



Sustainability declaration

R. Stock AG

Foreword

Dear Sir or Madam, dear business partners,

The world is being altered by climate change, digitalisation and the shifting of global markets. And this includes our sector. For us as a tool supplier, this creates completely new requirements, as well as opportunities. In both respects, we adopt a caring and responsible approach towards our environment, society and our employees.

With this sustainability declaration, which we regard as our code of conduct, we are committed to protecting the environment and international human rights. We also strive to ensure that no one is discriminated against during the recruitment process or at work.

We regard sustainability along the entire process chain as an integral part of our actions. The aim of our sustainable strategy is to combine, integrate and simultaneously consider the three dimensions of economy, ecology and social aspects. You can read in detail about how we implement this strategy at R. Stock AG on the following pages.



Bernd Schatz
CEO

Company profile

R. Stock AG, hereinafter referred to as Stock, is a supplier of rotational runout precision tools for metal machining. As part of a market-leading group of companies for tool manufacturing, we benefit from decades of expertise and excellent technologies. From our headquarters in Berlin, our employees sell products and services nationally and internationally through more than 120 trading partners. In addition to standard tools such as drilling tools, thread taps, thread milling cutters and formers, milling tools, rea-

mers and countersinking tools made of HSS, HSS-E-PM, carbide, cermet and PCD, our extensive range also includes special tools that can be manufactured according to customer specifications. We also offer services such as regrinding and coating and provide tool holders and tool dispensing systems. Our customers and users come from the automotive and supplier industry, mechanical engineering, mould and die, aerospace, as well as the general metal and electrical industry and its suppliers.

**We are committed
to protecting the
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Code of conduct and corporate policy

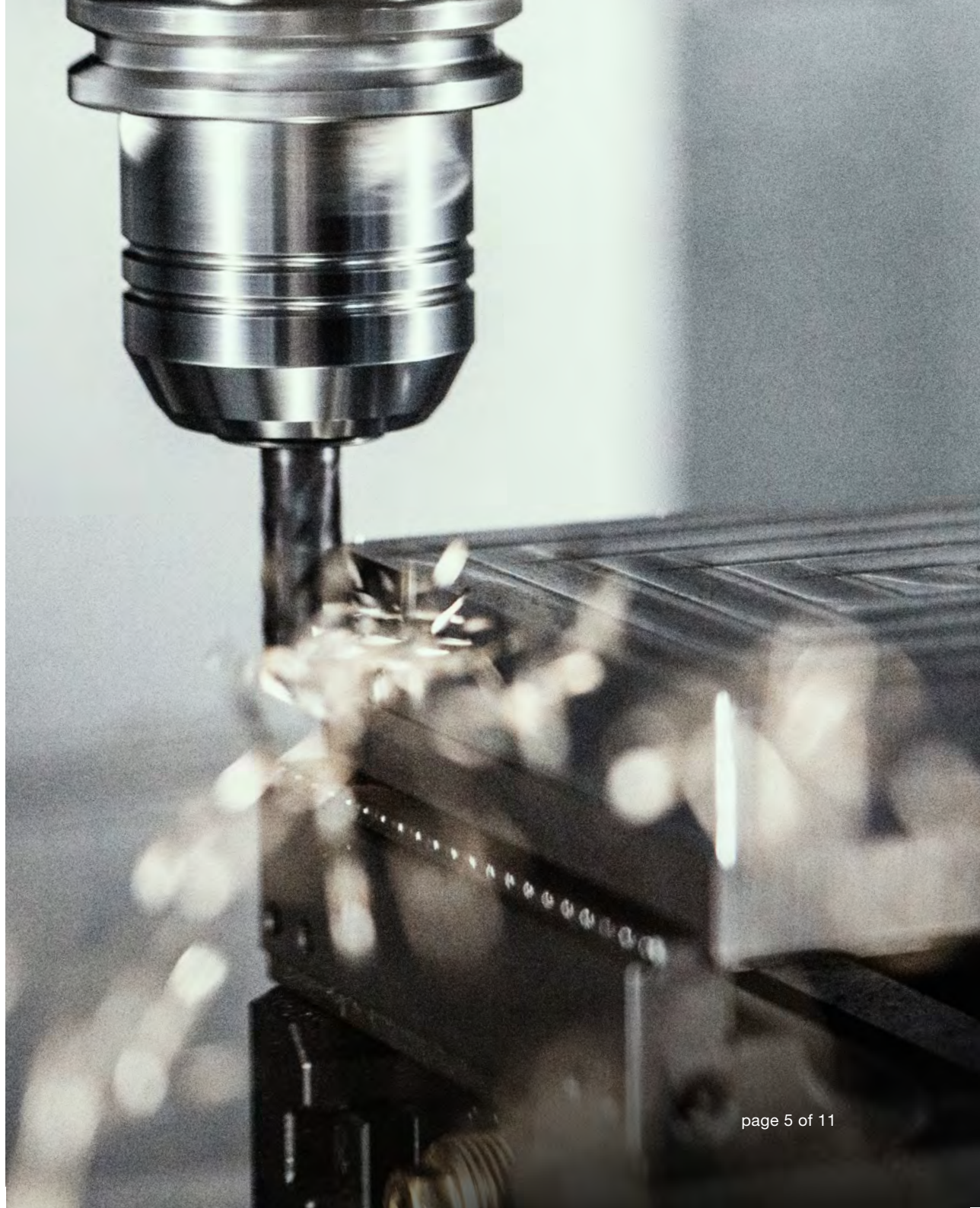
Our code of conduct and our corporate policy are important parts of our organisation and are based on the following eleven core values that guide our actions:

1. Quality
2. Product/process development
3. Responsibility
4. Suppliers/services
5. Resources
6. Legislation
7. Occupational safety, environmental protection and quality
8. Employees
9. Public/public authorities
10. Code of conduct
11. Energy management

In our Code of Conduct, we safeguard the protection of the environment and international human rights. We also ensure that Stock is not complicit in human rights violations. We respect the freedom of association and recognise the right to collective bargaining. We reject all forms of forced or child labour and advocate the elimination of discrimination in recruitment or at work.


Sustainability

At Stock, we regard sustainability as an integral part of what we do. The aim of our sustainable strategy is to combine, integrate and simultaneously consider the three dimensions of economy, ecology and social aspects. In our strategy, we ensure that our activities are designed so that the opportunities and foundations of future generations are not impaired or endangered. This means that we consider sustainability as a holistic concept, making it a long-term success factor not only for Stock, but also for our suppliers and partners.



Stakeholder communication

As a sales company, communication with our customers, suppliers and service providers is a constant part of everyday life. Other key stakeholders for Stock are our employees, public authorities, offices, potential applicants, banks and insurance companies. Communication with stakeholders usually takes place via the usual communication channels, such as e-mail, telephone or newsletters. We prefer face-to-face discussions at trade fairs or on-site at the customer.

A close-up photograph of a person's hand holding a silver-colored metal drill bit. Below the hand, a white display stand holds numerous other drill bits of various sizes and colors, including silver, gold, and blue. The background is slightly blurred, showing a person in a white shirt and a red tie.

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Product quality and customer satisfaction

When selecting and selling our tools, we place great importance on the functioning quality management systems of our suppliers, partners and service providers. Ensuring safe processes, error-free products and services is a top priority for Stock. We prevent product risks by using empirical values, carrying out benefit analyses, conducting commercial and technical feasibility tests, by only using approved suppliers and using the latest technical docu-

mentation, qualified personnel and calibrated measuring instrument. In order to comply with the legal requirements regarding product quality, we have outlined the exact procedure for handling information and labelling in our process flows. When measuring our customer satisfaction, we consider various factors, such as supplier evaluations from customers, the complaint rate, our delivery reliability and also the offer success rate.

Ensuring safe processes, error-free products and services is a top priority for Stock.



Supply chain responsibility

Social responsibility does not stop with our own employees. We are aware that we also need to continue these efforts along the supply chain. We strive to ensure that our subsuppliers adhere to the same principles within the framework of social and ethical standards that we set ourselves as benchmarks. In our actions, sustainability is a key element of our identity and is part of our corporate

strategy. Our actions are therefore based on generally applicable ethical values and principles, in particular integrity, honesty, respect for human dignity and non-discrimination. Our suppliers make a significant contribution to our success. Conflict minerals are an important topic for us, as well as for our supply chain. The mining of minerals such as tungsten, cobalt and gold can

lead to risks of human rights violations, corruption and money laundering, for example, or contribute to the financing of armed forces. To rule out these risks, we only source our goods from suppliers that meet OECD guidelines and comply with the requirements of Article 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Environmental protection

Environmental thinking and action and the associated assumption of responsibility are fundamental elements of Stock's corporate policy.

With our products, we take care to protect the environment and align our actions so that we comply with national and international environmental regulations. That's why we make sure that our key suppliers are certified in accordance with DIN ISO 14001.

Use of resources

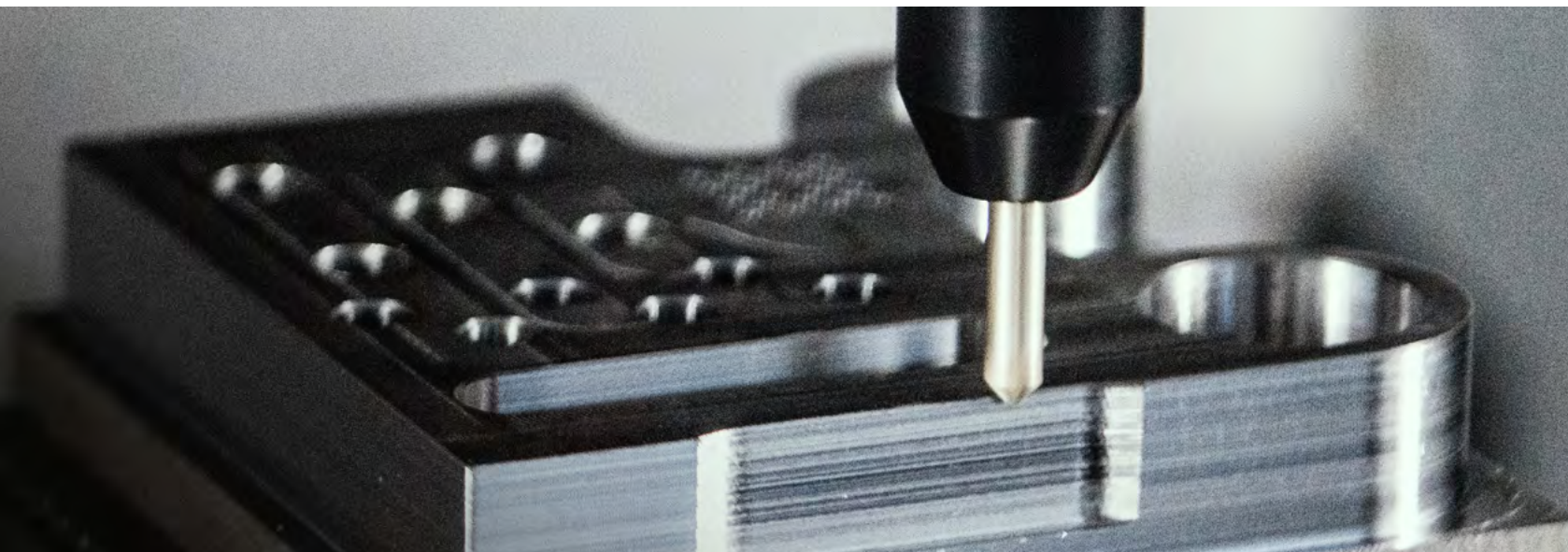
The use of resources is another important concern for us, as many resources are limited. The sparing use of natural resources poses a particular challenge. We are aware of this responsibility and place particular importance on our waste generation and our energy/water consumption.

We have defined a variety of measures within the

company to reduce energy consumption and increase energy efficiency. Measures include, for example, energy-efficient driving of company vehicles. To this end, new company car owners are instructed in energy-efficient driving when they collect their vehicle. There is a motivation sticker for this in the vehicles themselves. Other measures include

our office concepts for heating and ventilation.

To reduce waste at Stock, we are trying to use digital solutions more and more to reduce paper consumption, for example. In general, we only generate municipal waste, paper and cardboard boxes, which are collected by our service providers and passed on for recycling.



Employees and society

Our skilled employees are our company's most important resource. Personal development opportunities, a healthy working environment and the opportunity to combine work and family life are just some of the factors we focus on with our employees.

We currently employ 20 people at Stock. The gender split is 30 % female and 70 % male. In terms of age structure, all employees are bet-

ween 30 and 60 years old. We also offer various company benefits to promote employee satisfaction, such as support for lunch and teleworking. At the same time, we offer opportunities to train internally and externally as required. We measure employee satisfaction based on a wide range of criteria, including the staff turnover rate. This is at a stable value of 5 %.

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