Sustainability Report according VSME ESRS

Reporting Year 2025

Lederer GmbH
Katzbachstr. 4
58256 Ennepetal

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1. Introduction

This report follows the Voluntary ESRS for Small and Medium-Sized Enterprises (VSME ESRS), published by EFRAG in December 2024. These guidelines are intended to facilitate sustainability reporting for micro, small, and medium-sized enterprises in the European Union. In addition, the report includes key sustainability metrics that may be of interest to stakeholders and business partners.

The report is divided into four sections: General Information, Environment, Social, and Governance. This structure reflects the three pillars of sustainability. The Environment, Social, and Governance sections primarily present key metrics, which are occasionally supplemented by relevant contextual information.

No formal dual materiality analysis was conducted as part of the VSME reporting. A structured materiality analysis process involving a formalized methodology, systematic stakeholder engagement, or a documented assessment matrix was not applied.
The selection and presentation of the reported content are based on an internal assessment of sustainability-related topics in connection with the company’s business activities.

2. General Information

This section of the sustainability report provides a general overview of Lederer GmbH and information on the role of sustainability in our company.

2.1 B1 – Basis for Preparation

This sustainability report includes the core module and the comprehensive module.

Sustainability reports may contain only the relevant information about the company ("individual report") or may also include information about subsidiaries ("consolidated report").

This sustainability report was prepared on an individual basis.
List of subsidiaries included in this report:
none

General Information About the Company

	Comparative Year	Current reporting year
Legal form of the company	GmbH	GmbH
NACE code(s) for the classification of economic activities	4682	4682
Total assets (in euros)	92 million	87 Mio.
Revenue (in euros)	85 million	89 million
Number of employees	176.95	189.80

General information about the company

Locations

Locations	Address	ZIP Code	City	Country
Lederer GmbH	Katzbachstr. 4	58256	Ennepetal	Germany

Country of primary business operations and locations

Sustainability certification or sustainability seal

EcoVadis - Rating as of April 10, 2025 - Bronze - Overall score 67/100 - 81st percentile
During the reporting period, Lederer GmbH made voluntary climate protection contributions through the purchase and retirement of Verified Emission Reductions (VERs) totaling 135 metric tons of CO_2. These VERs originate from external climate protection projects and serve to support global emissions reductions. They do not represent compensation for the company's own emissions avoidance or reduction measures.

2.2 C1 – Strategy: Business Model and Sustainability – Related Initiatives

Business Model

Lederer GmbH, a family-run company headquartered in Ennepetal, has been one of the leading suppliers of stainless steel fasteners and integrated C-parts management solutions for over 50 years. The company employs approximately 200 people and operates internationally.

Product and Service Portfolio:

- Standard parts, custom parts, and parts manufactured to drawings for mechanical engineering, the solar industry, railway technology, electrical engineering, and more.
- Services such as Kanban logistics, electronic order processing (EDI), an online store, and real-time supply chain integration
- Partner to the solar industry

Value Chain:

- In addition to warehousing and logistics, Lederer also provides assembly and testing services using its own ISO/IEC 17025-accredited testing laboratory
- Strategic partnerships with international suppliers and just-in-time delivery to industrial customers

Markets:

- Core markets are Germany and Europe
- Increasing international shipping via digital platforms

Corporate Strategy

Lederer GmbH's corporate strategy aims for a clear positioning as a digital and sustainable provider of high-quality stainless steel fastening technology.

Key areas of the strategy:

- Digitalization: Real-time data exchange with customers, automated warehouse management, Online Shop 5.0
- Growth through Specialization: Focus on customized customer solutions and custom-made products
- Quality leadership: In-house material testing, seamless batch traceability, zero-defect goal
- Sustainability & Safety as Core Principles:
    - ISO 14001-certified environmental management system for the systematic control and improvement of environmental aspects
    - ISO 45001-certified management system for occupational health and safety

Sustainability-Related Initiatives

Sustainability is an integral part of Lederer GmbH's long-term corporate development. The company focuses not only on internal efficiency but also on external impacts along the value chain and within the broader social context.

Environment and Climate:

- The company provides durable and corrosion-resistant stainless steel fasteners that can be used in various industrial applications, including renewable energy systems (e.g., the solar and wind power industries).
- The company monitors regulatory developments such as CBAM to prepare for future requirements. Lederer GmbH aims to gradually improve transparency throughout the supply chain.
- Continuous expansion of CO_2 accounting, particularly in Scope 3, to develop a long-term climate action plan.

Society & Employees:

- Long-term job security through sustainable, values-based growth.
- Establishing good working conditions and high safety standards through the ISO 45001 management system.
- The company has measures in place to promote employee retention and professional development. Lederer GmbH fosters a culture of mutual respect.

Governance & Responsibility:

- ESG aspects are taken into account in business decisions.
- Establishment of a structured ESG reporting system to ensure transparency and comparability for stakeholders.
- The company describes quality and long-term collaboration as key aspects of its relationships with customers, partners, and suppliers.

Outlook:

- Expansion of systematic ESG reporting in accordance with the VSME standard
- Expanding CO_2 accounting (Scope 3) to develop a comprehensive climate action plan

2.3 B2 – Procedures, Guidelines, and Future Initiatives for the Transition to a More Sustainable Economy

This table shows which areas of sustainability are relevant to our company and demonstrates that Lederer is aware of the importance of this issue and is actively committed to reducing our impact through policies and initiatives. Further information on the content of the procedures, policies, and initiatives, as well as our goals, can be found in the table below.

	Are there procedures, policies, or future initiatives that address any of the following sustainability topics?	Are they publicly available?	Are there targets set for these concepts?
Climate Change	Yes	No	Yes
Environmental pollution	Yes	No	No
Water and marine resources	No	No	No
Biodiversity and Ecosystems	No	No	No
Resource Use and Circular Economy	Yes	No	Yes
Company employees	Yes	Yes	Yes
Workers in the value chain	Yes	Yes	Yes
Affected communities	Yes	No	No
Consumers and end users	Yes	Yes	No
Corporate governance	Yes	No	Yes

Policies, guidelines, and future initiatives for the transition to a more sustainable economy

2.4 C2 – Description of practices, policies, and future initiatives for the transition to a more sustainable economy

This table describes the procedures, guidelines, and initiatives we have established to contribute to the transition to a more sustainable economy. Topics without a description were deemed irrelevant to our company's activities.

	Description of existing procedures, policies, or future initiatives and their associated measures	Associated Goals	Highest level of management responsible for implementation
Climate Change	- Conversion of the gas heating system for the administrative building and high-bay warehouse to a heat pump - Installation of a PV system for on-site electricity generation - Continuing the transition of the vehicle fleet to hybrid/electric vehicles	Reduction in gas consumption and CO_2 emissions	Management

	Description of existing procedures, policies, or future initiatives and their associated measures	**Associated Goals**	**Highest level of management responsible for implementation**
	- Conversion to LED lighting in all plant areas		
Environmental pollution	- Implementation of an environmental management system (ISO 14001) - CO_2 footprint monitoring for continuous analysis and control	- Compliance with legal environmental requirements - Transparent environmental reporting	Environmental Management Officer / Executive Management
Water and Marine Resources	Water is used only for sanitation and not in business processes; therefore, no measures are in place here	n/a	n/a
Biodiversity and Ecosystems	Biodiversity was assessed as non-material, as Lederer does not engage in any activities with a direct or significant impact on ecosystems, does not use land in ways critical to biodiversity, and does not conduct any raw material-related business activities. The identified potential impacts in the supply chain fall outside the company's direct sphere of influence, are not quantifiably significant, and do not give rise to material financial risks or opportunities	n/a	n/a
Resource Use and Circular Economy	- Use of recyclable and reusable packaging in the supplier sector - Use of recyclable and reusable packaging in the customer sector - Switching the filling material for outer packaging from plastic to paper - Reuse of packaging in the	- Reduction of packaging waste - Increasing the proportion of recycled material	SCM Technical Administration Environmental Management

	Description of existing procedures, policies, or future initiatives and their associated measures	**Associated Goals**	**Highest level of management responsible for implementation**
	contract manufacturing/Kanban area - Further expansion of waste separation		
Company Employees	- Maintaining an occupational health and safety management system (ISO 45001) - Responsible adherence to the Code of Conduct by all employees	- Improving workplace safety - Reducing absenteeism - Strengthening the corporate culture - Embedding values in a sustainable manner	Occupational Health and Safety Manager / Executive Management
Workforce in the value chain	Establishment and ongoing implementation of a supplier code of conduct to ensure minimum social and environmental standards.	Ensuring that all business partners along the supply chain comply with basic minimum social, ethical, and environmental standards.	Purchasing Management
Affected Communities	Regional sponsorship projects or donation initiatives, participation in corporate runs	Strengthening ties to the region	Marketing / Management
Consumers and End Users	- Delivery in eco-friendly packaging - Participation in the ECOVADIS rating	- Reducing packaging waste - Building customer trust by disclosing our sustainability performance	SCM Environmental Officer
Corporate Governance	Integration of sustainability goals into the management system	Sustainability as an integral part of corporate strategy	Executive Management

Description of procedures, guidelines, and future initiatives for the transition to a more sustainable economy

3. Environment

This section of the report contains our company's key environmental metrics.

3.1 B3 – Energy and Greenhouse Gas Emissions

Energy Consumption

The following table shows our total energy consumption.

	Renewable (MWh) – 2024	Non-renewable (MWh) – 2024	Total (MWh) – 2024	Renewable (MWh) – 2025	Non-renewable (MWh) – 2025	Total (MWh) – 2025
Electricity	1370		1,370	858.08		858.08
Fuel		988.95	988.95		997.27	997.27
Total			2,358.95			1,855.35

Energy consumption

Greenhouse gas emissions

	GHG emissions (t CO2e) – 2024	GHG emissions (t CO2e) – 2025
Scope 1	191.2	216.93
Scope 2 – site-specific	598.96	272.94
Scope 2 – market-based	21.82	0.00
Total	213.02	216.93

Greenhouse gas emissions

Scope 3 Category	Emissions (t CO2e) – 2024	Emissions (t CO2e) – 2025
Total Scope 3	No data available	59,383.48
3.1 Purchased Goods and Services	No data available	55,509.86
3.2 Capital goods	No data available	Not available
3.3 Activities related to fuels and energy	No data available	87.27
3.4 Upstream transportation and distribution	No data available	3,514.94
3.5 Waste generation at facilities	No data available	2.11
3.6 Business travel	No data available	Not available
3.7 Commuting employees	No data available	269.30
3.8 Upstream leased assets	No data available	Not available
3.9 Downstream transportation	No data available	Not available

Scope 3 Category	Emissions (t CO2e) – 2024	Emissions (t CO2e) – 2025
3.10 Processing of Sold Products	No data available	Not available
3.11 Use of Sold Products	No data available	Not available
3.12 Management of Products at the End of Their Lifecycle	No data available	Not available
3.13 Downstream leased assets	No data available	Not available
3.14 Franchises	No data available	Not available
3.15 Investments	No data available	Not available

Scope 3 emissions

Greenhouse gas intensity

0.000002428 t CO2e/EUR (based on Scope 1+2)
0.000666952 t CO2e/EUR (based on Scope 1+2+3)

The solar power generated (174.44 MWh) is partially consumed by the company itself (104.58 MWh). The surplus electricity (69.86 MWh) is fed into the public grid.

3.2 C3 – GHG Reduction Targets and Climate Transition Plan

	Base Year	Base Year Value	Target Year	Target Year Value	Unit	Proportion Affected by the Target
Scope 1	2017	436	2030	220	t CO2e	100% of Scope 1 emissions
Scope 2	2017	432	2030	0	t CO2e	100% of Scope 2 emissions
Scope 3				See note under “Measures”		

GHG reduction targets

Measures to Achieve the GHG Reduction Targets
The following measures are being taken to achieve the aforementioned GHG reduction targets:

- Switch to green electricity
- Conversion of the oil-fired heating system (office/Hall 5) to gas and, in the course of 2025, to a heat pump powered by solar power/green electricity (already completed in the past)
- Switch to LED lighting (already implemented in the past)
- Replacement building for Hall 3: improved insulation; a large area that is operated automatically (without staff) and thus at a lower set temperature.
- Continuation of the transition of the vehicle fleet to hybrid/electric vehicles

Note regarding Scope 3 reduction targets:
Scope 3 emissions were tracked for the first time in the 2025 reporting year. The calculation is based primarily on standardized, database-supported emission factors for materials used and intermediate inputs.
Supplier-specific emissions data is not currently available across the board, nor is it realistic to expect it to be fully available in the short term.
Due to the associated uncertainties and the limited ability to control material-related Scope 3 emissions, no quantitative reduction targets for Scope 3 were set in the reporting year.
The company is initially focusing on improving the data foundation and transparency in the key Scope 3 categories in order to be able to appropriately derive future targets based on this foundation.

Climate Transition Plan

Our company does not operate in climate-intensive sectors as listed in NACE Sections A through H and Section L, as defined in Annex I of Regulation (EC) No. 1893/2006.

3.3 C4 – Climate Risks

A formalized quantitative assessment of physical climate risks has not yet been conducted. However, the company assesses the risks as follows.

Physical risks relate in particular to the increasing frequency of extreme weather events such as heavy rainfall, heat waves, and flooding. These can lead to isolated production disruptions at suppliers or logistical constraints. Long-term climate changes—such as rising average temperatures or water scarcity—pose additional risks to supply security and operational processes. For Lederer itself, the risk appears to be low.
Lederer GmbH assesses its vulnerability to physical risks as moderate overall. Due to the broad geographic distribution of its supplier base, the company possesses a certain degree of resilience against local extreme weather events. Since there is no exclusive dependence on individual suppliers or regions, any disruptions can be offset by alternative sources of supply. Sensitivity therefore primarily concerns logistical processes—such as transport delays caused by severe weather or infrastructure failures.
Short-term risks (1–3 years) arise in particular from extreme weather events with immediate impacts on supply capacity. In the medium term (3–10 years), increased physical impacts and climate-related operational disruptions among suppliers are expected. Long-term risks (10+ years) involve structural changes such as water scarcity and rising temperatures, which could have a lasting impact on industrial infrastructure.
To adapt to climate-related physical risks, Lederer GmbH relies primarily on a broad and geographically diversified supplier base. This automatically results in varied transportation routes and paths, which reduces vulnerability to regional extreme weather events.

Transitional risks arise primarily from regulatory changes within the framework of European climate policy. A key example is the EU-wide Carbon Border Adjustment Mechanism (CBAM), which imposes a CO_2 price on imports of emission-intensive products. For Lederer GmbH, which specializes in stainless steel fasteners, this could lead to long-term cost increases for certain imported products.
Lederer GmbH has begun systematically assessing its potential vulnerability to transition risks such as the CBAM. Since there is currently no complete transparency regarding the

emissions intensity of imported products, measures taken so far have focused on the gradual collection of relevant data and raising awareness among suppliers. The actual impact cannot yet be conclusively quantified, but is assessed as potentially significant—particularly for products from third countries with high production emissions.
The significant impacts of CBAM are expected in the medium term (approximately 3–10 years), as the regulations will be introduced gradually and will entail financial obligations starting in 2026. In the short term, the main challenges will be administrative requirements, such as the collection and reporting of emissions data.
The company is responding to these developments by gradually shifting its focus toward more climate-friendly suppliers, further developing its greenhouse gas accounting, and monitoring relevant market and regulatory developments. Specific changes are being implemented on an as-needed basis and within the bounds of economic feasibility.

3.4 B4 – Air, Water, and Soil Pollution

As part of the preparation of this VSME report, no formal or systematic assessment of the potential impacts of business operations on air, water, or soil emissions was conducted. Furthermore, the company does not have any data on emissions in these areas that has been collected or is systematically available and could be used for reporting purposes. Furthermore, there are currently no legal or other mandatory requirements for the business operations regarding the collection or regular reporting of emissions to air, water, or soil. Accordingly, no such information is reported in this report.

3.5 B5 – Biodiversity

Biodiversity was assessed as non-material, as Lederer does not engage in any activities with a direct or significant impact on ecosystems, any land uses critical to biodiversity, or any raw material-related business activities.
The identified potential impacts in the supply chain fall outside the company's direct sphere of influence, are not quantifiably significant, and do not give rise to material financial risks or opportunities.

3.6 B6 – Water

	Water withdrawal (m³) – Base year	**Water consumption (m³) – Base year**	**Water withdrawal (m³) – Current reporting year**	**Water consumption (m³) – Current reporting year**
All locations	900	0	940	0
Locations in water-stressed areas	0		0	

Water Withdrawal and Consumption

3.7 B7 – Resource Use, Circular Economy, and Waste Management

As a wholesaler of fasteners, we primarily rely on highly durable materials such as stainless steel and steel, which are generally easy to recycle. Our products are designed for a long service life, which helps conserve resources.
Packaging is primarily done in cardboard boxes transported on pallets. We strive to reuse cardboard boxes multiple times and use recyclable packaging materials whenever possible. Single-use plastics are avoided wherever possible.
In addition, we continuously evaluate opportunities for optimization in packaging and logistics to reduce waste and strengthen material cycles.

Waste Management

	Total Waste Generation – 2024r	Waste diverted from landfills – 2024	Waste Disposed Of – 2024	Total waste generation – 2025	Waste diverted – 2025	Disposed waste – 2025	Unit
Non-hazardous waste	115.5	1,074.97	40.53	1,309.74	1,192.60	118.14	t
Hazardous waste	1.09		1.09	0.04		0.04	t

Waste volume

Material Flow

Lederer GmbH operates as a trading company for fasteners and does not conduct its own manufacturing, processing, or construction processes. The products it trades are not used or processed as materials in its own production processes. Therefore, the requirement to report the annual mass flow of relevant materials used, as specified in VSME B7.38(c), is classified as not applicable.

4. Social

This section of the report contains our company's key social indicators.

4.1 B8 – Labor Force – General Characteristics

Type of employment contract	Number of Employees (Full-Time Equivalents) Reference Year	Number of Employees (Full-Time Equivalents) Current reporting year
Fixed-term contract	6	5
Permanent contract	170.95	184.80
Total employees	176.95	189.80

Employees by type of employment contract

Gender	Number of employees (full-time equivalents) in the comparison year	Number of employees (full-time equivalents) Current reporting year
Male	120.73	125.60
Female	56.22	64.20
Diverse	0.00	0.00
Not specified	0.00	0.00
Total employees	176.95	189.80

Employees by gender

Country (of the employment contract)	Number of employees (full-time equivalents) in the comparison year	Number of employees (full-time equivalents) Current reporting year
Total employees	176.95	189.80
Germany	176.95	189.80

Employees by Country of Employment Contract

Employee turnover

11 / 197.75 × 100 = 5.56

($Anzahl der\ Beschäftigten\ , die\ das\ Unternehmen im\ Berichtsjahr verlassen\ haben$ **/** $Durchschnittliche\ Anzahl der\ Beschäftigen\ im\ Berichtsjahr x$ **100)**

4.2 C5 – Additional (General) Characteristics of the Workforce

Gender ratio at the management level

1:2.1

Self-Employed and Temporary Workers

Type of workforce	Number – Comparison Year	Number – Current reporting year
Number of self-employed individuals who work exclusively for the company and do not have their own staff	0	0
Number of temporary workers provided by companies primarily engaged in “labor placement and staffing”	0	7

Number of self-employed individuals and temporary workers

4.3 B9 – Workforce – Occupational Health and Safety

	Base Year	Current reporting year
Number of reportable workplace accidents	2	0
Rate of reportable workplace accidents	1.36	0
Number of deaths resulting from work-related injuries and work-related illnesses	0	0

Key figures on occupational health and safety

4.4 B10 – Workforce – Compensation, Collective Bargaining, and Training

Minimum Wage

All employees are covered by the NRW Wholesale and Foreign Trade Collective Bargaining Agreement. Compensation is based on the pay grades specified in the collective bargaining agreement and is therefore above the statutory minimum wage.

Pay gap between women and men:

(24.30 - 24.32) / 24.30 * 100 = -0.08%

Percentage of employees covered by collective bargaining agreements:

100%

Training

	Average hours – comparison year	Average hours – current reporting year
Total	2.78	2.89
Female	3.14	2.81
Male	2.42	2.97
Diverse		

Average number of training hours per employee per year

4.5 C6 – Additional information on the company's workforce – Policies and processes regarding respect for human rights

Code of Conduct or Guidelines on Respect for Human Rights

We have established a Code of Conduct or guidelines on respect for human rights for our own workforce.

	Includes
Child labor	Yes
Forced labor	Yes
Human trafficking	Yes
Discrimination	Yes
Accident prevention	Yes
Other	Yes

Content of the Code of Conduct/Guidelines on Respect for Human Rights

Other Content of the Code of Conduct/Guidelines for Respecting Human Rights

In addition to the points mentioned above, the Lederer CoC addresses the following topics:

- Compliance with Laws, Regulations, and Rules
- Protection of intellectual property
- Data protection
- Protection of trade secrets and company property
- Occupational safety and health
- Environmental Protection and Resources
- Prohibition of Corruption and Bribery
- Fair Competition
- Implementation of Our Values Among Our Suppliers

Procedure for Handling Complaints

We have established a procedure for handling complaints from our own employees. Complaints may be reported either anonymously or publicly. The Compliance Officer, who is bound by confidentiality, is available as the point of contact (in person, by email, or by phone). For internal, anonymous reporting, drop boxes have been installed at various locations throughout the company. An external reporting office has been established for internal and external reports regarding whistleblowing (Whistleblower Protection Act).

4.6 C7 – Serious Incidents Related to Human Rights

Serious Incidents Related to Human Rights	Confirmed Incidents
Child Labor	No
Forced Labor	No
Human Trafficking	No
Discrimination	No

Incidents involving our own workforce

Measures to address the incidents:

Since there were no incidents, no corrective measures could be developed or implemented

Incidents involving workers in the value chain, affected communities, consumers, and end users

Since there were no incidents, no corrective measures could be developed or implemented

5. Governance

This section of the report contains our company's key governance metrics.

5.1 B11 – Convictions and Fines for Corruption and Bribery

There were no convictions during the reporting period.

5.2 C8 – Revenue from Specific Activities and Exemption from EU Reference Values

Lederer does not engage in any of the activities mentioned. Furthermore, the conditions for the listed exemptions from EU reference values are not met, as Lederer is not active in the relevant areas.

5.3 C9 – Gender Diversity on the Governing Body

Name of the body	Gender Diversity Ratio – Comparison Year	Gender Diversity Ratio – Current Reporting Year
Executive Board	3 male, 0 female	3 male, 0 female

Gender Ratio in the Governing Body