



Policy for Sustainable Business Practices

Adopted by the Norlux Board on *December 11, 2024*. Last amended *December 10, 2024*.

Introduction

Norlux strives to maintain sustainable business practices that respect people, society, and the environment. This policy document, including principles for sustainable business practices, forms the foundation of our sustainability efforts.

Norlux regards sustainable business practices as a prerequisite for sustainable development, defined as meeting the needs of current generations without compromising the ability of future generations to meet their needs, as articulated in the Brundtland Commission's report, *Our Common Future*, 1987.

Norlux is an advisor, supplier, and partner in lighting solutions for the present and future. We aim to contribute to a sustainable society through innovative and forward-thinking lighting solutions.

The UN's Sustainable Development Goals (SDGs) serve as a global action plan for sustainable development. Norlux will focus its sustainability efforts on the following SDGs:

Goal 3: Good health and well-being.

Goal 12: Responsible consumption and production.

As a member of Ethical Trade Norway, Norlux commits to actively conducting due diligence for sustainable business practices. This approach aligns with the *UN Guiding Principles on Business and Human Rights* (UNGPR), 2011, and the *OECD Due Diligence Guidance for Responsible Business Conduct*, 2018. Due diligence involves a risk-based approach to respecting and safeguarding people, society, and the environment within our operations and across our supply chain. We expect our suppliers and partners to adopt the same approach.

Requirements for Our Operations

Norlux has the potential to contribute to a positive development in our Supply Chain and based on this we have created principles and requirements for our own operation.



Due Diligence

Norlux will conduct due diligence for sustainable business practices, as guided by the *OECD Guidelines for Multinational Enterprises* and the *OECD's Due Diligence Guidance for Responsible Business Conduct*. This includes:

- Risk assessments to identify potential negative impacts on people, society, and the environment.
- Stopping, preventing, and mitigating such impacts.
- Monitoring and evaluating the effectiveness of actions taken.
- Communicating actions to affected parties.

If our activities cause or contribute to negative impacts on people, society, or the environment, we will stop the activities and seek to restore the harm caused. If a supplier is responsible for the negative impact or harm, the supplier is also responsible for restoration.

Responsible Procurement Practices

Norlux considers responsible procurement one of its most important tools for achieving sustainable business practices. Our procurement practices will be adjusted to strengthen suppliers' ability to meet our requirements and ensure good conditions for people, society, and the environment. We strive for long-term supplier relationships with those who demonstrate a strong commitment to positive developments in the supply chain.

Freedom of Association and Worker Representation

Norlux supports the right to free association and other forms of democratically elected worker representation. We will involve worker representatives and other relevant stakeholders in our sustainability efforts.

Supplier Development and Partnerships

In dialogue with suppliers, Norlux will, if necessary, contribute relevant training or resources to enable them to meet our requirements. This establishes a foundation for collaboration with suppliers who show strong commitment and capability for positive development in terms of people, society, and the environment in their supply chain.

Anti-Corruption

Norlux, including all employees, will never offer or accept illegal or improper financial gifts or other compensation to gain business or personal benefits for us, customers, agents, or suppliers.

Countries under Trade Sanctions

Norlux, including its suppliers and partners, will avoid business relations with entities operating in countries under trade sanctions by the UN and/or Norwegian authorities.

Requirements for Supply Chain Practices

We expect our suppliers and partners to work systematically toward compliance with our Supplier Guidelines, including principles for sustainable business practices. These guidelines cover basic requirements related to human rights, labor rights, anti-corruption, animal welfare, and environmental protection.

Suppliers must:

- Adhere to the Supplier Guidelines, including principles for sustainable business practices.
- Actively conduct due diligence, as detailed in the *OECD's Introduction to Due Diligence Guidance for Responsible Business Conduct, 2018*. This includes:
 - Risk assessments to identify negative impacts on people, society, and the environment.
 - Taking corrective actions to prevent, mitigate, and stop such impacts.
 - Monitoring, evaluating, and communicating the effects of these measures to affected parties.

If a supplier is responsible for negative impacts or harm, they are also responsible for restoration.

- Demonstrate willingness and capability for continuous improvement for people, society, and the environment through collaboration.
- Provide documentation upon request, demonstrating how they, and any subcontractors, work to comply with the guidelines.

Repeated failure to demonstrate willingness or capability to meet the Supplier Guidelines may result in contract termination.

