

# L&S Group Sustainability Report 2025

**L&S**GROUP

# L&S Group Sustainability Report

2025



The background is a blue-tinted photograph of a modern interior space. It features large windows on the right side, with light streaming in and creating a bright, airy atmosphere. A curved wall or architectural element is visible on the left, and the overall design is minimalist and contemporary.

**The new path  
of light  
and space**



# Reporting scope

This represents the L&S Group’s second Sustainability Report and covers the period from 1 January to 31 December 2025.

All companies listed below, as part of the L&S Group, fall within the defined reporting boundary for FY2025, reflecting the legal and operational structure in place during the reporting period. Unless otherwise stated, all quantitative and qualitative information disclosed throughout this report includes data from all entities listed below:

| LEGAL ENTITY                     | LOCATIONS                           |
|----------------------------------|-------------------------------------|
| L&S Italia S.p.A.                | Brugnera (PN), Italy – Headquarters |
| L&S Deutschland GmbH             | Rödinghausen, Germany               |
| LS Lighting (Shanghai) Co., Ltd. | Shanghai, China                     |
| L&S Lighting Corporation         | Norcross, GA, USA                   |
| Forma e Funzione s.r.l.          | Varese (VA), Italy                  |
| Ital Pek s.r.l.                  | Tavullia (PU), Italy                |
| Flux s.r.l.                      | Sambucheto (MC), Italy              |
| Visplay GmbH                     | Weil am Rhein, Germany              |
| Visplay Inc                      | Northampton, PA, USA                |
| Visplay Ltd                      | London, UK                          |

## Disclaimer on corporate restructuring

During the reporting period and subsequent to it, the Group initiated a corporate restructuring process involving the merger by incorporation of Ital Pek Srl and Forma e Funzione Srl into L&S Italia S.p.A., which became legally effective as of “the last moment of 31 December 2025”.

The merger process did not materially affect the FY2025 reported data, which reflects the legal and operational structure in place during the reporting period.

# Inside this report

This report addresses L&S’s value chain across upstream, own operations and downstream activities, reflecting the current scope of data collection and engagement.

The assessments conducted cover the upstream value chain for the extraction of raw materials, such as metals (aluminium, copper, steel, zinc), plastics and polymers (ABS, polyethylene, PVC, nylon), electronics (silicon, rare metals) and other materials (glass, PET, silicone, packaging) and suppliers of components and materials (aluminium profiles, PCBs, LED chips, etc.) and third-party contractors for transformation processes (metal processing, surface treatment).

The downstream value chain considers the Group’s main customer segments, namely residential OEM customers (56%), retail customers (19%), distributors (16%), and industrial customers (9%). It also includes distribution activities, end users, and end-of-life processes, including waste management and material recovery services.

## Methodological note on data collection

For the realisation of this Sustainability Report, the L&S Group has implemented a structured approach to the collection and analysis of sustainability data that involved all Group companies:

- Quantitative data collection: A standard template was distributed to all sites for the collection of quantitative data related to environmental, social and governance performance.
- In-depth interviews: Interviews were conducted with the heads of various business functions to collect qualitative data and contextual information.
- Verification and quality control: The collected data were subjected to an internal verification process to ensure accuracy and consistency. No third-party assurance was conducted for FY2025; however, external assurance activities are expected to be progressively implemented in line with upcoming CSRD requirements.
- Analysis and interpretation: The collected data were analysed to identify trends, areas for improvement and opportunities.

|     |                                                                 |
|-----|-----------------------------------------------------------------|
| 9   | Letter to stakeholders                                          |
| 10  | L&S Group overview                                              |
|     | 12 2025 Highlights                                              |
|     | 14 Group vision. A luminous circle                              |
|     | 17 Our business model                                           |
|     | 20 The Group’s brands                                           |
|     | 32 Global presence                                              |
|     | 34 Sustainability path                                          |
|     | 37 Corporate governance                                         |
|     | 45 L&S Group materiality analysis                               |
| 50  | The three pillars of our sustainability strategy                |
| 52  | Pillar 1 – Innovate products and processes                      |
|     | 57 Actions for mitigating climate change impacts                |
|     | 64 Materials for production                                     |
|     | 67 Waste generation and disposal                                |
|     | 71 Measurement of GHG Emissions and Energy Consumption          |
|     | 78 ESG Commitments and external recognition                     |
| 82  | Pillar 2 – Empower our people                                   |
|     | 86 Workforce characteristics and diversity                      |
|     | 90 A safe, healthy and supportive workplace                     |
|     | 92 Talent development, training and pay equity                  |
|     | 95 Lights On People                                             |
| 97  | Pillar 3 – Engage with our suppliers and partners               |
|     | 101 Responsible procurement                                     |
|     | 102 Customer and community engagement                           |
|     | 104 Design culture and academic partnerships                    |
|     | 107 Industry presence, brand positioning and partner engagement |
|     | 110 Creativity, innovation and international recognition        |
|     | 112 Support and social responsibility                           |
| 114 | Conclusions and future perspectives                             |
| 120 | ANNEX — ESRS                                                    |



# Letter to stakeholders

Dear stakeholders,

We are pleased to present the 2025 L&S Group Sustainability Report, reflecting the continued evolution of our journey toward greater integration, responsibility, and long-term value creation.

For L&S Group, sustainability is not a standalone initiative, but an integral part of how we innovate, develop, and grow as a Group, connecting industrial development, innovation, and responsibility toward the environment and society. It is woven into the very nature of what we do: shaping light, designing spaces, and creating solutions that must perform responsibly across their entire lifecycle.

After laying the foundations of our sustainability journey in 2024, we have continued to develop our approach, gradually embedding sustainability into the way we design, develop, and deliver our lighting and spatial solutions.

In a context of rapid market transformation, regulatory evolution, and rising stakeholder expectations, we remain convinced that competitiveness and sustainability must advance together. Our ambition is to deliver solutions that combine performance, design quality, and responsible use of resources across their lifecycle.

A key milestone during the year has been the expansion of the Group through the acquisition of Flux and Visplay, which strengthen our international presence and broaden our industrial and design capabilities. These acquisitions deepen our ability to bring light and design together across retail/commercial and contract environments — expanding not just our geographic reach, but the breadth of our expertise and the depth of our shared commitment to quality and sustainability.

Alongside this growth, we have continued to advance our sustainability priorities. Building on our materiality analysis, we have refined our ESG focus and are embedding it more systematically into strategic decision-making. We are also strengthening our approach to product environmental performance and improving the quality of our environmental data across operations and value chain.

People remain central to our development. We continue to invest in a safe, inclusive, and responsible working environment, while reinforcing collaboration with suppliers and partners to promote shared sustainability standards.

Looking ahead, our priority is execution. We are committed to delivering tangible progress, reinforcing our governance framework, and ensuring sustainability is fully integrated into how we operate and grow as a Group.

The progress made over the period supports our ambition to position L&S Group as the leading player in integrated lighting and spatial solutions, one that illuminates not just spaces, but the path toward a more responsible and innovative future.

We would like to sincerely thank our employees, customers, suppliers, and partners for their continued trust and contribution to this journey.

Pietro Barteselli  
CEO of L&S Group



# L&S Group overview

WE MAKE YOUR PROJECT SHINE



# 2025 Highlights

## The Group

121,25 mln €  
revenue

500+  
employees

3  
brands

8  
Manufacturing Facilities

6  
Specialized R&D Centres

+50  
Countries served

5  
Showroom

2  
Experience Centre:  
→ The Flow at the Vitra Campus  
in Weil-am-Rhein, Germany  
→ L&S Lab Experience at the  
Headquarters in Brugnera, Italy



# ESG Highlights

## Environment

|                                                                                              |                                                              |                                                                                             |
|----------------------------------------------------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------------------------------------------------|
| 100%<br>Waste streams monitored across production sites                                      | 100%<br>Purchased electricity from renewable sources         | Zero<br>Significant environmental incidents recorded                                        |
| -9.61%<br>Absolute like-for-like perimeter reduction in Scope 1 emissions compared to FY2024 | Zero<br>Scope 2 emissions remained stable at 0               | -2.7%<br>Absolute like-for-like perimeter reduction in Scope 3 emissions compared to FY2024 |
| 100%<br>Operational sites included in environmental data monitoring                          | +1<br>Additional Group site achieved ISO 14001 certification | B<br>CDP Climate Change score                                                               |

## Social

|                                                                          |                                                            |                                             |
|--------------------------------------------------------------------------|------------------------------------------------------------|---------------------------------------------|
| 49%<br>Women in the workforce                                            | 82.4%<br>Permanent Contract employees                      | +60<br>Net increase in FTEs during the year |
| 100%<br>Employee population covered by welfare and wellbeing initiatives | 6<br>Geographic regions covered by the company's workforce |                                             |

## Governance

|                                                                      |                                                                           |                                                                                |
|----------------------------------------------------------------------|---------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| 3<br>Board meetings held this year included ESG topics on the agenda | Bronze EcoVadis<br>Medal achieved                                         | Zero<br>cases of non-compliance, privacy violations or cybersecurity incidents |
| Zero<br>Whistleblowing reports received                              | 100%<br>Group ESG policies formally implemented across all legal entities | 100%<br>Alignment with internationally recognised ESG frameworks               |
| 100%<br>ESG KPIs integrated into Group management reporting systems  |                                                                           |                                                                                |



# Group vision. A luminous Circle.

We support customer project worldwide with seamlessly integrated, future-proof lighting and furniture solutions for home, commercial interiors and industrial applications. We are driven by a shared vision of creating a better world through a commitment to sustainability. With enthusiasm and determination, we embrace every challenge, taking pride in delivering value through innovative and impactful “Light&Space” projects.



OUR WHY  
— We make your projects shine

We design lighting and modular furniture solutions that empower creativity and elevate individual experiences, enabling our partners to confidently tackle any project challenge.

OUR HOW  
— Visibly Invisible

Our solutions integrate seamlessly into our customers’ furniture, elevating every space through light.

OUR WHAT  
— Light&Space

We transform spaces through light. The new tagline Light&Space perfectly redefine the mission of this enlarged Group.



The L&S Group today

L&S was founded in 1977 in the furniture district of north-eastern Italy. From the beginning, the company explored how light could become an integral part of furniture and interior systems. Early applications in kitchens and wardrobes shaped a precise understanding of functional and embedded lighting.

Over time, this foundation expanded. Through continuous development in technology, production and research, L&S established an international presence across Europe, Asia and the United States.

The Group’s industrial evolution has continued through a series of targeted integrations and acquisitions aimed at strengthening capabilities and expanding its offering. A key milestone was the **legal merger** and full incorporation of Forma e Funzione Srl and Ital Pek Srl into L&S Italia, completed in **December 2025** at the Group’s headquarters in Brugnera. As a result, both entities have been fully absorbed under the L&S brand, contributing to a more unified market identity and a streamlined organizational structure.

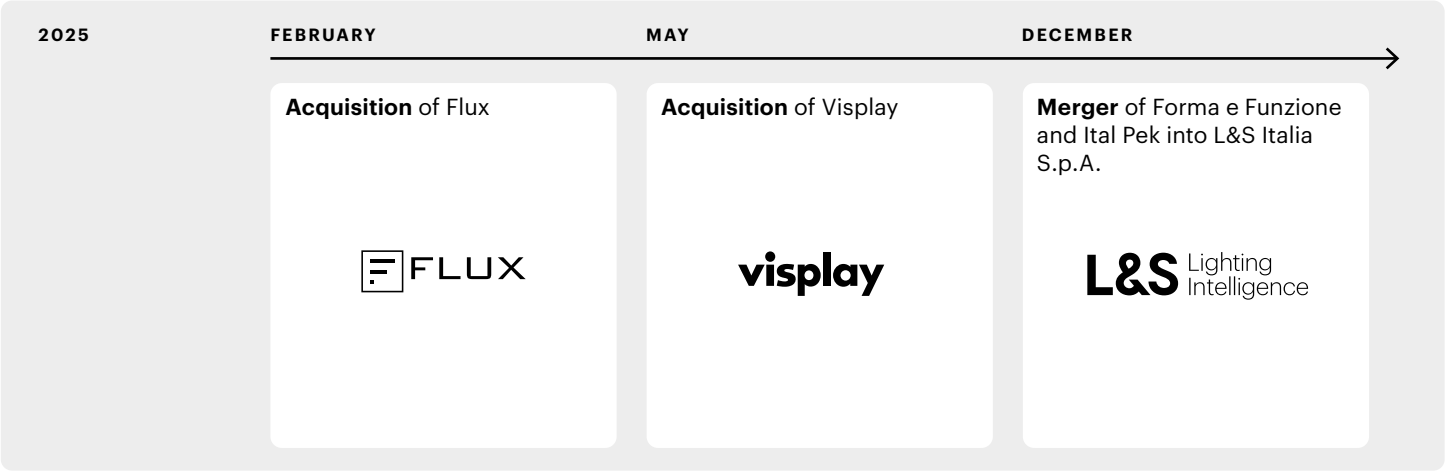
This merger enabled the consolidation of production expertise, the optimization of manufacturing and logistics processes, and the reduction of operational complexity, supporting improved efficiency and scalability across the Group.

In parallel, the Group further expanded its scope through strategic acquisitions completed during 2025. In **February 2025**, the acquisition of **Flux Srl** strengthened capabilities in bespoke lighting solutions, while in **May 2025** the acquisition of **Visplay** extended the offering into modular spatial systems and retail environments.

Together, these developments mark a significant step in the Group’s transition into a provider of integrated solutions. By combining lighting technologies with customized and modular systems under a single, cohesive brand, the Group enhances its ability to deliver comprehensive, scalable and design-driven solutions, while fostering cross-business synergies and supporting long-term sustainable value creation.

Today, the L&S Group brings together complementary competencies, where light, structure and technology are integrated to develop “future-proof solutions”. Knowledge is shared, processes are aligned and solutions are shaped through collaboration.

While light remains central, it is now part of a broader system perspective. Spaces are no longer conceived as fixed installations, but as flexible environments designed to sustainably evolve over time.



Our business model

Light and Space

The Group develops solutions that connect light and space. Work begins early in the project process. Requirements are translated into systems that combine technical precision with spatial understanding. Lighting and structural elements are developed together. This reduces interfaces and simplifies coordination. It also supports solutions that can be adapted over time.



COMMERCIAL



RESIDENTIAL



INDUSTRIAL

Versatile applications

The Group is a uniqueness in the market: versatile applications to provide a full range of integrated lighting systems and electrified structures. We provide the best solution for each individual project in the different fields of application: for residential environments, commercial and office spaces, industrial applications as kitchen hoods, refrigerated counters, elevators and escalators.

## Residential

A range designed for furniture making and interior design process integration, for comfortable, easy-to-use, functional lighting. The attention to the quality of light, always homogeneous and comfortable, the integration of accessories and complements and the development of cutting-edge control systems, contribute to improving the usability of the home environment.

- Optical and technical research to ensure the right level of lighting for home living work surfaces
- Integrated systems with accessories that seamlessly blend with the interior design
- Control systems and sensors to integrate a smart lighting management
- Dedicated solutions that guarantee protection against dust and water infiltration, ideal for kitchen worktop and bathrooms
- Rail and rack systems complete with lighting and shelving for the composition of walk-in wardrobes.

## Commercial

Lighting systems and electrified modular systems designed to enhance the various functional and aesthetic characteristics of each product, enhancing the product perception on display and accompanying the customer throughout the purchasing process.

- Electrified modular structures
- Shelves with integrated lighting
- Backlighting used both as a communication tool and to highlight specific product categories
- Custom-made integrated shelves and retrofitting.

## Industrial

A wealth of experience and design expertise make us the ideal partner for companies with an interest in co-developing and producing lighting systems to improve their products.

- Spotlights, linear devices and decorative light panels for cabin interiors of elevators.
- Step lights and lighting contouring for escalators Dedicated lighting for refrigerated counters and wine storage
- A design oriented approach for the integration of lighting systems in cooker hoods.

## Structure and Competencies. A trusted professional partner

The Group is structured around complementary areas of expertise. L&S and FLUX focus on architectural and integrated lighting solutions, ranging from industrialized systems to project-specific developments. Visplay contributes modular spatial systems that enable flexible and adaptable environments.

Together, these competencies form a connected system. Each company brings specific knowledge, while shared processes and collaboration strengthen the overall performance of the Group. For home applications we enlarge our knowledge about lighting technology and products applications and our capability to offer more solutions of electrified boiserie for modern interiors living. Especially for retail applications, we enable designers, architects and brands to shape spaces and showcase products, effortlessly adapting to change and providing the key elements for visionary interior design.

Our R&D capabilities and experience in devising lighting to be inserted into structures allow us to translate customer needs and ideas into projects, prototypes and products. We are constantly in touch with the technical, quality and purchasing departments of our customers in order to design functional, aesthetically pleasant and easy to mount products.





# The Group's brands

**L&S** Lighting Intelligence

**visplay**

**FLUX**







FOCUS ON

**Moove. A family of plug&play and flexible linear LED profiles.**

The easiest integrated linear lights to install into the furniture.

Moove is a DIY lighting system, ideal for ensuring precision and flexibility in every detail. Thanks to the plug&play power connectors, each section is usable and allows you to create customized lamps to the millimeter, with a continuous “full light” effect and no shadow zones.

**Thanks to free cut technology, the new generation LED strips can be cut at any point, without cutting limitations or loss of functionality.** Each segment can be perfectly adapted to the available space without compromising light quality. Moove is designed for maximum adaptability and ease of installation.

**L&S**

Lighting Intelligence  
— Easy-to-install integrated lighting solutions.

We design bespoke lighting solutions, through a guided co-development process with the customer for furniture and interior design projects: LED solutions, drivers, smart controls and sensors characterized by “Easy-to-install” and “Plug&Play” solutions – seamlessly integrated, technically advanced and ideal for furniture or architectural applications where function and design go hand in hand.

Thanks to our experience and widespread worldwide presence, both commercial and manufacturing, we offer high flexibility in terms of product development, quality and speed of production.





# Visplay

## Modular systems for commercial and office interiors.



Visplay's roots trace back to 1937, when the Swiss company Graeter & Cie. was founded, specialising in display items for shop windows. What began as a small manufacturing business has evolved into a company focused on modular systems for commercial and design-driven spaces. Over time, Visplay has developed its expertise in creating solutions for environments that are subject to constant change. Spaces are not understood as fixed installations, but as systems that evolve. This perspective defines the company's approach to design and development.

**Modularity is central to this approach.** Systems can be reconfigured, extended and reused, supporting long-term use and reducing the need for replacement. Material selection follows the same logic. Steel, aluminium and die-cast zinc are prioritised for their durability and recyclability, complemented by glass and wood. Components are connected mechanically, allowing for disassembly and the return of materials into the cycle.

Development is supported by structured processes and recognised standards. Established management systems and international certifications ensure consistent quality, safety and environmental performance across markets.

Sustainability is embedded in this way of working. The focus lies on reducing environmental impact, enabling circular material flows and improving transparency. A comprehensive understanding of emissions across the value chain provides the basis for targeted improvements, while durable systems and reuse extend product lifecycles.

This approach is closely linked to the people within the company. Safe working conditions, continuous training and collaboration across teams support consistent development and shared knowledge. As part of the L&S Group, these principles are further strengthened through shared expertise, aligned processes and the use of synergies across companies.

Electrified systems, modular furnishings and fittings – designed for change, made for retail, office and public spaces.

The modular systems are key elements in interior layouts –adaptable to evolving needs and easily integrated with lighting and digital technology.

With over 85 years of experience, Visplay combines engineering expertise with a clear commitment to functionality, quality and longevity.

Our headquarters with the FLOW showroom are located on the Vitra Campus in Weil am Rhein, Germany.





FOCUS ON

# A showroom for discovery and exchange. Flow

In October 2025 The Group restyled Flow, the showroom for Commercial solutions within the L&S Group, located on the iconic Vitra Campus in Weil am Rhein, Germany.

Designed as a dynamic environment for discovery and exchange, Flow showcases the latest innovations in modular systems and structures, light boxes, light panels, showcases, and ceiling lighting. The exhibition brings together the creative strength and expertise of the brands L&S, Flux and Visplay, highlighting their shared vision of functional, flexible, and aesthetic commercial spaces.

More than just a showroom, Flow is a place of inspiration — where design meets technology, and light shapes space. Visitors are invited to explore how integrated lighting and architectural solutions can transform environments, redefine retail experiences, and set new standards for modern spatial design.

FOCUS ON

## Modular thinking Spatio structural system, how pop-up spaces are setting new standards.

Pop-up concepts are widely seen as a flexible response to a rapidly changing market. At the same time, expectations of temporary spaces are increasing. Physical environments remain relevant when they take on new role. For pop-ups, this means creating orientation and communicating content within a very short time. Large pop-up spaces require a defining framework that creates structure where none previously existed: The Spatio structural system, launched in October 2025, can be used as a freestanding construction to establish a clearly defined zone for product presentation. At the same time, the space remains open to changing content and scenography.





# Flux

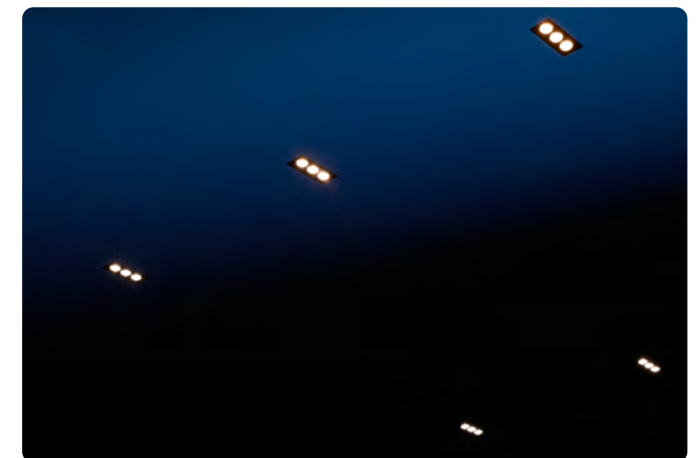
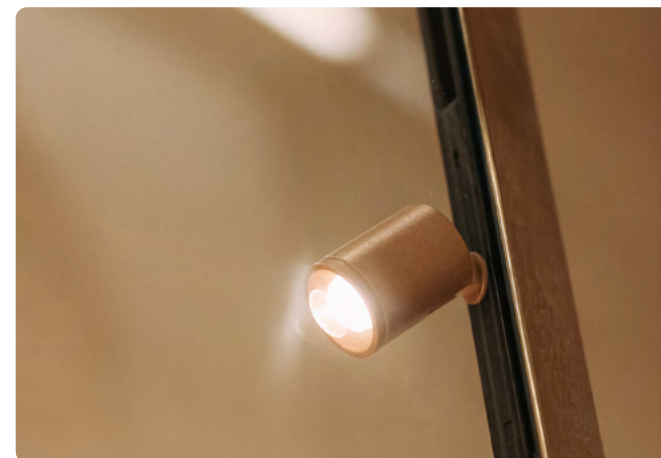
## Lighting solutions for a bespoke service

Flux was founded in 2019 in Recanati, within one of Italy's leading professional lighting districts, a territory that provides access to a consolidated heritage of technical expertise and design culture. In just a few years, the company has established itself in luxury retail lighting, becoming a trusted partner for international fashion and luxury brands through the development of tailor-made projects. Flux operates as a creative laboratory where design and engineering expertise converge through continuous experimentation and project-specific adaptation.



Flux provides a comprehensive range of lighting solutions that adapt seamlessly to diverse spaces, combining ease of installation with a high level of customization: ceiling luminaires, track lights, wall-washer, RGB, tunable white solutions and spot-lights that highlight products, zones and spaces with excellent light quality, intelligent control systems and a distinctive design language.

The offer is based on a bespoke service: every project starts with an in-depth lighting analysis to ensure optimal light distribution in every space, to in-depth studies and 3D simulations to visualize and optimize the lighting effect before installation,



to certified tests and inspections. The aim is to guarantee that lighting solutions meet safety, quality, and energy consumption reduction standards, up to a strong presence in after-sales service and the modularity of retail projects over time. All products are certified in accordance with the regulatory standards of each country, ensuring full compliance and reliability across international markets.

On the environmental side, **the company is committed to replacing and refurbishing luminaires at client locations.** Reconditioned units are returned to the production cycle, reducing waste and extending product lifecycles, while ongoing efforts aim to improve the efficiency of these products.

Flux is increasingly **focusing its research on emerging trends** such as adapting lighting to anticipate industry developments and support sustainable innovation.

This focus on continuous research and improvement also applies to the company's people and culture. From its early days as a family business, the company has promoted a collaborative, people-first approach, listening to individual needs and supporting a balance between work and personal life. Flexible working and a small, close-knit organization help communication, build strong relationships, and create a sense of belonging. Environmental and cultural sustainability are central to the company's values.

Among its clients are major international players and leading Made in Italy brands in the fashion and luxury retail.



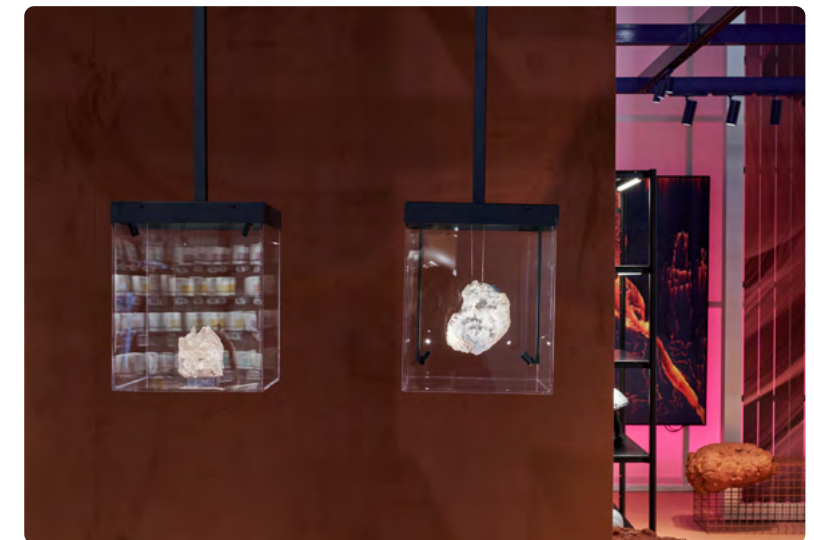


## FOCUS ON

**Continuous research.  
Light is emotion. Light is rhythm.  
Light is detail.  
Adaptive lighting experience.**

Create unique lighting and natural scenes to set your perfect retail spaces. Light is an invisible thread that connects and enhances every space. The harmonious combination of natural and artificial light is a fundamental supporting element for different environments to create an ecosystem of attention and wellbeing.

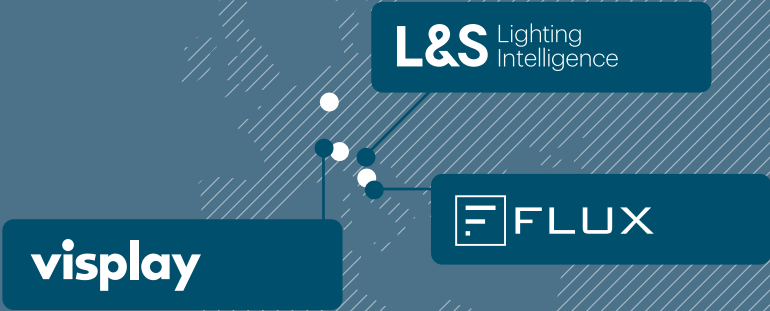
Our Adaptive Lighting Technology is an intelligent system that respond to context, content, and creative vision. Our light source devices and Ultra-wide CCT spectrum control are designed for dynamic integration and flexibility. This holistic approach transforms every retail environment into dynamic stages where lighting guides customers through zones and highlights purchasing key moments.





# Global presence

The L&S Group operates internationally with locations in Europe, Asia and the United States. This structure allows proximity to key markets and supports efficient collaboration across regions.



Sustainable design

International certifications

In-house testing laboratories

Global platform for production and logistics

Innovative patented solutions

Smart Home ecosystem

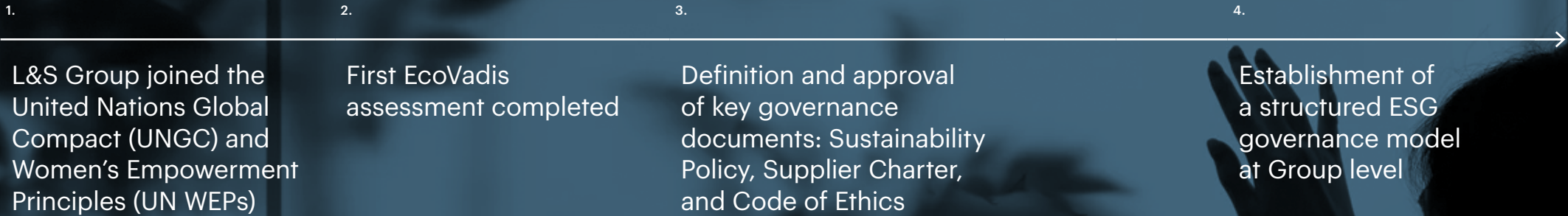
|                  |                          |                                                                                                                              |
|------------------|--------------------------|------------------------------------------------------------------------------------------------------------------------------|
| EMPLOYEES        | MANUFACTURING FACILITIES | SPECIALIZED R&D CENTRES                                                                                                      |
| 500+             | 8                        | 6                                                                                                                            |
| COUNTRIES SERVED | SHOWROOM                 | EXPERIENCE CENTRE                                                                                                            |
| +50              | 5                        | 2<br>→ The Flow at the Vitra Campus in Weil-am-Rhein, Germany<br>→ L&S Lab Experience at the Headquarters in Brugnera, Italy |

Integration with new technologies and protocols

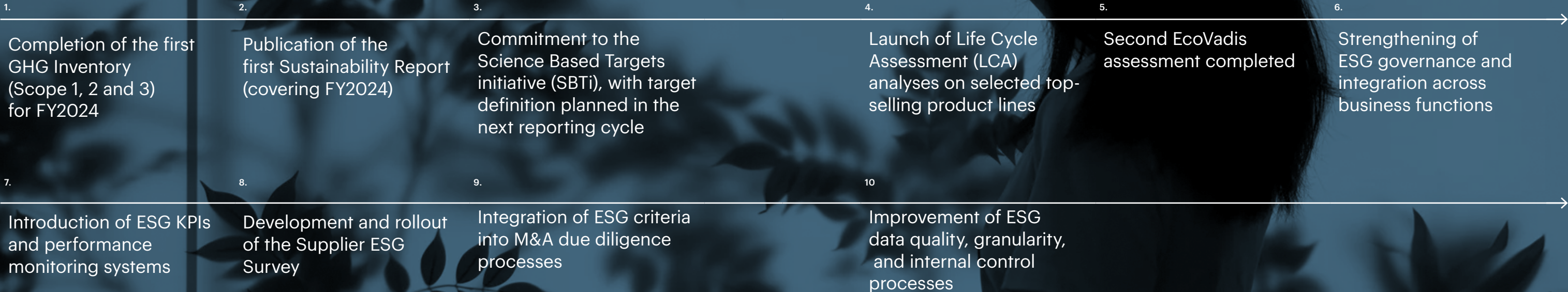


# Sustainability path

## 2024



## 2025







# Corporate governance

|                                                                                                                       |                                                                                                                                               |                                                                                                                                                        |
|-----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>UN GLOBAL COMPACT</b><br><br><b>Committed</b><br>2nd consecutive year of commitment to the UNGC’s ten principles   | <b>UN WEPS</b><br><br><b>100%</b><br>Alignment with international best practices on gender equality through UN Women’s Empowerment Principles | <b>EMPLOYEE TRAINING</b><br><br><b>100%</b><br>Employees trained on the Code of Ethics and Data Security                                               |
| <b>COMPLIANCE RECORD</b><br><br><b>Zero</b><br>Cases of non-compliance, privacy violations or cybersecurity incidents | <b>BOARD ESG SESSIONS</b><br><br><b>3</b><br>Board of Directors meetings dedicated to sustainability topics in 2025                           | <b>ACTIVE POLICIES</b><br><br><b>5</b><br>Code of Ethics, Sustainability Policy, Supplier Charter, OMC Model (D.Lgs. 231/2001), Whistleblowing Policy. |

## Risk management and Integrated management systems

For the L&S Group, sustainability is not a standalone objective but an integral component of its business model and long-term value creation strategy. A robust, ethical and transparent governance framework represents the foundation for delivering sustainable value to all stakeholders.

The Board of Directors actively oversees the integration of Environmental, Social and Governance (ESG) factors into the Group’s strategy, ensuring that decision-making processes are guided by principles of accountability, integrity and responsible business conduct.

In line with its continuous governance evolution, in 2025 the Group confirmed for the second consecutive year its commitment to the United Nations Global Compact (UNGC), promoting its ten principles related to human rights, labour standards, environmental protection and anti-corruption. In parallel, L&S strengthened its commitment to gender equality through adherence to the Women’s Empowerment Principles (UN WEPs). During 2025, all Italian sites initiated the process towards certification under the UNI/PdR 125:2022 framework on gender equality.

The Group adopts a structured approach to ESG-related impacts, risks and opportunities (IROs), based on the double materiality principle — evaluating both financial exposure and impact on people and the environment.

|                                              |                       |                                                                                                                                    |
|----------------------------------------------|-----------------------|------------------------------------------------------------------------------------------------------------------------------------|
| <b>GROUP APPROACH TO ESG-RELATED IMPACTS</b> | <b>IDENTIFICATION</b> | Continuous monitoring of regulatory developments, market dynamics and social trends to detect emerging ESG risks and impacts.      |
|                                              | <b>ASSESSMENT</b>     | Each risk is evaluated from both a financial and an impact perspective, ensuring comprehensive understanding of Group exposure.    |
|                                              | <b>MITIGATION</b>     | Action plans are defined and implemented to reduce risks, strengthen resilience and leverage sustainability-related opportunities. |



These processes are embedded in the Group’s governance and decision-making framework, supported by clearly defined roles, responsibilities and monitoring mechanisms.

In this context, the Group’s governance framework is operationalised through an **integrated management system approach**, supported by internationally recognised certifications covering quality, environmental and health & safety dimensions. These include ISO-certified systems such as ISO 9001, ISO 14001 and ISO 45001, which ensure consistent standards across Group entities and reinforce process reliability, compliance and continuous improvement.

INTEGRATED  
MANAGEMENT  
SYSTEMS 2025

|                                  | ISO 9001 | ISO 14001 | ISO 45001 |
|----------------------------------|----------|-----------|-----------|
| L&S Italia S.p.A. (Headquarters) | •        | •         |           |
| Forma e Funzione s.r.l.          | •        | •         |           |
| Ital Pek s.r.l.                  |          |           |           |
| L&S Deutschland GmbH             | •        | •         |           |
| LS Lighting (Shanghai) Co., Ltd  | •        | •         |           |
| Flux s.r.l.                      | •        | •         |           |
| Visplay GmbH                     | •        | •         |           |
| L&S Lighting Corporation         |          |           |           |

Targets and progress

| INITIATIVE                    | 2024 BENCHMARK       | 2025 RESULT                                             |
|-------------------------------|----------------------|---------------------------------------------------------|
| Integrated Management Systems | ISO systems baseline | Obtained <b>1 additional ISO 14001</b> within the Group |



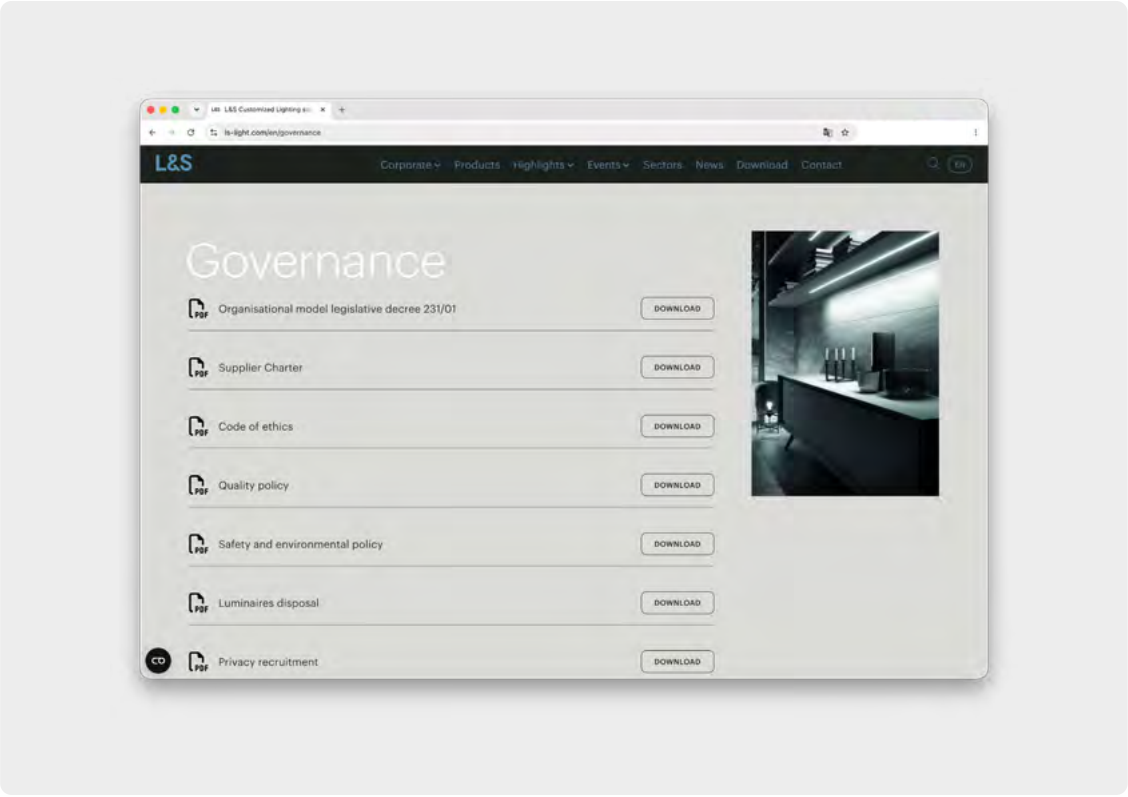
| NOTES & NARRATIVE                                                                                                             | TREND 2024 → 2025  | TARGETS 2026/2027                                                                |
|-------------------------------------------------------------------------------------------------------------------------------|--------------------|----------------------------------------------------------------------------------|
| Progressive implementation of structured management systems to enhance environmental and safety risk control across the Group | → <b>Expanding</b> | → Progressively extend ISO-certified management systems across the organisation. |



# Governance Framework and Internal Policies

Group’s governance framework is supported by a structured set of internal policies, which define roles, responsibilities and behavioural expectations across the organisation and its value chain.

The **Code of Ethics** represents the foundation of the Group’s governance system, establishing the core principles of integrity, transparency, fairness and compliance that guide the conduct of employees, management and business partners.



GOVERNANCE  
POLICY ONLINE

In 2025, L&S Italia, acting as the Group’s Headquarters, initiated the activities related to the update of its **Organisational, Management and Control Model pursuant to Legislative Decree No. 231/2001**, of which the Code of Ethics forms an integral part. This initiative reflects an ongoing commitment to strengthening the compliance framework and ensuring that the governance system remains aligned with evolving regulatory requirements and best practices. The update also confirms the proactive approach to preventing unlawful or unethical conduct, including behaviours that may be inconsistent with the ESG principles adopted by the Group.

These compliance commitments are not intended as merely formal declarations, but are supported by concrete monitoring and reporting mechanisms aimed at ensuring their effective implementation. In this respect, particular attention is paid to reports concerning potential violations of internal rules, principles and procedures. A dedicated whistleblowing platform is in place to enable the reporting of such concerns through appropriate and protected channels.

The L&S Group maintains a zero-tolerance policy towards corruption and unethical conduct. As stated in the Code of Ethics:

*“The Group excludes and condemns any type of corruption, extortion, undue inducement and influence peddling, both in the public and private sector, and adopts prevention and control measures aimed at avoiding the commission of such crimes in carrying out its activities.”*

In 2025, the **Whistleblowing Policy** was updated, further strengthening the ability to receive, manage and assess reports in line with the principles of transparency, accountability and responsible business conduct.

The **Sustainability Policies** translate these principles into specific commitments and operational guidelines across key ESG areas, including environmental management, responsible use of resources, respect for human rights, employee well-being and ethical business practices. These policies ensure a consistent approach to sustainability across all Group entities and support the integration of ESG considerations into day-to-day operations and strategic planning.

Complementing this framework, the **Supplier Charter** extends the Group’s ESG expectations to its upstream value chain. It defines minimum standards that suppliers are required to meet in areas such as labour conditions, health and safety, environmental responsibility, and business integrity. The Group actively promotes alignment with these standards through supplier engagement, monitoring activities, and the progressive integration of ESG criteria into procurement processes.

The Group continuously invests in training and awareness initiatives on compliance, anti-corruption, sustainability and data protection, ensuring that ESG principles and ethical conduct are effectively embedded across all organisational levels and throughout the value chain.

[→ to policy documents](#)

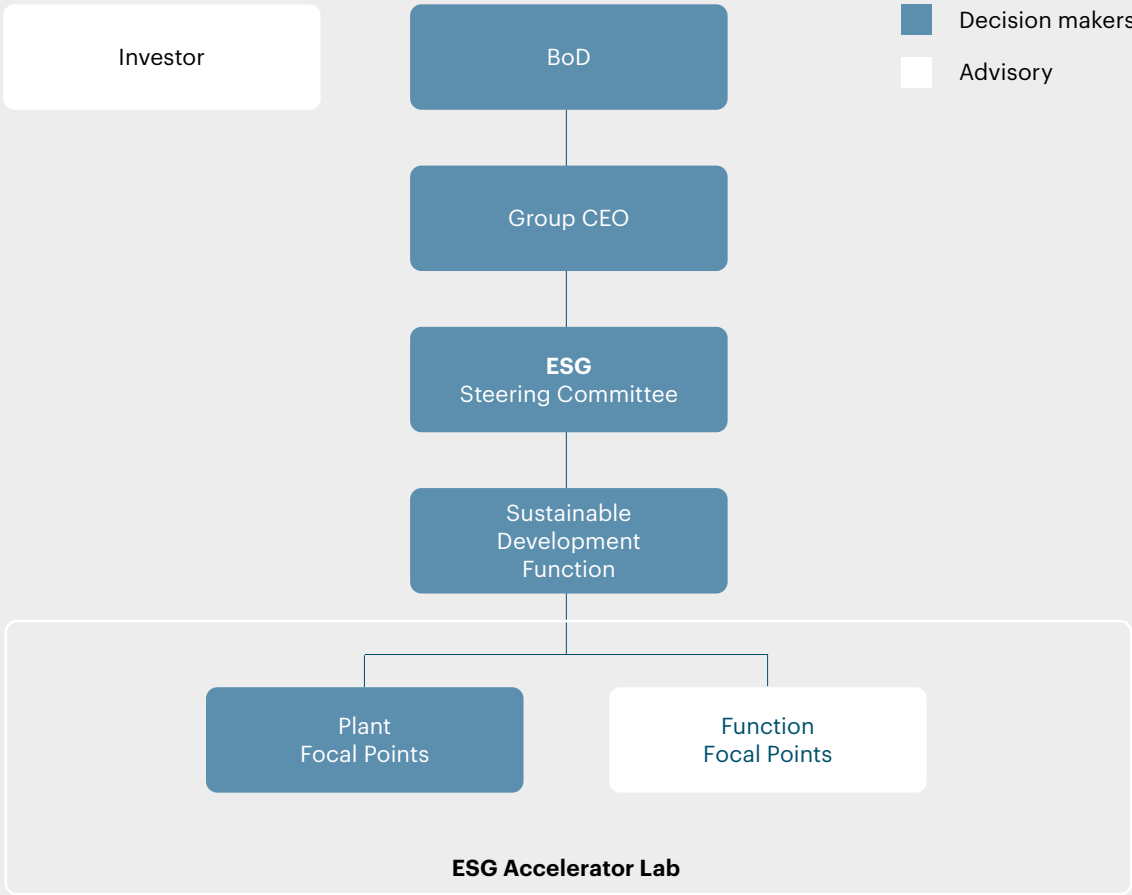




Governance ESG Structure

The execution of ESG strategy is supported by a structured operational model involving key roles and dedicated governance bodies:

- **ESG Steering Committee:** oversees ESG implementation across sub-entities and functions.
- **ESG Accelerator Lab:** executes sustainability projects and initiatives based on the Group Sustainability Strategy.
- **Sustainable Development Function:** monitors risks and opportunities and supports stakeholder engagement.
- **Focal Points:** they support the implementation of ESG initiatives across global sites and enable top-down and bottom-up communication with the ESG Steering Committee. This includes both Plant and Functional Focal Points.



**Fabio Cadeddu**  
Political Oversight  
of ESG



**Pietro Barteselli**  
Group CEO  
/ ESG Lead



**Giorgia Scarlata**  
Legal Affairs  
& Compliance



**Giulia Muneratti**  
Sustainability  
Specialist

This top-level governance is supported by Sustainability Specialist, and Legal Affairs & Compliance, provide expert support in their respective areas, ensuring technical and regulatory alignment



In 2025, L&S Italia, as the Group’s Headquarters, addressed ESG matters in three of its Board of Directors, confirming the progressive integration of sustainability topics into governance processes and strategic decision-making:

| FEBRUARY                                                                                                                                                                                    | JULY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | NOVEMBER                                                                                                                                                                                                                                                                                                                                                       |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The Board addressed the annual update of the Group’s internal policies, to ensure that they remain concrete, current and aligned with the evolving sustainability and compliance framework. | A structured discussion was dedicated to the ESG Plan, including the first L&S Group Sustainability Report for financial year 2024, the five-year Sustainability Strategy launched in 2025, and the KPI linked loan agreed with the pool of banks. The Board approved the Sustainability Report and the Sustainability Strategy, granting the mandate for their communication, for employee training activities, and for the integration of the Strategy into corporate processes and Group governance systems. | The Board acknowledged a change in the ESG responsibility structure, ensuring continuity in the oversight and coordination of sustainability-related activities. The Board further reaffirmed its strong commitment to advancing ESG matters in 2026, confirming sustainability as a key priority for the Company and, consequently, for the Group as a whole. |



# L&S Group Materiality Analysis

## The L&S Group Value Chain

A resilient business model must remain in continuous dialogue with the environment in which it operates. The L&S Group recognises that the perspectives of its stakeholders — including employees, customers (brands, designers and architects), suppliers and the communities in which it operates — are essential in guiding strategic decision-making.

Understanding and mapping the value chain represents the first step in assessing the real impact of the Group's activities. The sustainability performance of L&S lighting systems is the result of a complex ecosystem, spanning from raw material extraction to product manufacturing, use phase and end-of-life management.

### 1. **Upstream: sourcing and supplier partnerships**

The quality and sustainability of L&S products start from the selection of materials and suppliers. The Group operates through a global network sourcing electronic components, LED technologies, aluminium, plastics and packaging materials.

To ensure alignment with its ethical and sustainability standards, the Group:

- selects business partners that share its values and promotes the adoption of its Supplier Charter
- progressively evaluates suppliers not only on quality and cost, but also on environmental performance and respect for human and labour rights, in line with the principles of the UN Global Compact
- promotes transparency and traceability across the supply chain, favouring — where possible — a “local for local” sourcing approach to reduce logistics-related impacts.

### 2. **Own Operations: Innovation, Production and People**

The core of the Group's value creation lies within its production sites and R&D activities.

- Design and engineering: eco-design principles are applied to develop modular,



- energy-efficient and durable lighting solutions
- Production and quality: high standards of occupational health and safety are ensured across all sites, alongside continuous investments in employee well-being, training and development
- Operational efficiency: energy consumption, emissions and waste generation are continuously monitored and optimised to improve environmental performance

3. **Downstream: Distribution, Use and End-of-Life**

The Group’s responsibility extends beyond product delivery to its B2B customers across furniture, retail and other sectors.

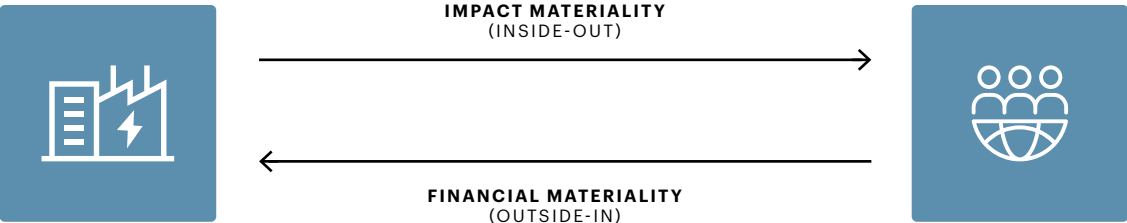
- Use phase: the most significant indirect impact is linked to energy consumption during product lifetime. The transition towards high-efficiency LED technologies and smart lighting systems represents a key lever to reduce the overall carbon footprint (Scope 3)
- Circularity: the Group is progressively developing solutions to facilitate product disassembly, material recovery and responsible end-of-life management, in collaboration with customers and recycling partners.



**Double Materiality as a Strategic Compass**

To define an effective sustainability strategy, it is essential to focus efforts on the most relevant topics. In line with emerging regulatory requirements and the European Sustainability Reporting Standards (ESRS), the L&S Group has adopted the principle of double materiality. This approach evaluates sustainability topics through two complementary perspectives:

- Impact materiality (inside-out): assessing how the Group’s activities, products and value chain generate impacts – both positive and negative – on the environment and society
- Financial materiality (outside-in): assessing how external sustainability factors, such as regulatory developments, market dynamics and social trends, may affect the Group’s financial performance, position and future development.



**Stakeholder Engagement**

The double materiality assessment was supported by a structured stakeholder engagement process involving both internal and external stakeholders.

**Internal stakeholders** included:

- Top management and Board of Directors
- Function managers
- Employees across Italy, Germany, China and the United States

**External stakeholders** included:

- Key customers (representing a significant share of turnover)
- Strategic suppliers
- Investors and financial institutions
- Local communities
- Industry experts and trade associations



**Engagement activities** were conducted through multiple channels, including:

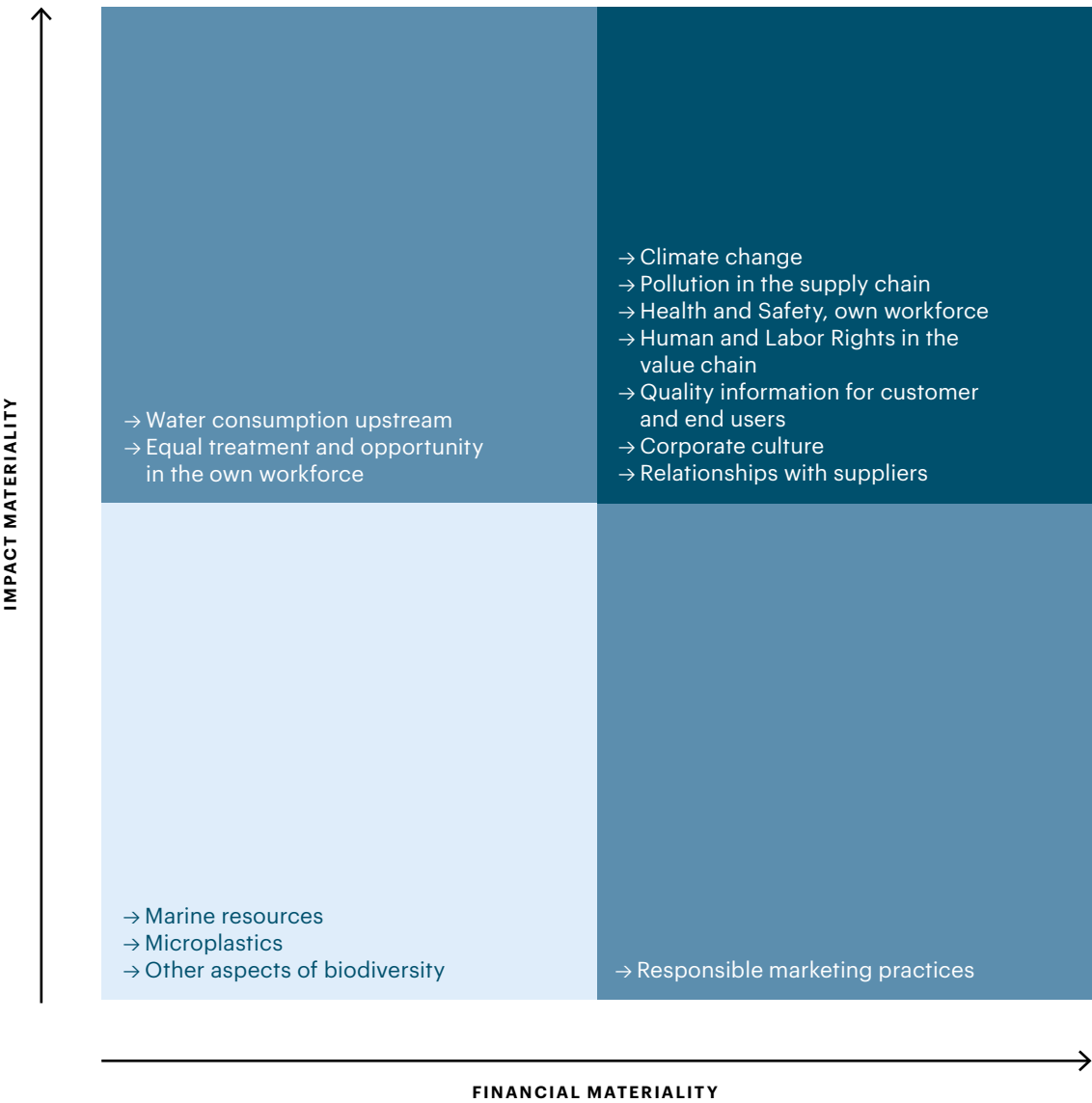
- One-to-one interviews with senior management
- Online surveys
- Validation workshops with management
- Focus groups with selected stakeholder representatives

## Identification of Material Topics

Each sustainability topic was assessed considering:

- The severity and likelihood of impacts on the environment and society
- The magnitude and probability of financial risks
- The potential for value creation associated with opportunities

Topics exceeding defined relevance thresholds were identified as material topics, forming the foundation of the Group’s ESG strategy.





# The three pillars of our sustainability strategy

Pillar 1 —  
Innovate products  
and processes

Pillar 2 —  
Empower our people

Pillar 3 —  
Engage with our  
suppliers and partners



# Pillar 1

# Innovate products and processes





# Targets and progress

| INITIATIVE                                     | 2024 BENCHMARK                                      | 2025 RESULT                                                                    | NOTES & NARRATIVE                                                                                                                                                                                                                                  | TREND 2024/2025 | TARGETS 2026/2027                                                                                                                                                                                                                      |
|------------------------------------------------|-----------------------------------------------------|--------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.1<br>Material use and Packaging optimization | → Baseline of modular design framework<br>→ 20% FSC | → 8 LCAs completed best-selling products<br>→ 60% FSC +40pp vs 2024            | Eight LCAs completed for the highest-volume products, providing a knowledge base for future redesign decisions. Significant progress on primary packaging. FSC coverage tripled.                                                                   | ↑ Improved      | → <b>Extend LCAs</b> to additional product families<br>→ Complete the eco-design feasibility assessment and define modular design guidelines for all new product development projects<br>→ Reach ≥80% FSC-certified packaging coverage |
| 1.2<br>Product energy efficiency               | Scope 3 cat. 11: baseline                           | –2.7% Scope 3 cat. 11                                                          | A 2.7% absolute decrease in Scope 3 Category 11 emissions (use of sold products) was recorded within a constant perimeter.                                                                                                                         | ↑ Improved      | → Continue the <b>downward trend in Scope 3 Category 11 emissions</b>                                                                                                                                                                  |
| 1.3<br>EcoVadis rating                         | Committed Badge                                     | <b>Bronze Medal</b><br>↑ Level upgrade                                         | Progression from Committed Badge to Bronze Medal — an independent external recognition of the improvement in the group’s ESG management system.                                                                                                    | ↑ Improved      | → <b>Maintain</b> EcoVadis Bronze Medal <b>and progress towards Silver</b> through targeted improvements in governance, procurement, and climate-related disclosures.                                                                  |
| 1.4<br>GHG emissions                           | GHG baseline                                        | <b>Scope 1:</b> –9.61%<br><b>Scope 2:</b> stable at 0<br><b>Scope 3:</b> –2.7% | Scope 1 and Scope 3 emissions decreased on a like-for-like basis, while market-based Scope 2 emissions remained at zero for the second consecutive year through 100% renewable electricity, supported by GO certificates and on-site solar panels. | ↑ Improved      | → Continue the <b>reduction trend</b> across all scopes<br>→ <b>Submit SBTi targets</b> (Scope 1, 2 and 3) and obtain <b>official validation</b>                                                                                       |



# Actions for mitigating climate change impacts

At L&S Group, circular economy principles are embedded within the “Innovate Products & Processes” strategic pillar and are primarily leveraged as a driver to **contribute to climate change mitigation**, in line with the Group’s materiality assessment outcomes.

Progress in this area is monitored through key environmental topics, ensuring alignment between operational actions and the Group’s broader climate change mitigation strategy:

| ENVIRONMENTAL TOPICS AND TRACKING | TOPIC                    | KEY ISSUE                                          | WHY IT MATTERS                                                                  | HOW IT IS TRACKED          |
|-----------------------------------|--------------------------|----------------------------------------------------|---------------------------------------------------------------------------------|----------------------------|
|                                   | Materials for production | Use of raw materials and packaging                 | Drives resource efficiency, supply chain resilience and environmental footprint | → Materials for Production |
|                                   | Waste                    | Waste generation and disposal                      | Impacts environmental footprint, costs and regulatory compliance                | → Waste Management         |
|                                   | Energy performance       | Energy consumption in operations                   | Key driver of operational efficiency and Scope 1 & 2 emissions                  | → Energy Performance       |
|                                   | GHG emissions            | Carbon footprint across operations and value chain | Core indicator of climate impact (Scope 1, 2, 3)                                | → GHG Emissions            |

This integrated approach enables L&S to move from compliance-driven initiatives towards a more structured and measurable contribution to climate change mitigation, supporting continuous improvement in product design, operational efficiency and innovation, in line with the progressive implementation of Pillar 1 of the Group’s strategy.



## Policy alignment

These principles at L&S are supported by the Group’s Sustainability Policy, which promotes the efficient use of natural resources, waste reduction and continuous improvement in environmental performance.

In particular, the Policy emphasises:

- the **efficient use of natural resources**, supporting material optimisation and reduced environmental footprint;
- the **reduction of waste generation**, aligned with circular economy principles of waste prevention and improved end-of-life management;
- the **promotion of technological innovation**, enabling the development of more efficient and sustainable products and processes;
- the **continuous improvement approach**, which supports the progressive integration of circular economy practices over time.

These principles provide the foundation for the Group’s transition towards more circular products and processes, in line with the “Innovate Products & Processes” strategic pillar.



We embed sustainability into our business approach by integrating innovation and circularity principles across our operations and throughout the entire value chain. L&S Group is committed to progressively reducing its overall environmental footprint along the production process.

Acknowledging that today’s global challenges are strongly tied to the use of energy and materials—and their impact on climate change and the transition to a circular economy—L&S works to limit and optimize both direct and indirect resource consumption.

In line with this approach, L&S Group is committed to:

- **continuously monitoring energy and material usage**, as well as the related greenhouse gas emissions;
- identifying and implementing improvement actions aimed at **gradually reducing environmental impacts** associated with energy and materials;
- leveraging advanced technologies and best available solutions to **ensure product quality, performance, and durability**, while respecting environmental standards.

As part of the actions implemented to support its sustainability strategy, L&S Group has focused on a set of targeted initiatives addressing materials, product-level impacts, and supply chain engagement, with the objective of building a more structured and measurable approach over time.

## Material use and packaging optimisation

A first area of intervention has been **packaging**, where the Company has worked to increase the share of materials sourced from responsibly managed forests. In particular, the coverage of **FSC-certified packaging has increased from 20% to 60%**. This improvement reflects a concrete shift in procurement practices and supplier selection, resulting in a significantly higher proportion of packaging that meets recognized environmental and traceability standards. Moving from one-fifth to more than half of total packaging coverage means that L&S is actively reducing risks associated with raw material sourcing, while contributing to the protection of forest ecosystems and promoting more sustainable material flows within its operations.





FOCUS ON

Packaging Optimisation

L&S Group has implemented a pilot initiative focused on the optimisation of product packaging design.

The case concerned a packaging configuration originally characterised by over-sized boxes and the use of plastic void-fill materials to ensure product stability during transport. Through an internal review process driven by increased sustainability awareness across operational teams, the packaging solution was redesigned by better aligning box dimensions to product specifications and eliminating unnecessary plastic components.

In particular, plastic-based elements were replaced with cardboard solutions, including redesigned separating tabs to ensure product protection and stability without compromising quality or safety standards. This substitution enabled a shift from polystyrene and plastic-based materials to more recyclable cardboard alternatives.

The initiative generated qualitative benefits, including reduced packaging material usage and improved recyclability of packaging components, with potential cost efficiencies linked to lower material consumption. In addition, the pilot demonstrated a positive response from customers, confirming that packaging optimisation can be achieved without affecting product integrity or perceived quality. Quantitative impacts have not yet been systematically measured.

Beyond the operational improvement, the case also highlights the importance of internal awareness in identifying inefficiencies and driving incremental sustainability improvements across the organisation.

Building on this pilot experience, L&S is working towards formalising a more structured approach to sustainable packaging design. This includes the progressive definition of packaging optimisation principles and the introduction of performance indicators to support further reduction of material use and packaging waste in future product development.



A pilot initiative focused on the optimisation of product packaging design.

BEFORE



AFTER





Product Impact Assessment

In 2025, L&S Group completed eight Life Cycle Assessment (LCA) studies on its highest-rotation LED lighting products, conducted with the support of a specialised external consultancy and in accordance with EN 50693:2019, ISO 14040/14044, and the PCR EPDItaly007 framework. The studies are not yet subject to independent third-party verification for EPD certification.

| LIFE CYCLE ASSESSMENT - LCA | PRODUCTS ANALYSED         | USE PHASE SHARE OF TOTAL GWP            | PRODUCTION ENERGY - RENEWABLE       |
|-----------------------------|---------------------------|-----------------------------------------|-------------------------------------|
|                             | 8                         | >95%                                    | 100%                                |
|                             | Highest rotation products | Consistent across all products assessed | GO-certified + on-site photovoltaic |

These reports represent a significant methodological step, enabling the Company to move beyond an aggregated, organisation-level view of environmental performance toward a rigorous, product-level quantification of impacts across the entire value chain — from raw material extraction through manufacturing, distribution, use, and end-of-life.

The most significant finding across all assessed products is the strong concentration of environmental impact in the use phase. For every product analysed, the use phase accounts for more than 90% of the total lifecycle climate impact.

This finding is structurally aligned with the Group’s greenhouse gas emissions profile at the organisational level, where Category 11 — Use of Sold Products — represents approximately 95% of total Scope 3 emissions.

At the production stage, all products assessed are manufactured using 100% renewable electricity — combining on-site photovoltaic generation and grid electricity fully covered by Guarantees of Origin.

These LCA studies provide the foundational knowledge base for future eco-design strategies, enabling L&S to identify improvement opportunities through luminous efficiency optimisation, component material selection, and end-of-life design. The Group intends to progressively extend this product-level analysis across its broader portfolio and to explore the conditions for Environmental Product Declarations (EPD) on priority product families.

The completed LCA studies are available to L&S customers upon request. As sustainability reporting obligations expand across industries — particularly under CSRD and related Scope 3 disclosure requirements — an increasing number of customers and procurement functions require verified product-level emissions data to calculate their own carbon footprint.

L&S recognises this need and positions its LCA documentation as a value-added service within its commercial relationships: customers integrating L&S products into their own operations or built environments can access product-specific GWP data, lifecycle inventory summaries, and reference service life assumptions to support their Category 1 (Purchased Goods and Services) or Category 11 (Use of Sold Products) Scope 3 calculations, depending on their position in the value chain.

This approach reflects L&S’s broader commitment to supply chain transparency and to enabling its customers to meet their own environmental reporting obligations with confidence.

Life Cycle Stage



1. Raw Material Extraction and Processing

Extraction and processing of raw materials and production of input materials and components



2. Material Supply and Transportation

Transportation of raw materials and components from suppliers to manufacturing facilities.



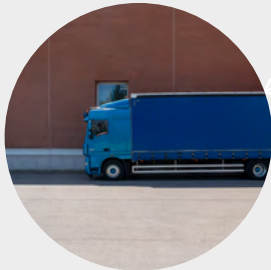
3. Manufacturing

Manufacturing and assembly processes required to produce the final product.



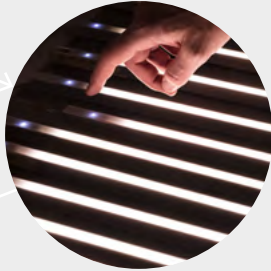
4. Packaging

Packaging of the finished product for storage, transportation, and distribution.



5. Distribution

Distribution and transportation of the finished product to customers and points of sale.



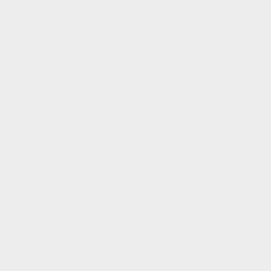
6. Use Phase

Installation, operation, maintenance, and use of the product during its service life.



7. End-of-Life

Collection, reuse, recycling, recovery, treatment, and final disposal of the product at the end of its service life.





# Materials for production

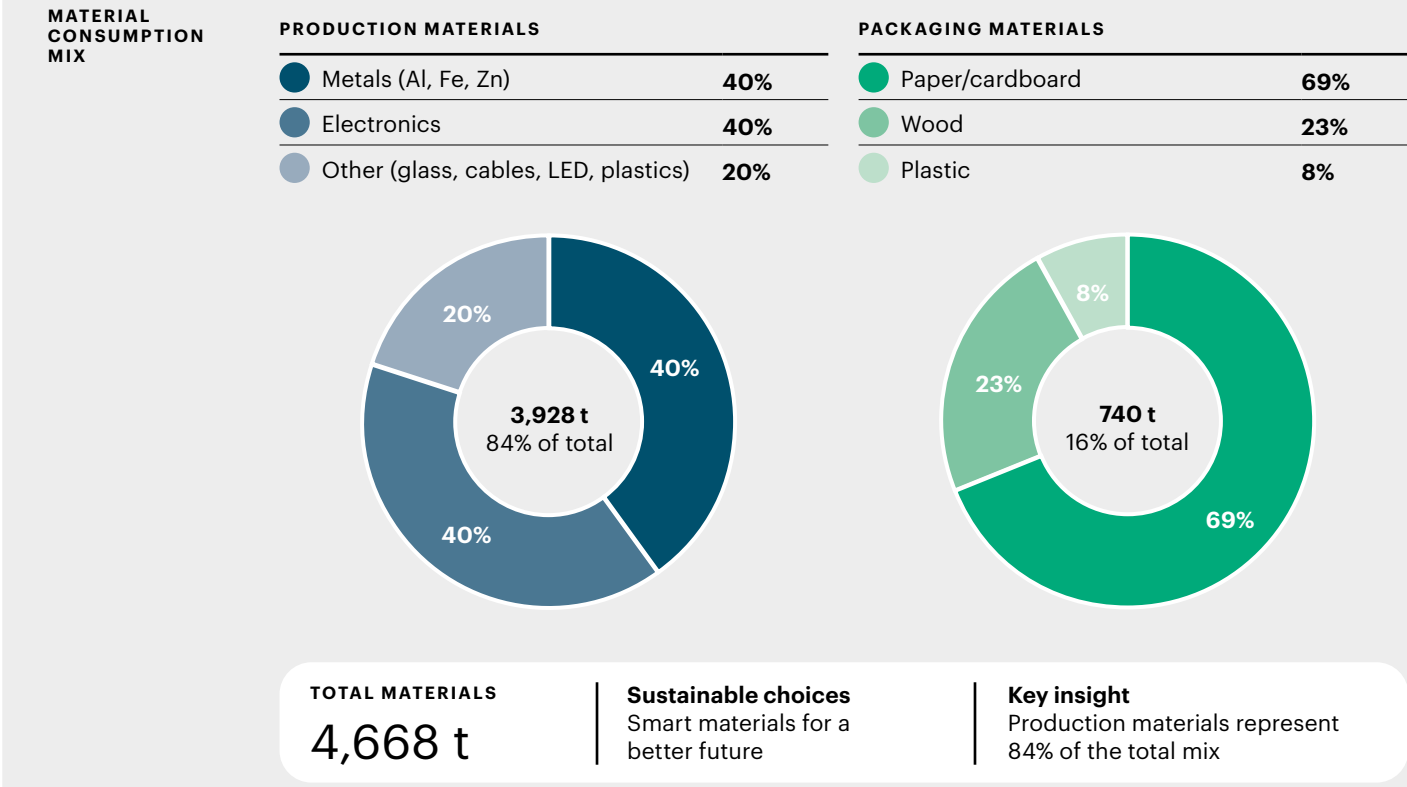
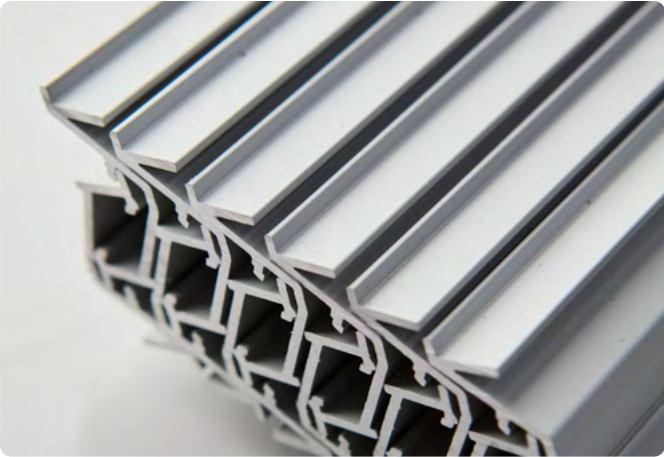
| TOTAL MATERIAL INFLOWS          | RECYCLED CONTENT IN PRODUCTION            | RENEWABLE PACKAGING SHARE |
|---------------------------------|-------------------------------------------|---------------------------|
| 4,668 t                         | 4% (175 t)                                | 92%                       |
| Production 84%<br>Packaging 16% | ↑ from 0% in 2024<br>– first introduction | Paper, cardboard & wood   |

L&S Group conducted a detailed assessment of material flows in both 2024 and 2025, covering production processes and packaging. This analysis supports the evaluation of the Group’s progress towards a circular economy over time and helps identify key areas for improvement. The resulting data provides a stronger basis for steering resource allocation and prioritising circularity initiatives in line with ESRS E5 requirements. This granular view underpins the aggregated indicators shown in the following section, which summarise total material use, the share of renewable inputs and the proportion of recycled materials.

**Material inflows are classified into two main categories:** production materials (3,928 t, 84% of total) and packaging materials (740 t, 16% of total).

**Production materials** are predominantly composed of technical or non-renewable inputs, consistent with the nature of the company’s manufacturing activities. The main material families in 2025 were electronics and lighting components (approximately 40% of production inputs), metals including aluminium, steel, and zinc (approximately 40%), and a residual share of glass, cables, plastics, and other process materials (approximately 20%). A relevant development in 2025 was the introduction of recycled content within production inputs, reaching 4% of the category (175 t), compared to zero in 2024. This marks a first step toward integrating secondary materials into the core supply chain.

**Packaging materials** confirmed a strongly renewable profile, with biological or renewable materials representing 92% of the category, primarily through paper, cardboard, and wood. Non-renewable packaging (plastic) accounted for 8% of the total packaging stream (59 t).



At the aggregate level, non-renewable or technical materials accounted for 85% of total inflows (3,987 t), down from 89% in 2024 (5,026 t), while renewable and biological materials reached 15% (681 t, up from 11%). Overall recycled content stood at 7% (311 t), up from 6% in the prior year.

This comparison reflects the evolution of data collected between the two reporting periods. It should be noted that the reporting perimeter has changed compared to 2024, following the acquisition of two additional companies, which has influenced the overall composition and volumes of materials reported.

The company recognises that material data quality is an area of ongoing improvement. The 2025 reporting cycle has benefited from expanded supplier engagement and more structured data collection processes.

| CIRCULARITY KPIs | PRODUCTION MATERIALS      | 2025  | VS 2024 | TREND               |
|------------------|---------------------------|-------|---------|---------------------|
|                  | Recycled (total)          | 7% ▲  | 6%      | 0% <div></div> 100% |
|                  | Renewable / biological    | 15% ▲ | 11%     | 0% <div></div> 100% |
|                  | Non-renewable / technical | 85% ▼ | 89%     | 0% <div></div> 100% |



# Waste generation and disposal

| TOTAL WASTE 2025  | RECYCLING RATE     | HAZARDOUS WASTE  | SENT TO LANDFILL |
|-------------------|--------------------|------------------|------------------|
| 370.6 t           | 34.1%              | 0.7 t            | 3.5 t            |
| ↑ +31.9% vs 2024* | ↑ +13.9 pp vs 2024 | ↓ -30.0% vs 2024 | ↓ -21.0% vs 2024 |

\* Increase reflects new Companies acquisitions completed in 2025 and expanded waste tracking coverage

The L&S Group implements a comprehensive waste management system across all its operating facilities, in compliance with the Waste Framework Directive 2008/98/EC, as amended (notably by Directive (EU) 2018/851), including its classification of recovery (R codes) and disposal (D codes) operations. For sites outside the European Union, operating practices inspired by the principles of the Directive are applied.

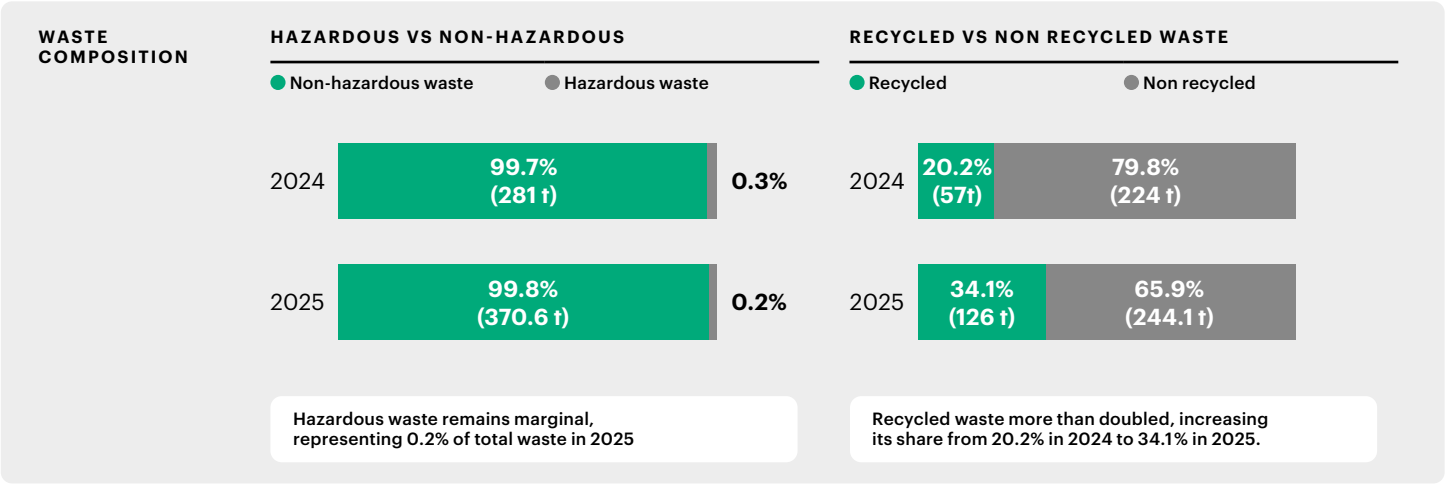
| WASTE GENERATION MIX | CATEGORY                     | 2024 [t] | 2025 [t] |
|----------------------|------------------------------|----------|----------|
|                      | Total Waste                  | 281      | 370.6    |
|                      | Recycled                     | 57       | 126.4    |
|                      | Non Recycled                 | 224      | 244.1    |
|                      | of which Non Hazardous Waste | 281      | 369.9    |
|                      | Recycled                     | 57       | 126.4    |
|                      | Non Recycled                 | 224      | 243.4    |
|                      | of which Hazardous Waste     | 1        | 0.7      |
|                      | Recycled                     | -        | -        |
|                      | Non Recycled                 | 1        | 0.7      |

In 2025, the L&S Group generated a total of 370.6 tonnes of waste, of which 369.9 tonnes of non-hazardous waste (99.8%) and 0.70 tonnes of hazardous waste (0.2%). The increase compared to 2024 (281 tonnes) is primarily attributable to two strategic acquisitions completed during the year, which expanded the organisational boundary of the reporting scope, and to the progressive extension of waste data collection.

Notwithstanding the expansion of scope, the quality of waste management improved significantly.

A significant improvement was recorded in the recycling rate: 34.1% of total waste (126.4 tonnes) was directed to recycling operations, compared to 20.2% (57 tonnes) in 2024, reflecting the Group’s ongoing efforts to strengthen source separation and prioritise recovery over disposal.

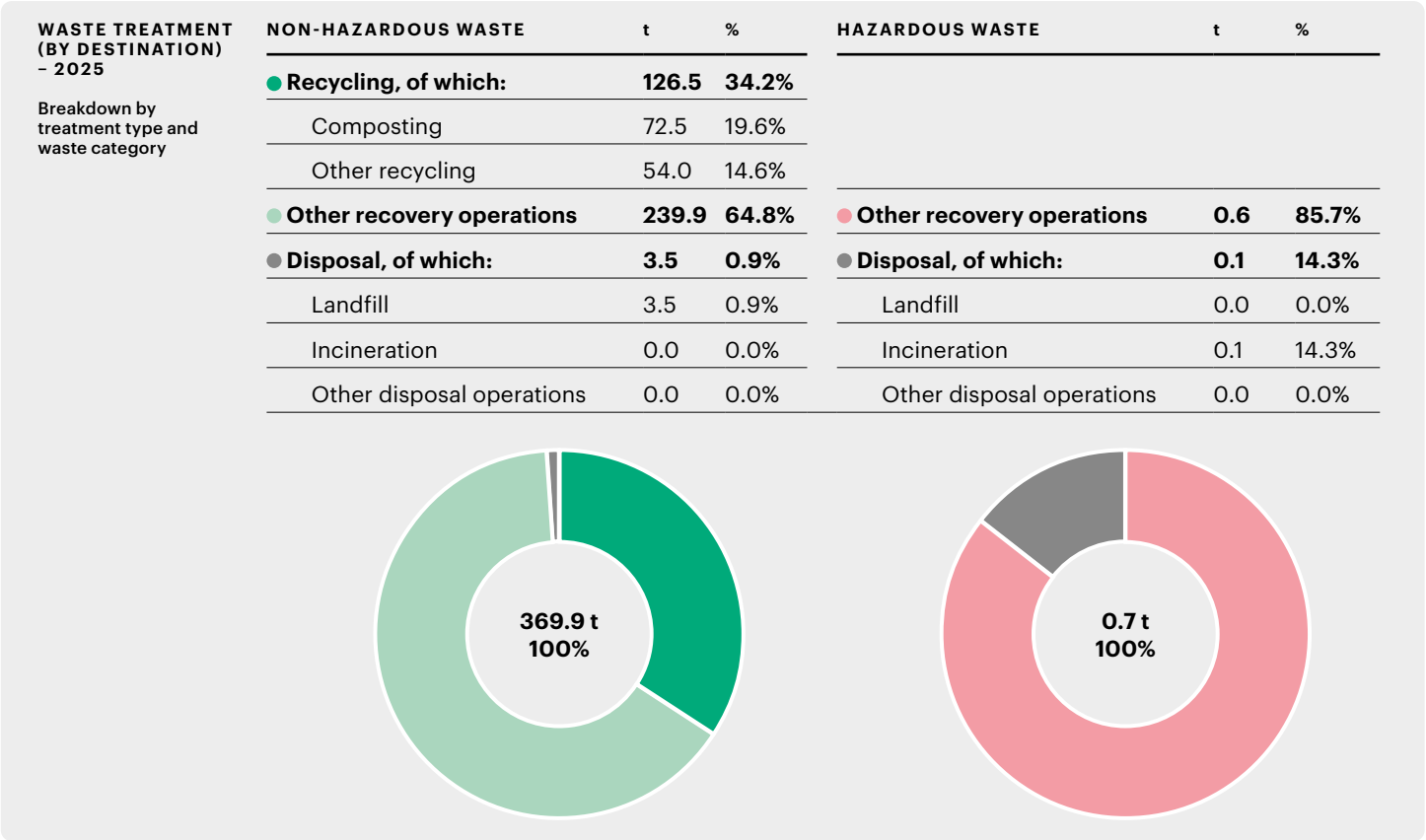




Non-hazardous waste accounts for 99.8% of total waste generated (369.9t). Hazardous waste decreased both in absolute terms — from 1 tonne to 0.7 tonnes — and as a share of total waste, from 0.3% to 0.2%, consistent with the company’s objective of minimising the generation of potentially harmful residues.

Regarding non-hazardous waste recovery operations, L&S directed:

- 72.5 tonnes to composting (R3)
- 54.0 tonnes to other forms of recycling (R4, R5), primarily for organic, metal and plastic materials derived from production and packaging processes
- 239.9 tonnes were managed through other recovery operations (R1, R7–R13).
- landfill (D1) was reduced to 3.5 tonnes, down from 4.43 tonnes in 2024.



The production of hazardous waste remained marginal at 0.70 tonnes, the limited presence of hazardous components in the Group’s production processes. Of these, 0.6 tonnes (85.7%) were directed to other recovery operations through specialised operators, while 0.1 tonnes were managed through incineration (D10/D11). No hazardous waste was sent to landfill.





# Measurement of GHG emissions and energy consumption

## Data Collection Methodology

To calculate the carbon footprint and energy consumption, the L&S Group has adopted a structured approach to data collection and analysis, in line with the GHG Protocol. The process included:

- Primary data collection: Direct data on the activities of each facility was collected through standardised templates, including energy consumption, fuel consumption, and other relevant activities.
- Verification and quality control: The collected data was subjected to an internal verification process to ensure accuracy, completeness, and consistency, with particular attention to the identification and correction of any anomalies.
- Application of emission factors: To convert activity data into GHG emissions, updated emission factors from recognised sources such as DEFRA (UK Department for Environment, Food and Rural Affairs), AIB (Association of Issuing Bodies) and country-specific databases were used.

| GHG EMISSION<br>CONVERSION<br>FACTORS | SOURCE                                                             |                      | UNIT                   | 2025    |
|---------------------------------------|--------------------------------------------------------------------|----------------------|------------------------|---------|
|                                       | UK Government<br>– GHG Conversion Factors<br>for Company Reporting | Natural gas          | tCO <sub>2</sub> e/m3  | 0.00207 |
|                                       |                                                                    | Diesel for transport | tCO <sub>2</sub> e/l   | 0.00257 |
|                                       |                                                                    | Petrol               |                        | 0.00207 |
|                                       | European F-Gas Regulation 517/2014                                 |                      | GWP                    | 1.624   |
|                                       | AIB, Association<br>of Issuing Bodies                              | China                | tCO <sub>2</sub> e/MWh | 0.00066 |
|                                       |                                                                    | Germany              | Location<br>Based      | 0.00038 |
|                                       |                                                                    | Italy                |                        | 0.00031 |
|                                       |                                                                    | United States        |                        | 0.00037 |
|                                       | AIB, Association<br>of Issuing Bodies<br>Non Recycled              | China                | tCO <sub>2</sub> e/MWh | 0.00017 |
|                                       |                                                                    | Germany              | T&D and<br>WTT         | 9.8E-05 |
|                                       |                                                                    | Italy                |                        | 8.8E-05 |
|                                       |                                                                    | United States        |                        | 8.8E-05 |

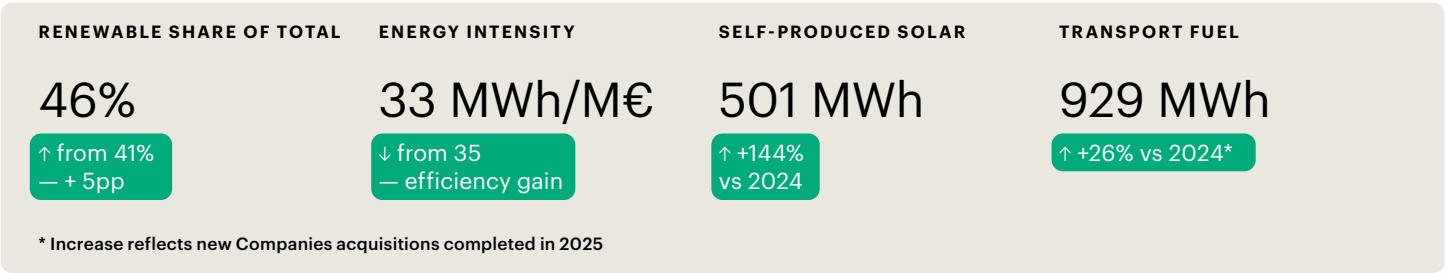
- Calculation of Scope 3 emissions: For Scope 3 emissions, both primary data and approaches based on expenditure and specific emission factors by category were used, with particular attention to the calculation methodology for the use of sold products, given its relevance in the overall carbon footprint.



This methodological approach has allowed obtaining a complete carbon footprint, identifying the areas with the greatest impact and providing a solid basis for the definition of targeted mitigation strategies.

Energy Performance

In 2025, L&S Group recorded total energy consumption of 3,758 MWh, renewed its commitment to energy efficiency and the increased use of renewable energy across its operations. The renewable share of total energy consumption increased from 41% to 46%, with renewable electric consumption rising from 1,600 to 1,735 MWh. This reflects the Group’s ongoing efforts to reduce its environmental impact and support the transition towards a low-carbon energy model.

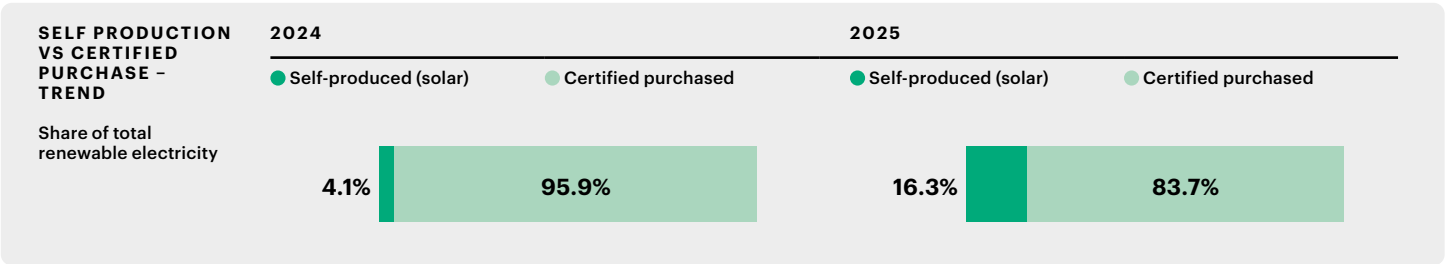


A notable development in 2025 was the significant increase in self-produced solar energy, which reached 501 MWh compared to 205 MWh in 2024 (+144%), driven by the full operationalisation of photovoltaic capacity at the Group’s headquarters. Of the total self-produced renewable electricity, 217 MWh were fed back into the national grid, up from 140 MWh in the prior year.

The Group covered 100% of its electricity consumption through renewable sources in 2025, combining self-produced solar energy and certified renewable electricity purchases backed by Guarantees of Origin and International Renewable Energy Certificates.

Self-produced renewable electricity accounted for 16.3% of total electricity consumption, a fourfold increase compared to 4.1% in 2024, reflecting the expanded solar generation capacity. The remaining 83.7% was sourced through certified renewable electricity contracts, including Guarantees of Origin issued under the AIB framework for European markets and I-RECs for operations in Asia. This sourcing strategy ensures full market-based renewable coverage across all Group geographies.

The progressive increase in the self-production share – from 4% to 16% in a single year – represents a strategic priority for the Group, reducing reliance on externally certified instruments and building a more resilient and owned renewable energy base.



Restatement of 2024 GHG Baseline

L&S Group has calculated its greenhouse gas emissions in accordance with the GHG Protocol. As part of the 2025 reporting cycle, the 2024 baseline has been restated to ensure consistency with the updated calculation methodology and improved data quality.

The total GHG emissions initially amounted to 1,129,718 tCO<sub>2</sub>e, while the restated figure is now 776,465 tCO<sub>2</sub>e, of which Scope 3 emissions account for 775,919 tCO<sub>2</sub>e. This compares to the previously reported Scope 3 value of 1,129,000 tCO<sub>2</sub>e.

The restatement is primarily driven by the following factors:

- **Methodological updates**, including revised system boundaries and the inclusion of previously excluded purchased components;
- **Improved data classification**, particularly regarding waste streams allocation (e.g. landfill versus recovery);
- **Enhanced data quality and completeness**, supported by increased engagement with suppliers and logistics providers, resulting in broader primary data coverage across key categories;
- **Refinement of Category 11 (Use of Sold Products)**, through a more granular and detailed analysis, improving the accuracy and representativeness of emissions data.

In line with best reporting practices, this restatement ensures improved accuracy, consistency and comparability over time. Historical data have been aligned with the current calculation methodology and updated to reflect more complete and representative primary data where available.

This restatement does not affect the overall direction of the Group’s decarbonisation trajectory, but improves the robustness of the underlying data foundation.



Changes in organizational boundary  
2024 vs 2025

The following section presents the Group’s greenhouse gas emissions performance for 2025, reported in accordance with the GHG Protocol Corporate Standard. Results are presented under two complementary boundaries to ensure full transparency on both operational progress and the impact of organisational growth.

The following percentages refer to a **like-for-like perimeter** excluding the two acquisitions completed in 2025 and reflect an **absolute reduction**, not a revenue intensity decrease:

L4L – like-for-like perimeter

| TOTAL CARBON FOOTPRINT<br>- L4L | SCOPE 1<br>- L4L              | SCOPE 2<br>MARKET-BASED | SCOPE 3 - L4L<br>VALUE CHAIN EMISSIONS |
|---------------------------------|-------------------------------|-------------------------|----------------------------------------|
| 755k tCO <sub>2</sub> e         | -9.6%                         | 0 tCO <sub>2</sub> e    | -2.7%                                  |
| ↓ -2,7% vs restated 2024        | ↓ Operational efficiency gain | 100% renewable coverage | ↓ vs restated 2024 baseline            |

The following percentages refer to the **updated 2025 perimeter**, including the two acquisitions completed during the year, and reflect an **absolute reduction** not a revenue intensity decrease:

Updated 2025 perimeter

| TOTAL CARBON FOOTPRINT   | SCOPE 1            | SCOPE 2<br>MARKET-BASED | SCOPE 3<br>VALUE CHAIN EMISSIONS |
|--------------------------|--------------------|-------------------------|----------------------------------|
| 762k tCO <sub>2</sub> e  | +4.8%              | 0 tCO <sub>2</sub> e    | -1.8%                            |
| ↓ -1.8% vs restated 2024 | ↑ boundary changes | 100% renewable coverage | ↓ vs restated 2024 baseline      |

On a **like-for-like basis** — excluding the two entities acquired during 2025 — the Group’s total carbon footprint amounted to 755k tCO<sub>2</sub>e, representing an absolute reduction of 2.7% versus the restated 2024 baseline. Scope 1 emissions decreased by 9.6%, reflecting tangible energy efficiency improvements across the existing operational perimeter. Scope 2 market-based emissions remained at zero tCO<sub>2</sub>e, confirming full coverage of purchased electricity through certified renewable sources. Scope 3 value chain emissions decreased by 2.7% on a like-for-like basis, driven by reductions across upstream categories and a continued decline in the emissions associated with the use of sold products.

On the **updated 2025 perimeter** — including the two acquisitions — total emissions amounted to 762k tCO<sub>2</sub>e, an absolute reduction of 1.8% versus the restated 2024 baseline. Scope 1 emissions show an increase of 4.8% on this broader

perimeter, attributable entirely to the inclusion of the newly consolidated sites and their associated energy consumption. Scope 2 market-based emissions remain at zero tCO<sub>2</sub>e across the full consolidated group. Scope 3 emissions decreased by 1.8%, confirming that value chain progress is maintained even when accounting for the expanded organisational boundary.

Both sets of figures reflect absolute reductions, not revenue intensity improvements, underscoring the quality of the Group’s decarbonisation progress independent of business growth.

Breakdown of Group GHG Emissions by Scope

| GHG EMISSIONS                                                                         | 2024    | 2025    |
|---------------------------------------------------------------------------------------|---------|---------|
| Scope 1                                                                               | 546     | 572     |
| Scope 2                                                                               |         |         |
| Market Based                                                                          | –       | –       |
| Location Based                                                                        | 690     | 721     |
| Scope 3 - Upstream                                                                    |         |         |
| 1. Purchased products and services                                                    | 31,876  | 23,241  |
| 2. Capital goods                                                                      | –       | –       |
| 3. Fuel-and energy-related activities (not included in Scope 1 and Scope 2 emissions) | 133     | 121     |
| 4. Upstream transportation and distribution                                           | 6,612   | 6,292   |
| 5. Waste generated by the sites                                                       | 142     | 4       |
| 6. Business travel                                                                    | 922     | 698     |
| 7. Employee commuting                                                                 | 503     | 485     |
| 8. Upstream leased assets                                                             | –       | –       |
| Scope 3 - Downstream                                                                  |         |         |
| 9. Downstream transportation and distribution                                         | 1,060   | 2,204   |
| 10. Processing of sold products                                                       | –       | –       |
| 11. Use of sold products                                                              | 734,658 | 728,696 |
| 12. End-of-life treatment of sold products                                            | 14      | 15      |
| 13. Downstream leased assets                                                          | –       | –       |
| 14. Franchises                                                                        | –       | –       |
| 15. Investments                                                                       | –       | –       |
| Total carbon footprint [tCO <sub>2</sub> e]                                           | 776,465 | 762,327 |
| tCO <sub>2</sub> e / k€ revenue                                                       | 7.00    | 6.28    |



Scope 3 structure

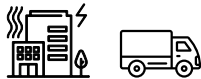
Scope 3 emissions account for over 90% of the Group’s total footprint, a profile consistent with technology companies whose primary climate impact lies in the use phase of sold products. Category 11 (Use of Sold Products) alone represents approximately 95% of total Scope 3.

This structural concentration reflects the energy consumption associated with products during their operational life in the hands of end users, and defines the primary lever for long-term decarbonisation — namely product energy efficiency improvement.

Upstream categories showed meaningful reductions, with Category 1 (Purchased Products and Services) down from 31,876 to 23,241 tCO<sub>2</sub>e, and business travel declining from 922 to 698 tCO<sub>2</sub>e.

SCOPE 1

Direct impact



Emissions resulting from the consumption of fossil fuels for facility heating and the company fleet. In 2025, the Group’s Scope 1 emissions amounted to 572 tonnes of CO<sub>2</sub> equivalent, representing 0.1% of the total carbon footprint.

SCOPE 2

Indirect impacts from purchased energy



These emissions result from the consumption of purchased electricity. By sourcing certified renewable electricity, the Group reduced its market-based Scope 2 emissions to zero. Under the location-based approach, Scope 2 emissions amounted to 721 tonnes of CO<sub>2</sub> equivalent.

SCOPE 3

Indirect impacts along the value chain



**Upstream:** includes emissions related to the extraction and production of raw materials, upstream transportation and distribution, waste generated during operations, business travel, and employee commuting.

**Downstream:** includes emissions generated along the downstream value chain, primarily from the use of sold products and their end-of-life treatment. The use of sold products (Cat.11) represents the most significant contribution to the Group’s overall carbon footprint.





# ESG commitments and external recognition

| RATINGS AND COMMITMENTS | ECOVADIS 2025   | CDP 2025       | SBTI                |
|-------------------------|-----------------|----------------|---------------------|
|                         | Bronze          | Score B        | Committed           |
|                         | 81st percentile | Climate Change | Targets in progress |

## EcoVadis rating: advancing to Bronze

In the reporting year, L&S Group achieved a significant advancement in its EcoVadis sustainability assessment, attaining a **Bronze Medal** with an overall score of 69 out of 100, **placing the Group at the 81st percentile among all assessed companies worldwide**. This result represents a meaningful step forward from the Committed badge status held in the prior assessment cycle, reflecting the Group’s ongoing efforts to embed sustainability across its governance, environmental management, labour practices, and supply chain operations. The Bronze Medal rating provides an independent, internationally recognised benchmark of our sustainability maturity and underpins the Group’s commitment to continuous improvement.



## CDP disclosure: Climate Change Score B

For the first time, L&S Group participated in the CDP (Carbon Disclosure Project) global disclosure platform, submitting a comprehensive response on climate-related risks, opportunities, governance, and emissions data under the Climate Change questionnaire. The Group was awarded a **CDP Climate Change Score of B**.

The CDP score B reflects the robustness of the Group’s climate governance framework, its ability to identify and manage climate-related risks in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and its commitment to transparent reporting of greenhouse gas emissions across operational boundaries. This first participation establishes an important baseline and signals the Group’s intention to progressively strengthen its climate disclosure ambition in subsequent reporting cycles. L&S Group has committed to set near- and long-term company-wide emission reductions in line with science-based net-zero with the SBTi.



## Science Based Targets initiative: commitment

This commitment marks a pivotal moment in the Group’s climate journey. In the next reporting cycle, L&S Group will define its specific near-term and long-term science-based targets, using the emissions data collected and disclosed during the current reporting year as the official baseline. The validation of science-based targets by SBTi will further strengthen the credibility of L&S Group decarbonisation pathway and provide stakeholders with a transparent, measurable framework for tracking progress over time.





# Pillar 2

# Empower our people



# Targets and progress

| INITIATIVE                                                  | 2024 BENCHMARK                                                                                                         | 2025 RESULT                                                                                                            | NOTES & NARRATIVE                                                                                                                                                                                                                                           | TREND 2024/2025                                                                   | TARGETS 2026/2027                                                                                                                                                                                                                |
|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2.1<br>Workforce<br>Characteristics &<br>Diversity          | Total headcount: 456 (56% women, 44% men)<br>Women in senior & managerial roles: 32.14%<br>Discrimination incidents: 0 | Total headcount: 516 (49% women, 51% men)<br>Women in senior & managerial roles: 27.39%<br>Discrimination incidents: 0 | The group workforce increased following two acquisitions. Gender balance remains close to parity at around 50%. The reduction in women in senior roles reflects the composition of the acquired companies, which now defines the new consolidated baseline. | ↓ Decline on reported basis — perimeter effect due to newly consolidated entities | → Maintain total workforce gender balance within 45–55% band (max. 5pp from parity)<br>→ Increase women % in senior & managerial roles<br>→ Maintain zero discrimination incidents across all group entities                     |
| 2.2<br>Safe and Healthy<br>Workplace                        | 3 Minor injuries occurring in the workplace                                                                            | 7 Minor injuries occurring in the workplace                                                                            | Accident rate of 6.7 was recorded in 2025.                                                                                                                                                                                                                  | → Increase vs 2024 (3 → 7 injuries); expanded perimeter                           | → Implement an ISO 45001-certified OH&S management system, integrating best practices                                                                                                                                            |
| 2.3<br>Talent<br>Development,<br>Training and Pay<br>Equity | 7.4 h/employee average                                                                                                 | 4.4 h/employee average                                                                                                 | Training hours declined in 2025, partly reflecting the integration of newly acquired entities. The objective is to gradually increase training hours                                                                                                        | ↘ Below target · improvement plan in place                                        | → Increase average training hours to ≥ 6h/employee<br>→ Achieve Gender Equality Certification (UNI/PdR 125:2022) across all Italian entities (4 companies)<br>→ Deliver DE&I training to at least 40% of the L&S Group workforce |



| TOTAL WORKFORCE        | WOMEN IN WORKFORCE   | PARENTAL LEAVE RETURN | SOCIAL PROTECTION        | PERMANENT CONTRACTS  |
|------------------------|----------------------|-----------------------|--------------------------|----------------------|
| 516                    | 49.2%                | 100%                  | 100%                     | 82.4%                |
| ↑ +60 vs 2024 (+13.2%) | 254 women out of 516 | ↑ from 85.7% in 2024  | All 5 categories covered | ↑ from 80.1% in 2024 |

Zero fatal accidents | Zero discrimination cases | Zero occupational diseases

# Workforce characteristics & diversity

Our people are the foundation of everything we build. Understanding who we are is the starting point for any meaningful people strategy. The data below offers a picture of the L&S Group workforce as it stood at the close of 2025 — a year marked by significant growth, with the integration of two newly acquired entities.

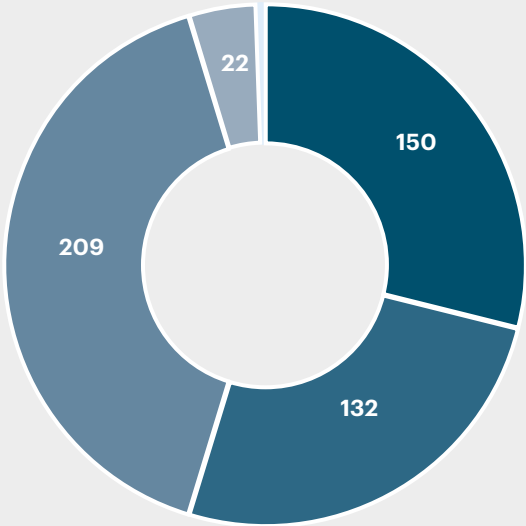
In 2025, L&S Group’s total workforce reached 516 employees, an increase of 60 people compared to 456 in 2024 (+13.2%), driven by the integration of two entities acquired during the year.

Across all our locations, we share a common conviction: that a company grows when its people grow, and that sustainable performance is inseparable from a workplace where every individual feels supported, valued and inspired.

EMPLOYEE GEOGRAPHICAL DISTRIBUTION

TOTAL EMPLOYEES

|           |     |
|-----------|-----|
| ● China   | 150 |
| ● Germany | 132 |
| ● Italy   | 209 |
| ● US      | 22  |
| ● UK      | 1   |
| ● France  | 1   |



The workforce is composed of 49.2% women — a near-parity balance that reflects the Group’s long-standing commitment to equal opportunity in recruitment and career development. Permanent contracts represent 82.4% of total employment, up

from 80.1% in 2024, with full-time arrangements accounting for 92.2% of the workforce, signals a deliberate shift towards greater employment stability, particularly meaningful in a period of organisational expansion.

L&S GROUP WORKFORCE

|              | 2024  |     |       | 2025  |     |       |
|--------------|-------|-----|-------|-------|-----|-------|
|              | Women | Men | Total | Women | Men | Total |
| Management   | 18    | 38  | 56    | 20    | 53  | 73    |
| Blue collars | 144   | 87  | 231   | 135   | 105 | 240   |
| White Collar | 93    | 76  | 169   | 99    | 104 | 203   |
| Personnel    | 256   | 200 | 456   | 254   | 262 | 516   |
|              | 56%   | 44% |       | 49%   | 51% |       |

DISTRIBUTION OF PERSONNEL BY GENDER, AGE AND CLASSIFICATION

|                    |       | 2024 |       | 2025 |       |
|--------------------|-------|------|-------|------|-------|
|                    |       | n.   | %     | n.   | %     |
| MANAGEMENT         | Total | 56   |       | 73   |       |
| Female             |       | 18   | 32.1% | 20   | 27.4% |
| Under 30           |       |      |       |      |       |
| 30-50              |       | 16   | 28.6% | 18   | 24.7% |
| Over 50            |       | 2    | 3.6%  | 2    | 2.7%  |
| Male               | Total | 38   | 67.9% | 53   | 72.6% |
| Under 30           |       |      |       |      |       |
| 30-50              |       | 28   | 50.0% | 34   | 46.6% |
| Over 50            |       | 10   | 17.9% | 19   | 26.0% |
| WHITE COLLAR TOTAL | Total | 169  |       | 203  |       |
| Female             | Total | 93   | 55.0% | 99   | 48.8% |
| Under 30           |       | 18   | 10.7% | 18   | 8.9%  |
| 30-50              |       | 56   | 33.1% | 61   | 30.0% |
| Over 50            |       | 19   | 11.2% | 20   | 9.9%  |
| Male               | Total | 76   | 45.0% | 104  | 51.2% |
| Under 30           |       | 10   | 5.9%  | 16   | 7.9%  |
| 30-50              |       | 50   | 29.6% | 64   | 31.5% |
| Over 50            |       | 16   | 9.5%  | 24   | 11.8% |
| BLUE COLLARS       | Total | 231  |       | 240  |       |
| Female             | Total | 144  | 62.3% | 135  | 56.3% |
| Under 30           |       | 6    | 2.6%  | 6    | 2.5%  |
| 30-50              |       | 104  | 45.0% | 96   | 40.0% |
| Over 50            |       | 34   | 14.7% | 33   | 13.8% |
| Male               | Total | 87   | 37.7% | 105  | 43.8% |
| Under 30           |       | 5    | 2.2%  | 7    | 2.9%  |
| 30-50              |       | 51   | 22.1% | 56   | 23.3% |
| Over 50            |       | 31   | 13.4% | 42   | 17.5% |



L&S GROUP  
PERMANENT  
/ FIXED TERM

|                     | 2024  |     |       | 2025  |     |       |
|---------------------|-------|-----|-------|-------|-----|-------|
|                     | Women | Men | Total | Women | Men | Total |
| Permanent Contract  | 197   | 168 | 365   | 202   | 223 | 425   |
| Fixed-term Contract | 59    | 32  | 91    | 52    | 39  | 91    |
| Total               | 256   | 200 | 456   | 254   | 262 | 516   |

L&S GROUP  
FULL TIME  
/ PART TIME

|           | 2024  |     |       | 2025  |     |       |
|-----------|-------|-----|-------|-------|-----|-------|
|           | Women | Men | Total | Women | Men | Total |
| Full-time | 230   | 190 | 420   | 226   | 250 | 476   |
| Part-time | 26    | 10  | 36    | 28    | 12  | 40    |
| Total     | 256   | 200 | 456   | 254   | 262 | 516   |

19 employees with disabilities are employed across the Group (3.7% of total), an increase from 16 in 2024. Zero cases of workplace discrimination were recorded in 2025.

L&S GROUP  
- DISABILITY

|                             | 2024 |    | 2025 |    |
|-----------------------------|------|----|------|----|
|                             | n.   | %  | n.   | %  |
| Employees with disabilities | 16   | 4% | 19   | 4% |
| Women                       | 10   | 4% | 10   | 4% |
| Men                         | 6    | 3% | 9    | 3% |

L&S GROUP  
DISCRIMINATION:  
INCIDENTS AND  
COMPLAINTS

|                                                | ALL WORKERS IN THE<br>ORGANISATION (EMPLOYEES<br>AND NON-EMPLOYEES) | VISITORS AND WORKERS<br>EXTERNAL TO THE<br>ORGANISATION |
|------------------------------------------------|---------------------------------------------------------------------|---------------------------------------------------------|
| Episodes of discrimination<br>recorded at work | 0                                                                   | 0                                                       |
| Near miss reports                              | 0                                                                   | 0                                                       |
| Unsafe conditions reports                      | 0                                                                   | 0                                                       |

## Turnover

Total entries in 2025 amounted to 120, of which 69 were attributable to the organisational perimeter expansion through acquisitions. On an organic basis, voluntary exits decreased from 46 employees in 2024 to 33 employees in 2025, while the organic exit rate remained stable at approximately 11.6%, confirming the Group’s continued ability to retain talent across its core operations.

L&S GROUP  
TURNOVER

|        | 2024  |       |       |        | 2025  |       |       |        |
|--------|-------|-------|-------|--------|-------|-------|-------|--------|
|        | Women | Men   | Total | Rate % | Women | Men   | Total | Rate % |
| Entry  | 30    | 24    | 54    |        | 28    | 92    | 120   |        |
| Rate % | 11.7% | 12.0% | 11.8% |        | 11.0% | 35.1% | 23.3% |        |
| <30    | 8     | 5     | 13    | 27.1%  | 6     | 11    | 17    | 36.2%  |
| 30-50  | 18    | 18    | 36    | 11.6%  | 17    | 43    | 60    | 18.2%  |
| >50    | 4     | 1     | 5     | 5.2%   | 5     | 38    | 43    | 30.7%  |
| Exit   | 28    | 27    | 55    |        | 28    | 32    | 60    |        |
| Rate % | 10.9% | 13.5% | 12.1% |        | 11.0% | 12.2% | 11.6% |        |
| <30    | 6     | 5     | 11    | 22.9%  | 6     | 3     | 9     | 19.1%  |
| 30-50  | 19    | 20    | 39    | 12.5%  | 17    | 19    | 36    | 10.9%  |
| >50    | 3     | 2     | 5     | 5.2%   | 5     | 10    | 15    | 10.7%  |

L&S CHANGES  
IN WORKFORCE  
2025

|                       | 2025 |
|-----------------------|------|
| Headcount change 2025 | +60  |
| + New hires           | 51   |
| + Acquisitions        | 69   |
| – Voluntary exits     | 33   |
| – Involuntary exits   | 27   |



# A safe, healthy and supportive workplace

Safety is a non-negotiable foundation, and well-being is the structure built upon it. L&S approaches occupational health not as a compliance requirement but as a genuine organisational priority — one that requires active investment, continuous monitoring and a culture in which every person feels responsible for their own safety and that of their colleagues.

All employees are covered by the Group’s occupational health and safety management system. In 2025, no fatal accidents or occupational diseases were recorded. Seven workplace accidents occurred, with no serious or fatal incidents, and no accidents involving non-employees were reported.

Employees are also fully covered across all five social protection categories: sickness, unemployment, workplace accidents, acquired disability, and retirement.

The parental leave return-to-work rate reached 100% in 2025, up from 85.7% in 2024, while the 12-month retention rate for employees returning from parental leave improved to 94.4%, compared to 75% in the previous year. These results reflect a workplace culture that actively supports work-life balance and family responsibilities.

Health promotion extends to structured programmes at multiple sites: weekly in-office massage sessions, monthly fresh fruit provisions, occupational health screenings (including driving fitness and vision assessments), financial support for prescription eyewear and safety footwear, and access to subsidised wellness memberships covering sport, health and fitness facilities.

L&S GROUP - H&S  
MANAGEMENT  
SYSTEM COVERAGE

| MANAGEMENT SYSTEMS                                                     | 2024 | 2025 |
|------------------------------------------------------------------------|------|------|
| Workers covered by an occupational health and safety management system | 100% | 100% |

L&S GROUP  
- ACCIDENTS

|                              | 2024 | 2025 |
|------------------------------|------|------|
| <b>Non Employees workers</b> |      |      |
| Fatal accidents              | 0    | 0    |
| Serious accidents            | 0    | 0    |
| Other accidents              | 3    | 7    |
| Recovery days                | 9    | 83   |
| Frequency rate *             | 2.2  | 6.7  |
| Severity rate **             | 0.0  | 0.1  |
| <b>Non Employees workers</b> |      |      |
| Fatal accidents              | 0    | 0    |
| Serious accidents            | 0    | 0    |
| Frequency rate *             | 0    | 0    |
| Severity rate **             | 0.0  | 0.0  |

\*Frequency rate: number of accidents per million hours worked  
\*\*Severity rate: days lost per thousand hours worked

L&S GROUP  
- SOCIAL  
PROTECTION

|                                                  | 2024 | 2025 |
|--------------------------------------------------|------|------|
| Employees covered in case of illness             | 96%  | 100% |
| Employees covered in case of unemployemen        | 100% | 100% |
| Employees covered in case of workplace accidents | 100% | 100% |
| Employees covered in case of acquired disability | 100% | 100% |
| Employees covered in case of retirement          | 100% | 100% |

L&S GROUP  
FAMILY  
AND PARENTAL  
LEAVE

|                                                                                                                 | 2024  |      |       | 2025  |      |       |
|-----------------------------------------------------------------------------------------------------------------|-------|------|-------|-------|------|-------|
|                                                                                                                 | Women | Men  | Total | Women | Men  | Total |
| Employees entitled to family leave                                                                              | 256   | 200  | 456   | 254   | 262  | 516   |
| %                                                                                                               | 100%  | 100% | 100%  | 100%  | 100% | 100%  |
| Employees who took family leave                                                                                 | 40    | 22   | 62    | 20    | 9    | 29    |
| %                                                                                                               | 16%   | 11%  | 14%   | 8%    | 3%   | 6%    |
| Employees entitled to parental leave                                                                            | 256   | 199  | 455   | 254   | 262  | 516   |
| %                                                                                                               | 100%  | 100% | 100%  | 100%  | 100% | 100%  |
| Employees who took parental leave                                                                               | 7     | 7    | 14    | 11    | 7    | 18    |
| %                                                                                                               | 3%    | 4%   | 3%    | 4%    | 3%   | 3%    |
| Employees returned to work at the end of parental leave within the reporting year                               | 6     | 6    | 12    | 11    | 7    | 18    |
| Return to work rate                                                                                             | 86%   | 86%  | 86%   | 100%  | 100% | 100%  |
| Employees returned to work at the end of parental leave, and still employed by the Group 12 months after return | 6     | 3    | 9     | 11    | 6    | 17    |
| Retention rate                                                                                                  | 100%  | 50%  | 75%   | 100%  | 86%  | 94%   |



# Talent development, training and pay equity

Competitive and equitable compensation is a cornerstone of the Group’s people strategy. L&S is committed to paying above statutory minimum levels across all its operating locations, and to ensuring that remuneration reflects everyone’s qualifications, experience and contribution rather than factors unrelated to professional merit.

The Gender Pay Gap by category, calculated on the full scope of companies as at 31 December 2025, is most pronounced in Management, where it stands at **45.2% for fixed remuneration** and 46.7% for total remuneration. In this category, women are the underrepresented gender. The gap narrows among White Collars, at **24.3% for fixed remuneration and 26.3% for total remuneration**, and among Blue Collars, at **37.7%** and **31.4%**, respectively.

These figures primarily reflect the Group’s new reporting perimeter and the inherited underrepresentation of women in senior leadership positions in the new acquired companies. **Flux and Visplay, which were recently acquired** and are still in the early stages of integration, currently includes no female representation in Management.

**Geography is also a significant driver of the aggregate Gender Pay Gap.**

This is mechanically widened by China’s lower absolute pay levels and the higher concentration of women in operational roles. Across the EU and North America perimeter, average salaries are higher than in China at all organisational levels.

**Overall, the Group’s aggregate Gender Pay Gap is driven by structural factors — namely category mix, geographical composition and changes in reporting perimeter. The Group remains committed to increasing female representation at senior levels and to ensuring equitable access to variable remuneration across all employee categories.**

On the governance side, all Italian sites advanced the process towards certification under the UNI/PdR 125:2022 framework on gender equality, building a structured basis for continuous improvement in this area.

| GENDER<br>PAY GAP | 2024                                                                                      |  | 2025   |        |
|-------------------|-------------------------------------------------------------------------------------------|--|--------|--------|
|                   |                                                                                           |  |        |        |
|                   | Difference between the average male and female salary compared to the average male salary |  | 34.80% | 44.40% |
|                   | Management                                                                                |  | 34%    | 31%    |
|                   | Blue collars                                                                              |  | 25%    | 47%    |
|                   | White Collar                                                                              |  | 15%    | 26%    |

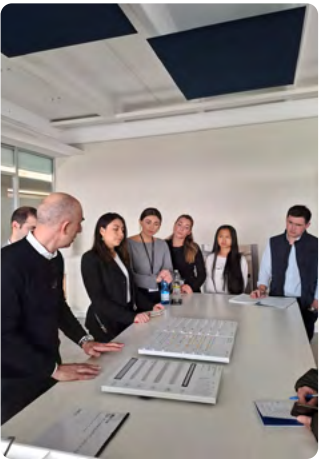
| GENDER<br>PAY GAP | 2024<br>(M-W)/M                     |  | 2025<br>(M-W)/M |       |
|-------------------|-------------------------------------|--|-----------------|-------|
|                   | Fixed remuneration                  |  | 34.5%           | 44.1% |
|                   | Management                          |  | 26.8%           | 45.2% |
|                   | White Collar                        |  | 31.8%           | 24.3% |
|                   | Blue collars                        |  | 14.0%           | 37.7% |
|                   | Full remuneration (Fixed and bonus) |  | 34.8%           | 44.4% |
|                   | Management                          |  | 33.8%           | 46.7% |
|                   | White Collar                        |  | 25.3%           | 26.3% |
|                   | Blue collars                        |  | 15.2%           | 31.4% |

| L&S GROUP<br>RATIO<br>REMUNERATION | 2024                                         |  | 2025   |        |
|------------------------------------|----------------------------------------------|--|--------|--------|
|                                    | Median remuneration (W, M)                   |  | 27,632 | 31,025 |
|                                    | Ratio of annual total remuneration (median)  |  | 11     | 17     |
|                                    | Ratio of annual total remuneration (average) |  | 9      | 12     |

| L&S GROUP<br>- PERFORMANCE<br>EVALUATION (%) | 2024         |      |       | 2025   |      |       |
|----------------------------------------------|--------------|------|-------|--------|------|-------|
|                                              | Female       | Male | Total | Female | Male | Total |
|                                              | Management   |      |       | 80%    | 74%  | 73%   |
|                                              | White Collar |      |       | 82%    | 78%  | 59%   |
|                                              | Blue collars |      |       | 66%    | 63%  | 40%   |
|                                              |              |      |       | 56%    | 62%  |       |

| L&S GROUP<br>TRAINING<br>(AVERAGE HOURS<br>PER CAPITA) | 2024         |      |       | 2025   |      |       |
|--------------------------------------------------------|--------------|------|-------|--------|------|-------|
|                                                        | Female       | Male | Total | Female | Male | Total |
|                                                        | Total        |      |       | 6.7    | 8.3  | 4.4   |
|                                                        | Management   |      |       | 5.1    | 7.5  | 4.3   |
|                                                        | White Collar |      |       | 9.2    | 9.9  | 5.1   |
|                                                        | Blue collars |      |       | 5.0    | 9.0  | 3.8   |





# Lights On People

A company’s culture is ultimately revealed in the moments it deliberately creates for its people. Throughout 2025, L&S continued to invest in initiatives designed to strengthen cohesion, celebrate milestones, and reinforce a shared sense of identity across an increasingly international and geographically distributed Group.

Recurring moments of gathering — seasonal celebrations, summer events, year-end occasions, and company-wide meetings — punctuate the working year with opportunities for connection, recognition, and exchange. At the same time, key personal and professional milestones are formally acknowledged: long-service anniversaries (at 20 and 35 years), retirements, and individual achievements are celebrated in shared settings, reinforcing the link between people and the organisation and recognising the value of continuity over time.

People are at the heart of L&S culture — not as a declared principle, but as a guiding orientation that shapes concrete decisions, physical environments, development programs, and everyday experiences.

In 2025, this commitment translated into continued investment in wellbeing and development across multiple dimensions, with a particular focus on the quality of daily working life. In April, the L&S Lounge was inaugurated — a dedicated employee space designed for rest, informal interaction, and social connection — complementing the existing company canteen and contributing to a more balanced and welcoming workplace environment. In parallel, a new welfare platform was introduced, offering employees access to discounts and services through branded agreements, further enriched by local partnerships that include, among others, sports activities such as padel. Small but tangible initiatives, reflecting a simple principle: when a company takes care of people in their everyday lives, it builds trust over time.

On the learning and development side, the year saw the introduction of in-company English language courses for the L&S Deutschland team. This targeted initiative supports more effective communication within the international Group, fosters individual professional growth, and contributes to strengthening a shared corporate culture across countries. A straightforward intervention, yet one that clearly reflects attention to people and their development journey.

The collective and relational dimension was further reinforced through recurring initiatives that are becoming an integral part of L&S identity. At the L&S plant in China, International Women’s Day — held every March — is dedicated to female employees, promoting inclusion, gender equality, and a stronger sense of belonging.

Family Day, organised each July, opens the company to employees’ families, offering a concrete expression of the balance between professional and private life and acknowledging the importance of personal relationships beyond the workplace.

Taken together, these initiatives describe a company that sees people’s wellbeing not as an accessory to its strategy, but as one of its essential foundations.



# Pillar 3

# Engage with our suppliers and partners





# Targets and progress

## — Engage Suppliers & Partners

| INITIATIVE                  | 2024 BENCHMARK                                        | 2025 RESULT                                                                                                                                                                                                                                          | NOTES & NARRATIVE                                                                                                                                                                                                      | TREND 2024/2025 | TARGETS 2026/2027                                                                                                                                 |
|-----------------------------|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| 3.1 Responsible procurement | No ESG supplier system in place                       | → Implemented an <b>ESG supplier survey system</b><br>→ Conducted an in-depth assessment of an <b>initial portion of key suppliers</b> , which cover <b>89% of the Group’s expenditure</b> and developed a <b>scoring model</b> for their evaluation | This initiative represents an initial step towards the progressive integration of ESG criteria into supplier management processes, supporting future expansion of the assessment scope across the wider supplier base. | ↑↑ Improved     | → Increase the coverage and cover at least 60% of key suppliers through ESG assessments.                                                          |
| 3.2 Customer engagement     | Limited readiness to respond to customer ESG requests | <b>100% of ESG requests fulfilled</b><br><b>CDP Score B (Climate Change)</b>                                                                                                                                                                         | All ESG requests received from customers in 2025 were fulfilled. At the request of a key customer, a CDP Climate Change disclosure was completed, achieving a Score B on first participation.                          | ↑ Improved      | → Maintain 100% response rate to customer ESG requests and initiate discussions with customers on the sharing of sustainability projects as a KPI |
| 3.3 Community engagement    | Baseline community engagement activities              | <b>+15% increase in community engagement investment</b> (financial expenditure) vs 2024                                                                                                                                                              | Engagement with universities, schools, local communities and donation programmes has been further strengthened and enhanced                                                                                            | ↑ Improved      | → Continue the positive trend in community engagement investment                                                                                  |



| SUPPLIER ESG SURVEY           | CLIENT ESG REQUESTS              | IF DESIGN AWARD                            | ACADEMIC PARTNERSHIPS              | INNOVATION CULTURE               |
|-------------------------------|----------------------------------|--------------------------------------------|------------------------------------|----------------------------------|
| Key suppliers — 2025 baseline | 100% Fulfilled                   | 2025 — Hi Line system                      | ISIA, MIB Trieste, Rollins College | 20+ new solutions presented      |
| ↑ Supply chain engagement     | ↑ Questionnaires & due diligence | Design excellence & responsible innovation | Next-gen design talent supported   | Interzum, Sicam, Design Shanghai |

The L&S Group’s responsibility extends beyond its own operations and value chain. Across all the territories in which it operates, the Group actively supports local communities, institutions and cultural organisations through sponsorships, partnerships and collaborative initiatives designed to generate lasting social and cultural value beyond purely commercial relationships.

This commitment reflects the L&S Group’s values, its close connection with local communities, and its belief that sustainable growth also means contributing positively to the broader economic, social and cultural environment in which the Group operates.



# Responsible procurement

At the same time, the L&S Group further strengthened its engagement with suppliers, recognising the central role of the value chain in achieving the Group’s broader sustainability objectives. During the reporting period, the **Group launched its first structured Supplier Sustainability Self-Assessment Survey, designed to provide a more comprehensive understanding of the environmental, social and governance maturity of its supplier base.**

The assessment **covered a wide range of ESG-related topics.**

Suppliers were also asked to provide **supporting documentation relating to certifications, internal policies, management systems and sustainability practices** already implemented within their organisations.

Particular attention was dedicated to areas such as REACH and RoHS compliance, restricted substances management, decarbonisation targets, waste management practices, conflict minerals, whistleblowing systems, supplier qualification procedures and ESG governance frameworks.

The results of the assessment provided valuable insights into the current level of ESG maturity within the supplier network, highlighting both positive practices already in place and areas where additional engagement, awareness or capability-building activities may be required. In particular, the exercise allowed the Group **to identify potential gaps related to environmental management systems, sustainability governance, formalised policies, decarbonisation commitments and supply chain due diligence processes.**

This initiative represents an **important first step** towards the progressive integration of ESG criteria into supplier evaluation and engagement processes.

Going forward, the **L&S Group aims to strengthen collaboration with suppliers** through a more continuous and data-driven approach, promoting greater alignment with the Group’s sustainability expectations and supporting the gradual reduction of environmental and social impacts across the entire value chain.





# Customer & community engagement

The Group considers continuous dialogue with customers and business partners essential to promoting common objectives, increasing transparency and developing more responsible and resilient business relationships over time.

In 2025, the L&S Group **further strengthened its engagement with customers on sustainability-related topics, recognising ESG performance as an increasingly important element within long-term commercial relationships and partnership development.** During the reporting period, all ESG-related requests received from customers were successfully addressed, confirming the Group's commitment to transparency, responsiveness and constructive collaboration on sustainability matters.

As part of this engagement process, and **following the request of an industrial key customer**, the Group completed its first CDP Climate Change disclosure, achieving a Score B upon first participation. The process represented not only an important milestone in terms of external ESG transparency, but also an opportunity to initiate a more structured dialogue with customers regarding climate-related expectations, reporting approaches and shared sustainability priorities.

These interactions contributed to **strengthening mutual understanding on topics such as decarbonisation**, ESG data transparency and value chain engagement.

Looking ahead, the L&S Group aims to **maintain a 100% response rate to customer ESG requests while progressively expanding collaborative initiatives** with customers related to sustainability projects, environmental performance and shared ESG objectives across the value chain.





# Design culture and academic partnerships

The L&S Group believes that innovation is driven not only by technology, but also by the continuous exchange of ideas between industry, education and the creative world. For this reason, the Group actively collaborates with universities, business schools and design institutions, promoting initiatives that support learning, research and the development of future professional talent.

In 2025, the Group further strengthened its longstanding partnership with **ISIA – Istituto Superiore per le Industrie Artistiche** through participation in the XIV edition of Pordenone Design Week. During the initiative, students were welcomed at the L&S headquarters for an immersive experience involving visits to the showroom and production departments, with the objective of deepening their understanding of both industrial processes and product presentation strategies. The programme concluded with the development of new exhibition and communication concepts for L&S products, creating a direct exchange between academic creativity and industrial expertise.

As part of its commitment to supporting education and promoting Italian design culture, the Group also contributes through scholarships dedicated to students enrolled in the ISIA Master's Degree programme in Product Design. These initiatives reflect the Group's intention to strengthen the relationship between business, education and local territories while supporting the next generation of designers and creative professionals.

The dialogue with the academic world was further expanded at an international level through the collaboration with **MIB Trieste School of Management**. In 2025, the Group hosted MBA students from the Crummer Graduate School of Business – Rollins College (Florida, USA) as part of an international exchange programme focused on management education and global business perspectives. In parallel, a participant in MIB's postgraduate programme carried out a strategic analysis project dedicated to the positioning of the L&S Group within international markets.

Alongside these collaborations, the Group also **promoted internship and training opportunities with secondary schools and universities**, involving students in activities related to market analysis, digital marketing and support for business projects. Through these experiences, the L&S Group aims to encourage knowledge sharing, professional development and mutual growth between the corporate and academic environments.







# Industry presence, brand positioning and partner engagement

The L&S Group considers industry events and stakeholder engagement activities an important opportunity to strengthen relationships with customers, partners and the wider design and furniture community. Participation in international trade fairs, dedicated events and training initiatives contributes not only to commercial development, but also to reinforcing the Group’s positioning as an innovation-driven and sustainability-oriented partner.

In May 2025, the Group participated in **Interzum Cologne** together with the teams from L&S Italy and L&S Germany, presenting more than twenty new lighting solutions and integrated systems. The event represented an important opportunity for dialogue with international customers and industry professionals, while further consolidating the Group’s visibility within the global furniture and lighting sector.

**Sicam Pordenone 2025** once again represented a strategic moment for the Group, both because of its relevance within the industry and its close connection with the local territory where L&S operates. Participation in the exhibition confirmed the Group’s role as an established player in integrated lighting solutions for furniture and interior applications, strengthening relationships with customers, suppliers and business partners.

To further extend these moments of connection beyond the exhibition environment, the Group organised the **Sicam Event** for the second consecutive year at the Ex Convento di San Francesco in Pordenone. The event brought together employees, clients, suppliers and partners in an informal setting designed to encourage networking, dialogue and relationship building.

For the L&S Group, these occasions represent an important part of the company culture, reinforcing a sense of belonging and recognising the contribution of all the people involved in the success of the business.

In preparation for **Design Shanghai 2025**, the Group also launched a dedicated Dealer Training Program aimed at strengthening collaboration with local commercial partners. The initiative focused on product knowledge, integrated systems and brand communication, enabling dealers to represent the brand more consistently and support customers more effectively in their respective markets.

Through these activities, the Group continues to promote a collaborative and long-term approach to partner relationships, based on knowledge sharing and mutual growth.







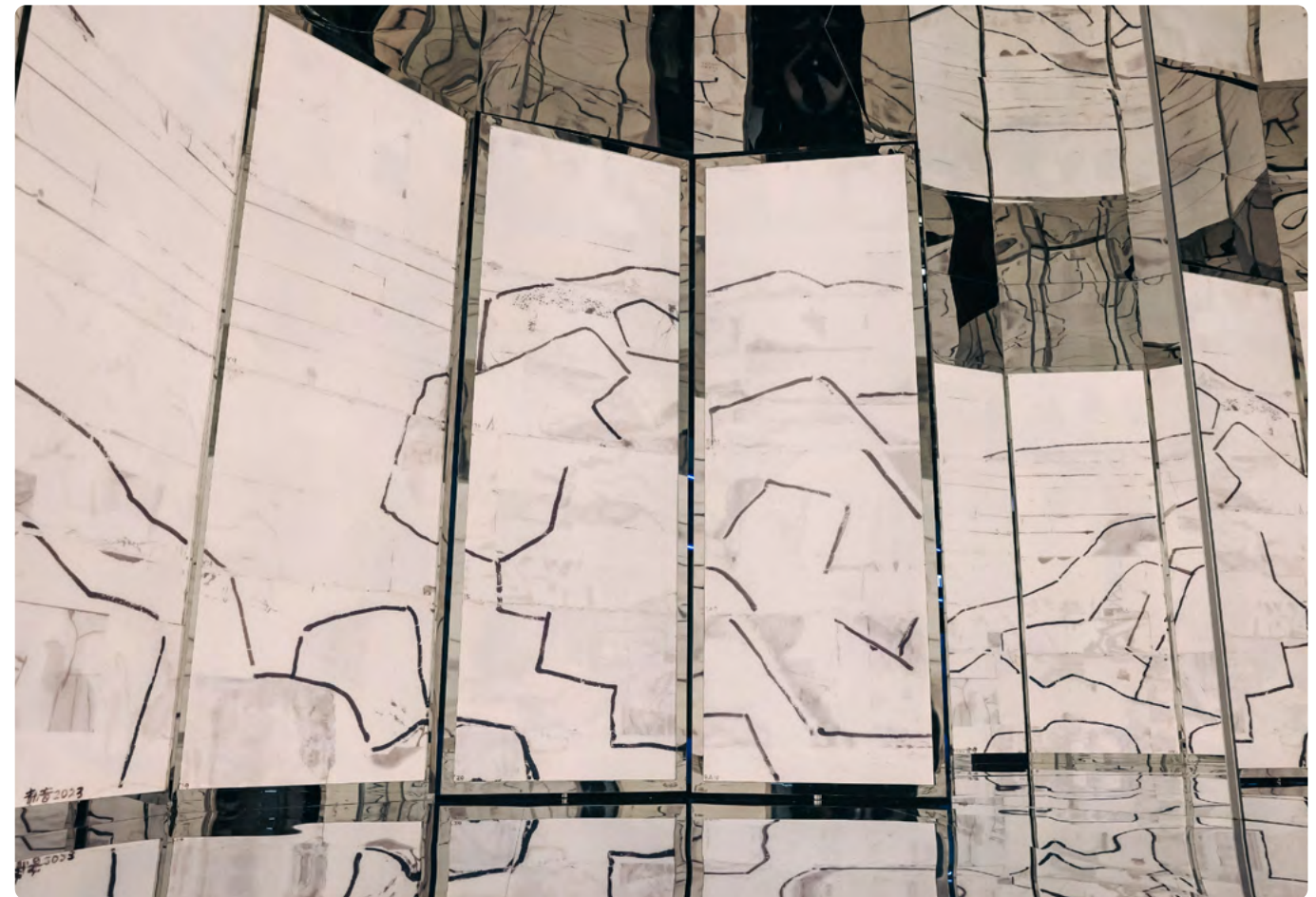
# Creativity, innovation and international recognition

Beyond its industrial and commercial activities, the L&S Group actively supports cultural initiatives, design dialogue and creative experimentation, recognising the broader role that companies can play in promoting innovation, social exchange and cultural development.

During **Design Shanghai 2025**, the Group collaborated with the renowned artist Wang Jieyin on the installation *Art of Light*, an immersive experience exploring the relationship between light, art and space. Within a dedicated exhibition area, the artist's works were presented using the Solaris lighting system, creating a dynamic interaction between technology and artistic expression. The installation attracted significant visitor engagement throughout the exhibition and encouraged direct dialogue between the public, the artist and the brand.

The Group also continued its support for initiatives dedicated to the dissemination of ideas and cultural exchange. For the second consecutive year, L&S sponsored both **TEDxPadova** and **TEDxCortina**. The May edition of TEDxPadova, centred on the theme "Memories from the Future", focused on innovation, sustainability and social transformation, while TEDxCortina explored the concept "FLOW – Synergies in Becoming", reflecting on complexity and continuous change in the contemporary world. Through these initiatives, the Group supports open dialogue, creativity and the exchange of perspectives beyond the boundaries of its industry.

In 2025, the Group's commitment to innovation and product excellence also received important international recognition through the **iF Design Award awarded to the Hi Line system**. The recognition, assigned by **iF International Forum Design GmbH** and evaluated by a jury of 130 independent experts, highlighted both the technological innovation and design quality of the product.





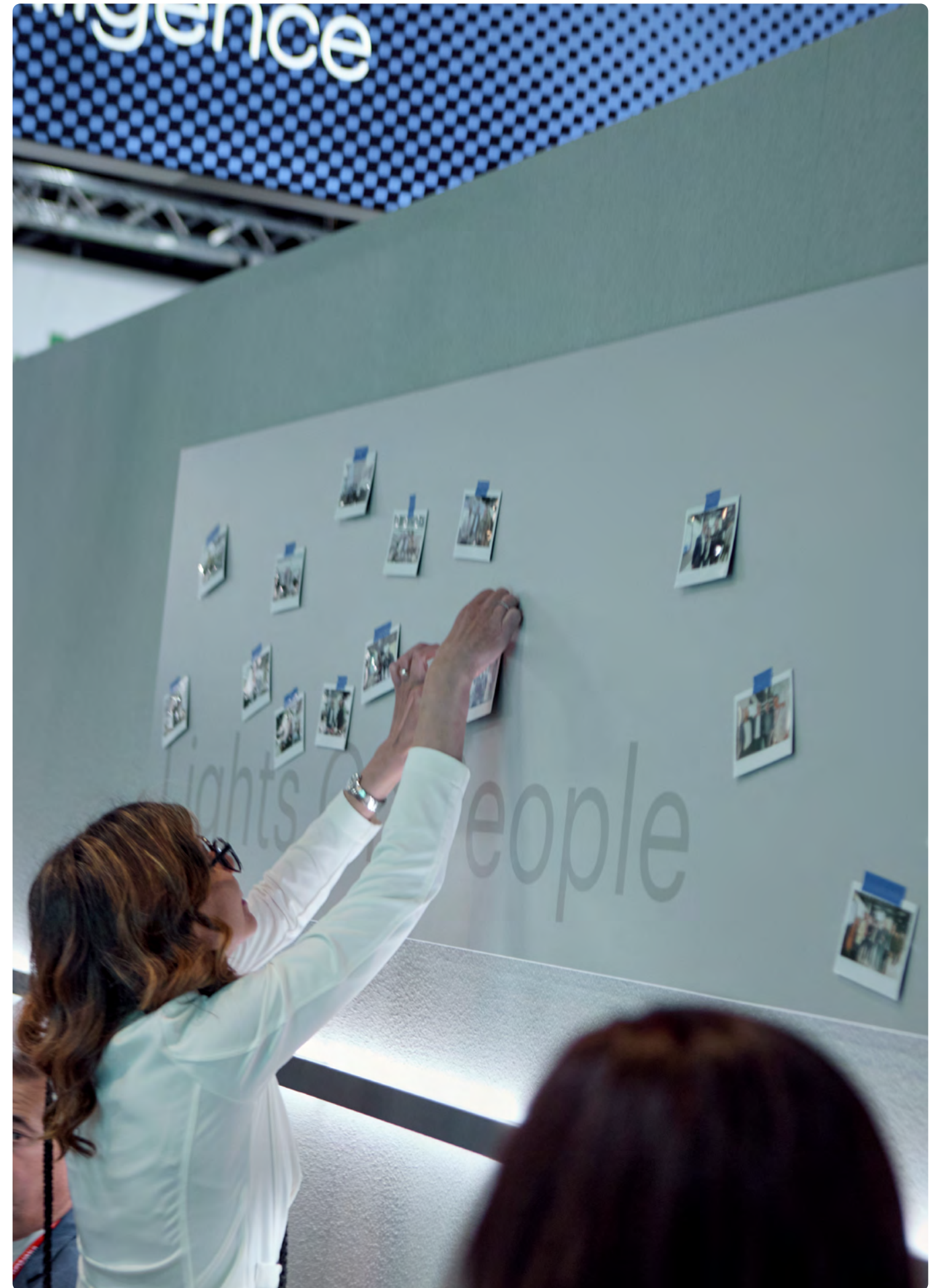
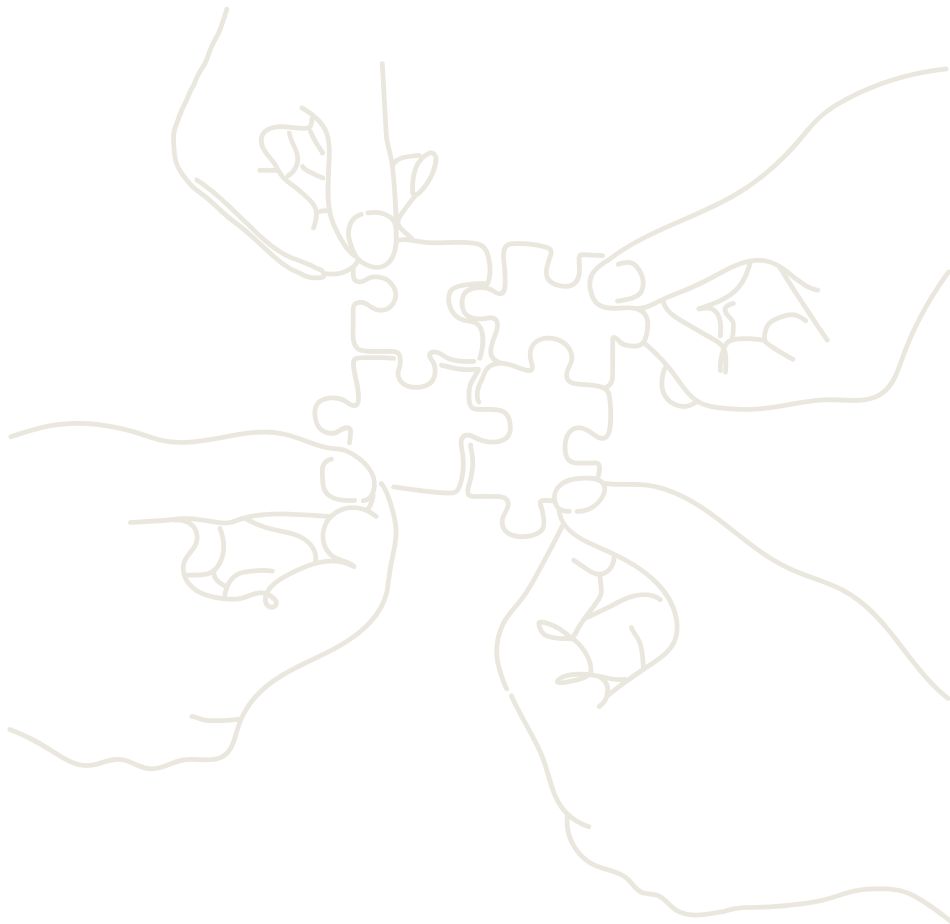
# Support and social responsibility

Alongside these initiatives, the Group continued to **support non-profit and solidarity projects connected to healthcare and social welfare.**

Each year, L&S renews its commitment to solidarity initiatives in support of CRO Aviano, **contributing to oncology research and patient care activities through dedicated fundraising efforts.**

In China, employees also participated in **blood donation initiatives organised in collaboration with local institutions**, contributing to the development of public healthcare resources and reinforcing the Group's commitment to corporate citizenship and community welfare.

Through these and other initiatives, the L&S Group aims to foster a culture of solidarity and shared responsibility, supporting activities and projects that generate positive social impact. At the same time, these efforts strengthen the relationship between the company, its people, and local communities.









# Conclusions and future perspectives





The year 2025 has been a year of delivery and commitments for the L&S Group. Where 2024 was defined by laying foundations — governance structures, the first carbon footprint, the materiality analysis, a five-year strategy — 2025 has been defined by putting those foundations to work. The Group expanded significantly through the acquisitions of Flux and Visplay, strengthening its positioning as an integrated lighting and spatial solutions provider. At the same time, it continued to advance its sustainability commitments with tangible, measurable results across all three strategic pillars.

## Main Results Achieved

Over the course of the year, several significant milestones were reached, reflecting genuine progress across the three pillars of the sustainability strategy:

- Absolute reduction of GHG emissions across all scopes on a like-for-like basis: Scope 1 -9.6%, Scope 2 market-based at zero for the second consecutive year, and Scope 3 -2.7% against the restated 2024 baseline — confirming the decarbonisation trajectory is real and independent of revenue growth;
- Completion of eight Life Cycle Assessment studies on the highest-rotation products, providing a rigorous product-level environmental baseline and confirming that over 95% of lifecycle climate impact occurs during product use — establishing the primary lever for long-term decarbonisation;
- Increase of FSC-certified packaging coverage, improvement of the recycling rate and a fourfold increase in self-produced solar energy, reflecting systematic progress in circular economy and energy transition;
- Advancement of the EcoVadis rating from Committed Badge to Bronze Medal (81st percentile), and first participation in the CDP Climate Change disclosure achieving a Score B — two independent external recognitions of the Group’s growing ESG management maturity;
- Commitment to the Science Based Targets initiative (SBTi), with the definition of near- and long-term validated emission reduction targets planned for the next reporting cycle;
- Launch of the first structured Supplier ESG Survey, introducing ESG criteria into procurement evaluation for the first time and establishing a baseline for progressive supply chain engagement;
- Net increase of 60 employees (+13.2%), 100% parental leave return-to-work rate, universal social protection coverage, and the launch of the UNI/PdR 125:2022 gender equality certification process across all Italian entities;
- Integration of ESG criteria into M&A due diligence processes, confirmed second-year commitment to the UN Global Compact, and further strengthening of the Group’s governance framework.

## Challenges

Despite the progress made, the Group recognises that significant challenges remain:

- Reduction of Scope 3 Category 11 emissions — the use of sold products — which alone represents approximately 95% of the total carbon footprint. Addressing this structural concentration requires sustained product efficiency improvement across every new development cycle and a deliberate eco-design approach embedded from the earliest design stages;
- Harmonisation of ESG performance and data quality across an expanded and more complex Group perimeter following the integration of Flux and Visplay, which brought different operational structures, reporting cultures and baseline levels of sustainability maturity;
- Addressing the gender pay gap, which increased at consolidated level following recent acquisitions and the expansion of the Group perimeter. The imbalance is primarily linked to differences in workforce composition, the concentration of male employees in higher-paid technical and managerial roles, and varying remuneration structures across entities and geographies. The Group recognises the need for a progressive and structured approach aimed at strengthening pay equity and increasing gender diversity in leadership positions;
- Progressive extension of supply chain ESG assessment and deepening engagement with suppliers to move from self-declaration towards verified practices and shared decarbonisation commitments.





## Future Objectives

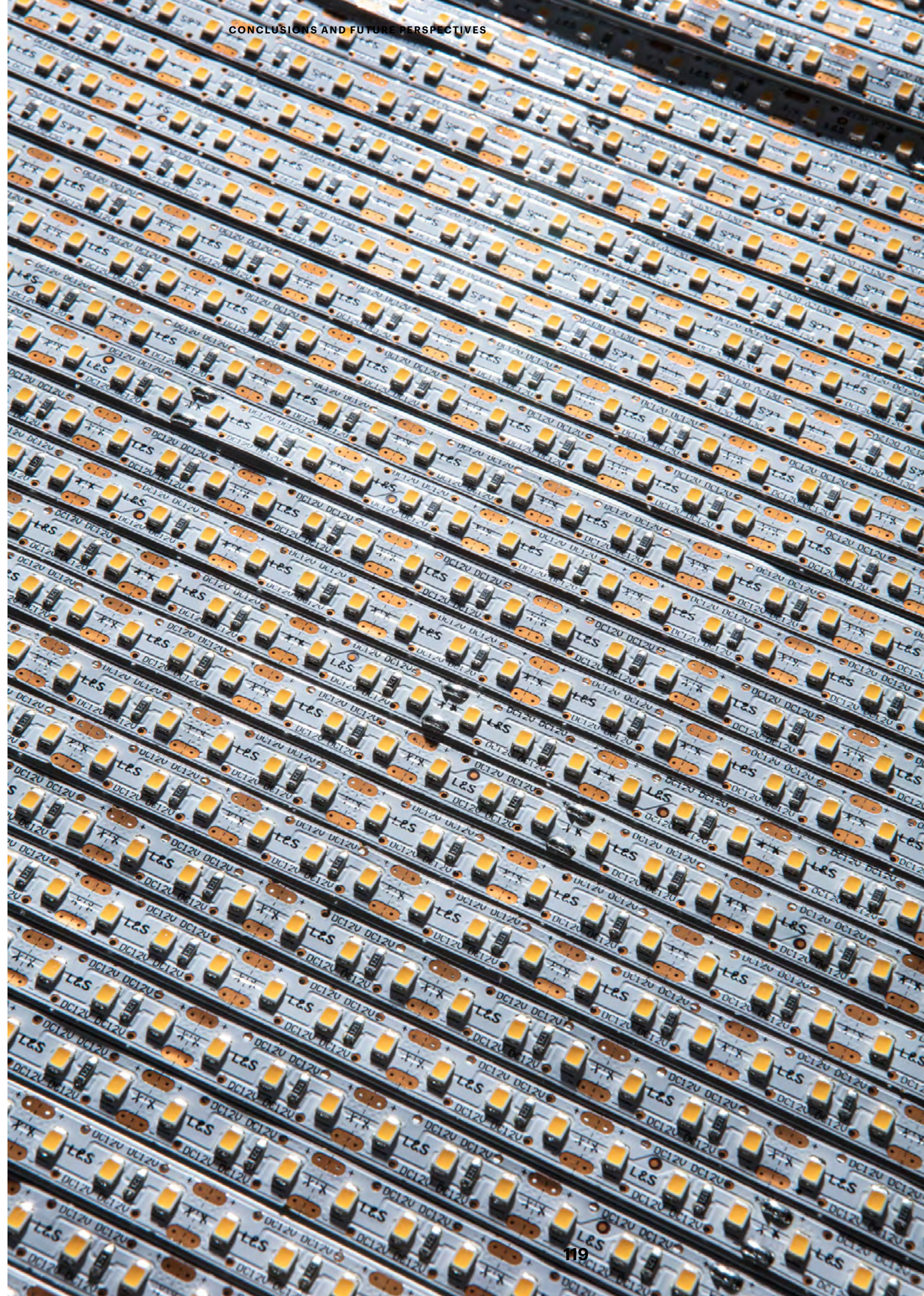
Looking to the future, the L&S Group has defined clear medium and long-term objectives across its three strategic pillars:

- Submit and obtain validation of near- and long-term emission reduction targets aligned with the Science Based Targets initiative (SBTi), using 2025 as the official baseline year;
- Extend Life Cycle Assessments to a broader product portfolio and formalise eco-design guidelines for all new product development projects, with a target of  $\geq 80\%$  FSC-certified packaging coverage;
- Progress towards EcoVadis Silver rating through targeted improvements in climate disclosure, procurement practices and governance, and continue to strengthen the CDP Climate Change response in subsequent reporting cycles;
- Extend ISO-certified management systems progressively across the Group, continuing the path initiated in 2025 with an additional ISO 14001 certification;
- Obtain Gender Equality Certification (UNI/PdR 125:2022) across all Italian entities, increase women in senior and managerial roles to  $\geq 33\%$ , and deliver DE&I training;
- Expand the Supplier ESG Survey, progressively integrating ESG scoring into procurement decisions and supporting suppliers in addressing identified gaps;
- Continue to improve ESG data quality, granularity and comparability across the expanded Group perimeter, ensuring that future reporting cycles reflect a consistent and fully harmonised baseline.

The L&S Group recognises that the path towards fully integrating sustainability into its business model is an ongoing journey — one that demands commitment, resources and a clear strategic vision. With two years of structured reporting now completed, a broader group perimeter, and a more granular evidence base, the organisation is better positioned than ever to address the challenges ahead and to seize the opportunities offered by the transition to a more sustainable economy.

In line with its commitment to transparency and open dialogue, the L&S Group will continue to engage all stakeholders — employees, customers, suppliers, investors and communities — providing regular updates on both the progress achieved and the challenges still to be addressed.

Sustainability is a shared responsibility, and we are determined to play an active role in building a more resilient, equitable and innovative future — one that illuminates not only spaces, but the path forward.





# ANNEX — ESRS



# Energy consumption and mix — ESRs E1-5

| HIGH CLIMATE<br>IMPACT SECTORS | GROUP TOTAL                                       | UNIT             | 2024  | 2025  |
|--------------------------------|---------------------------------------------------|------------------|-------|-------|
|                                | Consumption of thermal energy from fossil sources | MWh              | 2,341 | 2,020 |
|                                | Natural gas                                       | MWh              | 1,601 | 1,272 |
|                                | Diesel & LPG (process)                            | MWh              | -     | 0     |
|                                | Vehicle fuels                                     | MWh              | 740   | 929   |
|                                | Thermal energy from renewable sources             | MWh              | 0     | 2     |
|                                | Biodiesel                                         | MWh              | 0     | 2     |
|                                | Electrical energy from fossil sources             | MWh              | 0     | 0     |
|                                | Electrical energy from renewable sources          | MWh              | 1,600 | 1,735 |
|                                | Solar                                             | MWh              | 1,008 | 1,735 |
|                                | Thermal                                           | MWh              | 592   | -     |
|                                | Purchased renewable electricity                   | MWh              | 1,535 | 1,452 |
|                                | Self-produced renewable electricity consumed      | MWh              | 65    | 284   |
|                                | Total energy consumption                          | MWh              | 3,941 | 3,758 |
|                                | % from fossil sources                             | MWh              | 59%   | 54%   |
|                                | % from renewable sources                          | MWh              | 41%   | 46%   |
|                                | Energy intensity                                  | MWh / M€ Revenue | 35    | 33    |
|                                | Self-produced renewable electricity (gross)       | MWh              | 205   | 501   |
|                                | Solar                                             | MWh              | 205   | 501   |
|                                | Self-produced renewable electricity — grid export | MWh              | 140   | 217   |

# Scope 2 (Market-Based) – Renewable Electricity Mix % — ESRs E1-5

| SCOPE 2<br>MARKET BASED                                                          | UNIT  | 2024  | 2025 |
|----------------------------------------------------------------------------------|-------|-------|------|
| Self-consumption from renewable self-production (does not contribute to Scope 2) | % MWh | 4.07  | 16.3 |
| Purchase of guaranteed renewable electricity                                     | % MWh | 95.93 | 83.7 |
| Purchase of guarantees of origin                                                 | % MWh | 95.92 | 88.4 |
| AIB - GO (Italy and Germany)                                                     | % MWh | 60.93 | 56.2 |
| I-RECs (International Renewable Energy Certificates) (China)                     | % MWh | 31.25 | 28.8 |
| Green-e RECs (USA)                                                               | % MWh | 3.75  | 3.5  |

# Measurement of GHG Emissions — ESRs E1-6

| GHG EMISSIONS                                                                         | 2024    | 2025    |
|---------------------------------------------------------------------------------------|---------|---------|
| Scope 1                                                                               | 546     | 572     |
| Scope 2                                                                               |         |         |
| Market Based                                                                          | -       | -       |
| Location Based                                                                        | 690     | 721     |
| Scope 3 - Upstream                                                                    |         |         |
| 1. Purchased products and services                                                    | 31,876  | 23,241  |
| 2. Capital goods                                                                      | -       | -       |
| 3. Fuel-and energy-related activities (not included in Scope 1 and Scope 2 emissions) | 133     | 121     |
| 4. Upstream transportation and distribution                                           | 6,612   | 6,292   |
| 5. Waste generated by the sites                                                       | 142     | 4       |
| 6. Business travel                                                                    | 922     | 698     |
| 7. Employee commuting                                                                 | 503     | 485     |
| 8. Upstream leased assets                                                             | -       | -       |
| Scope 3 - Downstream                                                                  |         |         |
| 9. Downstream transportation and distribution                                         | 1,060   | 2,204   |
| 10. Processing of sold products                                                       | -       | -       |
| 11. Use of sold products                                                              | 734,658 | 728,696 |
| 12. End-of-life treatment of sold products                                            | 14      | 15      |
| 13. Downstream leased assets                                                          | -       | -       |
| 14. Franchises                                                                        | -       | -       |
| 15. Investments                                                                       | -       | -       |
| Total carbon footprint [tCO2 e]                                                       | 776,465 | 762,327 |
| tCO2e / k€ revenue                                                                    | 7.00    | 6.28    |



# Performance in water resource management — ESRS E3-4

| WATER BALANCE |                                         | UNIT                   | 2024         | 2025         |
|---------------|-----------------------------------------|------------------------|--------------|--------------|
|               |                                         |                        |              |              |
|               | <b>Withdrawals</b>                      | <b>m3</b>              | <b>8,743</b> | <b>8,035</b> |
|               | Surface water                           | <b>m3</b>              | –            | –            |
|               | Groundwater/wells                       | m3                     | 2,587        | 1879         |
|               | Aqueduct                                | m3                     | 6,156        | 6156         |
|               | <b>of which in water-stressed areas</b> | <b>m3</b>              | <b>265</b>   | <b>206</b>   |
|               | Surface water                           | m3                     | –            | –            |
|               | Groundwater/wells                       | m3                     | –            | –            |
|               | Aqueduct                                | m3                     | 265          | 206          |
|               | <b>Discharges</b>                       | <b>m3</b>              | <b>8,743</b> | <b>8,035</b> |
|               | Surface water                           | m3                     | 2,587        | 1879         |
|               | Groundwater/wells                       | m3                     | –            | –            |
|               | Aqueduct                                | m3                     | 6,156        | 6,156        |
|               | <b>of which in water-stressed areas</b> | <b>m3</b>              | <b>265</b>   | <b>206</b>   |
|               | Surface water                           | m3                     | –            | –            |
|               | Groundwater/wells                       | m3                     | –            | –            |
|               | Aqueduct                                | m3                     | 265          | 206          |
|               | <b>Consumption</b>                      | <b>m3</b>              | –            | –            |
|               | <b>of which in water-stressed areas</b> | <b>m3</b>              | –            | –            |
|               | <b>Intensity</b>                        | <b>m3 / M€ Revenue</b> | –            | –            |

# Resource inflows — ESRS E5-4

| BIOLOGICAL ORIGIN |                            | UNIT | 2024 | 2025 |
|-------------------|----------------------------|------|------|------|
|                   |                            |      |      |      |
|                   | <b>Packaging materials</b> |      |      |      |
|                   | Paper & cardboard          | †    | 591  | 508  |
|                   | Wood                       | †    | 16   | 173  |

| EXTRACTIVE OR FOSSIL ORIGIN |                             | UNIT | 2024  | 2025  |
|-----------------------------|-----------------------------|------|-------|-------|
|                             |                             |      |       |       |
|                             | <b>Production materials</b> |      |       |       |
|                             | Electronics                 | †    | 3,321 | 1,571 |
|                             | Aluminium                   | †    | 688   | 1,098 |
|                             | Plastic                     | †    | 240   | 210   |
|                             | Steel                       | †    | 27    | 440   |
|                             | Paper                       | †    |       | 26    |
|                             | Glass                       | †    | 153   | 112   |
|                             | Cables                      | †    | 349   | 126   |
|                             | LED strips                  | †    | 226   | 337   |
|                             | Zinc                        | †    |       | 6     |
|                             | <b>Packaging materials</b>  |      |       |       |
|                             | Plastic                     | †    | 21    | 59    |

| INPUT RESOURCES |                             | 2024 (t)     | 2024 (%) | 2025 (t)     | 2025 (%) |
|-----------------|-----------------------------|--------------|----------|--------------|----------|
|                 |                             |              |          |              |          |
|                 | <b>Production materials</b> | <b>5,004</b> |          | <b>3,928</b> |          |
|                 | of which recycled           | 0            | 0%       | 175          | 4%       |
|                 | Renewable or biological     | 0            | 0%       | –            | 0%       |
|                 | of which recycled           | 0            | 0%       | –            | 0%       |
|                 | Non-renewable or technical  | 5,004        | 100%     | 3,928        | 100%     |
|                 | of which recycled           | 0            | 0%       | 175          | 4%       |
|                 | <b>Packaging materials</b>  | <b>628</b>   |          | <b>740</b>   |          |
|                 | of which recycled           | 362          | 58%      | 137          | 18%      |
|                 | Renewable or biological     | 606          | 97%      | 681          | 92%      |
|                 | of which recycled           | 362          | 60%      | 137          | 20%      |
|                 | Non-renewable or technical  | 21           | 3%       | 59           | 8%       |
|                 | of which recycled           | –            | 0%       | –            | 0%       |
|                 | <b>Total materials</b>      | <b>5,632</b> |          | <b>4,668</b> |          |
|                 | of which recycled           | 362          | 6%       | 311          | 7%       |
|                 | Renewable or biological     | 606          | 11%      | 681          | 15%      |
|                 | of which recycled           | 362          | 60%      | 137          | 20%      |
|                 | Non-renewable or technical  | 5,026        | 89%      | 3,987        | 85%      |
|                 | of which recycled           | –            | 0%       | 175          | 4%       |



# Waste Generated

## — ESRS E5-5

| WASTE GENERATED |                         | 2024 (t)   | 2024 (%)     | 2025 (t)     | 2025 (%)     |
|-----------------|-------------------------|------------|--------------|--------------|--------------|
|                 | Total waste             | 281        | 100%         | 370.6        | 100%         |
|                 | of which recycled       | 57         | 20.2%        | 126.4        | 34.1%        |
|                 | Renewable or biological | 224        | 79.8%        | 244.1        | 65.9%        |
|                 | <b>Non-hazardous</b>    | <b>281</b> | <b>99.7%</b> | <b>369.9</b> | <b>99.8%</b> |
|                 | Recycled                | 57         | 20.3%        | 126.4        | 34.2%        |
|                 | Non-recycled            | 224        | 79.7%        | 243.4        | 65.8%        |
|                 | <b>Hazardous</b>        | <b>1</b>   | <b>0.3%</b>  | <b>0.7</b>   | <b>0.2%</b>  |
|                 | Recycled                | –          | 0.0%         | –            | 0.0%         |
|                 | Non-recycled            | 1          | 100%         | 0.7          | 100%         |

| WASTE TREATMENT DETAIL |                             | NON-HAZARDOUS | HAZARDOUS | 2024 (t) | 2025 (t) |
|------------------------|-----------------------------|---------------|-----------|----------|----------|
|                        | Recovery                    |               |           |          |          |
|                        | Recycling, of which:        | •             |           |          |          |
|                        | → Composting                | •             |           | 41.4     | 72.5     |
|                        | → Other forms of recycling  | •             |           | 15.5     | 54.0     |
|                        | → Preparation for reuse     | •             |           | –        | –        |
|                        | → Other recovery operations | •             |           | 215.4    | 239.9    |
|                        | <b>Disposal</b>             |               |           |          |          |
|                        | Landfill                    | •             |           | 4.4      | 3.5      |
|                        | Incineration                | •             |           | –        | –        |
|                        | Other disposal operations   | •             |           | 3.8      | 0.0      |
|                        | <b>Recovery</b>             |               |           |          |          |
|                        | Recycling, of which:        | •             |           |          |          |
|                        | → Composting                | •             |           | –        | –        |
|                        | → Other forms of recycling  | •             |           | –        | –        |
|                        | → Preparation for reuse     | •             |           | –        | –        |
|                        | → Other recovery operations | •             |           | 0.2      | 0.6      |
|                        | <b>Disposal</b>             |               |           |          |          |
|                        | Landfill                    | •             |           | –        | –        |
|                        | Incineration                | •             |           | –        | 0.1      |
|                        | Other disposal operations   | •             |           | 0.7      | 0.0      |

# Characteristics of employees

## — ESRS S1-6

| L&S GROUP WORKFORCE |                  | 2024       |            |            | 2025       |            |            |
|---------------------|------------------|------------|------------|------------|------------|------------|------------|
|                     |                  | Women      | Men        | Total      | Women      | Men        | Total      |
|                     | Management       | 18         | 38         | 56         | 20         | 53         | 73         |
|                     | Blue collars     | 144        | 87         | 231        | 135        | 105        | 240        |
|                     | White Collar     | 93         | 76         | 169        | 99         | 104        | 203        |
|                     | <b>Personnel</b> | <b>256</b> | <b>200</b> | <b>456</b> | <b>254</b> | <b>262</b> | <b>516</b> |
|                     |                  | <b>56%</b> | <b>44%</b> |            | <b>49%</b> | <b>51%</b> |            |

| L&S CHANGES IN WORKFORCE 2025 |                       | 2025 |
|-------------------------------|-----------------------|------|
|                               | Headcount change 2025 | +60  |
|                               | + New hires           | 51   |
|                               | + Acquisitions        | 69   |
|                               | – Voluntary exits     | 33   |
|                               | – Involuntary exits   | 27   |

| L&S GROUP<br>PERMANENT<br>/ FIXED TERM                                                                                                                             | 2024                |       |     |       | 2025  |     |       |     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-------|-----|-------|-------|-----|-------|-----|
|                                                                                                                                                                    |                     | Women | Men | Total | Women | Men | Total |     |
|                                                                                                                                                                    | L&S Group           | Total | 256 | 200   | 456   | 254 | 262   | 516 |
|                                                                                                                                                                    | Permanent Contract  |       | 197 | 168   | 365   | 202 | 223   | 425 |
|                                                                                                                                                                    | Fixed-term Contract |       | 59  | 32    | 91    | 52  | 39    | 91  |
|                                                                                                                                                                    | Italy               | Total | 104 | 95    | 199   | 102 | 107   | 209 |
|                                                                                                                                                                    | Permanent Contract  |       | 103 | 95    | 198   | 102 | 105   | 207 |
|                                                                                                                                                                    | Fixed-term Contract |       | 1   | 0     | 1     | 0   | 2     | 2   |
|                                                                                                                                                                    | China               | Total | 111 | 50    | 161   | 101 | 49    | 150 |
|                                                                                                                                                                    | Permanent Contract  |       | 56  | 22    | 78    | 50  | 21    | 71  |
| Fixed-term Contract                                                                                                                                                |                     | 55    | 28  | 83    | 51    | 28  | 79    |     |
| Germany                                                                                                                                                            | Total               | 37    | 41  | 78    | 45    | 87  | 132   |     |
| Permanent Contract                                                                                                                                                 |                     | 34    | 37  | 71    | 44    | 78  | 122   |     |
| Fixed-term Contract                                                                                                                                                |                     | 3     | 4   | 7     | 1     | 9   | 10    |     |
| Note: Breakdown of contract type by gender, both at Group level and for countries that have at least 50 employees and cover at least 10% of the company population |                     |       |     |       |       |     |       |     |



L&S GROUP  
FULL TIME  
/ PART TIME

|           |       | 2024  |     |       | 2025  |     |       |
|-----------|-------|-------|-----|-------|-------|-----|-------|
|           |       | Women | Men | Total | Women | Men | Total |
| L&S Group | Total | 256   | 200 | 456   | 254   | 262 | 516   |
| Full-time |       | 230   | 190 | 420   | 226   | 250 | 476   |
| Part-time |       | 26    | 10  | 36    | 28    | 12  | 40    |
| Italy     | Total | 104   | 95  | 199   | 102   | 107 | 209   |
| Full-time |       | 92    | 90  | 182   | 91    | 101 | 192   |
| Part-time |       | 12    | 5   | 17    | 11    | 6   | 17    |
| China     | Total | 111   | 50  | 161   | 101   | 49  | 150   |
| Full-time |       | 111   | 50  | 161   | 101   | 49  | 150   |
| Part-time |       | 0     | 0   | 0     | 0     | 0   | 0     |
| Germany   | Total | 37    | 41  | 78    | 45    | 87  | 132   |
| Full-time |       | 23    | 39  | 62    | 28    | 84  | 112   |
| Part-time |       | 14    | 2   | 16    | 17    | 3   | 20    |

Note: Breakdown of contract type by gender, both at Group level and for countries that have at least 50 employees and cover at least 10% of the company population

TURNOVER

|           |        | 2024  |       |       | 2025   |       |       |       |        |
|-----------|--------|-------|-------|-------|--------|-------|-------|-------|--------|
|           |        | Women | Men   | Total | Rate % | Women | Men   | Total | Rate % |
| L&S GROUP | Entry  | 30    | 24    | 54    |        | 28    | 92    | 120   |        |
|           | Rate % | 11.7% | 12.0% | 11.8% |        | 11.0% | 35.1% | 23.3% |        |
|           | <30    | 8     | 5     | 13    | 27.1%  | 6     | 11    | 17    | 36.2%  |
|           | 30-50  | 18    | 18    | 36    | 11.6%  | 17    | 43    | 60    | 18.2%  |
|           | >50    | 4     | 1     | 5     | 5.2%   | 5     | 38    | 43    | 30.7%  |
|           | Exit   | 28    | 27    | 55    |        | 28    | 32    | 60    |        |
|           | Rate % | 10.9% | 13.5% | 12.1% |        | 11.0% | 12.2% | 11.6% |        |
|           | <30    | 6     | 5     | 11    | 22.9%  | 6     | 3     | 9     | 19.1%  |
|           | 30-50  | 19    | 20    | 39    | 12.5%  | 17    | 19    | 36    | 10.9%  |
|           | >50    | 3     | 2     | 5     | 5.2%   | 5     | 10    | 15    | 10.7%  |
| ITALY     | Entry  | 6     | 5     | 11    |        | 11    | 20    | 31    |        |
|           | Rate % | 5.8%  | 5.3%  | 5.5%  |        | 10.8% | 18.7% | 14.8% |        |
|           | <30    | 2     | 0     | 2     | 13.3%  | 2     | 4     | 6     | 37.5%  |
|           | 30-50  | 4     | 4     | 8     | 6.3%   | 9     | 9     | 18    | 14.3%  |
|           | >50    | 0     | 1     | 1     | 1.8%   | 0     | 7     | 7     | 10.4%  |
|           | Exit   | 3     | 3     | 6     |        | 11    | 9     | 20    |        |
|           | Rate % | 2.9%  | 3.2%  | 3.0%  |        | 10.8% | 8.4%  | 9.6%  |        |
|           | <30    | 0     | 0     | 0     | 0.0%   | 1     | 1     | 2     | 12.5%  |
|           | 30-50  | 2     | 1     | 3     | 2.3%   | 5     | 4     | 9     | 7.1%   |
|           | >50    | 1     | 2     | 3     | 5.4%   | 5     | 4     | 9     | 13.4%  |
| CHINA     | Entry  | 18    | 16    | 34    |        | 3     | 7     | 10    |        |
|           | Rate % | 16.2% | 32.0% | 21.1% |        | 3.0%  | 14.3% | 6.7%  |        |
|           | <30    | 4     | 4     | 8     | 42.1%  | 0     | 0     | 0     | 0.0%   |
|           | 30-50  | 12    | 12    | 24    | 17.6%  | 3     | 7     | 10    | 7.6%   |
|           | >50    | 2     | 0     | 2     | 33.3%  | 0     | 0     | 0     | 0.0%   |
|           | Exit   | 24    | 18    | 42    |        | 13    | 9     | 22    |        |
|           | Rate % | 21.6% | 36.0% | 26.1% |        | 12.9% | 18.4% | 14.7% |        |
|           | <30    | 6     | 5     | 11    | 57.9%  | 4     | 0     | 4     | 33.3%  |
|           | 30-50  | 16    | 13    | 29    | 21.3%  | 9     | 9     | 18    | 13.7%  |
|           | >50    | 2     | 0     | 2     | 33.3%  | 0     | 0     | 0     | 0.0%   |
| GERMANY   | Entry  | 6     | 3     | 9     |        | 12    | 59    | 71    |        |
|           | Rate % | 16.2% | 7.3%  | 11.5% |        | 26.7% | 67.8% | 53.8% |        |
|           | <30    | 2     | 1     | 3     | 33.3%  | 3     | 7     | 10    | 66.7%  |
|           | 30-50  | 2     | 2     | 4     | 10.0%  | 5     | 24    | 29    | 47.5%  |
|           | >50    | 2     | 0     | 2     | 6.9%   | 4     | 28    | 32    | 57.1%  |
|           | Exit   | 1     | 6     | 7     |        | 4     | 14    | 18    |        |
|           | Rate % | 2.7%  | 14.6% | 9.0%  |        | 8.9%  | 16.1% | 13.6% |        |
|           | <30    | 0     | 0     | 0     | 0.0%   | 1     | 2     | 3     | 20.0%  |
|           | 30-50  | 1     | 6     | 7     | 17.5%  | 3     | 6     | 9     | 14.8%  |
|           | >50    | 0     | 0     | 0     | 0.0%   | 0     | 6     | 6     | 10.7%  |

Note: Breakdown of contract type by gender, both at Group level and for countries that have at least 50 employees and cover at least 10% of the company population



# Characteristics of non-employees — ESRs S1-7

| NON-EMPLOYEE WORKERS |                                              |       | 2024 | 2025 |
|----------------------|----------------------------------------------|-------|------|------|
|                      | Group                                        | Total | 35   | 27   |
|                      | Agency workers, self-employed, project-based |       | 35   | 27   |
|                      | Intern                                       |       | 0    | 0    |
|                      | Agents                                       |       | 0    | 0    |
|                      | Italy                                        | Total | 33   | 27   |
|                      | Agency workers, self-employed, project-based |       | 33   | 27   |
|                      | Intern                                       |       | 0    | 0    |
|                      | Agents                                       |       | 0    | 0    |
|                      | China                                        | Total | 2    | 0    |
|                      | Agency workers, self-employed, project-based |       | 0    | 0    |
|                      | Intern                                       |       | 0    | 0    |
|                      | Agents                                       |       | 0    | 0    |
|                      | Germany                                      | Total | 0    | 0    |
|                      | Agency workers, self-employed, project-based |       | 0    | 0    |
|                      | Intern                                       |       | 0    | 0    |
|                      | Agents                                       |       | 0    | 0    |

# Social dialogue and collective bargaining — ESRs S1-8

| SOCIAL DIALOGUE AND COLLECTIVE BARGAINING | COLLECTIVE BARGAINING COVERAGE |                        | SOCIAL DIALOGUE                     |
|-------------------------------------------|--------------------------------|------------------------|-------------------------------------|
|                                           | Coverage rate                  | Employees – EEA        | Workplace representation – EEA only |
|                                           | 0-19%                          |                        | Germany, France                     |
|                                           | 20-39%                         |                        |                                     |
|                                           | 40-59%                         |                        | Italy                               |
|                                           | 60-79%                         |                        |                                     |
|                                           | 80-100%                        | Italy, Germany, France | China, USA, UK                      |

# Distribution of personnel by gender, age and classification — ESRs S1-9

| DISTRIBUTION OF PERSONNEL BY GENDER, AGE AND CLASSIFICATION                                                                                                        | 2024  |       | 2025 |       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|-------|------|-------|
|                                                                                                                                                                    | n.    | %     | n.   | %     |
| MANAGEMENT                                                                                                                                                         | Total |       | 73   |       |
| Female                                                                                                                                                             | 18    | 32.1% | 20   | 27.4% |
| Under 30                                                                                                                                                           |       |       |      |       |
| 30-50                                                                                                                                                              | 16    | 28.6% | 18   | 24.7% |
| Over 50                                                                                                                                                            | 2     | 3.6%  | 2    | 2.7%  |
| Male                                                                                                                                                               | Total |       | 53   | 72.6% |
| Under 30                                                                                                                                                           |       |       |      |       |
| 30-50                                                                                                                                                              | 28    | 50.0% | 34   | 46.6% |
| Over 50                                                                                                                                                            | 10    | 17.9% | 19   | 26.0% |
| WHITE COLLAR TOTAL                                                                                                                                                 | Total |       | 203  |       |
| Female                                                                                                                                                             | Total |       | 99   | 48.8% |
| Under 30                                                                                                                                                           |       |       |      |       |
| 30-50                                                                                                                                                              | 56    | 33.1% | 61   | 30.0% |
| Over 50                                                                                                                                                            | 19    | 11.2% | 20   | 9.9%  |
| Male                                                                                                                                                               | Total |       | 104  | 51.2% |
| Under 30                                                                                                                                                           |       |       |      |       |
| 30-50                                                                                                                                                              | 50    | 29.6% | 64   | 31.5% |
| Over 50                                                                                                                                                            | 16    | 9.5%  | 24   | 11.8% |
| BLUE COLLARS                                                                                                                                                       | Total |       | 240  |       |
| Female                                                                                                                                                             | Total |       | 135  | 56.3% |
| Under 30                                                                                                                                                           |       |       |      |       |
| 30-50                                                                                                                                                              | 104   | 45.0% | 96   | 40.0% |
| Over 50                                                                                                                                                            | 34    | 14.7% | 33   | 13.8% |
| Male                                                                                                                                                               | Total |       | 105  | 43.8% |
| Under 30                                                                                                                                                           |       |       |      |       |
| 30-50                                                                                                                                                              | 51    | 22.1% | 56   | 23.3% |
| Over 50                                                                                                                                                            | 31    | 13.4% | 42   | 17.5% |
| Note: Breakdown of contract type by gender, both at Group level and for countries that have at least 50 employees and cover at least 10% of the company population |       |       |      |       |



ITALY –  
DISTRIBUTION OF  
PERSONNEL BY  
GENDER, AGE AND  
CLASSIFICATION

|                    |       | 2024 |       | 2025 |       |
|--------------------|-------|------|-------|------|-------|
| ITALY              |       | n.   | %     | n.   | %     |
| MANAGEMENT         | Total | 19   |       | 22   |       |
| Female             | Total | 4    | 21.1% | 5    | 22.7% |
| Under 30           |       |      |       |      |       |
| 30-50              |       | 3    | 15.8% | 4    | 18.2% |
| Over 50            |       | 1    | 5.3%  | 1    | 4.5%  |
| Male               | Total | 15   | 78.9% | 17   | 77.3% |
| Under 30           |       |      |       |      |       |
| 30-50              |       | 9    | 47.4% | 9    | 40.9% |
| Over 50            |       | 6    | 31.6% | 8    | 36.4% |
| WHITE COLLAR TOTAL | Total | 61   |       | 71   |       |
| Female             | Total | 32   | 52.5% | 35   | 49.3% |
| Under 30           |       |      |       |      |       |
| 30-50              |       | 22   | 36.1% | 27   | 38.0% |
| Over 50            |       | 9    | 14.8% | 6    | 8.5%  |
| Male               | Total | 29   | 47.5% | 36   | 50.7% |
| Under 30           |       |      |       |      |       |
| 30-50              |       | 17   | 27.9% | 22   | 31.0% |
| Over 50            |       | 7    | 11.5% | 6    | 8.5%  |
| BLUE COLLARS       | Total | 119  |       | 116  |       |
| Female             | Total | 67   | 56.3% | 62   | 53.4% |
| Under 30           |       |      |       |      |       |
| 30-50              |       | 35   | 29.4% | 32   | 27.6% |
| Over 50            |       | 27   | 22.7% | 25   | 21.6% |
| Male               | Total | 52   | 43.7% | 54   | 46.6% |
| Under 30           |       |      |       |      |       |
| 30-50              |       | 32   | 26.9% | 32   | 27.6% |
| Over 50            |       | 19   | 16.0% | 21   | 18.1% |

Note: Breakdown of contract type by gender, both at Group level and for countries that have at least 50 employees and cover at least 10% of the company population

CHINA –  
DISTRIBUTION OF  
PERSONNEL BY  
GENDER, AGE AND  
CLASSIFICATION

|                    |       | 2024 |       | 2025 |       |
|--------------------|-------|------|-------|------|-------|
| CHINA              |       | n.   | %     | n.   | %     |
| MANAGEMENT         | Total | 19   |       | 20   |       |
| Female             | Total | 9    | 47.4% | 10   | 50.0% |
| Under 30           |       |      |       |      |       |
| 30-50              |       | 9    | 47.4% | 10   | 50.0% |
| Over 50            |       |      |       |      |       |
| Male               | Total | 10   | 52.6% | 10   | 50.0% |
| Under 30           |       |      |       |      |       |
| 30-50              |       | 10   | 52.6% | 10   | 50.0% |
| Over 50            |       |      |       |      |       |
| WHITE COLLAR TOTAL | Total | 63   |       | 53   |       |
| Female             | Total | 38   | 60.3% | 30   | 56.6% |
| Under 30           |       |      |       |      |       |
| 30-50              |       | 26   | 41.3% | 22   | 41.5% |
| Over 50            |       | 1    | 1.6%  | 1    | 1.9%  |
| Male               | Total | 25   | 39.7% | 23   | 43.4% |
| Under 30           |       |      |       |      |       |
| 30-50              |       | 21   | 33.3% | 19   | 35.8% |
| Over 50            |       | 2    | 3.2%  | 2    | 3.8%  |
| BLUE COLLARS       | Total | 80   |       | 77   |       |
| Female             | Total | 65   | 81.3% | 61   | 79.2% |
| Under 30           |       |      |       |      |       |
| 30-50              |       | 61   | 76.3% | 57   | 74.0% |
| Over 50            |       | 3    | 3.8%  | 3    | 3.9%  |
| Male               | Total | 15   | 18.8% | 16   | 20.8% |
| Under 30           |       |      |       |      |       |
| 30-50              |       | 12   | 15.0% | 13   | 16.9% |
| Over 50            |       | 1    | 1.3%  | 1    | 1.3%  |

Note: Breakdown of contract type by gender, both at Group level and for countries that have at least 50 employees and cover at least 10% of the company population



GERMANY –  
DISTRIBUTION OF  
PERSONNEL BY  
GENDER, AGE AND  
CLASSIFICATION

|                    |       | 2024 |       | 2025 |       |
|--------------------|-------|------|-------|------|-------|
| GERMANY            |       | n.   | %     | n.   | %     |
| MANAGEMENT         | Total | 15   |       | 27   |       |
| Female             | Total | 4    | 26.7% | 4    | 14.8% |
| Under 30           |       |      |       |      |       |
| 30-50              |       | 3    | 20.0% | 3    | 11.1% |
| Over 50            |       | 1    | 6.7%  | 1    | 3.7%  |
| Male               | Total | 11   | 73.3% | 23   | 85.2% |
| Under 30           |       |      |       |      |       |
| 30-50              |       | 8    | 53.3% | 14   | 51.9% |
| Over 50            |       | 3    | 20.0% | 9    | 33.3% |
| WHITE COLLAR TOTAL | Total | 38   |       | 64   |       |
| Female             | Total | 21   | 55.3% | 29   | 45.3% |
| Under 30           |       |      |       |      |       |
| 30-50              |       | 7    | 18.4% | 10   | 15.6% |
| Over 50            |       | 8    | 21.1% | 11   | 17.2% |
| Male               | Total | 17   | 44.7% | 35   | 54.7% |
| Under 30           |       |      |       |      |       |
| 30-50              |       | 9    | 23.7% | 17   | 26.6% |
| Over 50            |       | 6    | 15.8% | 13   | 20.3% |
| BLUE COLLARS       | Total | 26   |       | 41   |       |
| Female             | Total | 12   | 46.2% | 12   | 29.3% |
| Under 30           |       |      |       |      |       |
| 30-50              |       | 8    | 30.8% | 7    | 17.1% |
| Over 50            |       | 4    | 15.4% | 5    | 12.2% |
| Male               | Total | 14   | 53.8% | 29   | 70.7% |
| Under 30           |       |      |       |      |       |
| 30-50              |       | 6    | 23.1% | 10   | 24.4% |
| Over 50            |       | 8    | 30.8% | 17   | 41.5% |

Note: Breakdown of contract type by gender, both at Group level and for countries that have at least 50 employees and cover at least 10% of the company population

# Social Protection — ESRS S1-11

L&S GROUP  
– SOCIAL  
PROTECTION

|                                                  | 2024 | 2025 |
|--------------------------------------------------|------|------|
| Employees covered in case of illness             | 96%  | 100% |
| Employees covered in case of unemployemen        | 100% | 100% |
| Employees covered in case of workplace accidents | 100% | 100% |
| Employees covered in case of acquired disability | 100% | 100% |
| Employees covered in case of retirement          | 100% | 100% |

# Disability — ESRS S-12

L&S GROUP  
– DISABILITY

|                             |  | 2024 |    | 2025 |    |
|-----------------------------|--|------|----|------|----|
|                             |  | n.   | %  | n.   | %  |
| Employees with disabilities |  | 16   | 4% | 19   | 4% |
| Women                       |  | 10   | 4% | 10   | 4% |
| Men                         |  | 6    | 3% | 9    | 3% |

# Performance evaluation — ESRS S1-13

PERFORMANCE  
EVALUATION

|                            |  | 2024   |      |       | 2025   |      |       |
|----------------------------|--|--------|------|-------|--------|------|-------|
| PERFORMANCE EVALUATION (%) |  | Female | Male | Total | Female | Male | Total |
| Management                 |  | 80%    | 74%  | 76%   | 70%    | 74%  | 73%   |
| White Collar               |  | 82%    | 78%  | 80%   | 56%    | 62%  | 59%   |
| Blue collars               |  | 66%    | 63%  | 65%   | 46%    | 31%  | 40%   |



# Training provided by external personnel — ESRs S1-13

| TRAINING PROVIDED BY EXTERNAL PERSONNEL | 2024   |      |       | 2025   |      |       |
|-----------------------------------------|--------|------|-------|--------|------|-------|
|                                         | Female | Male | Total | Female | Male | Total |
|                                         |        |      |       |        |      |       |
| Total                                   | 6.7    | 8.3  | 7.4   | 4.3    | 4.4  | 4.4   |
| Management                              | 5.1    | 7.5  | 6.7   | 5.1    | 4.0  | 4.3   |
| White Collar                            | 9.2    | 9.9  | 9.5   | 4.3    | 5.8  | 5.1   |
| Blue collars                            | 5.0    | 9.0  | 5.5   | 4.2    | 3.3  | 3.8   |

# H&S management system coverage — ESRs S1-13

| MANAGEMENT SYSTEMS                                                     | 2024 | 2025 |
|------------------------------------------------------------------------|------|------|
| Workers covered by an occupational health and safety management system | 100% | 100% |

| OCCUPATIONAL HEALTH AND SAFETY INCIDENTS AND RATES | 2024 | 2025 |
|----------------------------------------------------|------|------|
| Employees                                          |      |      |
| Fatal accidents                                    | 0    | 0    |
| Serious accidents                                  | 0    | 0    |
| Other accidents                                    | 3    | 7    |
| Recovery days                                      | 9    | 83   |
| Frequency rate *                                   | 2.2  | 6.7  |
| Severity rate **                                   | 0    | 0.1  |
| Non Employees workers                              |      |      |
| Fatal accidents                                    | 0    | 0    |
| Serious accidents                                  | 0    | 0    |
| Frequency rate *                                   | 0    | 0    |
| Severity rate **                                   | 0    | 0    |

# Family and parental leave — ESRs S1-15

| L&S GROUP FAMILY AND PARENTAL LEAVE                                                                             | 2024  |      |       | 2025  |      |       |
|-----------------------------------------------------------------------------------------------------------------|-------|------|-------|-------|------|-------|
|                                                                                                                 | Women | Men  | Total | Women | Men  | Total |
| Employees entitled to family leave                                                                              | 256   | 200  | 456   | 254   | 262  | 516   |
| %                                                                                                               | 100%  | 100% | 100%  | 100%  | 100% | 100%  |
| Employees who took family leave                                                                                 | 40    | 22   | 62    | 20    | 9    | 29    |
| %                                                                                                               | 16%   | 11%  | 14%   | 8%    | 3%   | 6%    |
| Employees entitled to parental leave                                                                            | 256   | 199  | 455   | 254   | 262  | 516   |
| %                                                                                                               | 100%  | 100% | 100%  | 100%  | 100% | 100%  |
| Employees who took parental leave                                                                               | 7     | 7    | 14    | 11    | 7    | 18    |
| %                                                                                                               | 3%    | 4%   | 3%    | 4%    | 3%   | 3%    |
| Employees returned to work at the end of parental leave within the reporting year                               | 6     | 6    | 12    | 11    | 7    | 18    |
| Return to work rate                                                                                             | 86%   | 86%  | 86%   | 100%  | 100% | 100%  |
| Employees returned to work at the end of parental leave, and still employed by the Group 12 months after return | 6     | 3    | 9     | 11    | 6    | 17    |
| Retention rate                                                                                                  | 100%  | 50%  | 75%   | 100%  | 86%  | 94%   |

# Gender pay gap — ESRs S1-16

| GENDER PAY GAP                                                                            | 2024   | 2025   |
|-------------------------------------------------------------------------------------------|--------|--------|
| Difference between the average male and female salary compared to the average male salary | 34.80% | 44.40% |
| Management                                                                                | 34%    | 31%    |
| Blue collars                                                                              | 25%    | 47%    |
| White Collar                                                                              | 15%    | 26%    |



# Gender pay gap fixed – Variable remuneration — ESRS S1-16

| GENDER PAY GAP FIXED – VARIABLE REMUNERATION |                                     | 2024<br>(M-W)/M | 2025<br>(M-W)/M |
|----------------------------------------------|-------------------------------------|-----------------|-----------------|
|                                              | Fixed remuneration                  | 34.5%           | 44.1%           |
|                                              | Management                          | 26.8%           | 45.2%           |
|                                              | White Collar                        | 31.8%           | 24.3%           |
|                                              | Blue collars                        | 14.0%           | 37.7%           |
|                                              | Full remuneration (Fixed and bonus) | 34.8%           | 44.4%           |
|                                              | Management                          | 33.8%           | 46.7%           |
|                                              | White Collar                        | 25.3%           | 26.3%           |
|                                              | Blue collars                        | 15.2%           | 31.4%           |
|                                              |                                     |                 |                 |

# Discrimination: incidents and complaints — ESRS S1-17

| L&S GROUP DISCRIMINATION: INCIDENTS AND COMPLAINTS |                                             | ALL WORKERS IN THE ORGANISATION (EMPLOYEES AND NON-EMPLOYEES) | VISITORS AND WORKERS EXTERNAL TO THE ORGANISATION |
|----------------------------------------------------|---------------------------------------------|---------------------------------------------------------------|---------------------------------------------------|
|                                                    | Episodes of discrimination recorded at work | 0                                                             | 0                                                 |
|                                                    | Near miss reports                           | 0                                                             | 0                                                 |
|                                                    | Unsafe conditions reports                   | 0                                                             | 0                                                 |



|                                                |                                |                                         |                                                    |                                         |                       |
|------------------------------------------------|--------------------------------|-----------------------------------------|----------------------------------------------------|-----------------------------------------|-----------------------|
| L&S Italia Spa<br>Headquartes                  |                                |                                         |                                                    |                                         |                       |
| ITALY                                          | ITALY                          | GERMANY                                 | CHINA                                              | UNITED STATES                           | UNITED KINGDOM        |
| L&S Italia S.p.A.<br>Maron di Brugnera<br>(PN) | Varese (VA)<br>– Site          | L&S Deutschland<br>GmbH<br>Rödinghausen | LS Lighting<br>(Shanghai) Co.,<br>Ltd.<br>Shanghai | L&S Lighting<br>Corporation<br>Norcross | Visplay Ltd<br>London |
|                                                | Tavullia (PU)<br>– Site        | Visplay GmbH<br>Weil am Rhein           |                                                    | Visplay Inc<br>Northampton              |                       |
|                                                | Flux s.r.l.<br>Sambucheto (MC) |                                         |                                                    |                                         |                       |



