



SUSTAINABILITY REPORT 2023 POWER THROUGH LIGHT

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DEAR READERS,



Jue Wang

Welcome to LEDVANCE's second Sustainability Report. Following last year's initial report, we wish to inform you of the progress we have since made in our quest to become a more sustainable company. As you will see, environmental protection, ethical business practices and expanding our circular economy lie at the heart of our decision-making processes.

As a leading supplier of general lighting solutions, LEDVANCE is continuously striving to provide sustainable products, services and experiences. Over the past year, we launched several new initiatives and product lines aimed at building a more sustainable and fair future.

Last summer, we opened up a whole new chapter in our corporate story by evolving our brand positioning. Our new tagline, POWER THROUGH LIGHT, places LEDVANCE's three key stakeholders – our customers, the planet and our employees – at the center stage of everything we do, demonstrating our deep-seated commitment to sustainable development.

Another landmark of 2023 involved the launch of a new business division, known as LEDVANCE Renewables. With photovoltaic panels, inverters and batteries at its core, this product line offers an integrated and sustainable solution for both residential and commercial customers. This strategic initiative is further evidence of LEDVANCE's ingrained commitment to environmental protection – bringing our POWER THROUGH LIGHT philosophy to life.

The third major milestone of 2023 was the rollout of LEDVANCE LOOP, a new sub-brand encompassing all of our sustainability efforts and measures across the company. This includes new product ranges, reducing CO₂ levels associated with transportation and logistics, and improving demand planning with AI. Furthermore,

LEDVANCE has relocated its headquarters and reduced the size of its office space in order to operate more efficiently.

As a part of our push to eliminate waste, our LEDVANCE LOOP sub-brand now has two new notable product ranges. Over the course of 2022 and 2023, we developed EVERLOOP: a range of innovative products that enable professional customers to conveniently replace certain components of a luminaire, thereby maximizing the lifespan of the product and reducing waste. We also launched NATURELOOP: a product line catering to end-consumers and the plastic content of which is sourced from at least 40 percent post-consumer recycled (PCR) materials.

LEDVANCE is currently undergoing an ambitious development process to meet the requirements of new regulatory directives. From 2025 on, we will be subject to the provisions of the Corporate Sustainability Reporting Directive (CSRD), and this report represents our first step towards complying with these new standards.

As the Executive Senior Vice President at LEDVANCE, I'm particularly proud that all our actions are a testament to our ingrained belief that sustainability is not a destination but a continuous journey. It's about more than just being environmentally conscious – it's about comprehensively reshaping our practices from top to bottom.

We hope that this report assures you of our commitment to do even better today than we did yesterday. Whether as a company or individual, we all have a duty to reinforce our efforts to build a brighter and more sustainable future for all of humanity.

JUE WANG
EXECUTIVE SENIOR VICE PRESIDENT

SUSTAINABILITY AT LEDVANCE

COMPANY PROFILE

LEDVANCE is a world leader in innovative lighting products and intelligent, connected lighting solutions. Based on our in-depth understanding of the general illumination market, trending technologies and evolving needs, we support the specific and individual demands of both direct and indirect customers.



LEDVANCE

POWER THROUGH LIGHT

LEDVANCE is one of the world’s leading providers of general lighting and has an innovative and comprehensive portfolio of luminaires, advanced LED lamps, intelligent and networked products and solutions in the areas of SMART Home and SMART Building, as well as traditional light sources. In addition to this, the company is working to leverage its existing market presence and supply chain expertise to expand its existing portfolio to include products from the renewable energy sector. The graphic below explains our brand structure.

CORPORATE BRAND



PRODUCT BRANDS



TECHNOLOGY & FEATURE BRANDS



TRADITION MEETS INNOVATION

The name LEDVANCE refers to the LEDVANCE GmbH and its affiliated companies and subsidiaries. They are all covered by the policies and actions described in this Sustainability Report, however, in terms of the respective figures, with sometimes limited scope of coverage. Due to the unstable conditions in Russia and Ukraine, these regions are generally not represented. Moreover, the report also encompasses LEDVANCE's full value chain, including all upstream and downstream activities, impacts, risks and opportunities. We aim to increase the depth of that information over the coming years.

Having emerged from the general lighting business of OSRAM, LEDVANCE is now part of the Chinese group MLS Co Ltd, which is one of the world's largest producers of LED packages and indirectly holds 100% of the shares in LEDVANCE. LEDVANCE constitutes a subgroup within the MLS Group. Through this partnership, along with LEDVANCE's rich history, we combine our traditional general illumination expertise with modern, groundbreaking lighting technologies.

The LEDVANCE Group comprises LEDVANCE GmbH, based in Garching, Germany, as the parent company and, as of 31 December 2023, holds direct or indirect equity interests in 55 subsidiaries (December 31, 2022: 55), associated companies/joint ventures and other investments.

As of December 31, 2023, the LEDVANCE Group had 2,718 employees (HC, Headcount), which corresponds to a decrease of 484 HC compared to December 31, 2022 (3,202 HC). This decrease can be explained by the sale of the production site in Smolensk, Russia, which, despite us hiring new employees, still resulted in an overall reduction in employee numbers.

REDEFINING THE ROLE OF LIGHT IN A CONNECTED WORLD

LEDVANCE is a global company with business relations in about 130 countries and sales offices in over 50 countries. As of 2023, we generated the majority (43.4 percent) of our revenue in the Western European region, 31.5 percent in Emerging Markets and 23.3 percent in the US and Canada. Our existing traditional product business will be supplemented by an increase in project business in the future.

Our central administrative functions are carried out at our headquarters in Garching near Munich, in Germany. Our innovation and design activities are steered from our Global Innovation & Strategy Center in Germany and complemented by our Smart Home Innovation Center in the US, along with our Global Innovation & Execution Center in China. In addition to the above China-based business activities, other operational functions (China Operations Regional Excellence/C.O.R.E.) such as significant elements of purchasing, logistics and packaging management are also currently bundled at the Chinese LEDVANCE site in Shenzhen, giving them the advantage of being geographically close to the relevant procurement markets.

The operational implementation of our business model is generally carried out via regional organizational structures:

- Europe West
- Emerging Markets (Asia/Pacific, Middle East and Africa, Europe East and Latin America)
- USA and Canada

Business decisions are made on a decentralized basis by the three sales regions. Thanks to this structure, decisions can be made and implemented quickly and in line with local markets.

Whether in our Head Office in Garching, or in our various subsidiaries around the world, we remain committed to acting responsibly toward our customers, employees, business partners, society and the environment. Since 2023, our LEDVANCE DNA has been guided by our new brand promise of ‘enabling people to harness the power of light’.

VISION REAPS BENEFITS

Our vision is reflected in our industry-leading work on Human Centric Lighting (HCL), for which we were the first company to receive certification from the VDE, the renowned testing and certification institute. In 2020, we won the German Innovation Award for our BIOLUX Human Centric Lighting System. In fact, we have won various awards in recent years, including the German Design Award in 2019 and the German Innovation Award in both 2020 and 2021.

Our success is built on three core values that epitomize our mindset and behavior in everything we do:

Breaking new ground

We are fast innovators in a dramatically evolving market environment and have the courage to take calculated risks.

Striving for excellence

Our focus on quality in everything we do is what differentiates us from the competition – from our R&D right up to the way we engage with our customers.

Winning together

We work as a team, across the various LEDVANCE departments, and in close collaboration with our partners and customers. We believe that in today’s lighting industry, only those companies with the best ecosystems and team spirit can thrive.

OUR BRAND MODEL

POWER THROUGH LIGHT



Mission

Enabling people to harness the power of light



Positioning

For those who are passionate about harnessing the power of light, we craft intelligent and efficient lighting and energy solutions for a greener planet and a better life.



Values

Striving for Excellence
Breaking New Ground
Winning Together

**OUR VISION:
ENABLING PEOPLE TO
HARNESS THE POWER
OF LIGHT**



SUSTAINABILITY AS A KEY COMPONENT OF OUR CORPORATE STRATEGY



In recent years, LEDVANCE has successfully implemented its transformation program to become a leading full-service provider for LED-based general lighting. The progress triggered by the program, particularly in the areas of portfolio restructuring and realignment of the value creation and organizational structure, as well as our fundamental orientation toward sustainability, represent important pillars for our future strategic direction.

LEDVANCE not only wants to be active on the market as a traditional provider of modern and efficient lighting solutions, but also aims to exploit the full power of light in the future. As already mentioned, we are currently working on expanding our portfolio to reflect changing market needs and priorities. True to our new corporate vision,

“Power through light”, we will increasingly support our customers in utilizing the full power of light – both as a means of lighting and for generating electricity.

In the future, not only modern and efficient lighting systems – but also solutions from the fields of renewable energy generation and energy management – are destined to create better living and working environments for our customers. Efficient energy solutions are bound to lead to both cost and energy savings, thereby making a contribution to the environment and society and further expanding LEDVANCE’s sustainable basic orientation.

This explains why we regard sustainability as a major pillar of our strategic development. In recent years, LEDVANCE has expanded its sustainability structures and integrated further sustainability-oriented elements into its corporate strategy. As Jue Wang, LEDVANCE’s Executive Senior Vice President, already outlined in the foreword to this report, the term “loop” plays a central role in this.

“LEDVANCE LOOP” encapsulates two concepts: our strive for constant change and our aspiration to make a contribution to sustainability. In 2023, we moved into our new office complex, LEDVANCE LOOP, at the company headquarters in Garching. The new premises, with their underlying spatial concept, are designed to not only enhance collaboration and

team spirit, but also to heighten awareness of sustainability within the company, also among guests, thereby promoting dialog.

LEDVANCE LOOP also stands for the sustainable design of products and is the umbrella term for the company’s new sub-brand. With the EVERLOOP concept, we developed a luminaire in which the LED modules and drivers are replaceable. This way, LED luminaires not only save energy, but also help to reduce waste, bringing us ever closer to achieving a circular economy. NATURELOOP, our other new product range, allows us to reuse resources, such as plastic, thereby increasing the proportion of recycled materials used in the products’ production.

In order to increasingly incorporate the concerns and ideas of our employees into the company’s strategic decision-making and sustainability activities, LEDVANCE has committed to conducting regular employee surveys. The findings from the employee survey, carried out over the course of the 2023 financial year, will be reflected in the company’s future path and development.

Through customer proximity, a lean organization and the strategic orientation described above, LEDVANCE aims to offer technologically leading products at competitive prices, thereby generating long-term profitability and sales growth, while having a positive impact on the environment and society.

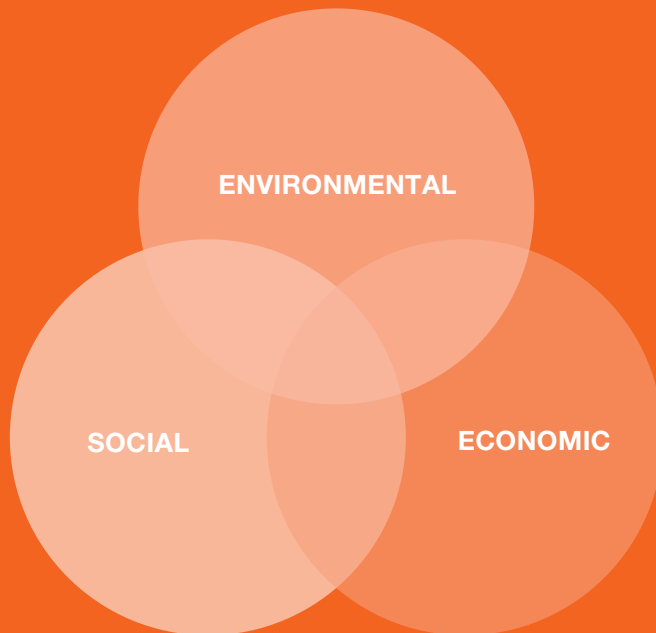
SUSTAINABILITY AT LEDVANCE...



...is not just a goal, but a continuous path. It is about more than just being environmentally conscious; we want to reduce our carbon footprint, create collaborative spaces and promote ethical business conduct.

OUR THREE PILLARS OF CORPORATE RESPONSIBILITY

LEDVANCE is a proud signatory of the United Nations (UN) Global Compact. As part of a network of nearly 10,000 companies, we support the UN Global Compact’s 10 principles on human rights, labor, the environment and anti-corruption. We are committed to incorporating the UN Global Compact and its principles into the strategy, culture and day-to-day operations of our company.



Safety, sustainability and good business ethics lie at the heart of our commitment to security and the environment, along with health and social responsibility in the workplace. Our three pillars of Corporate Social Responsibility are:

Social

The observance of fair working conditions and safety standards is the primary focus of LEDVANCE’s social commitment. The continuous development and support of our diverse, talented employees is also of great strategic importance and critical to the success of our company.

Environmental

Environmental management at LEDVANCE encompasses the sustainable use of energy, water, waste and chemicals, as well as the monitoring of greenhouse gas emissions (GHG emissions). The environmentally conscious design and recycling of products therefore plays a key role in this field.

Economic

We are committed to sustainability throughout the entire LEDVANCE value chain. Together with our suppliers, we maintain a common value base and comply with statutory regulations. Through our ‘Quality First’ approach, we offer our customers outstanding products, the entire life cycle of which is based on sustainable processes.



ECOVADIS SILVER MEDAL

In 2022 and 2023, we were awarded an EcoVadis Silver Medal for our achievements in Corporate Social Responsibility in the fields of environmental efforts, ethics, labor and human rights, along with sustainable procurement.

SUSTAINABILITY GOVERNANCE

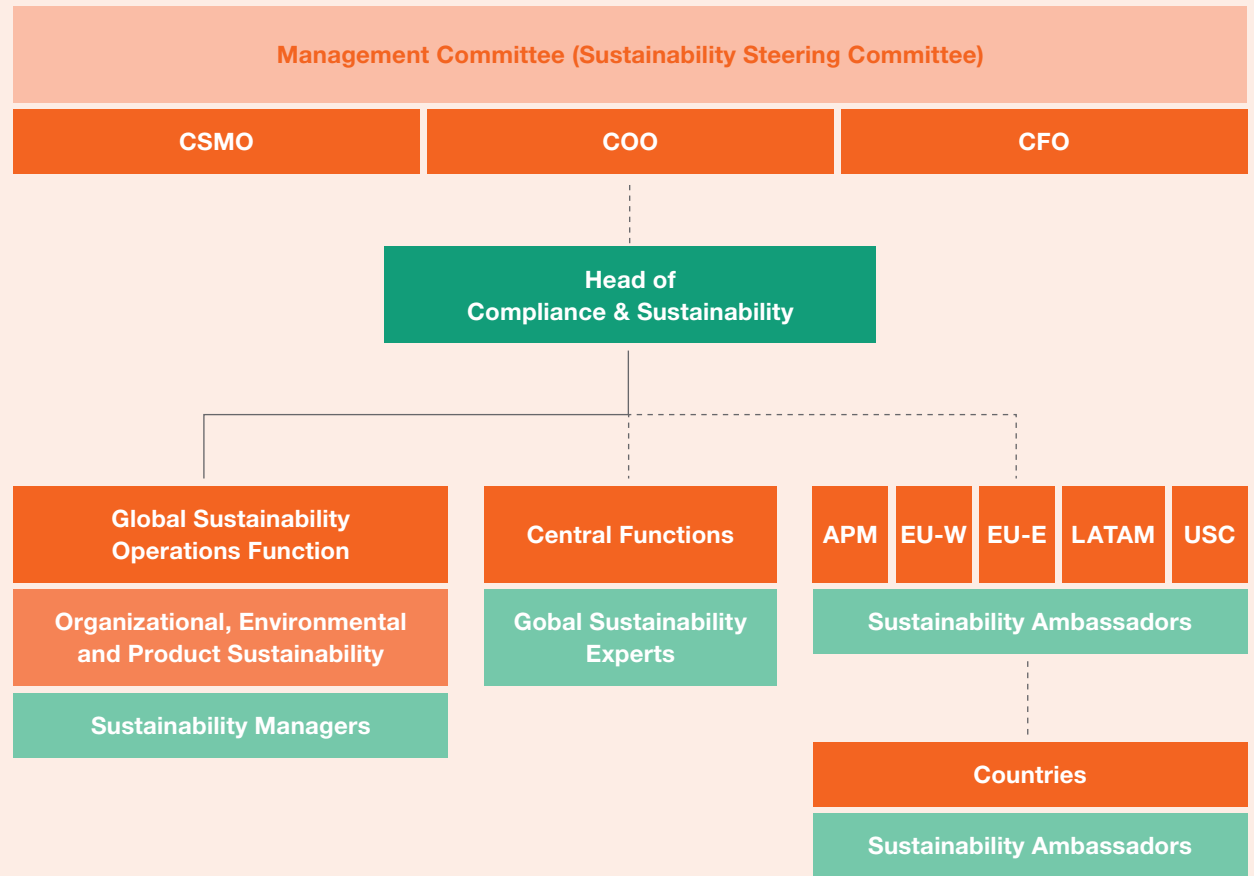
To achieve our sustainability goals, we defined clear guidelines, robust management systems and a dedicated corporate governance structure.

SUSTAINABILITY GOVERNANCE STRUCTURE

Advancing lighting to provide sustainable solutions for the productivity, health and well-being of people everywhere – while acting responsibly towards our customers, employees, business partners, society and the environment – is only possible with effective and efficient governance and management systems in place. This starts by addressing sustainability with a dedicated corporate governance structure, which is why we implemented a new global function, Head of Compliance & Sustainability, at the start of 2022 and began to build up a global Sustainability team.

To be able to consistently pursue our Sustainability Strategy and the demands derived from it, clear roles and responsibilities have been created within the company. The overriding responsibility for sustainable, ethical action is borne by our management, which makes key directional decisions and lays down core principles applicable throughout the company. The responsible managers prepare the content of these decisions and control their implementation.

GLOBAL SUSTAINABILITY GOVERNANCE STRUCTURE



Following our two-year experience with this governance approach, we have been working since the beginning of 2024 to embed some of these structures even more effectively into our organisation and existing processes. We will present the result of these changes in our next report.

Day-to-day leadership and oversight rest with the global Sustainability department. This team coordinates activities, sets priorities and leads LEDVANCE’s company-wide efforts to promote sustainability throughout the company. Responsibility for implementation then rests with the functional departments to ensure that sustainability measures are successfully executed.

We are committed to being transparent about our sustainability objectives, activities and performance, and reporting on our sustainability policies, targets and progress. On this basis, we engage with our stakeholders to better understand how we can continuously improve our sustainability performance and contribute to a more sustainable world.

As the graph on the previous page shows, on the LEDVANCE Management Committee level, sustainability is within the responsibility of our Chief Operations Officer (COO). Our Head of Compliance & Sustainability is responsible for the governance of our global sustainability program, driving its implementation and improvements, giving advice and guidance to our Sustainability Experts and Ambassadors, and providing updates and recommendations to the Sustainability Steering Committee.

The Sustainability Steering Committee, which consists of the members of the LEDVANCE Management Committee, is responsible for the company’s overall Sustainability Strategy as well as evaluating its implementation status. A team of Global Sustainability Experts from the central functions, as well as regional and national-level Sustainability Ambassadors, report on a functional level to the Head of Compliance & Sustainability. The Global Sustainability Experts perform sustainability tasks according to allocated responsibilities on a global level, delivering content and KPIs for global topics, while the Sustainability Ambassadors act as local points of contact for sustainability-related topics.

Also reporting to the Head of Compliance & Sustainability is the Global Sustainability department (Sustainability Operations function), covering all sustainability-related tasks, e. g. monitoring legislative developments such as the Corporate Sustainability Reporting Directive (CSRD), the EU Taxonomy and the German Supply Chain Due Diligence

Act. These tasks also include the implementation of sustainability measures along with target-setting, reporting and calculation of the product and organizational environmental footprint, communication and training. The following mapping explains where main aspects of the due diligence process are reflected in this sustainability report.

LOCATING DUE DILIGENCE ELEMENTS IN THE REPORT

Core elements of due diligence	Paragraphs in the sustainability statement
Embedding due diligence in governance, strategy and business model	Sections “Company Profile” and “Sustainability Governance” in chapter “Sustainability at LEDVANCE”
Engaging with affected stakeholders in all key steps of the due diligence	Sections “Sustainability Governance”, “Materiality Assessment” and “Sustainability Strategy” in chapter “Sustainability at LEDVANCE” Several processes mentioned throughout the chapter texts like industry associations, employee engagement, supplier relations and contact channels for customers
Identifying and assessing adverse impacts	Sections “Materiality Assessment” and “Sustainability Strategy” in chapter “Sustainability at LEDVANCE”
Taking actions to address those adverse impacts	Overview of the actions can be found in the chapter texts for each material topic
Tracking the effectiveness of these efforts and communicating	Progress and control mechanism for measures can be found in the chapter texts for each material topic. Quantitative targets are in development.

MANAGEMENT SYSTEMS

Management systems, defining sustainability processes and operational responsibilities, have been established in central areas through the LEDVANCE Management System, in which sustainability management plays an integral part. These management systems complement the sustainability governance structure and form a foundation for how sustainability is approached at LEDVANCE.



LEDVANCE MANAGEMENT SYSTEM

As a global company, we have a special responsibility for long-term global challenges such as demographic change, climate change and diminishing resources. Sustainability is critical to our planet's future; it is also critical to securing our company's future. Therefore, our commitment to being a socially responsible company requires that we meet the demands of commerce in an ecologically and socially sound manner. Consequently, achieving excellence in environmental protection, health management and safety is a high priority for LEDVANCE. A demonstrated commitment will not only increase the competitive advantage of our businesses and lay the foundation for a successful future for our company, but it is also the right thing to do to protect the future of our planet.

Our LEDVANCE Management System Policy (chapter "Governance") was defined by the LEDVANCE Management Board, and is communicated to all our employees and to persons working for or on behalf of our organization. This policy is in line with the following internationally recognized management system standards: ISO 9001 – Quality Management Systems, ISO 14001 – Environmental Management Systems and ISO 45001 – Occupational Health and Safety Management.

AUDITS

We regularly monitor our environmental management and have external audits carried out to review progress in environmental protection, and ensure that Environmental Protection, Health Management and Safety (EHS) guidelines are being followed. This monitoring and these audits are analyzed by our EHS department. We use the results to ensure that all relevant legal and other requirements are met, and to find innovative ways to improve environmental protection at LEDVANCE.



For LEDVANCE, assuming social and corporate responsibility means protecting the environment, ensuring occupational health and safety, and preserving natural resources. We therefore set up a corporate EHS Policy and guidelines to integrate these issues into the overall management on a corporate-wide level, while also regularly conducting EHS walks in several locations.

ISO 9001

All our main sites are certified according to ISO 9001, the international standard that specifies requirements for a Quality Management System (QMS). It is used to demonstrate the ability to consistently provide products and services that meet customer and regulatory requirements.

ISO 14001

All our main sites are certified according to ISO 14001, the international standard that specifies requirements for an Environmental Management System (EMS) that enables an organization to improve its environmental performance, meet legal and other obligations, and achieve environmental goals.

ISO 45001

All our sites internally comply with ISO 45001, the international standard that specifies requirements for the Occupational Health and Safety Management System (OH&S). This standard gives guidance on how to provide safe and healthy workplaces by preventing work-related injuries and ill health, as well as by proactively improving the Occupational Health and Safety Management System.

MATERIALITY ASSESSMENT

In a far-reaching analysis, we identified our most important impacts, risks and opportunities so that we can address them strategically in the long term – in addition to the approaches we have already developed over the years. This ongoing process and two-way communication with our most important stakeholders open up important opportunities for us to continuously improve and meet the expectations placed on us as a sustainable organization.

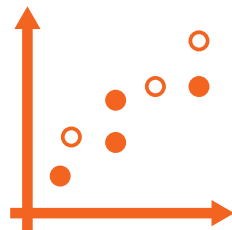
PROCESS AND MATERIAL TOPICS

Credibility, transparency and robust reporting across the entire value chain are essential to the future of any genuinely sustainable business. This includes addressing climate change, pollution and the loss of biodiversity, as well as safeguarding and improving the lives of our employees, those involved in our supply chain, and all the people around the world who use our products and services.

The foundation of our reporting process consists of a comprehensive context and benchmark analysis that we conducted to better understand business impacts, risks and opportunities with a focus on sustainability. The selection and prioritization of topics for LEDVANCE as part of our

materiality analysis sets the focus for our Sustainability Strategy and management.

The assessment of external factors was completed by also looking at our internal responses, including an in-depth status quo analysis of relevant management approaches already in place at LEDVANCE. LEDVANCE staff were involved through workshops and interviews. This allowed us to review our existing policies, consolidating them into our global Sustainability Guideline.



1. Identify and prioritize the key issues

A long list of topics was prepared. LEDVANCE staff discussed and prioritized the topics in a series of workshops and interviews.

2. Context and benchmark analysis

The context and benchmark analysis was used to supplement the list of topics by providing an additional external perspective. This extensive analysis applied another four-step methodology:

2.1. Create topic clusters

Topic clusters were created based on the sustainability reporting requirements of the Institute for Ecological Economy Research (IÖW) and the business initiative future e.V. – verantwortung unternehmen.

2.2. Align with standards and frameworks

The adapted topics were cross-checked and expanded with applicable standards and frameworks (GRI, UN Global Compact and EcoVadis).

2.3. Match with industry trends

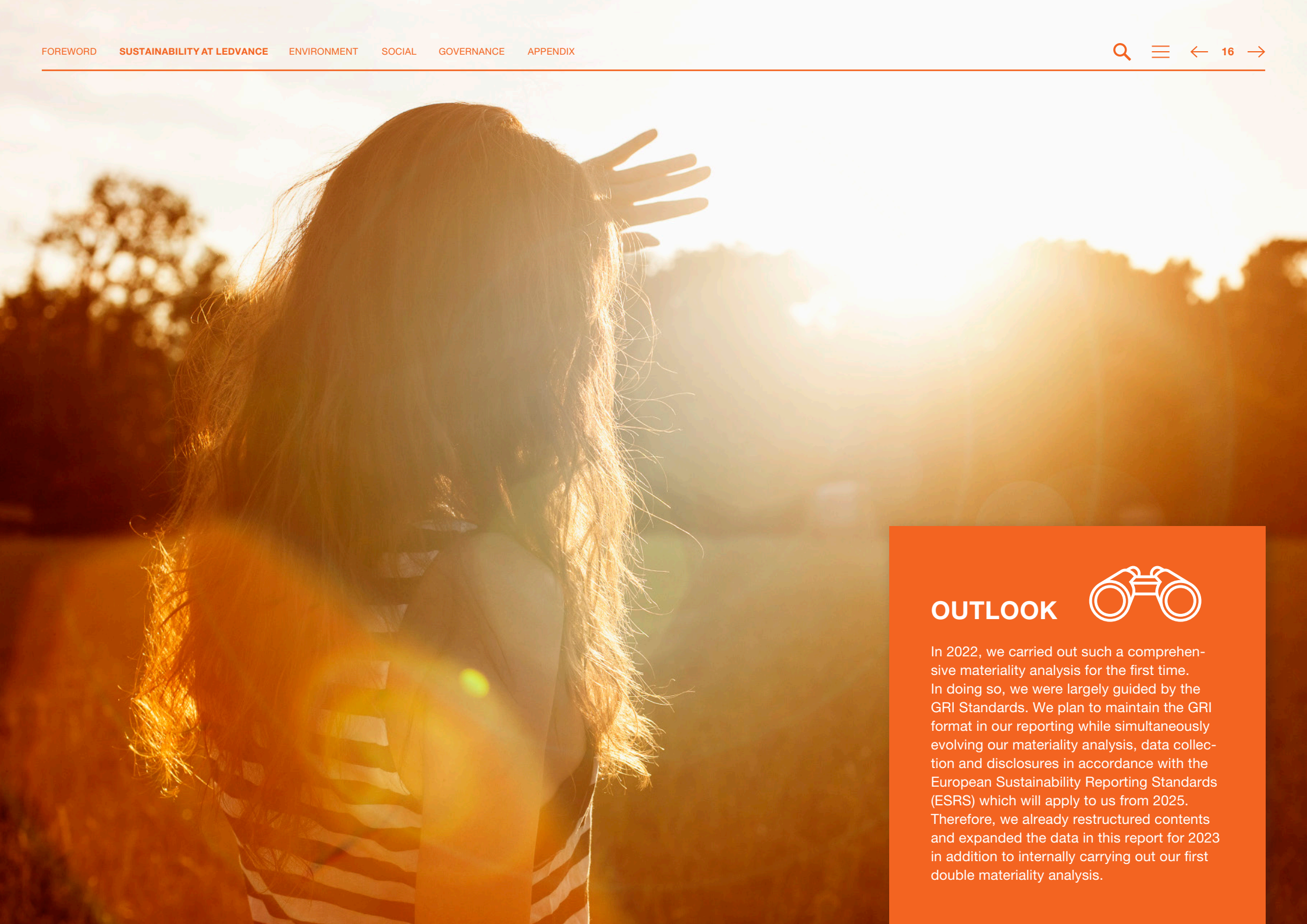
The topics were complemented by current and upcoming trends in the lighting industry.

2.4. Peer group benchmark

The sustainability strategies of our peer group were analyzed based on the sustainability topic clusters from IÖW and future e.V.

3. Final selection

The final material topics were selected by our sustainability experts based on the previous analyses.



OUTLOOK



In 2022, we carried out such a comprehensive materiality analysis for the first time. In doing so, we were largely guided by the GRI Standards. We plan to maintain the GRI format in our reporting while simultaneously evolving our materiality analysis, data collection and disclosures in accordance with the European Sustainability Reporting Standards (ESRS) which will apply to us from 2025. Therefore, we already restructured contents and expanded the data in this report for 2023 in addition to internally carrying out our first double materiality analysis.



HOW OUR MATERIAL TOPICS CONTRIBUTE TO THE SDGS

Governance & Compliance

- Business Ethics & Compliance
- Cybersecurity & Data Privacy



Environmental Responsibility at Sites (Offices, Distribution Centers, Warehouses)

- Climate Action



Supply Chain Responsibility

- Human Rights in the Supply Chain
- Environmental Impacts along the Supply Chain



Responsibility for Employees

- Working Conditions
- Training & Education
- Diversity & Inclusion
- Employee Health, Safety & Well-being
- Employee Satisfaction & Engagement



Product Responsibility

- Sustainable and Circular Product Design including End-of-life
- Product Safety
- Responsible Packaging



Social Responsibility

- Community & Stakeholder Relations

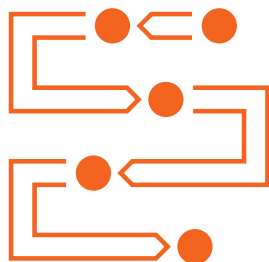


SUSTAINABILITY STRATEGY

Our LEDVANCE Sustainability Strategy helps us build the strong foundations we need to achieve our vision and strategic goals. Through a thorough development process, we were able to identify and develop five strategic elements that form the strategy’s backbone.

DEVELOPMENT PROCESS

Our Sustainability Strategy is designed to support our vision of being a leader in sustainable lighting solutions in the interests of everyone’s productivity, health and well-being. We developed this strategy in 2022 when we also prepared our first Sustainability Report. The strategy was therefore strongly influenced and shaped by our assessment of materiality. We firmly embedded it in existing and new sustainability management structures.



Each year, we strive to make progress in all core strategic areas so that our strongest environmental, social and ethical impacts are automatically addressed, as are the associated risks and opportunities.

As part of this strategy and reporting process, we ultimately identified key measures for five strategic elements which form a path towards a more sustainable future. Whenever necessary, we will update this strategy so that it always reflects our impact, our business model and the factors that influence us.

LEDVANCE SUSTAINABILITY STRATEGY

Our Sustainability Strategy evolves around five strategic elements which are aligned with our company vision and based on the material topics. Together, they form our short-to-medium term orientation points, and are:

- 1. Product Design**
- 2. Supply Chain & Own Operations**
- 3. Employees**
- 4. Digital Responsibility**
- 5. Sustainability Communication**

The current focus is on building a strong foundation and data basis as well as aligning LEDVANCE with external frameworks to take well-informed decisions in line with

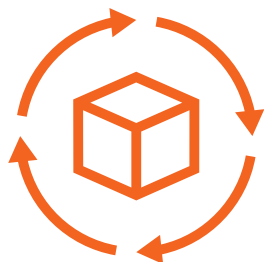
what is needed from a sustainability perspective and what is currently possible from a LEDVANCE perspective. The strategy does not yet include quantitative targets as we are still evaluating a range of options in each area. Step by step, we are approaching the goal of determining how we envision sustainability at LEDVANCE in the future. Our ambition is high, and our Sustainability Strategy is another important step on this journey.

PRODUCT DESIGN

We are gearing product development towards sustainability by expanding the share of sustainable products in our portfolio that contribute to all three levels of the ‘triple impact’: energy and cost efficiency, health and well-being, and circularity. The transition to a net-zero economy is the critical challenge of our times and we are therefore also committed to taking action to tackle climate change. We aim to protect ecosystems by trying to avoid or minimize the loss of biodiversity. Furthermore, we aim to achieve circular solutions for our products whenever possible and we always endeavor to use materials in the most efficient way. Additionally, we try to provide our customers with information on product sustainability that is as standardized, comparable and relevant as possible.

SUPPLY CHAIN AND OWN OPERATIONS

Our Sustainability Strategy aims to embed sustainability in the supply chain and our own operations from the very beginning right up until the end of the product lifecycle. This will enable us to reduce greenhouse gas emissions in the supply chain and our own operations, while increasing our use of smart and environmentally friendly packaging, speeding up the switch to decarbonized and the most efficient modes of transport and logistics, and expanding the number of products reused and recycled.



We are building up a comprehensive management approach to identify, monitor and reduce environmental and human rights impacts along the supply chain and in our own operations with the goal of minimizing risks and maximizing our positive impact. We are consolidating and expanding measures, such as the implementation of due diligence requirements, measuring and improving supplier performance, and adhering to norms and initiatives, e.g. the Responsible Minerals Initiative (RMI). Moreover, we are a full member of the amfori association that enables us to join forces and share resources within the network to improve the resilience and sustainability of our global sourcing strategy. Based on a systematic assessment of hotspots, strategic priorities will be defined.

We aim to be compliant with the most advanced legislation when it comes to managing social and environmental risks in the supply chain. Following our production outsourcing, we realized that close and transparent management

of the supply chain is crucial. In 2022, LEDVANCE joined the SBTi (Science Based Targets initiative) and committed to setting near-term, company-wide emissions reduction targets in line with climate science. Due to new regulatory requirements that have strained our resources, we have had to pause this project for the time being. However, this does not mean that we halted any of our ongoing efforts to tackle climate change. We hope to be able to resume this project soon.

EMPLOYEES

We want to ensure that LEDVANCE is a great place to work for all. This starts by ensuring that employees with the same experience and qualifications have the same career opportunities, irrespective of their personal background, gender, or nationality. A diverse workforce promotes innovation in all areas of the company. Diversity enhances creativity, productivity and value everywhere – through new sales channels, optimized internal processes and technological developments. We endeavor to encourage entrepreneurship by creating a working environment that motivates high performance and helps to find a balance between work and family life, so that all employees can positively contribute to the strategy, vision, goals and values of LEDVANCE.



We have implemented a new company-wide employee survey to globally measure overall contentment and give our employees an avenue for suggestions to ensure high

levels of satisfaction and well-being. There are also various other initiatives being developed and implemented to create a culture of equal opportunities for all employees, for example through targeted learning and development offers, ensuring a diverse and inclusive workforce and making LEDVANCE a safe place to work for all.

DIGITAL RESPONSIBILITY

Digital responsibility is growing in importance on many levels. Sensitive personal data of employees and customers are now managed digitally, for example via LEDVANCE's products of the future (smart and HCL lighting solutions) that also process the personal data of users. LEDVANCE is fully aware of the growing importance of data security and therefore defines digital responsibility as a strategic focus. Our vision is to manage data privacy and cybersecurity in a holistic manner, raising internal awareness and training staff so that they are empowered to enforce the digital responsibility of LEDVANCE in their daily operations and decision-making regarding data protection and cybersecurity.



SUSTAINABILITY COMMUNICATION

Our goal is to become widely recognized as a sustainable company. To achieve this, we will work on topics like visual identity, labelling and the communication channel mix, and ultimately, providing a Sustainability Report on a regular basis.

SUSTAINABILITY MANAGEMENT

Finally, sustainability management constitutes the cornerstone of the LEDVANCE Sustainability Strategy. We want to make sustainability a key principle across all our corporate decisions.

To fulfill the vision and strategic goals we have set, we are building strong foundations that include company-wide policies and management systems, as well as comprehensive KPI monitoring and reporting. LEDVANCE's commitment to our global Sustainability Guideline, along with robust executing, monitoring & reporting, adherence to business ethics, and the Sustainability Strategy itself, will enable us to implement the strategy and advance our sustainability ambitions.



STAKEHOLDER DIALOGUE AND RELATIONS

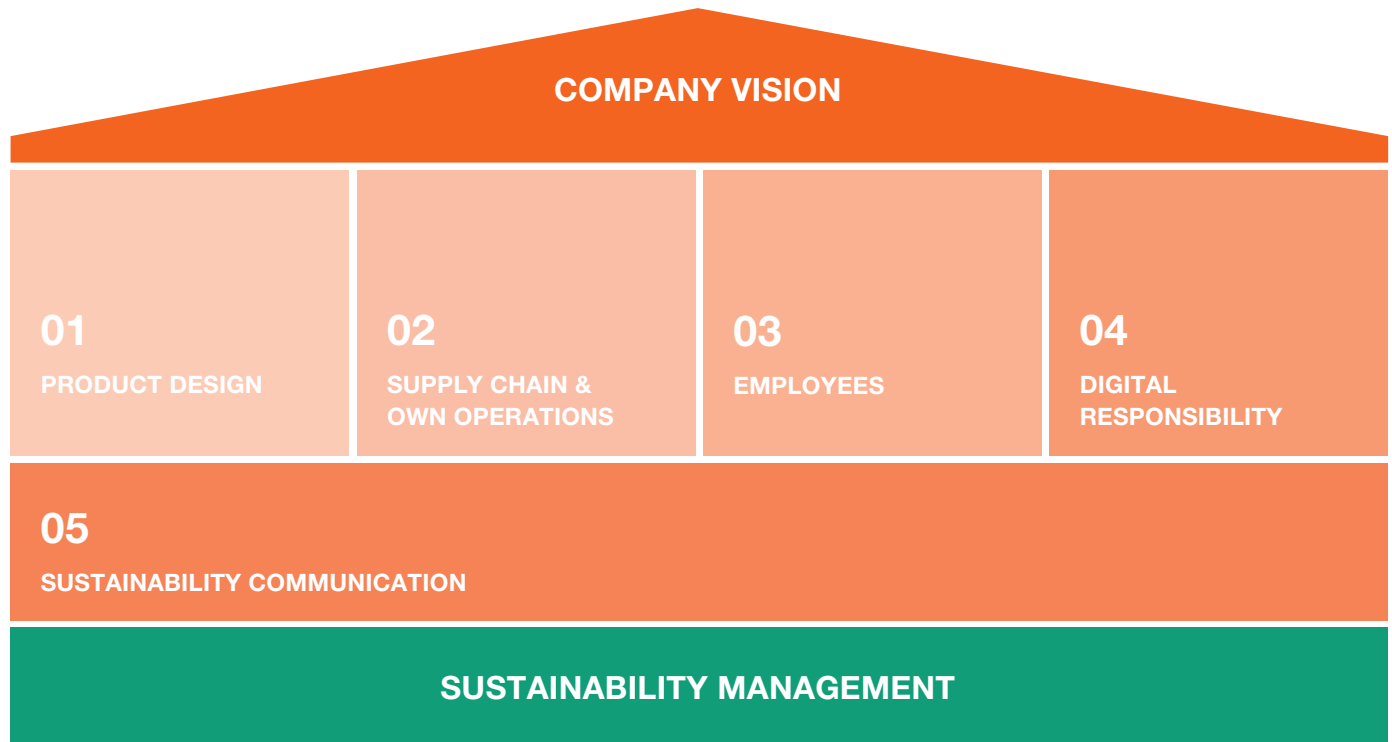
To understand and develop LEDVANCE's strategy and ultimate contribution to sustainable development, our Sustainability department plays a central interface role in the communication with our stakeholders. Through various channels, we identify the requirements that are addressed to LEDVANCE by different groups. These include the perspectives of employees and their representatives, manag-

ers, customers, job applicants, the media as agents of the public, and other interest groups. The issues surrounding sustainable, responsible business management are assuming greater importance in this dialogue. This is particularly evident in the enquiries we receive from customers. We aim to address these concerns through this Sustainability Report along with our participation in rating systems.

We communicate with our customers and business partners using a combination of meetings, trade fairs, marketing material and press releases. We connect regularly and

proactively with our employees through internal updates in the form of CEO letters, the intranet, posters, townhall meetings and webcasts. Moreover, we conducted our first global employee survey in 2023 which will be regularly repeated from now on. We communicate with our suppliers through our Code of Conduct, along with supplier audits and training. Workers in our value chain can reach out to us via online channels or our Whistleblower hotline. Membership of a range of industry associations around the world helps us manage our interaction with government and civil society.

ELEMENTS OF OUR SUSTAINABILITY STRATEGY



ENVIRONMENT

EU TAXONOMY

As part of our sustainability efforts and legal obligations, we are addressing the EU taxonomy, which provides us with a standardized understanding of ‘sustainable products and activities’. The Taxonomy Regulation (EU) 2020/852 forms the basis for the EU taxonomy by setting out three conditions that must be met in order to classify an economic activity as sustainable.

a) The economic activity makes a significant contribution to one or more of the six environmental objectives set out in (EU) 2020/852:

1. mitigation of climate change
2. adaptation to climate change
3. sustainable use and protection of water and marine resources
4. transition to a circular economy
5. pollution abatement and prevention
6. protection and restoration of biodiversity and ecosystems

The technical screening criteria must also be met.

b) An economic activity is only considered sustainable if it makes a significant contribution to at least one environmental objective, while not significantly harming any of the other objectives (“Do No Significant Harm”, DNSH).

c) To be considered sustainable, an economic activity must fulfil minimum social objectives (Minimum Social Safeguards).

On the basis of this regulation, the EU Commission issued delegated acts to define the technical screening criteria and the publication methodology. These form the basis of our assessment and publication.

LEDVANCE launched a project in the 2023 financial year to introduce the taxonomy requirements across the Group. A project team was set up to determine the environmentally sustainable revenue, capital expenditures (CapEx) and

operating expenses (OpEx) in relation to the taxonomy-eligible Group activities with the involvement of the relevant specialist departments. In a first step, the business activities were assessed individually and the respective criteria were analyzed by the IT tools established by the EU Commission (“Taxonomy Compass”). Based on this analysis, the taxonomy capability was then analyzed at Group level. Business activities that are linked to the value creation process at LEDVANCE were identified, as well as activities that are directly related to the revenue generated by LEDVANCE or activities that relate to individual CapEx or OpEx measures.

Data on environmental targets are expected to be collected for the first time in the 2024 financial year, in addition to the required data for revenue, CapEx and OpEx. From the 2025 financial year, the EU taxonomy will be legally binding for LEDVANCE for the first time.

THE SIX ENVIRONMENTAL OBJECTIVES

1



Mitigation of climate change

2



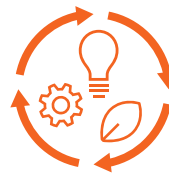
Adaptation to climate change

3



Sustainable use and protection of water and marine resources

4



Transition to a circular economy

5



Pollution abatement and prevention

6



Protection and restoration of biodiversity and ecosystems

CLIMATE ACTION & ENERGY

Climate protection plays a role at various levels. On the one hand, we are working on a holistic climate protection concept at company level, while at the same time we are already implementing progressive measures in many individual areas such as transportation and logistics or product development.

COMBATING CLIMATE CHANGE AT COMPANY LEVEL

We aim to report comprehensively on sustainability issues based on systematic data collection processes. This is facilitated by systemizing and digitizing data collection and (internal) reporting, as well as defining focus processes for the short and medium term. We will implement the Organization Environmental Footprint (OEF) globally to collect data, and will pilot and implement the PEF (Product Environmental Footprint), i.e. PEP Ecopassport for the majority of our products.

The OEF measures the overall environmental performance of an organization across the entire life cycle, taking account of several criteria across the supply chain, from the extraction of raw materials, through production and use, to final waste management.

The methodology to measure our OEF is aligned with the Global Reporting Initiative (GRI) standards which we use as our reporting framework until we transition to an ESRS report in 2025/2026. The GRI standards allow an organiza-

tion to report information in a way that covers all its most significant impacts on the economy, environment and people. Transparent reporting has a beneficial impact on our internal processes, as well as a positive knock-on effect on our partners, clients, suppliers and other stakeholders.

Against this backdrop, we have disclosed information to CDP. CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to help them manage and mitigate their environmental impacts. LEDVANCE has participated in the CDP and disclosed its data since 2018, which includes reporting our CO₂e emissions and accounting for our direct operations in China, France, Germany, Mexico, Russia and the United States. In 2022, we achieved a score of 'C' for our report on Scope 1 and Scope 2 emissions, which included all our offices around the world. For 2023, we are still waiting for the assessment results, which will then be published on our website.

We are committed to setting CO₂ reduction targets as soon as reliable global data is available via our new ESG reporting tool. Several of the production facilities with high CO₂ emissions in the prior year's CDP report were closed

in the meantime, therefore accounting for some achieved emission reductions. Further reductions were attributable to ongoing energy efficiency measures and lighting improvements.

In addition, we boost transparency by participating in EcoVadis assessments. EcoVadis is one of the world's largest and most trusted providers of business sustainability ratings. Its ratings are based on an advanced technology platform backed by a global team of experts and depend on a system of scorecards to assess a company's sustainability performance in four key fields – environment, labor and human rights, ethics, and sustainable procurement. LEDVANCE was awarded an EcoVadis Silver Medal in 2022 and 2023 for its achievements in Corporate Social Responsibility in these four fields.

We aim to develop targets and a roadmap to reach net-zero operations by establishing company-wide, science-based targets and by setting up company-wide GHG accounting and monitoring. In 2022, we joined the Science Based Targets initiative (SBTi) along with more than 4,000 businesses around the world. As mentioned before, we have had to pause this project for the time being. However, this

does not mean that we halted any of our ongoing efforts to tackle climate change.

LEDVANCE emitted 2,257 t CO₂eq in Scope 1¹, 1,895 t CO₂eq in Scope 2¹ (location based calculation), and 41,225 t CO₂eq in Scope 3 in 2023. Scope 3 emissions cover categories with current data availability such as transport and distribution or purchased goods. This is shown in detail in our indicator table in the appendix. We work intensively on a complete emissions inventory in accordance with the Greenhouse Gas Protocol.

Our total energy consumption is 17,189 MWh, 7,261 MWh of which is through electricity¹ in addition to 1,994 MWh heating energy¹ (electricity), 7,558 MWh through natural gas¹, 361 MWh through district heating¹, and 16 MWh through heating oil¹. Our water consumption¹ is 27,944 m³. Our emissions and consumptions have dropped significantly since we sold our last production plant in 2022. Monitoring and further reducing our own impact and that of our value chain is now our main focal point.

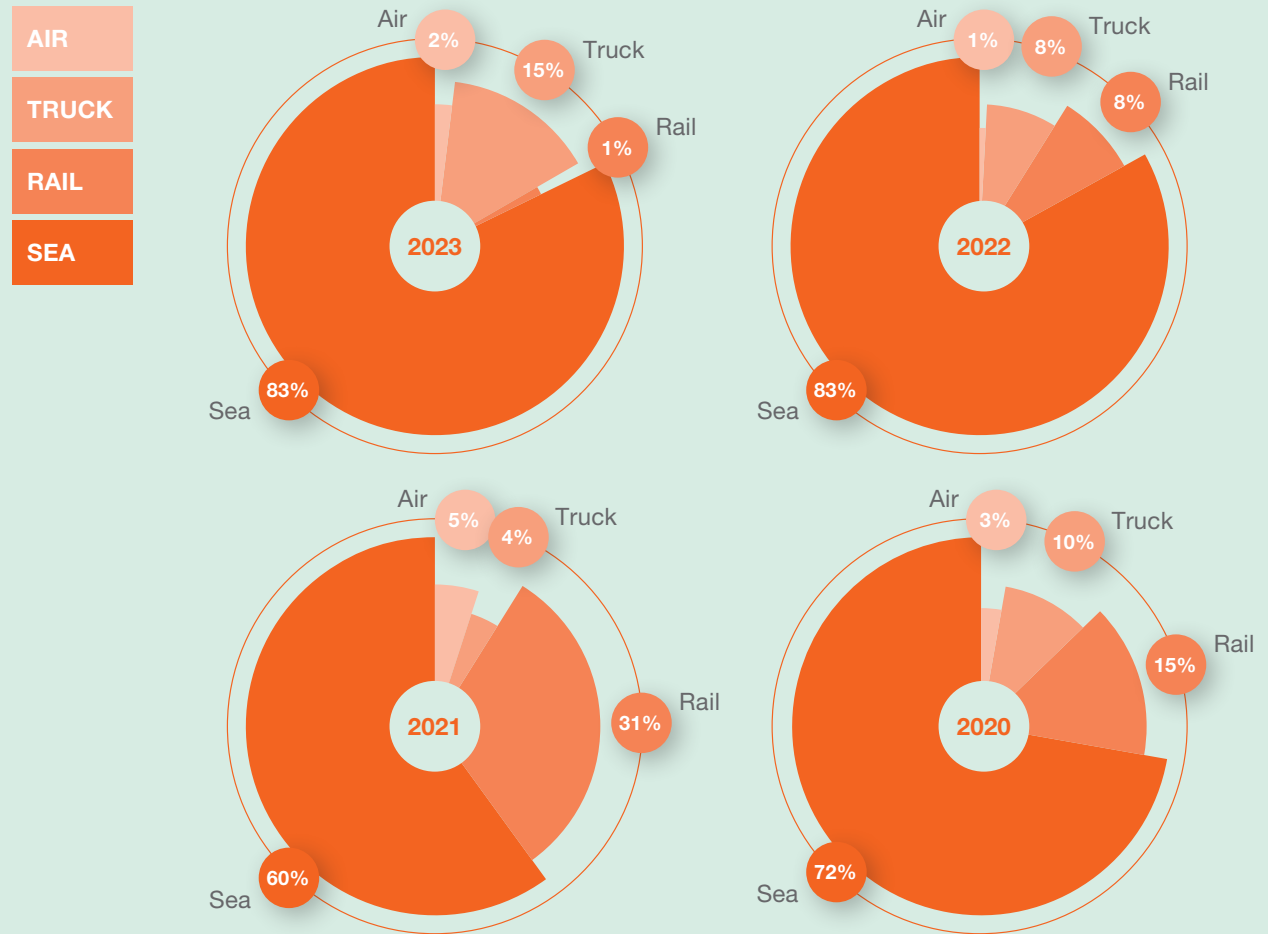
TRANSPORT AND DISTRIBUTION

Due to the combustion of fossil fuels, transport creates a significant amount of air pollution through the emission of nitrous oxides, particulates and carbon dioxide, contributing to climate change and impacting human health. Transportation also causes noise pollution, water pollution and impacts ecosystems both directly and indirectly. A global as well as local approach needs to be taken when it comes to transport logistics.

¹ Due to limited data availability some of our figures do not represent all our operations and subsidiaries. We use the percentage of covered employees as conversion key. Scope 1 covers emissions by fuel consumption representing 74% of our employees (1,014 t CO₂eq) and emissions from company cars in Germany, the USA, Canada and France representing 38% (1,243 t CO₂eq). Scope 2 represents 85% of our employees. Electricity covers 88% of our employees. Heating, gas, district heating and oil represent 74% of our employees. Water covers subsidiaries representing 76% of our employees.

INVESTING IN LESS GHG-INTENSIVE INBOUND TRANSPORTATION MODES

SHARE OF TRANSPORT INVESTMENTS (EUROPE)



Due to the rounding of figures, the totals do not always add up to exactly 100%. The visualization is for better understanding and is not exactly proportional to the actual values.



We use a blend of distribution between our own operations and our supply chain throughout the product life cycle. Sourcing raw materials, production, packaging, transport as well as end-of-life and recycling are performed by external partners, while distribution is performed through both our own operations and our supply chain in the form of our own distribution centers and centers run by external providers.

At LEDVANCE, our regional organizations go beyond sales markets to optimize trading routes. Logistics is currently optimized based on a cost-saving approach and most measures can also be translated into ecological benefits. For example, targets are traditionally driven by the ambition to save costs. This often goes together with saving carbon emissions as well, through saving energy, using greener energy and reducing the distances traveled.

TRANSPORT

LEDVANCE works with a range of transport providers globally, with progress being made to move away from carbon emission-intensive transport modes through several measures that we are currently taking to advance sustainability in transport.

As the combustion of fuel produces carbon emissions, transport logistics is an important factor when it comes to improving our sustainability practices. We record our CO₂ emissions, which improves transparency and provides useful data and benchmarks, so that they can be minimized by making the most efficient use of transport. A CO₂ balance in transport logistics also serves as an instrument for internal management and as a basis for decisions on how to improve existing management systems.

Capacity optimization, the use of intermodal transport and state-of-the-art vehicles (Euro 6) are just three ways in which we can reduce our carbon emissions. Some progress has already been made with inbound transport.

In the United States, LEDVANCE LLC was an early participant in the US Environmental Protection Agency's SmartWay transport partnership. EPA's SmartWay program helps companies advance supply chain sustainability by measuring, benchmarking and improving freight transportation efficiency. LEDVANCE LLC's strong performance in SmartWay reflects the efficiency of the freight carriers hired to move our products and supplies, as well as the internal steps taken to improve the company's transportation and logistics system. These include various measures to evaluate the efficiency and environmental performance of LEDVANCE LLC's freight operations.

LEDVANCE currently uses trucks for all outbound transport, working with DB Schenker as well as local suppliers who are selected based on the maturity of the network (i.e. quality and cost).

DISTRIBUTION

At LEDVANCE, we utilize a mix of our own distribution centers as well as work with a range of selected partner centers worldwide. Progress has been made in reducing the total distances traveled by locating our distribution centers more strategically.

In Europe, we started moving from a single main distribution center model to one with two main distribution centers: one supplying the Western European region and the UK, and another one supplying the East of Europe. The project started in 2022 and is set to be finished in 2024. At the same time, we keep a regional distribution center in Madrid to serve the Iberian area. It has enabled us to move from one inbound stream from China to separate inbound streams. Moreover, we are establishing a warehouse in the UK to maintain our direct access to this area after Brexit which should go into operation by the end of 2024. This new network is reducing the distances traveled by an estimated 1,000,000 km per year, resulting in cost efficiencies, increased growth potential in Europe and reduced emissions.

OUR DISTRIBUTION CENTERS AND WAREHOUSES AROUND THE WORLD



PRODUCT DESIGN FOR ENERGY AND COST EFFICIENCY

Through the nature of our business, we are able to have a positive impact on energy efficiency. A large part of the environmental impact of LED products is caused during their use phase, so by improving our products we are continuously helping to reduce our ecological footprint and that of our end users.

As previously mentioned, in the past, the lighting industry has focused on energy efficiency, i.e. transitioning from previous technologies to LED, which has brought about significant improvements in this area.

At LEDVANCE, we are committed to further 'LEDifying' our business by converting our entire portfolio to LED products. In 2017, we largely relied on traditional lamp technology which accounted for 50 percent of our turnover. Our commitment to sustainability, innovation and efficiency enabled us to generate up to 76.5 percent of our turnover with our LED based portfolio in 2023.

The energy efficiencies of LEDification are generated by the fact that today, LEDs are much more sustainable than traditional lightbulbs, as the infographic on the following page shows. Connected systems, relying on smart, wireless technology, are the next frontier for the lighting industry to improve energy and cost efficiency. This 'space efficiency', as it is also known, contributes to a more efficient use of lighting as the infobox on the benefits of smart lighting explains.



BENEFITS OF SMART LIGHTING

ENERGY-SAVING

Daylight harvesting and presence detection for demand-responsive lighting control save energy by only using the light required in addition to the existing daylight. This technology includes daylight sensors and light only being switched on when the room is in use.

SMART LIGHTING PRODUCTS

Our smart product families can transform lighting in any space. General functionalities include motion and daylight sensors, dimmable to use only as much light as is needed; smart wall lights, controllable via an app; and sensors that only turn on light when required. LEDVANCE's current suite of smart lighting products includes SMART+ lamps, luminaires and components (plugs) (B2C); indoor and outdoor sensors (B2C); and our Vivares IoT Light Management System (B2B). Find out more on the LEDVANCE website.²

MATERIAL-SAVING

Through wireless technology, such as the Zigbee standard, Bluetooth or Wi-Fi, we can save on materials, therefore reducing our impact on the environment. We have a wide range of smart products and services, broadly split into two main areas: smart lighting products; and Light Efficiency Consulting.

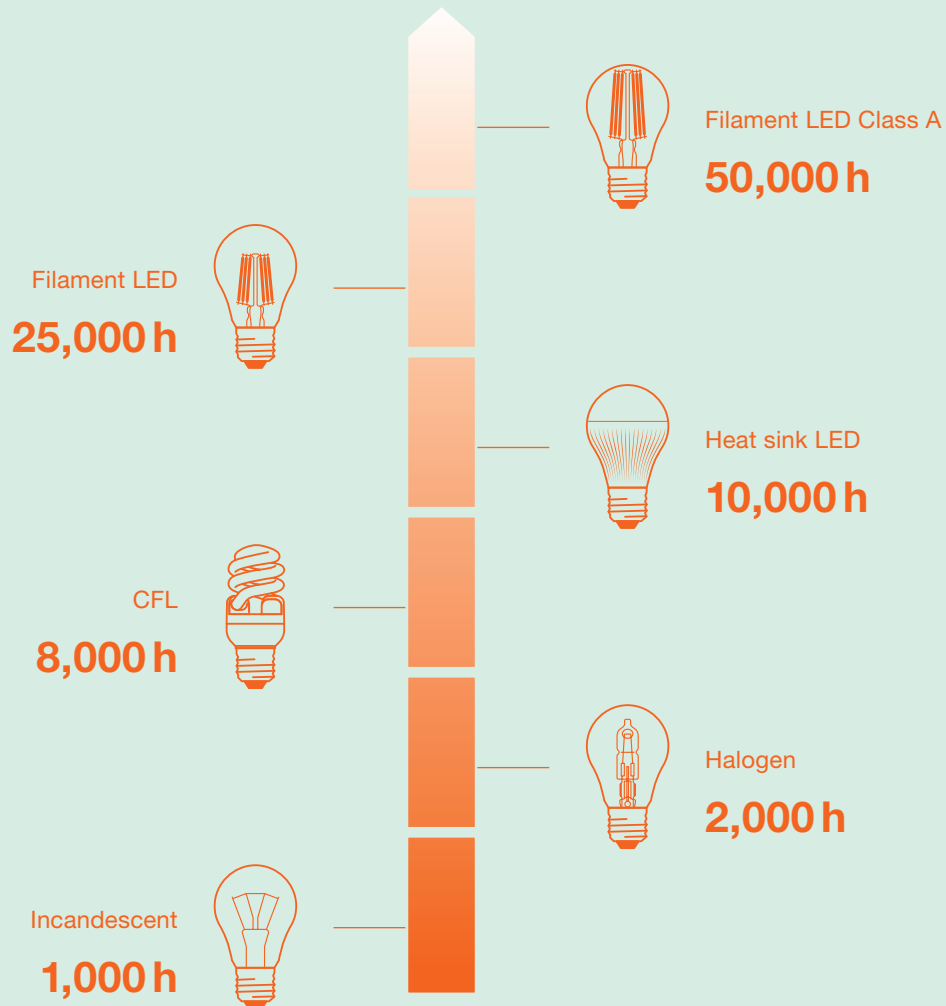
LIGHT EFFICIENCY CONSULTING

Through Light Efficiency Consulting, LEDVANCE is helping residential and professional customers of various sizes (including large B2B projects) transition from traditional lighting to LED-based lighting. The refurbishment of traditional installations reduces emissions in addition to a decrease in maintenance work and costs.

² www.ledvance.com/consumer/smart

ENERGY EFFICIENCY

DUE TO VARIOUS OPTIMIZATION MEASURES, LEDVANCE LEDS MEET ENERGY CLASS A AND ARE THUS AMONG THE MOST ENERGY-EFFICIENT.

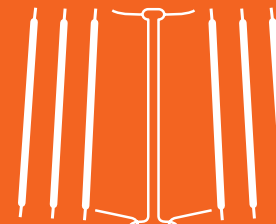


FILAMENT LED CLASS A



Increasing the optical efficiency

Clear glass:	Frosted glass:
97–99%	95%



High thermal efficiency thanks to optimized thermal design



Increasing the light efficiency of the LED filaments

240 lm/W



Increasing the efficiency of the driver to

89%
(Standard 80–85%)



POLLUTION & SUBSTANCES OF CONCERN

At LEDVANCE, we firmly believe that it is our responsibility to manage the environmental impacts along our supply chain. This includes especially pollution of air, soil, water and the ecosystem in addition to substances of concern. Having already implemented several measures, we are on a journey towards a more holistic management of our own operations and supply chain.

We have established and are currently implementing several management systems and frameworks to oversee and reduce our impact on the environment. As already described before, these include a global integrated management system that also covers environmental and quality management systems. Externally, these include ISO 14001 in which all our main sites are certified.



In 2022, all our production was outsourced. All our suppliers must sign our Supplier Code of Conduct to ensure they

are aware of the standards required. We want to ensure that important areas are carefully monitored and managed along the LEDVANCE supply chain. These include:

- Control and restriction of the use of hazardous substances in our products
- Striving to minimize local and global pollution, to protect water, soil and air as well as manage conflict minerals responsibly
- Focusing on energy-efficient product development, repairability and recyclability to achieve zero-landfill in the future
- Striving to minimize the environmental impacts of our products from cradle to grave

Modern lighting technology consists of highly complex products using different technologies to generate light. Back in 1967, we were one of the first manufacturers to produce lamps without the carcinogenic metal beryllium in phosphor lamps. Since then, we have constantly reduced or eliminated hazardous materials in our products, and we continue to strive for further reduction or elimination throughout our supply chain.

Our products generally do not emit or set free any harmful chemicals into the environment if used correctly. However, in some LEDVANCE products the use of harmful substances is still unavoidable at present. In the last few years, mercury has moved into public focus owing to the discussion on replacing inefficient incandescent lamps with compact fluorescent lamps, which contain minute amounts of mercury. For this group of lamps, using mercury continues to be unmatched for generating energy-efficient lighting. LEDVANCE completely stopped placing products containing mercury on the European market since this was banned in 2023.

In addition to mercury, there are other hazardous substances that are necessary for modern lighting products. To minimize their use, LEDVANCE has compiled an Index List Environment (ILE) which contains substances we prohibit in our products, and substances which we are reducing to the lowest possible levels. To manage the content in our products, we require our suppliers to become thoroughly familiar with our ILE, disclose any relevant substance, and confirm their compliance with all these provisions.

As a matter of course, LEDVANCE complies with regulatory frameworks in all markets. This includes the European directive on restriction of the use of certain hazardous substances in electrical and electronic equipment (RoHS), which aims to reduce the use of hazardous chemicals in the production process. In addition, since our partners import or produce chemicals, LEDVANCE conforms to the framework of the European REACH regulation. This regulation provides for the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH). On top of what is required by law, we not only rely on declarations but demand test reports to assure conformity.

Some of our measures to combat pollution are described in other sections of the Environment chapter like tackling air pollution through transport or microplastics through packaging.

At LEDVANCE, we are acutely aware of the environmental impacts of raw materials and production, resulting in damage to ecosystems, the loss of biodiversity, and carbon emissions which contribute to climate change. We plan to report in more detail on our impact on biodiversity in future reports.



STRIVING FOR CIRCULARITY

Sustainability R&D at LEDVANCE is focused on boosting the circularity of our products and mitigating their environmental impact. Whether packaging, transportation or the materials used in our manufacturing processes, many decisions are driven by the goal of attaining ecological efficiency.

STRATEGIC FOCUS OF R&D

Innovation is a major driver here at LEDVANCE, not just of economic growth, but also of ecological and social sustainability. Protecting the climate and environment are our key sustainability objectives, as well as adding significant value for our customers.

That explains why sustainability is central to our Innovation Strategy. Our innovation efforts are clearly focused on the following areas:

- Increasing energy efficiency and sustainability, incl. circularity
- Light quality being natural and comfortable to the eye
- Improving human health and well-being
- Design concepts that are aesthetic, minimalistic and promote greater usability
- Smart functionality and connectivity
- Digital sales services

We are aware of the importance of product responsibility and have developed several initiatives in this area. Throughout our product life cycles, we aim to contribute to a circular economy, improve people's health and well-being, and improve lighting efficiency.



So far, the lighting industry has focused on saving energy by working on the first level of lighting efficiency – energy efficiency, or ‘LEDification’. This involves a transition

from outdated technologies to LED. A lot of the efficiency gains associated with this technology have already been attained. And still today, we focus on further increasing the energy efficiency of our LED products. Furthermore, we also want to reduce the costs of high-efficiency LED products to make them more widely available throughout the world.

Here at LEDVANCE, we are proud of our huge contribution to LEDification and our progress in this field. Looking ahead, we will focus on the next level of energy saving and user comfort by introducing innovative light management systems and Human Centric Lighting (HCL) solutions. These are designed to “use the right light at the right time”, i.e. optimizing levels of brightness, light color and spectral composition in lighting. Such improvements not only reduce the environmental impact of our products but also contribute to the health and well-being of our customers, creating more value.

MODULAR DESIGN FOR CIRCULARITY

At LEDVANCE, we aim to manage our products effectively across their entire product life cycle. Since the 'use' phase has the largest impact on the environment, our R&D teams are working on several projects focusing on reducing the impact of this phase. No matter what the project, we apply a two-fold approach: our own R&D and working towards better standardization with partners such as LightingEurope, ZVEI or Zhaga.

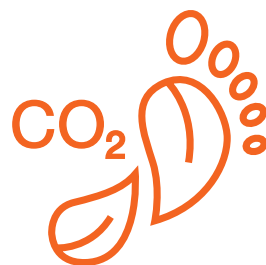
LEDVANCE is a member of the P.E.P. Association (also known as PEP Ecopassport®). The PEP Ecopassport program, established for electrical, electronic and HVAC products, aims to provide common rules on preparing Environmental Product Declarations (EPDs), e.g. product-specific rules for luminaires, known as PSR0014. An EPD is a document that communicates the environmental impact of a product over its life cycle based on a Life Cycle Assessment (LCA). EPDs are based on the principles of the ISO standard for Type III environmental declarations (ISO 14025), giving them international recognition.

Beyond the pilot project, we have now gained valuable know-how in creating EPDs. Our goal is not only to make our products transparent in terms of their environmental impact and get third-party verified EPDs, but also to develop more resource-efficient products based on data.



LIFE CYCLE ASSESSMENT AND PRODUCT ENVIRONMENTAL FOOTPRINT

In 2022, we conducted our first Life Cycle Assessment to help identify hotspots and focus our sustainability efforts accordingly, as we will explain in more detail later. In 2023, we further expanded these efforts by adding assessments for more products. The new assessments confirm the findings delivered by our first evaluation.



The 'use' phase, which dominates in terms of impact, is the primary hotspot. Therefore, product design and optimization of our current product portfolio are key to extending the product life cycle.

- Energy efficiency in the 'use' phase is the single most effective way of reducing the environmental impact of luminaires as we continue to strive for the highest luminous efficacy.
- The use of light management functions has the highest potential to improve energy efficiency (50 percent potential) during the 'use' phase. However, it is important to note that these are only recognized by PEP if the functionality is integrated in the luminaire.
- Extending the luminaire lifetime and enabling the replacement of drivers and light engines can greatly reduce the impact in terms of the depletion of natural resources.

The second hotspot is in manufacturing. All production at LEDVANCE was outsourced in 2022, which is why we are focusing on developing our supply chain management.

Our third focus area is the 'end-of-life' phase. We strive to increasingly recycle the material in our products and use Post-Consumer Recycled (PCR) material in the creation of new products.

On the following page you will find a detailed presentation of the results of our product life cycle analyses.

STANDARDIZATION

Our experts at LEDVANCE are actively involved in various industry associations such as the German Electro and Digital Industry Association (ZVEI), LightingEurope, the Global Lighting Association, the industry-wide collaboration consortium Zhaga, the Center for Electrotechnical Standardization (DKE), the European Committee for Electrotechnical Standardization (CENELEC) and the International Electrotechnical Commission (IEC). Through these networks, we strive to develop standards and regulations that reflect all areas of sustainability and include insights from the industry, with the goal of making the entire life cycle of lighting products more sustainable.

We collaborate with LightingEurope – the voice of the lighting industry in Europe – to develop standards that facilitate the fair and transparent comparison of luminaires of any kind in terms of their environmental impact. This will assist the implementation of more efficient procedures, processes, materials and designs for future products, with the aim of minimizing their environmental impact and maximizing energy efficiency.

ANALYZING THE ENVIRONMENTAL IMPACT ALONG THE PRODUCT LIFE CYCLE

In 2022, we published a white paper analyzing the Life Cycle Assessment (LCA) data for luminaires. From this, we were able to identify the biggest environmental impacts throughout the entire product life cycle, including the Global Warming Potential (GWP) and ways to reduce it. The following table shows the average values from our most recent assessments of 16 luminaires which we conducted in 2023. They confirm the findings from our white paper.

We discovered that, despite the introduction of highly efficient LED technology, the ‘use’ phase dominates the GWP impact of modern luminaires due to the electricity generation needed to operate them. Most other impact categories, such as ozone depletion, acidification, water eutrophication and photochemical ozone formation, are also dominated by the ‘use’ phase. For all these categories, this is attributable to the emissions from the electricity generated for their operation.

The biggest improvement potential here involves the intelligent control of luminaires based on presence detection and daylight sensing. The combination of luminaires with sensors has the potential to reduce the ‘use phase’ GWP by 45 percent and by 50 percent with modern Light Management Systems (LMS) or with the option of dimming. Improvements can also be made by using luminaires with a circular design, allowing the replacement of both the driver and light source, thereby extending the lifetime of the luminaire.

Manufacturing is the second most contributory phase. Particularly when it comes to the depletion of abiotic resources and elements, the share attributable to the manufacturing phase is highest.

Among others, the insights from this analysis are what guide us in our sustainability and product strategy.

RELATIVE ENVIRONMENTAL IMPACT ACROSS DIFFERENT LIFE CYCLE PHASES

Content	Manufacturing	Distribution	Installation	Use	End of life
Global Warming Potential	1.20%	0.04%	0.02%	98.6%	0.10%
Ozone Depletion	0.20%	0.00%	0.00%	99.8%	0.01%
Acidification	2.80%	0.32%	0.01%	96.8%	0.05%
Freshwater Eutrophication	1.10%	0.01%	0.08%	98.8%	0.02%
Photochemical Ozone Formation	2.10%	0.50%	0.00%	97.3%	0.10%
Depletion of Abiotic Resources & Elements	76.8%	0.00%	0.01%	23.1%	0.01%

Average values from 16 PEP Ecopassports for LEDVANCE luminaires. Due to the rounding of figures, the totals do not always add up to exactly 100%. The visualization is for better understanding and is not exactly proportional to the actual values.

A man and a woman are looking through a circular opening in a wooden wall. The man is on the left, wearing a maroon sweater, and the woman is on the right, wearing glasses and a patterned shirt. They are both smiling slightly and looking towards the camera.

**AT LEDVANCE, WE AIM TO
MANAGE OUR PRODUCTS
EFFECTIVELY ACROSS
THEIR ENTIRE PRODUCT
LIFE CYCLE.**

THE LOOP BRANDS FROM LEDVANCE

Here at LEDVANCE, circularity is not just an empty phrase, but the driving force behind some of our product innovations. Creating circular products – that conserve resources, protect the environment and offer our customers alternatives that allow them to proactively minimize their carbon footprint – is our goal.

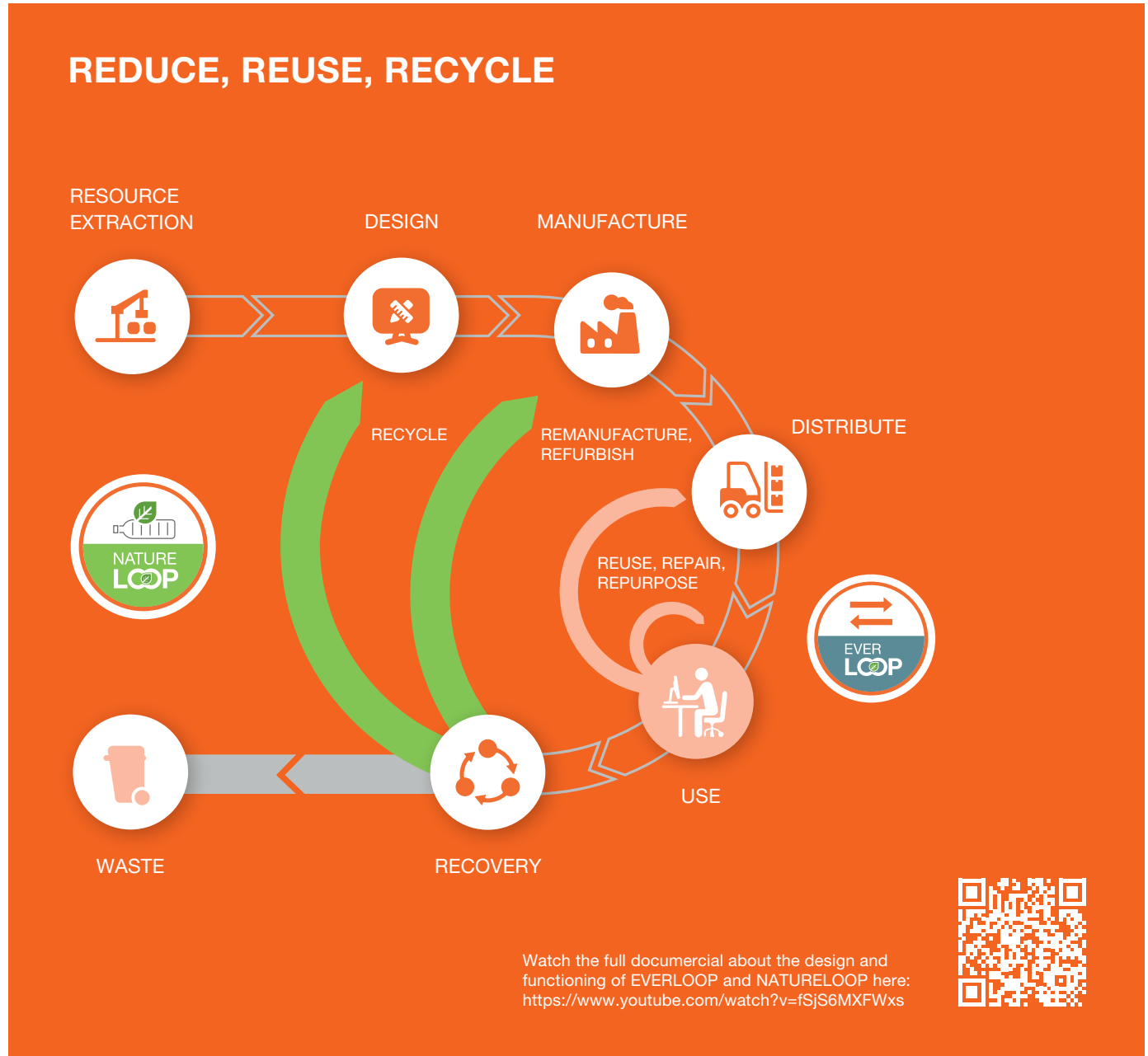
The “From line to loop” concept is the current culmination of our sustainability commitment. It is the umbrella term for our new EVERLOOP and NATURELOOP product portfolios, which were recently brought to market. Both were inspired by the three cornerstones of circularity at LEDVANCE – reduce, reuse and recycle.

As part of our endeavors to become increasingly sustainable, LEDVANCE recently launched two new product lines that actively extend the life cycle phases of our products. The diagram and linked video on the right show where they intervene in the cycle.

With an emphasis on the concept of upgradeability and replaceability, the EVERLOOP range of products enables professional customers to exchange particular luminaire components, such as the light source or certain electronic parts, when they cease to function, thereby prolonging the original product’s lifespan and reducing waste.

NATURELOOP, our other new product line that caters to end-consumers, offers products that are made from recycled materials, primarily Post-Consumer Recycled (PCR) plastics, meaning that their manufacturing process is much more environmentally friendly than conventional products in terms of water and energy consumption, and CO₂ emissions.

In the near future, we plan to launch our first products made from aluminum that has been recycled from sources such as household waste and cars. This innovation promises huge savings in terms of energy and CO₂ emissions.





EVERLOOP

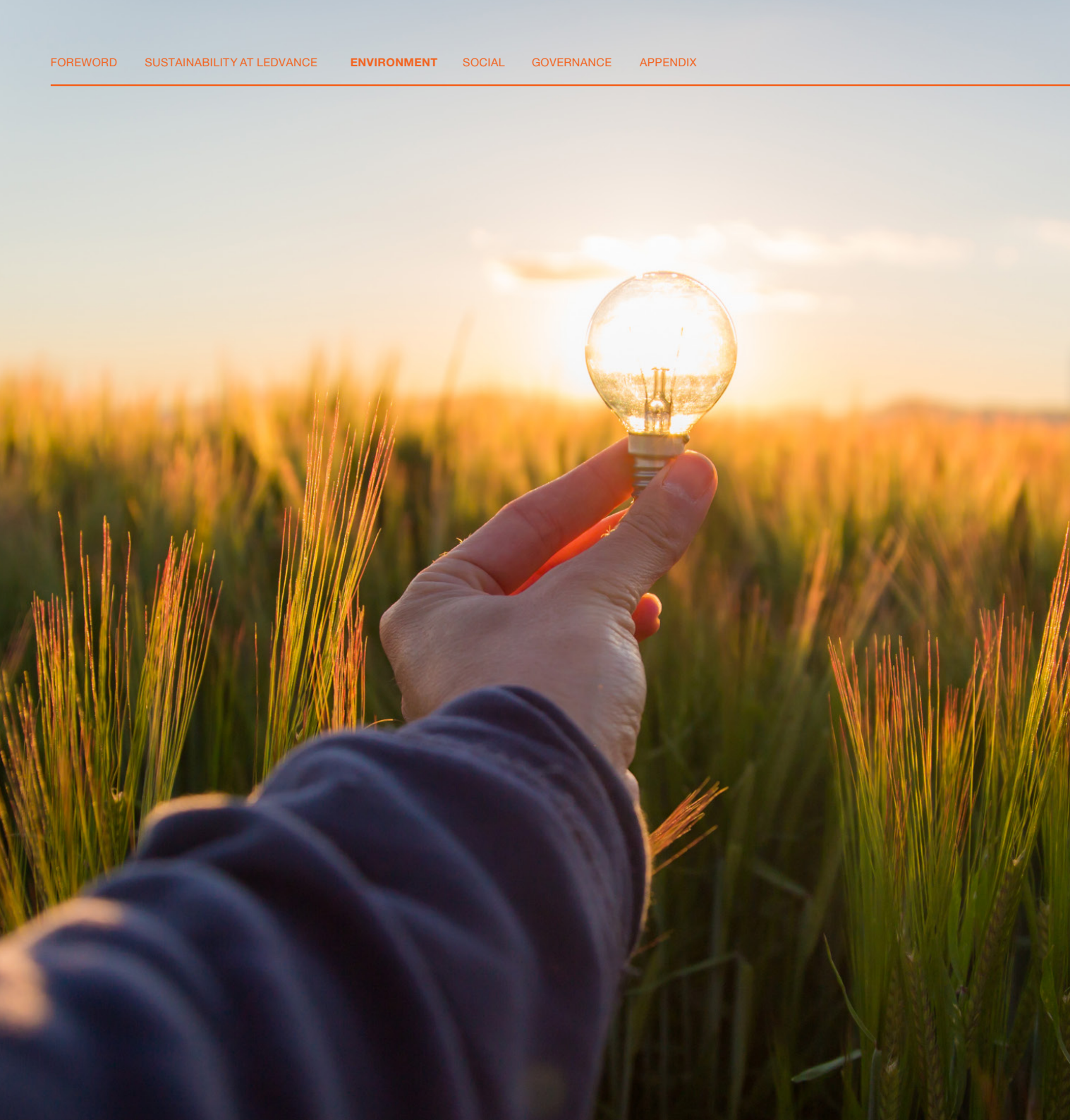
Replace, don't waste

Originally, incandescent lamps with an average lifespan of around 1,000 hours were always replaceable. However, since contemporary LEDs last much longer, they have mostly been designed without being serviceable or upgradeable, thereby necessitating the replacement of the entire unit when a problem occurs.



In accordance with the Single Lighting Regulation (SLR), a product-specific part of the EU Ecodesign Directive, LEDVANCE developed EVERLOOP, a range of LED luminaires which allows the convenient replacement of light sources and drivers, meaning that the actual luminaires can remain in use almost indefinitely. EVERLOOP prototypes were first presented to the market in 2022 at the Light + Building trade fair before being launched on the market in 2023. More products in this series are already in development.

The ability to replace critical luminaire components conserves resources, avoids waste and maximizes the life of the luminaires. This goes above and beyond legislative requirements, which do not yet mandate replaceability.



NATURELOOP Turn old into new

Our NATURELOOP product line, which uses Post-Consumer Recycled (PCR) plastics from discarded electronic device casings or water bottles, was inspired by LEDVANCE's desire to reduce plastic waste.



The environmental benefits of using PCR materials in our NATURELOOP products are manifold. Compared to virgin plastic, the manufacturing process for PCR plastics requires 59 percent less water and 88 percent less energy, resulting in 71 percent fewer CO₂ emissions. This represents huge progress toward a circular economy.

The idea for NATURELOOP stems from a critical analysis of our products to examine the technical feasibility of using recycled materials in their manufacture. This initiative involved a pooling of minds from our R&D department, the Lamp & Luminaire Product team, and our global innovation team in Germany and Shenzhen, China. All our lamps and luminaires whose plastic content is at least 40 percent PCR plastic carry the NATURELOOP badge.

PACKAGING

The environmental impact of packaging includes resource consumption, emissions and waste. Once used, packaging, especially plastic, often takes centuries to degrade and contributes to overcrowded landfill sites as well as littering the ocean and land with microplastics and toxic chemicals.

This section is broken down into two distinct parts: product packaging and transport packaging. First, we will explain how LEDVANCE is aiming to reduce product packaging, and secondly, we will look at transport packaging, especially the two main products used: plastic foam and wooden pallets.



SUSTAINABLE
PRODUCT PACKAGING

80%

MADE FROM RECYCLED PAPER

PRODUCT PACKAGING

At LEDVANCE, we are committed to reducing product packaging. Most of our product packaging is already made with renewable, recycled materials. Globally, 80 percent of our packaging is made from recycled paper. All our packaging for residential and professional products is recyclable. The plastic flaps and non-visible packaging that protect the products remain the final frontier.

We have already reduced the plastic proportion in our product packaging to a minimum across the whole LEDVANCE Group. The challenge in reducing this further is the fact that plastic is necessary for certain heavy-hanging items which require plastic flaps to bear their weight. We are continuously working on actively reducing plastic in packaging in all our markets, not least because there is a clear demand from the regions for plastic-free or reduced-plastic packaging.

For example, we are currently investigating the possible use of paper glue instead of the usual parcel tape for closing parcels. We are also considering ways in which we can reduce non-visible and visible packaging. Non-visible packaging, such as plastic cushions, can only be eliminated when reliable alternatives that equally guarantee product safety have been tested. Changes to visible packaging must be agreed with LEDVANCE customers as the products may then require alternative storage solutions, for example when changing from plastic (hanging) to cardboard (standing). For instance, we use trade fairs for communicating with customers and hearing their initial opinion on new packaging developments.

TRANSPORT PACKAGING

Packaging is also used in the transportation of our products. It is important for us to keep improving the way we do this so that we can maximize safety and minimize the environmental impact. To facilitate this, we are focusing on the ‘reduce, reuse, repair’ concept to lessen the environmental impact of transport packaging. Downstream waste can be difficult to influence because key accounts have special requirements that LEDVANCE must fulfil. These are often at the discretion of the client, resulting in more waste than necessary, for example due to smaller, more frequent shipments.

Paper and cardboard

Most of our packaging comes from recycled materials. However, thickness levels (i.e. carton thickness) – as defined by quality requirements – pose a particular challenge in reducing the amount of cardboard used.

Plastic foam

Plastic foam is used to minimize potential damage to products, mainly for extremely heavy and fragile ones. We are currently investigating how we can reduce the use of plastic foam by maximizing the space available within containers through increasing the number of items per container, thus reducing the space that needs filling.

Wooden pallets

Wooden pallets are used to move products upstream and downstream throughout the supply chain. We aim to reduce their use by optimizing packaging based on different loads. In Western Europe, we continue to see some success in this area since 2022: Four-foot tubing is used for transporting one of LEDVANCE’s largest product families, and LEDVANCE was able to increase pallet loads by 82.1 percent, as well as increasing bulk loads by 97.6 percent.

END-OF-LIFE AND RECYCLING

At the end of a product's lifespan, the disposal of the product often results in environmental waste, with the used materials ending up in landfill sites. The energy consumed in the disposal processes, which can result in the emission of harmful gases, is yet another environmental issue. In the case of LEDVANCE, this situation is further complicated due to the fact that the materials used in lamps and luminaires need to be safely recycled or disposed of.

RECYCLING ORGANIZATIONS

LEDVANCE currently meets legal requirements in all countries in terms of recycling. We aim to avoid waste wherever we can, and we are continuously working on improving our products to make them as recyclable as possible. Lamps are ideal for recycling as more than 90 percent of a lamp's components can be reused. Product recycling always starts with reclaiming as much material of a single type as possible, thereby safeguarding our limited resources and environment through the correct disposal of harmful substances.

In European countries, the collection and reuse of lamps and luminaires are organized by companies and organizations founded specifically for this purpose, with whom LEDVANCE works closely. These organizations mainly operate as non-profit companies and are specialized in the disposal of lighting products. Close collaboration between organizations and links to manufacturers ensure that technical product development information and the requirements of the recycling industry are incorporated as effectively as possible into the high-quality recycling of natural resources.

DISPOSAL AND COLLECTION REQUIREMENTS OF MODERN LAMPS AND LUMINAIRES

Outside the EU, we comply with all local, country-specific legal requirements for the proper disposal and recycling of Waste of Electrical and Electronic Equipment (WEEE).

Taking these specifics into consideration, large manufacturers within the lamp industry set up Collection and Recycling Service Organizations (CRSOs) – which coordinate the collection and environmentally friendly disposal of old equipment for the industry – in most European countries. These companies perform the following tasks for LEDVANCE:

- Creating a disposal system, considering and including communal collection arrangements
- Actively educating consumers and raising their awareness for handling our products in an eco-friendly way at the end-of-life
- Carrying out the actual collection, transport, recycling and disposal
- Developing new technologies and processes to increase the percentage of materials that can be reused

Since CRSOs include systems for all lighting products, consumers do not have to sort lamps or luminaires by manufacturer or production date. In most countries, private consumers can hand in their end-of-life product at the majority of collection points free of charge.

TECHNICAL PROCEDURES

Various recycling procedures have been established for the reuse of LED and discharge lamps for both stationary and mobile operations. These procedures neatly separate the components of the lamps and reuse the remaining material wherever possible. Clean glass is used to produce new lamps and mixed glass is recycled with other glass. Metal parts go into metal recycling and plastics are mainly recycled thermally. Phosphors are blown out or rinsed out and

can be used for industrial processes. The remaining mercury is disposed of appropriately. This is how more than 90 percent of raw lamp materials can be recycled.

Proposals like the European Union's WEEE Directive are currently being developed or have already been implemented across the world. LEDVANCE meets legal requirements in all countries in this area, and is actively involved in applying the experiences gained in the European environment in many other countries. As in Europe, this initiative is organized in cooperation with other manufacturers in order to meet the needs of consumers and the requirements of collection and recycling.



JOINT TAKEBACK PROGRAM

EucoLight is the industry's joint takeback program in the EU, of which LEDVANCE is a co-owner, and in which the company is deeply involved. In 2022, EucoLight Ltd members financed the collection and recycling of two billion lamps. For 2023, the figure was not yet available at the time of publication of our report but a similar amount can be estimated.

SOCIAL

RESPONSIBILITY FOR EMPLOYEES

Our people are our most valuable asset and we regard ensuring employee satisfaction as a top priority by providing good working conditions, development opportunities, a welcoming work environment for all, and one which supports everyone's health, safety and well-being.

WORKING CONDITIONS AND EMPLOYEE SATISFACTION

Every single one of our 2,618 (96%) full-time and 100 (4%) part-time employees (as of December 2023) plays an important role on our road to making LEDVANCE a world leader in state-of-the-art lighting products and solutions. We are proud that the average period of employment at LEDVANCE is 10.2 years and that, in 2023, we welcomed 381 new employees. Our figures include permanent and temporary employees. Contingent and external employees are not represented as their number cannot yet be reliably reported. However, we are working on the implementation of a new system that will enable us to provide data on contingent workers in the future. Its establishment is planned for 2025.

Since 2022, the focus of our HR Management Strategy has been to re-implement HR instruments and processes on a global level following the previous regional approach, as well as to foster the digitalization of all HR instruments. In the first step, the focus lies on the digitalization of administration and the implementation of a learning platform to

support our culture of lifelong learning. Therefore, one of our main targets until 2026 involves the design and implementation of a system that simplifies the reportability of key HR processes such as learning measures, workforce analytics, performance goals, compensation and benefits.

In 2023, we reached a major milestone on our path by defining a global People and Culture Guideline. It summarizes our standards on working conditions and processes by focusing on common working styles, on growing and supporting our employees and striving for an optimal culture to enhance our business. The guideline applies to every LEDVANCE entity and will ideally be available to all of them in their own language in future. Our global HR Management is accountable for its implementation and further development.

Fully aware that employee satisfaction is crucial to our success, our new HR Management Strategy is designed to improve this even further. We carried out our first global Employee Satisfaction Survey in March 2023. With a participation rate of 78%, our employees' feedback will help LEDVANCE to develop and improve measures aimed at maximizing our employee satisfaction level.

ATTRACTIVE FOR TALENTS

381

NEW EMPLOYEES WELCOMED
IN 2023

TRUSTED BY EMPLOYEES

10.2 years

IS THE AVERAGE PERIOD OF
EMPLOYMENT



The four areas where the company got its best ratings were the Team Index, Personal Enablement Index, the Leadership Index, and the Employee Engagement Index. These were followed by the Sustainability Index, which is one of our new focus areas, where the feedback of our employees will help us to concentrate our improvement efforts on the issues that most require attention.

The three categories where we have the most potential to improve are the Personal Development Index, the Strategy & Transformation Index and the Communication Index.



With a view to addressing concerns regarding training and development, LEDVANCE has introduced measures that encompass several sub-categories. Our Masterplan initiative for e-learning mandates increased support to facilitate easier access to suitable courses for our employees. This includes offering regular training recommendations and assigning tailored learning content to specific employee groups. Additionally, survey-based efforts designed to identify global learning needs are ongoing, and we have plans to offer relevant training globally while also acknowledging the necessity for localized training.

Employees are encouraged to pursue international assignments to foster cross-regional experience and collaboration. Furthermore, LEDVANCE is prioritizing a feedback culture by ensuring each employee has at least one annual feedback meeting to complement the planned introduction of a tool-supported Performance Management System by

2025/2026. Last but not least, succession planning is being implemented across LEDVANCE companies to ensure the creation of viable developmental pathways for employees in key positions.

We have developed a new communication strategy tailored to various country and employee group preferences. This strategy involves quarterly Management Committee calls where updates on economic situations, strategic matters, and project progress will be shared with regional and national senior employees and Heads of Corporate Functions. Following these calls, participants will disseminate the information to their own teams in the respective local language, ensuring a broader understanding of company goals and an improved commitment to their realization.

English will continue to be used for circulars and messages, with support available from LEDVANCE country management and Corporate Function Heads in the event of any queries. This structured approach to communication by LEDVANCE is tailored to ensure that our strategy and sustainability measures are deeply rooted throughout the company, thereby enhancing stakeholder awareness and involvement.



The Employee Satisfaction Survey will be repeated in 2025 with the goal of tracking regional progress based on the results and further fine-tuning our endeavors to enhance employee satisfaction at LEDVANCE.

THE FOUNDATION FOR OUR VALUES AND BEHAVIOR

LEDVANCE pledges its continued support of the Ten Principles of the United Nations (UN) Global Compact on human rights, labor, the environment and anti-corruption. We are committed to making the UN Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects that advance the Sustainable Development Goals of the UN.

Our commitment as a global company to the respect of internationally proclaimed human rights is demonstrated through the LEDVANCE Business Conduct Guidelines and our adherence to the ILO Fundamental Rights at Work and International Labour Standards.

We endeavor to create an entrepreneurial working environment that motivates high performance while helping to find a balance between work and personal life. A core element of this is our commitment to fair remuneration and decent working hours in accordance with national norms. LEDVANCE employees worldwide receive a range of benefits beyond salary, including access to LEDVANCE's Open Mentoring program. In Germany specifically, employees also benefit from flexible working, an additional pension scheme, health measures (e.g. flu protection), 30 days of annual leave and a pension plan.

Moreover, as a responsible employer, we are committed to protecting the health, safety, well-being and development of all our people. We ban child labor and forced labor along the whole supply chain and work against all kinds of discrimination and harassment. This means ensuring we have a diverse, inclusive workforce that is engaged and satisfied. Not only is this the right thing to do, but we believe it is also the most effective way for LEDVANCE to grow as a business. In 2023, we had no severe human rights incidents connected to our workforce.



LEDVANCE supports the right to freedom of organization and assembly throughout the world. Depending on local legislation, there are workers' councils and/or labor unions in several countries (e.g. Germany and France). In Germany, representatives of the workers' council for each location are elected every four years. Employees in Germany are also represented through the local workers' council, the General Works Council and a representative body for employees with disabilities.

Senior Managers are represented by the Executives' Committee. In accordance with EU law, LEDVANCE-EU informs employees about any changes with a company-wide impact through newsletters, employee meetings and town hall events.

Based on our core values, LEDVANCE fosters an open culture and appreciates suggestions from anyone, with employees invited to voice their thoughts, feelings and concerns.

With a flat hierarchy and a corporate culture where everyone is encouraged to contribute with their ideas and get involved, we promote openness and collaboration. If necessary, employees can raise concerns through the anonymous complaint system. We take potential issues very seriously and work on finding solutions with all affected parties. More information on this can be found in the Governance section of this report.

Observing the law and the legal system in every country where we do business is a fundamental principle for LEDVANCE. All employees must obey the laws and regulations of the legal systems within which they operate, in addition to applicable LEDVANCE policies. We are open, honest and committed to our responsibilities. And we expect our employees to act with integrity (see Compliance at LEDVANCE).

TRAINING AND EDUCATION

As our employees are our most valuable asset, we regard the development of individuals, as part of a culture of lifelong learning, as essential to expanding the business as a whole. In 2023, LEDVANCE took on 23 interns globally.

By investing € 299,850 in lifelong learning in 2023³ via training through external partners, we are preparing our people for future challenges, whether of a personal or professional nature, as well as a rapidly changing environment that requires constantly evolving skillsets. We believe that employees' capacity for training and education does not decrease with age.

Our culture of lifelong learning is designed to support employees throughout their entire journey with LEDVANCE, providing opportunities for development at all levels and at any age.



E-LEARNING PLATFORM

LEDVANCE's new e-learning platform for training and development was introduced in September 2022, offering a wide range of learning topics. This year, we reached a registration rate of 63 percent (employees who have registered on the e-learning platform) and an activity rate of 62 percent (employees who have completed at least one training session).

Individual departments are responsible for setting up training courses to inform their teams on departmental processes and each manager must conduct an annual gap analysis to determine whether their employees have the knowledge and skills necessary to do their jobs well. Employees can also request further training on specific topics in agreement with their line manager. Each year, during annual performance assessments, each employee's development needs are identified, and measures defined to tackle the gaps.

Worldwide, employees in high positions, and talents with the potential to attain management status, receive additional training and development. We planned to expand this program even further in 2023 and decided to integrate it into the processes for Succession Planning & Development, which we will tackle in 2025/2026.

OPEN MENTORING PROGRAM

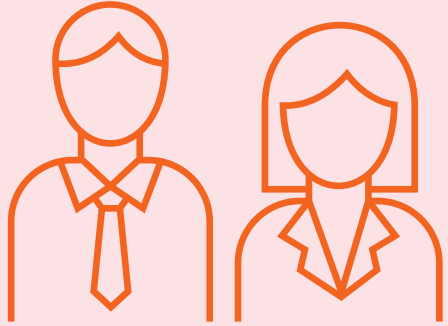
LEDVANCE has a culture of openness, and our Open Mentoring program embodies exactly this. It is a powerful tool, not only for people development but also for networking, best-practice sharing and knowledge management. The concept allows everyone to participate – as a mentor or mentee – and encourages people to empower themselves by driving their own personal and professional development.

Mentoring takes place outside of a line manager-employee relationship, encouraging cross-function communication. All employees, regardless of their hierarchical or experience level, country or department, nationality or gender, can participate in Open Mentoring. In 2023, 47 employees registered as mentors and 41 employees as mentees.

Due to limited data availability some of our figures do not represent all our operations and subsidiaries. We use the percentage of covered employees as conversion key.

³ Indicator covers subsidiaries representing 87% of our employees.

FACTS AND FIGURES ABOUT OUR WORKFORCE



NATIONALITIES

68

WORLDWIDE

EMPLOYEES BY REGION

37%

WESTERN
EUROPE

13%

US & CANADA

50%

EMERGING
MARKETS

EMPLOYEES

2,718

WORLDWIDE

WOMEN AT LEDVANCE

44%

WORKFORCE

67%

SUPERVISORY
BOARD

33%

MANAGEMENT
BOARD

25%

EXECUTIVE
MANAGEMENT

AGE

~1%

< 20 YEARS

12%

21-30 YEARS

29%

31-40 YEARS

30%

41-50 YEARS

23%

51-60 YEARS

~5%

> 60 YEARS

DIVERSITY AND INCLUSION

At LEDVANCE, we have adopted a strict position against any form of discrimination and in turn foster diversity and inclusion. Talented employees should be successful at LEDVANCE, no matter who they are or where they are from. We respect the personal dignity, privacy and personal rights of every individual, and work together with people of various ethnic backgrounds, cultures, religions, ages, disabilities, sexual identities, world views and genders. Our Sustainability Guideline and our Code of Conduct, coupled with our Global People and Culture Guideline and our Equal Employment Opportunity Policy (in the US), outline the ways in which we do this. We firmly believe that diverse groups result in the most creative, innovative solutions,



Signing the Charter of Diversity in Munich on October 6, 2023

thanks to the wide range of ideas and fresh approaches they bring to the table.

LEDVANCE aims for the inclusion of people with disabilities – an aspiration already embedded in the inclusion agreement with worldwide scope. This agreement covers areas such as educational opportunities, accessible workplaces, flexible work arrangements, awareness raising and the assignment of Inclusion Officers.

Any incidents involving discrimination are identified and managed via an anonymous complaint system, which is open to both internal and external individuals.

To underline those efforts to create a diverse, fair and inclusive working environment, we signed the Charter of Diversity in Munich on October 6, 2023.

EMPLOYEE HEALTH, SAFETY AND WELL-BEING

The health, safety and overall well-being of LEDVANCE employees is our top priority. Primarily, we aim to avoid health risks completely, and any health risks that do arise are categorized and reduced.

LEDVANCE uses an Integrated Management System for Quality, Environment and Safety, which includes a Corporate Guideline for Occupational Health and Safety, covering areas such as security, occupational health and safety, and fire safety. This applies to LEDVANCE and all our affiliated companies. While up until 2022, our annual targets for Security, Environment, Health and Safety (SEHS) were defined and communicated by that same department, the topic has since been moved to Sustainability.

We are committed to evaluating the Lost Time Injury Frequency Rate (LTIFR). Moreover, all locations which implemented the LEDVANCE Management System track

their improvements with regard to SEHS on a regular basis in order to assess and analyze the results for future target setting.

In Germany, the general works agreement on preventive benefits outlines preventive measures for the main health risks, with 30 preventive benefits per 1,000 employees, at a cost of €500 per person, provided per calendar year. In Germany, LEDVANCE offers an additional program for reintegrating employees after a longer period of absence due to illness.

The following measures are in place to help ensure the health, safety and well-being of all employees:

1. Site managers are responsible for occupational health & safety, environment, fire safety and security issues.
2. Site managers have full accountability to ensure that the areas under their control comply with all applicable legal requirements.
3. Regular occupational safety training, with clearly defined reporting requirements, employee duties and workplace ergonomics, are defined and communicated.
4. External companies and partners receive occupational safety instruction.

With a different form and scope, risk assessments for offices, business trips abroad, R&D workplaces, first aiders and mobile work are carried out in Germany and reviewed on a regular basis. While also in Germany, preventive medical examinations or webinars (e.g. for diabetes, eye examinations, remaining fit while working from home and flu vaccinations) are available via a company doctor.

For employee privacy please refer to the section on Consumers. As we bundle our efforts to protect consumer and employee privacy in one approach, we have disclosed the information on both issues together.



**THE HEALTH, SAFETY AND
OVERALL WELL-BEING OF
LEDVANCE EMPLOYEES IS
OUR TOP PRIORITY.**

DUE DILIGENCE ALONG THE SUPPLY CHAIN

As a global company with an international value chain, LEDVANCE is deeply committed to respecting internationally proclaimed human rights. The company is increasingly focused on the well-being of workers along its value chain – both upstream and downstream. So far, especially along our supply chain measures have already been implemented to safeguard human rights and protect the environment.

In line with the United Nations Global Compact, we commit ourselves to upholding the principles of the following internationally recognized human rights frameworks and standards:

- The basic principles of human rights, as laid down in the International Bill of Human Rights
- The conventions and recommendations of the International Labour Organization (ILO) for labor and social standards
- The ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration)
- The Guiding Principles on Business and Human Rights (UNGPs)
- The Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises

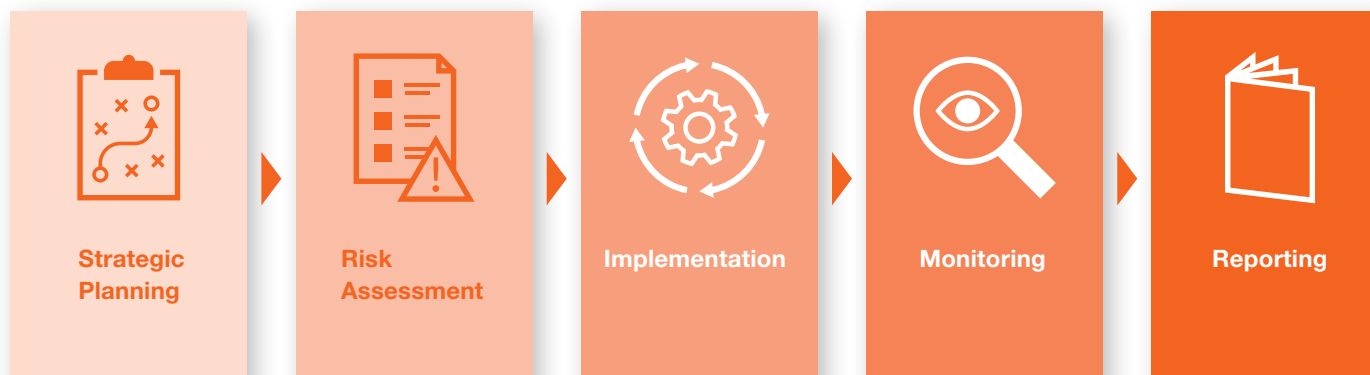
We acknowledge that our product portfolio contains a number of raw materials whose supply chains are associated with negative environmental impacts, but also social impacts. Together with our suppliers, we maintain a common value base and comply with statutory regulations. We

are evaluating different approaches and multi-stakeholder initiatives in this regard, such as the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and the EICC/GeSI Conflict-Free Smelter Program. In line with industry best practice, we joined the Responsible Minerals Initiative (RMI) in 2022 to further drive the positive impact we have committed to in our Conflict Minerals Policy as part of LEDVANCE's Code of Conduct for Suppliers.

A RISK-BASED APPROACH TO SUPPLY CHAIN MANAGEMENT

In 2024 we began with an inventory analysis of our supply chain due diligence efforts according to the requirements of the German supply chain legislation (LkSG) and international guidelines such as the OECD Supply Chain Due Diligence Guideline.

GENERAL STAGES OF SUPPLY CHAIN MANAGEMENT



We conducted an abstract risk analysis for high priority items in our product portfolio, namely lamps, light engines, controls, luminaires, and smart energy products. As a result of this assignment, we intend to strengthen our engagement in the RMI, and get in touch with first tier suppliers in order to further access potential risks.

In continuous efforts we will set up a supply chain due diligence management system, systematically addressing human rights and environmental issues along the supply chain.

Potential issues can be flagged by all parties along our value chain in accordance with our Whistleblower procedure, as described in the Governance chapter.



CODE OF CONDUCT FOR LEDVANCE SUPPLIERS

At LEDVANCE, we believe that shared rules and agreements in our business partnerships can generate ecological, social and economic benefits for society. Therefore, our suppliers are bound by the Code of Conduct for LEDVANCE Suppliers, which defines the basic requirements placed on them regarding their responsibilities towards their stakeholders and the environment. Every supplier must agree to uphold basic requirements regarding legal compliance, the prohibition of corruption and bribery, respect for the basic human rights of employees, the prohibition of child labor, the health and safety of employees and environmental protection, also along their own supply chain.

As part of our supplier assessment, LEDVANCE monitors the number of suppliers signing the Code of Conduct for LEDVANCE Suppliers and follows up with them systematically. By working together and improving any possible sustainability issues jointly, the goal is to create a mutually beneficial situation for LEDVANCE and its suppliers.

If a supplier does not sign the Code of Conduct for LEDVANCE Suppliers, a defined process is followed which includes initial communication with the supplier. In cases where suppliers are not willing to sign, escalation may occur, including a legal assessment and potentially the termination of business relations.

SUPPLIER ASSESSMENTS

Supplier assessments form an important part of LEDVANCE's risk-based supply chain management. Apart from the standards that suppliers must sign up to, LEDVANCE also assesses the sustainability performance of its suppliers, both before onboarding and (on a case-by-case basis) during the partnership. This is carried out via a Supplier Rating Method in the form of a Corporate Responsibility Self-Assessment (CRSA).



Whenever there is a delay in getting external certified reports on the social and environmental performance of a supplier, self-assessment reports are considered. Our CRSA is an extensive questionnaire on social, environmental and governance aspects.

Based on the results of the risk assessment, LEDVANCE then conducts on-site audits of suppliers with high-risk profiles to control compliance with our guidelines. This includes a review of working conditions, including labor contracts, working hours and safety considerations.

We are currently developing a digital tool to manage supplier relationships, including risk and performance assessment, as part of our company-wide digital transformation project.

EMPLOYEE TRAINING

All responsible employees are trained to recognize and address social and environmental risks along the supply chain. Through our Global Procurement Academy, we carry out training for new hires once or twice a year, with knowledge refreshment courses on issues such as conflict minerals given to existing employees on a regular basis.

If a supplier has questions regarding LEDVANCE's sustainability expectations, information and guidance will be provided. We are currently extending our supplier support in line with the requirements of German supply chain legislation although, due to the number of employees in Germany, LEDVANCE does not fall directly within the scope of this law.

CARING FOR OUR CONSUMERS

Our consumers' health and safety, along with their privacy, are of material concern for LEDVANCE. The high standards that regulate these topics also apply for the privacy of our employees, which is why we have a combined management approach dedicated to these fields.

LEDVANCE'S CONSUMERS

LEDVANCE's products are available to both private households as well as commercial, industrial or public/ governmental end-users. Our products are distributed via wholesalers and electrical installers, along with retail outlets and online shops, and can also be sourced directly by end-consumers from our own online shop in selected countries.

While our products are inherently safe, some of them – fluorescent lamps for example – may contain hazardous substances such as mercury. All LEDVANCE products are fully compliant with the domestic legislation of the market in which they are sold, and are always tested and released in accordance with local safety regulations and standards. Furthermore, our products are randomly inspected to verify their adherence to all applicable standards and legislation.

As all of our electrical products are required to adhere to national regulations, they should only be installed by qualified personnel. Needless to say, installation guidelines are available for all such products. Specific compatibility lists, as in the case of LED tubes, help to further minimize the risk of misuse.

Despite all LEDVANCE's attention to detail and adherence to legislation and standards, our products may still have a negative impact on consumers, such as in the case of isolated non-passive product failures. However, serial product failures may result in a deterioration of consumers' quality perception of an entire product range, or even of the LEDVANCE brand as a whole.

This would pose a significant potential financial risk for LEDVANCE, which is why we have a robust quality management system in place to avert such risks and impacts. On the other hand, we are justifiably proud of the fact that some of our products actively boost the health and well-being of our consumers and end-users.

Users of our products can contact us directly via our website with any feedback or concerns they may have. Trade fairs are a valuable forum where our wholesalers and installers, who are in regular contact with end-users, can pass on information regarding product trends and preferences. Further trends and feedback are collected from product reviews or posts on online platforms. Fully aware that such customer feedback is of vital assistance when it comes to the optimization of our products to meet their needs, we greatly appreciate it.

PRODUCT QUALITY AND SAFETY

We have implemented a new management system to fulfil our obligations regarding the quality and safety of our products, ensuring that we comply with the highest standards.

QUALITY FIRST

As a brand, LEDVANCE is synonymous with innovative, tailor-made, high-quality and reliable products and solutions. To continue meeting these requirements while product complexity is increasing and product development cycles are shrinking, we rely on our 'Quality First' culture.

Quality has been defined as one of the company's three core pillars by the LEDVANCE Management System Policy, which will be explained in greater detail in the Governance section of this report. The policy is communicated on a regular basis via LEDVANCE management.

We have regional Quality Management units. On a regional level, non-conforming costs involving quality issues and the field returns of products are reviewed on an annual basis during the Yearly Quality Objective Meeting, where new goals are also set. In these meetings we identify and

OUR CONSUMERS' HEALTH AND SAFETY, ALONG WITH THEIR PRIVACY, ARE OF MATERIAL CONCERN FOR LEDVANCE.



analyze the main drivers behind our quality KPIs, while also agreeing on new quality improvement measures.

By offering reliable products, prompt delivery and dependable support, we aim to satisfy our customers' high expectations. This we do by focusing on comprehensively enhancing preventive quality management throughout LEDVANCE. This can only be effective if quality management and consistent attention to quality permeate all processes throughout a product's life cycle, from the original idea up until it is finally phased out.

CERTIFIED SITES

All our main sites meet the highest quality standards and are certified in accordance with ISO 9001 and ISO 14001 on an annual basis by external auditors. In the latest assessments carried out in 2023, LEDVANCE was awarded certification in all audited areas. Since 2022, we have further enhanced quality management in the areas of development and supplier quality, focusing on technological breakthroughs to innovate LED-based products.

We regularly check whether our management guidelines are put into practice, meaning that product quality is ensured, and discuss our results and quality management performance with senior management, both on a local and company level. We are also committed to developing our systems on a continual and sustainable basis. The quality of our products is ensured and constantly improved by our high quality management standards.

PRODUCT HEALTH AND SAFETY AWARENESS

Health and safety manuals are delivered to customers with all our products, as required by legislation and the standards for electrical products. Featuring images and text, these manuals explain how to safely install LEDVANCE products.

LEDVANCE has established robust processes for the detection and reporting of any product failures that may

occur in respective markets. Remedial action is then quickly taken to solve any issues. Our Customer Service department is on hand to receive and respond to any customer concerns regarding defective products that are communicated via trade or retail channels. In cases where an issue is difficult to resolve, the specific responsible department is informed. Failure statistics are collected, analyzed and reported to management, which then decides on the best course of action to alleviate the problem.

On an internal level, the training program at LEDVANCE helps our employees to understand that there is a rigorous process in place to ensure that the highest quality standards are met from the very start of new product development.

DESIGN FOR HEALTH AND WELL-BEING

Design for health and well-being – also known as 'people efficiency' – through human centric lighting (HCL) solutions contributes to people's welfare. HCL solutions can lead to a more productive workforce as well as a reduction in errors, accidents and illness and, consequently, lower operational costs. This means that HCL not only helps our customers, but also positively impacts the most valuable asset at LEDVANCE – our people.

In our daily lives, light has an impact on important hormones that in turn affect blood pressure, the heart rate, vitality, memory and mood. People spend most of their time indoors, especially during the working day and in colder months, so by providing the right type of light at the right time, HCL can help people remain active and alert during the day, and to relax and sleep well at night. By optimizing levels of brightness, light color and spectral composition to simulate the characteristics of natural daylight, HCL gives people the light they are lacking, improving health and well-being.

This new way of thinking about lighting is therefore a key area of innovation at LEDVANCE. We now have a range of HCL products catering for both residential and professional customers, and in 2020, we became the first company to receive VDE certification for an HCL product.⁴

BIOLUX

Our new intelligent BIOLUX Control Unit, for professional customers, allows users to adjust the light to different working conditions – RELAX, CREATE, NATURAL, FOCUS and BOOST. As well as becoming the first company to receive the VDE quality certificate for our BIOLUX Control Unit, we also won the German Innovation Award 2020 in the B2B 'Lighting Solutions' category for this system.

SUN@HOME

For residential customers, our SUN@HOME products are designed to offer a wider range of colors than conventional LEDs (2,200 to 5,000 Kelvin). They can be easily integrated into existing home networks and help people balance lighting with their individual daily rhythm, thereby suiting their preference, routine or even the weather.

⁴ www.vde.com/de/presse/pressemitteilungen/ledvance-erhaelt-vde-zeichen



UV-C AIR DISINFECTION

We have also introduced products that clean the air and eliminate viruses and bacteria. These include our mobile UV-C HEPA Air Purifier and the UV-C DISINFECTION BOX, which uses the disinfecting effect of UV-C light in the wavelength range of between 270 and 280 nanometers to clean objects without the need for chemicals or toxic compounds.

DATA PROTECTION AND CYBERSECURITY

MEETING HIGH STANDARDS

At LEDVANCE, the responsible handling of sensitive and personal data is one of our top priorities. That is why the protection of our employees' and consumers' privacy has been evaluated as of material concern for LEDVANCE. We handle personal data confidentially, in strict compliance with the applicable data protection provisions, e. g. the collection of customer data via our e-commerce channels or the handling of personnel data by our HR organization. We have appointed an external Data Protection Officer (DPO) to support us in all data protection-related tasks and have additionally assigned Data Protection Coordinators (DPCs) in all LEDVANCE entities. DPCs assist the DPO in supervising compliance with local data protection law and implementing internal data protection guidelines. DPCs are not bound by the instructions of local management in discharging their duties and are provided with sufficient time and resources to fulfil their responsibilities.

DATA PROTECTION

To facilitate the processing of personal data within the LEDVANCE Group, and to provide appropriate safeguards for the protection of personal data, we have implemented an Intragroup Agreement on the Processing of Personal Data (IGA) which regulates the rights and obligations of the LEDVANCE companies involved. All LEDVANCE companies must sign a Declaration of Accession to the IGA. The IGA forms the framework for the provision of data processing services within the LEDVANCE Group and acts as the basis for LEDVANCE Business Services and for central HR and IT applications. It applies whenever a LEDVANCE company processes personal data on behalf of other LEDVANCE companies.

To this end, the IGA defines the general requirements for the processing of personal data between LEDVANCE

companies. It is supplemented by descriptions of the specific processing activities in the processing directory.

All LEDVANCE companies worldwide must abide by the Binding Corporate Rules (BCRs) for the protection of personal data. The BCRs form the backbone for the IGA and contain the essential regulations for the handling of personal data relating to employees, customers, suppliers, present and future business partners, and other data subjects. The aim is to achieve a harmonized level of data security and to protect the personal data processed and transferred within the LEDVANCE Group and adopting companies worldwide.

The IGA and the BCRs are supplemented by our Data Protection Guideline, which is globally binding across the organization, and introduces consistent group-wide data protection and data security standards that apply to the collection, processing and use of personal data within the company. The stipulations in this guideline are binding for all employees who encounter and/or process personal data as part of their work at LEDVANCE.

All our employees are required to sign a Data Privacy Policy and abide not only by the data protection laws in their countries, but by the rules of the EU General Data Protection Regulation (GDPR) for the protection of personal data. If any cybersecurity or data protection issues are detected, detailed action plans are in place to remedy them.

Over the course of the reporting period, one data access request, thirteen requests for deletion of personal data, as well as two general data subject access requests were received by LEDVANCE GmbH. All of them could be resolved.

CYBERSECURITY

Our cybersecurity processes and measures are based on leading international information security standards, which help us protect our information in a systematic and

cost-effective way through the adoption of an Information Security Management System.

As part of our continuous improvement, LEDVANCE has committed to implementing a "Zero Trust" framework to ensure cybersecurity remains at the highest possible level. A Zero Trust framework asserts that no user or application should be trusted by default in the cloud and mobile world. The first step toward the implementation of that framework was rolled out globally in 2023.

We only collect, process and use personal data where necessary for pre-determined, clear and legitimate purposes. All data is stored securely, with appropriate precautions taken when transmitting them, and we maintain high data quality standards and technical protection against unauthorized access. The use of data is transparent and the rights of those concerned are safeguarded regarding the use and correction of information, as well as the blocking and deletion of information.

Additionally, we have implemented specific measures to protect third-party data from unauthorized access or disclosure and made information on handling confidential documents available on our intranet. Incidents can be reported by everyone in the organization and by business partners. Business partners are informed about the handling of their data in their contract, and we inform our customers by email.

GDPR EMPLOYEE TRAINING

Every LEDVANCE employee receives regular training in the responsible handling of personal data. Launched for the first time in 2018 and again in December 2022, all employees worldwide regularly participate in a basic data protection training course on EU-GDPR, using a training platform provided by our external Data Protection Officer. This training includes an e-learning tutorial that ends with a quiz and certificate for each employee upon completion.

GOVERNANCE

BUSINESS ETHICS

Every one of our employees contributes to the integrity of the company and acts as a role model. Our Code of Conduct and the most important (sustainability) management policies lay the foundation for our behavior.

OUR VALUES

Our purpose is to redefine the role of light in a connected world. We want this to be a sustainable world, where we all win together, but we can only achieve this if we act responsibly towards our customers, employees, business partners, society and the environment. That is why we are committed to acting with integrity at every stage of our journey by working in a trustworthy, cooperative and responsible way, and setting high standards of business conduct for our employees and the company. LEDVANCE's management acts according to our compliance culture, for which they receive special training. They are kept regularly informed of developments through reporting procedures based on the need-to-know principle.

We are proud to be a signatory of the United Nations Global Compact, pledging our commitment to its 10 principles on human rights, labor, the environment and anti-corruption as part of a network of more than 10,000 companies. At the core of this commitment are safety, sustainability and business ethics, all of which are upheld throughout the entire supply chain and product life cycle by observing fair working conditions and safety standards, using our natural resources responsibly and monitoring our emissions and waste.

Three important documents lay the foundation for our behavior and responsibility towards nature and society – our Code of Conduct, our Sustainability Guideline and our LEDVANCE Management System Policy.

CODE OF CONDUCT

Compliance with legal regulations and internal guidelines is not only the fundamental principle that guides our entrepreneurial activities but also an integral part of the Code of Conduct for all employees and management. This is highlighted at the beginning of every new employee's journey with LEDVANCE, when they confirm their compliance with the Code of Conduct as part of the onboarding process.

The Code of Conduct covers the basic principles and rules for the conduct of all employees, both within the company as well as in relation to our external partners and the public in general. This includes basic behavioral requirements, the treatment of business partners and third parties, avoiding conflicts of interest, the handling of company property and information, and environmental, health and safety aspects.

The Code of Conduct defines our commitment to fair competition and allowing markets to develop freely. All our employees are therefore bound by the rules of fair

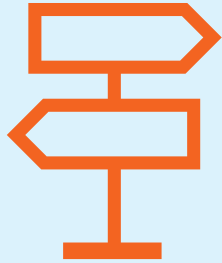
competition and anti-trust laws and practices. The Code of Conduct also outlines our anti-corruption guidelines, specifying how we are to compete fairly for orders through the quality and price of our innovative products and services, and not by offering improper benefits to others, or soliciting and accepting advantages.



Our Code of Conduct also provides detailed guidance on the handling of information, covering the obligations of all employees to maintain accurate records and financial integrity, along with confidentiality, data protection and data security. It also emphasizes the requirement to comply with laws and regulations – as well as LEDVANCE's processes and systems – when collecting, processing and exchanging data in order to safeguard information.

SUSTAINABILITY GUIDELINE

The LEDVANCE Sustainability Guideline contains the basic principles that steer all our Environmental, Social and Governance (ESG) activities, while also outlining LEDVANCE’s commitment to mitigating its impact on future generations. It applies throughout the company and in relation to our dealings with external partners and the public.



Our main operating guidance derives from the UN Global Compact’s principles on the environment, labor and human rights, anti-corruption practices as well as sustainable economic development. Working together with our stakeholders to sustainably improve people’s quality of life is an essential part of our corporate responsibility, and we are committed to achieving progress toward meeting the UN Sustainable Development Goals (SDGs) through our activities.

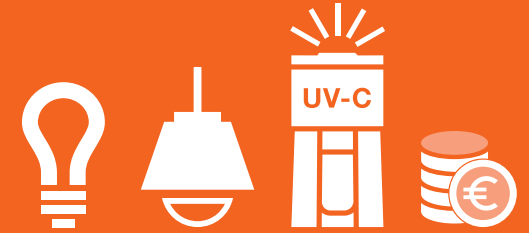
We work every day to make a positive contribution to society, the environment and climate, and we strive for a closed product life cycle. To achieve this, we will implement the principles of a circular economy, with sustainability at the core of each stage – from product quality, design and innovation to End of Life (EOL) and recycling. We are committed to taking action aimed at protecting the environment, adhering to labor practices, respecting human rights, applying fair business practices and procuring in a sustainable manner.

LEDVANCE MANAGEMENT SYSTEM POLICY

Here at LEDVANCE, we always encourage a culture of innovation, cooperation and accountability, and promote the continuous optimization of our operations through our integrated management system for quality, the environment and working conditions. We meet or exceed applicable legal requirements and binding obligations, and actively work to counteract all forms of corruption, fraud, extortion, money laundering, anti-competitive practices, conflicts of interest and bribery, as well as adhering to and enforcing all internationally accepted human rights and labor standards.

Our customers are at the heart of everything we do and to guarantee their utmost satisfaction, we are constantly striving to provide flawless products. We also communicate openly with them – along with authorities, organizations and the public – and always ensure that our contract partners and suppliers are included in our sustainability activities.

We continue to assess and minimize our environmental impact. Protecting our natural resources, while providing a healthy and safe workplace with robust risk prevention measures, is ingrained in our company culture. We firmly believe that our employees are our greatest asset, and their active contribution to our operations is therefore one of the key principles on which our success is built.



DONATIONS WORTH AROUND

€ **69,000**

Reflective of our company culture, LEDVANCE regularly donates to charitable causes. In 2023, for example, we donated lamps, luminaires and UVC air purifier as well as money to environmental funds, foundations for physical and mental illnesses, and charities for the homeless or children. We do not donate to political parties.



HERE AT LEDVANCE, WE ALWAYS ENCOURAGE A CULTURE OF INNOVATION, COOPERATION AND ACCOUNTABILITY, AND PROMOTE THE CONTINUOUS OPTIMIZATION OF OUR OPERATIONS.

COMPLIANCE AT LEDVANCE

Observing the law and the legal system in every country where we do business is a fundamental principle for LEDVANCE. Our compliance system applies global standards, thereby demonstrating the company's reliability and integrity as a business partner.

Compliance is a fundamental principle at LEDVANCE and acts as an anchor for our Sustainability Strategy. This is also reflected by the fact that compliance and sustainability are often managed by the same person in our various areas of business. Every single employee has a responsibility to foster a culture of compliance, thereby upholding the company's core values. Managers have additional responsibilities in this field, such as regularly emphasizing the importance of compliance and integrity, making them regular aspects of everyday business life, and promoting them through personal leadership and training.

We have implemented a binding Compliance Management System (CMS) for the entire LEDVANCE Group. Continuously adapted to suit the evolving needs of the business and its legal framework, this system is based on three pillars – 1) prevention, 2) detection, and 3) response to compliance violations. We have dedicated employees (Compliance Officers) tasked with upholding compliance in each region and country. Our CMS is designed to ensure that all employees comply with statutory law and internal guidelines.



The system is explained in depth in the Compliance Guideline, which is globally binding across the organization. This guideline stipulates essential rules of conduct for LEDVANCE employees, while also supplementing and specifying the basic principles set out in the LEDVANCE Code of Conduct. The guideline is a cornerstone of our efforts to prevent compliance violations. It outlines how to fight corruption, fraud and theft, and how to avoid antitrust law violations and money laundering. Moreover, it explains how to deal with business partners, how to avoid conflicts of interest and how to provide benefits in a legal manner. It also explains the 'detection' and 'response' elements, including the procedure for the reporting and handling of compliance cases.

BUSINESS PARTNER RISK ASSESSMENTS

LEDVANCE maintains hundreds of external partnerships at any given time. It is therefore important to identify and address compliance risks in this context. These risks are monitored through a software-based Business Partner Compliance Tool. In 2023, 472 active business partners were registered with the tool and 55 Compliance Due Diligences were conducted for new business partners. For further information on our business relations that impact workers along the supply chain, please refer to the Social section of this report.

COMPLIANCE TRAINING

In 2023, 102 compliance training sessions were held by and for LEDVANCE employees. They were geared toward all LEDVANCE employees including management, supervisory⁵ and administrative bodies. Our web-based compliance basic training, which must be completed by each new employee within the first three months of joining the company, lies at the heart of these training sessions. This training is designed to provide participants with an initial overview of global anti-corruption and antitrust laws, and to raise awareness of the specific responsibilities of each LEDVANCE employee.

⁵ In September 2023, the supervisory body was dissolved.

In the case of procurement employees, a dedicated web-based compliance training course is available. This training course, which is an integral part of the so-called Global Procurement (GP) Academy, aims to provide participants with an overview of the specific responsibilities of procurement employees, in addition to the basic compliance training for regular employees.

In-person compliance refresher training sessions are held for all employees three years after their basic training. This in-person training provides participants with a comprehensive knowledge and understanding of the LEDVANCE Compliance Management System, including compliance rules, processes and organization. Such training is intended to equip participants with the skills and knowledge they require to apply what they have learned in their daily work.

A DIGITAL FOUNDATION

A new governance and reporting tool, Ethical⁶, which was rolled out at LEDVANCE in early 2022, established a digital foundation for the global management of compliance and ethical risks. Ethical is an online tool that assigns and tracks the completion of tasks, and collects information through structured questionnaires on both a global and business unit level. Each task and each question in a questionnaire can be tagged with a 'stream' and/or a 'topic', which allows us to track the completion of tasks or questions and information regarding an issue's ethical and compliance aspects on a detailed level.

Using Ethical, we can monitor completion rates in real-time, help local colleagues fulfil tasks, spot anomalies early on, visualize our program KPIs, export reports and use our data to achieve ISO (International Organization for Standardization) certification, thereby enhancing our resilience to risk.

Online training sessions via Microsoft Teams have been held for all relevant employees, thereby enabling them to gain the knowledge and skills required to use the tool in a proficient manner.

Another compliance tool, C2P⁷, is used to help LEDVANCE stay up to date with the latest information on new legislation and regulatory changes in all the countries where we operate. This allows us to maintain a database with up-to-date legal requirements that impact the company's activities.

All Compliance Officers have access to this tool, providing them with information specific to the country in which they operate. Stakeholders are regularly informed about compliance changes via our intranet, which includes a new page created specifically to cater for the new German Supply Chain Act (LkSG). Compliance examiners receive special training and are kept up to date with new developments via refresher courses.

PROTECTING WHISTLEBLOWERS

LEDVANCE is an international company and has a complex supply chain. It is therefore highly important that we operate a grievance system for identifying, clarifying and resolving any indication of a compliance breach. Employees are free to report such a breach to their supervisor, their responsible Compliance Officer, or any other employee of the compliance organization.

In addition to this, our Whistleblowing Hotline (LEDVANCE Integrity Line – LILi)⁸, a digital reporting channel, enables employees and external parties, including workers along the value chain, to raise concerns about potential violations of laws and/or the LEDVANCE Code of Conduct, or other internal guidelines. They can decide whether to report a problem anonymously or by name. Whistleblowers are explicitly protected against retaliation thanks to the regulations in our Compliance Guideline.

This allows us to establish strong channels of communication between various business partners and stakeholders who could be impacted by potential misconduct, such as employees, direct and indirect suppliers, and local communities. Just recently, the LEDVANCE Whistleblower System was extended to take account of the requirements

of the German Whistleblower Protection Act as well as the German Supply Chain Act, especially violations of human rights, by adding new case categories and a revision of the general text.

All compliance cases are recorded in the Case Management Tool (CCM) and presented to the Management Board each quarter. In 2023, 33 potential compliance violations were reported to LEDVANCE, of which 4 were confirmed. More details can be found in our indicator tables in the appendix.

We have stringent procedures in place for the handling of compliance incidents. Internal guidelines regulate the investigation process, which begins with a plausibility check involving the local compliance organization. Upon suspicion of a breach, the Chief Compliance Officer (CCO) issues the mandate that forms the internal basis for the investigation, which involves detailed planning. All parties relevant to the case are then informed of the situation.

The facts of the case are determined via interviews, the evaluation of pertinent data and any other available information. A report – containing the facts, a legal assessment and recommendations for disciplinary, procedural or other measures – is then submitted. The recommended measures are introduced and their implementation is closely monitored. At all stages of the investigation, the responsible Compliance Officer protects the rights of persons involved, whistleblower, victim(s) and potential perpetrator.

⁶ <https://upright.co/>

⁷ <https://www.complianceandrisk.com/c2p-platform/>

⁸ <https://www.bkms-system.net/bkwebanon/report/clientInfo?cin=12led4&c=1&language=eng>

APPENDIX

ABOUT THE REPORT

In this report, we provide information on our strategic priorities and alignment with the frameworks and norms of responsible business conduct and corporate sustainability. In line with the upcoming requirements by the European Sustainability Reporting Standards (ESRS) the content of the report is divided into four main chapters:

1. Sustainability at LEDVANCE
2. Environment
3. Social
4. Governance

Within these chapters we outline the key sustainability challenges in relation to our business, and the respective management approaches adopted by LEDVANCE.

AIM OF THE SUSTAINABILITY REPORT

We strive to report solidly and transparently and, at the same time, inspire our stakeholders to take an interest in our evolving approach and journey. In order to progress towards sustainability, a quantifiable, transparent, and therefore accountable, management and performance is essential. The report outlines our goals and commitments, along with our achievements, as well as the measures already in place and those planned to progress towards sustainability. This way, the report provides new impetus for discussions with our employees, customers and business partners, further stakeholders and interested members of the public.

ALIGNMENT WITH REPORTING FRAMEWORKS AND STANDARDS

We aim to focus on what is important and comprehensively address topics of relevance. Based on a materiality assessment conducted in 2022, the content for our report was defined based on our impacts and arising responsibilities, their business relevance and central expectations of our stakeholders.

LEDVANCE is not legally required to disclose but issues the report voluntarily. Our reporting approach is based on the internationally recognized Standards of the Global Reporting Initiative (GRI). We report with reference to those standards. Furthermore, our reporting content reflects on the rating criteria of CDP and EcoVadis where LEDVANCE participates. We thus aim to measure the report against the specified requirements, to further develop it and enable comparisons. With our voluntary report, we aim to prepare for the reporting obligations defined by the EU Corporate Sustainability Reporting Directive (CSRD).

REPORTING PERIOD AND FREQUENCY

Our second report refers to the business year January 1, 2023 to December 31, 2023. The editorial deadline was May 14, 2024. LEDVANCE aims to publish a Sustainability Report every year in preparation for the reporting requirements defined by the CSRD.

REPORTING BOUNDARIES AND RESTATEMENTS

The statements and information given in this report always refer to the entire company, including all subsidiaries under operative control. Restrictions in the scope of this report are noted in the appropriate places and result from the current state of data availability. Due to the unstable conditions in Russia and Ukraine, these regions are generally not factored into our calculations. All of our business unit locations are to be successively included in the report and are developing the data basis accordingly. Necessary revisions of previously published content are clearly indicated in the report text and the appendix.

CONTACT

We welcome questions and feedback regarding our report. Please contact our Global Sustainability department, which is responsible for the management of the reporting project:

Global Sustainability department
sustainability@ledvance.com

INDICATOR TABLES

The presented indicators cover the LEDVANCE Group, including all subsidiaries if no other scope is defined. Due to limited data availability some of our figures do not represent all our operations and subsidiaries. We use the percentage of covered employees as conversion key. Due to the unstable conditions in Russia and Ukraine, these regions are not factored into our calculations. We also exclude one-person home office locations. The reference date is December 31 of the reporting year.

COMPANY DATA

Indicator	2023	2022	Unit	Coverage and explanations
Turnover by region	-	-		
EU-West	43.4	40.1	%	
Emerging Markets	31.5	31.0	%	
US and Canada	23.3	26.7	%	
Reconciliation to consolidated financial statements ⁹	1.8	2.2	%	⁹ Including corporate managed legal entities in Shenzhen, Shanghai and Wuhu (China)
Office sites by region	57	61	Quantity	
EMEA	33	37	Quantity	
AMERICAS	12	12	Quantity	
APAC	12	12	Quantity	
LEDVANCE owned distribution centers by region	9	7	Quantity	
EMEA	5	3	Quantity	
AMERICAS	3	3	Quantity	
APAC	1	1	Quantity	

OPERATIONAL ENVIRONMENTAL INDICATORS

Indicator	2023	2022	Unit	Coverage and explanations
Products				
Turnover through traditional lamp technology	20.9	23.7¹⁰	%	¹⁰ In 2022, we mistakenly communicated 30%. In fact, the drop from generating 50% of our turnover with traditional lamp technology in 2017 was even greater.
Turnover through LED based product portfolio	76.5	73.1¹¹	%	¹¹ In 2022, we mistakenly communicated 70%.

OPERATIONAL ENVIRONMENTAL INDICATORS

Indicator	2023	2022	Unit	Coverage and explanations
Operational environmental impacts¹²				¹² Some of our emissions and consumptions have fallen significantly due to the closure of our last production site in Smolensk, Russia in 2022.
Direct GHG emissions (Scope 1)¹³	2,257		t CO₂eq	¹³ Indicator for 2023 covers emissions by fuel consumption representing 74% of our employees (1,014 t CO ₂ eq) and emissions from company cars in Germany, the USA, Canada and France representing 38% (1,243 t CO ₂ eq).
Indirect, energy-related GHG emission (Scope 2); market based¹⁵	1,895	29,460 (Scope 1+2)¹⁴	t CO₂eq	¹⁴ The sum of Scope 1 and 2 emissions for 2022 covers subsidiaries representing 96% of our employees. Scope 1 emissions: our company car fleet represents 79% of our employees while natural gas and oil at site represent 96%. ¹⁵ Indicator for 2023 covers subsidiaries representing 85% of our employees.
Indirect emissions in value chain (Scope 3)¹⁶	41,225	–	t CO₂eq	¹⁶ Scope 3 emissions cover categories with current data availability. In accordance with the Greenhouse Gas Protocol a complete emissions overview for all relevant categories is in development.
Upstream transport and distribution ¹⁷	11,173	–	t CO ₂ eq	¹⁷ Indicator for 2023 covers subsidiaries representing 61% of our employees.
Downstream transport and distribution ¹⁸	29,731	13,094	t CO ₂ eq	¹⁸ Indicator for 2023 covers subsidiaries representing 93% of our employees. 2022 covers emissions from the USA, Canada and Europe.
Purchased goods ¹⁹	320	–	t CO ₂ eq	¹⁹ Cradle to gate emission from bought laptops, tablets and phones globally.
Total energy consumption (by type)	17,189	134,688	MWh	
Electricity ²⁰	7,261	20,261	MWh	²⁰ Indicator for 2023 covers subsidiaries representing 88% of our employees. 2022 covers subsidiaries representing 96% of our employees.
Heating through electricity ²¹	1,994	–	MWh	²¹ Indicator for 2023 represents 74% of our employees.
Gas ²²	7,558	113,898	MWh	²² Indicator for 2023 covers subsidiaries representing 74% of our employees. 2022 covers subsidiaries representing 61% of our employees.
Oil ²³	16	75	MWh	²³ Indicator for 2023 covers subsidiaries representing 74% of our employees. Indicator for 2022: France, Spain, Switzerland and Greece use oil in either heating or other uses.
District heating ²⁴	361	454	MWh	²⁴ Indicator for 2023 covers subsidiaries representing 74% of our employees. 2022 covers subsidiaries representing 34% of our employees.

OPERATIONAL ENVIRONMENTAL INDICATORS

Indicator	2023	2022	Unit	Coverage and explanations
Operational environmental impacts²⁵				
Water consumption²⁶	27,944	71,993	m³	²⁵ Some of our emissions and consumptions have fallen significantly due to the closure of our last production site in Smolenks, Russia in 2022. ²⁶ Indicator for 2023 covers subsidiaries representing 76% of our employees. 2022 covers subsidiaries representing 95% of our employees.
Total waste generated (by type)				
Total inhouse waste ²⁷	1,260	–	t	²⁷ Indicator for 2023 covers subsidiaries representing 65% of our employees.
Recycling: hazardous, non-hazardous waste ²⁸	1,050	3,392	t	²⁸ Indicator for 2023 covers subsidiaries representing 65% of our employees. 2022 covers subsidiaries representing 68% of our employees.
Landfill/disposal: hazardous, non-hazardous waste ²⁸	120	467	t	
Product packaging				
Proportion of recycled packaging materials	80	80	%	

EMPLOYEE INDICATORS

Indicator	2023	2022	Unit	Coverage and explanations
Workforce				
Employees (by region)²⁹	2,718	3,202	Headcount	²⁹ Since 2023, the regions for HR figures are aligned with the financial report.
EU-W	1,005	–	Headcount	
USC	361	–	Headcount	
Emerging Markets	1,352	–	Headcount	
Full-time employees	2,618	3,102	Headcount	
Part-time employees	100	100	Headcount	
Average period of employment	10.2	11	Years	
Gender composition³⁰				
Female	44% of 1,195	44% of 1,395	% of headcount	³⁰ We differentiate between female, male and diverse, but have not yet had any employees which identify themselves as diverse.
Male	56% of 1,524	56% of 1,807	% of headcount	
New hires	381	561	Headcount	
Employee turnover rate	20.95	20.2	%	
Employee retention rate	88	85	%	

EMPLOYEE INDICATORS

Indicator	2023	2022	Unit	Coverage and explanations
Diversity and equal opportunity				
Age (average and age span)	43	43	Years	
<20	6	5	Headcount	
21–30	317	374	Headcount	
31–40	780	990	Headcount	
41–50	825	968	Headcount	
51–60	628	702	Headcount	
>60	162	163	Headcount	
Nationalities	68	70	Quantity	
Employment rate of individuals with disabilities³¹	1–6	4–7	%	³¹ 2023 and 2022 cover selected countries. 2023: Slovakia (1.5%) and France (6%). 2022: Denmark (4%), Ukraine (5%), France (6%) and Germany (7%).
Women in leadership positions				
Supervisory board ³²	67% of 3	67% of 3	% of headcount	³² Dissolved since September 2023.
Management board	33% of 3	0% of 3	% of headcount	
Management committee ³³	–	33% of 3	% of headcount	³³ Merged with executive management.
Executive management ³⁴	25% of 24	19% of 21	% of headcount	³⁴ All managers globally who report directly to the management committee (now merged with the executive management).
Managers with leadership responsibility ³⁵	33% of 384	30% of 370	% of headcount	³⁵ Includes all levels of managers where the manager holds at least one disciplinary lead.
Professional development				
Spending on training by external partners³⁶	299,850	440,978	in €	³⁶ Indicator for 2023 covers subsidiaries representing 87% of our employees.
Average hours of training per year per employee³⁷	8	13	Hours	³⁷ Indicator for 2023 covers subsidiaries representing 87% of our employees. 2022 covers subsidiaries representing 65% of our employees.
Personel health and safety				
Sickness days³⁸	–	2.7	Rate	³⁸ 2022 covers subsidiaries representing 77% of our employees.
Occupational accidents (by location)³⁹	27	39	Quantity	³⁹ Indicator for 2023 covers France, Germany and the USA.
Molsheim (France)	17	26	Quantity	
Garching (Germany)	9	12	Quantity	
Wilmington (USA)	1	0	Quantity	
Smolensk (Russia) ⁴⁰	–	1	Quantity	⁴⁰ The production site in Smolensk, Russia was sold in 2022.

EMPLOYEE INDICATORS

Indicator	2023	2022	Unit	Coverage and explanations
Personel health and safety				
Reported occupational accidents (by type)⁴¹	-	12	Quantity	⁴¹ 2022 covers the headquarter in Garching, Germany.
Machine driving accidents	-	0	Quantity	
Manual handling accidents	-	0	Quantity	
Fall injuries	-	0	Quantity	
Car accidents	-	0	Quantity	
Commuting accidents on business trips	-	1	Quantity	
Accidents at customer's site	-	0	Quantity	
Electrical accidents	-	1	Quantity	
Mobile work	-	1	Quantity	
Commuting accidents	-	4	Quantity	
Cut/stab injuries	-	5	Quantity	
Lost Time Injury Frequency Rate (LTIFR)	4.6	-	Rate	

COMPLIANCE INDICATORS

Indicator	2023	2022	Unit	Coverage and explanations
Compliance				
Notifications of compliance breaches (by topic)	33	27	Quantity	
Violations of labor law provisions	0	3	Quantity	
Violations of environmental and work safety regulations	23	9	Quantity	
Violations of customs and foreign trade legislation	1	2	Quantity	
Violations of competition and antitrust law	0	1	Quantity	
Violations of human rights	1	0	Quantity	
Violations of bookkeeping and accounting regulations	1	1	Quantity	
Money laundering/violations of bookkeeping and accounting laws	1	1	Quantity	
Corruption/Bribery	2	2	Quantity	
Asset and property offences	4	8	Quantity	

COMPLIANCE INDICATORS

Indicator	2023	2022	Unit	Coverage and explanations
Compliance				
Confirmed cases of non-compliance (by topic)	4	12	Quantity	
Violations of labor law provisions	0	3	Quantity	
Violations of environmental and work safety regulations	2	2	Quantity	
Violations of customs and foreign trade legislation	0	1	Quantity	
Corruption/Bribery	0	2	Quantity	
Asset and property offences	2	4	Quantity	
Incidents of discrimination				
Total number of incidents of discrimination and harassment	1	–	Quantity	
Number of complaints filed through channels for people in own workforce to raise concerns	3	–	Quantity	
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	0	–	Quantity	
Amount of material fines, penalties, and compensation for damages as result of violations regarding social and human rights factors	0	–	Quantity	
Number of resolved/closed cases	17	12	Quantity	
Data privacy and cybersecurity				
Protection-related incidents	0	5	Quantity	
Data subject complaints	2	1	Quantity	
Data subject requests for deletion of personal data	13	7	Quantity	
Data subject access requests	1	1	Quantity	
Number of resolved incidents, complaints and requests related to cybersecurity⁴²	440	–	Quantity	⁴² Such as email whitelisting, phishing email analysis or issues in digital signing. Numbers cover LEDVANCE globally.

GRI CONTENT INDEX

Statement of use: LEDVANCE has reported the information cited in this GRI content index for the period from 1 January 2023 to 31 December 2023 with reference to the GRI Standards (GRI 1: Foundation 2021).

Content	More Information	In reference to the GRI standards	Page Number
General disclosures			
Organizational details	<ul style="list-style-type: none"> - Legal name and form - Nature of ownership - Location of corporate headquarter and sites - Proportion of turnover by region 	GRI 2: General Disclosures 2021 2-1 Organizational details	5–11
Reporting profile	<ul style="list-style-type: none"> - Entities included in the organization’s sustainability reporting - Reporting period, frequency and contact point 	GRI 2: General Disclosures 2021 2-2 Entities included in the organization’s sustainability reporting 2-3 Reporting period, frequency and contact point 2-4 Restatements of information 2-5 External assurance	7; 72; 73–77
Activities, value chain and other business relationships	<ul style="list-style-type: none"> - Organization’s activities, products, services, and markets served - Significant operational changes during the reporting period - Supply chain information 	GRI 2: General Disclosures 2021 2-6 Activities, value chain and other business relationships	5–11; 48–49
Workforce	<ul style="list-style-type: none"> - Number of employees with breakdown by region, gender and age 	GRI 2: General Disclosures 2021 2-7 Employees	41–45; 64–65
Governance	<ul style="list-style-type: none"> - Delegation of responsibility for managing impacts - Role of the highest governance body in overseeing the management of impacts 	GRI 2: General Disclosures 2021 2-12 Role of the highest governance body in overseeing the management of impacts 2-13 Delegation of responsibility for managing impacts	12–14; 56–60
Statement on sustainable development strategy		GRI 2: General Disclosures 2021 2-22 Statement on sustainable development strategy	3
Policy commitments and their embedding	<ul style="list-style-type: none"> - Code of Conduct - Sustainability Guideline - LEDVANCE Management System Policy 	GRI 2: General Disclosures 2021 2-23 Policy commitments 2-24 Embedding policy commitments	12–15; 56–57
Compliance with laws and regulations	<ul style="list-style-type: none"> - Compliance management - Mechanisms for seeking advice and raising concerns - Performance indicators <ul style="list-style-type: none"> - Number of notifications and confirmations of cases of non-compliance 	GRI 2: General Disclosures 2021 2-26 Mechanisms for seeking advice and raising concerns 2-27 Compliance with laws and regulations	59–60; 66

Content	More Information	In reference to the GRI standards	Page Number
Membership associations	<ul style="list-style-type: none"> - List of industry associations - UN Global Compact - Science Based Target initiative (SBTi) - Responsible Minerals Initiative (RMI) - amfori business association 	GRI 2: 2-28 General Disclosures 2021 Membership associations	32; 11; 43; 19
Stakeholder engagement	<ul style="list-style-type: none"> - Approach to stakeholder engagement - Collective bargaining agreements - Stakeholder groups - Stakeholder dialogue formats and channels 	GRI 2: 2-29 2-30 General Disclosures 2021 Approach to stakeholder engagement Collective bargaining agreements	20; 41-44
Materiality analysis and results	<ul style="list-style-type: none"> - Process to determine material topics - Reflection on impacts - Reflection on business risks and opportunities - List of material topics 	GRI 3: 3-1 3-2 Material Topics 2021 Process to determine material topics List of material topics	15-17
Management of material topics	<ul style="list-style-type: none"> - Operational Strategy Clusters <ul style="list-style-type: none"> - Customers & Product Design - Supply Chain & Own Operations - Employees - Digital Responsibility - Sustainability Communication - Topic specific disclosures on management approaches (see below) 	GRI 3: 3-3 Material Topics 2021 Management of material topics	15-20
Topic specific disclosures			
Operational environmental aspects	<ul style="list-style-type: none"> - Management approach <ul style="list-style-type: none"> - Certified management system by ISO14001 for major locations - Environmental impact assessment - Performance indicators⁴³ <ul style="list-style-type: none"> - Direct and indirect operational GHG emissions - Energy consumption - Water consumption - Waste of own operations 	GRI 302: 302-1 GRI 305: 305-1 305-2 305-3 GRI 303: 303-5 GRI 306: 306-2 Energy 2016 Energy consumption within the organization Emissions 2016 Direct (Scope 1) GHG emissions Energy indirect (Scope 2) GHG emissions Other indirect (Scope 3) GHG emissions Water and Effluents 2018 Water consumption Waste 2020 Management of significant waste-related impacts	22-24; 62-63
Environmental aspects of transport and distribution	<ul style="list-style-type: none"> - Management approach - Performance indicators⁴³ <ul style="list-style-type: none"> - GHG emissions of upstream & downstream transport 	GRI 305: 305-3 Emissions 2016 Other indirect (Scope 3) GHG emissions	24-26; 63

⁴³ The mentioned performance indicators in this GRI Index are still in (further) development.

Content	More Information	In reference to the GRI standards	Page Number
Environmental product design aspects	<ul style="list-style-type: none"> - Management approach <ul style="list-style-type: none"> - Certified management system by ISO 14001 for major locations - Environmental impact assessment - Product design criteria for efficiency and circularity - Performance indicators⁴³ <ul style="list-style-type: none"> - Reductions in energy requirements of products and services exemplified 	GRI 301: Materials 2016 301-2 Recycled input materials used GRI 302: Energy 2016 302-5 Reductions in energy requirements of products and services	27–37; 62–63
Supplier environmental assessment	<ul style="list-style-type: none"> - Management approach <ul style="list-style-type: none"> - Normative framework of standards - Code of Conduct for LEDVANCE Suppliers - Environmental manufacturing requirements - Control and management of hazardous substances - Approach to supplier assessments - Employee training - Performance indicators⁴³ 	GRI 308: Supplier Environmental Assessment 2016 308-1 New suppliers that were screened using environmental criteria 308-2 Negative environmental impacts in the supply chain and actions taken	29–30; 48–49
Environmental aspects of packaging	<ul style="list-style-type: none"> - Management approach - Performance indicators⁴³ <ul style="list-style-type: none"> - Recycled packaging materials 	GRI 301: Materials 2016 301-2 Recycled input materials used 301-3 Reclaimed products and their packaging materials	38; 63
Environmental aspects of end of product life	<ul style="list-style-type: none"> - Management approach <ul style="list-style-type: none"> - Collection and monitoring systems to reclaim products - Performance indicators⁴³ 	GRI 301: Materials 2016 301-3 Reclaimed products and their packaging materials	39; 63
Employees and working conditions	<ul style="list-style-type: none"> - Management approach <ul style="list-style-type: none"> - Code of conduct and complaint system - Information about changes with company-wide impact - Benefits, incl. pension scheme - Performance indicators⁴³ <ul style="list-style-type: none"> - Employee breakdown by full-/part-time - New hires - Turnover and retention rate - Average period of employment 	GRI 401: Employment 2016 401-1 New employee hires and employee turnover GRI 402: Labor/Management Relations 2016 402-1 Minimum notice periods regarding operational changes	41–44; 64–65
Employee training and education	<ul style="list-style-type: none"> - Management approach <ul style="list-style-type: none"> - Leadership training - Performance reviews - Performance indicators⁴³ <ul style="list-style-type: none"> - Average training hours - Spending on trainings 	GRI 404: Training and Education 2016 404-2 Programs for upgrading employee skills and transition assistance programs 404-3 Percentage of employees receiving regular performance and career development reviews	44; 65

Content	More Information	In reference to the GRI standards	Page Number
Diversity, inclusion and equal opportunities	<ul style="list-style-type: none"> - Management approach - Performance indicators⁴³ <ul style="list-style-type: none"> - Women in leadership positions - Employment rate of individuals with disabilities - Employees by age group - Number of nationalities 	<p>GRI 405: Diversity and Equal Opportunity 2016 405-1 Diversity of governance bodies and employees</p> <p>GRI 406: Non-discrimination 2016 406-1 Incidents of discrimination and corrective actions taken</p>	46; 64–65
Occupational health and safety	<ul style="list-style-type: none"> - Management approach <ul style="list-style-type: none"> - QEHS management system - Risk assessment - Measures to improve health and safety - Performance indicators⁴³ <ul style="list-style-type: none"> - Occupational accidents by location - Occupational accidents by type - Sickness rate - Lost Time Injury frequency rate (LTIFR) 	<p>GRI 403: Occupational Health and Safety 2018 403-1 Occupational health and safety management system 403-2 Hazard identification, risk assessment, and incident investigation 403-3 Occupational health services 403-6 Promotion of worker health 403-9 Work-related injuries</p>	46; 65
Supplier social assessment	<ul style="list-style-type: none"> - Management approach <ul style="list-style-type: none"> - Normative framework of standards - Code of Conduct for LEDVANCE Suppliers - Approach to supplier assessments - Employee training - Performance indicators⁴³ 	<p>GRI 414: Supplier Social Assessment 2016 414-1 New suppliers that were screened using social criteria 414-2 Negative social impacts in the supply chain and actions taken</p>	48–49
Customer Health and Safety	<ul style="list-style-type: none"> - Management approach <ul style="list-style-type: none"> - Health impact assessment - Product design to improve customer health and wellbeing (Human Centric Lighting) - Certified management system by ISO 9001 for major locations to ensure product quality and safety - Health and safety manuals for customers - Performance indicators⁴³ <ul style="list-style-type: none"> - Positive health impacts of lighting solutions 	<p>GRI 416: Customer Health and Safety 2016 416-1 Assessment of the health and safety impacts of product and service categories</p>	50–53
Data Privacy	<ul style="list-style-type: none"> - Management approach <ul style="list-style-type: none"> - Guideline Data Protection and Data Privacy Policy - Information Security Management System - Employee training - Performance indicators⁴³ <ul style="list-style-type: none"> - Data privacy complaints and confirmed incidents 	<p>GRI 418: Customer Privacy 2016 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data</p>	54; 67
Business ethics	<ul style="list-style-type: none"> - Management approach <ul style="list-style-type: none"> - Standards and compliance with human rights, workers and environmental standards, anti-corruption and anti-competitive behavior - Performance indicators⁴³ 	<p>GRI 205: Anti-corruption 2016 205-3 Confirmed incidents of corruption and actions taken</p> <p>GRI 206: Anti-competitive Behavior 2016 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices</p>	56–57; 66

INDEPENDENT AUDITOR'S REPORT ON A LIMITED ASSURANCE ENGAGEMENT ON SUSTAINABILITY INFORMATION

To LEDVANCE GmbH:

We have performed an independent limited assurance engagement on the sustainability report (the "Report") of LEDVANCE GmbH, Garching near Munich, (further "Company"), for the period from January 1st, 2023 to December 31st, 2023.

Other references to disclosures outside the Report or in languages other than English were not subject of our audit.

Responsibilities of the Officers

The officers of LEDVANCE GmbH are responsible for the preparation of the Report in accordance with the principles stated in the Sustainability Reporting Standards of the Global Reporting Initiative (hereinafter: "GRI-Criteria") and for the selection of the disclosures to be evaluated. This responsibility of Company's officers includes the selection and application of appropriate methods of sustainability reporting as well as making assumptions and estimates related to individual sustainability disclosures, which are reasonable in the circumstances. Furthermore, the officers are responsible for such internal control as they have considered necessary to enable the preparation of a Report that is free from material misstatement, whether due to fraud or error.

Auditor's Declaration Relating to Independence and Quality

We are independent of the entity in accordance with the provisions under German commercial law and professional requirements, and we have fulfilled our other ethical responsibilities in accordance with the relevant provisions within these requirements.

Our audit firm applies the German national legal requirements and the German profession's pronouncements for quality control, in particular the by-laws regulating the rights and duties of Wirtschaftsprüfer and vereidigte Buchprüfer in the exercise of their profession (Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer) as well as the IDW Standard on Quality Control 1: Requirements for Quality Control in Audit Firms [IDW Qualitätssicherungsstandards 1: Anforderungen an die Qualitätssicherung in der Wirtschaftsprüferpraxis (IDW QS 1)], that are consistent with the International Standard on Quality Control 1 issued by the International Auditing and Assurance Standards Board (IAASB).

Responsibility of the auditor

Our responsibility is to express a limited assurance conclusion on the Report, based on the assurance engagement we have performed.

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the IAASB. This Standard requires that we plan and perform the assurance engagement to allow us to conclude with limited assurance that no matters have come to our attention that cause us to believe that the Report for the period from January 1st, 2023 to December 31st, 2023 has not been prepared, in all material respects, in accordance with the relevant GRI-Criteria. This does not mean that a separate conclusion is expressed on each disclosure so denoted. In a limited assurance engagement the assurance procedures are less in extent than for a reasonable assurance engagement and therefore a substantially lower level of assurance is obtained. The assurance procedures selected depend on the practitioner's professional judgment. Within the scope of our assurance engagement, we performed amongst others the following assurance procedures and further activities

- Gaining an understanding of the structure of the Group's sustainability organization and of stakeholder engagement.

- Inquiries of management and relevant employees involved in the preparation of the Report regarding the preparation process, the internal control system relating to this process, and the disclosures in the Report.
- Inquiries of employees regarding the selection of topics for the Report, the risk assessment and the concepts of the Company and the Group for the topics identified as material.
- Inquiries of company and Group personnel responsible for data collection and consolidation, and for the preparation of the Report, to evaluate the reporting system, data collection and processing methods, and internal controls relevant to the audit of the disclosures in the Report.
- Identification of probable risks of material misstatement in the Report.
- Analytical review of selected disclosures in the Report at company and Group level.
- Assessment of the overall presentation of the Report.
- Inquiry and document review of samples regarding the collection and reporting of selected data and their integrity in terms of completeness, accuracy, understandability, comparability, and reliability.
- Evaluation of selected internal and external documentation.
- Reconciliation of disclosures with the corresponding data in the Group management report.
- Evaluation of not collected key figures of the company and its subsidiaries.

Assurance opinion

Based on the assurance procedures performed and assurance evidence obtained, nothing has come to our attention that causes us to believe that the Report for the period from January 1st, 2023 to December 31st, 2023 has not been prepared, in all material aspects, in accordance with the relevant GRI-Criteria.

We do not express an opinion on the other references to disclosures outside the Report or in languages other than English and disclosures for prior years.

Limitation of use for the endorsement

We draw attention to the fact that the audit was conducted for the Company's purposes and that the report is only intended to inform the Company about the result of the audit. Consequently, it may not be suitable for any other purpose than the aforementioned. Thus, the report is not intended for third parties to make (financial) decisions based on it. Our responsibility is to the Company alone. We do not accept any responsibility to third parties. Our audit opinion is not modified in this respect.

Order conditions and liability

Our General Engagement Conditions for German Public Auditors and Public Audit Firms, as amended on January 1st, 2024, shall apply to this engagement, also in relation to third parties. In addition, we refer to the liability provisions contained therein in Section 9 and to the exclusion of liability vis-à-vis third parties. We do not assume any responsibility, liability or other obligations towards third parties unless we have concluded a written agreement to the contrary with the third party or such an exclusion of liability would be ineffective.

We expressly point out that we do not update the endorsement with regard to events or circumstances occurring after it was issued, unless there is a legal obligation to do so.

Whoever takes note of the result of our activities summarized in the above note must decide on his own responsibility whether and in what form he considers this result useful and suitable for his own purposes, and whether and in what way he wishes to use it for his own purposes.

Stuttgart, August 16, 2024

dhpg GmbH
Wirtschaftsprüfungsgesellschaft
(Auditing firm)

.....
Keil

Wirtschaftsprüfer
(German Public Auditor)

.....
Erlenkamp

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FIND US ON SOCIAL MEDIA

