NUDIE JEANS

Living Wage Policy

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INTRODUCTION

Nudie Jeans endeavors to enable all of our suppliers to pay a living wage, but wages must at least meet the legal minimum wage in supplier countries where a minimum wage is set by the government, and must at least comply with the correct CBA wage level in supplier countries where the CBA is used instead of minimum wages.

Wages and benefits paid for a standard working week shall meet at least legal or industry minimum standards and always be sufficient to meet basic needs of workers and their families and to provide some discretionary income¹. Deductions from wages for disciplinary measures shall not be permitted nor shall any deductions from wages not provided for by national law be permitted. Deductions shall never constitute an amount that will lead the employee to receive less than the minimum wage. Employees shall be adequately and clearly informed about the specifications of their wages including wage rates and pay period.

COMMITTMENT

Wages are one of the most crucial aspects of supply chain compliance and are checked in all audits for all countries. Many of our suppliers have close contact with unions and wages are decided according to the Collective Bargaining agreement. We support the collective bargaining process, and will, where needed, provide support via trainings to form committees to increase the dialogue between employees and managers. We especially acknowledge the gender aspect of wages, and how wages are connected to women's position in the factories and we strive to facilitate trainings and programs with a gender perspective. At suppliers with no union activity, we endeavor to look into a more detailed cost breakdown of our prices to ensure we are supporting a fair wage.

In the coming years, we will develop our current living wages project to include more of our suppliers. From our experience with working with living wages at our suppliers since 2013, we know that we need locally adapted implementation strategies and full cooperation from the supplier and employees to succeed.

- Map general living wage gap for prioritized suppliers in Tier 1 by 2025
- Open costing for suppliers where we have an active living wage program by 2025
- Map local living wage benchmarks for prioritized suppliers in Tier 1 by 2027
- Living wage payments to reach 100% of our prioritized suppliers where a gap is detected in Tier 1 by 2030

*Prioritized suppliers are the ones with the largest share of Nudie Jeans production value and where we have an active living wage program.

Place, Date: (154chm) 30/1-2025 6 4 Joakim Levin, Nudie Jeans CEO

1 ILO Conventions 26 and 13