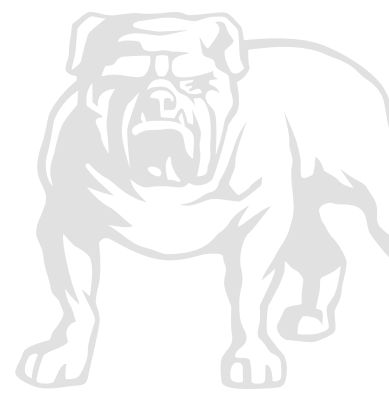


MIRKA



MIRKA SUPPLIER GUIDE

DOING IT THE MIRKA WAY.



Welcome to the Mirka Supplier Network

At Mirka, we believe that clear expectations and strong partnerships form the foundation of successful, responsible business. This guide outlines how we collaborate with our suppliers and what we expect in return — from quality and delivery to ethics, sustainability, and innovation.

Our global success in surface finishing solutions is built on world-class prod-

ucts and services. But we don't achieve this alone. Our suppliers are critical to maintaining and enhancing the performance, safety, and sustainability of the Mirka offering.

This Supplier Guide is your reference for working with us. It reflects our current policies, processes, and expectations — including the **KWH Group Business Partner Code of Conduct**, **Mirka Restrict-**

ed Materials List (RML), and **Mirka General Terms and Conditions of Purchase (GTC)**.

We invite you to see this not as a checklist, but as a framework for shared development. Together, we can ensure our products meet the highest standards in a way that is sustainable, fair, and future-proof.

“We are committed to building long-term supplier partnerships based on mutual trust, performance, and shared values.”

— Mirka Strategic Sourcing Team

MIRKAS PURCHASING PRINCIPLES

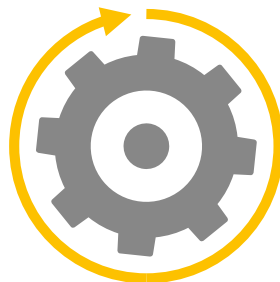
Mirka's approach to purchasing is structured around three core principles:

PERFORMANCE-BASED PARTNERING



We buy according to business need and specifications — from suppliers who deliver high-quality goods and services, on time, at competitive total cost.

CONTINUOUS DEVELOPMENT



We evaluate and audit suppliers regularly (self-assessments, on-site audits, and performance reviews) to identify risks and opportunities for improvement.

SUSTAINABILITY AND RESPONSIBILITY



We require full compliance with applicable laws, ethical conduct, and environmental standards. Our procurement practices aim to support a more resilient and sustainable global supply chain in line with our corporate responsibility framework.

Mirka in Brief

MIRKA LTD. IS A GLOBAL LEADER IN SURFACE FINISHING TECHNOLOGY.

We develop, manufacture, and deliver innovative sanding systems and polishing solutions.

Our portfolio includes:

- Flexible abrasives, polishing compounds, microfinishing products
- Intelligent, ergonomic electric tools
- Digital process solutions
- Dust-free systems that improve user health and performance

With headquarters and production in Finland and sales in over 100 countries, more than 97% of Mirka's products are exported worldwide. Mirka is part of the **KWH Group**, a family-owned group of technology-driven companies headquartered in Finland.

WHAT'S NEXT

In the chapters that follow, we will guide you through:

- 1 Our supplier onboarding process
- 2 Supplier classification and assessment
- 3 Order, logistics, and documentation requirements
- 4 Compliance and sustainability responsibilities
- 5 Claim & issue handling
- 6 Supplier Development & innovation

This guide is updated as policies evolve. The latest version, as well as supporting documents like the KWH Group Business Partner Code of Conduct, Restricted Materials List, and Mirka General Terms and Conditions of Purchase are always available via your Mirka contact or the Supplier section of mirka.com.

Internal policies and tools used by Mirka — such as audit frameworks, risk evaluation criteria, and onboarding workflows — support our sourcing processes but are not distributed externally.

This guide will help ensure your cooperation with Mirka is productive, compliant, and aligned with our shared goals.



Mirka's 25 million euro investment in a pioneering circular grain manufacturing plant marks a groundbreaking achievement, introducing the first truly circular concept in the global abrasives industry. By transforming abrasive waste into recycled abrasive grains for use in new products, this innovation stands as a unique example of cross-sector collaboration—demonstrating the power of collective efforts in driving sustainable innovation.

SUPPLIER ONBOARDING AND SELECTION

To ensure high-quality, sustainable, and cost-efficient sourcing, Mirka follows a standardized onboarding process for evaluating and approving new suppliers. This structured approach helps determine whether a potential supplier can support Mirka’s long-term success in terms of quality, reliability, innovation, and compliance.

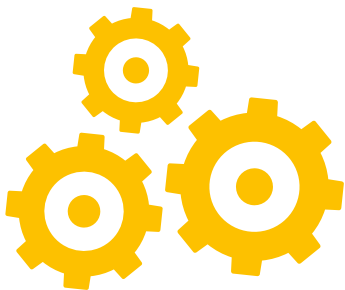
New suppliers are introduced through a formal registration and screening process.

MIRKA SUPPLIER ONBOARDING AND SELECTION PROCESS



SUPPLIER SELECTION REQUIREMENTS

Mirka sets clear and consistent requirements for all suppliers, ensuring that our procurement partnerships are built on a foundation of quality, compliance, and long-term value creation. To qualify as a Mirka supplier, companies must demonstrate their capability to meet expectations in the following key areas:

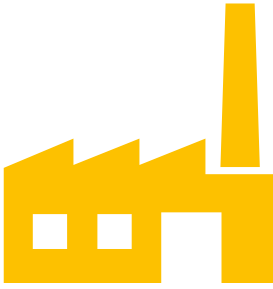


1. Quality and Technical Capability

Suppliers must be able to consistently deliver goods or services that meet Mirka’s specifications and performance standards. This includes:

- Proven product quality and stability
- Availability of technical documentation (e.g. Safety Data Sheets, Technical Data Sheets, test reports)
- Clear traceability of raw materials and components
- Reliable production processes and change control
- Ability to provide product samples for evaluation if requested

Suppliers are expected to maintain a documented quality management system, such as ISO 9001 or an equivalent framework, or to work in accordance with the same quality management principles. Additional quality documentation may be required depending on the product or service category.



2. Compliance and Certification

All suppliers are required to comply with applicable legislation and industry regulations. At a minimum, suppliers must:

- Operate in accordance with **REACH, RoHS**, and other relevant chemical and environmental regulations
- Avoid the use of restricted substances listed in the **Mirka Restricted Materials List (RML)**
- Provide declarations and documentation on request (e.g. Prop 65, conflict minerals, safety classifications)
- Sign and adhere to the **KWH Group Business Partner Code of Conduct**

Suppliers must demonstrate responsible business practices that align with Mirka's environmental, social, and ethical standards. Suppliers are also expected to have documented environmental and occupational health and safety management systems (e.g. ISO 14001 and ISO 45001 or equivalent) or follow comparable principles.

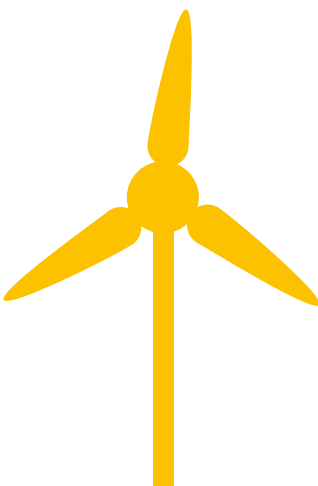


3. Commercial Terms

Mirka expects suppliers to provide competitive and transparent commercial terms that support operational reliability and long-term planning. This includes:

- Stable and justifiable pricing structures
- Clearly defined Incoterms, with preference for **FCA** or **DAP** (**Mirka does not approve the use of EXW delivery term**)
- Agreed payment terms (Mirka prefers 90–120 days net)
- Defined lead times and minimum order quantities
- Appropriate packaging formats and logistics coordination
- Support for consignment stock or safety stock when required

Suppliers should also demonstrate financial stability and the ability to scale or adjust operations as needed.



4. Sustainability and Risk Management

Mirka is committed to responsible sourcing and expects suppliers to:

- Identify and manage environmental and social risks in their own operations and supply chains
- Maintain traceability of raw materials, components, and chemicals used
- Participate in sustainability assessments when requested
- Take part in improvement discussions and corrective actions as needed

We value partners who contribute proactively to sustainable development, circularity, and continuous improvement.

SUPPLIER CLASSIFICATION AND PERFORMANCE MONITORING

HOW WE ASSESS AND DEVELOP SUPPLIER RELATIONSHIPS

Once a supplier is approved, Mirka continues to monitor and evaluate performance regularly. Our goal is to maintain strong, transparent partnerships built on quality, delivery, and shared improvement. Supplier classification helps us tailor expectations and collaboration based on the nature and criticality of the supply relationship.

CLASSIFICATION TIERS

Mirka assigns each supplier a classification level (A–E), based on criteria such as:

- Strategic importance (volume, complexity, impact on end product)
- Performance history (quality, delivery reliability, responsiveness)
- Risk factors (sourcing region, single-source dependencies, audit findings)

This classification guides the depth of engagement, including audit frequency, improvement planning, and eligibility for long-term agreements or preferred supplier status.

A	STRATEGIC	High volume or critical to business. Strong performance and strategic potential.
B	KEY	Important category supplier. Good performance, moderate risk.
C	QUALIFIED	Approved supplier. Standard performance, non-critical.
D	LIMITED	Low volume or one-time use. May not meet all core criteria.
E	INACTIVE	Not approved or no longer active.







SUPPLIER ASSESSMENT

Mirka evaluate supplier performance regularly using five weighted criteria, focusing on quality, delivery accuracy, and responsiveness. Each criterion is scored from 1 (weakest) to 4 (best), and the final weighted average determines the supplier’s overall performance rating.

1. Complaint Rate

Weight: 40%





This metric assesses the share of delivered products that have been subject to quality complaints.

	Grade 4 (Excellent): ≤ 1% of total purchased quantity was claimed
	Grade 3 (Good): ≤ 3% claimed
	Grade 2 (Fair): ≤ 5% claimed
	Grade 1 (Poor): > 5% claimed

2. Remark Rate

Weight: 25%





This metric measures the percentage of order lines with process-related issues — such as missing order confirmations, inadequate traceability, or documentation deviations.

	Grade 4 (Excellent): ≤ 2% of order lines had remarks
	Grade 3 (Good): ≤ 5% remarks
	Grade 2 (Fair): ≤ 10% remarks
	Grade 1 (Poor): > 10% remarks

3. Delivery Precision

Weight: 15%

Evaluates how well delivery dates match the confirmed or expected dates. A deviation of ±2 days is acceptable.





	Grade 4 (Excellent): ≤ 2% of deliveries were late
	Grade 3 (Good): ≤ 5% were late
	Grade 2 (Fair): ≤ 10% were late
	Grade 1 (Poor): > 10% were late

Note: Delivery precision is based on the actual arrival date at Mirka’s warehouse. For FCA deliveries, the expected arrival date is calculated as the confirmed delivery date plus the agreed freight time.

4. Confirmation Precision

Weight: 10%




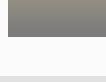
Assesses how closely confirmed DAP/FCA delivery dates align with Mirka’s requested dates. A deviation of ±1 day is acceptable.

	Grade 4 (Excellent): ≤ 2% of deliveries were late
	Grade 3 (Good): ≤ 5% were late
	Grade 2 (Fair): ≤ 10% were late
	Grade 1 (Poor): > 10% were late

5. Lead Time

Weight: 10%

Measures the average lead time for product delivery, based on mutually agreed terms. For suppliers with multiple products, an average is used.

	Grade 4 (Excellent): < 8 days
	Grade 3 (Good): 8–14 days
	Grade 2 (Fair): 15–21 days
	Grade 1 (Poor): > 21 days

TOTAL PERFORMANCE RATING

Weighted Score Performance Rating

Each criterion contributes to a weighted average score from 1.00 to 4.00. This results in an overall supplier rating:



Mirka monitors supplier performance continuously through the criteria outlined above. Each supplier's total score is reviewed at regular intervals, and any trends in quality, delivery, or service are tracked over time.

If a supplier's performance falls below expected levels — particularly in the **Poor** (1.99–1.50) or **Cut Down Business** (1.49–1.00) range — the supplier will be invited to a joint performance improvement meeting, where root causes are analyzed together with the supplier and a corrective action plan is agreed on and followed up. In serious or repeated cases, business volume may be reduced or cooperation discontinued.

Suppliers rated as **Excellent** or **Very Good** may be prioritized for strategic cooperation, long-term agreements, or development initiatives.



Our aim is not only to evaluate — but to improve. The Supplier can request a supplier assessment or supplier evaluation from Mirka at any time. Performance reviews are part of a continuous improvement process built on collaboration and transparency.

Audits and Follow-Up

Suppliers may be subject to periodic audits depending on risk classification, product group, or performance trends. These may be conducted on-site or remotely and focus on quality systems, documentation, traceability, and alignment with Mirka's compliance standards.

Audit results are shared with the supplier, and any identified non-conformities will require a corrective action plan with clear responsibilities and deadlines. Mirka follows up on implementation and reserves the right to escalate in cases of repeated non-compliance.



ORDERING, DELIVERY AND INVOICING REQUIREMENTS

GETTING THE DETAILS RIGHT FROM ORDER TO RECEIPT

To maintain smooth operations, Mirka expects suppliers to follow a structured and reliable process from order confirmation through to delivery and invoicing. This includes clear communication, correct documentation, safe handling and full traceability.

Order Confirmations:

All purchase orders must be confirmed within **two (2) working days** of receipt. Each confirmation must include:

- Delivery terms and delivery address (Mirka)
- Price and confirmed delivery date
- Order number, order line and quantity

The confirmed date is used to calculate delivery precision. For FCA deliveries, the expected arrival date is calculated as the confirmed shipping date plus agreed freight time.

No delivery should be made without a valid and confirmed purchase order. Changes must be approved by your Mirka contact in writing.


Shipping Documentation:

Each delivery must be accompanied by the following documentation, clearly labeled and traceable to the relevant order:

- **Packing List:** Product name, quantity (net/gross), number of parcels, PO number, batch number
- **Freight Bill/Delivery Note:** Destination address, PO number, parcel info
- **Certificate of Analysis** (if required): Batch number, compliance to agreed specs
- **Proforma Invoice or Commercial Invoice:** PO number, item details, agreed terms

Packaging and Marking of Goods:

Suppliers are responsible for packaging goods in a manner that ensures protection during transportation, handling, and storage, while also enabling efficient processing at Mirka's receiving facilities. The packaging shall always be agreed upon in writing with Mirka before sending out the goods or starting regular deliveries to Mirka.

 Non-compliant packaging — including unstable, damaged, or poorly labeled shipments — may lead to delivery rejection or formal claims.

General Packaging Requirements:

- Packaging must prevent **moisture, dust, and mechanical damage**
- Use EUR-pallets if nothing else has been agreed; loads must be safe, stackable, and secure
- All wood packaging materials (including pallets) used for international shipments must comply with ISPM 15 requirements and be properly heat treated and marked with a valid IPPC stamp.
- Packaging materials must suit the nature and transport mode of the product
- Use **recyclable** or minimized packaging material whenever possible
- Avoid overpacking or excessive weight that could cause handling issues
- Max. pallet height is 120 cm unless otherwise agreed
- Materials on pallets need to be wrapped with transparent stretch foil or secured in a proper way
- Pallets must be suitable for **manual or mechanical handling**, and loads must remain **stable and intact** throughout transit.
- Avoid packing different products on the same pallet; mixed pallets should be clearly marked

Labeling and Handling:

Marking and labelling of products, product packaging and transport cartons shall be agreed prior to delivery. Mirka complies with the marking requirements set out in the General Product Safety Regulation (GPSR), and suppliers are expected to ensure that, at a minimum, all applicable regulatory requirements are fulfilled. This applies in particular to all traded and merchandised items, meaning that labels must include barcodes, product codes and names, country of origin, and the company name and address.

As a general rule, all transport cartons must be marked with Mirka-specific labels. Each parcel and pallet must be clearly labeled with the following information:

- Product name and product code
- Quantity
- Purchase order number
- Batch number

The supplier shall comply with any product-specific and/or purchase order-specific marking and handling instructions provided by Mirka.

Traceability and Batch Control:

All deliveries must support traceability back to the original production batch and supplier source. The level of traceability shall, at a minimum, comply with all applicable regulatory requirements. If a claim, deviation, or audit arises, the following must be clearly documented and retrievable:

- Batch number/lot number
- Component and/or raw material origin (when applicable)
- Date of production and shipment

Invoicing Requirements

The latest invoicing instructions can be found on the Information for Suppliers landing page on Mirka.com
Each invoice must clearly include:

- Mirka purchase order number, Mirka product codes, item names and quantities
- Agreed prices and currency
- Any additional references or agreed conditions

Incorrect or incomplete invoices may result in delayed payments. Mirka's preferred payment terms are **90–120 days**, unless otherwise agreed.

COMPLIANCE AND SUSTAINABILITY EXPECTATIONS

RESPONSIBLE SOURCING FOR LONG-TERM VALUE

Mirka is committed to responsible, ethical, and sustainable sourcing across our global supply chain. We expect our suppliers to share these values by operating in full compliance with applicable laws, industry standards, and our corporate responsibility principles.

Code of Conduct

All suppliers must sign and adhere to the KWH Group Business Partner Code of Conduct, which outlines requirements in areas such as:

- Ethical business practices and anti-corruption
- Human and labor rights
- Health and safety
- Environmental protection
- Product safety and traceability
- Compliance with international trade regulations

The full Code of Conduct is available at mirka.com/suppliers or via your Mirka sourcing contact.

Legal and Regulatory Compliance

Suppliers must comply with all applicable laws and regulations, including but not limited to:

- REACH (Regulation (EC) No 1907/2006)
- RoHS (Directive 2011/65/EU)
- California Proposition 65
- Conflict Minerals (Section 1502 of the U.S. Dodd-Frank Act)
- Applicable export control laws and trade sanctions

Suppliers must provide documentation or declarations upon request and proactively notify Mirka of any compliance-affecting changes.

Restricted Materials

Suppliers are required to comply with the Mirka Restricted Materials List (RML), which outlines substances that are banned, restricted, or of concern. This list supports:

- Legal and regulatory compliance (e.g. REACH, RoHS, POPs)
- Environmental risk reduction
- Safer product use and handling

The current RML is available at mirka.com/suppliers and is updated as regulations evolve. Suppliers are expected to check it regularly and ensure all deliveries are compliant.

Sub-Supplier Responsibility

Suppliers are fully responsible for ensuring that their subcontractors and sub-tier suppliers comply with all applicable requirements in this guide and in the signed agreement with Mirka.

- All contractual, quality, compliance, and traceability requirements must be flowed down to subcontractors.
- Suppliers remain liable for the performance of their subcontractors and must provide contact and location details upon request.
- Mirka reserves the right to audit subcontractors, either directly or through the supplier.
- Suppliers must ensure that their sub-suppliers also adhere to the KWH Business Partner Code of Conduct or comparable standards.

 Supply chain transparency and accountability are essential to maintaining approval status.

Sustainability and Continuous Improvement

We expect our suppliers to actively manage environmental and social impacts. This includes:


- Reducing greenhouse gas emissions and improving resource efficiency
- Implementing circular material solutions when feasible
- Ensuring safe, fair, and lawful working conditions across their operations and supply chains
- Participating in Mirka's sustainability assessments or improvement initiatives when requested

Sustainability Assessment – EcoVadis

As part of Mirka's commitment to building a more sustainable and responsible supply chain, we use EcoVadis to assess and monitor sustainability performance and risks across our supplier base, covering areas such as environmental impact, labour and human rights, ethics, and sustainable procurement practices.

All suppliers shall be prepared to participate in an EcoVadis assessment, or provide equivalent sustainability information, upon request. If selected, the supplier is expected to complete the assessment within the communicated timeframe and provide accurate and transparent information.

The results of the assessment form part of Mirka's overall supplier evaluation and continuous improvement process and may be considered in decisions regarding supplier approval and ongoing business relationships.

 Our ambition is to build partnerships that contribute not only to product performance — but to long-term resilience, environmental responsibility, and shared growth.

Business Continuity Planning

All suppliers are expected to develop and maintain a documented Business Continuity Plan (BCP) that enables the supplier to continue delivering critical products or services in the event of disruption.

BCPs should address potential interruptions due to natural disasters, system failures, cyberattacks, labor issues, or supply chain disruptions, and be appropriate to the scale and criticality of the supply.

Mirka may request BCP documentation or verify the plan through a business continuity assessment as part of audit or risk evaluation processes.

CLAIMS & ISSUE HANDLING

Managing Non-Conformities with Transparency and Speed

Despite best efforts, occasional deviations or issues may arise in the supply chain. Mirka maintains a clear and structured approach to identifying, reporting, and resolving such cases. The goal is to minimize operational impact and prevent recurrence.

When Issues Occur

A complaint may be initiated when:

- Delivered goods do not meet technical specifications
- Acceptable Quality Limit (AQL) levels monitored during production are proven to be outside agreed tolerances for critical components
- Deviations from the confirmed purchase order or agreed terms, including pricing, quantities, delivery location, or other order conditions occur
- Goods arrive damaged or with inadequate packaging
- Confirmed delivery timelines are not met
- Deliveries lack required labeling, documentation, or traceability

Complaints may also result from trends identified through audits or ongoing performance evaluations.

Mirka monitors AQL (Acceptance Quality Limit) levels for selected critical components. If AQL results indicate performance outside agreed limits, Mirka may open a complaint and initiate a corrective action process. Detailed working methods, responsibilities, and escalation steps are defined in the applicable supplier agreement and/or quality agreement.

How Mirka Handles Claims

Once an issue is identified:

1. Initial Notification

Mirka informs the supplier of the issue, including a clear description, supporting documentation (e.g. photos, test results), and relevant purchase order or batch references.

CLAIMS ISSUE HANDLING

2. Immediate Containment (Supplier Action)

The supplier is expected to respond promptly and implement suitable containment measure to prevent further impact, where applicable.

3. Root Cause and Corrective/Preventive Actions

As a standard process, Mirka expects a written explanation (CAPA response) within 14 calendar days from notification. The response must:

- Identify the root cause of the issue
- Specify what corrective actions were taken to address the issue
- Describe the preventive actions taken to avoid recurrence

Mirka strongly encourage that the supplier completes and submits a 8D Problem solving report to support effective effective root cause analysis and preventive actions, Mirka may require submission within the timeline communicated by Mirka.

💡 Mirka may request additional clarifications, evidence of implementation, enhanced monitoring or a follow-up audit if needed. Repeated issues may trigger escalation.

Product Return & Compensation

In cases where defective or incorrect goods have been delivered, Mirka reserves the right to:

- Reject the delivery in full or in part and require the return, replacement, or disposal of the affected products, at the supplier's expense
- Recover all costs incurred due to the non-conformance, including but not limited to logistics, administrative handling, inspection, sorting, rework, and production disturbances

💡 Compensation shall be determined based on the severity and impact of the non-conformance, as well as applicable contractual terms. Our focus is not only on resolving the immediate issue — but on **preventing similar incidents in the future** through a cooperative and fact-based approach.

SUPPLIER DEVELOPMENT AND INNOVATION

DRIVING CONTINUOUS IMPROVEMENT TOGETHER

Mirka values suppliers who are proactive, forward-thinking, and committed to continuous improvement. Our goal is not just to purchase goods and services — but to create partnerships that foster innovation, sustainability, and long-term mutual value.

Shared Development Objectives

We expect our suppliers to work collaboratively with Mirka to:

- Improve **product quality, cost efficiency, and delivery reliability**
- Support **joint cost-saving initiatives** and process improvements
- Offer **new technologies, materials, or solutions** that strengthen Mirka's product portfolio
- Adapt quickly to **changing needs** in production, sustainability, and customer expectations

Cost-Reduction and Value Engineering

Mirka regularly initiates cost-saving and value engineering projects. Suppliers are expected to:

- Participate actively in identifying and implementing savings
- Suggest alternatives in materials, packaging, or processes that reduce total cost without compromising quality
- Be transparent in cost structure when relevant to mutual goals

Sustainability and Innovation Collaboration

Mirka encourages suppliers to:

- Share new approaches to reduce emissions, waste, and energy use
- Adopt circular business models where possible (e.g. reuse of production material, recyclability)
- Provide relevant data, such as CO₂ emissions inform., LCA calculations and EPD, if available
- Develop safer, more responsible materials or solutions in line with the **Restricted Materials List (RML)** and Mirka's sustainability commitments

Recognition and Preferred Supplier Potential

Suppliers demonstrating excellence in innovation, sustainability, and performance may be:

- Invited to early-stage development projects
- Considered for preferred supplier status
- Offered long-term cooperation opportunities

We believe innovation doesn't happen in isolation — it happens through **collaboration**. Suppliers who grow with us are key to Mirka's success.

SUPPLIER DEVELOPMENT & INNOVATION





Mirka Ltd
Finland

Australia Mirka Australia Pty Ltd

Brazil Mirka Brasil Ltda.

Belgium Mirka Belgium Logistics NV

Canada Mirka Canada Inc.

China Mirka Trading Shanghai Co., Ltd

Finland & Baltics Mirka Ltd

France Mirka France Sarl

Germany Mirka GmbH, Mirka Abrasives Germany GmbH

India Mirka India Pvt Ltd

Italy Mirka Italia s.r.l., Mirka Superabrasives S.p.A

Mexico Mirka Mexicana S.A. de C.V.

Netherlands Mirka Benelux B.V.

Poland Mirka Poland Sp. z o.o

Singapore Mirka Asia Pacific Pte Ltd

Spain KWH Mirka Ibérica S.A.U.

Sweden Mirka Scandinavia AB

Turkey Mirka Turkey Zimpara Ltd Şirketi

United Kingdom Mirka (UK) Ltd

United Arab Emirates Mirka Middle East FZCO

USA Mirka USA Inc.

For contact information,
please visit mirka.com

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