



IIVARI
MONONEN

CODE OF
CONDUCT

ABOUT IIVARI MONONEN GROUP

The Iivari Mononen Group is a leading manufacturer of wooden poles in Europe, producer of high-quality impregnated wood products and a reliable builder and maintainer of both telecommunications and electricity networks.



VISION

livari Mononen Group is a customer-orientated partner for telecommunications and power distribution companies, as well as for the distribution chains in timber business. Our vision is to be the leading, profitable and financially solid company on our market area. We want to play a key role in the renewal and development of products and services in our business area.

Visions by business units are as follows:

POLES - The leading treated wood production company in Europe

TIMBER – Forerunner in premium quality treated timber production

EXSANE - The most reliable partner for telecom and electrical network companies





VALUES

Our operation is built upon the strong family entrepreneurship. Our Group's fundamental values are trust, courage, flexibility, sustainability and co-operation.

TRUST is built on long term relations with our suppliers, forest owners, subcontractors, customers and other stakeholders through long-term and in-depth cooperation in addition to keeping our promises.

We have **COURAGE** to believe in our objectives, to meet any challenge and to complete actions all the way to the end. We listen to our stakeholders, and we keep our promises.

FLEXIBILITY is a key factor in our dynamic operation and organisation. It is the foundation to our long-term customer relationships and profitable business operations.

SUSTAINABILITY drives our decision-making and activities to ensure that we leave responsible business operations for future generations.

Through good **COLLABORATION**, we help our colleagues and build partnerships on a long-term basis. This enables us to respond to the changing needs and requirements of our customers as well as possible.

MANAGEMENT COMMITMENT

The management of the Iivari Mononen Group is committed to comply, maintain, develop, and communicate the values, policies, processes and operating methods described in the operating system.

Furthermore, the group is committed to the continuous improvement of its operations using the most economically sound and environmentally friendly technology and expertise.

OPERATIONAL POLICY

All directors and employees of the companies belonging to the Iivari Mononen Group (hereinafter the Group) must comply with the high ethical principles and all laws, rules and regulations applicable to the Group's business operations. All companies in the group must comply with the values, policies and ethical guidelines and must supplement them with local laws and regulations if they impose stricter regulations. These are reviewed annually and, when necessary, to take into account the changes in legislation, best practices and business operations.

We require our suppliers to take systematic measures regarding the continuous improvement of the environment, climate, waste management, quality management, occupational safety, education, human rights, equality and information security, as well as the prevention

of corruption and compliance with the law, as well as taking care of the responsibility of the supply chain. We do not use conflict minerals in any form in our business and we comply with EU and PEFC regulations regarding wood products.

We evaluate the responsibility and compliance of our supply chain regularly to ensure that our partners also follow these guidelines.

The Group has a quality and environmental management system certified in accordance with standards ISO9001:2015 and ISO14001:2015. The Managing directors of the business units are responsible for implementing and complying of management system in accordance of this document. Employees of Group are encouraged to make development proposals for improving system.



QUALITY POLICY

The Group's products and services must comply with requirements from our customers and regulators. Group primary quality objective is to achieve maximal customer satisfaction especially with the reliability of delivery of our products and services. Providing a quality products and services includes recognising and understanding the needs and expectations of our customers and end users while satisfying the requirements of statutory and regulatory authorities. The involvement of all levels of staff contributes in recognising, analysing and acting upon these needs and expectations.

The Group has a quality and environmental management system certified in accordance with ISO 9001:2015 and ISO 14001:2015 to help achieve our goal of total customer satisfaction, confidence and continual improvement.



SUSTAINABILITY, ENVIRONMENTAL AND CLIMATE POLICY

Environmental consideration in all stages of production life cycle is an important factor to us when promoting sustainable development. The group is committed to the continuous improvement of its operations using the most economically sound and environmentally friendly technology and expertise. We also want to play a key role in the research and development in our business area. Group environmental objectives include improving the products and production technology in such a way that the effect on the environment is reduced. Our goal is to develop new environmentally friendly treatment methods and improve the recyclability of our products. We also aim at the continuous development of the staff's skills and working methods in order to reduce the amount of by-products and waste. Every employee in the Group is responsible for reducing their environmental load and for improving

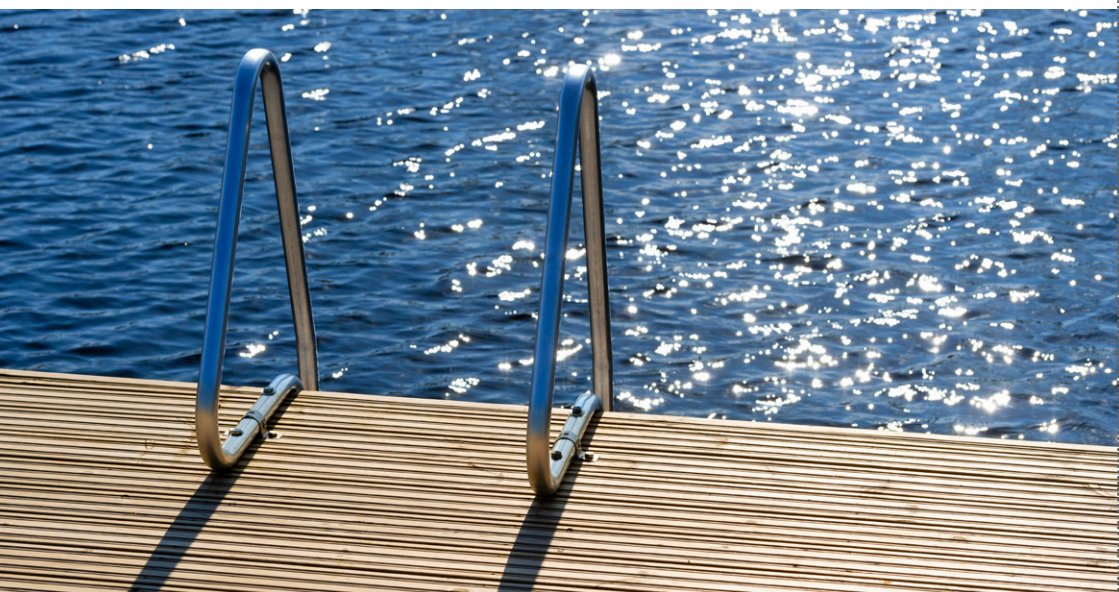
our operations to meet the environmental objectives. Our goal is to be a carbon-neutral group by 2035. The climate impacts of Group are calculated and analysed annually in accordance of GHG protocol and measures to mitigate climate impacts are determined on the basis of a climate impact analysis.

The Group has a quality and environmental management system certified in accordance with ISO 9001: 2015 and ISO 14001: 2015 to help achieve climate neutrality and continuous improvement of environmental issues. Group's all wood raw material comes from PEFC controlled sources i.e. wood raw material originates in sustainably managed forests.

STAKEHOLDER RELATIONS POLICY

In its relations with stakeholders, the Group accepts and promotes the following basic principles:

1. Development of a responsible business model in order to be an innovative, transparent, integrating, open, and committed company, capable of creating sustainable value for all its Stakeholders on a shared basis therewith.
2. Maintenance of a strategy for strong involvement in the communities in which it operates.
3. Allocation of the necessary resources to the proactive, continued, and systematic establishment of fluid channels for dialogue with our stakeholders, to establish balanced relationships between corporate values and social expectations, taking into account their interests, concerns and needs.
4. Having a dynamic organisational structure that allows the promotion and coordination of responsible actions with the stakeholders, and using various instruments to favour communication and dialogue therewith: direct contact, the Group's corporate website, the websites maintained by the different companies of the Group, and the Group's proactive presence on social media.
5. The Group's commitment in connection with business ethics and corporate social responsibility and, in particular, the principles of business honesty and transparency as drivers of credibility and mutual trust, are the foundations on which the Group builds its relations with stakeholders.
6. In decision-making processes that may have potential impacts on the local population, the Group is aware of and takes into account the viewpoints and expectations of affected communities through processes of consultation, which vary depending on the country and business in question, according to applicable law, and which may be supplemented by other processes carried out voluntarily, when it is so deemed appropriate.
7. The Group publishes annually financial and non-financial information on its activities, following a generally accepted method in the case of non-financial information, and subjecting such information to independent external verification, if appropriate.



OCCUPATIONAL HEALTH AND SAFETY POLICY

The Group is committed to safety and avoid damage to people or environment. The conditions for a safe and healthy work environment are provided for all employees. Reporting of unsafe conditions is supported. All employees are expected to operate and behave responsibly towards other persons and environment. Threats, intimidation and violence are not tolerated.

We are committed to identifying and systematically reducing occupational health and safety risks and hazards, and to consulting and involving personnel in occupational health and safety matters. Occupational health and safety

issues are developed in co-operation with the personnel with the aim of ensuring a healthy and safe work environment for everyone. The aim is to use working methods that are cost-effective and safe in order to improve and develop working conditions. The Iivari Mononen Group's occupational health and safety targets are defined annually by management.

We want to emphasize responsibility more and more. For us, responsibility means taking care of the environment, the well-being and safety of our employees, and customer satisfaction.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group is committed to full compliance with all applicable national and international laws and regulations in every country it is operating. These include, among others, laws and regulations related to securities markets, such as insider regulation, corporate governan-

ce, taxation, fair competition, product safety, intellectual property as well as employee rights. In situation where the law does not give the guidance, the Group applies its own standards based on its Group values and culture.

HUMAN RIGHTS AND EQUAL OPPORTUNITIES

The Group supports and respects the protection of human rights as expressed in the United Nations' Universal Declaration of Human Rights. These rights are considered as fundamental and universal and include aspects such as freedom from any discrimination based on race, creed, nationality, ethnic origin, age, religion, gender, sexual orientation, marital status, disability, or other status as well as freedom of association, the effective recognition of the right to collective bargaining, and equality of opportunity and treatment. Workplace diversity at all levels is encouraged. All people shall be treated with fairness, respect and dignity.

No form of forced, compulsory or child labour is tolerated in the Group. The minimum employment age is the age of completion of compulsory school and as defined in local jurisdiction.

Modern slavery is a crime and a violation of fundamental human rights. We have a zero-tolerance approach to modern slavery. We are committed to acting ethically, with integrity in all our business dealings and relationships, to implement and enforce effective systems and controls to ensure modern slavery is not taking place anywhere in our own business or our supply chain.

BUSINESS CONDUCT, RELATIONS WITH BUSINESS PARTNERS AND ANTI-BRIBERY

Employees at all levels throughout the Group are encouraged to make the fullest contribution and in doing so act responsibly and in the best interest of the company. Consequently, the Group's employees must avoid situations where their personal interest may conflict with those of the Group. The establishment of business relationships must be based on objective criteria. Therefore, the employees must not offer, make, seek or accept to or from actual or potential business partners, governments, agencies or representatives of such organisations any such gifts, payments or services, which might reasonably be believed to influence business transactions and which exceed normal standards of hospitality or would otherwise violate either applicable laws or reasonable and generally accepted business practices.

The Group and its employees will not give or offer to give bribes or illicit payments to any third parties, such as public officials or business partners, to obtain or retain business. The Group encourages all business partners within its sphere of influence to adopt these principles, in the assessment of potential and current suppliers, the principles described in this document shall be applied.

IPR AND OTHER INTANGIBLE ASSETS

The Group respects trade secrets as well as intellectual property rights and engages in transferring technology and know-how in a manner that protects these rights. The Group secures and defends its trade secrets and intellectual properties, also including information that suppliers, customers or other stakeholders have entrusted to the Group.

COMMUNICATION

The general principles of our internal and external communication are reliability, transparency and speed, as well as compliance with the law, government regulations, and our own guidelines.





ETHICAL STANDARDS OF OUR SUPPLIERS

The group sources components and materials for its manufacturing processes from a number of countries. Whilst there are differences in standards in relation to many aspects of the wider business environment, the Group expects its suppliers and contractors to demonstrate similar high ethical standards and compliance with appropriate legislation. The suppliers are chosen with care and based on objective factors such as quality, reliability, security of deliveries, environmental and climate effects and price factors.

PRIVACY

Data protection is part of the protection of privacy guaranteed by the Constitution. Everyone in the Group is responsible for complying with data protection in their own duties, so that personal data remains secure and does not fall into the wrong hands. Our employees, customers and partners have the right to trust that we act responsibly.

IMPLEMENTATION AND COMPLIANCE

It is the responsibility of the directors to communicate and demonstrate the content and the spirit of this document within their organisations and to encourage employees to reveal behavior that may be non-compliant with these principles. Reports of the violations of this Code of Conduct may be done anonymously through the Group's whistleblowing channel or confidentially to the managing director of the Group. Persons reporting violations in good faith will not be subject to retaliation.

This Code of Conduct will be promptly and consistently enforced. Failure to comply with its provisions can result in disciplinary actions.

Code of Conduct of the Iivari Mononen Group is a public document, available to all stakeholders.

Iivari Mononen Oy
Ari Mononen
CEO

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SCAN|POLE

PRIMA|TIMBER

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