MODERN SLAVERY STATEMENT 2024

This statement has been published in accordance with the Modern Slavery Act 2015. It sets out the steps taken by Nice-Pak during year ending 1 April 2026 to prevent modern slavery and human trafficking in its business and supply chains.

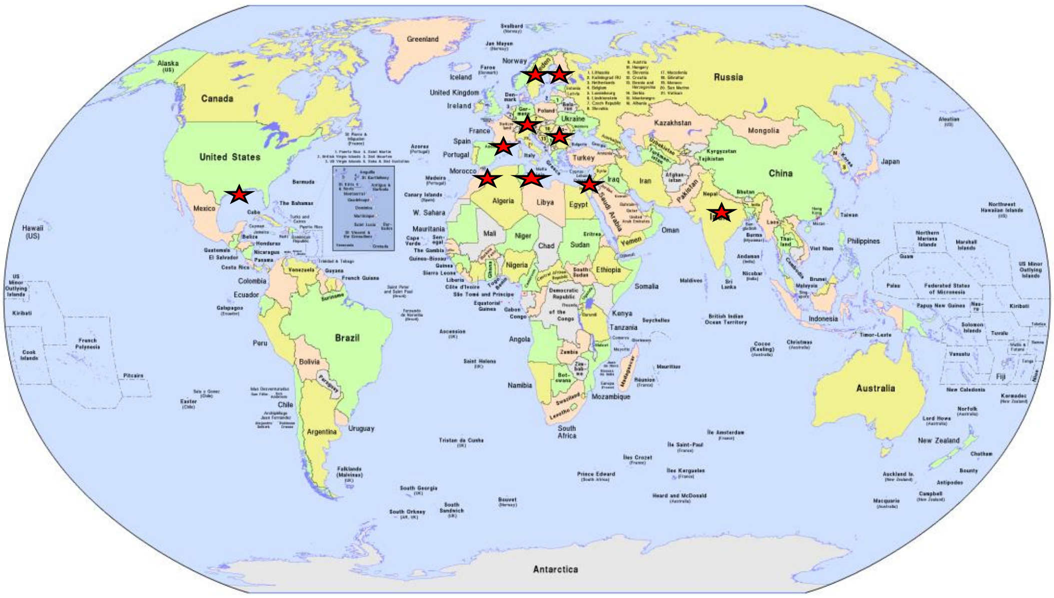
Key areas of focus in 2025

- Enhanced supplier partnership and maximising the proportion of our Tier 1 to become members of Sedex.
- Continued education of colleagues and reinforcement of our approach during induction.
- Reviewing the impact on our ethical trading as a result of the closure of our German factory in mid 2025.
- Decision made to re-initiate our Ecovadis accreditation in early 2026.

Our Business and Supply Chains

We continue to manufacture products for leading retailers and international brands, primarily within the UK and European markets. During 2025 we continued to ensure that our strategic plans considered our CSR objectives. Ethical trading practices and considerations are key components of our strategic objectives e.g. customer partnerships and relationships, resource management, cultural development.

We continue to source materials and distribute finished products on a global basis albeit, during 2025, we did not source non-woven from China. We did source 1 chemical manufactured in China (imported into the EU and supplied to us via the Netherlands). We also sourced a couple of commodities produced in China and supplied via distributors. Both the chemical and commodity suppliers are Sedex and Ecovadis accredited. Below reflects the current sourcing map



★ Countries from which we source our tier 1 raw materials
Not detailed on this map are lower tier manufacturers and primary processors

July 2026

Our Tier 1 suppliers continue to be those either where the spend exceeds £1.0m or where the spend is less than £1.0m but is considered of strategic importance/where a higher level of risk has been identified. The review also included supplier consolidation whereby suppliers are now identified as supplier to Nice-Pak International Limited, not individual manufacturing sites. Number of Tier 1 suppliers in 2025 was 39 (adjusted from 44 as stated in our 2024 statement).

The split of this is:-
41% non woven suppliers (increase)
44% packaging suppliers (decrease)
15% chemical suppliers (increase)

Our review processes continue to identify, record and monitor memberships of Sedex and/or Ecovadis.

Our review has identified that :-

a) All tier 1 packaging suppliers are Sedex registered
b) The majority (all bar two) of our non-woven suppliers are either Sedex registered or have Ecovadis accreditation. Of the two referenced, one is working towards Sedex and had their first ecovadis evaluation during 2025 and re the second, whilst they only supply 1% of our overall non woven volume, we are encouraging them to work towards Sedex or Ecovadis.
c) All Tier 1 Chemical suppliers are either Sedex or Ecovadis registered.

The closure of the Osterweddingen German Factory in 2025 resulted in a small reduction of Tier 1 suppliers that were European based.

In 2025, further progress was made regarding our non-woven tier 1 suppliers and our scope to understand how they are operating from an ethical perspective – see above.

In addition, we maximised our AB status and Supplier quality technical agreements to assess our supplier base regarding their approach to modern slavery and ethical standards. Where non conformances were identified in their SMETA audits, we have sought direct feedback from the supplier as to their remediation of these.

Re the supplier quality technical agreements, these now reference our ethical policies, procedures and importantly, our expectations. Suppliers continue to be required to both review and confirm agreement/compliance with these standards in submitting their completed questionnaire. The ETI base code continues to be attached to the supplier questionnaire as an appendix.

The Supplier Quality Technical agreements are in place with each tier one supplier. Our approach/requirements to/re ethical trading is/are a core essential component of this agreement.

Governance Structure

Our approach remains as previously declared. We continue to seek to have a responsible and compliant approach to Modern Slavery and compliance with the UN's guiding principles on Human Rights. We will achieve this by continuing with the practices referenced in previous statements - appropriate and well-communicated policies, a due diligence programme based on risk assessment and effective follow up, an appropriate level of employee and supplier education with a strong emphasis on partnerships and stakeholder dialogue and transparency.

Our Modern slavery work continues to be supported and overseen at Director level. Of particular note, our Supply Chain, Procurement and HR Directors fully appreciate and support the fact that their roles encompass key responsibilities with regards to Modern Slavery.

This is also the case for our Head of Quality and Compliance who is a member of our Senior Management team. Our Head of Quality and Compliance is responsible for ensuring that via his team, an appropriate ethical review schedule has been set up with our tier one third party suppliers.

Our Human rights and Modern Slavery Policy continues to be considered and approved by our Board of Directors.

We continue to develop our management capacity and knowledge on Modern slavery across our business. Our focus during the period of this statement (extends to the period end April 2025) has been to embed our education programmes via the routes available starting from the onboarding/induction process for all new employees.

During this period of review, we have engaged in high levels of recruitment enabling us to reach out to >30% of all colleagues directly about the important of ethical trading, their scope to use the confidential whistleblower hotline via Safecall etc, via the induction process.

During 2025, we introduce an internal, cross functional, Governance review process. This involves bi-annual review of key areas by members of the leadership team and stakeholders. Modern Slavery and ethical trading is a key pillar reviewed within this governance process.

In the July 2025 review, no significant risks were identified but it was noted and recognised that our AB membership should continue and that we should continue to encourage our supplier base (tier one initially but seek to broaden out) to be members of Sedex. It was identified that their participation provided us with detailed insight on their approach.

Our Tier one suppliers continue to be categorised as low risk. Although this is the case, as previously stated our agreements, contracts and commercial discussions continue to reinforce our expectations with regards to social standards and compliance with the ETI code as a minimum. This approach is reinforced with our continued AB SEDEX status.

The enhanced approach to supplier management referenced earlier in the statement further strengthens our approach.

As in previous years, we continue to work closely with our sub-contract labour providers. Our relationships continue to be long standing which has enabled us to continue embedding a relationship of mutual trust and understanding. Our annual audits of their processes during 2025 identified no major non-conformances.

Our continued relationship with our two primary suppliers (Acorn and Bond) is determined on many factors but their compliance and commitment to avoidance of Modern Slavery is an essential component.

Their induction process continues to provide clear guidance and messages regarding modern slavery.

It is our understanding that both suppliers, Acorn and Bond continue to be members of the Stronger Together partnership initiative. As previously stated, Acorn have a compliance team dedicated to this and other areas to ensure best practice.

Our approach to Modern Slavery is continuously reviewed by external auditors as part of our SEDEX membership. During 2025, two SMETA audits were undertaken at each of our UK manufacturing facilities and multiple customer specific ethical audits were undertaken. We did not conduct a SMETA audit at our German site due to our announcement that the site will cease production by mid 2025.

None of the non-conformances or observations during these audits related to this area.

We also provided information as required to customers regarding our approach and processes re ethical trading.

Policies and Contractual controls

We continue to have a number of policies in place relevant to Modern Slavery, all of which are considered and approved at Director level. These include:-

a) Human Rights and Modern Slavery policy
b) Employee code of conduct and grievance and disciplinary policies.
c) Supplier assessment procedures – all suppliers are required to comply with the NPI Modern Slavery policy
d) Child remediation policy
e) Whistleblowing policy and use of third party employee whistleblowing helpline (via Safecall).

Our supplier questionnaire and Supplier Quality Technical agreements detail the areas that they must be compliant on :-

- Provide employees with good working conditions including working hours, fair treatment and reasonable rates of pay; .legal minimum age of employment and
- Respecting workers human rights and full compliance with all applicable laws including the Modern Slavery Act 2015

We are committed to continuing our work on responsible recruitment practices and better management of third party labour providers as part of our broader effort to eradicate Modern Slavery and compliance with the UN's guiding principles on Human Rights.

The SMETA audits undertaken each year on each site continue to be an opportunity for NPI to learn and acquire a deeper understanding of best practice processes in relation to modern slavery, within our industry sector. If suggestions are made to us, during the audits, we are committed to giving these suggestions full consideration.

Assessment of Modern Slavery risk within our supply chain

The manifestations of Modern Slavery are complex and hidden, and in order to prioritise activity, we need a strong risk assessment in place.

Based on our risk assessment, we continue to consider our non woven supply chain to be our highest risk areas, for reasons of social and political factors. Although this is our highest risk, it is still considered low risk overall.

Our risk assessment also considers the UK Governments assessment of countries. We continue to identify Turkey, India and China as the highest risk countries for our product supply chains. Whilst we did re-instate supply from India, it was done in parallel with the requirements of the Supplier Quality Technical agreements. We did not source non woven from China during 2025 but did source one chemical and a couple of commodities as referenced at the outset of this statement. Our supply from Turkey reduced in line with the reduction in overall business trading volume.

We did not conduct face to face audits in 2025, albeit we recognise that this is a practice we will seek to re-introduce, starting with our tier one suppliers.

Our approach in 2025 was across two pillars:-

a) Utilising our AB status to access the sedex questionnaire responses from suppliers
b) The focused and extended usage of our enhanced supplier questionnaire and Supplier agreements

Due Diligence and Assessment of Suppliers and Supply Chain

Having established that risk exists, we continue to recognise the importance of our due diligence within our supply chains and operations. It is only through our due diligence that we can understand and identify whether there is any evidence of Modern Slavery issues, and whether there are sufficient controls in place.

In conducting our due diligence we increasingly consider our customers viewpoint and stances regarding areas of risk. UK retailers in particular, share their positions regarding higher risk areas. This insight is valuable to us. We review feedback along with AB reports during our bi annual internal governance reviews.

We continue to have a requirement that all new and existing suppliers complete our enhanced supplier questionnaire, a key component of which is ethical trading and Modern Slavery.

Whilst our supplier base remains fairly static and in line with previous years, where we have introduced a new supplier in 2025, our approach remains as previously stated, that our preferred approach is for them to be members of SEDEX and therefore participate/undertake regular third party SMETA audits.

As referenced above, our current packaging suppliers are typically active members of Sedex and good progress has been made in 2025 in relation to our non-woven suppliers becoming members of Sedex or the Ecovadis measurement platform. See previous comments where reference is made that just one supplier is currently not a member of Sedex or Ecovadis.

Positively, in previous reports we had advised that we had not been able to identify a measurement route for our tier 1 Chemical suppliers. Positively, we are able to report that all Tier 1 chemical suppliers are either Sedex or Ecovadis registered. This is a positive step forward and provides us with further insight regarding their approach to ethical trading and modern slavery.

Where our contractual relationship with global, non-retail customers continues to typically be via directed purchase i.e. our customers identify the suppliers that we source from; our expectation is that these customers will have carried out due diligence on their suppliers. Our focus in this area is on suppliers that we identify and manage.

During 2025, no non-compliances or concerns were raised to us with regards to ethical standards, via our customers regarding their directed suppliers.

The flow chart below summarises our staged approach to supplier assessment and selection.

Commercial Review

Quality Accreditations

Sustainable & Ethical Policies

Trials & Validation

Desktop Audit of policies and SMETA questionnaire

Physical and Face to Face Audit

Final Decision made

Modern Slavery Training and Education

During 2025, as referenced above, our training focus continued to be in the area of induction for new starters and Colleague education.   All supervisors were re-education about modern slavery and our approach. Requirements.

2025 was a year during which we experienced significant recruitment at our UK sites and this provided us with a route to use our induction process to educate >30% of our operational colleagues at the outset of their employment about our approach and stance re modern slavery.   Specifically, this ensured that Colleagues have both the insight and knowledge required to spot any indicators including an understanding of what they should do in such instances.

The electronic pre-employment onboarding process via our HR system, Myhub, did not progress as intended during 2025 due to business priorities but the intention is to re-ignite this approach during 2026. This includes the subject of modern slavery.

We continued to promote the Stronger Together and customer specific programmes via notice boards and communication screens.   Our site HR Managers have attended stronger together training in the last 3 years.

Alongside our promoting and communication of the Stronger Together initiative, we continue to promote customer specific whistleblower procedures, including contact telephone numbers.

In parallel, during 2025, Nice-Pak continued their partnership with *Safecall* to provide an independent and confidential service across each of our three sites. This service provides a route for all colleagues to report on any working practice or activities they think inappropriate including modern slavery and human rights misuse.

During 2025 we had two reports of alleged breaches via Safecall. Both related to our German manufacturing facility and related to the closure of the site. Both were investigated and not upheld with feedback and detailed responses being provided via the portal to the employees who had reported the two instances. No further action was taken and no further communications were received from the employees concerned after they had received the investigation report.

In a similar manner to that declared in previous statements, whilst we do not conduct our own direct training with suppliers, we do seek to continuously remind and re-educate them of our approach with regards to Modern Slavery and our expectations from them. Our supplier code of conduct further enhances this.

Partnerships

We continue to recognise the crucial role of partnerships in tackling Modern Slavery. It is important that when we participate in partnerships, we are clear on the role they plan and the value they add. In the past year, we have continued, or built, partnerships with the following organisations either directly ourselves or via our sub contract labour providers:-

Sedex – Our AB membership continues and the membership of Sedex across our tier 1 supply base extended during 2025.

Customer partnerships - As part of our relationship with customers, we get access to their customer portals and we receive regular updates from customers on their stance and approach in this area.

Stronger together – Our previous training remained valid during 2025. It is our understanding that Acorn continue to be a Business Partner. It is our intention for key NPI colleagues to receive refresher training in 2026.

Gangmaster and Labour Abuse Authority – Acorn and Bond (our temporary labour suppliers) are fully licenced with the Gangmasters Licensing Authority