



SUSTAINABILITY REPORT

of the HEICO Group for the year 2025

> ABOUT THIS REPORT

The Theo Heimann corporate group consists of the management company Theo Heimann Holding GmbH & Co. KG, located in Ense, and its subsidiaries. These include the two production companies HEICO Befestigungstechnik GmbH, HEICO Umformtechnik GmbH, as well as HEICO International GmbH.

HEICO Befestigungstechnik GmbH manufactures systems for securing bolted connections against loosening caused by vibrations, as well as tension nuts. In addition, nails for various applications are produced in the company's traditional product segment.

The business purpose of HEICO Umformtechnik GmbH is the production of drawing-based products, which are manufactured using state-of-the-art multi-stage cold forming presses, post-processing machines, and subsequent heat treatment.



HEICO International Beteiligungs GmbH is responsible for coordinating the activities and management of the foreign sales companies. Theo Heimann Holding GmbH & Co. KG does not conduct operating business activities itself. Neither company has its own employees.

Therefore, this report refers to the two production companies located in Ense and to the 2025 financial year.

> BASIC MODULE – GENERAL INFORMATION

B1 – Foundations for Preparation

Against the background of the changed legal framework, we decided to prepare a voluntary sustainability report based on the European standard for voluntary sustainability reporting (VSME – Voluntary Sustainability Reporting Standard for non-listed SMEs).

The disclosed key figures are aligned with the Basic Module. The goal of the report is to provide transparent documentation of the company's sustainability efforts for stakeholders and to form a solid foundation for future strategic decisions.

By reporting on a consolidated basis, we aim to ensure a holistic and integrated perspective on the ecological, social, and governance-related impacts of the entire corporate group.

Consolidated reporting enables consistent documentation across company boundaries and improves comparability regarding the group's sustainable value creation.

During the reporting period, the HEICO Group held certifications or quality seals in the field of sustainability: EcoZert, ISO 14001, ISO 50001.

Our commitment to sustainability stems from our deepest conviction. We believe it is necessary to offer future generations the same opportunities that were available to us. We feel a strong sense of responsibility for preserving the environment and for handling all resources in a conscientious manner.

B2 – Practices, concepts and future initiatives for the transition to a more sustainable economy

Various practices, concepts and initiatives are pursued at HEICO to promote the green transformation. The goal is to reduce potential negative impacts on people and the environment while strengthening positive effects. These measures include operational and strategic approaches through which ecological, social, and governance aspects are systematically integrated into corporate management. Defined targets are used to monitor implementation and progress.



> BASIC MODULE – ENVIRONMENTAL METRICS

B3.1 – Energy and Greenhouse Gas Emissions

The HEICO Group takes responsibility for climate protection. For this purpose, all necessary energy consumption data was documented in a transparent manner. The purchased energy for electricity (as listed in electricity bills) and fuels was broken down into renewable and non renewable energy sources.

We have installed a measurement system for the consumption of electricity, heat, compressed air, water, natural gas, etc. Consumption is measured by department and partly by machine.

This enables us to identify consumption and compare it to performance. It also forms the basis for continuous improvements in energy management.

The total energy consumption in the reporting year amounted to 7,955,032 kWh. Renewable electricity accounted for 647,920 kWh, while electricity from non-renewable sources amounted to 4,552,622 kWh. This corresponds to a total electricity consumption of 5,200,542 kWh.

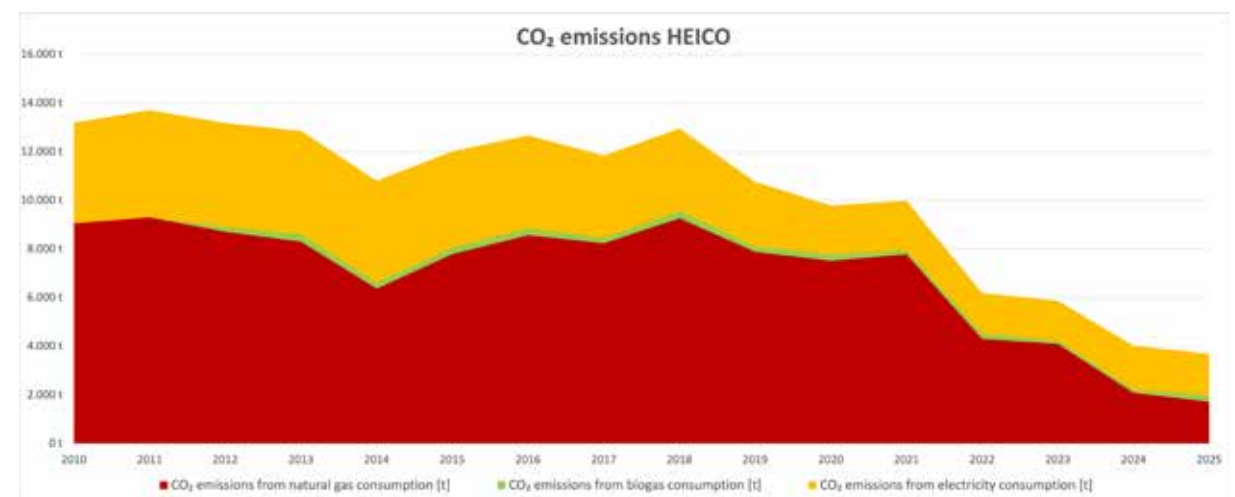
The total consumption of fuels amounted to 84,251 kWh, with 0 kWh from renewable fuels and 84,251 kWh from non renewable fuels.

The calculation of emissions is based on the available energy data and includes both direct (Scope 1) and indirect (Scope 2) emissions, provided that the necessary information is available. The estimated gross greenhouse gas emissions are disclosed in tonnes of CO₂ equivalent (tCO₂e) in accordance with the requirements of the GHG Protocol Corporate Standard.

Based on measured and billed data, we are able to determine greenhouse gas emissions for Scope 1 and Scope 2 in tCO₂e in accordance with the GHG Protocol Corporate Standard.

This results in 1,725 t in Scope 1 and 1,969 t in Scope 2.

We have achieved these results through various measures implemented over the past years.

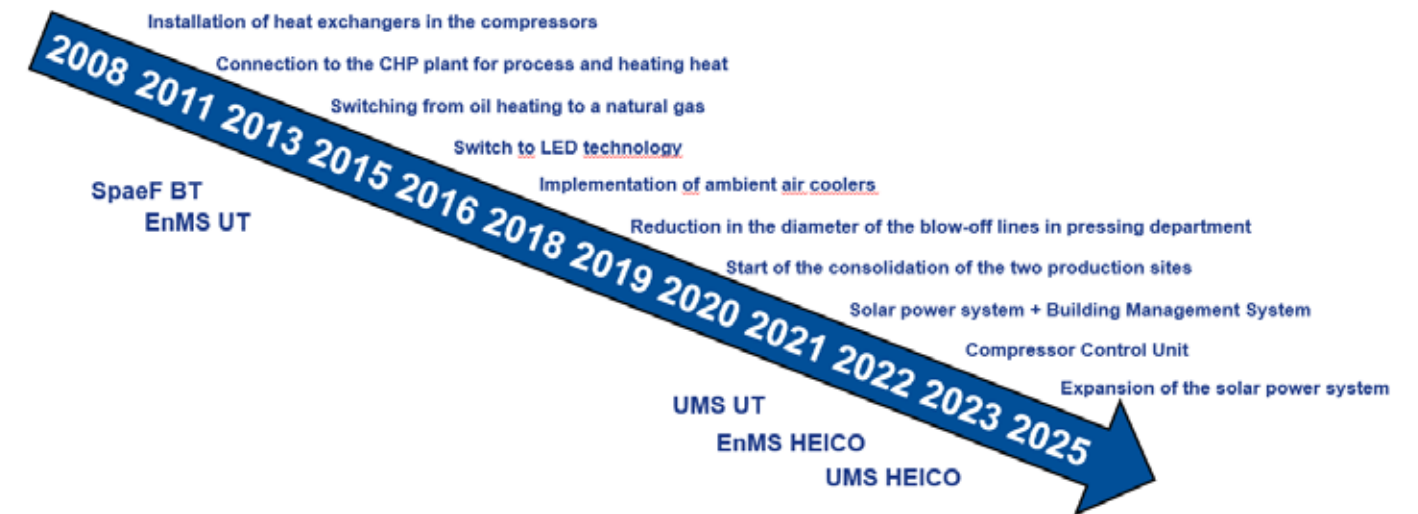


Since 2010, the CO₂ footprint has been reduced by 70%.

In addition to the following measures, this required the establishment of a management team as well as the implementation of management systems.

We also learned that, step by step, all employees in the company had to be brought on board for this effort.

> BASIC MODULE – ENVIRONMENTAL METRICS



Alongside the classic measures – i.e., optimizing compressed air generation and detecting leaks, modernizing lighting and ventilation – the consumption of electrical energy was significantly reduced by eliminating the electroplating process and replacing it with painting.

As can be seen from the illustration, we achieved the greatest savings in Scope 1 through the reduction of natural gas consumption.

By utilizing the waste heat of a combined heat and power plant (CHP), which is operated by a service provider using biogas, we have been able to cover the essential part of our heat demand – space heating and operation of the washing systems – since 2011.

As a result, natural gas is now only required as process gas (protective gas atmosphere + heating the regenerative thermal oxidizer for VOCs from the painting process).



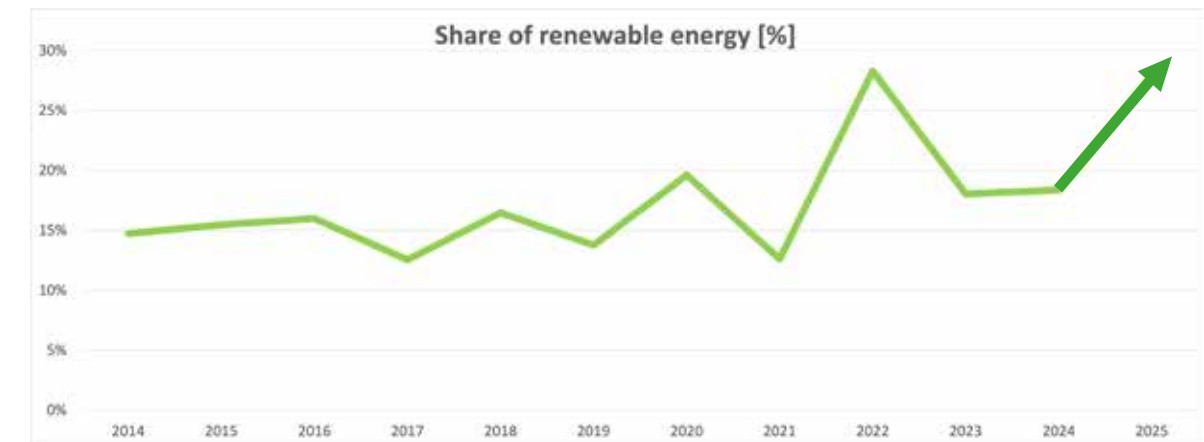
After having already taken major steps in reducing Scope 1 and Scope 2 emissions, we now aim to increase the share of renewable energy.

To achieve this, it was necessary to electrify processes consistently so that the proportion of electricity from renewable sources can be maximized.

For example, the annealing furnaces as well as the continuous belt furnace / hardening processes are operated purely electrically. The washing systems are heated using the waste heat from the CHP, but they can also be electrically supported if needed.

> BASIC MODULE – GENERAL INFORMATION

Development of the Share of Renewable Energy



HEICO uses heat generated from biogas. In total, nearly 85% of the heat demand in 2025 was covered by the waste heat of the CHP plant.

Due to its location directly next to the production building, we benefit from the fact that the generation of electricity from biogas produces waste heat, which can be used in our heating system and production processes.

Since 2022, the first expansion stage of the photovoltaic system has been able to cover approximately 10% of our own electricity demand.

With the expansion planned for 2025, an additional 15% of the required electricity is expected to be generated. With regard to electricity as an energy source, the share of self generated energy will then amount to approximately 25%.

The diagram shows that although the share of renewable energies is continuously increasing, fluctuations are evident. These are due, on the one hand, to the availability of district heat from the CHP plant and, on the other hand, to solar performance.

During the 2023/2024 heating season, the availability of district heat was significantly reduced due to reconstruction work. However, measures taken by the CHP operator will enable a higher long-term supply of district heat.

For example, the introduction of a hot water storage tank allows stored heat to be accessed during periods of higher demand.

We can already look back on many successful steps that the HEICO Group has taken over the past 15+ years to achieve its sustainability goals.

Our goal is to reach a 50% share of renewable energy for on-site consumption by 2028. To achieve this, we aim to generate the relevant share of electricity ourselves and further expand the use of district and waste heat.

> BASIC MODULE – GENERAL INFORMATION

Scope 3 – Indirect Emissions Along the Value Chain

In addition to direct emissions from Scope 1 and indirect emissions from purchased energy (Scope 2), further indirect greenhouse gas emissions arise for the HEICO Group along upstream and downstream value chains (Scope 3).

In the 2024 financial year, HEICO conducted a structured data collection for the first time among key material suppliers and relevant service providers. The aim was to obtain reliable emission-related indicators in the form of kg CO₂e per kg of material or kg CO₂e per processed service volume.

The data provided is largely based on supplier information. Not all underlying values are certified or verified by independent third parties. In some cases, the information is based on assumptions, approximations, or internal calculation models of the respective suppliers. Comprehensive validation is not currently possible for all data.

To close existing data gaps, recognized emission factors from scientifically established databases, such as GEMIS 5.1, are also used. This approach enables a consistent and transparent estimation of relevant Scope 3 emissions, even if complete primary data collection is not yet feasible.

Due to existing uncertainties and heterogeneous data quality, no complete quantitative reporting of all Scope 3 emissions is currently carried out. However, HEICO considers Scope 3 a relevant area for action in the medium term and is working to establish a validated data basis within the next two years.

Product Carbon Footprint (PCF) – Methodology and Current Status

Since the 2024 financial year, the HEICO Group has been calculating product-related CO₂ footprints (Product Carbon Footprints, PCF) based on available energy, material, and service data.

The PCF calculation already includes more than 300 products and follows a holistic approach. All relevant Scope 1 and Scope 2 emissions along the internal value chain are considered. This includes all production steps from pressing or stamping through further manufacturing and processing steps to shipment of the products.

In addition, materials used as well as services utilized are included in the emission calculations. Emission factors are based on supplier data (e.g., kg CO₂e per kg of material or per processed service volume) and supplemented by recognized emission factors from established databases such as GEMIS, ProBas, and others where primary data is not available.

The PCF calculations are not certified at this point. However, the methodology and approach have been reviewed with an external service provider and confirmed as a practical and appropriate method for gradually introducing product-related emission assessments.

> BASIC MODULE – GENERAL INFORMATION

Due to partly heterogeneous data quality, the calculated PCFs should be understood as indicative values. They currently serve in particular to:

- identify key emission drivers,
- support internal management and prioritization of reduction measures,
- prepare for future regulatory or customer requirements.

Full external verification of PCF calculations is not yet planned but will be conducted when sufficient data maturity and demand are reached.

> BASIC MODULE – GENERAL INFORMATION

B3.2 – Implementation Plan for Cost-Effective Energy Efficiency Measures in Accordance with Section 9 of the German Energy Efficiency Act (EnEfG)

HEICO Befestigungstechnik GmbH and HEICO Umformtechnik GmbH each exceed the threshold of 2.5 GWh average annual total final energy consumption as defined by the German Energy Efficiency Act (EnEfG).

To comply with the legal requirements, measures to improve energy efficiency are continuously identified, evaluated, and documented.

Within the framework of the existing Energy Management System in accordance with DIN EN ISO 50001, technical, organizational, and economic energy efficiency measures are regularly analyzed. The evaluation is based on the expected energy savings, investment costs, economic viability, and technical feasibility.

For the reporting year, the following key areas of action were considered:

Measure	Status 2025	Implementation Period	Description
Optimization of compressed air generation and leak prevention	Ongoing	Continuous	Regular leak detection in cooperation with a specialized service provider, optimization of compressor control systems, and minimization of pressure losses within the compressed air network.
Expansion of photovoltaic self-generation capacity	In progress	2025-2026	Expansion of the existing photovoltaic system to increase the share of self-generated renewable electricity.
Increased utilization of waste heat	Ongoing	Continuous	Expansion of waste heat recovery from compressor systems for sanitary facilities as well as process and space heating requirements.
Optimization of ventilation systems	Planned	2026-2027	Review and adjustment of operating schedules, air volumes, and heat recovery potential.
Reduction of standby energy consumption in production areas	Ongoing	Continuous	Identification and shutdown of unnecessary energy consumers outside production hours.
Improvement of energy efficiency in production equipment	Ongoing	Continuous	Continuous optimization of production processes and energy-intensive equipment within the Energy Management System framework.
Optimization of warehouse and production hall lighting and other technical infrastructure	Partially implemented	2025-2026	Gradual conversion to energy-efficient LED technology and optimization of supporting technical systems.

> BASIC MODULE – GENERAL INFORMATION

The identified measures are prioritized according to their economic viability and implemented progressively. Measures that have already been implemented, along with their resulting energy savings, are monitored and evaluated within the Energy Management System.

By publishing this Sustainability Report, the HEICO Group provides the public with the information required under Section 9 of the German Energy Efficiency Act (EnEfG) regarding planned and implemented cost-effective energy efficiency measures.

B4 – Pollution of Air, Water, and Soil

At the HEICO Group site, emissions primarily arise in connection with production processes and the operation of the paint shop.

For the painting process, HEICO operates a thermal oxidizer (TNA) that complies with the legal requirements of the German Federal Immission Control Ordinance (BImSchV). All regulatory requirements are met, including maintaining an operating log and conducting and documenting the required annual emission measurements.

The system has been designed with sustainability in mind to enable autothermal operation. The energy generated during the combustion of volatile organic compounds (VOC) is used to maintain the necessary operating temperature, eliminating the need for continuous additional heating with natural gas or electricity.

Further relevant emissions arise from process exhaust air from presses and processing equipment. This exhaust air is routed through appropriate extraction systems equipped with integrated oil recovery systems. Oil components are separated, returned, and reused in the machine cycle, reducing emissions and conserving resources.

The extracted air is passed through air-to-air heat exchangers, preventing heat loss.

Wastewater at the site arises exclusively from sanitary facilities. No direct process wastewater is generated. Process-related emulsions are collected by a certified waste disposal company and disposed of properly. Approved oil separators are installed for washing areas.

Systems with oil-containing media are already equipped with drip trays or will be retrofitted accordingly. This minimizes the risk of leaks and soil contamination. Accordingly, no soil contamination exists.

> BASIC MODULE – GENERAL INFORMATION

B5 – Biodiversity and Ecosystems

The HEICO Group site is located at Oesterweg 21 in Ense and is situated in a rural area. The surrounding environment is characterized by agricultural land, smaller commercial structures, and near-natural areas. The site is not located within a Natura 2000 area, FFH (Fauna-Flora-Habitat), or comparable protected area. Business activities do not negatively impact protected ecosystems or biodiversity areas.

In addition to production operations, HEICO maintains an animal enclosure on the company premises. Animals such as goats, miniature ponies, donkeys, alpacas, and Racka sheep are kept there. Beehives are also located on the site. The animals can move freely across the entire company premises and have access to weatherproof shelters at all times.

Veterinary care is provided regularly by an external veterinarian who monitors the animals' health. The enclosure contributes to biodiversity, environmental awareness, and social sustainability. Local kindergartens may visit by prior arrangement, and the enclosure is also open to employees and local residents on weekends. To ensure the animals' rest periods, visiting hours have been defined.

> BASIC MODULE – GENERAL INFORMATION

B6 – Water

Understanding our own water consumption is an important step for us in ensuring the responsible use of this resource. Our data collection includes all water withdrawals from all sources and for all uses within the organizational boundaries of the company. The majority of our water consumption relates to sanitary facilities. In production, water is mainly required in the washing systems for preparing new bath solutions.

Process water accounts for around 10% of total water consumption. Total water withdrawal by the HEICO Group during the reporting period amounted to 4,022m³. The site is not located in an area that is periodically affected by water scarcity. Our processes are not water intensive.



B7 – Resource Use, Circular Economy and Waste Management

The HEICO Group is committed to sustainable and resource-efficient handling of raw materials. HEICO continuously works on improving its environmental performance across all business activities and aligns its efforts with the principles of the circular economy.

Total waste generated in the reporting year amounted to 360.09 t, consisting of 1.96 t of hazardous waste, 330.43 t of non hazardous waste, and 32.3 t of recyclable waste.

> BASIC MODULE – SOCIAL METRICS

B8 – Workforce – General Characteristics

The employees of the HEICO Group make an important contribution to the company's productivity, innovation, and long-term growth. Appreciation and respectful interaction within the workforce are taken for granted and significantly contribute to a positive working environment.

The HEICO Group employed a total of 250 people in the reporting year. Of these, 212 were male and 38 female. 36 employment contracts were fixed term, while 214 were permanent. The employee turnover rate was 2.4%.

The social dimension of sustainability, which has been embedded in our culture for many years, continues to be expanded. We offer support for employees and their families. For our trainees, we strive to provide excellent guidance to create a solid foundation for their professional development, which from our perspective also includes fostering social skills. We offer internships at any time to interested young people, as we aim to provide support in career orientation. HEICO offers every employee the opportunity to use the fitness studio of their choice at reduced rates. This is complemented by the option of obtaining a company bicycle. Our wildlife enclosure is open to families, neighbors, kindergartens, and schools.



B9 – Workforce – Health and Safety

During the reporting year, the HEICO Group recorded 6 occupational accidents and 0 fatalities resulting from work related injuries or illnesses.

> BASIC MODULE – SOCIAL METRICS

> BASIC MODULE – BUSINESS CONDUCT METRICS



B10 – Workforce – Compensation, Collective Agreements and Training

At the HEICO Group, the regionally and sector specific collective agreements negotiated with IG Metall apply in their current valid form.

This means that all employees receive appropriate compensation in accordance with the collective agreement and based on the analytical evaluation of their position according to the job structure framework agreement. Since the pay grade determined for a given position is independent of gender, no assessment of a potential gender pay gap is required. The average number of annual training hours per employee in the reporting year was 5.5 hours.

B11 – Fines and Sanctions for Corruption and Money Laundering

For the HEICO Group, clear values, transparency, and integrity are the foundation of trustworthy business relationships. Through binding rules, processes, and responsibilities, the company ensures transparency and legal compliance in its business activities, thereby safeguarding the interests of its stakeholders.

There were no convictions or fines for violations of anti-corruption or anti-bribery regulations during the reporting period.

All information has been carefully checked. We accept no liability for errors or omissions. We reserve the right to make technical changes.

As of: 08 /2026