

LETTER FROM THE CEO

LETTER FROM THE SUSTAINABILITY COMMITTEE

01. ABOUT ARKOSLIGHT

- 01.1 Light&Life 1984
- 01.2 Where we are
- 01.3 Milestones
- 01.4 Activity and market
- 01.5 Figures
- O1.6 Arkoslight Culture: Mission, Vision, and Values
- 01.7 Our client network
- 01.8 Supply chain

02. SUSTAINABILITY FOR ARKOSLIGHT

- 02.1 Integrating sustainability
- 02.2 Stakeholder relations

03. PEOPLE AT ARKOSLIGHT

- 03.1 Taking care of our team
- 03.2 Commitment to our network of clients and users
- 03.3 Our commitment to society

04. THE ENVIRONMENT FOR ARKOSLIGHT

- 04.1 Our commitment to the environment
- O4.2 Reducing pollution and optimizing resources
- 04.3 Reducing waste

05. GOVERNANCE AT ARKOSLIGHT

05.1 Leading sustainability and CSR



After four decades of experience, we can confidently say that Arkoslight has become a sustainable business project by definition. Quality and the desire for continuous improvement have been core values throughout these years, embodied by a team committed to their surroundings and focused on fostering long-lasting relationships.

The decision to adopt LED technology —resulting in a revolutionary extension of our product lifecycle— was a pivotal choice that significantly contributed to the company's growth. We discovered a key element in our business model that has since evolved into increasingly compact and efficient products, and therefore more environmentally friendly. The maxim 'more light, less carbon footprint' has guided us in recent years toward an ecodesign policy implicitly adopted by the product department with every new addition to the catalogue. This includes minimising the number of components, using specific software to calculate precise quantities of raw materials, and prioritising mechanical joints over other forms of assembly.

Moreover, prioritising the well-being of those who use our products has been a foundational principle from the beginning, turning light into a symbol of improved quality of life within the spaces our customers inhabit daily.

Increasing the lumens-per-watt efficiency in our portfolio, enhancing product packaging to eliminate unnecessary materials, and significantly reducing plastic waste generation have been specific achievements in recent years.

This inaugural sustainability report celebrates our **fifteen-year certification under ISO 14001**, serving as an exercise in transparency and continuous improvement that now gains relevance in new formats. It helps us set new progress objectives and establish new ways of engaging with our stakeholders.

Arkoslight is committed to sharing more information in the medium term about the environmental benefits of our products, enhancing the lifecycle information and traceability of our offerings. We aim to collaborate with our partners to set joint objectives, becoming more illustrative and contributing to a culture of contemporary design. Lastly, we pledge to foster a more intensive internal communication policy that celebrates diversity and highlights the achievements of our Sustainability Committee.

We value current efforts as we chart the path towards a more humane and environmentally respectful future.

Now, more than ever, it is time to work with purpose.

Luis Latrás

Valencia, 31 December 2024

m

LETTER FROM THE CEO

At Arkoslight, we have established a Sustainability Committee tasked with leadership, strategy, supervision, monitoring, and consulting on sustainability and ESG (Environmental, Social, Governance) matters within the company. The committee places special emphasis on fostering continuous dialogue with our stakeholders and promoting good environmental, social, and governance practices.

LETTER FROM THE SUSTAINABILITY COMMITTEE

Our commitment to integrating sustainability into the company's global strategy reflects a firm decision to involve all parties in applying and embracing environmental, social, and governance aspects in day-to-day business operations. Our Sustainability Committee comprises representatives from General Management, Quality and Environmental Management, Product Management, Administration and HR Management, Commercial Management, and Marketing Management, supported by an external consultancy specialising in Sustainability and ESG.

Arkoslight's sustainability journey is a long-term endeavour that began with adopting cutting-edge technology in our products. Today, it encompasses a quest for reduced energy consumption and the use of more environmentally friendly materials. We also prioritise the well-being of our customers and the community surrounding our company.

From using state-of-the-art LED technologies to smart designs and recyclable materials, every detail is carefully considered to enhance energy efficiency and minimise environmental impact. Over the last decade, we have achieved a 70% reduction in paper and cardboard waste and a 77% reduction in plastic waste, thanks to collaborative efforts with our suppliers. Furthermore, we have reduced energy consumption in our facilities by 28% over the past two years through the installation of photovoltaic panels.

In our collection, each new product is conceptualised based on **ecodesign principles**, focusing on achieving maximum results with minimal components, using the least amount of raw materials necessary for functionality, prioritising mechanical joints to avoid harmful materials, and incorporating the latest high-efficiency LED technologies.

Our efforts extend beyond product design to their protection and presentation. We exclusively use recyclable cardboard for packaging, and in recent years, we have replaced bubble wrap protectors with 100% compostable potato starch (PLA) alternatives. Each product has custom-designed packaging to avoid unnecessary materials or wasted space during transport.

Socially, one of our most commendable actions is our collaboration with special employment centres, which provide work opportunities for individuals with functional diversity. For over 20 years, they have supported us in assembling part of our collection.

We are pleased to present this first Sustainability Report 2023-2024, based on implementing the United Nations' Sustainable Development Goals (SDGs). For any questions regarding this report and its content, please contact us at info@arkoslight.com.

We celebrate the actions of the present, while designing those that will lead us to a more sustainable and committed horizon.

Israel Vázquez (General Management), Juan Górriz (Quality and Environmental Management), Rubén Saldaña (Product Management), Pascual García (Administration and HR Management), Luis del Moral (Commercial Management), and Alicia Matallín (Marketing Management). Valencia, 31 December 2024

ABOUT

ARKOSLIGHT

01.1 Light & Life 1984

At Arkoslight, we design, develop, and manufacture highquality technical lighting to bring well-being and emotion to the spaces we inhabit. Each of our luminaires serves as an essential, almost invisible medium, capable of delivering conscious and organic illumination.

Since our founding in 1984, José Luis Latrás, the founder of Arkoslight, laid the foundation for a company focused on quality and service, where people are at the heart of our philosophy.

The adaptability and commitment of a great team transformed a small workshop on Archena Street in Valencia into a globally recognised brand with a presence in **over 90 countries**.

Our 40 years of experience have enabled us to develop a unique language combining sophistication and technological innovation. **Understanding light and employing it uniquely** and effectively are essential for creating atmospheres and sensations that enhance people's lives.

01.2 Where We Are

ARKOSLIGHT S.L. Calle N, S/N - Pol. Ind. El Oliveral 46394 Ribarroja del Turia - Valencia (Spain)

The company has facilities spanning 20,000 m², divided into three warehouses with 15,000 m² of constructed space housing offices, production, and storage. These facilities comply with all legal health and safety requirements. The spaces were designed by Francesc Rifé and Víctor García, prioritising team comfort in the architectural project.



Light & Life, since 1984. Driving innovation through design.

01.3 Our History: Milestones

2001

Registration of the Arkoslight brand, strengthening the technical lighting segment.

2002

FITI: The first award-winning product in the collection, recognised at the 'Lights of the Future' awards.

1984

1990

catalogue.

Origins of Arkoslight,

operating as Oscaluz.

Introduction of halogens

and 'porthole' lighting

fixtures into the brand's

2005

Start of collaboration with social work companies.

2008

Implementation of ISO 14001 certification.

2010

Incorporation of minimalist philosophy into Arkoslight's catalogue.

2014

Swap: LED alternative to traditional 'porthole' lighting fixtures.

2016

iO: Launch of the first hyper-miniaturised spotlight in the Arkoslight collection. 2017

Shot Light: Introduction of Arkoslight's first luminaire featuring the 'The Invisible Black' effect, offering maximum visual comfort by creating illuminated spaces without visible light sources.

2018

Renovation of the headquarters by Francesc Rifé and Víctor García.

2020

Implementation of electric vehicle parking. Elimination of plastic in product packaging. 2022

Initial installation of photovoltaic panels (60kW).

2024

40th anniversary.
Expansion of
headquarters (new
exhibition space and
'Feel the Light' project).
Second phase of
photovoltaic
panel installation
(+40kW, reaching a total
of 100kW).

At Arkoslight we design, develop and manufacture high quality technical lighting for the contract (office, hospitality, healthcare), habitat and retail sectors.



PRODUCT FAMILIES

140

PRODUCTS

470

TOTAL REFERENCES

17507

PRODUCT TYPES

Recessed

Surface

Suspended

Wall

Floor & Table

Track Systems

Custom Systems

Outdoor

Lamps

Accessories

We serve both national and international markets, exporting to all five continents and maintaining a presence in 94 countries.



Europe

Lithuania

Luxembourg

Macedonia

Montenegro

Northern Ireland

Malta

Moldova

Norway

Poland

Portugal

Romania

Russia

Serbia

Slovakia

Slovenia

Sweden

Turkey

Ukraine

Switzerland

Spain

Albania Andorra Austria **Belarus** Belgium Bosnia and Herzegovina Bulgaria Croatia Cyprus Czech Republic Denmark Republic of San Marino Estonia Finland France Germany Great Britain Greece Hungary Iceland Ireland Italy

Latvia

Chile Colombia Costa Rica Ecuador Guatemala Mexico Panama Peru **United States** Uruguay Venezuela

Africa

Egypt Morocco Nigeria Sudan Tunisia

Asia & Oceania

Armenia Australia Azerbaijan Bahrain Belarus China Georgia Hong Kong India Indonesia

Iraq Israel Japan Jordan Kuwait Lebanon Malaysia Moldova New Caledonia New Zealand

Oman

Palestine **Philippines** Qatar Republic of Korea Saudi Arabia Singapore Syria Thailand United Arab Emirates Vietnam

Pakistan

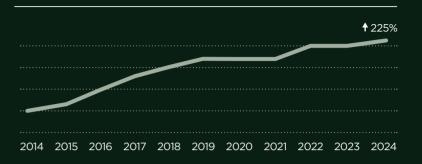
01.5 Figures

Sales by Geographic Area

Spain: 25% Rest of Europe: 65% Rest of the World: 10%



TURNOVER EVOLUTION



NUMBER OF SUPPLIERS

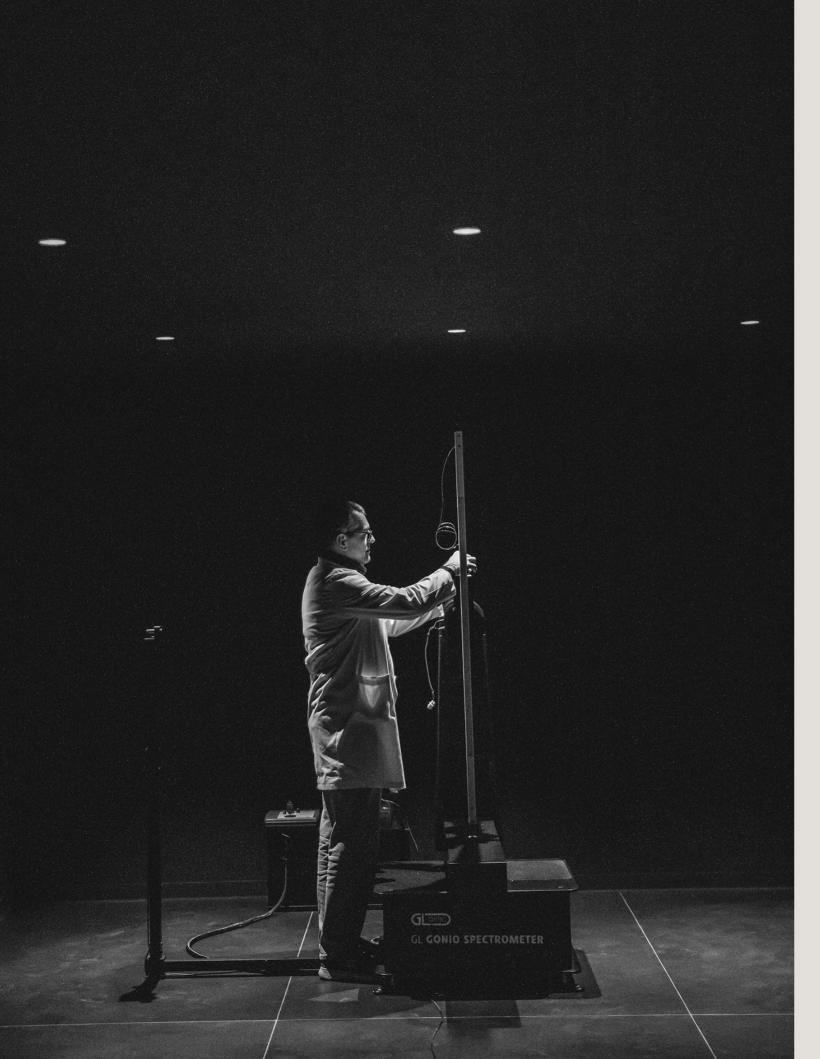


- National origin: 56.5%
- Rest of Europe: 14.5%
- Rest of the World: 29%

NUMBER OF JOBS



- Direct employment: 96 (82.8%)
- Employment in social work centres: 20 (17.2%)



01.6 Arkoslight Culture: Mission, Vision, and Values

Our 40 years of experience have enabled us to develop a unique language combining sophistication and technological innovation. Understanding light and employing it uniquely and effectively are essential for creating atmospheres and sensations that enhance people's lives.

MISSION

Our mission is to support architecture and interior design professionals in creating unique lighting solutions that highlight their spaces.

VISION

At Arkoslight, we design, develop, and manufacture high-quality technical lighting to bring well-being and emotion to the spaces we inhabit.

VALUES

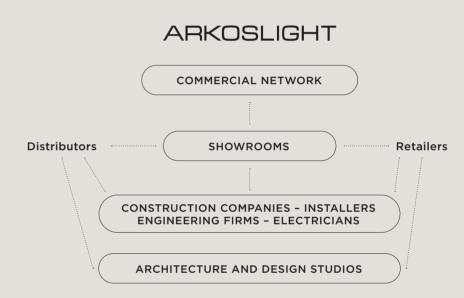
- Innovation: Innovation drives our philosophy. We are committed to offering advanced lighting solutions that transform spaces and enhance our customers' experiences. We continuously seek new ways to create exceptional efficiency and design.
- **Support**: In our mission to assist architecture and design professionals worldwide, Arkoslight engages in dialogue and learns from them to provide the lighting tools best suited to their needs.
- Quality: We strive for continuous improvement in our luminaires. With meticulous precision, our final products are the result of comprehensive processes encompassing design, materials, and versatility.



01.7 Our Network of Clients

For decades, we have had the privilege of working with one of the most intangible elements of our environment - light - which, though often unnoticed, is vital for making spaces appealing, welcoming, and hospitable. We regularly collaborate with experts in creating spaces, including architecture studios, interior design studios, and decoration professionals.

Additionally, our distribution network has been and continues to be a key component during the sales process and in supporting our network of specifiers. Arkoslight's authorised distributors, installers, and various agencies representing us in the market share their expertise and knowledge of our collection with architecture and design studios, and ultimately with their end clients.



01.8 Supply Chain

At Arkoslight, we select each of the components of our products from the best suppliers and meticulously control all manufacturing processes to achieve a product of the highest quality and a flawless finish.

02.1 Integrating Sustainability

Aware of the importance of caring for the environment and conscious of the need to contribute to social well-being. sustainability has always been a core value at Arkoslight in both our management and day-to-day operations. We approach this first report as a way to publicly align with the new business model, one that focuses its efforts on the economic dimension while not neglecting the social, environmental, and ethical management aspects, thus contributing to sustainable development and achieving a balance between all the aforementioned spheres.

For Arkoslight, reporting on these three aspects is an act of transparency that responds to the growing demand from all stakeholders to understand how companies impact human rights and environmental care.

To refer to our activity in the social and environmental aspects in this first sustainability report, we have chosen to rely on the United Nations' Sustainable Development Goals (SDGs) and how the company contributes to achieving some of these goals and their targets.

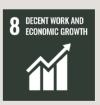
Specifically, we have identified ten SDGs on which Arkoslight impacts through its management and decisions, activities, and processes:























SUSTAINABILITY

AT ARKOSLIGHT



SDG 3. Good Health and Well-being

3.4 By 2030, reduce by one-third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.

3.9 By 2030, substantially reduce the number of deaths and illnesses caused by hazardous chemicals and air, water, and soil pollution.



SDG 4. Quality Education

Education helps reduce inequalities and achieve gender equality. It also helps people around the world lead healthier and more sustainable lives. Education is also important for fostering tolerance among people and contributes to the development of more peaceful societies.



SDG 5. Gender Equality

5.5 Ensure full and effective participation of women and equal opportunities for leadership at all decision-making levels in political, economic, and public life.

5.C Enact and strengthen sound policies and enforceable legislation to promote gender equality and empower all women and girls at all levels.



SDG 7. Affordable and Clean Energy

7.2 By 2030, substantially increase the share of renewable energy in the global energy mix.

7.3 By 2030, double the global rate of improvement in energy efficiency.



SDG 8. Decent Work and Economic Growth

Decent wages, workplace safety, and social protection for families, as well as better prospects for personal development and social integration.

8.2 Achieve higher levels of economic productivity through diversification, technological upgrading, and innovation.

8.5 Decent work for all women and men, including young people and persons with disabilities, as well as equal pay for equal work.



SDG 9. Industry, Innovation, and Infrastructure

Build resilient infrastructure, promote sustainable industrialisation, and foster innovation.



SDG 10. Reduced Inequality

10.2 By 2030, empower and promote the social, economic, and political inclusion of all people, regardless of age, sex, disability, race, ethnicity, origin, religion, or economic or other status.



SDG 12. Responsible Consumption and Production

12.2 By 2030, achieve sustainable management and efficient use of natural resources.

12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse activities.

12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and integrate sustainability information into their reporting cycle.



SDG 13. Climate Action

Establishing energy efficiency criteria, renewable energy use, emission reductions, and resilience to climate-related disasters in the company's buildings and facilities.

Investing in R&D&i to find new solutions to climate change.



SDG 16. Peace, Justice, and Strong Institutions

16.10 Ensure public access to information and protect fundamental freedoms in accordance with national laws and international agreements.



02.2 Relationship with Stakeholders

Relationships with the different groups of people affected, either directly or indirectly, by Arkoslight's decisions and activities have become an increasingly important focus for the company. A thorough understanding of their interests and expectations enables us to adopt **strategies that anticipate future risks** and opportunities, ensuring the sustainability of the company's activities while also addressing the needs of each of these groups.

These relationships are centred around continuous communication and open dialogue based on mutual trust. Since we know there is room for improvement in this area, our future goal is to enhance the participation of each stakeholder group in guiding the strategic direction of our decisions.

Currently, the channels and tools we use for communication and dialogue with the different groups are:

Board of Directors
Shareholders
Staff
Customers
End Users
Suppliers
Society
Government and Regulatory Bodies
Financial Institutions
Local Social Environment

SUSTAINABILITY AT ARKOSLIGHT

STAKEHOLDERS	COMMUNICATION AND PARTICIPATION TOOLS
Staff	Works Council Workshops Noticeboard Suggestion Box Complaint Channel Training Courses and Workshops Internal Newsletters Company Events
Customers	Website Social Media Showrooms Email Catalogues Trade Fairs Training Days and Seminars Press Releases (Journal and Newsletter)
End Users	Website Social Media Catalogues Communication Campaigns Events
Suppliers	Website Social Media Communication Campaigns Events Specific Statements
Society	Website Social Media Showrooms Press Training Days and Seminars Press Releases (Journal and Newsletter)
Local Social Environment	Website Social Media Training Days Specific Statements

COMMUNICATION AND

PEOPLE AT ARKOSLIGHT



05





03.1 Caring for Our Team

Talent management and development, as well as the care of the people who make up our organisation, are key aspects for Arkoslight. No company can consider sustainable growth without it being aligned with the professional and personal growth of the team working within it. The focus on employee well-being and personal and professional development is a special area of attention at Arkoslight. Since our inception, we have valued all of our employees as a fundamental part of the company's success, and as a result, we have invested in their training, health and safety, work-life balance, and equal opportunities.

At Arkoslight, both men and women have career opportunities and professional growth without gender distinctions.

The company has implemented its first Equality Plan, created in 2022 and valid until 2026. There is a Monitoring and Evaluation Committee that annually analyses the impact of the plan, the implementation process, and the results.

Additionally, the company has an annual Training Plan and a five-year Labour Risk Assessment, which must be reviewed in the cases specified by law.

- Equality Plan 22-26
- Training Plan
- Risk Assessment
- Promotion of Work-Life Balance

OCC

PEOPLE AT ARKOSLIGHT

OCCUPATIONAL RISK ASSESSMENT

Arkoslight has a Periodic Risk Assessment conducted by the company Valora Prevención S.L.U. in compliance with Article 16 "Risk Assessment" of the Occupational Risk Prevention Law of 8 November 1995.

The assessment covers all risks arising from the activities, tasks performed at the workplace, equipment used, and facilities interacting with the workplace.

The risks identified as significant, and therefore requiring action by the company for their prevention, are: entrapment by and between objects, and falling objects.

The commitment is to eliminate, reduce, or progressively minimise the detected risks with moderate and high impact.

In 2023, no workplace accidents resulted in time off; in 2024, there were 2 incidents, both of a mild nature. It is noteworthy that Arkoslight's activities are not considered "high-risk" as such.

Arkoslight is governed by the collective agreement for the industry, new technologies, and services in the metal sector.

Among the preventive measures to safeguard the safety and health of Arkoslight employees are: the installation of industrial-sized fans in the ceilings of assembly and production areas, the use of power tools in assembly stations, the organisation of work tools for greater efficiency, the dehumidification of the environment, the use of ergonomic and adaptable office furniture, the implementation of lighting designed to avoid visual fatigue, and rest breaks during the workday proportional to the demands of each role, among others.

TYPE OF TRAINING



- External: 24 sessions
- Internal: 11 sessions

TRAINING BY DEPARTMENT



- Quality and Environmental Management: 6%
- Sales: 20%
- Design: 17%
- Marketing: 6%
- Projects: 6%
- Technical: 11%
- Various: 34%

COURSES



TOTAL TRAINING HOURS

1094,5 h

TOTAL BENEFICIARIES

42

EQUALITY PLAN

At Arkoslight, we have an Equality Plan developed externally by the company Price Waterhouse, valid until 2026.

From the evaluation of the plan, the following highlights can be noted:

- Continuous increase in the proportion of women in the workforce since 2021.
- 100% of Arkoslight's workforce has a permanent employment contract, demonstrating the company's commitment to job stability for its employees.
- 69% of the workforce is within the 30-50 age range, with 31% consisting of young people under 30 and those over 50.
- More than 50% of the employees are highly qualified.
- The average length of service of the workforce exceeds 10 years.

Regarding the average length of service, if we refer to the 2023 Statista report on the labour market, which concludes that in 2023, the average time an employee had spent in the same company in Spain was around 8 years, we can say that, in our case, this results in a **low turnover rate**. We could attribute this to a combination of three factors: a good working environment, favourable working conditions, and effective recruitment processes.

On the other hand, our future commitment is to promote gender equality at those hierarchical levels where inequalities exist. Thus, when new positions are created or vacancies occur, the company will ensure that, where candidates have equal merits and conditions, preference will be given to underrepresented personnel.

*Given the company's culture of promoting internal employees to fill vacant or newly created positions, and taking into account the combination of other factors (firstly, that we are in a traditionally male-dominated sector due to the technical nature of the roles, which have only recently been sought by women; secondly, that the company has had low employee turnover since its inception; and thirdly, that the largest growth in the number of employees has occurred in recent years), the consequence is that the current management team is predominantly male.

PEOPLE AT ARKOSLIGHT

WORKFORCE DISTRIBUTION BY GENDER	2021	2022	2023	2024
Men	80,2%	75,61%	75,00%	73,12%
Women	19,8%	24,39%	25,00%	26,88%
TYPE OF CONTRACT	2021	2022	2023	2024
Permanent		79 	87	9 6
Fixed-term (intermittent)	0	0	0	0
Temporary	9	<u> </u>	5 	0
Full-time	100	100	100	100
Part-time	0	0	0	0
WORKFORCE DISTRIBUTION	2021	2022	2027	2024
BY AGE	2021	2022	2023	2024
Average age of men	41,67 años	42,61 años	43,28 años	44,23 años
Average age of women	39,08 años 	39,75 años 	39,41 años 	38,93 años
Total employees between 30 and 50 years old	67,44 %	71,95%	69,00%	69,00%
WORKFORCE DISTRIBUTION	2021	2022	2027	2024
BY LEVEL OF EDUCATION	2021	2022	2023	2024
University degrees - Men University degrees - Women	61,9% 38,1%	64,52% 45,00%	65,22% ———— 47,83%	52,94% 84,00%
WORKFORCE DISTRIBUTION				
BY LENGTH OF SERVICE	2021	2022	2023	2024
Overall average	9,74 años	10,44 años	10,63 años	10,89 años
Average for men	10,3 años	11,32 años	11,64 años	12,53 años
Average for women	7,45 años	7,71 años	7,58 años	6,42 años
DISTRIBUTION BY				
ADMINISTRATION POSITIONS	2021	2022	2023	2024
Men	28,57%	28,57%	28,57%	33,33%
Women	71,43%	71,43%	71,43%	66,67%
DISTRIBUTION BY TECHNICAL AND MAINTENANCE POSITIONS	2021	2022	2023	2024
Men	50%	50%	50%	50%
Women	50%	50%	50%	50%
DISTRIBUTION BY MANAGEMENT POSITIONS*	2021	2022	2023	2024
Men	7	7	7	6
Women	0	0	0	1



Work-life balance measures

At Arkoslight, the entire workforce works from 7am to 3pm, which greatly facilitates family life balance.

Remuneration System

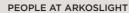
In accordance with Royal Decree 902/2020 of 13 October on pay equality between men and women, the Negotiating Committee approved the assessment of 25 job positions on 2 June 2022 using the tool provided by the Ministry of Equality. The following factors were taken into consideration:

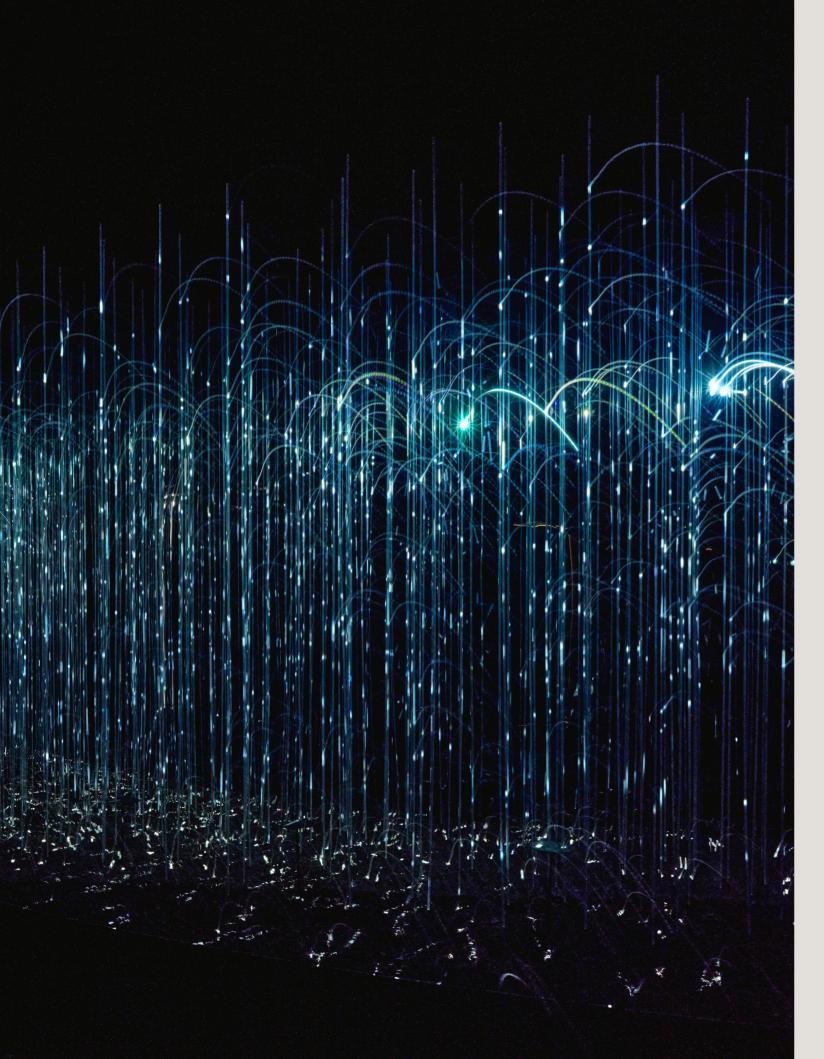
- Associated with the nature of the functions or tasks
- Associated with educational conditions
- Associated with professional or training conditions
- Associated with working conditions strictly related to job performance

The results of the analysis show an average pay gap of 12.33% in favour of men. Given that, according to Royal Decree, a pay gap is considered to exist when the difference exceeds 25%, we can affirm that the total salary mass received by men and women at Arkoslight is balanced. On the other hand, the median salary difference is 7.06% in favour of the women in the workforce, indicating that the majority of the workforce receives a total remuneration in which women are favoured.

Therefore, we can affirm that the remuneration situation with respect to gender at Arkoslight is equitable between men and women on a global level.







03.2 Commitment to our network of clients and users

A company has no reason to exist without its key partners: the clients or users. The proper satisfaction of their needs and expectations is crucial for the economic sustainability of the company. At Arkoslight, we put all our effort into developing products with the most cutting-edge designs and the latest technological advances, through constant innovation in service to society. Our luminaires are conceived with the intention of improving the quality of life, well-being, and visual comfort of our clients.

There are three fundamental aspects that shape product development at Arkoslight:

Cutting-edge technology

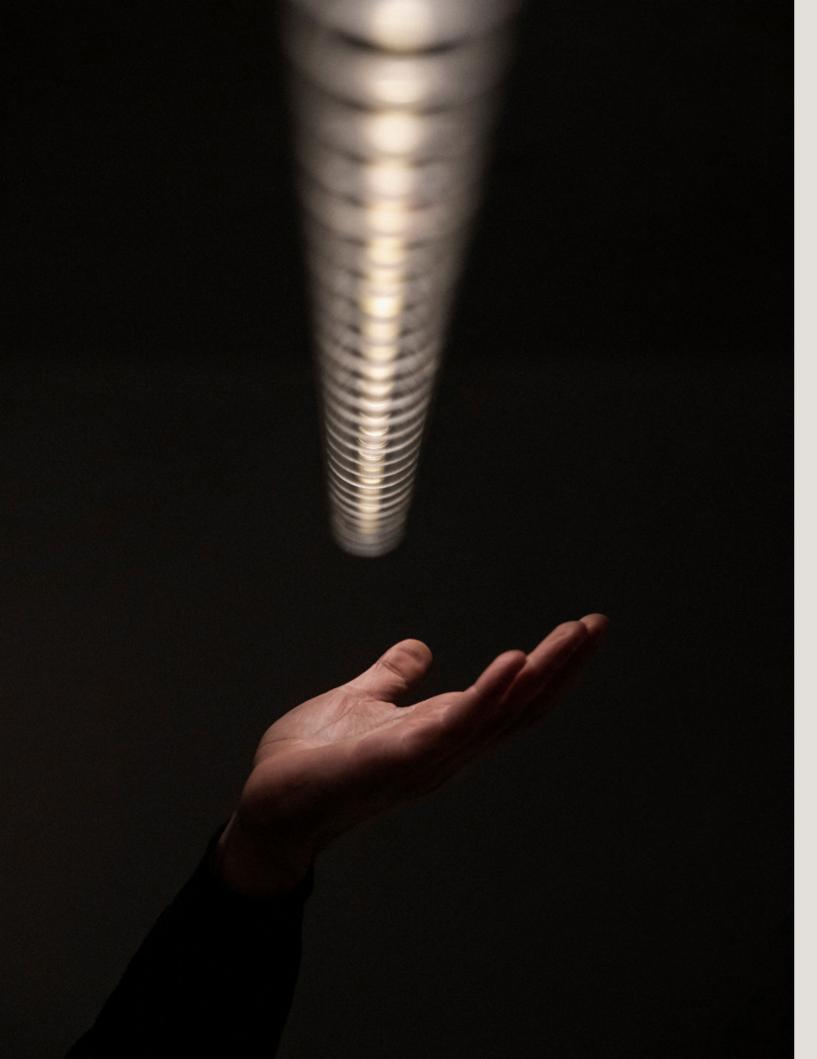
Arkoslight luminaires continuously evolve to stay at the forefront in concepts such as the lifespan of LEDs, thermal management of light sources, colour consistency, colour rendering accuracy, and improving the lumen/watt ratio, among many other factors.

Benchmark products

Research, development, and innovation are the three main pillars that ensure we create differentiated, leading-edge products that satisfy our clients' needs like no other.

Constant evolution

Arkoslight subjects its products to constant evolution, keeping them always at the cutting edge of design, technology, and updates to their components.



QUALITY

Our commitment to quality is one of our fundamental principles for the design and development of our products.

"IQnet and Aenor certify that Arkoslight S.L. has implemented and operates a quality management system that meets the requirements of the ISO 9001:2015 standard."

Dedication

As a core company value, quality is one of the key aspects of Arkoslight's operations, and it is a strategic focus in the development of our business. Excellence and dedication to making quality our differentiating value is our commitment.

High Standards

Each Arkoslight luminaire undergoes rigorous control by our demanding quality department to ensure that it always meets the highest standards required by the market and, moreover, surpasses the even higher standards that our company imposes on itself.

We are proud to say that returns attributable to Arkoslight currently represent only 0.2% of sales, consistently decreasing over the years and maintaining the company's strong commitment to continuous improvement.

Other sector quality certifications

ENEC

The ENEC mark certifies that Arkoslight luminaires comply with European electrical safety standards. ENEC validation provides the highest level of safety for our luminaires and their components, as they are tested in independent laboratories approved by ENEC internationally.

This certification complements the CE marking required for the European market, adding an extra layer of quality and assurance to the essential requirements of the European Union Directive. ENEC is synonymous with safety, and its commitment to high safety quality standards is recognised throughout the industry across Europe.



CB Certificate

These certificates are issued under the CB Scheme, created by the International Electrotechnical Commission (IEC), and certify that Arkoslight luminaires comply with the international IEC electrical safety standards. The CB certificate helps remove barriers to international trade and strengthens the global nature of our company.

Warranty and Lifespan

Producing quality products is key to ensuring their long lifespan, which, in addition to contributing to environmental sustainability through waste reduction, enhances customer satisfaction.

The adoption of LED technology has led to a revolutionary increase in the lifespan of our products.

At Arkoslight, the raw material of our work is light. All our efforts focus on understanding, mastering, measuring, and controlling it to create products at the forefront of technology and with the highest quality of lighting.

For this reason, and as a trusted brand, **Arkoslight offers a 5-year warranty on all its LED products**, extendable after a specific project study by our teams.

Awards and Recognition

The excellence in the quality and design of Arkoslight products has been widely recognised with numerous international awards (RedDot Design Award, iF Design Award, Archiproducts Design Award, Good Design Award, European Design Award, Delta Awards, etc.).

The brand has received over 50 design-related awards in the last decade, an exceptional achievement that places it alongside the best design studios worldwide.



14 RED DOT DESIGN AWARD



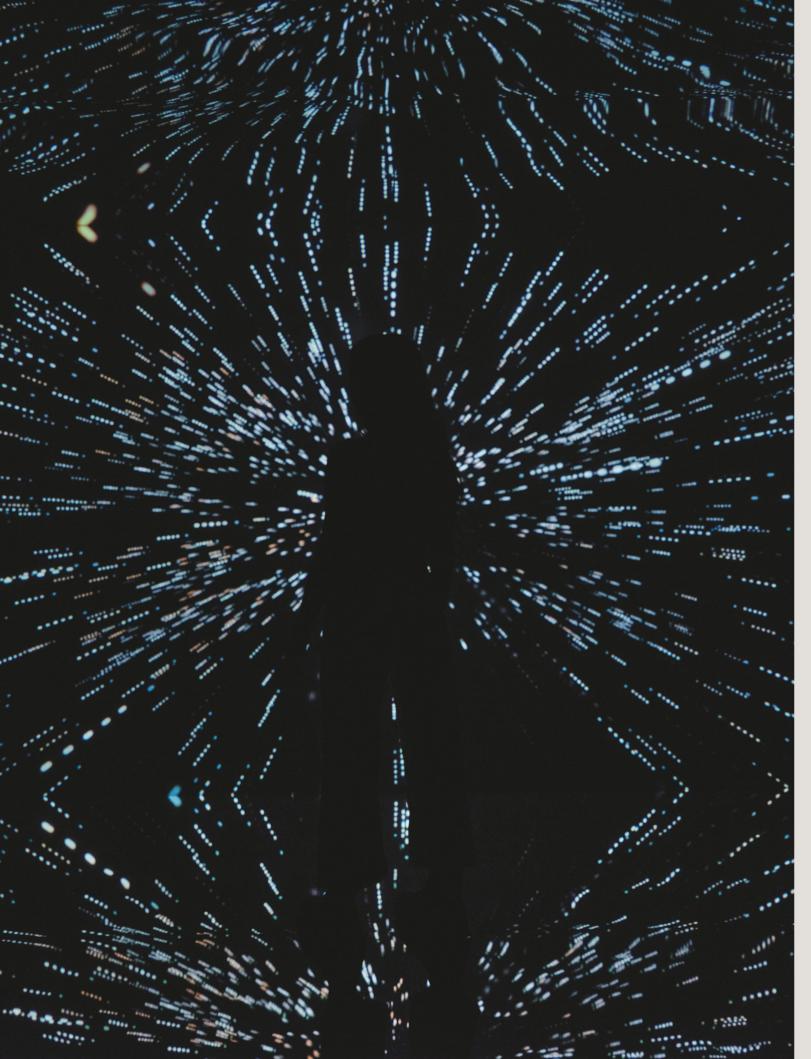
14 IF DESIGN AWARD



10 DELTA DESIGN AWARD



7 ARCHIPRODUCTS DESIGN AWARD



Internal Communication

Coinciding with the 40th anniversary celebration, Arkoslight has carried out a significant expansion at its headquarters to highlight the diversification of its portfolio and, at the same time, create new inspiring, experimental, and interactive environments.

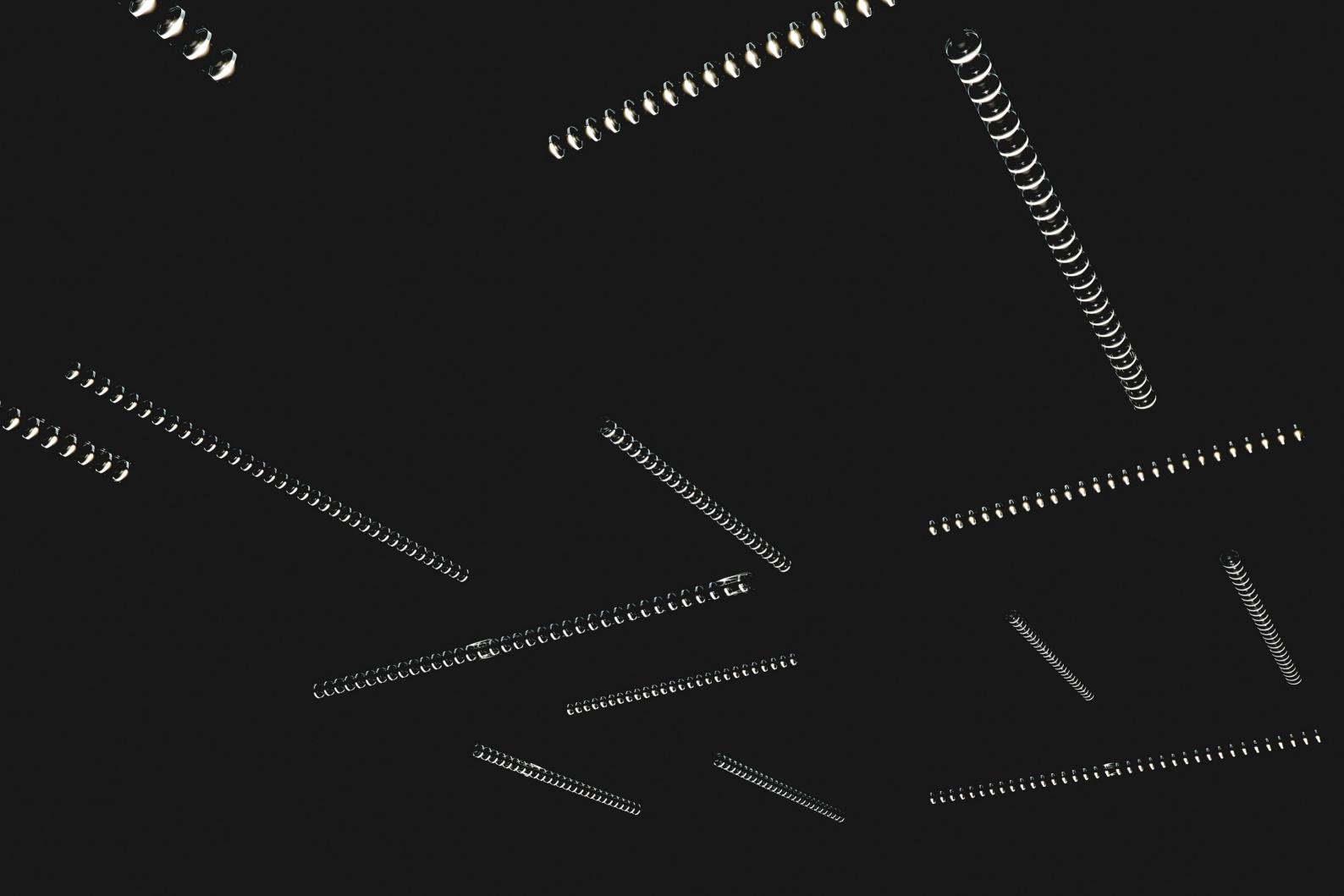
As a surprise element of this expansion, and under the title 'Feel the Light' an experimental space has been designed, consisting of five rooms where light itself takes centre stage and communicates directly with the viewer.

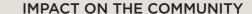
With a cinematic and sensory character, design and architecture professionals will now be able to explore the fundamental principles of light, understanding its more technical aspects in a beautiful, playful, and distinctive way.

This space has been specially designed as a true turning point for the brand, elevating its approach to presenting the collection and teaching about the importance of lighting in spaces—an element that is as ethereal and complex as it is essential for achieving well-being and emotion in projects.

2024 ended as a special year for the entire Arkoslight team. On one particular day, the whole team was invited to enjoy and interact with this new installation, as one of the first visits to the new space.







For over 20 years, Arkoslight has collaborated with special employment centres. Located less than 30km from our headquarters, we provide work for people with functional diversity with the aim of promoting their inclusion in society, access to decent employment, and self-sufficiency. We supply them with raw materials and semi-finished products, which they assemble and work on to create the various luminaires in our collection.

The stability of the relationship between both organisations is reflected in a training programme for their workers, which equips them to assemble up to 80% of the more than 15,000 references in the company's catalogue, even with ENEC certification.

EDUCATION

Each year, we also host students from various degrees and master's programmes in design engineering and architecture, offering them technical training sessions.

These training opportunities allow the company to share its experience and knowledge in product design for the technical lighting sector, supporting the training of young talents in this field and helping to transmit the culture of light and the importance of lighting, not only for the success of a project but also to highlight the potential positive ecological impact that good lighting design can have in architecture.



THE ENVIRONMENT FOR ARKOSLIGHT

At Arkoslight, we have one core principle: to constantly work on designing products that are increasingly compact and environmentally efficient.

Eco-design has guided the development of new products from our very beginnings as a company, creating each product from its conception with three key principles: minimise the number of components to generate less waste; calculate the exact amounts of raw materials using specific software to optimise their use; and prioritise mechanical joints over other forms of assembly to avoid adhesives or other polluting materials.

The energy efficiency and durability of our products contribute to reducing environmental impact during use. Arkoslight's technical excellence is reflected in the use of market-leading, cutting-edge LEDs. This ensures that Arkoslight luminaires are among the ones offering the best possible Im/W ratio, meaning they provide more light with less consumption. Thus, they are always at the forefront of energy saving, bringing ecological preservation to the projects where they are implemented.

At Arkoslight, we have a **Quality and Environmental Policy** that includes commitments to continuous improvement, pollution prevention, and compliance with legislation, among other matters. This policy is published for staff through factory noticeboards and our website.

Below are the environmental commitments outlined in our Quality and Environmental Policy:

- The commitment to apply environmental criteria in both production processes and decision-making processes, always aiming at pollution prevention, environmental protection, and the sustainable use of material and energy resources.
- 2. To strive for continuous improvement through periodic measurement, evaluation, and analysis of environmental aspects (improvement of environmental performance), products, processes, and results via the QEMS (Quality and Environmental Management System).
- 3. To comply with environmental legal requirements, as well as any other requirements set by Direction or other interested parties.
- 4. To raise awareness and involve our employees, suppliers, customers, and other stakeholders in achieving high levels of quality and environmental protection.
- 5. To consider the environment and context of Arkoslight in the areas of Quality and Environment, including the nature, magnitude, and environmental impacts of our activities and products, both internally and externally.



Arkoslight, through its Quality and Environmental Management System (QEMS) based on ISO 14001, periodically evaluates its environmental performance. Our QEMS is externally audited.

Thanks to the actions taken and the awareness of our team, over the last 10 years, we have reduced paper and cardboard waste by 70% and plastic waste by 77%.

"IQnet and Aenor certify that Arkoslight S.L. has implemented and operates an environmental management system that meets the requirements of the ISO 14001:2015 standard (Registration No. ES-2008/0547) for the design and production of luminaires."





Our commitment to environmental protection is exemplified by our investment in photovoltaic energy. THE ENVIRONMENT FOR ARKOSLIGHT

04.2 Reducing Pollution and Optimising Resources

COMMITMENT TO RENEWABLE ENERGY

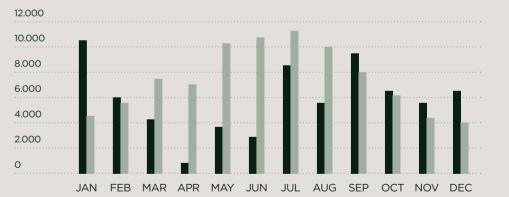
Our commitment to environmental protection is epitomised by our **investment in photovoltaic energy**, as it is a renewable and environmentally friendly source of power.

This commitment is reflected in the installation of photovoltaic panels on the roofs of our facilities for self-consumption, with a capacity of 100 kW, with no excess power being fed back into the grid.

The project has resulted in a 28% reduction in energy consumption since its implementation in 2022, with an annual energy production capacity of 212,971.81 kWh.

ESTIMATED ANNUAL CONSUMPTION	Days	Annual Consumption
Working days	241	164.001,75 kWh
Public holidays (lighting consumption + 10% for other uses)	124	14.644,25 kWh

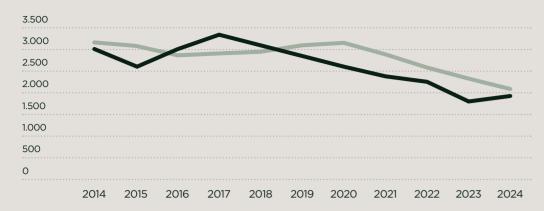
MONTHLY BALANCE - SELF-CONSUMPTION



Grid consumption

Photovoltaic production

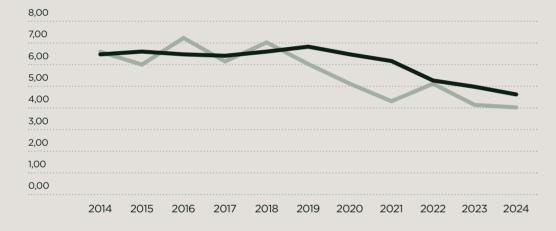
CONSUMPTION KWH/YEAR PER EMPLOYEE



● kWh/year per employee

Average

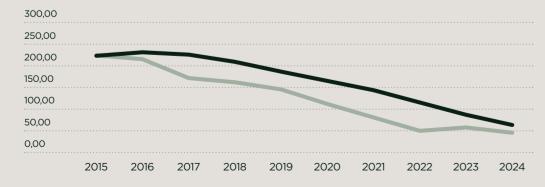
Relative Paper Consumption



Sheets per operation

Average

Diesel Consumption (I/M€) - Truck



Truck Consumption (I/M€)

Average

THE ENVIRONMENT FOR ARKOSLIGHT

RESOURCE CONSUMPTION

Paper

One of Arkoslight's main environmental goals in recent years has been to reduce paper consumption. The digitalisation of internal processes, the integration of electronic invoicing for most clients, and employee awareness have all contributed to the continued decline, achieving a 50% reduction in relative paper consumption over the past five years.

Packaging

The recovery of materials extends beyond the product itself, as the packaging – also designed at Arkoslight – is entirely made of recycled cardboard. The boxes are designed to be produced with a single die-cutting action (including the box itself and the internal parts that secure the product and prevent movement and damage during transport). This design optimises the production of packaging, maximising raw material usage and reducing material waste. Additionally, one of the design department's focuses when creating packaging for our luminaires is the 'Packaging Weight/Luminaire Weight' ratio, aiming to optimise material use and CO2 consumption during transport.

Diesel

Arkoslight's fleet consists of a truck and a van, with their combined consumption decreasing from 68.7 I/M€ in 2022 to 60.1 I/M€ in 2024, remaining well below the average value of recent years.

The values for atmospheric emissions produced by the company's fleet of vehicles are well below the maximum opacity values permitted.

THE ENVIRONMENT FOR ARKOSLIGHT

POLLUTION

GHG Emissions

We analyse the direct emissions derived from the combustion of fuel in the company's vehicles. The values for atmospheric emissions produced by the company's fleet of vehicles are well below the maximum opacity values permitted.

Noise

Arkoslight operates from Monday to Friday, between 7:00 and 15:00. According to current legislation, daytime is considered to be between 8:00 and 22:00, and nighttime is any interval between 22:00 and 8:00 the following day.

Despite the limited nighttime operating hours, it is worth noting that our production process does not use heavy machinery that could generate high levels of noise. Therefore, the noise emitted by the company is considered very low, not exceeding 35 dB(A) outdoors. Additionally, as the facilities are located in an industrial park (with no nearby residential areas), these environmental factors are not significant, as the permitted external reception noise levels during the day/night in an industrial environment are 70/60 dB(A) respectively.



WASTE

Additionally, Arkoslight manages its plastic, paper, and cardboard waste with an external company, with the final destination for activities such as sorting, repackaging, or mixing.

Paper and Cardboard

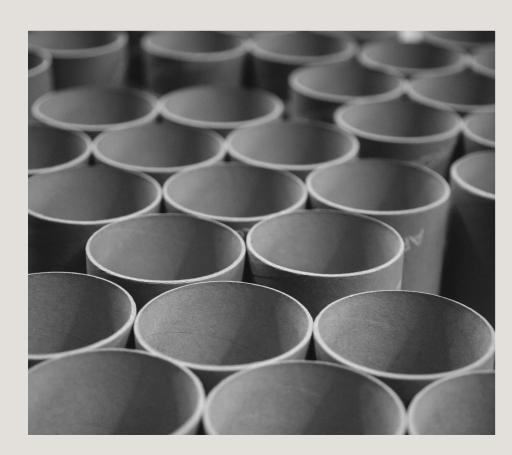
In 2024, we reduced paper and cardboard waste by almost 50% compared to 2022 in absolute terms. The relative value (tonnes per year and million euros) continues its downward trend, with a 70% decrease over the past 10 years.

Wastewater

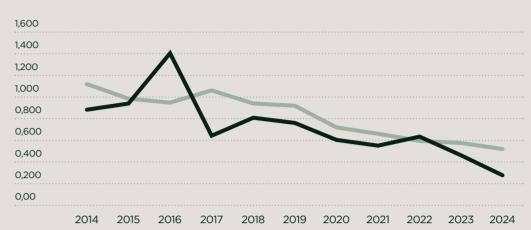
At Arkoslight, no process wastewater is produced. The only wastewater is sanitary water, which is discharged into the public sewer system.

Plastic

The relative value of plastic waste compared to billing also shows a very marked decreasing trend. We have managed to reduce it by 77% over the last 10 years.



PAPER-CARDBOARD WASTE



Tonnes/year & million euros ●

Average ●

0,160 0,140 0,120 0,100 0,080 0,040 0,020

2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024

Tonnes/year & million euros ●

Average ●

0,000

ECODESIGN AND ENERGY LABELLING

ARKOSLIGHT



profesional autorizado

Replaceable (LED only) light source by an

einen autorisierten Fachmann



Replaceable control gear by an authorized

autorisierten Fachmann

INSTRUCCIONES PARA EL FINAL DE VIDA Y LA ELIMINACIÓN LOS COMPONENTES INSTRUCTIONS ON END-OF-LIFE AND COMPONENT DISPOSAL INSTRUCTIONS POUR LA GESTION DES COMPOSANTS EN FIN DE VIE ET LEUR MISE AU REBUT ISTRUZIONI PER IL FINE VITA E LO SMALTIMENTO DEI COMPONENTI ANWEISUNGEN ZUR ENTSORGUNG DER LEUCHTENKOMPONENTEN



Cut the power supply to the luminaire Couper l'alimentation du luminaire Interrompere l'alimentazione dell'apparecchio Stromversorgung der Leuchte unterbrechen



Quitar la[s] fuente[s] de luz para el desecho Remove light source[s] for disposal Retirer la (les) source[s] lumineuse[s] pour l'élimination Rimuovere la/le sorgente/e di luce per lo smaltimento Lichtquelle(n) zur Entsorgung entfernen





Remove the battery for decommissioning Retirer la batterie pour sa mise au rebut Rimuovere la batteria per la dismissione Die Batterie ordnungsgemäß entsorgen





Remove control gear for disposal Retirer le dispositif de commande pour l'élimination Rimuovere l'alimentatore per lo smaltimento

Send the materials to a WEEE collection centre Envoyer les matériaux dans une déchetterie DEEE Inviare i materiali ad un centro di raccolta RAEE Die Materialien in einem WEEE-Zentrum entsorgen



Calle N · Pol. Ind. EL OLIVERAL Tel. +34 961 667 207 · Fax +34 961 667 054 info@arkoslight.com · www.arkoslight.com



THE ENVIRONMENT FOR ARKOSLIGHT

END OF LIFE OF OUR PRODUCTS

Arkoslight's minimalist design effort for synthesis has positively impacted not only the products in the collection but also all areas of the company and the life cycle of these products.

All technical datasheets for our luminaires include a page dedicated exclusively to providing information on the separation of components and the disposal of the materials of each product.



GOVERNANCE AT ARKOSLIGHT

COMMITMENT AND CONTINUOUS IMPROVEMENT

At Arkoslight, we know that without the commitment and leadership of top management, it is not possible to integrate sustainability into the company's culture.

We are aware that economic growth can no longer be understood without the development of activities and decision-making that take into account environmental protection, the efficient use of resources, and ensuring a better life for all, where respect for human rights is the foundation, but not the end of our efforts.

In 2023, we began the reporting process with the goal of continuously improving our performance in environmental, social, and governance terms. To this end, we have set the following **general objectives**:

- 1. Work with our stakeholders in designing the next **Strategic Sustainability Plan**.
- 2. Aware that the **supply chain** is a key point to extend sustainability beyond our local scope, as of today, the monitoring of our suppliers' actions in sustainability and CSR can be improved; therefore, expanding sustainability to this area is a future challenge.
- 3. Continue with our **commitment to innovation and eco-design** as key factors in integrating the **circular economy** into our business strategy.
- 4. **Deepen communication with our** different **stakeholders** to better understand and meet their needs and demands.
- 5. Provide **more** sustainability **training** for the entire Arkoslight team.
- 6. Implement the grid discharge of the production from our own photovoltaic panels.

"Design is an act of transformation" Paula Scher

