

SUSTAINABILITY REPORT

BASE YEAR 2024



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1 General information

This sustainability report for the 2024 reporting year is Lödige Industries' first report in accordance with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). The report was prepared in accordance with the European Sustainability Reporting Standards (ESRS) as specified in Delegated Regulation (EU) 2023/2772. It forms the base year for the company's future sustainability reporting and serves as a starting point for expanding sustainability management and transparency within the group of companies.

The report takes a strategic approach that not only complies with legal disclosure requirements, but also aims to lay the foundation for a long-term, integrated sustainability strategy that gives equal weight to environmental, social, and governance aspects.

The reporting period covers the 2024 financial year. Unless otherwise stated, all quantitative information refers to this period. The 2024 reporting year is also the first fully consolidated survey year for ESG data.

The report refers to the activities of the Lödige Industries Group, whose parent company is Lödige Industries GmbH, based in Warburg (Germany). In the following, Lödige Industries refers to all companies in the group over which Lödige Industries exercises direct organizational or financial influence. The group includes locations in Germany, Romania, the United Kingdom, the Netherlands, Switzerland, Greece, Ireland, Poland, Turkey, Canada, Australia, Singapore, Qatar, the United Arab Emirates, Saudi Arabia, Malaysia, Oman, Korea, the USA, and China.

The sustainability reporting covers the Group's core business activities – conveyor technology solutions, automated systems for material flow, air freight, parking and production logistics, as well as related services and modernization services.

Sustainability management and data collection were coordinated centrally by the Sustainability division in close cooperation with the finance departments of the international companies. The information was compiled in accordance with the principles of completeness, transparency, and materiality.

2 Business context and initial situation

Lödige Industries is an internationally active company in the field of material flow solutions. Since its foundation in 1948, the company has been developing and implementing solutions that make the transport and storage of goods and materials safe and reliable. Lödige Industries is represented worldwide with its own companies and partners in Europe, Asia, the Middle East, and North America.

Its range of services includes the development, design, manufacture, assembly, and maintenance of technical equipment. This includes complex material flow and storage solutions, automatic parking systems, industrial elevators, and customized special equipment. Lödige Industries combines mechanical engineering, control, and IT expertise to create integrated systems tailored to the individual requirements of its customers. The solutions are primarily used in the areas of air freight, the automotive industry, logistics, and industrial production.

The group employs over 1,300 people worldwide with technical and commercial backgrounds. Interdisciplinary teams at engineering, production, and service locations work closely together to implement projects

from planning to operation. Short decision-making processes and strong technical expertise characterise the company's way of working.

Lödige Industries is a global leader in air freight and has many years of experience in the planning and implementation of material flow solutions for international airports. In the automotive industry, the company develops intralogistics solutions for production and assembly processes. In the construction and real estate industry, elevators and automatic parking systems contribute to the space efficiency and sustainability of modern buildings.

A significant increase in sustainability requirements can be observed in all business areas.

Customers increasingly expect proof of environmental and social standards, often in the form of certificates, sustainability reports, or ESG questionnaires. Sustainability criteria are increasingly becoming part of public and private tenders. Building certifications such as BREEAM or DGNB are also becoming more important for customers, as elevators and parking systems can make a direct contribution to energy efficiency and resource conservation. In the automotive industry in particular, sustainability and compliance requirements are already among the key award criteria. In addition, requirements from banks and financing partners, who regularly request information on the company's ESG performance, are also increasing.

In recent years, Lödige Industries has made significant progress in the area of sustainability.

At its production site in Scherfede, the company now generates more electricity from photovoltaic and hydroelectric power plants than it needs for its own use. Targeted efficiency measures have reduced energy consumption there by more than 50 percent since 2017. In addition, 11 companies are now certified according to the international environmental management standard ISO 14001.

3 General information ESRS 2

This sustainability report has been prepared in accordance with the requirements of the European Sustainability Reporting Standards (ESRS). It forms the basis for the gradual development towards fully CSRD-compliant sustainability reporting. The report is based on the formal and content requirements of the European Sustainability Reporting Standards and was prepared for the first time for the 2024 financial year.

Relevant qualitative and quantitative disclosures were identified for the preparation of the sustainability report on the basis of regulatory requirements. The content was developed by the respective departments responsible and was centrally coordinated, consolidated, and reviewed. Reporting is embedded in existing corporate management processes and follows a structured top-down/bottom-up approach. Strategic guidelines, materiality criteria, and reporting priorities were defined at the group level. The operating companies provided the necessary information for the relevant ESG topics.

The sustainability report was prepared on a consolidated basis. The scope of consolidation corresponds to that of the consolidated financial statements. The reporting thus covers Lödige Industries, including all subsidiaries included in the consolidated financial statements. There are no deviations from the financial scope of consolidation.

All information in this report refers to the financial year from January 1 to December 31, 2024. Where relevant to understanding the facts, information available at the time of publication of the report has been taken into account.

Data collection is based on existing management systems and established processes within the group of companies. In particular, the management systems certified according to ISO 9001, ISO 14001, and ISO 45001 form an essential basis for the uniform and traceable collection of quality, environmental, and occupational health and safety data. In addition, data from internal information systems, energy and production reports, and personnel and compliance databases were used. Conservative estimation methods were applied where primary data was missing. All assumptions, approximations, and calculations were documented, checked for consistency, and reconciled in a traceable manner.

Sustainability software was used to structure, validate, and analyze the collected data. The tool is used to centrally record, consolidate, and track ESG metrics within the group of companies and supports the harmonization of data formats, ensures traceability, and prepares for future reporting requirements under the CSRD.

The contents of the report were selected on the basis of the double materiality analysis conducted for the first time in 2024. This involved identifying and assessing the material environmental, social, and governance impacts, risks, and opportunities. The upstream and downstream value chain was taken into account in this materiality analysis and included in the assessment. However, this report does not yet provide comprehensive information on the upstream and downstream value chain in its first reporting year. A gradual expansion of reporting is planned for the coming years.

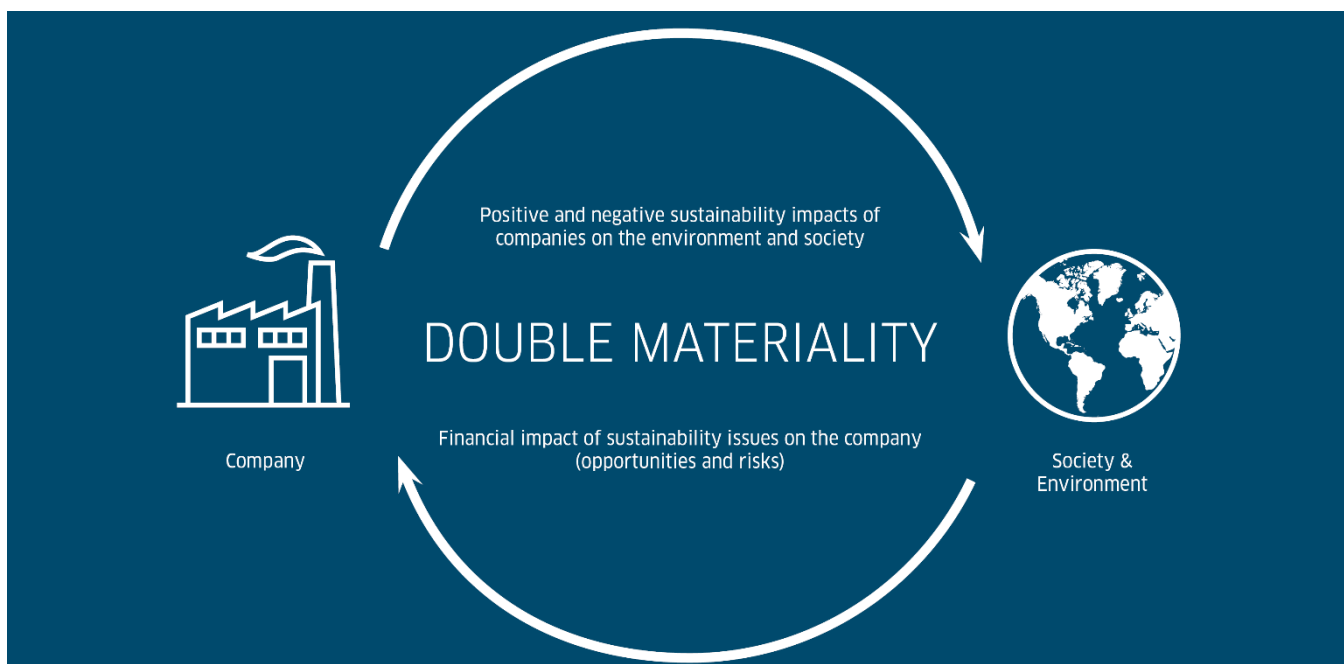
In addition to the ESRS, supplementary international frameworks were taken into account in designing the report structure and classifying individual content, in particular the Greenhouse Gas Protocol for defining and calculating greenhouse gas emissions and the United Nations Sustainable Development Goals (UN SDGs) as a framework for strategic objectives.

Where model-based indicators are used, it should be noted that these may be subject to uncertainties. These uncertainties arise in particular from assumptions, estimation methods, and the availability of data. No separate external validation of individual indicators was carried out.

An overview of the relevant disclosure requirements and their location in the sustainability report is provided in the chapter "Overviews and indices in accordance with ESRS 2."

4 Significant impacts, risks, and opportunities – overview

The double materiality analysis, which was carried out for the first time in the reporting year, identified those environmental, social, and governance issues that are material to Lödige Industries due to their impact on the environment and society and their financial relevance. The analysis is based on the requirements of the ESRS (Delegated Regulation (EU) 2023/2772) and forms the basis for the content focus of this sustainability report. It combines the perspectives of "impact materiality" (actual and potential impacts of business activities) and "financial materiality" (risk and opportunity-related relevance for the company's economic situation).



The assessment was carried out across the Group for all relevant business areas, product segments, and international locations. A total of 109 potential impacts, risks, and opportunities (IROs) were systematically analyzed; 46 of these were classified as material and included in the report. The ESG data collected for the first time in 2024, internal risk analyses, departmental interviews, and management assessments formed the central data basis for the assessment.

The material IROs focus in particular on the topics of climate change, resource use and the circular economy, as well as our own employees. In the area of climate change, transitional risks from regulatory developments and energy efficiency requirements dominate, as do potential positive effects from energy-efficient product solutions and electrification. In the area of resource use, the focus is on the use of energy-intensive materials, the long-term availability of raw materials, and the optimization of product life cycles. For the workforce, aspects of occupational safety, training, and demographic trends were rated as particularly important.

The results show that material IROs influence both the operational performance and the long-term strategic positioning of the company. They therefore form a central starting point for prioritizing measures, further developing sustainability management, and integrating ESG criteria into company-wide management processes.

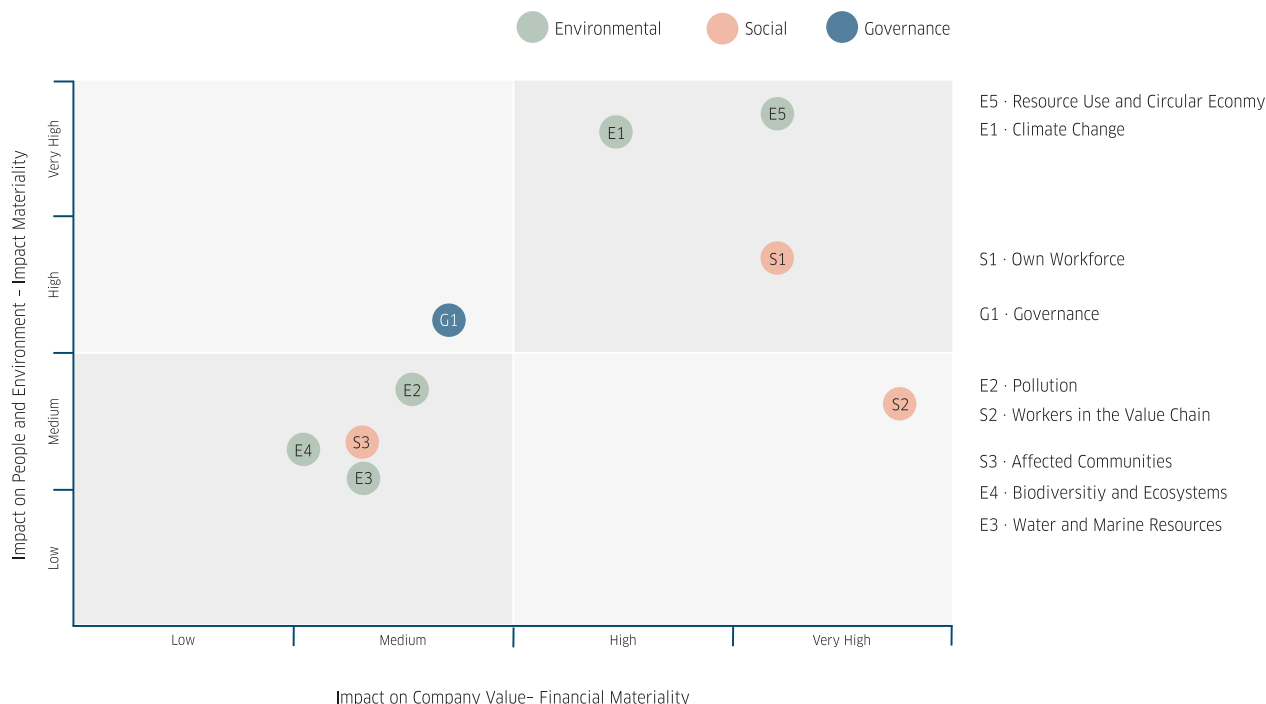


Figure 1: Results of the materiality analysis

5 Stakeholder analysis

Dialogue with internal and external stakeholders is a central component of Lödige Industries' sustainability reporting. The aim of the stakeholder analysis is to review, validate, and classify the results of the internal assessment of material impacts, risks, and opportunities (IRO assessment). The stakeholder analysis thus serves in particular to validate the sustainability issues identified in the double materiality analysis.

The relevant stakeholder groups were determined on the basis of their involvement in Lödige Industries' business activities and their potential influence on the sustainable development of the company. They include both internal stakeholders and external actors along the value chain and in the market environment. Incorporating these perspectives makes it possible to reflect on the company's internal assumptions about impacts, risks, and opportunities from an external perspective and to refine them if necessary.

Feedback from stakeholders was specifically evaluated to determine the extent to which it confirmed, prioritized, or supplemented the identified material topics. Deviations or additional comments were incorporated into the further development of management approaches, objectives, and measures.

The results of the stakeholder analysis are incorporated into the strategic development, risk management, and design of Lödige Industries' sustainability goals. This ensures that sustainability reporting is not based solely on internal assessments, but is supported by external perspectives and substantiated in a comprehensible manner.

Stakeholder groups

Stakeholders	Interests and expectations	Forms of dialogue
Customers and end users	- Energy-efficient, reliable, and durable systems - Service and modernization - Proof of environmental and social standards - Support with sustainability certifications (e.g., BREEAM, DGNB)	- Project and planning discussions - Meetings, events, seminars - Regular communication about service and customer support - Website - Social media
Employees (including managers)	- Safe working conditions - Development opportunities and further training - Fair compensation - Respectful corporate culture	- Regular employee appraisals - Training and safety instructions - Team meetings - Internal information channels, newsletters, intranet
Suppliers and service providers	- Long-term, reliable business relationships - Fair business practices - Safe working conditions	- Direct communication in the procurement process - Supplier evaluations and audits - Contract negotiations and technical coordination - Participation in joint improvement initiatives
Owners, management, and advisory board	- Long-term corporate development - Ensuring competitiveness - Sustainable value creation - Reputation protection and risk management	- Advisory board meetings - MD meetings - Intranet
Society and communities	- Contribution to regional development and education - Responsible business practices - Commitment and transparency at the location	- Cooperation with universities, schools, training institutions, and other initiatives - Local communication and events - Public relations via website and media
Financial and auditing institutions	- Reliable ESG data and transparency - Compliance with regulatory requirements - Financial stability and risk management	- Audits and external reviews - Exchange within the framework of financing and valuation processes

Table 1: Stakeholder groups

6 Identification of information to be disclosed

As part of the IRO assessment, Lödige Industries has assigned the identified material impacts, risks, and opportunities (IROs) to the relevant ESRS sustainability aspects (known as sustainability matters). The sustainability report only includes information on the sustainability aspects and topics that were assessed as material in the materiality analysis. At least one material impact, risk, or opportunity was identified for each of these aspects. The implementation guidance published by EFRAG () served as additional guidance in assigning disclosure requirements. The analysis examined which sustainability aspects are relevant for Lödige Industries across the Group, particularly with regard to business processes, production sites, and product groups. The topics E5 Resource Use and Circular Economy and S2 Employees in the Value Chain were identified as material in the materiality analysis, but were initially excluded from reporting in the first reporting

period. The reason for this is that the necessary data collection and evaluation processes along the value chain are currently still being established. The integration of these topics into sustainability reporting is already planned and will be implemented gradually in the coming reporting periods.

An overview of all reporting requirements can be found in the chapter "Overviews and indices in accordance with ESRS 2" at the end of the sustainability report.

7 Material impacts, risks, and opportunities – details

The identified material impacts, risks, and opportunities (IROs) are described in detail in the respective topic-specific chapters of the sustainability report.

Many of the identified IROs are directly related to the business activities of Lödige Industries and particularly concern the topics of climate change, resource use, and the circular economy, as well as the company's own employees. The IRO assessment was carried out for the entire Lödige Industries group of companies and covers both production and operating subsidiaries.

Lödige Industries uses four time horizons to classify the impacts, risks, and opportunities: already effective today, within the next year, within the next three years, and within the next five years. This categorization enables a differentiated assessment of the probability of occurrence and relevance of the issues for the company.

A total of 109 impacts, risks, and opportunities (IROs) were identified, 46 of which were classified as material. The assessment was based on internal data, experience from the specialist departments, and qualitative and quantitative assessments by management.

The IROs classified as material in the IRO assessment are shown in the following table.

Lödige Industries material impacts, risks, and opportunities (IRO table)¹

ESRS - Chapter	ID	Title	Type of IRO	Time horizon
E1 Climate change	1	CO2 emissions from vehicle fleet	Negative impact	Already today
	2	Production plants	Negative impact	Already today
	3	Business travel	Negative impact	Already today
	4	Transport of large systems	Negative impact	Already today
	5	Use of energy-intensive resources	Negative impact	Already today
	6	More efficient logistics through product solutions	Positive impact	Already today
	7	Transformation to electric mobility	Opportunity	Already today
	8	Contribution to the expansion of the charging infrastructure	Opportunity	Within the next 5 years
	9	Emissions in logistics	Negative impact	Already today
	10	Energy efficiency measures in own operations	Positive impact	Already today
	11	Renewable energy generation	Positive impact	Already today
E5 Resource use and circular economy	12	Energy consumption of our products during operation	Negative impact	Already today
	13	Resource avoidance at the customer's site	Positive impact	Already today
	14	Automation of processes through systems	Positive impact	Already today
	15	Modernization of facilities	Positive impact	Already today
	16	Raw materials (supply chain)	Negative impact	Already today
	17	Use of steel and copper raw materials (supply chain)	Negative impact	Already today
	18	Transport packaging	Negative impact	Already today
	19	Use of recycled steel	Positive impact	Already today
	20	Design for recyclability	Positive impact	Already today
	21	Long product life and comprehensive service	Positive impact	Already today
	22	Modernization business	Positive impact	Already today
	23	Resource efficiency	Opportunity	Already today
	24	Resource conservation through modernization and service life	Opportunity	Already today
	25	Durable products	Opportunity	Already today
S1 Company employees	26	Stress and strain	Negative impact	Already today
	27	Job security	Positive impact	Already today
	28	Collective bargaining coverage	Positive impact	Already today
	29	High motivation due to exciting products	Positive impact	Already today
	30	Risk of wage inflation	Risk	Already today
	31	Skills shortage	Risk	Already today
	32	Demographic risk in production	Risk	Already today
	33	Employer branding	Opportunity	Already today
	34	Continuing vocational training	Opportunity	Already today
	35	Physical strain for assembly & production	Risk	Already today
S2 Workers in the value chain	36	Flexibility through internationality	Opportunity	Already today
	37	Qualification risk	Risk	Already today
	38	Lower wages at subcontractors	Opportunity	Already today

¹ Detailed descriptions of the individual items in the table can be found in the appendix.

G1 Company management	39	Process optimization	Positive impact	Already today
	40	Unbalanced communication	Negative impact	Already today
	41	Flat hierarchy	Positive impact	Already today
	42	Time savings and convenience	Positive impact	Already today
	43	Ergonomics & productivity (automation)	Positive impact	Already today
	44	Work safety through automation	Positive impact	Already today
	45	Family business	Positive impact	Already today
	46	Investment behavior	Positive impact	Already today

Table 2: IRO table

8 Special features of the IRO assessment

To ensure the completeness and validity of the results, the IRO assessment was carried out for each material sustainability topic in accordance with the principles and assessment methods described above. The impacts, risks, and opportunities relevant to Lödige Industries were analyzed and evaluated based on the ESRS requirements. In addition, specific evaluation criteria were used for the respective ESRS topics in order to adequately consider the special content requirements and impacts of the individual sustainability aspects.

8.1 Special features of the IRO assessment with regard to climate change

As part of the IRO assessment, the impacts, risks, and opportunities in the area of climate change were analyzed in detail. Lödige Industries assessed physical and transitional risks separately in order to capture the different influencing factors and time horizons in a differentiated manner.

Physical risks include, in particular, possible disruptions caused by extreme weather events, temperature fluctuations, or supply interruptions, which can have an impact on production sites, supply chains, and operational processes. Transitional risks arise primarily from regulatory changes, such as stricter energy efficiency requirements, CO₂ pricing, or changing market requirements in connection with decarbonization obligations.

The risks and opportunities were assessed on the basis of qualitative estimates, taking into account the probability of occurrence and the possible impact on business activities. Four time horizons were used for the temporal classification: already effective today, within the next year, within the next three years, and within the next five years.

In addition to risks, climate-related opportunities were also identified. These arise in particular from the increasing demand for energy-efficient systems and the expansion of the e-charging infrastructure, which are directly related to the products and services offered by Lödige Industries.

The analysis was based on internal data, expertise from the relevant areas, and experience gained from existing projects. The results of the assessment confirm the high relevance of climate change for Lödige Industries. The identified risks and opportunities are incorporated into the further development of the corporate strategy and form the basis for defining measures in the areas of energy efficiency, emission reduction, and sustainable product design.

8.2 Special features of the IRO assessment in relation to resource use and circular economy

In the area of resource use and circular economy, the focus was particularly on the use of steel as a key material and energy consumption in production.

In addition to resource utilization, aspects of the circular economy were also considered comprehensively. These include the durability and modularity of the systems, the possibility of modernizing existing plants, and service and maintenance concepts that enable extended service life and reduced resource consumption.

The assessment was carried out qualitatively on the basis of internal data, empirical values from the specialist departments, and assessments by management. Risks arise primarily from rising energy prices, regulatory requirements, and the availability and price increases of energy-intensive materials. Opportunities exist in particular in the development of durable, efficient systems, the expansion of modernization offerings, long-term service contracts, and the strengthening of reputation through continued high product quality.

The results underscore the relevance of responsible use of resources for Lödige Industries and confirm the importance of circular economy principles as part of long-term sustainable corporate development.

8.3 Special features of the IRO assessment with regard to own employees

The assessment of the topic of own employees focused in particular on the aspects of health and safety at work, motivation through innovative and technically sophisticated products, the risk of rising wage costs as a result of wage inflation, and the importance of further training and qualification.

The assessment was qualitative, based on internal evaluations, empirical values from the specialist departments, and feedback from everyday operations. Risks arise primarily from potential pressures in the project business, shortages of skilled workers, and rising salary expectations in a highly competitive labor market. Opportunities exist in particular in strengthening employer attractiveness through targeted employer branding measures and by positioning Lödige Industries as a reliable and innovative employer in the long term.

The results clearly show that qualified, motivated, and healthy employees are a key prerequisite for the long-term success of Lödige Industries.

9 Governance

The management of Lödige Industries is characterized by clear responsibilities, a value-based decision-making structure, and a long-term strategic orientation. As a family-run company, Lödige Industries combines technological expertise with responsible leadership and a culture of open exchange.

9.1 Management and control structure

The highest management body of Lödige Industries consists of a total of ten members. The management team comprises five members with operational responsibility for strategic orientation and day-to-day business. In addition, the advisory board includes five non-executive members who contribute their technical and strategic expertise to the development of the company and support the management team in business matters.

Body	Number of members	Function/role
Management	5	Strategic and operational management of the company
Advisory board	5	Advice, supervision, and representation of owner interests
Total	10	–

Table 3: Management and control structure

Both bodies combine a wide range of specialist areas of expertise, international experience, and different perspectives. This diversity enables well-founded decisions, supports a holistic view of risk, and promotes innovation throughout the company.

9.2 Integration of employee interests

Employee interests are incorporated into decision-making processes through established co-determination and feedback structures. These include, in particular, the works council as the central representative body, regular workshops, and employee surveys to determine satisfaction and potential for improvement. Annual reviews between managers and employees also provide a structured framework for raising individual concerns and suggestions.

9.3 Responsibilities and accountabilities

The Management Board bears overall responsibility for the strategic and operational management of the company. Within the Management Board, the Chief Executive Officer has overall responsibility for corporate management and is responsible for the strategic orientation and control of the group of companies. Financial management, controlling, and company-wide risk management fall within the remit of the Chief Finance Officer. The Chief Production Officer is responsible for managing the production sites and overseeing the manufacturing processes. The Chief Product Officer is responsible for shaping the product strategy, further developing the product portfolio, and integrating sustainability aspects into the corporate strategy. The Chief Information Officer is responsible for corporate IT, purchasing, and quality assurance.



Figure 2: Management

The Advisory Board, chaired by Dr.-Ing. Rudolf Lödige, assumes an advisory and supervisory role. It evaluates strategic risks and opportunities, reviews the implementation of the sustainability strategy, and supports the management in important investment decisions.

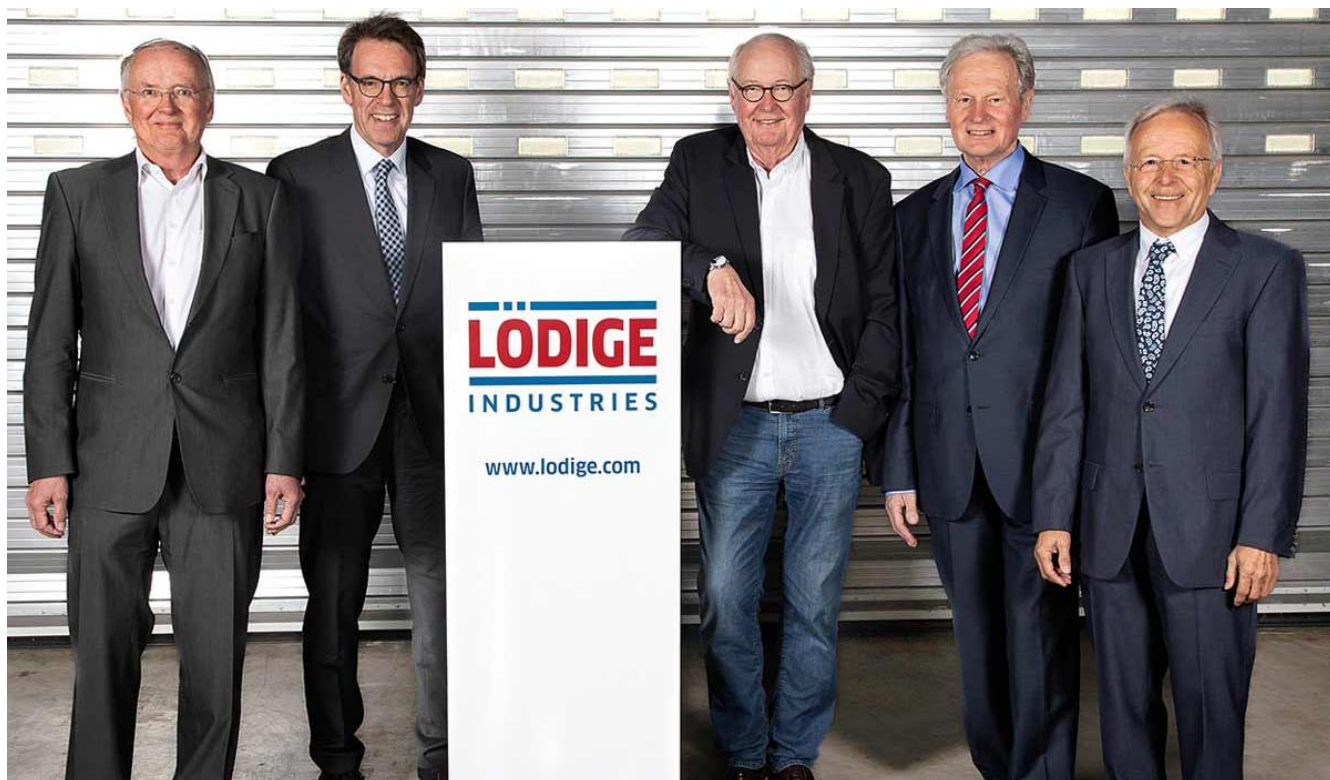


Figure 3: Advisory Board

9.4 Integration of sustainability into the governance structure

The responsibilities of the management and the advisory board with regard to sustainability are defined in the rules of procedure for the management and in the mandates of the advisory board. The Chief Product Officer has overall responsibility for integrating sustainability issues into the corporate strategy.

A central sustainability department has been set up to provide operational support. This department works across divisions, coordinates data collection, accompanies improvement projects, and supports the management in implementing and achieving sustainability goals.

The Advisory Board receives reports on key sustainability issues at least twice a year, evaluates the strategic direction, and makes recommendations for further development. Sustainability issues are regularly discussed at *Managing Directors Meetings (MD meetings)* to systematically review progress, risks, and opportunities.

9.5 Controls, procedures, and reporting

There are established procedures and controls for managing key sustainability issues. These include systematic monitoring of relevant key figures, regular risk and target reviews, and the integration of sustainability aspects into central corporate processes such as risk management, quality and environmental management, and compliance.

The central sustainability department ensures that all relevant issues are anchored in the specialist departments and in the individual national subsidiaries. Deviations from target values are reported to the management and discussed at MD meetings in order to determine appropriate measures in a timely manner.



Figure 4: Sustainability organization

9.6 Expertise and development

The management and advisory board have extensive technical and business experience. This expertise is continuously expanded through targeted training, exchanges within industry networks, and the work of the central sustainability department.

The sustainability department acts as a central competence center and supports the management and the advisory board, in particular by preparing current regulatory developments. In addition, Lödige Industries works with the auditor, the Chamber of Industry and Commerce (IHK), and external consultants to promote the further development of internal structures and processes in the area of sustainability and to ensure compliance with legal requirements.

Four administrative, management, and supervisory bodies are responsible for monitoring the impacts, risks, and opportunities of Lödige Industries:

Advisory Board

The Advisory Board monitors the integration of sustainability aspects into the corporate strategy and regularly reviews the status of target achievement. It assesses the strategic relevance of sustainability issues, supports investment decisions related to sustainability, and makes recommendations on the long-term direction of the company's development. In addition, the Advisory Board monitors compliance with regulatory requirements in the area of sustainability reporting.

Management

The management bears overall responsibility for sustainability at Lödige Industries. Important strategic decisions on sustainability issues are made at management level. These include the integration of sustainability goals into the corporate strategy, the prioritization of measures, and the management of impacts, risks, and opportunities (IROs). Progress is reviewed regularly and discussed at the Managing Directors Meetings (MD meetings).

Chief Product Officer (CPO)

The Chief Product Officer (CPO) is responsible for sustainability within the management team. In this role, he ensures that sustainability is strategically anchored and acts as the central interface between the Sustainability department, the management team, and the Advisory Board. The operational implementation of the sustainability strategy is the responsibility of the Sustainability Manager, who reports to the CPO and coordinates the technical activities. The CPO ensures that sustainability issues are systematically incorporated into decision-making processes at the corporate management level.

Sustainability department

The Sustainability department is the central operational unit for sustainability issues at Lödige Industries. It coordinates data collection and reporting, supports the departments in implementing measures, and monitors the achievement of sustainability goals. In addition, the department prepares strategic decision-making documents for the management and the advisory board, accompanies internal audits, and ensures compliance with external reporting requirements. The department operates across divisions and promotes the transfer of knowledge on regulatory developments and industry-relevant standards.

10 Strategy

Sustainability is an integral part of Lödige Industries' corporate management and an integral part of its strategic orientation. The sustainability strategy defines how ecological, social, and corporate ethical responsibility is systematically anchored throughout the company. It defines the strategic priorities for action and serves as a framework for all locations and companies for the coming years. The aim is to achieve measurable progress and consistently integrate sustainable developments into business decisions.

The strategic orientation of Lödige Industries is based on a clearly defined business model that focuses on the development, manufacture, and implementation of customized material flow and logistics solutions. The systems are predominantly planned on a project-specific basis and adapted to the specific requirements of the customer. In addition to the new equipment business, service and modernization services are becoming increasingly important throughout the entire life cycle of the systems. The long service life of the systems, their high technical complexity, and close customer relationships shape value creation and have a significant influence on the relevant sustainability issues.

The value chain of Lödige Industries encompasses product development, the procurement of materials and components, manufacturing at its own production sites, project management and system integration at the customer's site, and the subsequent operation, servicing, and modernization of the systems. Sustainability aspects have an impact along this entire chain, particularly with regard to energy and resource use, emissions, occupational safety, supply chain structures, and the use of the systems in the application phase. The company's values form the normative framework for responsible action. **Respect, community, and persistence** shape the company's self-image and cooperation within the organization. They combine technical thinking with partnership-based action and support the anchoring of sustainability as an integral part of business decisions.

The strategic overarching ambitions in the area of sustainability focus on four areas:

Climate neutrality along the entire value chain

Lödige Industries aims to gradually reduce direct and indirect emissions in all areas of the company in order to operate in a climate-neutral manner in the long term.

Sustainable material flow solutions

Lödige Industries continues to promote innovation in order to provide systems that support customers in designing their material flows in a resource-efficient and low-emission manner.

Resource-efficient and circular economy

Materials and components are selected and used with a view to reuse, recyclability, and durability.

Responsible and transparent supply and value chain

Lödige Industries promotes fair, safe, and environmentally friendly practices throughout the entire supply chain and works with partners who share the same principles.

These focal points shape both product development and the operational design of business processes.

Lödige Industries operates internationally and serves customers in different regions, each with specific market requirements. Its business activities include development, production, project and service activities in Europe, as well as project-related system integration and service activities in other regions. An overview of regional business activities is presented in a table, illustrating the company's international positioning.

Own employees by country	Full-time equivalent
Germany	502
Europe excluding Germany	376.5
North America	2
Asia-Pacific	285
Middle East	188
Total number of employees	1,373.5

Table 4: Own employees by country

11 Due diligence statement

The implementation of due diligence at Lödige Industries is based on the requirements of ESRS 1, Section 4, and is integrated into existing governance, strategy, and management processes. The individual elements of due diligence are not considered in isolation, but are systematically reflected in sustainability reporting in line with the material impacts, risks, and opportunities (IROs).

The following table provides an overview of how the central core elements and process steps of due diligence are taken into account in this sustainability report and in which chapters the respective content is presented. It serves to provide transparency about the connection between the requirements of due diligence and the information disclosed in the report.

Core elements of due diligence	Anchoring in the sustainability report
a) Integration of due diligence into governance, strategy, and business model	Sustainability aspects are an integral part of corporate management and strategic orientation. Integration is achieved through governance structures, the sustainability strategy, and the consideration of sustainability in key management decisions. This is presented in particular in the chapters on governance, strategy, business model, and value chain, as well as in the topic-related management approaches.
b) Involvement of affected stakeholders	Relevant internal and external stakeholders were taken into account in the double materiality analysis. Dialogue with stakeholders serves in particular to validate the identified IROs. Stakeholder involvement is described in the chapter on stakeholder analysis and in the sections on materiality analysis.
c) Identification and assessment of actual and potential negative impacts	The material actual and potential impacts, risks, and opportunities were systematically identified and assessed as part of the IRO assessment. The methodology, assumptions, and results are presented in the chapters on materiality analysis and in the topic-specific chapters on environmental, social, and governance aspects.

d) Measures to avoid, mitigate, or remedy negative impacts	The identified IROs are incorporated into strategic and operational decisions and into the definition of measures. Measures are described by topic, in particular in the chapters on climate change, resource use, labor, and governance, as well as in the respective management approaches.
e) Monitoring effectiveness and communication	The effectiveness of the measures is monitored using existing management, control, and reporting systems. Progress is tracked as part of internal reporting processes and communicated transparently in the sustainability report. Objectives, progress monitoring, and reporting processes are presented in the chapters on goals, key performance indicators, and management approaches.

Table 5: Declaration on due diligence

12 Climate change (ESRS E1)

12.1 Significant impacts, risks, and opportunities related to climate change

Lödige Industries has assessed the potential and actual negative and positive impacts, risks, and opportunities related to climate change in accordance with the regulatory requirements of ESRS. The general information includes an overview of the identified IROs and the horizons considered. For a structured presentation, the IROs have been classified into thematic clusters. The identified IROs mainly relate to climate-related transitional risks, while physical risks are currently assessed as low. A renewed in-depth assessment of physical risks is planned for the coming years. The following paragraphs describe the respective impacts, risks, and opportunities related to climate change.

Direct emissions and energy consumption in our own operations

- › The vehicle fleet is the most significant source of direct CO₂ emissions. Due to the high service intensity, the use of conventional vehicles leads to an immediate increase in operational CO₂ emissions, which will be further influenced by rising fuel costs and regulatory requirements in the future. (see ESRS 2, IRO table, IRO 1)
- › Production plants in particular generate climate-relevant emissions through gas and electricity consumption. Energy consumption and process flows are already being influenced by effective efficiency measures, but remain a significant climate factor. (see ESRS 2, IRO table, IRO 2)
- › Measures to modernize building technology and optimize operational processes have a positive effect on energy consumption. These effects support the reduction of Scope 1 and Scope 2 emissions and strengthen long-term energy efficiency. (see ESRS 2, IRO table, IRO 10)
- › The increasing use of renewable energy sources contributes directly to reducing Scope 2 emissions. At the same time, the use of renewable energies increases independence from fossil fuels. (see ESRS 2, IRO table, IRO 11)

Logistics, transport, and mobility

- › Business travel, especially in an international context, causes additional direct and indirect emissions. It has a negative impact on the carbon footprint and continues to be relevant in view of global project and corporate structures. (see ESRS 2, IRO table, IRO 3)
- › Transporting large-format equipment requires energy-intensive logistics processes and causes indirect emissions, which are becoming increasingly significant due to rising energy prices and stricter regulatory requirements. (see ESRS 2, IRO table, IRO 4)
- › Logistical activities carried out by third-party providers and internal processes lead to further CO₂ emissions, which are influenced by the choice of transport and supply chain structures. (see ESRS 2, IRO table, IRO 9)
- › The gradual electrification of the company's own vehicle fleet opens up significant reduction potential in Scope 1 and reduces dependence on fossil fuels in the long term. (see ESRS 2, IRO table, IRO 7)

Material use and resource requirements

- › There is a high demand for energy-intensive materials such as steel, the production of which causes significant emissions. Rising CO₂ prices are expected to lead to increased material costs in the future, which may have a direct impact on procurement. (see ESRS 2, IRO table, IRO 5)

Product portfolio, energy efficiency, and market development

- › The predominantly electrically powered systems can be embedded by customers in a renewable and low-CO₂ infrastructure, which can significantly reduce the climate-related footprint during operation. Against the backdrop of rising CO₂ prices, this aspect is becoming increasingly relevant. (see ESRS 2, IRO table, IRO 6)
- › The increasing importance of electromobility opens up potential for integrating corresponding charging infrastructure into existing product solutions, for example through automatic parking systems with integrated EV charging options. This approach is becoming particularly important in the medium term and supports customers in implementing lower-emission mobility concepts. (see ESRS 2, IRO table, IRO 8)

Overall, the assessment shows that Lödige Industries' climate-related impacts are significantly influenced by energy consumption, logistics, and mobility. At the same time, strategic opportunities arise from efficiency gains, electrification, and the increased use of renewable energies. The identified IROs form a central basis for the climate strategy, the reduction path, and the operational orientation of the measures to reduce emissions.

12.2 Resilience analysis

Lödige Industries has conducted an initial qualitative resilience analysis to assess its climate-related resilience. A complete climate scenario analysis in accordance with ESRS E1 has not yet been carried out and will be implemented in the coming years. The current analysis serves as a basis for understanding the potential impacts of different climate paths and identifying the need for action at an early stage. The assessment is based on the requirements of the ESRS and takes into account both physical and transitional risks.

Based on current knowledge, the company's locations have a low level of physical climate risk. Acute threats from extreme weather events such as floods, storms, or heat waves are currently considered low. Nevertheless, there are plans to deepen and update the assessment of physical risks in the coming years in order to take new scientific findings and regional developments into account appropriately.

The analysis does not currently refer to clearly defined functional areas, as a company-wide specification of the areas relevant to resilience is still pending. In the future, there are plans to systematically include key areas of the company such as production, vehicle fleet and mobility, supply chain, energy supply, logistics, and IT infrastructure in the resilience analysis. This expansion will enable a more comprehensive assessment of the company's overall adaptability and form the basis for a methodologically complete scenario analysis.

Initial adaptation measures have already been implemented to increase resilience to climate-related changes. These include energy efficiency measures in buildings and production facilities, the expansion of the company's own photovoltaic capacities, the electrification of the vehicle fleet, which has already begun, and the establishment of business continuity management plans. These measures not only strengthen operational robustness, but also contribute to the reduction of climate-relevant emissions.

Several factors relevant to climate resilience have been identified in the medium to long term. These include, in particular, rising energy prices, stricter legal requirements such as the expansion of European emissions trading, changes in regulatory reporting requirements, and increasing demand for low-emission and energy-efficient products. Rising costs for energy-intensive materials such as steel can also influence economic development. These developments will have an increased impact on operational processes, investment decisions, and strategic orientation in the coming years.

Overall, the resilience analysis shows that the company already has the basic structures in place to identify climate-related risks and implement initial adaptation measures. At the same time, it is clear that an in-depth, scenario-based analysis is necessary to systematically assess long-term resilience and make well-founded strategic decisions. This further development is planned and will be implemented step by step over the next few years.

12.3 Management approaches

Lödige Industries has established various management approaches to implement the requirements of ESRS E1, which are aimed at reducing greenhouse gas emissions, strengthening operational resilience to climate-related changes, improving energy efficiency, and expanding renewable energies. The approaches tie in with the material topics identified in the IRO assessment and form the framework for managing all relevant activities in the area of climate change.

The management approach to climate protection focuses on the systematic reduction of the company's own Scope 1 and Scope 2 emissions. This is based on a clearly defined reduction path that envisages a 34 percent reduction in emissions by 2030. This will be achieved through continuous improvement of technical and organizational processes, in particular through the electrification of the vehicle fleet, efficiency gains in production facilities, and the expansion of renewable energy procurement and in-house generation. Progress is tracked through regular monitoring, which is managed by the central sustainability department and reported to senior management.

The aim of adapting to climate change is to strengthen the resilience of the company's locations and processes to climate-related changes. Previous assessments show that the physical risks at the locations are currently low. A renewed and in-depth analysis is planned for the future.

The management and the central sustainability department are responsible for the overall management of all climate-related issues. The latter ensures uniform collection and management processes, supports the specialist departments and national subsidiaries in implementing the measures, and guarantees consistency in reporting. Embedding management approaches in existing organizational and technical structures ensures that issues such as climate protection, climate adaptation, energy efficiency, and the use of renewable energies remain firmly anchored in corporate management and are continuously developed.

12.4 Goals and core measures

As part of its sustainability ambitions, Lödige Industries has set a specific interim target for reducing greenhouse gas emissions. The goal is to reduce the company's own Scope 1 and 2 emissions by 34% by 2030 compared to the base year 2024. This goal forms the central framework for the company's climate-related management approaches and measures.

The reduction path set corresponds to an average annual emission reduction of around 6.7%. The target is methodologically based on a 1.5-degree pathway and follows the basic logic of science-based reduction pathways. Formal validation according to the methodology of the Science Based Targets initiative (SBTi) is not yet available, but is being considered for the future.

The interim target relates exclusively to Scope 1 and Scope 2. No quantitative reduction target has yet been defined for Scope 3 emissions, as the group-wide recording of these emissions is still under development (). Regardless of this, Lödige Industries is pursuing its long-term ambition of gradually reducing emissions along the entire value chain and achieving climate neutrality in the future. This ambition will be further specified in future reporting periods.

The achievement of these goals is based on a bundle of defined measures, particularly in the areas of energy supply, mobility, and energy efficiency. These include increased procurement of renewable energies, expansion of our own photovoltaic capacities, gradual electrification of our vehicle fleet, and efficiency improvements in buildings and production processes. These measures are designed to support the required annual reduction rate.

Existing uncertainties are taken into account when setting and implementing targets. These include the future development of energy prices, regulatory conditions, the availability of renewable energies, and external market influences. Against this backdrop, the reduction path is regularly reviewed and further developed as necessary, without changing the fundamental level of ambition.

12.5 Key figures relating to climate change

GHG-Emissions	Base year 2024 (t CO ₂ e)
Scope 1 greenhouse gas emissions (t CO₂e)	
Scope 1 GHG gross emissions, total (t CO ₂ e)	2,182
Scope 2 GHG gross emissions (t CO₂e)	
Scope 2 greenhouse gas emissions (location-based)	572
Scope 2 greenhouse gas emissions (market-based)	485
Total emissions (Scope 1 + Scope 2)	
Total GHG emissions (Scope 1 + Scope 2, location-based)	2,754
Total GHG emissions (Scope 1 + Scope 2, market-based)	2,667

Table 6: Key figures relating to climate change

Definitions, assumptions, and calculation methods

Scope 1 gross GHG emissions

Scope 1 emissions are determined in accordance with the **GHG Protocol – Corporate Accounting and Reporting Standard**. Direct emissions from company-owned or controlled sources are taken into account, in particular from the vehicle fleet and stationary energy consumption. Country-specific emission factors were used. Data collection is based on actual consumption data, supplemented by conservative estimates where primary data was not fully available.

Scope 2 GHG gross emissions (site-related)

Site-related Scope 2 emissions are calculated based on average national electricity emission factors. They reflect the emission intensity of the respective electricity grid used.

Scope 2 GHG gross emissions (market-based)

Market-based Scope 2 emissions take into account the use of electricity from renewable energy sources, which is secured through contractual instruments such as guarantees of origin or corresponding electricity supply contracts. The calculation is carried out in accordance with the requirements of the GHG Protocol.

Energy consumption and mix	2024
(1) Fuel consumption from coal and coal products, in MWh	0
(2) Fuel consumption from crude oil and petroleum products, in MWh	3,046
(3) Fuel consumption from natural gas, in MWh	2,402
(4) Consumption of fuels from other fossil sources, in MWh	0
(5) Consumption of purchased or otherwise obtained electricity, heat, steam, and cooling from fossil sources, in MWh	1,262
(6) Total energy consumption from fossil sources, in MWh	6,710
(7) Total energy consumption from nuclear sources, in MWh	242
(8) Consumption of fuels from renewable sources, in MWh	0
(9) Energy consumption of purchased or otherwise obtained electricity, heat, steam, and cooling from renewable sources, in MWh	243
(10) Consumption of self-generated renewable energy not powered by fuels, in MWh	764
(11) Total energy consumption from renewable sources, in MWh	1,249
(12) Total energy consumption, in MWh	7,959

Table 7: Energy consumption and energy mix

Definitions, assumptions, and calculation methods

General information for items (1–12)

Conversion to megawatt hours (MWh) is based on standardized conversion factors. Data is collected on a location-specific basis. Model calculations may be used for individual locations if primary data is not yet fully available. Total energy consumption is calculated as the sum of the individual items reported.

(1) Fuel consumption from coal and coal products

Includes the use of coal and coal-based fuels.

(2) Fuel consumption from petroleum and petroleum products

Includes the consumption of diesel, heating oil, gasoline, and comparable petroleum products.

(3) Fuel consumption from natural gas

Includes the direct use of natural gas for heating and production purposes.

(4) Consumption of fuels from other fossil sources

Includes fossil fuels such as liquefied petroleum gas (e.g., LPG, propane, butane), if used.

(5) Consumption of purchased or otherwise obtained electricity, heat, steam, and cooling from fossil sources

Refers to externally sourced energy generated from fossil sources.

(6) Total energy consumption from fossil sources

Sum of items (1) to (5).

(7) Total energy consumption from nuclear sources

Includes energy from nuclear generation, where relevant.

(8) Consumption of fuels from renewable sources

Includes the use of renewable fuels such as biomass or biogas.

(9) Energy consumption from purchased or otherwise obtained electricity, heat, steam, and cooling from renewable sources

Includes energy from renewable sources, including electricity with guarantees of origin.

(10) Consumption of self-generated renewable energy not powered by fuels

Includes, in particular, self-generated electricity from photovoltaics or comparable technologies.

(11) Total energy consumption from renewable sources

Sum of items (8) to (10).

(12) Total energy consumption

Sum of items (6), (7), and (11).

Renewable and non-renewable energy production	2024
(1) Non-renewable energy production, in MWh	0
of which: Electricity generation from non-renewable sources, in MWh	0
of which: heat generation from non-renewable sources, in MWh	0
(2) Renewable energy generation, in MWh	0
of which: electricity generation from renewable sources, in MWh	1,507
of which: heat generation from renewable sources, in MWh	0
(3) Total energy production, in MWh	1,507

Table 8: Generation of renewable and non-renewable energy

Definitions, assumptions, and calculation methods

General information

The information refers to the group's own energy production. It is presented in megawatt hours (MWh). If primary data is not yet fully available, location-specific projections or model assumptions may be used. Total energy production is the sum of renewable and non-renewable energy production.

(1) Non-renewable energy generation

Includes self-generated energy from fossil fuels or other non-renewable energy sources (e.g., gas-fired plants), separated into electricity and heat generation.

(2) Renewable energy generation

This includes self-generated energy from renewable sources, in particular from photovoltaic systems and other renewable technologies, separated into electricity and heat generation.

(3) Total energy generation

Calculated as the sum of items (1) and (2).

13 Information on social aspects – Own workforce (ESRS S1)

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

Lödige Industries has assessed potential and actual negative and positive impacts, risks, and opportunities in relation to its own workforce in accordance with regulatory requirements. This is based on an IRO assessment that identifies relevant issues based on their significance for employees and for the strategic direction of the company. The following material negative and positive impacts, risks, and opportunities have been identified and grouped into thematic IRO clusters for better readability.

Working conditions, workload

› Increased stress and temporary work intensification were observed in the context of transformation processes and project-related tasks, particularly in connection with SAP implementation and customer-related projects. This can have a negative impact on the well-being and mental health of employees if not addressed appropriately (see ESRS 2, IRO table, IRO 26).

Job security

› Lödige Industries operates in a growing, internationally oriented industry. The diversified product portfolio, strong position in the air cargo sector, collectively agreed remuneration in some companies, and fair remuneration in all parts of the company offer stable and secure employment prospects for employees overall. This has a positive effect on job security and retention (see ESRS 2, IRO table, IRO 27).

Motivation and communication

› Working on technologically sophisticated products and using modern technologies such as artificial intelligence contribute to high employee motivation and promote innovation, commitment, and identification with the company (see ESRS 2, IRO table, IRO 29).

› The company's flat hierarchy supports short decision-making processes, promotes direct interaction with managers, and facilitates the implementation of ideas and feedback. These structural conditions have a positive effect on the work culture and the effectiveness of collaboration (see ESRS 2, IRO table, IRO 41).

› There is still room for improvement in cross-location communication between international branches. Measures already implemented—such as the further development of the intranet and the introduction of a central communication function—have laid important foundations for improving information flows. In order to fully exploit this potential in the future, even stronger and more uniform use of existing communication channels is beneficial. This will further strengthen cross-location collaboration and work quality (see ESRS 2, IRO table, IRO 40).

Appropriate remuneration and collective bargaining agreements

› Around half of the workforce is covered by collective agreements, in particular on the basis of the applicable collective agreements of the relevant trade unions. Collective bargaining contributes to fair and transparent remuneration structures and has a positive impact on remuneration security and social security (see ESRS 2, IRO table, IRO 28).

› At the same time, regular collective bargaining negotiations pose a risk of wage increases driven by collective agreements. This can lead to cost increases that have a noticeable economic impact (see *ESRS 2, IRO table, IRO 30*).

Demographics and securing skilled workers

› In certain areas, particularly in IT and engineering as well as in production at the Scherfede site, there is an increasing demand for skilled workers, which may pose a relevant risk for recruitment and retention in the future. If we are unable to recruit and retain sufficiently qualified employees, capacity bottlenecks and project delays may occur in the medium term (see *ESRS 2, IRO table, IRO 31*).

› In addition, the average age in production is above average, which poses a demographic risk. Without targeted measures in the areas of succession, qualification, and recruitment, there is a long-term risk that valuable knowledge will be lost and age-related stress and absences could increase (see *ESRS 2, IRO table, IRO 32*).

Employer branding and continuing education

› Lödige Industries is highly attractive to international applicants, which represents an opportunity to recruit qualified specialists from abroad. There is potential to further strengthen the employer brand in order to become more visible in the competition for young talent and skilled personnel (see *ESRS 2, IRO table, IRO 33*).

› Targeted continuing education opportunities and regular training plans can further develop qualifications and strengthen skills. These measures offer opportunities to promote innovation, increase productivity, and ensure sustainable skills within the workforce (see *ESRS 2, IRO table, IRO 34*).

International flexibility of the workforce

› Due to the international structure of the company, it is possible to deploy human resources from different countries at short notice or to support projects through external partners. This flexibility represents a significant opportunity to compensate for bottlenecks, leverage global skills, and design transformation processes efficiently (see *ESRS 2, IRO table, IRO 36*).

13.2 Management approaches for our own workforce / Strategic approaches for our own workforce

Working standards

Lödige Industries has established a management approach to labor standards that is designed to prevent or reduce actual and potential negative impacts related to working conditions and to strengthen positive aspects of the work culture. This approach covers the areas of equal treatment, protection against discrimination and harassment, human rights due diligence, working conditions, and the handling of complaints.

Lödige Industries did not record any incidents of discrimination, harassment, or unequal treatment during the reporting period. This is supported by a digital complaint management system that allows employees to report potential violations confidentially. Another key component of the approach is a whistleblower protection system that allows anonymous or named reports of work-related or ethical violations to be made via multiple channels. Both systems ensure that reports are investigated promptly and that necessary measures are taken. Compliance with the principles of good working conditions is ensured through internal processes,

regular HR checks, and clear site-specific responsibilities. Furthermore, there are no indications of discrimination risks in an international context, as the company pursues uniform principles of equal treatment and compliance with local labor law requirements in its global subsidiaries.

The company is committed to fair and safe working conditions, which are supported by, among other things, collective bargaining agreements, fair remuneration, and stable corporate development.

No systematic observations relating to working hours, overload situations, or particular risks in connection with shift systems or business trips were identified during the reporting period. Nevertheless, the company recognizes that project-related peaks in workload can occur in individual areas and takes these into account in the ongoing development of its work organization framework.

Appropriate remuneration

Lödige Industries pursues the principle of fair and transparent remuneration and ensures that all employees are remunerated in accordance with the applicable legal requirements and market standards. A central element of the remuneration structure is collective bargaining, which applies to around 45.67% of the workforce. This includes, in particular, the German companies within the scope of the trade unions. Compliance with collective bargaining agreements contributes significantly to ensuring fair wages, predictable salary developments, and social security. At the same time, Lödige Industries applies the principle throughout the company that no employees are paid below the respective national minimum wage.

Lödige Industries' compensation system is based on the applicable labor laws and standard market compensation structures in each country. During the reporting period, there were no indications of violations of remuneration principles or complaints regarding inappropriate remuneration.

These developments lead to increasing personnel costs. However, there are various ways to mitigate potential impacts. Lödige Industries regularly reviews compliance with remuneration principles and the consistency of salary structures between functions and locations.

Overall, the remuneration strategy is designed to ensure competitiveness, retain employees in the long term, and create fair and transparent conditions for all employee groups.

Work-life balance

Lödige Industries pursues the goal of creating working conditions that enable a balanced compatibility of professional requirements and private life. The management approach covers all employee groups and takes into account different job profiles and location conditions. Key elements include flexible working time models and supportive measures to promote physical and mental well-being.

The company offers flexitime arrangements and the option of mobile working, provided this is compatible with the respective tasks. These flexibility options particularly support employees in administrative and project-related functions in integrating individual needs into their everyday working lives and better organizing childcare or care responsibilities. At the same time, the company recognizes that not all areas of activity can be made equally flexible.

In some parts of the organization, particularly in production, the customer care center, and technical service, there are shift systems that also include night work. These areas of activity are naturally associated with particular physical and work-related stresses. Lödige Industries takes these aspects into account in its resource

planning and through regular risk assessments in order to manage stress appropriately and support the health of its employees in the best possible way.

Project-related peaks in workload occur primarily in connection with complex customer projects. These can temporarily lead to increased workloads and stressful situations, particularly during phases of intensive coordination, technical implementation, or transformation processes such as the introduction of new IT systems. Lödige Industries monitors these developments and strives to design resources and work processes in such a way that stress is limited and recovery phases are guaranteed.

The management approach to work-life balance is continuously being developed in order to respond to changing requirements and the increasing importance of flexible working models. The aim is to create a working environment that promotes performance, minimizes stress, and takes into account the different life situations of employees.

Further training and skills development

Lödige Industries promotes the continuous further training and skills development of its employees in order to meet the changing requirements of the markets, technological developments, and internal processes. The management approach covers all employee groups and is aimed at expanding qualifications, securing skilled workers, and strengthening long-term development prospects.

The company's continuing education landscape is based on department-specific training and development plans, which are reviewed annually and adapted to new requirements. The basic elements include structured onboarding days to introduce new employees to the company, digital training courses, and regular internal and external specialist conferences. These formats enable both the transfer of basic knowledge about the company and the updating of technical skills.

In terms of content, the training courses focus on topics that are essential for the safe, compliant, and efficient operation of the company. These include occupational safety, information security, environmental management, and project-related skills such as project management methods and department-specific technical knowledge. Implementation takes place in close coordination with the specialist departments and is supported by standardized instruction and learning processes.

Individual skills development is integrated into the annual performance review. Managers and employees work together to identify development needs, define training measures, and review progress. This approach ensures that training is targeted, needs-oriented, and transparent.

A key area of action arises from existing risks of a shortage of skilled workers. Recruiting qualified specialists is particularly challenging in production at the Scherfede site and in the areas of IT and engineering. In addition, age-related structural developments, especially in technical occupations, pose a medium to long-term risk. Lödige Industries is addressing these challenges through several measures, including enhancing its attractiveness as an employer, strengthening employer branding, strategic cooperation with universities—including activities at the Paderborn campus—and creating new job profiles for targeted recruitment of skilled workers.

Overall, the management approach to continuing education and skills development helps to close qualification gaps, support transformation processes, strengthen innovative capacity, and ensure the long-term

employability of employees. The further development of these structures remains a central component of strategic human resources planning.

Secure employment and social dialogue

Secure employment and structured social dialogue are key components of human resources management at Lödige Industries. The company aims to shape economic developments, technological changes, and organizational adjustments in close consultation with its employees, thereby ensuring both stability and transparency.

Lödige Industries is characterised by overall stable economic development. This is primarily supported by the company's broad positioning across five different product and business areas. The diversification of the portfolio helps to balance cyclical fluctuations in individual market segments and ensures a continuous business development. This provides a reliable foundation for employment stability as well as for investments in personnel and qualification.

Co-determination is institutionalized through the work of a works council at the German locations and through local HR representatives at international companies. These bodies ensure that employee interests are taken into account in relevant decisions and provide important feedback on work-related issues. In addition, close cooperation between management, the works council, and local HR functions supports the further development of working conditions and personnel policy measures.

Social dialogue is strengthened through various communication and participation formats. These include regular meetings in the specialist departments, cross-location employee communication, use of the intranet, and annual employee appraisals. In addition, planned exchange formats with the works council take place, which contribute to the coordination of strategic decisions and the early identification of challenges. These structures promote transparency, strengthen employee trust, and enable continuous feedback between employees and management.

Technological transformation processes—such as digitalization, AI-supported applications, the introduction of new IT systems, and automation initiatives—place special demands on employees. This can lead to temporary stress, skills gaps, and uncertainties. In addition, there are financial and procedural risks, for example in connection with the implementation of complex systems such as SAP. Lödige Industries meets these challenges through training measures, internal knowledge transfer, and the expansion of communication and support services.

In addition, the company promotes internal mobility between companies and business areas in order to deploy qualifications flexibly, open up development paths, and efficiently balance skilled labor requirements. This mobility supports both individual career paths and organizational adaptability.

Overall, the management approach contributes to secure employment and social dialogue, helping to ensure stable working conditions, shape transformation phases constructively, and guarantee the active participation of employees in the further development of the company.

Protection of employee data

Lödige Industries pursues a group-wide approach to protecting employee data, which ensures compliance with data protection requirements, an appropriate level of protection when processing personal data, and

raising employee awareness of data protection and information security. This approach is based on the provisions of the GDPR and internal guidelines that define lawful, purpose-specific, and transparent data processing. In addition, the company is in the process of introducing the TISAX standard, which sets out additional requirements for handling sensitive information.

Some HR data is processed internationally. Technical and organizational measures such as access restrictions, encryption, logging, and regular system checks ensure a consistently high level of protection. No data protection incidents were identified during the reporting period, which underscores the effectiveness of the protection mechanisms implemented.

Employees are regularly instructed on data protection obligations and safe behavior via a digital training tool; the training courses are an integral part of onboarding and are continuously updated. Responsibility for implementing and monitoring data protection requirements lies with the respective management teams and the central data protection and IT security functions.

Overall, the structured approach to data protection helps to safeguard employee rights, minimize risks, and strengthen a trusting working environment.

Occupational safety and health

Most Lödige Industries companies have established occupational health and safety management approaches that are designed to systematically identify potential hazards, reduce risks, and ensure a safe and healthy working environment for all employees. The management approach covers all areas of operation, in particular production, assembly, service, and logistics, where there are increased physical and technical requirements.

Regular risk assessments covering all relevant workplaces and activities are core components of the system. Based on these assessments, appropriate protective measures are defined, implemented, and continuously reviewed. These include personal protective equipment, technical safety devices, ergonomic workplace design, and regular mandatory safety training. This training serves both to maintain legal standards and to raise employee awareness of safety-conscious behavior in everyday work.

The company has a low overall accident rate, which are usually attributable to individual situations or external conditions. This development illustrates the effectiveness of the existing preventive measures. The continuous evaluation of incidents and a structured reporting process enable causes to be analyzed and targeted improvement measures to be derived from them.

In addition to occupational safety, Lödige Industries offers various health management services. These include subsidies for sports programs that enable a wide range of sporting activities, as well as occupational health checkups in accordance with legal requirements. These measures support the physical health of employees and contribute to the prevention of work-related stress. In addition, this includes organizational and technical requirements such as safety instructions, qualifying training courses, regular checks, and state-of-the-art technology, such as extraction techniques for welding work in production or ergonomically designed, height-adjustable desks.

Particular risks arise from physically demanding activities – such as lifting and carrying, working on machines, or handling hazardous substances in production and assembly. These activities are accompanied by specific protective measures that include both technical devices and organizational process requirements.

Training programs and regular safety instructions in safety-critical areas ensure that employees are familiar with the respective potential hazards and can act appropriately.

Responsibility for implementing occupational health and safety management lies with the respective site management, which is supported by occupational safety specialists, safety officers, and occupational health professionals. Progress and challenges are continuously reviewed to ensure that the system is constantly improving and adapting to changing working conditions.

Overall, Lödige Industries' management approach makes a significant contribution to preventing work-related health hazards, increasing safety in the workplace, and promoting the well-being of employees.

13.3 Key figures relating to the company's own workforce

Characteristics of the company's employees

Own employees (number of persons)

In the economic report of the management report, the number of employees is presented in the chapter on the earnings, financial, and asset situation in the section on the earnings situation under the heading Employees. It should be noted that the two key figures used differ in their definition.

Own employees by gender	Full-time equivalent
Male	1,201
Female	172.5
Various	0
Total number of own employees	1,373.5

Table 9: Own employees by gender

Own employees by country	Full-time equivalent
Australia	49
Canada	4
China	173
Denmark	8
Germany	502
Greece	13
Malaysia	38

Netherlands	85
Poland	22
Qatar	170
Romania	123
Singapore	25
Switzerland	32
Turkey	5
United Arab Emirates	18
United Kingdom	88.5
United States	18
Total number of own employees	1,373.5

Table 10: Own employees by country

Own employees by type of contract	Number of persons
Total number of permanent employees	1,309.5
Total number of temporary employees	63
Total number of employees without guaranteed working hours	1

Table 11: Own employees by type of contract

Employee turnover	Number of persons
Employees who left	15
in %	13.48

Table 12: Employee turnover

Gender distribution at the highest management level by gender	Number of persons
Female	8
Male	37
Total	45

Table 13: Gender distribution in top management by gender

Number of employees by age group	Number of persons
Under 30	254
Between 30 and 50 years	672,5
Over 50	449
Total	1375,5

Table 14: Number of employees by age group

14 Business conduct and corporate governance (ESRS G1)

14.1 Significant impacts, risks, and opportunities related to business conduct and corporate governance

Lödige Industries assesses potential and actual impacts, risks, and opportunities related to business conduct and corporate governance as part of a structured internal assessment process. This process takes into account both internal control aspects and the impact of the solutions offered on customers and other stakeholders.

- › A significant positive impact results from the automation of processes enabled by Lödige Industries' solutions. Automation contributes significantly to increasing productivity while improving ergonomic working conditions. The use of automated systems reduces physically demanding or repetitive tasks, resulting in both efficiency gains and a sustainable improvement in the quality of work (see ESRS 2, IRO table, IRO 39).
- › Building on this, Lödige Industries' solutions make a significant contribution to increasing occupational safety for customers. Potentially dangerous activities are replaced or supported by automation, significantly minimizing the risk of accidents at work. Increasing occupational safety is therefore a key positive impact of the company's business activities and is closely linked to its responsible business conduct (see ESRS 2, IRO table, IRO 44).

- › As a family-owned company, Lödige Industries is also characterized by a special management culture. Flat hierarchies, short decision-making paths, and a long-term orientation characterize the company's management. This structure enables a high level of responsiveness, promotes transparency, and strengthens the sense of responsibility at all levels of the organization (see ESRS 2, IRO table, IRO 45).
- › Lödige Industries' investment behavior is geared towards sustainable and healthy growth. Investment decisions are made on the basis of short decision-making processes, a long-term planning perspective, and a solid economic foundation. This responsible investment behavior supports the stability of the company and contributes to securing its long-term competitiveness (see ESRS 2, IRO table, IRO 46).

14.2 Management approaches to business conduct and corporate governance

Lödige Industries' management approaches in the area of business conduct and corporate governance aim to ensure compliant, ethical, and responsible behavior while promoting positive impacts on customers and society. The central basis for this is the close link between governance structures, corporate culture, and operational processes.

There is a particular focus on promoting occupational safety through automation. Lödige Industries sees increasing occupational safety as an integral part of responsible corporate governance. Technical solutions that automate dangerous or safety-critical activities actively contribute to reducing risks in the workplace. This approach is firmly anchored in product development and in the service promise to customers.

Ethical business conduct is another key pillar of the management approach. The values and guidelines established throughout the company form the normative framework for acting with integrity, fairness, and in compliance with the law. In addition, the Supplier Code of Conduct defines binding expectations for the business conduct of suppliers and other business partners and ensures that ethical, social, and legal standards are also upheld throughout the supply chain. To support the ethical corporate culture, a whistleblower system is available through which employees and external stakeholders can report potential misconduct. The whistleblower portal guarantees confidentiality and protection against discrimination and is a key tool for the early identification and investigation of rule violations.

The effectiveness of management approaches is regularly reviewed and continuously developed. Lödige Industries' long-term and stable corporate governance, the clear division of roles between management and the advisory board, and short decision-making paths enable a high degree of control and reliable governance. Responsible investment behavior, supported by a long-term planning perspective, supports the sustainable development of the company. This is complemented by an integrated understanding of risk and provisioning, as well as transparent decision-making and reporting processes that enable the early identification and management of relevant risks. Integrity and compliance are firmly anchored in corporate management as central leadership principles and make a sustainable contribution to value creation.

15 Overviews and indexes in accordance with ESRS 2

Disclosure requirement	Chapter / Section	Page
ESRS 2 – General disclosures		
BP-1 – General principles for the preparation of sustainability statements	General information	5
BP-2 – Information relating to specific circumstances	General information ESRS 2	6–7
GOV-1 – Role of the administrative, management, and supervisory bodies	Governance – Structure of the management and control structure	15
GOV-2 – Sustainability aspects addressed by the bodies	Integration of sustainability into the governance structure	17
GOV-4 – Statement on due diligence	Statement on due diligence	21
GOV-5 – Risk management and internal controls for sustainability reporting	Controls, procedures, and reporting	18
SBM-1 – Strategy, Business Model, and Value Chain	Strategy	19
SBM-2 – Stakeholder interests and perspectives	Stakeholder analysis	9–10
SBM-3 – Material impacts, risks, and opportunities and their interaction with strategy and business model	Material impacts, risks, and opportunities – overview	8
	Significant impacts, risks, and opportunities – details	11
	Climate change (ESRS E1) – Key IROs	22–23
	Own workforce (ESRS S1) – Material IROs	27
	Business conduct and corporate governance (ESRS G1) – Material IROs	36
IRO-1 – Process for identifying and assessing material IROs	Materiality analysis	8
	Stakeholder analysis	9
IRO-2 – Disclosure requirements contained in ESRS that are covered	Identification of information to be disclosed	11
	Overviews and indexes in accordance with ESRS 2	39

Disclosure requirement	Chapter/section (Word heading)	Page
ESRS E1 – Climate change		
ESRS 2 SBM-3 (reference to E1) – Interaction of IROs with strategy and business model	Significant impacts, risks, and opportunities	22
E1-2 – Strategies related to climate change	Climate change (ESRS E1) – Management approaches	24–25
E1-3 – Resilience of the strategy to climate risks	Climate change (ESRS E1) – Resilience analysis	24
E1-4 – Climate change objectives	Climate change (ESRS E1) – Targets	25
E1-5 – Energy consumption and energy mix	Climate change (ESRS E1) – Key figures	
E1-6 – Gross GHG emissions (Scope 1 and 2)	Climate change (ESRS E1) – Key figures	
ESRS S1 – Own workforce		
ESRS 2 SBM-2 – Stakeholder interests and positions	Stakeholder analysis	9
ESRS 2 SBM-3 – Interaction of IROs with strategy and business model	Significant impacts, risks, and opportunities	12–13
S1-1 – Strategies relating to own workforce	Own workforce (ESRS S1) – Management approaches	29
S1-2 – Procedures for employee involvement	Own workforce – Secure employment and social dialogue	32
S1-4 – Measures relating to own workforce	Own workforce (ESRS S1) – Management approaches	29
S1-6 – Characteristics of employees	Own workforce – Key figures	
S1-8 – Collective bargaining coverage and social dialogue	Own workforce – Key figures	
S1-9 – Diversity parameters	Own workforce – Key figures	
S1-10 – Fair remuneration	Own workforce – Key figures	
S1-17 – Incidents, complaints, and serious impacts	Own workforce – Key figures	
ESRS G1 – Corporate governance		
ESRS 2 GOV-1 – Role of management and supervisory bodies	Governance	17
ESRS 2 IRO-1 – Process for identifying and assessing IROs	Significant impacts, risks, and opportunities	36
G1-1 – Corporate culture and values	Governance – Management approaches	37
G1-3 – Prevention and detection of corruption and bribery	Governance – Management approaches	37

Table 15: Overviews and indexes in accordance with ESRS 2

16 Appendix

Lödige Industries material impacts, risks, and opportunities (IRO table) with descriptions

ESRS - Chapter	ID	Title	Description
E1 Climate change	1	CO2 emissions from vehicle fleet	Significant CO2 emissions from vehicle fleet (mainly used for service purposes). Currently, there are 200 vehicles (mainly passenger cars) in the fleet.
	2	Production plants	Significant CO2 factor due to the operation of the production plants in Scherfedo and Romania.
	3	Business travel	Business travel and commuting between workplaces are significant CO2 factors.
	4	Transport of large systems	The logistics of our large systems and facilities cause significant CO2 emissions.
	5	Use of energy-intensive resources	The use of energy-intensive resources such as steel or copper is a significant CO2 factor.
	6	More efficient logistics through product solutions	Our systems enable us to provide customers with more efficient logistics and processes, thereby making an indirect contribution to CO2 savings.
	7	Transformation to electromobility	The transformation to electromobility could open up enormous opportunities, particularly in the area of production logistics, as entire production lines will have to be converted.
	8	Contribution to the expansion of the charging infrastructure	By providing charging stations in parking solutions, we can contribute to the expansion of the charging infrastructure.
	9	Emissions in logistics	Due to our large systems, large amounts of CO2 are released during transport.
	10	Energy efficiency measures in our own operations	In recent years, a number of energy efficiency measures have been successfully implemented, particularly at the Scherfedo production site (hall renovation, conversion to LED, etc.).
	11	Renewable energy generation	The Scherfedo production site already generates more electricity than it consumes. Renewable electricity generation is also ensured at the production site in Romania.
E5 Resource use and circular economy	12	Energy consumption of our products during operation	Due to the number of systems, overall energy consumption for operating the systems is high.
	13	Resource avoidance at the customer	On average, systems require only 60% of the construction volume of conventional systems (especially in the area of parking solutions).
	14	Automation of processes through systems	Our solutions enable processes to be automated and can contribute to increased productivity.
	15	Modernization of facilities	Modernizing plants can result in significant reductions in greenhouse gas emissions.
	16	Raw materials (supply chain)	The raw materials used influence the possibilities for implementing an efficient circular economy.

	17	Use of steel and copper raw materials (supply chain)	The high use of resources, especially steel and copper, has a significant impact.
	18	Transport packaging	Large quantities of transport packaging are required, especially for shipping.
	19	Use of recycled steel	More than 50% of the steel in circulation now comes from steel scrap.
	20	Design for recyclability	Our systems can be easily dismantled into their original parts and are modular in design.
	21	Long product life and comprehensive service	The long product life and comprehensive service make a significant contribution to resource utilization.
	22	Modernization business	The refurbishment of old plants was further expanded.
	23	Resource efficiency	Resource-efficient product design offers great potential and can lead to a sustainable reduction in material and energy consumption, particularly when it comes to reducing steel usage.
	24	Resource conservation through modernization and service life	Expanding the service and modernization business and improving product service life could make a significant contribution to resource conservation.
	25	Durable products	Lödige's core business is high-quality systems in the field of conveyor technology with long-term maintenance and service contracts (service division).
S1 Company employees	26	Workload and stress	Stressful situations have arisen, particularly in connection with the SAP project.
	27	Job security	Guaranteed by a growing industry, collective bargaining agreements, product diversification, and internationality.
	28	Collective bargaining	Approximately 300 employees covered by collective bargaining agreements in Germany.
	29	High motivation due to exciting products	Due to exciting products and the use of state-of-the-art technologies (e.g., AI), a high level of employee motivation can be observed.
	30	Risk of wage inflation	Particularly due to collective bargaining by Metall NRW.
	31	Skills shortage	There is a shortage of skilled workers, particularly in the IT and engineering sectors.
	32	Demographic risk in production	The average age within production is higher.
	33	Employer branding	Good security can be established for international applicants. Within Germany, the employer brand can be further expanded.
	34	In-house training	Targeted continuing education for employees can drive innovation and increase productivity.
S Workers in the value chain	35	Physical strain for assembly and production	Long-term health consequences can lead to absences from work. Employees may need retraining and further training.
	36	Flexibility through internationality	Thanks to our international orientation, we enjoy a high degree of flexibility. This gives us the option of recruiting international specialists at short notice or implementing projects with the help of external partners.
	37	Qualification risk	External employees may not be sufficiently qualified to successfully implement the task. In this case, internal employees may have to be deployed for implementation.

	38	Lower wages for subcontractors	Lower wages are to be expected with subcontractors. The use of subcontractors could therefore be more attractive in terms of price.
G1 Company management	39	Process optimization	Our solutions enable processes to be automated and contribute significantly to increased productivity. [Duplicate?]
	40	Unbalanced communication	A lack of centralized communication is particularly evident between the individual international branches. For example, the intranet is not being used to its full potential for information exchange.
	41	Flat hierarchy	The flat hierarchy promotes more direct communication channels and enables quick decision-making, as employees have direct access to managers. This makes it easier to implement ideas and feedback.
	42	Time savings and convenience	Our solutions can save customers time and increase convenience.
	43	Ergonomics & productivity (automation)	Our solutions enable processes to be automated and contribute significantly to increased productivity and improved ergonomics.
	44	Work safety through automation	The implementation of our solutions contributes significantly to improving occupational safety by automating potentially dangerous tasks and minimizing the risk of accidents in the workplace.
	45	Family business	As a family business, a special corporate culture can be established. This usually ensures a long-term orientation for sustainable corporate success.
	46	Investment behavior	The investment behavior of family businesses is designed to ensure sustainable growth and stability.

Table 16: IRO table with descriptions