

			Toimintatapaohje (Johtamiskäsikirja)	
Taso/Level Taso B	Tila/Status Hyväksytty	Tunniste/ID Procurement Eng	Versio/Rev. c	PROCUREMENT POLICY 1/9

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1. BACKGROUND

Leinolat Group consists of six companies, including Leinolat Ab, Leimec Oy, Kilkanen Oy, Uwira Oy, T-Drill Oy and Bobi.com Oy. Leinolat Group offers its customers comprehensive expertise, solutions and components for the metal industry.

2. GENERAL

The purpose of our procurement policy is to ensure that customer requirements are met, that by combining purchase volumes we achieve overall cost savings, and that procurement management and reporting support the procurement process.

Our procurement policy aims to harmonize procurement processes, considering operational efficiency and our ability to impact climate change. In addition, compliance with our attached Code of Ethics promotes responsibility and sustainability.

3. CORPORATE RESPONSIBILITY

Environmental impact: we aim to minimise the environmental impact of our procurement, for example by favouring low-carbon and energy-efficient products, circular economy solutions and renewable raw materials. We collaborate with our stakeholders to choose more environmentally sustainable solutions.

Ethics and human rights: we ensure that our supply chain adheres to our ethical principles and respects human rights. This may mean, for example, that we do not procure from unethical parties.

We require our suppliers to operate in accordance with local laws, including working hours laws and employee rights.

Local impact: where possible, we support local businesses and service providers, which contributes to local employment and the local economy.

Economic sustainability: Responsible procurement also means cost-effective and long-term sustainable solutions that support the financial stability and efficiency of our organisation.

We ensure our own and our customers' ability to compete and deliver.

4. SCOPE OF APPLICATION

The procurement policy and its annexes apply in the subsidiaries.

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5. SUPERVISION, MONITORING AND PROACTIVE ACTION

By auditing our suppliers, we ensure their ability to deliver services that meet our quality standards. We promote awareness of the Leinol Group's notification channel in our supply chain.

ANNEX: Leinol Group Code of Conduct

February 13, 2025

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Keimo Kalliosaari
CEO, Leinol Group Oy

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6. BACKGROUND

Oy Leinolat Ab, (Later Leinolat Group) is a group of six companies, which includes Oy Leinolat Ab, Leimec Oy, Kilkanen Oy, Uwira Oy, T-Drill Oy and Bobi.com Oy. Leinolat Group offers its customers comprehensive expertise, solutions, and components for the metal industry. This document (Code of Conduct for Suppliers) defines ethical guidelines for our suppliers. The guidelines reflect the values that Leinolat Group applies in its operations. Leinolat Group expects its suppliers to demonstrate professionalism, as well as continuous improvement in quality, cost management, reliability, and sustainable development, as described in this document.

Leinolat Group will review this guideline regularly and update it as necessary to ensure that it remains relevant to changes taking place in Leinolat Group's business and operating environment.

7. COMPLIANCE WITH LAWS AND AGREEMENTS

The Supplier shall comply with all applicable laws, regulations, and agreements. This Code does not replace or supersede applicable laws, regulations, or agreements, but sets out the minimum standards that the Supplier shall comply with.

If local laws, customs or practices conflict with this Code, the supplier must primarily comply with the law and secondarily this code to the extent reasonably possible.

8. BUSINESS PRACTICES

a. Conflict of interests

The supplier must avoid situations that could create a conflict of interest between Leinolat Group and the supplier. In a conflict-of-interest situation, we require the supplier to disclose the situation and recuse himself/herself from the case citing a possible conflict of interest.

b. General principles of conduct and action

Leinolat Group does not tolerate any form of discriminatory, harassing, or other inappropriate treatment and we are committed to providing equal opportunities for all our employees. We expect the same principle from our suppliers.

Leinolat Group treats its colleagues, customers and other stakeholders with respect and fairness. We expect the same from our suppliers. Our suppliers must

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always act in a transparent and fair manner, meaning we expect our suppliers to behave in a manner that is generally considered ethical.

9. HUMAN RIGHTS

The supplier must comply with internationally recognized human rights, including the UN Universal Declaration of Human Rights and the International Labour Organization Declaration on Fundamental Principles and Rights at Work.

10.FIGHTING CORRUPTION

Leinolat Group follows good business principles. We do not accept corruption or bribery in any form. We also require the same from our suppliers. In addition, we require our suppliers to comply with anti-corruption laws, directives, and regulations.

11.DATA PROTECTION

It is essential that all operations adhere to the highest standards of data security and ensure that the confidentiality and integrity of all data processed is maintained. Data collection and reporting should always respect the privacy of third parties. Disclosing confidential information without proper authorization can damage trust and violate the law. Suppliers should use secure tools and platforms, such as encrypted email connections and secure file transfer methods, to ensure the safe flow of information.

The Supplier shall not disclose information provided by Leinolat Group in confidence, except where the information is intended to be disclosed or where disclosure is required by law, regulation, or legal process.

The supplier does not share personal data with anyone other than its staff members and partners who have a legitimate business reason to process the data in accordance with applicable data protection legislation.

The supplier must immediately (to the extent permitted by law) inform Leinolat Group and take corrective measures if the security of Leinolat Group's confidential information in the supplier's possession may have been compromised.

12.SOCIAL RESPONSIBILITY

The supplier must provide a safe and healthy working environment for all employees and visitors of his organization, following the principle "We carry out all work safely, without endangering people"

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The supplier's production must meet the requirements of EU or national environmental legislation.

Leinolat Group reserves the right to monitor operations and conduct audits at the supplier's premises. A third party may also participate in the monitoring or auditing, if necessary.

13.LEINOLAT GROUP SOCIAL MEDIA ETHICS GUIDELINES

As a Leinolat Group supplier, we operate on social media in a social-smart manner – ethically and with respect for each other. We do not publish non-public information, such as contracts, received or unfinished deals, or personal data or photographs related to work-related matters without consent. We also do not publish material for which we do not own the copyright.

Additionally, our suppliers should always remember that social media communications are public and permanent. It is important that all posts are truthful and honest. We will not engage in discussions that could damage Leinolat Group's reputation or trust. Our suppliers should also avoid commenting negatively on competitors' activities. All social media communications must be conducted in a professional and respectful manner, keeping in mind Leinolat Group values and ethical principles.

14.ENVIRONMENTAL RESPONSIBILITY AND SUSTAINABILITY

Leinolat Group wants to reduce its own environmental impact through genuine actions. We value suppliers who work systematically and proactively to reduce their own environmental impact.

We encourage our suppliers to demonstrate their commitment to environmental protection, to calculate and reduce their carbon footprint through their own actions. We also encourage our suppliers to identify and manage environmental risks arising from production, to use resources efficiently, to reduce waste and wastage, and to favour renewable or low-impact energy sources.

The supplier must ensure that it has, maintains, and complies with all permits, licenses and registrations required for its operations.

The supplier must identify and comply with the laws and regulations that govern its operations.

Leinolat Group values a supplier who promotes the circular economy by producing recyclable products, such as packaging materials, facilitating the return of materials for recycling, and taking care of recycling in accordance with best practices of the circular economy.

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15. SUPPLY CHAIN

The supplier must monitor its supply chain in accordance with the applicable EU corporate responsibility directives.

This means that the supplier must ensure that all parties in the supply chain comply with the requirements set out in the EU Corporate Responsibility Directives. These requirements include, among others, respect for human rights, compliance with environmental protection principles and combating corruption and bribery. The supplier must also conduct regular inspections and audits of its supply chain to ensure that all parties act in accordance with these principles.

16. WHISTLEBLOWING – REPORTING A VIOLATION

The supplier must notify Leinolat Group of any legal action, administrative investigation or prosecution that could affect the business relationship between the supplier and Leinolat Group, or that could adversely affect the company's reputation. In addition, the supplier must promptly notify Leinolat Group of any other activity that it observes that is contrary to the Leinolat Group's ethical guidelines for suppliers in its own operations or in its supply chain. The notification can be made directly to Leinolat Group's contact person or anonymously using the company's reporting channel.

17. INTERNATIONAL SANCTIONS

Sanctions imposed by the European Community or other international actors are intended, as part of other foreign policy measures, to influence the policies or activities pursued by another state or group of people that are considered to threaten international peace and security.

Leinolat Group complies with international sanctions. We require our suppliers to comply with international sanctions.

Leinolat Group does not purchase raw materials or products originating from Russia or Belarus.

18. CONSEQUENCES OF VIOLATING THE INSTRUCTIONS

Critical deviations or repeated unwillingness to correct deficiencies identified in operations may result in the termination of our business relationship with the supplier.

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19. SCOPE OF APPLICATION

This Code of Conduct for Suppliers applies to all companies that supply materials, products, or services to Leinolat Group.

Vaasa, March 11, 2025

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Keimo Kalliosaari
CEO, Leinolat Group

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