

GRI

SUSTAINABILITY

REPORT

20/
24



LÜDECKE

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1. About this Report

1.1. General Disclosures

2-1: Organisational details

Legal name:	Lüdecke GmbH
Nature of ownership and legal form:	GmbH, Family-owned
Location of the headquarters:	Heinrich-Hauck Straße 2, 92224 Amberg
Countries of operation:	Germany

2-2: Entities included in the organisation's sustainability reporting

Lüdecke GmbH is a single entity, therefore there is one set of financial statements used for sustainability reporting.

2-3: Reporting period, frequency and contact point

Reporting period and frequency of the sustainability reporting:	2024 Annual report (01.01.-31.12)
Reporting period for financial reporting:	Annual report (01.01.-31.12.)
Date of publication of the report or reported information:	01.11.2025
Contact point for questions about the report:	greencompany@luedecke.de

2-4: Restatement of information

There is no restatement of information necessary.

2-5: External Assurance

Lüdecke GmbH does not seek paid external assurance. The highest governance body and senior executives are in continuous close contact and revise thoughts, information and data through a strong exchange with our industry partners.

1.2. Activities and Workers

2-6: Activities, value chain and other business relationships

Lüdecke GmbH is in the business sector (German WZ classification: code 28.14.0; Hersteller von Armaturen a. n. g.). The company has a well-defined vision and a concrete mission to advance successfully (Figure1).

Lüdecke scores with an extensive range of products and services: Couplings for pneumatics, temperature couplings, couplings for the process industry, construction couplings, water couplings and accessories.

The company aims to serve 10 focus industries with their products: Construction & mining industry, plastics & die casting, energy- & thermal management, automotive, railway, food & beverage industry, snowmaking, machine & plant construction, municipal technology, agriculture & irrigation.



OUR VISION

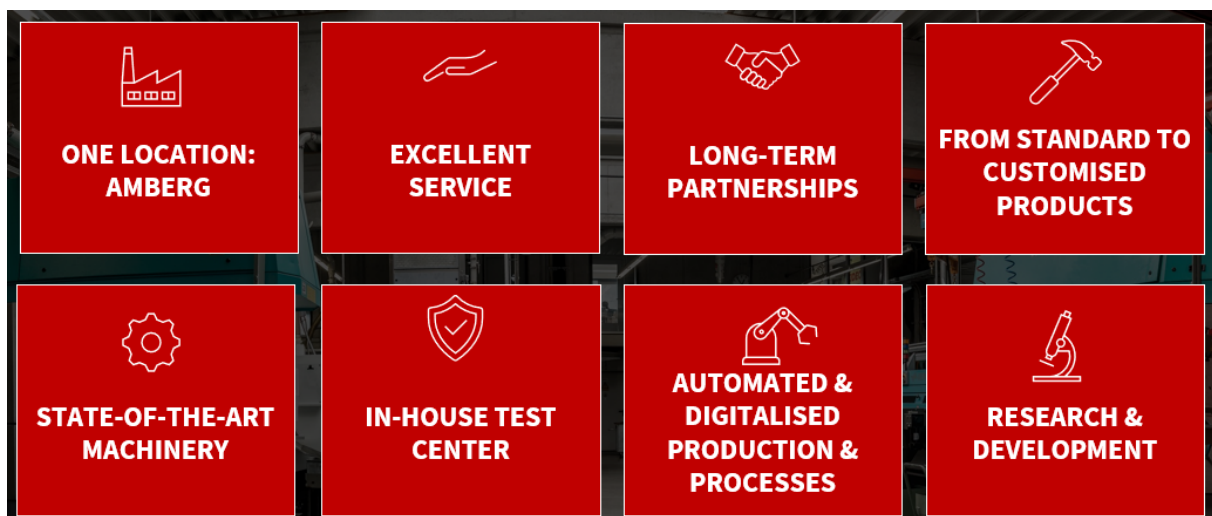
„A world in which advanced coupling technologies are the foundation for an **efficient, secure and sustainable industry.**“



OUR MISSION

„With team spirit and sustainability, we develop and manufacture **perfect connection technologies** for our partners.“

Lüdecke's activities are directed by 8 core competencies, illustrated in the following overview.



Lüdecke's supply chain mainly consists of semi-finished products, cast blanks and bought-in parts.

An integral part of Lüdecke's operations is a collaboration with workshops for people with disabilities, known in Germany as "Werkstätten für behinderte Menschen (WfbM)". Since the 1960s, Lüdecke has been providing meaningful work with the assembly of coupling systems to the play and craft workshops of Life aid (Lebenshilfe), offering regular and structured activities that engage employees of all abilities. By integrating socially responsible practices into our business, we ensure that our manufacturing process not only meets the highest technical standards but also contributes to meaningful employment and social inclusion.

2-7: Employees

Total number of employees by gender and region

Region	Women	Men
Amberg	25	65
Amberg-Weizsach	35	69
Schwandorf	1	8
Regensburg	0	1
Cham	1	0
Nürnberg Land	0	1
Neumarkt in der Oberpfalz	0	3
Neustadt an der Waldnaab	0	1
Schwabach	1	0
Chemnitz	0	1
Total	63	149

Permanent employees by gender and region

Region	Women	Men
Amberg	21	54
Amberg-Weizsach	28	68
Schwandorf	1	8
Regensburg	0	1
Cham	1	0
Nürnberg Land	0	1
Neumarkt in der Oberpfalz	0	2
Neustadt an der Waldnaab	0	1
Schwabach	0	0
Chemnitz	0	1
Total	51	136

Temporary employees by gender and region

Region	Women	Men
Amberg	0	1
Schwabach	1	0
Total	1	1

Non-guaranteed hours employees by gender and region

Region	Women	Men
Amberg	4	11
Amberg-Weizsach	7	1
Neumarkt in der Oberpfalz	0	1
Total	11	12

Full-time employees by gender and region

Region	Women	Men
Amberg	10	51
Amberg-Sulzbach	16	67
Schwandorf	0	8
Regensburg	0	1
Cham	1	0
Nürnberg Land	0	1
Neumarkt in der Oberpfalz	0	2
Chemnitz	0	1
Total	27	131

Part-time employees by gender and region

Region	Women	Men
Amberg	11	3
Amberg-Sulzbach	12	1
Schwandorf	1	0
Neustadt an der Waldnaab	0	1
Total	24	5

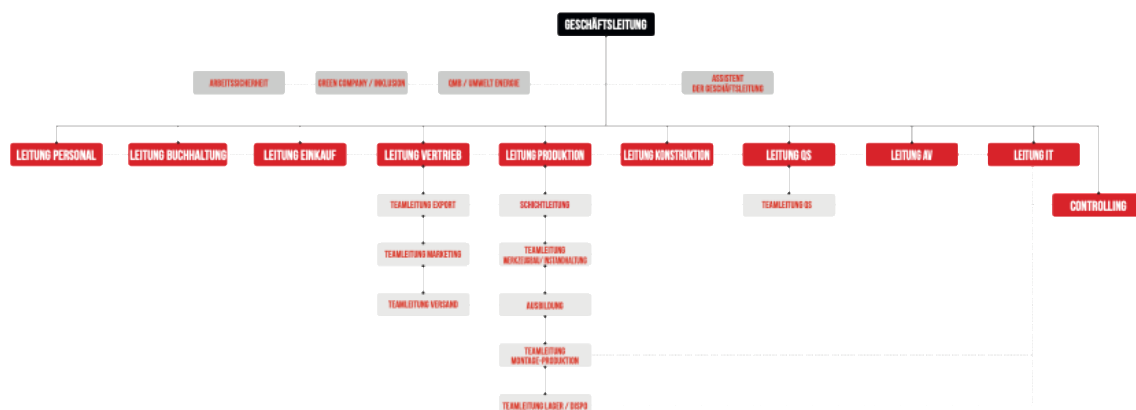
2-8: Workers who are not employees

At Lüdecke, we have one male worker who is not directly employed by our company. This person performs an outsourced function through the Jura workshops. He clocks in like any other employee, and the Jura workshops send us an invoice for the hours he works at Lüdecke.

1.3. Governance

2-9: Governance structure and composition

In 2024, the highest governance body consisted of three CEOs, all male, who served as executive members. Two of the CEOs are also heads of departments. The governance structure is organized as described in the following figure 3.



24.04.2025

There are no term limits for members of the board. The governance body's key competencies, which are crucial for managing the organization's impact, are extensive business expertise in the industry sector of coupling systems.

2-10: Nomination and selection of the highest governance body

As a family business, there is no established process or criteria for determining the highest governance body. The CEOs and owners define the criteria and make the decision.

2-11: Chair of the highest governance body

Two of the three CEOs in 2024 are also shareholders of our company. As a family business, the succession of family members is Lüdecke's core strategy.

2-12: Role of the highest governance body in overseeing the management of impacts

Mission, Vision and Values are developed by the CEOs & supporting positions in collaboration with the business leaders - overseen and approved by our CEOs. Staying informed and in touch with all stakeholders to support the firm's long-term strategy are the CEOs core responsibilities. The effectiveness of decisions is monitored by evaluating and updating on a daily basis, always considering new opportunities and changes to improve the firm's development.

2-13: Delegation of responsibility for managing impacts

The highest governance body delegates responsibility for managing the company's economic, environmental and human impacts by asking each employee to take responsibility, especially business leaders. The idea is to create a conscience in everyone to make a difference. But most importantly, it is about the highest leadership body leading by example to build motivation and commitment among all.

2-14: Role of the highest governance body in sustainability reporting

The information for the material topics in the Sustainability Report is gathered and processed by the Environmental Management Team and sent to the highest governance body, that reviews and approves the final information.

2-15: Conflicts of Interest

The clear prioritisation, moral compass and professionalism of the highest governance body ensures that conflicts of interest are avoided and mitigated.

2-16: Communication of critical concerns

Communication usually takes place through the works council or directly to the heads of the business units and up the chain to the CEOs. Lüdecke stands for open, honest and personal interaction with one another. Help is offered in every situation. During the year 2024 we had 12 concerns related to employee issues attended by the council.

2-17: Collective knowledge of the highest governance body

The appointment of a Sustainability Manager has made a major contribution to the company's sustainable development. The CEOs are constantly updated on the latest changes, trends and opportunities. An internal environmental audit is also carried out every year. Finally, there is a

person with the title of "Green Company Representative" who makes sure that we look for sustainable solutions in all areas.

2-18: Evaluation of the performance of the highest governance body

As a family-owned business, there is no formal process for evaluating the performance of the highest governance body. However, it remains committed to effectively overseeing the organisation's impact on the economy, the environment and people. Being a family-owned business ensures a strong personal connection, making the role of the highest governance body inherently closer to the heart and home of the organisation.

2-19: Remuneration policies

Details of the remuneration policies for the Highest Governance Body and Senior Executives:

- Fixed vs. Variable Compensation: 75% fixed, 25% variable.
- Signing Bonuses or Recruitment Incentives: Not applicable.
- Termination Payments: Not applicable.
- Clawbacks: Not applicable.
- Retirement Benefits: Provided by an external pension scheme.

2-20: Remuneration setting process

The process for determining remuneration is not overseen by independent members of the highest governance body or committee. Instead, stakeholders seek to maintain a healthy balance between remuneration and the strategy of continued reinvestment in the business. There are no external services such as remuneration consultants.

2-21: Annual total compensation ratio

The ratio of the annual total compensation of the highest paid individual in the organisation to the median annual total compensation of all employees (excluding the highest paid individual) is 592.77%.

1.4. Strategy, policies, and practices

2-22: Policy statement on sustainable development

Sustainability is a core principle of Lüdecke's business. The firm has been practicing sustainability in all its forms for many years and is continuously optimising processes and approaches in daily activities. Lüdecke consistently follows the guidelines of the 17 Sustainable Development Goals with a focus on 9 specifically relevant goals. This plays a key role in ensuring continued business success and the ongoing development of the family-owned business.

2-25: Processes to address negative impacts

Lüdecke is strongly committed to monitor and address any indications that its operations or products may have negative impacts. All reported incidents are promptly investigated and, if necessary, immediate corrective action is taken.

To identify potential impacts, Lüdecke uses a complaint management system designed to handle issues through a standardised process. This system is complemented by an internal complaint

management mechanism to ensure comprehensive oversight. Feedback from both systems is used to evaluate and improve their effectiveness, ensuring continuous improvement in operations and processes.

2-26: Mechanisms for seeking advice and raising concerns

At Lüdecke, open communication is promoted, and it is ensured that all employees feel empowered to raise concerns or provide feedback. The management actively works with the Workers' Council, taking their advice into account and supporting a transparent dialogue throughout the organisation.

In line with legal requirements, Lüdecke complies with the Whistleblower Protection Act, a German legal framework that protects individuals who report misconduct or illegal activities within organisations. This law implements the EU Whistleblower Directive (Directive (EU) 2019/1937) and promotes consistent standards of protection for whistleblowers in all EU member states. With these measures, Lüdecke reinforces its commitment to ethical business practices and employee protection.

2-28: Membership associations

Lüdecke collaborates with the German Chambers of Industry and Commerce (IHK), which support German businesses by providing advice on workforce development, trade, energy, environmental protection and legal issues. This partnership strengthens business activities locally and internationally.

Lüdecke is also a member of vbw - Vereinigung der Bayerischen Wirtschaft e.V., which represents the Bavarian business community. The vbw works to promote economic growth, social stability and innovation, while fostering a supportive business environment.

These associations provide Lüdecke with resources, networks and platforms to address challenges, promote sustainability and align with broader economic and societal goals.

1.5. Stakeholder engagement

2-29: Approach to stakeholder engagement

Lüdecke engages with key stakeholders, including employees, owners, suppliers, customers, and local communities, as identified through a significance analysis.

Maintaining positive relationships with these groups is essential for sustainable business operations, fostering trust and cooperation.

The company ensures meaningful engagement by taking the specific needs of each stakeholder group into account and promoting effective and aligned communication.

2-30: Collective bargaining agreements

Employees at Lüdecke are not covered by collective agreements. However, wages and benefits at Lüdecke are based on the IG Metall collective agreement.

2. Responsible Governance

Disclosure 3-3: Lüdecke's commercial success underpins the commitment to sustainability. By positive economic performance and meeting tax obligations, the firm makes a positive contribution to local and national economies as well as society.

Lüdecke is committed to transparency, fairness and legal compliance. Actions and decisions are continually evaluated to ensure keeping these values.

Our approach to responsible governance is aligned with the Sustainable Development Goals (SDGs), in particular:

- **SDG 10: Reduce inequalities** through fair taxation and wealth distribution.
- **SDG 16: Peace, Justice, and Strong Institutions** by promoting tax transparency, legal compliance and ethical supply chain practices.

By adhering to these principles, we aim to contribute to a fair and sustainable economy while supporting success and progress.

201: Economic Performance

201-2: Financial implications and other risks and opportunities due to climate change

Risks

Regulatory risks due to climate change present a significant challenge to Lüdecke's business, as material restrictions, taxes, increased bureaucracy and other new obligations could disrupt operations. It will be required to make changes to products, often involving the substitution of materials, which could affect the quality and effectiveness of products. In addition, the added bureaucracy results in significant time delays and increased costs, straining resources. Financially, these regulatory changes could lead to increased product modification costs and potentially lost sales if performance deteriorates. To mitigate this risk, Lüdecke continuously monitors legislative discussions and decisions to anticipate new regulations. By maintaining close contact with our suppliers and customers, the firm ensures to be well prepared for potential changes and minimise disruption. Lüdecke also aims to streamline bureaucratic processes, focusing on what is essential to reduce unnecessary time and cost. The cost of managing these risks is not quantifiable.

On the other hand, the **physical risk** of climate change poses a growing threat to the business, particularly through the increasing likelihood of damage to facilities from extreme weather conditions. For Lüdecke, damage to key production facilities could lead to disruption of operations, resulting in lost sales due to production downtime. Also, if customers suffer physical damage, their ability to purchase products may be affected, creating a financial impact on Lüdecke's business. To manage the risk, Lüdecke conducts annual insurance reviews to ensure that all necessary requirements are met and that all available safeguards are implemented. The current cost of managing this risk mainly by insurances, is €35,000 per year.

Opportunities

The **regulatory opportunities** by climate change offer Lüdecke significant potential to gain a competitive advantage over low-cost competitors who may struggle to comply with new regulations. As these competitors face challenges or are forced out of the market due to their inability to meet stricter standards, Lüdecke can position itself as a leader in compliance, increasing its market share. The financial implications include an increase in sales volume as customers seek reliable and compliant suppliers. To capitalise on this advantage, Lüdecke uses targeted marketing strategies to highlight Lüdecke's compliance and reinforce commitment to sustainability and quality. The specific costs of these marketing efforts cannot be accurately determined, as well as the long-term benefits of increased market presence and customer confidence.

Similarly, the **physical opportunities** presented by climate change offer the potential to increase sales, particularly in the construction sector, as the frequency of climate-related disasters unfortunately increases. This is not only a business opportunity, but also an important ability for Lüdecke to engage in times of crisis. Therefore, Lüdecke focuses on fast delivery times. The exact cost of these actions cannot be determined.

201-3: Defined benefit pension plans and other retirement benefits

The company has a defined benefit plan with an estimated liability of approximately €200,000. To cover these pension obligations, there is a dedicated fund with a value of €3,739,742 as of 1 June 2024. Employees contribute approximately 0.8% of their salary to this plan. This well-funded pension plan ensures that the liabilities are more than adequately covered and provides security for future pension payments.

201-4: Financial assistance received from government

Category	Description of the financial assistance	Total monetary value of financial assistance received by the organisation
Investment grants, research and development grants and others	MSR, sensors and energy management software	76,000.00 €
Investment grants, research and development grants and others	Photovoltaic system EEW Modul 3	38,000.00 €
Investment grants, research and development grants and others	Combined heat and power plant EEW Modul 3	38,000.00 €

207: Tax

207-1: Tax approach

The company's tax approach is based on a clear strategy: instead of distributing profits, Lüdecke allocates them to retained earnings. This approach allows to avoid capital gains tax (withholding tax on dividends) and results in an overall tax burden of approximately 28%. This strategy has been in place since the formation of the GmbH in 1995 and is confirmed each year by a resolution of the shareholders of E. Georg Lüdecke KG, represented by Klaus Herdegen as complementary.

In line with the firm's commitment to compliance, it ensures full compliance with German tax regulations to the best knowledge and belief. The tax strategy is closely linked to Lüdecke's organisational goals for business and sustainable development. By choosing to reinvest profits rather than distribute them, the company is laying the foundations for a sustainable and successful growth.

207-2: Tax governance, control and risk management

Lüdecke's Tax Governance and Control Framework is built on a foundation of collaboration between the responsible departments and the CEO to ensure compliance with both legal and business requirements. As the leader of this framework, the CEO plays a critical role in overseeing tax governance and aligning it with business objectives.

The tax strategy is firmly embedded in the organisation through a shareholder resolution of E. Georg Lüdecke KG, represented by Klaus Herdegen as General Partner. This alignment ensures that the tax governance meets regulatory standards while supporting broader business objectives.

Tax risk management involves the ongoing identification, assessment and monitoring of tax-related risks as an integral part of the day-to-day activities of the company's tax functions. The CEO oversees these activities and ensures that robust risk management practices are effectively implemented.

In addition, audit procedures for tax disclosures include regular assessments to ensure accuracy and compliance. In addition to operational audits by the tax authorities every four years, Lüdecke is subject to an annual external audit. The results of these audits are carefully documented in an audit report, which increases transparency and provides assurance on tax governance practices.

3. Local Company

Disclosure 3-3: At Lüdecke, success is measured not only by economic performance, but also by the impact on our local community, suppliers and customers. Lüdecke's commitment to sustainability drives the company to focus on market presence, procurement practices, supplier assessment and customer health and safety to ensure a contribution to a fair and responsible economy.

Market presence plays a key role in shaping Lüdecke's image as a company that cares about its community. By creating jobs and supporting local economic growth, the company strengthens the region in which it operates. Besides focusing on economic success, Lüdecke aims for a healthy and responsible growth that benefits both the company and the community in long term.

Procurement practices are a strong leverage for Lüdecke's sustainability efforts. By working with local suppliers and ensuring the responsible sourcing of materials, it supports local economies and promotes fair supply chains. The company's supplier assessments ensure that it works with companies that share Lüdecke's commitment to fair labour and environmental responsibility. Lüdecke recognises that neglecting these principles can lead to exploitation in the supply chain and damage to the environment, so it continually refines the supplier assessment process to further develop its high standards.

Working with and investing in local communities is an important aspect of Lüdecke's operations. As the majority of the company's employees come from these communities, it is committed to contributing to their social and economic development through visits and workshops.

Ensuring the safety and quality of its products is the main key aspect of Lüdecke's commitment. Manufacturing facilities are equipped with the highest state-of-the-art machinery, producing high-precision components that meet the stringent safety standards of Lüdecke's quality regulations and are aligned with the demanding requirements of supplied industries. The development of Lüdecke's products is fully concentrated on maximum operational safety and highest quality in terms of operation, performance and lifetime. With a well-equipped test center these specifications are rigorously tested and proven. The complete production process in all its steps is monitored by extensive quality controls to ensure the supreme quality of the finished product. By complying with regulatory requirements and maintaining ISO certifications, Lüdecke ensures that its products are reliable and safe.

Lüdecke's approach as a 'local company' is aligned with the key Sustainable Development Goals (SDGs), in particular:

- **SDG 9: Industry, Innovation, and Infrastructure:** Through advanced production techniques, Lüdecke contributes to industrial innovation, supports sustainable industrialisation and promotes resilient infrastructure.
- **SDG 11: Sustainable Cities and Communities:** By investing in community development and engagement, we help strengthen the communities in which we operate.

- **SDG 12: Responsible Consumption and Production:** We minimise our environmental impact and promote sustainable procurement practices, ensuring responsible sourcing and production methods.

In all these areas, Lüdecke strives to promote positive impacts while mitigating risks. Its approach to sustainability is holistic, combining responsible market presence, ethical sourcing, community engagement and a focus on product safety to achieve local success and contribute to a fair and sustainable economy.

202: Market Presence

202-2: Proportion of senior management recruited from the local community

In 2024, all senior managers were part of the local community of Amberg, the company's sole operational site. In this context, "local" refers to a radius of 100 km, including major cities such as Amberg, Regensburg and Nuremberg.

204: Procurement Practices

204-1: Proportion of spending on local suppliers

In 2024, 38.90% of Lüdecke's procurement budget was allocated to local suppliers. This percentage was determined through the following steps:

1. Suppliers were first filtered based on their postcode area.
2. The furthest supplier within the defined area was identified, with a driving distance of 96 km from Lüdecke, measured using Google Maps. Again, a radius of 100 km was used.
3. Finally, the total 2024 sales of these local suppliers were calculated and divided by the total sales of all suppliers for that year.

308-414: Supplier Social and Environmental Assessment

Lüdecke selects new suppliers based on social and environmental criteria, among others. This also depends largely on the specific goods and services being procured. As a result, we do not currently have specific data on the number of suppliers screened or records of any negative impacts from our supply chain. However, we recognise the importance of improving this process to prevent potential negative impacts and are committed to developing a more structured approach to supplier assessment to ensure higher standards in the future.

Due to our size, we are not yet subject to strict legal requirements such as the Supply Chain Due Diligence Act. In general, we use various documents and procedures to request relevant information from suppliers. For example, every potential supplier must complete a supplier questionnaire and provide the required proof of certification. In addition, several supplier audits are conducted every year. Long-term supplier declarations are also regularly renewed.

While formal documentation is important, other criteria are also important in our supplier selection process. One of the most important factors is ensuring that the production of our goods takes place within the EU. Although not a strict requirement, this is highly valued as EU companies generally adhere to higher social and environmental standards. In addition, shorter transport routes have a positive impact on our carbon footprint.

Personal impressions also play an important role in our assessment. We often gain a clearer understanding of their working conditions and commitment to sustainability through direct discussions with suppliers. We also take a first overall look at potential new suppliers, reviewing their online presence, current projects and customer references. If a company can provide references from high-profile customers, it's usually a strong indication that they meet high standards, as they probably wouldn't be able to advertise these partnerships otherwise.

Ultimately, our assessment is a combination of several soft and hard factors, and we are actively working to continuously improve this process and ensure a thorough evaluation to avoid potential negative impacts.

413: Local Communities

413-1: Operations with local community engagement, impact assessments and development programs

Percentage of operations with implemented Local Community Engagement, including Social Impact Assessments

Lüdecke's suggestion system and complaint management process ensure that all employees can equally share their perspectives and concerns, leading to fair evaluations. In 2024, a total of 73 suggestions were submitted. After assessing which suggestions were feasible, 67% of them were successfully implemented.

Community Development Programs Based on Local Needs

As a member of the DigiMINTKids association, Lüdecke contributes to early childhood education by creating activities like the 'Research Box', which is available to all kindergartens in Amberg. These programs focus on STEM subjects (Mathematics, Computer Science, Natural Sciences and Technology). Last year Lüdecke organised two activities for kindergarten children, each lasting three hours. The company also conducted one tour for a group of garden care training and one for schools, each lasting 2-3 hours.

Broad Local Community Consultation, Including Vulnerable Groups

Through the Inclusion Coordinator's Department, in collaboration with partners such as the Integration Service (ifd), the Inclusion Office, the District and the Employment Agency (AA), Lüdecke maintains an extensive network to consult on the needs and opportunities of vulnerable groups. This inclusive approach ensures that decisions are made fairly and reflect the diversity of the whole community. By specifically involving people with disabilities, the company ensures that their needs and concerns are considered in accordance with the UN Convention on the Rights of Persons with Disabilities (UN-CRPD) and the Federal Act on Participation (BTHG).

The partnerships with sheltered workshops (WfbM) and support centres promote the empowerment and equal participation of people with disabilities in society. Key figures for the past year include:

- 22 workshops
- Around 800 employees with disabilities
- 14 visits to maintain positive cooperation
- 10 workshop visits with hospitality, hosting a total of 176 employees

- 2 work placements for people with disabilities or from special needs schools

413-2: Operations with significant actual and potential negative impacts on local communities

There are no actual negative impacts of our operations on local communities. Potential negative impacts could be related to mismanagement of waste and pollution associated with our production, but this is not a threat as Lüdecke is taking these issues very serious with appropriate and successful prevention actions.

4. Sustainable Production

Disclosure 3-3: The key areas of sustainability in Lüdecke's manufacturing processes are materials, energy and emissions. The primary materials used are metals such as aluminium, brass and steel, each of which has significant sustainability considerations.

These metals offer durability and precision, especially when formed using CNC machining. This precision reduces material waste and lowers costs over time. Recyclability is also a strong advantage with a positive impact on sustainability. A significant amount of the metals used for production come from a recycling process, minimising the need for virgin materials and helping to conserve resources.

However, there are challenges associated with the use of these metals. The extraction and processing of raw materials contributes to the depletion of natural resources and is often associated with human rights issues, particularly in relation to working conditions in mining. To address this, Lüdecke prioritizes suppliers within Germany and the European Union, where labour laws and working conditions are strict and regularly monitored by the authorities.

The company is also working to reduce its environmental impact by maximising recycling efforts. One of the key objectives is to establish a robust environmental and social assessment system for suppliers to ensure that all key issues are addressed beyond legal compliance.

Lüdecke's production relies on highly efficient CNC machines. To address energy topics related to global warming and public health risks, solar panels with a capacity of one Megawatt Peak were installed in 2023. Additionally, Lüdecke has invested in a combined heat and power plant for the efficient production of electricity, heat and cooling. An energy monitoring system and load management system have been implemented for an efficient use of self-generated energy.

Lüdecke's main sources of emissions are direct emissions (e.g. natural gas combustion), indirect energy emissions (electricity from the grid) and indirect emissions associated with supplied materials. Reducing energy consumption or generating our own energy is a top priority because of its direct impact on emissions. In addition, cutting oils and lubricants used in machining pose an environmental risk if improperly managed, potentially causing contamination of soil, water and air. To address this, Lüdecke works with specialist waste management companies and seeks more environmentally friendly alternatives to minimise these risks.

The approach for sustainable production is in line with the **Sustainable Development Goals (SDGs)**:

- **SDG 7: Affordable and Clean Energy:** Our energy projects, including solar panels and a combined heat and power plant, directly support this SDG by optimising energy use and reducing reliance on non-renewable sources.
- **SDG 13: Climate Action:** By reducing greenhouse gas emissions and improving the sustainability of our production processes, we are actively contributing to the mitigation of climate change.
- **SDG 12: Responsible Consumption and Production:** By committing to use recycled materials, reduce material waste and manage hazardous waste responsibly.

301 Materials

301-1: Materials used by weight or volume

Materials used to produce and package the organisation's primary products and services:

Material	Renewable or Non-renewable	Quantity
Stainless steel	Non-renewable	50,000 kg
Brass, primary	Non-renewable	513,054 kg
Brass, recycled	Non-renewable	1,349,106 kg
Aluminum	Non-renewable	12,000 kg
Steel	Non-renewable	449,000 kg
Cast iron	Non-renewable	291,000 kg
Nickel plating	Non-renewable	1,333 kg
Hydraulic oil	Non-renewable	9,175 l
Cooling lubricant	Non-renewable	2,145 l
Bedway oil	Non-renewable	2,701 l
Cutting oil	Non-renewable	4,250 l
Nitric acid	Non-renewable	160 kg
Hydrochloric acid	Non-renewable	1,260 kg
Caustic soda	Non-renewable	1,800 kg
Boric acid	Non-renewable	225 kg
Potassium chloride	Non-renewable	1,550 kg
Hydrogen peroxide	Non-renewable	60 kg
Pickling activator	Non-renewable	120 kg
Gloss former	Non-renewable	400 kg
Stain degreaser	Non-renewable	200 kg
Precipitant	Non-renewable	300 kg
Yellow dye solution	Non-renewable	650 kg
Chemical for passivation	Non-renewable	75 kg
PET Seal rings	Non-renewable	11,403,928 pcs
Screws	Non-renewable	1,318,719 pcs
Springs, wire rings and pins	Non-renewable	19,486,319 pcs
Tubes	Non-renewable	73,243 pcs
PET Plastic bags	Non-renewable	1,656,398 pcs
Cardboard boxes	Renewable	39,737 pcs
Disposable wood pallets	Renewable	4,650 pcs
Paper used	Renewable	331,900 pcs

301-2: Recycled input materials used

The main recycled material used in production is brass. In total 69.29% of the brass used is recycled material.

302 Energy

302-1: Energy consumption within the organisation

Total fuel consumption from non-renewable sources:

Type of fuel	Consumption
Benzine	7,865 kWh
Diesel	19,228 kWh
Natural gas	3,530,187 kWh
Propane gas	425 kWh

The amount of energy consumed in Joules:

Category	Consumption of energy within the company (TJ – kWh)		Sold energy (TJ – kWh)	
Electricity	11.56	3,211,767	1.67	464,763
Heating	2.59	719,322	1.71	474,287
Cooling	1.57	438,500	-	-
Total Energy Consumption			17.79	4,942,268

*All energy consumption has been calculated using a hardware and software energy monitoring system in kWh and converted to TJ.

302-2: Energy used outside the organisation

Outside of Lüdecke's operations, an important area of energy use is at workstations, where tasks such as assembling and packaging small components are carried out. As most of this work is carried out manually with no large machinery involved, the amount of energy used is relatively small. Currently, it is not possible to obtain accurate information from our partners regarding their energy consumption for our services. However, efforts will be made to obtain this data.

302-3: Energy intensity

For the energy intensity ratio, the total amount of energy consumption is divided by the number of produced turning-pieces, giving a result of 0.13 kWh/turned part.

302-4: Reduction of energy consumption

In 2024, for the first time, we were able to compare our fully updated energy system with the one in 2022. Total energy demand increased by 15%, as we now produce a large amount of our own electricity. A 17% decrease in electricity demand compared to 2022 was observed, but it is important to acknowledge the impact of short-time work.

Gas consumption increased sevenfold due to the cogeneration plant, but consumption from the electricity grid plus photovoltaics decreased by 60%.

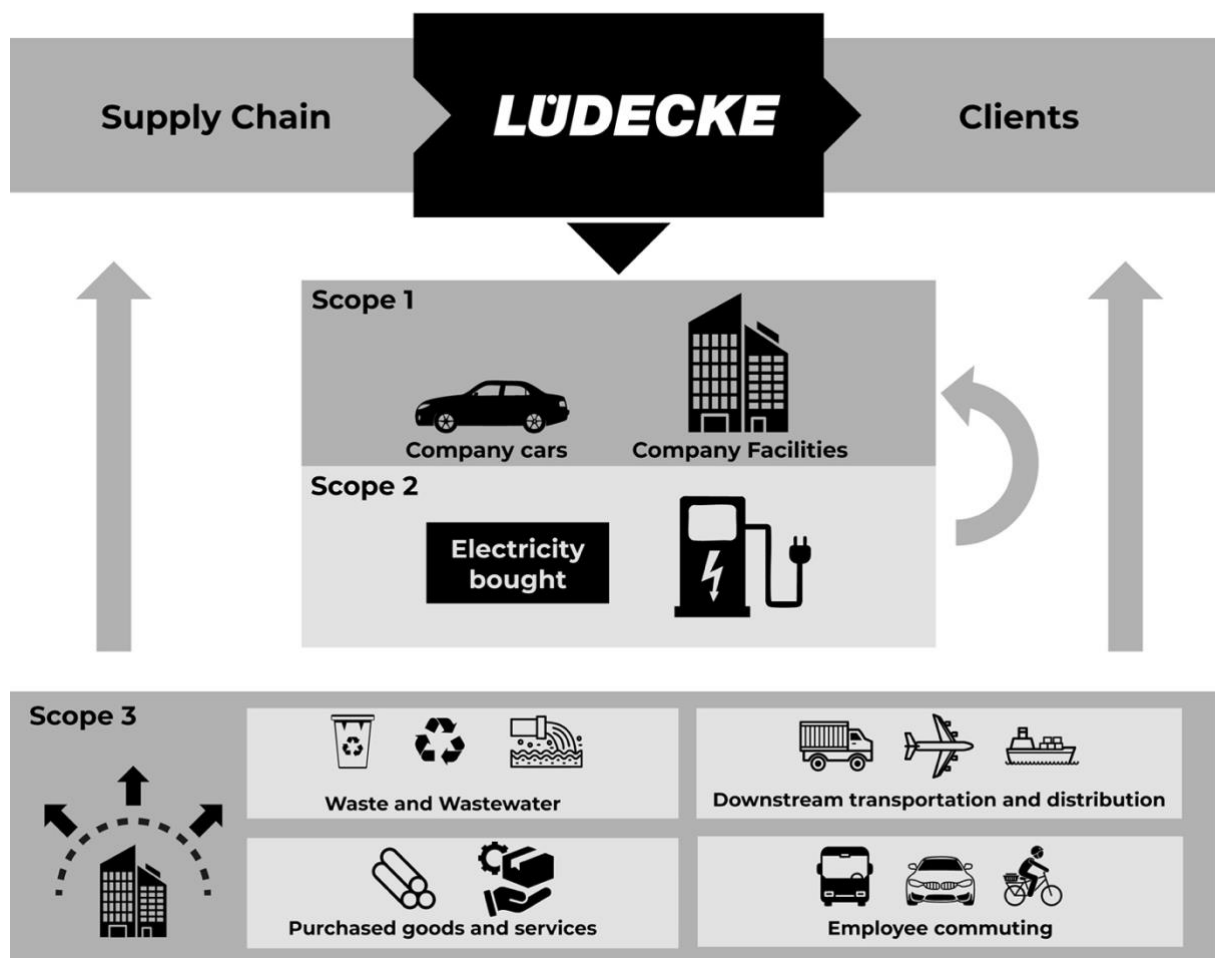
In summary, self-sufficiency increased significantly, grid consumption decreased significantly, and total energy demand increased through local generation. This positive development represents our goal of achieving greater independence and efficiency.

305 Emissions

To calculate the company's emissions, a system for continuous annual data collection has been established. The tool can measure the yearly carbon footprint of the business, covering all emissions in CO₂ equivalents and including functionality to identify appropriate emission factors. 2020 has been set as base year. The tool has been developed in accordance with DIN EN ISO 14064-1 and the Greenhouse Gas Protocol, considering its three scopes.

The financial control approach has been chosen to align the greenhouse gas (GHG) reporting with the assets included in financial reporting.

For data collection, Lüdecke used invoices for electricity, gas, equipment replacement and repair (e.g. air conditioning), inventories of purchased gases, fuels and fire extinguishers, and any other relevant information for Scope 1 and Scope 2 emissions.



Scope 3 emissions have been calculated based on available data. Where specific data was not available, assumptions were made to estimate emissions. It is important to note that these assumptions were based on generic data and therefore actual Scope 3 emissions are likely to be lower, as the input data was deliberately broad to ensure comprehensive coverage of emission sources.

Current emission factors (EFs) specific to Germany and/or the European Union (EU) have been used. The German factors were determined by the German Federal Environment Agency (UBA).

Where local data were not available, emission factors and global warming potential (GWP) values from the Intergovernmental Panel on Climate Change (IPCC) 2006 guidelines with 2019 corrections were used.

305-1: Direct (Scope 1) GHG emissions

Source of emissions	Emissions in CO ₂ equivalent (metric tonnes)	Description of the sources Specific details
Stationary Combustion	709.60	-Combustion of natural gas and propane gas
Mobile Combustion	7.19	-Use of fuels such as benzine and diesel
Fugitive Emissions from Refrigeration, Air Conditioning, Fire Suppression, and Industrial Gases	7.11	-Replenishing air conditioning refrigerant -Use of industrial gases for welding -Small percentage to account for possible leakage from all fire extinguishers
Physical or chemical Processes	0.00	-Use of soda for galvanic processes
Total Scope 1	723.89 t	

305-2: Energy indirect (Scope 2) GHG emissions

Source of emissions	Emissions in CO ₂ equivalent (metric tonnes)	Description of the sources Specific details
Electricity	0	Market based (EF= 0 g CO ₂ /kWh)
Electricity	643.25	Location-based (EF= 482 g CO ₂ /kWh)
Total Scope 2	0 t	

305-3: Other indirect (Scope 3) GHG emissions

Source of emissions	Emissions in CO ₂ equivalent (metric tonnes)	Description of the sources Specific details
Purchased goods and services	7337.19	-Number of materials and services purchased and used during the reporting year

Waste	32.98	-Amount of waste produced
Employee commuting	81.46	- An estimate of CO ₂ emissions was made using an anonymised address list, with theoretical distances calculated using Google Maps, assuming the use of a standard petrol car
Downstream transport and distribution	334.38	- An estimate was made by calculating route distances in kilometres and considering the amount of material transported to each country
Total Scope 3	7786.00 t	

Comparison of Emissions 2020-2024					
Description	2020	2021	2022	2023	2024
Scope 1: Direct Emissions					
Stationary Combustion	94.07	106.68	81.48	347.79	709.60
Mobile Combustion	15.98	11.29	13.65	11.44	7.19
Fugitive Emissions from Refrigeration, Air Conditioning, Fire Suppression, and Industrial Gases	11.34	11.76	10.49	8.22	7.11
Physical or chemical Processes	0.01	0.02	0.07	0.04	0.00
Sum Scope 1	121.4	129.75	105.69	367.49	723.89
Scope 2: Indirect Energy Emissions					
Market-based electricity	531.43	0	0	0	0
Location-based electricity	1474.08	1819.58	1789.73	974.98	643.25
Sum Scope 2	531.43	0	0	0	0
Scope 3: Other Indirect Emissions					
Purchased goods and services	6574.29	9495.56	9810.84	6870.01	7337.19
Waste	24.09	41.73	39.07	30.01	32.98
Employee commuting	65.04	65.04	65.04	37.39	81.46

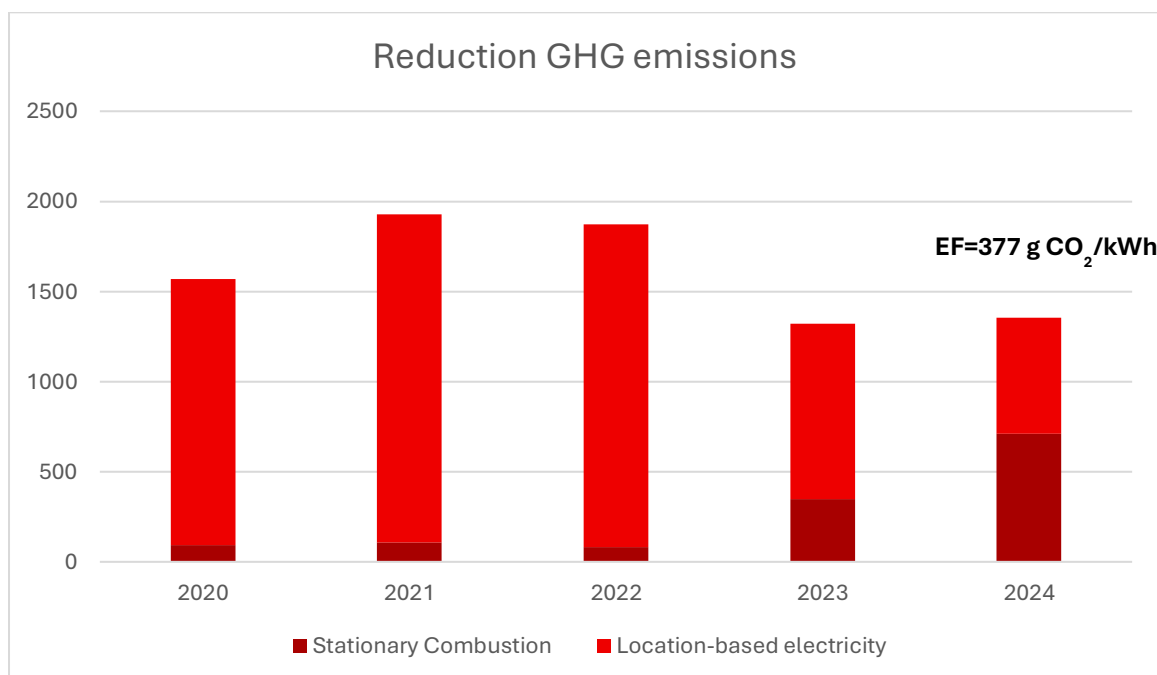
Downstream transport and distribution	342.86	392.48	383.53	260.2	334.38
Sum Scope 3	7006.27	9994.81	10298.48	7195.53	7786.00
Total	7659.1	10124.56	10404.17	7563.02	8509.89

305-4: GHG emissions intensity

To assess Lüdecke's emissions, direct (Scope 1) and indirect (Scope 2 – Market-based) emissions were combined and then divided by the number of full-time employees and sales. For 2024, this results in 3.93 t of CO₂ per full-time employee and 21.2 t of CO₂ per million euros of revenue.

305-5: Reduction of GHG emissions

In 2024, Lüdecke achieved again a strong reduction of its GHG emissions compared to 2022. Demonstrating the positive impact of the new co-generation and solar plant. While direct emissions increased, the total energy-related emissions were reduced. To ensure fair comparability, the location-based emission factor has been used to calculate the figures in the previous graph. The actual figures are shown in the table below.



Description	2020	2021	2022	2023	2024
Stationary Combustion	94.07	106.68	81.48	347.72	709.60
Location-based electricity	1474.08	1819.58	1789.73	974.98	643.25
Sum of energy	1568.15	1926.26	1871.21	1346.89	1352.85

5. Environmental Protection

Disclosure 3-3: Lüdecke is committed to protect the environment through a variety of focus-initiatives, including managing indirect economic impacts, biodiversity considerations, and effective water and waste management. By focusing on these areas, the company aims to make meaningful changes that have a positive impact on our environment.

Assessing indirect economic impacts revealed both opportunities and challenges. On the positive side, the operation and co-operation with regional suppliers contributes to the local economies by creating jobs and work. Sourcing metals from local suppliers ensures compliance with strict labour laws and promotes fair working conditions, thereby fostering economic stability and ethical practices throughout the supply chain. However, as a manufacturing company, Lüdecke faces challenges such as supply chain complexity, raw material sourcing and global market fluctuations, which can affect costs and material availability.

Effective waste and effluent management are critical to the environmental strategy. To address this, the company has developed a comprehensive waste management strategy, including recycling initiatives for scrap metal, plastics and other materials. The commitment to waste minimisation starts with sourcing and procurement, where Lüdecke seeks improved packaging options to reduce waste. The company also prioritizes recycling by collecting and re-introducing scrap metal into production cycles, conserving natural resources and minimising contributions to landfill. Lüdecke works with certified waste management companies to ensure the safe handling and disposal of hazardous materials, reducing risks to soil, water and air quality. Despite these efforts, challenges remain in finding environmentally friendly alternatives for certain production materials and in achieving full circularity.

Biodiversity is another focus of Lüdecke's environmental efforts. Its production site incorporates big green spaces, reflecting commitment to balancing industrial activity with the preservation of biodiversity. While the use of metals such as aluminium and stainless steel has a wider environmental impact due to mining practices that can disrupt ecosystems, Lüdecke seeks to mitigate these impacts by sourcing from responsible suppliers who adhere to high environmental standards and sustainable mining practices. The company recognises that while its direct impact may be limited due to local operations, the upstream extraction processes have a global environmental footprint that Lüdecke is committed to minimise.

Lüdecke's Alignment with the Sustainable Development Goals (SDGs):

- **SDG 6: Clean Water and Sanitation:** By treating and reducing water consumption, the company contributes to better water management and protect surrounding ecosystems.
- **SDG 15: Life on Land:** Through responsible sourcing practices and maintaining green spaces, Lüdecke aims to support biodiversity and reduce the negative impacts of metal extraction and production.
- **SDG 17: Partnerships for the Goals:** By working with certified waste management companies to manage hazardous materials and by working with responsible suppliers to improve sustainability.

203 Indirect Economic Impacts

203-2: Significant indirect economic impacts

Lüdecke components for fluid applications make a significant contribution to water conservation. These systems are designed to minimise leakage and optimise fluid transfer efficiency, helping to reduce water wastage in industrial and agricultural applications. By ensuring precise control and efficient operation, these products support the responsible use of water resources, ultimately saving significant amounts of water each year across a wide range of user applications.

These innovations align with our commitment to sustainability by addressing critical challenges such as water scarcity through engineering excellence.

303 Water and Effluents

303-2: Management of water discharge impacts

Lüdecke operates a galvanic centre that uses water, which is subsequently treated appropriately. Additionally, water is partly utilized in production machinery for cooling purposes and for cleaning metal pieces to remove cutting oils. This oily water is collected as waste, while the filter cake from the galvanic water is handled as hazardous waste and is sent to a specialized company for proper processing.

303-5: Water Consumption

Lüdecke's water consumption in 2024 was 2,348 megalitres, with an additional 0.06 megalitres used for gardening. The company is not located in a water stressed area. Lüdecke also maintains a water storage system in the form of an emergency water pond with a capacity of approximately 200 m³ for use in the event of a fire. The water level remains largely unchanged as it is strictly reserved for emergencies. Water consumption figures were derived from water bills, and the volume of the emergency water pond was verified using information from property records.

304 Biodiversity

304-3: Habitats protected or restored

Lüdecke actively protects and restores natural habitats, with Lüdecke Park being a prime example. Located at Ohmstraße 36, this 6,482 m² conservation area supports a diverse range of wildlife through its fruit trees, wildflowers and natural hedgerows, providing an ideal environment for rare birds, butterflies and other insects. The park is also home to 20 thriving bee colonies, further emphasising its role as a haven for biodiversity. This thriving ecosystem attracts and supports numerous species of birds and insects, demonstrating the area's excellent ecological status.

To further integrate nature into its industrial operations, Lüdecke plans to build an extensive green roof garden, maintaining the company's commitment to green spaces. Lüdecke currently manages a total of 2,809 m² of extensive green roof gardens, which enhance the natural landscape.

In addition, the Bavarian State Office for the Environment (LfU) has designated an area of 542 m² as a protected biotope due to the presence of a significant group of old trees. Furthermore, the city of Amberg recognises Lüdecke's commitment to nature conservation by charging water retention fees for a total area of 10,680 m², which represents approximately half of the company's total area. This demonstrates Lüdecke's commitment to maintaining a predominantly natural and ecologically balanced environment.

306 Waste

306-1: Waste generation and significant waste-related impacts



306-2: Management of significant waste-related impacts

Type of waste	Waste treatment process by a third party
Metal scraps and shavings (Aluminium, Brass, Steel)	The metals are sent to various foundries where they are melted down and made reusable (100% reused).
Machinery, gear and lubricating oils	Filtering, dewatering, then further waste oil refining or other waste oil recycling options (R09).
Treatment of emulsions	Emulsions are treated by a separator/evaporator. The concentrate is sent to the cement industry while the distillate is sent to the municipal sewer system.
Cold cleaner	The cold cleaner is filtered and dewatered. It is then used as a secondary fuel in hazardous waste incineration.
Filter cake	Deliveries of filter cake are mixed with other weekly deliveries to form a batch. This batch is analysed and then processed with steel mill dust and coal in a rotary kiln to produce Waelz oxide.
Commercial waste	Sorting and recovery of valuable materials (these materials are recycled), accounting for approximately 10-30% of the waste.

	The remainder is used for energy recovery through incineration to generate energy.
Paper waste	Paper waste is recycled as a raw material in paper mills.
Confidential data boxes	Shredded and recycled or incinerated. The material is then recycled as a raw material for paper mills.
Wood waste	Reclaimed Wood (AI-AIII): 75% is used as raw material to produce wood-based panels. Recycled Wood (AI-AIII): 25% is used to generate energy in biomass power plants. Reclaimed Wood (AIV - Hazardous): This wood is destroyed in hazardous waste incinerators.
Plastic	Plastics are sorted by type and recycled to recover plastic granules. Residues and inseparable mixtures are used for energy recovery through incineration.
Food waste	Lüdecke has two 120-litre bins for collecting food waste. The bins are replaced with empty, cleaned bins on a weekly basis. The collected food waste is then sent to a biogas plant for processing.
Compostable waste	Composting on site.

306-3: Waste generated / 306-4: Waste diverted from disposal / 306-5: Waste directed to disposal

Type of waste	Amount (tonnes)	Diverted from or sent to disposal	Off-site or On-site
Commercial waste	19.00	Approx. 30% diverted from disposal and the rest to disposal	Off-site
Paper waste	6.70	Diverted from disposal	Off-site
Confidential data boxes	0.75	Diverted from disposal	Off-site
Wood waste	4.15	Diverted from disposal	Off-site
Plastic	11.00	Diverted from disposal	Off-site
Food waste	2.67	Directed to disposal	Off-site
Compostable waste	13.75	Diverted from disposal	On-site
Machinery, gear and lubricating oils	4.00	Diverted from disposal	Off-site
Processing emulsions	23.03	Directed to disposal	Off-site

Cold cleaner	21.84	Diverted from disposal	Off-site
Filter cake	6.80	Diverted from disposal	Off-site
Steel shavings	363.07	Diverted from disposal	Off-site
Steel scraps	26.90	Diverted from disposal	Off-site
Stainless steel shavings	31.02	Diverted from disposal	Off-site
Stainless steel scraps	2.59	Diverted from disposal	Off-site
Aluminium shavings	8.89	Diverted from disposal	Off-site
Mixed Aluminium	0.62	Diverted from disposal	Off-site
Brass scraps	3.57	Diverted from disposal	Off-site
Brass shavings	0	Diverted from disposal	Off-site
Miscellaneous	18.81	Diverted from disposal	Off-site

6. People-centred

Disclosure 3-3: Lüdecke has a strong commitment to its employees and the community of Amberg and the region. Prioritising areas like health and safety, employment, training, diversity, education and non-discrimination is fundamental to Lüdecke's culture.

Providing stable employment opportunities has a positive impact by encouraging job creation and skills development. By employing mainly people from the local community, Lüdecke contributes to local and regional economic stability and strengthens the skills of the workforce. However, as a manufacturing company, a potential challenge is the dependence on global demand for metals and general market fluctuation, which can create supply chain risks and potentially affect job security. The company mitigates the risk of market fluctuations by diversifying its product range, offering more than 15,000 saleable products for several industries.

Workplace safety is a top priority due to the inherent manufacturing hazards such as noise, tools and exposure to chemicals. To ensure safety, Lüdecke has strict health and safety protocols in place and an appointed safety officer who works closely with the CEOs and Human Resources. Thereby, the physical and mental well-being of employees is prioritized. To alleviate stress and ergonomic issues, the company offers various health programmes, including yoga classes, back training and ergonomic noise cancelling earplugs designed for optimal comfort and protection.

Recognising the importance of continuous training and professional development, Lüdecke invests in training programmes and workshops to keep employees up to date with new technologies and processes. It is ensured that all employees have equal access to these training opportunities, fostering a culture of learning, development and adaptability.

Diversity and inclusion are core values within Lüdecke's business. The firm works with local workplaces that provide opportunities for people with disabilities to work in a supportive environment, reinforcing the commitment to inclusivity. Lüdecke believes that diversity enriches its workplace by bringing together different cultural perspectives and ways of thinking, leading to innovative solutions and enhanced creativity. The company is committed to maintain a diverse and inclusive workforce where every employee is treated with respect and equality. Zero-tolerance policy on discrimination ensures that everyone can thrive in a safe and supportive environment.

By fostering a safe, inclusive and respectful work environment, Lüdecke contributes to upholding human rights and promoting decent work, equality and non-discrimination. This approach reflects unwavering commitment to putting people at the heart of our business mission and values.

Our Alignment of the Topic “People Centred” with the Sustainable Development Goals (SDGs):

- **SDG 3: Good Health and Well-being:** By prioritising occupational health and safety, Lüdecke ensures the physical and mental well-being of employees through health initiatives, safety protocols, and ergonomic support.
- **SDG 5: Gender Equality:** Lüdecke promotes an inclusive and diverse workplace, ensuring fair treatment and equal opportunities for all employees, regardless of gender or background.
- **SDG 8: Decent Work and Economic Growth:** Lüdecke contributes to economic growth and decent work by creating stable employment, promoting safe working conditions and supporting economic stability in communities.
- **SDG 10: Reduced Inequalities:** Lüdecke emphasises equal opportunities and anti-discrimination, actively integrate people with disabilities into the workforce and promotes an inclusive work environment.

401 Employment

401-1: New employees and employee turnover

This table includes new employee hires for full-time, part-time and mini-jobs.

- Permanent employment during 2024: 4 full-time employees
- Permanent employment during 2024: 0 part-time employees
- Mini-jobbers hired during 2024: 5

Region: Gender:	Amberg		Amberg-Sulzbach		Outside from Amberg*	
	Male	Female	Male	Female	Male	Female
Age Group:						
<30	1	-	1	1	-	-
30-50	2	1	-	-	2	-
50+	1	-	-	-	-	-

*Neumarkt

This table includes employee turnover for full-time, part-time and mini-jobs.

- Departures of permanent employees during 2024: 4 full-time employees
- Departures of permanent employees during 2024: 1 part-time employee
- Departures of mini-jobbers during 2024: 8

Region: Gender:	Amberg		Amberg-Sulzbach		Outside from Amberg*	
	Male	Female	Male	Female	Male	Female
Age Group:						
<30	1	-	-	1	1	-
30-50	-	2	1	3	-	-
50+	1	1	1	1	-	-

*Schwandorf

401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees

The organisation provides certain benefits that are available to full-time employees but not to temporary or part-time employees. These benefits include:

- Jobrad: A bicycle leasing scheme available to full-time employees, excluding apprentices, mini-jobbers and temporary employees.
- Retirement Benefits: Full-time employees are eligible for a company-sponsored pension plan, but this benefit is not available to apprentices, mini-jobbers or temporary employees.
- Parental Leave: Both full-time and part-time employees are entitled to parental leave.

401-3: Parental leave

Parental leave in Germany is particularly generous compared to most other countries. Under German law, any parent with a child under the age of 8 is legally entitled to parental leave, provided that the full 24 months of leave have not yet been taken by either parent. This means that there is no fixed number of eligible employees at any given time, but rather that all employees who may have children under this age are entitled to take it.

In 2024, twelve employees took parental leave, five women and seven men. In the same year, a total of nine employees returned from parental leave, including two women and seven men.

403 Occupational Health and Safety

403-1: Occupational Health and Safety Management System / 403-8: Workers covered by an occupational health and safety management system

Lüdecke has implemented an Occupational Health and Safety Management System which is essential to ensure a safe and healthy working environment for all employees, activities and workplaces. It helps to mitigate risks and ensures that we meet all relevant legal requirements.

The system is based on comprehensive risk management principles. Lüdecke complies with the guidelines of the Berufsgenossenschaft (BGHM), the statutory accident insurance organisation that sets the legal framework for occupational safety. All safety measures are carefully documented to ensure compliance with these regulations.

The scope of the Management System covers all employees, including administrative, production and support staff, as well as external visitors to the site. Visitors are given clear safety instructions or guidance on arrival to ensure they are aware of potential hazards and safety protocols. No employee, task or workstation is excluded from the safety management system. This inclusive approach ensures that safety practices extend to all departments and work activities.

Risk management is continually evaluated through regular meetings involving key personnel such as the safety officer, company doctor, management and works council representatives. These discussions focus on identifying risks and implementing solutions to minimise workplace hazards. In addition, in the event of a serious accident, the professional association conducts a thorough investigation to ensure that the company meets all safety standards.

By maintaining and exercising a detailed and comprehensive Occupational Health and Safety Management System, Lüdecke ensures that everyone on site is protected and fully informed, promoting a safe working environment for everyone involved.

403-2: Hazard Identification, Risk Assessment, and Incident Investigation

Lüdecke follows a structured process of hazard identification and risk assessment to ensure the safety of all employees. Using the STOP principle, the company prioritizes protective measures to eliminate risks. Risk assessments are carried out on a quarterly basis through ASA meetings involving safety officers, production managers and team leaders to review and address potential hazards. The company uses manual processes with reminders to ensure that necessary actions are taken.

Employees are encouraged to report hazards to their supervisors (team leaders), who then pass the issue to the Production Manager and the Safety Officer for further evaluation. The safety officer makes recommendations, but the final decision rests with the team leader. The company ensures that employees are protected from retaliation for reporting concerns.

If an employee perceives a work situation as dangerous, he or she can withdraw from the task. In the event of an incident, a thorough investigation is carried out by the safety officer and the company doctor to identify hazards and assess associated risks. Based on the findings, corrective actions are implemented, and work instructions or safety briefings are provided to ensure improvements are made.

In summary, the approach to hazard identification, risk assessment and incident investigation is designed to maintain a safe working environment by identifying risks, taking corrective action and continuously improving safety standards.

403-3: Occupational Health Services

Lüdecke works with an external occupational health physician who provides guidance on hazard identification and risk minimisation. The doctor attends meetings to assess new chemicals or hazardous situations and makes recommendations for safety measures.

The doctor conducts both mandatory and voluntary medical examinations, depending on the employee's role or specific request. This ensures that employees receive the necessary health checks based on their job requirements.

To maintain the quality of these services, appointments are made on an as-needed basis and employees are encouraged to use these services to support their wellbeing. This system ensures that employees have easy access to health services tailored to their role and individual needs.

403-4: Worker Participation, Consultation, and Communication on Occupational Health and Safety

Lüdecke ensures worker participation in occupational health and safety by providing access to all safety data sheets on the intranet. In addition, two works council representatives attend safety meetings to ensure that workers are involved in decision making and communication about workplace safety. This promotes transparency and active cooperation in maintaining a safe environment.

403-5: Worker Training on Occupational Health and Safety

A general safety briefing is conducted at least once a year, with additional training provided whenever new machinery, chemicals or potentially hazardous activities are introduced. These sessions cover both general safety procedures and specific work-related hazard training to ensure that employees are well prepared to manage the risks associated with their jobs. This proactive approach helps maintain a safe working environment and ensures that employees are always aware of potential hazards.

403-6: Promotion of Worker Health

Lüdecke offers voluntary health promotion programs and services to address health risks that are not directly related to work. These programs are designed to enhance overall well-being and are available to all employees free of charge. Participation is entirely voluntary and does not impact employment decisions.

The health services offered include:

- Smoking cessation programme: Helping employees quit smoking through professional support.
- Yoga sessions: Aimed at reducing stress and improving overall mental health.
- Healthy food options in the cafeteria: Featuring predominantly regional products to promote better nutrition.
- Health Day: Organised by the health insurance companies, offering various health screenings and consultations.
- Back posture coaching: Provided by the Techniker Krankenkasse health insurance fund to improve posture and prevent back pain.

403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

Lüdecke ensures occupational health and safety in its supply chain by working primarily with EU suppliers who adhere to strict labour laws. For workplaces designed for employees with disabilities, the company implements the necessary safety measures and expect suppliers to provide relevant documentation. When handling hazardous materials such as adhesives, safety data sheets are required to ensure proper risk management.

403-9: Work-related injuries

In 2024 8 work-related injuries were reported to the relevant professional association. The most common types of injury reported were dizziness, cuts, bruises, contusions and minor falls.

403-10: Work-related ill health

There have never been any recordable work-related illnesses or fatalities.

404 Training and Education

404-1: Average hours of training per year per employee

Apprentices, both male and female, in production and administration participate in a comprehensive training programme with a full-time schedule of 37.5 hours per week. In 2024, Lüdecke had 17 apprentices.

Lüdecke focuses continuous development for permanent employees. Below are the average training hours for non-apprentice employees in 2024:

Employee Category	Average hours of training	
	Male	Female
Administrative Staff	17	13
Production Staff	15	1

404-2: Programs for upgrading employee skills and transition assistance programs

Nature and Scope of Training Programmes and Skills Development Initiatives

Lüdecke runs a variety of programmes to enhance and broaden employees' knowledge in their respective fields. These initiatives are tailored to the needs of both administrative and production employees and are delivered through online platforms or face-to-face sessions. The duration of each programme depends on the subject matter and complexity.

Training Communication and Enrolment Process:

- Notification of Training Opportunities:** Employees interested in training or development should notify their manager, usually their department head. Together they select an appropriate programme based on the employee's responsibilities and goals.
- Application Process:** Once the training is approved by the line manager, a formal training request is completed and submitted to Human Resources. For external training programmes, employees are granted up to five days of leave to attend.

Overview of Company Sponsored Programmes:

Administrative Staff	Production Staff
- Internal product training - Safety training and education - Software update training - Training on regulatory changes	- Machine operator/user training - Safety training and instruction - Internal product training

Overview of Programmes Not Covered by the Company:

Administrative Staff	Production Staff
- Industrial business specialist certification - Trainer certificate (if no internal trainer is required) - Business administrator certification	- Master metalworker certificate - Trainer certificate (if no internal trainer is required) - Technician certification in metalwork

By offering a wide range of training opportunities, the company ensures continuous skills development and encourages employee growth and adaptability. In addition to these initiatives,

specific processes to support employees in both gradual retirement and reintegration after long-term absences have been put in place:

- **Phased Retirement (Altersteilzeit):** Phased retirement program allows older employees to gradually reduce their working hours before full retirement. This approach helps to prepare for retirement while gradually reducing the workload, making the transition smoother and more manageable.
- **Reintegration and Workplace Adjustment After Long-Term Illness or Absence:** Employees returning from long term illness or absence are supported through a structured reintegration process, guided by medical advice. Working hours are gradually increased - for example, starting with 4 hours per day in the first week, progressing to 6 hours in the second week and eventually returning to full time. Where necessary, workplace adjustments are made to ensure a comfortable and successful return.

404-3: Percentage of employees receiving regular performance and career development reviews

Performance and career development reviews are annually conducted for all employees. These appraisals include both self-assessments and appraisals by line managers, allowing for a comprehensive comparison of performance and career development.

The purpose of the reviews is to provide employees with constructive feedback on their performance and to support their career development. This process helps to identify strengths and areas for improvement, thereby promoting continuous development.

405 Diversity and Equal Opportunity

405-1: Diversity of governance bodies and employees

Lüdecke's CEOs represent three age groups, from the late 20s over the mid 40s to the mid 50s. The following table shows the distribution of Lüdecke's employees:

Age Group	Gender	Apprenticeship Staff (%)	Production Staff (%)	Administration Staff (%)	Temporary Staff (%)
Under 30	Female	1.00	1.50	2.50	0.50
30-50		0.00	3.00	5.50	2.00
50+		0.00	5.50	5.50	2.00
Under 30	Male	8.50	11.50	1.00	0.00
30-50		0.00	23.50	9.00	3.00
50+		0.00	9.00	3.00	2.88

405-2: Ratio of basic salary and remuneration of women to men

This table compares the average remuneration of men and women by job function. The percentages indicate the average pay gap, reflecting how much men earn more compared to women in each role. It's important to note that this comparison doesn't consider variables such as tenure or job scope. In addition, as men still make up a significant proportion of our workforce, particularly in senior roles, their higher average salaries are reflected in these figures.

Job Category	Gender Remuneration Difference (%)
Apprenticeship	0.00
Senior Administrative Employee	1.11
Executive Employee	0.00
Administrative Employee	3.35
Technical/ Industrial Employee	15.57

406 Non-discrimination

406-1: Incidents of discrimination and corrective action taken

There were no incidents of discrimination. Lüdecke does not tolerate any acts of discrimination or violence.

7. Human Rights and Law Compliance

Lüdecke is committed to respecting human rights, upholding ethical practices and complying with all applicable European and national laws. The company's operations prioritize the prevention of violations related to child labour, forced or compulsory labour, indigenous rights, anti-corruption, anti-competitive behaviour and customer privacy. These principles are embedded in the firm's policy commitments, which guide operations and reflect commitment to transparency and accountability.

German and European labour laws explicitly prohibit child and forced labour, and Lüdecke fully complies with these standards. Although the company manufactures exclusively in Germany, potential risks within the supply chain, particularly in relation to materials such as aluminium and brass are recognised. To mitigate these risks, Lüdecke rigorously assess its suppliers and only works with those who adhere to international human rights and sustainability standards. The Supply Chain Act reinforces human rights compliance efforts and ensures responsible and ethical practices throughout the global value chain.

Lüdecke actively integrates these policy commitments into its daily operations through supplier assessments, employee training and robust monitoring mechanisms. Its whistleblower system and open communication channels, including participation in the Workers' Council, provide avenues for stakeholders to raise concerns about human rights, tax management or other regulatory issues. Feedback from these channels enables the company to address potential issues promptly and effectively.

Customer privacy remains a cornerstone of Lüdecke's compliance efforts. The company strictly adheres to the European General Data Protection Regulation (GDPR) and protects sensitive data with advanced cybersecurity measures and regular staff training. To date, there have been no substantiated complaints of customer privacy breaches or data loss, reflecting the commitment to maintaining the trust and integrity of customer relationships.

In terms of security practices, Lüdecke maintains strict protocols to ensure the safety of operations and stakeholders. The company also adheres to health and safety standards in its products and services, with no recorded incidents of non-compliance in terms of impact. These efforts demonstrate the focus on protecting both employees and customers.

Integrity is fundamental to Lüdecke's business. Germany's and the European Union's strict laws against corruption and anti-competitive practices reinforce the compliance in these fields regarding the company's operations and partnerships. The commitment to ethical business conduct has resulted in zero recorded incidents of corruption or anti-competitive behaviour.

By adhering to international human rights principles and rigorously complying with legal and ethical standards, Lüdecke strengthens relationships with stakeholders and ensures sustainable, responsible operations in all aspects of its business.

GRI Content Index

Statement of use:	Lüdecke GmbH has reported the information listed in the GRI Content Index for the period 1 January to 31 December 2024 in accordance with the GRI standards.	
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Materials used by weight or volume	301-1	Sustainable Production
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Omitted Requirements

Disclosure	Nr.	Reason	Explanation
Direct economic value generated and distributed	201-1	Legal Prohibitions / Confidentiality constraints	For legal and privacy reasons, Lüdecke cannot show this information.
Ratio of standard entry level wage by gender compared to local minimum wage	202-1	Not applicable	Wages are not linked to the minimum wage.
Infrastructure investments and services supported	203-1	Not applicable	No such investments due to the size of the company.
Reclaimed products and their packaging materials	301-3	Information not available / incomplete Not applicable	There is not enough information available for us to make a calculation or deduction. As Lüdecke sells its products to other companies, it does not have access to this data, and it does not apply to the company.
Reductions in energy requirements of products and services	302-5	Information not available / incomplete	Lüdecke does not know how much energy its products consume on the market, nor can the company determine this.
Interactions with water as a shared resource	303-1	Not applicable	The company does not use a significant/relevant amount of water in production.
Water withdrawal	303-3	Not applicable	
Water discharge	303-4	Not applicable	
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	304-1	Not applicable	There are none

Significant impacts of activities, products and services on biodiversity	304-2	Not applicable	Not relevant
IUCN Red List species and national conservation list species with habitats in areas affected by operations	304-4	Not applicable	
Emissions of ozone-depleting substances (ODS)	305-6	Not applicable	Lüdecke's business does not use ozone depleting substances (ODS) or cause significant air pollution. All of its emissions are calculated through the carbon footprint.
Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	305-7	Not applicable	
Significant spills	306-3	Not applicable	There are none
Political contributions	415-1	Not applicable	Lüdecke had no political contributions
Assessment of the health and safety impacts of product and service categories	416-1	Information unavailable / incomplete	Too many products
Requirements for product and service information and labelling	417-1	Not applicable	Lüdecke does not have enough information to make any calculations or deductions. As Lüdecke sells its products to other companies, it does not have access to this data, and it does not apply to the company. Lüdecke does not label and provide product specifications for every single product. It is public information that is also available on its official website. In terms of incidents of non-compliance, the company has not had any.
Incidents of non-compliance concerning product and service information and labelling	417-2	Not applicable	
Incidents of non-compliance concerning marketing communications	417-3	Not applicable	

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