



IIVARI

MONONEN

CODE OF CONDUCT

October 2023

IIVARI MONONEN GROUP

The Iivari Mononen Group is a leading manufacturer of wooden poles in Europe and a manufacturer of high-quality impregnated wood products.

The business areas of the Iivari Mononen Group are Pole and Fence Post Business (Scanpole) and Timber Business (PrimaTimber).

The following subsidiaries belong to the Group:

Scanpole Oy, Scanpole Ab, Scanpole AS, Scanpole Ltd, Burt Boulton & Haywood Ltd and PrimaTimber Oy.



VISION

Iivari 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 - Leading impregnated wood production company in Europe

TIMBER – Forerunner in premium quality treated timber production





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.

OPERATING POLICY

The Iivari Mononen Group is committed to responsible and sustainable business throughout the value chain. These operating guidelines cover generally regulated requirements for our operations and remind us of the good principles we want to work by.

All managers and employees of the companies belonging to the Iivari Mononen Group (hereinafter the Group) must adhere to high ethical principles and all laws, rules and regulations applicable to the Group's business.

All companies belonging to the Group must adhere to these values, policies and ethical guidelines and they must be supplemented with local laws and regulations if they set stricter rules. These are reviewed annually and as needed to take into account legislation, best practices and business needs.

We regularly assess the responsibility and compliance of our supply chain to ensure that our partners also comply with this guidance.

We require our suppliers to take systematic measures for the continuous improvement of the environment, climate, waste management, quality management, occupational safety, training, human rights, equality and information security, as well as the prevention of corruption and compliance with legislation and the responsibility of the supply chain.

By "Supplier" we mean all individuals or organizations that supply products or services to the Group and its subsidiaries or that provide products or services on behalf of the Group or its subsidiaries.

The supplier must ensure that the supplier's own suppliers and subcontractors also comply with these operating guidelines or the supplier's corresponding operating guidelines, and take full responsibility for the subcontractor's operations.

The Group has a quality and environmental management system certified according to ISO9001:2015 and ISO14001:2015 standards.

The Group is also committed to continuous improvement in its operations using the best economically viable technology and expertise that takes into account environmental considerations.



RESPONSIBLE OPERATION

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

All employees of the Group at every level are expected to act responsibly and in the interest of the company. Group employees must avoid situations where their personal interest may conflict with the interests of the Group. The establishment of business relationships must be based on objective criteria.

Therefore, employees may not offer, make, seek or accept any gifts, payments or services to or from actual or potential business partners, governments, agencies or representatives of such organizations that may affect business transactions and that exceed the usual norms of hospitality or otherwise violate either applicable laws or reasonable and generally accepted business practices. The Group and its employees may not donate or offer bribes or illegal payments to third parties, such as authorities or business partners, to acquire or retain business.

The Group requires that its suppliers do not participate in any form of corruption or bribery,

either by giving or receiving bribes. Excessive hospitality related to business should be avoided so that it does not improperly affect business-related decisions.

Participation in or financing of money laundering, terrorist and criminal activity is strictly prohibited. Suppliers must comply with all applicable sanction programs.

Suppliers must commit to fair competition in accordance with applicable competition law and refuse, for example, to agree on prices, limit production, share markets and customers, or exchange information with competitors.

The above principles are followed in the evaluation of potential and current suppliers.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group is committed to complying with all applicable national and international laws and regulations in all its operating countries. These include, among others, laws and regulations related to securities markets, such as insider regulation, corporate governance, taxation, fair competition, product safety, intellectual property, and employee rights.

In a situation where the law does not provide guidance, the Group applies its own standards, which are based on the Group's values and culture.

SUSTAINABLE DEVELOPMENT, ENVIRONMENT AND CLIMATE

Considering the environment at different stages of the product life cycle is an important factor for us in promoting sustainable development. The Group is committed to the continuous improvement of its operations using the best economically viable technology and expertise that takes into account environmental considerations.

Our goal is to be a carbon-neutral group by 2035 in terms of our own operations (Scope 1 and 2). We actively monitor and report on greenhouse gas emissions from our own operations and value chain. The Group's climate impacts are calculated annually according to the GHG protocol and measures to mitigate climate impacts are determined based on the analysis of climate impacts.

The Group is committed to using resources efficiently and ensuring adequate procedures to minimize the negative environmental impacts of its operations. Areas to consider include emissions and energy use, water use and wastewater, raw materials, pollution, storage and handling of chemicals, hazardous substances, and waste.

The Group's environmental objectives are to develop products and production technology to reduce environmental impact and thus act as a guide for research and development. We want to develop new, more environmentally friendly

impregnation methods and improve staff expertise in reducing the amount of by-products and waste load.

Every employee of the Group is responsible for environmental issues and reducing environmental impact and developing operations in accordance with the environmental goals set by the Group.

The Group has a quality and environmental system certified according to ISO 9001:2015 and ISO 14001:2015, which helps to achieve climate neutrality and continuously improve environmental issues. The Group has PEFC-certificate, which ensures that the wood comes from legal and authorized sources.

The Group expects its suppliers to commit to the Group's environmental and climate policy and to comply with them in their own operations.

The supplier must be prepared to provide information related to their environmental work at the request of the Group, which may be needed in environmental assessments, product life cycle assessments and/or product declarations and packaging labels. The supplier is responsible for informing the Group of environmental violations and complaints if the effects extend to the Group.



OCCUPATIONAL HEALTH AND SAFETY

The Group is committed to safety and avoiding harm to people or the environment. A safe and healthy work environment is provided for all employees.

The Group takes care of the necessary measures to prevent hazardous situations and accidents, such as appropriate protective measures, work methods, workplace inspections, emergency plans, and protective equipment.

All employees are expected to act and behave responsibly towards other people and the environment. Threatening, intimidation, and violence are not tolerated.

We are committed to identifying and systematically reducing occupational health and safety risks and hazards, and to hearing and involving staff in occupational health and safety issues. Occupational health and safety issues are developed in cooperation with the staff with the aim of ensuring a healthy and safe working environment for everyone. Methods that are cost-effective and safe are used to improve and develop working conditions. The occupational health and safety objectives of the Iivari Mononen Group are defined annually by management.

The Group monitors the effectiveness of its occupational health and safety measures, keeps a record of hazardous situations, reports and investigates all occupational accidents.

The culture of occupational health and safety is promoted by communicating openly about issues. Employees are encouraged to report grievances.

Suppliers must comply with all occupational health, safety, and hygiene requirements applicable in the Group and ensure that the working environment is healthy and safe for employees, visitors, and subcontractors acting on behalf of the supplier.



ANTI SLAVERY, DISCRIMINATION, INCLUSION, FORCED AND CHILD LABOR, HUMAN TRAFFICKING, HUMAN RIGHTS AND EQUALITY

The Group supports and respects human rights, as expressed in the UN Declaration of Human Rights. These rights are fundamental and universal, such as freedom from discrimination based on race, creed, nationality, ethnic origin, age, religion, gender, sexual orientation, marital status, disability, or freedom of association, collective bargaining, and equal opportunities and treatment. Diversity at work is encouraged at all levels. All people are treated fairly, respectfully, and with dignity.

The Group condemns all harassment (physical, psychological, verbal, and sexual) and exploitation of employees. No form of forced labor, debt-bound labor, or child labor is tolerated in the Group. The minimum working age is the age of completion of compulsory education in accordance with local legislation.

Employment contracts are made in writing and wages are paid in accordance with the collective agreement. Working hours comply with the working hours stipulated in applicable laws and collective agreements.

Suppliers must comply with the same human rights and equality principles for their employees and subcontractors that the Group is committed to.



DATA PROTECTION

Data protection is part of the privacy protection guaranteed by the constitution. Everyone in the Group is responsible in their own tasks for complying with data protection so that personal data remains safe and does not fall into the wrong hands. Our employees, customers, and partners have the right to trust our responsible operations.

The Group processes personal data lawfully, carefully, and in accordance with good data processing practice, and otherwise acts in such a way that the privacy of the registered persons and other fundamental rights securing privacy are not restricted without a statutory basis.

The Group has an appropriate business continuity plan to mitigate the effects of potential terrorist acts, crimes, business threats, pandemics, natural upheavals, or major accidents.

Suppliers commit to following the same data security principles as the Group. The supplier must keep all personal data received from the Group confidential and ensure that persons who have the right to process personal data have committed to confidentiality, and ensure that personal data is not transferred/disclosed to third parties without the prior written consent of the controller, unless the processor is obliged to disclose information on the basis of compelling legislation or an authority's order.

The supplier may process personal data only for the purposes defined in the assignment agreement and the agreement on the processing of personal data, only to the extent necessary for the service resulting from the customer's assignment, and only for the duration of this agreement, unless otherwise required by mandatory legislation.





QUALITY POLICY

The quality of the Group's products and services must meet customer and regulatory requirements. The Group's goal is to achieve maximum customer satisfaction, especially in terms of the reliability of product and service delivery. Providing quality products and services includes identifying and understanding the needs and expectations of customers and end-users while complying with statutory and regulatory requirements. All staff of the Group participate in identifying, analyzing, and responding to these needs and expectations.

The Group has a quality and environmental system certified according to ISO 9001:2015 and ISO 14001:2015, which helps to achieve the goals of customer satisfaction, trust, and continuous improvement. The managing directors of the business units are responsible for implementing and complying with the management system in accordance with this document. Employees are encouraged to make suggestions for improving the entire system.

IPR AND OTHER INTANGIBLE ASSETS

The Group respects trade secrets and copyrights and practices technology and skill transfer in a way that protects these rights. The Group protects and defends its trade secrets and intellectual property rights, including information that suppliers, customers, or other partners have entrusted to the Group.

STAKEHOLDERS

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

1. Developing a responsible business model as an innovative, transparent, integrated, open, and committed company capable of creating sustainable value for all its stakeholders on a common basis.
2. Maintaining a strategy to ensure strong participation in the communities in which it operates.
3. Allocating the necessary resources to smooth communication channels to establish proactive, continuous, and systematic dialogue with stakeholders to create balanced relationships between corporate values and social expectations, taking into account their interests, concerns, and needs.
4. A dynamic organizational structure that enables the promotion and coordination of responsible action with stakeholders, using various tools to promote communication and dialogue: direct contacts, websites maintained by the Group and its various companies, and the group's proactive presence on social media.
5. The Group is committed to high ethics and corporate social responsibility in its business, especially to the principles of business honesty and transparency, which create credibility and mutual trust with stakeholders.
6. In decision-making processes that may have potential impacts on the local population, the Group is aware and takes into account the views and expectations of the relevant communities through negotiation processes, which vary by country and company according to applicable law and which can be supplemented by other voluntarily conducted processes if deemed appropriate. The Group publishes annual financial and other information about its operations following generally accepted methods for non-financial information. If necessary, such information can be reviewed by an independent external auditor.



COMMUNICATION

The general principles in our internal and external communication are reliability, transparency, and speed, as well as compliance with the law, regulatory provisions, and our own guidelines.

IMPLEMENTATION, COMPLIANCE, AND MONITORING

Supervisors are responsible for informing and setting an example of compliance with the principles of this document in their organizations and encouraging employees to report actions that may be contrary to these principles. Violations of this document can be reported anonymously through the group's Whistleblow channel or confidentially to the group's CEO.

Suppliers are required to allow the group or a third party appointed by the group to monitor compliance with these operating instructions. Suppliers must be prepared for dialogue, the disclosure of certain information, and also the auditing of their operations if the group deems it necessary.

This Code of Conduct guideline is implemented quickly and consistently. Failure to comply with the provisions may lead to disciplinary action.

The Iivari Mononen Group's Code of Conduct is a public document available to all stakeholders.





IIVARI --- MONONEN

Iivari Mononen Oy

Länsikatu 15

80110 Joensuu

+358 20 733 0500

www.iivarimononen.fi

SCAN|POLE

PRIMA|TIMBER