

Passion for light.

Preamble

We at the XAL Group work in an international environment that is characterized 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 orient ourselves towards a stable, solid and coherent system of values.

That is why the XAL Group is a participant of the UN Global Compact Initiative and is committed to its ten principles in the areas of human rights, labour standards, environmental protection and anti-corruption. In addition, we are guided by the international labour and social standards of the International Labour Organization (ILO) and the UN Guiding Principles on Business and Human Rights (UNGP), which define, among other things, human rights due diligence obligations and access to effective remedial mechanisms.

We have created our own XAL Group 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 ensures binding minimum standards for responsible behaviour in all business and work 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 – out of 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. The XAL Group attaches great importance to ethical business practices. The active commitment to the XAL Group 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 Group Code of Conduct across all levels of management and in all areas of business at all company locations.



Martin Dlaska, Managing Director XAL Holding GmbH

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

1.1 Employees' rights and respect

The XAL Group is committed to human rights, equal opportunities and fair treatment of all employees. The XAL Group 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. The XAL Group offers employees a safe and secure

working environment, enabling each person to make optimal use of their knowledge and to develop their skills. Within the company and with business partners, respectful interaction with each other is a top priority. We are proud of our open communication culture that allows for different and exciting perspectives and thus enables active participation.



1.2 Prohibition of forced labour

The XAL Group strongly condemns all forms of forced labour and slavery. The XAL Group 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. Employment relationships must be able to be terminated according to the free will of the employees.



1.3 Prohibition of child labour

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

1.4 Support of apprentices

At the XAL Group, the training of young people in apprenticeships plays a central role. The XAL Group offers young people the opportunity to take up one of many apprenticeships and become part of a team in which apprenticeship 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 the XAL Group, potential is recognized and specifically promoted.



1.5 Fair remuneration

The XAL Group structures the remuneration of 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. The XAL Group applies a comprehensible salary scheme that corresponds to the qualifications of its employees.



1.6 Fair working hours

The regulations of the XAL Group on working hours, including restrictions and compensation for overtime, are at least equivalent to nationally established standards. Employees are granted at least one day off per week.

In addition, the XAL Group places great emphasis on a work-life balance according to the individual needs of its employees.



1.7 Right to freedom of association

XAL Group is committed to respecting freedom of association and the right to negotiate collective agreements. Discrimination, harassment, intimidation, interference or retaliation in connection with the exercise of these rights will not be tolerated. Stakeholders, including all employees and business partners, are obliged to comply with these principles and to create an environment in which the free formation of and activity in employee representative bodies as well as collective bargaining are possible without fear of discrimination.

1.8 Anti-discrimination

The XAL Group 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 human being regardless of ethnic origin, culture, religion, ideology, age, disability, skin colour, sexual identity and gender. We expect our employees to treat each other and outsiders with mutual respect, openness and esteem and do not tolerate discriminatory behaviour in any way. All employees should have the same opportunities – from a non-discriminatory hiring process to equal treatment in everyday work, to equal opportunities in training and further education and career advancement.



1.9 Against harassment and abuse

XAL Group is committed to a respectful working environment that is free from harassment, abuse and inhumane treatment. This includes, in particular, sexual, physical, psychological and verbal assaults as well as any form of intimidation or threat. Such behaviour will not be tolerated and will result in consequences under labour law and, if necessary, criminal law.

1.10 Health and safety

The XAL Group is committed to providing a safe working environment for all employees. The XAL Group's largest sites in Austria and Slovenia have an occupational health and safety management system that is certified according to ISO 45001:2018. Employees are regularly trained to follow existing safety guidelines and to avoid potential health hazards in the best possible way by behaving responsibly in 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. The XAL Group attaches great importance to workplace health promotion and pursues a participatory approach: the workforce is actively involved in the design, selection and evaluation of the measures. Depending on the location and the size of the company, different health-promoting activities are offered and implemented, covering a diverse and varied spectrum.



2. Ensuring transparency and integrity

Transparency, integrity and fairness are crucial values to which the XAL Group is committed in the conduct of its business activities. Compliance with the legal framework and the Group's internal guidelines is a matter of course. It is the aspiration of all of us to maintain the economic success and reputation of the company through correct behaviour with integrity – the basis of all decisions made in the professional environment. Every single employee represents the company with their own appearance and actions.

2.1 Communication

At the XAL Group, open and honest communication is the basis for good cooperation with all stakeholders such as customers, suppliers, external service providers, authorities and residents. Respectful and professional interaction with each other enables us to build business relationships and work together successfully for many years. At in-house events, we look forward to sharing the world of the XAL Group with others, exchanging ideas and getting to know exciting, new perspectives.



2.2 Fair competition

The XAL Group considers compliance with all regulations for the protection of fair competition as an indispensable part of the free-market economy and a prerequisite for healthy market development that benefits everyone – companies and consumers. The XAL Group 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.



2.3 Against corruption, bribery and fraud

The XAL Group condemns all manifestations of corruption – the abuse of entrusted power for private benefit or advantage. In particular, the XAL Group opposes any form of bribery, or even 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 also not tolerated at the XAL Group.

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

2.4 Acceptance of gifts

The XAL Group 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 from this and always prohibited. Low-value, customary advertising 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 the official participation in the event

is in the interest of the company. Invitations/hospitality may never be granted if they are associated with the expectation of possibly benefiting personally, directly or indirectly. For the granting of an appropriate invitation/hospitality to third parties, the country-specific maximum limits of the internal guideline for business trips apply, which may only be exceeded in individual cases and with prior justification.



2.5 Prohibition of money laundering

The XAL Group does 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 are in accordance with the legal regulations. We therefore carefully check the identity of customers and business partners.

2.6 Recognizing and avoiding conflicts of interest

The XAL Group creates systems that make it possible to identify and prevent conflicts of interest at an early stage. Conflicts of interest arise when the personal interests of employees conflict with those of the XAL Group. Situations in which these two interests collide must be avoided and reported to the supervisor if such a situation is suspected. Potential conflicts of interest must be checked before a secondary employment can be pursued. Employment in the company must not be abused to give relatives or close persons an unjustified advantage.



2.7 Financial integrity and reporting obligations

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



2.8 Information security and data protection

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

for the permissible execution of our business activities. Confidential information about companies whose securities are admitted to trading on a stock exchange or an organized market (insider information) will not be exploited or passed on by us and our employees.



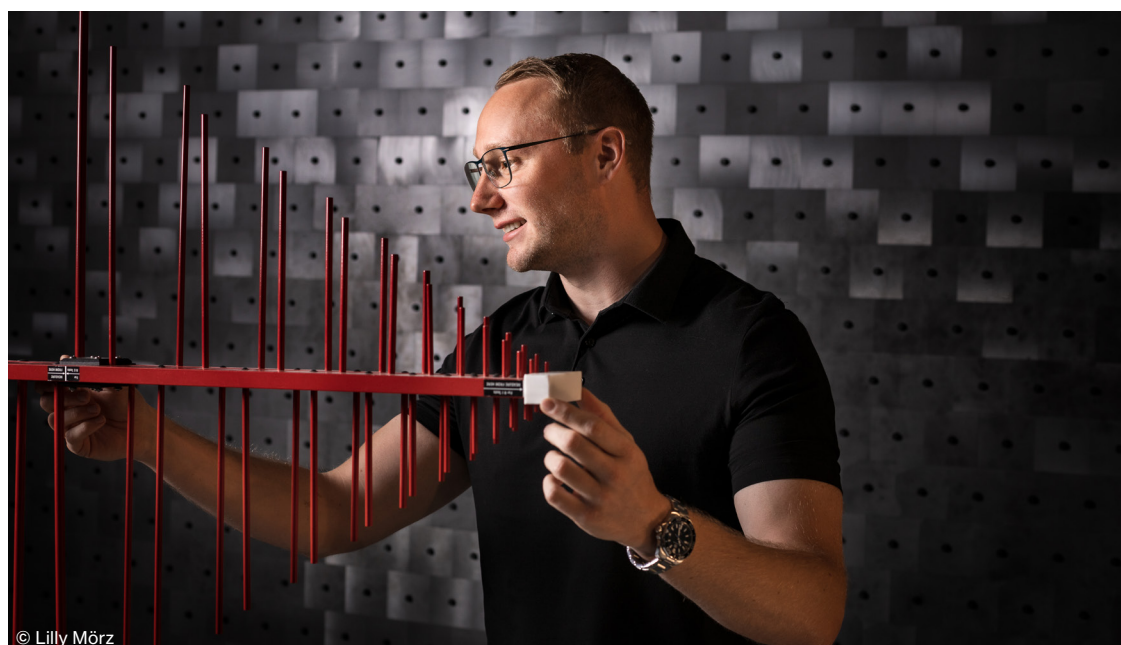
3. Innovating for the benefit of customers and stakeholders

The core maxims of the XAL Group in 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 – even and especially in a dynamic environment.

3.1 Quality and customer orientation

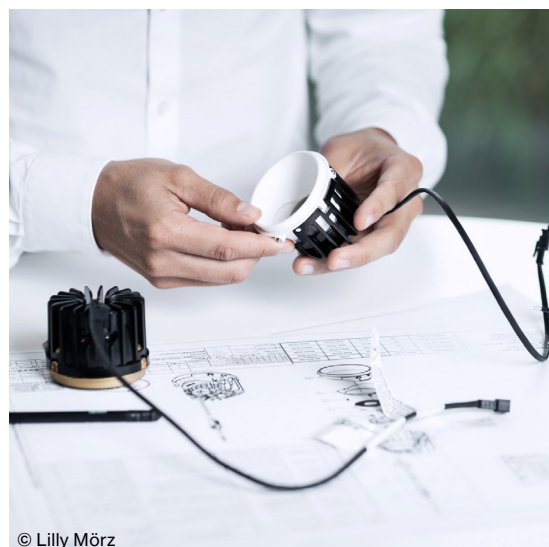
The XAL Group delivers award-winning products and services – excellent in the truest sense of the word: XAL Group companies have already received several awards (e.g. Red Dot Design Award, iF DESIGN AWARD, LIGHTING DESIGN AWARD). Our standards of quality are very high. We have in-house, state-of-the-art research facilities and lighting laboratories which enable us to develop energy-efficient and long-lasting luminaires and lighting systems that are perfectly adapted to their area 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. Since 2016 and 2018 respectively, the XAL Group's largest sites in Austria, Slovenia and China have been certified according to ISO 9001:2015. We have a wide range of products – if this does not meet the specific requirements, we are pleased to work together to develop individual lighting solutions. The XAL Group offers its customers a complete lighting package – from development, installation and commissioning to maintenance. We deliver light made to measure.



3.2 Innovation and technology

The XAL Group stands for technical competence paired with intelligent innovation. The XAL Group recognized the future-oriented character of LED technology earlier than others. Our research and development resources enable us to develop innovative LED luminaires and stay ahead of the competition. Pushing the limits of what is technically feasible and the continuous further development of technology are the focus of our research and development department. We leave nothing to chance during product development. From circuit board and software development to temperature and light control simulation 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.



4. Protecting the environment and fostering sustainability

The XAL Group takes responsibility in every respect. As a corporate group, we see ourselves as part of a larger whole, to which we are committed. Every employee – together as XAL Group – is part of our society. We all bear responsibility for our fellow human beings and our environment. Together, we are working to combine environmental and climate protection with economic success through our sustainable and durable luminaires and lighting concepts.

4.1 Environmental and climate protection

At the XAL Group, 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 comply with 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, the largest sites in Austria and Slovenia have been certified according to ISO 14001:2015.



4.2 Energy-efficient products

The core competence of the XAL Group is the development of highly energy-efficient luminaires and lighting systems that inherently make a major contribution to environmental protection. For decades, the XAL Group 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 the XAL Group meet the highest standards. A central part of energy-efficient lighting solutions is the targeted use of sensor technology. Motion and daylight sensors enable needs-based control of lighting and make a significant contribution to reducing energy consumption. In addition, the XAL Group offers customised support in every phase of the joint lighting project through the Smart Services Team.



4.3 Mobility

The XAL Group attaches great importance to making mobility efficient and sustainable and takes a wide range of measures to continuously improve it. Modern communication channels such as virtual conferences are being used to reduce business travel. For necessary and reasonable business trips, public transport is used whenever 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

The XAL Group always strives to have the lowest possible negative impact on the environment. We use resources appropriately and sparingly. We minimise waste as much as possible, separate waste and dispose of it properly. In doing so, we follow a clear circular economy approach: materials are used, reused or recycled for as long and as often as possible. Our external waste partners share this aspiration and also rely on sustainable

disposal and recycling solutions to extend the life of materials and reduce environmental impact. 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. At several locations, we already rely on sustainable electricity from our own photovoltaic systems.



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 recognized standards for measuring emissions at product and company level to review the effectiveness of our measures and to design new ones as effectively as possible. In this way, we are moving step by step towards decarbonizing our value chain. We communicate our progress and results transparently to our stakeholders.

5. Maintaining and enhancing compliance – out of conviction

We stand behind 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 the XAL Group, we recognise that violations of laws or company policies can have serious consequences and affect the everyday 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 of violations

All employees, business partners and external persons are encouraged to report violations of laws or company policies. You can contact us personally or anonymously via various channels. All reports received will be followed up consistently and promptly. Reports are treated confidentially, whereby the protection of whistleblowers is our highest priority. It is expressly ensured that whistleblowers are not subjected to reprisals. Any form of discrimination, intimidation or retaliation against anyone who reports a violation in good faith will not be tolerated and may itself constitute a violation of this Code of Conduct.



Trust Line

Group-wide reporting channel XAL Holding GmbH

Other channels for large companies:

Compliance – XAL Group

Trust Box

Auer-Welsbach-Gasse 36
8055 Graz
Austria

E-Mail (not anonymous)

compliance@xal.com

5.2 Questions about the Code of Conduct

If you have any questions about the Code of Conduct, the Legal, Corporate & Sustainability team will be happy to assist you in person or by email (compliance@xal.com). We look forward to your feedback.



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