

NIKIN

NIKIN AG

Supplier Environment & Sustainable Report

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1 Supplier Information

Company Name and legal status:	F&M-Indústria de Calçado Lda
Company Address:	Rua do Calvário, nº 86 4610-408 Lagares Felgueiras Porto
Age of the company:	26
Contact of responsible person:	351255313129

2 About

NIKIN wants to increase the transparency of the production towards the customers and the community and relies on a good and long term partnership with the producer and trust, as well as on certificates and/or standards (e.g., GOTS) whenever possible.

This is a report created by NIKIN and advised by the sustainability experts of ecos.

We ask the producer to answer the following questions honestly and truthfully. The aim is to identify the status of the social and sustainability aspects of the products. It is a process, if questions are not fulfilled or can not be answered yet, it's not a problem. Our goal is to improve together and therefore we want to reinsure our partnership. This means we will try to find the most suitable solution for both parties.

3 Company Information

3.1	Is your company certified or audited? If yes, please list certifications or audits and expiry date. e.g.GOTS (04.2021) e.g Fairwear or Amfori (BSCI)	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> don't know	Certificates & Audits: SMETA –SGS 09.2023 KONTOOR 12.2021
3.2	Is your company a Family Business? Please justify your answer.	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no <input type="checkbox"/> don't know	Comment: Limited liability company with two partners
3.3	What production steps is your company doing? e.g. Cutting, Sewing, Dying.		Steps: Full Process Cutting, Sewing, Lasting and Finish.
3.4	How many employees are working in your company?		Number of employees:51
3.5	Do you have subcontractors to whom you pass on entire NIKIN orders because you have too little capacity or for other reasons? If yes, please list the companies and all their certificates.	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no <input type="checkbox"/> don't know	Subcontractor names & certificates:
3.6	How do you work with your suppliers? How well do you know them and how transparent is the supply chain? Please explain.		Comment: Long-term suppliers. Good relationship and trust.

4 Environment

The following questions relate to environmental aspects of your company. Please answer all questions honestly. If questions cannot be answered, you can select "don't know". However, please explain if there's another system in place or why the question can't be answered.

4.1	Do you do something with your production waste? E.g. recycling If not, how is it disposed? E.g. landfill, burned etc Please justify your answer	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> don't know	Comment: We send the separate waste to the proper collect center to recycle and treat them accordingly.
4.2	Do you do something to spare resources in the production? E.g. cutting tool optimization or education Please justify your answer	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> don't know	Comment: We optimize raw materials with machines and forming to produce less waste and optimize the amount spent.
4.3	Do you have an internal waste concept? If yes, please explain, what are you doing? e.g separating and recycling PET bottles, cardboard ... Please justify your answer	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> don't know	Comment: We separate leather, plastic paper and rubber to recycle on proper centers.
4.4	What sort of energy do you use for production? E.g. energy from solar panels Please justify your answer	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> don't know	Comment: Electric power and solar panels
4.5	If you have processes with water, do you have a system in place to minimize water consumption. Please justify your answer	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no <input type="checkbox"/> don't know	Comment: We don't use water on our production process.
4.6	Is your wastewater treated before it goes back into groundwater? Please justify your answer	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no <input type="checkbox"/> don't know	Comment: We don't use water on our production process.
4.7	Is your company CO2 neutral? Please justify your answer	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> don't know	Comment: We make studies of atmospheric emissions and the impact of it on environment.

5 Social Responsibilities

The following questions relate to social aspects and the treatment of employees of your company. Please answer all questions honestly. If questions cannot be answered, they can be left open. However, please explain if there's another system in place or why the question can't be answered.

1. Working rights

5.1.1	Does your company offer a legally binding employment relationship? (Written employment relationship, rights apply to subcontracted work). Please justify your answer	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> don't know	Comment: All workers have a work contract according to actual legal terms.
5.1.2	Is there any form of forced labour or a ban on free choice of work in the company? Please justify your answer	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no <input type="checkbox"/> don't know	Comment: All employees are aware of the code of conduct that prohibits it.
5.1.3	Are you offer or allow to your employee's association and collective negotiation rights? Please justify your answer	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> don't know	Comment: It is provided for in the code of conduct
5.1.4	Is there a system in place to prevent discrimination in the workplace? How do you ensure that there is no discrimination in the workplace with regard to gender, age, religion, race, ethnic or national origin, citizenship, religion, age, disability, gender, marital status, pregnancy, sexual orientation, trade union membership, political orientation, social background or any other circumstance? Please justify your answer	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> don't know	Comment: In addition to the company's code of conduct, all employees follow international human rights standards.

2. Working Conditions

5.2.1	What is the minimum living wage in your country?		Comment: 665.00€
5.2.2	Does your company pay living wages? Please justify your answer	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> don't know	Comment: Almost all workers earn more than the minimum wage and receive a lunch allowance and Social security according to the law.

5.2.3	How many hours a week and how many days a week your employee's work?		Hours/Week:40 Days/Week:5
5.2.4	Do you confirm that your employees work in appropriate workhours and have at least one day a week off? Please justify your answer	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> don't know	Comment: Have two days off
5.2.5	Does your company ensure occupational health and safety for its employees? If Yes, please justify how.	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> don't know	Comment: Guaranteed by the company that provides health and safety at work

3. General Questions

5.3.1	What is the age of the youngest person in your company and in which employment relationship is this person employed?		Age: 18 Employment: Has a permanent employment contract and is currently an apprentice
5.3.2	Does your employee is able to address complains at your company? If Yes, please justify how and if there are independent authorities.	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> don't know	Comment: Placing complains in the box for this purpose and answering the auditors' questions (SPS...)
5.3.3	Does your company do something to ensure employees satisfaction? Organising events, rewards? If Yes, please justify what or how.	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> don't know	Comment: Christmas dinner and souvenir for all employees. Productivity Awards.
5.3.4	Does your company offer further education possibilities? If Yes, please justify how.	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> don't know	Comment: Providing training and supporting workers who want to continue their studies.
5.3.5	Is there anything NIKIN could do to support the education or happiness of your employees? If Yes, please justify what.	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> don't know	Comment: Increasing the orders and praising the work done ☺

6 Transportation

The following questions relate to packaging and transport aspects of the above-mentioned company. Please answer all questions honestly. If questions cannot be answered, they can be left open. However, please explain if there's another system in place or why the question can't be answered.

1. Transportation & Storing

6.1.1	What transportation is your company using? e.g. Train, Truck, ship Please explain your answer.		Type(s): Truck
6.1.2	Does your company document their transportation? If Yes, please justify how.	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> don't know	Comment: Packing list Transport guide Invoice, Etc...
6.1.3	Can you ensure that storage and transport of products do not cause contamination or mixing? If Yes, please justify how.	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> don't know	Comment: The loads only take shoes that are packaged in cartons and not dangerous products.

2. Packaging

6.2.1	What packaging material is your company using? e.g. Cardboards		Type(s): Cardboards
6.2.2	Is the packaging you use certified? If Yes, please list the certificates and expiry dates. e.g. FSC 05.2022	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> don't know	Comment: FSC.01.2024
6.2.3	Does your company use recycled & recyclable packaging or reusable system in packaging. (e.g. example Repack) If Yes, please justify how.	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> don't know	Comment: , in your case all your packaging is with Kraft paper (recycled).
6.2.4	Does your packaging contain polyvinyl chloride (PVC) ?	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> don't know	Comment: Yes till moment but for future we will change to paper tape.

7 Optional - Please introduce yourself in a short Video (max. 30 sec.)

In order to show the customers and the community who is behind the products, we would like to show a video of you on the website, if you allow us to do so.

Please film yourself with your smartphone or a camera and introduce yourself briefly.

What do we want to know?

- What is your name? (Please do not mention the company name because of competitors of NIKIN)
- What is your position in the company?

- What products does your company make for NIKIN?

Footwear

- In which country is your company located and what is a must-see cultural site or a must-taste food?

Portugal

Felgueiras: Monastery of Pombeiro / Sta. Quiteria / **Margaride's** Pão de Ló/Verde Wine/etc.

Format:

- Landscape
- Max. 30 seconds
- Quality, as good as possible. With smartphone or camera. No background noises.

Do you agree that the video can be used on the web page and social media? (Yes)

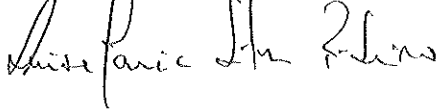
8 Attachments

- Complete Supplier Environment & Sustainable Report
- All valid certificates for environmental, social or packaging criteria
- Introduction Video (optional)
- Complete Material & Subcontractor Report per Article

9 Signature

With the signature the responsible person promises to have filled in all the information truthfully.

Signature of the responsible person:



Date and location:

Felgueiras, September 30, 2021