

Sustainability report 2021





CEO statement on sustainability



We at Glamox aim to create light for a better life. Our mission is to create sustainable lighting solutions that improve the performance and well-being of people.

Light has a tremendous impact on people's lives, their health and well-being as well as their performance. This is our most important impact, created through our core business. However, our business as a provider of professional lighting solutions also comes with a footprint. That is why we at Glamox have worked with experts and stakeholders to develop our sustainability strategy and reporting. To be part of the solution, we are setting ambitious goals and tracking our ongoing progress on key topics such as environment and climate sustainability, human rights and labour rights as well as business ethics.

We work along four pillars to deliver on our own ambitions and stakeholders' expectations; enabling sustainability for clients, environmental excellence in operations, responsible leadership, and light up people and society.

Glamox is a Signatory and Participant to the UN Global Compact and I am pleased to confirm that Glamox reaffirms our support of its Ten Principles. In this annual report, which is also our annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication. We are committed to making the UN Global Compact and its principles part of the strategy, culture and day-to-day operations of our company. Glamox supports the UN Sustainable Development Goals (UN SDGs) with particular focus on goals number 7,8,9,12 and 13.

We have already seen progress on key areas for the group. Key highlights include environmental and energy efficiency progress such as circular design criteria for new products, LED luminaires now making up more than 95% of the luminaires we deliver, and sourcing 67% of our electricity from renewable energy sources. We have also focused on our people and being a responsible employer, and it makes me particularly proud to see that 80% of our surveyed employees say Glamox is a great place to work, and 88% of our employees say they have interesting and challenging tasks.

Going forward, we will continue to report on our sustainability efforts including our ambitions, actions implemented and the progress towards reaching our long-term goals.

Rune E. Marthinussen
CEO & President

About Glamox

The Glamox Group

Glamox is a Norwegian industrial group that develops, manufactures and distributes professional lighting solutions for the global market.

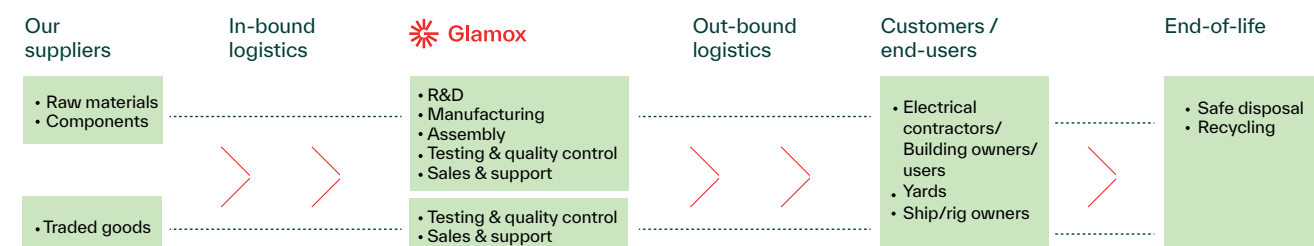
Our mission is to provide sustainable lighting solutions that improve the performance and well-being of people.

Technology and expertise

The Group owns a range of quality lighting brands including Glamox, Aqua Signal, Küttel, LINKSrechts, Luxo, Luxonic, Norselight, ES-SYSTEM, LiteIP, Luminell and Wasco. Our products and solutions are developed and tested by our engineers at our own research and testing facilities, and manufactured and certified in accordance with relevant quality and environmental standards such as ISO9001 and ISO14001.

The Glamox Group has two business areas - Professional Building Solutions (PBS) and Global Marine and Offshore (GMO). Each of the two business areas represent a complete value chain and are supported by the Sourcing, Production and Logistics (SPL) division, which operates production units and factories, and plays a central role in the procurement of components and finished goods.

Glamox' value chain



About Glamox' sustainability reporting

This report is prepared in accordance with the Global Reporting Initiative (GRI) Standards Core Level. We regard this report to be our Communication on Progress to the United Nations Global Compact (UNGC).

This is Glamox' second annual sustainability report. The report will be published annually as part of the Glamox annual report.

Glamox' sustainability reporting has been reviewed and approved by the Board of Directors. The claims and data in this report have not been audited by a third party.

We appreciate feedback from our stakeholders on our sustainability reporting. For comments, questions or suggestions, please contact Viktor Söderberg, Director Business Development & Sustainability, viktor.soderberg@glamox.com



Glamox' approach to sustainability

Stakeholder engagement and materiality assessment

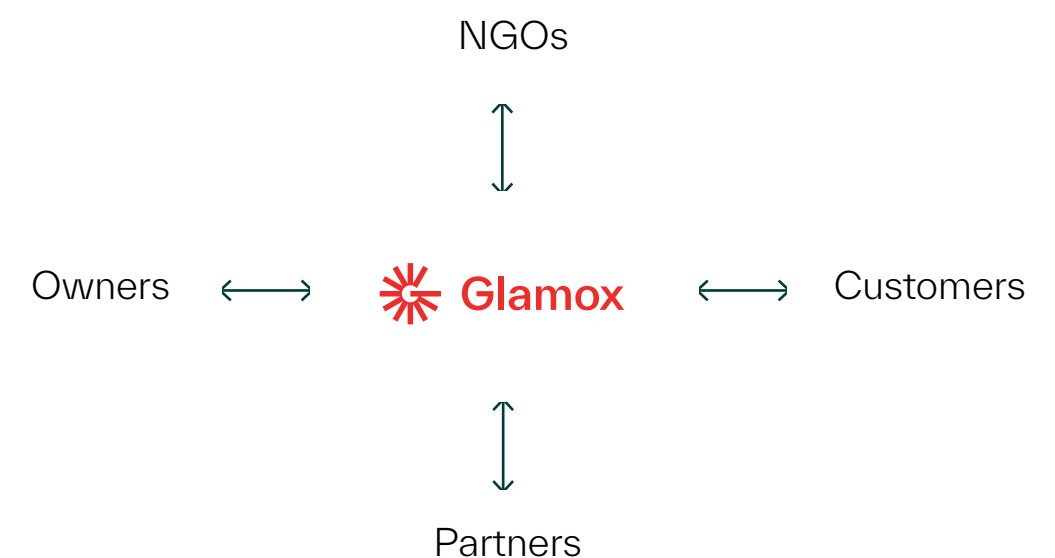
The Glamox sustainability strategy is based on a thorough materiality assessment and created together with sustainability experts and in dialogue with our key stakeholders.

Since 2020, Glamox has worked together with external sustainability advisors to identify and map stakeholder expectations, our sustainability impact, as well as key topics for Glamox to focus on going forward as a group. A key element has been to align ongoing initiatives across the Group into a coherent approach by sharing

knowledge and best practices. The stakeholder dialogue and materiality assessment guiding our strategy was undertaken in line with the GRI Standards principles for defining report content.

Ongoing dialogues with internal and external stakeholders to understand what the topics and issues that matters to them, are key to determining our sustainability priorities. Glamox key stakeholder groups include owners, NGOs, customers, and employees as well as governments and regulators.

Glamox's stakeholders



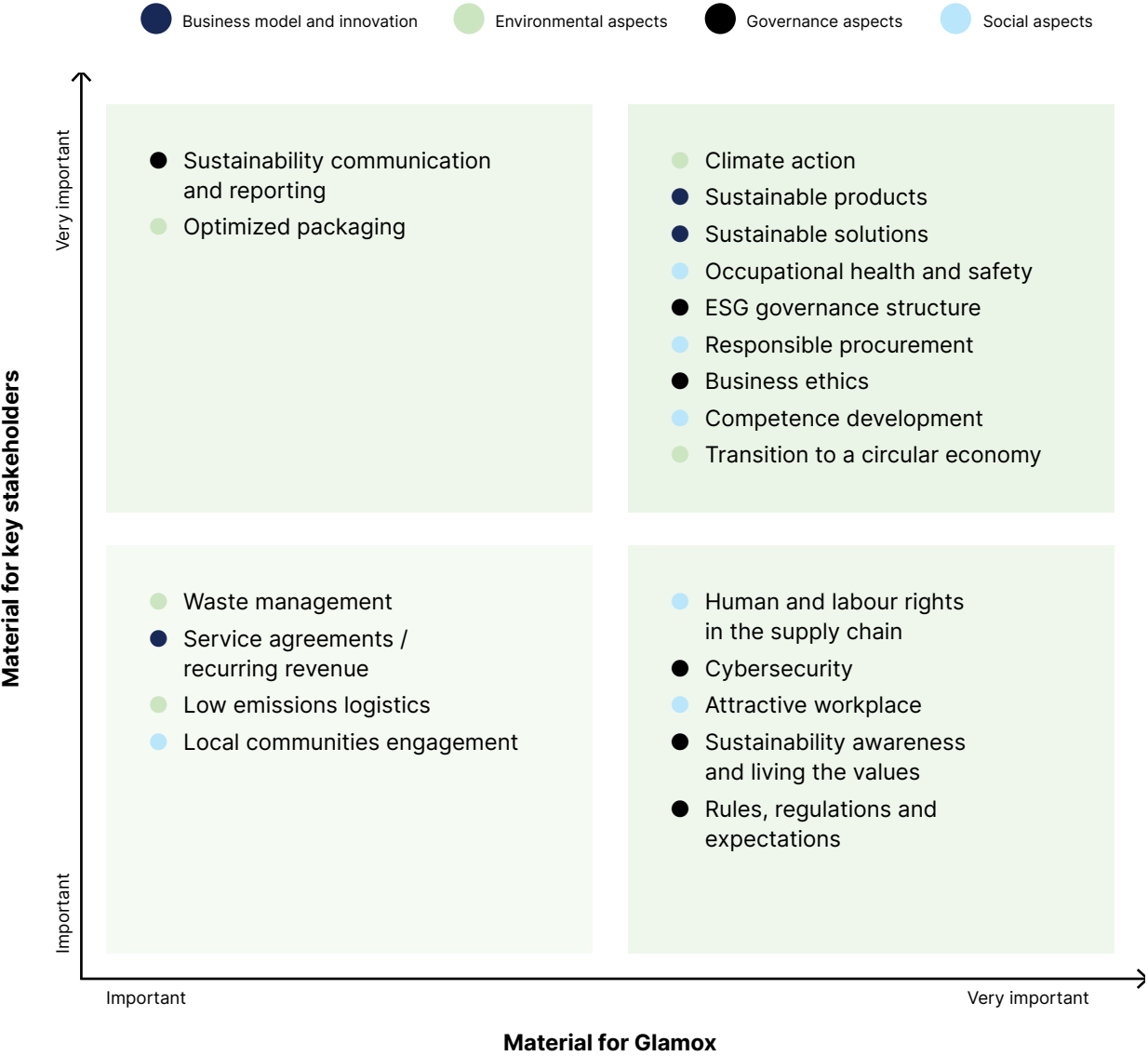
Stakeholder expectations were mapped through formal interviews with internal and external stakeholders, an analysis of Glamox business priorities and supply chains, as well as a big data analysis on emerging sustainability topics. The input was structured and systematized to help identify the topics discussed, which is summarized in the Glamox materiality assessment.

The illustration below is based on internal and external stakeholder dialogue and shows the most material sustainability topics for Glamox and our value chain.

A definition of each topic is included in the reporting on material topics on page 103-113.

Our materiality assessment was the first step towards defining our strategy. By identifying future trends and understanding stakeholders perspectives, we were able to identify risks and opportunities that could impact our business and the type of impact we have on our surroundings. The assessment guides us in our work and helps us to prioritise as to where our efforts can make the most impact.

Glamox materiality assessment



By undertaking a materiality assessment, Glamox defined the most material topics which formed the four pillars defining our sustainability strategy. The pillars are directly built on our mission and values, and will help us achieve our vision and ultimate goal: Creating light for a better life.

/ Vision
Reason for being

Creating light for a better life

/ Mission
Reason for doing

We provide sustainable lighting solutions that improve the performance and well-being of people

/ Values
How we do business at Glamox, what defines us as an organisation

Competent Committed Connected Responsible

/ Sustainability pillars
Our focus areas for our sustainability work throughout the group

Enabling sustainability for clients

Sustainable products Sustainable solutions

Environmental excellence in operations

Take climate action Transition to a circular economy

Responsible leadership

ESG governance Sustainability communication Business ethics

Light up people and society

Responsible procurement Safe work environment Attractive workplace

In addition to systematic stakeholder dialogue, we are active in several organisations and initiatives, including as a Participant to The UN Global Compact, the Science Based Targets Initiative (SBTi) and Triton network. In addition to this, we are in continuous dialogue with our owners and peer companies in ESG networking groups. To increase the available knowledge about light and its impact on well-being, we contribute to research projects with academic partners, such as the University in Bergen and International Commission on Illumination.



Glamox and the UN Sustainable Development Goals

Glamox supports the UN Sustainable Development Goals (SDGs). Each of the strategic pillars of material topics contributes to the following SDGs and targets:

Enabling sustainability for clients

- SDG 9 Industry, Innovation and Infrastructure
 - 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes
- SDG 13 Climate action

Environmental excellence in operations

- SDG 7 Affordable and clean energy
 - 7.3: Double the global rate of improvement in energy efficiency by 2030
- SDG 12 Responsible consumption and production
 - 12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse

Responsible leadership

- SDG 12 Responsible consumption and production
 - 2.6: Encourage companies, especially large and trans-national companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle

Light up people and society

- SDG 8 Decent work and economic growth
 - 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value



Our ambitions

To make sure we deliver on our promise, we have set ambitious long-term goals for our sustainability work. Going forward we will work towards:

- Becoming a net-zero company by 2030
- Enable our customers to save CO2 emissions from their Scope 1 and Scope 2 activities through our products and solutions
- Increase the share of circular products in our portfolio

- Drive improvement of respect for fundamental human rights and decent working conditions by taking a systematic approach in our entire value chain
- Provide a safe and inspiring working environment for our employees

Glamox has committed to set near-term company-wide emission reductions in line with climate science with the SBTi.

Reporting on material topics

Key sustainability highlights 2021



67%

of electricity used at Glamox operations came from renewable sources

LED

95% of luminaires we delivered are energy efficient LED luminaires



More than 35% of our turnover came from connected lighting



Our Kirkenær factory achieved **net zero emissions** Scope 1 and 2



Glamox established circular design criteria for new products

356

suppliers were screened using social and environmental criteria

80%



of our employees said Glamox is a great place to work

88%



our employees said they have interesting and challenging tasks

86%



of our employees said that working at Glamox makes them want to do the best work they can

Our four strategic pillars



Enabling sustainability
for clients



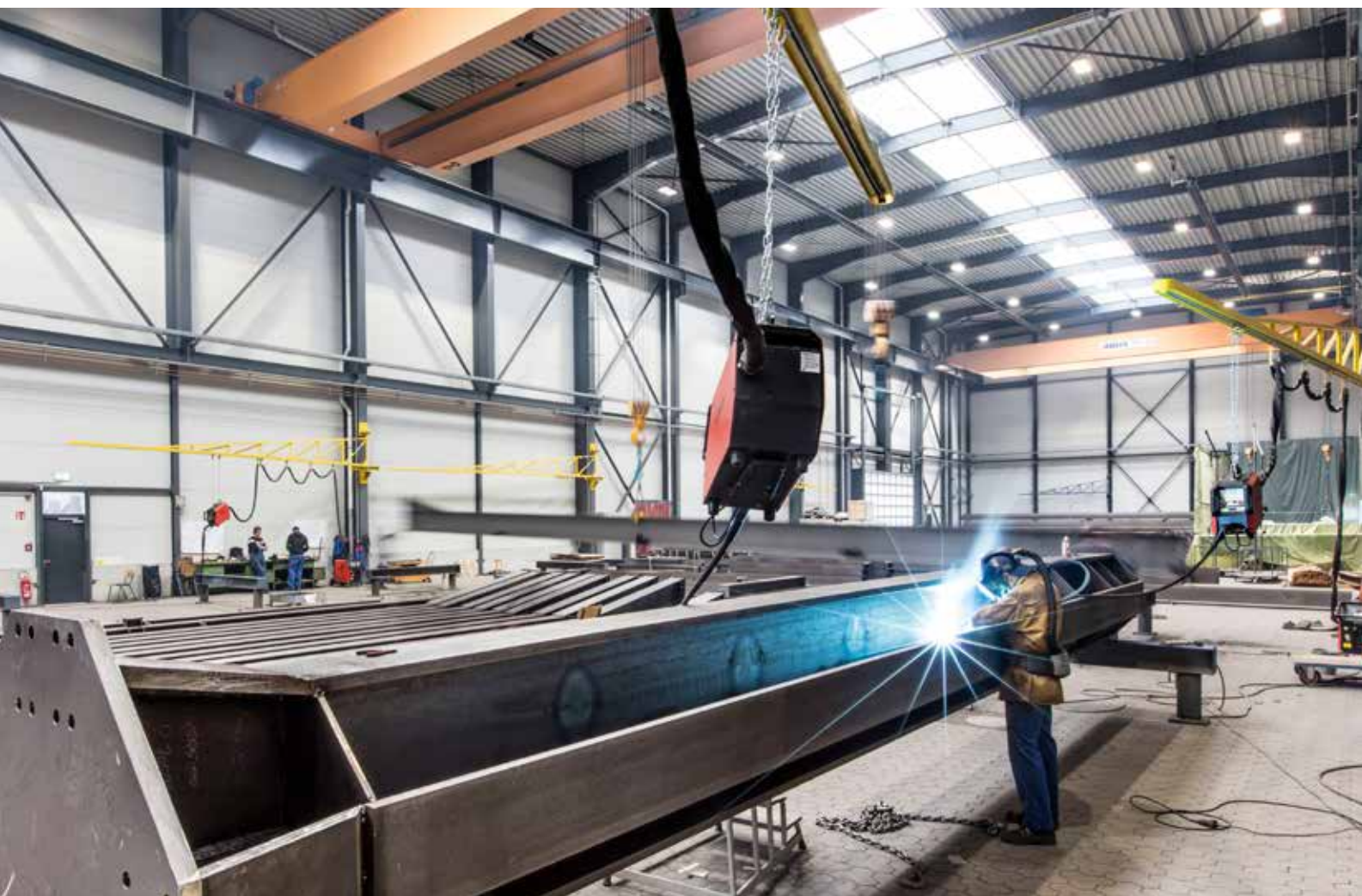
Environmental excellence
in operations



Responsible
leadership



Light up people
and society



1. Enabling sustainability for clients

We are enabling sustainability for clients through sustainable products and solutions.

Sustainable products and solutions

Most of the environmental and climate impact from lighting solutions come from the use phase. We use our experience and expertise to find the most energy efficient and sustainable solution for every project in order to reduce emissions and help deliver on customers sustainability ambitions.

Glamox continuously works towards creating more energy efficient solutions. Our solutions based on light management technology can reduce energy consumption by 80-90% compared to conventional luminaires. However, it is possible to achieve savings of 40-50% by just replacing the conventional luminaires with high quality LED.

More than 95% of the luminaires we deliver are now LED, and more than 35% of our turnover comes from

connected lighting, which means the luminaires are dimmable and/or addressable.

Lighting solutions from Glamox are designed to last, since the most sustainable solution is to use a LED lighting system for as long as possible. We deliver high mechanical and optical quality, and together with state-of-the-art LED modules and drivers, this ensures a long life for the lighting installation. At the end of their service life, our products can be taken apart and sorted in clean fractions to be recycled.

Up to 80% of all environmental impact is determined during the design phase of products. In 2021, Glamox established circular design criteria for the development of new products.

In 2021, there were no reported

incidents of non-compliance from products in use concerning the health and safety impacts of Glamox's products and services.

The impact light has on the physiological and physical well-being of people is an important sustainability aspect for Glamox. The right light at the right time can influence everything from our sleep to how we feel and perform. Our human-centric lighting (HCL) solutions are therefore in use in schools, health facilities, offices and industrial buildings.

All our product families have available certificates, manuals and declarations documenting their performance. Glamox offer solutions that meets the requirements for BREEAM, WELL, LEED and other market-specific environmental standards.

Goals and targets set for 2022:

- Increase our share of turnover from connected lighting
- Increase the number of circular products in our portfolio
- Continue to increase the share of LED

2. Environmental excellence in operations

We deliver environmental excellence in operations by taking climate action and beginning the transition towards a circular economy.

Taking climate action

Because our footprint is part of the customer's footprint, we seek to reduce and minimize our negative environmental impact and maximize the positive effects of our solutions. In addition to reduced energy consumption when solutions are in use, we also need to make sure the emissions from the full product life cycle are as low as possible, and that our products are responsibly handled from material sourcing to product end-of-life. This includes taking steps to cut emissions and make better choices in our production.

Environmental and climate management at Glamox is governed by our Code of Conduct, the Glamox Corporate Social Responsibility Policy and the Glamox Environmental Policy. Environmental Management Systems are currently implemented at site level. The group's production

units in Norway, Sweden, the UK and Estonia have been certified in accordance with ISO 14001. In 2020, the production unit in Wilkasy, Poland was certified with ISO 14001, and the production unit in Keila, Estonia, was certified in accordance with ISO 50001.

Through obligations to comply with local, global government and self-imposed requirements, we will contribute to a lower environmental impact. This implies objectives related to:

- reduce waste
- increase reuse
- as far as possible, use environmentally efficient transport solutions
- reduce energy consumption
- prevent emissions, and
- develop environmentally friendly products and systems

Glamox aims to become a net zero company by 2030. In 2020, the

group reduced its climate impact by implementing energy efficiency measures, and offset unavoidable emissions through climate and sustainable development expert ClimateCare. During 2020, the group took action to ensure that the Norwegian and Estonian production units will have 100% renewable electricity supply from 2021. In 2021, the company increased the share of renewable electricity to 67%. The company reduced its GHG emissions from 5,443 tonnes CO2 equivalents in 2020, to 4,606 tonnes CO2 equivalents in 2021, mainly through increasing the share of renewable energy and through energy efficiency and emission reduction initiatives in our factories such as switching to biofuel for heating in the Molde factory and using LNG to heat Keila factory. Furthermore, Glamox decided to close down the die casting department in the Wilkasy factory (Poland).

Table 1: Energy consumption within the organization

Energy use	Units	2020	2021
Total energy usage	kWh	30,144,694	27,831,104
Energy usage from fuel (Scope 1)	kWh	11,861,524	13,218,088
Energy usage from utilities (Scope 2) (Electricity, heat, cooling and steam)	kWh	18,283,170	14,613,016
Renewable energy usage	kWh	6,760,734	9,798,948
% of electricity usage from renewable		37%	67%

Table 2: Scope 1 & 2 climate emissions

Climate emissions	Units	2020	2021
Greenhouse gas emissions – Scope 1 (Direct)	tonnes CO2-eq	2,103	2,868
Greenhouse gas emissions – Scope 2 (Indirect)	tonnes CO2-eq	3,340	1,739
Total GHG emissions	tonnes CO2-eq	5,443	4,606

Transition to a circular economy

We will contribute to a circular economy through recycling and reuse of materials, energy efficiency and reduction of waste in our value

chain. We are continuously looking for new ways to reduce impact from material use and packaging, maximize waste recycling and minimize or find alternatives to

harmful chemicals. Furthermore, Glamox has established circular design criteria for the development of new products in 2021.

Table 3: Waste and recycling from Glamox production units

Waste type	Disposal method	Units	2020	2021
Total hazardous waste disposal	Landfill	Tons	27	31
	Incinerated with energy recovery	Tons	21	16
	Recycled	Tons	6	3
Total non-hazardous waste disposal	Landfill	Tons	82	107
	Incinerated with energy recovery	Tons	179	248
	Recycled	Tons	1,657	1,646

Goals and targets set for 2022:

- Develop objectives / environmental policy on group level for reducing climate emission (waste, energy, transportation, procurement etc) in order to become net zero.
- Increase recycling rate at factories in order to deliver per the requirements of the EU taxonomy.
- Develop Environmental Product Declarations (EPDs) on product level
- Set and receive approval from the Science Based Target initiative for emission reduction

3. Responsible leadership

Supported by responsible procurement and supply chain practices, Glamox will be a role model for responsible leadership by delivering on governance and business ethics.

Business ethics and ESG governance

Glamox launched an updated set of core values in November 2021. Our values are Competent, Connected, Committed and Responsible. Our explanation of Responsible is outlined as follows: “We treat everyone with respect, hold ourselves to high ethical standards and provide solutions that benefit society and the environment”. The ethical guidelines for Glamox

and our suppliers are set out in more detail in the Glamox Code of Conduct with supporting policies and instructions, such as our Responsible Business Partner Policy and our Anti-corruption policy. Our top management continuously reaffirms these messages in their communication throughout the organisation. We communicate our expectations regarding respect for human rights,

decent working conditions and ethical business conduct to our suppliers, and qualify and monitor our suppliers in an open and transparent way by using digital tools. Through this work we can be transparent, while at the same time contributing to positive change globally through our requirements and by sharing our knowledge with suppliers. All employees are required to



read and familiarise themselves with the Code of Conduct. The Code of Conduct and our other compliance management policies and instructions are available on our intranet, and are provided to all employees who do not have a personal computer. Glamox group CEO receives an Annual Reporting Letter from all leaders who report into a member of the group management team (64 of the key leaders in Glamox) (“Extended Management Team”) where the signatory reports on status of compliance issues and confirms that appropriate training of their personnel has been conducted. The reporting for 2021 shows that the majority of relevant personnel has been trained in key governance risk matters such as export control, sanctions, anti-corruption, modern slavery and other conflicts of interests. Furthermore, the reporting confirms no incidents of corruption, breach of competition law or other laws and regulation.

We are committed to taking ethics into account in everything we do, to build good governance and to deliver on external benchmarks for sustainability. Glamox wants to contribute to sustainable development in the countries we operate and to be a good corporate citizen. Therefore, we comply with international laws, declarations and principles everywhere we operate. We have a zero tolerance for corruption, and we respect

human rights, including the rights of children, in every aspect of our business. Glamox implemented a group wide Anti-Corruption Policy in November 2020. Prior to the establishment of the policy, an assessment was undertaken of business practices with increased risk in the lighting industry, in addition to a geographical risk assessment using globally recognised corruption indexes. In the majority of the countries Glamox operates, there is a relatively low risk of corruption. In locations like Poland, Asia, and the Middle-East, there is a somewhat increased risk of corruption based on the implementation of local laws and business practices.

Based on Glamox’ experience, the lighting industry has previously seen practices related to payment of non-transparent commissions to lighting designers, architects and other roles that assist the property developers to specify the lighting requirements for a project. These practices seem to be discontinued in most of the countries where Glamox operates. Owners benefit schemes have traditionally been operated in the shipping industry, but there are positive developments here and less frequently requested.

To set the tone from the top, the CEO regularly emphasizes in his communication to management and all employees that Glamox Group

has a zero tolerance for corruption. The Code of conduct requires that all Glamox employees observe high standards of business and personal ethics in the conduct of their duties and responsibilities. Employees must practice fair dealing, honesty and integrity in every aspect in dealing with others and comply with all applicable laws and governmental rules and regulations in the country where Glamox is operating.

During the implementation of the Anti-Corruption Policy, the Legal departments conducted training sessions with particularly exposed personnel in sales teams, group procurement and other selected participants. Due to the Covid pandemic the sessions were mostly conducted digitally. In areas with an increased risk of corruption, the legal department conducted particularly intensive training sessions.

Glamox recognizes that an important part of ethical business conduct is being alert to and preventing the risks of cruel practices like slavery and human trafficking taking part in our business, including our supply chain. Our Modern Slavery Statement can be found on the Glamox website. At the beginning of 2022, Glamox is updating our whistleblowing policy to include possibility of anonymous reporting through an external channel.

Goals and targets set for 2022:

- Start reporting average number of training hours per employee
- Implement group wide Whistleblowing channel that enables anonymous reporting



4. Light up people and society

We work every day to light up people and society – through our solutions and by providing an attractive and safe workplace.

Attractive workplace

Being an attractive workplace is a key part of our strategy. We truly believe that engaged employees deliver better results. Feeling welcome, safe and respected at work is the right of every employee.

Glamox upholds the principles of freedom of association and collective bargaining, including respect for each employee's right to make an informed decision, free of coercion, about membership in associations or labor unions. We engage in dialogue with local unions.

Glamox is committed to an inclusive work culture and providing equal opportunities and fair treatment of all employees. At Glamox we do not tolerate discrimination against any employee, and this is incorporated into our code of conduct. Glamox does not accept any form of harassment or discrimination on the basis of race, colour, religion, gender, sexual orientation, national origin, age, disability, or veteran status.

Equal opportunities and inclusion will be a focus area in the coming year. We require our managers and wish for all our employees

to keep an open mind, speak out against discrimination and set an example of respectful and inclusive behaviour in their everyday actions.

In 2021, 20% (2 out of 10) of the Board of Directors in Glamox AS were women, 14 % (1 out of 7) of the group management team and 21% (14 out of 64) of the Extended Management Team were women. Gender diversity is crucial, and while the lighting industry traditionally has been dominated by men in the sales and leadership positions, Glamox wishes to contribute to the positive developments by targeting to improve ratio of men and women in all parts of the company. However, as mentioned above, Glamox is of the strong opinion that a diverse organisation will be the most successful, and we focus on all types of diversity. Therefore, our colleagues in most countries consist of a diverse group of different nationalities, personalities and ages.

Ethical business conduct has always been an important part of the Glamox culture. Our values Competent, Committed, Connected and Responsible guides us in our daily work.

In our global employee engagement survey in 2021:

- 80% said Glamox is a great place to work,
- 88% said they have interesting and challenging tasks, and
- 86% said that working at Glamox makes them want to do the best work they can.

Following the survey, all managers in Glamox identify targets to work towards based on the feedback of the survey.

Safe working environment

Glamox has a zero incident philosophy. We are working systematically and targeted to ensure that our employees have a safe workplace and feel protected. When adding new companies to the group we prioritize bringing Health, Safety and Environment policies and procedures up to the level of Glamox standards.

The responsibility for the working environment in the company lies with the Group management. The division managers are responsible for goal setting within health, environment and safety, as well as follow-up of fulfilled results according to goals.



The implementation of actions to support the goals is the responsibility of line management, HSE representatives and committees as well as employees.

The line management has the daily responsibility to take proper care of health, environment and safety at work. This also includes the practical responsibility for budgeting, carrying out and follow-up of actual measures. The line management must ensure that

the work is planned and carried out according to applicable laws and regulations, international standards, and internal policies and procedures.

Where HSE committees or councils are appointed, they carry out the necessary actions to ensure that the working environment within their area of responsibility is in line with applicable laws and internal policies and procedures.

The committees also participate in planning of the health, environment and safety work, as well as follow-up of the development of issues concerning employee safety, health and welfare, and shall also follow-up on issues concerning the external environment.

Over the past two years, 65% of relevant Glamox personnel has attended dedicated occupational health and safety trainings.

Table 4: Work-related injuries

Health, environment and safety	2021
Number of hours worked during the reporting period (including compensated overtime)	30,713,212
Number of fatal accidents	0
Days lost to injury	532
Number of Injuries resulting in Lost time (LTI)	19
Total number of work-related injuries	29

Responsible procurement
Glamox aims to maintain a high level of supplier oversight and engagement on ethics, social and governance related issues. The company is currently creating a framework of KPI's for ethics, social and governance related issues in the supply chain and establishing routines for follow-up.

In 2021, the Glamox Quality

department started the work to update the Group wide Primary Control Document. It outlines the Glamox quality system for suppliers, including its systems, ambitions and requirements for quality, health, safety and environment, as well as its systems and processes in place to ensure the necessary levels of compliance with Glamox standards.

In 2021, Glamox implemented

digital supplier screening with IntegrityNext, a cloud-based platform that covers all major aspects of sustainability requirements, allowing companies to monitor sustainability performance in their value chain.

In 2021, 356 new Glamox suppliers were screened using social and environmental criteria.

Goals and targets set for 2022:

- Maintain a high employee engagement score (above 80% saying Glamox is a great workplace)
- Maintain track record of zero fatal accidents
- Work to decrease number of LTI
- Screen all new suppliers using social and environmental criteria
- Create measurements for ethics, social and governance related issues in the supply chain and establish routines for follow-up.
- During 2022, we will implement digital tools that enables trustworthy reporting of social and governance matters, and further improve the strategic KPIs to follow positive developments, including a global HR system.
- In 2022 we will implement common group policies, ensuring a global standard for onboarding, follow-up and development plans for employees.
- Implement Diversity, Equity and Inclusion policy and training with focus on unconscious bias.



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