

SUSTAINABLE PROCUREMENT POLICY

As a trading company, procurement lies at the core of our business. We recognize that improving our procurement performance is an ongoing process and that our suppliers, both large and small, are important partners in our journey to improve our social, environmental and ethical performance.

In addition, we aim to reduce the total cost of ownership of our parts and ensure a supply chain without any disruptions. This policy applies to all procurement operations carried out in all of Bufab's subsidiaries. Each subsidiary shall either implement this policy or implement a similar policy at least as strict.

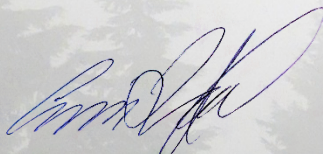
- When conducting business, Bufab employees shall deal in a fair manner with all individuals and shall not take advantage of anyone through any action regarded as unfair competition.
- By utilizing a risk-based approach we evaluate our supply chain so we can optimize our improvement efforts to reach the largest effect, using different tools for different risk levels.
- Foster innovation in our supplier markets to increase the availability and effectiveness of sustainable solutions that meet our organizational requirements.
- Encourage our suppliers to adopt practices that minimize their environmental impact and deliver community benefits in relation to their own operations and throughout the supply chains in which they operate.
- Work in partnership with suppliers to achieve our common goals and continually improve performance over time.

Select logistics partners that have Corporate Social Responsibility goals in line with our own. This way we can actively work towards lowering our greenhouse gas (GHG) emissions.

Screen our upstream supply chain on the use of conflict minerals and phase out suppliers that are not compliant.

Goals to the policy:

- All our approved (A, B, C) supplier must sign our Supplier Code of Conduct.
- CSR assessment will be performed on all A suppliers by 2025.
- 100% of our suppliers evaluated and screened on conflict minerals.



Carina Lööf, Global Sourcing Director, Bufab Group