



Introduction

Nilfisk is committed to being an honest, fair, safe, and responsible company and expects the same behavior throughout its supply chain.

Through our policies, including this Sustainable Sourcing Policy, standards and processes, we respect applicable local regulations while also incorporating key global principles and goals e.g. the United Nations Universal Declaration of Human Rights, the International Labor Organization's Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, the principles of the United Nations Global Compact.

We expect the same from our suppliers, therefore, our Supplier Code of Conduct, based on our internal Code of Conduct, is applicable to all of our product- and service suppliers.

This Sustainable Sourcing Policy builds on the principles outlined by the Supplier Code of Conduct by presenting our methodology and tools for supplier engagement, monitoring, and accountability.

This policy applies to all our suppliers. A supplier is any individual or organization that provides, sells or leases materials, products or services to Nilfisk.

Our engagement with suppliers

What we expect

We expect our suppliers to demonstrate their commitment to sustainable sourcing by signing and upholding our Supplier Code of Conduct. To support them in this, we provide trainings that explain the importance of the Code of Conduct and detail the expectations outlined in it. We also encourage them to promote these same principles throughout their own supply chains by requiring similar standards from their own suppliers.

How we support

We recognize that our global sourcing activities involve a wide range of suppliers, each with unique backgrounds and varying levels of sustainability maturity. Our sourcing strategies are designed to reflect this diversity by tailoring engagement and communication to local contexts. Through this approach, we aim to support suppliers in understanding—and meeting—our expectations and requirements.



Our due diligence framework

We apply a comprehensive framework to identify and manage key risks across the entire supplier lifecycle—from initial selection and onboarding to continuous monitoring and, when necessary, responsible disengagement.

Suppliers are evaluated based on location- and industryspecific risk factors, including human rights, occupational health and safety, environmental impact, and business ethics.

In addition to these criteria, we also consider due diligence obligations arising from relevant local legislations, and our level of influence within the business relationship to help determine the appropriate expectations and engagement approach.

Based on this combined assessment, each supplier is assigned a risk level that defines the due diligence and management process required. This may include completing a self-assessment questionnaire, submitting relevant third-party certificates and/or participating in an on-site inspection.

The assigned risk level, together with our assessed influence, guides the focus and frequency of our collaboration. With higher-risk suppliers, where we have greater potential to support improvements, we aim to work closely to encourage meaningful and timely progress. This may involve enhanced oversight, more detailed assessments, and targeted capacity-building efforts to foster ongoing development.

Non-adherence

When instances of non-compliance with the Supplier Code of Conduct are identified, we investigate each case to understand the root causes and contributing factors before determining the appropriate response. Our initial approach prioritizes collaboration with the supplier and other relevant stakeholders to mitigate or remediate potential adverse impacts and support long-term improvements, recognizing that some issues may require extended timelines. If, however, we see that the supplier cannot, or will not, take the necessary steps towards compliance, we may resort to reviewing our relationship with the supplier, including potentially terminating the business relationship.

Grievances

Affected stakeholders are encouraged to raise any concerns regarding compliance with this policy directly with their manager/business contact, or alternatively through Nilfisk's Whistleblowing System on https://nilfisk.whistleblowernetwork.net



Implementation & revision of the policy

This policy is approved and endorsed by the Nilfisk Sustainability Steering Committee.

Its implementation is a responsibility shared by multiple departments within Nilfisk, including among others sourcing, legal, regulatory, and sustainability. To continuously improve our practices, we strive to regularly review this policy to incorporate feedback from stakeholders as well as market best practices reflecting consideration of societal- and environmental challenges material to our company.

For any questions or comments regarding the contents of this policy, please reach out to your usual Nilfisk contact person.

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