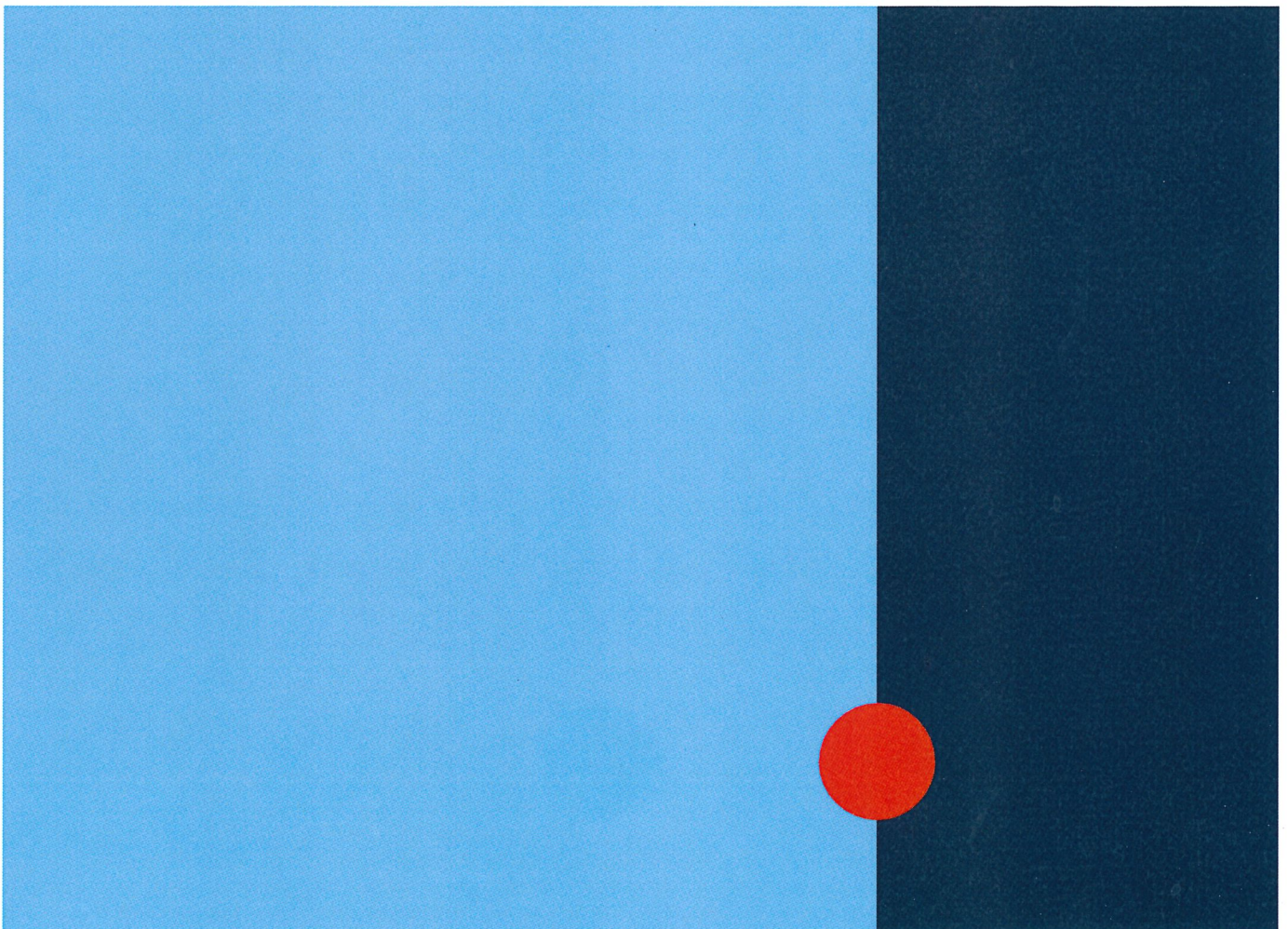




# **California Transparency in Supply Chains Act and Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act**

Annual Statement

Statement adopted: 2024-04  
Last update: 2025-04  
Next update: 2026-04



## 1. Introduction and Scope

This statement addresses Trioworld Industrier AB's ("Trioworld") compliance with the Canadian Bill S-211, "Fighting Against Forced Labour and Child Labour in Supply Chains Act" and the California Transparency in Supply Chains Act (SB 657). It outlines the steps taken by Trioworld to prevent human trafficking, slavery, forced labour, and child labour in its operations and supply chain for the financial year January 1st to December 31st, 2024. This statement covers Trioworld and its global operations, including its North America division.

## 2. Company Overview

### Our History and Core Business

Trioworld, established in 1965 in Smålandsstenar, Sweden, is a leading producer of packaging solutions specializing in high-quality polyethylene (PE) and polypropylene (PP) film. Our commitment extends beyond traditional packaging solutions, as we consistently strive to offer products with a reduced environmental impact. This includes our range of recycled content films, thinner films that utilize less material, and our pioneering bio-based content films, all while maintaining the high-performance standards our customers expect from us.

### Global Presence

Our presence is global, Trioworld has production sites in Sweden, Denmark, France, the Netherlands, the United Kingdom, Canada and since 2024, also in Germany. We also have three external plastic waste recycling sites in Sweden, Denmark, and France. Additionally, there are Trioworld sales offices in Norway, Finland, and the United States. At the beginning of 2024, Trioworld continued its expansion by acquiring Wentus GmbH in Germany, an addition to the Consumer packaging division, establishing a production footprint in Höxter, Germany.

### Supply Chain Structure

Trioworld and its global operations share the same 'direct suppliers' for raw materials, large multinational companies that provide polyethylene and polypropylene. Alongside these, our key indirect tier 1 suppliers encompass entities responsible for freight services and recyclers. In our North America division, the tier 1 suppliers, predominantly based in North America and Europe, include not only raw material suppliers but also providers of utilities, transport services and machinery.

## 3. Our Commitment

### Core Policies and Standards

At Trioworld, we are committed to upholding high ethical standards as set out in our company policies. These also include commitments for our suppliers and colleagues on the prevention and risk management of human rights risks, such as forced and child labour.

Company Policies:

- Trioworld "We are Responsible" Our Code of Conduct 2024

- Policy for Equal Opportunities 2021
- Labour and Human Rights Policy 2024
- Sourcing Guideline 2023
- Sourcing Policy 2024
- Supplier Code of Conduct 2024

These are supported by key disclosures including:

- Trioworld Sustainability Report 2023
- Trioworld 2024 UK Modern Slavery Annual Statement in compliance with the Modern Slavery Act 2015

We maintain zero tolerance for all forms of forced labour, child labour, human trafficking, and modern slavery as part of our commitment to protect workers, uphold ethical standards, and lead in industry sustainability.

### **Sustainability Framework**

Being aware of our industry's environmental impact and social risks, including serious human rights violations such as forced and child labour, we are committed to proactively prevent and mitigate these issues. Our approach integrates principles from Agenda 2030, the UN Global Compact, Sustainable Development Goals, and OECD Guidelines for Multinational Enterprises, ensuring adherence to internationally recognized benchmarks.

### **Governance Structure**

Our sustainability policies and objectives undergo annual updates through strategic planning, approved by the Global Management Team. The Sustainability Development Director oversees these continuous policy refinements and reports monthly KPIs to the GMT. Division Presidents implement these policies and objectives within their divisions, working towards a cohesive sustainability approach across Trioworld.

## **4. Due Diligence and Risk Management**

### **Current Approach**

Our human rights due diligence and risk management efforts have primarily centred around our upstream business partners (i.e., our suppliers), where value chain risks are highest.

In our Materiality Assessment conducted in 2021 we've identified 41 sustainability topics, out of which nine, including occupational health and safety, were recognized as material to both the organization and our stakeholders. These topics form the foundation of our sustainability strategy and policies, also addressing forced and child labour, age and identity verification; and related sustainability targets and key performance indicators (KPIs).

We are aware of the labour risks that workers in factories can be exposed to, such as excessive working hours and unfair treatment and recognize the risks associated with the employment of young workers. In response, we are actively implementing measures to mitigate significant potential impacts and maintain a strict policy of zero tolerance towards child labour, forced labour, or compulsory

labour. Currently, twelve of our factories are ISO 14001 certified, and two of them are ISO 45001 certified, which includes components of occupational health and safety with clauses related to forced labour.

We value the long-standing relationships built with our suppliers, viewing them not merely as transactional arrangements but as partnerships grounded in mutual respect and shared values. We believe collaborative engagement enables collective improvement of practices. While we focus on sustainable remediation, non-compliance with our standards regarding slavery and trafficking may lead to corrective actions or, when necessary based on the frequency and gravity of violations, termination of business relationships. We maintain the authority to end supplier associations when they fail to meet our ethical standards.

### **Value Chain Assessment**

In 2022, we launched our enhanced human rights due diligence process beginning with a comprehensive risk assessment of our operations and supply chain. By 2024, we evaluated 102 suppliers, prioritizing strategic partners, and conducted targeted human rights assessments including forced and child labour risks.

Our assessment examined country and industry-specific risk factors guided by international frameworks. Based on these findings, we began systematically onboarding raw materials suppliers to our program, including the implementation of third-party social compliance audits throughout 2024.

Strategic suppliers undergo risk assessment using tools like Sedex and EcoVadis, with 100% completion of the Sedex SAQ or EcoVadis Assessment being critical. Before engaging with new strategic suppliers, we conduct a human rights screening, with high-risk entities required to complete SMETA or equivalent third-party audits before partnership. We also continue to evaluate established suppliers and prioritize onboarding high-risk suppliers to the Sedex platform for SMETA audits.

In 2025 we will also reassess our engagement and contracts with suppliers to ensure compliance with the Canada Customs Tariff Act and the Uyghur Forced Labor Prevention Act, verifying that supplied goods have no links to Xinjiang.

### **Supplier Code of Conduct**

In 2024, we've initiated the roll out of our Supplier Code of Conduct, which establishes expectations for continuous improvement and transparency. Strategic suppliers are required to provide statements of conformity with this code, as well as engage with us through the Sedex platform, and conduct regular self-assessments. It is planned to further roll out the Supplier Code of Conduct to other suppliers at the end of 2025.

Our Supplier Code of Conduct requires suppliers to develop comprehensive policies and management systems that demonstrate compliance with relevant laws and human rights protections. Key requirements include:

- Prohibition of forced, bonded, and involuntary labour
- Elimination of child labour
- Fair practices for wages, benefits, and working hours
- Regular and voluntary employment

- Ethical treatment of migrant workers
- No withholding of personal documents or restriction of movement
- Non-discrimination and safe working conditions
- Freedom of association and collective bargaining
- No charging of recruitment fees
- Provision of clear employment contracts in workers' language, which are voluntarily signed

Suppliers undergoing SMETA audits must address any identified issues through corrective action plans with specific timeframes. Non-compliance consequences are clearly defined, with repeated failures potentially resulting in contract termination. For serious violations like forced labour, immediate cessation is required, with safe removal of affected workers without wage loss and appropriate remediation. Through these processes, we aim to foster a supply chain that actively respects and promotes human rights and labour standards.

#### **Development Plans**

Moving forward into 2025, we plan to extend our due diligence efforts to encompass our downstream value chain and include tier 2 suppliers. Recognizing the challenge in engaging suppliers with whom we have no direct relationship, our tier 1 suppliers will be crucial in this endeavour.

## **5. Grievance and Remediation**

Our Code of Conduct and Supplier Code of Conduct establish a comprehensive whistleblowing system for reporting policy violations. When reports are received, we launch investigations and take appropriate measures based on each case's specifics, maintaining confidentiality and respect for all parties involved.

Our 2024 policy updates included our commitment to providing remediation for victims of human rights violations arising from our business activities, with a focus on stakeholder cooperation when violations occur in our supply chain.

Currently, our whistleblowing channel serves as the primary grievance mechanism for workers, supply chain partners, and local community members to report labour and human rights concerns. We plan to implement a separate grievance mechanism in 2025 that aligns with the UN Guiding Principles criteria for effective non-judicial grievance mechanisms.

In the event of non-compliance, we will issue written notice to the concerned parties and provide a specified period for taking corrective action. Since implementing our Supplier Code of Conduct in 2024, we require our suppliers to implement anonymous, confidential, and fair grievance mechanisms for workers, ensuring that workers can report violations or lodge grievances without fear of retaliation or reprisal.

## **6. Training and Awareness**

To embed our standards and ensure implementation of our policies, we are prioritizing training for targeted teams. Our procurement category managers of raw materials have received training on

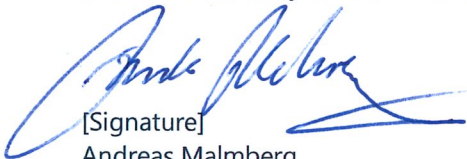
sustainability and responsible sourcing. Additionally, for our North America division, we offered training to our employees focusing on our Code of Conduct.

In 2024, we started rolling out specialized training to our procurement team, raising awareness of ethical practices and how to implement our responsible sourcing program, including managing forced labour and child labour risks in the supply chain. Looking ahead to 2025, we plan to integrate these specialized training into our regular procurement training curriculum to ensure sustained awareness and capability development.

## 7. Certification of Compliance

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I have the authority to bind Trioworld.

A handwritten signature in blue ink, appearing to read "Andreas Malmberg".

[Signature]

Andreas Malmberg

CEO, Trioworld

[Date] 25-04-11

[Place] Smålandsstenar