X	X
Management of acquisitions, mergers, and divestitures as well as major capital and/or operational expenditures		X	
Management of environmental reporting, audit, and verification processes		X	X
Management of annual budgets related to environmental issues		X	X
Priorities management related to innovation/low environmental impact services			X

Oversight of environmental and climate-related commitments, including approval of the global environmental policy, lies with the global Board of Management, while the Global Sustainability team coordinates implementation, supports the development of related KPIs, monitors performance, dependencies, impacts, opportunities, and

potential risks (e.g., climate risk assessments, screening for operations in key biodiversity or natural protected areas). Leadec commits to transparent annual reporting of its environmental issues and climate-related performance, including energy use and GHG emissions, as well as regular engagement with relevant stakeholders.

Leadec's global policies apply to all employees and relevant legal entities within the Leadec Group, including those subject to U.S. law, where approved by the Board of Directors. Supplementing subject-specific policies apply globally and to the extent that the covered topic is applicable to a given site or stakeholder group, while more stringent local regulations take precedence. Policies are made available either through the House of Governance or dedicated SharePoints, for example for the health, safety, and environment (HSE) community. Some overarching policies, e.g., the Policy Statement on Human and Environmental Rights (Policy Statement) and the Code of Conduct (CoC), are also publicly available on the [Leadec website](#). The latter requires Leadec's employees to manage resources responsibly and to act respectfully and diligently.

Climate change mitigation policies

The global environmental policy sets out Leadec's commitment to environmentally responsible operations, focusing on regulatory compliance, the reduction of GHG emissions and overall carbon footprint, the efficient use of energy and resources, including the minimization of waste and hazardous substances. It further promotes pollution prevention, the protection of natural resources, and the continuous improvement of environmental performance through structured management processes and the systematic monitoring of environmental aspects. The policy primarily focuses on Leadec's material negative impact on climate change alongside energy consumption and is further complemented by subject-specific policies governing non-material environmental topics like pollution through Leadec's effluents policy, REACH policy, and environmental risk assessments policy (see [page 171 onward](#)), and the topic of water through Leadec's water management policy (see [page 174 onward](#)) as disclosed in chapter "Voluntary Reporting on Non-Material Topics." Lastly, the topic of resource use and circular economy is governed by Leadec's waste management policy (see [page 102](#) in chapter [E5]).

A central element of the framework is Leadec's approach to energy management, emissions reduction, and decarbonization. The Company is committed to continuously improving energy performance across its operations by enhancing energy efficiency in machinery, equipment, and service processes, supported by structured monitoring and documentation

of energy consumption. This includes identifying and implementing opportunities to reduce energy use and improve operational efficiency, as well as promoting employee awareness and conduct regular training on energy efficiency, resource conservation, and environmentally responsible practices where relevant to local operations. In parallel, Leadec actively pursues the use of renewable and low-carbon energy sources, with the objective of increasing the share of zero-emissions energy across its sites and, where feasible, transitioning toward 100% renewable energy supply.

Leadec's decarbonization efforts are further reflected in its commitment to reducing emissions from its activities and services, particularly GHG emissions. The policy requires systematic tracking of emissions in line with regulatory requirements and minimizing the use of carbon-intensive materials and processes. In addition, emissions reduction is supported through preventive measures such as proper maintenance of equipment, optimization of processes, and environmentally conscious procurement decisions.

The policy addresses material environmental impacts as well as potential risks arising from Leadec's operations, including emissions to air, soil and water contamination, and inefficient resource use, while at the same time mitigating material negative impacts, and enabling opportunities related to energy efficiency improvements, renewable energy adoption, and low-carbon service solutions for customers. A preventive and continuous improvement approach underpins the policy, requiring the identification, assessment, and mitigation of environmental impacts at site level and the ongoing enhancement of environmental management practices.

Leadec aligns its environmental management and decarbonization approach with internationally recognized standards and regulatory frameworks. The policy explicitly references ISO 14001, supporting structured environmental management systems, as well as the EU Energy Efficiency Directive. It also incorporates sustainability reporting frameworks such as ESRS and GRI, and globally recognized frameworks such as the UN Global Compact and the Sustainable Development Goals (SDGs), ensuring transparency on emissions and climate-related performance.

The global environmental policy covers Leadec's own operations, while also extending to upstream value chain activities through requirements on procurement, supplier engagement, and environmentally preferable purchasing. Therefore, considered relevant stakeholder groups include employees, customers, suppliers, subcontractors, authorities, and local communities, particularly in relation to environmental compliance, transparency, and incident communication.

Leadec expects suppliers to actively contribute to climate change mitigation, including reducing greenhouse gas emissions, improving energy efficiency, and increasing the use of renewable energy across their operations as defined in Leadec's [Business Partner Code of Conduct](#) (BP CoC).

Policies related to downstream opportunity related to energy

Leadec also supports customers in reducing their environmental and carbon footprint through the development and delivery of low-carbon and resource-efficient service solutions.

Leadec currently does not have a dedicated, stand-alone policy specifically addressing the identification and management of downstream opportunities. However, the consideration of downstream sustainability-related opportunities is embedded in Leadec's overarching strategy, business model, and stakeholder engagement processes (see [page 43 onward](#) (section "Strategy" in chapter [ESRS 2])). In particular, the Green Factory Solutions (GFS) portfolio was developed based on structured engagement with customers and reflects identified downstream demand for solutions supporting decarbonization, resource efficiency, and circular economy objectives. The pursuit of these opportunities is aligned with Leadec's "Becoming Leading Edge" strategy, notably the strategic pillars of expanding the service portfolio and providing digital and sustainable services across the entire factory life cycle. Building on this strategic foundation, the "Elevate Leading Edge" initiative launched in fiscal year 2022 translated stakeholder and market insights into concrete measures, including the successful market introduction of GFS. Through these offerings, Leadec addresses sustainability-related opportunities in its downstream value chain while strengthening its role as a long-term partner to its customers.

Actions and resources related to climate change mitigation

Climate change mitigation actions

The following key actions describe how Leadec implements its environmental policy and manages the material actual negative impact from GHG emissions across its own operations and value chain. The decarbonization levers and their associated key actions are grouped to reflect Leadec's management approach and the structure of the climate transition plan (CTP) under the strategic categories energy, operations, mobility, and supply chain, with data quality improvements acting as an enabler across all categories.

Implemented climate change mitigation actions are aligned with Leadec's global sustainability policy and environmental policy, existing decarbonization efforts, operational management, procurement practices, environmental management systems, and sustainability targets. As of December 31, 2025, Leadec did not yet have a finalized and approved climate transition plan

framework in place. After the reporting period, existing actions, together with additional planned measures, were consolidated into the CTP and the corresponding emissions reduction targets submitted to SBTi. For this reason, this section differentiates between actions already implemented and ongoing during the reporting period and planned CTP-related actions. Where an action was already implemented in 2025 and was also incorporated into the CTP, it is disclosed once under the relevant decarbonization lever and also described as an ongoing action to be continued, expanded, or strengthened under the CTP.

Actions in the categories of energy and operations affect Scope 1 and Scope 2 emissions and related Scope 3 fuel- and energy-related emissions. Actions under mobility can affect emissions across all scopes, particularly Scope 1 emissions from company vehicles and equipment and relevant Scope 3 travel and

logistics emissions. Actions grouped under supply chain primarily affect Scope 3 emissions.

Energy

Leadec's energy-related actions focus on reducing emissions from purchased electricity, improving energy efficiency, and increasing the use of renewable and low-carbon energy sources.

Procurement of renewable electricity (avoid)

- ▶ Leadec continues to promote the sourcing and use of renewable and zero-emissions electricity across its sites. This includes tracking the respective shares and engaging with energy suppliers. The action focuses on Leadec's own operations globally and is implemented on an ongoing basis. Under the CTP, Leadec plans to continue and scale renewable electricity procurement through market-appropriate contractual instruments.
- ▶ This reduces Scope 2 market-based emissions, increases the share of renewable and low-carbon electricity, reduces reliance on fossil-based electricity, and lowers Scope 3 category 3 emissions from fuel- and energy-related activities. These outcomes support Leadec's policy objectives of reducing GHG emissions, increasing the share of renewable energy, and improving climate-related performance.

Energy efficiency measures (avoid, minimize)

- ▶ Leadec implemented measures to improve the energy efficiency of machinery, equipment, and operational processes across its own operations where relevant. These measures were supported by monitoring and documentation of energy consumption, local employee awareness and training on energy efficiency and resource conservation, and environmental management systems such as ISO 14001 at relevant sites. The CTP formalizes Leadec's approach to systematically increase implementation of energy-efficiency measures where material reduction potential and operational feasibility are confirmed. The action applies to Leadec's own operations globally and is ongoing.
- ▶ This reduces energy consumption, improves operational efficiency, and lowers Scope 2 and Scope 3 category 3 fuel- and energy-related activities

emissions. These outcomes support Leadec's policy objectives of increasing energy efficiency, reducing GHG emissions, and continuously improving environmental performance.

Operations

Leadec's operational actions focus on reducing direct and indirect emissions from service delivery, equipment operation, maintenance activities, waste generation, and process inefficiencies. For further voluntarily disclosed information on Leadec's waste-related actions, please refer to [page 103 onward](#) in chapter [E5]; for further information on pollution-related action as well as water-related actions, see [pages 171 onward](#) and [174](#) respectively in chapter "Voluntary Reporting on Non-Material Topics."

Resource efficiency, including waste circularity, digitally enabled service delivery, and eco-cleaning (avoid, minimize)

- ▶ Under the CTP, Leadec plans to continue and strengthen operational measures that reduce resource intensity and emissions from service delivery. Planned actions include circularity measures, process optimization, workflow digitalization, optimized eco-cleaning practices, and service models that reduce travel and logistics needs. Where feasible, Leadec also plans to expand supplier take-back programs and circular service models that improve the treatment and documentation of materials used in service delivery. This action applies to Leadec's own operations, relevant customer-site service delivery, and upstream suppliers where supplier take-back programs or material documentation are relevant.
- ▶ This lowers waste-related emissions, reduces service delivery-related resource intensity and improves circularity of materials used as well as their treatment and documentation. Consequently, it reduces reliance on conservative end-of-life assumptions (where actual recycling or disposal routes can be documented) and increasingly integrates climate considerations into service delivery. These outcomes support Leadec's policy objectives of improving resource efficiency, reducing emissions, minimizing waste, and strengthening circular-economy practices.

Managed reusable packaging at Tier 1 automotive supplier in India

The challenge



In industrial logistics, single-use cardboard has long been the default despite its costs and environmental impacts. Not only must the supplier bear the costs and responsibility of adding paper cartons into the supply chain, but their customers must also cover the disposal costs and account for the associated carbon emissions. A major first-tier automotive supplier in India transports parts to some of the biggest OEMs within the country. Leadec proposed to design and implement a more eco-friendly way of packaging the company's products for the factory-to-factory parts supply chain in India.

Leadec's solution

Already running maintenance services for the supplier at the sites in scope, Leadec quickly gained an understanding of the specific requirements. Built on its existing crating fleet, Leadec designed a managed reusable packaging program custom-made for the company. Where parts were delicate, wire mesh containers replaced cardboard and reduced damage during transport. For electronics, electrostatic discharge (ESD) bins were specified to meet the supplier's surface resistivity threshold. For dense, robust components, foldable large containers (FLC) reduced empty return volume to one-third of erected size. Each part carried a Leadec-designed custom polypropylene insert built around its geometry, while the outer container stayed standard so any bin could move freely across the wider Leadec pool.

Leadec's crating fleet anchors a six-step service: study of part's geometry, container selection, insert design, supply and inventory management, cleaning and reconditioning, and asset tracking via Crating Management on System (CMoS). Where an outbound trip from the supplier ends near another Leadec customer's inbound flow, empty bins are reloaded for the next move, cutting return-leg kilometers for both sides.

"There is a twofold win: OEM customers reduce disposal costs and environmental impact, while the supplier benefits through increased customer loyalty and repeat business."

Bernard Sextus,
Director Operations, Leadec India

Results delivered

- ▶ After implementing Leadec's reusable packaging and managed crating program, the automotive supplier was able to avoid approximately 60 metric tons of CO₂eq emissions per year from cardboard procurement.
- ▶ In addition, the company's OEM customers were able to avoid 18 metric tons of CO₂eq emissions per year that formerly occurred from the disposal of single-use cardboard. Reducing waste also led to cost savings for the OEMs.
- ▶ Approximately 56 metric tons of single-use cardboard were eliminated per year, which is equivalent to approximately 1,300 trees saved.
- ▶ Thanks to the better structural integrity and robustness of the reusable crates as compared to cardboard boxes, the supplier recorded decreased transit loss due to damage.

Preventive maintenance and process optimization (minimize)

- ▶ Leadec's preventive maintenance and process optimization actions are implemented on an ongoing basis. Maintenance programs and operational controls help prevent excessive emissions, leaks, and energy inefficiencies from equipment and facilities. This action applies to own operations and customer-site service delivery. The CTP structures Leadec's approach to strengthening operational measures that reduce resource intensity and emissions from service delivery, including process optimization and workflow digitalization.
- ▶ Reduces unintended emissions, lowers energy losses from equipment and facilities, improves operational performance, and reduces resource intensity of service delivery. These outcomes contribute to Leadec's objectives of reducing emissions, increasing operational efficiency, and continuously improving environmental performance.

Environmental management systems, certifications, and employee training (minimize)

- ▶ Environmental management systems, including ISO 14001 certifications at relevant sites, support systematic environmental control, audits, performance monitoring, and continuous improvement. Employees involved in energy-intensive or environmentally relevant activities receive training and awareness support on energy efficiency, emissions sources, and good environmental practices. This action applies to relevant own operational sites and employee groups and is ongoing.
- ▶ Strengthens systematic environmental control, improves employee awareness and operational capability, enables implementation of energy-efficiency and emissions-reduction practices, improves audit readiness, and better process documentation. These outcomes support Leadec's policy objectives of improving energy performance, reducing GHG emissions, and embedding environmental responsibility into operations.

Emissions monitoring and reduction management (minimize)

- ▶ Leadec uses emissions monitoring and reduction management to improve transparency and control over emissions from operations and services. Leadec continues annual corporate carbon footprint tracking and emissions-related KPI reporting. This action applies to Leadec's own operations globally and, where relevant, to emissions data from suppliers, procurement, logistics, and customer-site service delivery.
- ▶ Improves transparency and control over emissions, supports better identification of emissions sources and reduction opportunities, and enables stronger target tracking, reporting, and, therefore, decision-making for decarbonization. These outcomes support Leadec's policy objectives of systematic emissions tracking, transparent reporting, and continuous improvement of environmental performance.

Mobility

Leadec's mobility-related actions focus on reducing emissions from company vehicles, selected operational equipment, business travel, and logistics-related activities.

Fleet and equipment transition (avoid, minimize)

- ▶ Leadec reduces fleet emissions on an ongoing basis. Use of fuel efficiency as a criterion in vehicle selection and operational practices supports efficient service delivery. Under the CTP, Leadec plans to further integrate lower-carbon criteria into logistics, and equipment acquisition decisions. Current actions include electrifying company vehicles and forklifts; while planned actions extend the scope to electrifying selected operational equipment where feasible and using lower-carbon fuels where this is not yet practical. This action applies mainly to Leadec's own operations and selected equipment used in service delivery and is implemented through ongoing asset renewal cycles and short- to medium-term planning.
- ▶ Lowers Scope 1 and Scope 3 category 3 emissions from fuel- and energy-related activities, strengthens integration of climate considerations into vehicle and equipment acquisition decisions. These

outcomes support Leadec's policy objectives of reducing GHG emissions from its activities and services while maintaining service delivery.

Business travel optimization (avoid, minimize)

- ▶ Leadec uses digital tools and digitally enabled working models where these help reduce business travel. Virtual meetings and the prioritization of train travel over flights, where feasible, continue to support emissions reductions. Under the CTP, Leadec plans to apply sustainable travel principles through travel policy improvements and to expand digitally enabled service models. This action applies to Leadec's own operations and relevant service delivery activities and is ongoing.
- ▶ Lowers Scope 3 emissions related to business travel and improves operational flexibility. These outcomes support Leadec's policy objectives of reducing GHG emissions, improving resource efficiency, and maintaining efficient service delivery.

Logistics optimization and lower-carbon transport choices (minimize)

- ▶ Leadec implements logistics optimization measures on an ongoing basis, including route optimization, driver training, and other operational practices that support efficient service delivery. Under the CTP, Leadec plans to further integrate emissions-related criteria into logistics decisions and use lower-carbon transport options, including rail or other emission-conscious alternatives, where operationally feasible. This action applies to Leadec's own operations and, where relevant, to upstream or downstream transport activities connected to service delivery.
- ▶ Improves fuel consumption and route efficiency, thereby lowering logistics-related Scope 3 emissions. These outcomes support Leadec's policy objectives of reducing emissions from activities and services while improving operational efficiency.

Supply chain

Leadec's supply-chain actions focus on reducing embedded emissions in purchased goods and services, improving supplier transparency, strengthening environmental criteria in procurement, and increasing circularity. These actions are particularly important

because purchased goods and services represent the largest share of Leadec's Scope 3 inventory.

Sustainable and low-carbon procurement practices (avoid, minimize)

- ▶ Leadec's procurement practices support sustainability and emissions reductions through procurement of environmentally preferable, durable, energy-efficient, and low-impact products, including products with recognized ecolabels or comparable environmental certifications. Under the CTP, Leadec plans to strengthen carbon-related procurement criteria and increase the use of regional, recycled, and lower-carbon materials. Environmental criteria will also be integrated into supplier selection. This action applies primarily to the upstream value chain globally.
- ▶ Lowers Scope 3 category 1 purchased goods and services emissions through stronger integration of climate considerations into procurement decisions. These outcomes support Leadec's policy objectives of reducing GHG emissions and improving resource efficiency.

Circularity, including supplier take-back programs, and end-of-life documentation (avoid, minimize)

- ▶ Under the CTP, Leadec plans to expand supplier take-back programs where feasible and improve documentation of actual recycling and disposal routes. These actions are particularly relevant for service-related purchased parts and materials, including items whose end-of-life treatment is currently calculated using conservative assumptions where recycling documentation is not available and landfill treatment is assumed. This action applies to upstream suppliers, relevant customer collaboration, and downstream treatment documentation where Leadec handles materials.
- ▶ Improves circularity and treatment of materials used in service delivery, increases transparency on actual recycling and disposal routes which reduces Scope 3 emissions from purchased goods and services (category 1), capital goods (category 2), waste generated in operations (category 5), and end-of-life treatment of sold products (category 12). These outcomes support Leadec's policy objective of reducing embedded emissions.

Supplier engagement and supplier-specific emissions information (minimize)

- ▶ Under the CTP, Leadec plans to increase transparency of supplier emissions and supplier-specific emissions factors to strengthen and prioritize supplier engagement (currently managed primarily through the BP CoC) and procurement decisions. Leadec's legal-entity-level decarbonization road map focuses engagement on suppliers with highest contributions to the corresponding carbon footprint and prioritizes those with the highest expected emissions reductions potential.
- ▶ Improves transparency on supplier emissions and supplier-specific emissions factors, which supports supplier prioritization for decarbonization engagement, and stronger procurement steering toward suppliers with a better climate-related performance. These outcomes support Leadec's policy objectives of reducing supply-chain GHG emissions and increasing supplier accountability.

For further information on Leadec's Business Partner Code of Conduct and supplier engagement, please see [page 144 onward](#) in chapter [S2].

Emissions data quality

Improved data quality supports all decarbonization levers. While this does not replace physical decarbonization measures, it improves the accuracy of emissions measurement, supports supplier and procurement prioritization, enables more robust target tracking, and helps demonstrate reductions more reliably.

Corporate carbon footprint tracking and improved emissions data quality (avoid, minimize)

- ▶ Leadec improves accuracy of Scope 3 calculations by enhancing internal classification processes which also support the assignment of more appropriate emissions factors. Under the CTP, Leadec plans to continue increasing the share of activity-based calculations, and primary data where feasible, especially for purchased goods and services. Planned actions include improving internal data quality, increasing the use of primary data obtained directly from relevant sources, and integrating supplier-specific emissions data. This action applies

to Leadec's own operations, upstream value chain, and relevant downstream data flows and is ongoing.

- ▶ Increases accuracy of emissions measurement, strengthens procurement steering through supplier prioritization, and improves target tracking. These outcomes support Leadec's policy objectives of transparent emissions reporting, effective decarbonization management, and more reliable identification, prioritization, and monitoring of physical decarbonization measures as well as continuous improvement.

Actions related to downstream opportunity related to energy

The following activities describe how Leadec pursues the identified material downstream business opportunity related to energy through its Green Factory Solutions, with offerings that are grouped under "Energy Efficiency Solutions" and "Renewable Energy Solutions." The activities are designed as ongoing operational measures to support customers in reducing energy consumption and thereby greenhouse gas emissions, increasing the share of renewable energy, and improving the efficiency, resilience, and decarbonization of energy systems across their operations.

Energy Efficiency Solutions

Energy-efficient devices include the replacement, upgrade, and optimization of equipment such as HVAC systems and lighting with more energy-efficient technologies. These measures are implemented directly within customer facilities as part of maintenance, retrofitting, and energy optimization services, including regular inspections and performance improvements.

Expected outcomes include:

- ▶ reduced energy consumption through higher efficiency of equipment
- ▶ lower greenhouse gas emissions due to decreased electricity and fuel demand
- ▶ reduced energy costs and maintenance requirements
- ▶ improved operational performance and equipment lifespan
- ▶ direct contribution to energy efficiency and decarbonization objectives by lowering energy intensity of operations

Energy-efficient systems focus on optimizing the performance of electrical systems through measures such as power factor correction, load optimization, and improved system design. These solutions are implemented within customer facilities as part of electrical installations and upgrades, ensuring efficient energy distribution and reduced losses.

Expected outcomes include:

- ▶ reduced energy losses in electrical systems and improved system efficiency
- ▶ lower peak demand and optimized energy usage patterns
- ▶ increased overall system performance and reliability
- ▶ reduced operational costs and improved energy cost management
- ▶ direct contribution to energy efficiency goals by minimizing waste in energy distribution systems

Power grid modernization includes the upgrade of electrical infrastructure through advanced metering, control systems, and smart grid technologies. These services are implemented at customer sites to enhance the flexibility, resilience, and efficiency of energy systems, while enabling integration with renewable energy sources.

Expected outcomes include:

- ▶ improved reliability and resilience of energy supply systems
- ▶ enhanced ability to integrate renewable energy sources into existing infrastructure
- ▶ reduced peak loads and more balanced energy consumption
- ▶ improved monitoring, control systems, and control of energy systems
- ▶ direct contribution to decarbonization by enabling low carbon energy integration and efficient grid operation

Energy management systems support the structured monitoring, analysis, and continuous improvement of energy performance in line with ISO 50001 standards. These systems are implemented at customer facilities globally and include metering, real-time monitoring, data analysis, and the establishment of performance indicators and improvement processes.

Expected outcomes include:

- ▶ increased transparency and control over energy consumption
- ▶ identification and implementation of energy-saving opportunities
- ▶ continuous improvement of energy performance based on data-driven insights
- ▶ reduced greenhouse gas emissions through systematic energy optimization
- ▶ direct contribution to policy objectives by embedding energy efficiency into operational management systems

Renewable Energy Solutions

Photovoltaic systems involve the planning, installation, and maintenance of solar energy systems at customer facilities, including rooftop, ground-mounted, or integrated systems such as PV carports. These systems enable on-site generation of renewable electricity and are integrated into existing infrastructure.

Expected outcomes include:

- ▶ generation of renewable energy directly at customer sites
- ▶ reduced dependence on external and fossil-based electricity sources
- ▶ lower greenhouse gas emissions, particularly Scope 2 emissions
- ▶ increased energy self-sufficiency and protection against energy price volatility
- ▶ direct contribution to decarbonization by enabling the shift to renewable energy sources

EV charging infrastructure includes the design, installation, and maintenance of charging stations for industrial fleets and employee vehicles, often integrated with renewable energy systems such as PV carports. These solutions are implemented at customer facilities to support fleet electrification.

Expected outcomes include:

- ▶ enablement of electric mobility and transition away from fossil-fuel vehicles
- ▶ reduction of transport-related greenhouse gas emissions

- ▶ improved operational efficiency and reduced vehicle downtime through optimized charging
- ▶ increased use of renewable electricity when combined with PV systems
- ▶ direct contribution to decarbonization of logistics and operational transport activities

Sustainable heating solutions include the installation and operation of heat pump systems to replace conventional fossil-fuel-based heating and cooling systems. These systems are implemented at customer sites to provide efficient, low-emissions climate control.

Expected outcomes include:

- ▶ reduced greenhouse gas emissions through elimination of fossil-based heating
- ▶ improved energy efficiency compared to conventional heating and cooling systems
- ▶ safer and cleaner operation without combustion-related emissions
- ▶ reduced energy consumption and long-term operational costs
- ▶ direct contribution to climate mitigation by decarbonizing heating and cooling systems

Battery energy storage solutions include the planning, engineering, installation, and maintenance of stationary battery energy storage systems at customer facilities. These solutions enable the storage of excess electricity—particularly from renewable energy sources such as photovoltaic systems—for use during peak demand periods, periods of high electricity prices, or grid outages. Battery storage systems are integrated into existing electrical infrastructure and energy management systems to enhance energy efficiency, reliability, and flexibility of customer energy systems.

Expected outcomes include:

- ▶ improved energy efficiency and reduced energy costs through storage and flexible use of electricity
- ▶ increased integration of renewable energy and reduced dependence on external electricity grids
- ▶ enhanced reliability and resilience of energy supply, including backup power during outages
- ▶ reduced greenhouse gas emissions, in particular Scope 2 emissions, through optimized energy use

- ▶ direct contribution to decarbonization and stabilization of low carbon energy systems

For additional information on Leadec's entire Green Factory Solutions portfolio including further insights into battery energy storage systems, please see [page 16 onward](#).

Targets related to climate change

Climate change mitigation targets

2025 sustainability targets

In the reporting period, Leadec pursued its 2025 sustainability targets concerning carbon efficiency and customer focus, aiming to reduce its carbon footprint while strengthening customer relationships and supporting customers in achieving their energy-related ambitions.

With regard to carbon efficiency, Leadec achieved its targets set for 2025: The Company increased the share of zero-emissions electricity to more than 65% of total consumption (2025: 65.1%), reduced greenhouse gas emissions (Scope 1 and 2) by more than 15% relative to total output (2025: -27.1%), and reduced greenhouse gas emissions intensity by more than 2% per year compared to the 2022 reference year (2025: -13.6%).

From a customer focus perspective, Leadec aimed to maintain long-term customer relationships with a customer retention rate of more than 90% (2025: 96.2%) and to support customers with decarbonization

and circularity solutions by increasing the share of environmentally friendly services (Green Factory Solutions) of total output (2025: 10.5%).

2030 sustainability targets

The increasing demand for decarbonization solutions presents promising further growth opportunities for Leadec. By offering comprehensive Energy Efficiency and Renewable Energy Solutions, Leadec can position itself as a key player in this sector, attracting new customers, and expanding its market share. Building on this progress and reflecting a strategic consolidation of priorities, the newly developed 2030 targets are outlined in the table below.

Additional decarbonization considerations are not captured as stand-alone targets in the 2030 framework but were embedded in the science-based targets submitted to SBTi for validation in 2026, ensuring that decarbonization, resource efficiency, and environmental impacts are addressed holistically as part of our long-term climate and sustainability strategy.

	2030 sustainability target	2025
Decarbonization	We want to decarbonize and reduce emissions.	
	Increase the share of renewable electricity >65% of total electricity from renewable sources	55.7%
	Increase the share of zero-emissions¹⁾ electricity >70% of total electricity from zero-emissions sources	65.1%
	Reduce greenhouse gas (GHG) emissions >-22% of absolute total market-based GHG emissions vs. 2024 base year	-10.8%
Customer focus	We want to strengthen customer relationships and provide services that meet our customers' needs.	
	Retain customers >90% customer retention rate	96.2%
	Increase share of EU Taxonomy-eligible economic activities >10% relative to total output ²⁾	10.5%
	Increase share of EU Taxonomy-aligned economic activities >5% relative to total output ²⁾	1.6%
Certifications and credentials	We want to obtain ESG-related certifications and credentials.	
	Certify environmental management systems³⁾ >80% certified according to ISO 14001	80.3%

¹⁾ "Zero-emissions electricity," includes renewable as well as nuclear sources.

²⁾ Total output encompasses sales plus changes in inventories and other own work capitalized; total output 2025: €1,351.5 million.

³⁾ ISO certifications share is calculated based on the number of own operational sites where Leadec is financially and operationally in control.

Leadec's science-based targets

Leadec submitted its emissions reduction targets to SBTi in Q2 2026 with 2024 as the base year and Scope 2 emissions calculated using the market-based method. The submitted targets are gross reduction targets and do not count greenhouse gas removals, carbon credits, or avoided emissions toward target achievement. The 2024 base-year values are based on the recalculated 2024 corporate carbon footprint disclosed on [page 94 onward](#), section "Leadec's gross Scope 1, Scope 2, and Scope 3 GHG emissions" in this chapter.

Leadec has submitted the following targets to SBTi for validation:

- ▶ near-term (10 years)
- ▶ long-term (year 2050)
- ▶ net-zero (year 2050)

Near-term—Leadec submitted targets to reduce absolute Scope 1 and Scope 2 emissions by 50.4% by 2036, from 14,410 tCO₂eq in 2024 to 7,147 tCO₂eq. This target covers 100% of Scope 1 and Scope 2 emissions, exceeding the SBTi minimum coverage of 95%, and follows the SBTi 1.5 °C cross-sector absolute reduction pathway.

For Scope 3, Leadec submitted targets to reduce absolute emissions within the SBTi target boundary by 34.6% by 2036. The Scope 3 near-term target follows the SBTi well-below 2 °C absolute contraction pathway.

The near-term Scope 3 target boundary includes:

- ▶ 90% of category 1 purchased goods and services
- ▶ 100% of category 2 capital goods
- ▶ 100% of category 5 waste generated in operations
- ▶ 100% of category 6 business travel
- ▶ 100% of category 12 end-of-life treatment of sold products

It covers approximately 75% of total Scope 3 emissions, exceeding the SBTi minimum coverage of 67%. Together with Scope 1 and Scope 2, approximately 77% of Leadec's 2024 market-based total corporate carbon footprint is covered.

Together, the near-term targets account for a 36.2% reduction in Scope 1-3 GHG emissions.

Long-term—Leadec submitted targets to reduce absolute Scope 1 and Scope 2 emissions by 90% by 2050, from 14,410 tCO₂eq in 2024 to 1,441 tCO₂eq. This target covers 100% of Scope 1 and Scope 2 emissions, exceeding the SBTi minimum coverage of 95%, and follows the SBTi 1.5 °C cross-sector absolute reduction pathway.

For Scope 3, Leadec submitted targets to reduce absolute emissions within the SBTi target boundary by 90% by 2050. The Scope 3 long-term target also follows the SBTi 1.5 °C cross-sector absolute reduction pathway in line with the Paris Agreement.

The long-term Scope 3 target boundary includes:

- ▶ 95% of category 1 purchased goods and services
- ▶ 100% of category 2 capital goods
- ▶ 100% of category 3 fuel- and energy-related emissions
- ▶ 100% of category 4 upstream transportation and distribution
- ▶ 100% of category 5 waste generated in operations
- ▶ 100% of category 6 business travel
- ▶ 90% of category 7 employee commuting
- ▶ 100% of category 12 end-of-life treatment of sold products

It covers 92% of total Scope 3 emissions, exceeding the SBTi minimum coverage of 90%, and, together with Scope 1 and Scope 2, approximately 93% of Leadec's 2024 market-based total corporate carbon footprint.

Together, the long-term targets account for a 92.8% reduction in Scope 1-3 GHG emissions.

Net-zero—Leadec commits to achieving net-zero greenhouse gas emissions across the value chain by 2050. Any residual emissions remaining beyond the scope of the long-term reduction targets will need to be addressed in line with SBTi requirements for net-zero targets. Leadec will further develop and disclose its approach to residual emissions and neutralization.

Energy consumption and mix

Energy consumption and mix related to own operations

The following table provides an overview of Leadec's total energy consumption by source. This breakdown enables a transparent understanding of the Group's energy mix and supports the assessment of progress

toward increasing the share of renewable and zero-emissions sources in line with decarbonization objectives. Leadec is not part of a high climate impact sector.

The table below shows Leadec's energy intensity, highlighting improvements in operational efficiency.

Energy consumption by source

	2025		2024		2023		Δ 2025 vs. 2024 ¹⁾	Δ 2024 vs. 2023 ¹⁾
	MWh	Share ²⁾	MWh	Share ²⁾	MWh	Share ²⁾		
From fossil sources	43,162	84.9%	48,230	86.8%	46,238	86.9%	-10.5%	4.3%
From zero-emissions sources	7,671	15.1%	7,347	13.2%	6,983	13.1%	4.4%	5.2%
Nuclear	833	1.6%	980	1.8%	n.a.	n.a.	-15.1%	n.a.
Renewable	6,839	13.5%	6,366	11.5%	6,983	13.1%	7.4%	-8.8%
Fuel consumption from renewable sources, including biomass, biofuels, biogas, hydrogen	1,878	3.7%	1,154	2.1%	1,102	2.1%	62.7%	4.7%
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	4,917	9.7%	5,204	9.4%	5,881	11.1%	-5.5%	-11.5%
Consumption of self-generated non-fuel renewable energy	44	0.1%	8	0.0%	0	0.0%	448.7%	n.a.
Total energy consumption	50,833	100.0%	55,576	100.0%	53,222	100.0%	-8.5%	4.4%

¹⁾ Change in absolute energy consumption.

²⁾ Share of total energy consumption.

Energy intensity per net revenue

	2025	2024	2023	Δ 2025 vs. 2024	Δ 2024 vs. 2023
MWh/€ million ¹⁾	37.5	42.3	42.9	-11.3%	-1.3%
MWh/USD million ²⁾	31.9	40.7	38.8	-21.6%	5.0%

¹⁾ Net revenue 2025: €1,354.6 million; 2024: €1,313.2 million; 2023: €1,241.3 million.

²⁾ Net revenue 2025: USD 1,591.6 million; 2024: USD 1,364.3 million; 2023: USD 1,371.7 million.

The following table presents an overview of Leadec's electricity consumption by source.

Electricity consumption by source

	2025		2024		2023		Δ 2025 vs. 2024 ¹⁾	Δ 2024 vs. 2023 ¹⁾
	MWh	Share ²⁾	MWh	Share ²⁾	MWh	Share ²⁾		
From the grid	8,858	99.5%	8,455	99.9%	9,101	100.0%	4.8%	-7.1%
Fossil (non-renewable)	3,109	34.9%	2,271	26.8%	3,220	35.4%	36.9%	-29.5%
Renewable (mix)	4,917	55.2%	5,204	61.5%	5,881	64.6%	-5.5%	-11.5%
Nuclear	833	9.4%	980	11.6%	n.a.	n.a.	-15.1%	n.a.
Own generation	44	0.5%	8	0.1%	0	0.0%	448.7%	n.a.
Fossil (non-renewable)	0	0.0%	0	0.0%	0	0.0%	0%	n.a.
Renewable (mix)	44	0.5%	8	0.1%	0	0.0%	448.7%	n.a.
Nuclear	0	0.0%	0	0.0%	0	0.0%	0%	n.a.
Total electricity consumption (MWh)	8,902	100.0%	8,463	100.0%	9,101	100.0%	5.2%	-7.0%

¹⁾ Change in absolute electricity consumption.

²⁾ Share of total electricity consumption.

Management of downstream opportunity related to energy

Leadec's sales related to sustainable services as listed in the EU Taxonomy ("eligible activities") stood at around €140 million in fiscal year 2025. Leadec's activities under 7.3 "Installation, maintenance, and repair of energy efficiency equipment" and 3.6 "Manufacture of technologies aimed at substantial GHG emissions reductions in other sectors of the economy" within the framework of the EU Taxonomy account for a large share of over 45% of the total eligible sales.

These services, together with services under 2.3 and 5.1 account for nearly 90% of the total eligible sales. The circular-economy activities 2.3 and 5.1 are covered under the E5 downstream opportunity identified in our DMA (see [page 99 onward](#), in chapter [E5]). For further information on Leadec's approach to the EU Taxonomy, please see [page 64](#) (chapter "Reporting in accordance with the EU Taxonomy").

Leadec's gross Scope 1, Scope 2, and Scope 3 GHG emissions

Leadec reports its gross greenhouse gas emissions in accordance with the GHG Protocol Corporate Accounting and Reporting Standard and the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard, taking into account the applicable ESRS requirements. The inventory covers Scope 1, Scope 2, and significant Scope 3 emissions from Leadec's own operations and value chain. Scope 2 emissions are reported using both location- and market-based methods.

Leadec screened the 15 Scope 3 categories defined by the GHG Protocol Corporate Value Chain Accounting and Reporting Standard. Scope 3 upstream categories 1, 2, 3, 4, 5, 6, 7, and downstream category 12 were identified as significant and are disclosed below. Category 12 was included for the first time in 2025, and 2024 emissions were recalculated using the same methodology to support comparability and SBTi target setting. As a result, 2024 emissions in this section may differ from those published in [Leadec's Sustainability Report 2024](#).

The following table provides a comprehensive overview of Leadec's GHG emissions:

Greenhouse gas emissions

	2025		2024 ¹⁾		Δ 2025 vs. 2024 ²⁾
	tCO ₂ eq	Share ³⁾	tCO ₂ eq	Share ³⁾	
Scope 1 GHG emissions					
Gross Scope 1 GHG emissions ⁴⁾	11,042	6.6%	10,655	5.6%	3.6%
Scope 2 GHG emissions					
Location-based	2,091	1.2%	2,348	1.2%	-11.0%
Market-based	3,229	1.9%	3,755	2.0%	-14.0%
Significant Scope 3 GHG emissions					
Total gross indirect GHG emissions	154,031	91.5%	174,280	92.4%	-11.6%
C1: Purchased goods and services ⁵⁾	98,269	58.4%	111,685	59.2%	-12.0%
C2: Capital goods	2,390	1.4%	2,144	1.1%	11.5%
C3: Fuel- and energy-related activities	2,970	1.8%	3,168	1.7%	-6.3%
C4: Upstream transportation and distribution	1,446	0.9%	2,645	1.4%	-45.3%
C5: Waste generated in operations	211	0.1%	260	0.1%	-18.9%
C6: Business travel	3,825	2.3%	3,847	2.0%	-0.6%
C7: Employee commuting	26,130	15.5%	25,899	13.7%	0.9%
C12: End-of-life treatment of sold products	18,791	11.2%	24,632	13.1%	-23.7%
Total GHG emissions					
Location-based	167,164	100.0%	187,283	100.0%	-10.7%
Market-based	168,301	100.0%	188,690	100.0%	-10.8%

¹⁾ 2024 is the base year for Leadec's science-based targets.

²⁾ Change in absolute GHG emissions.

³⁾ Share of total market-based GHG emissions; except for rows clearly stated as location-based.

⁴⁾ There are no emissions coming from the EU Emissions Trading System (EU ETS).

⁵⁾ This category includes emissions from cloud data storage (12.4 tCO₂eq in 2025 and 14.4 tCO₂eq in 2024).

In 2025, total market-based GHG emissions amounted to 168,301 tCO₂eq, an 11% decrease compared to the recalculated 2024 emissions. This highlights Leadec's ongoing efforts to manage and reduce its carbon footprint. The overall decrease was mainly driven by lower Scope 3 emissions, while Scope 1 emissions increased slightly due to higher fuel and refrigerant consumption.

Scope 1—In 2025, the gross Scope 1 GHG emissions from Leadec's facilities and vehicles increased by 4% compared to 2024, mainly linked to improved reporting of refrigerants, business growth, fleet fuel consumption, and improved data quality for forklifts and other machinery. Leadec does not generate direct biogenic CO₂ emissions from the combustion or biodegradation of biomass.

Scope 2—The 14% decrease in market-based Scope 2 emissions reflects Leadec's continued procurement of renewable electricity and improved transparency in heating, steam, cooling, and electricity data. Electricity consumption increased by 5.2% compared with 2024,

while the market-based emissions profile improved due to the electricity mix and contractual instruments¹. For further information on energy consumption and mix, see [page 92 onward](#) in this chapter.

Scope 3—The significant Scope 3 GHG emissions decreased by 12% compared to 2024 despite a business growth (based on net revenue) of over 3%. The reduction was spread across most categories and reflects a combination of continued data-quality improvements, changes in the site portfolio, including business hub and site closures across Austria, China, and Latin America, and lower procurement volumes. The only increases were in capital goods and employee commuting, both driven primarily by the acquisition in Spain, through additional machinery and equipment and higher headcount, respectively.

Leadec measures GHG emissions intensity in metric tons of CO₂ equivalents per unit of net revenue (€ million/USD million), contextualizing the emissions in relation to its economic output.

¹ Market instruments were used in Germany for a share of its electricity consumption, based on green energy certificates that meet the GHG Protocol Scope 2 quality criteria.

External validation of CCF



GHG emissions intensity¹⁾

	2025		2024		Δ 2025 vs. 2024 ²⁾
	tCO ₂ eq/ € million	Share ³⁾	tCO ₂ eq/ € million	Share ³⁾	
Scope 1	8.2	6.6%	8.1	5.6%	0.5%
Scope 2 location-based	1.5	1.2%	1.8	1.2%	-13.7%
Scope 2 market-based	2.4	1.9%	2.9	2.0%	-16.6%
Scope 3	113.7	91.5%	132.7	92.4%	-14.3%
Total Scope 1–3 location-based	123.4	100.0%	142.6	100.0%	-13.5%
Total Scope 1–3 market-based	124.2	100.0%	143.7	100.0%	-13.5%
	tCO ₂ eq/ USD million	Share ³⁾	tCO ₂ eq/ USD million	Share ³⁾	
Scope 1	6.9	6.6%	7.8	5.6%	-11.2%
Scope 2 location-based	1.3	1.2%	1.7	1.2%	-23.7%
Scope 2 market-based	2.0	1.9%	2.8	2.0%	-26.3%
Scope 3	96.8	91.5%	127.7	92.4%	-24.2%
Total Scope 1–3 location-based	105.0	100.0%	137.3	100.0%	-23.5%
Total Scope 1–3 market-based	105.7	100.0%	138.3	100.0%	-23.5%

¹⁾ Intensity expressed as GHG emissions relative to net revenue; net revenue 2025: €1,354.6 million/USD 1,591.6 million; 2024: €1,313.2 million/USD 1,364.3 million.

²⁾ Change in GHG emissions intensity.

³⁾ Share of total Scope 1–3 market-based GHG emissions intensity; except for rows clearly stated as location-based.

Scope 1 and 2 emissions by greenhouse gas

GHG type (tCO ₂ eq) ¹⁾	2025		2024	
	Scope 1	Scope 2 (market-based)	Scope 1	Scope 2 (market-based)
Carbon dioxide (CO ₂)	8,519	3,218	10,374	3,754
Methane (CH ₄)	12	7	15	1
Nitrous oxide (N ₂ O)	73	4	87	0
Hydrofluorocarbons (HFCs)	2,373	0	180	0
Perfluorocarbons (PFCs)	0	0	0	0
Sulfur hexafluoride (SF ₆)	0	0	0	0
Nitrogen trifluoride (NF ₃)	0	0	0	0
Other ²⁾	64	0	0	0
Total	11,042	3,229	10,655	3,755
Total Scope 1 + 2 (market-based)	14,270		14,410	

¹⁾ The global warming potentials (GWPs) used in the calculation of CO₂eq emissions of non-CO₂ gases are based on the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5) over a 100-year period so that the conversion factors are consistent with current national and international reporting requirements.

²⁾ Other: Montreal gases.

Accounting policies

Energy mix and consumption

Energy consumption considers all energy sources used, such as fuels used for different types of machinery, operations, and vehicle fleet; electricity from the grid and own generated electricity from solar panels; energy used for heating and cooling; as well as energy used for electric vehicles of own vehicle fleet.

Energy intensity is calculated considering the total energy consumption 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.

Greenhouse gas gross Scope 1, 2, 3, and total GHG emissions

Carbon dioxide equivalents (CO₂eq) 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 (CO₂), their impacts can be compared. Where tCO₂eq is used in this report, it equals a metric ton of carbon dioxide equivalents.

Scope 1—Direct GHG emissions 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) 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 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 significant categories for the Leotec Group's 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
- 3.12 End-of-life treatment of sold products

GHG intensity is calculated considering the total GHG generated for Scope 1, 2 (market- and location-based), and 3 in metric tons of CO₂ equivalents divided by the total fiscal year net revenue in € million and in USD million.

Resource Use and Circular Economy [E5]

Why it matters

The Leadec Group is 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 resource outflows related to waste offers a material downstream business opportunity for Leadec that we have been increasingly capitalizing on: Within our Green Factory Solutions (GFS) portfolio, Zero Waste Services, which aim to implement waste recycling practices, zero waste strategies, and

sustainable operations in our customers' factories, are some 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, Leadec has a robust waste management approach for its own operations in place, that we have chosen to voluntarily report on.

Material 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 56 onward](#) (section "Material impacts, risks, and opportunities and disclosure requirements included in the sustainability statement" in chapter [ESRS 2]) identified the following material downstream opportunity:

Sub-topic and description	Type	Value chain location	Time horizon ¹⁾	Policies and frameworks
Waste Leadec is well-positioned to play a significant role in, and benefit from, helping industries transition to more sustainable practices through its Green Factory Solutions portfolio. As a result, Leadec's related revenues are expected to further increase over time. Relevant services promote a circular economy and pay into the sub-topic of resource outflows related to waste.	Opportunity	Downstream	Short-, medium-, and long-term	• Leadec's "Becoming Leading Edge" strategy • Leadec's stakeholder engagement process • "Elevate Leading Edge" initiative • Circular economy principles • EU Circular Economy Action Plan • EU Waste Framework Directive • EU Taxonomy

¹⁾ Short-term = 1 year, medium-term = 1-5 years, long-term = over 5 years (as per ESRS 1.80).

Downstream opportunity: Resource outflows related to waste

Policies related to downstream opportunity related to waste

Leadec currently does not have a dedicated, stand-alone policy specifically addressing the identification and management of downstream opportunities. However, the consideration of downstream sustainability-related opportunities is embedded in Leadec's overarching strategy, business model, and stakeholder engagement processes. In particular, the Green Factory Solutions (GFS) portfolio was developed based on structured engagement with customers and reflects identified downstream demand for solutions supporting decarbonization, resource efficiency, and circular economy objectives. The Company integrates circular economy principles into its related services by embedding waste prevention, recovery, and continuous improvement mechanisms directly into the design and delivery of its waste management solutions. The pursuit of these opportunities is aligned with Leadec's "Becoming Leading Edge" strategy, notably the strategic pillars of expanding the service portfolio and providing digital and sustainable services across the entire factory life cycle. Building on this strategic foundation, the "Elevate Leading Edge" initiative was launched in 2022 and translated stakeholder and market insights into concrete measures, including the successful market

introduction of GFS (see ➡ page 43 onward, section "Strategy" in chapter [ESRS 2]). Through these offerings, Leadec addresses sustainability-related opportunities in its downstream value chain while strengthening its role as a long-term partner to our customers.

Actions related to downstream opportunity related to waste

The following activities are part of Leadec's Zero Waste Services offering to pursue the downstream opportunity. They are designed as ongoing operational measures to support customers in reducing waste-related resource outflows, improving circularity, and ensuring compliant and transparent waste and material management across their operations.

Waste management solutions cover the operational handling of hazardous and non-hazardous waste at customer facilities, as well as recycling center upgrades. Waste handling includes the collection, sorting, segregation, storage, transport, and coordination of compliant disposal and recycling. These services are delivered directly on our customers' sites through managed waste logistics. They support customers in meeting regulatory requirements while improving the efficiency and reliability of waste handling processes.

Actions

- Acting on the strategic pillars of expanding the service portfolio and providing digital and sustainable services across the entire factory life cycle
- Stakeholder engagement with customers identify needs that Leadec can fulfill (decarbonization and circular economy solutions)
- Leadec's "Elevate Leading Edge" initiative launched in 2022, translated stakeholder and market insights into concrete measures, including the successful market introduction of the "Green Factory Solutions" portfolio
- Implementation of circular economy principles into service portfolio
- Offering GFS aimed at a circular economy, e.g., Zero Waste Services:
 - Waste management solutions
 - Digital waste tracking
 - Waste data reporting
 - Battery life cycle services
- Further market positioning of GFS and service delivery to the customer

Expected outcomes include:

- ▶ Improved waste segregation quality and safe handling of waste streams
- ▶ Increased recycling and recovery rates and reduced landfilling
- ▶ Enhanced compliance with waste transport, disposal, and documentation requirements
- ▶ Reduced environmental and health risks from improper waste handling
- ▶ Direct contribution to waste minimization, recycling, and circular economy policy objectives

Digital waste tracking enables the systematic recording and management of waste transactions through centralized digital platforms. These tools provide real time visibility of waste movements, documentation status, and supplier information, integrating waste operations into structured, auditable workflows, and supporting consistent governance across customer sites.

Expected outcomes include:

- ▶ Increased transparency and traceability of customers' downstream waste flows
- ▶ Reduced administrative errors and compliance risks
- ▶ Improved audit readiness and governance of waste management processes
- ▶ Data-enabled identification of waste reduction and optimization opportunities
- ▶ Support for internal policies on compliance, transparency, and resource efficiency

Waste data reporting builds upon digital tracking by aggregating waste information into structured datasets that allow customers to understand waste quantities, streams, and treatment routes. The reporting supports performance monitoring, identification of reduction opportunities, as well as fulfillment of sustainability and regulatory reporting requirements.

Expected outcomes include:

- ▶ Greater visibility of waste-related resource outflows
- ▶ Improved decision-making based on reliable and structured waste data
- ▶ Identification of inefficiencies and targeted waste reduction measures
- ▶ Enhanced support for broader regulatory reporting obligations
- ▶ Contribution to policy objectives related to responsible waste management and transparency

Battery life cycle services focus on extending the useful life of lithium-ion batteries and reducing battery related waste through repair for re-use, preparation for second life applications (e.g., as battery energy storage systems), and dismantling for recycling. These activities enable customers to avoid premature disposal, support the recovery of critical raw materials, and align battery management with circular economy and emerging regulatory expectations.

Expected outcomes include:

- ▶ Extended battery service life through repair and re-use
- ▶ Reduced battery waste generation and avoidance of premature disposal
- ▶ Increased recovery of critical raw materials such as lithium, cobalt, and nickel
- ▶ Lower environmental impacts associated with battery end of life
- ▶ Strong contribution to circular economy, waste reduction, and resource efficiency policy objectives

Collectively, the expected outcomes of our Zero Waste Services lower our customers' environmental footprint and support the objectives of the EU Waste Framework Directive and the EU Circular Economy Action Plan, while strengthening Leadec's downstream revenue opportunities linked to circular economy solutions. 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.

Targets related to downstream opportunity related to waste

In the reporting period, Leadec pursued its 2025 sustainability targets by strengthening customer relationships and providing services that meet its customers' needs. Specifically, Leadec targeted a customer retention rate of more than 90% (2025: 96.2%) and an increase in the share of decarbonization and circular economy services (Green Factory Solutions) of total output (2025: 10.5%).

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 key player in this sector, attracting new customers, and expanding its market share. Building on this progress and reflecting a strategic consolidation of priorities, the newly developed 2030 targets are outlined in the table below.

	2030 sustainability target	2025
Customer focus	We want to strengthen customer relationships and provide services that meet our customers' needs.	
	Retain customers >90% customer retention rate	96.2%
	Increase share of EU Taxonomy-eligible economic activities >10% relative to total output ¹⁾	10.5%
	Increase share of EU Taxonomy-aligned economic activities >5% relative to total output ¹⁾	1.6%

¹⁾ Total output encompasses sales plus changes in inventories and other own work capitalized; total output 2025: €1,351.5 million.

Metrics related to downstream opportunity related to waste

Leadec's sales related to sustainable services as listed in the EU Taxonomy ("eligible activities") were around the 140-million-euros mark in fiscal year 2025. Leadec's activities under 2.3 "Collection and transport of non-hazardous and hazardous waste" and 5.1 "Repair, refurbishment, and remanufacturing" within the framework of the EU Taxonomy account for a large share of over 40% of the total eligible sales.

These services alongside services under 7.3 and 3.6 account in sum for nearly 90% of the total eligible sales. The decarbonization activities 7.3 and 3.6 are

covered under the E1 downstream opportunity identified in our DMA (see [page 99 onward](#), in chapter [E1]). For further information on Leadec's approach to the EU Taxonomy, please see [page 64](#) (chapter "Reporting in Accordance with the EU Taxonomy").

Voluntary reporting on resource outflows related to waste from Leadec's own operations

The sub-topic of resource outflows related to waste was not identified as material to our own business operations as part of the double materiality assessment, nevertheless Leadec has implemented robust policies and measures and tracks progress towards targets via various metrics, which are reported voluntarily in the sections below.

Policies related to waste from own operations

Employees are required to manage resources responsibly and to act respectfully and diligently in accordance with Leadec's [Code of Conduct](#).

Leadec's global policies apply to all employees and relevant legal entities within the Leadec Group, including those subject to U.S. law, where approved by the Board of Directors. Supplementing subject-specific policies apply globally and to the extent that the covered topic is applicable to a given site or stakeholder group, while more stringent local regulations take precedence.

Leadec's environmental protection commitments in its own operations and by our own employees are primarily governed by the global environmental policy (see [page 80 onward](#), section "Policies related to climate change mitigation" in chapter [E1]).

The global waste management policy supplements this policy and defines a clear and structured approach to waste management based on the waste hierarchy. Waste minimization is the primary objective, followed by re-use, recycling, and recovery, and landfill disposal as the last resort, aiming for zero waste to landfill (defined as less than 1% of total waste). The policy explicitly excludes mandated, canteen, and sanitary waste from this ambition level due to regulatory and practical constraints. It requires the implementation of a comprehensive waste management program at each

site where applicable to local operations, including the maintenance of a site-specific waste inventory covering all waste types generated. To ensure transparency and continuous improvement at relevant sites, monthly waste reporting with trend monitoring, the definition and tracking of SMART (specific, measurable, achievable, realistic, time-bound) improvement goals, and regular performance reviews are conducted. The policy is explicitly aligned with the circular economy framework and references its three core principles—eliminating waste and pollution, keeping products

and materials in use, and regenerating natural systems—embedding circular economy thinking into waste management practices across the organization. The scope of application is limited due to Leadec's business model and comparably low waste creation in its own operations. Instead, Leadec primarily contributes to the circular economy by providing Zero Waste Services for our customers. For further information on Leadec's Zero Waste Services as part of the Green Factory Solutions portfolio see [page 99](#)

[onward](#) (section "Downstream opportunity: Resource outflows related to waste" in this chapter).

This policy is complemented by our environmental risk policy, which, amongst other things, covers the topic of hazardous waste under the Basel Convention. For more information on the environmental risk policy please see [page 171](#) (section "Policies related to pollution" in chapter "Voluntary Reporting on Non-Material Topics").

Expectations for value chain stakeholders are defined in the Business Partner Code of Conduct and the value chain workforce management policy (see [page 144](#), section "Policies related to workers in the value chain" in chapter [S2]).

Leadec applies global waste management policies aligned with the waste hierarchy and circular economy principles, prioritizing waste minimization, transparency, and continuous improvement across its own operations.

Actions related to waste from own operations

Leadec's waste management policy provides a structured waste disposal hierarchy for relevant sites, reflecting established waste management principles that prioritize waste avoidance and minimization at source, followed by re-use, recycling, or composting, and recovery. Incineration without energy recovery and landfill disposal are used only as a last resort if possible. This hierarchy is embedded in operational procedures and applied on an ongoing basis, including in contractually influenced upstream activities wherever relevant to Leadec's own operations.

Within this framework, and due to Leadec's service-oriented business model, waste generation from own operations is inherently limited. Consequently, Leadec's key actions focus primarily on preventing waste and minimizing waste generation rather than on downstream treatment measures. The application of the hierarchy aims to support reduced waste generation and disposal ratios, increased diversion from landfill, strengthened regulatory compliance, and improved resource efficiency and environmental protection.

The following key actions were defined and classified according to the mitigation hierarchy used to manage environmental impact (avoid, minimize, restore, compensate). They apply to sites to the extent relevant to local operations.

Integration of circular economy practices and extension of product and asset lifespans (avoid, minimize)

- ▶ Circular economy principles are integrated across relevant operations through application of Leadec's waste hierarchy, designing out waste and pollution, keeping materials in use, and supporting regeneration, complemented by extending product and asset lifespans via maintenance, repair, refurbishment, remanufacturing, re-use, and the exploration of alternative models such as leasing or product service systems.
- ▶ These approaches reduce resource consumption and waste generation, lower demand for new materials across the life cycle, increase recycling and recovery, and strengthen overall resource efficiency and alignment with circular economy objectives.

Comprehensive waste management and continuous improvement (minimize)

- ▶ Sites with relevant operations, establish and maintain a structured waste management program defining roles, procedures, controls, documentation, and reporting requirements, complemented by a waste management improvement plan covering performance assessments, SMART targets, action planning, monitoring, employee engagement, use of technology, communication, and periodic review.
- ▶ Together, these measures ensure consistent and compliant waste management practices at relevant sites, improve transparency and governance, enable measurable reductions in waste generation and disposal, strengthen employee engagement, and support structured continuous improvement.

Waste inventory management and incident reporting (minimize)

- ▶ Each relevant site maintains a comprehensive, continuously updated waste inventory covering all waste streams, classifications, quantities, sources, and business criticality, while all waste-related environmental incidents are reported and tracked through the Group's HSE reporting system for own operations.
- ▶ This approach improves visibility of waste flows, enables targeted reduction actions, supports regulatory compliance and data-driven decisions, and enhances transparency, root cause analysis, preventive action, and ongoing improvement of waste management performance.

Effective waste collection, segregation, and handling practices (minimize)

- ▶ Relevant sites implement safe and effective waste collection, storage, segregation, and transportation practices supported by appropriate infrastructure, clear collection points, defined transport routes, labeling, color coding, and employee training.
- ▶ These practices reduce incident and contamination risks, improve segregation quality, increase recycling and recovery rates, enhance cost efficiency, and support improved health, safety, and overall waste management performance.

Lastly, the Company operates ISO 14001 certified environmental management systems as well as ISO 9001 certified quality management systems at relevant own operational sites. They provide a structured framework for the identification, control, monitoring, and continuous improvement of environmental impacts. ISO 14001 focuses on the systematic management of emissions, resource use, waste, and pollution prevention, while ISO 9001 strengthens process standardization, documentation, internal controls, and corrective actions that support consistent implementation of environmental procedures across operations.

Targets related to waste from own operations

In the reporting period, Leadec pursued its 2025 sustainability targets concerning resource efficiency by focusing on significantly reducing waste across operations. Specifically, we committed to reducing waste to landfill relative to total output by 75% compared to the base year 2019 (2025: -69.0%), to reducing total waste by 15% (2025: -31.0%), and to reducing hazardous waste by 15% (2025: -77.0%) by 2025. Building on this progress and reflecting a strategic consolidation of priorities, the newly developed 2030 targets are outlined in the table below.

	2030 sustainability target	2025
Recycling	We aim to increase our recycling rate and circularity.	
	Increase share of waste recycled >75% of total waste recycled	73.4%
Certifications and credentials	We want to obtain ESG-related certifications and credentials.	
	Certify environmental management systems¹⁾ >80% certified according to ISO 14001	80.3%

¹⁾ ISO certifications share is calculated based on the number of own operational sites where Leadec is financially and operationally in control.

Additional waste-related considerations are not captured as stand-alone targets in the 2030 framework but are embedded in Leadec's Science Based Targets (SBTs), ensuring that waste reduction, resource efficiency, and circularity continue to be addressed holistically as part of our long-term climate and sustainability strategy. For more information, please see [page 70](#) (section "Leadec's transition plan for climate change mitigation" in chapter [E1]).

Metrics related to waste from own operations

Leadec's waste streams comprise both hazardous and non-hazardous fractions, categorized in line with common classifications such as the European List of Waste (Commission Decision 2000/532/EC). Hazardous waste primarily includes solid materials contaminated with chemicals or oils—such as cleaning rags and absorbents—where the classification may vary depending on local regulatory requirements; these streams mainly contain mixed materials including textiles and residues of chemicals or mineral oils. Non-hazardous waste streams consist predominantly of plastic waste (mainly containers; key material: plastics), cardboard and paper (primarily packaging materials; key material: biomass-based fibers), metals (mainly scrap; key material: metals), glass (key

material: glass/mineral), textiles (key material: textile fibers), electronic devices (key materials: metals, plastics, and critical raw materials), wood waste (mainly packaging such as pallets; key material: biomass), municipal waste (mainly office waste; mixed materials including plastics, paper, and organics), and construction and demolition waste (key materials: non-metallic minerals such as concrete and bricks, as well as metals).

Leadec's waste management policy establishes a system for accurately documenting waste. This data is collected from all Leadec legal entities once per fiscal year. The following table presents a breakdown of Leadec's waste generated in its own operations stated in metric tons (t).

	2025		2024		2023	
	Weight (t)	Share	Weight (t)	Share	Weight (t)	Share
Waste diverted from disposal¹⁾—total amount	2,003	73.4%	3,290	65.3%	3,425	67.0%
Hazardous waste	16	0.6%	0	0.0%	0	0.0%
Non-hazardous waste	1,987	72.8%	3,290	65.3%	3,425	67.0%
Waste directed to disposal—total amount	725	26.6%	1,746	34.7%	1,688	33.0%
Hazardous waste	218	8.0%	38	0.8%	8	0.1%
Non-hazardous waste	507	18.6%	1,708	33.9%	1,680	32.9%
Incineration	51	1.9%	1,244	24.7%	1,324	25.9%
Hazardous waste	4	0.1%	0	0.0%	0	0.0%
Non-hazardous waste	47	1.7%	1,243	24.7%	1,324	25.9%
Landfill	460	16.9%	503	10.0%	364	7.1%
Hazardous waste	1	0.0%	38	0.7%	8	0.1%
Non-hazardous waste	459	16.8%	465	9.2%	356	7.0%
Other disposal operations ²⁾	213	7.8%	0	0.0%	0	0.0%
Total amount of waste generated	2,728	100.0%	5,036	100.0%	5,113	100.0%

¹⁾ Waste was diverted from disposal through recycling; none was prepared for re-use or diverted through other recovery options.

²⁾ Hazardous waste; sent to an unknown final destination.

In 2024, Leadec generated less than 0.1 tons of radioactive waste through a project. In 2025, no radioactive waste was reported to the Group.

Social Information



“Our success starts with the safety and well-being of our people. Improving safety reflects a strong culture of responsibility. We extend this across our value chain—because sustainable performance requires putting people first.”

Markus Glaser-Gallion, CEO Leadec Group

People are at the heart of everything we do. In 2025, Leadec further improved its safety performance, achieving a lost time injury frequency rate (LTIFR) of 0.7 for continued business, reflecting a sustained improvement in occupational health and safety across operations. This result underscores our deeply embedded safety culture and the commitment of our more than 22,700 employees worldwide.

A strong safety culture is supported by dedicated expertise. Across the Leadec Group, around 200 dedicated safety specialists and around 400 assigned safety experts play a key role in implementing preventive measures, conducting training, and continuously improving safety standards in close collaboration with operational teams. Their work is central to maintaining safe, inclusive, and accountable working environments across all sites.

Leadec also takes responsibility for social and environmental standards along its value chain. In recognition of our efforts, Leadec achieved a “B–” rating in the CDP Supplier Engagement Assessment, reflecting our structured efforts to engage suppliers on climate-related topics and responsible business practices.

At Leadec, social responsibility means safeguarding people, strengthening accountability, and promoting responsible conduct—both within our operations and throughout our supply chain.



0.7

LTIFR per one million hours
worked for continued business

~ 200

dedicated
safety specialists

B-

score in CDP Supplier
Engagement Assessment

Own Workforce [S1]

Why it matters

Leadec's own workforce is a key stakeholder group and a fundamental pillar of the Company's business model. As a global service provider, the quality, reliability, and safety of services depend directly on the skills, experience, and engagement of its employees operating across diverse and often complex industrial environments. In this context, Leadec's activities are closely linked to its responsibility to ensure safe working conditions, fair treatment, and respect for human rights. The operational nature of the business,

including physically demanding work and site-based service delivery, requires robust management of workforce-related aspects to prevent negative impacts on employees and to ensure compliance with applicable legal and international standards.

At the same time, Leadec's workforce is a central contributor to sustainable value creation. By attracting, developing, and retaining qualified employees, the Company strengthens its operational resilience and

Sub-topic and description	Type	Value chain location	Time horizon ¹⁾
Secure employment			
Regardless of location, the Leadec Group's employees are offered long-term/unrestricted employment opportunities wherever possible. The Company's offerings and service lines provide additional access to the labor market for unskilled workers.	Positive impact (actual)	Own operations	Short-term
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
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 employees 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

¹⁾ Short-term = 1 year, medium-term = 1–5 years, long-term = over 5 years (as per ESRS 1.80).

its ability to support customers in a transforming industrial landscape. Targeted investments in training, skills development, and inclusive workplace practices enhance employee capabilities, foster innovation, and support long-term employability. Overall, responsible

workforce management contributes to both the protection of employees and the Company's long-term performance by promoting a safe, inclusive, and supportive working environment and reinforcing Leadec's position as a reliable and responsible employer.

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 "Description of the process

to identify and assess material impacts, risks, and opportunities, and material information to be reported" in chapter [ESRS 2]) identified the following material impacts, which refer to five different sub-topics:

Policies and frameworks	Actions
- Human resources (HR) principles policy - Code of Conduct (CoC) - Policy Statement on Human and Environmental Rights - Diversity and inclusion policy	- Long-term employment and workforce stability model - Internal mobility and redeployment across projects and locations - Reskilling and retraining initiatives - Provision of pension schemes and locally adapted benefits - Retention and employer attractiveness programs ("Recruit, Retain, Develop")
- Human resources (HR) principles policy - Code of Conduct (CoC) - Compliance with national working time regulations - Reference to international standards (e.g., ILO benchmarks where applicable)	- Local HR responsibility for designing compliant working time systems - Application of ILO-based fallback standards (48 h/week, 24 h rest) - Implementation of country-specific shift systems - Working time monitoring and compliance systems (e.g., tracking of actual vs. planned working hours) - Corrective actions in case of deviations - Flexible working arrangements (e.g., part-time, mobile working where feasible)
- Human resources (HR) principles policy - Code of Conduct (CoC) - Compliance with minimum wage legislation and collective agreements - Alignment with national benchmarks for adequate/living wages - Global job architecture/remuneration framework (Mercer-based job structure)	- Payment of salaries in a timely and transparent manner - Structured salary review cycles (e.g., annual review process) - Regular review of wage competitiveness - Provision of additional benefits (e.g., pensions, local benefits) - Use of standardized compensation comparison tools (job architecture) - Adequate wage monitoring and regular pay equity analyses (per country and legal entity)

Sub-topic and description	Type	Value chain location	Time horizon ¹⁾
Collective bargaining			
Leadec is committed to respecting employees' rights to freedom of association and collective bargaining in accordance with applicable laws and international standards. However, as the Company operates across multiple countries with differing legal frameworks, the level of collective representation and bargaining coverage varies. Where effective representation or dialogue mechanisms are limited, employees may have reduced ability to voice concerns, influence working conditions, or negotiate fair terms of employment. This can result in adverse impacts such as insufficient consideration of employee interests, reduced job satisfaction, or unmet needs regarding working conditions, wages, or workplace rights.	Negative impact (potential)	Own operations	Medium-term
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

¹⁾ Short-term = 1 year, medium-term = 1-5 years, long-term = over 5 years (as per ESRS 1.80).

Policies related to own workforce

Leadec's approach to managing its material impacts related to its own workforce is guided by a comprehensive set of global policies. These documents define binding principles and procedures to ensure responsible employment practices, safe and inclusive working conditions, and compliance with applicable legal and international standards. Together, they contribute to the prevention, mitigation, and remediation of material negative impacts, particularly in relation to working time, adequate wages, collective bargaining, and health and safety as well as to the management of the material positive impact of secure employment. The policies are designed to protect the interests of Leadec's own employees as the primary affected stakeholder group and are informed by internationally recognized frameworks such as the International Labour Organization's (ILO) core labor standards and the UN Global Compact.

During the reporting period, no relevant changes were made to Leadec's policies related to own workforce. All policies applying to Leadec's own employees are valid across all business units and legal entities worldwide, except for entities existing under the laws of the United States, where they apply only upon formal adoption by the respective Board of Directors. Leadec's global policies are part of the House of Governance (HoG), which is accessible through the Leadec intranet. Supplementary subject-specific global policies apply to the extent that the covered topic is applicable to a given site or department, while more stringent local regulations take precedence. Policies are made available either through the HoG or dedicated SharePoints, for example for the health, safety, and environment (HSE) community. Some overarching policies, e.g., the Policy Statement on Human and Environmental Rights (Policy Statement) and the Code of Conduct (CoC), are also publicly available on the [Leadec website](#).

Policies and frameworks

Actions

	- Human resources (HR) principles policy - Code of Conduct (CoC) - Commitment to ILO core conventions (freedom of association and collective bargaining) - Compliance with local legal frameworks on worker representation	- Enabling employee representation and collective bargaining structures - Engagement with workers' representatives where applicable - Support for alternative representation mechanisms where legislation is limited - Structured dialogue formats and continuous feedback culture
	- Occupational health and safety (H&S) policy - Code of Conduct (CoC) - Human resources (HR) principles policy - Alignment with ISO 45001 standards - Global HSE policies and operational safety standards	"Safety—It's Your Life!" global campaign - Comprehensive global safety management system - Digital HSE system (HSE suite) - Risk assessments, safety inspections, and incident reporting - Provision and continuous improvement of personal protective equipment - Safety walks and continuous monitoring of KPIs - Safety training (e.g., first aid, evacuation drills, task-specific training) - Regular HSE audits and site maturity assessments - Employee involvement via safety committees and reporting channels

Leadec is committed to respecting and promoting human rights across its own operations and throughout its value chain. This commitment is anchored in an integrated policy framework consisting of the Policy Statement, the Code of Conduct, and the human resources principles, which together define the Company's approach to managing human rights topics.

🌐 **Leadec's Policy Statement** constitutes the central policy governing the management of human and environmental rights as well as related material impacts, risks, and opportunities identified by the Group's double materiality assessment. It defines the Company's overarching objective to respect human rights and environmental standards across its own operations globally and throughout its upstream and downstream value chain. The policy covers all relevant stakeholder groups, including Leadec's own employees as well as workers in the supply chain, specifically suppliers and subcontractors, and affected communities including indigenous peoples, and integrates the interests of potentially affected parties into its

risk-based due diligence approach. It explicitly refers to internationally recognized standards such as the UN Global Compact and is aligned with broader human rights frameworks. The policy establishes a structured due diligence system comprising risk identification, prioritization, preventive and corrective measures, and remediation processes. It is communicated internally and externally, supported by governance structures such as the Human Rights and Supply Chain Committee, and implemented through training, policies, operational procedures, and reporting mechanisms, including a grievance system, the Leadec Integrity Line, accessible to internal and external stakeholders.

🌐 **The Code of Conduct** translates Leadec's human rights and environmental commitments into binding behavioral standards applicable to all employees worldwide and forms a core element of the Company's compliance and risk management system. It defines minimum requirements for lawful, ethical, and responsible conduct in daily business activities, including respect for human rights, fair working conditions, and

integrity in business relationships. The CoC is communicated through onboarding, internal communication channels, Leadec's website, and training measures. It explicitly addresses key labor and human rights topics such as the prohibition of forced labor, child labor, and human trafficking, non-discrimination, fair working conditions and remuneration, occupational health and safety, freedom of association, and the right to collective bargaining. It also establishes mechanisms for implementation and enforcement, including a compliance organization, reporting channels, and protection against retaliation, thereby supporting the prevention, detection, and remediation of potential adverse impacts. The Code of Conduct is aligned with internationally recognized standards, in particular the ILO core labor standards, and reflects broader principles

of internationally accepted frameworks such as the UN Global Compact. The interests of affected stakeholders, particularly Leadec's own employees, are considered through the definition of binding labor and human rights standards and accessible grievance mechanisms.

Leadec's human rights commitments also extend to workers in the value chain and affected communities. Expectations for business partners, specifically suppliers and subcontractors, include compliance with human rights and environmental standards and relevant due diligence measures. These are defined in the Business Partner Code of Conduct which is published on [Leadec's website](#).

The human resources (HR) principles policy was published in early 2025 and operationalizes Leadec's human rights commitment with a specific focus on its own workforce. It defines the key principles guiding human resources processes and ensures that human rights considerations are systematically embedded in

all stages of the employee life cycle. The policy covers the entire workforce and does not exclude specific employee groups. It addresses important workforce-related topics, including the prohibition of child labor, forced labor, human trafficking and all forms of modern slavery, and establishes standards for diversity and inclusion, non-discrimination, working conditions, working time, freedom of association, right to collec-

tive bargaining, occupational health and safety, and fair remuneration. The policy explicitly references international frameworks such as the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. Implementation is supported

through globally standardized HR processes, mandatory training, defined responsibilities across management and HR functions, and monitoring mechanisms, including HR controlling and employee feedback tools. In addition, it provides for remediation through a structured compliance system, a whistleblower mechanism alongside other channels for reporting grievances, thereby supporting the prevention, mitigation, and remediation of workforce-related impacts.

The diversity and inclusion policy promotes equal opportunity, non-discrimination, and an inclusive workplace culture, contributing to the prevention of discrimination, harassment, and inequity while fostering secure and fair employment. In particular, Leadec does 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. Leadec supports mitigation and remediation through formal complaint

Leadec operationalizes human rights through its Business Partner and Employee Code of Conduct, as well as its HR principles, establishing clear standards, global processes, and accessible grievance mechanisms to safeguard employees, value chain workers, and affected stakeholders.

and grievance mechanisms, as well as global and local inclusion initiatives. The policy is based on defined concepts of diversity and inclusion, referring to an environment where all employees feel valued and can contribute to their full potential. It is guided by principles approved by the global Board of Management emphasizing equal treatment across all HR processes, including inclusive recruitment and hiring, promotion, training, and pay, as well as balanced representation across all organizational levels. The policy addresses material impacts such as secure employment, equal pay, and fair treatment, and is aligned with collective bargaining where applicable. Governance and accountability are clearly defined across the Board of Management (BoM), Diversity & Inclusion Committee, management, HR functions, and employees, who are all expected to contribute to a respectful and inclusive workplace. The policy includes structured KPI-based monitoring and reporting to ensure transparency and continuous improvement. It also ensures compliance with applicable local laws and extends to the value chain by promoting diversity and inclusion in the supplier base through Leadec's Business Partner Code of Conduct. Its overall objective is to create an inclusive work environment that values diversity and ensures equal opportunities for all employees globally, taking into account stakeholder interests through feedback, engagement, and reporting mechanisms.

115

nationalities work at Leadec

The Leadec bonus policy sets out a global framework to manage employee performance incentives by aligning variable compensation with financial, strategic, and safety objectives. It defines transparent and measurable bonus schemes based on KPIs such as normalized EBITA, operating cash flow, strategic targets, and safety indicators, thereby promoting performance, accountability, and safe working conditions. The policy applies across all business units and employee groups (e.g.,

management, site managers, and sales functions) and covers Leadec's own operations globally. It is based on standardized annual processes and payout mechanisms, while allowing limited local adaptations, and is regularly updated to reflect organizational and strategic changes. The policy does not explicitly refer to formal external frameworks but is designed in line with general principles of fairness, transparency, and responsible remuneration practices. The interests of employees as key stakeholders are considered in the design of the policy through transparent, performance-based remuneration structures, and the inclusion of safety-related KPIs that incentivize safe working conditions. For more information on sustainability-related considerations in Leadec's incentive scheme, please see [page 39 onward](#) in chapter [ESRS 2].

Furthermore, the training policy outlines Leadec's approach to employee development, including mandatory and role-specific training programs, particularly in areas such as compliance and occupational health and safety. It contributes to the prevention of negative impacts by raising awareness and building competencies, and to mitigation by ensuring employees are equipped to perform their tasks safely and responsibly. The general objective is to ensure a qualified workforce and compliance with internal and external requirements. The policy applies globally to all employees, with limited extension to external stakeholders. Stakeholder consideration is generally indirect, focusing on employee capability development rather than formal consultation.

The occupational health and safety (H&S) policy establishes requirements for ensuring safe working environments through risk assessments, prevention measures, incident management, and continuous improvement processes. It plays a central role in the prevention of negative impacts related to health and safety and further contributes to mitigation and remediation through incident response and corrective action mechanisms. Its general objective is to achieve safe and healthy working conditions, aligned with a zero-incident ambition. The policy applies to all Leadec employees and directly addresses the material impact of health and safety and indirectly supports improved working conditions. The policy is aligned with

recognized international standards such as ISO 45001 for occupational health and safety management systems and incorporates applicable legal and regulatory HSE requirements across operating regions. The interests of affected stakeholders, in particular employees and subcontractors, are considered in the design and implementation of the policy through worker participation, involvement of employee representatives, safety committees, and feedback mechanisms, as well as structured communication channels that enable reporting of hazards, near misses, and incidents among other topics.

Leadec complements its overarching safety policy with a comprehensive set of operational and governance policies that ensure responsible, safe, and sustainable business practices across all activities. These include detailed standard operating procedures for the safe main-

tenance and operation of technical equipment such as lifts, elevators, and boilers, alongside policies on health protection and personal protective equipment and lock-out/tag-out procedures. Structured emergency preparedness and pandemic management processes, as well as fire safety policies, aim to ensure resilience in crisis situations. These processes supplement Leadec's emergency response program (see [page 162](#) in chapter [G1]). In addition, specific guidelines govern logistics operations aiming to support operational continuity and risk prevention across sites. Environmental stewardship is further operationalized through the

We consistently strive to increase the share of our own operational sites covered by ISO 45001 certifications for occupational health and safety management systems; in 2025, we achieved a coverage of 76.9%.

global environmental policy (see [page 80](#), section "Policies related to climate change mitigation" in chapter [E1]) and supplementary subject-specific policies on waste (see [page 102](#), section "Policies related to waste from own operations" in chapter [E5]), water (see [page 174](#), section "Policies related to water" in chapter "Voluntary Reporting on Non-Material Topics"), and effluent management as well as environmental risk assessments (see [page 171](#), section "Policies related to

pollution" in chapter "Voluntary Reporting on Non-Material Topics"), promoting the responsible use of re-

sources and mitigation of operational impacts.

These frameworks are supported by standardized HSE performance metrics and reporting requirements which drive transparency, accountability, and consistent implementation of safety and sustainability practices across the organization. The Company also addresses supply chain

responsibility through its conflict minerals policy and value chain workforce management policy (see [page 144](#), section "Policies related to workers in the value chain" in chapter [S2]), reinforcing ethical sourcing and safe working conditions.

Engagement with own workforce and workers' representatives, existence of channels to raise concerns or needs, and approaches to remedy

Leadec is committed to actively engaging with its own workforce and ensuring that employees' perspectives are systematically considered in decision-making processes related to working conditions, safety, well-being, and human rights. Engagement is embedded in the Company's governance and HR processes and takes place through a combination of global structured dialogue formats, recurring employee surveys, and continuous feedback mechanisms.

The core of Leadec's feedback culture is the Performance & Development Dialogue (PDD), a global annual cycle comprising an employee review, development dialogue, and leadership review. These instruments of talent and performance management are applied to all employees worldwide. The PDD represents a structured exchange between employee and manager, serving as a key moment for mutual feedback and providing the framework for a comprehensive discussion on the working relationship, individual performance, goals, and development. By institutionalizing regular dialogue, Leadec ensures continuous engagement and a shared understanding of expectations and growth opportunities. The annual PDD is complemented by employee life-cycle-based HR feedback instruments, including onboarding and exit surveys. This combination enables the Company to understand employee experiences across all stages of employment.

To gain comprehensive insights into employee perspectives, Leadec conducts a global employee survey. 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, it measures the Employee Net Promoter Score (eNPS) and aspects of psychological safety. eNPS indicates the extent to which employees find the Leadec Group an attractive employer and would recommend it to others. The 2024 survey had a 78.8% participation rate and resulted in an eNPS of 18

(on a scale from -100 to +100). Leadec's 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 survey is intended to be repeated on a regular basis in order to track developments over time, assess the effectiveness of implemented measures, and continuously improve employee experience. However, as the current focus is on analyzing the results and implementing follow-up measures, no fixed timeline has been defined yet.

18

Employee Net Promoter Score
(on a scale from -100 to +100)

Survey results are systematically analyzed at global and local levels and translated into targeted improvement measures. Resulting actions are structured into global and business-unit-specific action plans, ensuring a consistent yet locally adaptable approach. At a global level, three key action fields were defined based on survey insights.

Within the action field "Inspire for Leadec's vision and future," four core initiatives were launched to strengthen transparency and alignment with the Company's strategy, including enhanced internal communication formats such as CEO-led messaging and strategy presentations. Approximately 75% of these actions have been implemented, with full completion by Q1 2026. Supporting measures included around 60 internal communication articles across key strategic areas and strong engagement with digital formats such as the "Elevator Pitch."

The action field “Optimize work processes and cross-Company collaboration” focused on improving operational efficiency and collaboration. All four defined actions were fully implemented between Q4 2024 and Q2 2025. Measures included the documentation and increased transparency of over 400 applications across the Company, improvements in training accessibility, and significant process optimizations. These resulted in measurable efficiency gains, such as a reduction in process cycle times by up to 60% and cost savings through streamlined procurement processes.

Within the action field “Strengthen feedback culture and development opportunities,” all planned initiatives were also fully implemented in 2025. These included the expansion of feedback formats, such as global feedback challenges with more than 400 participants, and the provision of 40+ targeted training offerings through the Leadec Campus to support feedback and development capabilities for employees and managers.

In addition to the global action fields, each business unit defined its own top priority areas based on specific survey results, with targeted measures implemented throughout 2025 under the responsibility of regional HR and local coordinators. This structured approach ensures that employee feedback is systematically translated into measurable actions with clear ownership, timelines, and impact tracking. It strengthens feedback culture, improves collaboration and processes, and enhances alignment with the Company’s strategy, thereby ensuring that employee input directly informs the management of actual and potential impacts on the workforce.

For further details on Leadec’s initiatives and outcomes, please refer to [page 22 onward](#) (“Employee Engagement and Development as Key to Success” under “Insights”).

In addition to survey-based engagement, Leadec fosters direct dialogue through quarterly town hall meetings, management briefings, and regular exchanges between employees and leadership. These formats promote transparency, enable two-way communication, and allow employees to raise concerns

and contribute to company developments. Therefore, engagement occurs in various forms—ranging from information and consultation to active participation—and at different intervals, including continuous feedback channels, regular dialogue formats, and periodic surveys.

Supplementing these global efforts on a local level, Leadec also considers, where relevant, the perspectives of potentially vulnerable or underrepresented groups, such as women or employees from diverse national backgrounds, as part of its broader diversity and inclusion efforts (for further information, please refer to [page 118 onward](#) “Global diversity and inclusion framework and initiatives” in the next section). Insights from these groups are incorporated into workforce-related initiatives and policies. Where applicable, engagement with workers’ representatives and collective bargaining agreements complements direct engagement with employees, ensuring that workforce perspectives—including those related to working conditions and fundamental rights—are reflected in decision-making processes and organizational practices. Leadec has not entered into Global Framework Agreements with workers’ representatives from its own workforce.

Overall, Leadec’s engagement approach ensures that employee perspectives are captured regularly and comprehensively, and that the resulting insights are translated into concrete actions at the appropriate company or geographical level, thereby contributing to the continuous improvement of working conditions and the effective management of workforce-related impacts.

Leadec’s employees can raise concerns or needs directly with their Leadec points of contact (e.g., HR representative, compliance manager), via phone, email, letter, fax, or through the Leadec Integrity Line, which functions as a grievance mechanism globally available to all internal and external stakeholders. For further information please see [page 156 onward](#) (section “Leadec’s whistleblower and grievance mechanism” in chapter [G1]).

Actions and resources related to own workforce

Leadec has established a comprehensive governance framework supported by structured stakeholder engagement processes across its global operations and dedicated committees. These include, among others, committees focusing on Human Rights & Supply Chain, Diversity & Inclusion, Health & Safety, and overall Sustainability, ensuring targeted oversight and expertise across key workforce topics (see ►page 36 onward, section “Governance” in chapter [ESRS 2]). Through integrated governance structures, due diligence, regular reporting to the Board of Management and the Advisory Committee, and the systematic embedding of sustainability considerations into decision-making and incentive systems, the Company ensures consistent management of impacts, risks, and opportunities. This approach supports alignment with policy objectives and drives continuous improvement across all workforce-related areas. The Company has implemented the following key actions globally across all business units and legal entities, unless stated otherwise, which are applicable to all employees of Leadec’s own workforce:

Labor and human rights due diligence (incl. upstream value chain)

- Leadec conducts regular labor and human rights due diligence across its own operations and all active first-tier suppliers, involving relevant functions such as purchasing, HR, legal, HSE, and sustainability. Risks are identified and prioritized by designated risk managers, while compliance officers aim to ensure adherence to the Group’s policy commitments. Operational responsibility lies with the respective legal entities, supported by internal global and

local policies, training, HSE audits, and monitoring tools. Oversight is provided by the Human Rights and Supply Chain Committee, which monitors compliance with legal requirements such as the Ger-

man Supply Chain Due Diligence Act (LkSG) and reports regularly, at least annually and on an ad hoc basis, to the Board of Management. Due diligence processes are continuously reviewed and adjusted to reflect evolving regulatory and business conditions, making this an ongoing activity. The Leadec Integrity Line serves as a global grievance mechanism to all employees and external stakeholders.

Leadec drives responsible workforce practices through a strategic set of coordinated actions, integrating due diligence, and continuous monitoring to proactively manage material topics, and advance sustainable and responsible operations across its global workforce.

- Through this approach, Leadec aims to ensure systematic identification, management, and mitigation of labor and human rights risks, supported by ongoing monitoring, internal HSE audits, and mandatory training on topics such as forced and child labor as part of Leadec’s compliance training for relevant employees. The provision of grievance mechanisms, including the Leadec Integrity Line accessible to employees and external stakeholders, ensures access to remediation and enables early detection of potential violations. Overall, this strengthens compliance, promotes responsible business conduct, and contributes to embedding a culture of integrity and respect for labor and human rights in line with the Group’s policy commitments.

For more information on Leadec’s supplier risk management processes for labor and human rights due diligence, please see ►page 159 onward (section “Management of relationships with suppliers” in chapter [G1]).

Long-term employment and workforce stability model

- ▶ Leadec promotes long-term and secure employment, for both skilled and unskilled workers. Leadec emphasizes the importance of safe and attractive working conditions due to physically demanding work, while operating in a highly competitive and dynamic service market with time-limited customer contracts. The Company aims to provide stable employment relationships wherever possible, supported by HR processes such as redeployment across projects and locations, or retraining when feasible. Additional measures include pension schemes, locally tailored employee benefits, and targeted efforts to enhance employer attractiveness and employee retention. “Recruit, Retain, Develop” is Leadec’s global HR focus topic with many divisional and regional programs. Retention and well-being are important parts of Leadec’s HR standards.
- ▶ This approach enhances job security, reduces workforce volatility, and supports access to employment, particularly for lower-skilled workers. By prioritizing internal mobility, reskilling, and socially responsible handling of redundancies, the Company offers positive employment impacts and strengthens workforce resilience. Overall, the initiatives contribute to Leadec’s policy objectives on providing decent, secure work, and supporting employee well-being.

As part of its transition to a low carbon and climate-resilient economy, Leadec manages climate-related transformation measures in close connection with its business strategy, operational footprint, and own workforce. Structural changes arising from the shift toward a greener, climate-neutral economy—such as changing customer demand, evolving production technologies, and site-level adjustments—are addressed through the Group’s strategy “Becoming Leading Edge,” including the development and expansion of Green Factory Solutions (see [▶page 43 onward](#), section “Strategy” in chapter [ESRS 2]). These strategic initiatives help secure long-term business relevance, safeguard future employment opportunities, and mitigate potential negative impacts on employees by enabling Leadec to remain a reliable, long-term partner to its customers during their sustainability transformation.

The approach to just transition is ongoing and embedded in global HR and business strategy, and aligned with long-term economic and environmental developments. Where climate-related transition effects lead to reduced demand for specific roles or the loss of customer contracts, the HR function assesses redeployment opportunities across projects, locations, or Leadec entities and, where feasible, arranges retraining and upskilling to support internal mobility. If employees are no longer required in their previous role, it conducts joint searches for socially acceptable terminations while applying applicable regulations. Complementary measures—such as company pension schemes, employee benefits, and initiatives to enhance employer attractiveness and retain skilled workers—support workforce stability. Through this integrated approach, Leadec mitigates just transition risks for its own workforce while maintaining employee turnover rates significantly below industry norms.

Global diversity and inclusion framework and initiatives

- ▶ Leadec implements a global diversity and inclusion framework across the entire employee life cycle, covering recruitment, talent development, leadership, culture, and HR controlling. The framework applies to all employees and management levels globally and is governed by the Board of Management, supported by the Diversity & Inclusion Committee, as well as the HR, sustainability, and communications functions. It includes defined diversity dimensions (gender, nationality, age), measurable targets such as 30% women in top management by 2030, and a comprehensive KPI and reporting system. Managers are responsible for embedding inclusive practices in daily operations, ensuring fair and inclusive recruitment and hiring, development, promotion, and providing reasonable accommodations for religious beliefs or disability. Employees are expected to contribute to a respectful workplace and participate in relevant training. The framework also extends to the supplier base through standards defined in the Business Partner Code of Conduct.
- ▶ The framework strengthens an inclusive corporate culture, improves equal opportunities, and increases diversity and representation across all levels.

Through systematic KPI monitoring, monthly reporting, and measures such as equal pay analyses, it enables evidence-based decision-making and continuous improvement. It reduces risks of discrimination and unequal treatment, enhances employee engagement, and supports compliance with legal and internal requirements. Overall, it directly contributes to the policy objectives of non-discrimination, prevention of harassment, equal opportunity, pay equity, fair working conditions, and fostering a diverse and inclusive workplace aligned with the Company's global strategy.

Global diversity and inclusion initiatives are complemented by local programs and initiatives that vary by country and are aligned with local laws and regulations. These can include parental leave, childcare support, return-to-work support, or other family benefits as well as employee assistance programs and other well-being offerings (e.g., physical and mental health, fitness, financial well-being, resilience programs).

Working time monitoring and compliance

- ▶ Leadec monitors and manages working time across its own operations according to local regulations, with particular relevance for roles involving shift and night work. Working time arrangements vary depending on tasks and locations but are governed by country-specific compliance systems ensuring adherence to national legal requirements regarding working hours, rest periods, vacation, and breaks. Where local regulations are not applicable, international standards such as ILO benchmarks are applied; a maximum of 48 hours per week and a break of at least 24 hours every seven days. The Company tracks actual versus planned working hours to identify deviations and take corrective action where needed. Local HR departments design and implement shift systems and flexible work arrangements, including part-time and mobile working models where feasible. This is an ongoing activity embedded in HR and operational processes.
- ▶ This approach promotes a healthy work-life balance, reduces risks related to excessive workloads, and ensures compliance with legal and international standards. It contributes to safeguarding employees' physical and mental well-being while

maintaining operational efficiency. Overall, it supports Leadec's policy objectives on fair working conditions, employee health, and responsible labor practices.

Adequate wage monitoring and fair pay framework

- ▶ Leadec aims to ensure the payment of adequate and fair wages by complying with all applicable minimum wage laws, sector-specific requirements, collective bargaining agreements and, where possible, aligns wages with national benchmarks for adequate living standards. Salaries and reimbursements are paid in a timely and transparent manner, with legal deductions strictly regulated. Regular benchmarking exercises assess wage competitiveness, particularly for white-collar employees, while recognizing limitations in highly competitive labor markets, especially for blue-collar roles. Additional measures, such as pension schemes and locally adapted benefits, further support employees' financial well-being. This is an ongoing process with periodic analyses and adjustments.
- ▶ This framework enhances employees' ability to secure a decent standard of living and supports financial stability for employees and their families. It helps reduce income-related risks and inequality while ensuring compliance with legal requirements. The approach contributes to Leadec's policy objectives on fair compensation, adequate wages, and responsible employment practices.

Transparent remuneration and pay equity

- ▶ Leadec operates a structured and transparent remuneration system applicable to all legal entities and management levels. A global job architecture ensures consistency and comparability of roles, supported by regular remuneration reviews and adjustments, including those aligned with collective bargaining agreements where applicable. Variable remuneration is governed by the global bonus policy, linking compensation for applicable roles to clearly defined financial, strategic, and safety-related KPIs. The Company is committed to equal pay in line with ILO Convention No. 100, supported by measures such as gender pay gap analyses, equal pay data collection, and training on

unconscious bias in performance evaluation. To prevent pay disparities, Leadec introduced a standardized global framework for compensation comparison, based on the Leadec Job Structure aligned with Mercer Job Library standards, and by ensuring a clear definition and structuring of all job positions across the organization. In addition, guidelines and analytical tools were provided to support gender pay gap analyses at a functional level. Pay gap considerations were also integrated into the annual salary review process (Q4 2025 for 2026 salaries), where local management reviewed and addressed identified gaps, particularly for non-tariff employees. This action is ongoing, with annual reviews and continuous improvement measures.

- ▶ This system strengthens transparency, fairness, and consistency in compensation practices while reducing the risk of discrimination and pay inequities. It fosters trust among employees and aligns performance incentives with corporate objectives, including sustainability targets. Overall, it contributes to Leadec's policy objectives on equal pay, fair remuneration, and responsible governance of compensation structures.

For more information on Leadec's incentive scheme and how it integrates sustainability-related performance, please see [▶ page 36 onward](#) (section "Governance" in chapter [ESRS 2]).

Collective bargaining compliance and social dialogue

- ▶ Leadec aims to comply with all applicable laws, regulations, and collective bargaining agreements including adherence to international standards such as the ILO core conventions on freedom of association and collective bargaining, as well as full alignment with local legal frameworks in each country of operation. Where national legislation does not fully reflect these principles, Leadec supports alternative mechanisms that enable employees to organize and express their interests. The human resources principles policy anchors these commitments, ensuring employees' rights to establish representative bodies, engage in collective bargaining, and undertake lawful industrial action are respected. In addition, Leadec fosters structured and continuous dialogue

through formal mechanisms such as direct manager exchanges, Performance & Development Dialogues (PDDs), anonymous employee surveys, and other feedback mechanisms, which are available globally. The action is ongoing and embedded in HR governance, management practices, and organizational culture.

- ▶ This approach strengthens the protection of employees' social and economic rights, including fair and safe working conditions, wages, working hours, and access to grievance mechanisms. By enabling open dialogue, employee representation, and feedback channels, it promotes trust, transparency, and constructive labor relations across the organization. It also supports early identification and resolution of concerns, reduces risks of labor disputes, and ensures that employee perspectives are integrated into decision-making processes. Overall, this contributes to Leadec's policy objectives on freedom of association, collective bargaining, fair treatment, and fostering a respectful and inclusive workplace culture.

"Safety–It's Your Life!" campaign and global safety management program

- ▶ The global "Safety–It's Your Life!" campaign is implemented across Leadec's own operations worldwide, integrating occupational health and safety into corporate culture, operational processes, and management systems. It is supported by regularly signed safety commitments by the global and regional Board of Management and by a comprehensive and structured safety management system, which includes safety guidelines and protocols, behavior-based safety programs, subcontractor safety management, and systematic tracking of both lagging and leading safety indicators, including risk assessments, safety inspections, incident reporting, and structured audit processes. The latter include site maturity assessments conducted by Global HSE across Europe, the Americas, and Asia, complemented by regional audits to ensure compliance with internal HSE and defined minimum safety standards. These elements are enabled through Leadec's digital HSE suite and promote consistent identification, assessment, and mitigation of occupational health and

safety risks across all operational sites. Performance is monitored through monthly reporting of safety KPIs to the global Board of Management and monthly, annual, as well as ad hoc reports to the Advisory Committee. Variable remuneration is linked to safety targets across all layers of the organization, from executives and managers to local HSE personnel. Additional measures include regular safety walks, training sessions (e.g., evacuation exercises, first aid, vocational, task-specific), and continuous improvements to personal protective equipment. Further initiatives promote safety awareness and employee reintegration after illness or injury. The action is ongoing and embedded in global governance and operational structures.

- This approach strengthens the prevention of workplace incidents, injuries, and fatalities while fostering a strong safety culture and leadership accountability. The combination of systematic monitoring, governance integration, digital enablement, and employee engagement contributes to high safety performance, as reflected in a leading lost time injury frequency rate. It supports employee health and well-being, enhances operational reliability, and reinforces compliance with internal standards and regulatory requirements. Overall, the initiative contributes to Leadec's policy objectives of providing safe and healthy working environments and promoting continuous improvement in occupational health and safety.

For further insights into Leadec's health and safety approach, please see [page 24 onward](#) ("Safety is Our Top Priority"). For more information on key actions concerning the health and safety of subcontractors who often work side-by-side with Leadec's employees, please see [page 145 onward](#) (section "Actions and resources related to workers in the value chain" in chapter [S2]).

Leadec's highly successful Group-wide campaign "Safety—It's Your Life!" is embedded in the awareness of our employees at all levels of the organization.

Talent management and career development

- Leadec maintains structured talent management and career development processes across its own operations globally, covering all employees and organizational levels. These include annual PDDs, defining individual goals and supporting career development discussions between employees and managers. The process is complemented by annual talent reviews and calibration sessions, supported by structured talent assessment tools (e.g., 9-box models) to ensure consistent evaluation of performance and potential across regions. Succession planning for critical roles is embedded within these processes, alongside locally structured career pathing frameworks that provide transparency on development opportunities within the organization (e.g., Global IT). High-potential identification is integrated into the review and calibration processes rather than implemented as a stand-alone program. While career pathing is established, there is no formal internal mobility framework beyond these structures. The action is ongoing and embedded in global HR governance.
- This ensures a consistent and transparent approach to performance management, talent identification, and succession planning across the organization. It enables the development and retention of key talent, supports leadership continuity, and aligns individual career progression with organizational needs. By integrating high-potential identification, succession planning, and career pathing into structured processes, it contributes to more effective workforce planning and strengthens long-term organizational stability. These outcomes support Leadec's policy objectives related to workforce development, fair and structured performance management, and the sustainable development of human capital.

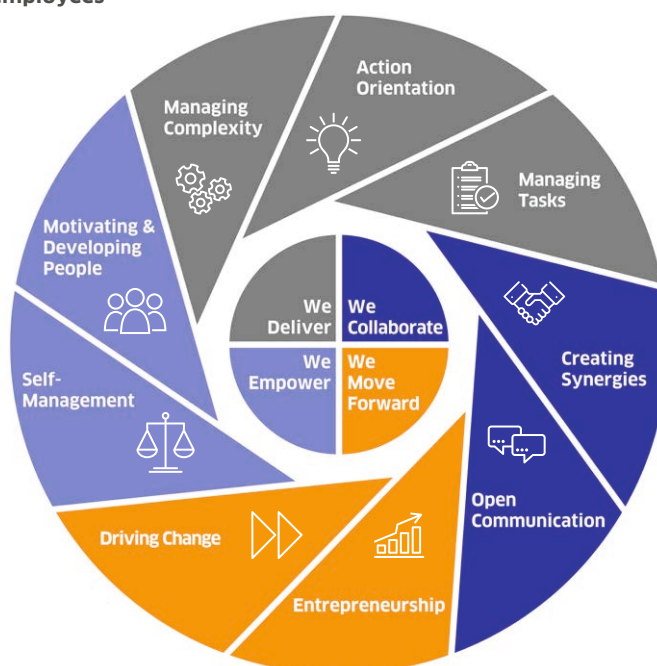
Employee learning and skills development

- ▶ Leadec implements a comprehensive, globally aligned framework for employee learning and skills development across its own operations, covering all legal entities and regions, and targeting the entire workforce. The approach includes a wide range of programs such as on-the-job training, certifications, leadership development initiatives (e.g., global site manager program “Leading Sites”), talent development formats (e.g., Global Talents Program, Talents Go Abroad Toolbox), and structured training offerings in technical, functional, digital, and interpersonal skills. Training is delivered through the Leadec Campus, the annual Leadec Learning Week, and external platforms. Digital capability building includes AI-related programs such as Copilot Chat learning journeys and AI awareness trainings alongside quarterly information security and data protection trainings for relevant employees. Leadec’s employees are trained on compliance topics every three years, and since 2025 procurement functions globally alongside other relevant positions have been trained on 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 rolled out during 2025. Development

activities are guided by the Leadec Competencies model and embedded in global HR processes, while locally adapted initiatives complement global offerings (e.g., Leadership Action Lab in Europe/Global Holding, Leadership Toolbox Poland, Team Leader Trainings in Brazil and Mexico, mentoring in China, technical qualification programs in Germany, and diversity-related initiatives such as Preventing Harassment Training UK, Women in Manufacturing North America, and Instituto Nacional para la Educación de los Adultos Mexico). The action is ongoing without a defined end date.

- ▶ This approach strengthens employee capabilities across leadership, technical expertise, digital literacy, and interpersonal skills, thereby enhancing individual performance, adaptability, and innovation capacity. It supports consistent capability building aligned with business needs and strategic priorities, fosters employee engagement and satisfaction, and contributes to an inclusive and high-performing work environment. In doing so, it directly supports Leadec’s policy objectives related to workforce development, equal access to training opportunities, and long-term employability, while reinforcing organizational resilience and operational excellence.

Our Leadec competencies for employees



For further insights on Leadec's trainings specifically for artificial intelligence, please see [page 26 onward](#) ("Artificial Intelligence in ESG").

In addition to its learning and development framework, Leadec has developed a globally aligned onboarding program in 2025 that standardizes the integration of new employees across all regions. Supported by Leadec's HR management system (HR Connect), the process combines digital preboarding with structured onboarding modules using interactive formats such as e-learning, videos, and quizzes. Designed as a guided journey, it promotes active engagement, ensures consistent communication, and reduces administrative effort, thereby accelerating time-to-productivity and strengthening employee engagement and retention. The program went live in Q2, 2026.

When tensions arise between actions to prevent or mitigate negative impacts on our own workforce and other business pressures—such as cost efficiency, operational continuity, customer requirements, or restructuring needs—Leadec applies a structured, governance led decision-making approach. Workforce-related risks and impacts are escalated through defined management and committee structures (including HR, HSE, compliance, and sustainability) to ensure that health, safety, human rights, and fair working conditions are treated as non-negotiable baseline requirements. Decisions are guided by applicable policies (e.g., Code of Conduct, HR principles, occupational health and safety) and by legal and collective bargaining obligations, with the aim of avoiding harm wherever possible and prioritizing preventive measures over reactive ones.

Where trade-offs cannot be fully avoided, Leadec seeks proportionate mitigation and remediation measures, such as adapting work organization, strengthening protective measures, engaging in dialogue with employee representatives, or offering training, redeployment, or transition support. This approach also applies in the context of transformation and climate-related transition risks, where potential impacts on employment or working conditions are assessed in advance and addressed through workforce planning, upskilling, and internal mobility measures to support a just transition.

The Company tracks and assesses the effectiveness of its actions aimed at delivering outcomes for its own workforce through targets and metrics disclosed in the following sections. These disclosures outline the targets, key performance indicators, and governance mechanisms applied to monitor progress, evaluate outcomes, and ensure continuous improvement of workforce-related measures. Accordingly, no additional detailed description is provided here.

Strengthening capabilities locally: Complementing global learning initiatives

In addition to Leadec's global offers for learning and development, targeted regional and role-specific programs further strengthen skills, knowledge sharing, and talent development across the organization. These complementary initiatives address local needs, foster cross-functional collaboration, and help build the capabilities required to support Leadec's long-term strategy and operational excellence.

Fostering a strong foundation: "Leading Sites" program

At Leadec, operational managers are the backbone of our business. They ensure smooth operations, lead teams, and implement strategy on-site. The "Leading Sites" program is tailored specifically for new branch and site managers as well as division and area managers. It offers targeted development in personnel management and key operational issues, while fostering cross-site collaboration.

The program consists of two components: A 12-month "Start Program" builds core capabilities in leadership, Leadec processes, and operational topics like operational excellence (OPEX), finance, and sales. In addition, our training platform Leadec Campus offers optional in-depth learning modules for this community, including labor law, contract management, finance, and IT.

The managers signing up for these modules work across all Leadec locations and business units, encouraging experience sharing, customer insights, solution exchange, and networking across units.

Sharing hidden programming knowledge

Leadec's Community of Practice is a network for employees who thrive on innovation and knowledge sharing. The idea is to bring together software development experts with hands-on experience and who are familiar with GitHub, or Copilot. Together they dive deeper into AI-supported assistance in the software development process—from practical application to collaborative knowledge-building. The community is also open to colleagues from all departments who already have some practical programming experience.

The goal is to strengthen individual capabilities while building collective expertise across the organization.

The Community of Practice was launched in November 2025, followed by monthly virtual calls featuring interactive workshops, hands-on learning formats, collaborative learning opportunities, and direct exchange with colleagues who share the same interests.

Trainees are shaping the future

Leadec is committed to developing young talents in several technical and IT-related professions, as well as in commercial and industrial professions. For example, every year Leadec welcomes trainees at several locations in Germany. In Gaimersheim, they started their careers as electronics technicians specializing in energy and building technology, or as metalworkers specializing in construction technology. In the Global IT department at our headquarters in Stuttgart, our trainees have completed their training as IT specialists.

As part of our international recruitment project ¡Adelante!, we welcomed apprentices from Spain to undertake training as electronics technicians specializing in automation technology at our Garbsen location. The trainees had already gained practical experience in Spain and completed an adaptation qualification program to meet local standards in Germany. For this, Leadec collaborates with project partners such as the Hanover Chamber of Industry and Commerce or the Caritasverband Hanover supporting young talents during their apprenticeships in Germany.

Leadec further supports school programs that offer children the opportunity to gain hands-on technology experience. One example is the "SET-Schüler entdecken Technik" project in Regensburg, which stands for "Pupils Discover Technology." During this project, two Leadec trainees volunteered as tutors showing children from a local primary school how to build electronic kits such as flashlights, turn signals, and sirens, and how to create their own circuits. This initiative fosters early interest in technology while strengthening trainees' communication and social skills.

Targets related to own workforce

In the reporting period, Leadec pursued its 2025 sustainability targets by aiming for zero work-related fatalities (2025: 0) and for a lost time injury frequency rate of <1.5 per million hours worked (2025: 0.7 for continued business). Leadec further aimed to strengthen prevention by conducting >24 global HSE audits (2025: 11) and >15,000 safety walks per year (2025: 43,660), while increasing digitalization and real-time transparency through >90% HSE-suite user

adoption (2025: 99%) and certifying occupational health and safety management systems (>80% ISO 45001; 2025: 76.9%). Leadec also aimed to provide targeted training and skill development opportunities (2025: 95.6% trained).

Building on this progress and reflecting a strategic consolidation of priorities, the newly developed 2030 targets are outlined in the table below.

	2030 sustainability target	2025
Health and safety	We want to establish safe and healthy workplaces for our employees.	
	Protect employees' life and health 0 work-related fatalities	0
	Provide a safe work environment <1.0 lost time injury frequency rate (per million hours worked)	0.7 ¹⁾
	Reduce total recordable injuries requiring medical treatment <6.0 total recordable incidents rate (per million hours worked)	5.8 ¹⁾
	Conduct safety walks 1.5 safety walks per employee ²⁾	1.9
	Maintain employee coverage by health and safety management system 100% of employees covered	100%
Employee development and diversity	We want to support professional development and equal growth opportunities.	
	Improve gender diversity >30% women in top management	24.3%
	Provide regular performance and development dialogues (PDD) >85% of assigned employees conducted the PDD	81.0%
	Provide training and skill development opportunities >20% increase in average training hours per employee vs. 2025 base year ³⁾	n.a.
Compliance	We want to ensure compliance with the law and build trust with all stakeholders.	
	Respond to incidents reported via Integrity Line promptly <7 days time to react to reported incidents	<7
	Train employees on compliance matters⁴⁾ >90% of targeted employees trained	95.6%
	Train roles most at risk on business conduct, anti-corruption, and anti-bribery >90% of targeted roles trained	95.6%
Information security	We want to protect the information and data entrusted to us.	
	Train employees on information security, data protection, and artificial intelligence >80% of targeted employees trained quarterly	72.8%
Certifications and credentials	We want to obtain ESG-related certifications and credentials.	
	Certify occupational health and safety management systems⁵⁾ >80% certified according to ISO 45001	76.9%

¹⁾ For continued business (without acquisitions).

²⁾ Safety walks per employee are calculated based on Leadec's average headcount.

³⁾ Base value 2025: 12.6 hours per employee (based on Leadec's average headcount).

⁴⁾ The compliance training covers Leadec's Code of Conduct, anti-bribery, anti-corruption, anti-money-laundering, anti-trust, sanctions, whistleblowing, human rights, and anti-discrimination.

⁵⁾ ISO certifications share is calculated based on the number of own operational sites where Leadec is financially and operationally in control.

Characteristics of Leadec's employees

The following section presents the characteristics of Leadec's employees. Relevant definitions can be found on [page 139 onward](#) in the "Accounting policies" section at the end of this chapter.

There is an inconsistency between the headcount reported under ESRS S1 and the most representative number disclosed in the Group's financial statements prepared in accordance with IFRS. This difference results from the application of distinct headcount definitions.

Consequently, the ESRS-reported headcount is not directly comparable to the figures presented in the financial statements.

Headcount as of December 31, 2025:

- ▶ under IFRS (financial statement): 22,509
- ▶ under ESRS (sustainability statement): 22,741

Average headcount for 2025, under ESRS: 22,766

Neither figure includes external temporary workers or employees on long-term leave (e.g., parental leave, care leave, long-term sickness, or passive-phase partial retirement).

Breakdown of Leadec's employees by gender:

As of Dec. 31	Number of employees (headcount)		
	2025	2024	2023
Gender¹⁾			
Male	17,881	17,618	18,065
Female	4,859	4,953	5,259
Other	1	1	0
Total	22,741	22,572	23,324

¹⁾ All employees are captured under the three gender categories outlined in the table.; none are not reported.

Breakdown of Leadec's employees by geography:

As of Dec. 31	Number of employees (headcount)		
	2025	2024	2023
Global			
Leadec Group	22,741	22,572	23,324
Region			
Europe (incl. holding)	10,432	10,479	11,194
North America	2,287	2,179	2,156
Latin America	5,507	5,443	5,787
Asia	4,515	4,471	4,187
Country			
Austria	59	54	65
Brazil	4,424	4,190	4,407
Canada	186	185	245
China	805	1,004	1,139
Czech Republic	38	34	48
France	61	40	26
Germany (incl. holding)	6,327	6,737	6,987
Hungary	1,015	954	881
India	3,710	3,457	3,048
Mexico	1,083	1,253	1,380
Poland	771	887	1,015
Portugal	8	2	1
Slovakia	425	362	439
Spain	375	4	1
United Kingdom	1,353	1,405	1,731
United States	2,101	1,994	1,911

Breakdown of Leadec's workforce (as of December 31):

Leadec's workforce is predominantly operational and directly involved in service delivery. Direct employees account for 21,317 employees (93.7%), while indirect employees represent 1,425 employees (6.3%; mostly overhead functions). In terms of occupational categories, blue-collar workers form the largest group with 18,967 employees (83.4%), complemented by 3,618 white-collar employees (15.9%) and 156 (0.7%)

trainees, apprentices, dual students, and working students. Regarding employment types, the majority of the workforce is employed on a full-time basis, with 18,845 employees (82.9%), while 3,896 employees (17.1%) work part-time. Overall, this distribution reflects the labor-intensive nature of Leadec's business model and its strong focus on operational service delivery.

Leadec employs 90.7% permanent and 9.3% temporary workers while employees with non-guaranteed hours are accounted for separately. The following table breaks these different contract types further down by gender:

As of Dec. 31	2025		2024		2023	
	Headcount	Share	Headcount	Share	Headcount	Share
Permanent employees¹⁾						
Male	16,260	78.8%	15,481	78.2%	n.a.	n.a.
Female	4,374	21.2%	4,328	21.8%	n.a.	n.a.
Other	1	0.0%	1	0.0%	n.a.	n.a.
Total	20,635	100.0%	19,810	100.0%	20,973	89.9%²⁾
Temporary employees¹⁾						
Male	1,621	77.0%	2,137	77.4%	n.a.	n.a.
Female	485	23.0%	625	22.6%	n.a.	n.a.
Other	0	0.0%	0	0.0%	n.a.	n.a.
Total	2,106	100.0%	2,762	100.0%	2,351	10.1%²⁾
Non-guaranteed hours employees¹⁾						
Male	153	91.6%	0	0.0%	n.a.	n.a.
Female	14	8.4%	0	0.0%	n.a.	n.a.
Other	0	0.0%	0	0.0%	n.a.	n.a.
Total	167	100.0%	0	0.0%	0	0.0%²⁾
Total	22,908		22,572		23,324	

¹⁾ All employees are captured under the three gender categories outlined in the table; none are not reported.

²⁾ Of total headcount; split by gender was introduced into global data collection starting in 2024.

To complement the headcount under ESRS, Leadec reports full-time equivalents (FTEs), providing a more accurate representation of workforce capacity.

FTEs as of December 31, 2025: 20,716

Breakdown by gender:

- ▶ Male: 16,395
- ▶ Female: 4,320
- ▶ Other: 1

Average FTEs for 2025: 20,825

Employee turnover (headcount):

As of Dec. 31, 2025	Number	Rate
Total number of employees leaving	9,018	39.6%
Voluntary leavings direct employees	4,968	21.8%
Voluntary leavings indirect employees	118	0.5%
Involuntary leavings	3,097	13.6%
Other reasons	835	3.7%

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. Additionally, employees may be poached from customer locations, contributing to increased turnover. The nature of specific service lines can lead to higher turnover due to the work's demands

and conditions. Therefore, Leadec's business model, which also includes limited-time service contracts with customers, is tied to employee turnover. Additionally, 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. Leadec has successfully reduced its global voluntary turnover rate by over 10% compared to 2024.

Metrics related to own workforce

The following section presents the metrics related to Leadec's own workforce. Relevant definitions can be found in the "Accounting policies" section on [page 139 onward](#) in this chapter.

Diversity metrics

Gender distribution at top management level:

Leadec's definition of top management is disclosed on [page 36 onward](#), section "The role of Leadec's administrative, management, and supervisory bodies in relation to sustainability" in chapter "General Disclosures [ESRS 2]." No member of the top management identified as "other."

As of Dec. 31, 2025	Number	Share
Advisory Committee¹⁾		
Male	4	80%
Female	1 ²⁾	20%
Global Board of Management		
Male	3	100%
Female	0	0%
Other executive positions		
Male	81	75%
Female	27	25%

¹⁾ Independent and non-executive.

²⁾ On leave.

Age distribution among Leadec's employees:

As of Dec. 31	2025		2024		2023	
	Number	Share	Number	Share	Number	Share
Employees <30 years old	5,370	23.6%	5,359	23.7%	5,598	24.0%
Employees 30-50 years old	10,900	47.9%	10,753	47.6%	11,895	51.0%
Employees >50 years old	6,471	28.5%	6,459	28.6%	5,831	25.0%

In addition, we aim to reflect the internationality of the Company in the diversity of our employees regarding nationalities, race, and cultural background—at employee and management levels. In 2025, Leadec employed workers from 115 different nationalities (109 in 2024).

Adequate wages

Leadec ensures full compliance with applicable minimum wage regulations across all locations, with 0% of employees paid below the legal minimum wage. Beyond legal compliance, compensation of 100% of Leadec's employees is assessed against Leadec's definition of an adequate (living) wage (as outlined on [page 139 onward](#), section "Accounting policies" in this chapter). In 2025, 83.7% of employees received an adequate wage, for 12.5% the compensation exceeds minimum wage requirements but does not reach the adequate wage level, and 3.8% of Leadec's employees were paid at minimum wage levels. Detailed analyses were conducted per legal entity and country or in some cases regionally.

As of Dec. 31, 2025	Share of employees paid at least adequate wage		Share of employees paid at least minimum, but not adequate, wage		Share of all employees per country
	Weighted average per country	Of total workforce	Weighted average per country	Of total workforce	
EEA countries	100.0%	39.5%	0.0%	0.0%	39.5%
Brazil ¹⁾	83.4%	16.3%	16.6%	3.2%	19.6%
India	99.5%	16.4%	0.5%	0.0%	16.5%
UK	55.9%	3.3%	44.1%	2.6%	6.0%
USA ¹⁾	62.6%	5.8%	37.4%	3.5%	9.3%
China ¹⁾	24.6%	0.9%	75.4%	2.7%	3.5%
Canada	100.0%	0.8%	0.0%	0.0%	0.8%
Mexico ¹⁾	13.2%	0.6%	86.8%	4.2%	4.8%
Total		83.7%		16.3%	100.0%

¹⁾ Regional (instead of country) benchmarks apply.

In several countries, Leadec's workforce shows a high proportion of unskilled employees (over 50%), including the UK (59.1%) and Mexico (52.7%), and employees with low-level of experience, e.g. in Brazil (76.9%). In addition, in China (49.7% inexperienced) and the US

(48.9% unskilled), the statutory minimum wage is significantly below the estimated adequate (living) wage. As a result, a relatively large share of employees in these countries earn wages above the legal minimum but below locally defined adequate wage benchmarks.

However, in the third US legal entity, Diversified Automation, only 1.1% of employees earn below the local adequate wage benchmark, reflecting its predominantly highly skilled workforce. In India, just 17 employees earn less than the adequate wage, corresponding to 0.5% of the total workforce.

Overall, this analysis highlights the differing impact of workforce skill composition on wage levels, particularly the share of employees earning above minimum wage but below adequate wage thresholds across countries and regions.

The collection of data regarding equal pay took place for the first time for fiscal year 2024. During 2025, the methodology and calculation process were improved, based on learnings from the 2024 data collection.

Remuneration metrics

The Company is committed to equal pay in line with ILO Convention No. 100, supported by measures such as equal pay data collection and gender pay gap analysis. Relevant definitions can be found in the “Accounting policies” section on [page 139 onward](#) in this chapter.

As of Dec. 31	2025	2024
Unadjusted gender pay gap		
Average across legal entities	10.6%	11.3%
Weighted average ¹⁾	7.9%	9.1%
Adjusted gender pay gap		
Average across legal entities	1.9%	3.6%
Weighted average ¹⁾	2.0%	5.1%
Annual total remuneration ratio		
Average ratio	8.4 (840%)	10.7 (1,070%)
Median ratio	3.9 (390%)	5.5 (550%)

¹⁾ HC considered for calculations according to financial report (excluding interns, working students, trainees, and apprentices).

Gender pay gap (GPG) is calculated as the difference of average pay levels between female and male employees, expressed as a 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 such as role, seniority, and location. On average, the unadjusted gender pay gap across considered legal entities stands at 10.6%, with a weighted average of 7.9%. The adjusted GPG measures the difference in income between men and women after accounting for important factors that determine pay. At Leadec, this is the career level. The average adjusted gender pay gap stands at 1.9%, with a weighted average of 2.0%. This analysis underscores the complex and varied nature of gender pay disparities across different regions and organizational structures.

In the analyses of the unadjusted as well as the adjusted gender pay gap, no data was obtained from two legal entities—one in Spain and one in Portugal with a headcount of four and eight respectively—as they were not eligible for an anonymous assessment. In the analysis of the ratio of the highest paid individual to the median annual total remuneration for all employees (excluding the highest paid individual) all legal entities were included.

Collective bargaining coverage and social dialogue

Leadec is committed to respecting employees’ rights to freedom of association, collective bargaining, and representation, in line with applicable laws, internal policies, and internationally recognized standards, including the core conventions of the International Labour Organization (ILO). The Company fosters a culture of trust-based and constructive dialogue with employees and their representatives and ensures that employees are able to express their views without fear of adverse consequences.

In the reporting period, 12,921 employees (57.4%) of Leadec’s total workforce were covered by various collective bargaining agreements (CBAs), including agreements concerning working conditions. These figures are calculated based on employee headcount and reflect all employees to whom collective agreements are applicable. Additional to the employees to whom the Company is obliged to apply the agreement, further agreements might exist. For example, in India Leadec’s employees can be covered under CBAs that apply to

the customers' site where our employees work at; in Spain, agreements are negotiated on sector-level; and in the US employees in management positions cannot be covered. Normalized for these employee groups, Leadec's share of employees covered by CBAs, including agreements concerning working conditions, rises to 72.0%.

Beyond formal collective bargaining coverage, 17,973 employees (79.9%) have the right to join a trade union or other employee representative bodies, demonstrating broad access to representation rights across the Group. For the remaining 21.1%, these employee groups fall largely under similar circumstances as it pertains to CBA

coverage; e.g., India's employees might be covered under customers' CBAs and employees with management responsibilities are excluded across multiple countries.

With regard to formal social dialogue structures, 11,921 employees (53.0%) are employed in establishments where formally elected employee representatives are in place. This reflects the extent to which structured dialogue between employees and management is embedded in Leadec's operations, particularly

in countries with established frameworks for worker representation. Overall, these figures highlight Leadec's commitment to enabling representation and promoting constructive engagement between employees and management. Some employee groups are not covered under formalized structures as they are, for example,

part of holding legal entities and have therefore direct access to senior leadership. Additional social dialogue structures might be in place for Leadec's employees working primarily on our customers' premises. Regardless of existing formal worker representation, all Leadec employees can utilize and participate in global structured dialogue formats, recurring employee surveys,

and continuous feedback mechanisms. For more information please refer to [page 115 onward](#) (section "Engagement with own workforce and workers' representatives, existence of channels to raise concerns or needs, and approaches to remedy" in this chapter).

The table below provides a breakdown of collective bargaining coverage and social dialogue across relevant regions and countries in accordance with ESRS requirements.

In the reporting period, 57.4% of employees were covered by collective bargaining agreements, rising to 72.0% when normalized for employee groups subject to country- and role-specific conditions.

Coverage rate	Collective bargaining coverage				Social dialogue	
	Employees–EEA ¹⁾		Employees–non-EEA ²⁾		Workplace representation ¹⁾	
	2025	2024	2025	2024	2025	2024
0–19%	Hungary, Poland; Czech Republic, Portugal, Spain	Hungary; Czech Republic, Portugal	Asia	Asia	Hungary, Slovakia; Czech Republic, Portugal, Spain	Hungary, Poland; Czech Republic, France
20–39%			North America	North America		Poland
40–59%		Spain		UK		Spain
60–79%		Poland	UK		France	
80–100%	Germany, Slovakia; Austria, France	Germany, Slovakia; Austria, France	Latin America	Latin America	Germany, Poland; Austria	Germany; Austria, Slovakia

¹⁾ EEA countries with significant employment (>50 employees within the ten largest countries where Leadec operates) are Germany, Hungary, Poland, and Slovakia; the other EEA countries do not have significant employment and are voluntarily disclosed.

²⁾ Non-EEA countries are aggregated by region.

No agreements with its employees for representation by a European Works Council (EWC), a *Societas Europaea* (SE) Works Council, or a *Societas Cooperativa Europaea* (SCE) Works Council exist.

Training and skills development metrics

Leadec promotes employee development through structured performance management and targeted training programs across all locations.

Due to its business model—characterized by diverse, site-based service delivery—and its decentralized governance structure, training is largely managed at local level. This enables high relevance to operational and customer-specific requirements but limits globally standardized tracking. Training for the predominantly blue-collar workforce is primarily delivered as task- and site-specific on-the-job instruction aligned with technical and safety requirements. These trainings are often only partially reflected in centralized systems. In contrast, white-collar employees have access to structured and centrally trackable learning formats via HR systems and the Leadec Campus.

In 2025, a total of 2,937 employees—representing 81.0% of assigned white-collar staff (defined as white-collar managers and employees with HR Connect access, employed for at least three months and holding a contract of more than one year, excluding interns and working students)—took part in formal performance and career development reviews, reinforcing structured feedback processes and supporting individual career planning. In addition, training initiatives were extended across the workforce, with 3,073 employees (14%) participating in career-related programs to foster long-term professional growth, and 6,611 employees (29%) engaging in skills-based training focused on enhancing job-specific and technical competencies.

Health and safety training remains a core element of workforce development. In 2025, 22,317 employees (98.1% of Leadec's workforce) received health and safety training, with an average of 9.5 hours per employee. Training is provided continuously, including onboarding, regular refreshers, and task-specific instruction. In addition, 18,521 employees (81.4%) were trained on environmental topics, supporting the integration of environmental and occupational safety requirements.

The average training time per employee was 12.6 hours (2024: 12.1; 2023: 11.5). The calculation includes all globally reported training formats, such as e-learning, safety training, Leadec Campus courses, and additional local initiatives, divided by the average headcount. Due to the decentralized delivery model, certain local and on-the-job trainings are not fully captured at global level.

The Leadec Campus serves as the central learning platform, providing more than 250 courses globally. Employee satisfaction with training offerings averaged 4.44 out of 5. Completion rates remained high, with 95.6% for compliance training and 72.8% for information security and data protection training. The lower completion rate for the latter reflects a significant expansion in scope (by over 40% from 3,977 employees in 2024 to 5,624 in 2025), driven by broader access via mobile application for all employees with a company email address. Since the end of 2024, training has been assigned on a quarterly basis and includes modules on emerging topics such as artificial intelligence.

Health and safety metrics

Leadec's safety performance has continually improved over the years, which is reflected, for example, in an appreciably reduced lost time injury frequency rate (LTIFR). In the reporting year, the LTIFR for the entire Leadec Group was 1.2 including acquisitions.

We assume that the safety performance of Leadec's latest acquisition in Spain will get closer to the Group average once the occupational health and safety program has been fully implemented. We continue to make every effort to provide an ever-safer working environment for our employees, not only at newly acquired companies, but at all locations worldwide.

To present a fair comparison with previous years, the metrics were normalized for the results of the two legal entities acquired in Spain. Given that the integration into the Leadec Group, including the implementation of our proven occupational health and safety program, had not been completed by the end of the reporting period, the accident rate of these two companies was appreciably above Group average.

In 2025, the normalized LTIFR for the Leadec Group was 0.7 (previous year 1.0). This is the lowest LTIFR in the history of our Company. The absolute number of occupational incidents (normalized) also appreciably declined from 43 in the previous year to 31 in the reporting year. No fatalities occurred in 2025.

The following sections present data for the Leadec Group's occupational health and safety management system. Relevant definitions can be found on [page 139 onward](#) in the "Accounting policies" section in this chapter.

Lagging indicators (retrospective performance)

Leadec monitors occupational health and safety performance through a set of standardized lagging indicators that reflect outcomes of past events. The primary overarching metrics are the total recordable incidents (TRI) and the total recordable incident rate (TRIR, per one million hours worked), which cover all work-related incidents across health, safety, and environment, regardless of severity. Which categories count towards TRI and TRIR depends on local regulatory reporting requirements.

Within TRIR, Leadec differentiates incident severity to provide greater transparency and management insight. A key subset is the lost time injuries (LTI) and the lost time injury frequency rate (LTIFR, per one million hours worked). An LTI is defined as a work-related injury that results in the affected employee being unable to perform at least one full working day or full shift after the day of the incident, or that leads to permanent disability or fatality. The LTIFR captures the frequency of such incidents.

Reportable incidents indicate the number of cases that were reported to local authorities in line with applicable laws and regulations in each jurisdiction in which Leadec operates.

To enhance internal understanding and steer preventive action, Leadec applies its own severity classification (low, medium, high, and fatalities) across TRI. This enables deeper analysis of incident patterns, including:

- ▶ Accident types (most common in 2025: contusion, cut, strain)
- ▶ Affected body parts (most affected in 2025: finger, hand, knee)
- ▶ Incidents per service lines

In addition to frequency-based metrics, Leadec tracks a severity rate reflecting the economic and operational impact of incidents. This is measured as the average number of lost workdays per lost time injury (LTI), taking into account actual working time and country-specific definitions of working days. This metric provides insight into how severe incidents are, beyond their frequency.

Leadec Mexico wins internal HSE awards for innovative safety and digital solutions

Turning safety into a personal value for 1,300 employees isn't easy—but Leadec in Mexico has taken a proactive approach that connects safety and productivity. The team has earned two Leadec HSE awards in 2025. Esteban Pedraza Flores, PhD, Environment, Health, and Safety (EHS) Manager in Mexico shares his insights.

What is your role in occupational safety in Mexico?

"My role as Safety Manager, is to ensure operational continuity by linking safety with productivity. I focus on implementing a proactive safety culture, ensuring compliance with Mexican regulations, and identifying critical risks before they occur. With around 1,300 employees, we standardize HSE processes across all sites and align leadership with the goal of protecting people's well-being."

"The most effective approach is to position safety as an operational advantage rather than an administrative burden—fostering a culture where mutual care is an integral part of everyday work."

Esteban Pedraza Flores, PhD,
Environment, Health, and Safety (EHS) Manager

What are the main challenges you face?

"The main challenge is turning safety from a requirement into personal value. We aim to move from reactive behavior to proactive, shared responsibility. At the same time, we manage evolving legal requirements, including psychological risks and new labor standards. Another key challenge is ensuring transparency in HSE data for a large workforce through digital tools. Finally, we align safety performance with international sustainability standards while maintaining compliance and operational efficiency."

What measures have proven most effective?

"Three pillars have significantly reduced our lost time injury frequency rate (LTIFR): Visible leadership combined with a bottom-up culture, digitalization of risk management, and intensive training. Safety walks and 'Stop Work Authority' empower employees to act responsibly. Real-time digital tools help us report and mitigate risks early. Additionally, regular hands-on training and emergency readiness ensure that employees are prepared for critical situations. Overall, the most effective approach is treating safety not as a burden, but as a core operational advantage built on mutual care."

How did Mexico achieve winning the Leadec HSE Best Practice and HSE Champion Award?

"We introduced a QR code system that allows employees to easily report risks, concerns, and unsafe conditions. This helped us identify 63 good safety practices, which helped reduce incidents in 2024 and 2025, which in turn yielded additional economic savings. The solution is innovative, scalable, and was recognized with the 'HSE Best Practice Award'."

The HSE Champion Award was received by Fernanda Martinez, HSE specialist at Leadec Tijuana, Mexico. Her strong commitment to safety and her outstanding impact inspired her colleagues to not only follow HSE procedures, but to proactively consider safety aspects and improve-

ment potential. She spearheaded initiatives such as a digital HSE magazine, environmental campaigns, and monthly safety training sessions. She is also trained and certified in over 130 HSE topics and organized health, social, and community activities, inspiring a strong safety culture and making her a role model within the organization.

"Safety is not a game—small mistakes can create big risks," says Fernanda. For her safety means protecting people and ensuring everyone gets home safe. "It's about responsibility, clear communication, and preventing risks before they happen. Practical training, trust, and teamwork help build awareness and ownership. Making safety personal creates lasting impact."



As of Dec. 31	2025 ¹⁾	2024	2023
Total recordable incidents (TRI)	250	266	256
Total recordable incident rate (TRIR) ²⁾	5.8	6.4	6.4
Lost time injuries (LTI)	31	43	45
Lost time injury frequency rate (LTIFR) ²⁾	0.7	1.0	1.1
Regulatory reportable incidents (per local regulation)	231	229	116
Fatalities	0	1	1
High severity incidents	31	42	44
Medium severity incidents	219	223	211
Low severity incidents	396	448	318
Recordable work-related ill health cases	9	24	7
Severity rate (average lost days per LTI)	118	138	135
Hours lost to work-related injuries/ill health	5,074	5,722	5,392
Days lost to work-related injuries/ill health (assuming 8-hour work days)	634	715	674

¹⁾ Continued business, without acquisitions.

²⁾ Per one million hours worked.

Leading indicators (prevention measures)

Leadec complements retrospective metrics with a strong focus on leading indicators to proactively prevent incidents. These indicators cover both systematic processes and situational (ad hoc) preventive actions.

Systematic prevention measures:

A core element of Leadec's prevention approach is the implementation of risk assessments for job-specific hazards, tailored to individual work locations and activities. These assessments are annually updated and supported by digital reminders via Leadec's HSE suite, ensuring continuous relevance. Based on identified risks, targeted control measures are implemented, such as:

- ▶ updates to personal protective equipment (PPE)
- ▶ revised standard operating procedures
- ▶ enhanced safety instructions

Leadec monitors the progress through:

- ▶ the number of updated risk assessments
- ▶ the percentage of sites covered by risk assessments
- ▶ the percentage of identified risks addressed by control measures (hazard control coverage)

In addition, Leadec invests significantly in qualified safety personnel. This includes dedicated safety specialists, supported by assigned safety experts, as well as first aiders and evacuation assistants in accordance with local legal requirements. Overall, Leadec performs above regulatory expectations in this area.

Situational prevention measures:

Leadec complements systematic processes with structured situational safety practices embedded in daily operations.

These include:

- ▶ safety walks conducted prior to and during shifts, based on service line-specific questionnaires, to identify current risks, inspect equipment for safety, and to enhance situational awareness
- ▶ automatic generation of safety actions when deviations are identified
- ▶ monitoring of average closure times for safety actions

During operations, employees can report hazard spots and near misses, which trigger further safety actions and continuous improvement.

As of Dec. 31	2025 ¹⁾	2024	2023
Active and valid risk assessments	4,195	3,230	491
Risk assessments site coverage	83%	75%	n.a.
Hazard control coverage	81%	43%	32%
Dedicated safety specialists	170	177	199
Assigned safety experts	398	395	188
First aiders	1,572	n.a.	n.a.
Safety walk target	30,586	24,568	14,000
Safety walks conducted	43,660	32,959	29,121
Safety walks conducted per employee	1.9	1.3	1.1
Near misses reported	998	1,135	654
Hazard spots reported	6,353	3,816	782
Safety actions defined	4,954	3,035	2,451
Safety actions closed	3,948	2,170	2,446
Average safety action closure time (days)	56	51	108

¹⁾ Continued business, without acquisitions.

Leadec implemented a broad range of targeted prevention measures across its operations. Coverage levels include:

- ▶ 59% of sites implementing measures addressing repetitive strain injuries (RSI)
- ▶ 71% providing additional supporting safety measures
- ▶ 82% conducting regular employee health check-ups
- ▶ 86% implementing measures addressing psychological well-being and stress
- ▶ 88% protecting employees working in confined spaces
- ▶ 89% addressing noise exposure
- ▶ 93% controlling hazardous substance exposure
- ▶ 93% addressing extreme climatic conditions
- ▶ 96% of sites maintaining health and safety emergency action plans
- ▶ 96% implementing fall prevention measures
- ▶ 96% ensuring the safety of contractors and non-employee workers

System and governance indicators

Leadec ensures the effectiveness of its occupational health and safety management system through robust

governance, control processes, and regular monitoring. Leadec's HSE management system covers the entire workforce, and the Company aims to certify its own operational sites according to:

- ▶ ISO 9001:2015 (Quality Management Systems)
- ▶ ISO 14001:2015 (Environmental Management Systems)
- ▶ ISO 45001:2018 (Occupational Health and Safety Management Systems)

Digitalization plays an important role, particularly through the use of the Leadec's HSE suite, which supports, among others, incident management, inspections, findings and actions, risk assessments, document management, and course management. Leadec monitors:

- ▶ the adaptation rate of the HSE suite across sites
- ▶ the number of active users

Another key component is the HSE audit framework, which includes global as well as local audits; they are carried out across business units and outside direct reporting lines to ensure independence and objectivity.

Regular occupational health and safety meetings, conducted in line with local legal requirements, ensure continuous communication with the workforce and reinforce a strong safety culture.

As of Dec. 31	2025 ¹⁾	2024	2023
HSE management system employee coverage	100%	100%	100%
ISO 9001 certification coverage of own operational sites ²⁾	82.1%	81.8%	79.2%
ISO 14001 certification coverage of own operational sites ²⁾	80.3%	86.3%	75.0%
ISO 45001 certification coverage of own operational sites ²⁾	76.9%	81.8%	79.2%
Total number of HSE suite users	1,394	1,297	1,761
HSE suite adoption rate (%)	99%	97%	91%
Global HSE audits	10	28	31
Workforce coverage by global HSE audits (%)	8%	11%	15%
Local HSE audits conducted	511	n.a.	n.a.

¹⁾ Continued business, without acquisitions.

²⁾ Defined as sites under operational and financial control (117 sites in 2025); data indicated with n.a. was tracked locally but not aggregated for global values.

Incidents of discrimination and other human rights incidents

During the reporting period, Leadec recorded a total of 83 cases via its Integrity Line, of which 31 cases were substantiated following investigation. Among the confirmed cases, 18 incidents related to discrimination, including harassment. No cases concerning human rights violations, including modern slavery, were reported to the Company. Furthermore, no fines, penalties, or compensation for damages in relation to discrimination or other human rights incidents were recognized in the financial statements during the reporting period. For more information, please refer to chapter “Business Conduct [G1]”: A detailed overview of all cases reported through Leadec’s Integrity Line can be found on [page 165](#) (section “Metrics related to Leadec’s Integrity Line”); additional information on the structure and functioning of the Integrity Line is provided on [page 156 onward](#) (section “Leadec’s whistleblower and grievance mechanism”). Leadec addresses and seeks to prevent such incidents through

targeted measures outlined within section “Actions and resources related to own workforce” in this chapter (see [page 117 onward](#)), in particular through the key actions “Labor and human rights due diligence (incl. upstream value chain),” “Global diversity and inclusion framework and initiatives”, and “Transparent remuneration and pay equity.”

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, 2025, and all historical years.

Employees can choose a gender category corresponding to their identity. The available choices include male, female, unknown, undeclared, or other.

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:

Included:

- ▶ all employees on Leadec's payroll (blue-collar, white-collar, Board of Management)
- ▶ employees in training or early-career arrangements (e.g., dual students, interns, trainees, working students)
- ▶ mini-jobbers
- ▶ employees in specific employment arrangements (e.g., short-time work or active-phase partial retirement)

Excluded:

- ▶ external temporary workers
- ▶ employees on leave/absent employees (e.g., parental leave, care leave, long-term sickness, passive phase of partial retirement)

The IFRS headcount used for Leadec's financial reporting excludes certain categories such as interns, working students, trainees, and apprentices.

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 equivalent to 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 as well as definitions of permanent employees as per the national laws of the countries where the employees are based.

Number of temporary employees: Number of employees with a limited working contract. This number is based on the HC definition as well as definitions of temporary employees as per the national laws of the countries where the employees are based.

Number of non-guaranteed hours employees: Non-guaranteed hours employees are employed by the Company 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 Company 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. The Company accounts for non-guaranteed hours employees only if they do not fall within the category of permanent or temporary employees as per national laws of the countries where the employees are based.

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 calculated 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 calculated based on the HC definition.

Number of direct employees: Direct employees' working time is 50% or more chargeable to one or more customer/service contracts—e.g., object manager, employees in cleaning, groundskeeping, engineering, logistics, as well as electricians, mechanics, etc.

Number of indirect employees: Indirect employees' working time is less than 50% chargeable to one or more customer/service contracts—e.g., employees in HR, Finance, Accounting, Legal, IT, Area Manager, Site Manager, Regional Manager.

Number of blue-collar employees: Blue-collar employees are wage earners. Performing tasks mainly manually, skilled or unskilled, e.g., factory work, building and construction trades, mechanical work, maintenance, or technical installations. The pay type is more important in differentiating between white-/blue-collar than the performed tasks.

Number of white-collar employees: White-collar employees are salaried employees. They are performing tasks less physically laborious, usually administrative or clerical functions. The pay type is more important in differentiating between white-/blue-collar than the performed tasks.

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 year-to-date. The number of leavings is defined as the number of employees for whom the termination date has occurred. Only employees included in the HC are taken account of in the employee turnover rate.

Adequate wage and remuneration

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 Leaded 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 bargaining agreements.

For Leaded 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 Leaded countries was the website [🌐 Home—Global Living Wage Coalition](#).

Gender pay gap (GPG): 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, - G: women earn more).

The adjusted GPG measures the difference in income between men and women after accounting for important factors that determine pay. At Leaded, 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.

Annual total remuneration ratio is the ratio of the annual remuneration of the highest paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual).

Health and safety

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 like 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 one 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.

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 or shift due to the injury.

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 one million hours worked. To calculate the LTIFR, the number of lost time injuries is multiplied by one 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.

Recordable work-related ill health cases: Cases of illness or adverse health conditions that are caused or aggravated by workplace exposures or activities and are considered recordable when they meet established reporting criteria. These criteria may include medical treatment beyond first aid, restricted work duties, days away from work, loss of consciousness, or formal diagnosis by a qualified healthcare professional.

Such cases shall be recorded and reported in accordance with applicable internal requirements and local regulatory obligations.

Severity rate (SR): This is a calculation that provides an organization with a measure of the severity of incidents occurring in the workplace. It is calculated as the total time of inactive period due to accidents at work per total hours worked. At Leadec, we calculate severity rate with total time of inactive period due to accidents at work in hours with one million hours worked.

Risk assessments in HSE are systematic processes to identify hazards, evaluate the associated risks by considering the likelihood and severity of potential harm, and determine appropriate control measures to eliminate or reduce those risks to an acceptable level.

At Leadec, risk assessments shall be conducted for each job activity and working location and shall be reviewed and formally approved at least annually. Number of risk assessments refers to the total number of completed risk assessments in the global HSE suite for specific sites, region, or business unit.

Workers in the Value Chain [S2]

Why it matters

Respecting the rights and ensuring the safety and well-being of workers in the value chain is important to Leadec's ability to operate responsibly and deliver high-quality services. As Leadec relies on a large network of suppliers and subcontractors, inadequate working conditions—such as unsafe environments, violations of labor rights, or lack of worker protection—can lead to severe negative impacts on individuals, including physical harm, exploitation, or restricted rights. Promoting high standards of responsible business conduct across the value chain, coupled with

risk-based supplier engagement, strengthens resilience, improves service quality, and enhances long-term partnerships while mitigating potential negative impacts among Leadec's supplier base. Leadec's own employees often work alongside workers of our subcontractors on our customers' premises. It is therefore essential to safeguard workers and to actively mitigate occupational health and safety risks, ensuring compliance with international standards, and supporting sustainable and responsible business performance.

Sub-topic and description	Type	Value chain location	Time horizon ¹⁾	Policies and frameworks
Health and safety				
Failure to ensure adequate safety measures could lead to legal and market challenges, negatively affecting the Company financially, particularly if subcontractors are involved.	Risk	Upstream	Short-, medium-, long-term	• Policy Statement • Business Partner Code of Conduct • Value chain workforce management policy
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	Short-term	• Policy Statement • Business Partner Code of Conduct
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	Short-term	• Policy Statement • Business Partner Code of Conduct
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	Medium-term	• Policy Statement • Business Partner Code of Conduct

¹⁾ Short-term = 1 year, medium-term = 1–5 years, long-term = over 5 years (as per ESRS 1.80).

²⁾ Account for 80% of Leadec's total spend volume.

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 43 onward (section "Strategy" in chapter [ESRS 2]). First-tier suppliers have primarily been assessed. Specific focus is on Leadec's subcontractors, who offer mostly specialized services such as technical facility management, logistics, and specialized engineering services. The materiality assessment described on ➡page 55 onward (section "Description of the process to identify and assess material impacts, risks, and

opportunities, and material information to be reported" in chapter [ESRS 2]) identified the following material impacts and risks, which refer to three different sub-topics:

Actions

- | | |
|--|--|
| | <ul style="list-style-type: none">• HSE validation process for subcontractors:<ul style="list-style-type: none">- Selection and prequalification based on HSE criteria- Onboarding and training- Performance monitoring and evaluation |
| | <ul style="list-style-type: none">• Supply chain risk management: Software-supported system to assess active suppliers and identify risks related to health and safety• Implementation of the Business Partner Code of Conduct with special attention given to "A suppliers"²⁾• 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 |
| | <ul style="list-style-type: none">• Supply chain risk management: Software-supported system to assess active suppliers and identify risks related to forced labor• Implementation of the Business Partner Code of Conduct with special attention given to "A suppliers"²⁾• 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 |
| | <ul style="list-style-type: none">• Supply chain risk management: Software-supported system to assess active suppliers and identify risks related to collective bargaining• Implementation of the Business Partner Code of Conduct with special attention given to "A suppliers"²⁾• 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 |

Policies related to workers in the value chain

Leadec's expectation of responsible and lawful conduct extends beyond its own operations to workers throughout the value chain. Suppliers, particularly subcontractors, are integral to Leadec's business model, and compliance with legal, ethical, and sustainable standards is a prerequisite for cooperation. The policies outlined below aim to prevent, mitigate, and address Leadec's material impacts and risks in the upstream value chain, including risks related to occupational health and safety and potential negative impacts concerning occupational health and safety, collective bargaining, and forced labor. Their development and refinement consider input from internal and external stakeholders, including employees and suppliers, as well as HSE audit findings if any, and industry frameworks.

These policies apply globally to all workers in Leadec's upstream value chain, regardless of geography, employment type, or supplier type, targeting specifically employees of subcontractors, with no exclusions defined. No significant changes to these policies were made during the reporting period.

Based on its [Policy Statement](#), Leadec commits to respecting human and environmental rights across its operations and value chain. For more information on Leadec's overarching human rights commitment, please see [page 110 onward](#) (section "Policies related to own workforce" in chapter [S1]).

Leadec's [Business Partner Code of Conduct \(BP CoC\)](#) establishes binding minimum requirements for ethical employment practices, occupational health and safety, and respect for human and labor rights across the value chain, including provisions on non-discrimination and the protection of minorities and indigenous peoples. Business partners, specifically suppliers and subcontractors, must ensure voluntary employment under fair and legally compliant conditions, and strictly prohibit forced labor, child labor, human trafficking, and modern slavery. They must uphold fundamental rights, including freedom of association and collective bargaining, ensure at least legally compliant remuneration, and adhere to international working time

standards, explicitly referencing International Labour Organization (ILO) limits. Safe and healthy working conditions are required through hazard prevention, appropriate instructions and controls, and maintaining adequate qualifications, including where security personnel are involved. These requirements apply globally and are expected to be extended by Leadec's business partners to their own suppliers and subcontractors.

The [Code of Conduct](#) and the global compliance policy (please see [page 152 onward](#), section "Leadec's House of Governance" in chapter [G1]), which are the guiding policies for Leadec's own employees, also govern interactions with suppliers, including subcontractors. Further, Leadec's management of relationships with suppliers, including structured risk analyses and follow-up measures, is described on [page 159 onward](#) (see section "Management of relationships with suppliers" in chapter [G1]).

The value chain workforce management policy provides a comprehensive framework to manage and protect subcontractors' employees. The policy aims to ensure high standards of occupational health and safety, environmental protection, workers' rights, and social responsibility. It applies globally and supports risk prevention, continuous improvement, and consistent standards across the upstream value chain.

Additionally, Leadec's internal global occupational health and safety management policy (see [page 110 onward](#), section "Policies related to own workforce" in chapter [S1]) and its environmental policy (see [page 80 onward](#), section "Policies related to climate change mitigation" in chapter [E1]) also apply at sites where value chain workers work alongside Leadec employees, contributing indirectly to their protection.

Leadec communicates its policies relating to workers in the value chain primarily through contractual requirements, the Business Partner Code of Conduct (also publicly available on Leadec's website), as well as onboarding and qualification processes. Leadec relies on suppliers and subcontractors to implement and communicate these policies to their workforce.

Engagement with workers in the value chain, existence of channels to raise concerns or needs, and approaches to remedy

Leadec engages directly with workers in the value chain primarily through its suppliers and subcontractors and through credible proxies such as supplier risk analyses, supplier self-assessments, certifications, and HSE audits in relevant markets, as well as information received via grievance mechanisms, if available. Engagement is risk-based and ongoing with first-tier active suppliers across the upstream value chain and is integrated into supplier management, risk prioritization, and corrective measures, including consideration of potentially vulnerable groups, if such groups are identified through risk-based analyses. For more information on our engagement with workers in the value chain

please see [page 159 onward](#) (section “Management of relationships with suppliers” in chapter [G1]).

Workers in the value chain can raise concerns or needs directly with their Leadec point of contact or through the Leadec Integrity Line, which functions as a global grievance mechanism available to all external stakeholders. For further information please see [page 156](#) (section “Leadec’s whistleblower and grievance mechanism” in chapter [G1]).¹

Leadec has not entered into Global Framework Agreements with workers’ representatives in the value chain.

Actions and resources related to workers in the value chain

Identified material potential negative impacts, including regarding occupational health and safety, collective bargaining, and forced labor, are monitored through:

Supplier risk analysis

- ▶ All active upstream suppliers are assessed annually through a risk-based supply chain risk management system, covering human rights, labor standards, health and safety, environmental and compliance risks across all legal entities and geographies; the process includes abstract and, where required, detailed risk analyses using supplier self-assessments and is ongoing.
- ▶ Enables early identification and prioritization of potential and actual supply chain risks, supports targeted preventive and remedial measures, and contributes to Leadec’s policy objectives on human rights and environmental due diligence, responsible procurement, and regulatory compliance. For more information, please refer to [page 159 onward](#)

(section “Management of relationships with suppliers” in chapter [G1]).

Implementation of the Business Partner Code of Conduct (BP CoC)

- ▶ Binding minimum standards on human rights, labor conditions, health and safety, environmental protection and business integrity are applied to upstream business partners (suppliers and subcontractors) across all legal entities and geographies; alignment is expected for business relationships and applied on an ongoing basis. Special attention is given to “A suppliers” who account for 80% of Leadec’s total spend volume.
- ▶ Establishes a consistent level of responsible business conduct in the supply chain, helps prevent and mitigate human rights, environmental and compliance risks, and supports Leadec’s policy objectives on responsible supply chain management and due diligence.

¹ The description of the Leadec Integrity Line in chapter “Business Conduct [G1]” also fulfills disclosure requirements S2-14 and S2-15, including application requirements 3 for paragraph 14, of the simplified set of ESRS (version published November 2025), as it includes information on how reports are being addressed, how reporting persons are protected against retaliation, the effectiveness assessment of the mechanism, as well as how the Company aims to cooperate in remediation where it has caused or contributed to material negative impacts on workers in the value chain.

The effectiveness of these actions is tracked and assessed through Leadec's 2030 sustainability targets. Please refer to section "Targets related to workers in the value chain" in this chapter for more information (➡page 147).

Further, Leadec manages the material risk regarding occupational health and safety in its upstream value chain via the value chain workforce management policy. Internal HSE audits in specific markets and regular reviews assess the effectiveness of safety-related actions. Key actions include:

Selecting and prequalifying subcontractors based on HSE criteria

- ▶ Leadec developed selection and prequalification processes for suppliers providing subcontracted services. They can include health, safety, environmental, and compliance criteria, as well as safety performance and regulatory adherence. This action applies to the upstream value chain, covers relevant Leadec sites in selected countries, affects screened subcontractors and their employees, and is applied prior to engagement and reviewed periodically.
- ▶ Reduces exposure of value chain workers to unsafe working conditions and operational risks and supports the policy objective of engaging only qualified and compliant partners.

Onboarding and training for subcontractors

- ▶ Leadec requires mandatory onboarding and training for value chain workers covering site-specific health and safety rules, emergency procedures, regulatory requirements, environmental protection, and workers' rights. This action applies to the upstream value chain across all regions and legal entities, affects all categories of subcontractors, and is conducted at onboarding with ongoing refresher training.
- ▶ Increases awareness of risks, rights, and responsibilities among subcontractor employees and contributes to a consistent safety, compliance, and rights-based culture across operations.

Monitoring and evaluating performance of subcontractors

- ▶ Leadec monitors and evaluates the performance of selected subcontractors where applicable through measures such as audits, inspections, KPI tracking, documentation reviews, or performance evaluations, including corrective actions where needed. This action applies to the upstream value chain across applicable sites and geographies with relevant subcontractors, affects their workers, and is conducted on an ongoing and periodic basis where initiated.
- ▶ Drives continuous improvements in health, safety, and working conditions for value chain workers and supports the objective of maintaining consistent HSE standards.

In implementing these actions, Leadec may encounter tensions between maintaining high human, labor, and environmental rights and standards and other business considerations, such as cost efficiency, supplier availability, and operational timelines. For example, in certain markets or specialized service areas, the pool of qualified suppliers that fully meet Leadec's standards may be limited, potentially affecting project delivery or cost structures. To address these situations, Leadec applies a risk-based approach that prioritizes the prevention and mitigation of adverse impacts on workers while balancing operational requirements. Where gaps are identified, Leadec engages with suppliers through corrective action plans, capacity building measures, and enhanced monitoring to support improvement rather than immediately disengaging. However, where severe risks persist or remediation is not achieved, Leadec escalates actions, including suspending or terminating business relationships, ensuring that respect for human rights remains a fundamental condition for cooperation.

As part of Leadec's compliance efforts and as a tool provided to workers in the value chain, the Leadec Integrity Line is available (see ➡page 156 onward (section "Leadec's whistleblower and grievance mechanism" in chapter [G1])). In 2025, no material human rights issues and incidents connected to workers in the value chain have been reported to Leadec.

The implementation of these actions is supported by dedicated organizational structures, including the Human Rights & Supply Chain Committee and Compliance Committee (who both report to the Board of Management) as well as responsible HSE and procurement functions. These functions are tasked with operating the complaints procedure, conducting risk analyses, and defining and implementing preventive and remedial measures where needed. Governance and oversight apply Group-wide, with a focus on the upstream value chain, and operate on an ongoing basis. Leadec allocates appropriate resources to operate its software-based supplier risk analysis, its digital reporting system, conduct investigations, engage with complainants, and ensure effective follow-up and remediation of identified issues.

Lastly, Leadec considers the interdependencies between social impacts in the value chain and broader environmental and economic developments, particularly in the context of the transition to a low carbon and resource efficient economy. Changes in procurement practices, evolving regulatory requirements, and growing customer demand for specialized sustainable services—the latter presents two material opportunities

to Leadec and its business model (see chapters [E1] on [page 82 onward](#) and [E5] on [page 99 onward](#))—are transforming supplier structures and influencing working conditions across the value chain. The expansion of Green Factory Solutions, which represents a growing share of Leadec's total sales, is actively contributing to transforming the manufacturing industry.

Recognizing these dynamics, Leadec manages the interconnections between environmental transformation and social impacts along the value chain. This includes the continuous expansion of long-standing and tested partnerships with subcontractors as well as creation of new partnerships to cooperate in the transformation of the manufacturing industries, the application of a risk-based supplier management approach, the definition of training and qualification requirements for subcontractors, and the implementation of ongoing monitoring and due diligence processes. Through these measures, Leadec aims to ensure that improvements in environmental performance and the scaling of sustainable business models are aligned with the protection of workers' rights, health and safety, and fair working conditions across its value chain.

Targets related to workers in the value chain

In the reporting period, Leadec pursued its 2025 sustainability targets concerning supplier sustainability by promoting supplier sustainability throughout the value chain. Specifically, we tracked “A suppliers” (accounting for 80% of the annual spend volume) for their commitment to the Leadec Business Partner Code

of Conduct, including environment, health and safety, human rights, and working conditions (2025: 65.6%).

Building on this progress and reflecting a strategic consolidation of priorities, the newly developed 2030 targets are outlined in the table below.

	2030 sustainability target	2025
Supplier sustainability	We want to promote sustainability throughout our value chain.	
	Cover active suppliers by an abstract risk analysis 100% of active suppliers of the previous fiscal year covered	100%
	Cover high-risk “A suppliers”¹⁾ by a concrete risk analysis 100% of high-risk “A suppliers” covered	100%
	Promote supplier commitment to sustainability principles >75% of “A suppliers” ¹⁾ committed to the Leadec Business Partner Code of Conduct	65.6%

¹⁾ “A suppliers” account for 80% of the annual spend volume.

Governance Information



“Strong governance underpins trust and performance. By embedding integrity, transparency, and robust controls—from compliance to information security—we enable responsible growth and long-term partnerships.”

Christian Geißler, CFO Leadec Group

Transparent and responsible governance is fundamental to Leadec’s role as a trusted partner in industrial services. Integrity is embedded across all levels of the organization—from strategic decision-making to day-to-day operations—guiding how we conduct business in diverse regulatory and cultural environments.

In 2025, Leadec recorded zero confirmed incidents of corruption or bribery and zero related convictions, underscoring the effectiveness of our preventive controls, clear policies, and strong ethical culture. We actively promote a speak-up culture through the Leadec Integrity Line, enabling employees and business partners to raise concerns confidentially, and without fear of retaliation. This mechanism plays a key role in fostering transparency, accountability, and early risk detection across the Group.

Protecting information and data integrity remains a core component of our governance framework. Leadec’s information security management system is certified in accordance with ISO/IEC 27001, covering 100% of global IT services provided to all legal entities. This comprehensive scope ensures consistent standards for information security, confidentiality, and system resilience throughout our operations.

Together, these governance structures reinforce Leadec’s commitment to lawful, ethical, and responsible business conduct and provide a strong foundation for sustainable growth, long-term partnerships, and continued trust among customers, employees, and stakeholders worldwide.



0

confirmed incidents of
corruption or bribery

0

convictions for
corruption cases

100%

of global IT services
provided to all legal entities are
certified according to ISO 27001

Business Conduct [G1]

Why it matters

Responsible business conduct is essential to Leadec's long-term success as a global service provider operating in complex industrial environments and across diverse regulatory, cultural, and economic contexts. Our activities rely on close cooperation with customers, suppliers, subcontractors, and employees worldwide, making ethical behavior, compliance with applicable laws, and transparent decision-making critical to maintaining trust, managing risks, and safeguarding Leadec's reputation and license to operate.

Strong governance and a culture of integrity form the foundation for sustainable value creation at Leadec. They help prevent misconduct, ensure fair competition, protect human rights, and support safe and responsible operations. At the same time, increasing regulatory requirements, stakeholder expectations, and supply chain complexity underscore the importance of embedding responsible business conduct into Leadec's corporate culture, policies, and management systems as a strategic necessity for resilience, credibility, and long-term performance.

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 [page 55 onward](#) (section "Description of the process to identify and assess material impacts, risks, and opportunities,

and material information to be reported" in chapter [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⁾
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
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 1.80).

Policies related to business conduct

Leadec's corporate culture

At Leadec, sustainability is an integral part of how we think, act, and work every day. Our corporate culture is shaped by a clear purpose: keeping production running smoothly while making factories fit for the future. This purpose guides decisions across all regions and functions, and forms the foundation for long-term value creation for customers, employees, and society.

Leadec's vision—to be the leading service specialist for the factory of today and tomorrow—and its mission—to keep production running smoothly while making factories fit for the future—are implemented within a clearly defined framework of corporate values: Reliability, Commitment, and Leading Edge. These values serve as binding behavioral guidelines for all employees worldwide.

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.

Employees are the foundation of Leadec's success. Across around 380 locations worldwide, the Group fosters a people-centered culture based on respect, trust, and teamwork. Occupational safety is a non-negotiable priority at Leadec and is guided by the principle "Safety—It's Your Life!," placing the health and well-being of employees, customers, and subcontractors above all other considerations. More information on our global health and safety program can be found in section "Actions and resources related to own workforce" in chapter [S1] ([page 117 onward](#)).

Sustainability is not treated as a separate topic but as a key element of Leadec's business strategy and corporate culture. Through Green Factory Solutions, Leadec supports customers in reducing emissions, improving resource efficiency, and advancing circular economy practices. By embedding sustainability into its corporate culture, Leadec aims to create long-term value, manage risks responsibly, and contribute positively to the transformation of the manufacturing industry. For more information, please refer to [page 45](#), section "Green Factory Solutions" in chapter [ESRS 2].

Policies and frameworks

Actions

- Corporate values and leadership principles
- Code of Conduct incl. anti-corruption and anti-bribery standards
- Compliance management system
- Whistleblower protection and non-retaliation policy

- Regular training on ethics, integrity, and anti-corruption
- Leadership communication promoting ethical behavior and speak-up culture
- Operation of protected whistleblower channels
- Monitoring and continuous improvement of ethical culture

- Anti-harassment and anti-discrimination policies
- Conflict of interest policy
- Whistleblower policy with defined investigation procedures
- Disciplinary framework for misconduct and compliance breaches

- Investigation and remediation of reported misconduct
- Protection of whistle-blowers against retaliation
- Sanctioning of violations in line with internal rules
- Awareness measures on risks of unethical behavior and misconduct

Leadec's House of Governance

Responsibility, transparency, and ethical behavior guide decision-making at all management levels and are embedded in the Group's governance framework. Leadec's principles and commitments are defined in the Policy Statement on Human and Environmental Rights as well as binding codes of conducts. These policies are published on [Leadec's website](#) and set clear expectations for employees and business partners alike and provide clear guidelines of what is considered acceptable behavior.

The Leadec House of Governance (HoG) establishes the Group-wide framework for ethical behavior, risk management, and internal control, supporting responsible corporate management and sustainable value creation along the value chain. It is structured around four interrelated pillars—Compliance, Risk Management, Functional Policies, and Information Security. Leadec's HoG is accessible through the Company's intranet. Employees without direct access to the intranet are provided with either paper copies or access via shared computers or noticeboards. No significant changes to these policies were made during the reporting period, unless otherwise specified with a description of the key changes.

The HoG features all global policies, which are supplemented by global subject-specific policies as well as locally applicable policies. Leadec's policies are globally binding for our own employees and relevant legal entities within the Leadec Group, including those subject to U.S. law, where approved by the Board of Directors. Supplementing subject-specific global policies apply to the extent that the covered topic is applicable to a given site or stakeholder group, while more stringent local regulations take precedence. Subject-specific policies are made available either through the HoG or a dedicated SharePoint, for example for the HSE community.

The Group-wide Internal Control System (ICS) is applicable across all four pillars of the HoG and ensures that business activities are executed completely, correctly, timely, and in compliance with applicable statutory requirements and internal guidelines. It safeguards business processes at functional and transactional levels and reduces risks related to non-compliance,

financial reporting, and operational or economic factors. The ICS applies Group-wide to all relevant business processes, including upstream vendor selection activities, and is based on the COSO framework, as recommended by the Committee of Sponsoring Organizations of the Treadway Commission, covering the control environment, risk assessment, control activities, information and communication, and monitoring.

The first pillar—Compliance

The compliance policy defines compliance as observing and adhering to the rule of law as well as all of the Company's own rules and regulations. The Code of Conduct (CoC) and Business Partner Code of Conduct (BP CoC) complement the compliance policy and contain stipulations on day-to-day working life and a commitment by the Board of Management to act in accordance with Leadec's values. The compliance management system (CMS), integrated into the Group risk management system, supports the prevention, monitoring, and continuous improvement of compliance measures. It applies Group-wide to all employees, compliance officers, and the Board of Management and covers key areas including conflicts of interest and anti-corruption (including anti-bribery and prohibition of facilitation payments).

Conflicts of interest are understood by Leadec as situations in which personal interests, relationships, or activities could conflict with, or appear to conflict with, the interests of the Company or impair the objective and impartial performance of professional duties. Leadec commits to minimizing such conflicts by requiring all employees to act exclusively in the interests of the Company, to avoid conflict situations wherever possible and to disclose any actual or potential conflicts without delay. Clear rules on secondary employment, participations, business relationships with related parties, and decision-making processes, combined with transparency, documentation, and management oversight, ensure that conflicts of interest are either prevented or appropriately managed.

The compliance policy is further complemented by the corruption prevention policy which establishes a strict zero-tolerance approach to corruption in all its forms. It provides binding rules of conduct and practical

guidance for employees on gifts and entertainment, donations and sponsoring, sanctions compliance, and separation of duties, thereby supporting the identification, assessment, and avoidance of corruption risks. The policy governs relationships with customers, suppliers, subcontractors, financial institutions, and public entities. Enhanced compliance checks are conducted for customer relationships in countries with a Corruption Perceptions Index score below 45. The policy refers to applicable European and international legal frameworks, is consistent with the United Nations Convention against Corruption, and mandates systematic screening against current sanctions, embargo, and terrorist lists to ensure full compliance with international sanctions regimes.

Corruption is defined as the abuse of entrusted power for private gain, which can be instigated by individuals or organizations. It includes practices such as facilitation payments, fraud, extortion, collusion, and money laundering. It also includes an offer or receipt of any gift, loan, fee, reward, or other advantage to or from any person as an inducement to do something

that is dishonest, illegal, or a breach of trust in the conduct of the Company's business. This can include cash or in-kind benefits, such as free goods, gifts, and holidays, or special personal services provided for the purpose of an improper advantage, or that can result in moral pressure to receive such an advantage. In line with this understanding, Leadec explicitly rejects all forms of corruption and pursues a strict zero-tolerance approach. Corrupt practices are prohibited across all business activities, irrespective of local customs, amounts involved or perceived benefits, and this prohibition applies equally to employees, managers, and third parties acting on Leadec's behalf. This is especially important for functions and roles deemed to be most at risk of corruption including bribery—namely, sales, procurement, and top management—as a result of their tasks and responsibilities within Leadec.

A robust compliance framework ensures lawful and ethical conduct across all business activities, supported by clear rules, controls, and continuous monitoring.

Bribery is defined as dishonestly persuading someone to act in your favor by giving them a gift of money or another inducement. In accordance with this definition, Leadec strictly prohibits the offering, promising, granting, requesting, or accepting of any improper advantage intended to influence business decisions or official actions. This includes monetary and non-monetary benefits and applies both in dealings with public officials and within private business relationships. Leadec's policies establish a clear zero-tolerance stance on bribery, supported by binding rules on gifts and invitations, approval and documentation requirements, financial controls and sanctions for violations.

Facilitation payments, understood as unofficial payments made to expedite routine governmental actions, are treated as a form of corruption and are strictly prohibited by Leadec. The prohibition applies without exception, regardless of amount, purpose, urgency, or local practice. Employees are required to refuse and report any request for such payments, and the same standards apply to agents, consultants, and other third parties acting on behalf of the Company. This absolute ban is reinforced through strict payment controls, transparent documentation requirements, contractual safeguards and compliance training, underscoring Leadec's commitment to ethical and lawful business conduct.

Additionally, the Group's data protection policy positions compliance with data protection requirements as a fundamental basis for trust-based cooperation and as a key quality indicator for business conduct in relationships with customers, suppliers, and other business partners. It serves as the strategic guiding document for ensuring Company-wide data protection compliance and is supported by an effective data protection management system that provides for continuous documentation, monitoring, and review of relevant processes. The policy governs the handling of personal data in all business activities, including cooperation with external parties through contractual

arrangements such as order processing agreements and data protection agreements, thereby aiming to ensure consistent and legally compliant data protection standards throughout the organization.

Lastly, the diversity and inclusion policy falls within this pillar. For more information refer to [page 110 onward](#) (section “Policies related to own workforce” in chapter [S1]).

The second pillar – Risk Management

The global risk management policy establishes a standardized framework for identifying, assessing, and managing global risks across all Leadec entities worldwide, with the objective of ensuring early risk detection, consistent evaluation, and effective mitigation. It defines a comprehensive risk management process—comprising risk identification, analysis, steering, and monitoring—and categorizes risks into areas such as external, financial, operational, and business ethics risks. The policy further sets clear principles, including strict legal compliance, avoidance of existential risks, and mandatory use of controls and insurance, while requiring all business units to report key risks and mitigation measures through a centralized platform. Governance is ensured through defined roles such as the Group and regional Chief Risk Officers (CROs), Risk Management Committee, and local Risk Managers, complemented by regular reporting and escalation requirements for significant decisions or incidents, thereby ensuring transparency, accountability, and a consistent risk culture across the Group.

In 2025, the content of the global risk management policy has been split into two complementary policies. The second part is the global order risk management policy, which defines a standardized approach to identify, assess, and control operational risks in customer orders and projects across Leadec, starting from the

bidding phase. It follows a four-step process (identify, analyze, steer, and monitor risks), requires operational risks to be considered in pricing and financial planning, and uses the project risk identification in operations (PRIO) process to ensure continuous oversight. The policy sets strict rules on liability, contract clarity, and high-risk activities, and establishes structured approval and governance processes to ensure that all significant order-related risks are properly evaluated and managed throughout the project life cycle.

The policy on emergency and crisis management defines principles and responsibilities for handling crisis situations, including serious violations of legal requirements and company regulations such as the Code of Conduct. It regulates confidentiality obligations and internal and external communications. Please also read section “Emergency response program” in this chapter (see [page 162](#)).

The business continuity management system (BCMS) policy establishes a structured framework to maintain critical corporate functions during emergencies and crises. The BCMS is designed to protect Leadec’s operational stability and reputation by preventing and managing loss events and by fulfilling relevant contractual obligations related to risk and incident management. It follows the Plan-Do-Check-Act cycle, enabling systematic risk handling, performance monitoring, and the effectiveness control of implemented measures. The BCMS is guided by ISO/IEC 22301 standards and aligned with Leadec’s emergency and crisis management policy as well as the Information Security Management framework, enabling a consistent, resilient, and internationally benchmarked Group-wide approach to business continuity.

Lastly, the global sustainability policy (see [page 43](#), section “Leadec’s sustainability strategy” in chapter [ESRS 2]), REACH policy (see [page 170 onward](#),

Leadec’s global risk management framework ensures early identification and mitigation of risks across all entities, supported by structured governance and monitoring throughout the Group.

section “Pollution [E2]” in chapter “Voluntary Reporting on Non-Material Topics”), environmental policy (see ➡ [page 80 onward](#), section “Policies related to climate change mitigation” in chapter [E1]), and occupational health and safety management policy (see ➡ [page 110 onward](#), section “Policies related to own workforce” in chapter [S1]) fall within this pillar. The latter is further supported by subject-specific global policies (e.g., on waste management or lock-out/tag-out procedures), which are also reported throughout this report where applicable.

The third pillar—Functional Policies

The Group’s IT governance policy establishes a comprehensive framework aimed at ensuring secure, efficient, compliant, and strategically aligned use of information technology across the Leadec Group. It defines clear requirements for audit execution, supplier management, software asset management (SAM), and IT risk management. Compliance with the policy is regularly verified through risk-based approach audits conducted by the central IT governance and administration department. Supplier management is designed to ensure that relationships with external vendors and service providers are structured, transparent, and aligned with business and compliance requirements. It includes standardized processes for supplier selection, evaluation, contracting, and ongoing monitoring. Mandatory software asset management ensures compliance with license agreements, cost optimization, and the reduction of cyber and compliance risks. IT risk management applies to project deliverables and IT assets that could affect operational safety and business success. The policy applies to global and local IT departments and to all companies within the Leadec Group, ensuring consistent governance and risk-aware IT operations Group-wide.

Further, Leadec’s global procurement governance policy defines binding requirements for responsible sourcing and the protection of human rights, and the environment throughout its supply chains. The policy aims to ensure that all suppliers comply with labor, human rights, and environmental expectations, including the request for formal acceptance of the Business Partner Code of Conduct, specifically by Leadec’s “A suppliers” (accounting for 80% of Leadec’s total spend). All active suppliers are subject to an

annual, software-based abstract risk analysis covering their own operations and supply chains. The policy addresses key topics such as child labor, forced labor, modern slavery, occupational health and safety, freedom of association and collective bargaining, non-discrimination, diversity and inclusion, the rights of minorities and indigenous peoples, appropriate remuneration, protection from harmful chemicals, and conflict minerals. Preventive and corrective measures are reviewed annually in line with applicable legal frameworks, including the Corporate Sustainability Due Diligence Directive (CSDDD), the German Supply Chain Due Diligence Act (LkSG), and the UK Modern Slavery Act. Leadec expects suppliers to immediately remedy any identified human rights or environmental violations and reserves the right to pause or terminate business relationships in cases of non-compliance. The policy applies to all active suppliers worldwide and explicitly requires them to cascade these expectations along their own supply chains, while recognizing internationally recognized standards such as ISO 45001 and SA8000:2014 as evidence of effective protection of workers.

Both policies are complemented by Leadec’s supplier management information security policy described in the next section.

Further, the policy on human resources principles, the training policy, and the bonus policy (see ➡ [page 110 onward](#), section “Policies related to own workforce” in chapter [S1]) fall within this pillar.

The fourth pillar—Information Security

The Group’s information security policy establishes a comprehensive framework to support the secure, reliable, and trustworthy execution of Leadec’s business processes in an increasingly digitalized environment. Information security is implemented through an information security management system (ISMS), which is based on technical and organizational controls, asset management, and a systematic classification of information according to defined protection requirements. The ISMS follows the Plan-Do-Check-Act (PDCA) cycle and is supported by a risk-based information security management process, including risk identification, analysis, assessment, evaluation, and treatment. The policy applies to Leadec’s operations, business processes,

employees, and relevant information assets and is aligned with internationally recognized standards such as ISO/IEC 27001 and TISAX. Measures are defined to avoid conflicts of interest, including the separation of key roles within the information security organization.

Leadec's global information security framework is underpinned by the information security policy, as described above, and complemented by a comprehensive set of subject-specific policies that translate overarching principles into concrete governance, technical, and organizational controls. These supplementary policies cover risk and asset management; information classification; password, access control, and cryptography requirements; IT security responsibilities for users and IT functions; backup, recovery, and disaster recovery processes; secure information transfer and data storage management; patching and vulnerability management; physical and environmental security; secure software development; supplier and personnel security; incident and internal audit management; and structured document management. Together, they ensure a consistent, end-to-end approach to protecting information assets across their entire life cycle, addressing both internal operations and external dependencies.

Leadec's policy for supplier management regarding information security is anchored in the information security policy and complements global governance policies for both IT and procurement (described in the section above) to manage risks related to supplier relationships. Together, these policies define binding principles, controls, and responsibilities across all Leadec legal entities globally to ensure compliance with information security, cyber security, and data protection, supplier risk management, and regulatory requirements (e.g., under the NIS2 Directive) within the Company and among relevant suppliers. Policies are reviewed regularly within the ISMS and third-party risk management (TPRM) governance processes and updated where necessary to ensure continued effectiveness and compliance. Leadec's expectations for our business partners, including suppliers and subcontractors, are outlined in the [Business Partner Code of Conduct](#).

Relevant risks are systematically identified, assessed, and mitigated alongside human rights and

environmental considerations through a software-based supply chain risk management process (see [page 159 onward](#), section "Management of relationships with suppliers" in this chapter). Supplier relationships are managed using a risk-based classification approach, considering factors such as access to sensitive information, processing of personal data, and impact on critical IT systems. Based on this classification, suppliers are subject to proportionate requirements, including contractual security obligations, certifications (e.g., ISO/IEC 27001:2022, TISAX), and regular monitoring. Relevant suppliers are asked to complete information security self-assessments, and Leadec aims to reserve the right to verify compliance. Information security requirements are embedded in supplier agreements, including provisions on access control, incident management, audit rights, and data protection.

Lastly, Leadec published the Group policy on the use of artificial intelligence (AI) which establishes binding principles for responsible, secure, and compliant AI use across the Leadec Group. It defines AI-related business conduct requirements and assigns overall responsibility to the global Board of Management for strategic AI decisions, compliance with applicable legal requirements—including the EU Artificial Intelligence Act and the General Data Protection Regulation (GDPR)—and the definition and enforcement of ethical guidelines. All new AI applications are subject to mandatory approval through the established demand process, and the use of unauthorized software as well as any infringement of third-party intellectual property rights is strictly prohibited. The policy forms an integral part of the ISMS and applies Group-wide to all legal entities, employees, and any other parties with access to Leadec IT systems, covering all approved AI use cases and data types defined in the approval process to support consistent, lawful, and risk-aware deployment of AI technologies.

Leadec's whistleblower and grievance mechanism

The Company is subject to legal requirements under national law transposing Directive (EU) 2019/1937, or to equivalent legal requirements with regard to the protection of whistleblowers. Accordingly, Leadec has established a comprehensive reporting and grievance framework, the [Leadec Integrity Line](#), as an integral element of its governance system, compliance

management system, human rights due diligence processes, and overall risk management.

Leadec is committed to fostering a transparent, ethical, and compliant corporate culture in which concerns related to misconduct, violations of laws or internal policies, human rights or environmental risks can be raised without fear of retaliation. This commitment applies to all relevant stakeholder groups, including Leadec's own employees, workers in the value chain (specifically suppliers, subcontractors, and customers and their respective employees), as well as affected community members.

The central reporting mechanism is the Leadec Integrity Line, which is available globally, around the clock, and in multiple languages. Its availability is communicated proactively through the mandatory compliance training, the Code of Conduct, Business Partner Code of Conduct, and through Leadec's website. Reporting can be done confidentially and, where desired, anonymously. In addition, concerns can be raised through alternative channels such as direct supervisors, Human Resources, Compliance functions, or members of the Compliance Committee, as well as via email, phone, fax, or letter. Where legally provided for, reporting persons may also use external reporting channels in accordance with applicable whistleblower legislation.

Confidentiality is a core safeguard of Leadec's reporting framework. The identity of reporting persons is treated as confidential and disclosed only where strictly necessary and legally permitted for the investigation and follow-up of a report, and only to persons bound by confidentiality obligations. Anonymous reporting is explicitly supported. Leadec applies a strict zero-tolerance approach to retaliation. No reporting person acting in good faith shall suffer dismissal,

demotion, disciplinary measures, harassment, discrimination or any other disadvantage as a result of submitting a report or cooperating in an investigation. This protection also extends to individuals who support whistleblowers or are otherwise involved in clarifying reported concerns. Leadec expects its business partners to ensure an equivalent level of protection and engages with them to prevent retaliatory actions within the supply chain.

All reports are handled through a structured, fair, and impartial procedure by independent, specially entrusted individuals, applying the presumption of innocence, proportionality, and confidentiality throughout the

process. Appropriate preventive, corrective, or remedial measures are implemented where violations are confirmed. Reporting persons are informed about the progress and outcome of their report within legally defined timeframes, to the extent permitted by law. While Leadec strongly encourages reporting in good faith, knowingly false or malicious reports are not tolerated; however, whistleblower protection applies whenever a reporting person had reasonable

grounds to believe the information was accurate at the time of submission.

The effectiveness of Leadec's reporting and grievance channels is reviewed regularly as part of governance, risk management, and compliance oversight. The assessment is aligned with the effectiveness criteria for non-judicial grievance mechanisms set out in the UN Guiding Principles on Business and Human Rights, in particular Principle 31, including accessibility, confidentiality, protection against retaliation, predictability of procedures, and appropriate follow-up. Oversight is exercised through defined governance structures, including the Compliance Committee, and insights from case handling and reporting trends are used to continuously improve the framework.

Leadec's Integrity Line ensures accessible, anonymous, and multilingual reporting channels worldwide, strengthening ethical conduct, accountability, and supporting the improvement of compliance processes.

Actions related to business conduct

Aside from the implementation and provision of Leadec's House of Governance, the whistleblowing and grievance mechanism, as described above, and the Code of Conduct (see [page 110 onward](#), section "Policies related to own workforce" in chapter [S1]), further key actions related to business conduct are:

Compliance management system (CMS)

- ▶ Leadec operates a Group-wide compliance management system covering all own operations, legal entities, and geographies, applicable to employees, management, and administrative bodies. Anchored in the Code of Conduct and internal policies described above, it defines governance, roles, and controls, supported by audits, monitoring, and regular policy acknowledgements. The system is continuously updated.
- ▶ Ensures consistent application of compliance standards, strengthens oversight and accountability, and supports early identification and mitigation of risks, contributing to the objective of lawful and ethical business conduct.

Corruption prevention system

- ▶ Embedded in the CMS, the corruption prevention system applies across own operations globally. It is based on a zero-tolerance approach and supported by policies, operating guidelines (e.g., conflicts of interest, gifts and hospitality, record keeping), and internal controls such as segregation of duties and approval processes. It includes ongoing awareness measures, like regular mandatory trainings, policy acknowledgements, and guidance channels.
- ▶ Reduces the likelihood of corruption by embedding preventive controls and clear behavioral expectations, supporting the Company's anti-corruption objectives, and fostering a culture of integrity.

Risk management system (RMS)

- ▶ Corruption risks, among others, are integrated into Leadec's global risk management system, covering all own operations and regions. Regular risk

assessments identify and prioritize risks, with management acting as risk owners responsible for mitigation and monitoring. The process is ongoing, supported by controls, audits, and periodic reassessments.

- ▶ Enables systematic identification and mitigation of risks, strengthens internal controls, and supports informed decision-making in line with compliance and anti-corruption objectives.

Implementation of internationally recognized management system standards across own operational sites

- ▶ Leadec is advancing ISO certifications (ISO 9001, ISO 14001, and ISO 45001) across its own operations, covering relevant legal entities and geographies, to strengthen quality, environmental, and health and safety management. The action addresses its own operational sites where Leadec has operational and financial control. Leadec aims to have over 80% of its own operational sites certified by 2030, with implementation and recertification carried out on an ongoing basis.
- ▶ Enhances consistent and auditable processes, strengthens compliance and risk management, and improves operational reliability. It contributes to transparent, compliant, and responsible business conduct and supports the continuous improvement of governance and internal control systems.

Procedures to prevent, detect, investigate, and respond to allegations or incidents related to corruption or bribery

The Company has established Group-wide procedures to prevent, detect, investigate, and respond to corruption and bribery, embedded in its compliance management system and anchored in the Code of Conduct and related internal policies. These principles apply to all employees, management, administrative bodies, and relevant third parties. Preventive measures include clear behavioral standards, zero-tolerance rules, internal controls (e.g., segregation of duties), and mandatory policies, trainings, and onboarding processes for new employees.

Potential violations are identified through internal controls, audits, risk assessments, management oversight, and reporting channels. Reported cases are assessed and investigated by following defined procedures ensuring objectivity, confidentiality, and proper documentation. Responsibility lies within the compliance, legal, and risk management functions, with escalation to the Compliance Committee and, where applicable, the Board of Management.

Leadec provides mandatory compliance training for all employees, which is conducted digitally for employees with access to Leadec Campus and offline for all others. The training covers, among other topics, the Code of Conduct, anti-corruption requirements, and ethical behavior, and is delivered through onboarding and refresher training every three years, with centrally tracked completion for those with access to Leadec Campus. The training is continuously updated to reflect evolving requirements. It strengthens awareness and capability to prevent and address misconduct, ensures consistent application of policies, and supports a strong corporate culture guided by integrity, particularly in high-risk areas. To address the specific needs of high-risk roles (e.g. procurement, sales, and top management) we are planning to develop dedicated compliance trainings for these employee groups.

Confirmed breaches result in proportionate disciplinary and corrective actions in line with internal policies and applicable law, including sanctions, process improvements, enhanced controls or training, and, where relevant, termination of employment or business relationships. Serious cases will be reported to competent authorities.

In addition, confirmed incidents are systematically analyzed to identify root causes and control weaknesses. Resulting improvements are incorporated into controls, policies, training, and risk assessments, with reporting to governance bodies to ensure oversight and continuous improvement of the anti-corruption framework.

Management of relationships with suppliers

Complementing the key actions for ensuring responsible business conduct, Leadec manages relationships

with suppliers through a Group-wide, compliance-driven and risk-based framework. Supplier selection, contracting, and monitoring are governed by rules defined in the procurement governance policy and supplier management information security policy, including approval processes, separation of duties, and contract reviews where relevant to ensure fair, transparent, and economically sound decision-making. Further key actions for supplier management include:

Implementation of a global supply chain risk management system

- ▶ Leadec operates a global, software-based supply chain risk management system to identify, assess, and address labor and human rights, and environmental risks associated with suppliers. Selected suppliers are additionally assessed for cyber security and data privacy risks. This action applies to the upstream value chain, covering all direct active suppliers across Leadec's own operations globally and indirect suppliers where substantiated knowledge exists. This affects workers employed by suppliers including subcontractors, and is implemented on an ongoing basis with annual and event-driven updates.
- ▶ Enables the systematic identification and prioritization of risks such as forced labor, child labor, unsafe working conditions, violations of freedom of association, cyber security and data privacy, among other topics, in line with applicable supply chain due diligence regulations. This also supports the objective of preventing, minimizing, and remediating adverse impacts in the supply chain.

Supply chain risk management process



Conducting regular abstract and concrete supplier risk analyses

- ▶ All active suppliers are subject to an annual abstract risk analysis based on country and sector risk. High-risk suppliers are then prioritized based on risk severity and commercial influence, with particular focus on “A suppliers” (account for 80% of Leadec’s total spend). Prioritized suppliers are invited to complete a concrete risk analysis, including the collection and evaluation of supplier self-assessments and certifications. This action applies to the upstream value chain across all regions and legal entities of the Leadec Group and affects workers in direct supplier operations, and it is conducted annually with additional analyses triggered by substantiated risk indications.
- ▶ Improves risk transparency and ensures that risks to value chain workers are assessed in a structured and proportionate manner, supporting the objective of effective and risk-based human rights due diligence.

Monitoring supplier compliance and effectiveness of preventive measures

- ▶ Leadec reviews the effectiveness of risk-based preventive measures, where needed, with suppliers on a regular basis, using the software-based global supply chain risk management system to monitor compliance with human rights and environmental expectations and to incorporate findings into sustainability reporting. In addition, monitoring activities include information security aspects, ensuring that cyber and IT-related risks are continuously assessed. This action covers all relevant active first-tier suppliers globally, with identified high risk and insufficient self-assessments. It affects workers in these supplier operations and is conducted where necessary and in a proportionate manner.
- ▶ Supports continuous oversight of potential high-risk supplier performance and contributes to the objective of ensuring that preventive measures remain effective over time.

Supporting remediation and corrective actions for identified risks

- ▶ Where potential or actual violations are identified, Leadec supports remediation measures, including direct engagement with suppliers, agreed corrective action plans with defined responsibilities and deadlines, training measures, or on-site audits if necessary. This action applies to the identified suppliers in the upstream value chain globally, affects workers exposed to identified risks, and is implemented on a case-by-case basis within an ongoing due diligence framework.
- ▶ This enables the timely remediation of adverse impacts on value chain workers, and supports the objective of ending violations of human rights and environmental obligations.

Escalating and phasing out supplier relationships where risks persist

- ▶ If serious violations persist or cannot be effectively mitigated, Leadec may pause or terminate supplier relationships, subject to defined escalation and decision processes. This action applies to the upstream value chain for suppliers with persisting

risks, including direct and indirect suppliers globally where risks are identified, affects workers in high-risk supplier operations, and is applied when remediation efforts fail within defined timeframes.

- ▶ This acts as a deterrent to non-compliance and supports the objective of avoiding association with severe human rights violations in the supply chain.

Documentation, traceability, and audit-proof tracking of measures

- ▶ All identified abstract and concrete risks including risk prioritization (impact assessments), preventive measures, and corrective actions are documented and tracked in an audit-proof manner within the software-based global supply chain risk management system. This action applies to active first-tier suppliers in the upstream value chain and internal procurement governance processes globally and is implemented on an ongoing basis.
- ▶ This ensures transparency, traceability, and regulatory compliance, supporting the objective of demonstrable and verifiable supply chain due diligence.

Moving forward, in alignment with Leadec's climate transition plan, suppliers will be assessed on their impact on the Company's corporate carbon footprint and identified decarbonization levers to achieve Leadec's science-based targets (see [page 70 onward](#), section "Leadec's transition plan for climate change mitigation" in chapter [E1]).

Lastly, for further information on Leadec's management of impacts on workers in the value chain please see [page 108 onward](#) (chapter [S2]).

Information security and data protection

The Company maintains a structured program for information security (including cybersecurity) and data privacy as part of its internal control and risk management framework.

Information security at Leadec is managed through an information security management system (ISMS) that follows a risk-based approach and addresses the protection of confidentiality, integrity, and availability of information. The ISMS operates in accordance with the Plan-Do-Check-Act (PDCA) cycle and is supported by

asset management and a systematic classification of information according to defined protection requirements, forming the basis for the implementation and continuous improvement of technical and organizational controls.

In addition, Leadec operates a data privacy management system (DPMS/DSMS) as a central framework to ensure compliance with applicable data protection requirements. The data privacy program includes structured processes for handling personal data breaches, covering detection, assessment, escalation, and regulatory reporting, as well as regular privacy analyses, including privacy impact assessments (PIAs) and data protection impact assessments (DPIAs), audits, and operational reviews to continuously strengthen the privacy framework.

To support the ongoing development of security and privacy capabilities, internal reviews, and, where appropriate, external assessments are conducted to identify risks and vulnerabilities, assess the effectiveness of controls, and support alignment with recognized standards (e.g., ISO/IEC 27001/2 and TISAX). Leadec's global IT holds a valid ISO/IEC 27001:2022 certification, covering all IT services provided to Leadec legal entities worldwide. Established procedures define the structured handling of security incidents and data breaches; backup, restore, and disaster recovery requirements, as well as business continuity arrangements, complement these measures and contribute to the resilience of critical services.

Governance is supported through clearly defined roles and responsibilities and regular management reviews; a direct reporting line to the global Board of Management ensures overall accountability for information security and data protection. Risks, incidents, and compliance status are regularly reported to relevant governance bodies to ensure transparency, oversight, and informed decision-making. Mandatory training and awareness measures further promote secure and responsible behavior.

Furthermore, information security and data protection requirements are integrated into third-party and supplier management processes, in close alignment with procurement functions, ensuring that risks arising from

external service providers and partners—particularly with regard to cybersecurity and data processing—are addressed consistently within the overall governance and risk management framework.

Emergency response program

Leadec's approach to emergency preparedness and response is defined in its Group-wide emergency and crisis management policy, which establishes a clear policy commitment to protect personnel and enables a structured response across all operations. The policy provides Company-wide guidelines covering organizational structures, escalation rules, communication processes, and documentation requirements, and is regularly reviewed and updated. It is supported by the business continuity management system policy.

Further, on occupational health and safety, Leadec's emergency preparedness and response are embedded in its Group-wide health and safety management system. Systematic risk assessments, preventive measures, and defined incident reporting and escalation processes support the early identification and effective management of emergency situations. Alignment with ISO 45001 and applicable legal requirements ensures consistent emergency readiness across all operations. For further information on policies related to occupational health and safety in the own workforce, see [page 110 onward](#) (section "Policies related to own workforce" in chapter [S1]).

Managerial responsibilities are clearly defined, with overall accountability assigned to the Emergency Response Team leadership (CEO, CFO, COO) and escalation to a central crisis decision-making body in significant cases. Operational responsibility is supported by decentralized emergency response teams at business unit, regional, and site level, ensuring rapid local response and coordination with central functions and external authorities.

Potential emergency risks are systematically identified and classified based on impact, including internal (e.g., operational, compliance, environmental) and external risks (e.g., political, economic, natural events). Employees are required to report incidents or emerging risks through defined channels, enabling immediate assessment, escalation, and coordinated response.

All incidents and actions are formally documented to ensure traceability.

Emergency preparedness is supported by regular training and testing of response procedures, including exercises to validate effectiveness and ensure continuity during prolonged disruptions.

Communication with external stakeholders, including authorities, customers, and media, is centrally managed through defined protocols, with Global Communications acting as the authorized interface to ensure consistent, accurate, and controlled messaging.

Political influence, including lobbying activities

Leadec's approach to political involvement is defined within its Group-wide governance and compliance framework, including the Code of Conduct and Business Partner Code of Conduct, both approved by senior management and applicable across all legal entities. These policies establish binding principles on lawful conduct, integrity, and political neutrality, effectively prohibiting any form of political involvement on behalf of the Company, including political donations, lobbying, or campaigning using company resources or influence. A partial allowance for political engagement is not provided for; instead, a general prohibition and neutrality principle applies. While the policies do not explicitly include a commitment to disclose political donations or lobbying expenditures, this reflects the Company's restrictive stance and absence of such activities rather than a lack of transparency.

In line with this approach, Leadec does not engage in lobbying or political finance activities, and therefore does not report related structures, expenditures, beneficiaries, or supported causes and themes. The absence of disclosed monetary values or partial reporting of political spending is consistent with the Company's position of non-engagement. Overall, the governance framework confirms that no political advocacy or financing activities are undertaken, ensuring alignment with its commitment to integrity, compliance, and neutrality.

Targets related to business conduct

In the reporting period, Leadec pursued its 2025 sustainability targets concerning business conduct, which break down into five sections.

In the area of compliance, Leadec aimed to ensure compliance with the law and build trust with stakeholders by training employees on compliance matters. More than 90% of targeted employees were to be trained on key compliance topics such as Leadec's Code of Conduct, anti-bribery, anti-corruption, anti-money-laundering, anti-trust, sanctions, whistleblowing, human rights, and anti-discrimination (2025: 95.6%). In addition, Leadec aimed to train employees on information security, data protection, and artificial intelligence, targeting >90% of targeted employees trained quarterly (2025: 72.8%). The latter was lower than the target value as the scope of targeted employees was significantly expanded by over 40% from 3,977 at the end of 2024 to 5,624 employees in 2025. This increase reflects Leadec's shift to a more inclusive training approach, now with additional access via app, which enables access for all employees with a Company email address—regardless of device availability—with the aim of systematically reaching and training all digitally active staff who may be exposed to information security risks such as phishing.

In the area of human rights, Leadec aimed to support the protection of internationally proclaimed human rights by strengthening human rights training (>90% of targeted employees trained; 2025: 95.6%).

Leadership and culture play a central role in Leadec's sustainability approach. Leadec aimed to ensure strategic oversight of sustainability matters by reserving

a standing agenda slot at all Board of Management meetings (2025: achieved) and to support accountability through bi-annual ESG deep-dive sessions with the global Board of Management (2025: achieved).

82.1%

of Leadec's own operational sites
are certified according to ISO 9001
for quality management systems

In the area of corporate governance and ethics, Leadec aimed to actively steer and govern sustainability matters by conducting regular committee meetings (2025: achieved) and committing to internationally recognized sustainability principles, including renewing active membership in the UN Global Compact annually (2025: achieved).

Finally, in transparency and credentials, Leadec aimed to obtain and maintain sustainability transparency and credentials by publishing a sustainability report annually (2025: achieved) and certifying quality management systems (>80% certified according to ISO 9001; 2025: 82.1%). In addition, Leadec evaluated sustainability performance through regular benchmarking, targeting >70/100 points in EcoVadis and a CDP rating of at least A (2025: EcoVadis 79/100; CDP rating B).

Building on this progress and reflecting a strategic consolidation of priorities, the newly developed 2030 targets are outlined in the table below.

	2030 sustainability target	2025
Customer focus	We want to strengthen customer relationships and provide services that meet our customers' needs.	
	Retain customers >90% customer retention rate	96.2%
	Increase share of EU Taxonomy-eligible economic activities >10% relative to total output ¹⁾	10.5%
	Increase share of EU Taxonomy-aligned economic activities >5% relative to total output ¹⁾	1.6%
Compliance	We want to ensure compliance with the law and build trust with all stakeholders.	
	Respond to incidents reported via Integrity Line promptly <7 days time to react to reported incidents	<7
	Maintain zero confirmed corruption or bribery incidents 0 incidents	0
	Maintain zero convictions for anti-corruption/anti-bribery violations 0 convictions	0
	Train employees on compliance matters²⁾ >90% of targeted employees trained	95.6%
	Train roles most at risk on business conduct, anti-corruption, and anti-bribery >90% of targeted roles trained	95.6%
	Conduct quarterly risk assessments on corruption, bribery, and whistleblower protection ≥4 risk assessments per legal entity	n.a.
Information security	We want to protect the information and data entrusted to us.	
	Train employees on information security, data protection, and artificial intelligence >80% of targeted employees trained quarterly	72.8%
	Maintain certification of global IT services provided to Leadec's legal entities 100% of global IT services provided are certified according to ISO 27001	100%
Certifications and credentials	We want to obtain ESG-related certifications and credentials.	
	Certify quality management systems³⁾ >80% certified according to ISO 9001	82.1%
	Certify environmental management systems³⁾ >80% certified according to ISO 14001	80.3%
	Certify occupational health and safety management systems³⁾ >80% certified according to ISO 45001	76.9%
	Evaluate sustainability performance through regular benchmarking "Gold" rating by EcoVadis	Gold

¹⁾ Total output encompasses sales plus changes in inventories and other own work capitalized; total output 2025: €1,351.5 million.

²⁾ The compliance training covers Leadec's Code of Conduct, anti-bribery, anti-corruption, anti-money-laundering, anti-trust, sanctions, whistleblowing, human rights, and anti-discrimination.

³⁾ ISO certifications share is calculated based on the number of own operational sites where Leadec is financially and operationally in control.

Metrics related to business conduct

Metrics related to Leadec's Integrity Line (including corruption and bribery)

To provide transparency on the reported and confirmed cases, as well as any potential convictions and sanctions, including fines, related to corruption or bribery during the reporting period and the related outcomes, Leadec consolidates reported (compliance) cases and investigates accordingly:

Reported Incidents	Number of cases		
	2025	2024	2023
Reported cases	83	90	54
Confirmed cases	31	40	21
Confirmed human rights violations (incl. modern slavery)	0	0	0
Confirmed corruption cases (incl. bribery)	0	0	0
Confirmed discrimination (incl. harassment) cases	18	12	1

During the reporting period, the Company recorded zero convictions and zero sanctions for violations of anti-corruption and anti-bribery laws, and no fines were imposed. Accordingly, the total monetary value of fines related to corruption or bribery for the period was €0.

Metrics related to supplier management

The following table shows selected data from Leadec's software-based supply chain risk management system for the 2025 risk analysis cycle. The share of suppliers refers to the 12,536 first-tier suppliers who had an active relationship with Leadec during fiscal year 2024 and were therefore assessed throughout 2025 regarding their risk of adverse sustainability impacts in Leadec's supply chain:

Supplier risk analysis and actions**2025**

Active first-tier suppliers that have gone through a sustainability risk analysis	100%
Low abstract risk suppliers	29%
Medium abstract risk suppliers	50%
High abstract risk suppliers ¹⁾	21%
Environmental high abstract risk suppliers	12%
Social high abstract risk suppliers	16%
Governance high abstract risk suppliers	4%
High abstract risk "A supplier"	3%
Invited to self-assessment questionnaire (SAQ)	100%
Received follow-up measures after the SAQ	48%
Requested to sign Leadec's BP CoC	13%
Certificate validations	19%

¹⁾ "High abstract risk suppliers" refers to suppliers exposed to elevated inherent environmental, social, or governance risks based on external risk indices (e.g., country and industry risk), prior to the application of mitigation measures. Sub-categories may overlap and are therefore not additive.

Environmental issues assessed include use of mercury in manufacturing processes and non-environmentally sound treatment of mercury waste (in accordance with the Minamata Convention); use of persistent organic pollutants and the environmentally unsound handling of such waste (in accordance with the Stockholm Convention); non-environmentally sound import and export of hazardous waste (in accordance with the Basel Convention); and harmful soil change, water pollution, air pollution, noise emissions, or excessive water consumption.

Social issues assessed include child labor; forced labor, including modern slavery; health and safety in the workplace, safety standards, protective measures, training and instruction, working hours and rest breaks; freedom of association and the right to collective bargaining; discrimination, rights of minorities and indigenous peoples/promotion of diversity and inclusion; right to appropriate remuneration, especially minimum wage; unlawful forced eviction and unlawful seizure of land, forests and waters; and use of private or public security forces in violation of human rights.

Governance issues assessed include corruption and bribery. Additionally, 85 suppliers were selected in

line with Leadec's supplier management information security policy, and were assigned information security and data protection questions.

100%

active first-tier suppliers
that have gone through
a sustainability risk analysis

Leadec invites all identified "A suppliers" with a high abstract risk identified to answer a self-assessment questionnaire (SAQ) aiming to understand the nature and scope of their business activities; probability of risk occurrence; severity of the injury according to degree, number of people affected, and irreversibility in case of actual incidents identified; possibilities of influence; contribution of the Company to individual risks or risk areas in case of identified actual impacts. About half of the suppliers invited to answer the SAQ needed follow-up measures, mostly consisting of reminders and offering assistance with answering the SAQ.

Memberships and commitments

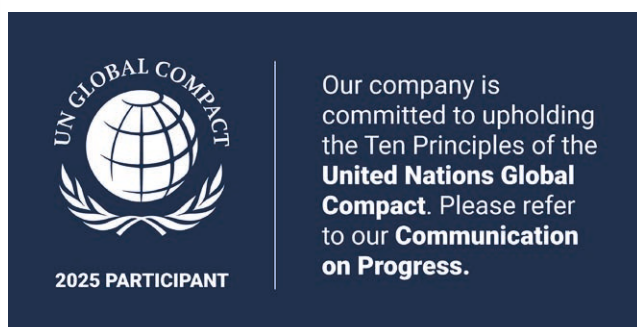
This section outlines Leadec's memberships and commitment to internationally recognized frameworks and initiatives that guide its business conduct and sustainability approach.

United Nations Global Compact

As a signatory to the United Nations Global Compact, the Leadec Group is committed to the Ten Principles of the UN Global Compact. These principles and goals are embedded in Leadec's strategy, culture, and day-to-day operations.

Leadec's commitment to responsible business conduct is reflected in its Policy Statement (first published in 2023). The Policy Statement, which promotes safe, environmentally sustainable, and legally compliant practices worldwide, aligns with the Ten Principles of the UN Global Compact.

In line with the human rights principles (principles 1+2), Leadec supports and respects internationally proclaimed human rights and ensures it is not complicit in abuses. In accordance with the labor principles (principles 3–6), the Company upholds freedom of association and collective bargaining, and prohibits forced labor, child labor, and discrimination in employment and occupation. In line with the environmental principles (principles 7–9), Leadec applies a precautionary approach to environmental challenges, promotes environmental responsibility, and supports the development and use of environmentally friendly services. In accordance with the anti-corruption principle (principle 10), the Company works against corruption in all its forms, including extortion and bribery.



United Nations Sustainable Development Goals

As a signatory to the UN Global Compact, which provides the behavioral framework for companies to achieve the 17 United Nations Sustainable Development Goals (SDGs), Leadec aligns its sustainability strategy and targets with the SDGs, thereby integrating them into its core sustainability priorities (see [page 43 onward](#), section “Leadec’s sustainability strategy” in chapter [ESRS 2]). Environmentally, the Company focuses on reducing CO₂ emissions, increasing the use of zero-emissions electricity, and minimizing waste, thereby contributing to SDGs such as affordable and clean energy, responsible consumption and production, and climate action. Socially, Leadec promotes workplace safety, diversity and equal opportunity, employee development, and respect for human rights, supporting SDGs related to good health and well-being, gender equality, and decent work. From a governance perspective, the Company emphasizes ethical business conduct, compliance, and sustainable supply chains, supported by regular employee training in areas such as data protection and anti-corruption.

To enhance transparency, the Company maps its disclosures to relevant SDGs within its GRI Content Index. The [SDG and GRI content index 2025](#) is published on Leadec’s sustainability website.

Diversity Charter

Leadec joined the German “Charta der Vielfalt” (Diversity Charter) 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 Diversity Charter network, Leadec aims to further develop its diversity strategy and foster an open, respectful environment. 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 Diversity Charter.

Non-Material Topics



By voluntarily disclosing decision-relevant sustainability indicators beyond regulatory requirements, Leadec strengthens transparency, comparability, and stakeholder trust.

Leadec is committed to a high level of transparency that extends beyond material disclosures. In line with the Sustainable Finance Disclosure Regulation (SFDR), the Sustainable Development Goals (SDGs), as well as various ESG-rating requirements, we voluntarily disclose selected environmental and social indicators to support informed decision-making by stakeholders and investors and to enhance comparability across the market.

As part of our environmental risk screening, Leadec conducted an assessment of its operational sites with regard to biodiversity and water-related risks. In 2025, no sites were identified in key biodiversity areas (KBAs) and no sites were in areas classified as water-stressed, indicating a low exposure to nature-related and water scarcity risks based on current operational footprints.

Beyond environmental indicators, Leadec also monitors business resilience and long-term customer relationships as part of its sustainability performance. In 2025, the customer retention rate amounted to 96.2%, reflecting stable partnerships and continued trust in Leadec's services, even in a volatile market environment.

By monitoring and disclosing such non-material but decision-relevant datapoints, Leadec reinforces its role as a responsible and transparent service provider. This approach supports the redirection of capital toward sustainable industrial transformation and strengthens trust, accountability, and credibility among customers, investors, and other key stakeholders.



0 sites

identified in
key biodiversity areas

0 sites

identified in
water-stressed areas

96.2%

customer
retention rate

Voluntary Reporting on Non-Material Topics

Why it matters

This chapter covers topics identified as not material based on the Leadec Group's double materiality assessment (DMA; see [page 55 onward](#), section "Description of the process to identify and assess material impacts, risks, and opportunities, and material information to be reported" in chapter [ESRS 2]). By contrast, the preceding chapters address Leadec's material topics together with relevant voluntary disclosures and thereby cover most reporting requirements under the Sustainable Finance Disclosure Regulation (SFDR). A mapping (aligned with the ESRS Set 1) between Leadec's sustainability statement and other EU legislation, including SFDR, is available on [Leadec's website](#). To complement this mapping and to fulfill SFDR disclosure requirements, the following chapter outlines Leadec's approach to these non-material topics.

Leadec maintains clear policies and expectations for non-material topics, guiding responsible behavior while complementing SFDR disclosures and safeguarding consistent global standards.

Although these topics were assessed as not material, Leadec has robust policies and measures in place to address them and to guide employees in their daily actions. Employees are required to manage resources responsibly and to act respectfully and diligently in accordance with [Leadec's Code of Conduct](#). Leadec's global policies apply to all employees and relevant legal entities within the Leadec Group, including those subject to U.S. law, where approved by the Board of Directors. Supplementing subject-specific policies apply globally and to the extent that the covered topic is applicable to a given site or stakeholder group, while more stringent local regulations take precedence. No significant changes to the policies relevant to this chapter were made during the reporting period. Expectations for value chain stakeholders are defined in the [Business Partner Code of Conduct](#).

Pollution [E2]

Pollution is closely linked to other environmental sub-topics such as climate change. Accordingly, relevant disclosure requirements are covered in chapter "Climate Change [E1]" (see [page 68 onward](#)) to provide a comprehensive view of what is material to Leadec. Pollution is of limited relevance to Leadec's core business model, as the Company does not operate processes associated with significant water or air

pollution, and does not control significant non-GHG air emissions sources. Leadec is not legally required to track specific air pollutants and is not aware of any material air pollution impacts at its sites. Nevertheless, where limited potential negative impacts exist—mainly related to chemical use and accidental spillages affecting water or soil—Leadec has implemented proportionate preventive, control, and mitigation measures.

The following chapter therefore presents a targeted, risk-based approach to pollution management aligned with Leadec's environmental governance and the topic's low materiality for the Group.

Policies related to pollution

Leadec's environmental protection commitments in its own operations and by our own employees are primarily governed by the global environmental policy (see [page 80](#), section "Policies related to climate change mitigation" in chapter [E1]).

In addition, protection of water resources is addressed through global subject-specific policies on water management (see [page 174 onward](#), section "Water [E3]" in this chapter) and effluents management, which establish pollution prevention and control measures in Leadec's own operations. These policies define qualitative objectives and site-level improvement expectations to reduce contaminants in wastewater, prevent hazardous discharges, and ensure compliance with regulatory limits. They set quantitative discharge thresholds for relevant parameters, including heavy metals and other substances of concern, and define clear accountabilities supported by training, monitoring, and procedures for relevant sites. Any unauthorized discharge must be reported and stopped immediately. Compliance with the EU REACH Regulation for chemicals use is also required.

The REACH Directive further governs the handling and use of chemical substances to protect human health and the environment in line with Regulation (EC) No. 1907/2006 (REACH). It addresses substances of concern and substances of very high concern (SVHCs), prohibits Leadec from acting as an importer, manufacturer, or market placer of chemical substances or mixtures, limits sourcing from outside the European Economic Area (EEA), and defines downstream user obligations. Ongoing screening of REACH lists, compliance verification, and required notifications to the European Chemicals Agency (ECHA) are mandated, supported by defined RACI accountabilities, monitoring, and documentation across Leadec legal entities active in the EEA.

Lastly, Leadec's environmental risk policy, which was published in 2025, provides a structured framework to identify, assess, and manage severe environmental risks across operational sites in line with national supply chain due diligence acts. It covers mercury risks under the Minamata Convention, persistent organic pollutants under the Stockholm Convention, hazardous waste under the Basel Convention, and other serious environmental harms. Annual risk assessments, clear HSE accountability, and centralized documentation aim to ensure systematic evaluation, monitoring, and mitigation of environmental risks and support ongoing compliance with international agreements. For further information on (hazardous) waste from Leadec's own operation, please refer to [page 102 onward](#) (section "Voluntary reporting on resource outflows related to waste from Leadec's own operations" in chapter [E5]).

Actions and resources related to pollution

To prevent and reduce pollution across its operations, Leadec is strengthening the implementation of structured environmental management practices. As a key action, Leadec pursues ISO 14001 certifications for its environmental management systems at its own operational sites. This supports the identification, management, and continuous improvement of environmental aspects, including pollution prevention, compliance with environmental requirements, and the reduction of adverse environmental impacts at site level.

Additionally, the following key actions were defined and classified according to the mitigation hierarchy used to manage environmental impact (avoid, minimize, restore, compensate). They apply to sites to the extent relevant to local operations.

Chemical safety data sheet management and employee training (avoid)

- ▶ Safety data sheets are systematically managed and supported by mandatory employee training on safe handling, storage, disposal, and emergency response in Leadec's operations.
- ▶ Reduces the risk of chemical misuse and water contamination, supporting policy commitments to pollution prevention and employee competence.

Safe chemical storage and spill prevention (avoid)

- ▶ Chemicals are stored according to compatibility requirements, using safety basins or trays at Leadec sites to prevent spills and soil or water contamination.
- ▶ Minimizes risks of leaks and accidental releases, supporting the prevention of water or soil pollution and environmental harm.

Effluent monitoring and non-compliance management (minimize)

- ▶ Random, unannounced effluent testing is to be conducted annually at relevant Leadec-owned sites and complemented by systematic reporting and tracking of non-compliance via the HSE suite.
- ▶ Enables early detection and timely correction of deviations, supporting regulatory compliance, pollution prevention, and effective environmental oversight.

Leadec applies a precautionary approach to chemical management, focused on minimizing regulatory exposure and ensuring full compliance with REACH requirements by European legal entities. The Group neither manufactures chemical substances or mixtures nor procures chemicals from outside the European Economic Area, thereby avoiding classification as a manufacturer or importer under REACH. In addition, chemicals are used exclusively for internal operational purposes and are neither distributed nor made available to third parties. This approach reduces regulatory and environmental risks while preventing distributor obligations. To further strengthen compliance, Leadec monitors REACH candidate, authorization, and restriction lists through its HSE function, enabling early identification of substances of concern and supporting timely risk mitigation, substitution decisions, and fulfillment of relevant notification and communication requirements.

Verification of supplier-defined uses and preparation of downstream user chemical safety reports (avoid/minimize)

- ▶ Supplier-defined uses and exposure scenarios are verified against REACH requirements following receipt of safety data sheets to ensure compliant use conditions. Where required—based on exemption status and use volumes exceeding one metric ton per year—downstream user chemical safety reports are prepared and submitted to ECHA.
- ▶ Ensures chemicals are used only under compliant conditions, identified risks are controlled, and statutory REACH obligations are fulfilled to enable continued lawful use of substances.

Central and site-level management of safety data sheets

- ▶ Safety data sheets and exposure scenarios are centrally recorded, archived, and maintained at site level to ensure availability and consistency.
- ▶ Ensures audit readiness and supports safe handling and risk control in line with REACH downstream user obligations.

Additionally, Leadec conducts regular environmental risk assessments to proactively manage potential negative impacts.

Identification of environmental risks across operations and supply chains (avoid)

- ▶ Environmental risks are identified by reviewing site activities, supply chain processes, materials, equipment, and relevant environmental aspects at all Leadec operational sites at least annually and upon significant changes.
- ▶ Enables early detection of potential environmental hazards and supports prevention of severe environmental harm and legal non-compliance.

Structured evaluation and prioritization of environmental risks (avoid/minimize)

- ▶ During each risk assessment cycle, identified risks are evaluated using a standardized risk matrix considering probability of occurrence, severity of environmental impact, and legal compliance status.
- ▶ Ensures consistent prioritization of risks and targeted allocation of preventive and corrective measures in line with policy methodology.

Application of organizational, technical, and personal protective measures (minimize)

- ▶ Organizational, technical, and personal protective measures are defined, maintained, and applied to mitigate identified environmental risks at Leadec sites. In addition, depending on the specific activity, operational work instructions are established to prevent risks.
- ▶ Reduces the likelihood and severity of environmental impacts, supports continuous risk mitigation, and compliance with environmental requirements.

Documentation of environmental risk assessments in Leadec's HSE suite

- ▶ Results of standardized environmental risk assessments, including hazards and controls, are documented and reviewed annually in the global HSE suite with additional risk assessments and documentation at site-level aligned with local law.
- ▶ Ensures traceability, consistency, and effective follow-up of environmental risk management actions across the organization.

Furthermore, at our customers' sites, Leadec's Green Factory Solutions contribute to the prevention and reduction of air pollution by addressing emissions at source and across operational processes and they provide solutions that can contribute positively to soil

protection by preventing contamination and supporting the restoration of land functions. For an overview of the GFS portfolio please refer to [page 45](#) (section "Green Factory Solutions" in chapter [ESRS 2]).

Targets related to pollution

For the non-material topic of pollution, Leadec's qualitative targets focus on prevention, control, and legal compliance across applicable operations. Priorities include preventing water pollution through controlled effluent management, aiming for zero unauthorized discharges and prompt incident response. Leadec further aims to ensure full REACH compliance where applicable, comprehensive chemical management, and systematic environmental risk identification and mitigation supported by regular assessments and employee training. Additionally, Leadec aims to have over 80% of its own operational sites certified according to ISO 14001 by 2030 and achieved 80.3% in fiscal year 2025.

Metrics related to pollution

In 2025, Leadec recorded seven minor environmental incidents and one environmental hazard spot. All cases originated from low-risk sources and resulted in low environmental impact. Appropriate mitigation measures were implemented in each instance.

Water [E3]

Water is of low relevance to Leadec's core business, as its service-based operations are not water-intensive and overall consumption is limited to auxiliary uses such as sanitation and cleaning. Nevertheless, Leadec applies proportionate policies with proposed actions to provide guidance on how to ensure responsible water use, transparency, and risk awareness, where relevant for a local operational site, while maintaining a lean governance approach that reflects the topic's limited strategic and operational relevance for the Group.

Policies related to water

Leadec's environmental protection commitments in its own operations and by its own employees are primarily governed by the global environmental policy (see [page 80](#), section "Policies related to climate change mitigation" in chapter [E1]).

The environmental policy is supplemented by the subject-specific global water management policy, which establishes a structured approach to measuring and managing inland water use to promote water efficiency, conservation, and risk awareness. It guides the systematic measurement of water consumption, as well as monitoring of wastewater discharges in line with regulatory limits and quality standards. Roles and responsibilities are defined and supported by water risk assessments and proportionate mitigation measures. Monitoring and reporting can be supported by Leadec's HSE suite to enhance transparency and traceability, complemented by targeted employee awareness measures. The policy applies globally in alignment with local legal requirements, but excludes extensive governance structures or formal water stewardship programs in light of Leadec's relatively low net water consumption. As a reference framework, it acknowledges the international standard set forth by the Alliance for Water Stewardship (AWS).

Leadec addresses water-related aspects through defined policies and site-level practices, reflecting a structured approach to responsible water use across its operations.

In addition, Leadec's global effluents policy (see [page 170 onward](#), section "Pollution [E2]" in this chapter) provides guidance on robust pollution prevention and control measures related to effluents in its own operations.

Actions and resources related to water

To aid the responsible use and protection of water resources across its operations, Leadec is strengthening the management of water-related environmental aspects. As a key action, Leadec pursues ISO 14001 certifications for its environmental management systems

at its own operational sites. This supports the identification, assessment, and continuous improvement of water use, wastewater management, and potential impacts on water bodies, thereby contributing to the prevention and reduction of adverse impacts on water resources at site level.

Additionally, the following key actions were defined and classified according to the mitigation hierarchy used to manage environmental impact (avoid, minimize, restore, compensate). They apply to sites to the extent relevant to local operations.

Employee training and water awareness for conservation (avoid)

- ▶ Employees receive role-relevant training on water monitoring systems, incident identification, and practical water conservation measures, complemented by awareness campaigns using posters, flyers, and email communications for selected sites.
- ▶ Strengthens operational awareness, promotes responsible daily water use, and sustains employee engagement in long-term water efficiency and conservation behaviors across sites.

Water loss identification and wastewater re-use in water-stressed regions (avoid/minimize)

- ▶ At Leadec-owned sites in water-stressed or critical regions, water losses are identified, and options to re-use or recycle wastewater are assessed in compliance with testing and legal requirements.
- ▶ Reduces freshwater consumption and supports responsible water use in vulnerable regions, aligning with policy goals on water efficiency and scarcity prevention.

Structured water risk assessment process (avoid, minimize)

- ▶ A five-step water risk assessment process covering identification, evaluation, prioritization, mitigation strategy development, and monitoring is outlined and applied at site level if applicable.
- ▶ Ensures systematic identification and management of physical, regulatory, and reputational water-related risks.

Targeted water efficiency measures and water-saving technologies (minimize)

- ▶ Water-usage data is analyzed to identify high consumption or wastage areas, followed by the development and implementation of targeted water-saving strategies and, where feasible, technologies such as low flow fixtures, water-efficient appliances, water re-use, smart irrigation, or rain-water harvesting.
- ▶ Reduces unnecessary freshwater consumption, improves overall site water efficiency, and promotes sustainable and responsible water use.

Leadec conducted climate risk assessments (CRA) in 2025, through which the potential need for enhanced water-management governance is monitored. The screening is updated every three years.

Targets related to water

For the non-material topic of water, the global water management policy defines qualitative targets, wherever water is relevant to local operations, focused on responsible use, risk awareness, and continuous improvement rather than quantitative reduction targets. These include systematic measurement and monitoring of water consumption and risks, regular site level reporting, and annual water risk assessments. Further qualitative targets aim to identify and reduce water wastage, assess and pilot water-saving measures where relevant, enable early anomaly detection through monitoring, and strengthen employee awareness and engagement through training and recurring communication. Additionally, Leadec aims to have over 80% of its own operational sites certified according to ISO 14001 by 2030 and achieved 80.3% in fiscal year 2025.

Metrics related to water

The results of Leadec’s climate risk assessments concluded that out of the 98 sites in scope—based on the materiality criteria defined under CSRD and EU Taxonomy regulations—three sites are projected to face material net risks by 2050. One site is projected to face material drought risk, one tidal flooding risk, and one changing temperature as well as temperature variability risks, with water supply posing a gross risk to each of the three sites. For further information see [page 77 onward](#), section "Physical climate risk assessment results" in chapter [E1].

Leadec’s global water management policy establishes a system for accurately measuring water consumption. This data is collected and aggregated globally once per fiscal year:

Water consumption	2025	2024	2023
Total water usage (m³)	21,023	18,092	20,159
Total water recycled and re-used (m³)	Unknown	Unknown	Unknown
Water intensity ratio (m³ per € million of net revenue ¹⁾)	15.52	13.78	16.24

¹⁾ Net revenue 2025: €1,354.6 million; 2024: €1,313.2 million; 2023: €1,241.3 million.

Biodiversity and ecosystems [E4]

Policies related to biodiversity and ecosystems

Across Leadec's policy framework, biodiversity and ecosystem considerations are not addressed in a standalone policy. [Leadec's Policy Statement](#) and global sustainability policy (see [page 43 onward](#), section "Leadec's sustainability strategy" in chapter [ESRS 2]), commit the Company to countering biodiversity loss and, where applicable, addressing land use and deforestation while refraining from unlawful or forced eviction.

Actions and resources related to biodiversity and ecosystems

The Company is not aware of any material negative impacts with regards to land degradation, desertification, or soil sealing, nor operations that affect threatened species or ecosystems. Therefore, measures focus mainly on creating awareness around these topics through the above-described policies and the prohibition of unlawful eviction and the unlawful deprivation of land, forests, and waters when acquiring, building on, or otherwise using land, forests, and waters.

Small actions, big impact on biodiversity

Across Leadec, employees are driving local sustainability initiatives that contribute to environmental protection and biodiversity. These efforts highlight how practical, everyday actions can support a more sustainable and resource-conscious way of working.

Turning kitchen waste into eco-friendly compost

Leadec's apprentices in the United Kingdom have introduced an environmental initiative to turn kitchen waste into nutrient-rich compost and liquid fertilizer using a wormery (or worm bin), which is a compact composting system with specialized worms. The apprentices working at our Leadec office in Wolverhampton developed this idea as a contribution to the "Greenovation Projects" at Leadec UK.



They came across a webpage for smarter home composting. To bring the project to life, the team introduced composting kits and approximately 450 worms at the site. The worms begin their life in the bottom wormery box and, after six to eight weeks, move up to the top box where they continue to break down all the organic waste from the office. The resulting compost and

fertiliser can be used for desk plants or can be taken home for garden usage. A local composter supports the initiative by accepting surplus compost.

Leadec supports bee habitats

Another local sustainability effort focuses on creating and maintaining bee habitats, exemplified by sponsoring a bee colony near Stuttgart, Germany, through the Beefuture initiative. Bee colonies are facing greater food shortages due to fewer flowers, causing the queen to lay fewer eggs and the population to decline. To support the health and long-term survival of the colony, the beekeeper regularly monitors food availability throughout the year and inspects the bees for Varroa mite infestations, initiating treatment measures whenever necessary.



To monitor the potential need for increased local governance of these topics, Leadec has conducted a screening of all its own sites based on their geolocation codes in 2024 to identify potential impacts on key biodiversity-sensitive areas or natural protected areas in which our operations could affect threatened species. The screening is updated every three years alongside the update of the climate risk assessment.

To manage and mitigate potential impacts on biodiversity and ecosystems, Leadec is embedding environmental management practices across its operations. As a central action, Leadec pursues ISO 14001 certifications for its environmental management systems at its own operational sites. This enables the systematic identification and management of site-specific environmental aspects, including land use, emissions, and other pressures that may affect biodiversity and ecosystems, and supports continuous improvement measures to reduce negative impacts.

Furthermore, at our customers' sites, Leadec's Green Factory Solutions generate positive impacts on biodiversity and ecosystems by actively supporting habitat enhancement and ecosystem restoration. Through biodiversity and ecological upgrade measures—such as unsealing sealed surfaces, restoring native habitats, improving landscaping, and creating spaces for flora and fauna—Green Factory Solutions contribute to improved ecosystem functions, soil quality, and local biodiversity. These measures support pollinators, microorganisms, and wildlife, enhance microclimates, and help counteract biodiversity loss in industrial environments, delivering positive outcomes beyond Leadec's direct operational footprint. For an overview of the GFS portfolio please refer to [page 45](#) (section "Green Factory Solutions" in chapter [ESRS 2]).

In 2025, Leadec identified no active sites within key biodiversity areas or protected natural areas, following a 2024 review and boundary updates.

Targets related to biodiversity and ecosystems

Leadec commits to avoiding and minimizing negative impacts on biodiversity and ecosystems across our operations, where feasible. We aim to identify potential material negative biodiversity-related impacts through regular assessments of our locations, and, if necessary, apply mitigation measures and integrate biodiversity considerations into our environmental management

processes to protect sensitive ecosystems and strengthen the long-term resilience of our activities. Other targets emphasize the responsible management of resources to reduce pressures on habitats and species. Additionally, Leadec aims to have over 80% of its own operational sites certified according to ISO 14001 by 2030 and achieved 80.3% in fiscal year 2025.

Metrics related to biodiversity and ecosystems

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. Since the assessment was conducted, the boundaries of the Canadian KBA were redrawn and Leadec's tool workshop no longer falls within its perimeter. Therefore, no active site was identified within a KBA nor within natural protected areas in 2025.

Affected communities [S3]

While the topic of affected communities has been assessed as not material, Leadec aims to be an active corporate citizen in the communities where we operate.

Policies related to affected communities

The Leadec Group is dedicated to maintaining human rights of affected communities, which encompasses rights related to labor and those of minorities and indigenous people. Our human rights commitment is outlined on [page 110](#) (section “Policies related to own workforce” in chapter [S1]).

Engagement with affected communities, existence of channels to raise concerns or needs, and approaches to remedy

For information on Leadec’s engagement with different stakeholder groups, please refer to [page 51 onward](#) (section “Interests and views of stakeholders” in chapter [ESRS 2]).

Affected community members, including minorities and indigenous people, can raise concerns or needs through the [Leadec Integrity Line](#), which functions as a globally available grievance mechanism available to all external stakeholders. For further information please see [page 156 onward](#) (section “Leadec’s whistleblower and grievance mechanism” in chapter [G1]).¹ In 2025, no material human rights issues and incidents connected to affected communities have been reported to Leadec.

Actions and resources related to affected communities

Leadec seeks to contribute positively at the local level by engaging in community-focused initiatives that reflect local needs and foster social value. Through employee involvement, partnerships, and targeted activities, Leadec supports social cohesion and local development, reinforcing its commitment to responsible business conduct and long-term relationships with the communities surrounding its own and its customers’ sites.

Targets related to affected communities

Leadec’s set of sustainability targets (see [page 48 onward](#), section “2030 sustainability targets” in chapter [ESRS 2]) reflect the Company’s commitment to responsible governance and sustainable growth with positive impact. By aiming to respond to incidents reported via the Leadec Integrity Line—from internal or external stakeholders like members of affected communities—within seven days, Leadec promotes transparency, trust, and the rapid resolution of concerns.

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incidents connected to affected communities have been reported to Leadec.

Consumers and end-users [S4]

Leadec as a business-to-business service provider does not have direct consumers or end-users. Nonetheless, the consumers and end-users of our customers may report incidents or concerns via the [Leadec Integrity Line](#) if they involve Leadec. For further information

please see [page 156 onward](#) (section “Leadec’s whistleblower and grievance mechanism” in chapter [G1]). No issues or incidents were reported to Leadec during fiscal year 2025.

¹ The description of the Leadec Integrity Line in chapter “Business Conduct [G1]” also fulfills disclosure requirements S3-12 and S3-13, including application requirements 4 for paragraph 12, of the simplified set of ESRS (version published November 2025), as it includes information on how reports are being addressed, how reporting persons are protected against retaliation, the effectiveness assessment of the mechanism, as well as how the Company aims to cooperate in remediation where it has caused or contributed to material negative impacts on workers in the value chain.

Leadec teams take pride in community work

Leadec strives to make a positive contribution to the local communities where we operate. The Group fosters local employee engagement by supporting a variety of social, health, and environmental initiatives.

Cleanup Week 2025: Leadec teams take a stand for the environment

More than 20 teams from nine countries participated in the third World Cleanup Week. About 430 Leadec employees around the globe took action in their free time to help clean up the environment and set an example with various sustainability initiatives.

The Leadec team in Dolvi, India, filled up more than 20 garbage bags at a temple complex and school grounds. As part of an accompanying “awareness lecture” at the Jay Kisan Vidya Mandir School, the team raised awareness among students and staff regarding environmental issues.

In Győr, Hungary, more than 100 Leadec employees joined a community cleanup campaign together with a local organization. The Hungarian Management received a letter of appreciation from the Mayor’s Office of Győr for the active contribution of our Leadec team.



Mexico and India celebrate International Women’s Day

In March, Leadec teams in Mexico and India came together to celebrate International Women’s Day with a shared spirit of appreciation and empowerment.



In Tijuana, the focus was on honoring the achievements and strengths of women, while emphasizing teamwork, encouragement, and mutual support. The event highlighted the importance of recognizing each woman’s potential and fostering respect and equality both in the workplace and beyond.



At the same time, in India the celebration recognized the resilience and valuable contributions of women who play a key role in the Company’s success. It underscored Leadec’s commitment to diversity, inclusion, and equal opportunities, creating an environment where talent is valued regardless of gender.

German team supports Wings for Life World Run

Under the motto “Run, roll, walk together for those who can’t” the Leadec team from Leipzig participated in the Wings for Life World Run on May 4, 2025, supporting spinal cord research. Participants could join either in person or start from anywhere with the help of the “Wings for Life Run” app. The initiative combines exercise and social engagement, with 100% of the entry fees donated directly to spinal cord research projects worldwide.



Legal Entities of the Leadec Group

The following companies are included in the consolidated financial statements:

Company	Country	Share of voting rights and capital as of Dec 31, 2025	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 IC SA	France	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%	Equity method
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.	Mexico	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
Electro Servycat, S.L.	Spain	100%	Full consolidation
Leadec S.L.U.	Spain	100%	Full consolidation
Manteniments Industrials Servycat 2017, 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 report provides a comprehensive overview of Leadec's sustainability performance for fiscal year 2025. 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 all global operations and relevant legal entities, aligned with Leadec's financial reporting. The reporting period is from January 1, 2025, to December 31, 2025, with comparative data from previous years where applicable. This report is published annually.

Reporting standards and sustainability frameworks

Leadec's sustainability reporting follows a structured and transparent approach based on internationally recognized frameworks to ensure comparability and alignment with global standards. The report is prepared in line with the anticipated Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). In 2024, Leadec prepared for the CSRD by adopting the ESRS Set 1 structure, and in fiscal year 2025 further aligns with the simplified ESRS draft version published in November 2025. The relevant requirements of the Sustainable Finance Disclosure Regulation (SFDR) are also covered within this report.

In addition, the report references the Global Reporting Initiative (GRI) Standards, particularly GRI 1, 2, and 3, and aligns with the United Nations Sustainable Development Goals (SDGs) as part of Leadec's commitment to the UN Global Compact. Since 2024, the GRI content index has been linked to the SDGs; the 2025 index is available on [Leadec's sustainability website](#). The

report also incorporates EU Taxonomy disclosures to highlight contributions to sustainable economic activities. Overall, Leadec's 2025 report demonstrates readiness for CSRD and ESRS requirements while maintaining alignment with GRI and SDGs, ensuring both regulatory compliance with evolving legal standards while upholding transparency and responsible business practices.

Data collection and verification

The Sustainability Report was prepared by the Global Sustainability team and approved by the Global Board of Management. The data presented in this report has been collected through Leadec's internal management systems. Fundamental methodologies and assumptions relating to CSRD and the EU Taxonomy were initially reviewed by a third-party auditor using expert judgment to support accuracy and reliability. Robust data collection processes and internal controls are in place to safeguard the integrity of the reported information.

Stakeholder engagement

Leadec's sustainability strategy is shaped by ongoing dialogue with stakeholders. This report reflects the feedback and expectations of key stakeholder groups, gathered through surveys, consultations, and materiality assessments. The Company is committed to addressing stakeholder concerns and aligning sustainability activities with identified priorities.

Continuous improvement

Leadec is committed to continuously improving its sustainability performance and reporting. This report highlights both achievements and areas requiring further development. Feedback from stakeholders is welcomed as an important input for strengthening future sustainability practices and disclosures.

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