



Statement by the directors in performance of their statutory duties in accordance with section 172(1) of the Companies Act 2006.

The Companies Act 2006 provides: a director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole [stakeholder groups], and in doing so have regard (amongst other matters) to:

- the likely consequence of any decision in the long term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct
- the need to act fairly as between members [stakeholders] of the company.

The Board of Directors consider that they have acted in a way they consider would be most likely to promote the success of the company for the benefit of its stakeholders as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the act) in the decisions taken during the year ended 31 December 2020.

The directors are responsible with upholding the core values ("the 5 Principles") of its ultimate holding company, Lutron Electronics Co., Inc. (United States, registered in Pennsylvania as a for-profit corporation) which are:

- I. Take care of the customer with superior goods and services.
The customer is our number one priority and the reason we exist as a company.
- II. Take care of the company.
Lutron is dedicated to growth and innovative development.
- III. Take care of the people.
Lutron provides opportunities for its employees to fully develop their abilities and make a personal contribution to the success of the company.
- IV. Innovate with high quality products.
- V. Deliver value to the customer.

- (a) When making strategic decisions the Directors have taken into account the likely consequences of these decisions in the long term.

The lighting control industry continues to undergo significant technological change, to include residential internet connectivity and commercial building management systems inter-connected operations. Additionally, regulatory mandates for building energy efficiency continue their fast-paced evolution.

- (b) Employees

Our business requires a team of highly skilled employees who are critical to maintaining the consistency of our reputation as an industry leader in advanced lighting controls. Our responsibility to “Take care of the people” includes providing opportunities for our employees to fully develop their abilities and make a personal contribution to the success of the company.

During this COVID period, Lutron expanded no-cost remote industry and personal development training programs. Additionally, during this COVID period Lutron continued its pre-COVID support for employee active involvement in industry associations and tuition assistance programs.

- (c) The company’s business relationships with suppliers, customers and others.

The company mission includes to Take care of the customer with superior goods and services, to innovate with high quality products, and to deliver value to the customer.

Through challenging COVID and supply chain disruptions we have maintained excellence in meeting our customer’s delivery requirements and have also maintained (and in many cases expanded) purchases from suppliers, supporting supplier’s employees and their respective communities.

- (d) Consider the impact of the company’s operations on the community and the environment.

We are proud to be a part of signature buildings that define a community while concurrently providing energy conservation measures. In addition to commercial systems, we offer lighting control systems for residences that permit our customers to implement the latest smart-home automation.

Our ability to provide products despite 2020’s multiple challenges financially supports both purchasers of our products (to include professional trade contractors many of whom are SMEs) as well as suppliers and their employees with benefits flowing to their respective local communities.

(e)How does the company maintain a reputation for high standards of business conduct.

Through our compliance and audit function we are continually keeping abreast of regulatory updates that impact the company. The company maintains a reputation for high standards of business conduct through its core value of integrity.

(f)Understands the need to act fairly between stakeholders of the company.

The directors understand the need to act fairly between stakeholders of the company. As a privately held enterprise, the long-term interests of all stakeholders are the cornerstone of our 5 Principles and guide our actions accordingly.

A Note about COVID-19:

Lutron continues on its path to ensure we take care of our people and our customers. We continue to monitor COVID regulations in the geographies we serve and take appropriate actions based on local requirements and industry practices.

We have implemented an extensive remote work program for those positions which can support our customers, suppliers, and employees remotely.

We continue to take proactive measures to ensure the safety of our teams in the field and our customers. We have implemented a project screening process that promotes discussion, awareness and implementation of proper safety measures such as: sanitization stations, visitor screening process, running water with soap, and social distancing. If the nature of our work, specific to a project, can be done remotely; we work with customers to facilitate that approach. Our employees in the field are always equipped with proper PPE for their work.