

BUFAB GROUP POLICY

Quality

BUFAB

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1. Background and purpose

Bufab Group recognises that customer satisfaction is the ultimate measure of our quality performance and market success. To achieve this, we must ensure efficient processes, effective tools, and sound risk management throughout the entire value chain. All employees must contribute through their engagement, commitment, and competence to attain quality excellence.

When choosing Bufab as their partner, customers can expect to achieve “Peace of mind.” Our products and services are safe, compliant, quality-assured, and meet or exceed customer expectations. Bufab’s Quality Policy defines the scope and overall ambitions of Quality, serving as a broad framework for the entire group. Our Quality Policy recognises that our corporate global responsibility must be balanced with the needs of our customers, other stakeholders, and profit.

To ensure that all entities within Bufab (‘the group’) comply with applicable laws and regulations, and that the group’s values and preferred methods of conducting business are communicated and upheld throughout the organisation, Bufab AB (the parent company) has developed several governing documents, including this policy.

2. Audience

The policy applies to all entities within the group, including all personnel, management, and board members of the parent company and all Bufab companies, referred to as “sister companies.” The MD of each company in the group is responsible for ensuring that employees understand the policy's content. Additionally, the policy communicates the vision and ambitions to relevant stakeholders: suppliers, customers, investors, authorities, and the public.

3. Policy statement

Quality excellence will be attained by defining, adhering to, and continually enhancing processes, recognising how each employee contributes to customer satisfaction and quality assurance, and actively disseminating knowledge and best practices throughout the group.

As a fundamental principle, we adhere to all applicable laws and regulations. The policy will also support the ongoing efforts to outline Bufab’s quality progression across all Bufab companies.

4. Business responsibility

4.1. Quality and customer first

Customer satisfaction is the ultimate measure of our quality performance and success in the marketplace, relying on our ability to:

- Always deliver products and services that meet or exceed our customers' expectations and requirements.
- Surpass our competitors and distinguish ourselves from them.
- Continuously implement sustainable improvements in our operations and processes to address current and evolving customer needs.
- Our customers can depend on our compliance with legal requirements in all the areas where we operate.
- We strive to maintain a sustainable world-class supplier base through risk-based supply chain management. Supplier Sustainability Audits will be conducted on 80% of spending until 2026.
- We maintain high data quality to ensure efficiency and compliance.
- No deliveries will be made unless all regulatory and safety stipulations are fully met. We strive to comply with regulations and maintain zero safety-related incidents or claims.

4.2. Commitment and participation by everyone

Each employee within the group must be customer-focused and dedicated to achieving quality excellence. This individual responsibility is a mindset essential for assuring and sustaining customer satisfaction.

- Our business leaders will always act as ambassadors for a culture prioritising customer needs.
- Each employee at the group is expected to contribute to quality excellence actively.
- Everyone should embrace change, maintain a comprehensive view of the group's operations, base actions on facts, and adopt a long-term perspective.
- Our suppliers should also commit to adopting the principles outlined in this policy.

4.3. Process-based approach and continuous improvement

Customer needs will guide our methods of working. We will achieve quality excellence by outlining, adhering to, and continuously enhancing our processes.

- Every employee should recognise their role in enhancing customer satisfaction and ensuring quality assurance.
- Processes should be developed continuously and monitored to ensure they are efficient and support customer success.
- Knowledge and best practices will be actively shared throughout the group.
- Regular benchmarking and evaluation will be conducted to uphold best industry practices.
- A preventive, proactive, and risk-based approach should always be applied.

4.4. Bufab companies shall be able to demonstrate

- How has your company implemented this policy and informed employees of their rights, duties, and responsibilities?
- How your company is organised regarding quality, with defined roles and responsibilities.
- How your company and all employees comply with local laws, regulations and Bufab requirements (Policies and directives).
- How does your company measure customer satisfaction?
- How customer and supplier complaints have been registered in the relevant systems.
- The escalation procedure in Bufab Best Practice must be followed.
- When supplying strategic customers, Bufab's best practices should be followed.
- Adherence to signed customer agreements.
- Risk assessment should always be conducted according to Bufab Best Practice, considering customer requirements. If applicable, a cross-functional review should be performed.
- Suppliers will be selected based on the established control plan level or documented cross-functional agreement.
- The supplier approval process follows the BBP guidelines.
- Set the incoming inspection according to the control plan level and customer requirements.
- Ensure quality KPIs are in place, with follow-up and actions addressing at least the customer claim rate, supplier claim rate, and complaints open for more than 30 days.
- The Business Contingency Plan (BCP) is in place and is reviewed at least once a year.
- Internal (CIMM) audits are planned and executed accordingly.
- How your company implements continuous improvement, including internal audits.
- That you have a management system in place, either Bufab Best Practice or local, and it shall comply with ISO 9001 as a minimum.
- How does your company ensure compliance with specific customer health and safety requirements?
- How do you ensure and monitor high data quality?

5. Roles and responsibilities

The CEO, also the decision-maker on matters affecting Bufab, bears ultimate responsibility for the company's operations, including quality. The CEO has delegated operational responsibilities to appointed group and Business Unit (BU) managers and Managing Directors (MDs). Each region has a Quality Manager or Director who oversees and supports the local companies' quality efforts.

6. Exceptions

This policy does not allow exceptions. Any request for exceptions must be clearly defined and documented. The Bufab Board of Directors will approve all exceptions.

7. Monitoring and compliance

The Board of Directors is ultimately responsible for the group's strategy and organisation and shall monitor the administration of and compliance with the Quality Policy. The Managing Director of each subsidiary within the group shall annually report on policy compliance to their respective Regional Director and CEO. Internal audits are conducted periodically at the company level to monitor policy compliance.

8. Bufab Best Practices

Management review ensures that Quality is integrated into all processes and operations, covering KPIs (key performance indicators), target setting and continuous improvement.

9. References to associated documents

Apart from this Quality Policy, Bufab has several related group-wide policy documents, which can be found at SolutionNet / Bufab Best Practice.

- Code of Conduct
- Environmental policy
- Sustainable Procurement policy
- Supplier Code of Conduct
- Supplier Manual



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CEO Bufab Group



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Global Quality Director

10. Log of updates

Revision	Date	Update
1.0	2023.12	First version in BBP
2.0	2024.02	Updated the year in the footer
3.0	2024.06	Updated regarding deliveries, compliance and safety
4.0	2024.06	Removed red text after update
5.0	2024.06	Added revision number to the footer
6.0	2025.01	Updated to 2025 template
7.0	2025.03	The board has adopted a new policy document structure.