

Leffer Beteiligungs- und
verwaltungsgesellschaft mbH

Sustainability Report

2025



Dear Readers,

As a family-run company, one thing is paramount for LEFFER: our responsibility towards future generations.

This guiding principle shapes our daily actions — right now more than ever. For us, sustainability is not a trend, but an integral part of our corporate philosophy. Over the years, we have consistently pursued the creation of a balance between the environment, our community and the economy. With a clear focus on long-term success and collective progress.

With the help of our dedicated employees, reliable suppliers, long-standing partners, and valued customers, we have already managed to achieve a great deal. We are proud of this. At the same time, we know that sustainability is not a goal to be achieved, but a path to be followed with conviction and vision.

This report provides insight into our journey so far, highlights concrete progress, and offers an outlook on how we at LEFFER intend to face the challenges the future holds — responsibly, innovatively, and in dialogue with our stakeholders.

We invite you to join us on this journey and wish you an inspiring and informative read.



Dr.-Ing. Andreas Leffer
Managing Director



Portrait

Since 1946, the name LEFFER represents technological excellence, innovative strength, and corporate responsibility. As a family-run company with decades of experience, we combine proven values with a clear vision for the future — never losing track of our goal: creating sustainable solutions for a changing world.

Today, LEFFER is an internationally successful partner in the fields of apparatus engineering, mechanical engineering, steel construction, and industrial assembly. With around 500 highly qualified and dedicated employees, we develop customized solutions for leading companies in the chemical and petrochemical industries, the energy sector, the food and construction industries, and steel manufacturing.

Our customers value one thing above everything else: uncompromising quality, reliability through every phase of a project, and a deep understanding of complex industrial requirements — coupled with the ambition to focus not just on the present but also on the future.

**TRADITION MEETS THE FUTURE.
SUSTAINABILITY AT LEFFER.**



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A photograph of industrial pipes in a factory setting during sunset. The pipes are arranged in a perspective that leads towards the background. In the distance, several tall industrial chimneys are visible against a warm, orange-hued sky. The foreground pipes are in sharp focus, showing blue support brackets. A dark grey rectangular box is overlaid in the bottom left corner, containing the text "This is us" in white.

This is us

Strategy, business model, and value chain

LEFFER was founded on **February 1, 1946**. Now we can proudly look back on almost eight decades of technological excellence. Since its shift from an operating company to a LLC and Co. in 2006, the business has remained **entirely family-owned**.

Managed independently, while being focused on our values and committed to our responsibilities.

Its covered production area of around 35,000 m² and outdoor area of 114,000 m² makes LEFFER **one of the most efficient industrial companies in the field**. In the reporting year, we employed an average of **471 people** – around 200 of whom are regularly deployed on construction sites, particularly in the areas of industrial assembly and pipeline construction.

February 1 1946

Our technical expertise spans several **business areas**:

- Mechanical engineering
- Apparatus engineering
- Steel and gas tank construction
- Industrial assembly and pipeline construction

We manufacture components with a diameter of up to 7 meters and a unit weight of up to 600 tons — a level of performance that sets global standards.

Our customer base is diverse and continues to grow over the years:

In the field of equipment manufacturing, we primarily supply large international corporations in the chemical and petrochemical industries.

Companies in the field of specialized civil engineering are among our main customers in the mechanical engineering sector, and in the steel construction and assembly segment, our partners are primarily active in the chemical industry, with some having additional commitments in the food industry, for example.



Technological expertise with tradition and future prospects

Our **sales markets** are clearly separated geographically: in the assembly sector, the focus is on Germany and its neighboring countries, while our **machine and apparatus engineering products are supplied worldwide**, with an increasing presence in Asia and North America in particular.

QUALITY, RELIABILITY AND INNOVATIVE STRENGTH

As a technology-oriented company, we are ready to use our expertise to make the industry more sustainable, for example in forward-looking areas such as hydrogen technology.

Many of our customers are already undergoing a transformation towards climate-neutral production. This enables us to identify technological developments at an early stage, provide targeted support, and respond flexibly.

We source our main materials, such as: steel and special steel alloys, primarily from domestic and European suppliers in order to keep our supply chains as short, stable, and sustainable as possible.



Milestones in sustainability

Business development



Investments



Responsibility by Choice

Sustainability is not merely a regulatory obligation for LEFFER; it is an integral part of our corporate identity. Under the current European regulatory framework, LEFFER is not subject to mandatory sustainability reporting. Nevertheless, we choose to report voluntarily because we believe **transparency towards our customers, business partners, and employees** is a fundamental aspect of responsible business conduct.

As a guiding framework, we have adopted the **Voluntary Sustainability Reporting Standard** for non-listed SMEs (**VSME**), which was specifically developed for companies that are not subject to mandatory reporting requirements. It enables us to present our **most material sustainability topics** in a structured and comparable way without imposing a reporting burden that would be disproportionate to a company of our size.

As early as 2024, we conducted a **comprehensive materiality assessment** to systematically identify the sustainability topics most relevant to LEFFER. This assessment considered both our impacts on the environment and society, as well as the opportunities and risks that sustainability presents for our business model. Topics with no identifiable relevance to LEFFER were transparently excluded, while issues of particular strategic or operational importance were deliberately included to ensure our reporting reflects the matters that are most significant to our business.



Focus on materiality.

Sustainability thoughtfully embedded.

Active dialogue with our stakeholders was a key component of our process. After all, sustainability only realizes its full value through exchange with those who are affected by our decisions or who influence our development.

For this purpose, we have specifically involved the following interest groups:

- Customers
- Suppliers and partner companies
- Employees
- Affected communities
- Environmental interests
- Financial institutions

In structured interviews, we recorded how these groups perceive sustainability-related impacts, risks, and opportunities. Based on the results, we were able to derive specific impacts, opportunities, and risks. Afterwards we evaluated them systematically in accordance to their magnitude, scope, and irreversibility.

This materiality analysis not only forms the basis of our sustainability report, but also serves as a key decision-making tool for our strategic corporate management.

It shows us clearly where we stand today—and where we have the opportunities to make a difference moving forward.

INFORMED. FOCUSED. FUTURE-ORIENTED.



Results of the materiality analysis

Sustainability as the driving force behind innovation

As you can tell from our materiality analysis, climate change, dealing with environmental pollution and the responsible use of resources are of great significance to Leffer. Being a technology company with industrial production, it is our task to actively help shape the transition to a climate-conscious economy – for example through environmentally friendly solutions for hydrogen infrastructure or the use of more recyclable materials. Although we recognize the risks of increasing regulations and energy costs, we also see great potential in new markets and sustainable technologies.

We do not see it as matter of choice to bear responsibility towards the environment and resources, but as a central part of our business model.

It's the people who make the difference

Our employees are the heart of LEFFER. Their qualifications, commitment, and innovative spirit drive our business forward every day. That is why we consistently improve, to ensure fair and safe working conditions, long-term loyalty, and tangible training opportunities. In addition to our employees, we also take responsibility for the safety and satisfaction of consumers and end users of our highly complex products, which are developed to meet the highest quality and safety standards.

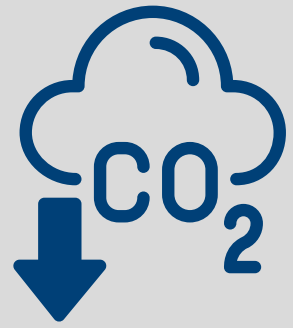
That's how we strengthen trust, promote sustainable purchasing and create values that go beyond just our products.

Responsibility is a key task

We act with integrity, fairness and transparency as the guiding principles of our business activities. As a family-run company operating **internationally**, we have established clear structures to ensure legal and ethical standards at all times.

After all, in a complex, globally networked economy, good corporate governance is not just a must - it is the requirement for lasting sustainable economic success.





40 %

We have continuously reduced our CO2 emissions over the last 6 years.

4

strong divisions

The production range includes: Steel and gas tank construction, mechanical engineering, apparatus engineering, industrial assembly, and pipeline construction

≈ 100

Mio. € revenue

Our 2025 revenue amounted to just under €100 million.



> 1.000

In 2025, we produced over 1,000 drill pipes, foot pipes, and cutting shoes.



> 95 %

In the past few years, we have converted >95% of the lighting in our warehouse and production facilities to LED.



ca. 500

In 2025, we had an average of 471 employees. At the heart of our actions is our commitment to providing fair and safe working conditions for all.

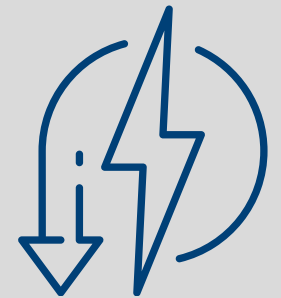
80
Years

Since founding on February 1, 1946 by Hans Leffer, the company has been 100 % family-owned.

80

automated measuring points

By the end of 2025, we had automated a total of 80 measurement points in our production facilities.



> 45 %

We have been able to reduce our electricity consumption per production hour by >45% over the last 6 years.



Environmental information

Climate change

ESRS E1

LEFFER has been actively involved in **environmental protection** for many years – driven by a genuine inner motivation and growing external pressure. This commitment is also reflected by our **DIN EN ISO 50001 certification**, which documents our systematic energy management.

Within the scope of our climate strategy, we have analyzed the relevant risks and differentiated them into physical and transitory ones. While no serious effects were identified in the case of physical risks - such as those caused by temperature changes, wind, water or geological influences - there are clear challenges in the case of transitory risks.

Being a supplier to the fossil energy industry, LEFFER is directly affected by changing regulations, such as rising CO₂ costs and a potential decrease of investments in the petrochemical sector. The rising pressure to adapt not only applies to material costs - particularly in the steel-intensive area - but also to technological requirements, legal regulations and changing market standards.

We do not just see these developments as a risk, but rather as an opportunity: they motivate us to direct our innovativeness towards sustainable solutions that will help us achieve a climate-neutral future.



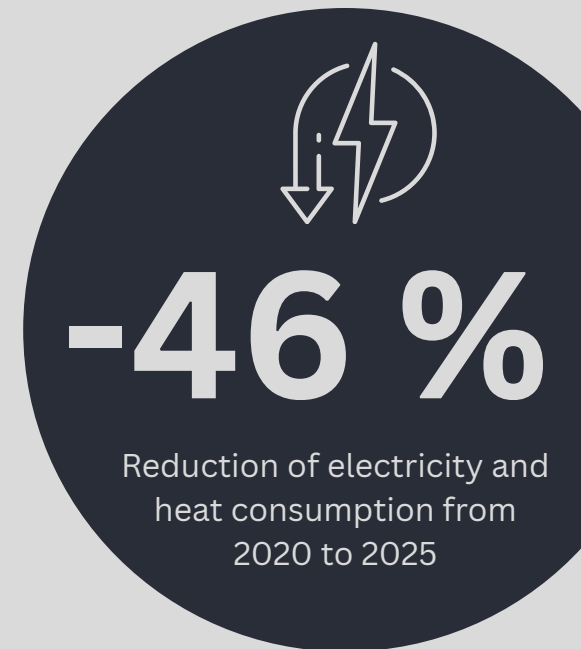
Climate change

ESRS E1

In spite of the growing challenges posed by the ongoing transformation, we believe that our **broadly diversified product portfolio** will ensure that LEFFER has a secure future. Many of our systems and services are already contributing to a sustainable economy – whether in **hydrogen technology**, energy storage, or the process engineering industry.

Up until now, investment decisions have primarily been based on production technology and economic considerations. Climate protection has played a rather subordinate role in this context. Looking ahead, however, we are increasingly thinking in terms of targeted sustainability investments—concrete plans are still pending, but are part of our strategic development.

**EFFICIENCY AS A GUIDE:
SUSTAINABILITY BEGINS IN THE CORE BUSINESS**



Our energy performance indicators are impressive proof that our measures to date have already had an impact: electricity consumption was more than halved, dropping **from 14.1 kWh to 7.6 kWh** per productive hour (2020-2025), while heat consumption was reduced **from 25.2 kWh to 13.1 kWh** in the same period.

This considerable increase in efficiency has not only contributed to cost reductions, but also to a **significant reduction in our CO₂ emissions**.

In order to remain competitive and resilient in the long term, consistent development toward sustainable business practices is essential.



Environmental pollution

ESRS E2

Our plant's largest immediate source of emissions comes from the painting areas, which are subject to strict environmental regulations. In this area, we consistently aim for transparent documentation: the use of solvents (VOC) is continuously recorded and reported in annual environmental reports.

Due to our increased use of water-based paints – as long as they are suitable for the respective application – significant progress has been made. This has led to a noticeable reduction in VOC emissions in recent years.

RESPONSIBLE DURING EVERY PROCESS. ENVIRONMENTALLY FRIENDLY PRODUCTION.

Moreover, our environmental approach goes beyond this: we continuously monitor and minimize all potential environmental hazards in the production process. Since our products are mainly made of metal, we use materials whose **impact on the environment is comparatively low**. A small number of substances classified as hazardous according to the REACH regulation (mainly lead) can be traced back through closed loops and are handled responsibly.

As a result, our processes embody **environmentally friendly production** with high safety standards - both today and in the future.



Resource utilization & closed loop economy

ESRS E5

LEFFER products are built to last. The components we supply – particularly in the fields of apparatus and mechanical engineering – play a vital role in complex industrial plants, where reliable operation over decades is essential. These so-called **primary components** ensure the operation of entire production lines. If these components were to fail, this would have serious economic consequences.

Accordingly, the demands placed on our designs are high. Durability, ease of maintenance and the **longevity of our products** are key purchasing criteria for our customers. This is particularly true for special civil engineering and gas tank construction, where LEFFER products are regularly operated and maintained over several decades.

The **repairability of our products** is therefore an important part of our sustainability strategy. Old appliances and components can be professionally overhauled and repaired at our factory if required. This allows us to extend the service life, reduce the use of resources and actively promote closed-loop product use.

By focusing on quality and durability, we are making a tangible contribution to conserving resources, reducing waste and sustainably transforming industrial value creation.



Resource utilization & closed-loop economy

ESRS E5

Over 95 % of our products are made of high-quality metals that are **fully recyclable**. As a result, we make an active contribution to conserving valuable resources and encouraging the closed-loop economy.

S355, a modern structural steel and our main material, already has a **recycling rate of 45 % to 55 %** in crude steel production.

For apparatus engineering, we prefer to use stainless steels, which have a particularly **high recycling rate of over 90 %**.

This is how we ensure that our products are not only durable, but also particularly environmentally friendly.

**SYSTEMATIC DURABILITY:
SUSTAINABILITY THROUGH QUALITY
AND REPAIRABILITY**

Our production process takes sustainability into account as well: we successfully **recycled around 87 %** of the 410 tons of waste we generated. Only 13 % had to be sent to waste disposal sites - this mainly consisted of blasting material generated during the blasting of our products prior to painting. All other types of waste were **systematically recycled**.

By taking these measures, we are emphasizing our commitment to sustainable business practices and setting standards for a resource-conserving industry.



A welder wearing a protective mask and gear is working inside a large, dark industrial pipe. A bright, intense light from the welding process illuminates the scene, creating a strong contrast with the surrounding darkness. Sparks are visible at the point of contact. The welder is positioned in the center of the frame, looking down at their work. The pipe's interior is rough and textured, with some structural elements visible in the background.

Social information



Our responsibility towards our employees

ESRS S1

At LEFFER, we know that our **employees** are much more than just part of our value chain—they are the **heart of our success**. They are at the center of our business activities and, with their expertise, passion, and innovative spirit, they play a key role in shaping the long-term success of our company. Every day, they actively help shape the future of LEFFER—something we are particularly proud of.

We have a team made up of experienced specialists, ambitious trainees, motivated students and dedicated interns. This diversity promotes a lively exchange of ideas, provides new stimuli and guarantees the highest level of expertise in all areas - from production and administration to our assembly sites.

We rely on the strength and commitment of our teams to create innovative solutions together.

**A STRONG TEAM
COMBINING DIVERSITY AND EXPERIENCE**





**PROMOTING DIVERSITY.
UNLOCKING POTENTIAL.**

Long-term prospects

ESRS S1

We believe it is important to maintain stable and long-term employment relationships. The vast majority of our staff are employed by LEFFER on a permanent basis. This provides **security** and enables sustainable development - both for our employees and for LEFFER.

Although the percentage of female employees is very low due to the nature of the industry, we were able to increase this figure **from 6.3 % to 7.3 %** in the reporting period - a positive trend that we will continue to pursue consistently. We are convinced that **diversity is a key success factor**. That is why we actively promote it in order to develop the potential of all employees in the best possible way.

By making this commitment to our employees, we at LEFFER are sending a clear signal for **social sustainability** and working together to shape a responsible future.

Security, respect, and future prospects

ESRS S1

It goes without saying that a safe and healthy working environment is an integral part of our corporate culture at LEFFER.

We use our **ISO 45001 certification** as a guideline for this, while continuously developing it further through comprehensive measures. These include regular training courses, ergonomically designed workstations, innovative exoskeletons for physically demanding activities and thorough risk assessments.

Thanks to these efforts, we were able to significantly reduce the number of workplace accidents during the reporting period. Sick days due to workplace accidents accounted for **only 0.88 %** of working days across the company.

At LEFFER, our employees are our priority. We are convinced that good work deserves recognition. That's why we offer our employees **numerous benefits** - ranging from bike leasing and attractive bonuses for trainees to the development of an innovative, digital employee web platform that ensures transparent and fast communication.

However, **appreciation** means more to us than just providing benefits. We offer **opportunities**, not just jobs. Many of our employees remain loyal to us for decades – most of them only leaving our company once they reach their well-deserved retirement.

We are particularly proud of this!

The **high level of employee tenure** within the company shapes the development of the turnover-based attrition rate. At 14.4%, it remains within a range that is typical for the industry and is accompanied by the continued expansion of training and talent development activities.

We also know:

Due to **demographic change** and the shortage of skilled workers, new approaches are required. That's why we invest in training opportunities, open up careers through dual degree programs and create a brand that inspires the professionals of tomorrow.



Practicing responsibility. Shaping the future.

ESRS S1

Transparent communication rather than a hierarchical structure. Successful together.

We embrace change by relying on a modern, participative management style and promoting open communication in all areas. Moving forward, we plan to conduct **regular employee surveys** so that our teams can be actively involved in decision-making processes – every voice counts. The works committee, corporate and HR development as well as management work hand in hand in order to create a working environment that emphasizes **innovation and cooperation**.

Responsible & sustainable. Diversity makes us stronger.

Our **Code of Conduct** is all about respect, diversity and genuine equal opportunity. We have no room for discrimination, instead, we focus on the strengths and perspectives of different people. This results in an inspiring working environment that promotes creativity and team spirit.

OUR EMPLOYEES: THE CORNERSTONE OF SUSTAINABLE SUCCESS AT LEFFER

Shaping the future. Ensuring healthcare, comfort and expertise.

We have clear **goals**: Strengthening health, increasing job satisfaction, and securing knowledge are priorities for us. Our investments in training opportunities, workplace inclusivity and digitalization are part of a sustainable strategy. Ensuring a motivated, productive, and **forward-thinking** workforce.





Consumers & end users

ESRS S4

Quality, safety and responsibility are at the heart of everything we do at LEFFER. Our business activities are geared exclusively towards **business customers** (B2B) and meet the highest standards - not only technically, but also in terms of sustainability and social responsibility.

Within the framework of our **certified quality management system** in accordance with **DIN ISO 9001**, we continuously analyze the expectations and requirements of our stakeholders. This structured approach is an integral part of our corporate responsibility and lays the foundation for transparent and sustainable corporate management in line with ESRS 2.

We develop and manufacture our technically demanding products in accordance with well-defined standards and subject them to **strict inspection procedures**. Through rigorous procedure qualification and continuous quality control, we ensure that our products are not only efficient, but also exceptionally safe - even in highly regulated areas of application. This allows us to minimize potential risks to an absolute minimum when used properly.

As such, LEFFER represents **verified quality**, transparency and sustainability, creating trust among partners, customers and the public.

**ACCOUNTABILITY AND HIGH QUALITY ARE THE KEY TO OUR SUCCESS.
COMMITTED TO SUSTAINABLE BUSINESS PRACTICES.**



Consumers & end users

ESRS S4

At LEFFER, we are dedicated to upholding **human rights** and adhering to the highest ethical standards – throughout our entire value chain. Our commitment towards ensuring transparency and fairness is not only reflected in our products and processes, but also in our open and responsible approach to potential violations.

To detect risks at an early stage and prevent damage to our company, our employees or our business partners, we have established a **professional whistleblower system**. It is available to our employees as well as customers, suppliers and other external partners. This allows us to create an environment of trust in which concerns and reports are taken seriously at all times.

Thanks to our secure and confidential reporting system, incoming information is treated with the utmost care. Whether anonymous or by name, every report is systematically checked, transparently documented and, if necessary, followed up. The **protection of whistleblowers** is particularly important to us: confidentiality, respect and fairness are a matter of course for us.

By taking this responsible approach, we are creating a stable foundation for sustainable growth, strengthening trust in our brand and sending a clear signal of integrity and reliability - both internally and externally.



**INTEGRITY AND
RESPONSIBILITY.
WE LISTEN
AND ACT.**

An aerial photograph of a modern, multi-story building with a light-colored facade and numerous windows. The building has a flat roof with a large section of solar panels on the left side. A sign on the front of the building reads "IN LEFFER". The building is surrounded by a paved area and some landscaping. In the background, there is a dense forest of trees. The word "Governance" is overlaid in white text on a dark blue background in the bottom left corner.

Governance

Corporate governance

ESRS G1

At LEFFER, ensuring responsible corporate governance is not just a principle, but is put into practice. Our management plays an active guiding role - through clear structures, transparent processes and regular control mechanisms, we guarantee that our actions remain **ethical, sustainable and future-oriented** at all times.

Technical excellence is the key: our specialists have the necessary knowledge to make well-founded, legally compliant and responsible decisions. Regular training opportunities - for example in the areas of compliance, data protection and sustainability management - along with the deployment of external expertise ensure the high quality of our corporate management in the long term.

In order to promote transparent, trust-based cooperation, we offer our employees modern, low-threshold communication channels such as an **anonymous whistleblower system** and a **feedback box**. We thus create space for constructive feedback and strengthen a corporate culture in which responsibility, transparency and integrity are firmly anchored.

**RESPONSIBLE LEADERSHIP AS A FACTOR FOR SUCCESS.
DRIVEN WITH FORESIGHT AND INTEGRITY.**



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