

Ørsted Modern slavery act statement 2022



This statement is published pursuant to Section 54(1) of the UK Modern Slavery Act 2015 for all relevant Ørsted entities covered by the provisions of the Act.

Our business and value chain

Ørsted is a global leader in offshore wind with an aim to have a gross installed renewable capacity of 50 GW by 2030. We have expanded our portfolio to onshore wind, solar, hydrogen and Power-to-X, and we are present in

14 countries. Ørsted develops energy systems that are green, independent, and economically viable. We employ approximately 8,000 employees across the globe in Europe, Asia Pacific, and the Americas. Ørsted operates with a joint venture set up in many markets including the United Kingdom. This entails the partnerships to be

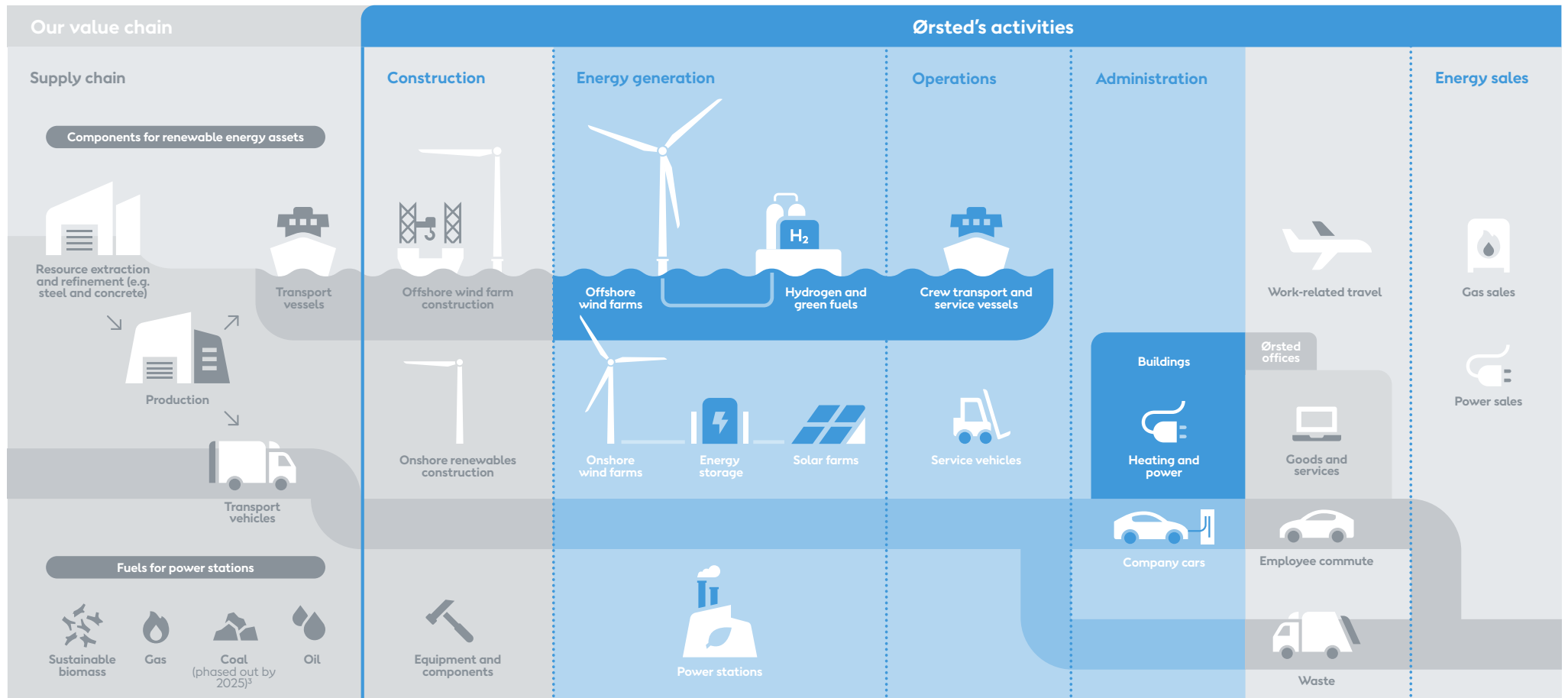
jointly responsible for development, construction, and operations of those assets including ensuring compliance with applicable rules and regulations.



Our global value chain

We aim to be a front runner in the delivery of fully decarbonised renewable solutions to enable the transition to the net-zero economy the world urgently

needs. To deliver on this aspiration, Ørsted works closely with our entire value chain in a cooperative and sustainable manner.

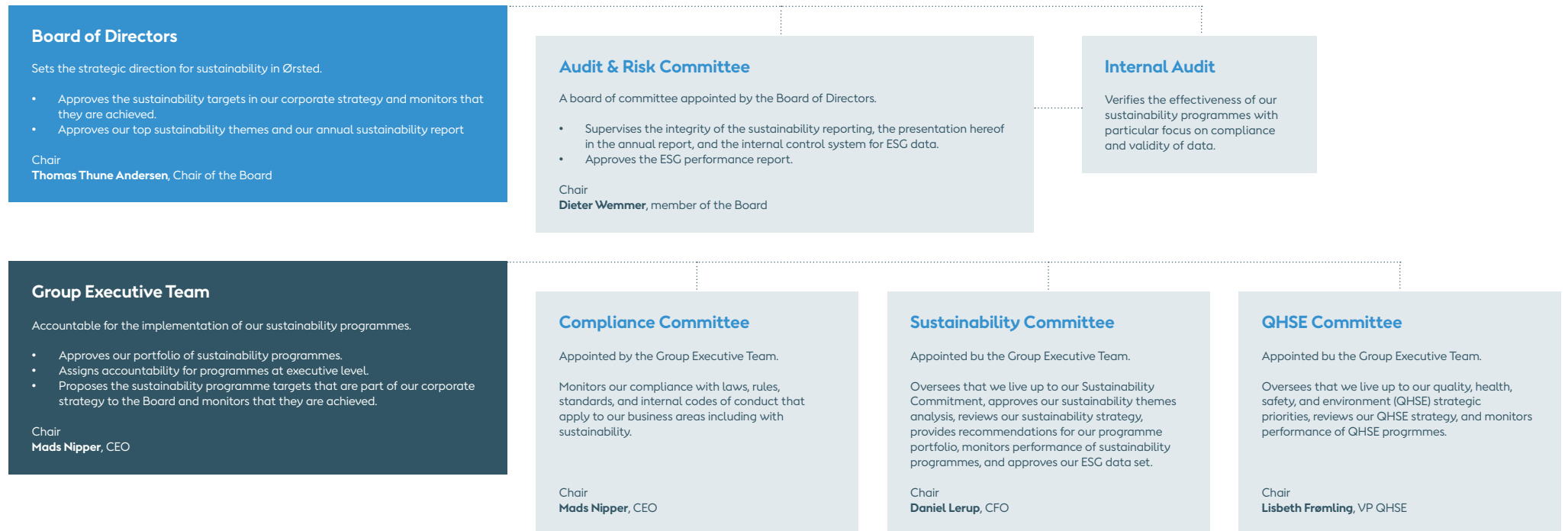


Governance and policy commitment

At Ørsted we aspire to run a business that gives more to nature and society than it takes. Our actions should contribute to fully decarbonising the world's energy systems,

while also creating a lasting, positive impact on our environment and societies. That requires robust human rights practices that support thriving communities, provide a safe, flexible, and inspiring workplace, support the green leaders of tomorrow, and promote a diverse

energy sector. Our governance model and operational setup have been established to support our ability to address the risks of modern slavery and human trafficking throughout our value chain.



Global functions and regions

Our global sustainability function drives our annual sustainability themes analysis and collaborates with other relevant functions and regions to establish and implement our sustainability programmes.

- Ensure programme progress by developing policies and procedures, setting targets, defining and measuring performance indicators, and reporting on performance.
- Programme-specific steering committees advise on the strategy, targets, and performance of our sustainability programmes.

The Global Sustainability team is responsible for development and delivery of environmental, social, and governance programmes that directly or indirectly address topics related to modern slavery and human trafficking. Further, the Responsible Business Partners Programme within the Global Sustainability team is directly responsible for human rights, supplier and business partner due diligence, and identification of risks in the Metals and Minerals Programme in our extended supply chain.

Ørsted's [sustainability commitment](#) is our commitment to adhere to the UN Global Compact which addresses the topics of environment, labour and human rights, anti-cor-

ruption, and sustainable economic development. Further, we have additional policies and programmes that support our commitment to ensure elimination of forced labour and modern slavery in our operations and supply chain.

[Human Rights Policy](#)

Commitment to ensure elimination of all forms of forced or compulsory labour across our value chain.

[Working Hours Policy](#)

Commitment to ensure a sustainable, responsible, and inclusive working environment with fair labour and employment standards for Ørsted employees.

[Stakeholder Engagement Policy](#)

Commitment to respect the rights of individuals, groups, and communities as well as engagement in an open and transparent manner.

[Code of Conduct for Business Partners](#)

Zero tolerance towards all forms of forced labour and a requirement to conduct risk mapping and due diligence activities aimed at eliminating any form of human trafficking or modern slavery in the supply chain.

[Good Business Conduct](#)

Outlines our standards and governs employees' engagement with customers, suppliers, agents, colleagues, and other stakeholders. The document also covers the ability to raise grievances for both employees and external stakeholders via the [whistleblower hotline](#).

It is a strategic sustainability priority for Ørsted to ensure a green transformation that works for the society. Accordingly, two of the key themes that Ørsted is working on within our social sustainability programmes are [communities and human and labour rights](#), which directly or indirectly address the risk of modern slavery within our own operations and in our entire value chain. Ørsted has a commitment to protect workers and communities in all areas of our value chain.



Evaluating risks and actions

Ørsted addresses our modern slavery, human trafficking and other human rights risks in two ways, at the enterprise level and at the operational level.

Enterprise level: Ørsted conducted a corporate level human rights impact assessment in 2022 to enhance our understanding of the salient human rights risks across our value chain, to get a clear overview of best practices in human rights management, and to develop a path forward for achieving and implementing stronger human rights practices as part of our management system approach. The process identified our salient human rights risks, out of which the following six prioritised human rights areas were designed:

- Labour conditions
- Occupational health and safety
- Access to remedy
- Community rights
- Modern slavery
- Human rights defenders.

These are groups of actual or potential risks that pose the most serious negative impacts to people (in terms of the severity of impact and likelihood of occurrence). The six areas were determined on the basis of the nature of our business and our geographical footprint. Read more about how these risks are being handled in our operations and supply chain [here](#).

The links between bribery, corruption, and modern slavery are complex and one fosters the other to form an interdependent system. We have therefore conducted a risk assessment on anti-bribery and corruption (ABC) in 2022, interviewing people across the organisation to gain a deeper understanding of our ABC risk profile in several discrete areas and identify additional controls to further mitigate priority risks. Each of our risks is mapped in relation to impact and likelihood of legal violation to determine our ABC risks most efficiently. Some of the risks identified as part of the assessment were conflicts of interest between Ørsted employees and externals and export control. During 2023, deep dives will be conducted to get a comprehensive insight into these priority risks. The risk assessment proved to be a powerful tool to better understand our ABC risks as we continue to expand globally.

Operational level: The due diligence process in Ørsted is detailed on the [Responsible Business Partner Programme page](#) with an [update](#) from 2022 on working with businesses and the supply chain to support a just transition, as well as an [update](#) on responsible business conduct and our efforts to spread awareness and promote responsible conduct across all aspects of our business.

In 2022, Ørsted moved to an upgraded version of our Know Your Counterparty screening tool which evaluates the legal and compliance risks of our business partners. As standards of due diligence keep progressing, we want to ensure that Ørsted continues to live up to the standards and to mitigate relevant risks related to the supply chain.

The new tool includes improved databases along with more sophisticated algorithms to ensure efficiency and valid results of screening in our pursuit of upholding the highest standards of integrity. The risks which our suppliers and business partners are evaluated against include, among others, modern slavery and human trafficking. Alongside this upgrade, Ørsted's internal risk scoring on matters related to business ethics compliance has been updated to reflect our current view on these risks and how we want to operate globally.

During the process of our risk identification and due diligence, we have identified four key topics in our supply chain operations that we are specifically focusing on to mitigate upcoming risks as well as modern slavery and human trafficking.

Sourcing of solar panels and batteries



Action:

We address the industry issue of forced labour of polysilicon and lithium refining by ensuring better traceability and using our commercial leverage through the following practices:

- We have strengthened contractual requirements for our suppliers to disclose supply chain traceability and only deliver products that do not have any ties to forced labour in their manufacturing or sub-components for solar panels and battery sourcing.
- We utilise multiple supply chain consultants to separately verify the ability of suppliers to comply with our requirements.
- We have engaged with Benchmark Minerals Inc. to map and track upstream supply for key battery manufacturers/ partners.
- We have engaged in various industry groups such as The Solar Energy Industries Association (SEIA) and Solar Power Europe (SPE) and their Solar Stewardship Initiative with the aim to further support the development of a responsible, transparent, and sustainable solar value chain. Within the energy storage area, we are collaborating with the American Clean Power Association (ACP) working groups.

Responsible sourcing of metals and minerals



Action:

The mining of minerals and metals involves long and complex supply chains, where we as an end-user have limited control of and impact on activities. We are, however, fully dedicated to promoting responsible and sustainable practices in our full supply chain on key prioritised minerals and metals. To do so, we have defined three strategic pillars:

- **Supplier engagement:** We engage with our key suppliers of minerals and metals based on the [OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas](#) on responsible mining.
- **Traceability:** We cooperate with first-tier suppliers and industry partners to explore opportunities for increased traceability, as the lack of supply chain transparency is a key challenge.
- **Cross-industry collaboration:** We engage with industry groups, such as the Initiative for Responsible Mining Assurance (IRMA), to advocate for responsible mining practices and learn from end-users in other industries – like the electronics and automotive industries – who face similar challenges.

Harassment and discrimination on board vessels



Action:

Crew on board vessels work in a unique and often challenging environment, with teams often consisting of members of different nationalities and genders, who also represent the only interaction for the weeks or months working on board the vessel. The culture differences, together with the isolated working and living environment, require extra efforts to prevent cases of bullying, discrimination, and harassment. Ørsted uses vessels operated by suppliers for our asset projects during development, construction, and operations. We have decided to implement a guideline that focuses on the steps below with our suppliers to reduce the risk of bullying, discrimination, and harassment, which can have a severe impact on the psychological and emotional well-being of crews. The relevant suppliers can reflect on their existing processes and implement the relevant steps mentioned below to address the identified risk:

- Create a company policy on the prohibition of bullying, discrimination, and harassment.
- Implement frequent training and communication in relation to the policy.
- Implement an effective grievance mechanism.
- Empower crew members to speak up using the implemented grievance mechanism.

Engagement with sanctioned suppliers



Action:

Russia's invasion of Ukraine has had multiple impacts on businesses, including the heightened risk of modern slavery resulting from the conflict. Ørsted has given renewed focus to our sanction screening efforts and to ensuring that our supply chain and business partners are in compliance with all applicable sanctions. This has required greater communication across the business and with suppliers, as the legal landscape can change quickly. At the same time, we have also increased our awareness campaigns internally and standardised contractual requirements to clarify these expectations to our business partners.



Ørsted's collaborations

To keep abreast of upcoming legislation, align our work in the industry, and meet new challenges, Ørsted [continues to engage with organisations](#) such as the Danish Ethical Trade Institute, Global Compact Network Denmark, The Nordic Business Network for Human Rights, Wind Europe Sustainability Working Group, Solar Pledge Europe, and the Initiative for Responsible Mining Assurance (IRMA).

Reporting initiatives

Ørsted's [annual report 2022](#) highlights how sustainability has been embedded in our businesses and how taking the right corporate governance approach helps to identify and mitigate sustainability risks. Our [sustainability report 2022](#) addresses how we try to integrate solutions to some of society's largest challenges into our green energy projects, ensuring that the green transformation creates a lasting, positive impact on social structures and the environment. Our [ESG performance report 2022](#) highlights various targets, risks, and KPIs that are being tracked in Ørsted on environmental, social, and governance topics. This report also highlights the supplier due diligence risk screenings and assessments during 2022.

Looking ahead

Ørsted releases the [modern slavery act statement](#) on an annual basis and tries to build on the risks we have identified as well as the initiatives that we have undertaken previously. We aim to implement three concrete initiatives to address specific human rights risks related to modern slavery and human trafficking in 2023:

- 1. New due diligence process based on category and country risk:** Implement a pilot programme when a screening or assessment is to be performed to ensure that supplier collaboration and risk mitigation can be performed in due time early in the contract period. The change of approach from a project-based perspective to a category and country risk-perspective ensures that all high-risk sourcing processes are captured by the updated approach.
- 2. Strengthening grievance mechanisms:** Develop a systematic way to receive, handle, and respond to questions, concerns and, in extreme cases, grievances from workers, suppliers, and the local community in which we operate. The purpose is to strengthen our fulfilment of the UN Guiding Principles on Business and Human Rights' effectiveness criteria for the grievance mechanism (legitimate, accessible, predictable, equitable, transparent, rights-compatible, support learning, based on engagement and dialogue).

- 3. Develop targeted supplier training:** Conduct direct training with relevant suppliers to help them understand, address, and mitigate human rights risks and risks of modern slavery. The aim is to strengthen suppliers' competencies as well as enabling them to resolve high-risk issues.





This statement relates to the financial year ending 31 December 2022.

The organisations covered by this statement are the following:

- Barrow Offshore Wind Limited
- Breesea Limited
- Burbo Extension Ltd
- Gunfleet Sands Limited
- Hornsea 1 Limited
- Lincs Wind Farm Limited
- Orsted Burbo (UK) Limited
- Orsted Burbo Extension Holding Ltd
- Orsted Hornsea 1 Holdings Limited
- Orsted Hornsea Two Holdings Ltd
- Orsted Lincs (UK) Ltd
- Orsted London Array II Limited
- Orsted Power (Gunfleet Sands) Ltd
- Orsted Power (UK) Limited
- Orsted Power Sales UK
- Orsted Race Bank (Holding) Ltd.
- Orsted Sales (UK) Limited
- Orsted Walney Extension Holdings Limited
- Orsted West of Duddon Sands (UK) Limited
- Orsted Westermost Rough Limited
- Race Bank Wind Farm Limited
- Sonningmay Wind Limited
- Soundmark Wind Limited
- Walney (UK) Offshore Windfarms Limited
- Walney Extension Limited
- Westermost Rough Limited
- Ørsted Salg & Service A/S
- Ørsted Wind Power A/S

This statement was approved by the Boards of Directors of all relevant Ørsted companies mentioned above.

Signed on behalf of the Boards

Duncan Clark
Head of Region UK
26 June 2023