Sustainability Report

For the business year 2022/2023

TRIDONIC

CEO Commitment

Dear readers,

Current developments involving climate change are affecting the lighting sector too. As a company, we are aware of the need to rethink and restructure our industry. And as a company that operates internationally, we would like to play a significant part in this with our ‘Sustainable Tridonic’ sustainability strategy. Thanks to the commitment, willingness and capacity for innovation of our customers, suppliers and employees, I am certain that we can bring about sustainable change in our industry through changed behaviour and prudent decisions.

Our goal is to achieve climate neutrality (Scope 1 and 2) by 2025. For several years, we have been concentrating on saving energy and gas, and on switching to environmentally friendly alternatives. We are also investing in more efficient machines and control technologies, measures that are already showing success, having contributed to a reduction of more than 50% in CO_2 emissions.

Tridonic has been providing EPDs for its products since 1998. These record the environmental impact of a product throughout its entire life cycle, giving us a detailed understanding of its CO_2 emissions throughout the entire value chain and enabling us to take specific measures to reduce them.

Together with the Zumtobel Group, we have made the decision to join the Science Based Targets initiative (SBTi). This commitment and our future reduction roadmap to net zero will help both Tridonic and our business operations to also reduce Scope 3 emissions along the entire value chain. For many years, the lighting industry as a whole has been working intensively to make artificial light more energy-efficient and even more environmentally friendly. These efforts at reduction are already second nature to us and will also continue to further reduce our Scope 3 emissions going forward.

Another goal is to make our products more sustainable. In the 2022/23 financial year, we were the first company in the world to launch an electronic lighting component that complies with the globally recognised Cradle to Cradle Certified® Standard. Based on the initial analysis, we are continuing to work on using healthy materials and increasing the recycled content of our products.

In our industry, certain raw materials are still essential for products to function. Finding substitutes for these materials and ensuring raw materials can be re-used safely is therefore a major challenge for us, and the reason we are always seeking partnerships with stakeholders who can join us on our journey to achieving this goal. However, we are not only focussing on the product itself, but have also set ourselves the goal of making our packaging recyclable by the end of 2024. In the last financial year, we switched more of our packaging to a cardboard alternative. Aiming to switch our entire product range to environmentally friendly packaging material will help us reduce plastic waste and recycle the cardboard used to a high standard.

In January 2023, we reached another milestone with the awarding of our first gold medal by independent sustainability ratings agency EcoVadis. On the one hand, this is an important acknowledgement of our activities, but also a huge incentive to continue making further improvements.

To ensure our future success and contribution to sustainable development, sustainability must continue to be an integral part of our corporate culture, processes and actions. I firmly believe that sustainability and digitalisation are absolutely essential to continued healthy and successful business operations.

Hugo Rohner, CEO

Company

Tridonic founded
in 1956

367 million Euro
turnover

1,687 employees

Innovative power

35 % turnover
from new products

65 new patents
in the business year
2022/2023

Tridonic – the technology brand of the Zumtobel Group

Tridonic GmbH & Co. KG[1] is headquartered in Dornbirn, Austria, as is its listed parent company, Zumtobel Group AG.

The company provides its customers and partners with smart, sustainable lighting. Tridonic's high-quality lighting components are extremely reliable and enable considerable energy savings to be made. The company supplies the lighting industry with a steady stream of innovations and state-of-the-art lighting solutions.

Many of our research projects are devoted to the development of new LED systems and connected lighting technologies. As a major player in the lighting industry, Tridonic primarily supplies luminaire manufacturers, but also lighting designers, architects, real estate developers, investors and electrical installers.

In the 2022/23 financial year, Tridonic generated sales of €367 million. The company employs 1,687 people worldwide. Tridonic focuses on sustainable, profitable growth in the core application areas of sales, hotels and catering, office and education, outdoor applications and industry.

Market position and brand positioning

Tridonic occupies a strong position in the global lighting controls and control gear elements sector. As a global driver of innovation in the field of light-based, sometimes Bluetooth-based, network technology, Tridonic develops scalable, future-oriented solutions that make new business models possible for luminaire manufacturers, building managers, systems integrators and many other types of customers. As well as manufacturing components and system solutions for the Zumtobel Group's own luminaire brands, Tridonic supplies luminaire manufacturers all over the world and generates over 80% of its sales outside the Zumtobel Group. More than 2,500 active patents demonstrate the company's capacity for innovation.

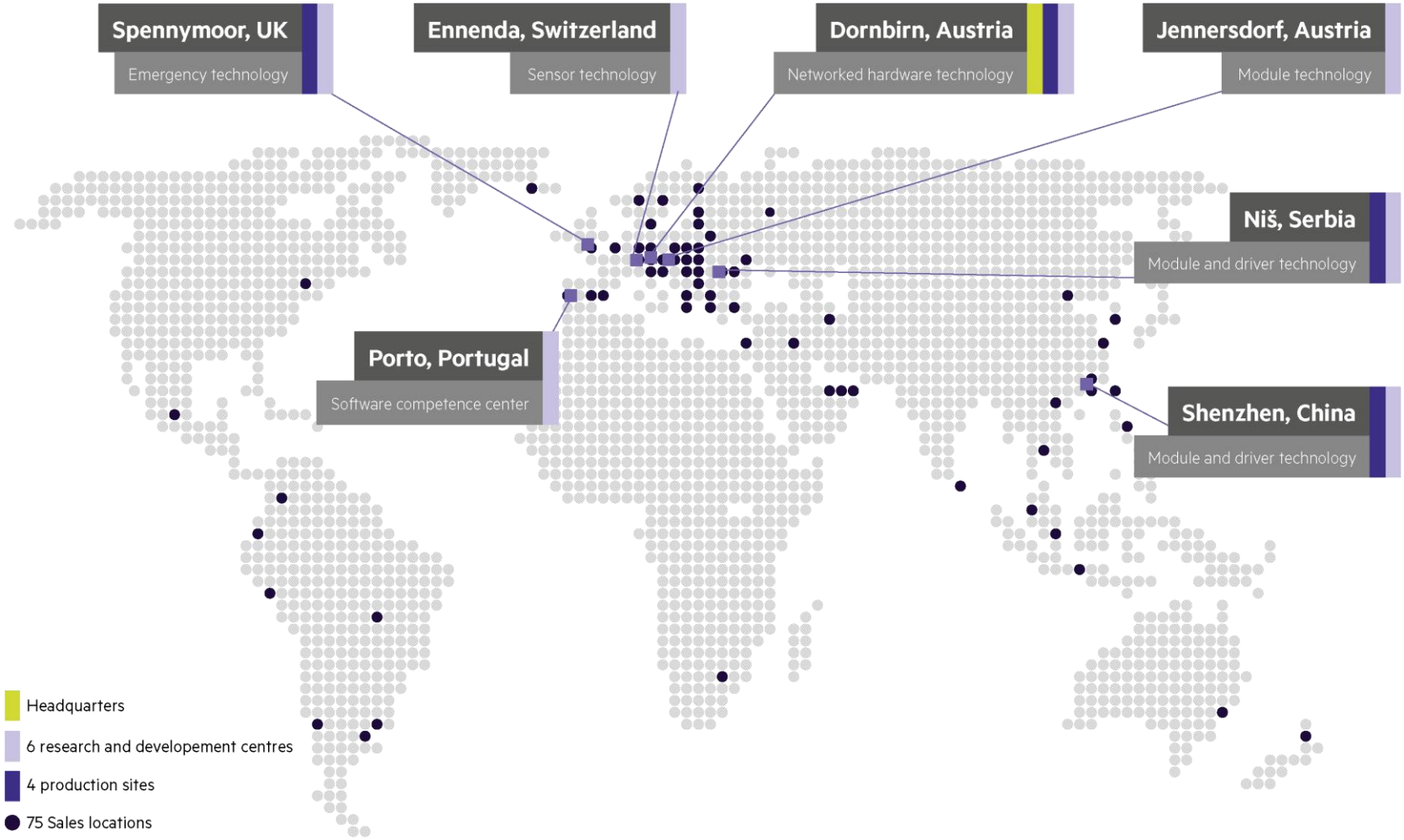
In the 2022/23 reporting year, Tridonic also continued to focus on the trends of digitalisation and networking in order to deliver technologies for smart, networked lighting systems for new services and business models. The software centre of excellence in Porto (Portugal) has been further expanded in recent years and is now the company's hub for software development.

[1] Privately owned and incorporated enterprise

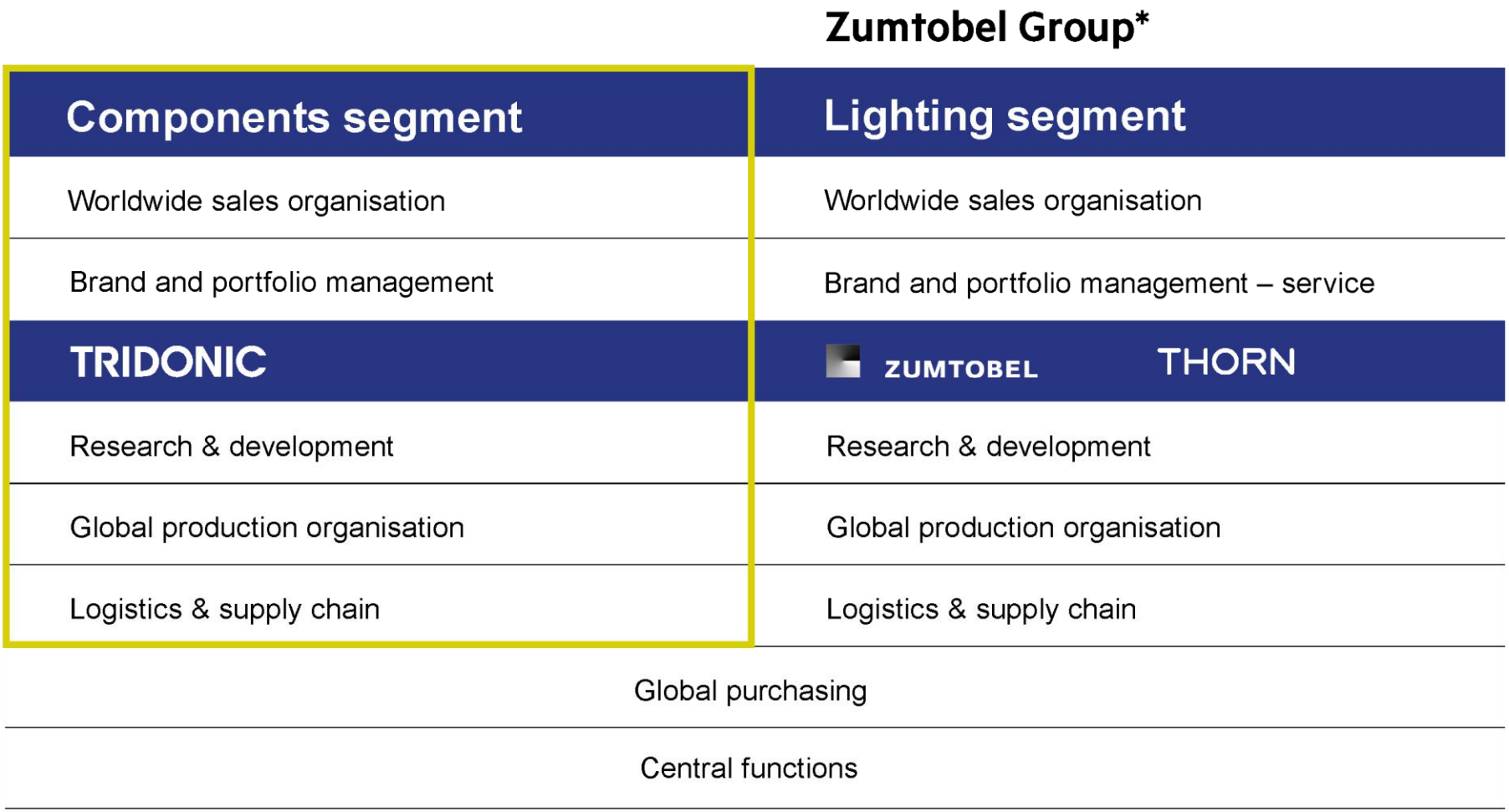
Production, development and sales locations

Tridonic has four production sites, six technology centres and 75 sales locations.

This report concerns Tridonic GmbH & Co. KG.



Tridonic's organisational structure within the Zumtobel Group



Simplified view (as of 2022)

For more than 60 years, Tridonic has been a driving force in the development of professional lighting solutions. Tridonic was founded in 1956 under the Zumtobel name. The name Tridonic was later created, and the company subsequently established as an independent part of the Zumtobel Group in 1991. Within the company structure, Tridonic represents the component segment.

Zumtobel Group AG acts as the parent company of the group, which is why Group-wide management and service functions (corporate functions) have been established.

The central functions of the Zumtobel Group comprise:

- insurance
- IT and process management
- purchasing
- law, audit & compliance
- human resources
- finance, in particular treasury

The Zumtobel Group thus comprises a lighting segment with the Zumtobel and Thorn brands and the Tridonic components segment.

Tridonic plays a leading role in the manufacture of hardware and software for lighting systems (LED light engines, LED drivers, sensors and lighting management).

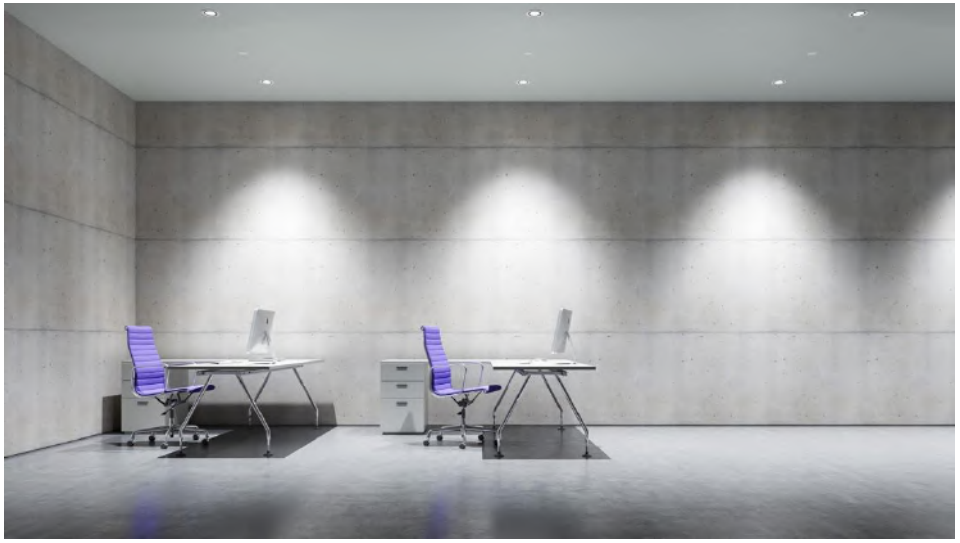
Tridonic's product portfolio includes solutions for both indoor and outdoor lighting. Its indoor lighting products are aimed at the sales, hotels and catering, office and education, and industry segments, while its outdoor lighting range includes applications for roads, tunnels and sports facilities. Tridonic also offers various software solutions for lighting controls.

Sales

Outdoor

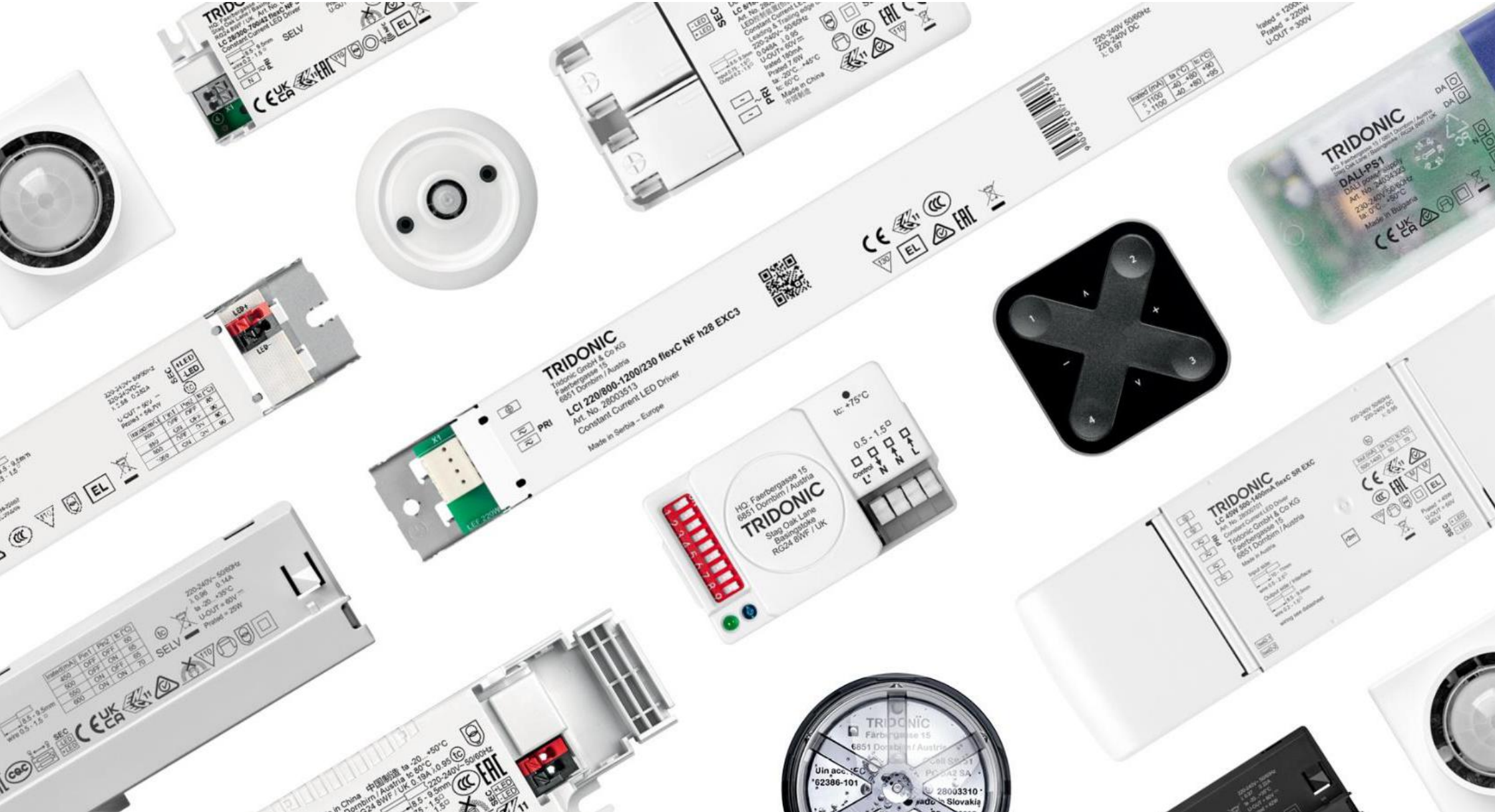
Industry

Office & education



Product portfolio

Tridonic is a provider of LED modules, LED drivers and sensors, and control, hardware and software solutions.



Management Board

The Management Board includes Chief Executive Officer (CEO) Hugo Rohner, Chief Financial Officer (CFO) Alexander Stieger and Chief Operations Officer (COO) Alexander Jankovsky, all of whom have extensive expertise in corporate strategy, finance and sales.

The members of the Management Board are fully committed to working together to ensure the company's success so that Tridonic can continue to play a leading role in the industry for many years to come.

Hugo Rohner, CEO

Alexander Stieger, CFO

Alexander Jankovsky, COO

Sustainable Tridonic

In the 2022/23 financial year, the Sustainable Tridonic sustainability programme was developed into a comprehensive sustainability strategy. As part of this, Tridonic expanded its strategy to include Environmental, Social and Governance (ESG) aspects relevant to the company. Many ESG aspects were already integrated into company policies but not yet embedded in the Sustainable Tridonic strategy.

Tridonic is concentrating on three areas of focus along the entire value chain as it moves towards sustainability.

Partner of choice

As a partner of choice, Tridonic values collaboration with employees, customers, suppliers and stakeholders. The company aims to maintain close ties with them and to work together on developing solutions that align with Tridonic's sustainability goals. This is about not only meeting legal requirements, but also a comprehensive understanding of mutual needs and expectations. Tridonic aims to involve partners in its own commitment to sustainability and inspire them with these goals.

Environmental protection

Environmental protection is a central aspect that is hugely important at both an internal and intercorporate level. Tridonic has set itself the goal of reducing its environmental impact along the entire value chain and minimising its ecological footprint. To achieve this goal, the lighting specialist is focussed on switching to renewable energies, reducing greenhouse gas emissions and implementing waste prevention and recycling measures. Tridonic aims to achieve climate neutrality for Scope 1 and Scope 2 emissions by 2025. The Zumtobel Group's signing of the Science Based Targets initiative represents a significant step towards reducing emissions along the entire value chain.

Sustainable products

Resource efficiency is another area of focus along the entire value chain. Tridonic is committed to implementing circular processes and using healthy materials. To this end, the company is optimising its production processes, focussing on recyclability and developing sustainable products. Tridonic aims to conserve resources and to work with suppliers and customers to create a circular economy.

These three areas of focus form the foundation of Tridonic's sustainability strategy – with the full awareness that this path is not an easy one and requires constant effort.

> To achieve our ambitious goals, we will further integrate sustainability into our processes and organisational structures. Our focus is not only on meeting short-term goals, but above all on thinking and acting for the long term.
>
> Katharina Ionică, Sustainability Officer

The sustainability roadmap

This roadmap is based on the three pillars of ‘environmental protection’, ‘partner of choice’ and ‘sustainable products’. These cover the key topics that Tridonic places at the heart of its Sustainable Tridonic strategy in the short, medium and long term.

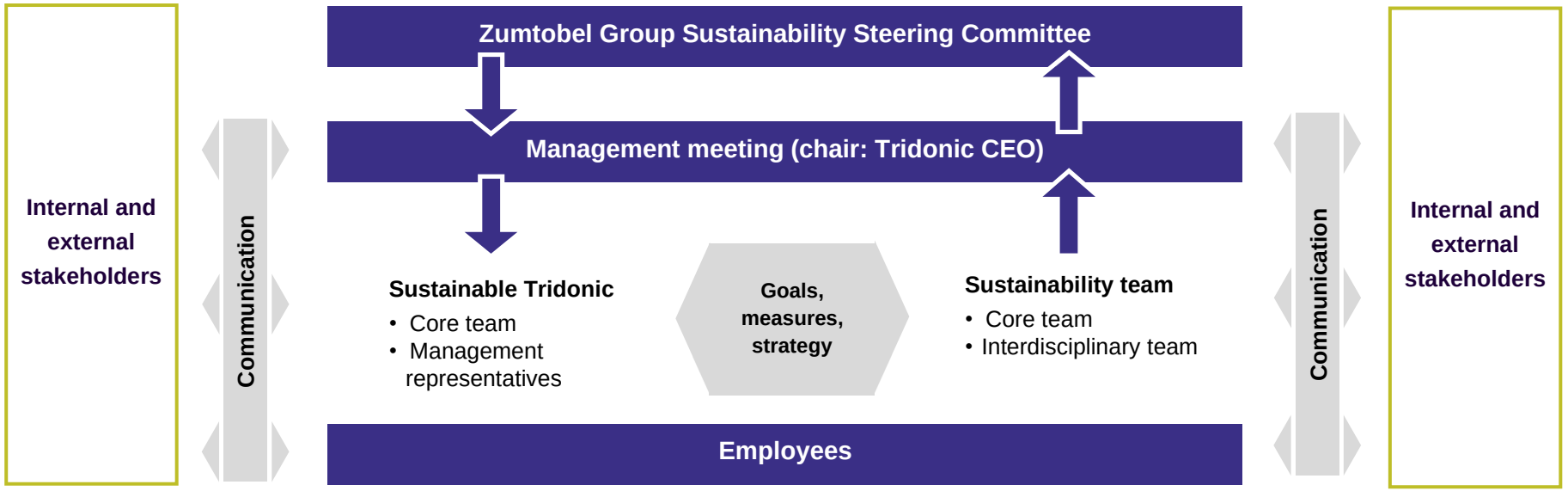
Areas of focus	Key topic	Measures, activities	ESG	Goal
Partner of choice				
Responsible employer				
	Occupational safety, health and well-being	ISO 45001 certification of all European locations	S	2024
		Creation of an overall concept for health management and implementation of the cornerstones at the main European locations (Group level)	S	2024
		Programme for recording and identifying the main cause of days lost and their duration (Group level)	S	2024
	Education and training	Roll-out of the 360° feedback tool (Group level)	S	2024
	Employee satisfaction	Staff surveys	S	2024
		Communication of departmental results by managers to employees; team workshops to define measures (Group level)	S	2024
	Human rights	Creation and roll-out of a human rights policy (Group level)	S	2024
	Product quality and safety	Meeting of the highest product safety standards	S	2023
	Customer satisfaction	Monitoring and improvement of customer satisfaction	S	2023
Responsible purchasing				
	Environmental and social standards in the supply chain	Further development of the sustainability questionnaire based on the expected EU due diligence directive (Group level)	E, S	2025
	Procurement & supplier management	Validation of sustainability performance (by EcoVadis, RMI, for example)	G	2024
Environmental protection				
Internal environmental protection				

	GHG emissions Scope 1+2	Concept for avoidance and reduction of residual GHG emissions at all major locations (focus on heat generation)	E	2023
		Development of a compensation strategy for residual emissions (Group level)	E	2024
		Implementation of concept and compensation strategy as well as independent validation of the achievement of climate neutrality (Group level)	E	2025
	Energy and waste management	Monitoring and continuous reduction of internal waste together with a continuous increase in energy efficiency, e.g. through modernisation projects	E	2024
	Environmental compliance	Retention of ISO certifications (ISO 9001, 14001, 50001, 45001)	E	2023
Inter-company environmental protection				
	Energy-efficient lighting solutions	Continuous improvement of the energy efficiency of the product portfolio	E	2025
	GHG Scope 3 emissions	Recording of emissions along the entire value chain (Group level)	E	2023
	GHG Scope 3 emissions	Creation of a net zero reduction plan in accordance with the Paris Agreement (Group level)	E	2025
Sustainable products				
Materials				
	Material reduction	Ongoing reduction of material usage in new products	E	2024
	Healthy materials	Ongoing retrieval of the material information	E	2025
	Recyclable materials	Packaging material is fully recyclable	E	2024
	Recyclable materials	Continuous increase of the recyclable material content in products	E	2024
Circularity				
	Circular product design	Definition and implementation of a sustainable design framework	E	2024
	Circular systems	Evaluation for possible circular economy systems	E	2025
	Services	Continuous development of EPDs for new products	E	2030
		All premium products are Cradle to Cradle Certified®	E	2030

Sustainability management

The Sustainability specialist team was set up by Tridonic CEO Hugo Rohner in 2021 and is supported by various internal specialist departments. The core team and the members of the extended interdisciplinary Sustainability team regularly work together to develop strategies and measures. Monthly reports are submitted to Tridonic's management, which consists of the Management Board and other key specialist department heads. The specialist team represents the following departments: Human Resources, Research and Development, Operations, Finance, Product Marketing, Sales, Purchasing and Business Excellence.

Through the monthly management meeting, the Management Board is able to provide oversight and to review information, activities and disclosures. Final approval is given by CEO Hugo Rohner. In addition, the Steering Committee of the Zumtobel Group meets on a quarterly basis and is composed of the Executive Board of the Zumtobel Group, the Group Sustainability department and various representatives of the Zumtobel, Thorn and Tridonic brands with relevant departmental responsibility. The Sustainability Steering Committee (SSC), which was set up for Group-wide sustainability management, decides on the strategic direction of Group-wide sustainability issues. The Zumtobel Group's Sustainability departments and the Sustainability specialist team at Tridonic communicate on a weekly basis.



More than 20 years of sustainability

*Together with the Zumtobel Group

ISO certifications

Sustainability is also reflected in the management structures. Since a well-established management system plays an important role at Tridonic, our management systems at all production sites worldwide are certified to ISO 9001, which then forms the basis for all subsequent certifications. All four production sites are certified to ISO 14001:2015, with all European sites also certified to ISO 45001 since the 2022/23 financial year. In addition, both the headquarters in Dornbirn and the factory in Spennymoor are certified to ISO 50001. See the chapter ‘ISO certificates‘ for an overview of the ISO certificates.

Environmental product declarations

Tridonic issued its first environmental product declaration (EPD) in 1998. These EPDs have been in use for more than 10 years in their current form. EPDs are extremely important for Tridonic, as they record the environmental impact of a product throughout its entire life cycle, from the extraction of raw materials, production and transport to installation, operation and disposal. The EPDs outline not only Global Warming Potential (GWP), but also the negative impacts on the ozone layer, the over-fertilisation of soils and the acidification of water bodies. The environmental product declarations are structured in accordance with ISO 14025 and EN 15804 and created using life cycle assessments (LCA) as a basis. The EPDs are verified by the Institut Bauen und Umwelt e.V. (IBU) and are audited regularly. EPDs are available for the majority of Tridonic products. See the chapter ‘Environmental product declarations‘ for more information.

Corporate mobility management

Sustainable employee mobility has also been an integral part of the company’s organisational structure since 1999. Various initiatives at the company headquarters in Dornbirn have encouraged employees to make their commute to work more environmentally friendly. These include company bicycles, subsidised public transport tickets, car park management, bicycle campaigns and an infrastructure that supports sustainable mobility, including showers and covered cycle parks for cyclists.

Greenhouse gas (GHG) reporting system

Tridonic has been measuring the emissions of various energy sources since 2014/15. Since the 2021/22 financial year, the measuring system has taken into account the requirements of the Global Reporting Initiative (GRI). Scope 3 emissions along the value chain are continually recorded in order to define measures for reduction.

Involvement in sustainability initiatives

It is vitally important for Tridonic to join both national and global Corporate Social Responsibility (CSR) initiatives to achieve its sustainability goals. These initiatives offer the opportunity for a company to position itself as a responsible actor, to share best practices and approaches in the network, to foster collaboration and to measure and improve its own performance. By joining these initiatives, Tridonic is committed to a sustainable future and contributing to positive change.

ECOPROFIT

ECOPROFIT is an Austrian initiative that helps companies in Vorarlberg to set up and continually improve an environmental management system. Tridonic has been an active partner of the initiative since its inception and received its 26th ECOPROFIT certification in 2022.

klimaaktiv pakt

The Austrian Federal Ministry for Climate Action, Environment and Energy's klimaaktiv pakt is a voluntary, reliable and transparent climate protection alliance for large companies. Under the professional guidance of klimaaktiv experts, Tridonic has developed a climate protection plan and is implementing its measures at company level. The overriding aim is to reduce GHG emissions by 50% by 2030 (compared to emissions in 2015). Progress in achieving these goals is reviewed annually by the Austrian Energy Agency and the Environment Agency Austria.

Austrian business council for sustainable development (respACT)

respACT is a leading Austrian initiative focussed on promoting networks and partnerships in order to leverage synergies. Tridonic has been a proud member of respACT since 2020 and actively contributes its expertise to the initiative.

UN Global Compact

In 2020, the Zumtobel Group joined the world's largest corporate social responsibility (CSR) and sustainable development initiative – the United Nations Global Compact. As of 2023, Tridonic is also an official signatory of the UN Global Compact, committing itself to implementing its ten principles on human rights, labour standards, environmental protection and anti-corruption. The Group's commitment to responsible company management is affirmed in the UN Global Compact's annual progress report (Communication on Progress, CoP). This report ensures all relevant stakeholders are kept informed about the activities and progress made in implementing the ten principles. The CoP also includes Tridonic's efforts and is submitted centrally by the Zumtobel Group. The latest version of the progress report is available to download from the Zumtobel Group's sustainability website.

EPEA Hamburg

EPEA (Environmental Protection Encouragement Agency) Hamburg is a leading company specialising in the development of Cradle to Cradle® solutions. Since its foundation in 1987, EPEA Hamburg has played a key role in promoting the circular economy and sustainable product development.

Tridonic has been working closely with EPEA Hamburg since February 2021 to drive forward the roll-out of Cradle to Cradle Certified® products. By using its professional consulting services, Tridonic benefits from EPEA Hamburg's comprehensive expertise in order to support the introduction of circular economy products.

EcoVadis rates Tridonic's sustainability performance

EcoVadis has grown to become the world's largest and most reliable provider of corporate sustainability ratings and has created a global network of more than 90,000 rated companies. In accordance with a company's size, location and industry, the EcoVadis methodology rates company policies and measures, as well as reports published by the company on subjects such as the environment, employment and human rights, ethics and sustainable procurement. This evidence-based rating of between 0 and 100 points is shown on a scorecard, which can be shared with other companies worldwide.

In its first-ever assessment in the 2022/23 financial year, Tridonic was awarded an EcoVadis gold medal.

This places Tridonic among the top 3% of companies in the industry, and in the field of environmental topics, it ranks among the top 1% of all companies in the industry evaluated by EcoVadis worldwide.

EcoVadis offers Tridonic a transparent and objective evaluation of its sustainability initiatives in various categories such as environment, employment and human rights, ethics and supply chain. The detailed analysis gives the company valuable insights into its strengths and weaknesses and enables it to make the necessary improvements. This helps Tridonic to define and achieve its sustainability goals.

Another benefit of the EcoVadis award is improved communication with Tridonic's stakeholders. The EcoVadis evaluation is an independent seal of approval for Tridonic's sustainability performance and gives customers, investors and partners confidence in the company's commitment to sustainability. Tridonic is able to communicate its successes and progress in a transparent manner and strengthen its brand as a responsible company.

Our EcoVadis gold medal is independent confirmation that we are on the right track when it comes to sustainability. We are proud to have received such a good rating on our first attempt. It gives us an incentive to do even better in our next evaluation.

Hugo Rohner, CEO

UN Sustainable Development Goals

At the UN Sustainable Development Summit in New York in September 2015, the United Nations General Assembly adopted 17 Sustainable Development Goals (SDGs) and 169 targets. UN member states in particular are committed to achieving these goals. However, responsible companies are also encouraged to help achieve the SDGs. As a globally active company, Tridonic believes it has a responsibility to make an active contribution to the United Nations' SDGs. The SDGs are embedded in its management systems and are communicated to the workforce in internal training programmes.

Not all the SDGs are equally relevant to Tridonic. For this reason, not all 17 SDGs are supported. Tridonic focuses on those goals where the company can have the greatest impact.

In particular, Tridonic supports the goals listed below.

SDG 3: Good health and well-being

Tridonic places great importance on continually improving the well-being of its employees. The company has therefore implemented an occupational health management (OHM) system and a comprehensive programme of measures for the prevention of illness at all its locations. The occupational health management system is always being further developed; employees are actively involved in the process in the form of standardised surveys (see Occupational safety, health and well-being).

In the event of longer-term illness, there is also a special programme for reintegration into the workplace. In addition, Tridonic provides its customers with lighting solutions that have a positive effect on human well-being.

SDG 4: Quality education

Opportunities for further training are an important factor in employee well-being. Tridonic therefore regularly holds ‘MyTalks’ sessions, in which individual further training and development opportunities can be discussed and identified. Courses covering foreign languages, soft skills training and change management are offered as required. All employees can see an overview of every available course on the internal MyCampus platform. Tridonic also regularly informs all employees of sustainability activities within the Group. Another initiative aimed at supporting training is the company’s collaboration with technical colleges and universities. Tridonic offers students the opportunity to get to know the company better and to work on their thesis together with Tridonic, for example.

SDG 5: Gender equality

Tridonic strongly opposes any form of discrimination. This is also clearly stated in the Code of Conduct. Part-time working models, opportunities to work from home and partnerships with various childcare facilities at the Dornbirn site help employees balance work and family life.

SDG 6: Clean water and sanitation

Tridonic is fully committed to the efficient use of water. The company uses this valuable resource sustainably and carries out annual inspections to ensure water quality complies with the strict standards. The results of these inspections are always well within the prescribed limits. In addition, Tridonic uses water-saving fixtures and fittings in its sanitary facilities, regularly checking their functionality. At the factory in Niš, the company has also installed a rainwater collection system, the water from which is used to irrigate the grounds.

SDG 7: Affordable and clean energy

Tridonic is making a significant contribution to reducing the energy requirements of lighting systems by developing increasingly energy-efficient products. However, Tridonic is committed to the responsible consumption of energy not only in the use but also in the manufacture of its lighting components, which is why green energy is used at all its European factories. It also implements ongoing measures to reduce energy consumption. The company’s sustainable approach is confirmed by ISO 50001 certification and the ECOPROFIT certificate, highlighting Tridonic’s commitment to environmentally friendly production.

SDG 8: Decent work and economic growth

Legislation and internal guidelines are strictly followed throughout the whole company. These are set out in the Corporate Policies and the Codes of Conduct for employees and business partners. In addition, Tridonic pays fair wages that are generally above the statutory minimum wage. Tridonic is resolutely opposed to any form of child labour or forced labour and vets all its suppliers to ensure it is not being used. All business partners must therefore comply with the Code of Conduct, which is regularly audited. Partners who fail to comply with the Code of Conduct are subject to an escalation process. These measures ensure humane working conditions, help prevent child labour and forced labour, protect employment rights and create a safe working environment throughout the whole company and in the supply chain.

SDG 9: Industry, innovation and infrastructure

It is crucial for Tridonic to further the development of new products and innovations in order to remain at the cutting edge of technology. Tridonic therefore works closely with various research institutions and universities to find solutions to new challenges. In the 2022/23 financial year alone, 65 patents were registered (previous year: 66), which highlights the increasing importance of smart components. The number of active industrial property rights, currently 3,493 and including 2,586 patents, is testament to Tridonic's excellent capacity for innovation.

SDG 12: Responsible consumption and production

Tridonic places great value on the sustainability of its products and takes various approaches to achieve its goals in this respect, including the use of environmental product declarations to analyse and improve the ecological footprint of its products. The company also works within the Cradle to Cradle® framework to ensure its products are not only environmentally friendly but also harmless to health. Digitalisation makes processes more efficient and exploits the potential of the circular economy. The switching of all packaging to recyclable material by the end of 2024 is another step towards saving resources.

SDG 13: Climate action

Tridonic is actively committed to climate protection within the company and implements measures aimed at raising awareness of this issue among its employees. Supplier management also increasingly involves suppliers in climate protection measures. Through innovative products and new developments, Tridonic is able to help its end customers consume less energy and thus reduce emissions. Tridonic's efforts in this area are confirmed by certifications to ISO 50001 (energy management) and ISO 45001 (environmental management). In the 2022/23 financial year, a decision was made at Group level to join the Science Based Targets initiative.

SDG 16: Peace, justice and strong institutions

SDG 16 is supported by the regulations in the Group-wide Code of Conduct, which include the significant reduction of corruption and bribery. The company places great emphasis on creating accountable and transparent institutions at all levels. It promotes needs-based, inclusive and representative decision-making as well as non-discriminatory legislation in favour of sustainable development.

SDG 17: Partnerships for the goals

Tridonic recognises that the challenges of climate change require strong partnerships. The company therefore works closely with partners in the fields of science, technology and innovation to develop innovative solutions and support sustainability initiatives. Tridonic is also an active member of global partnerships such as the UN Global Compact in order to further develop its sustainability activities and create synergies.

Partnerships and memberships

Tridonic relies on strong partnerships with leading organisations in the lighting industry when developing new lighting solutions.

The company's research & development department covers the entire value chain with its memberships in associations, committees, consortia and alliances. The Group provides resources that enable employees to shape standards and guidelines that ultimately benefit the entire lighting industry, customers and users alike. This also ensures that the field of 'light' represents the interests of the lighting industry and is well integrated in construction thanks to increasing interconnectedness.

Through active participation on national, European and international standardisation committees, Tridonic ensures that issues such as safety, sustainability and light quality are appropriately represented and industry standards defined.

This includes the company's involvement with the IEC (International Electrotechnical Commission) and CIE (International Commission on Illumination), the ZVEI (German Electrical and Electronic Manufacturers' Association) and the British trade association, LIA (Lighting Industry Association).

Tridonic is also a member of alliances and consortia such as the DiiA (Digital Illumination Interface Alliance) and Zhaga, which promotes the standardisation of interfaces for luminaire components.

Away from standardisation, Tridonic works closely with industry partners as well as with research bodies and technical colleges. Its many academic partners include institutes such as the Vorarlberg University of Applied Sciences, V-Research, the Fraunhofer-Gesellschaft and Silicon Austria Labs (SAL), who are working with Tridonic on several national and international research projects. Tridonic also regularly supervises Bachelor, Master and PhD students.

In addition, it collaborates with industry partners such as Casambi, Paradox and the Irida Labs, who provide technologies in which Tridonic itself does not invest.

At EU level, these collaborations are being consolidated on various research projects, including the AI-TWILIGHT project, which aims to develop the digital twins of LED light engines and electronic components as well as AI-based self-learning models.

Tridonic firmly believes that the challenges of transitioning to a resilient future-proof system can only be overcome together. Only when all stakeholders work together towards a common goal will transformation be possible and the concept of circularity integrated within the entire value chain. Incorporating the latest technology allows Tridonic to develop innovative solutions that meet the demands of the modern, ever-changing world.

Consortia

ZVEI:

FEEI Fachverband der Elektro- und Elektronikindustrie

IPC Member

Industry alliances

DALI Alliance

ZHAGA Regular Member

THREAD

csa connectivity standards alliance

Bluetooth

TALQ

Subsidies

EUROPEAN UNION

FFG Forschung wirkt.

Climate-related risks and opportunities

Together, Tridonic and the Zumtobel Group systematically analyse climate-related risks and have defined two risk categories: physical risks resulting from the assumed change in climate, as well as transition-related risks arising from the transition to a CO_2-reduced economy.

Physical risks

Potential risks are assessed within the new EU taxonomy framework. They arise from the current potential risks and the climate change scenarios (RCP 4.5 and RCP 8.5) created by the Intergovernmental Panel on Climate Change (IPCC). RCP 4.5 is the optimistic scenario, in which it is assumed that emissions will peak in 2040 and then decrease. By contrast, RCP 8.5 is the 'business as usual' scenario, which models the conditions if we continue to operate in the same way as before. Potential risks can be identified and assessed using these scenarios. At every company location, climate risks are assessed, existing measures reviewed and new measures defined if required.

At the time of reporting, no notable risks had been identified in the assessment of all Group locations. Increased intensity of precipitation and rising temperatures pose low potential physical risks. Tridonic is already taking this into account with appropriate measures and will continue to do so going forward. This approach takes into account potential consequences such as damage to assets, interruption of availability in procurement and production stoppages. At all locations, measures to combat climate risks and other risks are summarised in a hazard prevention plan.

According to the analysis of climate scenarios for the next 30 years, an increasing number of hot days, potential drought as well as an increasing frequency and intensity of extreme weather events are likely.

However, this does not pose any greater risk and does not require any short-term action. The assessment of the physical risks at all locations shows that neither Tridonic nor the entire Zumtobel Group are exposed to any substantially higher risks as a result of climate change.

Transition-related risks

Political and legal developments are resulting in an increasing number of reporting and disclosure requirements at parent company level. Stricter legal requirements relating to emissions reduction are also associated with this, for example. Accordingly, the developments are being proactively considered and assessed in the Group-wide management system's context and impact analysis, and appropriate measures introduced in a timely manner. To reduce emissions, goals have been formulated and major reduction measures for the path to climate neutrality already initiated and implemented.

Tridonic sees the competitiveness of its products from a sustainability perspective as a potential technological risk. To counteract this risk, tools such as life cycle assessments are being used as early as the product development process stage. This allows Tridonic to provide its customers with sustainable, extremely energy-efficient products together with services and product-related information such as environmental product declarations.

There may be potential risks to the company's reputation if products and services are perceived as not sustainable or not sustainable enough. Great importance is therefore given to fact-based communication on sustainability and environmental issues. The environmental impact of products is systematically documented in independently verified environmental product declarations.

Transition-related opportunities

The risks involved in the transition to a decarbonised economy are also accompanied by major opportunities. One such opportunity may arise from market developments, with customers increasingly demanding environmentally friendly products and services and taking into account and assessing a company's sustainability performance when making purchasing decisions. This gives Tridonic a competitive advantage in terms of sustainability.

Environmental aspects matrix

All Tridonic production sites are certified to ISO 14001, therefore determining the key environmental aspects of the products and activities. Abnormal conditions and foreseeable emergency situations are also taken into account. Measures to minimise environmental impact are derived from the assessment of the opportunities and risks.

In the past financial year, the environmental aspects matrix was updated at Group level and adapted to the requirements of the European Sustainability Reporting Standards (ESRS), with all value-adding downstream and upstream business processes being analysed and updated in the environmental aspects matrix.

Key aspects with a direct environmental impact for the manufacturing locations such as electricity, CO_2 emissions, fossil fuels and combustibles, raw material and packaging are derived from the environmental aspects matrix. A key process with the greatest environmental impact for Tridonic is automated manufacturing (soldering processes, automated assembly).

The main upstream processes with a large environmental impact are the transport of goods and employee commutes. Significant environmental aspects here include fossil fuels and CO_2 emissions. Furthermore, the purchase of raw materials and packaging also has a significant indirect impact on CO_2 emissions. The main downstream processes involve the use of the sold products, with electricity the key environmental aspect here. The end-of-life treatment of the products is an equally relevant aspect; here, the waste generated is key.

Environmental conditions and their potential adverse impact on the production sites are identified and regularly reviewed as part of the environmental management systems in the Group-wide context analysis. Current potential impacts are always taken into account and measures to reduce any adverse impacts implemented accordingly.

In the financial year just ended, a climate risk and vulnerability assessment was carried out for all factories based on the requirements of the EU Taxonomy Regulation and the European Sustainability Reporting Standards. As previously mentioned, the environmental conditions that may affect the company were also assessed using two climate scenarios (Representative Concentration Pathways 4.5 and 8.5).

The climate risk and vulnerability assessment did not identify any significant risks for the factories. All risks are also documented in a hazard prevention plan for the ISO 14001-certified sites, and corresponding measures for risk minimisation have been defined and implemented.

			Use of resources								Environmental aspects								
		ESRS	E5 Circular economy			E1 Climate change				E3 Water	E1 Climate change	E2 Pollution				E5 Circular economy		E4 Bio-diversity	
		GRI	Material			Energy				Water	Air	Air	Water	Soil	Noise	Waste		Biodiversity	
		R&D	Raw material	Packing of purchased & sold material	Operating supplies	Electrical energy	Thermal energy	Energy sources (diesel etc.)	Fossil fuels (gas)	Water	Emissions CO_2	Emissions air, other	Emission water	Emission soil	Emission noise	Non-hazardous waste	Hazardous waste/ SVHCs	Natural habitat	Summary
Upstream	Purchased goods and services	x	0	0	0	0	0	0	0		25	0	0	0	0	0	0	0	**25**
	Upstream transport		0	0	0	0	0	0	0		25	0	0	0	0	0	0	0	**25**
	Business travel		0	0	0	5	0	15	0		15	5	0	0	5	0	0	5	**50**
	Employee commuting		0	0	0	10	0	20	0		20	10	0	0	5	0	0	5	**70**
	Administration/office/sales (leased)		5	0	0	15	15	0	15	2	5	5	5	0	0	5	5	5	**82**
	Internal & own transport with own vehicles		0	0	0	5	0	20	0		20	15	0	0	5	0	0	5	**70**
	Manual installation	x	15	15	5	5	0	0	0		0	0	0	0	0	5	0	0	**45**
	Automatic installation	x	20	20	10	20	0	0	0	1	5	5	0	0	0	20	15	0	**116**

	Packaging	x	0	20	0	5	0	0	0		0	0	0	0	0	5	0	0	**30**
	Commissioning		0	20	0	5	0	0	0		0	0	0	0	0	5	0	0	**30**
	Service provision	x	10	10	0	5	0	0	0		0	0	0	0	0	10	0	5	**40**
	Maintenance (machines/ buildings)		5	5	10	5	0	0	0	1	0	0	5	0	0	5	15	5	**56**
	Infrastructure/manufacturing		0	0	0	20	15	5	15	2	15	5	5	0	0	5	0	5	**92**
	Administration/office/sales (own)		5	0	0	15	15	0	15	2	15	5	5	0	0	5	5	5	**92**
Downstream	Processing of sold products	x	0	0	0	5	0	5	0		5	0	0	0	5	15	0	0	**35**
	Use of sold products	x	0	0	0	25	0	0	0		0	0	0	0	0	0	0	10	**35**
	End-of-life treatment of sold products	x	0	0	0	5	5	5	0		5	5	0	0	0	20	5	10	**60**
		Summary	**60**	**90**	**25**	**150**	**50**	**70**	**45**	**8**	**155**	**55**	**20**	**0**	**20**	**100**	**45**	**60**	

Customer satisfaction

Tridonic places great emphasis on various measures aimed at ensuring a positive customer experience.

In order to better understand the needs and expectations of its customers, Tridonic regularly carries out customer surveys known as Brand Equity Monitors (BEM). These surveys provide valuable feedback and allow products and services to be adapted and improved accordingly. In February 2023, Tridonic also introduced a survey on sustainability, which will be integrated into the BEM going forward. This will allow the company to ensure customers' sustainability needs can be met and to identify which issues need greater attention. The next big BEM is planned for autumn 2023.

In addition, Tridonic organises customer workshops, events and opportunities for sharing knowledge about various issues. These platforms offer Tridonic's customers the opportunity to make direct contact with experts, expand their knowledge and discuss current issues. In-person dialogue enables Tridonic to respond even more effectively to the individual needs of customers and develop innovative solutions.

Tridonic uses comprehensive quality assurance measures to ensure the quality of its products and services. Careful testing throughout the production process ensures consistently high quality standards. For more information, see

Product quality and safety. Tridonic takes all customer feedback seriously and does everything in its power to solve problems quickly and satisfactorily, with the help of its effective complaints management system.

Tridonic is actively committed to improving customer satisfaction and works continuously to strengthen customer relationships.

Digitalisation

Tridonic sees digitalisation as a key factor for future, sustainable business. Digitalisation creates a wide range of opportunities: process and transaction costs can be reduced and the agility of the company improved, while customer communication becomes more personal and needs-based. It also creates new opportunities for innovative digital services such as predictive maintenance. See the chapter ‘Circularity’ for more information. Tridonic firmly believes that sustainability and digitalisation are closely linked and can create synergies.

A department dedicated to digital transformation has been set up at Tridonic.

Innovation

Research and development (R&D) are key to the company's capacity for innovation. For Tridonic, an extensive patent portfolio of new technologies is crucial in gaining a competitive edge and access to strategic collaborations with other companies, as well as in being able to conclude patent licence exchange agreements with major market players.

> Our research and development activities are focused on finding innovative solutions that meet our customers' needs while making a positive contribution to sustainability.
>
> Antonio Andrea Romano, VP R&D

In the 2022/23 financial year, 65 patents were registered (previous year: 66), which highlights the increasing importance of smart components. The number of active industrial property rights, currently 3,493 and including 2,586 patents, is testament to Tridonic's excellent capacity for innovation and makes Tridonic the second most active Austrian company in terms of European patent applications.

A total of €28.7 million was spent on R&D activities in the reporting year. Due to the impact of COVID-19, the geopolitical situation and the resulting supply bottlenecks, the focus of activities in the last financial year remained on searching for and adapting electronic components and materials as well as identifying additional suppliers. Designing alternative components in existing products enabled the company to become more resilient to supply bottlenecks and simultaneously update its product portfolio.

Nevertheless, there was also significant progress in terms of new product developments, with the focus on rolling out the latest generations of LED drivers and LED modules as well as on connectivity, sustainability and energy efficiency. Examples can be found in the chapter 'Sustainable products and applications'.

Transparency and reporting

Transparent communication and informative reporting are crucial in gaining stakeholders' trust and achieving long-term sustainability goals.

Certified management systems such as ISO certifications for the environment (ISO 14001), energy (ISO 50001) and occupational health and safety (ISO 45001) play a significant role in ensuring the company meets stakeholders' requirements. Implementation of the company's sustainability goals is assured by close collaboration with the Management Board and the relevant specialist departments. Regular communication of sustainability performance and the integration of key performance indicators (KPIs) are essential in enabling the company to react quickly to any deviation from the goals.

Robust environment, social and governance (ESG) criteria are also becoming increasingly important. New regulatory requirements and harmonised reporting standards such as the Corporate Sustainability Reporting Directive and the European Sustainability Reporting Standards aim to create more transparency and better comparability. Customers and stock markets increasingly require companies to have a strong ESG profile.

Whether a company is making progress on climate protection, consolidating sustainable production patterns or switching to a circular economy, transparency is the key to a successful sustainability strategy.

Sustainable increase in company value

Tridonic firmly believes a company's long-term success should be measured not only by financial indicators, but also by its contribution to society and the environment.

It is therefore committed to integrated, sustainable action aimed at increasing the value of the company.

Long-term success can be achieved through the comprehensive integration of sustainability in its corporate strategy and practices. The focus is on creating products and services that are socially responsible, environmentally sustainable and economically viable. Tridonic strives for a win-win situation in which it assumes its responsibility towards the environment and society while simultaneously increasing the value of the company.

Sustainable financing and investments

The greening of the economy offers considerable opportunities for the stakeholder group of investors. Within the framework of the EU Action Plan on Sustainable Finance, the redirection of capital flows towards sustainable investments is a key objective. Against this backdrop, the EU Taxonomy Regulation came into force in mid-2020. As a standardised and legally binding classification system, it defines which economic activities are considered environmentally sustainable in the EU. Parallel to this, the percentage of sustainable financing in companies is also rising. Sustainable financing has long ceased to be a passing trend and is playing an increasingly important role.

Tridonic recognises the need to integrate environmental and social aspects into its corporate practices in order to have a positive impact on the environment and society.

EU Taxonomy

The EU Taxonomy classification system is based on the Taxonomy Regulation. It applies to the Zumtobel Group and thus also to Tridonic.

> The EU Taxonomy creates transparency and comparability when reporting on aspects of sustainability. It also provides guidance and a framework for integrating sustainability into corporate strategy and planning, and for facilitating sustainable investment.
>
> Alexander Stieger, CFO

The regulation defines four conditions that must be met for an economic activity to be classified as sustainable.

1. An economic activity must make a significant contribution to at least one of the two environmental objectives (climate change mitigation, climate change adaptation). Going forward, an economic activity will have to make a significant contribution to at least one of six environmental objec-tives outlined in Art. 9 (EU) 2020/852:
   - Klimaschut Climate change mitigation
   - Climate change adaptation
   - Sustainable use and protection of water and marine resources
   - Transition to a circular economy
   - Pollution prevention and control
   - Protection and restoration of biodiversity and ecosystems
2. An economic activity is only sustainable if, in addition to its significant contribution to at least one environmental objective, it ensures that it does ‘no significant harm’ to any of the other objectives.
3. In order to be classified as sustainable, the economic activity must meet both minimum social safeguards and technical screening criteria.

On the basis of this regulation, the EU Commission has passed two delegated acts, which specify the technical screening criteria and define the publication methodology.

For the 2022/23 financial year, in addition to the taxonomy eligibility, the taxonomy alignment of the turnover, capital expenditure (CapEx) and the proportionate share of operating expenses (OpEx) must also be assessed for the environmental objectives ‘Climate change mitigation’ and ‘Climate change adaptation’ for the first time.
A project team was set up within the Zumtobel Group for this purpose, comprising the Corporate Accounting & Tax, Group Sustainability, Controlling Lighting Brands, Controlling Tridonic and Global Quality departments. In separate tasks, the economic activities were first evaluated and the criteria for the individual economic activities analysed using the EU Commission’s IT tool (Taxonomy Compass). This analysis served as the basis for an initial evaluation of taxonomy eligibility at Group level.

Any activities directly related to Tridonic’s turnover or activities for which individual measures related to CapEx or OpEx were taken were identified as economic activities associated with the value-adding process.
An overview of the taxonomy-eligible economic activities identified can be found in the Appendix (‘Overview of the identified taxonomy-eligible economic activities’).

Verification of taxonomy alignment

To consolidate knowledge, an internal platform has been set up containing all the informational material and links to the legal bases together with documents and training videos on the EU Taxonomy and the individual economic activities.

For the data analysis, particular attention was given to verifiability and the two-man rule to ensure complete verification.
The results of the climate risk and vulnerability analysis and the minimum safeguarding requirements were analysed and documented at Group level by the central functions Global Quality and Group Sustainability.

In the Zumtobel Group's view, the definitions used in the EU Taxonomy and the associated delegated acts can be interpreted differently. When it came to the interpretation of some economic activities, a 'prevailing opinion' could still not be identified at the time of reporting. In a few cases, it was also not possible to obtain evidence from third parties regarding the alignment of the economic activity, which was then classified as not taxonomy-aligned (e.g. in the case of the tyre configuration of electric vehicles or external data centres). To ensure consistent reporting, contact was and is being sought with stakeholders in the lighting industry to improve scope and comparability.

KPIs

A specific approach was developed for each KPI for analysis of the taxonomy-aligned part of the key performance indicators (KPIs) turnover, capital expenditure (CapEx) and operating expenses (OpEx) of the respective economic activities.

1. Turnover

Taxonomy-aligned turnover comes from the part of the revenues that meet the technical screening criteria for economic activity 3.5 'Manufacture of energy efficiency equipment for buildings'.
The technical screening criteria for economic activity 3.5 (g) define as taxonomy-aligned those light sources, which, according to Regulation (EU) 2017/1369 of the European Parliament and Council on energy labelling and to the delegated acts adopted on the basis of this Regulation, have been assigned to the two highest energy efficiency classes, and which are already available in products on the market. The European Product Registry for Energy Labelling (EPREL) defines energy efficiency classes A and B as the maximum energy efficiency classes for light sources in 'containing products'. Only turnover involving light sources in energy efficiency classes A or B is therefore recorded as taxonomy-aligned. Because emergency lighting does not have an energy efficiency class according to the relevant EU Regulation, the technical screening criterion does not apply here. The manufacture of LED drivers has been assigned to subcategory 'm' and that of sensors to subcategory 'j', which means the abovementioned technical screening criterion does not apply here either.

2. CapEx

Taxonomy-eligible capital expenditure (CapEx) consists of additions to tangible assets, assets under construction and intangible assets. Taxonomy-eligible CapEx comprise investments in either category (a) or (c) of the delegated act for Art. 8 1.1.2.2.
These include investments in machines and tools for the manufacture of energy-efficient LED components, investments in the product development of energy-efficient LED components and in the hardware and software of lighting control systems, for example. Taxonomy-aligned CapEx is calculated using the same method as for the turnover.

3. OpEx

Operating expenses (OpEx) include all direct, non-capitalised costs for research & development expenses, building refurbishment works, and repair & maintenance expenses.

Taxonomy-eligible OpEx are operating expenses in either category (a) or (c) of the delegated act for Art. 8.1.1.3.2. They include directly attributable operating expenses for taxonomy-eligible economic activities (the manufacture of energy-efficient LED components etc.) and pro-rata OpEx for taxonomy-eligible research projects, for example. Taxonomy-aligned OpEx are again calculated using this same process.

Stakeholder management

Tridonic cultivates transparent dialogue with all relevant stakeholders, using it to exchange information and share points of view. This allows the expectations and requirements of the various groups to be discussed and integrated into the corporate strategy. The dialogue also helps to identify risks and opportunities at an early stage and to build trust.

The in-depth and direct dialogue with customers, suppliers, local residents and neighbours, and project partners particularly encourages the development of innovative and sustainable solutions. The following table gives an overview of the main stakeholder groups.

Stakeholders

Owners
- Supervisory Board meetings and shareholders' meeting

Customers/business partners
- Face-to-face meetings, newsletters & trade fairs, training

Architects/designers/planners
- Collaboration on projects

Suppliers/manufacturers
- Supplier audits, annual reviews, ongoing dialogue

Research/science sector
- Collaboration with technical colleges and universities

Political stakeholders/authorities
- Manufacturers' associations, standardisation bodies, employers' associations

NGOs/NPOs
- Joint corporate citizenship projects

Employees/temporary workers
- Employee appraisals, events, social media, INlight

Local residents, neighbours
- Direct communication, site visits

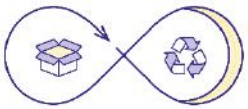
Materiality

This report represents Tridonic's materiality analysis. The materiality analysis is carried out at Zumtobel Group level with the participation of the brand representatives.

The materiality topics for reporting in the ESG categories of environment, social and governance together with the results of dialogues with stakeholders and experts are summarised under the three areas of focus 'environmental protection', 'partner of choice' and 'sustainable products'.

Because the materiality analysis at Group level includes the three brands Zumtobel, Thorn and Tridonic, the materiality topics listed here may differ slightly in terms of content from the topics of the materiality analysis at Group level. It is important to note that each brand has its own identity and specific focus, which may result in subtle differences in the materiality aspects identified. Nevertheless, the utmost care is taken in identifying the key concerns and priorities for all the brands, to ensure a comprehensive and informative materiality analysis at Group level. The materiality described here refers to Tridonic.

The process of identifying the material topics for the report has been verified by various stakeholders, and reviewed and approved by the highest executive body, the Management Board. Below is a structured list of the material topics and their relationship to the areas of focus, ESG criteria and SDGs:

Area	ESG	Areas of focus	Materiality topic	SDGs
Responsible company management	G	Partner of choice 	Digitalisation	8
	G		Sustainable increase in company value	8
	G		Sustainable financing & investments	8
	G		Innovation	9
	G		Transparency & reporting	8
	G		Compliance & ethics	16
	S		Customer satisfaction	12
	S		Customer health & safety	12
	S		Product quality & safety	12
Responsible purchasing	S		Social standards in the supply chain	8
	E		Environmental standards in the supply chain	12
	G		Procurement & supplier management	12
Responsible employer	S		Occupational safety, health & well-being	3
	S		Education & training	4
	S		Employee satisfaction	8
	S		Human rights	16
	S		Diversity & equal opportunities	5
Internal environmental protection	E	Environmental protection 	GHG emissions (Scope 1+2)	13
	E		Energy management	7
	E		Waste management	8
	E		Environmental compliance	16
Inter-company environmental protection	E		Energy-efficient lighting solutions	13
	E		GHG emissions (Scope 3)	13
Materials	E	Nachhaltige Produkte 	Material reduction	12
	E		Healthy materials	12
	E		Recyclable materials	12
Circularity	E		Circular design	12
	E		Circular systems	12
	E		Services	12

Partner of choice

Tridonic wants to be the partner of choice: for employees, suppliers and customers. It achieves this by supporting its workforce and ensuring a high level of satisfaction. With its products and services, Tridonic guarantees the satisfaction of its customers and nurtures its relationships with suppliers. For Tridonic, becoming a sustainable company is a team effort, with partnerships playing an important role.

Highlights 2022/23

- All European locations certified to ISO 45001
- Health services introduced at all locations
- 98 % of suppliers signed the Code of Conduct

Responsible employer

Management approach

The focus of central HR processes is developed and agreed upon at Group level in accordance with the needs of Tridonic and the Zumtobel Lighting Brands.

The global HR teams, comprising HR Business Partners, People Services and Centres of Expertise, support all current and future employees in their work and professional development, especially in the following areas:

- Recruitment
- Performance & talent management
- Personnel & organisational development
- Total rewards
- Employee-employer relationship
- Occupational safety, health and well-being

The LIGHT UP people strategy has been derived from the FOCUSED corporate strategy, the corporate values of Passion, Performance and Partnership, current strengths and weaknesses, external factors and market conditions as well as HR trends and best practices.

As an employer of choice, Tridonic creates an attractive environment for its employees. To achieve this, both the company and the entire Zumtobel Group are guided by the LIGHT UP people strategy.

L	Leaders who trust, challenge and empower their teams and set an example
I	International perspectives, local roots and equal opportunities for all
G	Growth opportunities unfolding our employees' full potential
H	High performance culture marked by self-responsibility and open, two-way feedback
T	Teams that create real value with passion and purpose
U	Uncomplicated fair payment and performance recognition
P	Practical flexible working models which meet individual needs

In future, Tridonic will place even greater emphasis on a culture of trust in which employees interact openly and respectfully and give and receive feedback. Going forward, employees will be offered even more development opportunities to help them reach their full potential. Managers are also being empowered in their role. Tridonic is committed to equal opportunities – not only with regard to the global labour market of the future, but also with a view to the 1,700 or so employees already working at the company. Fair pay, feasible working time models and processes that are flexible enough to meet employees' individual needs form the basis for this.

Corporate culture

The corporate values of Passion, Performance and Partnerships are not just empty words, but dynamic principles that are actively embodied in the company's daily operations. By integrating the values in the annual employee appraisals, Tridonic ensures they continue to be dynamically embodied and embedded in the organisation.

The values of the corporate culture are lived both internally and externally. Tridonic prides itself on the openness and spirit of camaraderie with which our employees from different countries and cultures work together.

As part of the Zumtobel Group, Tridonic is included within the strategically designed employer brand management framework. This evidence-based approach establishes the company as a sustainable, authentic and trustworthy employer and aims to position it as an employer of choice for both existing and future employees.

Key employer branding initiatives include:

- Securing the qualifications that will be needed in the future through long-term partnerships with selected (educational) institutions
- Strengthening a passion for light and identification with the company in order to increase understanding of light among external stakeholders
- Optimising a consistent and positive onboarding journey (employee experience) that quickly integrates employees in the company on a professional, organisational and emotional level and increases the integration success rate
- Embedding the values of Passion, Performance and Partnership in the core HR processes such as talent acquisition, performance & talent management, people & organisational development, total rewards and employee & labour relations to ensure the company is ready for future challenges and can contribute to an active corporate culture

As an international company with locations in numerous countries, Tridonic nevertheless manages to retain local roots. Working with colleagues from different cultural backgrounds and across country borders enables us to learn from each other, while also encouraging the development of innovative, high-quality products and lighting solutions. The Dr Walter Zumtobel Value Award, named after the Group's founder, was once again awarded in the 2022/23 reporting year. The Value Award is given to employees who exemplify the company's values in their everyday actions and thus keep the founder's values alive.

Employee satisfaction

Tridonic firmly believes that ensuring employee satisfaction benefits the whole company.

> Our aim is to create a positive working environment with and for our employees that encourages creativity and innovation. This is an important prerequisite for the sustainable development of our company.
>
> Monica Sella, HR Business Partner

As an attractive employer, Tridonic helps its employees enjoy a good work-life balance at the various stages of their life and career. In particular, it takes into account the changing needs of different generations in the labour market and offers appropriate ways of combining work and personal life. In the last financial year, jobs with part-time and variable working hours were advertised in Austria. Flexible working hours, the possibility of working from home, the taking of sabbaticals etc. have been offered as standard for many years.

A global employee survey was conducted from February to March 2023. 87% of Tridonic employees participated in this survey, which covered the following eight topics:

- Team
- Work organisation & processes
- Freedom of scope & assumption of responsibility
- Management
- Communication, strategy & innovation
- Personal & professional development
- Culture & values
- Digitalisation

In addition to these topics, five so-called bridge questions, i.e. questions that had already been asked in 2017, were answered. Compared to 2017, the rating of these questions has improved.

The global results and the measures taken by top management to improve employee satisfaction and the working environment were communicated to the employees. Managers were provided with their departmental results.
In the 2023/24 financial year, the departmental results will be communicated to the employees by the managers, and team workshops will be held in which specific team measures for improvement will be identified and defined.

Work-life balance

To further increase its attractiveness as an employer, Tridonic offers various working time models that allow employees to balance their personal and working lives. Employees are able to work part-time or from home. In Austria, options such as training leave (‘Bildungskarenz’), sabbaticals and unpaid leave for fathers on the birth of their child (‘Papamonate’) are also available. In addition, mothers and fathers returning to work after maternity and parental leave are actively supported by the company in their reintegration.

Tridonic was again awarded the ‘Great Place to Work’ seal of quality in Portugal in 2023, as it was in 2022. At the end of the financial year, 13 employees in Austria were on parental leave.

Parental leave in Austria	Units	2019/20	2020/21	2021/22	2022/23
Employees entitled to parental leave	FTE	N/A	N/A	N/A	N/A
Employees on parental leave	FTE	13	14	13	13
Male	FTE	1	1	0	0
Female	FTE	12	13	13	13
Returning to work after parental leave	FTE	N/A	N/A	N/A	N/A

‘Leisure time option’ (‘Freizeitoption’) in Austria

This collective agreement enables employees at Austrian locations who want to reduce their working time to opt out from collectively agreed increases to actual wage/salary and receive paid time off instead. It allows employees to choose age-appropriate work, undergo further training or have longer periods of time off, for example. It is also possible to build up the time off over several years and take it all in one go.

To date, the ‘leisure time option’ has been used by 99 employees. As an employer with a corporate culture that has grown over several decades, Tridonic recognises its social responsibility for all its employees and works continuously to further develop responsible employment conditions.

Tridonic promotes an open and regular exchange of information between management, employees and employee representatives. Worldwide, 45 % of its personnel are covered by a collective agreement.

Employee co-determination and compliance with the rules and standards of the International Labour Organisation (ILO) are set out in the binding Code of Conduct, which is applicable across the entire Group.

There were no new findings or actions involving legal proceedings related to non-compliance with the laws and regulations in matters of employment legislation during the reporting period.

Education and training

The company is constantly evolving, and so should its employees. Employee development including systematic professional advancement is a cornerstone of

sustainable business success. To this end, an advanced training concept has been developed, based on two pillars:

- General and free (digital) learning opportunities, which are available in the company's own learning management system. Employees can access these opportunities at any time or are assigned to specific courses depending on their role (e.g. new employees, employees in the Sales department etc.).
- Individual development plans that focus on both professional and personal development (soft skills etc.).

The formats vary and consist of internal and external training, coaching and mentoring. The individual development plans for all employees are agreed during feedback sessions in consultation with the manager. They may also map out further development into other job roles and longer-term career paths.

The basis for systematic employee development is the company-specific competence model LIGHT, which is derived from the corporate strategy:

L Level of Knowledge, Skills & Experience
I Innovation & Transformation
G Getting Things Done
H Habit to Develop
T Together We Shine

By describing these five overarching ambition levels for desired behaviours and level of professional expertise, LIGHT creates a framework for personnel recruitment, selection and development.

In the 2022/23 financial year, further initiatives aimed at implementing the two-pillar strategy, including a new Leadership Excellence Programme, were launched, helping to pursue the goal of establishing a new leadership culture. The first-ever Leaders Summer Camp – a large group event at which 60 managers underwent intensive training over a period of a week – marked the beginning of this programme. The training measures were complemented by the implementation of a 360° feedback tool, which will initially be available to a test group.

However, we have significantly expanded our development opportunities not only for managers, but for all employees. For example, a new training catalogue with interdisciplinary training courses has been drawn up, with content including change management, New Work and IT training.

Alongside the interdisciplinary training options, discipline-specific training opportunities have also been redeveloped and implemented. These include the Tridonic Training Camp, an initiative for teaching sales skills. A mandatory introduction to the company's sustainability strategy (Sustainable Tridonic) has also been introduced for all new employees in Austria. In addition, mandatory, Group-level training for global purchasing regarding the new due diligence and sustainability requirements has been delivered.

Depending on the employees' usual place of work, special country-specific individual training activities are also offered. For example, at Austrian locations it is possible to arrange training leave ('Bildungskarenz'). All these initiatives will have a positive long-term impact on average employee training hours.

In the reporting year, the average number of training hours was 12. A comparison with the previous year cannot be made, as the data will only be separately evaluated for Tridonic employees from the 2022/23 financial year onwards.

Average hours: education and training	Units	2021/22	2022/23
Total employees	Hours	N/A	12
Male	Hours	N/A	14
Female	Hours	N/A	10
White-collar workers	**Hours**	**N/A**	**18**
Male	Hours	N/A	16
Female	Hours	N/A	20
Blue-collar workers	**Hours**	**N/A**	**4**
Male	Hours	N/A	6
Female	Hours	N/A	3
Percentage of online in-company training	in %	N/A	76.0

Apprentice training

Training for the technical apprenticeships is delivered at the Zumtobel Group's training workshops. Depending on the desired apprenticeship certificate, the apprentices are able to work in various rotating roles at Tridonic and Zumtobel Lighting. On the reporting date of 30 April 2023, a total of five apprentices were employed at Tridonic.

Job descriptions for apprentices within the Zumtobel Group who work in rotating roles or are trained at the Tridonic sites:

- Electrical engineering with a focus on system and operating technology plus automation and process control technology (rotating role at Tridonic)
- Mechatronics with the special module Automation and Production Engineering (Dual Academy) and the special module Robotics (rotating role at Tridonic)
- Industrial business management assistant (Tridonic)

Tridonic has taken on four apprentices from the class of 2018 (apprenticeship ending in 2022). Two of these apprentices worked in the 2022/23 financial year (in the previous year there were four apprentices).

Employee reviews

The annual employee reviews are an important element of the employee-manager relationship. Within the personnel development process, the meetings form the basis for targeted individual development measures. Together, managers and employees define objectives and reach a shared understanding of corporate values, corporate behaviour and the significance of the corporate strategy in relation to the employee's own role. Mutual expectations are compared, development potential systematically identified and further training and personal development measures jointly defined according to individual needs. The annual employee employee reviews at Tridonic are an opportunity for managers and employees to review their working relationship and performance on a level playing field. The meetings generate crucial momentum that changes how people work together in the long term.

The importance of employee employee reviews is underpinned by the large number of meetings scheduled for the 2022/23 reporting year. This goal was not only achieved but exceeded. A documented employee development meeting was held for 1,656 employees (89.3%; previous year approx. 1,553 employees or 87.1%).

Employee reviews	Units	2019/20	2020/21	2021/22	2022/23
Employee reviews	Number	1,447	1,423	1,553	1,656
Percentage of total employees	in %	75.5	78.1	87.1	89.3
White-collar workers	**Number**	**795**	**749**	**899**	**914**
Male	Number	607	548	653	652
Female	Number	188	201	246	262
Blue-collar workers	**Number**	**652**	**674**	**654**	**742**
Male	Number	290	276	268	306
Female	Number	362	398	386	436

Employee development

Employee employee reviews also form the basis for the ongoing personnel development process and can be used for internal talent scouting. Global implementation of the personnel development process through annual talent review meetings and development conferences defines potential and performance at all levels of the company. This process helps to identify and promote top performers and employees with the potential to progress further within the company, while also enabling structured and calibrated succession planning to be implemented.

The HR department and another assessor attend talent review meetings alongside the manager to ensure transparency. In these meetings, the performance and potential of each employee is assessed and entered into a performance-potential matrix.

In addition, risk of leaving is evaluated and suggested development and retention measures are defined and documented. The result is a performance-potential landscape for each department with all its employees, which can be used as a basis for implementing the defined measures.

Employment data – staffing levels	Units	2019/20	2020/21	2021/22	2022/23
Total employees[1]	Number	1,921	1,781	1,779	1,721
Full-time	**Number**	**1,810**	**1,677**	**1,669**	**1,614**
	in %	94.2	94.2		93.8
Male	Number	1,101	1,020	997	951
	in %	60.8	60.8		58.9
Female	Number	709	657	672	663
	in %	39.2	39.2		41.1
Part-time	**Number**	**111**	**104**	**110**	**107**
	in %	5.8	5.8		6.2
Male	Number	39	37	42	37
	in %	35.1	35.6		34.6
Female	Number	72	67	68	70
	in %	64.9	64.4	61.8	65.4

[1]Figures including apprentices and excluding temporary workers

Employment and employment rates

In the 2022/23 financial year, Tridonic employed a total of 1,687 people worldwide (full-time equivalent employees including temporary workers) as of the reporting date of 30 April 2023. The number of full-time equivalent employees thus fell 9.7 % compared with the previous year (1,868). This was largely due to the economic situation, while the implementation of optimised designs also led to an increase in productivity, which mainly required adjustments to the numbers of factory and temporary workers.

When required and if the position in question allowed, part-time working arrangements such as part-time parental leave, part-time educational leave, sabbaticals or other models have been agreed. In the past financial year, 6.2 % of employees were part-time employees, a figure that has not changed from the previous year.

63 % of employees work in operational departments such as direct production, quality management, procurement and logistics. 15 % of employees work in sales and around 17 % in research & development. Almost 5 % of the remaining employees are administrative staff, while 0.6 % are temporary workers.

Around 69.5 % of the workforce is employed in Europe, followed by 29.4 % in Asia, 0.5 % in Australia and New Zealand, 0.1 % in America and 0.5 % in Africa.

Employees by function and region	Units	2019/20	2020/21	2021/22	2022/23
Total employees[1]	FTE	1,932	1,808	1,868	1,687
Change	in %	8.7	-6.4	3.3	-9.7
Number of temporary workers	FTE	87	69	133	10
	in %	4.5	3.8	7.1	0.6
Production	FTE	1,199	1,096	1,122	1,063
Research & development	FTE	304	315	285	280
Sales	FTE	267	254	256	255
Administration	FTE	75	74	71	78
Europe	in %	65.9	66.0	66.4	69.5
Asia	in %	33.0	33.0	32.6	29.4
Australia & New Zealand	in %	0.5	0.5	0.5	0.5
America	in %	0.2	0.1	0.1	0.1
Africa	in %	0.5	0.4	0.4	0.5

[1]Figures excluding apprentices

During the reporting period, the average period of employment at Tridonic was 7.9 years (previous year 7.5 years). The long average period of employment is proof of the trust and high levels of satisfaction shown by the company's employees.

The long periods of employment are also reflected in the age structure, which remains virtually unchanged compared to the previous year (see the 'Employment data – age structure' table).

New employees	Units	2019/20	2020/21	2021/22	2022/23
New employees[1]	FTE	669	367	520	434
By gender					
Male	FTE	389	225	336	268
Female	FTE	280	142	184	166
By age group					
< 30 years of age	FTE	311	163	219	139
30–50 years of age	FTE	351	193	285	281
> 50 years of age	FTE	7	11	16	14
By region					
Europe	FTE	245	112	255	208
Asia	FTE	421	255	264	226
Australia & New Zealand	FTE	2	0	0	0
America	FTE	0	0	0	0
Africa	FTE	1	0	1	0

[1]Figures excluding temporary workers

Employment data – age structure	Units	2019/20	2020/21	2021/22	2022/23
Total employees[1]	Number	N/A	1,781	1,779	1,721
< 30 years of age	Number	N/A	355	310	243
	in %	N/A	20	17	14
30–50 years of age	Number	N/A	1,129	1,159	1,158
	in %	N/A	63	65	67
> 50 years of age	Number	N/A	297	310	320
	in %	N/A	17	17	19

[1]Figures including apprentices and excluding temporary workers

In the 2022/23 financial year, the employee turnover rate at Tridonic (excluding temporary workers) rose from 24.9 % to 30.3 % compared to the previous year. This means that a total of 512 people left the company.
More than half of those who left (55 %) were from the Shenzhen site.

In the reporting year, 434 jobs (FTE; excluding temporary workers), particularly in the operational departments, were filled by external candidates. Thanks to various personnel development initiatives, 61% of management positions could be filled internally.

Employee turnover[1]	Units	2019/20	2020/21	2021/22	2022/23
Number of leavers[2]	FTE	549	485	500	512
By gender					
Male	FTE	334	296	347	333
Female	FTE	216	188	153	179
By age structure					
< 30 years of age	FTE	224	197	190	163
30–50 years of age	FTE	286	261	282	320
> 50 years of age	FTE	40	26	29	38
By region					
Europe	FTE	163	157	211	232
Asia	FTE	379	326	288	280
Australia & New Zealand	FTE	1	0	0.6	0
America	FTE	5	0	0	0

[1] Figures including apprentices and excluding temporary workers

[2] Definition according to GRI: Salaried employees who leave the organization voluntarily or due to dismissal, retirement, or death in service; Parental leave is not included as part of employee turnover; Termination based on reasons - termination by employee or employee, consensual termination, expiration of contract, natural causes (retirement, death); Calculation of turnover rate = Number of terminations / average number of employees for the period (beginning balance + ending balance / 2) X 100

Employment data – white/blue-collar workers	Units	2019/20	2020/21	2021/22	2022/23
Total employees[1]	Number	2,008	1,851	1,913	1,732
White-collar workers	**Number**	**994**	**980**	**967**	**975**
	in %	49.5	52.9	50.5	56.3
Male	Number	728	720	700	699

Employment data – white/blue-collar workers	Units	2019/20	2020/21	2021/22	2022/23
	in %	73.2	73.5	72.4	71.7
Female	Number	266	260	267	276
	in %	26.8	26.5	27.6	28.3
Blue-collar workers	**Number**	**922**	**799**	**808**	**741**
	in %	45.9	43.2	42.2	42.8
Male	Number	409	335	337	287
	in %	44.4	41.9	41.7	38.7
Female	Number	513	464	471	454
	in %	55.6	58.1	58.3	61.3
Apprentices	**Number**	**5**	**2**	**4**	**5**
	in %	0.2	0.1	0.2	0.3
Male	Number	3	2	2	2
	in %	60.0	100.0	50.0	40.0
Female	Number	2	0	2	3
	in %	40.0	0.0	50.0	60.0
Temporary workers	**Number**	**87**	**70**	**134**	**11**
	in %	4.3	3.8	7.0	0.6
Male	Number	N/A	52	92	5
	in %	N/A	74.3	68.7	45.5
Female	Number	N/A	18	42	6
	in %	N/A	25.7	31.3	54.5

[1]Figures including apprentices and excluding temporary workers

Diversity and equal opportunities

Diversity management aims to create an inspiring corporate culture among the company's workforce and makes a contribution to competitiveness along the entire value chain. The Tridonic workforce includes people from 48 nationalities. Around 30 nationalities are represented at the company headquarters in Dornbirn, Austria, alone.

As an equal opportunities employer, Tridonic is opposed to any form of discrimination based on social or ethnic origin, sex or gender, sexual orientation, religious affiliation, beliefs, age, physical or mental abilities or other characteristics. Everyone is unique, valuable and has their own abilities.

This position is also made clear in the Group-wide Code of Conduct, which states that no form of discrimination is tolerated at the company.As such, personal competencies, experience, knowledge and abilities form the basis of personnel decisions in all company departments and at all levels when assessing suitability for a role.

Diversity and equal opportunities along the value chain

The Group concentrates its efforts in terms of diversity and equal opportunities not only on its own workforce but also along the entire value chain. Suppliers and customers may be completely different and are treated according to the principle of equality, which states that everyone is equal before the law.

The implementation of due diligence along the entire value chain was the first step on the path to greater supplier diversity. The international labour and social standards of the ILO (International Labour Organization) serve here as legislative instruments that have been developed by member groups (e.g. governments, employers and employees) and set out fundamental universal principles and rights at work. These are conventions or protocols that must be incorporated into member states' national legislation. Once an ILO standard has been ratified, it usually comes into force for the country concerned within a year.

Tridonic's commitment as part of the Zumtobel Group

- to Convention 100, on the application of the principle of equal remuneration for men and women workers for work of equal value,
- and to Convention 111, on the prevention of discrimination, is set out in the Code of Conduct of the Zumtobel Group and in the Code of Conduct for Business Partners, thus forming a guiding framework.

Diversity and inclusion are key factors in a company's success and in the development of innovative solutions within the supply chain. Existing and future partnerships with various suppliers and customers provide a clear competitive advantage. Building business relationships with diverse business partners makes a contribution to a more inclusive and diverse world.

Promoting women within the company

42.6 % of the company's employees in the 2022/23 financial year were women, a figure that has risen slightly compared to the previous year (41.6 %). 27 % of those in management positions were women, a figure that has fallen slightly compared to the previous year (27.8 %).

Tridonic is increasingly supporting the filling of management positions by female employees as part of its internal and external recruiting and personnel development initiatives. Vacancies, including positions with management responsibility, are also advertised as part-time positions where possible, in order to also create opportunities for joining the company and taking on management roles in part-time positions. Consistent implementation of existing initiatives and openness to new initiatives are needed to increase the percentage of women in more senior positions. In order to maintain competitiveness and benefit from the diversity of different perspectives, the company set itself the goal of increasing the percentage of women in the Group every year and thus ensuring greater representation of women in the Group.

Women in management positions	Units	2020/21	2021/22	2022/23
Total management positions	Headcount	218	227	226
Women in management positions	Headcount	53	63	61
	in %	24.3	27.8	27.0
Top management (Management Board/Executive Board)	Headcount	0	0	0
Senior management (departmental management)	Headcount	2	2	2
	in %	18.2	20.0	22
Middle management (e.g. department head)	Headcount	11	12	11
	in %	16.4	17.9	15.9
Other (e.g. team leaders, forewomen)	Headcount	40	49	48
	in %	29.2	33.3	33.1

Women by function	Units	2020/21	2021/22	2022/23
Total women[1]	Headcount	724.0	780	736
Temporary workers	in %	73.6	5.4	0.8
Production	in %	6.3	71.8	73.8
Research & development	in %	11.5	5.1	6.0
Sales	in %	6.2	11.5	12.0
Administration	in %	2.4	6.2	7.5

[1] Figures excluding apprentices

Employment data by gender	Units	2020/21	2021/22	2022/23
Total employees[1]	Number	1,781	1,779	1,721
Male	Number	1,057	1,039	988
	in %	59.3	58.4	57.4
Female	Number	724	740	733
	in %	40.7	41.6	42.6

[1] Figures including apprentices and excluding temporary workers

Diversity & inclusion

The inclusion of employees with physical or mental health conditions is extremely important to Tridonic as an employer. The company ensures it actively supports employees throughout their working lives.

Both in administration and production, Tridonic employs people with physical, mental and cognitive disabilities who make a valuable contribution to the company in their roles.
In order to support employees in their individual needs, appropriate adjustments are made wherever possible, e.g. additional breaks, seated activities etc. In addition, managers are trained in how to treat people with individual needs and also given external support in this area.

Just some of the ways in which Tridonic supports diversity and inclusion are listed below:

- Personal competencies, experience, knowledge and abilities are used to assess suitability for a role, both in the recruitment process and when making personnel decisions. Tridonic makes sure that everyone is treated equally.
- A uniform remuneration structure based on job descriptions and evaluations ensures transparent and performance-based compensation that takes into account equal opportunities (equal opportunity employer).
- Work-life balance is supported by various measures – if required, employees are able to work part-time, take training leave (‘Bildungskarenz’), sabbaticals, unpaid leave for fathers on the birth of their child (‘Papamonate’), work from home or to agree on other models.
- The Austrian state of Vorarlberg has awarded the Zumtobel Group (including Tridonic) the ‘Award-winning family-friendly company 2022-2023’ (‘Ausgezeichneter familienfreundlicher Betrieb 2022-2023’) seal of quality.
- The Zumtobel Group supports various events and initiatives, including the Female Future Festival, which supports women in the workplace, and the event ‘I kann’s! I trau mer’s zu!’ (‘I can, and I will!’), which aims to inspire more girls to take up apprenticeships. These initiatives are also available to Tridonic employees.
- The Dornbirn site has several partnerships with local kindergartens.
- In Spennymoor, UK, a policy and training course for managers on how to best support employees going through the menopause were communicated and rolled out.
- Through campaigns on International Women’s Day, the Group raises awareness for gender equality.

Critical concerns & whistleblower system

Incidents of discrimination can be reported anonymously and confidentially, if required and desired, using the Group-wide whistleblower system, which can be accessed via the Tridonic website.

These incidents are consistently investigated on the basis of prescribed internal procedures, from which appropriate measures are derived. No incidents of discrimination were reported in the 2022/23 financial year.

Employee rights and remuneration programme

Tridonic follows the approach of a uniform remuneration structure to ensure transparent and performance-based compensation that takes into account equal opportunities (equal opportunity employer).

Comparison of internal salaries as well as competitor salaries based on external market data enables both fair and competitive structuring of wages and salaries.

The wages and salaries paid by Tridonic in all countries generally exceed the minimum wage required either by law or the collective agreement. In Austria, the relevant collective agreement for the electrical and electronics industry applies.

A standard market salary and job evaluation system that focusses on objective criteria for the respective role ensures that all employees are treated equally and in line with the market. Internal salary comparisons as well as regular comparisons with competitors based on external market data also enable both fair and competitive structuring of wages and salaries.

Employees who are eligible to participate in variable remuneration programmes and who do not otherwise take part in a sales remuneration scheme or a local incentive scheme are assessed for the one-year or short-term component (short-term incentive, STI) based on the attainment of goals relating to the financial indicators EBIT and free cash flow. An individual component was also introduced in the 2021/22 financial year.

In the coming 2023/24 financial year, ESG goals will additionally be factored into remuneration. This means that the attainment of goals is based on EBIT and free cash flow as well as ESG goals.

The performance criteria for employees with a short-term incentive will be adjusted from the 2023/24 financial year in order to align the overall incentive effect more closely with the current corporate strategy.

- This involves the explicit inclusion of ESG goals, which will take into account our focus on long-term and sustainable action.
- The ESG goals for the 2022/23 financial year include reducing CO_2 emissions and increasing our internal recycling rate, as well as personnel development projects.
- The EBIT margin (previously known as adjusted EBIT) also serves as a central financial performance criterion.
- The free cash flow performance criterion remains of great importance and is therefore included in the short-term incentive.

A performance cash plan with a standard market performance period of four years will be introduced for employees in the senior management team with an LTI (long-term incentive).

Human rights, child labour and forced labour

Respect and protection of human rights forms a basis for collaboration and is an integral component of the culture and management of the company. Tridonic therefore ensures that human rights and the fundamental principles of employment law and occupational health and safety are always respected globally. Compliance with human rights and the prevention of child and forced labour are monitored annually at all production sites, together with local management, and are mandatory in order to eliminate the possible risk of employment of minors.

All sites are certified in accordance with ISO 14001. This means that compliance with the requirements of employment law and occupational safety legislation is guaranteed. In European countries, all human rights are enshrined in EU regulations and domestic laws. These requirements are recorded in a legal database, measures for their realisation are implemented and compliance is monitored annually through random audits.

The ILO's international labour and social standards also serve as legislative instruments that have been developed by member groups (governments, employers and employees) and set out fundamental universal principles and rights at work. These are conventions or protocols that must be put into the national legislation of the member states. When an ILO standard has been ratified, the convention usually comes into force for the country concerned within a year. The following conventions have been added to the Code of Conduct and whistleblower system documentation:

- Freedom of association, conventions 87, 98
- Forced labour, conventions 29, 105
- Child labour, conventions 138, 182
- Discrimination and fair working conditions, conventions 100, 111
- Occupational safety and health, conventions 155, 187

In the past two completed reporting years, 95 % of Tridonic employees took part in training on the Code of Conduct and successfully passed the required test.

As a company that operates internationally, Tridonic is fully committed to protecting human rights and complying with international social standards and the corresponding legal regulations along its entire value chain, both at home and abroad.

Collaboration with suppliers requires full acceptance and commitment to the Code of Conduct for Business Partners. This is an integral component of all contracts between Tridonic (including all its business entities) and its business partners. Tridonic expects that its business partners and their employees acknowledge the principles set out in the Code of Conduct and the guidelines on due diligence and that they comply with these and share them with their direct business partners and their employees. For this reason, the content of the Code of Conduct for Business Partners has been fully adapted and adjusted to the humans rights issues that must be considered when it comes to due diligence. 98.9 % (previous year: 98.5 %) of suppliers have signed the Code of Conduct for Suppliers.

In the event of violations of human rights, or reasonable suspicion of violations, the whistleblower system has been adapted to the wording of the principles and guidelines on due diligence. The whistleblower system (at Group level) allows anonymous reports to be recorded. It is hosted externally and can be accessed via the Tridonic website. Alternatively, reports can also be sent by email to the Zumtobel Group's compliance department or employees can contact their representative, for example their HR department or works council.

Tridonic reinforces its commitment to responsible company management, observance of human rights and the prevention of child and forced labour through its active participation in the UN Global Compact initiative.

Goal for 2023/24

- A human rights policy should be created and rolled out at Group level in the 2023/24 financial year.

Incident information

- In the 2022/23 reporting period, there were no reports of possible human rights offences that were submitted or processed via the whistleblower system.
- There are no findings or proceedings relating to offences of human rights violations at any of the locations for the reporting period.

Social dialogue between employees and employers

As an employer with a corporate culture that has grown over several decades, the company recognises its social responsibility for all its employees around the world and works continuously to further develop responsible employment conditions.

Tridonic promotes an open and regular exchange of information between management, employees and employee representatives, such as the works council. As well as local employee representatives, the works councils in the European Union have merged to form a European Works Council. This is organised at the Zumtobel Group level where all Tridonic employees are also represented. A European forum as well as a meeting of the European Works Council committee are held every year with a gap of six months between each other. In these meetings, dialogue takes place between employers and employee representatives based on the principle of trust-based collaboration with the aim to pass on information relating to economic and social interests. Legal participation of employees as well as compliance with the rules and standards of the International Labour Organisation (ILO) are set out in the Code of Conduct, which is applicable across the entire Group.

Occupational safety, health and well-being

The success of the company is largely based on its qualified, committed and motivated employees. For this reason, the occupational safety, health and well-being of employees has been identified as one of the most important issues. This significant topic is thus prioritised by the company and is being driven forward as part of the global HR strategy LIGHT UP.

The occupational safety of employees and their mental and physical health are continuously being improved using needs-based measures. Central and local structures have been designed for this purpose and occupational health and safety has been incorporated into existing structures.

Local safety officers and health management, which is part of human resources, are responsible for these structures. The three areas of action ‘statutory protection of employees’, ‘workplace health promotion’ and ‘occupational integration management’ form the pillars of the comprehensive company health management programme, with the topic of management work and behaviour playing a key role in the implementation of measures. A central health management programme, Zumtobel Group Heath, has been integrated for this purpose.

In this context, an exchange takes place across sites in order to assess and analyse current issues, to establish goals and to share experiences and measures that have already been implemented to protect, maintain and promote or restore employees’ health and capacity to work.

The production locations have defined processes that guarantee compliance with legal requirements, standards and internal company guidelines.

Key performance indicators relating to occupational health and safety are also regularly assessed and analysed as part of global reporting. Measures are defined, implemented and assessed on this basis.

In the 2022/23 financial year, the plants in Dornbirn and Spennymoor were successfully certified in accordance with the current ISO 45001 standard for management systems. The Serbian plant was certified with regards to health and safety in the 2021/22 financial year. This means that all European plants are certified in accordance with ISO 45001.

Employee protection

> Occupational health and safety in production are of the utmost importance. A safe work environment protects employees and is part of a good working atmosphere. We are therefore consistently developing measures that promote health, including with our external partners.
>
> Stuart Sloane, Operations Director

Specific guidelines relating to the environment, health and safety are reviewed at all production locations by local fire protection and safety officers, who carry out regular site visits. Additional inspections take place as and when necessary in order to assess any risks relating to occupational safety when transferring machinery or setting up new or adapted workplaces. The goal here is mainly to prevent accidents and to identify any work-related dangers.

Employees can report potential dangers or near misses using a formalised procedure, and risks are then immediately documented and prioritised and appropriate preventative measures are implemented. Employees who do not have access to a PC can submit their reports via their manager.

In addition to this, any concerns can be raised anonymously by safety officers or representatives using the whistleblower system.

Employees have the right and are urged to immediately stop their activities, tasks and work processes if they appear unsafe or do not meet relevant safety requirements. The work can and should only be continued after safety officers have inspected the situation, provided that safety has been ensured once again.

In order to continuously improve occupational safety, measures are implemented such as employee training sessions, improvements to protective clothing and maintenance of machinery. Accident prevention and the protection of employees' health are topics that are regularly discussed in formal employer-employee committee meetings.

At many locations, employee representatives such as works councils are also involved in discussions relating to occupational safety, for example in occupational safety committees or workplace evaluations. Employees can make suggestions for improvements at any time and these will be assessed and implemented where appropriate.

Employees are provided with training on occupational safety aspects that relate to workplaces and activities. Additional occupational safety training sessions are carried out as and when necessary, e.g. for testing or load securing. Guidelines, processes and procedures as well as all important documents on the subject of occupational health and safety are made available within the internal communications network.

Safety regulations also apply to external parties, such as service providers, visitors etc. and instructions are provided upon entry to the site. It is also compulsory to wear protective clothing such as safety shoes and ESD protection in the production and storage areas. External service providers are made aware of compliance with legal requirements and acknowledgements are obtained.

Tridonic's health and safety management can be measured using KPIs: the Lost Time Injury (LTI) rate indicates the number of extended absences from work due to work accidents per 1 million hours worked. The LTI rate improved in the reporting year to 2.5 (previous year: 5.8).
As well as the LTI rate, the Total Recordable Injury (TRI) rate is also measured. This figure additionally takes into account accidents that result in limited capacity to work.

Occupational safety/work accident rate	Unit	2018/19	2019/20	2020/21	2021/22	2022/23
Number of hours worked by employees	Hours	2,592,593	2,608,696	2,352,941	2,758,620	2,800,000
Number of accidents recorded[1]	Number	7	6	4	16	7
LTI rate		2.7	2.3	1.7	5.8	2.5
TRI rate		7.0	6.0	4.0	5.8	3.2
Number of fatal accidents	Number	0	0	0	0	0
Accident severity		N/A	N/A	N/A	71	15

[1] Recorded accidents = accidents resulting in more than 8 hours of lost working time; work accident rate = reportable work accidents / hours worked x 1,000,000

The accident severity figure (number of working days lost x 1,000,000 / number of hours worked) has decreased from 71 in the previous year to 15 in the current reporting year.
The most common types of injuries were cuts, followed by bruises and contusions. The circumstances of each individual accident and its cause were analysed in detail.

Measures to improve employee safety are developed based on the findings from the accident analyses. As in previous years, there were no fatal work accidents in the 2022/23 financial year.
The company has a clear goal to continue to reduce the LTI rate in the years to come and to establish a strong safety culture, for example through more training on preventive measures.

The goal for the coming financial year is to achieve an LTI rate of 2.3 or less.

Top three types of injuries

- Cuts
- Bruises
- Contusions

Top three types of absence based on illness[1]

- Musculoskeletal disorders
- Respiratory illnesses
- Mental illnesses

[1] Types of absence based on illness of employees in Austria

Workplace health promotion

Tridonic is committed to an active occupational health and safety policy. Good leadership has a significant impact on health and capacity to work:

- Managers are responsible for the specific implementation of health management in the company.
- Managers influence the health and well-being of their employees through their (management) behaviour.
- Managers themselves are exposed to high levels of psychological stress.
- Managers act as role models: they must set an example and focus on health.

Tridonic therefore places great value on manager training in relation to healthy leadership and is committed to introducing a Group-wide ‘healthy leadership’ policy.

The offering of occupational health services varies from country to country. At all production locations, company doctors and occupational physicians are available for employees or occupational health services are offered through external providers.

Various measures to promote occupational health were implemented globally in the 2022/23 financial year, for example:

- First aid courses
- Vaccination programmes (flu and tick vaccination)
- Training sessions on ergonomic posture for office and production workplaces and adaptation of workplaces
- Healthy eating: water dispensers in production areas as well as tips on the intranet on how to drink properly, regular provision of fruit and healthy alternatives on the menu in the canteen
- Exercise: company sports club with different sections, promotion of participation in running and cycling competitions, discounted memberships for local fitness studios and sports classes
- Local initiatives, such as information on stress reduction, blood pressure, men’s health and breast cancer, tips for promoting mental health and relaxation, as well as blood donor campaigns and throat examinations for smokers
- Information campaign about work-specific examinations that are carried out by company doctors

Workplace health promotion – pilot project in Dornbirn

A pilot project on workplace health promotion will be carried out over the course of two years at the Dornbirn site together with the Austrian health insurance fund. Its goal is to raise awareness about health in the company among managers and employees. Over the course of the project, a survey of employees will be carried out on topics such as work tasks, organisational climate, work organisation, work environment, management, collaboration, work satisfaction, recreation, nutrition, exercise and the assessment of psychological stress.

The health insurance fund is also carrying out a detailed analysis of sick leave in which the number of sick days and cases, the duration of sick leave and the most common illness patterns will be described and analysed. As can be seen in the table below, the most common absences are due to respiratory illnesses and other illnesses. Focus topics and measures will be derived and implemented based on the results of the survey and analysis.

As part of this workplace health promotion project, health risks should be minimised and at the same time health potential should be strengthened. It is important that all employees are involved in this approach. Employee surveys using recognised tools that are tailored to the company will therefore be used, among other things, in the coming financial year with the aim of identifying resources and stresses and determining the success of the project and its goals after the developed measures have been implemented.

Number of days of absence, Tridonic Dornbirn	Unit	2021/22	2022/23
Respiratory system	Days	N/A	198.0
	in %	N/A	33.1
Musculoskeletal system and connective tissue	Days	N/A	96.0
	in %	N/A	16.0
Injuries and poisoning	Days	N/A	30.0
	in %	N/A	5.0
Digestive system	Days	N/A	14.0
	in %	N/A	2.3
Mental illnesses and behavioural disorders	Days	N/A	32.0
	in %	N/A	5.3
Circulatory system	Days	N/A	13.0
	in %	N/A	2.2
Other illnesses[1]	Days	N/A	216.0
	in %	N/A	36.1

[1] Diseases that have been grouped together for data protection reasons

Occupational integration management

The reintegration process ensures that a return to day-to-day work is possible for employees after a long period of sick leave, taking into account health-promoting aspects such as limiting daily working hours or adapting activities. An internal integration team supports this process.

In addition to discussions about returning to work after long-term sick leave, health-related discussions after short or repeated periods of sick leave have also been introduced at the Dornbirn locations as part of a pilot project. Managers have been appropriately trained to conduct these discussions.

The aim is to support employees' health and capacity to work and to discuss measures together that will improve employees' health, work satisfaction and motivation and ultimately prevent long periods of sick leave.

There are plans to roll out this process as part of the global leadership programme after the pilot phase in Dornbirn. The guidelines for conducting health-related discussions were developed together with managers and works councils and with the assistance of an external consultant.

Company health management

Derived measures

SAFEGUARD / PROTECT

Employee protection (EP)

Workplace evaluations
- Measures from workplace assessments
- Psychological and physical stress
- Inspections by safety experts

PROMOTE / RETAIN

Workplace health promotion (WHP)

Analysis of sick leave
- Immediate measures, measures for specific departments

Sick leave monitoring
- Health talks

WHP employee survey
Evaluation of psychological stress: workshops with employees and participatory action planning

SAFEGUARD / PROTECT

Corporate integration management (CIM)
- Reintegration process for long-term sick leave
- Talks with occupational psychologists

Areas for action based on the survey

Individual health
- Exercise, nutrition, relaxation
- Dealing with addiction

Company culture
- Values, attitude, motivation
- Satisfaction with work situation
- Loyality to the company
- Work as valuable and meaningful

Competence
- Professional development and further training opportunities
- On-the-job trainingCareer opportunities
- Training on the job
- Career opportunities

Working conditions
- Leadership, cooperation, scope for action
- Active participation, working hours, breaks
- Physical & psychological stress
- Work equipment, information
- Working atmosphere, respectful interaction

Responsible company management
Governance, compliance, ethics

> To my understanding, corporate governance is the legal and factual regulatory framework for managing and monitoring the company responsibly. Compliance is part of this framework and has the overarching goal of protecting the company and its stakeholders from losses.
>
> Stephan Hempel,
> Senior Director Corporate Audit & Compliance

Explanation of the central functions

Comprehensive and responsible compliance management is carried out by the corporate audit & compliance department at Group level. A clear focus is on compliance with company policies and legal requirements to ensure that all business activities meet the required ethical standards and statutory regulations.

Corporate compliance is considered and implemented as an integral component of business operations at all levels of the company, including Tridonic. This ensures that there is a consistent and responsible approach to questions relating to compliance and contributes to a trusted business environment.

Management approach/due diligence processes

The company has a comprehensive and responsible compliance management system in place, which is controlled by the corporate audit & compliance department at Group level. For Tridonic, responsibility means acting ethically, disclosing necessary information, helping to shape frameworks with transparency and taking responsibility for its actions.

The corporate audit & compliance department is a staff function that reports directly to the Audit Committee and also has reporting obligations to the Zumtobel Group's Management Board. This ensures the department's independence within the organisation.

The tasks of the corporate audit & compliance department involve all measures relating to the prevention of violations and criminal acts. Identifying and fighting against criminal acts and violations is not part of compliance.

The responsible corporate audit & compliance department organises the comprehensive management and monitoring of all business activities. The latest version of the Austrian Corporate Governance Code serves as the framework for the design of the corporate governance system. This policy has been implemented within the company through its corporate values, the recently revised Code of Conduct and the Code of Conduct for Business Partners, corporate guidelines and the whistleblower system that has now been rolled out across the Group.

Regular and ongoing communication with the Audit Committee took place during the reporting period. This is a subcommittee of the Group-wide Supervisory Board that guarantees and ensures the necessary independence of the department when required.

Continuous monitoring and assessment of risks

The corporate audit plan for 2022/23 was approved by the Audit Committee and was continuously processed during the reporting year. The required resources were fully available and the planned audits were assigned to the respective audit teams.

In the past financial year, the focus was on audits of legal entities, primarily sales subsidiaries. The introduction and implementation of the internal control system formed a focus of the international audits.

At the request of the corporate compliance department, the corporate audit team conducted a survey (fraud awareness check) to identify and assess risks of fraud within the Group. The corporate compliance charter defines compliance as adherence to laws, standards and internal rules of conduct. The compliance risk is therefore the risk of not adhering to the following:

Applicable and valid legislation. This includes:

- Legal/regulatory risk
- Risk of fraud
- Risk of money laundering
- Reputational risk
- Financial risks

This means that the responsibility of corporate compliance is to identify, assess, monitor and report on compliance risks.

In the reporting period, the fraud awareness check was carried out among corporate roles as well as in the decentralised sales units, finance and operations. 57 leading Tridonic employees took part. The specialist audit department prepared, documented and submitted the analysis to corporate compliance and to the Group Management Board on 21 December 2022. The identified risks are displayed in the compliance management system and preventive measures to minimise risk are implemented through guidelines, work procedures and training sessions.

80 % of Zumtobel Group policies, which are also fully applicable to Tridonic, have been revised and stored in the internal communications network. The remaining 20% are currently being revised, regulated and implemented by the respective specialist departments.

Code of Conduct

Basic guidelines and procedures are set out in the Code of Conduct (CoC) that applies across the Group. Its regulations define the general standards for conduct in business, legal and ethical matters. They serve as a binding orientation and regulatory framework for members of the Management Board, company managers and employees when dealing with each other and with external parties.

Building on the Group-wide introduction and training of the Code of Conduct in 2021 (95 % of employees successfully completed the training), a revised version of the Code of Conduct was created in the 2022/23 financial year. The introduction of the revised CoC is supported by training sessions with mandatory participation of all employees.

The current version of the Code of Conduct includes due diligence requirements across the supply chain as well as the commitment to comply with and implement all obligations of the Supply Chain Act. The process for its introduction and all of the associated obligations were developed together with specialist internal departments and are specified in the Code of Conduct for Business Partners.

The Code of Conduct for Business Partners is intended to ensure that the principles and rules relating to due diligence – beyond their own organisation – are applied and shared throughout the entire value chain. The Code of Conduct for Business Partners is an integral component of all contracts between Tridonic and its business partners. The company expects that its business partners and their employees acknowledge the principles set out in the Code of Conduct and the guidelines on due diligence and that they comply with these and share them with their direct business partners and their employees.

Contents of the Code of Conduct:

Basic requirements relating to conduct:

- Individual responsibility
- Conduct of managers and supervisors
- Conduct in situations of conflict
- Compliance with laws
- Respect and fairness

Due diligence along the entire value chain:

- Compliance with rules relating to due diligence
- Discrimination and working conditions
- Child labour
- Forced labour
- Freedom of association
- Right to collective bargaining
- Occupational safety and health
- Sustainability and the environment

Dealing with business partners and third parties:

- Anti-corruption, handling funding grants
- Donations and sponsorship
- Combatting money laundering
- Export control
- Business relations with suppliers
- Fair competition
- Avoiding conflicts of interest

Handling information:

- Ban on insider trading
- Commitment to data protection and security
- Protection of trade secrets and duty of confidentiality
- Information security
- Social media and external communications
- Handling company property

95 % of Tridonic employees took part in training sessions on the Code of Conduct in 2021. The focus topics included fair competition, conflicts of interest, the handling of invitations and gifts and the processes and procedures designed to combat corruption. Training sessions automatically take place for new starters and are compulsory.

The content of the training is currently being revised and the Code of Conduct training is being adapted accordingly. Training will then be carried out with mandatory participation of employees.

Sales partners are required to sign the Code of Conduct for Business Partners as part of their business agreements. The requirements for suppliers are defined by the procurement department in the Business Partner Code of Conduct. On the sales side, the Code of Conduct is an integral part of customer contracts with the entire Group.

Fight against corruption

Tridonic strongly believes that sustainable economic success in a competitive environment is only possible on the basis of legally-compliant actions. The prevention of corruption and violations of anti-trust law is therefore highly relevant for business and an important success factor for the expansion of market position and the fulfilment of corporate goals. A compliance management system (CMS) has been implemented for this reason. The performance of a systematic and standardised analysis for compliance risks represents an important element of the CMS. Based on a relevance analysis, a compliance risk assessment will be carried out in a second step. The Zumtobel Group Management Board supports this process by providing a suitable compliance organisation as well as adequate and efficient software.

The corporate audit & compliance department also provides the Management Board and Audit Committee with timely and extensive written information. Meetings between the Audit Committee and compliance department take place on a quarterly basis. The senior director of corporate audit & compliance is responsible for the development of the CMS within the Group, carries out risk analyses and training and advises the Group Management Board on the development and implementation of appropriate measures to minimise risk. The CMS is monitored by corporate audit and an external evaluation also took place in 2021.

Corporate audit reviews worldwide sales organisations and plants at regular intervals. A generalist approach is normally taken here and focusses, above all, on the internal control system of the unit to be audited. Special audits are also performed if there are concrete reasons for suspicion. The targeted review of Group companies for corruption risks goes hand in hand with the development of a systematic and standardised compliance risk analysis. The analysis is repeated annually and its development is analysed and any necessary measures to minimise risk are introduced where applicable.

Incident information

- There were no confirmed corruption or bribery incidents in the completed reporting period
- There were no convictions or fines for violations of laws to combat corruption and bribery
- There were no confirmed incidents of company employees being dismissed or disciplined due to corruption or bribery
- There were no confirmed incidents in connection with business partner contracts not being extended or being terminated due to violations relating to corruption or bribery

Fraud

Tridonic aims to take preventive measures to support the detection and handling of misconduct, fraud and white-collar crime as well as rule breaches within the organisation. Any type of violation in this context is strictly rejected.

The goal is to create transparency when dealing with customers, suppliers and public authorities in order to meet international standards as well as national and local regulations for fighting corruption, bribery and fraud.

The integrated compliance management system extends to the prevention of corruption offences, fraud, bribery, granting undue advantages to public officials and bribery of public officials.

Incident information

- There were no confirmed incidents relating to fraud in the completed reporting period
- There were also no confirmed incidents of company employees being dismissed or disciplined due to fraud

Handling of gifts

Tridonic is aware that gifts, entertainment and hospitality are signs of gratitude in both business and personal relationships and can be important for building long-term business connections. However, these expenses must always be kept to a reasonable level, comply with local practices and must not be excessive or inappropriate. This ensures that the company upholds its reputation for transparency and integrity. Money or cash equivalents are always perceived as inappropriate gifts.

Employees are strictly forbidden from accepting, offering or promising anything of value, whether directly or indirectly, in order to secure an unfair advantage, acquire new business or maintain existing business relations with third parties. This includes, for example, accepting cash or similar non-cash benefits.

Particular restraint is exercised even for low-value gifts or gratuities in the case of civil servants and other public officials. These requirements are specified in the Group-wide global ‘gift and entertainment’ policy, for example. Zumtobel Group policies also fully apply to Tridonic.

Incident information

There were no confirmed incidents of company employees being dismissed or disciplined for accepting, offering or promising gifts.

Conflicts of interest

Loyalty and acting in the company’s best interests are fundamental values for employees. Employees are required to report any activities or secondary employment that could lead to a conflict of interest or influence decisions. There is an additional code of conduct for buyers in this context (‘Ethical Charter for Buyers’), knowledge of which must be confirmed in writing.

Money laundering

Tridonic is committed to actively combatting abuse of the financial market and financial system. The company counters the possible concealment and shifting of assets of potentially illegal origins and the possible financing of fraudulent acts with clear rules for initiating business transactions and processing payments.

The following preventive measures have been implemented for this purpose:

- Exclusion, ban on cash transactions
- Establishing and verifying the identity of business partners

Particularly relating to customers outside of Europe:

- Checking for possible entry of business partners in sanctions lists (countries and people) by global customs and export control before entering into business transactions
- Special audit by corporate finance and corporate compliance in the event of implausible arrangements between the customer/delivery location/payment source

The company's business model is based on B2B transactions, i.e. Tridonic's business partners are companies. These companies are subject to the same or similar legal requirements with regards to disclosing their business activities. This makes it easier to implement preventive measures against money laundering. If there are suspected cases, these are recorded in the financial organisation, reported and clarified together with the central compliance department. If existing doubts cannot be eliminated, the business or payment transaction will be rejected.

Incident information
There were no reported violations or proceedings relating to money laundering in the reporting period.

Anti-competitive practices
The Group-level CMS covers the prevention of corruption, in particular criminal offences involving corruption and bribery in business transactions, the granting of advantages to public officials, as well as bribes of public officials.

The CMS guidelines related to anti-trust law cover the prevention of agreements and coordinated practices that could restrict competition. Efforts are made to acquire and secure competitive advantages over other market players. Tridonic achieves these advantages by constantly improving its products and services. The company strictly rejects any form of prohibited agreements.

Incident information

- No violations or actions involving legal proceedings in relation to anti-competitive behaviour or the creation of cartels or monopolies were identified during the reporting period
- There were no new findings or actions involving legal proceedings related to non-compliance with the laws and regulations covering business activities during the reporting period

Human rights
As an international company, the Zumtobel Group, and therefore also Tridonic, is fully committed to protecting human rights and complying with high social standards and the corresponding legal regulations both at home and abroad. The 'slavery and human trafficking statement' for the United Kingdom is renewed annually.

The Group has regularly reaffirmed its commitment to responsible company management and published an annual progress report (Communication on Progress, CoP) based on the UN Global Compact initiative. All relevant stakeholders are kept informed about the activities and progress made in implementing the ten principles. Tridonic also officially committed to the UN Global Compact initiative in 2023. The CoP is submitted centrally at Group level.

In order to comply with the Supply Chain Act that is legally binding in Germany and to prepare for the EU's Corporate Sustainability Due Diligence Directive (CSDDD), the company addresses risks along the value chain relating to human rights and the environment in an appropriate manner. The aim is to prevent and minimise risks and to eliminate possible violations. This is achieved through regular communication with suppliers, adapting and signing the Code of Conduct for Business Partners, carrying out the survey on compliance with human rights and environmental issues and conducting supplier sustainability audits.

Potential issues that are raised in the whistleblower system are also dealt with consistently to prevent risks.

The global customs & export control organisation unit ensures that sanctions lists are monitored. Compliance with due diligence requirements was clarified in a supplement to the Code of Conduct 2023 and the Code of Conduct for Business Partners and has been incorporated into the following processes:

- Revision of the Code of Conduct, last updated 2023
- Revision of the Code of Conduct for Business Partners
- Information for suppliers, supplier onboarding process
- Adaptation of the supplier questionnaire and supplier evaluation
- Carrying out supplier audits, sustainability audits
- Integration into escalation and complaint management
- Integration into the existing whistleblower system

The compliance management system also provides a risk-based selection of business partners. A compliance check was integrated into the supplier selection for this reason.

Incident information

There are no findings or proceedings relating to offences of human rights violations and violations of environmental compliance for the reporting period.

Critical concerns and the whistleblower system

The Austrian National Council approved a new Whistleblower Protection Act and an accompanying law change on 1 February 2023. This involved the transposition of a corresponding EU directive into national law.

The whistleblower system at Group level offers all stakeholders (employees, suppliers, customers etc.) a secure system for reporting and communicating potentially serious violations relating to compliance and due diligence issues, as well as data security issues.

In terms of technology, the whistleblower system is supported by the BKMS (business keeper management system) that has already been introduced worldwide. The whistleblower system meets all the legal requirements of the EU whistleblower directive and the Whistleblower Protection Act.

The whistleblower system offers employees and third parties the opportunity to report anonymous information regarding possible compliance violations via a link on the Tridonic homepage. The confidentiality of informants' identities is always guaranteed. This is one of the basic requirements of the EU whistleblower directive that came into force on 16 December 2019 and was transposed into national law. The whistleblower hotline is available to employees and external parties around the world. Access options were optimised and adapted in the reporting period.

As a result, critical concerns and issues can be reported directly to corporate audit & compliance. As an additional communication channel, reports can also be submitted by email. The whistleblower hotline is managed by corporate compliance and ensures that incoming reports are classified and processed in a timely manner. The reports are communicated to the Zumtobel Group Management Board immediately. As long as the Audit Committee is not required to be notified immediately regarding significant violations, the reports are presented to the Audit Committee on a quarterly basis.

Individuals can also contact the corporate compliance department through various channels regarding any queries relating to responsible business conduct in the company and the organisation's business relations. The necessary information is available for all employees on the company's intranet. This offer is regularly used in practice.

The whistleblower system covers the following reporting points:

- Health, safety and environmental regulations
- Fraud/breach of trust/embezzlement
- Corruption
- Capital market compliance/insider trading
- Data breaches
- Anti-competitive behaviour
- Discrimination/harassment/bullying
- Dealing with business partners
- Breach of due diligence obligations in the supply chain
- Other violations

The global purchasing team deals with the necessary measures relating to supplier due diligence using supplier sustainability audits. The requirements were re-evaluated in the reporting period and included in the organisational instructions. Possible violations of or non-compliance with due diligence requirements can also be reported via the whistleblower system.

Information on reports
There were no reports of minor concerns relating to Tridonic in the 2022/23 reporting period.

Data protection
During the reporting period, corporate compliance supported the Group companies, which process personal data and are therefore subject to the EU's General Data Protection Regulation (GDPR), by providing training, among other things, and helping to create corporate guidelines that are fully applicable to Tridonic. When implementing the necessary measures, the local data protection officers are actively supported on an ongoing basis by the data protection coordinator.

The following measures were implemented and the following documents were prepared as part of an extensive update relating to the subject of data protection:

- Updating records of processing activities for the leading companies
- Transferring the leading companies' processing activities into the registers of the local entities
- Clarifying the requirements of a legally effective content management system for marketing and sales
- Including changes in the data protection toolbox
- Implementing new legal requirements
- The corporate compliance & audit department providing advice to specialist departments on technical issues
- Adapting the data protection manual to new legal requirements on an ongoing basis

All important process descriptions relating to data protection and the handling of personal data can be found in the data protection manual. In addition to the process descriptions, contact partners, pre-printed forms, and processes and procedures for special data protection cases, e.g. data protection violations, can also be found in the manual. The goal of embedding data protection conformity in business processes was largely achieved.

A compliance training tool was acquired to provide further support for training activities and was successfully used when implementing the Code of Conduct.

The data protection guideline was also revised and important legal changes were added to it. This was then publicised via internal communication channels.

Incident information
No incidents relating to data security were found at Tridonic in the 2022/23 financial year.

Training on compliance issues
The Code of Conduct, which has been implemented at Group level for several years, was revised in the reporting period. The goal is to regularly provide refresher training on issues relating to compliance so that employees can act with integrity in every business situation and specifically minimise risks for the company. All new employees are required to complete mandatory online training on compliance and data protection as part of the onboarding process.

Modules on the subjects of compliance (module 1) and data protection (module 2) are available in both German and English on the Group-wide MyCampus learning platform. Both training modules are mandatory for all employees around the world.

The invitation to the online training is sent by email and is an established part of the onboarding process for new employees. Both modules must be completed within a period of 30 days.

Responsible purchasing

Explanation of the central functions

The global purchasing department is responsible for worldwide procurement. A clear focus is on compliance with company policies and legal requirements to ensure that all business activities meet the required ethical standards and statutory regulations. Guidelines, measures and processes are fully applicable to Tridonic and are implemented accordingly. This management approach applies across the Group.

Tridonic aims to continuously develop in the area of purchasing. In order to do this, the company relies on environmental and social certification such as ISO 14001, ISO 50001 and ISO 45001, as well as external sustainability certification such as EcoVadis. The goal is to create increased transparency around Tridonic's sustainability performance. In order to ensure that it achieves the sustainability goals it has set for itself, Tridonic conducts regular reviews and validations using its own sustainability audits. These guarantee extensive monitoring of supplier performance to ensure that they meet the required standards. Thanks to the newly achieved transparency surrounding emissions, climate neutrality and compliance with due diligence requirements (for example the EU's Due Diligence Directive), it is now possible to closely monitor the performance of suppliers in this area. At the same time, the progress and expansion of the relevant capacities can be documented on an ongoing basis.

> For me, sustainable procurement means ensuring compliance with minimum social and ecological requirements across the entire supply chain on the basis of economic sustainability – sustainability aspects are an integral part of procurement and distribution criteria.
>
> Miro Ardan, SVP Global Purchasing

As a manufacturing company, sustainable procurement plays an important role for Tridonic. The following social, labour law and ecological issues are fully taken into account across the supply chain:

Sustainable supply chain is-sues:	Taken into account by:
Ethics throughout the entire supply chain	Code of Conduct, self-assessment on sustainability, sustainability audits
Global purchasing with local areas of influence	Organisational structure
Safety of suppliers and their employees	Code of Conduct, self-assessment on sustainability, sustainability audits, training
CO2 footprint of the supply chain	Specific or targeted queries in sup-plier discussions
Evaluation of suppliers' environmental and social standards	Code of Conduct, self-assessment on sustainability, sustainability audits
Respect for human rights and all employee matters and social con-cerns	Code of Conduct, self-assessment on sustainability, sustainability audits

Management approach
Tridonic is more committed than ever to communicating with stakeholders and involving them in the supply chain and the organisation's other areas of influence. All processes are carried out on the basis of mutual respect, open communication and transparent conduct.

All stakeholders who have an influence on the company's business activities are involved in procurement processes through clear and open representation. This concerns the suppliers of materials required for production, contracted suppliers for merchandise and indirect material suppliers.

Globally, Tridonic works with 188 suppliers from around 25 countries.

The purchasing volumes for all sites are bundled centrally under Group-wide designated commodity managers. The product groups are managed centrally in line with the issue of sustainability. This setup helps employees to consistently work on optimising sustainable procurement and increasing resource efficiency. This allows a significant contribution to be made to environmental and climate protection, as well as to compliance with social standards and supply chain conditions that meet labour laws correctly.

The following social, labour law and ecological factors are fully taken into account across the supply chain:

- Ethics along the entire supply chain (Code of Conduct, self-assessment on sustainability, sustainability audits)
- Global purchasing with local areas of influence (organisational structure)
- Safety of employees and suppliers (Code of Conduct, self-assessment on sustainability, sustainability audits, training)
- CO_2 footprint of the supply chain (specific or targeted enquiries)
- Evaluation of suppliers' environmental and social standards (Code of Conduct, self-assessment on sustainability, sustainability audits)
- Respect for human rights and all employee matters and social concerns (Code of Conduct, self-assessment on sustainability, sustainability audits)

The local plants and their purchasing teams are also integrated in the procurement structure and are able to react on site to relevant requirements and contribute to regional, transport-optimised and sustainable procurement with local procurement initiatives.

The company aims to source most of its raw materials, goods and services in the region where production using the materials takes place. Essential raw materials such as steel and plastic granulate for local housing production are procured in Central Europe. Electronic and LED components are primarily purchased in Asia where many of the most competitive suppliers are based. The share of the procurement volume from Asia amounts to 51.8 % for the current reporting period (previous year: 58.2 %).

Supplier data	Unit	2021/22	2022/23
Suppliers (99.9% annual volume)	Number	165	188
New suppliers	Number	1	3
Share of new suppliers	in %	0.6	1.6
Suppliers from Europe	Number	84	95
Share of suppliers from Europe	in %	50.9	50.5
Suppliers from other regions	Number	81	93
Share of suppliers from other regions	in %	49.1	49.5
Top suppliers[1]	Number	40	41
Suppliers from risk countries	Number	71	85

[1] Top suppliers make up around 80% of the total procurement volume

Procurement volumes	Unit	2021/22	2022/23
Total procurement volumes	EUR million	188.2	184.5
Share of revenue	in %	51.8	51.3
Procurement volumes, Europe	in %	41.3	48.1
Procurement volumes, Asia	in %	58.2	51.8
Procurement volumes, rest of the world	in %	0.5	0.1

From the Covid-19 pandemic and the supply chain crisis to the Ukraine war and the prevailing energy crisis

The significant capacity reduction in nearly all industries during the Covid-19 pandemic resulted in an unprecedented crisis relating to the availability of resources. In times of shortages, Tridonic benefits from long-standing partnerships with its suppliers. Nevertheless, various procurement tools must be used regularly and carefully to organise the production of materials in the required quantities.

Success factors in the context of crises

- Long-standing partnerships with suppliers
- Local-for-local procurement approach
- Regular coordination with local plants
- Continuous and close coordination with suppliers
- Regular monitoring of delivery schedules
- Individual changes to established transport routes
- Increased remote meetings and remote audits with suppliers

The situation and the focus on the procurement market changed again significantly with the start of the Ukraine war in February 2022. Energy costs increased enormously. Material price indices exploded in the short term but have also not recovered to pre-crisis levels in the medium term. These two factors had a huge impact on the overall cost structure of existing suppliers.

It has become clear that all the measures that proved to be successful during the Covid-19 pandemic have also helped to counteract the negative effects of the conflict in Ukraine. Crisis management during the first years of the Covid-19 pandemic and the natural efforts relating to the supply of goods in the subsequent availability crisis have built up resilience in the supply chain.
This resilience is necessary to react to the changing requirements and cost structures (due to increased input factor costs) that have been triggered by the Ukraine war and the energy crisis.

In addition to the success factors mentioned above, increased efforts have been made to gain a better understanding and a clear picture of the economic and ecological influence factors for suppliers in the highly localised supply chain. There is now increasing transparency surrounding the sources of the energy used by the main suppliers (especially suppliers from risk countries) thanks to the newly revised sustainability questionnaire for suppliers and the greater focus on CO_2 footprints.

This transparency forms an excellent basis to subsequently work on energy autonomy and a resulting higher proportion of green energy for suppliers. This helps to save on both costs and greenhouse gas emissions but at the same time increases independence and the security of supplies.

Sustainable procurement and supplier management
The implementation of a sustainable procurement concept that takes into account maximum value contribution for the organisation has been a core initiative for procurement for many years.

As a manufacturing company, Tridonic wants to fulfil its social responsibility and ensure the economical use of natural resources, protection of the climate and environment, fair trade and integrity along its entire supply chain in all areas of its activities.

When it comes to supply chain management, it is essential for Tridonic to fully comply with all applicable legal regulations as well as internal standards in the areas of safety, environmental protection and human rights.

In recent years, the focus of procurement has evolved from purely economic interests to the increased implementation of ecological and social aspects. Business relationships between Tridonic and its suppliers have always been characterised by longevity, mutual trust and fairness, and this has been further strengthened by the paradigm shift.

Onboarding process for suppliers

A systematic supplier evaluation and approval process (supplier onboarding) forms the basis for business relationships. As mentioned previously, the process starts after the Code of Conduct for Business Partners has been signed with a self-assessment survey regarding various economic, ecological and social factors. Agreement surrounding the business and quality aspects of the contract is the next step and the final step is an audit of various focal points in areas such as quality and sustainability.

Confirmation of compliance with the provisions set out in the Code of Conduct for Business Partners, which focusses on human rights as well as clearly defined social and environmental standards, is fundamental when establishing a supplier relationship and forms the foundation for a long-term and sustainable partnership.

New suppliers are also carefully assessed for compliance with legal requirements, such as the REACH/RoHS guidelines and conformity with the Conflict Minerals Regulation. In addition to the criteria used previously, the approval criteria in general and the Code of Conduct and the supplier sustainability questionnaire in particular have been expanded in 2022/23 to include a specific greenhouse gas (GHG) emission screening (CO_2 status request), monitoring of compliance with the Due Diligence Directive and explicit queries relating to conformity with diversity and inclusion guidelines.

Both the contract for the onboarding process and the audit surveys therefore create significant added value and cover all the requirements of the newly integrated subject areas.

The sustainability questionnaire for suppliers has been adapted to take into account conformity with the EU Due Diligence Directive, climate neutrality and GHG emissions and the roll-out to suppliers in risk countries has already begun. 83 suppliers in risk countries have already been assessed on the newly introduced criteria as well as their sustainability performance.

Suppliers must accept these issues as an integral part of their contracts. If there is a violation of one or more guidelines and corrective measures to resolve this are not taken within an appropriate time period, Tridonic reserves the right at any time to terminate the contractual relationship with the supplier.

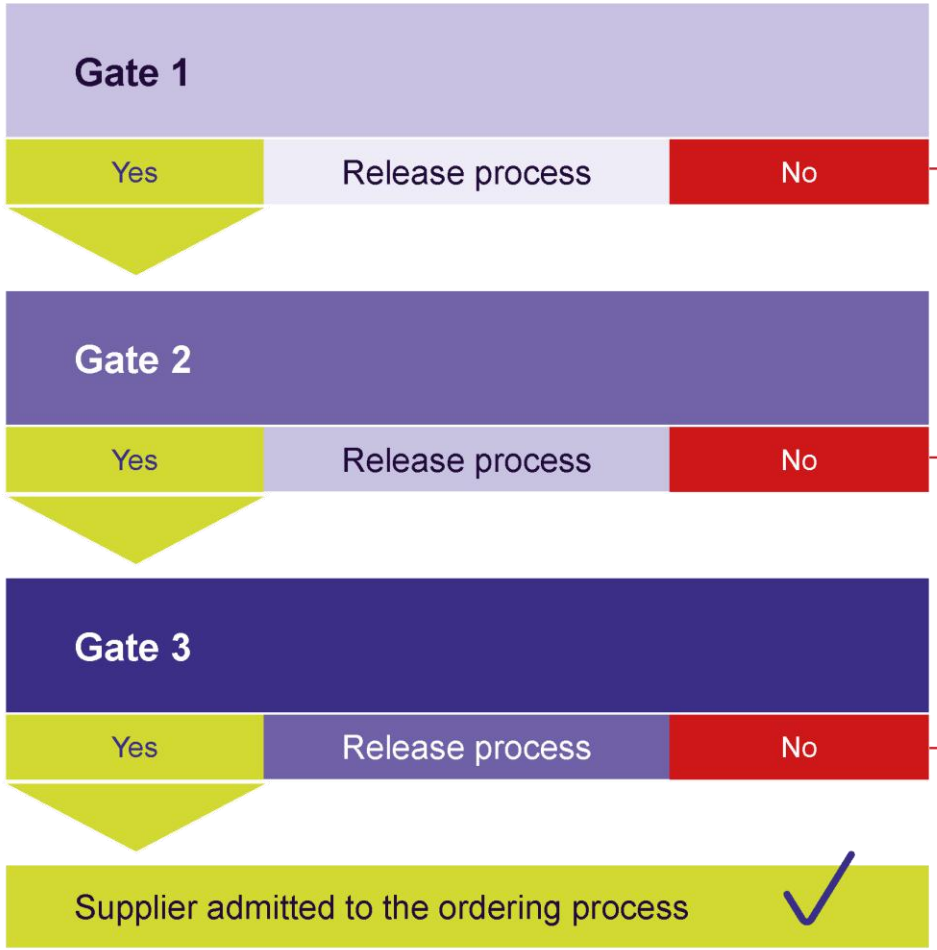
Global purchasing believes it is necessary to further promote sustainability in purchasing activities as well as in supplier onboarding. Sustainability aspects have therefore been integrated into product group strategies. The main goal is to regularly monitor key suppliers for compliance with the most important requirements and to document this and ensure continuous improvement.

Once a supplier has been established as a key supplier, development continues with a number of KPIs in the areas of quality, delivery reliability and customer service as well as various supplier ratings and optimisation of aspects within the sustainable supply chain.

Global purchasing market

Costs | **Risk** | **Quality** | **Environmental, social and governance**

Start onboarding process for suppliers



No approval

- Review of production range
- Review of competitive position
- Review of pricing

No approval

- Review of material directives
- Review of existing ISO standards
- Signing of the Code of Conduct
- Supplier questionnaire
- Sustainability questionnaire

No approval

- Quality standards & sustainability audit
- Product & process audit
- Drafting of contract
- Product liability insurance

Environmental and social standards in the supply chain

The Code of Conduct for Business Partners was expanded in the 2022/23 business year to include various aspects relating to due diligence and now conforms with the current status of the EU Due Diligence criteria. As mentioned in detail above, signing the Code of Conduct is a prerequisite for starting a partnership with Tridonic.

The multidimensional sustainability questionnaire was also expanded in the 2022/23 business year to cover various topics relating to due diligence, GHG emissions and CO_2 status as well as transparency and future plans in relation to these areas.

The rating resulting from the overall assessment plays a deciding role in the further approval of each supplier. The supplier approval process cannot be completed without the supplier achieving a clearly defined minimum of performance.

Currently 98.9 % of suppliers, based on volume, have signed the Code of Conduct for Business Partners (previous year: 98.5 %).

Contents of the Code of Conduct for Business Partners

- General principles of conduct
- Corruption and criminal acts
- Human rights, child labour and forced labour
- Protection of health
- Discrimination and fair working conditions
- Environment, sustainability, IT security
- Intellectual property and confidential information
- Data protection
- Monitoring and partnerships
- Conformity with the EU Due Diligence Directive
- Conformity with the standards of the German Supply Chain Act

The topics that form the self-assessment on sustainability mentioned above are subsequently verified during an on-site sustainability audit that is mandatory for supplier approval. Other issues relating to sustainability are also queried, verified and documented during the audit.

In addition to the risks mentioned above (corruption, human rights violations, forced labour and child labour), further environmental and social risks in the supply chain are specifically queried, audited and excluded from the supply chain as part of this approach. The other risks are listed below:

Other evaluated risks in the supply chain:

- Lack of business integrity
- Lack of information security
- Compulsory performance of work
- Lack of work safety standards
- Non-compliance with statutory work and rest periods
- Any form of discrimination
- Lack of occupational safety in all relevant areas
- Environmental pollution and lack of legal environmental standards
- Waste of resources
- Conformity with the EU Due Diligence Directive
- Conformity with the standards of the German Supply Chain Act

Based on an internally defined sustainability rating for risk countries, long-serving suppliers are also continuously assessed using an increasingly tight net of sustainability evaluations (self-assessment and/or audit). The highest priority is given to suppliers in countries associated with a high risk of violations against environmental and social standards or standards relating to human rights.

Self-assessments from 83 suppliers in the supplier base are now available in addition to the audits. A minimum standard must be maintained in order for the business relationship to continue in the future.

Thanks to the integration of GHG emissions and the Due Diligence Directive requirements in the self-assessment for suppliers and its direct roll-out to the most important suppliers in risk countries in 2022/23, the ratings for suppliers in risk countries are now as follows: more than 80 % of suppliers achieved the A standard (at least 80 % of possible points). It is clear that the newly defined requirements for monitoring emissions pose a major challenge for suppliers in risk countries. The goal for the coming year is to increase the proportion of all suppliers that achieve a positive result in the environmental section for the area relating to GHG emissions. The assessment with its new criteria will also be expanded to other suppliers in risk countries.

It is important to mention at this point that none of the audited suppliers have been found to be responsible for gross violations: no significantly negative environmental and/or social impacts have been identified. On the contrary, it was noted that the suppliers are consistently factoring environmental and social concerns into their activities. Areas for improvement are primarily related to a lack of certification for suppliers and compliance with standards by third parties.

The company is continuing its development in the area of sustainability together with its suppliers by requesting, recommending and evaluating the implementation of environmental and social certification (for example ISO 14001 or ISO 45001) or external certification (for example by EcoVadis), which ensures more transparency in relation to aspects of sustainability.

Supplier audits/sustainability audits	Unit	2021/22	2022/23
Suppliers (99.9% annual volume)	Number	165	183
New suppliers	Number	1	3
Total audits	Number	22	26
	in %	13.3	14.2
Sustainability audits	Number	18	22
	in %	81.8	84.6
Total audits of new potential suppliers	Number	1	7
Sustainability audits of new potential suppliers	Number	1	7
	in %	100.0	100.0
Suppliers with negative impact	Number	0	0
Suppliers with negative impact and termination of supplier relationship	Number	0	0
New suppliers with negative impact	Number	0	0
New suppliers with negative impact and termination of supplier relationship	Number	0	0

Suppliers in risk countries	Unit	2021/22	2022/23
Top suppliers*	Number	N/A	85
China	Number	N/A	74
Serbia	Number	N/A	8
Thailand	Number	N/A	2
Malaysia	Number	N/A	1

* Top suppliers make up around 80% of the total procurement volume

Conflict minerals

Since the start of 2021, companies with their headquarters in the EU are legally required to carry out a process of due diligence when procuring conflict minerals. The European Commission is calling on all companies affected by the regulation to comply with the due diligence requirements for the minerals tin, tantalum, tungsten and gold. As part of the conflict minerals programme, Tridonic has also implemented measures in its supply chain to ensure that its products do not financially support business in the Democratic Republic of the Congo (DRC), whether directly or indirectly.

The Responsible Minerals Initiative (RMI) report template is used to document the due diligence process and to disclose due diligence practices in the supply chain for smelting works and refineries, as required by the Responsible Minerals Assurance Process (RMAP). The OECD guideline 'Due Diligence Guidance for Responsible Supply Chains from Conflict-Affected and High-Risk Areas' is the most important reference document that provides guidance for the current RMAP standards. The guideline requires all upstream companies to publish annual reports.

Smelters and refineries are considered upstream companies based on the OECD guidelines and must meet the reporting requirements of Step 5 in the OECD framework for upstream companies in order to conform to RMAP standards.

The reports are prepared and updated by an external company, ValueStream Europe GmbH, which contributes its expertise in the field of material compliance. The current version of the Conflict Minerals Reporting Template (CMRT) is available to download on the website.

Resources inflows, including resource use

As well as the materials that are directly used in the production of products and in the manufacturing of merchandise by sales partners, there is a strong focus on sustainability with regards to indirect materials. For example, the European production facilities have switched to 100 % green electricity, meaning that our own production has taken another major step towards environmental compatibility. In addition to this, intensive work is taking place to make the corporate fleet greener and to optimise the CO_2 footprint of transport logistics.

As part of the sustainability strategy, the entire Group is implementing measures along the supply chain to ensure that information regarding the proportion of recycled source materials is available for each product group (including packaging). This information is included in this report for the first time.

Based on feedback from suppliers, joint measures are then put in place to increase this proportion wherever possible. When collecting the information, the recyclability rate is also determined as a percentage.

Materials by product group	Unit	2021/22	2022/23
Source material	Tonnes	N/A	3,658
Semi-finished products	Tonnes	N/A	1,846
Operating equipment	Tonnes	N/A	487
LED/lamps	Tonnes	N/A	478
Supplies	Tonnes	N/A	955
Packaging	Tonnes	N/A	913
Trading goods	Tonnes	N/A	9
Other	Tonnes	N/A	7
Proportion of non-renewable material	in %	N/A	N/A
Proportion of renewable material	in %	N/A	N/A

Proportion of recycled material by top product group	Unit	2021/22	2022/23
Steel	in %	30	32
Cardboard packaging	in %	90	90
Printed circuit board	in %	N/A	12
Metal housing	in %	N/A	17
Plastic housing	in %	N/A	5

E-mobility in fleet management

Mobility is also an important issue in terms of sustainable procurement. The focus of fleet management is on the balance between environmental protection and economic efficiency. In the previous year, the vehicle fleet underwent a detailed review with regards to the demand and usage profile of the vehicles. The global policy for company vehicles was adapted in line with sustainable criteria and reissued and rolled out in the reporting year.

This initiative presents the opportunity to subsequently develop the vehicle fleet in an environmentally friendly way, as hybrid and e-vehicles are now included in the four categories. 20 % of the newly acquired company vehicles in the reporting year were purely electric.

Vehicle fleet	Unit	2021/22	2022/23
Diesel	Number	36	31
Petrol	Number	4	4
Gas	Number	0	0
Hybrid	Number	0	2
100 % electric	Number	2	3
Total vehicles	Number	42	40
E-mobility proportion	Number	4.8 %	12.5 %
CO_2e	Tonnes	237	209

Sustainability training for buyers

The training initiative ‘sustainability for the purchasing organisation’ was planned and carried out in the completed reporting period. All employees worldwide working in procurement were trained on the issues of sustainability and due diligence along the value chain at four training sessions.

Partnerships with suppliers that support diversity

Tridonic maintains its existing partnerships with suppliers that meet the highest standards relating to diversity and equal opportunity.

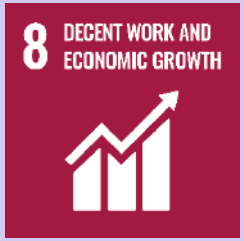
One example of this is its long-term collaboration with pro mente Vorarlberg. People with mental illnesses can start their careers with realistic work training in pro mente Vorarlberg’s workshops. Tridonic regularly passes on tasks to the workshops, for example sorting, repacking and relabelling products, taking simple electronic measurements and assembling components. The goal is to give the people at pro mente the opportunity to get used to a structured daily routine and to prepare them for the transition into normal working life.
They are remunerated for their services monetarily. By doing this, Tridonic ensures that the people not only feel valued but are also recognised as an essential part of society. Tridonic is committed to bringing together different people with a range of qualities, skills and experiences. This particular project strengthens the company values such as openness, acceptance, inclusion and equality.

Another example is the collaboration with INTEGRA Vorarlberg. INTEGRA Vorarlberg gem. GmbH makes a valuable contribution to supporting and encouraging people who have been looking for work or qualifications for a long time. The company covers around 20 areas of work as well as several areas of different kinds of training and education. Due to these synergies and its many years of experience in a wide variety of areas, INTEGRA Vorarlberg gem. GmbH is considered an important institution in Vorarlberg that combines social and economic factors and prevents unemployment in the state. Tridonic passes work onto INTEGRA on an ongoing basis. Examples include outdoor maintenance (mowing lawns, cutting hedges) and the annual bike cleaning campaign, which started in 2015 and can be used by employees. Tridonic is therefore able to contribute to providing work and recognition to people who have been looking for jobs for a long time. Tridonic only makes use of services that are appropriately remunerated.

Environmental protection

Tridonic's goal is to achieve climate neutrality (Scope 1 and 2) by 2025. Tridonic has already made a significant contribution to decarbonisation since the 2020/2021 business year by reducing its CO_2 emissions by more than 60 %.

Together with the Zumtobel Group, Tridonic is pursuing the goals of climate neutrality and net zero emissions. By joining the Science Based Targets initiative (SBTi), the Group is committed to following this reduction path in a way that is based on science.



Highlights 2022/2023

- Commitment to the SBTi at Group level
- 1,833 tonnes of CO_2 saved compared to the previous year
- EcoVadis: 90 out of 100 points in the ‘environment’ category
- 68 % renewable energy
- 87 % recycling rate

On the path to climate neutrality and net zero

The science has shown that climate change due to greenhouse gas (GHG) emissions is primarily caused by people. Urgent measures must be taken to protect the environment and our shared living conditions. This means using resources responsibly and switching to renewable energy sources and climate-friendly alternatives.

The main goal of environmental protection is achieving climate neutrality (Scope 1 and 2) and eventually net zero by reducing GHG emissions across the entire value chain. In order to do this, the company relies on the latest scientific findings to take effective measures and to determine their success. The focus is on preventing the generation of emissions. That is why the Zumtobel Group joined the Science Based Targets initiative (SBTi)[2] in April 2023.

Emissions that cannot be fully avoided will be offset by 2025. However, it is important to emphasise that offsetting projects are not used in order to continue emitting greenhouse gases. Tridonic will continue to focus on reducing GHG emissions and will only use offsetting projects as a last resort.

In order to achieve a continuous reduction in GHG emissions, new reduction targets are set every year. Carbon reporting has become an important tool for documenting the company's process of change using measurable indicators. A CO_2 measuring system was already introduced in 2014/15. The measuring system was adapted to the Greenhouse Gas Protocol (GHGP) in the 2021/22 business year and important indicators were added. In September 2018, another production site opened in Niš (Serbia) and this was included in the reporting process. This report therefore only shows the development since the 2018/19 business year. The 2020/2021 business year is used as the Group-wide base year for measuring emissions.

[2] The Science Based Targets initiative developed the first global standard that helps companies make the goal of net zero a reality using targets that are based on science. More than 4,000 companies worldwide are already working with the initiative to limit worldwide global warming to less than 1.5°C.

We know that our business processes and production have an impact on the environment. We therefore regularly assess which measures can be taken to minimise any negative effects on the environment. Experienced employees continuously contribute their expertise for this purpose.

Alexander Jankovsky, COO

Management approach

Environmental protection is an important part of the integrated management system. The Group-wide environmental management concept is based on three pillars:

- Certified environmental and energy management systems in accordance with the international standards ISO 14001 and ISO 50001
- Ongoing compliance with internal and external obligations and guidelines relating to environmental protection
- Aiming to continuously improve the environmental performance and energy-related performance of the company

The accredited certification partner, Quality Austria, confirms the effective application and further development of Tridonic's environmental and energy management systems by issuing ISO 14001 and ISO 50001 certificates.

The main goals of the integrated management system are to improve environmental performance, to achieve environmental targets relating to the reduction and prevention of environmental pollution and to comply with legal, official and voluntary obligations. The headquarters in Dornbirn has also had ECOPROFIT certification for over 20 years.

Guidelines and objectives relating to environmental protection are embedded in the Group-wide environmental policy. The environmental policy serves as a guide for all employees in their day-to-day activities that takes into account the sustainable use of resources. At each location, senior management is responsible for providing appropriate resources to achieve the environmental targets. They are supported by a local environmental management officer. Global process owners ensure compliance with all requirements of the ISO standards and binding obligations in their business processes.

Competence and awareness

For Tridonic, it is important to promote an awareness of the environment and how resources can be used sustainably among all employees. Employees are informed about and made aware of environmental protection on an ongoing basis using various communication channels.

Supervisors and environmental officers regularly train and instruct employees on the environmental effects and issues that are relevant to their specific areas of responsibility.

In addition to this, all employees worldwide are informed about planned and implemented environmental projects. Every new employee at the headquarters also receives an introduction to the 'Sustainable Tridonic' sustainability strategy. This should also be carried out globally in the future.

Examples of information channels include introductory folders and welcome training sessions for new employees as well as information screens in break areas and the intranet.

ISO certificates

Location	Standard		Valid until	Certified since
Dornbirn	Quality management	ISO 9001:2015	2023	1994
	Environmental management system	ISO 14001:2015	2023	2004
	Energy management system	ISO 50001:2018	2023	2013
	Occupational health and safety*	ISO 45001:2018	2025	2022
Niš	Quality management	ISO 9001:2015	2024	2018
	Environmental management system	ISO 14001:2015	2024	2018
	Occupational health and safety	ISO 45001:2018	2024	2021
Spennymoor	Quality management	ISO 9001:2015	2024	1993
	Environmental management system	ISO 14001:2015	2022	2010
	Energy management system	ISO 50001:2018	2024	2015
	Occupational health and safety**	ISO 45001:2018	2026	2023
Shenzhen	Quality management	ISO 9001:2015	2023	2005
	Environmental management system	ISO 14001:2015	2023	2009

* newly added certificates
** preliminary stages passed, the certificate will be issued in the 2023/2024 business year

Implementation of environmental targets
New environmental targets are set at Group level every financial year and are distributed to all global sites.

These are then broken down to the individual locations. The development of these targets is monitored with transparent and periodic global environmental reporting, which is based on the Global Reporting Initiative standard. The most important indicators for environmental reporting are energy consumption, CO_2 emissions, water consumption, waste and the recycling rate. Absolute values as well as output-based values are provided. The amount of products produced has a significant impact on the environmental and energy-related performance.

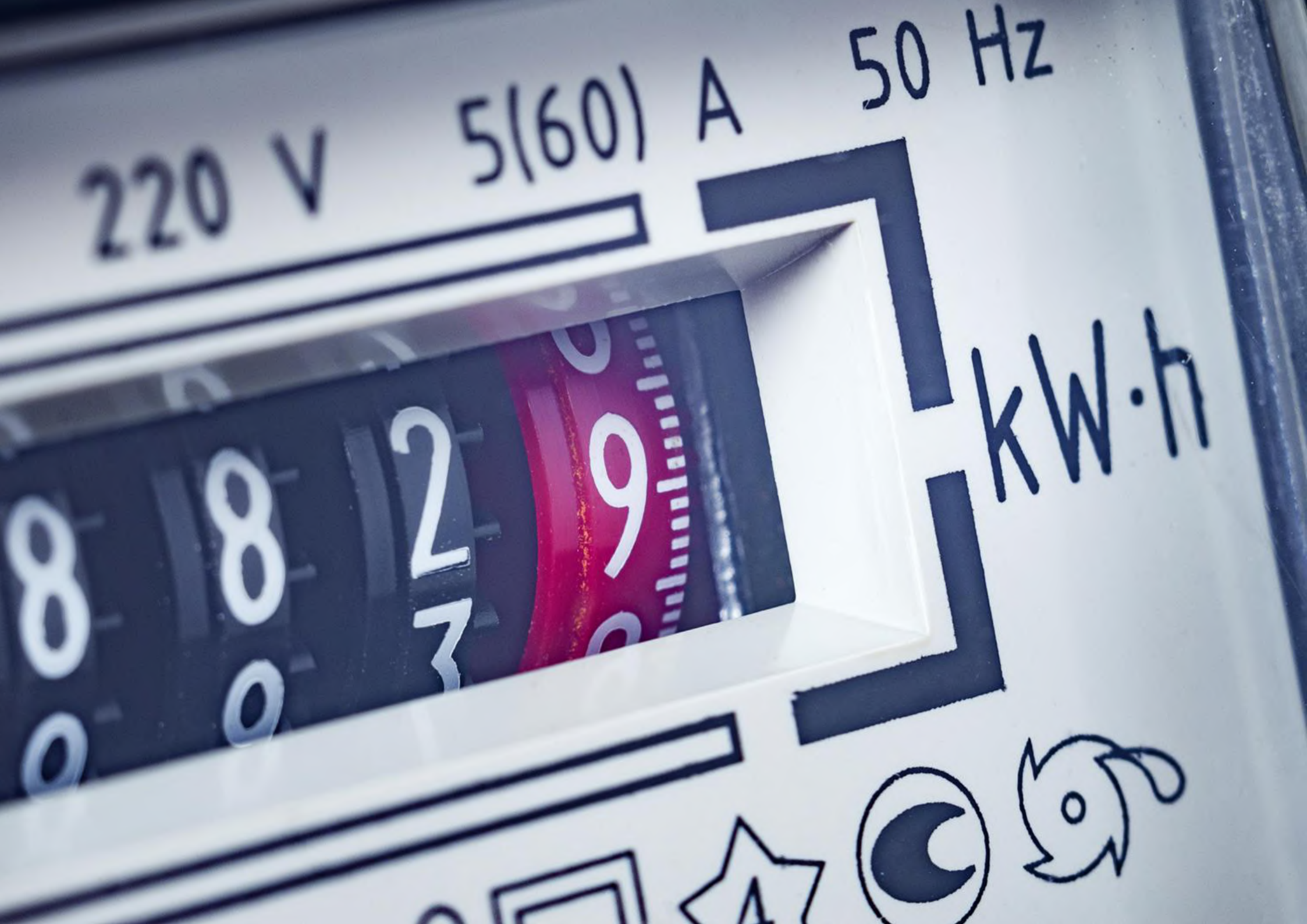
Environmental performance is monitored and evaluated both locally at each individual location and also by the sustainability team and management at the headquarters. In the 2022/23 business year, monthly evaluation meetings continued at each plant. A global meeting also took place, in which the performance of all plants was discussed and measures for improvement were identified. This allows countermeasures to be defined and implemented in a timely manner in the case of variances.

> By establishing regular monthly meetings as well as quarterly global meetings with the plant supervisors, management and the sustainability team, synergies were identified and effective learning was achieved. This allows measures for improvement to be implemented much more quickly.
>
> Stefanie Neier, Sustainability Specialist

As the data for the environmental and energy indicators are based on information and invoices from suppliers and they are sometimes only able to provide the final data more than one month later, there are marginal discrepancies between the indicators in the last sustainability report and those in the final environmental and energy report.

The goals for the reporting year were as follows:

- 5 % reduction in CO_2 emissions compared to the previous year
- 62 % renewable energy
- 5 % reduction in the total volume of waste in relation to manufactured products compared to the previous year
- Recycling rate of 91 %


220 V
5(60) A
50 Hz
kW·h

Energy management

The proportion of renewable energy increased from 55 % to 68 % and therefore surpassed the goal of 62 %.

Energy consumption and renewable energy

The consumption of energy is an important environmental aspect. The focus is on the energy consumption that can be influenced by Tridonic. As production processes consume the most energy, responsible energy consumption and the use of renewable energies are promoted at all production sites.

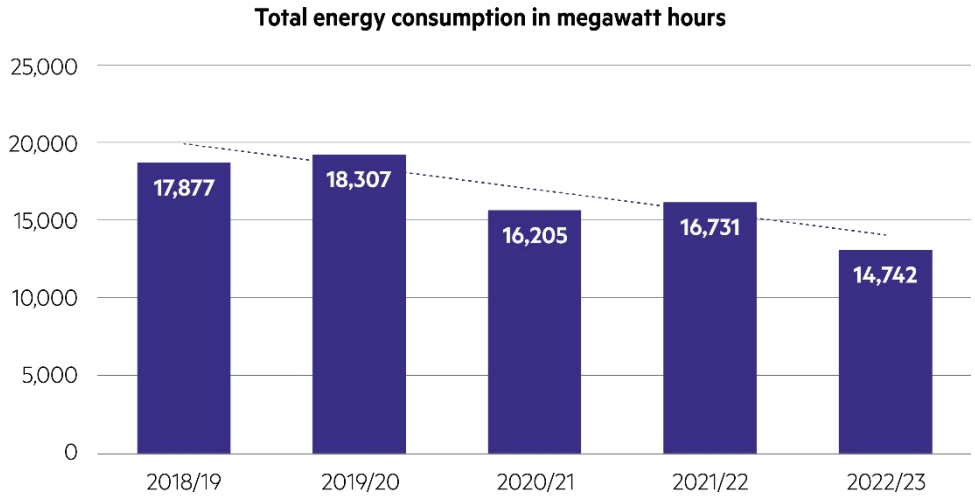
Energy-related performance is defined as the result of efficient energy use, appropriate energy use and energy consumption. In light of this, specific external energy audits are also carried out regularly at selected locations to identify potential areas for saving energy and to develop measures for improvement. The continuous implementation of these energy efficiency measures should ensure the efficient use of energy on an ongoing basis.

Energy consumption within the organisation

Energy consumption data is recorded monthly at all production locations both at Tridonic and at Group level. Heating and process energy is based on real consumption data that is calculated by suppliers.

Total energy consumption in the last business year was 14,743 MWh. This represents an absolute reduction of 12 % compared to the previous year (16,731 MWh).

Soldering and hardening processes as well as compressed air generation require the most energy. Significant energy consumers provide the focus for the implementation of improvement measures. Most of the energy is consumed at the European production sites (71 %).



Energy consumption outside of the organisation

Important environmental aspects are identified along the value chain and over the entire product life cycle. This means that the following upstream and downstream processes have an impact on energy consumption and are therefore recorded separately: purchased materials and services, assets, transport and distribution (upstream), waste, business travel, commuting of employees and lessees in upstream processes, use and disposal of products sold in downstream processes.The relevant data is collected and converted into energy consumption figures where appropriate.

The required conversion factors come from different sources such as myClimate, the World Resources Institute and the environmental database Sphera LCA. These values allow the energy consumption of the processes to be identified.

Reducing the energy consumed is the main focus. Improving the energy efficiency of LED modules and LED drivers has the greatest impact on the total energy consumed. The improvement in the total energy consumption is covered in the section ‘Reducing energy demand for products and services’.

Energy intensity

As the number of units produced has a significant impact on the total energy consumption, energy-related performance is assessed in accordance with the following indicator: total energy consumption within the organisation per 1,000 units produced. When calculating energy intensity, process and heating energy are included in the total energy consumption within the organisation. Energy consumption per 1,000 units was almost maintained; it increased only slightly from 0.358 to 0.366 MWh in the past year. Energy intensity in the production facilities declined slightly by 2 % in this business year due to the number of produced units decreasing by 14 %.

It is important to note that energy intensity also includes processes like air conditioning, heating and the base load requirements of machinery. These consumption values are not affected by the number of units produced and are relatively constant.

Reduction of energy consumption

Tridonic consumed 12 % less energy in total compared to the previous year. The reason for this is mainly the 14 % decrease in production volumes.

The war in Ukraine and the significant increase in energy prices as a result of this had a significant impact on costs at the selected locations. This means that there is an even greater focus on the environmental aspect of energy consumption. Measures have been taken at all locations to reduce the energy consumption for heating. Employees only worked four days in offices at some locations, working from home for the remaining day of the week. Office space was also reduced and any offices not being used were no longer heated. Energy consumption was minimised both in office buildings and in production areas over the weekend and on any other non-working days. It was also possible to reduce the base load energy at all production sites.

In numbers, this means that the energy consumption for heating was reduced by 33 % in the 2022/23 business year. The milder winter contributed significantly to this reduction.

The following measures also contributed to the reduction in energy consumption at the sites:

In Dornbirn (Austria), the lighting was upgraded to LEDs with smart controls on two floors. Compressed air consumption also decreased thanks to a reduction in pressure. Temperature test chambers were given a software update and special valves to enable savings in energy. A new compressor control system and optimisation of the base load energy during periods of downtime also contributed significantly to energy savings.

In Niš (Serbia), various measures were implemented to reduce energy consumption. These included optimising the air conditioning and ventilation both in offices and production areas. Energy consumption in temperature test chambers was also reduced through the use of new valves and new software. The base load energy was also optimised during periods of downtime.

In Spennymoor (UK), the installation of LED lighting with smart controls in both offices and production areas contributed to a significant reduction in energy consumption. The energy consumption in temperature test chambers was also effectively reduced thanks to the use of new valves and new software and the first part of the compressed air supply system was also renewed.

In Shenzhen (China), the air conditioning system was equipped with smart controls, and chillers and water pumps that were no longer needed were shut down. Two water cooling towers were also renovated.

Reducing energy demand for products and services

The average improvement in energy efficiency is evaluated using the total light output that was part of the Tridonic product portfolio during the period under review (number of LED light sources multiplied by the rated luminous flux), together with the total electrical power consumption (number of LED light sources multiplied by the rated power) to produce a quotient.

The average energy efficiency of the Tridonic product portfolio improved slightly in the last business year 2022/23. For LED modules, efficiency increased from 142 lm/W to 144.7 lm/W, and for LED drivers efficiency increased from 88.16 % to 88.31% (see the section ‘Calculations to improve energy efficiency‘ for more details).

Renewable energy

In the 2022/23 business year, 68 % of the total energy consumption was covered by renewable energy and the proportion of renewable energy therefore increased by 13 %.

All European plants obtain their electricity exclusively from renewable energy sources.

The proportion of renewable energy increased at all locations thanks to a reduction in energy consumption for heating by 33% and other saving measures that were implemented in the previous business year, which proved to be fully effective.

In Dornbirn (Austria), part of the required heating energy (approx. 33 %) was converted to district heating in autumn 2022. 95 MWh could be generated from the photovoltaic system on the roof.

At the Niš site (Serbia), a feasibility study was carried out regarding the installation of a photovoltaic system in the office building, on the green space and in the car park.

The plant in Shenzhen (China) was able to increase its proportion of renewable energy from 17 % to 26 %, as an improved energy mix was sourced for the entire 2022/23 business year.


CO2

GHG emissions

Greenhouse gas (GHG) emissions have been recognised as one of the significant environmental factors and their reduction has been a top priority for several years now. The development of greenhouse gas emissions depends on both energy consumption and the energy sources used. Of the four most important greenhouse gases, carbon dioxide, methane, fluorinated hydrocarbons and nitrous oxide, carbon dioxide (CO_2) is the most significant greenhouse gas in terms of the company's measures for reduction.

The main causes are the production processes and the upstream and downstream processes in the supply chain. The focus was therefore set on reducing CO_2 emissions with the goal of achieving climate neutrality (Scope 1 and 2) by 2025.

A further step towards achieving climate neutrality was taken in the last business year. The goal of reducing CO_2 emissions by 5% compared to the previous year was achieved both in absolute terms and relative to the production output. CO_2 emissions were reduced by 37 % in absolute terms and by 27 % in relation to the production output.

CO_2 equivalents for the various energy sources used are evaluated, verified and documented at regular intervals. As the 2025 climate neutrality goal relates to Scope 1 and Scope 2 greenhouse gas emissions, the focus is on the reduction of greenhouse gas emissions at production locations and in the vehicle fleet.

Indirect GHG emissions within the value chain (Scope 3), which are outside of Tridonic's control, account for the largest portion of emissions. The data is collected for each relevant category and the GHG emissions are determined using appropriate methods and scenarios.

The biggest lever for reducing Scope 3 GHG emissions involves continuously improving the efficiency of the entire product portfolio. Generally, the aim is to continuously reduce GHG emissions along the entire value chain in accordance with the SBTi's requirements for the Group.

Direct GHG emissions (Scope 1)

Tridonic uses natural gas exclusively for heating. Company vehicles and emergency generators are operated using liquid fossil fuels or electricity. Various refrigerants are also used in the cooling systems, which are released into the environment in the event of leakages. The 2020/2021 business year acts as the reference year since all data for the production locations has been recorded in full since then.

The vehicle fleet data was determined at Group level this year based on the amount of fuel used to fill up the vehicles in litres and this was extrapolated to Tridonic. The vehicles' real energy consumption is recorded in this year's sustainability report for the first time and is therefore given retrospectively to ensure comparability and to show the development of energy consumption.

Thanks to the improved data set used in the 2022/23 business year, it was discovered that the emissions from the administrative buildings belonging to the Group and used by Tridonic are already included in the heating energy data in Scope 1 and they are therefore no longer shown separately.

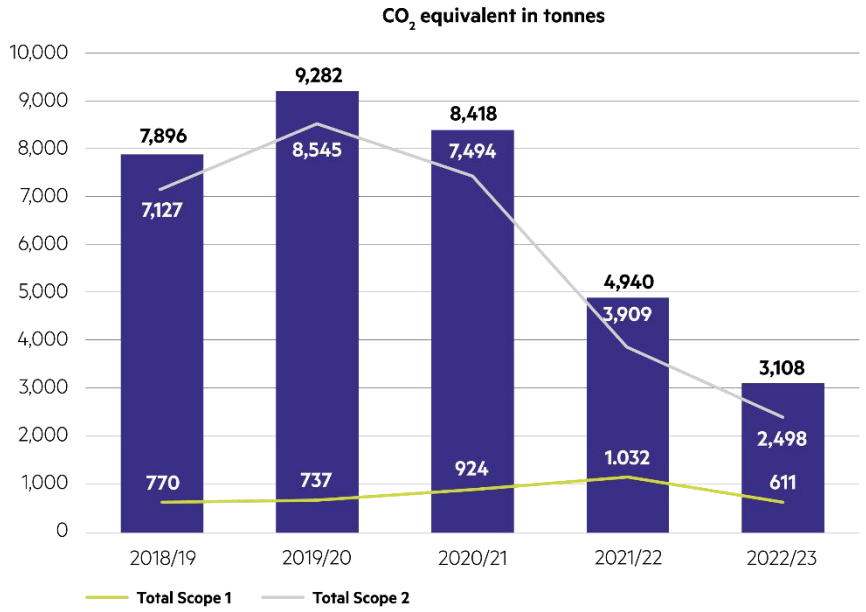
The applied emission factors are provided by the suppliers. The direct greenhouse gas emissions in tonnes are the result of the energy consumption in MWh multiplied by the relevant emission factor in tonnes per MWh.

Scope 1 CO_2 emissions totalled 611 t for the last business year. This represents an absolute reduction of 41 % compared to the previous year (1,032 t).

Indirect GHG emissions (Scope 2)

Electricity is the largest energy source and therefore has a significant impact on the Scope 2 GHG emissions. Biogenic generated district heat is mainly used as heating energy. The emission factors are provided by the energy suppliers. All the production locations in Europe use electricity that is 100 % generated by renewable energy sources and hold the relevant certificate from their electricity suppliers.

Scope 2 CO_2 emissions totalled 2,498 t for the last business year. This represents an absolute reduction of 36 % compared to the previous year (3,909 t).



Scope 1 & 2 emissions	Unit	2018/19	2019/20	2020/211	2021/22	2022/23
Scope 1	**tCO_2-e**	**770**	**737**	**924**	**1,032**	**611**
Oil	tCO_2-e	0	0	0	0	0
Diesel (emergency power & sprinkler systems)	tCO_2-e	32	0	0	82	2
Natural gas	tCO_2-e	737	737	687	652	349
Fugitive emissions	tCO_2-e	N/A	N/A	N/A	60	51
Vehicle fleet	tCO_2e	N/A	N/A	237	237	209
Scope 2	**tCO_2-e**	**7,127**	**8,545**	**7,494**	**3,909**	**2,498**
Electricity	tCO_2-e	7,127	8,545	7,494	3,909	2,492
Photovoltaics (100 % own use)	tCO_2-e	0	0	0	0	0
Photovoltaics (grid feed)	tCO_2-e	0	0	0	0	0
Local/district heat (biomass)	tCO_2-e	0	0	0	0	5
Total Scope 1 & 2	**tCO_2-e**	**7,896**	**9,282**	**8,418**	**4,940**	**3,108**

[1] **Base year to assess the development of consumption**

[2] The newly added emissions are not part of the total Scope 1 & 2 emissions, the emission intensity calculation, the comparison with the previous year or the comparison with the base year

Other indirect GHG emissions (Scope 3)

In the upstream categories of Scope 3, the main emissions occur in the 'purchased goods and services' category. This is the result of the analysis of all relevant areas such as assets, transport and distribution (upstream), waste, business travel, commuting of employees and lessees.

Downstream emissions in the value chain cause the highest overall emissions in the 'use of sold products' category. These arise from the operation of products using electrical energy over their assumed service life. Disposal of sold products at the end of their service life is also taken into account.

Appropriate methods and models to calculate emissions are used for each of the individual categories.

Purchased goods and services are divided into product groups. The average-data method is used to calculate emissions where possible. A conversion factor is assigned to each material and multiplied by the mass. If this is not possible, the spend-based method is used instead.

Data source: Sphera LCA database

Emissions from capital goods are determined using the spend-based method. Investments made during the reporting period are taken into account and categorised for this purpose.

Data source: World Resources Institute

In the ‘upstream transportation and distribution’ category, transport between the plants and warehouses as well as onwards transport to customers is taken into account, provided this is paid for by the customer. Transport modes by sea, air, truck and train are differentiated and evaluated.

Last year, these emissions were reported as ‘downstream transportation and distribution’. They are now correctly accounted for in the ‘upstream transportation and distribution’ category in accordance with the GHG Protocol.
Data source: ‘CO_2 calculation in logistics’ (Krenke, 2011)

Emissions that are recorded during the disposal of waste from production are categorised into ‘recycling material’, ‘residual waste’ and ‘hazardous waste’. Each category is assigned a conversion factor, multiplied according to the respective mass and added together.
Data source: myClimate

Business trips are booked and recorded centrally. The evaluation is based on the number of kilometres covered by aeroplane, rental car and train, as well as the number of overnight stays. Emissions are calculated using appropriate conversion factors.
Data source: Department for Environment, Food & Rural Affairs (DEFRA)/Environmental Protection Agency (EPA)

Emissions that are caused by the commutes of employees in Austria were calculated by taking into account the distance between their place of residence and place of work, the usage behaviour relating to the mode of transport, as well as the CO_2 equivalent of the respective mode of transport. This value is extrapolated to the number of all employees around the world.
Data source: VCÖ 2020, Environment Agency Austria

In the ‘leased assets’ category, a distinction is made between offices, warehouses and production facilities. To calculate the emissions, the respective area is multiplied by a conversion factor.
Data source: World Resources Institute (WRI)

The calculation for the ‘use of sold products’ category is based on a model that includes the power input, expected product lifetime and adjustment factors for dimmable products. Luminaires, modules and operating equipment are taken into account. To calculate the total emissions, a factor for the energy mix in the EU is assumed.
Data source: European Environmental Agency (EEA)

The disposal of sold products at the end of their lifetime is based on the model that all metals and 70 % of glass can be reused and plastics can be thermally recycled. In this model, electronic waste is sent to landfill.
Data source: Sphera LCA database

Other Scope 3 emissions[1]	Unit	2018/19	2019/20	2020/21[3]	2021/22	2022/23
Upstream Scope 3 emissions	**tCO_2-e**	**N/A**	**N/A**	**349,960**	**493,270**	**407,870**
Purchased goods & services	tCO_2-e	N/A	N/A	337,000	480,000	395,000
Capital goods	tCO_2-e	N/A	N/A	1,500	1,700	1,700
Transport and distribution[2]	tCO_2-e	N/A	N/A	3,100	3,100	3,000
Produced waste	tCO_2-e	N/A	N/A	160	170	170
Business travel2	tCO_2-e	N/A	N/A	2,900	3,000	2,800
Commuting by employees[2]	tCO_2-e	N/A	N/A	1,600	1,600	1,500
Rented or leased tangible assets[2]	tCO_2-e	N/A	N/A	3,700	3,700	3,700
Downstream Scope 3 emissions	**tCO_2-e**	**N/A**	**N/A**	**2,446,100**	**2,256,000**	**2,835,000**
Use of sold products	tCO_2-e	N/A	N/A	2,437,000	2,243,000	2,824,000
Dealing with sold goods at the end of their life cycle	tCO_2-e	N/A	N/A	9,100	13,000	11,000
Total Scope 3	**tCO_2-e**	**N/A**	**N/A**	**2,796,060**	**2,749,270**	**3,242,870**

[1] Rounding rules: two- or three-digit numbers are rounded to the nearest 10, four- or five-digit numbers are rounded to the nearest 100, any larger numbers are rounded to the nearest 1,000

[2] Values for 2020/21 were taken from the following year

[3] Base year to assess the development of emissions

Intensity of GHG emissions

The generated GHG emissions are exclusively linked to energy consumption and the energy sources used. The intensity of the GHG emissions can therefore be calculated, similar to energy intensity, using the total greenhouse gas emissions per 1,000 units produced. Total emissions includes the GHG emissions from heating energy at the production locations as well as the vehicle fleet. The intensity of the greenhouse gas emissions at Tridonic has reduced from 0.106 t to 0.077 t per 1,000 units, which represents a 27 % improvement.

Reduction of GHG emissions

A further step towards achieving climate neutrality was taken in this business year. Thanks to a wide range of ongoing improvement projects and the focus on saving energy, especially heating energy, there was an absolute reduction in GHG emissions of 1,833 t compared to the previous year, which is a 37 % reduction. Compared to the new reference year of 2020/2021, this results in an absolute reduction of 5,310 t and a percentage reduction of 63 %.

All of the measures discussed in the ‘Renewable energy‘ chapter also contribute to reducing GHG emissions and therefore to achieving climate neutrality (Scope 1 and 2) by 2025. The improvement measures discussed in the ‘Reduction of energy consumption‘ chapter that relate to gas as an energy source also contribute to the reduction in GHG emissions. Further activities and measures to reduce GHG emissions are listed below.

Dornbirn (Austria): Conversion of heating energy demand to 1/3 district heating. An analysis for converting the remaining 2/3 is also taking place.

Niš (Serbia): A plan for heat recovery from the heat generated by compressors for warm water treatment has been completed and will be implemented in the 2023/2024 business year. The load distribution of the compressors has also been optimised.

Emissions of ozone depleting substances (ODS)

None of the production locations produce, import or export ozone depleting substances.

Nitrogen oxides, sulphur oxides and other significant air emissions

Values relating to the emission of nitrogen oxides were calculated at Group level for the first time in the reporting year. Measurements were carried out at all three locations, which formed the basis of the calculations. The plant in Niš (Serbia) was part of these measurements.

The emission of nitrogen oxides is strongly influenced by the combustion process and the quality of natural gas. For this reason, the mean values were used to theoretically calculate the emissions. This resulted in nitrogen oxide emissions of 1.31 t for the production sites that use natural gas for process and heating energy. Compared to the previous year, a reduction of 21.7 % was achieved thanks to the savings in gas (figure for the previous year: 1.67 t).

The measurements also showed that sulphur oxides did not represent a significant quantity at the locations and are therefore not recorded for the time being. The development of volatile organic compounds (VOC) depends on the volume flow rate of the system (volumes and operating hours). The calculation can therefore not be based on the amount of gas used. Calculation and recording at Group level is planned for the next business year. The same is true of emissions such as fine dust or persistent organic pollutants.

The legal and official ordinances are complied with at all production locations.


RADIAL - Gurtabfall
Gurtabfall CU/FE
Elektronikschrott
AXIAL - Gurtabfall
Kupfer Gurtabfall
CU - LED-Flextape

Waste

The goal of reducing the total waste volume per 1,000 units produced by 5 % compared to the previous year was not achieved. Although the absolute waste volume was reduced by 5 %, an improvement in relation to the production output was not reached. In relative terms, this resulted in a deterioration of 1 % compared to the previous year.

The recycling rate also deteriorated by 1 % compared to the previous year. In the 2022/23 business year, a recycling rate of 87.3% was achieved, which was a deterioration of 0.83 % compared to the previous year. The goal of a 91 % recycling rate was therefore not achieved.

Waste management

Tridonic pays particular attention to using resources sparingly and recycling materials. Using materials efficiently and minimising production scrap and unnecessary waste are important factors here. Valuable materials are recycled as best as possible or reused where possible to conserve resources.

Waste management is an important part of environmental management systems. Every production location has a waste officer as well as documented processes and detailed records on all generated waste. The key performance indicators relating to waste include the amount of waste generated in tonnes, broken down into recycling waste, residual waste and hazardous waste.

The recycling rate is also an important indicator for the recycling of materials used. The key performance indicators that are defined at Group level are broken down to the individual plants. The targets are set out in the environmental programmes at each location and actual data is collected in the environmental and energy reporting system and then communicated monthly at management reviews.

Waste generation and significant waste-related effects

The main waste streams arise from packaging material (cardboard and plastics, wooden pallets) and waste in electronic production (metal waste, electronic scrap). Smaller quantities mostly come from residual waste (circuit board waste material, insulation films). Hazardous waste comes from small amounts of waste oil, cleaning agents, adhesive residue and batteries. Exceptional amounts of waste come from scrapping old machines, tools, raw materials, purchased parts and unsold finished products.

Management of significant waste-related effects

The subject of the circular economy was further intensified at Tridonic in the past business year. As well as the decision to introduce a sustainable design framework, the situation analysis of existing products and used materials also continued. The plant in Niš (Serbia) was successfully audited in the context of Cradle to Cradle Certified® certification. In all the European countries, the sales organisations' disposal partners are responsible for the correct disposal and utilisation of components that fall under the WEEE Directive[3].

Further continuous improvement measures were also implemented at the production sites. A comprehensive review of packaging material upon delivery of goods was carried out at all plants. Measures to reduce waste and increase the recycling rate were then developed in collaboration with selected suppliers.

[3] As a manufacturer of electronic equipment, Tridonic is subject to the European WEEE Directive and bears the associated financial responsibility for the disposal of electrical devices that are brought to market.

The packaging specification for suppliers was also revised and stricter guide-lines for sustainable packaging aspects were established. The revised version of the specification now requires a proportion of recycled materials and prohibits non-recyclable plastic. Generally, the goal is to switch to alternative materials that are environmentally friendly and a concrete implementation plan should be set out for this. The new specification will be introduced in the 2023/2024 busi-ness year and should lead to a reduction in packaging waste.

In Dornbirn (Austria), it was possible to separate not just plastic waste (rolls, plastic housing) but also PCBs and PCB waste, which led to an improvement in the recycling rate.

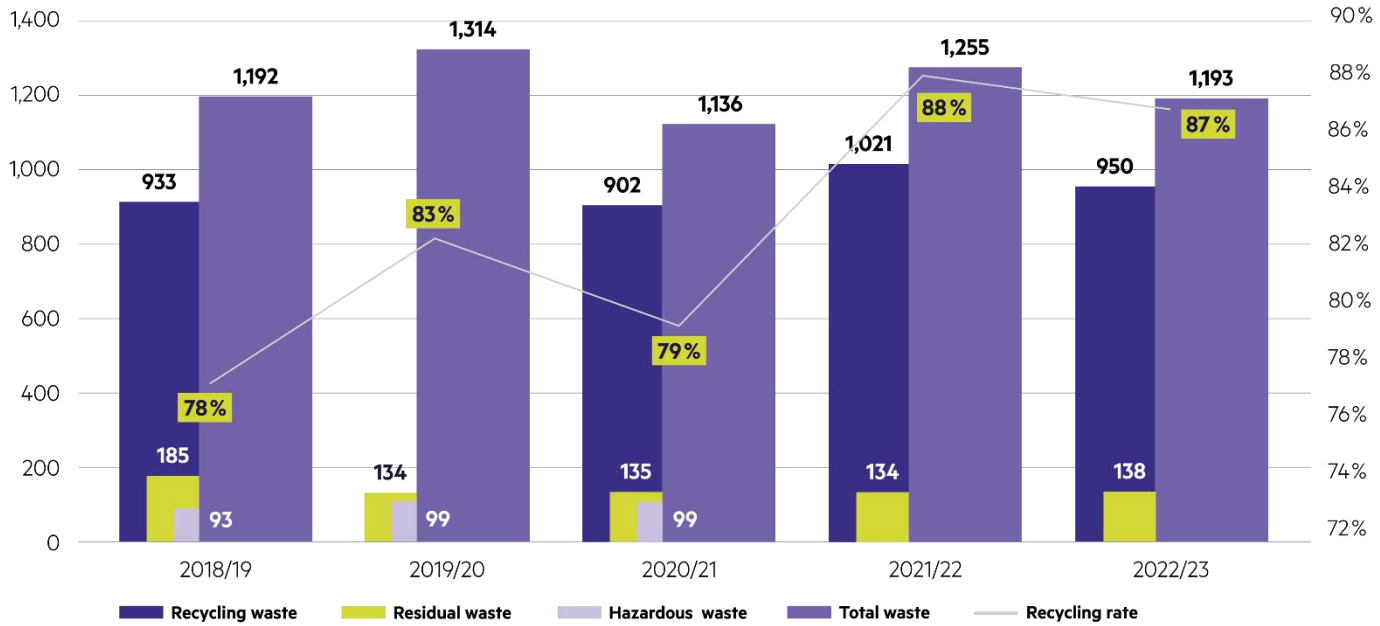
At the Niš plant (Serbia), the processing and reuse of tin dross in production was implemented.

At the Spennymoor plant (UK), separation of PCBs and PCB waste cuttings was also implemented.

At the Shenzhen plant (China), the packaging material for internal transport was switched from EPE to ESD PET trays and the reuse of packaging containers for silicone casting compound was implemented, resulting in less hazardous waste.

Waste-related data is recorded by the sites in the Group-wide environmental and energy reporting system. The data is based on information and invoices from the disposal companies. Random audits are therefore carried out at the end of the business year to record data in the environmental and energy reporting system.

Development of waste and recycling rate in tonnes



Waste generated

Around 1,193 t of waste was generated in production processes in the last business year. This represents a reduction of 5 % compared to the previous year (1,255 t). A total of 106 t were classified as hazardous waste, which corresponds to a 6 % reduction in hazardous waste. The 14 % reduction in demand results in an absolute reduction in waste of 62 t but a relative increase of 10 % in relation to the number of products produced.

Waste diverted from and forwarded to disposal

87 % of the non-hazardous waste is diverted from disposal (recyclable) and 13 % is forwarded (not recyclable). The non-hazardous waste that is forwarded is incinerated with energy recovery. 86 % of hazardous waste is diverted from disposal and 14 % is forwarded. 100 % of the hazardous waste that is forwarded is incinerated with energy recovery.

Recycling rate

The recycling rate is an important indicator that reflects the handling of waste in the development of products, in manufacturing industrialisation, in production processes and in management processes. The challenging target of 91 % could not be achieved. A recycling rate of 87 % was achieved in the past business year, meaning that the recycling rate has deteriorated by 1 %.

Waste	Unit	2018/19	2019/20	2020/21	2021/22	2022/23
Recyclable waste	in tonnes	**933**	**1,087**	**902**	**1,020**	**950**
Preparation for recycling	in tonnes	0	0	0	157	142
Recycling	in tonnes	933	1,087	902	857	804
Other utilisation processes	in tonnes	0	0	0	6	4
Residual waste	in tonnes	185	134	135	134	138
Other utilisation processes	in tonnes	0	0	0	0	2
Incineration with energy recovery	in tonnes	185	134	135	132	134
Incineration without energy recovery	in tonnes	0	0	0	0	0
Landfill	in tonnes	0	0	0	2	2
Hazardous waste	in tonnes	**74**	**93**	**99**	**99**	**106**
Preparation for recycling	in tonnes	0	0	0	0	0
Recycling	in tonnes	0	0	0	12	11
Other utilisation processes	in tonnes	0	0	0	73	80
Incineration with energy recovery	in tonnes	74	93	99	12	15
Incineration without energy recovery	in tonnes	0	0	0	2	0
Landfill	in tonnes	0	0	0	0	0
Total non-hazardous waste diverted	in tonnes	933	1,087	902	1,020	951
Total non-hazardous waste forwarded	in tonnes	185	134	135	134	136
Total non-hazardous waste	in tonnes	1,118	1,221	1,037	1,154	1,087
Total hazardous waste diverted	in tonnes	0	0	0	85	91
Total hazardous waste forwarded	in tonnes	74	93	99	14	15
Total hazardous waste	in tonnes	74	93	99	99	106
Total waste	in tonnes	**1,192**	**1,314**	**1,136**	**1,253**	**1,193**
Recycling rate	in %	**78**	**83**	**79**	**88**	**87**

Environmental targets 2023/2024

For the business year 2023/2024, Tridonic has set itself a number of environmental targets to achieve by 2025. This is in line with the company's strategic focus on climate neutrality (Scope 1 and 2). Business year 2020/2021 has been established as a new reference year, as more data was collected for Scope 1 and Scope 2:

- Reduce CO_2 emissions to 3,280 t
- Increase the proportion of renewable energy to 67 %
- Reduce the total volume of waste (in relation to manufactured products) by 15 % compared to the previous year
- Increase the recycling rate to 90.2 %
- Maintain ISO-14001 and ISO-50001 certification at all locations

The annual reduction pathway for Scope 1 and Scope 2 emissions is determined across the Group in line with the goals of the Paris Climate Agreement and in accordance with the Science-Based Targets initiative. This pathway is then cascaded down to each of the company's production facilities.

Water

Water is an essential resource that is becoming increasingly scarce in the era of climate change. All production sites only use water obtained from local waterworks. Only a small quantity of water is required for producing components, which also creates very little water pollution. Nevertheless, it is important for the company to be aware of its responsibilities in this area and to use water sparingly. Before wastewater is released into the local treatment plant, Tridonic ensures that it meets official requirements and that it has values that are as far below the relevant limits as possible. This is tested and verified at regular intervals, both internally and externally.

Water as a shared resource

The water used is primarily obtained from local waterworks. The Shenzhen location accounts for a considerable amount of water consumption, as water is used in the site's air conditioning system and is drained off during maintenance work. At the other locations, water is mainly used for bathroom facilities, as drinking water and for air humidification. In the business year 2022/23, a reduction in water consumption was recorded.

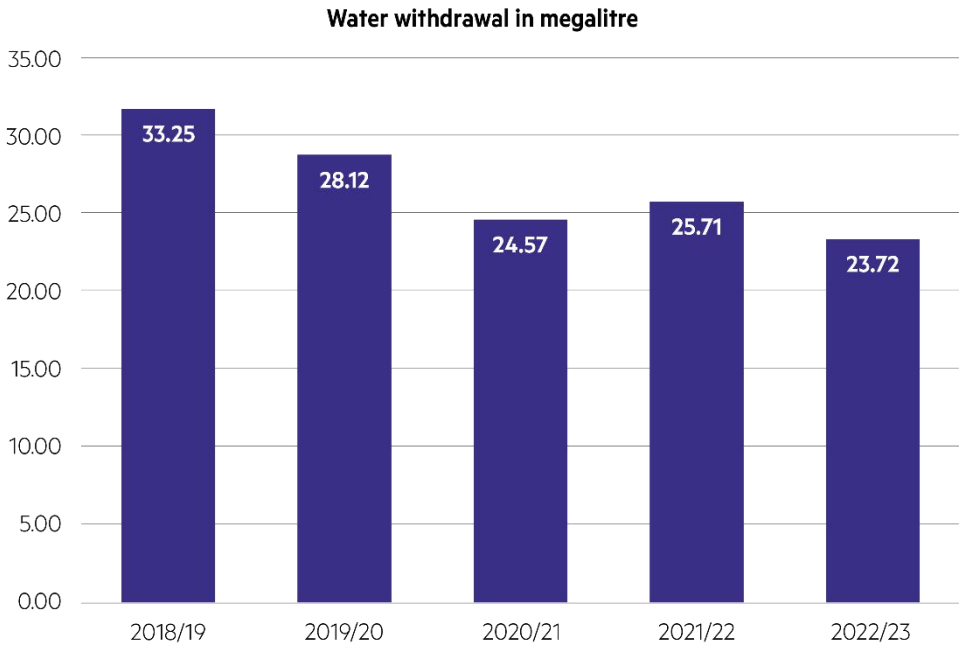
Approach to the effects of water recirculation

As a general rule, any water taken from the water supply is returned to it, with the exception of water that is drunk or used for air humidification. The water that is returned meets the highest local legal standards and has values that are significantly below the limits. The water is conveyed to local treatment plants via sewage drains. The amount of drinking water that is not returned is not currently measured. However, at some sites it was possible to measure the amount of water that was used to humidify the ambient air, for example, and was therefore not returned to the water system as wastewater. The amount of water released as mist can be calculated using data from the system. This amount is then subtracted from the amount of wastewater. The difference represents the amount
of wastewater.

Water withdrawal

In the business year 2022/23, the production sites withdrew around 23.72 megalitres of water. In the previous year, 25.71 megalitres of water were withdrawn. Water withdrawal therefore fell by 8 %. A range of measures enabled the production sites to decrease their water consumption. However, remote working also had an impact on water consumption at the sites.

The measures that were implemented at the sites allowed water consumption to be lowered by 7 % for every 1,000 items produced. Updating the cold water tank in Shenzhen (China) also made a considerable contribution to saving water.



Water recirculation

In the business year 2022/23, the sites calculated the amount of water that could not be returned to the water system. This included water that was used to humidify the air in sensitive production areas, drinking water, and water that was used for irrigation or air conditioning.

This water was not released as wastewater and was therefore excluded from the water recirculation calculations. Accordingly, around 23.26 megalitres of water was recirculated over the last business year. Over the previous year, 25.25 megalitres of water was recirculated. The amount of water to be recirculated has therefore fallen by 8 %.

Water consumption

In the business year 2022/23, around 0.46 megalitres of water was consumed at the production sites. Water consumption accounted for 1.9 % of the water withdrawn.

It should be noted that since the business year 2021/22, the water recirculation values have been recorded with greater accuracy, so there is little benefit to comparing these values to the previous year.

Water	Units	2018/19	2019/20	2020/21	2021/22	2022/23
Water withdrawal	in megalitres	**33.25**	**28.12**	**24.57**	**25.71**	**23.72**
Third-party water	in megalitres	33.25	28.12	24.57	25.71	23.72
Groundwater	in megalitres	0.00	0.00	0.00	0.00	0.00
Surface water	in megalitres	0.00	0.00	0.00	0.00	0.00
Water recirculation	in megalitres	**33.25**	**28.12**	**24.57**	**25.71**	**23.26**
Water consumption*	in megalitres	**0.00**	**0.00**	**0.00**	**0.00**	**0.46**

* Precise measurement of water recirculation was introduced from the business year 2022/23.

Environmental compliance

Compliance is an integral part of the requirements of ISO 14001, ISO 45001 and ISO 50001. The processes established in the integrated management system are used to identify, comply with and evaluate all statutory and voluntary responsibilities.

All production sites monitor and document all the relevant responsibilities in relation to compliance. New responsibilities and any changes to existing responsibilities are documented and assessed accordingly, and the measures necessary for compliance with these responsibilities are defined and implemented.

External legal advisors and service providers support the production sites to identify and interpret the relevant legal requirements and assess compliance with these on an annual basis. In addition, compliance with and fulfilment of these responsibilities are monitored through internal and external audits and specific compliance audits. Tridonic's processes are assessed annually by external certification bodies (such as Quality Austria or TÜV), among other mechanisms, and this year the company's compliance was once again verified. In addition, local authorities carry out inspections to assess compliance with the applicable requirements. For example, at the production site in Shenzhen, a total of eleven inspections were carried out by government authorities to assess compliance in terms of the environment and occupational health and safety. No issues were identified.

Environmental compliance is evaluated and verified by the local management teams as part of the annual management review.

Non-compliance with environmental laws and regulations

A company-wide whistleblower system was introduced in 2017. This can be used by interested internal parties as well as external entities to report concerns of any kind. All concerns are handled and investigated with neutrality. In the last business year, no concerns or complaints were raised in the area of environmental compliance.

Information received from external parties and enquiries from residents or other interested parties are taken up and investigated by the local authorities. If the concerns are legitimate, steps are immediately taken to rectify the situation. In the reporting year, no concerns were raised by interested external parties or other stakeholders.

Overall, in this reporting year there were no fines, other sanctions or legal disputes relating to non-compliance with environmental laws and regulations.

Biodiversity

For Tridonic, biodiversity means preserving the rich heterogeneity of life. The company aims to support three broad areas of diversity, all of which are closely interconnected: diversity of ecosystems, diversity of species, and genetic diversity.

The ongoing process of climate change poses an increasing threat to biodiversity, as entire ecosystems are changing at a speed that is making it very difficult for animal and plant species to adapt to the new conditions.

Over the last business year, no building activities took place and no green spaces were sealed. All sites strive to make as little an impact as possible on wildlife, to prevent emissions into the air and soil, and to minimise noise. At the Niš (Serbia) site, trees have been planted on the site's grounds and in the city. In Dornbirn (Austria), a 250-m² wildflower meadow has been planted.

Company sites located in or next to protected areas and areas with high biodiversity

None of the company's production sites are located in or next to protected areas or areas with high biodiversity. There is a bird reserve around 7 km from the production sites in Dornbirn (Austria), and the conservation area Lauteracher Ried is also around 7 km from these sites.

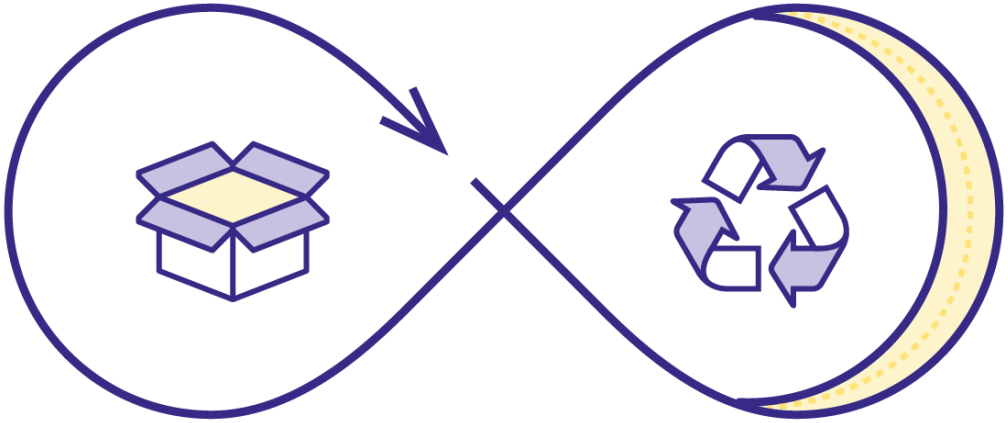
All production sites are located in regions with unviolated wildlife, where environmental protection is given considerable recognition by the law and by society. Tridonic's environment management systems help the company to ensure that all legal requirements and regulations from the EU, all national and regional laws and all ordinances from the authorities are complied with. In addition, any environmental impact resulting from business activities undertaken by the production sites is identified and assessed with the aim of minimising this impact as far as possible.

Applications that protect biodiversity from harm

Tridonic supplies special LED modules that have only a minimal blue share. Reducing the blue share in the light spectrum reduces the attraction for insects while also significantly decreasing light pollution, as less blue light is dispersed. As a result, there is less interference with the natural day-night rhythm of humans and animals. Combining this with smart lighting controls and appropriate lenses creates safer, energy-efficient and environmentally friendly outdoor lighting. This innovative solution actively contributes to protecting biodiversity and helps to significantly reduce light pollution.

Sustainable products

Tridonic is a trailblazer in the lighting industry in that the company is constantly reducing its material usage while increasing the proportion of recyclable materials that it uses. With the application of the cradle-to-cradle design philosophy as well as digitalisation solutions, Tridonic comes one step closer to a circular economy every year. The company’s goal is to convert all its premium products to a cradle-to-cradle design by the year 2030.



Highlights 2022/2023

- Approximately 80 % of product packaging is recyclable
- Selected LED modules are Cradle to Cradle Certified®
- Selected LED drivers are Cradle to Cradle certified®
- Reduction of materials in GEN4 LED drivers by up to 25 %

Sustainable products

Tridonic has adopted various measures with the aim of improving the sustainability of its product portfolio.

Tridonic operates in an area that requires energy: lighting technology. For that reason, the company places great emphasis on continually improving the energy efficiency of its products. By developing energy-efficient components and solutions, Tridonic is contributing to reducing power consumption during the use phase and thus to saving valuable resources.

Moreover, Tridonic chooses the materials for its products very carefully, favouring those that are as recyclable, non-toxic and environmentally friendly as possi-ble. This is intended to help ensure that products can be recycled at the end of their life cycle without having any negative impact on the environment.

Another aspect that highlights Tridonic's efforts towards sustainability is the promotion of circularity in its products. To this end, Tridonic designs products that can be easily disassembled, repaired and recycled. Because Tridonic has been working with the Cradle to Cradle Design® Framework since the introduction of the Sustainable Tridonic strategy, several key findings have now been identified for future projects.

These will be integrated into the design guidelines in the Sustainable Design Framework. These internal design specifications will aim to pro-mote product circularity in new projects from the initial phase onwards. The company plans to define and introduce these guidelines in the business year 2023/2024.

As well as the environmental aspect, the human factor should not be forgotten. Tridonic is conscious of the fact that light is a basic requirement and has a Significant impact on people's well-being. For that reason, the company places a great deal of emphasis on developing high-quality lighting that is not just efficient, but also pleasant and health-promoting too. Selected examples that Tridonic is working on can be found in the section 'Customer health and safety'.

These efforts by Tridonic to improve the sustainability of its product portfolio are supported by comprehensive research and development. The company invests in innovative technologies and solutions in order to create products that are sustainable – for the environment, for the economy, and for society.

Management approach

Product Marketing is responsible for Tridonic's hardware, software, system and service roadmap. This is where 'market pull' and 'technology push' come together, and Tridonic's business segments are regularly kept up to date on the state of research thanks to the 'Market meets technology' forum. The Business Foundry works in close collaboration with the technology sector in order to bring future topics to the agenda at an early stage. The individual market segments are handled by a team consisting of a Segment Manager, Product Managers, Solution Architects and Project Portfolio Managers. This ensures a holistic solution and systems approach.

Product Marketing is responsible for managing the entire product life cycle. The Project Portfolio Managers coordinate new developments together with the relevant development sites and the Project Managers for each development. The Solution Architects are responsible for ensuring that the technical solution is complete and can be integrated.

All processes are mapped and centrally documented in the Master Management Manuals in Tridonic's management system. This ensures a single, consistent approach, from management strategy to operational implementation.

With any new development, environmental, social, legal and economic factors are all extremely important. As previously noted, sustainability criteria play a significant role in shaping the product portfolio.

Reclaimed components or systems are analysed internally or on site at the OEM in order to identify the sources of faults and eliminate these through established ongoing processes of improvement.

To monitor the development process, Tridonic uses a stage-gate procedure, with clearly defined checklists, quality criteria and release criteria for every 'Business Gate'. Representatives of the management board and all key stakeholders are actively involved in these Business Gates.

Well-equipped internal and external laboratories assess the results of each development in terms of compliance with standards and fitness for purpose, and follow the product in the development phase and throughout its life cycle. The product launch is handled by the Product Marketing department in cooperation with the specialist departments. Global Product Support coordinates change management during the product life cycle and mediates any necessary decisions in the relevant committees. All processes are regularly refined and adapted to current circumstances within a framework of ongoing improvement. The Project Management Office (PMO) ensures that development projects are handled in line with the correct procedures and in compliance with the specifications from the management system.

The Project Managers monitor progress and report this regularly at the Business Gate. This includes economic, technical and other aspects. Risk management is a key focus here. Regular competition analyses are carried out. Selected customers are involved at an early stage of the product design. In addition, customer-specific solutions are included in the offer.

Research and development (R&D) make a significant contribution to the success and economic sustainability of a product, as new technologies are integrated into the development of new products and systems – provided that they are ready.

Product quality and safety

In order to maintain or build on the high quality and testing standards of products, internal standards are regularly validated and expanded. These go beyond legal and normative requirements.

To this end, Tridonic cooperates with national and international inspection bodies such as OVE (the Austrian Electrotechnical Association), TÜV (Technischer Überwachungsverein/technical inspection association) and UL (Underwriters Laboratories). All Tridonic test laboratories around the world have an IECEE CTF Stage 3 certificate of approval from the ÖVE.

The centrally determined distribution processes are also standardised and handled in the management system. The ultimate goal is always to continually improve quality throughout the manufacturing, sales and after-sales processes as well as the quality of product information materials, thereby further increasing customer satisfaction and trust in the company's products.

To ensure it continues to attain the state of the art with regard to standards and guidelines for product reliability and standardisation, and to keep abreast of the latest developments for innovative solutions in the electronics industry, Tridonic is a member of the IPC (Association Connecting Electronics Industries), among other bodies. This platform provides Tridonic with information and an opportunity to learn about new requirements for the design and production of electronic components, for example. The platform is an ideal way to process industry information quickly and incorporate it into the company's structures.

Customer health and safety

The health and safety of customers is Tridonic's top priority. For that reason, products and services are evaluated on an ongoing basis with regard to the effects of their use on health and safety, and improvements to products, product documents and processes are implemented.

Twice a year, products are assessed for REACH[4] compliance on the basis of the SVHC list (Substance of very high concern) published by the ECHA (European Chemicals Agency). An ongoing RoHS[5] test is carried out when new and alternative components are purchased (100% raw materials). In addition, every prod-uct is assessed for CE compliance, including a risk analysis focusing on health and safety. Furthermore, all products are assessed and classified according to the standards 'Lamp controlgear' (EN 61347 series) and 'LED modules for general lighting' (EN 62031).

Tridonic is analysing and preparing for the forthcoming changes expected for the standard IEC 62471-7 'Photobiological safety of lamps and lamp systems – Part 7: Light sources and luminaires primarily emitting visible radiation'. These changes relate to the emission of UV and blue light and to thermal hazards to the skin. As a general rule, LED modules from Tridonic belong to the risk groups 0 or 1 (some individual products for special applications belong to risk group 2) and therefore pose no risk to the health of the human eye.

[4] Registration, Evaluation, Authorisation and Restriction of Chemicals

[5] Restriction of Hazardous Substances in Electrical and Electronic Equipment

In various technical documents (data sheets, handbooks etc.), notes are used to alert the user to potential hazards during the installation or use of Tridonic products. In the most recent business year, there were no incidents relating to the effects of products and services on the health and safety of customers. There were also no violations of regulations incurring a fine, sanctions or a warning.

> We are continually implementing improvements in our quality assurance processes and work in close collaboration with our suppliers. We thus work actively to ensure that our products are safe and our customers are protected to the maximum extent possible.
>
> Markus Hollenstein, Director Global Quality

Tridonic's product portfolio integrates goods and services that benefit the health and well-being of consumers. The following are just a few examples:

Human centric lighting solutions
The term 'human centric lighting' (HCL) refers to lighting concepts that focus on all the non-visual and emotional effects of light. The project 'Activating Light' takes precisely this approach and offers an LED module that is specifically attuned to the daytime phase of the circadian rhythm. Thanks to a higher share of the spectral power curve in the region of approx. 480 nm (melatonin suppression), the light has a positive effect on people's ability to concentrate and therefore supports the end user's health and well-being.
This module is Cradle to Cradle Certified® (bronze), among other certifications.

UVB light sources for vitamin D activation
Sunlight contains spectral components in the ultraviolet range (UVB) that support the production of vitamin D in the human body. Because Vitamin D can only be obtained from the diet to a limited extent, and because many people spend most of the day inside, such light sources can contribute to better regulation of vitamin D levels in the human body. This project is currently at the preliminary study stage, investigating the potential to improve human health.

Sensors that measure interior air quality
Good air quality is an important factor for productive work and human well-being. Tridonic is investigating technologies that can measure air quality and integrate sensors in building management systems to allow ventilation to be adjusted automatically. This technology will be part of future standards for building certification (e.g. WELL).

In summary, all legal safety standards are fully complied with. Within the framework of the Cradle to Cradle certification project, Tridonic also goes beyond the legally required standard and assesses the components of materials in greater depth. Additional output tests are carried out as required. However, Tridonic does not just pay attention to customer safety, but also aims to promote the health and well-being of end users through its product portfolio.

Sustainable products and applications

> As a company within the electronics industry, we have a responsibility to manufacture our products in a way that is as sustainable and protective of resources as possible. We are constantly working to optimise our products and packaging, and we use recycled materials wherever possible.
>
> Thomas Ender, VP Product Marketing

Tridonic's commitment to sustainability is directly linked to its core business, as the use of energy-efficient lighting technology with smart controls makes a considerable contribution to lowering the global consumption of resources. This development is given a further boost by the increased efficiency (lumen/watt) of LED luminaires as well as the parallel decrease in the cost of LED chips. However, progress in the area of efficiency is slowing down, and we are likely to reach the physical limits of what we can do within the next few years. Artificial lighting accounts for 13% of global electricity consumption, and this is set to fall further by 2030 thanks to the use of the latest lighting solutions.

The main environmental impact of luminaires still consists of the energy consumption during their use, but other issues such as resource consumption and the circular economy are becoming increasingly important. For many years, Tridonic has therefore not only been working to improve the energy efficiency of its products, but has also been considering all other aspects of sustainability along the product life cycle.

To ensure that the business remains a technological leader in the future, Tridonic spends almost 10% of its R&D budget on the development of new technologies and product innovations. Investigating new, more sustainable solutions plays an important role here.

Calculations to improve energy efficiency

Artificial lighting transforms electrical energy into visible radiation, producing light. Energy efficiency is an important parameter in the lighting industry and describes how much light (luminous flux in lumen) can be produced from one watt of electrical power. The total energy efficiency of all products launched in the reporting period demonstrates how much the product portfolio has continued to develop. This number is a purely physical measurement and therefore represents an opportunity for improvement – no matter how long the products on sale are used for.

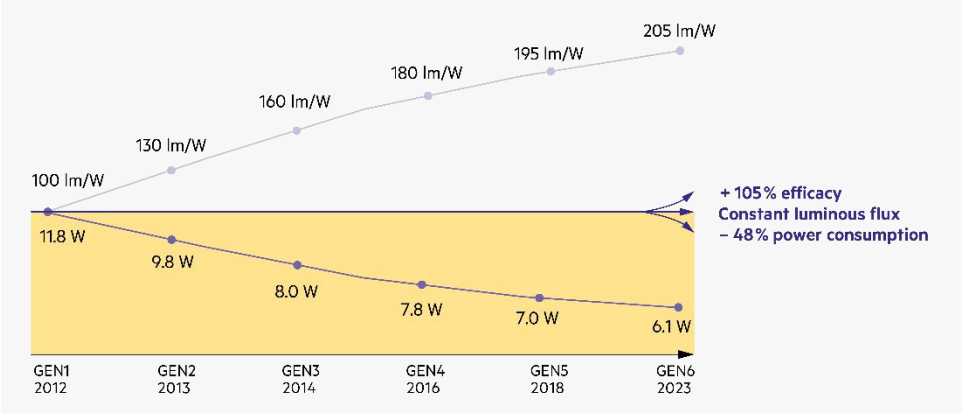
The topic of energy efficiency is more relevant than ever because of the essential global efforts to reduce CO_2 emissions, and as a result of rising energy costs. LED-based lighting solutions with smart controls consume up to 75% less power compared to conventional options.

The average improvement in energy efficiency is assessed using the total electrical power input (number of LED light engines multiplied by the rated power). The quotient is taken from this.

In the last business year 2022/23, the average energy efficiency of the Tridonic product portfolio has improved slightly. For LED modules, efficiency increased from 142 lm/W to 144.7 lm/W, and for LED drivers efficiency increased from 88.16 % to 88.31 %.

This graph shows the trend for improved efficiency in LED modules since 2012. Their efficiency has increased by an impressive 105 %, while power input has almost halved.

In future, however, progress will slow down, as the potential energy efficiency of LEDs is limited, and the limits of LED drivers have already largely been reached.



Energy efficiency through lighting management systems

As mentioned, the efficiency of electronic luminaire components has reached the limits of what is possible given the current status of technological progress. On the other hand, a lighting management system that lighting can use to intelligently react to its environment offers considerable additional potential for energy savings. Tridonic offers both wired and wireless system solutions that intelligently control lighting for individual luminaires or even for entire buildings and streets.

As well as working with a professional lighting designer, the simplest and most effective way to save energy is to use movement and daylight sensors. However, time-dependent lighting controls can also help to ensure that only the required amount of light is produced in each area at any given time. According to research studies, up to 75% of lighting energy can be saved in this way compared to non-dimmable lighting. To that end, Tridonic offers an extensive portfolio of smart sensors for luminaire- and ceiling installations. These can be integrated into a lighting system or used as the main controls for a small system.

Premium solutions such as Tridonic’s wired system sceneCOM evo, as well as the wireless system basicDIM Wireless, feature further smart functions and properties that also help to reduce power consumption within the system and beyond. Other systems, such as heating, air conditioning and Venetian blinds, can interact with the lighting system via a standardised interface, for example by reacting to sensors. Furthermore, system data can be centrally provided via an interface, allowing power consumption to be monitored, analysed and optimised.

The use of smart lighting management systems is set to become increasingly important for a safe and sustainable future.

Further development of the product range

Thanks to a sea change in the lighting industry, the LED sector is growing and smart, networked lighting is becoming more and more important. As a result, there has been a significant increase in demand for innovative, LED-based lighting solutions with comprehensive controls and software packages.

At the beginning of 2023, Tridonic was one of the first companies to begin developing LED drivers and control modules that support the wireless connectivity standard Matter.

The new open-source communication standard Matter forms a bridge between a smart home ecosystem and smart end devices from various manufacturers. Once again, Tridonic is living up to its status as a pioneer of interoperability in its work with this communication standard: the company is one of the first lighting component manufacturers to offer devices for the standard. Thanks to broad support from the top technology companies around the world, it seems likely that Matter will achieve a dominant market position.

In future, the subjects of software and data will become key issues for the lighting industry. The development, production and sale of innovative, sustainable products and controls/software are therefore fundamental cornerstones for success in the medium and long term.

For this reason, the company is planning a gradual expansion of its software range in order to respond to the increase in demand and establish new business models. This will begin with upgrading conventional features, with benefits ranging from simpler and quicker commissioning to a forward-looking maintenance forecast.

In addition, comparing the total energy costs and up-front costs throughout the life cycle of various lighting solutions (‘total cost of ownership’) is becoming increasingly important in targeted marketing for energy-efficient products.

As well as the potential for significant financial savings, the growing demand for energy-efficient lighting has also been boosted by legal requirements such as the EU directives on building efficiency and ecodesign. In addition, the EU’s Green Deal includes a substantial package of projects that are eligible for funding.

Materials

Tridonic is continuously committed to increasing the recyclability and recycled content of its products.

Electronic scrap contains valuable raw materials such as metals and plastics that can be reused to manufacture new products. By designing products that can be easily taken apart and recycled, the value of these materials can be maintained, preventing wasted resources.

The recycled content of electronic products refers to the percentage of recycled materials that are reused to manufacture new products. A high recycled content means that more materials are reclaimed from electronic scrap and returned to the production cycle. This helps reduce the need for new raw materials and therefore lessens the environmental impact of the electronics industry.

By focusing on recyclability, the recycled content, circular design and reducing materials, Tridonic is helping to reduce the environmental footprint of the electronics industry.

Tridonic is working to improve the recyclability of its products. To do this, it needs a network of suppliers and regional partners. The main challenge for electronics manufacturers like Tridonic is posed by the fact that LED drivers are made from many individual components and various different materials. In future, Tridonic therefore wants to develop a modular system predominantly consisting of materials that meet Cradle to Cradle Certified® status. In this way, the company plans to achieve its long-term goal of certifying all its premium products by 2030.

As part of its strategy, the company is implementing measures along the supply chain to ensure that information regarding the proportion of recycled source materials is available for each product group (including packaging). Based on feedback from suppliers, joint measures are then put in place to increase this proportion wherever possible. When collecting this information, the recyclability rate is also determined as a percentage.

The environmental declarations that Tridonic provides for its customers provide an important starting point here. These contain all the relevant information on a product's recyclability, materials and CO_2 footprint.

Reducing the materials that are used is another important aspect of sustainability. By using lighter materials and optimising the design of its products, Tridonic is able to reduce the materials it uses without compromising on functionality or performance. Reduced consumption of materials results in less environmental pollution during the manufacturing and transportation of electronic products, while also decreasing the amount of waste at the end of a product's service life.

Generation 4 LED drivers are a good example of this: weighing up to 25% less than previous models, these save an impressive amount of material. In addition, despite the extended functionality of these drivers, the number of individual components has been reduced in comparison to the previous platform, further decreasing the environmental footprint.

Furthermore, the use of wireless lighting solutions offers potential for end customers to reduce their consumption of resources. As conventional control lines become unnecessary, less copper is used. This is one of the most valuable metals for the electrical and electronics industry.

It is true that in this industry, certain materials are irreplaceable, as their specific properties are needed for electronic components and (currently) no alternatives are available on the market. Nevertheless, Tridonic is careful to choose more sustainable alternatives wherever possible.

In the emergency lighting segment, Tridonic has developed LED drivers that use $LiFePO_4$ battery technology. This makes it possible to avoid using environmentally harmful materials such as cadmium.

Tridonic's focus is not limited to its products: the company is also converting its packaging to completely recyclable material. For the majority of products, this process should be complete by the end of 2024.

Sustainable packaging

In future, product packaging will be made from materials that are particularly suitable for recycling. As well as the recyclability of the material, the available infrastructure is critical here. Together, these factors enable the highest possible percentage of packaging materials to be recycled within the local region. Transporting materials over long distances for recycling should be avoided. The packaging suppliers for cardboard and paper already have a recycling rate of up to 90 %.

Tridonic has launched a sustainable packaging project. The goal is to increase the proportion of recyclable packaging materials while reducing packaging waste. Packaging for LED drivers has already mostly been converted to paper alternatives as of several years ago.

> The conversion to sustainable packaging materials is an essential step towards reaching the sustainability goals of Tridonic and its customers.
>
> Aleksandar Milosevic, Sustainable Packaging Engineer

In the business year 2022/23, the packaging for LLE 24-mm modules was changed to completely recyclable cardboard. Developing suitable packaging that would ensure ESD protection as well as mechanical protection for the LED modules was a considerable challenge – particularly as the size and weight also needed to be kept to a minimum. The recycled content is between 80 and 90%, while the change from polystyrene to cardboard has had a positive impact not only on recyclability, but also on the packaging's carbon intensity. The reduction from 6 kg CO_2-e to just 0.3 kg CO_2e per kilogram of packaging material has made a significant contribution to reducing greenhouse gas emissions.

Circularity

Circular design is an approach whereby devices are designed to be easy to recycle and repair right from the start. This includes designs with components that are easy to replace, eliminating the need to replace the whole device. By promoting a circular design approach, manufacturers can extend the service life of their products while reducing both the consumption of resources and the amount of waste.

Tridonic is right at the forefront of the circular design movement, which uses the principles of Cradle to Cradle. The first C2C projects provided valuable lessons that fed into further action points. One of these outcomes is the planned introduction of a Sustainable Design Framework, which will be an important tool. These new guidelines for sustainable product design will be defined and then implemented in the coming business year.

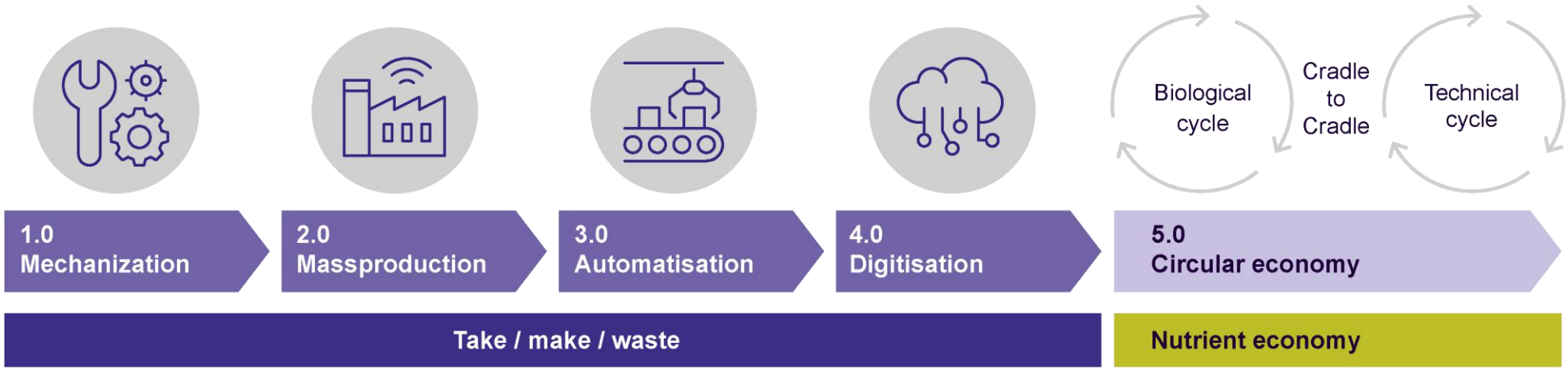
We will use these to help our customers achieve their sustainability goals. The application of Cradle to Cradle principles in our development and manufacturing processes ensures that our products offer optimal performance and longevity. This makes these principles an important building block in our sustainability programme.

Christoph Zimmermann, SVP Global Sales

It is worth emphasising here that the introduction of a circular economy is a long-term challenge. This is particularly true for component manufacturers like Tridonic, whose products are used as part of an end product. Because of this, a true circular economy can only work if there is close collaboration along the entire upstream and downstream supply chain.

Tridonic works with internal and external project teams to evaluate ideas around and future approaches to the realisation of a circular economy. One of these projects, for example, is looking at ways to use digitalisation and simplified artificial intelligence to extend the service life of a product.

The mechanisms behind the deterioration and failure of LED drivers and light modules are being investigated under the name ‘Predictive Maintenance’. The lessons gleaned from this project are helping to optimise the design of new luminaires, while also helping manufacturers and users decide when they should reuse, refurbish or recycle their products. This information provides the foundation for the sustainable use of these products.



Cradle to Cradle

The goal of the Cradle to Cradle (C2C) concept is to develop safe, responsibly manufactured products that are suitable for the circular economy. These products are intended to go beyond simply minimising negative impacts to actually create a positive environmental footprint. C2C is about implementing a circular economy and ensuring that materials continue to circulate, among other things.

Tridonic works with Cradle to Cradle Certified® because this approach has the potential to transform the lighting industry for years to come through the promotion of new and highly ambitious design specifications.
The Cradle to Cradle Certified® programme evaluates sustainability performance according to five categories:

Material health

Material reutilisation

Renewable energy

Water stewardship

Social fairness

More detailed information on the standard and its criteria is available via the following link: Home – Cradle to Cradle Products Innovation Institute (c2ccertified.org)

Most products that are developed and used today are designed with a ‘cradle to grave’ mentality: ‘Use it, wear it out and bury it in the ground.’

Cradle to Cradle means that at the end of a product’s use cycle, a new use cycle begins. The environmental impact of every component is assessed at the start of the product’s development. Radical product innovations are essential if a circular economy is to be established in accordance with this approach. The ‘technical cycle’ (a term borrowed from the Ellen McArthur Foundation) reflects an ideal product life cycle.

In collaboration with EPEA Hamburg, Tridonic was able to complete its first C2C project in just eight months (Cradle to Cradle Certified®Bronze). The products were certified by an independent inspection body, the C2C Products Innovation Institute (C2CPII), which has its headquarters in California, USA.

Tridonic meets the standard’s strict requirements with selected LED modules from product groups LLE, QLE and CLE, which were produced in Serbia.

Up to that point, no electronic lighting components had been awarded Cradle to Cradle Certified® status (as of August 2022). The addition of a Cradle to Cradle Certified® electronic component makes it easier for luminaire manufacturers to certify their luminaires, as the component's Cradle to Cradle Certified® certificate covers the majority of the product. The certificate can also be used with other initiatives. The LEED system for green building is one example.

Certified luminaires, among other products, are already available on the market. This is due to the fact that Cradle to Cradle Certified® assesses products by weight. Depending on the certification level, the amount assessed can be 75% or more of the total product weight. Because each driver weighs a maximum of 1.5 kg (200 g on average), they can generally be considered outside of the scope of a luminaire. For lighter luminaire models, C2C certification is more difficult, however, particularly if the electronics have not yet been assessed separately. In addition, the weight percentage of the product to be certified increases with the level of certification. At Silver level, 95% of the weight is required, and the electronic components become relevant for certification.

Barriers to C2C in the electrical and electronics industry

Tridonic uses raw materials that need to be specially monitored, even without the additional requirements of the C2C Certified® criteria. Legal provisions such as RoHS, REACH and the Conflict Minerals Regulation apply here. The requirements of the C2C approach are much stricter, however. To establish whether products are C2C-compliant, Tridonic must work closely with its suppliers as well as gathering and evaluating a considerable amount of information about bought-in components.

Because Tridonic sources its raw materials from around the world and the company's suppliers often do not have much knowledge about the strict requirements that are in place, the process of collecting information is painstaking and protracted.

It is true that in this industry, certain materials are irreplaceable, as their specific properties are needed for electronic components and (currently) no alternatives are available on the market. Cradle to Cradle Certified® components help luminaire manufacturers with their own certification, as information about the materials is already available and has been verified.

Environmental product declarations

To evaluate the environmental performance of Tridonic products, the company compiles environmental product declarations (EPD) for the majority of its products. EPDs present all the relevant environmental impacts in a transparent and neutral way. The entire life cycle is taken into consideration, including the extraction of raw materials; production; transport; installation and operation in a building; and recycling and disposal at the end of the use phase.

The environmental indicators that are declared include greenhouse effects, damage to the ozone layer, over-fertilisation of soil and acidification of the waters.

For more than ten years, Tridonic has produced Type III environmental product declarations according to ISO 14025 and EN 15804 on the basis of life cycle assessments (LCA) according to ISO 14040 and ISO 14044 for components. As a result of the wide variety of products and the continual expansion of the product range, the company has contemplated a system that would enable EPDs for products to be generated in a comparatively simple way.

However, all EPDs must meet the requirements of the applicable standards and be verified by the programme operator IBU (Institut für Bauen und Umwelt). To this end, a process structure has been implemented in the company and is regularly audited by the IBU. These annual audits evaluate whether standards are complied with, whether LCA data is up to date and whether the system has been adjusted accordingly. This means that Tridonic is capable of producing EPDs independently.

EPDs can be used in a number of ways. Within the company, they feed into product development, helping to continually improve the environmental performance of products. In addition, customers can use the EPDs in their life cycle assessments for luminaires or buildings.

> By providing verified, transparent information about the ecological impact of a product, environmental product declarations help our customers to make informed and sustainable decisions.
>
> Hermann Marte, Sustainability Manager

As transparent and verified sources of information, environmental product declarations form part of the ingredients required for a circular economy. With knowledge of the ecological consequences of manufacturing a product as well as a list of all the relevant materials, it is possible to ascertain how a product in the cycle will impact the environment.

EPDs also make it possible to calculate certain emissions in Scope 3 of the Greenhouse Gas (GHG) Protocol.

Organisational designations

Parent company:	Zumtobel Group AG
Group-wide:	Zumtobel Group AG
Group level:	Zumtobel Group AG
Plants:	Tridonic plants
Management Board:	Zumtobel Group AG Management Board

GRI-Index

Declare of use:

Tridonic GmbH and Co. KG has reported the information cited in this GRI content index for the period from 1 May 2022 to 30 April 2023 in reference with the GRI standard:

Explanation

AR: Zumtobel Group Annual Financial Report (Download Link)

RR: Remuneration Report of the Zumtobel Group (Download Link)

GRI	Standard reference	Page reference(s)	Omissions, comments
General standards			
GRI 1	**Foundation (2021)**		
GRI 2	**General disclosures (2021)**		
	1. The organization and its reporting practices		
GRI 2-01	Organizational details	5-11, 142	
GRI 2-02	Entities included in the organization's sustainability reporting	143	
GRI 2-03	Reporting period, frequency and contact point	Cover page,142	
GRI 2-04	Restatements of information	99-103, 98, 101, 112	If there is a required adjustment to the previous year's report, a note is made in the information provided.
GRI 2-05	External assurance	15	This sustainability report has not been externally audited
	2. Activities and workers		
GRI 2-06	Activities, value chain and other business relationships	5-11, 76	

GRI 2-07	Employees	46-51	
GRI 2-08	Workers who are not employees	50-51	
	3. Governance		
GRI 2-09	Governance structure and composition	11 AR: 251-259	Information incomplete at Tridonic level. Full disclosure is only made at the at the level of the parent company (AR)
GRI 2-10	Nomination and selection of the highest governance body	Information not available AR:251-259	Information not available at Tridonic level. Disclosure is only made at the level of the parent company (AR)
GRI 2-11	Chair of the highest governance body	11 AR: 251-259	Information incomplete at Tridonic level. Full disclosure is only made at the at the level of the parent company (AR)
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	15 AR: 259-260	Information incomplete at Tridonic level. Full disclosure is only made at the at the level of the parent company (AR)
GRI 2-13	Delegation of responsibility for managing impacts	15	
GRI 2-14	Role of the highest governance body in sustainability reporting	15, 35	
GRI 2-15	Conflicts of interest	69, AR: 261-262	
GRI 2-16	Communication of critical concerns	65	There were no confirmed reports of critical concerns during the reporting period

GRI 2-17	Collective knowledge of the highest governance body	15	
GRI 2-18	Evaluation of the performance of the highest governance body	AR: 262-263, 271	Information not available at Tridonic level. Disclosure is only made at the level of the parent company (AR)
GRI 2-19	Remuneration policies	55 RR: all	Information incomplete at Tridonic level. Full disclosure is only made at the level of the parent company (RR)
GRI 2-20	Process to determine remuneration	55 RR: 5	Information incomplete at Tridonic level. Full disclosure is only made at the level of the parent company (RR)
GRI 2-21	Annual total compensation ratio	RR: 18	Information not available at Tridonic level. Disclosure is only made at the level of the parent company (RR)
	4. Strategy, policies and practices for responsible business conduct		
GRI 2-22	Statement on sustainable development strategy	2-3	
GRI 2-23	Policy commitments	20, 54-55, 67, 72, 79-83	
GRI 2-24	Embedding policy commitments	15, 18, 65, 66-67, 70-71, 79-80	
GRI 2-25	Process to remediate negative impacts	55-59, 71-72	
GRI 2-26	Mechanisms for seeking advice and raising concerns	71-72	There were no confirmed reports of critical concerns during the reporting period
GRI 2-27	Compliance with laws and regulations	65-73	
GRI 2-28	Associations and advocacy organizations in which the organization participates in a significant role	23	

	5. Stakeholder engagement		
GRI 2-29	Approach to stakeholder engagement	34	
GRI 2-30	Collective bargaining agreements	43	
GRI 3	**Material topics (2021)**		
GRI 3-01	Process to determine material topics	35-36	
GRI 3-02	List of material topics	36	
Topic-specific standards			
GRI 201	**Economic performance (2016)**		
GRI 3-03	Management of material topics (2021)	31	
GRI 201-01	Direct economic value generated and distributed	AR: 43-44	
GRI 201-02	Financial implications and other risks and opportunities due to climate change	25-28 AR: 153-15	
GRI 201-03	Defined benefit plan obligations and other retirement plans	AR: 158, 168, 180, 191, 201 - 203	Information not available at Tridonic level. Disclosure is only made at the level of the parent company (AR)
GRI 201-04	Financial assistance received from government	AR: 187, 197, 211	Information not available at Tridonic level. Disclosure is only made at the level of the parent company (AR) In the past financial year In the past business year, there were a few research funding
GRI 205	**Anti-corruption (2016)**		
GRI 3-03	Management of material topics (2021)	65, 68	

GRI 205-01	Operations assessed for risks related to corruption	68	
GRI 205-02	Communication and training about anti-corruption policies and procedures	68, 73	
GRI 205-03	Confirmed incidents of corruption and actions taken	68	
GRI 206	**Anti-competitive behavior (2016)**		
GRI 3-03	Management of material topics (2021)	65, 70	
GRI 206-01	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	70	
GRI 301	**Materials (2016)**		
GRI 3-03	Management of material topics (2021)	75-78,90, 105-108	
GRI 301-01	Materials used by weight or volume	83-84, 125	
GRI 301-02	Recycled input materials used (secondary raw materials)	83-84	
GRI 301-03	Reclaimed products and their packaging materials	105-108, 126	
GRI 302	**Energy (2016)**		
GRI 3-03	Management of material topics (2021)	90-92, 94	
GRI 302-01	Energy consumption within the organization	94	Information incomplete
GRI 302-02	Energy consumption outside of the organization	94-95	
GRI 302-03	Energy intensity	95	

GRI 302-04	Reduction of energy consumption	95-96	
GRI 302-05	Reductions in energy requirements of products and services	96, 122-123	
GRI 305	**GHG emissions (2016)**		
GRI 3-03	Management of material topics (2021)	87, 90-92, 109	
GRI 305-01	Direct (Scope 1) GHG emissions	98-99, 100	
GRI 305-02	Energy indirect (Scope 2) GHG emissions	99, 100	
GRI 305-03	Other indirect (Scope 3) GHG emissions	100-102	
GRI 305-04	GHG emissions intensity	102	
GRI 305-05	Reduction of GHG emissions	102	
GRI 305-06	Emissions of ozone-depleting substances (ODS)	103	
GRI 305-07	Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions	103	
GRI 306	**Waste**		
GRI 3-03	Management of material topics (2021)	90-92,105,109	
GRI 306-01	Waste generation and significant waste-related impacts	105	
GRI 306-02	Management of significant waste-related impacts	105-106	
GRI 306-03	Waste generated	107, 108	

GRI 306-04	Waste diverted from disposal	107, 108	
GRI 306-05	Waste directed to disposal	107, 108	
GRI 307	**Environmental compliance (2016)**		
GRI 3-03	Management of material topics (2021)	90-92, 113	
GRI 3-03	Non-compliance with environmental laws and regulations	113	
GRI 308	**Supplier environmental assessment**		
GRI 3-03	Management of material topics (2021)	75-76,78	
GRI 308-01	New suppliers that were screened using environmental criteria	78-84, 81-82	
GRI 308-02	Negative environmental impacts in the supply chain and actions taken	81-84, 78-80	
GRI 403	**Occupational health and safety**		
GRI 3-03	Management of material topics (2021)	40-41, 57-60	
GRI 403-01	Occupational health and safety management system	57-60	
GRI 403-02	Hazard identification, risk assessment, and incident investigation	57-60	
GRI 403-03	Occupational health services	60	
GRI 403-04	Worker participation, consultation, and communication on occupational health and safety	57-59	

GRI 403-05	Worker training on occupational health and safety	59, 60	
GRI 403-06	Promotion of worker health	60-63	
GRI 403-07	Prevention and mitigation of occupational health and safety impacts directly linked by business relation-ships	57-59, 60, 61-63	
GRI 403-08	Workers covered by an occupational health and safety management system	57-60	
GRI 403-09	Work-related injuries	58-60	
GRI 403-10	Work-related ill health	58-61	
GRI 404	**Training and education**		
GRI 3-03	Management of material topics (2021)	40-41, 43-45	
GRI 404-01	Average hours of training per year per employee	43-45	
GRI 404-02	Programs for upgrading employee skills and transition assistance programs	43-45, 46-47	
GRI 404-03	Percentage of employees receiving regular perfor-mance and career development reviews	46	
GRI 405	**Diversity and equal opportunity**		
GRI 3-03	Management of material topics (2021)	40-41, 52	
GRI 405-01	Diversity of governance bodies and employees	52-55	
GRI 405-02	Ratio of basic salary and remuneration of women to men	Information not available	The Zumtobel Group is currently developing a uniform analy-sis and reporting standard on gender pay as part of a new

			diversity concept that will be rolled out in the 2023/24 financial year. The resulting findings will form the basis for GRI reporting in the coming reporting year.
GRI 406	**Non-discrimination**		
GRI 3-03	Management of material topics	52-57, 66-67, 71-72	
GRI 406-01	Incidents of discrimination and corrective actions taken	55, 71	
GRI 408	**Child labor (2016)**		
GRI 3-03	Management of material topics (2021)	56-57, 65-67, 81	
GRI 408-01	Operations and suppliers at significant risk for incidents of child labor	56-57, 81-83	
GRI 409	**Forced or compulsory labor (2016)**		
GRI 3-03	Management of material topics (2021)	56-57, 65-67, 81	
GRI 409-01	Operations and suppliers at significant risk for incidents of forced or compulsory labor	56-57, 81-83	
GRI 414	**Supplier social assessment (2016)**		
GRI 3-03	Management of material topics (2021)	75-78, 79-80, 81-83	
GRI 414-01	New suppliers that were screened using social criteria	81-83	

GRI 414-02	Negative social impacts in the supply chain and actions taken	79-80, 81-83	
GRI 416	**Customer health and safety (2016)**		
GRI 3-03	Management of material topics (2021)	117-120	
GRI 416-01	Assessment of the health and safety impacts of product and service categories	120-121	
GRI 416-02	Incidents of non-compliance concerning the health and safety impacts of products and services	120-121	

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We have striven to provide an accurate representation of the facts based on the best of our knowledge and a great deal of care. Nevertheless, please be aware that the possibility of errors cannot be excluded.

Appendix

Tridonic basis of consolidation

No.	Total	Country	Share in %	Consolidation method	Reporting date
1	Tridonic GmbH	Austria	100	Full	30 Apr
2	Tridonic GmbH & Co. KG	Austria	100	Full	30 Apr
3	Tridonic Deutschland GmbH	Germany	100	Full	30 Apr
4	Tridonic UK Ltd	United Kingdom	100	Full	30 Apr
5	Tridonic SRB d.o.o.	Serbia	100	Full	30 Apr
6	Tridonic Holding GmbH	Dornbirn	100	Full	30 Apr
7	Tridonic Iberia SL	Spain	100	Full	30 Apr
8	Tridonic Oceania Holding Pty. LTD	Australia	100	Full	30 Apr
9	Tridonic Australia Pty. Ltd.	Australia	100	Full	30 Apr
10	Tridonic (ME) FZE	UAE	100	Full	30 Apr
11	Tridonic Aydinlatma Ticaret Limited Sirketi	Turkey	99	Full	30 Apr
13	Tridonic SA (Proprietary) Limited	South Africa	100	Full	30 Apr
14	Tridonic S.E.A Pte Ltd.	Singapore	100	Full	30 Apr
15	Tridonic (Malaysia) Sdn, Bhd.	Malaysia	100	Full	30 Apr
16	Tridonic Korea LLC	South Korea	100	Full	30 Apr
17	Tridonic Inc. Highland	USA	100	Full	30 Apr
18	Zumtobel Group Services Hong Kong Ltd.	Hong Kong	100	Full	30 Apr
19	Tridonic (Shanghai) Co. Ltd.	China	100	Full	31 Dec
20	TridonicAtco (Shenzhen) Co. Ltd.	China	100	Full	31 Dec
21	Tridonic AG	Switzerland	100	Full	30 Apr
22	Tridonic France Sarl	France	100	Full	30 Apr
23	Tridonic Jennersdorf GmbH	Austria	100	Full	30 Apr
24	Tridonic Italia SRL	Italy	100	Full	30 Apr
25	Tridonic Portugal Unipessoa LDA	Portugal	100	Full	30 Apr

Overview of the identified taxonomy-eligible economic activities.

The following table is intended to give an overview of the economic activities identified, their description according to the EU regulation, and their interpretation by the Zumtobel Group. This interpretation is based on the information currently available.

Economic activity according to the Taxonomy Regulation	Description of the economic activity according to the Taxonomy Regulation	Interpretation and explanation of position in taxonomy
3.5 Manufacture of energy efficiency equipment for buildings	(g) Manufacture of light sources	LED modules are classified as light sources according to the Regulation.
	(j) Presence and daylight controls for lighting systems	Sensors and hardware/software for lighting management systems belong to the category of presence and daylight controls for lighting systems.
	(m) Energy-efficient building automation and control systems for residential and non-residential buildings	This includes LED ballasts, which control the current flow between the mains supply and the LED light source. Emergency luminaires were also classified as 3.5 (m), as these are exempt from energy labelling requirements according to Annex IV in the Commission Delegated Regulation (EU) 2019/2015 on the energy labelling of light sources.
6.4 Operation of personal mobility devices, cycle logistics	Selling, purchasing, financing, leasing, renting and operation of personal mobility or transport devices where the propulsion comes from the physical activity of the user, from a zero-emissions motor, or a mix of zero-emissions motor and physical activity	Bicycles that were purchased as company bicycles and e-bikes in general were included here.
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	Purchase, financing, renting, leasing and operation of vehicles designated as category M1 (232), N1 (233), both falling under the scope of Regulation (EC) No 715/2007 of the European Parliament and of the Council (234), or L (2- and 3-wheel vehicles and quadricycles) (235)	Leased electric cars were included in this category.

7.3 Installation, maintenance and repair of energy efficiency equipment	(d) Installation and replacement of energy efficient light sources	Electrical installation as well as the inspection and maintenance of luminaires were understood to belong to the category of installation and replacement of luminaires.
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)		Charging systems for environmentally friendly cars in particular were included in this category.
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	(a) Motion and daylight controls	The Zumtobel Group’s relevant digital services were included in this category.
	(b) Lighting control systems and energy management systems	The Zumtobel Group’s relevant digital services were included in this category.
7.7 Acquisition and ownership of buildings		The leasing costs of the Zumtobel Group’s buildings belong here.
8.1 Storage, manipulation, management, movement, control, display, switching, interchange, transmission or processing of data through data centres		The in-house data centres are included here.

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