

HB.DSH-F-020	<b>Manual</b>	
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# Management Manual

## R. STAHL Aktiengesellschaft

**Responsible organization:** R. STAHL AG (DEAG)

**Responsible department:** Qualität & EHS

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## Introduction

### Preface

R. STAHL is a major supplier in the field of electrical explosion protection products and solutions. With our products, we are the number two provider in Europe and as to systems, we are the number one provider worldwide. We provide highly reliable protection for both people and systems.

Our electrical products and complex systems are particularly prized by customers from the chemical and pharmaceutical industry, as well as the in shipbuilding, LNG and gas industry. They are also used in the food and beverage industry, though this is somewhat rarer. R. STAHL's unwavering focus on development has earned us our reputation as a leading provider of explosion protection technology designed and built to the IECEx standard. Our ongoing drive to innovate and design new products with outstanding added value cements our position at the vanguard of technological advances, and we file patent applications to ensure that our original ideas are protected.

With our own production facilities, subsidiaries and sales offices in all the important markets in Europe, the Asia-Pacific region, and North and South America, we are perfectly placed to work on complex international projects, with resources on hand locally to provide our customers with explosion protection solutions and in-depth expertise, wherever it is needed. Our products and systems boast exceptional quality coupled with state-of-the-art technology. We also offer our customers expert advice, a wide range of services plus first-rate customer service.

A well-established family-run company from Germany, R. STAHL has continued to develop into a global player in the explosion protection market ever since its inception in 1876. The company has built up unparalleled knowledge, which benefits our customers.

### General information

The introduction of an integrated management system (IMS) was a strategic decision. To ensure that our products can meet the demands made of them by our internal and external customers, we have implemented an IMS (see the chapter entitled "Definition of the application area of the IMS"). This documentation describes the IMS of our company and ensures the implementation of the corporate policy at all levels.

The IMS aims to increase customer satisfaction, guarantee quality in products and processes, prevent or reduce negative impact on the environment, and guarantee a safe and healthy working environment. With the implementation of the Management Manual, it becomes the responsibility of all employees to play their part in upholding the corporate policy and achieving the business objectives by

- applying the documentation of the IMS and acting on it, and
- actively supporting the ongoing improvement of the IMS.

## Context of the organisation

### Understanding the organisation and its context

R. STAHL AG looks back on a history of almost 150 years. From its origin as a Swabian family business it grew into a large technology group, with R. STAHL AG finally going public in 1997. As a global player, R. STAHL is highly respected in all markets where it does business.

R. STAHL AG, based in Waldenburg, Germany, is the parent company of the R. STAHL Group and primarily operates as a strategic holding company. The national and international subsidiaries function as separate legally independent companies. The certification of the management system takes place in a common matrix. This ensures optimum adjustment to different markets and customer groups.

The individual companies are managed like a matrix organisation with global and regional areas of responsibility.

We as a company depend on internal and external issues to a varying degree. These have been identified and documented. The framework conditions relevant for the strategic orientation of our company and with an impact on planned results are defined and regularly documented and analysed as part of the management review. As needed they are updated.

### Understanding the needs and expectations of interested parties

Our interested parties expect us to know them and their requirements and to meet their needs to their satisfaction. The requirements of interested parties have been identified and documented. As part of the management review, the requirements and expectations shall be evaluated and documented as to whether they are still up to date. If additional needs and expectations are identified between two reviews, they shall be implemented promptly.

### Definition of the application area of the IMS

The management system complies with the verification requirements of ISO 9001, ISO 14001 and ISO 45001 of Directive 2014/34/EU (ATEX), IEC/EN 80079-34 and IECEx OD 203 for the specific conditions of the manufacturing and sale of explosion-protected electrical equipment and systems.

The management system covers all requirements concerning quality and environment, occupational health and safety protection.

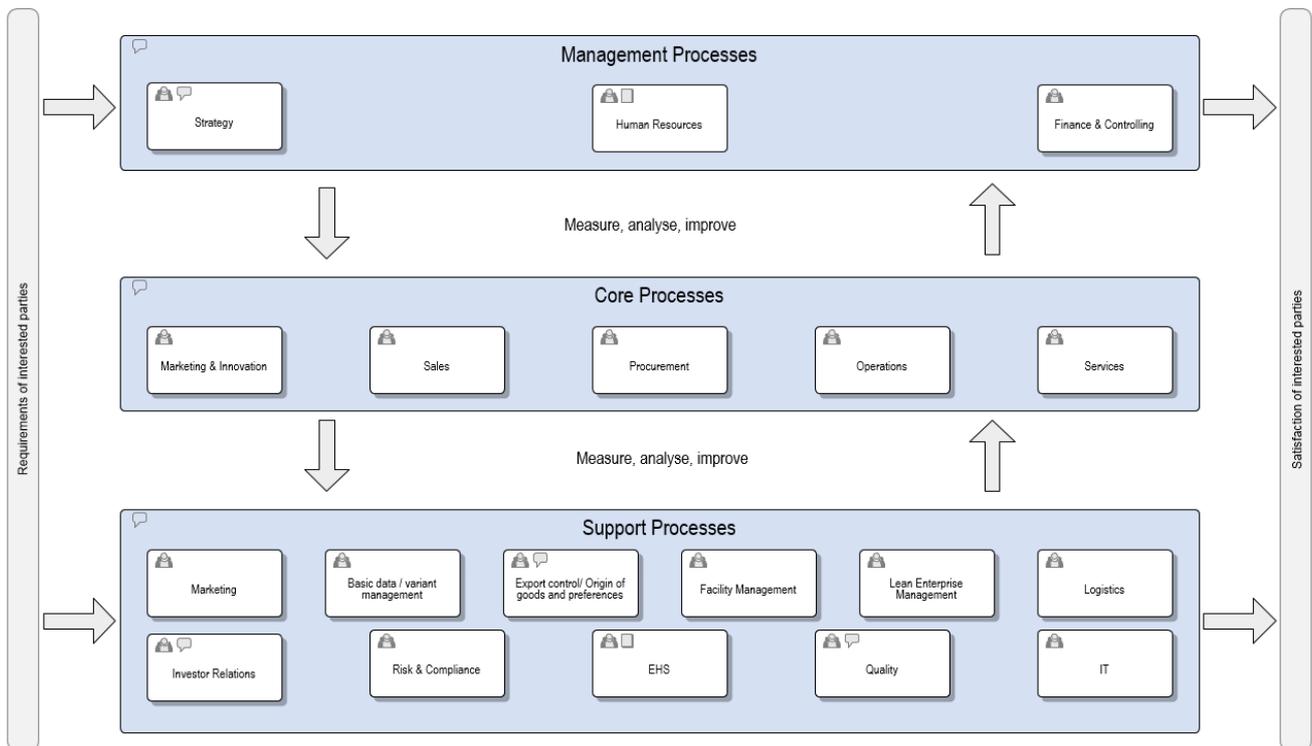
### Integrated management system and its processes

The IMS is presented centrally and in a harmonised structure throughout the Group. Central functions ensure a standardised structure and documentation of the processes.

The processes necessary for the effective functioning of our organisation are specified and their sequence is displayed in individual process maps (process flow of organisation).

### Process orientation

Due to added value, core processes are of central importance. They are supplemented by support processes. Management processes are used for control and development.



The process characteristics (KPI, resources, risks and opportunities) are defined for each main process (processes in the management process, core process and support process). The input, results, sequence, interaction and responsibility of the processes are visualised through graphic representation (swimlane representation) and available as documented information.

### Process presentation and associated documentation

Processes are usually shown with business process management software.

In this, the process steps are assigned to the responsible organisational units; and related documents and notes as well as links to other processes are placed in it. This results in a very high level of transparency and gives users a good overview of all documents and information.

### Centralised management of associated documentation

In addition, the system features the user-friendly "SharePoint" document management system providing access to the latest applicable documents and information for all employees. Documents and information can thus be found quickly using predefined key filters. All process-related documents and information are managed across the Group in this document management system.

### Central management of process and document approvals

The approval of processes and documents is also tracked across the Group in a central mailbox.

## Leadership

### Leadership and commitment

It is our goal to deliver products and services that meet customer needs and regulatory requirements.

R. STAHL manufactures electric components, equipment and systems for operation in hazardous areas. Systems in hazardous areas are specified as systems subject to compulsory monitoring pursuant to the German Technical Plant and Equipment Act (Gerätesicherheitsgesetz) and the German Operating Safety Regulation (Betriebssicherheitsverordnung).

Owing to the risks and dangers posed by such systems, special regulations and ordinances have been passed by law for the equipment to be used in such locations. The Eleventh Ordinance on the Product Safety Act (Explosion Protection Regulation) (Explosionsschutzprodukteverordnung 11. ProdSV) applies to Germany while Directive 2014/34/EU (ATEX) applies to Europe and the IECEx scheme is in force at international level, in addition to other national and regional regulations and laws.

Explosion-protected electrical equipment must not only comply with these special regulations, but also meet strict requirements concerning reliability, functionality and quality.

Lives as well as the safety of manufacturing facilities and systems can depend on the safety of our products. Consequently, quality assurance of the products which we manufacture is one of the most important company objectives. With "quality" we mean not only compliance with the requirements of explosion protection, but also compliance with all other requirements of the customer with regard to the product.

This is why competent and intensive support, and, in the event of a non-conformity, goal-oriented complaints processing are fundamental values of our customer orientation. To ensure everyone is able to work effectively to support these aims, the Executive Board shall undertake

- to provide a clear corporate philosophy with an open exchange of information
- to provide process-oriented procedures which meet the requirements of this IMS and have clearly allocated areas of competence and responsibility
- to provide support with necessary resources
- to regularly define objectives for improving quality, environmental performance and occupational health and safety, as well as for implementing them
- to comply with the relevant occupational health and safety regulations, company agreements and voluntary programmes, as well as to take account of the current level of technological progress, occupational healthcare, hygiene and established occupational healthcare findings
- to regularly review the effectiveness and adequacy of the IMS
- to take the necessary measures and check their effectiveness

The responsibility for ensuring that the requirements arising from the Management Manual are sufficiently known to all employees and taken into account in the performance of tasks lies with the Executive Board. Every employee is required to comply with the specifications of this Management Manual and the additional instructions such as the corporate policy and the Group-wide Code of Conduct (CoC). Every employee has the right and the duty to ensure that any shortcomings regarding quality, occupational health and safety and environmental protection are promptly and thoroughly dealt with.

Waldenburg, 18/09/2023



Dr. Mathias Hallmann  
CEO

## Corporate policy

The aim of defining the corporate policy is to determine the strategic medium- and long-term orientation of the integrated management system. As part of the maintenance of our IMS, its accuracy shall be regularly checked and adapted in line with recent developments. The corporate policy shall be binding for all employees of the company.

The Executive Board shall be responsible for defining and drawing up "AN.DSM-F-030 Corporate policy" (see Annex 1).

The corporate policy shall be communicated to all employees. Where appropriate, it shall be made available to relevant interested parties. Internal audits shall be conducted to confirm whether our corporate policy has been understood and implemented.

## Planning

The Executive Board shall ensure that the management system is drawn up such that:

- the applicable statutory and regulatory requirements are identified, complied with and communicated
- the requirements of our customers and interested parties are taken into account
- the stated goals can be achieved
- the system is updated in line with the needs of our employees

## Measures to deal with risks and opportunities

We have decided on a proactive approach for dealing with risks. As part of risk management, we systematically assess potential risks in all processes at an early stage and take any necessary measures to minimise these risks. We also respond to significant risks immediately and as appropriate through defined communication channels. We consider opportunities to be preventive aspects which can avoid mistakes, accidents and negative impact on the environment and offer new possibilities.

The identification and assessment of opportunities and risks shall be carried out regularly as part of the management review or at shorter intervals if necessary, taking into account the relevant internal and external issues as well interested parties.

As part of the risk assessment, we have defined and specified potential emergency scenarios so that we can quickly take the necessary action in such cases.

## Environmental aspects

We have identified and assessed the environmental aspects and potential impact on the environment of our activities, products and services. On this basis, we develop measures for improvement and review their effectiveness.

## Binding obligations

We acknowledge the binding obligations which apply to us and fulfil these during our activities.

## Assessing OHS risks

Occupational health and safety risks (OHS) shall be identified and assessed as part of our planning processes. Workplaces and work processes shall be reviewed on a regular basis in terms of their OHS aspects and measures for improvement shall be defined and implemented as required. We shall take

internal and external aspects into consideration as part of this process. We shall take any identified opportunities to improve our OHS performance.

### **Objectives and planning to achieve them**

The strategic business objectives shall be based on the corporate policy. Operational business objectives for all areas shall be defined annually based on the corporate policy. Balanced scorecards are used to define measurable key performance indicators and targets. On their basis, objectives shall be planned and derived for each area. The status of target achievement shall be checked on a monthly basis, and corrective measures shall be defined as appropriate.

## **Support**

### **Resources**

#### **Resources for monitoring and measurement**

We have incorporated various checkpoints into our processes. These define which tests must be carried out and at what time. The monitoring and testing results shall demonstrate to us and our interested parties that we meet the specified requirements. Various items of calibrated test equipment are used to ensure reliable monitoring and measurement results for the incoming goods, production, assembly and final inspection phases. All items of test equipment have an individual marking clearly indicating their testing date.

Further regulations concerning resources for monitoring and measurement are described in the "**Test equipment management**" process.

### **Competence**

All managers are responsible for regularly reviewing the competence of their direct reports, and for organising appropriate training and instruction measures, if necessary, in consultation with other departments and Human Resources.

A systematic, individual review of training requirements shall be carried out annually for all corporate divisions. Training requirements shall be assessed based on required staff qualifications with regard to knowledge, skills and experience.

If an individual employee or a group of employees (such as new hires or employees with new areas of responsibility) require training, training measures may also be arranged at short notice.

The purpose and objective of any training is to guide the development of employees such that their knowledge and competence keeps up with the development of technological, economic and organisational progress, and that the latest findings with regard to occupational health and safety and environmental protection are explicitly factored into the development and implementation of processes. Records of department-specific instructions and training shall be kept in the departments concerned; records of central internal training programmes and external training courses shall be kept centrally in the Human Resources department.

Due to the legal requirements governing the controlled area of explosion protection, training of staff engaged in activities relevant to explosion protection in the organisation is of particular importance.

This includes employees with the following areas of responsibility:

- Explosion protection officers
- Development and certification
- Engineering and assembly activities
- Inspection and testing activities
- Sales and marketing

- Supplier management
- Calibration
- Customer service and support

Records of these training measures shall be kept for a minimum of ten years.

The records are used for verification that our employees have the required expertise, knowledge and experience enabling them to independently carry out the tasks assigned to them in the management system.

For more details, please refer to the "Human Resources Management" management processes.

### **Awareness**

All employees shall be informed by means of staff meetings, site information, task-specific/area-specific workshops and instructions as well as publications at information boards, INTRANET or INTERNET about the business and corporate policy, staff objectives and expectations as well as the consequences of non-compliance.

Random checks shall be carried out as part of internal audits to see whether employees are fully informed, and further briefing shall be initiated, if necessary.

### **Communication**

The most important and most effective mode of communication is a face-to-face conversation, and it shall be preferred over phone calls, meetings via Messenger, or e-mails.

Meetings shall be held to structure the exchange of information.

Besides cross-departmental meetings (such as shopfloor meetings), intra-departmental discussions, discussions within the process or project-specific discussions shall be held regularly or planned. In addition to the actual subject matter, these meetings shall also cover the effectiveness of the IMS and shall request measures for improvement, if necessary.

The Executive Board and Management shall inform all employees about key events and the company's economic situation by means of a regular site briefing as well as on information boards.

For external communication, information can also be made available on the R. STAHL website, for example. The Executive Board or individuals with the relevant authorisation shall be responsible for ad-hoc communication.

### **Documented information**

The IMS has been created in close cooperation with the technical departments. It is published and managed via the corporate INTRANET.

The contents of the IMS are continually adjusted in line with operational and legal requirements. It is subject to the company's change processes.

The following documents and data dealing with organisational, quality, work, environmental and health and safety-relevant matters shall be systematically created or externally procured, checked, distributed and maintained.

- Product-specific development and production documents
- National and international norms and standards
- Organisational documents
- Marketing and service documents
- System-related records
- Personal records
- Product-related/project-related records
- Quality-related records

- Documentation of occupational health and safety and environmental protection, documented evidence of occupational health and safety and environmental protection

## Operation

### Operational planning and control

All products and services we offer are provided at the behest of our customers. We distinguish between standard products and order-specific designs. In the case of order-specific designs, the agreement on how the service shall be rendered is made in collaboration with the customer. This means that the requirements for the execution of the work and the timeframe are discussed with the customer. Before a sales order becomes a production order, the following must be known:

- Requirement for the products
- Criteria for the processes (as per IMS)
- Criteria for the acceptance of products
- Required resources
- How the processes are managed (by whom, how to react)
- Required documentation with regard to proper execution of processes and with regard to the actual products (as per IMS)

In the course of operational planning, all tools, devices, workplaces, test equipment and working documents required for production and assembly are planned and prepared in accordance with applicable standards and regulations. For any outsourced processes the points listed above shall be discussed and agreed on between the supplier and us. Scheduled changes shall be monitored. Inadvertent changes shall be assessed and, if necessary, measures shall be taken to reduce any adverse effects.

### Procurement

Corresponding requirements have been defined for the procurement of materials relevant to occupational health and safety, such as hazardous substances, work equipment, machines/systems and personal protective equipment (PPE). Corresponding test and approval processes (e.g. for new hazardous substances) shall be implemented.

All rules and safety regulations shall also apply to external companies, service providers, contractors, trainees, etc. and shall be part of the contract. These individuals may only start working/be deployed once they have received the appropriate briefing and instructions, and this has been documented.

### Emergency preparedness and hazard prevention

When assessing the risks associated with our processes, we shall also define potential emergency scenarios and preparedness measures. The procedure for emergencies shall be defined in an internal guideline and in the site-specific alarm and emergency plans.

### Determining the requirements for products and services

The company shall identify the market or customer requirements.

In the context of order acceptance and in the shape of a contract review the company shall ensure that customer orders are thoroughly checked for feasibility. Standard updates shall take into account all requirements and changes resulting from laws, regulations and directives.

Highest priority shall be given to the fulfillment of contractual obligations by both parties.

### **Review of requirements for products and services**

All incoming requests shall be checked for feasibility immediately after receipt, in particular concerning delivery date, service and delivery, legal and official requirements with regard to the product and technical workability, cost-effectiveness, quality characteristics and potential environmental aspects. They shall then be entered and managed in an ERP system.

Requirements in the contract or order that deviate from the requirements previously agreed upon shall be discussed and clarified. Before entering into a commitment towards the customer, their requirements shall be carefully analysed. All changes shall be documented so they can be traced.

### **Changes to requirements for products and services**

If the customer is the source of changes to the order, the procedural rules for order processing will take effect. Any significant changes to the order set in motion by us shall be discussed in advance with the customer. When requirements for products and services are subject to change we shall ensure that the relevant documented information is adapted and that the responsible persons are informed of the changed requirements.

### **Design and development of products and services**

#### **General information**

The development of products and services is centrally managed and is concentrated at selected locations.

The aim is to develop safe, high-quality, reliable and recyclable products that meet the customer requirements whilst also ensuring the production is cost-effective. Required standards, laws and safety regulations must be met. Above all it is important to plan and manage development activities, define development objectives and risks and verify development results accordingly.

To ensure systematic development activities, our company has defined a **"Development & Innovations"** business process, which is maintained and checked for effectiveness and adequacy as part of an internal audit.

#### **Development planning**

The Development department plans and directs the development and modification of products and processes and ensures the transfer of requirements to the product. Customer requirements, market requirements and requirements regarding production are all taken into account.

#### **Development input**

The requirements take into account

- requirements resulting from the customer specification
- approvals, regulations, rules, laws, patent issues, etc.
- Mechanical, electrical and visual requirements
- Environmental requirements
- Demands on quality
- Manufacturing concerns such as production plants and processes
- Test methods, test scopes
- Quantity, due dates, cost

The named project manager shall maintain a project document listing all planned and ongoing projects and their progress.

**Steering measures for development**

A project manager shall be appointed for the implementation of projects. If necessary, a project group shall be set up whose members take on individual tasks according to the specifications and report to the project manager about their respective progress. The project manager shall steer the development on the basis of the project list.

**Development results**

During each development phase the development input shall be reviewed with regard to

- availability of required results and documents
- feasibility of individual product specifications
- ability to control processes and quantify risks
- suitability of audits for their purpose with regard to the specifications
- availability of resources, organisation, logistics and IT, where required
- feasibility of quantity, deadlines, quality and cost
- possibility of minimising risks and negative impact on the environment

The timing, scope and conditions for verifying and evaluating the development outcome shall be planned and determined by those responsible for the development project.

**Development changes**

Development changes shall be identified and documented, and the affected development activities (e.g. evaluation, verification, validation) shall be repeated or redefined before their approval.

**Management of third-party processes, products and services**

Purchasing is the central supply system, ensuring products and services are provided on time, in the required quality, in compliance with legal requirements and under profitable conditions. The ERP system optimises the procurement process within the company. Operational Purchasing only places orders from approved suppliers. If there are order requirements, this department initiates the necessary ordering processes and checks whether the requirements from the order are met.

The order documentation clearly and fully describe the requirements for the product and other order conditions.

Before the first order assignment, suppliers carry out an approval process focused on procurement requirements in order to ensure that their products and products procured from external providers meet quality and environmental requirements. The scope of the inspection shall depend on the type of product purchased.

Supplier evaluation shall be limited to the main suppliers, i.e. the external suppliers that have a major impact on product and service quality. The evaluation results shall be recorded and taken into account when selecting suppliers.

Where appropriate, faulty parts shall be handled via 8D report and a request for comment from the supplier. These shall serve as a basis for further measures to reliably avoid the fault in the future.

## **Production and service provision**

### **Management of production and service provision**

The Production department is responsible for carrying out and monitoring workflows with regard to the sequence of tasks and the correct use of working methods and machines.

For this, we employ competent and appropriately trained/instructed staff.

All work documentation necessary for production is made available at each workplace. Our manufacturing processes and procedures are based on years of experience and documented technical process expertise. New or changed processes shall be evaluated in terms of performance, quality and aspects relating to the environment and occupational health and safety. These shall be constantly improved. All products shall be tested before delivery. The test results shall be documented and archived.

Processes which cannot be verified by subsequent measurement or monitoring shall be validated (welding, casting, soldering, etc.). This shall take place as part of the "**Development & Innovations**" process. Regulations governing these processes shall be drawn up where appropriate.

They shall include criteria for:

- the assessment and approval of the processes (for example, casting → hardness test, test specimen)
- for the evaluation and approval of the equipment (including the consideration of occupational health and safety aspects)
- staff qualifications
- the application of specific methods and procedures
- documentation requirements, and
- repeat validation

### **Labelling and traceability**

R. STAHL products and materials can be identified by means of material numbers. These are directly related to the associated technical drawings, bills of material and work and test plans. Work plans clearly define the product status. Where planned, measures and tests are marked on the product (e.g. routine tests required by explosion protection regulations).

Customer orders can be identified by a unique customer order number.

Production orders can be identified by a unique production order number.

In the case of customer-specific products, the production order number is linked to the customer order number in the ERP system. In the case of stock goods, the customer order number is linked to the production order number of the warehouse order under the FIFO principle (First-In, First-Out). In the case of merchandise, the warehouse receipt is linked to the purchase order at the supplier's.

This ensures the traceability of delivered products, from the customer order, a unique production order number, material numbers and the purchase order for material from the sub-supplier and its delivery.

### **Property of the customer or third-party providers**

The property of the customer or a third-party provider is managed and is subject to product maintenance during handling, storage and processing.

### **Post-delivery activities**

After the delivery of products we shall continue to support our customers if they have any technical questions or complaints, and assist them with our experience and expertise. For post-delivery processes, legal and official requirements, customer requirements and the feedback of the customers shall be taken into account.

### **Approval of products and services**

Product-specific features shall be defined in the form of drawings, circuit diagrams, bills of material, work plans and test plans.

Incoming goods inspections ensure that only those products that meet the requirements are further processed. The nature and scope of the inspections shall be determined by the characteristics of the product. The inspections shall be based on the text of the order and the product-specific drawings and test plans. The product shall be approved for further processing when it is posted in the ERP system. Contractual arrangements with the supplier are in place for products that are not subject to routine tests in the Incoming Goods department. Specifically, these are QA agreements, which define test specifications, required qualifications and documentation.

The work plan specifies interim and final inspections as verification of certain product characteristics at suitable stages of the manufacturing process. Proof of conformity with requirements shall be confirmed by reporting the work process in the ERP system.

For order-specific production, confirmation shall be given by signing the checklists. The product shall be approved with the "ready" message for the last operation in the ERP system and the individual control stamp.

See also the "**Production**" main process.

### **Management of non-compliant results**

Deviations that result in the product having to be reworked or discarded shall be assigned to operations and recorded in the ERP system. Defective products shall be posted and subjected to a re-check if they have been reworked.

Details shall be defined in an internal process instruction.

## Performance evaluation

### Monitoring, measurement, analysis and evaluation

#### General information

Monitoring, measurement, analysis and improvement processes are planned and implemented

- To ensure that the product and processes meet the requirements
- To continuously improve the effectiveness of the IMS
- To review the effectiveness of operational measures and other measures

The main methods, control tools, means, resources, information and KPIs for the performance evaluation are defined.

In addition to business objectives, process-specific and product-specific objectives are also defined. The target agreements at company level are split into processes. The results are compared with planned targets and, if required, appropriate corrective measures shall be taken (e.g. reworking, discarding, supplier or customer complaints, process optimisation, etc.).

#### Customer satisfaction

Customer satisfaction is essential for the company's success. This is why the increase in customer satisfaction is defined as an important company target for R. STAHL.

Customer perception (customer dissatisfaction) shall be documented, for example in the form of complaints recorded in the ERP system or supplier assessments conducted by our customers.

Complaints shall be analysed and assessed. If necessary, corrective measures shall be initiated. Regular communication shall be used to assess the data which is aggregated on a monthly basis with a view to the need for adjustments to

- products,
- processes and
- the IMS.

Where appropriate, corrective or preventive measures shall be defined and realised. Their effectiveness will be monitored.

**Assessing fulfillment of obligations (compliance)** Fulfillment of applicable obligations shall be reviewed on a regular basis, for example in audits or a management review.

#### Analysis and assessment

Data analysis shall be used to present and assess the suitability and effectiveness of the IMS as well as its continuous improvement.

For this purpose, data from measurements, monitoring and other sources shall be used.

A standard target card (global balanced scorecard) shall be defined for the production sites of the R. STAHL Group. Individual indicators (KPIs) shall be defined, making it possible to compare results within the Group. The Managing Director and CEO shall consult one another to define the target values for each company in the scorecard for the reporting year in question. The Group-wide reporting system is used to forward actual values to head office at monthly intervals, and to evaluate and visualise them. Corrective actions shall be initiated in the event of deviations from the target values.

#### Internal audits

Regular audits shall be conducted to evaluate the effectiveness of the management system, and corrective actions shall be taken where necessary. An audit programme shall be created to conduct the audits as planned.

## Management review

R. STAHL AG's Executive Board shall review the management system at regular intervals. To this end, the Executive Board shall meet least once a year to discuss the system as part of the management review. Other involved parties shall be consulted where necessary.

## Improvement

### General information

The IMS shall be subject to constant optimisation through the use of

- Corporate policy and business objectives
- Audit results (internal and external)
- Data analysis
- Management review and initiated measures for improvement

### Non-conformity and corrective action

To ensure the continued effectiveness of the management system, procedures shall be put in place to identify non-conformities.

Non-conformities are detected, for example, during:

- Quality inspections
- Analysis of key performance indicators
- Customer complaints
- Determination of customer satisfaction
- Complaints by official authorities
- Internal and external audits as well as inspections
- Employees pointing out faults and making suggestions for improvement
- Accidents at work
- Cases of damage with an impact on the environment

Non-conformities shall be analysed, evaluated and corrected where possible. A root cause analysis shall be carried out and, where necessary, appropriate corrective action shall be taken to prevent a recurrence of the non-conformity. The effectiveness of corrective actions taken shall be reviewed at appropriate intervals.

### Continuous improvement

The continuous improvement process of our management system is based on the PDCA cycle, which is in turn based on the Deming cycle. Every employee may contribute to the company's improvement with ideas and initiatives of their own.

Corrective measures are an active approach aimed at preventing the possible occurrence of non-conformities and further addressing the causes of possible non-compliance or other undesirable situations in order to prevent their occurrence. Various management tools are used to this end, including:

- Corporate policy
- Company objectives
- Results of internal and external audits
- Data analysis
- Corrective actions
- Management review

The results shall be documented and evaluated.

**Lean Management**

Lean management is used to optimise structures and processes as a whole, thus supporting the continuous improvement process.

Lean management is a cultural change that starts with a new way of thinking, and it is guided by a clear and uniformly understood goal.

It affects the entire value chain, and its goals are:

- Less waste
- Faster delivery by reducing turnaround times
- Reduction of processing costs
- Increased competitiveness by increasing customer satisfaction

## Revision history

Document version	Revision	Date
0	New creation	18/07/2003
1	Complete revision	14/12/2005
2	Health and safety protection revised	27/09/2007
3	Associated companies updated	25/05/2010
4	Health and safety protection revised	27/09/2010
5	Health and safety protection revised	01/11/2013
6	Revision due to BU organisation, requirements arising from DIN CEN ISO/TS 29001 incorporated	01/11/2015
7	Revision as per ISO 9001:2015	01/01/2018
8	Complete revision as per "high-level structure" Adapted to reflect current organisational structure	18/05/2020
9	Revision due to changeover to IMS/integration of ISO 14001 and ISO 45001	18/09/2023

## Annex 1 „AN.DSM-F-030 Corporate policy”

### The customer – our partner

Our customer's orders are the basis for our business success! The quality of our products and services ensure a high and sustainable customer satisfaction. For us, quality means meeting the expressed as well as the unspoken demands of our customers and interested parties in the best possible way. The quality of our products and services thus has a direct effect on the purchase decision, order placement and a long-term customer relationship. We act with all functional areas always in the interest of our customers and interested parties and want to be perceived as a reliable partner.

### Errors

We consistently eliminate sources of error and wastefulness of all kinds. The basis for this is systematic and transparent error recording and analysis. Error prevention has a higher priority than eliminating errors that have already occurred. Despite great care, errors may occur. We do not look for persons to blame, but analyse and eliminate the causes of the errors.

### Environmental protection and sustainability

It is our task to keep the effect of our company on our environment as low as possible, to avoid negative environmental impacts and to continuously reduce the ecological footprint of our company. We therefore pay special attention to saving energy and raw materials and also demand this from our suppliers. We regularly assess the environmental impact of our processes and products and derive improvement measures from this assessment. Compliance with legal regulations is a matter of principle for us.

### Occupational safety and health

All supervisors and employees are obliged to continuously improve the safety and thus the health of employees at the workplace, to prevent accidents, to identify and minimise hazards and to design workplaces ergonomically. To ensure this, we have implemented an occupational safety and health management system that is permanently being further developed with the involvement of all affected areas.

### Opportunities and risks

As part of our risk management, we assess potential risks in all processes at an early stage and initiate necessary measures to minimise them. Significant risks are responded to immediately and appropriately via defined communication channels. We consider opportunities to be aspects that have a preventive character and thus avoid errors, accidents and negative environmental impacts or open up new possibilities.

As part of the regular risk assessment, we have defined potential emergency scenarios and determined what is to be done in such cases in order to be able to react quickly and in a targeted manner.

### Processes

All processes are transparent and clearly defined. They are subject to a continuous improvement and development process to continuously improve their efficiency, environmental performance, health protection and customer satisfaction.

### Employees

Every employee is responsible for the quality of his or her work, his or her own health and safety, and for complying with and implementing existing regulations. Our employees recognise the importance of their personal contribution to the success of the company. We support them by positively designing their workplace, taking into account all safety-related aspects. We involve all employees in brainstorming and problem solving. Through targeted further training measures, they should also be able to cope with future tasks.

## Suppliers

We maintain a relationship with suppliers based on partnership. Value for money, quality and adherence to deadlines are prerequisites for successful cooperation. In case of deviations, we expect sustainable improvement from them. Together with our suppliers, we work to build sustainable supply chains and thus continuously minimise CO2 emissions within the supply chains.

## Compliance

As an internationally active company, R.STAHL Group enjoys an excellent reputation among the public, business partners and employees. Maintaining this reputation is our top priority. We therefore value integrity and have a high standard for ethically impeccable, legally and rule-compliant action. With our Code of Conduct, we commit ourselves for the R.STAHL Group to this claim and our responsibility towards our business and social environment as well as towards our globally active employees. Violations of the Code of Conduct, as well as incitement to violate it, will not be tolerated and will be consistently pursued and punished with all available means.

Waldenburg, 25.07.2023



Dr. Mathias Hallmann  
Vorstandsvorsitzender (CEO)



Martin Wilkens  
Senior Vice President GRC