



Code of Conduct



Preamble



We work in an international environment characterised by short innovation cycles and rapidly changing market requirements.

We react quickly and flexibly to dynamic developments. Against this background, we know how important it is to be able to orientate ourselves on a stable, solid, and coherent system of values.

That is why XAL is a member of the UN Global Compact Initiative and that is why we have drawn up our own XAL Code of Conduct for our employees and business partners, in which our core values and principles are written down.

The Code of Conduct serves as a guideline that guarantees binding minimum standards for responsible conduct in all business and working areas without exception.

It is divided into the following central areas:

- 1. Safeguarding human rights** at the workplace and beyond

- 2. Ensuring transparency and integrity**

- 3. Innovating** for the benefit of customers and stakeholders

- 4. Protecting the environment** and fostering sustainability

- 5. Maintaining and enhancing compliance** – by conviction

It clearly defines the way we want to work with our business partners, colleagues, and the public – and how we do not want to work. XAL attaches great importance to ethical business practices. The active commitment to the XAL Code of Conduct enables the principles that have been implicitly practiced to be bindingly defined and thus further consolidated.

We are committed to adhering to this XAL Code of Conduct across all levels of management and in all areas of business at all company locations.

1.



Safeguarding human rights at the workplace and beyond

The personal responsibility, commitment and passion of all employees are core elements of our corporate culture.

XAL offers a comfortable working environment, which can be actively shaped by each employee and thus enables a continuous joint development of the company. XAL communicates these values to the public and is committed to upholding human rights in the supply chains.

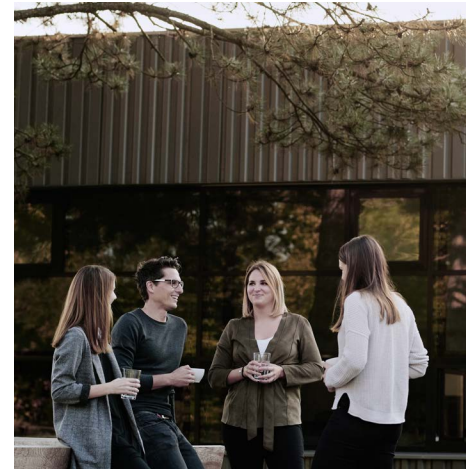
1.1 Employees' rights and respect

XAL is committed to human rights, equal opportunities and fair treatment of all employees. XAL offers working conditions in accordance with local legislation and internationally recognised standards such as those of the International Labour Organization (ILO) and the UN Global Compact Initiative.

XAL offers its employees a safe and secure working environment, enabling each person to make the best

possible use of their knowledge and to develop their skills. Within the company and with business partners, respectful interaction with one another is a top priority.

We are proud of our open communication culture that allows different and exciting perspectives and thus enables active participation.



1.2 Prohibition of forced labour



XAL strongly condemns all forms of forced labour and slavery. XAL is committed to ensuring the freedom of its employees at all times and in all places and expects the same attitude from all business partners.

Employees must not be forced to remain in employment either directly or indirectly through violence and/or intimidation. It must be possible to terminate employment relationships at the employees' free will.

1.3 Prohibition of child labour

XAL is strictly committed to the prohibition of child labour and offers working conditions in accordance with internationally recognised standards such as ILO Convention No. 138.

XAL strictly adheres to the prohibition of exploitative and harmful child labour (ILO Convention No. 182). XAL demands compliance with the prohibition of child labour by all business partners worldwide.

1.4 Support of apprentices



At XAL, the training of young people in apprenticeships plays a central role. XAL offers young people the opportunity to take up one of many apprenticeship occupations and to become part of a team in which apprentice mentoring and practice-oriented learning are essential.

Depending on their personal life planning, apprentices are also supported in completing an apprenticeship with a university entrance qualification examination. At XAL, potential is recognised and specifically promoted.

1.5 Fair remuneration



XAL remunerates employees in accordance with local legislation. Remuneration and other social benefits are at least in line with collective bargaining standards or the level of the same or similar industries.

XAL applies a comprehensible salary scheme that corresponds to the qualifications of the employees.

1.6 Fair working hours



The regulations of XAL on working hours, including restrictions and compensation for overtime, are at least equivalent to nationally established standards. In addition, XAL places great emphasis on a work-life balance according to the individual needs of its employees.

1.7 Anti-discrimination



XAL operates in an international context and sees diversity and inclusion as an opportunity and an important contribution to our success. We respect the personal dignity of every person regardless of ethnic origin, culture, religion, ideology, age, disability, skin colour, sexual identity and gender.

We expect our employees to treat each other and third parties with mutual respect, openness and es-

teem and do not tolerate discriminatory behaviour in any way.

All employees should have the same opportunities - from a non-discriminatory hiring process, equal treatment in everyday work to equal opportunities in training and further education, and career advancement.

1.8 Against sexual harassment

XAL provides a working environment that is free from harassment.

Sexual harassment occurs when conduct of sexual nature takes place which affects the dignity of a person or is intended to affect the dignity of a person and is unwanted, inappropriate, or offensive to the person concerned.

Sexual and gender-related harassment is not tolerated and has legal consequences.

1.9 Health and safety



XAL is committed to providing a safe working environment for all employees. XAL has an occupational health and safety management system certified according to ISO 45001:2018. In addition, there is a comprehensive company health promotion management system.

Employees are regularly trained to comply with the existing safety guidelines and to avoid potential health hazards as far as possible by behaving responsibly at the workplace. If deficiencies are identified,

they must be reported immediately to the responsible supervisor or the safety officer and the occupational safety specialist for immediate rectification. As part of the company health promotion programme, XAL offers all employees a diverse, varied package of health-promoting measures.

XAL pursues a participatory approach to workplace health promotion and actively involves the employees in the design, selection, and evaluation of the activities.

2.



Ensuring transparency and integrity

Transparency, integrity, and fairness are key values to which XAL is committed while conducting its business. Compliance with the legal framework as well as the Group's internal guidelines is a matter of course.

It is the aspiration of all of us to maintain the economic success and the reputation of the company through correct behaviour with integrity, constituting the basis of all decisions made in the professional environment. Every single employee represents the company with his or her own behaviour and actions.

2.1 Fair competition



XAL considers compliance with all rules to protect fair competition to be an indispensable part of a free market economy and a prerequisite for healthy market development that benefits everyone – businesses and consumers.

XAL is committed to fair competition for market shares whilst condemning anti-competitive agreements and violations of the principles of fair competition. We act fairly and honestly in the market and convince our business partners purely through the quality of our products and services.

2.2 Against corruption, bribery and fraud

XAL condemns all manifestations of corruption – the abuse of entrusted power for private gain or advantage.

XAL opposes all forms of bribery and the use of pressure, threats, or blackmail. Bribery occurs when (im)material advantages or money are promised or granted with the intention of obtaining or securing social, contractual, official, or personal advantages.

Fraud – the deception of others with the intention of personal enrichment – in any form is not tolerated at XAL.

Regardless of whether it is bribery, other forms of corruption or fraud, anyone who holds out the prospect of such activities or is involved in them is liable to prosecution and must expect legal consequences.



2.3 Acceptance of gifts



XAL makes decisions in all business matters objectively, factually, and economically. The acceptance of gifts is prohibited unless they are of negligible value. The acceptance of cash is excluded and always prohibited. Low-value, customary promotional gifts such as marketing materials are permitted.

Invitations to conferences, social events, and similar events, including the associated hospitality, may only be accepted if they are appropriate and if the official participation in the event is in the interests of the company. Invitations/hospitality may

never be granted if they are associated with the expectation of possibly benefiting personally, either directly or indirectly.

For the granting of an appropriate invitation/entertainment to third parties, the defined country-specific maximum limits of the internal guidelines for business trips apply, which may only be exceeded in individual cases and with prior justification.

2.4 Prohibition of money laundering

XAL will not tolerate violations of anti-money laundering laws.

We have set ourselves the goal of only maintaining business relationships with reputable partners whose business activities comply with the legal regulations.

We therefore carefully check the identity of customers and business partners.

2.5 Recognition and prevention of conflicts of interest



XAL creates systems enabling the recognition and prevention of con-

licts of interest early on. Conflicts of interest arise when the personal interests of employees conflict with those of XAL. Situations in which these two interests collide must be avoided and the supervisor must be informed of any suspected conflict of interest.

Potential conflicts of interest must be checked before a secondary employment can be pursued. Employment in the company must not be misused to give an unjustified advantage to relatives or close persons.

2.6 Financial integrity and reporting obligations

The accounting and financial reporting of XAL are in accordance with all applicable rules and regulations of proper accounting and reflects the actual development and economic situation of the company. Our reporting is accurate, complete and on time.



2.7 Information security and data protection



XAL takes data protection and information security seriously. We treat all classified data of employees, customers, partners and competitors confidentially and only share it with authorised third parties within the framework of legislation. Personal data is only collected and processed to the extent neces-

sary for the permissible execution of our business activities.

Confidential information about companies whose securities are admitted for trading on a stock exchange or on an organized market (insider information) is not exploited or passed on by us or our employees.

3.



Innovating for the benefit of customers and stakeholders

XAL's core maxims in its relationships with customers are reliability and partnership. We deliver top quality and highly innovative services. We respond to the needs and wishes of our customers. Their satisfaction is our top priority and is the basis of our success.

Promises made are kept – also and especially in a dynamic environment.

3.1 Quality and customer orientation



XAL delivers excellent products and services. They are distinguished in the truest sense of the word: XAL has already won several awards (e.g. Red Dot Design Award, iF DESIGN AWARD, LIGHTING DESIGN AWARD).

Our quality standards are very high. We have in-house, state-of-the-art research facilities and lighting laboratories, which enable us to develop energy-efficient and durable luminaires and lighting systems that are perfectly adapted to their field of application.

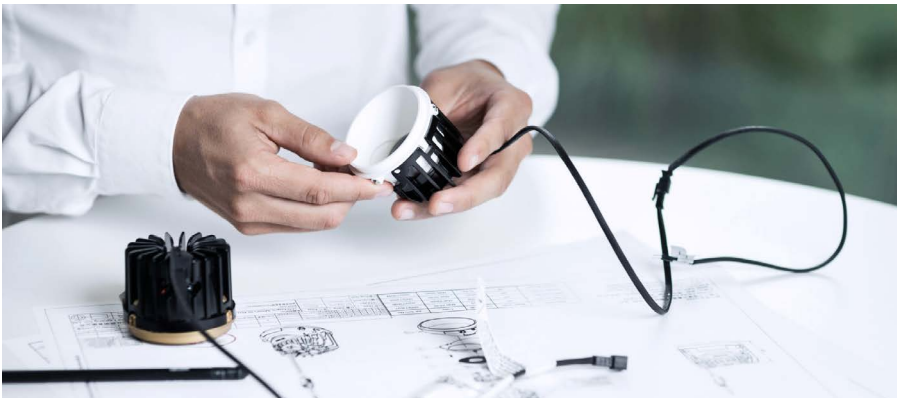
With our quality management system and the resources of our test

laboratories, we ensure that only luminaires of the highest technical quality are produced and delivered to our customers.

XAL has been certified according to ISO 9001:2015 since 2016. XAL has a wide range of products – if this does not meet the specific requirements, we are pleased to work together to develop individual lighting solutions. XAL offers its customers the complete lighting management package – from development, installation, and commissioning to maintenance.

We deliver light made to measure.

3.2 Innovation and technology



XAL stands for technical competence paired with intelligent innovation. XAL recognised the future-oriented character of LED technology earlier than others.

Our research and development resources enable us to develop innovative LED luminaires and stay one step ahead of the competition. Our research and development department focuses on pushing the limits

of what is technically feasible and on continuously advancing the technology. We leave nothing to chance during product development: from circuit board and software development to temperature and light control simulation through to the production of LED circuit boards and drivers, all relevant processes are integrated into our in-house production: LED technology at the highest technical level.

3.3 Communication

At XAL, open and honest communication is the basis for good cooperation with all stakeholders, such as customers, suppliers, external service providers, authorities, and neighbours.

Treating others respectfully and professionally enables us to build business relationships and to work together successfully for many years.

At in-house events we look forward to sharing the world of XAL with others, exchanging ideas and learning exciting new perspectives.

4.



Protecting the environment and fostering sustainability

XAL assumes responsibility in every respect. As a company, we see ourselves as part of a larger whole to which we are committed. Every employee – together as XAL – is part of our society. We all bear responsibility for our fellow human beings and our environment.

We work together to combine environmental and climate protection with economic success through our sustainable and durable luminaires and lighting concepts.

4.1 Protection of environment and climate



At XAL, environmental protection plays a major role in all areas of activity. Our manufacturing processes comply with all relevant environmental regulations and standards and our products adhere to the applicable environmental regulations (e.g. REACH, RoHS).

We set high standards for the consideration of ecological aspects in the selection of suppliers and materials, the development, production and distribution of our luminaires. Since 2016, XAL has been certified according to ISO 14001: 2015.

4.2 Energy-efficient products



The core competence of XAL is the development of highly energy-efficient luminaires and lighting systems that inherently make a major contribution to environmental protection.

For decades, XAL has been pursuing a consistent path of producing lighting concepts with ever lower energy consumption. Starting from the conceptualisation of the idea for developing new lighting solutions, the focus is on durability and

sustainability in order to minimise the impact on the environment. Luminaires and lighting systems of XAL meet the highest standards.

In addition, XAL offers customised support in every phase of the joint lighting project through the Smart Services Team. Maintenance services extend the life of the products and significantly reduce the amount of waste.

4.3 Mobility

XAL attaches great importance to making mobility efficient and sustainable and takes a variety of measures to continuously improve it.

Modern communication channels such as virtual conferences are used to reduce business trips. For necessary and reasonable business trips, public transport is used wherever possible. Sustainable means of transport such as e-cars, e-scooters and bicycles, are an essential part of our mobility management.



4.4 Management of resources and emissions



XAL always strives to have the least possible negative impact on

the environment. We use resources appropriately and sparingly.

We minimise waste as far as possible, separate waste and dispose of it properly. We use the most modern manufacturing processes, produce resource-efficiently in our plants and use environmentally friendly energy sources such as geothermal heat and groundwater pumps for the air conditioning of buildings. We already use sustainable electricity from our own photovoltaic systems at several locations.

4.5 Continuous improvement and transparent communication

We are doing a lot, but we also know that we have not yet reached our goal.

We use internationally recognised standards for measuring emissions at product and company level in order to review the effectiveness of our measures and make new ones as effective as possible.

In this way, we are moving step by step towards climate neutrality. We communicate our progress and results transparently to XAL's stakeholders.

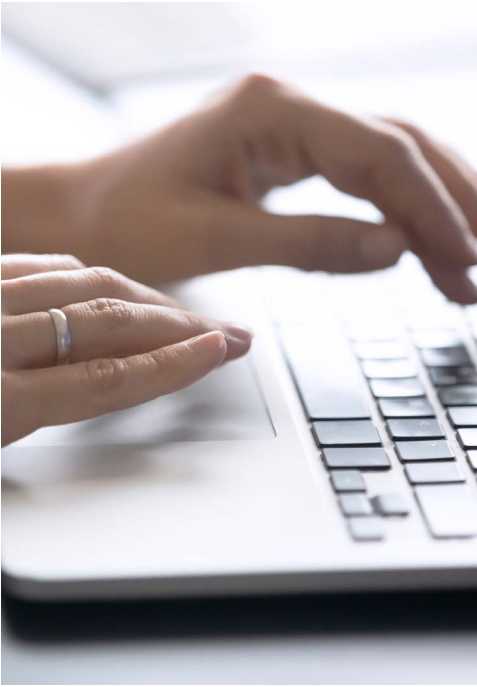
5.



Maintaining and enhancing compliance – by conviction

We are committed to what we do. And we do things well - well together. Compliance in the sense of responsible and attentive action by all is an indispensable part of our work.

We are proud of our corporate culture, in which active, open communication with all employees is a matter of course. At XAL, we recognise that violations of laws or company policies can have serious consequences and affect the day-to-day work of individuals and general interests in the corporate environment. We ensure that our employees and external persons have the opportunity to give us feedback and report potential violations.



5.1 Reporting violations

All employees, business partners and external persons are encouraged to report violations of laws or company guidelines. You can contact us via various channels anonymously or by voluntarily stating your name. All reports received are investigated consistently and promptly. The reports are treated confidentially whereby the protection of reporting persons is our top priority.

Trust Line

xalgroup.com/compliance

Trust Box

Auer-Welsbach-Gasse 36
8055 Graz
Austria

E-mail (not anonymous)

compliance@xal.com

5.2 Wanting to know more

If you have any questions regarding the Code of Conduct, Legal & Corporate Services will be pleased to answer them personally, by letter or by email (compliance@xal.com). We look forward to your feedback.

