Sustainability Report

2024

OUR COMMITMENT TOWARDS SUSTAINABLE AND RESPONSIBLE DEVELOPMENT

L&S Lighting Intelligence

Inside this report

This represents the L&S Group's first Sustainability Report and covers the period from 1 January to 31 December 2024.

All the companies listed below, as part of the L&S Group, fall within the defined reporting boundary:

Legal entity	Locations
L&S Italia S.p.A. (Headquarters)	Brugnera (PN), Italy
L&S Deutschland Gmbh	Rödinghausen, Germany
L&S Lighting Equipment	Shanghai, China
L&S Lighting Corporation	Norcross, Georgia
Forma e Funzione s.r.l.	Varese (VA), Italy
Ital Pek s.r.l.	Tavullia (PU), Italy

The Sustainability Report covers the entire L&S value chain:

- 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 main distribution channels for the furniture segment (85%), industrial segment (10%) and retail segment (5%); the distribution network (wholesalers, OEM distributors), end customers, and end-of-life services for waste management and material recovery.

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 a verification process to ensure accuracy and consistency
- **Analysis and interpretation**: The collected data were analysed to identify trends, areas for improvement and opportunities.

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Letter to stakeholders

Dear stakeholders,

It is with great pleasure that we present the L&S Group's 2024 Sustainability Report, a document that testifies our commitment to sustainable and responsible development.

Our vision is founded on the belief in the transformative power of light and innovation. We face each challenge with passion and determination, creating lasting value through lighting solutions that are both innovative and sustainable.

The year 2024 marked a significant turning point for L&S Group's Sustainability commitments: we conducted a structured assessment of our environmental, social, and governance footprint, culminating in an in-depth Double Materiality Assessment (DMA) that has identified the most significant impact areas for our business and stakeholders.

This deep analysis has allowed us to develop a five-year sustainability strategy focused on three fundamental pillars:

1. ***Innovating products and processes***: reducing our environmental impact and creating more efficient lighting solutions;
2. ***Empowering our people***: promoting an inclusive, safe, and inspiring workplace where every individual is encouraged to grow, contribute, and realize their potential;
3. ***Engaging suppliers and partners***: extending our sustainability principles throughout the entire value chain.

In 2024, the L&S Group conducted a comprehensive assessment of its greenhouse gas emissions in accordance with the GHG Protocol. The findings have guided our strategic focus toward product innovation, with the goal of further enhancing the energy efficiency of our lighting solutions.

We have also strengthened our commitment to ethical and responsible conduct by updating our Group Code of Ethics, Sustainability Policies, and Supplier Charter, aligning ourselves with the most advanced international governance practices (e.g. United Nations Global Compact principles).

Looking toward the future, we plan to accelerate our progress by setting ambitious targets in line with the Paris Agreement through our commitment to the Science Based Targets initiative (SBTi) and aiming to progressively improve our EcoVadis rating.

In conclusion, while we are proud of what has been achieved so far, we recognize that only through the constant collaboration and shared commitment of all our employees, customers, suppliers, and partners we can create a brighter and more sustainable future.

Pietro Barteselli
CEO of L&S Group

Our business at a **glance**

make
shine

The L&S Group

L&S was born in the furniture district of north-eastern Italy in **1977** as a **technical light manufacturer** to be integrated into furniture for indoor use and audio systems (like sound distribution systems found in hotel headboards in the 1980s).

The L&S acronym initially stood for **Luce&Suoni** (*Light&Sounds*), while today it indicates **Lighting&Space** to highlight how the company provides a complete service, made up of solutions developed tailor-made for and with the customer, based on their usage needs and specific application areas.

The L&S Group is a leader in the production and distribution of lighting solutions and integrated LED systems for residential, industrial, and retail applications. The company has an international presence, directly interacting with key markets in the lighting industry, with a particular focus on integrated light for furniture.

Thanks to the high quality of production activities and continuous investments in technological research, we have progressively increased our presence in foreign markets, establishing operations in Germany in 2002, China in 2006, and the United States in 2011. Today, the Group counts more than 400 employees and operates in over 50 countries.

The Italian headquarters hosts management offices, production, logistics, commercial facilities, and the Research & Development division. The German subsidiary supports the company's growth in the European market through its commercial activities and technological expertise. The US subsidiary brings specialized knowledge, while the Chinese subsidiary, focused on electronics and mechanics, actively develops its key markets and serves as both a logistics hub and an R&D centre for international clients.

Vision

"We share the dream of making the world a better place through the power of emotions. We embrace and exceed every challenge with enthusiasm, proud to create value through innovative lighting projects."

Mission

"We create lighting solutions that enhance design freedom and personal experience, enabling our partners to face any challenge."

Values

The L&S Group is founded on five core values:

Integrity

Adherence to legality, respect for regulations and voluntary codes are considered essential elements. Fairness, honesty, and loyalty in both internal and external relationships. Transparency and proactivity in disclosing information and confidentiality in managing sensitive data. Fighting corruption and criminal organisations, prioritising anti-money laundering efforts.

Excellence

Financial, human, and organisational resources are dedicated to supporting value creation and improving competitiveness. Managerial and operational efficiency, shared skills, networking, and strategic partnerships to support the growth potential of the Group and the entire sector.

Inclusion

Internal and public relationships are managed with respect, trust, and duty of care. Embracing diversity of gender, sexual orientation, age, nationality, health status, political opinions, race, religious beliefs, and any other diversity adds value, bringing different knowledge and experiences that benefit the entire organisation and community.

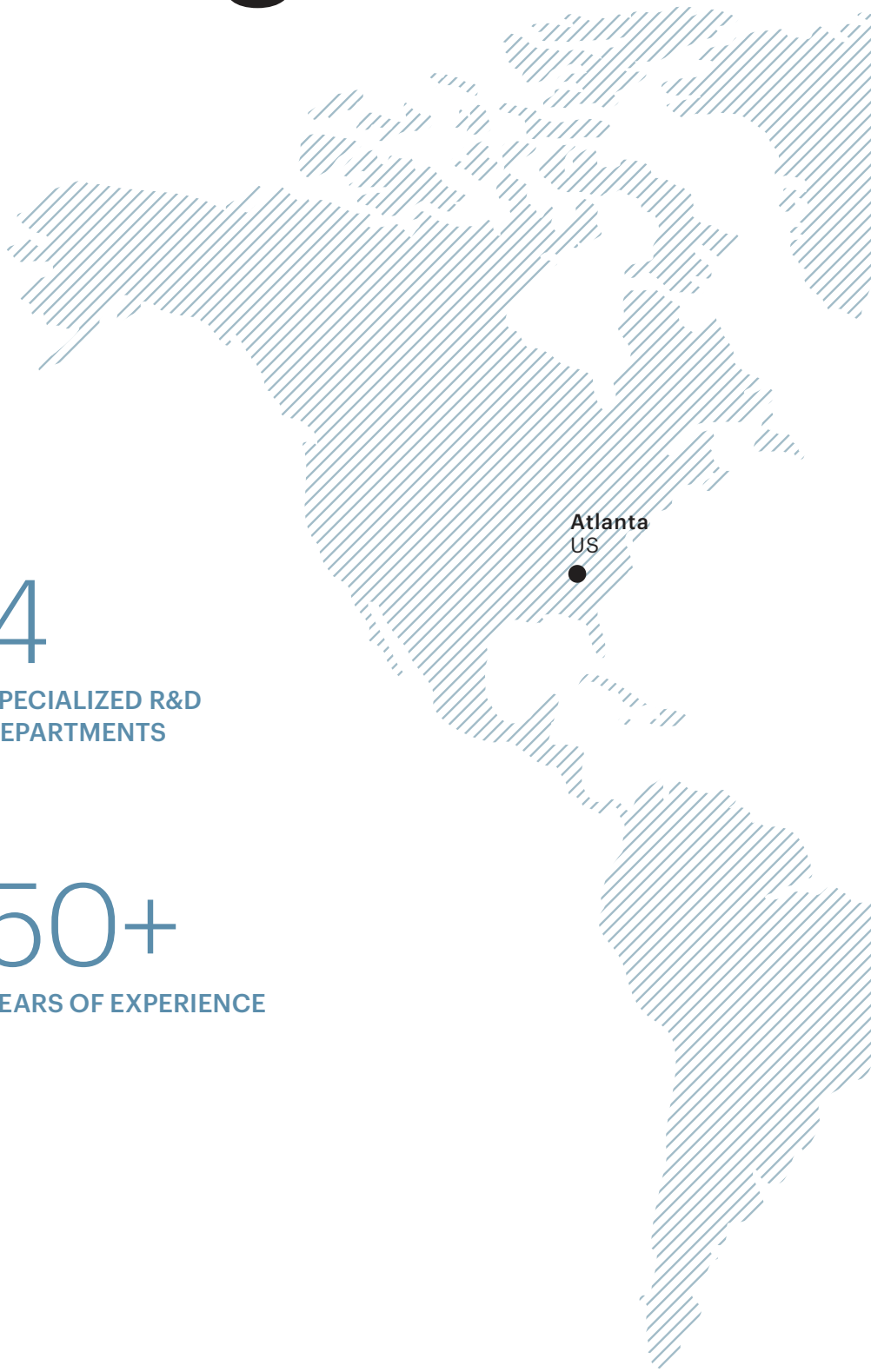
Responsibility

Sustainability serves as a transformative force for success and continued growth. Excellence in economic performance, high ethical standards, conservation and enhancement of natural capital, and improvement of quality of life for present and future generations.

Innovation

Adopting technologies that honour tradition, digital transformation, pursuit of innovation, adaptability to changing situations, proactive and dynamic approach, seeing the world from different perspectives, and aiming for individual and sector growth.

What we do.
Beyond Light



6
PRODUCTION AND COMMERCIAL SITES

4
SPECIALIZED R&D DEPARTMENTS

50+
COUNTRIES SERVED

50+
YEARS OF EXPERIENCE

450+
EMPLOYEES

Rödinghausen
GERMANY
HEADQUARTERS
BRUGNERA
VARESE
TAVULLIA
Shanghai
CHINA

L&S's journey

from functional lighting to integrated living systems

Innovation has always been part of L&S's DNA and spirit. For example, it's worth noting that L&S was the **first furniture lighting manufacturer to adopt LED technology as early as 2000**.

Looking back at the history and growth path that has led L&S to assume a position of market leadership, there have been countless product innovations launched.

1977

L&S was born as a **technical light manufacturer** to be integrated into furniture for indoor use and audio systems.

1987

Micron, the first spotlight designed to be installed in furniture with reduced thickness.

1990

Luminella, the first linear under-cabinet lamp.

1998

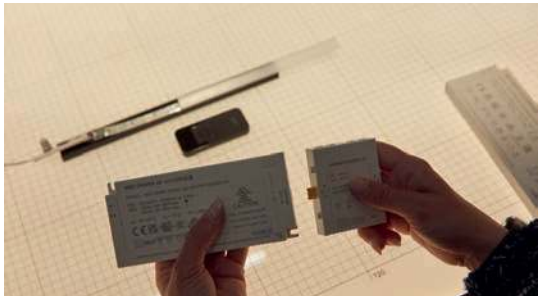
It marks the transition from halogen and fluorescent light sources.
New possibilities of design solutions.

2000

A product of true inspiration in the sector was born: Boston, the first solution to replace the bottom of the kitchen cabinet without additional processing, illuminating both the inside of the compartment and the worktop, with the possibility of replacing the fluorescent tube

2012

Lighting panels enhance spaces, Solaris is the ideal solution for retail environments, customizable in shape, size, and light source.



2018

The Mec Driver platform was developed: a compact solution to build lighting and home automation power supply system in a fast and easy way of assembling.

2019

Mini Noor is an example of miniaturisation of light sources, a lamp that, with a profile of only 8mm in width.

2020

Functional light that furnishes. Sign traces a horizontal line that divides the setting, creating a continuous lighting and furnishing effect.

2024

Hi Line, an electrified horizontal wall panelling that received the IF Design award at the end of 2024.

DESIGN AWARD

L&S therefore produces **SYSTEMS & SOLUTIONS**, as in addition to the light source itself (the linear profile or the spot), it provides all the accessories needed to use it best, such as power supplies, sensors, remote controls and other accessories, as well as lighting studies and supporting certifications, to identify the most effective solution based on the final use.

We also develop increasingly integrated systems that can be used without the need to "couple" them with third-party products, such as the various electrified modular structures for composing and furnishing walls of living rooms, shops, offices, bars or entire walk-in closets with a single solution.

This evolution in product development stems from the analysis of a constantly evolving role of light, in which important trends can be highlighted:

From functional light to emotional and wellness light:

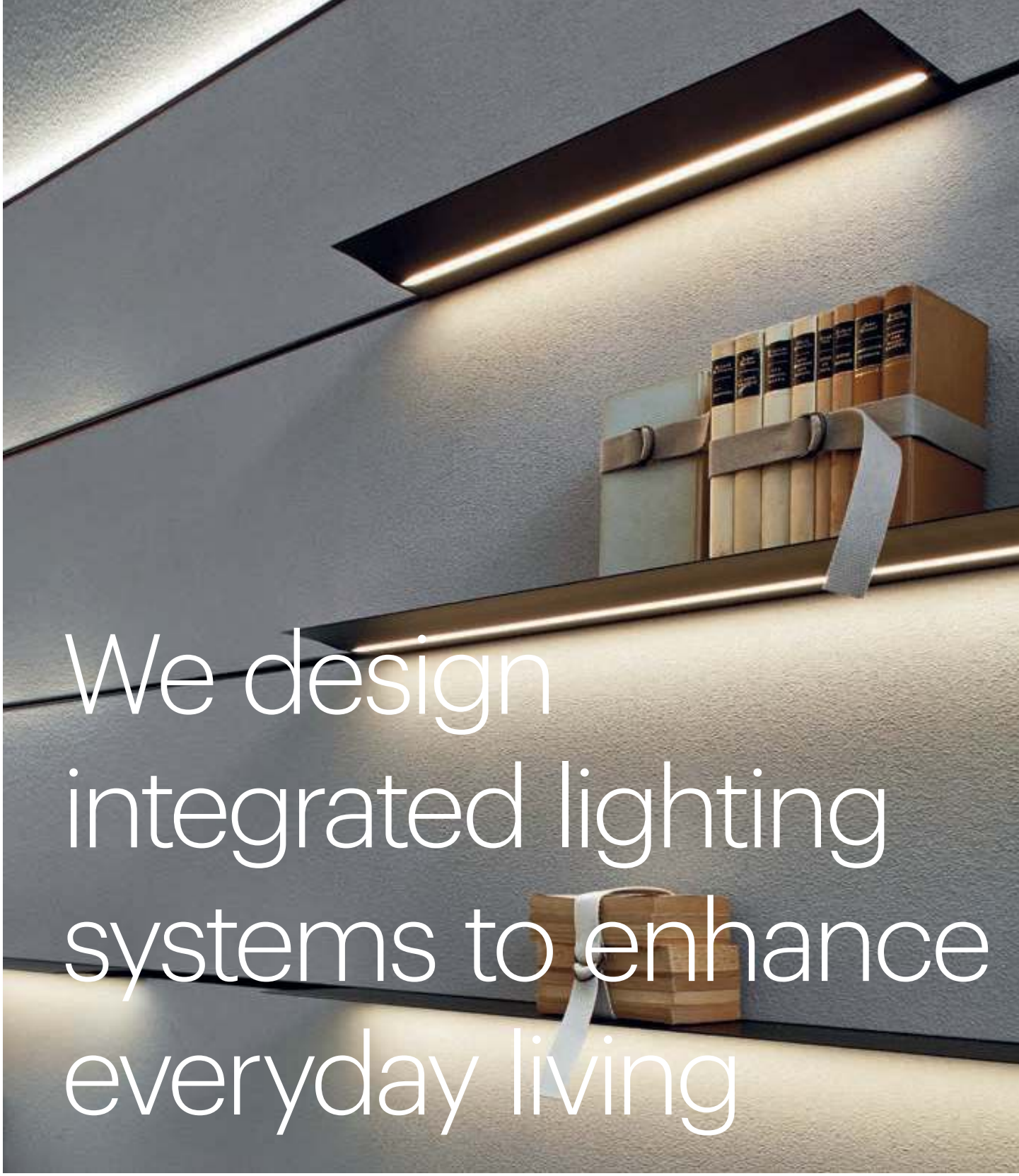
from a purely functional light, there has been a shift first to the search for emotional effects and the impact of light on people's well-being (up to the theme of sanitisation of objects, surfaces and environments).

Concept of invisible light, the disappearance of the light source:

thanks to the technological progress of LED miniaturisation, there is an increasing shift from a visible source to an "invisible" lamp of which the effect and not the form can be appreciated.

Light increasingly integrated into furnishing solutions:

individual lamps increasingly integrated within more complex furnishing solutions to provide furnishing systems and solutions, supplied as a single package offering (wall panelling, bookcases).



We design integrated lighting systems to enhance everyday living

L&S is today a reference group at an international level in the design and production of high-efficiency, customised integrated LED lighting systems and solutions for residential, industrial, and retail applications.

L&S's customers include the most prestigious furniture manufacturers (kitchens, wardrobes, bathrooms, living room furniture, etc.), distributors, retailers and shopfitters, lift manufacturers, escalators and household appliances (kitchen hoods).

L&S is not active in the fossil fuels (coal, oil and gas), chemical production, controversial weapons sectors nor in the cultivation and production of tobacco and does not make investments or participate in funds that contribute to these sectors.

Our **Sustainability Journey**

L&S Academy
Sustainable
Emotions
come
to Light

Governance of Sustainability

To ensure the consistent integration of ESG principles across all subsidiaries and promote a cohesive corporate identity, the L&S Group has implemented a structured, multi-level sustainability governance model, combined with a Group-level ESG strategy implementation plan.

This approach serves a dual purpose: ensuring strategic oversight and operational effectiveness, while reinforcing unity and collaboration within the Group. Key objectives include:

Fostering a strong sense of belonging

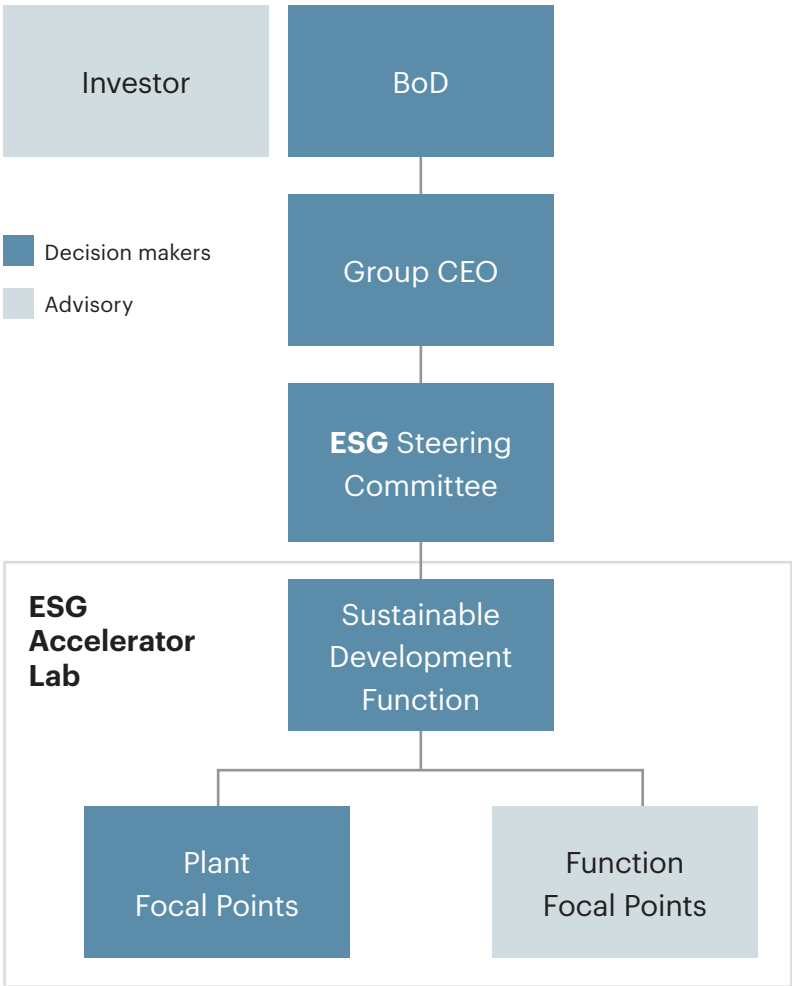
across all subsidiaries to strengthen a shared corporate culture.

Enhancing synergy

between entities—especially in R&D, operations, and core business functions—through structured collaboration.

Maximising efficiency

by standardising procedures and sharing best practices throughout the organisation.



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

Gabriele Bruna
Group COO / Operational ESG Lead

L&S Group COO serves as the "Operational ESG Lead", responsible for implementing ESG initiatives approved by the Board of Directors, coordinating the corporate functions involved, and monitoring project progress.

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.

Partnering for impact

UN Global Compact

L&S has endorsed the Women's Empowerment Principles, an initiative by UN Women and the UN Global Compact, in support of gender equality and the empowerment of women in the workplace, the marketplace, and the community.

We support the mission of the United Nations Global Compact (UNGC) to mobilize a global movement of sustainable companies and stakeholders to create the world we want. The UNGC challenges companies to conduct business responsibly by aligning their operations and strategies with the United Nations' Ten Principles relating to human rights, labor, environmental practices, and anti-corruption.

UNGC participant organizations commit not only to sustainable practices but also to enhancing transparency. Signatories report yearly on their commitment to the universal sustainability principles and development goals.

Certifications

The L&S Group has obtained several internationally recognized certifications that demonstrate its commitment to quality, environmental sustainability, and workplace safety.

Quality Management System

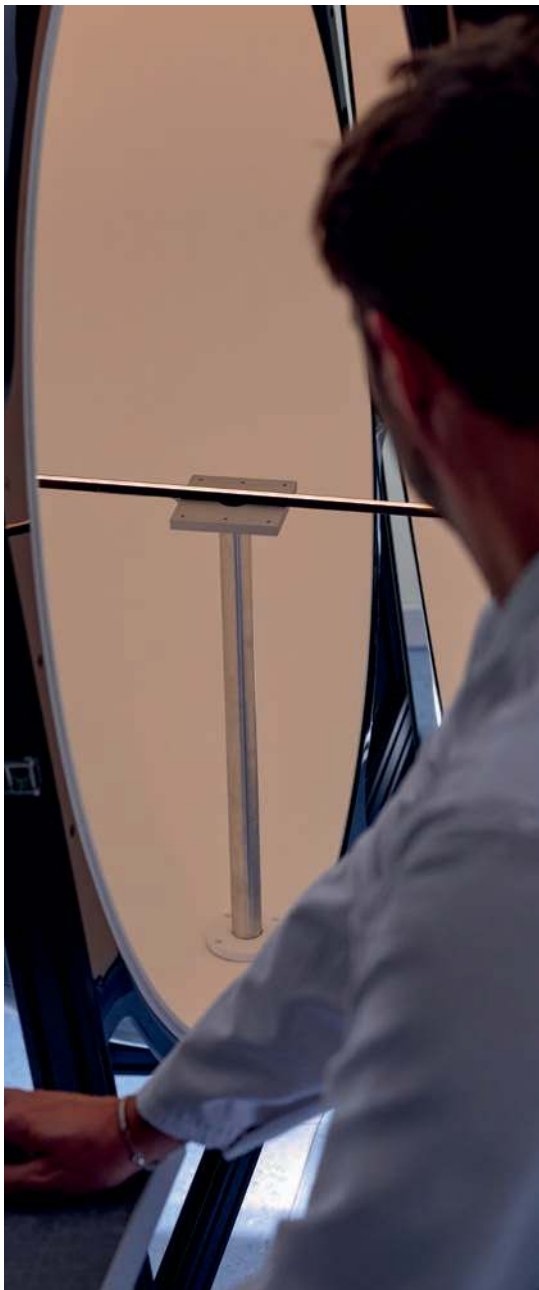
This certification confirms the Group's ability to consistently deliver products and services that meet customer and regulatory requirements, promoting a process-oriented approach and continuous improvement.

Environmental Management System

This standard certifies the Group's structured approach to identifying, managing, and reducing its environmental impacts. It reinforces L&S's commitment to sustainability, resource efficiency, and compliance with environmental regulations.

The objective is to progressively extend both ISO 9001 and ISO 14001 certifications to all Group sites.

Company	Country	ISO 9001:2015	ISO 14001:2015
L. & S. Italia S.p.A.	Italy	●	●
L&S Deutschland Gmbh	Germany	●	●
L&S Lighting Equipment	China	●	○
L&S Lighting Corporation	USA	○	○
Forma e Funzione s.r.l	Italy	●	●
Ital Pek s.r.l.	Italy	○	○



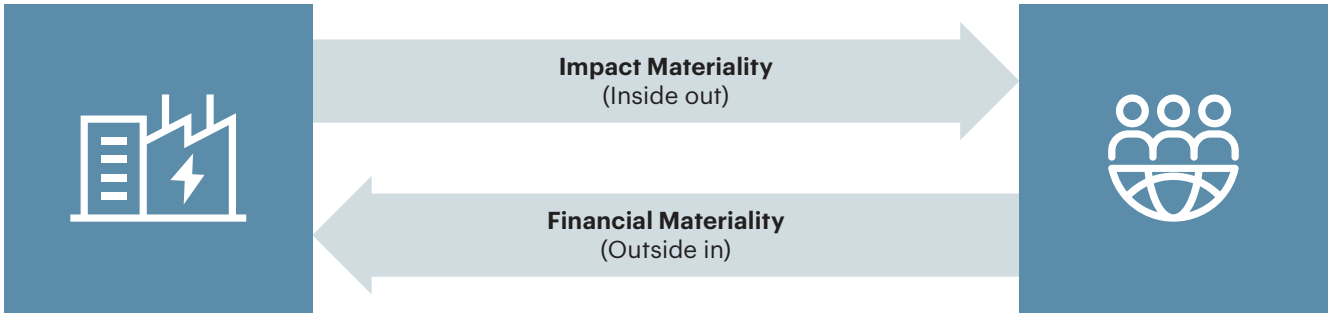
ITALIAN Interior Design
UNIVERSITY BUILDERS
TOP SHOPS 2
HOLLYWOOD MUSICALS
Courbet
Snap Judgments
ORLAN
DONE BOOK
Istantanee di Fidel
MICHAEL DOSTER 80/90
CASSI RAMELLI
MICHAEL DOSTER 80/90
CARDUCCI e Bologna
teatri
IX CENTENARIO
S. LABÒ

DMA - Double Materiality Assessment

In 2024, the L&S Group conducted an in-depth double materiality assessment in accordance with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). This process allowed the identification and prioritisation of sustainability topics that are relevant both from the impact perspective (impact materiality) and from the financial perspective (financial materiality).

Double materiality requires the analysis of the company's impact from a dual perspective:

- **Impact Materiality**: focuses on the importance of the ESG impacts of the company's activity (directly and through the value chain) on the environment and society.
- **Financial Materiality**: focuses on issues that impact the company's financial position, including risks and opportunities that have a material influence on growth and performance.



The assessment covered key ESRS topics, structured across three main areas:

Environmental Topics

Including climate change mitigation & adaptation, resource use & circular economy, pollution prevention, biodiversity, and water management.

Social topics

Addressing workers' rights, human rights, diversity & inclusion, health & safety, and impact on communities within the company's value chain.

Governance Topics

Focusing on business ethics, risk management, supply chain due diligence, and transparency in corporate decision-making.

By assessing these ESRS topics, L&S Group identified material sustainability factors that influence both the company's financial performance and its environmental & social footprint, ensuring a comprehensive, data-driven, and stakeholder-informed approach to sustainability strategy and reporting.

Impact materiality assessment scale

1. **Limited impact**: Minimal or localised effects, easily reversible
2. **Moderate impact**: Significant but contained effects, generally reversible
3. **Significant impact**: Extensive or intense effects, partially reversible
4. **Critical impact**: Very extensive or intense effects, difficult to reverse or irreversible

The severity of negative impacts was assessed considering three parameters:

- **Scale**: severity of the impact at the individual level.
- **Scope**: number of individuals or extent of the geographical area affected.
- **Irremediability**: possibility of restoring conditions prior to the impact.

Financial materiality assessment scale

1. **Limited financial impact**: Negligible financial effects (<1% EBITDA)
2. **Moderate financial impact**: Contained financial effects (1-5% EBITDA)
3. **Significant financial impact**: Relevant financial effects (5-10% EBITDA)
4. **Critical financial impact**: Very relevant financial effects (>10% EBITDA)

Financial materiality was assessed considering:

- **Probability of occurrence**: (certain, probable, possible, unlikely).
- **Time horizon**: (short, medium, long term).
- **Irremediability**: possibility of restoring conditions prior to the impact.

Stakeholder engagement process

The stakeholder engagement process was articulated in multiple phases and involved different categories of stakeholders:

Internal stakeholders:

- Top management and Board of Directors
- Function managers
- Employees from different locations (Italy, Germany, China, USA)

External stakeholders:

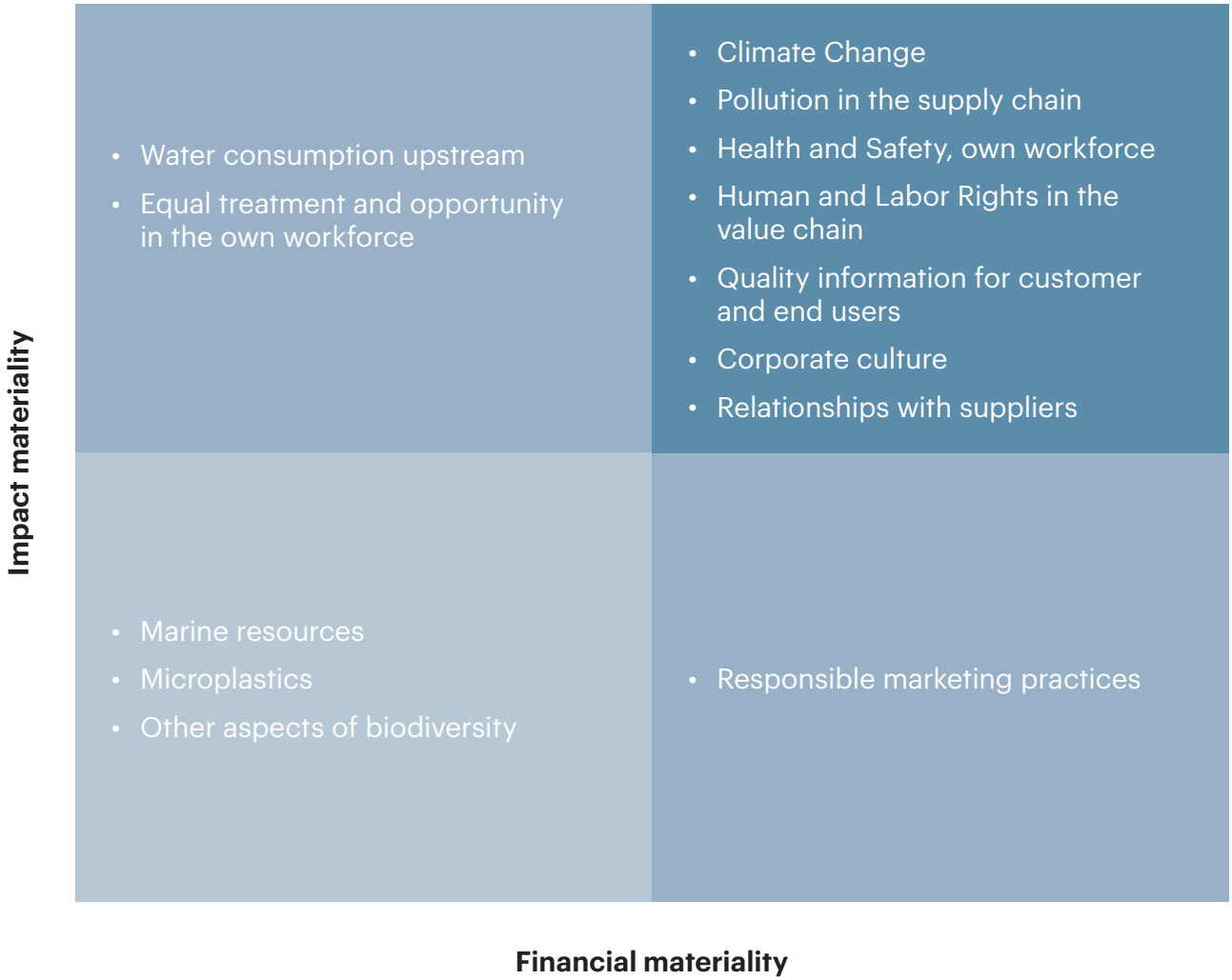
- Key customers (representing 65% of turnover)
- Strategic suppliers (representing 70% of purchase value)
- Investors and financial institutions
- Local community representatives
- Sector experts and trade associations

The engagement took place through differentiated modalities:

One-to-one interviews with top management	Online survey	Validation workshops with the management team	Focus groups with representatives of different categories

Materiality matrix

The analysis led to the development of the following double materiality matrix, which highlights the most relevant topics from both the impact and financial perspectives:



In the matrix, the horizontal axis represents impact materiality (from 1 to 4), while the vertical axis represents financial materiality (from 1 to 4). The topics have been classified into three priority categories:

- High materiality (score ≥ 3 in both dimensions): priority topics that require immediate action and constant monitoring
- Medium materiality (score between 2 and 3 in at least one dimension): important topics that require attention and active management
- Low materiality (score < 2 in both dimensions): topics to monitor but with lower immediate priority

The results of the double materiality assessment have formed the basis for the definition of the L&S Group's sustainability strategy and will continue to guide the company's ESG priorities in the coming years. The matrix will be periodically updated to reflect the evolution of the operational context and stakeholder expectations.

2024 ESG
Data Analysis

Environment

The L&S Group has calculated its greenhouse gas emissions according to the GHG Protocol. The process included:

1 **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.

2 **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.

3 **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.

4 **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.

As this is the first year of structured reporting, comparative data from previous years is not available. Starting from the next fiscal year, data relating to the 2024 fiscal year will be reported for comparative purposes to facilitate the evaluation of sustainability performance trends.
The L&S Group has planned the following actions to improve data accuracy:

- Increasing data quality and granularity through a more structured collection system
- Defining checkpoints and verification procedures to ensure data quality
- Simplifying the process through periodic data collection
- Gradually increasing primary data to improve reporting accuracy

The analysis of the L&S Group's greenhouse gas emissions has highlighted the following significant impacts on climate change:

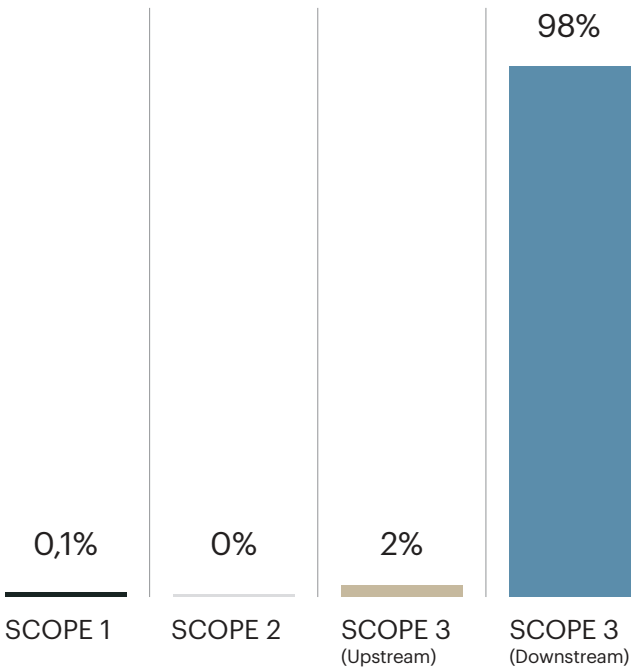
SCOPE 1
Direct impacts

Emissions from fossil fuel consumption for heating facilities and the company fleet. In 2024, the Group's Scope 1 emissions amount to 540 tonnes of CO_2 equivalent, representing **0.1%** of the total carbon footprint.

SCOPE 2
Indirect impacts from purchased energy

Emissions from the use of purchased electricity. The Group has implemented the procurement of certified renewable electricity, bringing market-based Scope 2 emissions to **zero**, while location-based emissions have been calculated at 690 tonnes of CO_2 equivalent.

Scope overview



SCOPE 3
Indirect impacts along the value chain

These represent the most significant part of the Group's carbon footprint:

Upstream: composed of emissions related to the extraction and production of raw materials, upstream transportation and distribution, generated waste, business travel, and employee commuting, representing about **2%** of the total carbon footprint.

Downstream: linked to emissions from downstream distribution, but especially from the use of sold products, which represents the most significant contribution to the overall carbon footprint, and from the end-of-life treatment of products, representing **98%** of the total.

The L&S Group's total carbon footprint in 2024 has been calculated at 1,129,718 tonnes of CO_2 equivalent.

2024		
Scope 1	540	**0,0%**
Scope 2	0	**0,0%**
Market based	0	
Location based	690	
Scope 3 - Upstream		
1. Purchased products and services	13.577	**1,2%**
2. Capital goods	-	
3. Fuel-and energy-related activities (not included in Scope 1 and Scope 2 emissions)	312	**0,0%**
4. Upstream transportation and distribution	6.006	**0,5%**
5. Waste generated by the sites	142	**0,0%**
6. Business travel	922	**0,1%**
7. Employee commuting	503	**0,0%**
8. Upstream leased assets	n.a.	
Scope 3 - Downstream		
9. Downstream transportation and distribution	1.060	**0,1%**
10. Processing of sold products	n.a.	
11. Use of sold products	1.106.630	**98,0%**
12. End-of-life treatment of sold products	27	**0,0%**
13. Downstream leased assets	n.a.	
14. Franchises	n.a.	
15. Investments	n.a.	
Total carbon footprint [tCO_2e]	**1.129.718**	**100%**

Data analysis shows that Scope 3 emissions represent almost the entirety of the Group's carbon footprint, with the use of products sold constituting 98% of the total. This highlights the importance of focusing emissions reduction efforts on the energy efficiency of products.

The tools used for the procurement of electricity produced from renewable sources include both self-production, through photovoltaic systems present on some of the Group's production sites, and through bundle purchases from the electricity provider. For the remaining portion, specific Guarantees of Origin were purchased for the countries of the offices.

Scope 2 - Market Based	% MWh
Self-consumption from renewable self-production (does not contribute to Scope 2)	**4,1%**
Purchase of guaranteed renewable electricity	**95,9%**
Purchase of guarantees of origin	**95,9%**
AIB - GO (Italy and Germany)	**60,9%**
I-RECs (International Renewable Energy Certificates) (China)	**31,2%**
Green-e RECs (USA)	**3,7%**

Reporting on energy performance

In 2024, the L&S Group continued its commitment to energy efficiency and the use of renewable energy:

- Total energy consumption was **3,941 MWh**, of which **41% from renewable sources**.
- **100%** of purchased electricity comes from certified renewable sources.
- There are photovoltaic systems that power the production facilities in Italy and Germany.

Energy consumption 2024	
Consumption of thermal energy from fossil sources	**2.341** MWh
Natural gas	1.601 MWh
Diesel and LPG for process	0 MWh
Automotive fuels	740 MWh
Consumption of thermal energy from renewable sources	**0** MWh
Biodiesel	0 MWh
Electricity consumption from fossil fuels	**0** MWh
Electricity consumption from renewable sources	**1.600** MWh
Solar	1.008 MWh
Thermal	592 MWh
Electricity consumption, purchased renewable	1.535 MWh
Consumption of self-produced renewable electricity	65 MWh
Total energy consumption	**3.941** MWh
% from fossil sources	59%
% of renewable sources	41%
Energy intensity	**36** MWh / M€ Revenues
Self-produced renewable electricity	**205** MWh
Solar	205 MWh
Self-produced renewable electricity fed into the grid	**140** MWh

Circular Economy

For the L&S Group, the circular economy is not only a powerful lever for reducing the environmental impact of its operations, but also a strategic driver of innovation—in products, processes, and business models. The transition to a circular business model introduces significant risks and opportunities, along with a wide range of material impacts across the value chain.

Material Impacts	Risks	Opportunities
Use of non-renewable raw materials	Volatility in raw material prices	Resource efficiency = cost savings
Dependence on critical raw materials (e.g. rare earths)	Supply chain disruptions, scarcity of materials	Alternative materials and supplier diversification
Environmental impact of raw material extraction	Reputational and regulatory risk	Improve ESG ratings through responsible sourcing
Packaging waste generation	Stricter regulations on packaging and EPR	Switch to 100% recyclable packaging solutions
End-of-life electronic components	Rising disposal costs and WEEE compliance burdens	Design for easier disassembly and recyclability
Production waste	Operational inefficiencies, landfill costs	Recovery and reuse of production scrap
Use of non-repairable products	Short product lifecycle, loss of customer trust	Extend lifecycle with modular and repairable design
Complexity in recycling	Missed circularity targets, non-compliance	Develop take-back schemes and circular services
Increased regulation on circularity	Penalties, loss of market access	Gain competitive advantage through early compliance

Free cut technology

High efficiency

Circular Economy Commitments

The Group's Sustainability Policy contains this passage in relation to the specific topic:

"To maximize the value of waste by prioritizing recycling, material recovery, and energy recovery, while ensuring environmentally and socially responsible disposal methods as a last resort."

Objectives

The L&S Group has defined the following objectives to promote the transition to a more circular economy:

- Increase the percentage of recycled materials in products
- Improve product repairability and modularity
- Reduce waste production in manufacturing processes
- Develop 100% sustainable packaging

Actions for the circular economy

The L&S Group has defined a series of concrete actions as part of its sustainability strategy, particularly in the "Innovate products and processes" pillar:

Products and packaging with recycled and low-energy materials:

- Replacement of virgin materials with sustainable alternatives, or with increasing percentages of recycled content
- Implementation of FSC certified recycled cardboard to eliminate virgin paper and cardboard in packaging
- Selection of suppliers that use low-carbon energy sources

Modular design to facilitate repair, upgrade and recycling:

- Easily replaceable individual components avoiding replacement of the entire unit
- Possibility of technological upgrade (e.g. LED chips, sensors) without complete product replacement
- Better end-of-life disassembly for more efficient recycling
- Creation of repair manuals and videos for customers and service partners

Optimisation of production processes:

- Complete audit of the bill of materials (BOM) to identify excess materials and inefficiencies in production
- Reduction of material loss through better cutting, moulding and assembly practices
- Smart tracking and waste reduction programme
- Development of scrap recovery initiatives to recycle unused materials directly in production

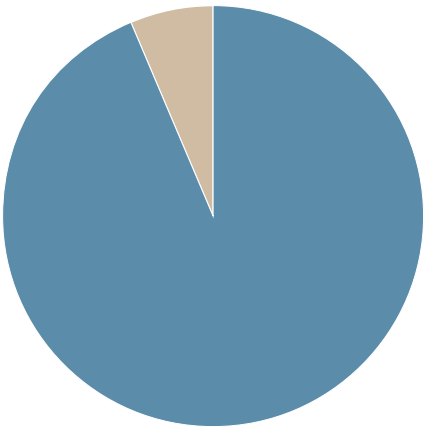
Materials for production

The L&S Group has carried out a detailed analysis of the material flows used in 2024, both in production processes and packaging, to assess its commitment to the circular economy and identify areas for improvement. The quantitative analysis of materials represents the basis for the targeted allocation of resources towards circularity initiatives.

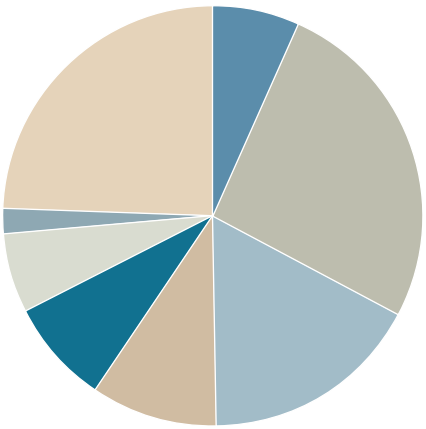
The L&S Group monitors several performance indicators related to the circular economy:

Resource use
Total consumption of materials for both process and packaging, with the breakdown between materials of biological or extractive or fossil origin.

Type	Biological origin	unit (t)
Materials for packaging	Paper and cardboard	470
	Wood	31



Type	Extractive or fossil origin	unit (t)
Process materials	Electronics	142
	Aluminium	554
	Cables	356
	Plastic	202
	Glass	168
	LED strips	134
	Steel	40
Materials for packaging	Plastic	510



Waste management analysis

In 2024, the L&S Group demonstrated effective waste flow management, with a total of 281.35 tonnes of waste managed, of which 99.7% classified as non-hazardous. The company achieved a notable recovery rate for non-hazardous waste, with 272.28 tonnes (97.1%) destined for recovery operations, confirming the effectiveness of the management system implemented in line with the principles of the circular economy.

Regarding non-hazardous waste recycling operations, L&S Group directed 41.37 tonnes to composting (R3) and 15.50 tonnes to other forms of recycling (R4, R5), mainly for metal and plastic materials derived from production processes. A significant amount, 215.41 tonnes, was managed through other recovery operations (R1, R7-R13), while only 8.23 tonnes (2.9% of non-hazardous waste) required disposal operations, of which 4.43 tonnes to landfill (D1) and 3.80 tonnes through other disposal methods (D2-D9; D12-D15).

The production of hazardous waste was limited to just 0.84 tonnes, confirming the absence of radioactive substances and the limited presence of hazardous components in the company's production processes. Of these, 0.19 tonnes (22.6%) were recovered through specialised operations, while 0.65 tonnes required specific disposal operations, none of which involved landfill or incineration.

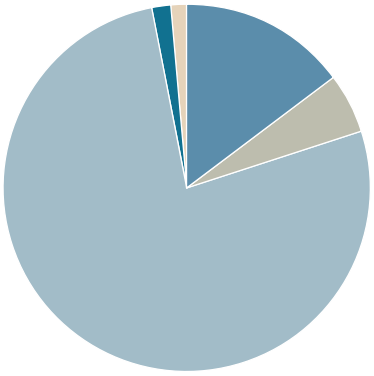
Total of waste manage

Non-hazardous
272.28 tonnes
97.1%

Hazardous
0,84 tonnes
2,9%

In details

Non-hazardous waste recycling operation



41,37 tonnes (R3)

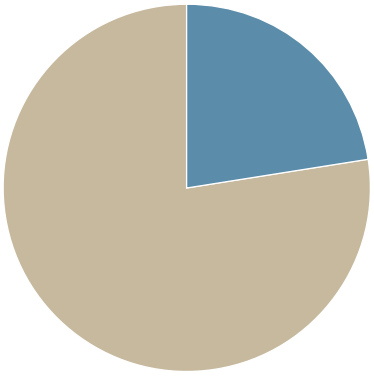
15,50 tonnes (R4, R5)

215,41 tonnes (R1, R7-R13)

4,43 tonnes (R1, R7-R13)

3,80 tonnes (D2-D9; D12-D15)

Hazardous waste recycling operation



0,19 tonnes Specialised operatons

0,65 tonnes Specific disposal operations

Data collection methodology

To monitor and manage circular economy aspects, the L&S Group has implemented a structured data collection process that includes:

1. **Material registration**

   Detailed system for tracking materials used in production, with quantification of volumes by category and percentages of recycled and renewable content.

2. **Supply chain verification**

   Collection of information from key suppliers on material origin and the presence of recycled content, through technical data sheets and verified.

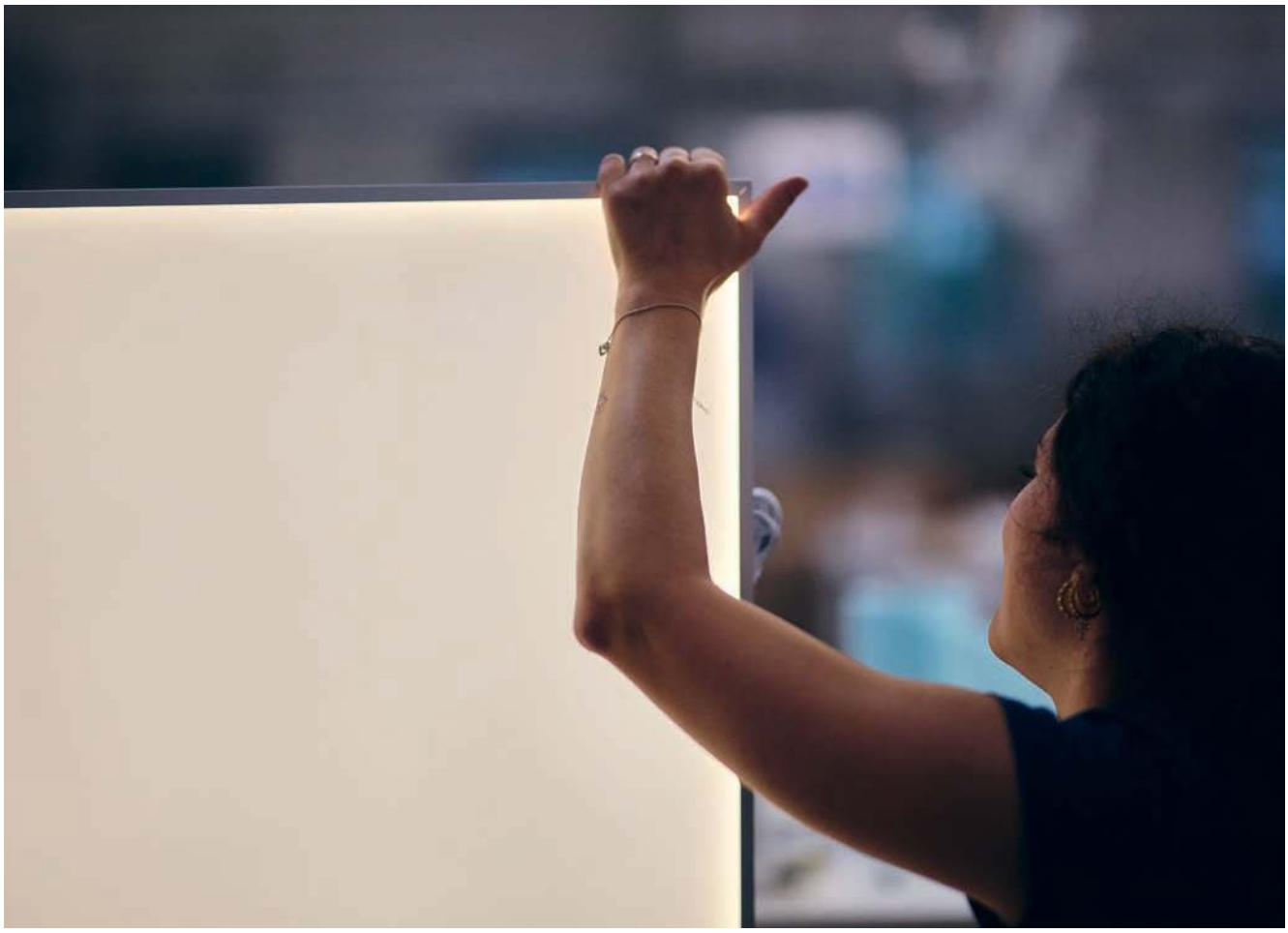
3. **Waste management system**

   Accurate recording of all waste generated, divided by type (hazardous and non-hazardous) and by treatment method (recovery, recycling, disposal), in compliance with the European classifications of R and D codes.

4. **Data quality control**

   Collected data is subject to an internal verification process to ensure accuracy and consistency, with cross-checks between different information sources.

This methodological approach allows the L&S Group to have a complete picture of circular economy performance, identify areas for improvement and monitor progress towards established objectives.



Social

&S Lighting Intelligence
Wide
We make your products shine

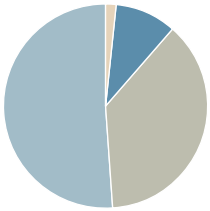
Workforce characteristics and composition

The workforce represents a fundamental strategic asset for the L&S Group. Ensuring safe, fair and inclusive working conditions is essential to promote wellbeing, motivation and sustainable performance over time.

The L&S Group has over 400 employees, mainly operating in facilities in Italy, Germany, China and the United States

Workforce composition by category 2024

	Women	Men	Total
Executives	3	5	**8**
Managers	16	29	**45**
White-collar workers	93	78	**171**
Blue-collar workers	144	88	**232**
Personnel	**256**	**200**	**456**



For a complete overview, the additional tables can be found in the annex at the end of this document

Take your
inspiration here
High efficiency
for energy saving
A new generation of Led strips.
High luminous effect,
lower energy consumption.
Control systems
at your fingertips
Integrated lighting for future
proof living spaces. Intuitive
smart home ready solutions.
Versatile range
and bespoke solutions for
global market access
One-stop solution provider
for home, hospitality
and retail environments.

LigthsOn People and Community

ACTIVITY NAME	SITE OF BELONGING	TARGET	PURPOSE AND OUTCOMES
ISIA Design School of Pordenone	L&S ITALIA S.P.A.	Community/Employees	Collaboration with a design institute to promote research and product development; provides access to creative talent
ASD SACILESE CICLISTICA & TENNIS CLUB & GRUPPO SPORTIVO MONTESOLARO	L&S ITALIA S.P.A.	Community/Employees	Enhances brand through sports sponsorships; boosts employee motivation and local community ties
Festival Mind	L&S ITALIA S.P.A.	Community	L&S's sponsorship of the Festival Mind creates networking opportunities, skill development activities through training workshops.
Fondazione Pesenti	Forma e Funzione s.r.l.	Community	Supports education, culture, and social innovation through strategic partnership with a foundation rooted in community development and youth empowerment.
LILT MILANO and C.R.O di Aviano	L&S ITALIA S.P.A. Ital Pek s.r.l. Forma e Funzione s.r.l.	Community	Promotes health research and cancer care by supporting a leading national institute; reinforces corporate commitment to social responsibility and scientific progress.
LIGHTS ON PEOPLE	L&S ITALIA S.P.A. Ital Pek s.r.l. Forma e Funzione s.r.l.	Employees	"Project for employees that provides a network of local partnerships and discounts."
TEDx Conegliano	L&S ITALIA S.P.A. Ital Pek s.r.l. Forma e Funzione s.r.l.	Community	Strengthens community engagement and brand positioning by supporting a high-profile platform that promotes forward-thinking ideas and local-global dialogue.
UN Global Compact	L&S GROUP	Community/Employees	Supports the integration of sustainability into business strategy by aligning with globally recognized principles; reinforces corporate values, engages internal stakeholders, and strengthens trust with international partners.
Aktionsgruppe Kinder in Not	L&S Deutschland GmbH GERMANY	Community/Employees	Promotes social inclusion and community involvement; boosts employee pride and brand responsibility perception.

ACTIVITY NAME	SITE OF BELONGING	TARGET	PURPOSE AND OUTCOMES
Stiftung Bethel	L&S Deutschland GmbH GERMANY	Community/Employees	Advances disability support and inclusive practices; strengthening social reputation; employee motivation and retention; sustainable contribution to society by assuming responsibility
Vfl Menninghüffen: Handball Sponsorship & SV Rödinghausen Football Sponsorship	L&S Deutschland GmbH GERMANY	Community/Employees	youth development through sports, strengthening cohesion and identification with the company, employee motivation and loyalty, strengthening regional visibility and brand awareness, sport connects people of all ages
CVJM Rödinghausen	L&S Deutschland GmbH GERMANY	Community	Strengthening youth work, personality development, strengthening volunteering and civil society, local added value, value-oriented educational work
Lübbecker Werkstätten	L&S Deutschland GmbH GERMANY	Community/Employees	Supporting inclusion, diversity and social responsibility, strengthening CSR and social commitment, positive impact on working atmosphere and team culture, employer branding
Business Bike	L&S Deutschland GmbH GERMANY	Employees	Employee loyalty and motivation, attractive additional benefit, sustainability & environmental friendliness, health and well-being, image enhancement
in-house English courses	L&S Deutschland GmbH GERMANY	Employees	Improved communication within the international team, targeted employee development and employee retention, strengthening of the corporate culture, improved image as an attractive employer
Blood Donation	L&S Lighting Equipment CHINA	Community/Employees	Support public medical resource development, demonstrate corporate citizenship, contribute to community welfare
Women's Day Event	L&S Lighting Equipment CHINA	Employees	Promote gender equality, enhance female employees' sense of belonging, convey the company's inclusive values
Family Day	L&S Lighting Equipment CHINA	Employees	Encourage work-life balance, promote family harmony among employees
Badminton Tournament	L&S Lighting Equipment CHINA	Employees	Strenghten team cohesion, improve employees' physical health
Malu Town Glory Exchange Gala	L&S Lighting Equipment CHINA	Community	Strengthen communication with neighboring businesses and foster closer collaboration with the local government.
Work-life balance initiatives	L&S Lighting Corporation USA	Employees	work-life balance initiatives such as flexible working hours and remote work opportunities to enhance employees' quality of life.

Governance

Business conduct & policies

The L&S Group recognises ethical business conduct and a strong corporate culture as strategic assets essential to building trust-based relationships with stakeholders, promoting sustainable growth, and ensuring operational integrity.

These values are embedded in a shared framework defined by the Code of Ethics, Sustainability Policies, the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001, and the Supplier Charter—tools that guide conduct across the organisation and throughout the value chain.

Fostering a transparent, inclusive, and responsible work environment, the L&S Group is committed to continuous improvement and the enhancement of human capital, convinced that regulatory compliance and ethical leadership are vital levers for long-term value creation. In this context, monitoring emerging ESG regulations, maintaining internal alignment, and promoting open communication are essential to mitigate resistance to change and avoid inefficiencies that could compromise competitiveness, increase turnover, and negatively impact the corporate climate and resilience over time.

Code of Ethics *Download*

Originally adopted in 2021 and regularly updated, the Code of Ethics outlines the core values that guide the L&S Group—integrity, excellence, inclusion, responsibility, and innovation—while establishing clear standards of conduct across all business activities. It provides a comprehensive framework that addresses critical areas such as transparency and the completeness of information, the prevention of corruption and money laundering, the proper management of conflicts of interest, the protection of whistleblowers, and the promotion of ethical behaviour in all stakeholder relationships.

Supplier Charter *Download*

This document sets out the sustainability principles expected of suppliers, with particular emphasis on integrity, compliance, and anti-corruption. It also outlines the consequences of non-compliance, thereby promoting responsible practices throughout the supply chain.

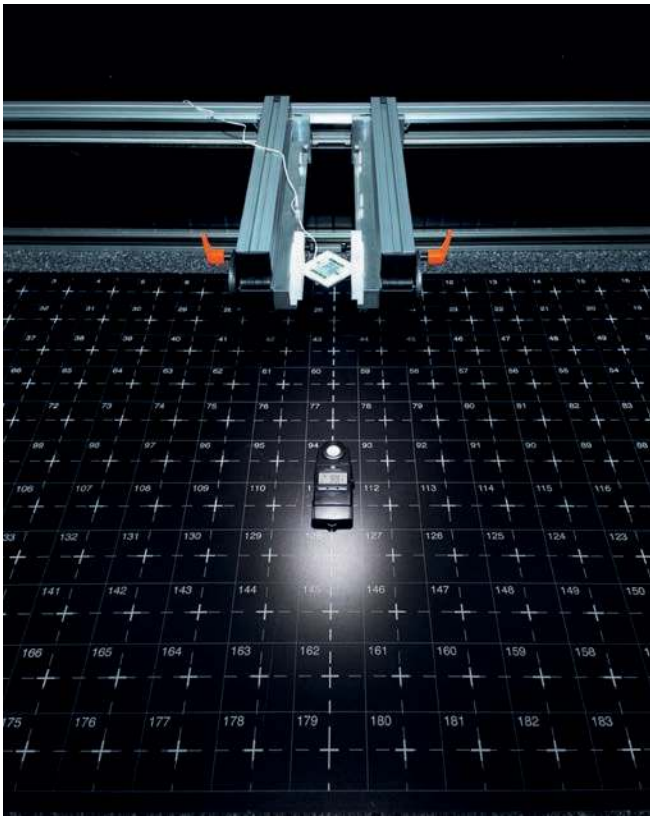
Sustainability Policy *Download*

Formalises the L&S Group's commitment to responsible and sustainable development across six core areas: health and safety, environment and resources, human rights and society, quality, and accountability. The policy is aligned with international best practices, including the principles of the United Nations Global Compact.

Specifically, the Environmental Commitment section of the policy outlines actions to: *"Prevent, minimise, mitigate and compensate the footprint generated by the Group's activities on the environment and biodiversity. We recognise the need for a proactive transition to a regenerative economy that respects animal sentience, reduces carbon emissions, and creates social value."*

Whistleblowing Policy *Download*

Introduced in line with Italian Legislative Decree 24/2023, this policy establishes procedures for reporting misconduct, ensuring the confidentiality of the whistleblower and protection from retaliation.



Commitment to Integrity and Anti-Corruption

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."

Fair Competition and Market Conduct

The L&S Group upholds free and fair competition as a key driver of innovation, development, and the pursuit of the best possible offering across all areas in which it operates. In line with this principle, the Group conducts its business with the utmost transparency and in full compliance with antitrust regulations, while maintaining a respectful and fair approach toward competitors.

All individuals bound by the Code of Ethics are required to act with integrity in any interaction with third parties or competing companies, refraining from disclosing data, information, or confidential content that could result in behaviour contrary to laws governing market competition and fair conduct.

Respect for intellectual property is another cornerstone of the Group's approach. The L&S Group takes appropriate measures to safeguard both its own and others' intellectual property rights, as outlined in the Code of Ethics under the provisions on confidentiality, proprietary information, and innovation.

Additionally, the Group is firmly committed to complying with all applicable tax regulations in the countries where it operates, ensuring transparency, accuracy, and integrity in all fiscal matters.

Our Sustainability Strategy

The L&S Group recognises the critical importance of addressing climate change and is actively developing a transition plan aligned with the Paris Agreement. Currently, the plan is in the development phase, laying the groundwork for a structured decarbonisation strategy based on the following key pillars:

1

Carbon Footprint Analysis

A systematic assessment of greenhouse gas emissions has begun to establish a reliable baseline, including Scope 1 and 2 emissions as well as the most relevant categories of Scope 3.

2

Mitigation Strategy

The Group is willing to launch multiple initiatives aimed at reducing emissions across products, operations, and the value chain:

- Enhancing product energy efficiency through upgraded LED components, advanced energy management systems, and intelligent energy optimisation controls;
- Improving operational efficiency by procuring certified renewable electricity, optimising production processes to reduce waste and energy use, and upgrading facility energy performance;
- Engaging suppliers and customers to reduce upstream emissions, promote responsible product use and end-of-life management, and optimise logistics to lower transport-related emissions.

3

Climate Mitigation Objectives

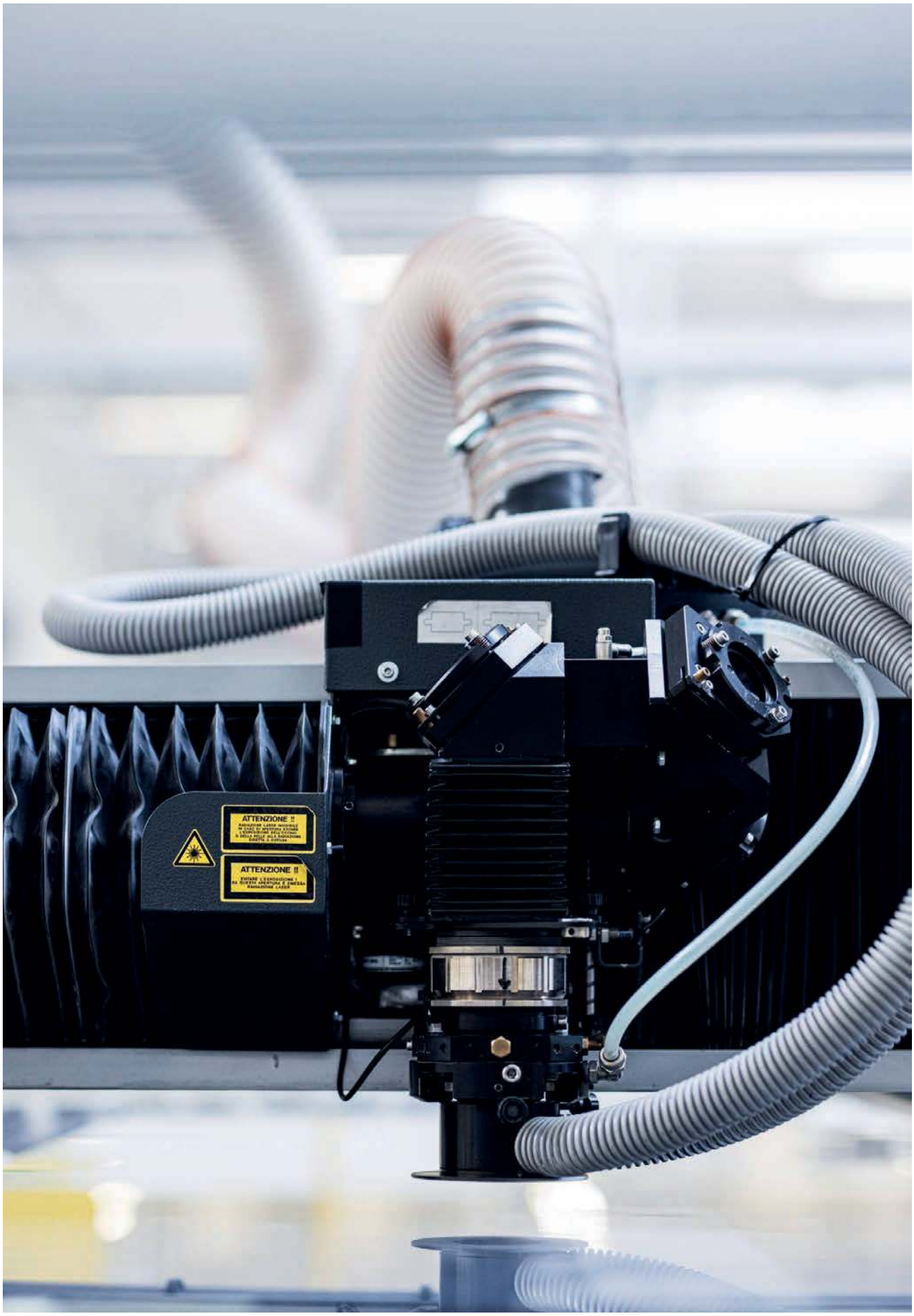
The Group has established clear targets to tackle climate change:

- Maintaining market-based Scope 2 emissions at zero through the exclusive purchase of certified renewable electricity;
- Reducing Scope 1 emissions by improving facility energy efficiency and progressively lowering emissions from the company fleet;
- Defining emission reduction targets aligned with the Science Based Targets initiative (SBTi), including both near-term goals and net-zero commitments by 2050;
- Implementing initiatives to mitigate Scope 3 emissions, with particular focus on improving the energy efficiency of products during their use phase.

4

Monitoring and Reporting

A dedicated system will track progress toward these objectives, ensuring transparency and accountability through regular reporting to relevant corporate functions.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The strategy

The five-year sustainability strategy developed by the L&S Group has been designed to increase the resilience of the business model with respect to the identified risks and to seize related opportunities. The integration of sustainability considerations into governance, strategy, and operational processes aims to ensure that the Group is able to adapt to transition scenarios and expected regulatory changes.

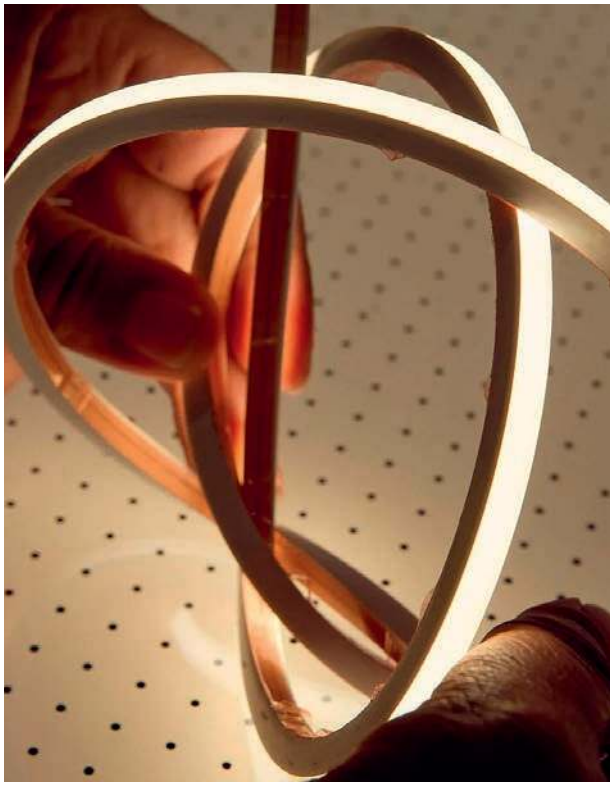
The strategy focuses on three main pillars

1.

Innovate products and processes

This pillar aims to reduce the environmental impact of products and processes through targeted innovations. The main initiatives include:

- **Products and packaging with recycled and low-energy materials**: replacement of virgin materials with sustainable alternatives, such as recycled aluminium, recycled plastics or compostable bioplastics, and FSC certified recycled cardboard.
- **Modular design** to facilitate repair, upgrade, and recycling: extension of product life, facilitation of maintenance, and improvement of circularity.
- **Improvement of product energy efficiency**: integration of high-efficiency LED components, advanced energy management systems, and intelligent energy optimisation features.
- **Optimisation of production processes**: improvement of operational efficiency, reduction of material waste, and improvement of traceability



2.

Empower our people

This pillar focuses on the well-being, development, and inclusion of employees. The main initiatives include:

- **Improvement of health and safety performance**: reduction of workplace accidents and creation of a safety culture through ISO 45001 certification.
- **Reduction of the gender pay gap and creation of equal opportunities**: promotion of gender equality in line with the United Nations Women's Empowerment Principles (UN WEPs) and the PdR 125/2022 standard.
- **Increase in training hours to update skills**: expansion of employee training programmes to improve professional growth and alignment with ESG priorities.

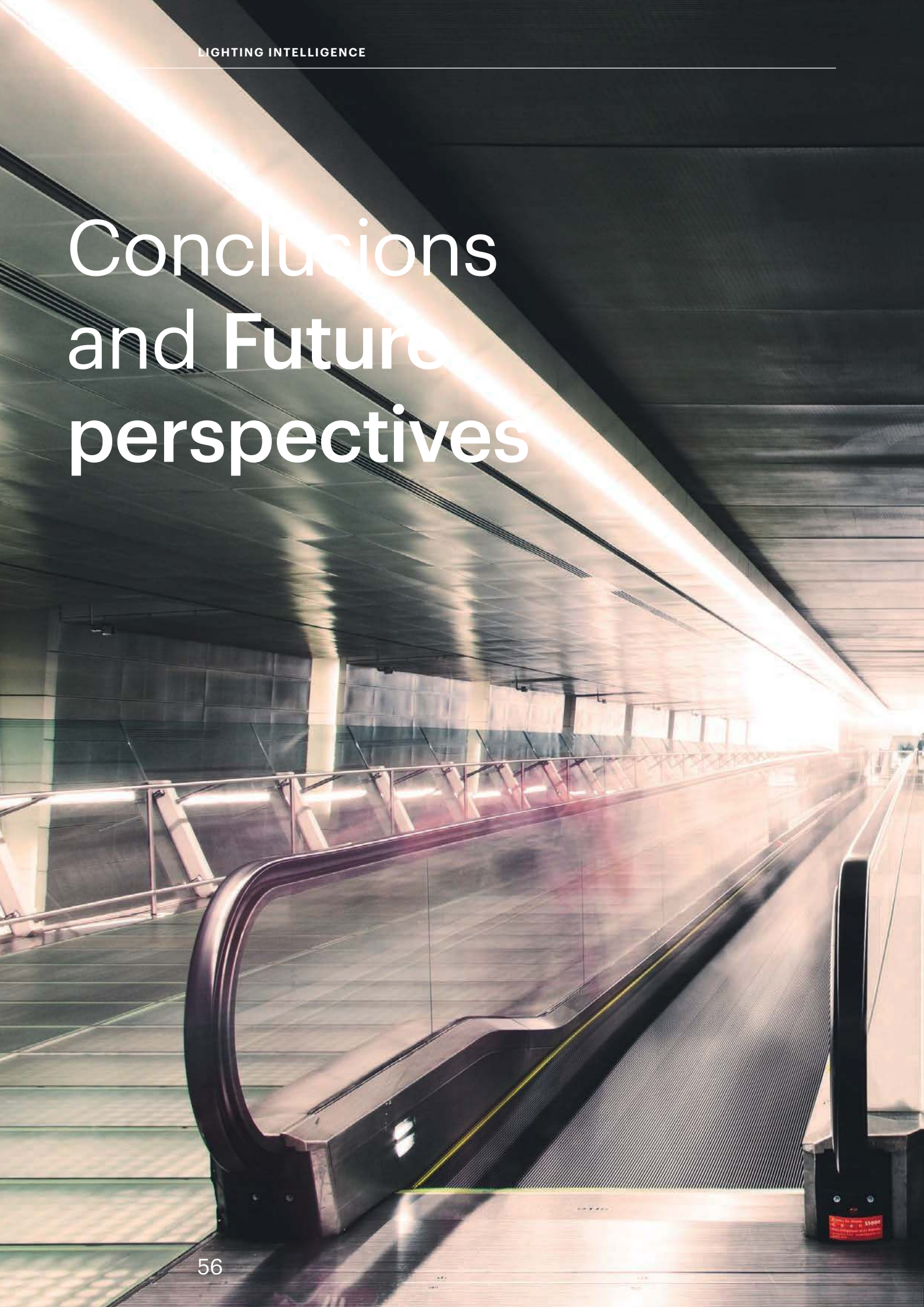
3.

Engage suppliers and partners

This pillar extends our commitment to sustainability throughout the value chain. The main initiatives include:

- **Sustainable procurement**: integration of sustainability into procurement processes ensuring that suppliers adhere to ESG standards, ethical work practices, and environmental responsibility.
- **Engagement and partnership with customers**: collaboration with customers to drive sustainability initiatives, co-develop ESG solutions, and improve product transparency.
- **Engagement with local communities**: strengthening relationships with local communities through social impact projects, environmental initiatives, and inclusive workforce development.

Conclusions and **Future perspectives**



The year 2024 has been a crucial year for the L&S Group's sustainability journey, marked by the implementation of important initiatives that have laid the foundations for a more structured and strategic approach to sustainability.
This transition reflects the Group's growing commitment to embedding sustainability into every aspect of its business model, guided by a long-term vision and the ambition to generate shared value.

Main results achieved

Over the course of the year, several significant milestones were reached, reflecting tangible progress in the sustainability journey:

- Conducting an in-depth double materiality analysis that allowed the identification of the most relevant ESG topics for the business and for stakeholders;
- Calculation of the complete carbon footprint (Scope 1, 2 and 3), which highlighted that over 90% of emissions derive from the use of sold products;
- Definition of a five-year sustainability strategy articulated on three pillars: innovate products and processes, empower our people, engage suppliers and partners;
- Review of the Code of Ethics, Sustainability Policies and a Supplier Charter at Group level;
- Implementation of a sustainability governance structure with clear roles and responsibilities at all levels of the organisation;
- Membership in important international initiatives such as the United Nations Global Compact and UN WEPs.

Challenges

Despite the progress made, the Group recognises that there are still several challenges to face:

- Reduction of the carbon footprint, particularly Scope 3 emissions related to product use;
- Integration of sustainability considerations into all business decision-making processes;
- Strengthening of group identity through consistent implementation of the sustainability strategy across all subsidiaries.

Future objectives

Looking to the future, the L&S Group has defined clear medium and long-term objectives:

- Definition of emission reduction targets aligned with the Science Based Targets initiative (SBTi);
- Improvement of the EcoVadis rating, in accordance with the corporate strategy;
- Implement ISO certifications at all production sites;
- Start of the self-assessment process through UN WEPs, conducted in parallel with the aim of gradually obtaining gender equality across all group sites;
- Launch and implementation of the initiatives defined in the three pillars of the sustainability strategy;
- Improvement of ESG data quality and granularity through periodic collection and structured control procedures

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 the strategy now defined and key initiatives launched during 2024, the organisation is well positioned to address future challenges and 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 stakeholders, providing regular updates on both progress achieved and challenges encountered. Sustainability is a shared responsibility, and L&S is determined to play an active role in building a more resilient and inclusive future, generating long-term value for people, the planet, and all its stakeholders.

Annex - ESRS

Reporting on energy performance [ESRS E1-5]

Energy consumption 2024	
Consumption of thermal energy from fossil sources	**2.341** MWh
Natural gas	1.601 MWh
Diesel and LPG for process	0 MWh
Automotive fuels	740 MWh
Consumption of thermal energy from renewable sources	**0** MWh
Biodiesel	0 MWh
Electricity consumption from fossil fuels	**0** MWh
Electricity consumption from renewable sources	**1.600** MWh
Solar	1.008 MWh
Thermal	592 MWh
Electricity consumption, purchased renewable	1.535 MWh
Consumption of self-produced renewable electricity	65 MWh
Total energy consumption	**3.941** MWh
% from fossil sources	59%
% of renewable sources	41%
Energy intensity	**36** MWh / M€ Revenues
Self-produced renewable electricity	**205** MWh
Solar	205 MWh
Self-produced renewable electricity fed into the grid	**140** MWh

Measurement of GHG emissions [ESRS E1-6]

2024		
Scope 1	540	**0,0%**
Scope 2	0	**0,0%**
Market based	0	
Location based	690	
Scope 3 - Upstream		
1. Purchased products and services	13.577	**1,2%**
2. Capital goods	-	
3. Fuel-and energy-related activities (not included in Scope 1 and Scope 2 emissions)	312	**0,0%**
4. Upstream transportation and distribution	6.006	**0,5%**
5. Waste generated by the sites	142	**0,0%**
6. Business travel	922	**0,1%**
7. Employee commuting	503	**0,0%**
8. Upstream leased assets	n.a.	
Scope 3 - Downstream		
9. Downstream transportation and distribution	1.060	**0,1%**
10. Processing of sold products	n.a.	
11. Use of sold products	1.106.630	**98,0%**
12. End-of-life treatment of sold products	27	**0,0%**
13. Downstream leased assets	n.a.	
14. Franchises	n.a.	
15. Investments	n.a.	
Total carbon footprint [tCO_2e]	**1.129.718**	**100%**

Reporting on energy performance [ESRS E1-5]

The tools used for the procurement of electricity produced from renewable sources include both self-production, through photovoltaic systems present on some of the Group's production sites, and through bundle purchases from the electricity provider. For the remaining portion, specific Guarantees of Origin were purchased for the countries of the offices.

Scope 2 - Market Based	% MWh
Self-consumption from renewable self-production (does not contribute to Scope 2)	**4,1%**
Purchase of guaranteed renewable electricity	**95,9%**
Purchase of guarantees of origin	**95,9%**
AIB - GO (Italy and Germany)	**60,9%**
I-RECs (International Renewable Energy Certificates) (China)	**31,2%**
Green-e RECs (USA)	**3,7%**

Performance in water resource management [ESRS E3-5]

Water balance 2024	m^3
Withdrawals	**8,743**
Surface water	0
Groundwater/wells	2,587
Aqueduct	6,156
of which in water-stressed areas	**265**
Surface water	0
Groundwater/wells	0
Aqueduct	265
Discharges	**8,743**
Surface water	2,587
Groundwater/wells	0
Sewage	6,156
of which in water-stressed areas	**265**
Surface water	0
Groundwater/wells	0
Sewage	265
Consumption	**0**
of which in water-stressed areas	**0**
Intensity	**0**

Input materials for production [ESRS E5-4]

Type	Biological origin	unit (t)
Materials for packaging	Paper and cardboard	470
	Wood	31

Type	Extractive or fossil origin	unit (t)
Process materials	Electronics	142
	Aluminium	554
	Cables	356
	Plastic	202
	Glass	168
	LED strips	134
	Steel	40
Materials for packaging	Plastic	510

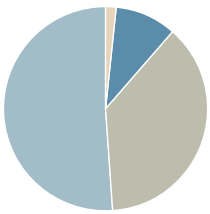
Input resources	Unit (t)	%
Process materials	**1,596**	**61%**
of which recycled	0	0%
Renewable or biological	0	0%
of which recycled	0	0%
Non-renewable or technical	1,596	100%
of which recycled	0	0%
Packaging materials	**1,011**	**39%**
of which recycled	382	38%
Renewable or biological	501	50%
of which recycled	382	76%
Non-renewable or technical	510	50%
of which recycled	-	0%
Total materials	**2,607**	**100%**
of which recycled	382	38%
Renewable or biological	501	50%
of which recycled	382	76%
Non-renewable or technical	510	50%
of which recycled	-	0%

Waste generated from production processes [ESRS E5-5]

	Waste management data 2024	uom (t)
Non-hazardous	**Recovery**	
	Recycling, of which:	
	Composting	41.37
	Other forms of recycling	15.50
	Preparation for reuse	-
	Other recovery operations	215.41
	Disposal	
	Landfill	4.43
	Incineration	-
	Other disposal operations	3.80
Hazardous	**Recovery**	
	Recycling, of which:	
	Composting	-
	Other forms of recycling	-
	Preparation for reuse	-
	Other recovery operations	0.19
	Disposal	
	Landfill	-
	Incineration	-
	Other disposal operations	0.65

Workforce characteristics and composition [ESRS S1-6, S1-8]

	Women	Men	Total
Executives	3	5	**8**
Managers	16	29	**45**
White-collar workers	93	78	**171**
Blue-collar workers	144	88	**232**
Personnel	**256**	**200**	**456**



Employees by gender and country, and by contract type 2024

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.

		Women	Men	Total
L&S Group	Permanent	197	168	**365**
	Fixed-term	59	32	**91**
	Total	**256**	**200**	**456**
Of wich:				
Italy	Permanent	103	95	**198**
	Fixed-term	1	0	**1**
	Total	**104**	**95**	**199**
China	Permanent	56	22	**78**
	Fixed-term	55	28	**83**
	Total	**111**	**50**	**161**
Germany	Permanent	34	37	**71**
	Fixed-term	3	4	**7**
	Total	**37**	**41**	**78**

Turnover by age group and country

Turnover by gender and age groups evaluated both at Group level and for countries that include sites with at least 50 employees and cover at least 10% of the company population.

		Women	Men	Total	rate%
L&S Group	**Entry**	**30**	**24**	**54**	
	rate%	11.7%	12.0%	11.8%	
	<30	8	5	13	27.1%
	30-50	18	18	36	11.6%
	>50	4	1	5	5.2%
	Exit	**28**	**27**	**55**	
	rate%	10.9%	13.5%	12.1%	
	<30	6	5	11	22.9%
	30-50	19	20	39	12.5%
	>50	3	2	5	5.2%
Italy	**Entry**	**6**	**5**	**11**	
	rate%	5.8%	5.3%	5.5%	
	<30	2	0	2	13.3%
	30-50	4	4	8	6.3%
	>50	0	1	1	1.8%
	Exit	**3**	**3**	**6**	
	rate%	2.9%	3.2%	3.0%	
	<30	0	0	0	0.0%
	30-50	2	1	3	2.3%
	>50	1	2	3	5.4%
China	**Entry**	**18**	**16**	**34**	
	rate%	16.2%	32.0%	21.1%	
	<30	4	4	8	42.1%
	30-50	12	12	24	17.6%
	>50	2	0	2	33.3%
	Exit	**24**	**18**	**42**	
	rate%	21.6%	36.0%	26.1%	
	<30	6	5	11	57.9%
	30-50	16	13	29	21.3%
	>50	2	0	2	33.3%

		Women	Men	Total	rate%
Germany	**Entry**	**6**	**3**	**9**	
	rate%	16.2%	7.3%	11.5%	
	<30	2	1	3	33.3%
	30-50	2	2	4	10.0%
	>50	2	0	2	6.9%
	Exit	**1**	**6**	**7**	
	rate%	2.7%	14.6%	9.0%	
	<30	0	0	0	0.0%
	30-50	1	6	7	17.5%
	>50	0	0	0	0.0%

Employees by gender and country, and contract type

Breakdown of contract types by gender, both at Group level and for countries that include sites with at least 50 employees and cover at least 10% of the company population.

		Women	Men	Total
L&S Group	**TOTAL**	**256**	**200**	**456**
	Full-time	230	190	420
	Part-time	26	10	36
Italy	**TOTAL**	**104**	**95**	**199**
	Full-time	92	90	182
	Part-time	12	5	17
China	**TOTAL**	**111**	**50**	**161**
	Full-time	111	50	161
	Part-time	0	0	0
Germany	**TOTAL**	**37**	**41**	**78**
	Full-time	23	39	62
	Part-time	14	2	16

Non-employee workers [ESRS S1-7]

Turnover by gender and age groups evaluated both at Group level and for countries that include sites with at least 50 employees and cover at least 10% of the company population.

2024		Total
L&S Group	TOTAL	35
	Agency workers, self-employed, project-based	35
	Interns	0
	Agents	0
Italy	TOTAL	33
	Agency workers, self-employed, project-based	33
	Interns	0
	Agents	0
China	TOTAL	2
	Agency workers, self-employed, project-based	2
	Interns	0
	Agents	0
Germany	TOTAL	0
	Agency workers, self-employed, project-based	0
	Interns	0
	Agents	0

Social dialogue and collective bargaining [ESRS S1-8]

	Collective bargaining coverage		Social dialogue
Coverage rate	**Employees - EEA**	**Employees - non EEA**	**Workplace representation - EEA only**
0-19%	GERMANY	USA	
20-39%			
40-59%			ITALY
60-79%			
80-100%	ITALY	CHINA	CHINA

Gender diversity [ESRS S1-9]

Below is the detail of the presence of women broken down by classification and age groups, 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		Italy		China		Germany	
		n.	%	n.	%	n.	%	n.	%
Executives	**Total**	**8**		**4**		**1**		**2**	
Women	**Total**	**3**	**37.5%**	**1**	**25.0%**	**0**	**0.0%**	**1**	**50.0%**
	<30	0	0.0%	0	0.0%	0	0.0%	0	0.0%
	30-50	2	25.0%	0	0.0%	0	0.0%	1	50.0%
	>50	1	12.5%	1	25.0%	0	0.0%	0	0.0%
Men	**Total**	**5**	**62.5%**	**3**	**75.0%**	**1**	**100.0%**	**1**	**50.0%**
	<30	0	0.0%	0	0.0%	0	0.0%	0	0.0%
	30-50	4	50.0%	2	50.0%	1	100.0%	1	50.0%
	>50	1	12.5%	1	25.0%	0	0.0%	0	0.0%
Managers	**Total**	**45**		**16**		**15**		**12**	
Women	**Total**	**16**	**35.6%**	**4**	**25.0%**	**9**	**60.0%**	**3**	**25.0%**
	<30	0	0.0%	0	0.0%	0	0.0%	0	0.0%
	30-50	15	33.3%	4	25.0%	9	60.0%	2	16.7%
	>50	1	2.2%	0	0.0%	0	0.0%	1	8.3%
Men	**Total**	**16**	**35.6%**	**4**	**25.0%**	**9**	**60.0%**	**3**	**25.0%**
	<30	0	0.0%	0	0.0%	0	0.0%	0	0.0%
	30-50	15	33.3%	4	25.0%	9	60.0%	2	16.7%
	>50	1	2.2%	0	0.0%	0	0.0%	1	8.3%
White-collar workers	**Total**	**171**		**60**		**65**		**38**	
Women	**Total**	**93**	**54.4%**	**31**	**51.7%**	**38**	**58.5%**	**21**	**55.3%**
	<30	22	12.9%	2	3.3%	13	20.0%	6	15.8%
	30-50	55	32.2%	21	35.0%	25	38.5%	8	21.1%
	>50	16	9.4%	8	13.3%	0	0.0%	7	18.4%
Men	**Total**	**78**	**45.6%**	**29**	**48.3%**	**27**	**41.5%**	**17**	**44.7%**
	<30	12	7.0%	5	8.3%	3	4.6%	3	7.9%
	30-50	54	31.6%	20	33.3%	23	35.4%	8	21.1%
	>50	12	7.0%	4	6.7%	1	1.5%	6	15.8%

Blue-collar workers	Total	232		119		80		26	
Women	**Total**	**144**	**62.1%**	**68**	**57.1%**	**64**	**80.0%**	**12**	**46.2%**
	<30	8	3.4%	7	5.9%	1	1.3%	0	0.0%
	30-50	107	46.1%	39	32.8%	60	75.0%	8	30.8%
	>50	29	12.5%	22	18.5%	3	3.8%	4	15.4%
Men	**Total**	**88**	**37.9%**	**51**	**42.9%**	**16**	**20.0%**	**14**	**53.8%**
	<30	6	2.6%	1	0.8%	2	2.5%	0	0.0%
	30-50	54	23.3%	35	29.4%	12	15.0%	6	23.1%
	>50	28	12.1%	15	12.6%	2	2.5%	8	30.8%

Social protection [ESRS S1-11]

Social protection is guaranteed for all employees at the L&S Group sites. In the USA, sickness coverage is not among the protections available from the company.

	2024
Social protection	%
Employees covered in case of illness	96%
Employees covered in case of unemployment	100%
Employees covered in case of workplace accidents	100%
Employees covered in case of acquired disability	100%
Employees covered in case of retirement	100%

Disability [ESRS S1-12]

Employees with disabilities	n.	%
Total	16	4%
Women	10	4%
Men	6	3%

Performance assessment and training [ESRS S1-13]

Social protection is guaranteed for all employees at the L&S Group sites. In the USA, sickness coverage is not among the protections available from the company.

2024	Women	Men	Total
Performance evaluation (%)	**73%**	**70%**	**72%**
Executives	**67%**	**80%**	75%
Managers	**94%**	**68%**	76%
White-collar workers	**82%**	**78%**	80%
Blue-collar workers	**66%**	**63%**	65%

Training provided by external staff

At Group level, an average of 7.4 hours of training per capita is provided.

2024	Women	Men	Total
Training (average hours per capita)	**6.7**	**8.3**	**7.4**
Executives	2.7	4.4	**3.8**
Managers	8.1	10.5	**9.6**
White-collar workers	9.2	9.9	**9.5**
Blue-collar workers	5.0	9.0	**5.5**

H&S management system coverage [ESRS S1-14]

The management system covers all employees at the Group sites.

Management systems	2024
Workers covered by an occupational health and safety management system	**100%**

In 2024, there were 3 accidents in the workplace involving employees, of moderate severity, which required absence from work for a total of 9 days.

No accidents were recorded among non-employee personnel while working for the group.

Employees	
Fatal accidents	0
Serious accidents	0
Other accidents	3
Recovery days	9
Frequency rate *	2.2
Severity rate **	0.0
Non-employee workers	
Fatal accidents	0
Serious accidents	0
Other accidents	0
Frequency rate *	0.0
Severity rate **	0.0

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

Family and parental leave [ESRS S1-15]

This represents the number of employees with the right to family leave, for the Group it is the entire company population. The number and percentage of those who took both family and parental leave during the year is also provided, divided by gender.

Family and parental leave	Women	Men	Total
Employees entitled to family leave	256	200	**456**
%	100%	100%	**100%**
Employees who took family leave	40	22	**0**
%	16%	11%	**14%**
Employees entitled to parental leave	256	199	**455**
%	1	1	**1**
Employees who took parental leave	7	7	**14**
%	0	0	**0**
Employees returned to work at the end of parental leave within the reporting year	6	6	**12**
Return to work rate	86%	86%	**86%**
Employees returned to work at the end of parental leave, and still employed by the Group 12 months after return	6	3	**11**
Retention rate	100%	50%	**92%**

Gender pay gap [ESRS S1-16]

The gender pay gap is calculated as the percentage difference between the average remuneration of men and that of women, compared to men's remuneration.

The gap is represented by classification for both fixed and total remuneration, also including the variable component.

Gender pay gap	(M-F)/M
Average Fixed Remuneration	**34.5%**
Executives	13.9%
Managers	36.8%
White-collar workers	19.3%
Blue-collar workers	30.8%
Average Fixed + Variable Remuneration	**34.5%**
Executives	24.9%
Managers	39.7%
White-collar workers	20.5%
Blue-collar workers	23.7%

Methodological note: The calculation of the gender pay gap follows the CSRD Directive, considering classification levels. Within each level, there are different roles and responsibilities that can influence the remuneration specifically recognised. This widens the overall gap by classification class, while faithfully reflecting the method required by the regulation.

Ratio between maximum and median remuneration 2024

The ratio between the median total remuneration and the highest remuneration recognised in the group is reported. This indication is independent of gender.

Remuneration	2024
Median remuneration (W, M)	27,632
Ratio of annual total remuneration (median)	11

Discrimination: incidents and complaints [ESRS S1-17]

	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
Cases of occupational diseases recorded	0	0
Cases of deaths related to occupational diseases	0	0

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