



RESPONSIBILITY
AT MIPRO GROUP LTD OY
COMMUNICATION ON PROGRESS (COP)
REPORT 2022

MIPROGROUP

MIPRO GROUP LTD OY - COMMUNICATION ON PROGRESS (COP) REPORT

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This document is the Communication on Progress (COP) report for Mipro Group Ltd Oy covering the reporting period of 28.04.2022 – 30.3.2023. We publish it late this year as the UN Global Compact COP reporting should have gone digital this spring but, for reasons beyond our control, this has not happened yet.

STATEMENT BY THE CHAIRMAN OF THE BOARD

In Mikkeli, Finland, on the 20th July 2023,

To our stakeholders,

We are pleased to confirm that Mipro Group Ltd Oy and its subsidiaries support the United Nations Global Compact, including each of the Ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption.


In this annual Communication on Progress report, we describe our practical actions and achieved outcomes of integrating the Global Compact and each issue area with its principles into our business strategy, company culture and daily operations.

We commit to share this information with our stakeholders using our primary channels of communication.

Faithfully yours,



Stina-Maria Snäll
Chairman of the Board



At Mipro Group, we have always been engrossed in the things we do for the community. Operating in the field of functional and environmental safety, we understand our responsibility and impact on providing safe and functional solutions for mass transportation and providing clean water. We want to be part of sustainable future.

ABOUT THE COMPANY AND COP

Since 1980, at Mipro Group, we have always been engaged in building safe and well-functioning communities. Reliable and responsible operations have always been an integral part of Mipro Group's activities, vision and values. Throughout the company's history, it has been of the highest priority for the owners and the management to do things right and keep our promises.

Mipro Group has special expertise in functional safety and process control; we supply safety related solutions to rail traffic and water utilities ensuring the safety and continuity of public transport, wastewater treatment, and supply of process and potable water. Customers and the legislation set strict requirements for our products and services in regard to reliability, availability and safety. Hence, responsibility is of utmost importance for us in our daily business.

We want to actively be part of building and improving communities and see the value and opportunity in building a successful company through both our local and global involvement in social responsibility.

Responsibility reporting and endeavours are important for us; we communicate our values to our stakeholders through them and encourage other small and medium sized enterprises to participate. We strive to be in that group of companies that has a pervasive approach to corporate social responsibility and has made it a natural part of their daily operations.

A new member of Board of Directors was introduced in Mipro Group in January 2023. The Board of Directors continues its work altogether with five members. This addition of a new member strengthens and expands the board's expertise in sustainability and corporate governance to the level applicable in multi-national, global corporations.

Over the recent years our customers, personnel and job applicants have had a growing interest in corporate responsibility. Matters of responsibility are increasingly discussed; employees have taken initiatives related to responsibility. Mipro Group wants to be a part of this movement.

WE ARE A RELIABLE EXPERT COMPANY AND TRUSTWORTHY PARTNER. WE COMPLY WITH THE FOLLOWING OPERATING POLICY.

WE LISTEN TO

We listen to the customer: what are their problems and needs. We provide systems and services according to our customers' needs at all life-cycle phases.

WE PAY ATTENTION TO

We pay attention to the group's objectives, profitability and competitiveness. We develop our operations to improve our performance.

WE ACT

We do right things at the right time. We keep what we have promised. We act reliably and follow the requirements of customers and authorities, and comply with the agreed operating policy. We ensure the correct quality and safety in all tasks.

WE DEVELOP

We develop our own skills and expertise and that of our team on a continuous basis. We develop innovative, cost-effective and environmentally friendly solutions to meet customer needs.

MIPRO

FOCUS ON PREPAREDNESS AND CONTINUITY

THE PRINCIPLES

Due to the external factors still in force, to the sadness and sorrow of all of us, the reporting period was strongly characterised by the themes of Preparedness and Continuity. As a company integrally bound to the transport and water sectors' critical infrastructure, we took our stand in securing the National Supply. We understand, and commit into, our role in securing the availability of infrastructure at all times, even the exceptional ones. We highly appreciate the training and support we have received from the governmental agencies in this regard.

We strongly believe that active participation by the personnel and their opportunity to prosper at work are the key ingredients in good business performance, but also in the resilience of the operation. As a part of that, we stay committed to long-term continuity and our goal is to retain and strengthen our basic values, our commitment to the ten UNGC Principles¹ in the four issue areas, and our long-term operating policy of doing the right thing.



SUSTAINABLE DEVELOPMENT GOALS

The UN Global Compact is driving business awareness and action in support of achieving the UN's 2030 Agenda for Sustainable Development and the 17 Sustainable Development Goals (SDGs). Since we supply safety related systems to rail traffic and water utilities, our solutions have a direct impact on a number of the SDGs. We can have a significant positive effect on these goals locally, as we conduct our business responsibly and strive for new enhanced solutions. Although, as a regional – mainly Finland, Estonia – and a medium size – approximately 150 employees – company, our impact in the global context is relatively small, we believe that even the smallest act is of great significance for achieving the SDGs. In our own operations, we have already set our standards at a high level in terms of many SDGs. However, we recognise the risk of adverse development and need for continuous effort going forward.



¹ www.unglobalcompact.org/what-is-gc/mission/principles

HUMAN RIGHTS PRINCIPLES

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2: make sure that they are not complicit in human rights abuses.

ASSESSMENT, POLICY AND GOALS

Our commitment is to adhere to all aspects of the Declaration of Human Rights, and through our own example and actions to influence all our stakeholders and business partners to set their standards to a similar level. We also comply with ILO Protocols and Recommendations, to the same level of detail as with the Declaration.

Mipro Group is based in rather stable European Union member states, where the legal framework and its application provide a solid foundation for compliance with human rights principles. Our focus shall be in the monitoring of our supply chain for the same standard as is traditionally applied at home locations.

When we employ professionals from outside the European Union, we support the co-location of their families.

LABOUR PRINCIPLES

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Our goal is to adhere to the labour principles stated in the Global Compact. As Finnish and Estonian law comply with the labour principles set by the ILO conventions, we trust that we fulfil the labour principles to satisfactory levels when operating in Finland and Estonia. However, we realise that we need to pay attention to recruitment and rights of employees when operating abroad and to our dealings with foreign stakeholders, should the need arise.

A competent and committed personnel has been one of the company's main assets through its history

IMPLEMENTATION AND OUTCOMES

Our employees have been informed of the contents of the Declaration of Human Rights as well the ILO Protocols, and have been advised to look for and report any breaches of its contents caused either by our own actions or by our stakeholders. The Management System is reviewed periodically to ensure that human rights principles are appropriately taken into account in our daily operations.

Mipro Group has not recognised being even implicitly involved in any breaches of human rights principles during the reporting period.

and so it will be in the future. In addition to full legal compliance, we measure employee satisfaction with regular employee satisfaction surveys, and use the results to improve working conditions. Also, the surveys themselves remain a subject for continuous improvement.

We are committed to comply with labour legislation and we want to be a good and fair employer.



COLLECTIVE BARGAINING

ASSESSMENT, POLICY AND GOALS

The legal framework in our operating countries support the free association of employees. The company policy is to encourage employees to be fully aware of their rights. Despite the support from the Group, the overall popularity of employees' association has been in the decline.

IMPLEMENTATION AND OUTCOMES

Our employees have been informed of the labour principles and contents of the ILO conventions, and have been advised to report any breaches of these terms should they come across any. Even though the employees have not nominated union representatives, we fully comply with the collective bargaining agreement applicable to the trade. All our employees have contracts of employment adhering to Finnish and Estonian labour laws. Our recruitment process is designed to prevent any (even unintentional) possibility of breaching the contents of ILO conventions regarding child labour, forced labour or discrimination. We avoid using labour providing companies if there is even the slightest question of transparency in the employees' rights.

We are committed to reach, and to exceed, the legally required level of employee co-operation procedures, and enjoy the results in the form of employees' better awareness and understanding of our purpose and the status of affairs.

We provide training to our managers in matters related to labour legislation to ensure that we act correctly and in accordance with the laws. We support the knowledge of employees about labour legislation by making copies of the labour legislation available in employee cafeterias. In addition, labour legislation documents are also available on our intranet.

As a part of our internal purchasing and partner management procedures, we discuss the labour principles with our partners and subcontractors. We provide our smaller partners with feedback, information and our experience that may help them to develop their own practices in relation to labour principles.

Mipro Group has not been involved in any breaches of labour principles during

EQUAL OPPORTUNITIES AND DEVELOPMENT

ASSESSMENT, POLICY AND GOALS

We recognise the importance of a diverse, skilled workforce for our success. We are committed to creating a corporate culture that provides all employees with equal opportunities. We are dedicated to providing our employees with possibilities to develop their skills and knowledge in order to support their work and personal development at different stages of their careers.

IMPLEMENTATION AND OUTCOMES

Equality of personnel is the principle guiding the company's operations and the basis for the gender equality and non-discrimination plan required by the law. No one is discriminated against and everyone is treated equally in connection with recruitment, application for training, career development, division of labour, and other issues related to work and the workplace regardless of their age, language, ethnic or national origin, nationality, religion or belief, opinion, disability, health, sexual orientation, family relationships, political or labour union activity, or other reason related to the person. The company respects persons with different characteristics, such as young people, elderly people, people with disabilities, people of different origin, people of different religion or belief, people who live in a registered relationship, or people who are politically active. Efforts are made to continuously develop the company's practices in a manner that takes the requirement for gender equality and non-discrimination into account.

The company applies a zero-tolerance policy to harassment and discrimination. Any harassment cases reported to the employer are taken seriously, and necessary measures will be taken immediately to investigate the matter and to stop and prevent the harassment.

The company will collaborate with the occupational health and safety organisation or occupational health care, if necessary. In order to ensure pay equality, the company follows the general salary levels in the industry and those corresponding with the company's job descriptions.

The outcome of our culture that supports equal opportunities and our support for employees' personal development is perhaps best reflected in the composition of our management - the management group, board of directors and team leaders. Our management includes equally women and men, and people of various educational backgrounds and age.

Mipro, together with other stakeholders, launched an extensive recruitment training programme, Mipro Academy.

Through this recruitment training programme we recruited eight new talents specifically for Mipro's projects in the railway industry. We were looking for people with a technical background and, more importantly, enthusiastic people with a good attitude, a curious mind and diverse work experience. The programme helped motivated people to change their career paths and find employment with Mipro, a company that is fully committed to providing these people with a long and varied career.



We also cooperate with local universities, colleges and polytechnics by providing their students with internships and practical job placements for thesis work. We employ students directly and also through their educational institutions. In all cases, we provide the students with the same benefits as the other employees and implement the same employment principles.

In this reporting period, we have managed to attract competent and skilful applicants outside of Finland and Estonia, and the onboarding of specialists from different backgrounds is recognised as being an important area for us to master.



OCCUPATIONAL HEALTH

ASSESSMENT, POLICY AND GOALS

Our goal is to adhere to all local occupational health laws and regulations, as well the industry best practices, and we trust that our actions result in a satisfactory occupational health environment for our operations in Finland and Estonia.

The experts we employ are critical for the success of the Group; therefore our goal is to minimise the number of sick leaves. We aim to achieve a low level of absence caused by health-related issues through preventive actions and policies as well as with an inclusive employee health insurance policy.

own health and well-being. This year we enhanced the exercise and cultural benefits to cover e.g. massage and commuting by public transport, and also a bicycle benefit was introduced. As in previous years, Mipro Group has organised various events for the personnel to promote their health and well-being. The Group has healthy, active, yet diversely aged employees and as a result of this and our long-term focus on occupational health issues we have been able to achieve a relatively low number of sick leave days. Our sick leave days per employee ratio is below the industry average in Finland. Furthermore, the number of long-term sick leaves has remained low over the years.

IMPLEMENTATION AND OUTCOMES

Finland provides their citizens with wide-ranging public health services that we have complemented with a comprehensive employee health insurance policy that gives our employees access to additional private health care services. The policy includes instant access to basic private health services and complementary specialist services such as the services of a physiotherapist and trained professional work supervisors². The professional work supervision can assist an employee with professional development or for example help an employee to cope with the pressure of the daily work or adapt to changes in the working environment. To improve the availability of occupational health services we arrange visits of occupational health service providers to our office. This year we supplemented our policy by also including basic dental care in it.

Mipro Group companies have implemented preventive policies that aim to ensure a good occupational health. The goal of the Early Support Programme is to identify possible health issues and take any necessary preventive actions as early as possible. We also conduct a semi-annual review of occupational health status with our private health care provider which is reviewed by the management team of each subsidiary. We realise the importance of employees' own actions and thus we encourage our employees to actively take care of their

The Coronavirus pandemic, which as such is not classified as a universally dangerous disease any longer, taught us to telecommute and work from a distance. We have continued offering our employees the chance to avoid unnecessary travel to the offices. However, we have not ceased to offer the same standard of possibilities to work in the office as always, and encourage our staff to take the benefit of socialising with the colleagues.

 BUSINESS LINES Rail traffic and Water & Energy	 EMPLOYEES 150+ experts	 LOCATIONS Mikkeli, Espoo, Oulu and Tallinn
 DENTAL CARE Annual dental benefits	 OCCUPATIONAL HEALTH Including specialist medical services	 INSURANCES Health and accident insurance at work and in free time
 SMARTUM Sports and cultural benefits	 FRINGE BENEFITS Employee bicycle benefit and commuting benefit	

²koulutettu työnohjaaja; www.suomentyonohjaajat.fi



WEST METRO EXTENSION PROJECT FROM MATINKYLÄ TO KIVENLAHTI

Mipro delivered the interlocking and ATS systems and the passenger information system for the West Metro extension line from Matinkylä to Kivenlahti in Espoo, Finland. The client in this project is Metropolitan Area Transport Ltd, the manager of the public transportation infrastructure in Helsinki and the provider of metro operations and services.

Over 140 kilometres (90 miles) of cable, dozens of cabinets, 120 signals, 36 electrically operated points were installed, tested and commissioned successfully and safely in planned project schedule.

The new metro line from Matinkylä to Kivenlahti in Espoo started operating on 3rd December 2022. The new extension is seven kilometres long, with five new stations: Finnoo, Kaitaa, Soukka, Espoonlahti and Kivenlahti. The delivery covered the Sammalvuori depot as well. In addition to being an environmentally friendly transport method, metro also has a revolutionary impact on people's mobility in the Espoo area. The metro extension brings with it plenty of new opportunities, such as new services, apartments and jobs, thus increasing the vitality of the city of Espoo in a safe and sustainable way.

OCCUPATIONAL SAFETY

ASSESSMENT, POLICY AND GOALS

Managing occupational safety is a part of our Management System, including controls required by the law, and the ones we have put in place voluntarily. Our goal is simply to ensure the safety, health, well-being and physical ability of all our employees working in and outside the office.

The field we work in requires a multitude of training, approvals and certificates regarding safety. Keeping all these up to date at the employee level constitutes an integral part of occupational safety. Some of the required training is rather specific and not directly available; in such cases our goal is to acquire enough expertise in the company itself to be able to train our own employees with regard to occupational safety.

IMPLEMENTATION AND OUTCOMES

Occupational safety is managed by the Occupational Safety Committee which is responsible for and empowered by the management to handle all observations, notices, incidents and improvement suggestions regarding safety, well-being and work environment. Occupational Safety Committee members include both employee and management level representatives. The committee works in a two-year cycle which includes creating objectives, planning, implementation and measurement.

Occupational safety is measured by the number of incident-related absence days, close call incidents, safety-related deviations, audits of safety equipment usage, reviewing risk management documentation and a facility safety scorecard. The first meeting of the cycle is dedicated to a review of all the results of measurement.

In this reporting period, there were:

- LTIF=0 (Lost-Time Injury Frequency).
- Six occupational safety related observations.

In order to avoid dangerous situations in live railway traffic, we apply the superset of national safety precautions from our operating countries. This also applies to multi-national teams, which allows the workers to rely on safety principles they are used to. The Regional State Administrative Agencies' Occupational Safety and Health Divisions strive to ensure that work in Finland is healthy, safe and fair. They conduct regular occupational safety and health inspections. The Group companies have always passed the inspections with no deviations.

For Mipro, safety is not just the job. It is our way of life. Personnel is an important asset for Mipro, and in order to protect them also on business trips, way home, and to customers, Mipro's Occupational Safety and Health Committee worked closely with Finnish Road Safety Council in the reporting period. The campaign started by surveying the commuting habits of Mipro employees. Although travel was perceived to be mainly safe, we decided to organise training for personnel together with Finnish Road Safety Council. The subjects of the training were:

1. Vehicle loading
2. The importance of using the seat belt

As a company, we want to invest in our employees, not only through employee benefits, but also through training and orientation that supports the smooth living and safety of our employees.

Mipro Group has not recognised being involved in any breaches of labour principles during the reporting period.



ENVIRONMENTAL PRINCIPLES

Principle 7: Businesses should support a precautionary approach to environmental challenges;
Principle 8: undertake initiatives to promote greater environmental responsibility; and
Principle 9: encourage the development and diffusion of environmentally friendly technologies.

ASSESSMENT, POLICY AND GOALS

Mipro Group is committed to take the environment into consideration in all company activities. Mipro Oy has the Environmental Management System (EMS) certified according to ISO 14001:2015. The system is based on continual reviewing, self-assessment, planning and improvement. It requires us to adopt an active role and a pre-emptive stance in overcoming challenges and our impact on the environment. Furthermore, it encourages us to implement new technologies and practices which are environmentally friendly and sustainable. The certificate is granted by DNV that audits the Environmental Management System on an annual basis.

In accordance with our environmental policy, we recognise and fulfil external environmental requirements and we take environmental implications into account in our operations as well as during the entire life cycle of our products and services.

We are committed to environmentally aligned way of thinking by:

1. Reducing the resource waste through improving quality.
2. Promoting digitalisation and the movement of information instead of material and people.
3. Supplying products, services and life cycle management that support our clients' alignment with environmental policies.
4. Emphasising the reparability and life cycle maintainability in our products.
5. Seeking and implementing improvements to reduce the environmental load of our activity in terms of both energy and material usage.

IMPLEMENTATION AND OUTCOMES

Mipro Oy's implementation of EMS is described in the relevant documents that are part of the company-wide Management System. All the roles and responsibilities are assigned, and Mipro Oy's EMS is subject to both internal and external reviews and audits.

In general, there were no incidents with an environmental impact during the reporting period. There were no incidents of non-compliance with environmental regulations and legislation. As such, no corrective actions were required in this reporting period.

Mipro has established an Environmental Focus Group that includes participants from both rail and water business units of the company and also from the quality and governance units. The group tackles and discusses topical environmental issues. In addition, some employees have participated in the UN Global Compact Climate Ambition Accelerator training programme. This six-month programme deepens knowledge of topics such as calculating carbon footprints and strategies for reducing emissions.

More detailed discussion of outcomes and implementation of environmental principles are presented on the following pages.



CHANGING THE WAY FISH GETS ON OUR PLATES

Finnforel from Finland is changing fish farming into an environmentally sound and ecologically aligned industry that will be able to provide people with pure, healthy, and tasty rainbow trout. The entire production chain from healthy eggs to delicious fillet is redesigned.

Finnforel farms rainbow trout in safe and clean indoor conditions using an industry-altering Recirculating Aquaculture System RAS technology that allows monitoring the entire production chain with full traceability. It is non-invasive, land-based aquaculture method that has a simple basic operating principle: circulating water by pumping it between the feeding tanks and the cleaning system. Water circulation technology is the best way to farm fish environmentally friendly. It is based on low water usage and efficient purification systems that enable efficient nutrient recovery. Finnforel plant circulates 99 % of all water in closed loops.

Optimised logistics and effective production chains

Finnforel's rainbow trout is farmed in Varkaus, close to the consumer, processed and packed right on the spot and delivered fresh to the store on the same day while minimising any food waste with ideal package sizes. Finnforel's business model is already fully scalable and is ready to expand overseas and build fully operational RAS facilities to locations around the world.

Finnforel chose Mipro as their automation partner for Varkaus and Hatsina farms. Mipro implements, for both plants, the full featured automation and control system comprising the scada and user interface, programmed logics, electrical interfaces, data communications – all on a high availability computing platform with open integration capabilities and data bases yet high level of cyber security. To ensure the safety of the fish stock, in addition to the fail safe design principles, all systems are covered by 24/7 diagnostics and alarms monitoring.

Mipro Group operates in the field of environmental technology, and consequently is committed to take the environment into consideration in all company activities.

ENVIRONMENTAL PRINCIPLES

COMPLIANCE WITH LEGISLATION AND REGULATIONS

In order to be well informed and prepared for possible legislative and regulatory changes, we have a systematic approach to the identification and review of relevant environmental regulation and legislation. There were no incidents of non-compliance with environmental regulations and legislation; thus, no corrective actions were needed.

DEVELOPMENT

We strive to make efficient solutions for safe transport and water management, and continuously develop new and improved solutions for our clients.

Our investment in the situational awareness system development will allow the public stakeholders to better contain unplanned disruptions in the wastewater treatment. In the reporting period, we have spent a fair amount of research and development to come up with a high availability data integration platform technology to allow even better use of the process data we gather.



LIFE CYCLE MANAGEMENT

Mipro Group companies provide solutions with long life cycles. The aim is to provide our clients with the best possible long-term yield on their investments in our solutions. Furthermore, we provide life cycle management services to sustain the value of the investment and as long a life cycle as possible. Our goal is to take environmental aspects into account in all the various phases of our solutions' life cycle.

Our subcontractors and cooperation partners are mainly Finnish and operate according to the relatively strict Finnish environmental laws and instructions. We are interested whether our suppliers have an environmental certificate, and we perform supplier audits and follow up the results of audits carefully.

We monitor and manage the environmental load caused by our own actions by means of the environmental system; for example, we have specified our own daily operations for site instructions.

We dispose of discarded equipment in a responsible manner, paying attention to information security and environmental aspects. This includes our own equipment and any customers' equipment returned to us, for example, in connection with service and upgrade. We deliver electronic waste to an ISO 14001 certified company for disposal. We draw up and supply recycling instructions for imported equipment.



ENERGY CONSUMPTION AND WASTE

In our own operations, office waste, emissions from transportation and energy consumption have been identified as our most significant sources of environmental impact.

To reduce the environmental impact, we monitor the company's energy use and emissions. We have completed our site instructions with environmental aspects, for example by including a number of diverse environmental measurements, such as carbon dioxide emissions, on the site. We have also brought up environmental aspects in supplier audits.

As a company in the safety industry, we understand our responsibilities and actions in providing safe and efficient solutions for public transportation and clean water production. That is why switching to 100% green electricity is a natural way to set a good example of working in favour of the environment. We are committed to taking the environment into account in all our operations, and the transition to zero-emission, renewable energy is another milestone on the road to sustainable development. We can also set an example in this way and encourage others to make responsible actions in their energy choices.

In the reporting period, we invested in the collection of the thermal energy provided by our computer server farm to be used in the warm water supply of the Mikkeli office. This allows us to reduce the use of cooling power by approximately 8kW for most of the year.

Mipro Group has not recognised being involved in any breaches of environmental principles during the reporting period.

REDUCE BUSINESS TRIPS

We strive to use video conferences and VoIP sessions for internal and external communication whenever possible. We have invested in video conference equipment and connections and made relevant arrangements inside the company and between different offices and with important customers. Our goal is to improve communication and reduce business trips at the same time.



Responsibility is also reflected in our consideration of the environment in our travel policy. The train is not only comfortable and safe, but also a carbon-neutral mode of travel for business travel. We want to take climate impacts into account in our decision-making, which is why we encourage our personnel to use trains for business travel whenever possible. VR's "Oma rautatie" – Finnish state railway operator's "Own railway" initiative – for Mipro runs from Mikkeli to Mäntyharju near our head office, respecting Mipro's Savonian roots.

WORKING IN RESPONSIBLE PREMISES

Our office in Oulu, that is the fastest growing of Mipro sites, is located in Technopolis business park. Technopolis' properties are designed to be as efficient and comfortable as possible. Modern premises are designed to truly meet the needs of employees and are more compact and eco-efficient than traditional offices.

With shared facilities and services, we are able to effectively reduce our environmental footprint and actively support the sense of community.



ANTI-CORRUPTION AND FAIR BUSINESS PRACTICES

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Reliability and responsibility have always been an integral part of Mipro Group's vision and are consequently reflected in our day-to-day operations and activities. Legal compliance, business ethics, trustworthiness and responsibility are important values for us. We require all our partners and subcontractors to fulfil their statutory obligations. Partners and subcontractors must provide information regarding

proper insurance coverage, fulfilment of their statutory tax obligations and statutory filings for example. As part of our internal purchasing and partner management procedures we check that such information is up-to-date and available from all our subcontractors and partners.

ANTI-CORRUPTION PRINCIPLES

ASSESSMENT, POLICY AND GOALS

In our operating countries, Finland and Estonia, direct corruption in public dealings is not commonly observed. However, we realise that corruption appears in many forms outside the exact letter of the law and these can be hard to identify.

During interactions with officials and customers there may be many borderline, seemingly legal and silently accepted practices that are not in line with the principle of upholding a transparent and fair business environment. Our goal is to refrain from any such activities and encourage our stakeholders to do so as well through our example.

IMPLEMENTATION AND OUTCOMES

In our guidance and internal material, we outline what corruption (in all its forms) constitutes, and we inform our employees periodically against partaking in any form of corruption or bribery. They are also instructed to report on any evidence of corruption they come in contact with. To emphasise the importance of upright dealings, Mipro Group has given instructions and principles, and provided personnel with instructions concerning corporate gifts. In addition, our financial duties are separated, preventing individual employees from accessing company funds for unauthorised actions.

We use the booklets and guides published by the Ministry of Economic Affairs and Employment of Finland to train our staff in the best industry practices of avoiding corruption and bribery.

We observe the changing legislative requirements and are progressing with the implementation of the anonymity preserving whistle-blowing channel.



We have not identified any cases of corruption or bribery within our sphere of influence during the reporting period.

GENERAL TRANSPARENCY

SAFETY AND QUALITY MANAGEMENT

ASSESSMENT, POLICY AND GOALS

Safety and quality of our products and services are of utmost importance for us. We deliver systems that ensure the safety, efficiency, and availability of water supply and mass transport; hence, our actions have a direct impact on the safety and well-being of the people and environment in the communities we serve. Our greatest responsibility rests on fulfilment of this safety commitment and promise that we have made to our customers and to the communities and people who are using this infrastructure in their daily lives.

Our goal is to deliver the most reliable safety systems and services. We follow several voluntary and legally required standards to ensure the quality of our operations and reliability of the safety systems we deliver. Our operations are regularly audited by external parties to ensure the correct application of these standards and to find areas of improvement. The ISO 9001:2015 and ISO 14001:2015 standards cover Mipro's operations. Thus, during the reporting period Mipro Group's total revenue is generated by companies having ISO certified operations. EN standards are applied to all rail traffic products and projects; each safety related product and project is assessed by an independent safety assessor.

IMPLEMENTATION AND OUTCOMES

How the Mipro Group companies implement ISO and EN standards is described in relevant internal documents which are part of the company-wide Management System. All employees are required to familiarise themselves with the Management System documents that are relevant to their work and position and to follow the procedures of the Management System. Each employee has the responsibility and right to intervene, if the guidance of the Management System and the

common procedures are not followed.

Our client in the water and energy business, Napapiirin Energia ja Vesi, conducted a supplier audit in 2022 with no major findings. Also, the interlocking system in the Metro West Extension was audited by the client with no notable findings.

Compliance is audited internally, by independent auditors and occasionally by our customers. DNV audited our ISO 9001:2015 Quality Management System and 14001:2015 Environmental Management System in January 2022. No major non-conformities were found in the re-certification.



ISO 45001 is an international standard on occupational health and safety, setting forth requirements to build a sound management system. When combined with the ISO 45003 guideline on psychosocial health and safety, we can reduce workplace risks and create safer and healthier working conditions considering all aspects. In addition, ISO 45001 supports in ensuring compliance and meeting legal obligations. Our goal is to have our occupational health and safety systems ISO45001 certified.

Common mechanisms of continual improvement – such as idea and risk management processes and the process for assessing and preventing non-conformities – are actively used to identify areas for development and to improve our products, services and quality of operations. Employees' initiatives and active participation in continual improvements are encouraged. Possible deviations and non-conformities are openly and transparently assessed within the company and with our external auditors and customers as needed.

We recognise that continuous improvements in safety and quality management are needed and we believe that this will be critical to our success in years to come. To reach our goals and to deliver the most reliable safety systems, we need to ensure continuous efforts to develop our quality and safety management systems and culture as well as the skills and knowledge of our employees.

Our operation and products are based on quality and safety standards:

- Quality Management - ISO 9001
- Environmental Management - ISO 14001
- Occupational Health and Safety Management - ISO 45001
- Functional Safety Management - IEC 61508
- Information Security - IEC 62443, IEC 27001
- Railway projects - EN 50126, EN 50128, EN 50129
- Process industry projects - IEC 61511
- System components and software - DIN V VDE 19250, IEC 61508, EN 954-1

CONNECTING WITH THE COMMUNITY

DEVELOPING THE LOCAL COMMUNITY

Mipro Group participates in the development of our local communities by cooperating with educational and other institutions. We cooperate with local colleges, universities and polytechnics by offering their students summer and training jobs on a yearly basis. We continually host thesis workers. Our long-term goal-directed principle is to offer local young people possibilities to find permanent jobs in their own region as well.

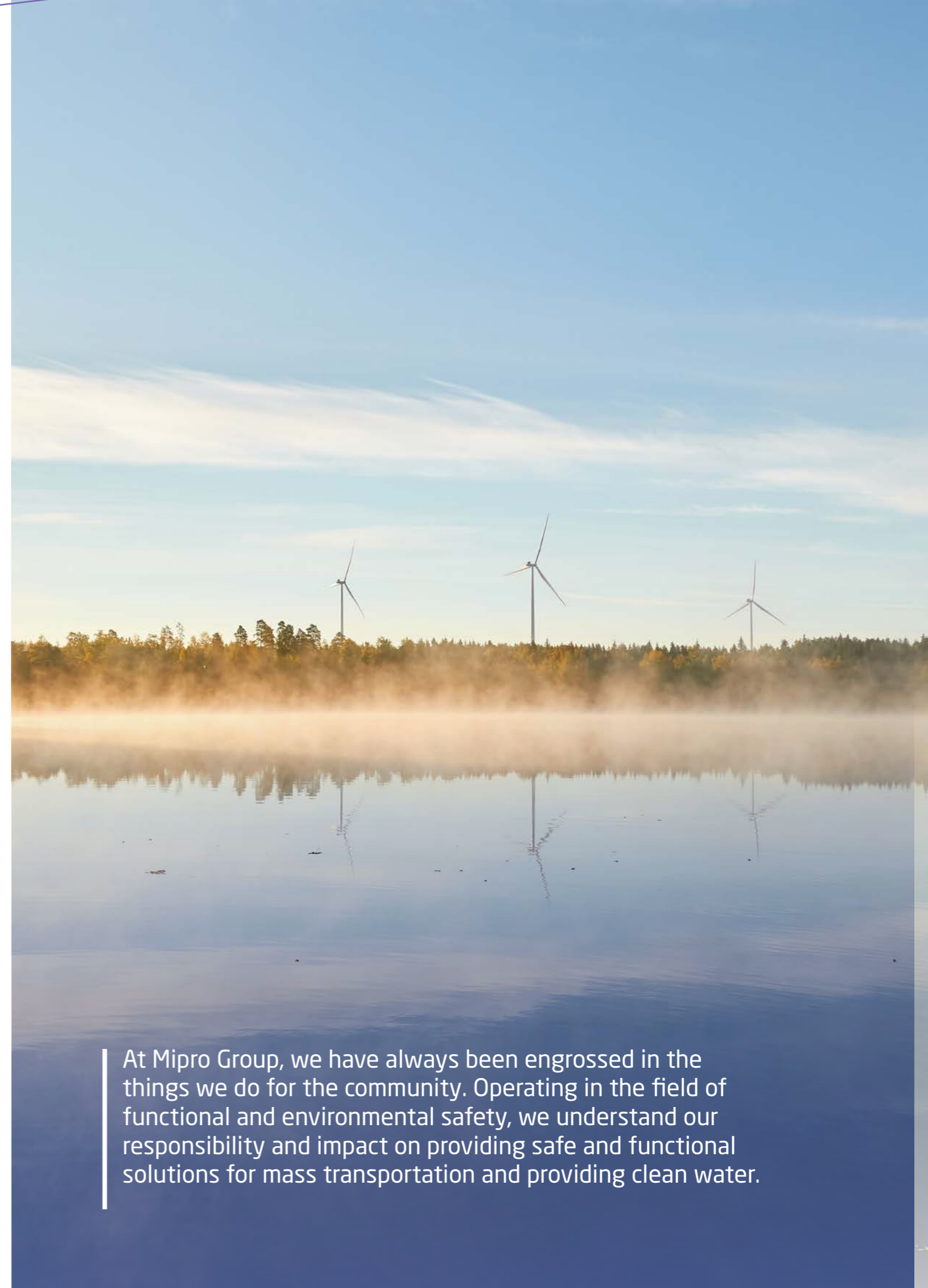
DONATIONS AND CHARITY

Mipro Group supports local sport activities and especially children's and young people's leisure time activities by giving donations. The main principle of donations for leisure time activities is to support sport and culture clubs and societies so that they are able to provide hobbies and interests for as many children and young people as possible, and support their growth and development. For example, they can strengthen social relationships, promote health, create inspiring environments or prevent young people from becoming socially isolated.



Each year the company selects a charity for its Christmas donation which this year was The Sylva ry³. The Sylva ry supports children, young people and their families affected by cancer.

³<https://www.sylva.fi/>



At Mipro Group, we have always been engrossed in the things we do for the community. Operating in the field of functional and environmental safety, we understand our responsibility and impact on providing safe and functional solutions for mass transportation and providing clean water.

COMMUNICATION ON PROGRESS (COP) REPORT 2022

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