



CORPORATE COMPLIANCE FOR BUSINESS PARTNERS



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Dear business partner,

As an independent family business, the STI Group offers its customers tailor-made solutions for a successful market presentation at the POS with the aim of promoting and expanding the sale of their products.

Transparency and credibility are essential components of our company culture. Being seen to practise cultural openness, tolerance and respect both inwardly and outwardly marks our international profile.

As a responsibly acting family business, the STI Group observes the legal regulations, and regulatory and ethical standards in their spheres of influence. We also expect the same from our business partners and suppliers.

The STI Group is therefore committed to environmentally and socially responsible corporate governance and expects the same behaviour from all its business partners and suppliers. Employees of the STI Group are also expected to observe the principles of ecological, social and ethical conduct and to integrate them into the corporate culture. Furthermore, the STI Group strives to continuously optimise its business activities and its products or services in terms of sustainability and calls on its business partners and suppliers to contribute to this in the sense of a holistic approach.

We live by our values, honour our commitments reliably, and act fairly and honestly so we have integrated our guidelines in this Corporate Compliance. This Corporate Compliance is therefore based on national laws and regulations, such as the Supply Chain Due Diligence Act ("**LkSG**"), on entrepreneurial due diligence obligations to prevent human rights violations or environmental risks in supply chains, as well as international conventions, such as the United Nations Universal Declaration of Human Rights, the Guidelines on Children's Rights and Business Conduct, the United Nations Guidelines on Economics and Human Rights, the International Labour Standards of the International Labour Organisation and the United Nations Global Compact.

Our success as a company in a dynamic and highly competitive market depends on the observance of these obligations and beliefs.

The present version of the "STI Group Corporate Compliance for Business Partners" is a guideline for all our business and cooperation partners and is the basis for all future business relationships and deliveries. The business partners and suppliers therefore undertake to comply with the principles and requirements of this Corporate Compliance and to endeavour to contractually obligate their subcontractors to comply with corresponding standards and regulations, including the willingness to participate in audits. This Corporate Compliance enters into force upon signature. A violation of this Corporate Compliance may ultimately be a reason and reason for the STI Group to terminate the business relationship, including all associated supply contracts.

We therefore ask that you confirm compliance in your company by returning the signed compliance form.





The contents are checked annually and, in the event of legal amendments, immediately updated. In this case, you will receive a revised version.

We look forward to a continued good and responsible working relationship.

Jakob Rinninger
CEO STI Group

Niklas Herting
CFO STI Group

Lauterbach, 01/04/2024





1 Our Values

When designing our innovative products and services as well as central corporate decisions, we are guided by environmental and climate protection values and the fundamental concept of a circular economy. We pave the way for our customers' success at the point of sale and support them in achieving their goals with efficient, sustainable and creative packaging that ensures product protection as well as optimal qualitative and logistical properties in all retail channels.

Our guidelines are in line with this mission and contribute to maintaining and developing the existing corporate culture in a positive way.



WE ARE PIONEERS WITH PASSION

Our courage comes from the desire to break new ground successfully.



WE ARE FAMILY ENTREPRENEURS

As entrepreneurs, each of us plays an active role in shaping the company. We are individuals, working with each other in a team-oriented and appreciative way.



WE ARE TRUE PARTNERS

We specialise in managing complex requirements and optimising processes for our customers. We offer outstanding design competence, products of the highest quality and an unparalleled understanding of the market.



WE DRIVE TRENDS

Sustainability, environmental and climate protection and the concept of a circular economy guide our value creation.

2 Our understanding of sustainability and compliance with laws and regulations

- The STI Group and its affiliated companies operate internationally and see sustainability as an essential component of their business processes. The STI Group purchases raw materials, goods and services from business partners/suppliers in order to ensure the sustainable success of its customers with innovative product and service solutions. The basis for this is responsible corporate management geared towards long-term value creation. For this reason, the STI Group directly integrates business partners/suppliers into its sustainability strategy.
- For all deliveries and services to the STI Group, business partners and suppliers must comply with the human rights (Section 2 Para. 2 LkSG) and environmental (Section 2 Para. 3 LkSG) risks and prohibitions as well as conduct obligations, which are contained



in the respectively valid version of this Corporate Compliance for business partners and suppliers of the STI Group. The current version is available at [<https://sti-group.com>]. In the event of changes to Corporate Compliance during the ongoing contractual relationship, the STI Group shall inform the business partners and suppliers of any changes one (1) month before they come into force. Business partners/suppliers then have the opportunity to object within two (2) weeks of becoming aware of this, to which STI Group business partners/suppliers will refer separately in individual cases.

- In addition to procedural, economic and technical criteria, the STI Group also pays attention to social and ecological aspects such as human rights, working conditions, corruption prevention and environmental protection in its procurement activities. In the conflict between product/service, market, region and process, our key factors when selecting and evaluating business partners are costs, quality, reliability, innovation and sustainability.
- The STI Group expects its business partners/suppliers to comply in their activities with the respectively applicable national and local laws - irrespective of whether they are supranational or local law - the principles of the United Nations Global Compact and this STI Group Corporate Compliance, as long as they do not violate the applicable EU law (for deliveries in the EU), as laws, local customs and standards may differ in the individual locations. The regulations of the applicable law override any possible contrary instruction.
- The business partners and suppliers of the STI Group undertake to comply with all statutory provisions and regulations, in particular the counter-terrorism regulations, the REACH and RoHS regulations and declare to comply with applicable EU directives or regulations or national legislation. They are also expected to introduce suitable processes that support compliance with the applicable laws in their companies and promote continuous improvement in relation to the principles and requirements of the STI Group Corporate Compliance. This Corporate Compliance is valid for all companies of the STI Group worldwide.

3 Conduct in a business environment

3.1 Compliance with Laws and Regulations

Compliance with laws and regulations is an essential fundamental principle of economically responsible action for the STI Group. We comply with applicable legal prohibitions (such as fraud, theft etc.) and obligations at all times. If national laws have more restrictive regulations than the regulations applicable to the STI Group, national law takes precedence.

3.2 Avoiding conflicts of interest

In the STI Group, all business transactions are free of conflicts of interest and decisions are made exclusively in the best interest of the company. Conflicts of interest with private interests or other economic or other activities, including those of relatives or other related persons or organisations, are to be avoided from the outset. If they nevertheless occur, they must be



resolved in compliance with the law and the applicable company guidelines. The prerequisite for this is transparent disclosure of the conflict.

3.3 Fair competition

The Compliance commitment issued by the management of the STI Group is the benchmark for our actions in competition: The STI Group stands for innovation, sustainability, transparency, development expertise, process-optimised products and the best market understanding. As a responsible family-owned company, we are proud of our motivated and self-dependent employees. This is the basis for our high reputation and the sustainable economic success of our company in global competition.

Corruption and antitrust violations in the form of anti-competitive practices would threaten these guarantees of success and are not tolerated (*zero tolerance*). All forms of corruption or antitrust violations, including bribery, extortion and embezzlement, including extortion, bribery and embezzlement, are prohibited and prevented by appropriate and proportionate procedures. All STI Group employees are obliged to do everything they can to prevent corruption in their area of responsibility.

Benefits for STI Group employees do not play a role in the context of the performance evaluation of business partners or the award of contracts.

3.4 Prevention of money laundering

The STI Group complies with its legal obligations for money laundering prevention and does not participate in money laundering activities. Every employee is requested to have unusual financial transactions checked by the responsible finance or legal and compliance department in case of doubt, in particular including cash that may give rise to a suspicion of money laundering.

4 Human and workers' rights

The STI Group expects its business partners and suppliers to comply with the fundamental employee rights of the applicable national legislation as well as to recognise the core labour standards of the International Labour Organisation (ILO) and the International Human Rights Charter of the United Nations, taking into account the laws and legal forms applicable in the various countries and locations. The STI Group expects its business partners and suppliers to respect the rights of third parties and to keep any negative impacts to a minimum, taking into account international standards. In particular, the following prohibitions apply:

4.1 Child labour

In accordance with § 2 para. 2 (1) and (2) LkSG, the STI Group expects that its business partners and suppliers prohibit and refrain from any kind of child labour in their companies.

4.2 Discrimination

In accordance with § 2 para. 2 (7) LkSG, the STI Group expects its business partners and suppliers to promote equal opportunities and equal treatment and to prevent discrimination in the recruitment of employees and in the promotion or granting of training and further education



measures. In particular, no employee shall be discriminated against on grounds of gender, age, colour, ethnic or social origin, sexual identity, disability, religion or belief, or political opinion.

4.3 Forced labour and slavery

In accordance with § 2 para. 2 No. 3 and 4 LkSG, the STI Group expects that its business partners and suppliers do not allow or participate in any form of forced labour, human trafficking or slavery in their companies.

4.4 Freedom of association

In accordance with § 2 para. 2 No. 6 LkSG, the STI Group expects its business partners and suppliers to respect the rights of employees to form trade unions and conduct collective bargaining in accordance with national legislation.

4.5 Working hours and remuneration

STI Group expects its business partners and suppliers to comply with the minimum standards in accordance with § 2 para. 2(5) & (8) LkSG, comply with the respectively applicable national legislation on working hours and the employees of business partners and suppliers receive remuneration that is at least in line with the respectively applicable national laws.

4.6 Forced evacuation

The STI Group expects that, in accordance with § 2 para. 2 (10) LkSG in the event of the acquisition, development or other use of land, forests and waters, the use of which safeguards a person's livelihood, does not result in unlawful compulsory eviction or unlawful withdrawal of land, forests and waters.

4.7 Security staff

In accordance with § 2 para. 2 (11) LkSG, the STI Group expects that its business partners and suppliers shall not commission or use private or public security forces to protect an entrepreneurial project if, due to a lack of instruction or control, the prohibition of torture and cruel, inhuman or degrading treatment is disregarded when the security forces are deployed, if life or limb is injured or freedom of association and coalition is impaired.

5 Health and safety at work

In accordance with § 2 para. 2 (5) LkSG, the STI Group expects its business partners and suppliers to comply with the applicable national legislation on health and safety at work. Furthermore, it is expected that business partners and suppliers establish and apply an appropriate occupational health and safety management system (e.g. in accordance with ISO 45001). This includes, on the one hand, mitigating actual and potential occupational safety risks and, on the other hand, training employees in order to prevent accidents and occupational diseases as far as possible.





6 Environmental protection and preservation of natural resources

In accordance with § 2 para. 2 (9) LkSG, the STI Group expects all business partners and suppliers to comply with the applicable national environmental laws, regulations and standards in order to refrain from harmful soil changes, water and air pollution, noise emissions and excessive water consumption if this harms the health of people, significantly impairs the natural basis for food production or prevents people from accessing proper drinking water or sanitation.

Furthermore, business partners and suppliers are expected to establish and apply an appropriate environmental management system (e.g. in accordance with ISO 14001) in order to minimise environmental impacts and risks and to improve environmental protection in day-to-day business operations.

7 Supplier relationships

The STI Group expects its business partners and suppliers to communicate all principles and requirements described here to their subcontractors and subsuppliers and also take them into account when selecting them. Business partners and suppliers encourage their subcontractors and subsuppliers to comply with standards on human rights, working conditions, corruption prevention and environmental protection in the context of fulfilling their contractual obligations. Furthermore, the STI Group expects its business partners and suppliers to only use materials from legal sources and to be able to prove this on request.

8 Compliance with Corporate Compliance

If and insofar as they are not already covered by the above-mentioned obligations, the business partner/supplier must comply with the agreements listed in the appendix to the German LkSG (available at <https://www.bmas.DE/DE/Service/Gesetze-und-Gesetzesvorhaben/Gesetz-Unternehmerische-Sorgfaltspflichten-Lieferketten/gesetz-unternehmerische-sorgfaltspflichten-lieferketten.html>) even if they are aimed at governments rather than companies and may therefore not be applicable to companies.

- Upon becoming aware of a violation of one of the aforementioned obligations or human rights and environmental obligations, the business partner/supplier must immediately inform the STI Group in writing and explain how the violation is or has been eliminated and what measures it has taken or has taken to ensure that the violation does not recur. As soon as the violation is remedied or terminated, the business partner/supplier shall inform the STI Group in writing without delay. If the STI Group discovers such violations, it will inform the business partner/supplier of this immediately in writing and set a reasonable grace period to remedy the violation. If a remedy is not possible in the foreseeable future, the business partner/supplier must notify this immediately and draw up a concept with a timetable for terminating or minimising the violation together with the STI Group. In the event of suspicion of non-compliance with the described principles and requirements of the STI Group Corporate Compliance (e.g. negative media reports),



the STI Group reserves the right to demand information about the corresponding situation. The aforementioned notification and information obligations apply accordingly in the event that a supplier of the supplier has breached an obligation arising from this Corporate Compliance.

- The business partners/suppliers will also communicate the corresponding obligations of conduct of this STI Group Corporate Compliance to their suppliers in an appropriate form and demand and monitor their compliance accordingly. "Your suppliers" within the meaning of p. 1 are those whose activity is necessary for the manufacture/delivery of the products for the STI Group or the use of the services of the STI Group. These suppliers must also be required to pass on corresponding obligations of conduct to their suppliers.
- In this context, the business partners and suppliers grant the STI Group the right once a year, or on an occasional basis in the event that the STI Group must expect a significantly changed or significantly increased risk situation at the supplier ("existence of a sufficient reason"), to convince its own employees or third parties by means of an audit and/or other suitable measures at the usual business hours at the premises and production facilities of business partners and suppliers (without affecting business operations) of compliance with the (human rights and environmental) requirements. For this purpose, the business partner/supplier shall grant appropriate access to the relevant areas and documents. In particular, it is permitted to inspect the documentation of the occupational health and safety measures, such as guidelines or manuals, to check compliance with the occupational health and safety measures in the workplaces by visual inspection and, in case of doubt, to supplement these checks in the form of interviews. The business partners and suppliers may object to individual auditing measures insofar as they conflict with data protection aspects or business and trade secrets.
- Upon request, business partners and suppliers shall obtain and transmit to the STI Group without delay the information and documents that the STI Group requires to prove compliance with legislative requirements to authorities. This applies in particular, but not only, to the specifications of the LkSG.
- Insofar as the STI Group itself or through specialised third parties offers business partners and suppliers free of charge training and advanced training on human rights or environmental topics, the business partners and suppliers are obliged to allow their employees who come into contact with the deliveries and services to the STI Group in a responsible position to participate as part of their working hours for a maximum of one working day per year.
- The STI Group is entitled to suspend the business relationship as long as the breach has not been terminated or minimised. If a breach is serious and the grace period expires without effect or the implementation of the measures contained in the concept does not remedy the situation after the time schedule has expired, the STI Group may terminate the business relationship and terminate all contracts if this was threatened at the time of setting the deadline. A statutory right to extraordinary termination without notice period, in particular in the event of culpable breaches that can be assessed as very



serious and that make it unreasonable to continue the business relationship, remains unaffected.

- For each violation of human rights and environmental obligations, the business partners and suppliers shall pay a contractual penalty to be determined by the STI Group, which is appropriate in particular with regard to possible damage to reputation, the amount of which depends on the seriousness and consequences of the violation and which can be verified by the court for its appropriateness in the event of a dispute. The business partners and suppliers are also obliged to compensate the STI Group for any damage caused by the violation of human rights and environmental obligations. Any contractual penalties incurred will be offset against the damages. The contractual penalty and the obligation to pay damages shall lapse insofar as the business partners and suppliers prove that they are not responsible for the breach.

9 Reporting violations or suspected cases ("whistleblowing") to the internal reporting office and protection against retaliation

If employees of business partners and suppliers believe that employees of the STI Group or a person acting for or on behalf of the STI Group has carried out illegal or otherwise unauthorised activities, they must immediately report such reports of suspicious cases to the chief compliance officer of the STI Group using the following contact details ("**internal reporting office**").

Telephone: +49 6641 81-210
Email: compliance@sti-group.com

Post: STI – Gustav Stabernack GmbH
Chief Compliance Officer (CCO)
Richard-Stabernack-Straße
D-36341 Lauterbach, Germany

You can also report to the data protection officer using the following contact details:

Telephone: +49 06641 81-382
Email: datenschutz@sti-group.com

By post: STI – Gustav Stabernack GmbH
Data protection officer
Richard-Stabernack-Straße
D-36341 Lauterbach, Germany

Whistleblowing information can also be submitted via a contact form on the STI Group website under the link [Whistleblower Protection \(sti-group.com\)](https://sti-group.com/Whistleblower-Protection).

The above contact persons are available to all business partners and suppliers who wish to file a confidential report of a suspected criminal offence or similarly serious irregularities



relating to the STI Group. This means that every business partner and supplier has the opportunity and the right to report violations of European or national legal provisions as well as the contents defined in this STI Group Corporate Compliance or corresponding suspected cases freely and without worrying about retaliation, if, for example, weaknesses or other circumstances are noted that could lead to legal violations.

Every report helps the STI Group to counteract violations or suspected cases in good time and to prevent damage to the company, its employees and business partners.

Due to the (legal) duty of confidentiality, it is ensured that the identity of whistleblowers is reliably protected and not disclosed to the STI Group.

However, employees of business partners and suppliers have the option of submitting any information to the responsible supervisory authorities ("**external reporting office**").

Confirmation of receipt of the notification from a "whistleblower" must be given within seven (7) days. Information about the processing status and measures taken must be provided within three (3) months.

Reports can, but need not be received anonymously. However, the whistleblower may also disclose their own name when reporting their tip-off.

10 Consequences of violations or suspected cases

All indications of violations are investigated consistently and fairly. Proven misconduct is sanctioned appropriately. The STI Group regards compliance with the rules of this Corporate Compliance as essential for the respective business relationship. If a business partner and supplier of the STI Group does not comply with these requirements, the STI Group reserves the right to take appropriate legal action.

At the same time, the interests of those affected are safeguarded. The presumption of innocence applies to them as long as a violation is not proven. The foundation for the processing of information provided from the whistleblower system is formed by uniform processes as well as confidential and professional processing of the information. This also means that investigations are only initiated if there are concrete indications of a (serious) rule violation.

11 No disadvantages for submission of information by whistleblowers

All reports received from whistleblowers will be treated as strictly confidential. Individuals or "whistleblowers" who, on the basis of concrete evidence, have a good faith belief that a breach of Corporate Compliance exists or could exist and subsequently exercise their right to report such a breach or suspected case, shall not expect any disadvantages or measures of any kind because they have reported a breach or suspected case or participated in an investigation, unless they are deliberately making false reports. This also applies if, in the course of criminal prosecution, the whistleblower is asked by the relevant investigating authority to waive their anonymity. In each individual case, the STI Group will take measures to protect whistleblowers from such disadvantages, to the extent necessary. To the extent possible and permitted by law, the STI Group will treat the identity of whistleblowers who have reported a breach of corporate compliance or a suspicion in this regard in accordance with these guidelines as



confidential. The same applies to the identity of whistleblowers who contribute to the investigation of violations of corporate compliance or a suspected violation.

12 Data protection

The STI Group shall observe the applicable data protection regulations, in particular the rights of the participating employees and the accused. Notices are only used for the purpose of investigating and possibly punishing violations. The complaints office is only authorised to process personal data insofar as this is necessary for the performance of its tasks.

Documentation that is no longer required in the form of (personal) data that has been processed in connection with the reporting of misconduct will be deleted no later than two (2) years after the completion of internal investigations, disciplinary measures taken or the expiry of legal proceedings initiated. If judicial or official measures or orders are taken, or other legal conditions apply, other retention or deletion periods may also apply in individual cases.

Unsubstantiated, unfounded or negligent reports shall be deleted immediately.

13 Sharing information on complaint mechanisms and setting up complaint mechanisms with business partners and suppliers

Business partners and suppliers must pass on information received from the STI Group on the availability, responsibility and implementation of a complaints procedure in an appropriate manner to their employees, agents, subcontractors and suppliers. The complaints procedure must be accessible to them, while maintaining the confidentiality of their identity and effective protection against discrimination. Business partners and suppliers must also pass on the information on the complaints procedure to individuals and communities who may be affected by negative effects of their business activities.

The business partners/suppliers ensure that they themselves also maintain an effective complaints mechanism ("**reporting system**") through which employees or third parties can report violations of laws, human rights violations, human rights or environmental risks and other unacceptable conduct without the threat of negative impact or disciplinary action ("**retaliation**").

By signing this document, the business partner and supplier undertake to act responsibly, to comply with the listed principles and requirements and to take all necessary precautions with regard to the described standards of conduct in the business environment, human rights, working conditions and environmental protection for the implementation of the requirements and the fulfilment of their contractual obligations.

The business partner and supplier shall sign and return this page to their contact person in the STI Group no later than two (2) weeks after receipt of the document.



Company: _____

Signature: _____

Name and position in plain text: _____

Place and date: _____

Reference:

Global Compact of the United Nations
www.unglobalcompact.org

International labour standards (ILO)
www.ilo.org/global/standards/lang--len/index.htm

International Bill of Human Rights of the United Nations
www.un.org/en/rights

