

## Nilörn Modern Slavery and Human Trafficking Statement

### Company profile

At Nilörn we guide our clients in the world of labelling. The concepts contain branding and design, product development, integrated logistics solutions and RIS (Retail Information Service). We employ close to 600 people worldwide with offices and manufacturing bases in Sweden, Bangladesh, Belgium, China, Denmark, Germany, Hong Kong, India, Italy, Japan, Pakistan, Portugal, Spain, Switzerland, The Netherlands, Turkey, United Kingdom, USA and Vietnam. The Group Head Office is in Borås Sweden and the parent company Nilörngruppen AB is listed on Nasdaq OMX Nordic Small Cap. 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, Nilörn is signatory to the UN Global Compact corporate responsibility initiative. As a signatory, we voluntarily commit to harmonising our practices and approaches with the ten universally recognized principles of the UNGC. These principles cover human rights, labour, 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 Nilörn, we prohibit any form of support or involvement in human trafficking and forced labour practices, as outlined in the Nilörn 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 organisation.

### Supply Chain

Nilörn prioritises collaboration with suppliers who align with our values and respect human rights. Our Supplier Code of Conduct, based on the ETI Base Code and ILO conventions, requires suppliers to avoid human trafficking and modern slavery. We screen new suppliers, regularly evaluate them, and conduct third-party audits. Compliance with the Supplier Code of Conduct is a contractual requirement for key suppliers, and in 2023, four business relationships were terminated after a dialogue due to not meeting the required compliance level.

### Training

Our management team holds the responsibility for compliance within their respective departments and supplier relationships, and they receive appropriate training to fulfil this role. All employees undergo induction training that outlines our policies, procedures, and expectations, including our mandatory commitment to CSR and Sustainability at Nilörn. Employee competence is enhanced through ongoing training, primarily delivered online.

### Reporting Misconducts

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

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**Local office and production**

Bangladesh	Germany	Japan	Sweden	United Kingdom
Belgium	Hong Kong	Pakistan	Switzerland	USA
China	India	Portugal	Netherlands	Vietnam
Denmark	Italy	Spain	Turkey	

Nilörn offers a [whistleblowing function](#) for reporting serious concerns. It is accessible to employees and stakeholders, with information available via meetings, intranet, and website. Reports are reviewed by the CFO, CEO, and two independent board members, and the Board of Directors receives the final report. No incidents were reported in 2023.

## Effectiveness in Combating Slavery and Human Trafficking

The Human Rights Due Diligence Procedure (HRDDP) is part of Nilörn's responsible business practices and functions as a base and structure for the CSR (Corporate Social Responsibility) work at the company. The HRDDP aims to assure that human rights are not violated and includes routines for building internal awareness and understanding of where the company's activities may have the potential to intersect with human rights or infringe upon the enjoyment of human rights by others, as well as how to prevent or mitigate such potential human rights impacts and remediate actual impacts that have occurred.

Nilörn 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 2024, our focus is on preparing for the upcoming CSRD. 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, 2023, and has been approved by the Board of Directors.

June 28, 2024



Krister Magnusson  
CEO Nilörngruppen AB

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