

Start Date Membership: November 2009
Reporting Period: January 2024 - December 2024

Create Tomorrow's Vintage

Nudie Jeans Social Report 2024

Nudie JEANS co



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Introduction

Nudie Jeans is a denim brand founded in Gothenburg, Sweden in 2001. With wear, tear, and repair-way of thinking rather than fast fashion, we provide and maintain a tradition true to the fabric's history and characteristics. Nudie Jeans is sold globally at 50 markets through our Repair Shops, online, and at third-party resellers.

We integrate sustainability into our core business strategy, we naturally tend to discuss it in terms of a sustainable business model rather than treating it as a separate subject. We have one appointed Chief Sustainability Officer and three full-time employees responsible for executing the operational sustainability work within social, environmental, and circular compliance and innovation in collaboration with different departments.

One of our commitments are to ensure responsible value chains and production. Fair Wear Foundation (FWF) has been a key partner to legitimize our work in this field. FWF is a non-profit organization that offer services such as assessments, trainings and facilitating tools to ensure fair and safe working conditions for Tier 1 suppliers. Their work is aligned with guidelines set by the Organization for Economic Co-operation and Development (OECD) and the United Nations' Guiding Principles on Business and Human Rights.

The Social Report is released yearly and summarizes progress and highlights of the year with regards to purchasing practices, the system of monitoring and remediation, training and capacity building and more. Note that we also present progress and programs beyond Tier 1.

2024 Summary

In 2024, Nudie Jeans continued its Human Rights Due Diligence System to increase our level of proper due diligence. Country and supplier risk assessments are carried out in the system whilst our sourcing and product risk assessment are handled outside the system. Thanks to the new system, we have developed time-bound plans for each supplier as well as ensuring that the remediation and monitoring is up to date.

We initiated a total of four third-party assessments, three in Italy and one in Tunisia. We also conducted a validation assessment at one supplier in Türkiye. The assessments carried out in Tunisia and Türkiye were conducted by Fair Wear Foundation's (FWF) country team, and the assessments in Italy were performed by an independent consultant following the FWF methodology. During the year, we also worked on following up on the assessment results and non-compliance from external reports.

One of our Tunisian suppliers enrolled in FWF's supplier onboarding training which is focusing on awareness of the code of labour practices as well as increasing social dialogue between management, supervisors and workers. Moreover, the evaluation of the transformative training focusing on soft skills for female supervisors in India continued so see the long-term effects. This training was developed by Good Business Lab but was specially designed with the chosen supplier: Sustainable Crafted Clothing where the vision is to increase the number of female supervisors. The training was supported by another FWF member.

Our current living wage projects are still ongoing and for 2024 we paid our share of living wages on our orders at four suppliers. Distribution occurred at 3 of 4 of the suppliers. We continued to collect labour minute values and use product style costing tools for our prioritized suppliers.

We developed the supplier evaluation, where we invite our main suppliers to evaluate the relationship with Nudie Jeans from 5 perspectives: General Business, Purchasing Practices, Sustainability Practices, Supply Chain Practices and Financial Practices, by developing action plans to be followed up during the year.

Our engagement with suppliers continued as well as collaboration with other FWF brands. Together we cooperated regarding remediation work and improvement work at most of our main suppliers. We have also been collaborating with researchers analysing our sustainability work.

In 2024, we continued to support our suppliers, below is a list of actions in the supply chain:

- Refined and updated our Living Wage Policy
- Close dialogues with suppliers and monitored developments in each production country
- Prepayment of organic cotton to selected suppliers
- Provided flexible delivery dates within our delivery window
- Got Global Organic Textile Standard (GOTS) certified, which ensures that textiles are produced in an environmentally and socially responsible manner, covering the entire supply chain from harvesting raw materials to labelling
- Continued the transparency work and our support of the cotton farmers in Türkiye through the Sag Salim program
- We participated in social dialogues on numerous occasions during the year, with stakeholders from the community, third-party organizations, suppliers, and NGOs in producing countries (FWF and ETI, among others)

Sourcing Strategy

Nudie Jeans works according to our internal sourcing strategy to prevent production in countries where high-risk are identified. The sourcing strategy considers democratic, corruption, environmental, human rights global indexes on country level. The sourcing strategy also describes our onboarding and exit procedure and a supplier evaluation.

We put significant efforts into keeping the supply chain as consolidated as possible and work with suppliers that we have established a good relationship with and that share our values. When we do need to find new suppliers, we will either look for these ourselves or our suppliers will suggest new ones. Long-term relations have been key for our success, by mainly reaching traceability and therefore mapped highest risks in our production chain.

Tracking and monitoring of the risks are done according to the framework of Human Rights Due Diligence (HRDD).

Human Rights Due Diligence

HRDD is a framework for businesses to identify, prevent and address their impacts on human rights. By following the HRDD framework adopted from OECD's guidelines, we comply with upcoming legal standards such as the Corporate Sustainability Reporting Directive (CSRD).

- Since 2023, the board has adopted a Responsible Business Conduct Policy, and it was reviewed and signed by the CEO again in 2024. The policy aims to reaffirm our commitment to conscientious and responsible business conduct in full respect of the key principles introduced in our full policy portfolio. The Chief Sustainability Officer is responsible for guiding the approach of due diligence. The implementation is executed by the Climate and Environmental Manager and Human Rights and Social Impact Specialist.
- We manage risk scoping exercises and action plans for countries and suppliers in the FWF new data management system for all Tier 1 suppliers. Risk assessments were even more elaborated on gender risks during 2024. Business model and product risk assessment are still made outside the data management system.
- In 2024, we onboarded supplier in Tier 2-4 into an external ESG platform that created risk profiles for supplier.

Table 1. Nudie Jeans
identified risks per scope.

Scope	Identified Human Rights Risks
Production processes (Tier 1-4)	Health and Safety Subcontracting Homeworkers Low transparency Farmers and cotton workers
Suppliers (Tier 1-4)	Living Wages Safe and Healthy Working Conditions Legally Binding employment relationship
Sourcing Countries	Living Wages Employment is freely chosen. No discrimination Freedom of association
Business & Sourcing Model	Low Corruption Index Working conditions upstream supply chain Low leverage at large suppliers

- We continuously conduct and follow up on risk assessments based on visits, human rights reports and third-party assessments. We invest in trainings and education to mitigate and minimize risks that are discovered on country, supplier or product level.
- For labor rights we adhere to FWF Code of Labour Practices where risks are coupled to severity and likelihood. Lack of transparency is an additional risk that suppliers are followed up on and comply with when signing our transparency policy. Guidelines for actions in response to the discovery of severe risks are outlined in our internal crisis management policy.
- We actively worked towards implementing programs targeting to prevent and mitigate risks such as living wages and female supervisor training in collaboration with other brands. Nudie Jeans has also initiated monitoring and data collection in the lower tiers, as it is part of the supply chain with higher risks.
- Through FWFs verification assessments and previous Brand Performance Checks, we can validate progress made. We are included in several industry benchmarking indicators such as the Ethical Fashion report and The FWF Brand Performance check.
- Due to our commitment to transparency, public reporting is well integrated with our businesses. In our yearly Sustainability report, we report and follow up on identified risks, such as right to collective bargaining and freedom of association and tracking wages at the suppliers. We also disclose our supplier base to the Open Supply Hub. In addition, public speeches have been held with regards to our work.

Production Cycle & Purchasing Practices

Nudie Jeans have an open dialogue with suppliers regarding their peak and low seasons and we try to place orders for our carry over styles during the whole year to balance the supplier's workload. We continuously ask our suppliers when they need to have the orders from us for each specific delivery period. Fabric forecast for denim fabric based on estimated quantity are shared with the suppliers in good time to make sure the production lead time can be kept. For garments with longer lead times for example outerwear and knitwear and for our suppliers in India with long transport lead time, we pre-estimate the quantity and send the orders approximately one month earlier than other orders.

When Nudie Jeans places orders, the key factors are quality, price, working conditions, and the ability to meet our environmental requirements. As we mostly have only one product type made at each supplier, the order stock fluctuates with changes in sales. This means that it is hard for us to reward a supplier with more orders when they improve their performance regarding code compliance. We do not weigh in sustainability when we divide orders between suppliers as we believe that all our current suppliers are on a high level. The decision is more due to technical issues and the choice of fabrics connected to a certain supplier. In 2024, we collaborated with several FWF members by encouraged them to join our living wage efforts.

We strive to have long-term relations and a continuous dialogue with all suppliers. The Nudie Jeans purchase practices include forecasting, production based on actual orders for some products and prefinance of organic cotton seeds. The product prices are subject to discussions mainly if the quantity increase, new technologies, treatments, and other details are added, but considerations for sustainability aspects such as certification costs, labour wage costs, our share of living wages, and Fairtrade premiums are also an important part of our buyer to consider in the discussion with suppliers.

Living Wages

For the last 12 years, we have been paying our share of living wages at selected suppliers. Today we pay our share of living wages for our products at selected Indian and Turkish suppliers, and during the last years, around 3667 workers have received an additional amount from Nudie Jeans, as a step toward increasing wages.

Over the past three years, an increase in the number of employees at the suppliers who benefit from our share of living wage payments from 40% to 51%. The increase is due to growing staff at suppliers with ongoing living wages projects. The proportion of the production volume representing the employees receiving our share of living wages has decreased from 8% to 7%. Notable however is that the workers who are not part of our living wage program, are located within the EU and/or have collective bargaining agreements and functional union representation in the factories.

Employees receiving our share of living wages

Figure 1. Employees in Nudie Jeans Supply Chain receiving our share of living wages.

Calculated on all employees at Tier 1 suppliers. (In addition, we pay our share of living wages to 643 employees in Tier 2-3).

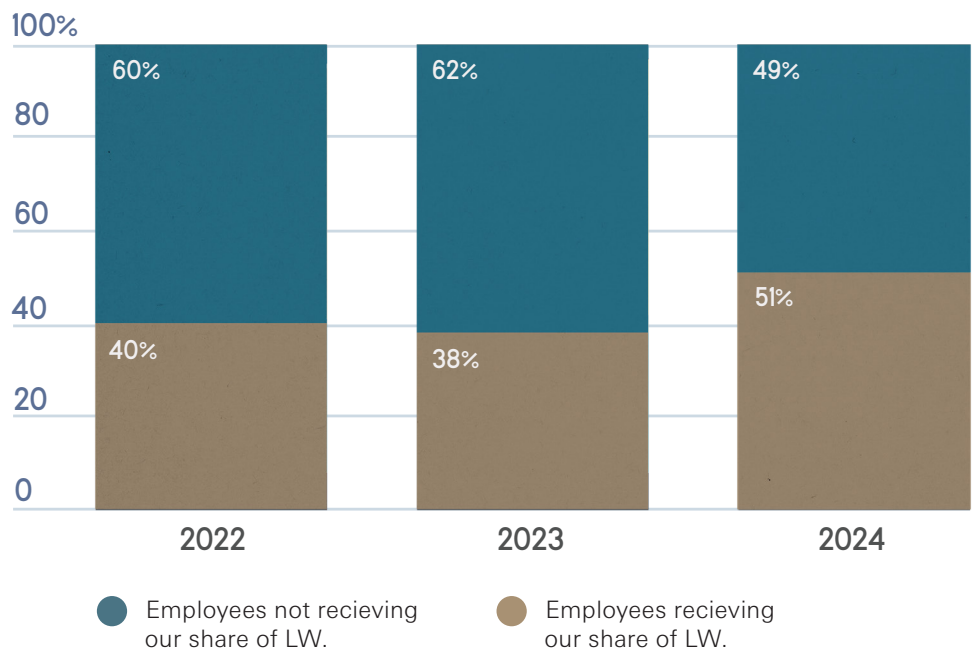
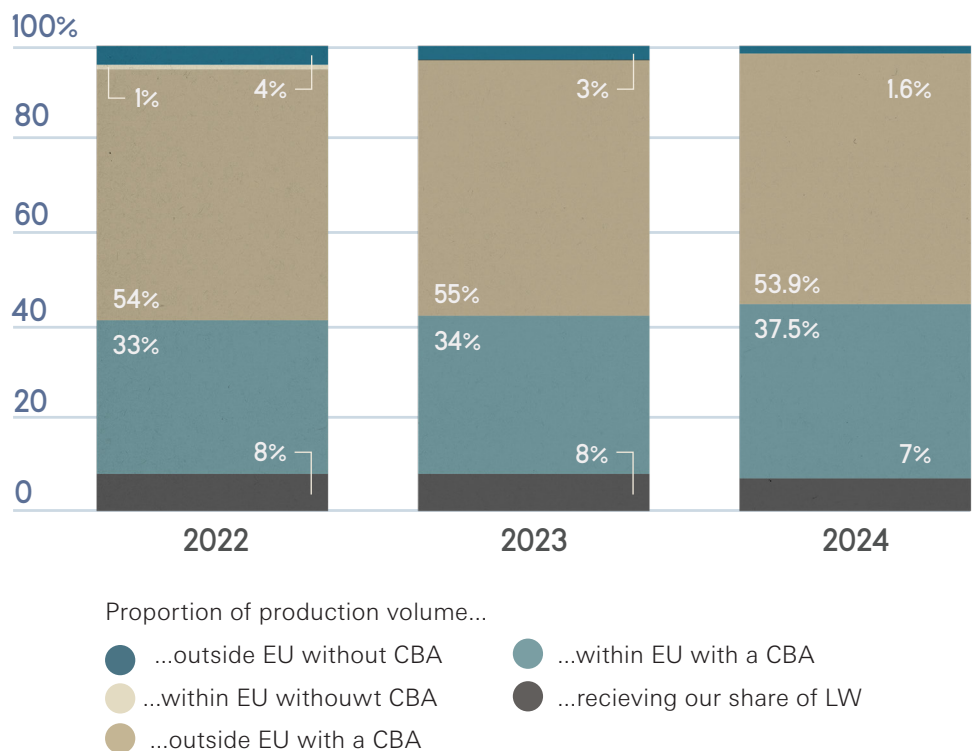


Figure 2. Share of production covered by Collective Bargaining Agreements/Our share of living wages over time.

Production volume covered by Collective Bargaining Agreement (CBA) or our share of living wages



In 2024 we revised our living wage goals to develop and adapt the concept of living wages at our different suppliers. We have decided to focus on the suppliers where we have an active program already, and or prioritized suppliers which are based on purchasing-volume. See goals in below table.

Goals	Time Frame	Status 2024	Comments
Map the general Living Wage Gap for prioritized suppliers.	2025	Fulfilled	Completed for all prioritized suppliers using validated third party benchmarks.
Open costing for suppliers where we have an active living wage program.	2025	In progress, 75%	Completed for all prioritized suppliers using validated third party benchmarks.
Map local living wage benchmarks for prioritized suppliers.	2027	In progress 57%	In 2024 we mapped the local living wage benchmark at 4 of 7 of our prioritized suppliers.
Open costing for suppliers where we have an active living wage program.	2025	In progress.	As local benchmarks has not been completed for all, it can not yet be measured. Currently, we are paying our share of living wages to 4 of 7 of our prioritized suppliers.

Table 2. Nudie Jeans internal Living Wage goals.

We still strive to map general and specific living wage benchmark for all suppliers in Tier 1, as well as collecting product style costing and labour minute values. In the living wage program at the Turkish supplier that was initiated in 2021, we are collaborating with three other brands, which considerably increased the monthly income for the employees. We have also initiated dialogue for living wages at our largest supplier in Tunisia, by applying transparent costing for different styles. There has been a significant increase in minimum wages at many of the supplier countries. Türkiye has also been impacted by very high inflation rates during 2024. We still strive to map general and specific living wage benchmark for all suppliers in Tier 1, as well as collecting product style costing and labour minute values. In the living wage program at the Turkish supplier that was initiated in 2021, we are collaborating with three other brands, which considerably increased the monthly income for the employees. We have also initiated dialogue for living wages at our largest supplier in Tunisia, by applying transparent costing for different styles. There has been a significant increase in minimum wages at many of the supplier countries. Türkiye has also been impacted by very high inflation rates during 2024.

Nudie Jeans living wages projects

When we started to pay living wages	From 2013	From 2016	From 2024	From 2021 (SP22 collection)
Producer	Armstrong Sewing units I and II 	Sustainable Crafted Clothing 	Prakash Impex 	Mergu 
Country	India	India	India	Türkiye
When did we start to work with the supplier?	2011	2015	2024	2014
Nudie Jeans share of production at supplier in % and number of styles	0,2 %, 11 styles in 2024	2,5 %, 24 styles in 2024	9 %, 8 styles in 2024	3 %, 10 styles in 2024
Women working in the factory in %	64 %	87 %	25 %	64 %
Are the suppliers audited by Fair Wear Foundation?	Yes	Yes	Yes	Yes
Does the supplier have workers committees?	Yes	Yes	Yes	Yes
Is there an active union in the factory?	No	No	No	No
What is the living wage cost?	€0.2–0.8/garment	€1.75/garment	€6,24 /garment	€ 0,6-2,74 /garment
Parties that were involed in setting up the program?	Br Su St Ees	Br Su Ees	Br Su Ees	Br Su St Ees
Was there a collective bargain agreement in place?	No	No	No	No
Who was involved in deciding how the value was distributed?	Br Su St Ees	Br Su St Ees	Br Su St Ees	Br Su St Ees
How is the money distributed to the workers?	LW bonus on payslip	LW bonus on payslip	LW bonus on payslip	LW bonus on payslip
What is the gap between living wage benchmark and lowest wage?	€ 80 /month	€ 53 /month	€ 77 /month	€ 432 /month
How many of the workers recieves our share of living wages ?	100 %, 2,500 employees	100 %, 687 employees	100 %, 80 employees	100 %, 129 employees

Br = Brand

Su = Supplier

Ees = Employees

St = Stakeholder

Table 3. Overview of Nudie Jeans current living wage projects and outcomes for 2024.

Supplier Relations

In 2024, our production based in Europe reached 35%. The division per production country based on the total production volume in 8 countries, is shown in Figures 2 and 3. In addition to the production volume, value is also displayed per country.

Figure 3. Nudie Jeans production volume and value per country.

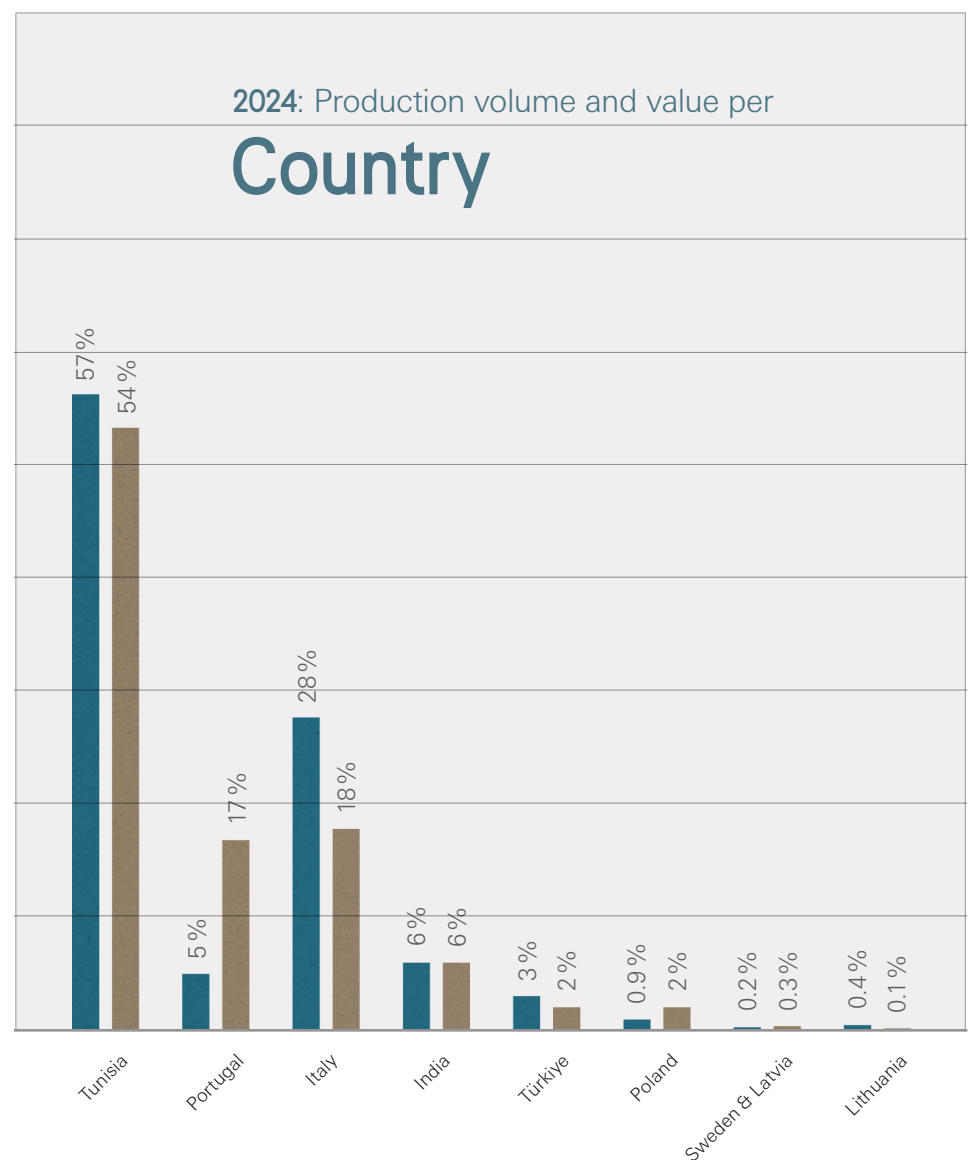
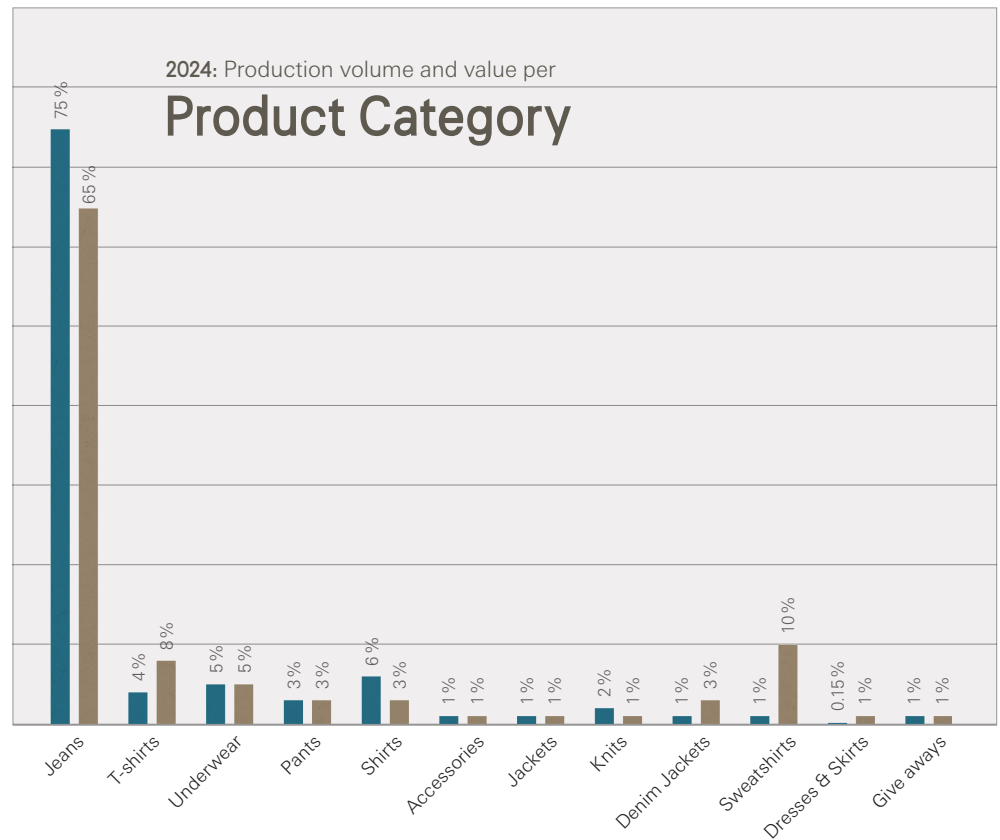


Figure 4. Nudie Jeans production volume and value per product category, 2024.



In 2024 we had production at 35 suppliers in Tier 1, where we have 18 main suppliers and the rest are their subcontractors. We onboarded four new suppliers and terminated/had no production with five suppliers. Three of the new suppliers are part of our new circular production chain, including processes such as repairing and sorting for reuse. The fourth supplier was our main supplier's choice to change, as of one terminated supplier and exit procedure made through them. There was no exit procedure done with the other four suppliers not included in the 2024 financial year, as our hope is to still use the sites once we need their specialization.

Table 4. Nudie Jeans leverage at suppliers and the length of collaboration.

Supplier number	Leverage 2024	Years of collaboration
1	29	12
2	90	9
3	70	8
4	2,86	15
5	15	9
6	4,5	4
7	15	1
8	1	11
9		<1
10	20	11
11	50	18
12	6,5	20
13	35	4
14	1	5
15	5,5	10
16	1	7
17	1,5	15
18	4	7
19	6,6	11
20	1,34	11
21	50	11
22	50	5
23	5	4
24	0,1	11
25	0,1	14
26	3	14
27	1,5	5
28		<1
29		<1
30	15	5
31		<1
32	2	7
33		10 (<1)
34	<1	5
35	5	10

Onboarding and Exit Procedure

Nudie Jeans or our local representatives always visit suppliers before deciding on sourcing. New suppliers must meet our expectations regarding quality, price, product development, lead time, working conditions, and ability to work with preferred materials. During on-site visits, we conduct internal supplier assessments. We seek suppliers who share our vision of responsibility and environmental concern, ensuring this through our developed sourcing strategy by requesting the supplier to:

- Sign the Nudie Jeans Code of conduct, Transparency policy, and Chemical policy before production starts (if a direct supplier).
- Have documented high social, ethical, and environmental ambitions.
- Have vertical manufacturing or a limited number of subcontractors.
- Be transparent regarding all units in their production chain and open to be audited by a third party as well as be visible on our product card.
- Have the potential for a long-term partnership and growth with Nudie Jeans.
- If located in a high-risk country, demonstrate a democratic environment in the workplace.
- If located in a high-risk country, be able to show proof of decent working conditions.
- Agree to the FWF Workers Information sheet to be posted and allow access for the assessment team.

System for Monitoring & Remediation

Nudie Jeans processes to monitor and track the suppliers progress and performance are divided into several parallel processes. There are third party assessments, internal assessments, visits, meetings and trainings. Evaluations are made during the sourcing decision, throughout the collaboration and yearly with all departments involved, including supplier's anonymous feedback.

Assessments and Follow-up

We aim to make third party assessments every 2-3 years at suppliers with high risk factors either on country or supplier level. We try to avoid audit fatigue, and considering the long-term relations with frequent visits, we accept external audit reports at suppliers where there is a good communication and remediation-progress. Assessments can be made before the time interval if any recent complaint or other issue occur. We work with the same strategy for all our suppliers, based in low risk as well as high-risk countries, including subcontractors.

Table 5. Nudie Jeans suppliers latest assessment and training. (E)=External, (I)= Internal

Supplier number	Type	Country	Latest assessment	Latest training	Latest visit
1	Main	TN	2022	2022	2024
2	Sub	IT	2024	-	2024
3	Sub	IT	2023	-	2024
4	Sub	IT	2024 (E)	-	2024
5	Sub	TN	2022	2024	2024
6	Sub	IN	2023	2024	2024
7	Main	IN	2024	-	2024
8	Main	TR	2024 (E)	-	2023
9	Sub	PL	2024 (I)	-	-
10	Sub	IT	2024	-	2024
11	Sub	PT	2017	-	2024
12	Main	PT	2023 (E)	-	2024
13	Sub	TN	2022	-	2024
14	Sub	TN	2024	-	2024
15	Main	PL	2024 (E)	-	2024
16	Main	PT	2024 (E)	-	2024

Supplier number	Type	Country	Latest assessment	Latest training	Latest visit
17	Main	SWE	-		-
18	Sub	IN	2023 (E)	-	2024
19	Main	TR	2022	2022	2024
20	Main	PT	2024 (E)	-	2024
21	Sub	IT	2024	-	2024
22	Main	IT	2023 (I)	-	2024
23	Main	PT	2024 (E)	-	2023
24	Main	LIT	2015	-	2019
25	Main	IN	2023	2021	2024
26	Sub	IN	2023	2021	2024
27	Main	AU	-	-	2024
28	Sub	PL	2024 (I)	-	2024
29	Main	SWE	2024 (I)	-	2024
30	Sub	PT	2021	-	2023
31	Main	PL	2025 (E)	-	2024
32	Sub	PT	2020	-	2023
33	Sub	PT	2021	-	2024
34	Main	PT	2021	-	2023
35	Main	IN	2024 (I)	-	2024

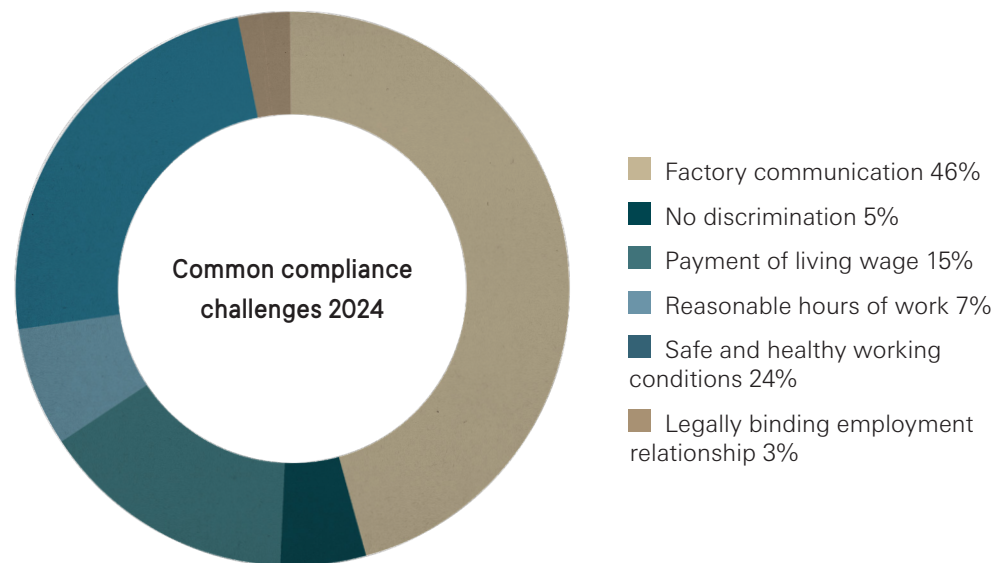
After assessments, a corrective action plan (CAP) is written within a time frame agreed upon between the auditor and the factory management. Relevant Nudie Jeans staff is informed about the outcome of the assessment and the CAP. The CAP plan gives us a detailed overview of the current situation and pinpoints the most important areas for improvement which also helps us prioritize our follow-up work.

The follow-up of the CAP is coordinated by the Nudie Jeans Human Rights and Social Impact Specialist. The first step will be done through email communication in which the supplier gives an update on the progress. In the second stage, an on-site visit will be scheduled. In cases where we have staff or consultants, they will be involved in the follow-up visits.

Assessment Results 2024

Nudie Jeans strives to have close communication with the supplier regarding the measures taken to improve working conditions. This includes discussing how we can assist the supplier in reaching the remediations required. Summarized non-compliance findings from 2023 and 2024 assessments are explained below. The categories are retrieved from the FWF assessment method. Specific findings and follow ups are described below.

Figure 5. Most frequent non-compliances 2024 in Nudie Jeans supply chain.



Factory communication

Factory communication is an additional category where the suppliers are assessed. The category is connected to communication and opportunities given to the workers by the factory management. This is to create training or raising awareness of policies put in place, awareness of grievance mechanisms or training to worker representatives. Many of these findings are solved by a training funded by the sourcing brands, all suppliers will undergo trainings in 2025.

Safe and healthy working conditions

As per national laws, facilities are expected to regularly update fire and electrical systems, which sometimes are not made in time. There are findings of workers not using suitable PPE or having adjusted stitching machines, such as removing the eye shield. We support a strong health occupational health system and a trained responsible person in every facility. In 2025 we co-financed 584 anti fatigue mats to be installed at a supplier in India.

Payment of a living wage

The most common finding in this category is that workers are paid below the living wage, estimated by local stakeholders. Although Nudie Jeans pay its share of living wage the whole gap is not covered. The other common topic within this category is that overtime and/or social benefits can be paid out in cash. The payment of living wages influences direct root causes of labour rights and poverty.

Supplier 10 / Italy

The supplier was onboarded as a new laundry supplier for 2024. It's around 20 workers. In 2024 they became GOTS certified. The social assessment initiated by Nudie Jeans only showed one finding which has been incorporated in the action plan for 2025. The finding was regarding factory communication.

Supplier 2 / Italy

The supplier has been stitching Nudie Jeans since 2016. In 2024, the main supplier took ownership of the facility. During 2024, they became GOTS certified. The social assessment initiated by Nudie Jeans has been closed to 90%. The remaining finding has been incorporated in the action plan for 2025. The finding was regarding factory communication.

Supplier 21 / Italy

The supplier is printing pockets for Nudie Jeans and have done since 2014. The supplier was also GOTS certified during 2024. The social assessment initiated by Nudie Jeans has had 50% of progress. 30% of the findings is in progress. The remaining issues was regarding tidiness at site.

Supplier 14 / Tunisia

The supplier embroiders special garments for Nudie Jeans through our main supplier. In 2024, they became GOTS certified. The social assessment initiated by Nudie Jeans has been closed to 46%. The remaining finding has been incorporated in the action plan for 2025. The highest priority finding was regarding late payment of yearly bonus, that fire evacuation routes were not clearly marked and that the noise level exceeded legal or permissible limits. All three findings have been remediated and discussed with the supplier. Main achievements from the year have been that the workers, supervisors and management participated in an onboarding training by FWF. Short thereafter the workers held a democratic election to have worker representatives.

Supplier 7 / India

The supplier stitches leather jackets for Nudie Jeans. The social assessment initiated by us has been closed to 87%. The remaining finding has been incorporated in the action plan for 2025. The supplier has undergone relocation and therefore we have not been able to incorporate any onboarding training yet or completed the remaining actions. The highest priority finding was an unfunctional worker hour registration system and uncomplete work contracts. These have been remediated but will be verified during next assessment which will be placed as soon as the supplier is relocated.

External Assessments Follow Up

External follow ups are handled through email and visits. It's often suppliers with low-risk profiles where we accept external assessments that include relevant labour categories.

Progress & Evaluation

Time bound action plans have been set up per production facility. The resources used for developing the action plans are both actions generated from the risk assessments but also suppliers' visions in how we as a brand can contribute to positive social impact. Some actions are also connected to Nudie Jeans internal sustainability goals concerning transparency and living wages.

Table 6. Summarized time-bound plans and 2024 progress

Supplier Country	No of suppliers	Improvements & prevention steps	Timeline
India	4	Focus for two suppliers are female supervisors, for the other two focus are onboarding trainings.	2024-12-31
Progress 2024: 25%. During 2024, we completed a training on soft skills for female supervisors at one supplier. However, no onboarding training was held as planned, this was due to relocation of one supplier, and a mix of low leverage and the factory being fully booked that no date could be found.			
Tunisia	4	Focus for one supplier are themes such as working contracts and product style costings. For the others focus is on social dialogue.	2024-12-31
Progress 2024: 100%. During 2024, discussions regarding working contracts have been held and product style costings have been collected. For the other supplier, we conducted one training including social dialogue.			
Türkiye	2	Focus for one supplier is to gather product style costings and the other health and safety	2024-12-31
Progress 2024: 100%, product style costing gathered, as well as basic H&S check through external audit.			

Supplier Country	No of suppliers	Improvements & prevention steps	Timeline
Italy	5	Focus for one supplier are product style costings and the other will be corrective action plan remediations.	2024-12-31
Progress 2024: 100%, product style costing gathered, as well as basic H&S check through external audit.			
Portugal	10	Complete Gender Equality Indicators	2025-12-31
Progress 2024: 80%			
Poland	1	Monitor risks generated from risk assessment	2025-12-31
Progress 2024: 0%			
Lithuania	1	Monitor risks generated from risk assessment	2025-12-31
Progress 2024: 0%			
Sweden	1	Complete Gender Equality Indicators	2025-12-31
Progress 2024: 0%			

Cross Department Supplier Evaluation

At the end of the year, sustainability, supply chain, finance and product development department have a joint evaluation of suppliers with participants from different departments, where we discuss how they perform. The human rights and social impact specialist are responsible for bringing up critical issues related to working conditions or health and safety risks that might affect labour conditions in relation to production.

In 2024, Nudie Jeans invited its main tier 1 suppliers to participate in an Evaluation Survey. The survey assesses the business relationship to Nudie Jeans across five key categories: General collaboration, purchasing practices, sustainability practices, finance practices, and supply chain practices. Each category includes a set of questions that the supplier rates to express their perception of Nudie Jeans’ business practices during 2024. The result is compiled based on the ratings and is seen as an indication of overall satisfaction. The categories consist of different numbers of questions and therefore have different total scores. The response rate was 100% (11/11) and even though anonymity was an option, only one used it. The rating of the questions could be complemented with elaborate answers and suggestions for improvement. The results are used to review and develop our business practices and for suppliers to anonymously express opinions. In 2024 we created action plans for each supplier to meet their feedback.

Table 7. Nudie Jeans Supplier evaluation results 2023 and 2024

Category	Rating 2023	Rating 2024
General Business	99%	99%
Purchasing practices	90%	92%
Sustainability practices	95%	98%
Financial practices	92%	99%
Supply chain practices	96%	98%

Complaints Procedure

We display a Worker Information Sheet (WIS) in the local language at each production site, explaining the Code of Labor Standards and providing contact details for anonymous complaints. The WIS content should also be communicated verbally by the factory manager or through Fair Wear Foundation's Onboarding training. Upon receiving a complaint, we either hold an internal meeting or inform our main supplier, providing details without revealing the plaintiff's identity. The supplier may investigate further, or we may visit the supplier directly, sometimes involving our local production team or an NGO. Visits are usually accompanied by an external consultant or an FWF assessment team. Complaint reports are publicly available on the FWF website. In 2024, we received one complaint.

Case 1 Complaint 1720

- The grievant had complaints regarding overtime, wages, and discrimination.

As we were five FWF member brands sourcing from the same supplier, we started the procedure with an internal meeting. Soon thereafter, we contacted the production location to start an investigation. The factory management responded with details about overtime, wages, and the visibility of WIS poster. The investigation revealed that while overtime was not mandatory, it created pressure on workers. It also identified a need for better communication about the WIS poster and the bonus system. Suitable actions were suggested by us.

The factory management took steps such as holding training sessions for supervisors, conducting refresher meetings about Fair Wear, and providing one-on-one training on the performance measurement system. The third-party Fair Wear Grievance Handler verified with the grievant that the factory management had taken the necessary steps and resolved the issues. The member brands contacted the production location, and the grievant expressed satisfaction with the steps taken. The factory management implemented the necessary steps and made future-oriented plans to prevent similar issues. The grievance was resolved.

Training & Capacity Building

Employees and Agents

The sustainability team conduct sustainability-themed presentations, including information on the FWF membership, several times a year for both global wholesale sales staff as well as the staff in our Repair Shops. In 2024, employees at the head office, the global sales offices, and store staff have been updated on progress and relevant information in meetings as well through our internal project management system Asana. By educating the sales staff in the shops we have a great opportunity to spread the word of what we are doing directly to the customers. All production agents and quality controllers are incorporated with social topics, which includes information on assessments, and other work related to production countries. Nudie Jeans has established long-term relations with agents in Portugal, India, Türkiye and our production quality controllers in Italy, and Tunisia. The agents and quality controllers are well-updated on the Code of Labour practices and involved in the continued communication on follow-ups and the remediation we do with our suppliers.

Supplier and Workers

Female Supervisor Training

In the past years, one of our main Indian suppliers has enrolled workers and management in workplace training, raising awareness about workplace standards and grievance systems, and developing functional anti-harassment committees. Other types of training programs have been offered for line supervisors, where the focus was on leadership and teamwork, as well as types of harassment and how to identify them. They also had separate training with a local NGO. In practice, we supported suppliers to have relevant policies in place, to encourage more female line supervisors, to investigate the wage structure, and to have representative committee groups comprising both men and women of different ages, departments, and skill levels. Committee work is an important way to involve all workers and ensure their voices are heard and that all voices are equal, without discrimination.



Thatchyini joined a supervisor program to improve her communication and team skills.



Manimegaldi has inspired and motivated other tailors in the factory to pursue higher levels of work.



Female Supervisors from Sustainable Crafted Clothing

Nudie Jeans had the chance to speak to three of the participants in the supervisor training designed by Sustainable Crafted Clothing Management during our visit in 2024. Nudie Jeans supported a training on soft skills executed by Good Business Lab in 2023. In the summaries Manimegaldi, Thatchyini and Pravitha shares some insights:

Thatchyini

Thatchyini joined a supervisor program to improve her communication and team skills. She learned that understanding herself was key to leading others. Applying these skills at work and home as well as good planning, she resolved misunderstandings in daily family planning. She encourages other women to aim for leadership roles, Thatchyini future goals are to become an industrial engineer. For two years, she has received a living wage bonus, which she uses for her children's education and health needs. Her journey highlights the power of self-improvement and effective communication.

Manimegaldi

What motivated her to enter the training was to advance in her career and the interest in teaching others. After the training, she was first promoted to assistant supervisor and now she works as a full-time supervisor and is currently handling two production lines. She says the training and work boosts her confidence and aspires now towards becoming a production manager. Manimegaldi has inspired and motivated other tailors in the factory to pursue higher levels of work. It's the fifth year of her receiving the living wage bonus, and she mainly spends it on personal expenses and medical needs.



Pavithra aims to take on more responsibilities within the company and manage more lines.



Pavithra

The meeting took place in Pavithra's home, 10 minutes from the factory. She lives with her husband and her parents in a newly built house. She openly shared that her husband is struggling with diabetes and medication ineffectiveness which require a lot of care and assistance. Her two daughters' studies at a boarding school. Pavithra started at SCC two years ago for the opportunity that it was closer to home.

The opportunities at SCC have made her confident and self-motivated, so it was natural to enter the training. Her main takeaway and learning from the training have been stress management, handling pressure and enhance communication skills. She says that sometimes efficiency can be low due to stress and pressure but increasing communication and asking about their mood to make the workers understand themselves, the levels of pressure and stress often reduces.

Pavithra aims to take on more responsibilities within the company and manage more lines. She has received a living wage and bonus, which she used to pay off debts and support her daughter's school peers with small gifts.

Fair Wear Onboarding Training

The training includes five modules. Two aims towards increasing worker awareness about the code of labour and the grievance mechanism. The other modules focus on social dialogue in-between workers, middle management and management.

We conducted one training in Tunisia where Nudie Jeans canvas jackets are stitched. The feedback from workers were that workers found the training content relevant and gave in-depth understanding and increased awareness of rights and responsibilities of each. One main achievement and outcome of the training was election of worker representatives. The supplier is also included in the development of the FairPrice app.

Sağ Salim

In addition to the FWF complaints handling, we continued to be engaged in the Sağ Salim program in Türkiye, mainly focusing on workers in Tier 4. The program is a due diligence program developed to support the most vulnerable workers in the garment industry's supply chain. The program actively seeks out instances of deliberate exploitation, slavery, and unsafe working conditions and puts methods in place to resolve them. The areas targeted, but not limited to, organic cotton farms in the Izmir region in Türkiye from which Nudie Jeans denim's cotton is sourced but also aims to cover other tiers of the supply chain. The Sağ Salim program directly engages with workers to provide a persistent labor monitoring solution across multiple tiers in the supply chain and leverages a cross-sector stakeholder committee to investigate and remediate issues. Below is an illustration of the Sağ Salim Framework. Activities and communication around the Sağ Salim project reached 3 483 355 people in 2024 with engagement from 341 983 after three years of membership. This resulted in a decrease of 52% in reach and 7% in engagement since last year. The decrease is impacted by the program only being active until September. The key issues identified include legal status, work permits and wages.

Highlights from the reports include the reach of the program and the impact of the educational content we have been developing and distributing. This has led to an increase in reporting and is also assessed as likely to have a positive impact in reducing the vulnerability of workers throughout the supply chain as they become more aware of the risks of exploitation. In the beginning of August, the campaign produced an awareness campaign. The first post encouraged followers to prioritize their health by regularly visiting the doctor and conducting medical tests, highlighting the importance of early detection of chronic diseases, mental health, oral hygiene, and common cancers. The message underscored the importance of not ignoring even mild illnesses, as early intervention can prevent complications. Women's health issues were also highlighted, cancer awareness, as workers in the cotton and ginning sectors are at an increased risk of cancer, with responses seeking more information on the disease and where to seek treatment.

Information Management

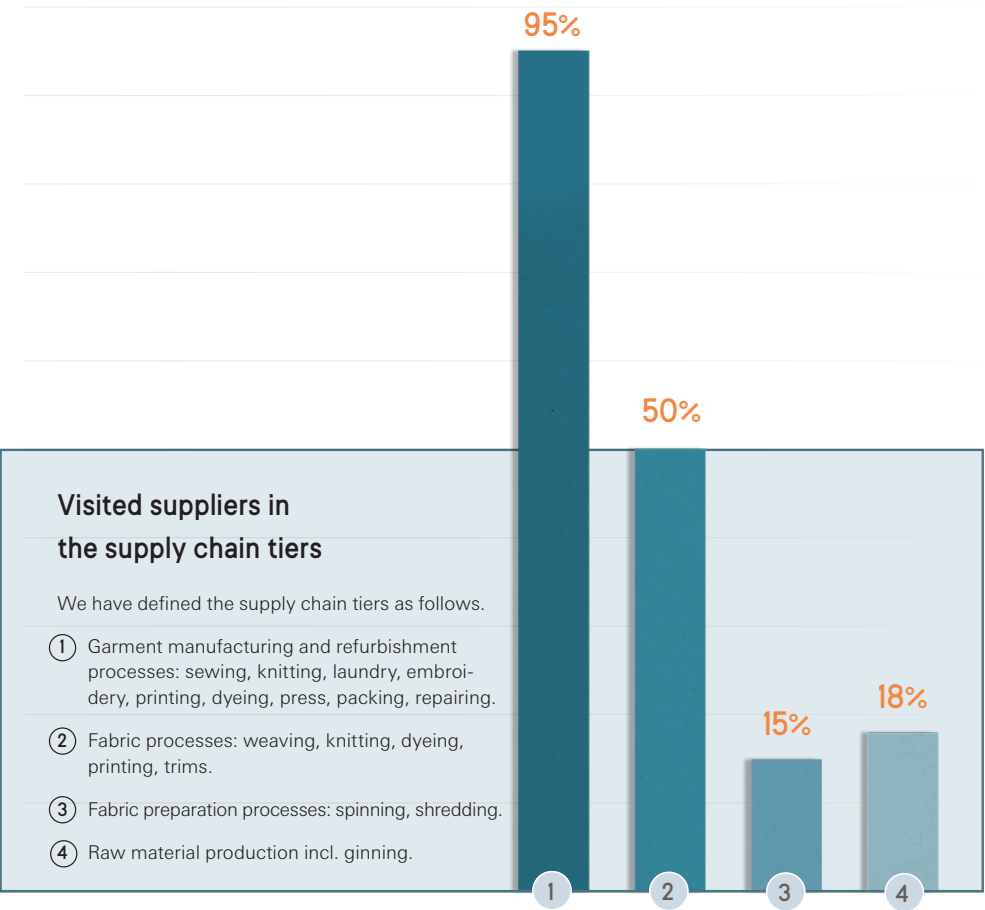
During 2024, we worked with collecting the workers’ info sheets and signed questionnaires in the Worldfavor digital system. Our renewed project around product transparency was a good starting point when communicating with suppliers on product locations throughout our supply chain. In addition, we have our staff as well as good communication with our main suppliers to identify the subcontractors in our supply chain.

Transparency & Communication

We support the Transparency pledge, and a full list of our suppliers is available for download on our website which includes suppliers from the raw material stage to the stitching of the garments. Presenting this amount of information is unique. We also display the suppliers list at Open Supply Hub.

It is important to us to visit the suppliers, to understand the conditions in which our products are made and to build relationships. As seen in Figure 6, we have visited 95% of Tier 1, 50% of Tier 2, 15% of Tier 3, 19% of Tier 4. In total, we have visited 54% of the supply chain. In 2024 we were able to visit all but a few suppliers, for example, embroidery and printing suppliers in Portugal as well as our suppliers in Poland.

Figure 6. Percentage of Tier 1-4 suppliers visited during 2024.



For consumers to see how everything is connected we have continued with our product transparency cards. Both services work as a website tool where the consumer can get detailed information about the production premises connected to each product and the upstream process. We publish assessment summaries, materials, transportation, CO2 emissions and water data, general supplier information, and certifications.

In 2024, we continued the sustainability communication, and particularly the journal posts describing different sustainability activities. As Nudie Jeans has grown to become a global denim brand, students, researchers, and journalists from all over the world regularly ask us to share our insights and experiences from the textile industry. We believe that knowledge of the current situation and industrial history, from both internal and external perspectives, is crucial to understanding the challenges we face to find efficient solutions and lead the industry toward continuous improvements. In 2024, we participated in over 20+ events, including interviews and public speeches, to share our knowledge with different networks, Ph.D. and undergraduate students, researchers, and journalists. These interactions included more than 25+ public speeches we held globally, including presentations and panel talks, at various online events with different target groups and purposes.

Stakeholder Engagement

The organizations we have chosen to partner with have all their specific purpose and area of work that aligns with Nudie Jeans Sustainability work. The most crucial networks for our daily operations are the membership in STICA, RISE and Fair Wear Foundation

STICA

sustainablefashionacademy.org/STICA

We have been part of the Swedish Textile Initiative for Climate Action (STICA) since 2019. The purpose of STICA is to support the textile industry and their stakeholders to reduce greenhouse gas emissions in line with the 1,5° C warming pathway. The support and knowledge-sharing within the network have played an important role in the development of our climate work. To tackle climate change, a transition must happen on an industry level and the network creates a forum for joint efforts and the possibility to influence the EU and Nordic policy arena.

RISE

ri.se

Since 2015, we have been a member of kemikaliegruppen (The Chemical group) at the Research Institutes of Sweden (RISE). It is a platform for chemical knowledge in the textile production chain, for staying updated on chemical legislations and regulations, for communicating chemical requirements to our suppliers and for responding to questions from the media and consumers on this issue. We meet four times annually and share experiences and knowledge with other brands, NGOs, experts in the field and authorities.

Furfree Alliance

furfreealliance.com

We signed the Retailer Commitment Against Fur agreement by the Fur Free Alliance in 2015. The Fur Free Retailer Program is an international initiative to provide consumers with exact information about a retailer's fur policy, allowing them to make an informed choice when shopping. The program recognizes and supports retailers that have committed to a no-fur policy. Our animal welfare policy states which animal-based materials can and cannot be used by Nudie Jeans and is available on our website.

Chetna Organic

The fundamental goal of Chetna Organic Agriculture Producer Company is to improve the livelihood of tribal smallholder farmers who depend on rain-fed agriculture by making their agricultural systems more successful and long-lasting. Chetna supports organic cotton farming and conducts collaborative research on the best practices based on agro-climatic circumstances, including seed trials to increase the productivity and marketability of farmers' produce with a major focus on the production of Non-GMO-Seed Cotton as per the organic and fairtrade standards. In 2018, we visited cotton fields in Odisha, India to learn more about organic farming and how to support the local communities.

Fairtrade

[fairtrade.com](https://www.fairtrade.com)

Fairtrade's approach enables farmers and workers to have more control over their lives and decide how to invest in their future. With a Fairtrade labelled product, people can create change through their everyday actions. A product with the Fairtrade mark means producers and business have met internationally agreed standards which have been independently certified. Farmers and workers have a strong voice at every level of Fairtrade from how they invest in and run their local organizations to having an equal say in Fairtrade's global decision-making. All our organic cotton used in production in India is also FairTrade certified, assuring that the cotton farmers have received a fair payment for the cotton we purchase.