

Nilorn Modern Slavery and Human Trafficking Statement

COMPANY PROFILE

Nilorn's business concept is to offer sustainable profiling concepts that strengthen the image of customer brands. The concepts contain branding and design, product development, integrated logistics solutions and RIS (Retail Information Service). Nilorn's business concept is summarised in 'Adding value to your brand'. We value our workforce highly, employing close to 600 people worldwide with offices and manufacturing bases in Sweden, Denmark, Belgium, Switzerland, USA, Germany, Italy, United Kingdom, Portugal, Turkey, Hong Kong, China, India, Bangladesh and Pakistan. The Group Head Office is in Borås Sweden and the parent company Nilorngruppen AB is listed on Nasdaq Stockholm Stock Exchange. Our practices are governed both at a global and local level.

OUR RESPONSIBILITY

We distribute our products to 86 countries worldwide, making us an integral part of extensive supply networks. Since 2017, Nilorn is signatory to the UN Global Compact corporate responsibility initiative. As a signatory, we voluntarily commit to harmonizing our practices and approaches with the ten universally recognized principles of the UNGC. These principles cover human rights, labor, the environment, and anti-corruption, and are seamlessly integrated into our strategy, culture, and everyday activities. As outlined in our, Human Rights Policy, we acknowledge our duty to uphold and safeguard human rights.

HUMAN TRAFFICKING AND MODERN SLAVERY

At Nilorn, we strictly prohibit any form of support or involvement in human trafficking and forced labor practices, as outlined in the Nilorn Supplier Code of Conduct. Our code lays down clear requirements to ensure that our recruitment process is free from any contribution to human trafficking or modern slavery. These requirements include thorough identity verification, the prohibition of recruitment fees, and transparent communication of employment terms and conditions. We maintain zero tolerance for slavery or human trafficking within our organization.

SUPPLY CHAIN

Nilorn actively seeks to collaborate with suppliers who share our values and respect human rights. Our Supplier Code of Conduct mandates responsible behavior from all our suppliers, including labor agencies and recruiters. Suppliers are expected to have robust processes in place to prevent any involvement in human trafficking or modern slavery. The Supplier Code of Conduct is based on the ETI Base Code, which is founded on the conventions of the International Labour Organization (ILO).

Supplier assessment includes regular evaluations, and while Nilorn conducts on-site audits of selected suppliers, these audits currently do not specifically focus on assessing human trafficking and modern slavery. However, third-party audits are conducted to address these concerns. Compliance with the Supplier Code of Conduct is a contractual requirement for our key suppliers. Any supplier failing to meet the code's requirements will be re-evaluated, and if insufficient efforts to improve are demonstrated, the business relationship may be terminated.

TRAINING

Our management team holds the responsibility for compliance within their respective departments and supplier relationships, and they receive appropriate training to fulfill this role. All employees undergo induction training that outlines our policies, procedures, and expectations, including our mandatory commitment to CSR and Sustainability at Nilorn. In 2022, we continued to enhance employee competence through CSR and sustainability training, primarily delivered online.

REPORTING MISCONDUCTS

At Nilorn, it is an expectation for employees, as part of their employment terms, to adhere to all applicable laws and Nilorn policies, including the Nilorn Code of Ethics and Business Conduct.

To facilitate the reporting of suspected serious irregularities or misconduct, we have established a whistleblowing function. This function ensures a consistent process for employees and other stakeholders to raise concerns regarding inappropriate behavior, reinforcing our commitment to upholding strong values and our Code of Ethics. The effectiveness of our whistleblowing system is reviewed annually to ensure that employees are well-informed about its use and feel comfortable utilizing it. The Group CFO is responsible for overseeing this process. In 2022, one incident was reported.

EFFECTIVENESS IN COMBATING SLAVERY AND HUMAN TRAFFICKING

Nilorn employs key performance indicators (KPIs) to assess the effectiveness of our efforts in preventing slavery and human trafficking throughout our business and supply chains. These KPIs include:

- A supplier monitoring program that includes prohibition of undisclosed entities.
- Maintaining open communication and personal contact with the next link in the supply chain to ensure their understanding of, and compliance with, our expectations.
- Regular review of supply chain policies, the Code of Conduct, and working practices to demonstrate our commitment.
- Employee training initiatives.

MOVING FORWARD

We are continuously working on enhancing our policies and processes to effectively monitor and prevent modern slavery across our value chain. In 2023, our focus will include Human Rights Due Diligence training and Anti-corruption training. Our annual sustainability report serves as a means of communication regarding these efforts.

This statement is made on behalf of Nilörngruppen AB and all companies within the Group, in accordance with the UK Modern Slavery Act, the California Transparency in Supply Chains Act, and the German Supply Chain Act. It outlines the measures taken by Nilörngruppen AB to address modern slavery within its supply chain and business operations. The statement is updated annually, covering the financial year ending on December 31, 2022, and has been approved by the Board of Directors.

May 29, 2023



Krister Magnusson
CEO, Nilörngruppen AB

Nilorn Worldwide

Australia	Denmark	India	Portugal	Turkey
Austria	Finland	Italy	Spain	UK
Bangladesh	France	Japan	Sweden	USA, West
Belgium	Germany	Norway	Switzerland	USA, East
China	Hong Kong	Pakistan	Netherlands	

Headquarters

NILÖRNGRUPPEN AB Tel. +46 33 700 88 88
Wieslanders väg 3 info@nilorn.com
Box 499 www.nilorn.com
501 13 Borås
SWEDEN

