



STERMAN.®

CODE OF CONDUCT

Rev 2024

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Foreword from Management

From the complex storage technology of modern wind turbines to carbon-ceramic brakes for supercars. From high-performance hybrids to energy-efficient electric motors for EVs. In a variety of applications, key components are crafted using STERMAN systems.

We are leaders in quality and technology for specialized clamping systems, equipping numerous renowned global companies with precise, efficient, and smart production solutions. Our core expertise lies in designing, developing, and manufacturing custom clamping systems tailored to our customers' unique workpiece geometries—particularly when standard solutions on the market can't meet the required precision or desired processing isn't feasible.

Our greatest strength is the trust placed in us by customers, business partners, employees, suppliers, and the public. Our actions are founded on a commitment to ingenuity, trustworthiness, reliability, ethical standards, and the principles of legality and legitimacy.

At the heart of our family-owned business, now in its third generation, is a continuous commitment to innovation.

- Innovation and ambition
- Partnership and respect
- Family and responsible business practices

The consistent embrace and implementation of these values unite us.

We expect stakeholders, including all parties involved in our operations, to comply with applicable national laws, the principles of the United Nations Global Compact, and the STERMAN Code of Conduct outlined below. We also expect the implementation of suitable processes to ensure compliance with these laws and to support continuous review and improvement of the STERMAN Code of Conduct principles. Furthermore, STERMAN expects that even companies indirectly associated with our suppliers acknowledge and adhere to all principles and requirements described here.

(I) Human and Workers' Rights

STERMAN upholds and exceeds the essential workers' rights established by Germany's national laws, as well as recognizing the core labor standards of the International Labour Organization (ILO) and the United Nations International Bill of Human Rights, considering the laws and legal forms applicable in various countries and locations. This includes the fundamental basic requirements:

1.1 Child Labor

STERMAN refrains from and prohibits any form of child labor. Similarly, we expect associated companies to implement appropriate policies, risk awareness, and processes to prevent child labor throughout their entire supply chain.

1.2 Non-Discrimination & Fair Treatment

STERMAN promotes equal opportunity, encourages fair treatment, and combats discrimination in hiring employees, as well as in promotion or granting education and training opportunities.

No one should be disadvantaged because of

- gender, gender identity or expression
- age
- nationality, race, ethnicity, skin color, or cultural & social background
- religion or belief
- disability, genetic or health conditions
- sexual orientation
- political opinion

Associated companies are encouraged to actively promote diversity and inclusion and to provide appropriate social benefits and working conditions for employees in all their human diversity.

1.3 Modern Slavery & Forced Labor

STERMAN prohibits and refrains from any form of forced labor and human trafficking. Consequently, associated companies must not impose restrictions on freedom of movement, excessive recruitment fees, confiscation of identification documents, withholding of wages, abusive working conditions, debt bondage, violence, or any other forms of exploitation or abuse.

1.4 Freedom of Association & Expression

STERMAN respects the freedom and rights of its employees. Employees can freely share and discuss their ideas and concerns about working conditions and management practices with the management, without fear of discrimination, intimidation, or retaliation. Like STERMAN, affiliated companies are encouraged to engage in active social dialogue with employees based on motivation, recognition, and reward to enhance workplace engagement.

1.5 Working Hours and Compensation

STERMAN adheres to the national legislation on working hours in Germany. Additionally, employees receive compensation that aligns with applicable national laws and collective agreements. Both STERMAN and its affiliated companies are encouraged to implement a pay structure that appropriately reflects employees' skills and experience, enabling them to meet their own basic needs and those of their dependents.



1.6 Ethical Recruitment

STERMAN practices fairness. According to this code of conduct for ethical recruitment, all STERMAN employees will uphold the highest standards of recruitment ethics, fairness, integrity, professional conduct, and fair practice in dealings with all parties and conduct business accordingly.

to enhance the image and reputation of the personnel consulting industry in general, and STERMAN in particular.

This code of conduct sets forth a series of general principles and requirements that all STERMAN employees must follow when appointing or hiring candidates and employees. These principles ensure transparency in the application and hiring process, guarantee equal treatment for all applicants and workers, and provide a fair framework so that every candidate and employee should be able to a) move freely, b) not be restricted by abuse, threats, or practices like the unlawful retention of passports or belongings by their employer, c) receive payment for their work, d) not be forced to work, e) work voluntarily, f) be informed in advance about their employment conditions without any misrepresentation, and g) be paid regularly as agreed and in compliance with applicable laws and regulations.

1.6 Women's Rights

STERMAN treats women and men equally. STERMAN supports, in line with the EU directive, the promotion of more women in leadership positions.

1.7 Diversity, Equality, Inclusion, and Diversity

STERMAN embraces diversity within the company and values equal opportunity and inclusion in all aspects. We take equality seriously and have committed to several EDI (Equality, Diversity, and Inclusion) policies. This ensures that we create an inclusive work environment and capitalize on the opportunities that equality and diversity offer. People are treated equally, regardless of the following aspects:

- Skin color
- Ethnic origin
- Gender
- Age
- Sexual orientation
- Disability
- Socioeconomic background
- Religion
- Language
- Military service

Each employee possesses unique experiences, skills, talents, ambitions, and more. Inclusion at STERMAN means that everyone is encouraged and empowered to share their insights and fully contribute to the company's success. Inclusion is essential for the success of diversity in the workplace and is a key factor for employee engagement, productivity, and satisfaction.

1.8 Employees as Company Representatives

The reputation of the company is very important to STERMAN. All employees contribute to promoting a positive image by displaying exemplary and professional behavior externally.

1.9 Rights of Minorities and Indigenous Peoples

STERMAN and all its employees are committed to protecting freedom rights and implementing comprehensive support measures in favor of national minorities.

(2) Responsible Sourcing

2.1 Responsible Sourcing of Raw Materials and Conflict Minerals

STERMAN believes that mining and trading minerals and raw materials can generate income, foster growth and prosperity, secure livelihoods, and support local development. However, we also recognize the risk of contributing to negative impacts such as human rights violations and conflicts. STERMAN is committed to transparency and traceability of raw material origins. We source our steel exclusively from the EU with origin certificates. STERMAN does not use conflict minerals in its products and solutions. Our suppliers are required to exercise due diligence for all materials and minerals contained in products they supply. Compliance declarations must be provided upon request.



(3) Ethical Business Conduct & Integrity

3.1 Integrity and Fairness

STERMAN is committed to transparent, sustainable business practices and fair competition according to our leadership principles, as well as national and international law. We expect this as the foundation for a long-term, trustworthy partnership from our affiliates and individuals. This applies to domestic trade, the import and export of goods, services, and technology, as well as national and international financial transactions. STERMAN and its suppliers must uphold the highest level of integrity in all business interactions.

3.2 Competition and Antitrust Law

Agreements that go against competition laws or violate antitrust regulations with business partners are prohibited.

3.3 Avoiding Corruption and Bribery

STERMAN rejects all forms of corruption and bribery. We value fair competition that aligns with ethical standards.

3.4 Gifts, Invitations, and Personal Advantages

Expensive gifts, monetary gifts, and financial benefits for employees, representatives of other companies, or public officials are not allowed. In exceptional cases, low-value gifts may be given, provided they are appropriate and no return favor is expected. Under no circumstances should STERMAN's affiliated companies demand personal benefits from business partners or third parties or accept promises of something in return.

3.5 Donations and Sponsorship

Recognizing its social responsibility, STERMAN donates to non-profit organizations and charities that do not have business ties with our company, primarily locally and regionally. This is done selflessly and is distinctly different from sponsorship. We expect the same from our suppliers and business partners.

3.6 Conflicts of Interest

All STERMAN employees should avoid conflicts of interest. If a potential or actual conflict arises, they are required to report it immediately so that it can be resolved quickly. This approach should also be applied to the employees of our suppliers.

(4) Handling Information and Company Resources

4.1 Confidential Business Information

STERMAN is committed to handling confidential business information responsibly. Such information should always be kept private and must not be used for personal gain or for the benefit of third parties, even after the business relationship has ended.

4.2 Protecting Intellectual Property

STERMAN places great importance on the protection of all intellectual property. This includes inventions, trademarks, logos, designs, production processes, technologies, details of business relationships, and other business information that needs safeguarding. These must be protected according to internal security policies. The use of counterfeits is not permitted.

4.3 Use of Company Resources

All STERMAN suppliers and business partners are encouraged to use company resources responsibly, including products, tools, software, data, trademarks, logos, work time, and other company assets.

4.4 Data Protection

STERMAN collects, processes, and stores all personal data and information in accordance with national data protection regulations and only to the extent that is expressly required and permitted. This data is only shared with third parties within the scope of legal or contractual requirements or with the owner's consent. STERMAN places great emphasis on the confidentiality, integrity, and security of personal data.

4.5 Whistleblowing & Protection Against Retaliation

We support whistleblowers who report violations of EU law in line with the EU Directive on the protection of whistleblowers. We provide safe channels for passing on information both within STERMAN and to authorities. Additionally, we effectively protect them from dismissal, harassment, or other forms of retaliation. We expect the same from affiliated companies and their suppliers.

(5) Working Together

5.1 Management and Responsibility

The quality of our collaboration is shaped by the shared values we live by. We nurture our employees' talents, encourage performance, and work together with trust. Our effective teamwork is reflected in open information sharing and mutual support. Supervisors and employees keep each other well-informed about facts and business matters, enabling timely actions and decisions. Both employees and supervisors ensure a fast, efficient exchange of information. Our leadership style is grounded in our principles, forming the foundation of our company culture at STERMAN. Every supervisor and employee leads by example and must adhere strictly to the code of conduct. Supervisors trust their employees, set ambitious yet realistic goals, provide constructive feedback, and delegate responsibilities. They respect employees' autonomy and acknowledge their achievements. It is essential to focus on people, fostering and encouraging them, including all our suppliers.

5.2 Equal Opportunities, Diversity & Personal Rights

STERMAN considers respect for personal rights and privacy a given. We are committed to a work environment based on trust, equal opportunities, and tolerance, and we reject any form of harassment, intimidation, or bullying. STERMAN embraces diversity within the company and values equal opportunities in all aspects.

5.3 Employees as Company Representatives

The values defined in this code of conduct are vital to STERMAN. They should be the foundation of all business activities. This also applies to the perception, participation, and behavior of our partners. Everyone involved contributes to promoting a cohesive, positive image through exemplary, professional behavior.

(6) Quality, Product Safety, and Handling of Counterfeit Parts

6.1 Quality and Product Safety

STERMAN views the exceptional quality and safety of its products and services as key to its success. It aligns with the expectations of its customers and partners, continually enhancing its quality standards. All suppliers are required to meet our strict quality standards.

6.2 Exclusive Use of Genuine Parts (Counterfeits)

Due to the potential risks to product conformity, STERMAN exclusively uses genuine parts with corresponding compliance declarations for parts not manufactured in-house. A counterfeit part is any unauthorized copy, imitation, substitute, or modified component falsely represented as a specified original from an OEM or authorized manufacturer. This definition can apply not only to the product itself but also to all supporting documents, like a factory inspection certificate or a certificate of conformity. Counterfeit parts are not used in STERMAN products.

6.3 Identifying Counterfeit Parts

STERMAN only uses parts from suppliers approved by its in-house procurement. Deliveries are checked through regular incoming goods inspections—both quantitatively and qualitatively. Our incoming goods team is particularly vigilant in identifying counterfeit parts by examining the following:

- Does the packaging look authentic?
- Do the accompanying compliance documents look genuine?
- Are there signs of alterations to seals or product sheets?
- Can it be verified whether the results on the compliance documents meet the buyer's criteria?

Beyond incoming inspections, affiliated companies and their suppliers are encouraged to establish quality assurance processes to detect defects and implement corrective actions, ensuring their products meet or exceed contract quality standards. Suppliers develop, implement, and maintain methods and procedures for their products to minimize the risk of counterfeit parts and materials being used. Effective procedures must be in place to identify counterfeit parts and materials, notify recipients of counterfeit products when justified, and exclude them from products to be delivered.

(7) Social Responsibility, Safety, and Environment

7.1 Social Responsibility and Fair Working Conditions

STERMAN takes on social responsibility and acts in accordance with international social standards, expecting the same from its business partners. These standards are based on the principles of the International Labor Organization (ILO) conventions, the UN Universal Declaration of Human Rights, and the Convention on the Rights of the Child. STERMAN adheres to human rights principles within its sphere of influence and strongly condemns any form of forced or child labor. STERMAN complies with national laws and standards regarding fair working conditions and expects its partners to do the same.

7.2 Occupational Health and Safety

STERMAN places a high priority on the health and safety of its employees, taking appropriate measures to prevent work-related injuries, health issues, and illnesses. STERMAN strives to completely eliminate workplace accidents and strictly follows all applicable national laws and safety regulations, as well as any other relevant requirements.

7.3 Environmental Protection, Sustainability, and Hazardous Materials

STERMAN is committed to conducting all business activities in harmony with the environment, making a significant contribution to its protection and preservation. This commitment extends beyond just the production of our products and services: we aim to minimize unnecessary waste that could arise from the use of equipment and machinery throughout the entire product lifecycle. To fulfill our commitment, STERMAN has established environmental guidelines as a binding component of our business policy.



We consider our defined environmental policies to be binding for everyone involved in our business operations. STERMAN and its partners are encouraged to replace hazardous substances with safer alternatives.

7.4 Land, Forest, and Water Rights, as well as Eviction & Security Forces

STERMAN is also committed to strictly adhering to locally applicable laws and guidelines for protecting our environment; categorized as follows:

STERMAN Technical Systems GmbH is located in the Hagenmoos industrial area in 78112 St. Georgen in the Black Forest. St. Georgen is situated in a rural area in the narrower sense (Ministry of Economics Baden-Württemberg, Dept. 5 Structural Policy and State Development (Ed.) (2002): State Development Plan Baden-Württemberg). It is northwest of the regional center Villingen-Schwenningen, along the Haslach/Hausach/Wolfach – Villingen-Schwenningen development axis, in Baden-Württemberg.

STERMAN is situated in the 'Southern Black Forest' nature park. The bird sanctuary 'Baar 8017-441' is about 100 meters southeast. No biotopes protected under §33 NatSchG are affected. Approximately 50 meters southwest of the industrial area is Biotope No. 178163260042 (wet shrubbery and wet meadow remnants N Hagenmoos N Schoren). The industrial area itself is not in a water protection zone. To the east is the water protection area No. 326.104 'WSG Rotwald Kö' Zone III and IIIA (about 70 meters away), and to the west is the water protection area No. 326.017 'WSG Schoren, St. Georgen', also Zone III and IIIA (about 90 meters away).

Due to strict codes and self-interest, eviction is not considered for STERMAN, regardless of business purposes. Private or public security forces must adhere to our laws and codes without exception.

7.5 Reducing Greenhouse Gas Emissions and the Path to Climate Neutrality

STERMAN and its suppliers are committed, in line with our environmental guidelines, to reducing greenhouse gas emissions.

7.6 Promoting Renewable Energy

STERMAN and its suppliers strive to meet their energy needs entirely with renewable sources.

Supplier Relationships & Code of Conduct Compliance

STERMAN expects its affiliated companies to embrace and uphold all the principles outlined here. They should also communicate these principles to their business partners, subcontractors, and suppliers, and consider them during selection processes. Affiliated companies are encouraged to ensure their business partners meet these standards to fulfill their contractual commitments. Additionally, STERMAN expects suppliers to use only materials from legal sources and to be able to verify this upon request.

Questions and Information

If you have any questions or concerns about the Code or its compliance, please contact:

values@sterman.de

You can also reach us directly by phone at +49 (0) 7725 91488-30. These are the reporting channels through which you can contact the reporting office in line with the Whistleblower Protection Act:



E-Mail

hinweis@wvib.de



Telefon

0761 / 4567 - 444



Brief

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