



Environmental Policy

Responsible: Sustainability Manager

Updated: 06/09/2024

For Nilörn, sustainability means working towards meeting the needs of people and society without compromising the ability of future generations to meet their needs – acting in the long-term interests of many people.

Nilörn's environmental work shall be a natural and integrated part of our business operations. We shall prevent and reduce negative environmental impact by working systematically, proactively and goal oriented. Nilörn shall continuously work to optimise its use of resources and reduce the climate impact within the own operations and value chain. We have clear goals and use tools to measure and follow up the environmental impact and status of various objects. In collaboration with our clients, partners and suppliers, we together achieve long-term environmental results in the value chain. Nilörn reports annually to the UN Global Compact regarding compliance with its ten principles.

We commit to evaluate, reduce, and prevent the environmental risk and impact of our activities, products and services.

Validity, Scope and implementation

This policy is valid for all operations within Nilörn, and the implementation of this policy is the responsibility of the Sustainability Manager along with the CSR and Sustainability team. The team oversees the implementation of the policy across all business functions, tracks, assesses and reports the performance through relevant indicators. Any country specific guidelines are communicated by the respective country MDs and implemented by the support of the CSR and sustainability team. Our employees are regularly educated and informed about new legislations pertaining to the environment. Competence development of our employees in various aspects of environment and reducing our impact is a part of our work at Nilörn. Nilörn actively tries to work with suppliers who can demonstrate their commitment to the environment. We report our progress in various environmental aspects that are material to our business through the annual sustainability report. The policy will be reviewed and updated annually by the Sustainability Manager.

Management system

Nilörn's environmental management system is based on Svensk Miljöbas (The Swedish Environmental Base). The system creates the conditions for continuous improvements and reduced environmental impact. The standard for operations is based on ISO 14001, but with simplified documentation

requirements, and focuses on actual environmental improvements and open environmental reporting. Nilörn Sweden has the certificate against Svensk Miljöbas standard. The certification process involves meeting specific criteria set by Svensk Miljöbas, and there is an annual revision by an external auditor.

Climate change

We aim to reduce our climate impact by reducing our scope 1, 2 and 3 emissions. We do this by participating in the Climate Ambition Accelerator programme by UN Global Compact and setting the targets and forming strategies that help us in achieving them. We work towards minimising our GHG emissions through our choice of materials and transportation, and energy efficiency, and also work with our suppliers to increase transparency in reported emissions. We measure our scope 1,2 and 3 emissions and report them in our annual sustainability report.

Pollution

Our aim is to track, assess and reduce pollution of environment caused by our own operations and the related impacts on the local communities. We have established a chemical management system aligned with Higg FEM that ensures the responsible usage of chemicals in our facilities. We also actively monitor and manage hazardous substances in our production processes with the help of a Nilörn Restricted Substances List.

Water and marine resources

We work towards reducing our water impact in our own operations by ensuring safe wastewater discharge through monitoring of chemicals. We focus our work on this matter especially in regions that are at high risk for water related impacts. Annual assessments are conducted as a part of SMETA and Higg FEM audits to track and manage water consumption across our value chain.

Biodiversity and ecosystems

We work towards reducing our impact on biodiversity and ecosystems using WWF biodiversity risk filter, which covers various aspects of biodiversity such as forests, marine environments, wetlands. We continuously educate ourselves on the impacts of our business processes, associated risks on biodiversity and take action to reduce the risks and preserve the ecosystem.

Resource use and circular economy

We actively try to minimise waste from our operations through better material choices at the product development stage and ensure the correct disposal of waste by end of life through accurate labelling. We use a designer's checklist that guides the product developer to think circular and design the product keeping in mind optimal resource use by minimising waste as well as recyclability. We also have compliance specialists who research into accurate labelling requirements that helps the consumer to choose the right disposal method by end of life.