

Code of Conduct

Code of Conduct of
Sturm-Gruppe



Table of contents

- 1 Foreword..... 4
- 2 Introdution of Sturm-Gruppe..... 5
- 3 Scope of application and objectives..... 6
- 4 Principles of conduct..... 7
 - 4.1 Lawful conduct..... 7
 - 4.2 Financial responsibility and disclosure of information 7
 - 4.3 Child labor and young employees..... 7
 - 4.4 Modern slavery 7
 - 4.5 Freedom of association..... 7
 - 4.6 Non-discrimination 7
 - 4.7 Ethical recruitment..... 8
 - 4.8 Rights of minorities and indigenous peoples..... 8
 - 4.9 Diversity, equality and inclusion..... 8
 - 4.10 Women's rights..... 8
 - 4.11 Land, forest and water rights and forced eviction 8
 - 4.12 Whistleblowing..... 8
- 5 Conflicts of interest..... 9
- 6 Dealing with customers, business partners and other third parties..... 9
 - 6.1 Corruption and extortion..... 9
 - 6.2 Fair competition and antitrust law 9
 - 6.3 Intellectual property 10
 - 6.4 Export controls and economic sanctions..... 10
 - 6.5 Gift-Policy 10
- 7 Handling information 10
 - 7.1 We adhere to the duty of confidentiality..... 10
 - 7.2 Handling of personal data..... 11
 - 7.3 Data protection..... 11
 - 7.4 Information security..... 12
- 8 Energy and environmental policy..... 13

9	Compliance with the Code of Conduct and sanctions	14
10	Supplier declaration.....	14

1 Foreword

Dear employees,

As an internationally active medium-sized company, we have a special responsibility - not only towards our customers and partners, but also towards society and our employees. In a rapidly changing industry, quality, innovation and reliability are our top priorities. At the same time, we are committed to meeting these requirements in an environment characterized by trust, respect and integrity.

Our Code of Conduct provides a binding basis for our daily actions. It helps us to live our values in our day-to-day work and provides guidance in an increasingly complex world. This document sets out the basic rules of conduct that guide us as a company - from compliance with legal regulations and internal guidelines to creating respectful cooperation and the sustainable use of resources.

With your daily commitment and integrity, you shape our company and make a decisive contribution to our success and reputation. The Code of Conduct supports you in making the right decisions in various situations and strengthens our shared understanding of responsibility and transparency.

We therefore ask you to read this Code of Conduct carefully and use it as a guide in your day-to-day work. Let us work together to ensure that our company is perceived as a reliable partner, employer and market player.

Thank you very much for your support and commitment!

With best regards



Ludwig Ostler

CEO
Sturm Maschinen- & Anlagenbau GmbH/ Sturm Holding GmbH

2 Introduction of Sturm-Gruppe

The Sturm-Gruppe is a sought-after partner for leading industrial companies worldwide who rely on the know-how of our specialists and our experience. Sturm Maschinen- & Anlagenbau GmbH has its headquarters in Salching. As a manufacturer of automatic coating systems as well as conveyor and automation technology, the company stands for expertise and know-how in the development of technologically sophisticated machines. We offer customized solutions that are as efficient as possible, which are ensured by our expert teams and high quality standards.

Overview of the structure of the Sturm-Gruppe:



Overview of the locations of the Sturm-Gruppe:



GERMANY 

Salching (headquarters)

Industriestraße 4 · 94330 Salching
Phone +49 9421 5520-0
E-Mail: info@sturm-gruppe.com

Straubing-Sand

Am Donauhafen 4 · 94315 Straubing
Phone +49 9421 53260-274
E-Mail: foerdertechnik@sturm-gruppe.com

POLEN 

Rzeszów

Ul. Gen. Stanisława Maczka 6
35-234 Rzeszów
Phone: +48 797 705-130 / -131

CHINA 

Kunshan

No. 596 Dewang Road, GIP,
Zhangpu Township
215321 Kunshan City, Jiangsu Province
Phone: +86 512 50199-700

USA 

Greer

2355 Highway 101 South; Suite A
Greer, SC 29651
Phone: +1 864 655-5091

3 Scope of application and objectives

This Code of Conduct applies to all Sturm-Gruppe companies within the meaning of the Group Directive as well as to Sturm Maschinen- & Anlagenbau GmbH, Sturm Polska Sp. z.o.o, Sturm Inc. and Sturm Machinery Manufacturing Co. Ltd. In the case of companies outside the Sturm-Gruppe in which a Sturm-Gruppe company holds a direct or indirect interest (associated companies), efforts must be made to apply the principles of this Code of Conduct.

The Code of Conduct contains the basic rules of conduct that must be observed by all employees and members of the management of the Sturm-Gruppe. It represents the overarching compliance regulations and is further substantiated by underlying regulations such as guidelines or company agreements.

4 Principles of conduct

4.1 Lawful conduct

Laws, ordinances and comparable regulations as well as internal rules apply to Sturm-Gruppe and its employees in all areas of its business activities. Sturm-Gruppe is fully committed to lawful conduct. Employees are obliged to observe all laws applicable in their working environment as well as external and internal regulations.

4.2 Financial responsibility and disclosure of information

Financial reporting and the corresponding accounting procedures are consistently adhered to by Sturm-Gruppe in accordance with the legal framework. Correctness and transparency are important to us.

4.3 Child labor and young employees

We reject all forms of forced and child labor. We employ young people exclusively within the framework of the permissible legal provisions. This principle also applies to us in our cooperation with our business partners.

4.4 Modern slavery

We require that our business partners prohibit and reject any form of modern slavery and human trafficking within their organization.

4.5 Freedom of association

The Sturm-Gruppe respects the right of employees to freedom of association and collective bargaining. Employees must not be disadvantaged in any way because of membership in trade unions.

4.6 Non-discrimination

We respect the personality of everyone and reject any form of discrimination. No person may be disadvantaged based on their gender, ethnic or social origin, age, disability, religion or political views. A culture of equal opportunities, mutual trust and mutual respect is of great importance to us. We promote equal opportunities and prevent discrimination in the recruitment of employees as well as in the promotion or granting of training and further education measures. Our employees are treated equally regardless of gender, age, skin color, culture, ethnic origin, sexual identity, disability, religious affiliation or ideology.

4.7 Ethical recruitment

We assess all applicants in the recruitment process without discrimination or bias. We focus on integrity, transparency, trust and performance.

4.8 Rights of minorities and indigenous peoples

We guarantee equal treatment of all humans and peoples. No one is discriminated against in the exercise of their rights, especially not based on their indigenous origin or identity.

4.9 Diversity, equality and inclusion

We focus on diversity and inclusion. Diversity - in all its nuances - is normality.

4.10 Women's rights

In our company, we promote equality between women and men. Everyone, regardless of gender, has the same opportunities and rights.

4.11 Land, forest and water rights and forced eviction

In our company, we are actively committed to the protection of land, forest and water rights. We distance ourselves from any form of unlawful eviction or expropriation in connection with acquisition, development or use. Our priority is to preserve forest and land areas and to ensure animal welfare and biodiversity.

4.12 Whistleblowing

The Sturm-Gruppe's whistleblowing procedure ensures that employees can report suspected cases of abuse within the company, whereby they also have the right to make use of external reporting bodies within the meaning of the Whistleblower Protection Act. Abuse is defined as potential misconduct or illegal activities by employees within the company, e.g. fraud, discrimination, corruption, violations of internal guidelines or laws.

Employees can report a possible breach of the rules to the following independent, impartial and neutral body:

Ernst Buchner
OMNIS Consulting GmbH
Innere Passauer Str. 2
D - 94315 Straubing
hinschg@omnis-consulting.de
www.omnis-consulting.de

The reporting office can be contacted in person, by post or by e-mail.

Both verbal statements and personal conversations can be recorded, provided the employee agrees. Alternatively, these can also be documented in the form of a content log. If the contact person

considers the report to be justified, a preliminary investigation is carried out first, which can lead to a full investigation if there are reasonable grounds for suspicion. The reporting employee will be informed in good time if no reasonable grounds for pursuing the suspicion are found. Upon receipt of the report, the employee will receive confirmation of receipt within seven days. The employer will respond within three months of receipt of the report and explain what further steps have been or will be taken in connection with the report. The employer should ensure that all reports are treated as confidentially as possible. The reporting employee always can respond in writing to the company's findings. In addition, the reporting employee can receive general information on the progress of the investigation and its results upon request.

We respect the principle of the rule of law, always act conscientiously and honestly and take responsibility for our actions. Employees are assured of confidentiality and have the option of having their reports treated confidentially.

5 Conflicts of interest

Conflicts of interest arise when employees pursue their own activities or personal interests at the expense of the interests of Sturm-Gruppe. At Sturm-Gruppe, it is important to us to respect the personal interests and private lives of our colleagues. We ensure that personal interests do not influence the fair and objective decisions of our employees or give the impression that this is happening. When negotiating or contracting with individuals, all applicable laws and regulations must be complied with, regardless of whether these individuals are employed by Sturm-Gruppe or act as external consultants or subcontractors.

6 Dealing with customers, business partners and other third parties

6.1 Corruption and extortion

Corruption means that someone abuses their professional position to gain an advantage for themselves or a third party and harms others in the process. Sturm-Gruppe distances itself from any unlawful actions and avoids getting into situations that could suggest such actions. We do not offer, demand or accept bribes.

6.2 Fair competition and antitrust law

We have a fair business, marketing and advertising practice. Our actions are based on fairness and performance. By “performance” we mean the provision of high-quality products or services in order

to gain a competitive advantage through innovation, efficiency and quality. Our focus is on high-quality mechanical and plant engineering, which leads to an open competitive environment.

6.3 Intellectual property

Our intellectual property, especially our technical know-how, contributes significantly to our success. We consciously value and protect our company's own knowledge. To ensure that this sensitive information is not passed on to or used by third parties without authorization, we use internal regulations such as non-disclosure agreements and patents. We respect and recognize the intellectual property of competitors, business partners and other third parties.

6.4 Export controls and economic sanctions

Free trade in accordance with applicable law is a high priority for us as an internationally active company. We therefore adhere strictly to the regulations governing the import and export of goods, services and information and carry out the necessary checks.

6.5 Gift-Policy

In business transactions, benefits such as gifts are generally the exception, as they may constitute evidence of corruption. To avoid this, Sturm-Gruppe employees are expressly prohibited from accepting gifts or remuneration from representatives, suppliers or clients. An exception only applies to everyday items of low value, such as writing instruments, notepads or calendars. Gifts from third parties must be reported to the employer immediately and handed in if necessary.

Case study:

An employee of the Sturm-Gruppe, who works as a supplier manager, carries out a supplier visit abroad. After successfully completing the visit, the evaluated supplier presents our employee with a gift basket worth €150.00. This small gift is intended to positively promote the upcoming contract negotiations regarding an extension of the cooperation.

What should you do in such a case?

- ⇒ You should thankfully decline the gift and politely explain that accepting it violates Sturm-Gruppe's code of conduct on handling gifts.

7 Handling information

7.1 We adhere to the duty of confidentiality

Employees are obliged to maintain confidentiality in all confidential matters of Sturm-Gruppe as well as in all confidential information from or about business partners and customers of Sturm-

Gruppe. Confidential information is all information that is marked as such. However, this is also the case without explicit labeling if it can be assumed that it is not publicly known and should not be made public, for example, if it could be of use to competitors or potential suppliers and its disclosure would harm the Sturm-Gruppe.

7.2 Handling of personal data

Our employees are obliged to comply with the applicable data protection regulations. Personal data may only be collected, processed or used if this is necessary for specified, clear and legitimate purposes. In addition, personal data must be stored securely and only transferred with appropriate precautions. We attach great importance to ensuring that the use of data is transparent and that the rights of the data subjects are safeguarded.

Case study:

On a crowded bus, you are clearly reading a customer contract while talking on the phone. During the phone call, you state information about the customer (e.g. name, address, telephone number, email address, etc.) in a way that is clearly audible to everyone. In addition, a passenger standing behind you can also read the contract.

Should you rethink your behavior?

- ⇒ Yes. By speaking clearly and audibly about the customer as a Sturm-Gruppe employee, you enable the other passengers to gain knowledge of the customer data. This disclosure of customer data, even if unintentional, to other passengers to the other passengers constitutes a breach of data protection and an infringement.

7.3 Data protection

Data protection supports the right to informational self-determination of the data subject. The protection of the fundamental rights and freedoms of natural people, in particular their right to the protection of personal data (Art. 1 para. 2 General Data Protection Regulation (GDPR)), gives the data subject the opportunity to decide for themselves on the disclosure and use of their personal data. We therefore ensure the utmost care and confidentiality as well as compliance with applicable laws and regulations when collecting, storing, processing or transferring personal data (e.g. name, address, telephone number, date of birth, health information) of employees, business partners or other third parties.

Regulations on the handling of personal data, which result from the principles of Art. 5 of the GDPR, must be implemented and complied with by the company.

The main points are:

- Lawfulness, i.e. there must be a basic authorization for the processing (e.g. a law, a (preliminary) contract or consent).
- Transparency, i.e. the processing of personal data must be traceable (e.g. where the

data comes from, where it is stored, where it is forwarded).

- Purpose limitation, i.e. a reason must be defined for each processing operation. Data may not be used for any other purpose.
- Data minimization, i.e. only as much data as necessary may be processed.
- Accuracy, i.e. the data must be correct. If it is incorrect, it must be corrected or deleted.
- Storage limitation, i.e. the data must be deleted when it is no longer needed.
- Integrity, i.e. the data must not be changed by unauthorized people.
- Confidentiality, i.e. the data must be treated confidentially. Unauthorized people may not view it.
- Accountability, i.e. the data controller must comply with the aforementioned data handling requirements and be able to provide evidence of this.

Advice and support are provided by the legal department and the data protection officer.

Case study:

If the Sturm- Gruppe has advertised a vacancy, the HR department may, for example, store the contact details of each applicant in order to send a rejection or invite them to an interview. It would not be permissible to allow the marketing department to view the applicant's contact details in order to send the applicant advertising in the future.

7.4 Information security

Information security is an extremely important quality feature of data processing, as all key strategic and operational business processes in the company are significantly supported and protected by information technology (IT).

The protection goals of information security are:

- Confidentiality - protection of information from unauthorized people.
- Integrity - preventing unauthorized changes to data; at the very least, it must be possible to detect that changes have been made.
- Availability - concerns both information technology systems and the data processed in them and means that the systems are always operational and that the data can be accessed as intended.
- Authenticity - data must be clearly assigned to a sender. It must be ensured that information is genuine and credible or that the IT systems and IT applications are tamper-proof and undamaged. The sender can be a person, a system or an application of information.

Appropriate technical and organizational measures are required to ensure information security. These can only be sufficiently effective if all employees are aware of the potential threats to information security and act responsibly in their areas of responsibility.

The issues of data protection and information security are inextricably linked. As a lot of data is now available in digital form, IT security also comes into play again, as it ensures the protection of sensitive data. It is only through IT security, as a sub-area of information security, that data protection is possible in the first place. Data protection and information security are therefore closely linked.

Advice and support are provided by the IT department and the information security officer.

Example:

You are on a business trip. The SIM card provided by the company has no reception, but you need to send a confidential document to your manager. The hotel where you are staying offers free and unencrypted Wi-Fi. Be careful with public (unencrypted) Wi-Fi connections, as there is a risk of data leaks with unprotected connections, even if the data traffic is protected by VPN.

8 Energy and Environmental Policy

As an internationally active company, we are aware of our economic, social and environmental responsibility and want to be one of the most progressive companies in these areas.

Guiding principles of our energy and environmental policy:

- The Sturm-Gruppe is committed to complying with all applicable legal requirements and to continuously improve our environmental performance and energy efficiency beyond the legal framework. All employees receive the information and resources they need to achieve this.
- To continuously increase our energy and environmental efficiency, we are guided by advanced technical possibilities and use them in every operational activity, taking economic considerations into account.
- When manufacturing products, we take ecological aspects into account, taking the product life cycle into consideration.
- When investing in infrastructure, we give preference to ecologically advanced technologies where economically feasible; this includes energy-efficient products and services.
- We encourage our contractual partners to act in accordance with the same environmental guidelines as we do ourselves.
- We want to minimize the amount of waste produced and increasingly use recycled products. Waste is disposed of separately by category.

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- We promote and build on the personal responsibility of each individual employee to make their contribution to the company's environmental protection; temporary workers and employees of external companies are included.
 - The relevant environmental aspects are regularly reviewed and their impact reduced where possible.
 - We maintain an open dialog with the public, the relevant authorities and our contractual partners.
 - We always comply with the regulations on water quality and economical water consumption and monitor these issues strictly and continuously.
 - We pay attention to the responsible handling of waste. Proper disposal and waste avoidance are a matter of course for us.
 - We strive to secure our energy supply through renewable energy sources and to drive forward the continuous increase in energy efficiency.
 - Through various measures, we try to reduce greenhouse gas and noise emissions as much as possible and implement the necessary measures to achieve this.

Energy efficiency and environmental protection are important to us.

9 Compliance with the Code of Conduct and sanctions

All members of the Sturm-Gruppe management and all employees are obliged to comply with the Code of Conduct. Managers bear a special responsibility for communicating and implementing the guidelines contained therein. Every member of our team is personally responsible for complying with this Code of Conduct. If in doubt about their own behavior or the behavior of others, every employee should take the opportunity to seek competent advice from their line manager, data protection officer or a person of trust within the company.

We make every effort to comply with the requirements of this Code of Conduct and offer our employees support in its implementation to avoid consequences under labor law.

10 Supplier declaration

As a supplier to the Sturm-Gruppe, we act in accordance with the ethical and legal principles defined in this Code of Conduct. We hereby acknowledge this Code of Conduct and confirm that we comply with the aforementioned principles and requirements by applying an internal equivalent within our company.