



Anora procurement policy

Statement of policy

The policy of Anora Group Plc is to obtain the best value for the materials, goods, and services that it purchases from, and to maintain the highest ethical standards in dealing with its suppliers. Value includes sustainability, price, quality, service, creditworthiness, and capital adequacy.

Background

On a worldwide basis, purchased goods and services are Anora Group's largest expense area. Therefore, it is imperative that Anora Group uses its purchasing leverage to ensure that goods and services are procured at the lowest cost, highest quality, competitive lead time and optimal service, including delivery.

Guiding principles

Procurement and sourcing departments are the sole authorized agencies of Anora Group and its subsidiaries for the procurement of materials, goods, and services. All buying, including commitments to buy and related activities, will be handled by the procurement and sourcing departments (direct materials, indirect services and materials, and barley and wine sourcing).

Anora's [Sustainability Roadmap 2030](#) stresses fair and transparent value chain as one of its focus areas. Anora is also committed to setting science-based targets, including emissions in the value chain (scope 3). We want to assess and mitigate the negative impacts on human rights and environment in our global value chain through sustainable procurement. The most important aspects of sustainable procurement are food safety, supply chain transparency, social responsibility and environmental responsibility. Together with various functions, we ensure the quality, safety and origin of the raw materials, as well as the compliance of the packaging. We require that our suppliers and subcontractors also commit to our responsible way of operating. We comply with EU and local legislation in our operating countries in all procurement.

1. Purchasing needs arise in a variety of contexts. In some cases, the company unit with a purchasing need may wish to engage prospective suppliers in preliminary discussions. In other cases, the company unit may decide to ask purchasing department to deal with prospective suppliers. In no case should a company unit commit the company to a purchase without involving the appropriate procurement or sourcing department.
2. Approved purchasing processes must be used in every case, to ensure that the supplier is selected objectively. Frequently, competitive tendering (RFQs) is used in order to obtain best value.
3. Approved contracts, developed by procurement and the legal department, including approved templates or Anora purchase orders, are used wherever possible to ensure that the company's (i) interests are fully protected and (ii) purchasing initiatives are appropriately implemented. Forms provided by suppliers should be used only in exceptional circumstances, and only with the prior approval of procurement or the legal department. Letters of intent, which are by definition non-binding, are discouraged, and should not be used without the prior approval of procurement and the legal department.
4. Anora Group credit policy defines the credit limit decision ladder if an advance payment cannot be avoided without threatening the business relationship and/or critical supply of goods. Finance operations (FO) co-ordinates any advance payment process.
5. The minimum payment term is 30 days of the receipt of a correctly issued invoice. If Anora fails to pay any amount properly due and payable by it, the supplier shall have the right to charge interest on the

overdue amount in accordance with the Finnish Interest Act (Korkolaki, 633/1982). This clause shall not apply to payments that Anora disputes in good faith.

6. Only employees specifically authorized may sign purchase agreements on behalf of the company approval policy. Agreements signed by unauthorized personnel, as well as oral commitments, compromise the company's ability to control the process by which it incurs obligations, and expose the company to unnecessary risks.

Requirements for suppliers

Product quality and safety is of utmost importance to Anora. Anora requires following standards and requirements to its suppliers:

1. Food product or raw material suppliers must comply with food safety standards ISO22000/BRC/IFS or equivalent (or have a solid plan how to achieve this standard).
2. Raw materials that are in direct contact with beverages must comply with quality standard ISO9001 or equivalent (or have a solid plan how to achieve this).
3. Agricultural products (barley, wine) must be produced by following good agricultural practice.
4. All Suppliers must follow good social and environmental sustainability principles, and in addition suppliers of raw materials must sign Anora's code of conduct for suppliers with reference also to amfori BSCI code of conduct. In addition to this, suppliers from risk countries ([amfori BSCI risk country list](#)) must comply with Fair for Life/Fair Trade/SA8000/Wieta/Bonsucro/Equalitas or equivalent standard or have undergone an amfori BSCI audit (or have solid plan how to comply with this requirement.).
5. All supplier must be willing to take part in evaluation procedures to ensure compliance with amfori BSCI principles, risk country suppliers (amfori BSCI risk country list) will be more likely to be part of audits or other risk mitigation actions.
6. Sufficient creditworthiness evidenced by credit information report every second year from strategic suppliers and all new ones.

Different purchase categories may have their own special quality etc. instructions that are not mentioned in this General Procurement policy.