

# NKT A/S (NKT) Modern Slavery Statement

**Financial year: 1 January – 31 December 2024**

This annual Modern Slavery Statement has been published by NKT A/S and its subsidiaries in accordance with The Australian Commonwealth Modern Slavery Act 2018, as well as Section 54 of the UK Modern Slavery Act 2015, on behalf of the following entities reporting as part of NKT A/S:

**UK entities:**

NKT HVC Ltd.  
NKT (U.K.) Ltd.  
Ventcroft Ltd.

**Australian entities:**

NKT Pty Ltd.

This statement is applicable for all entities reporting as part of NKT A/S as well as its subsidiaries.

The statement provides an overview of NKT's policies and due diligence processes relating to the risk of modern slavery and should be regarded as complementary to the NKT Sustainability Report for 2023.

**Our commitment**

NKT is committed to preventing slavery and human trafficking from occurring in any of its business activities. Our commitments extend to our own workforce, workers in the value chain, and affected communities of either our own operations or those of our value chain.

NKT is committed to operating an ethical business and expects the same from its business partners. All business partners and suppliers are expected to comply with applicable laws, including export and import regulations and to implement the principles described in NKT's Code of Conduct in their own businesses. Business partners, suppliers as well as employees are encouraged to speak up if they experience potential violations of the standards set out in our Code of Conduct.

## 1. Our Organisation

**Organisational structure and operation**

NKT A/S is a global company providing power cable solutions contributing to the transition to renewable energy and is employing approximately 5.500 people in more than 15 countries. Our production sites are located in Sweden, Denmark, Germany, Poland, Czech Republic, Norway and the UK.

The NKT A/S Company Headquarter is based in Denmark, and is incorporated in Denmark as a Danish public limited liability company under the laws of Denmark. NKT A/S realised a revenue of EUR 2.56 billion in 2023.

For further information about our organisation see: [About us | NKT](#).

The NKT A/S share is 100% free float with no dominant shareholders. At end-2023, 96% of the total share capital was registered, on par with the level at end-2022. 53% of the share capital was registered by Danish shareholders, while 43% was registered by shareholders outside of Denmark.

NKT provides turnkey AC/DC cable solutions with cost-effective and technologically advanced production facilities in Europe and sales offices around the world, offering a technology leading product portfolio in the high-voltage segment. NKT further holds strong market positions within the medium- and low-voltage segments in selected Northern and Eastern European markets and with further growth opportunities in other European markets.

NKT's operation consists of three business lines:

- Solutions - Specialised in high-voltage power cable solutions for on- and offshore installation
- Applications - Market building wires, low- and medium-voltage power cable solutions
- Service & Accessories - On- and offshore power cable services and a full portfolio of accessories for medium- and high-voltage power cable systems

### Supply chain and business partners

The key supply chains of NKT involve material for the cable systems (metals and plastic) sourced primarily from Europe and South America, and the use of service providers primarily from Europe in relation to the installation of the cable systems.

NKT is committed to ensuring that our activities do not cause or contribute to the practice of modern slavery throughout the value chain. Through our supplier engagement program, we engage with our customers and supply chain to support responsible business practices.

We aim that all of our business partners accept NKT's [Business Code of Conduct](#) and [Human Rights Policy](#) as a prerequisite to deliver their products and services to NKT. The Code of Conduct and Human Rights Policy specify NKT's requirements towards business partners related to, among others, ESG requirements.

NKT works actively with our suppliers to ensure that they live up to legal and market requirements connected to ESG. One material associated with adverse environmental and social impacts is copper. As such, we have decided to become a partner of the Copper Mark which is a way to ensure that the copper we use in our production lives up to certain standards. It offers a transparent and independent assurance process that verifies the supplier's compliance with the Copper Mark's standards (e.g., based on UN Guiding Policy on Business and Human Rights).

NKT's commitment stated in our Code of Conduct and Human Rights Policy is embedded in our Procurement policy and processes to meet responsibilities related to human rights and environmental and climate impact of our supply chain. Also, Procurement policy and processes are continuously updated to meet developing legislation.

## 2. Policies and Governance

### Code of conduct

NKT adheres to the principles of human rights, and a global mindset and responsible business conduct are key to how we do business. NKT is committed to ensure that employees are treated fairly, respectfully, and equally.

Our commitment to responsible business practices includes giving our employees equal employment opportunities and fair labour conditions everywhere we operate. We comply with applicable labour and employment legislation in all of the locations we operate in and we are committed to implementing and enforcing the necessary processes, rules and policies to support sustainable corporate governance and to ensure that modern slavery and trafficking does not occur.

The Code of Conduct defines the fundamental principles of conduct in NKT in relation to employees, business partners (including agents, distributors, suppliers, customers etc.) and the public. NKT refrains from practices potentially causing risks of forced or involuntary labour, human trafficking, and other practices defined as 'modern slavery' which is regulated through our Code of Conduct.

Compliance with our Code of Conduct is mandatory for all employees and violations are not tolerated. Additionally, it is expected from business partners to comply with the standards and principles outlined in the Code of Conduct when performing work related to or on behalf of NKT.

The Code of Conduct is an integral part of the NKT compliance program which is driven by the NKT Compliance function. The Compliance Board, oversees the initiatives contained in the compliance program. Ultimate supervision is performed by the Audit Committee on behalf of the Board of Directors for NKT A/S.

Our Code of Conduct can be found at [Policies and Assurances](#).

A clear governance structure has been established related to the integration of our policies into the operational organisation and its processes, and ensuring compliance with regulatory requirements and alignment with the relevant global standards (see Fig. 1 below):

Corporate governance framework

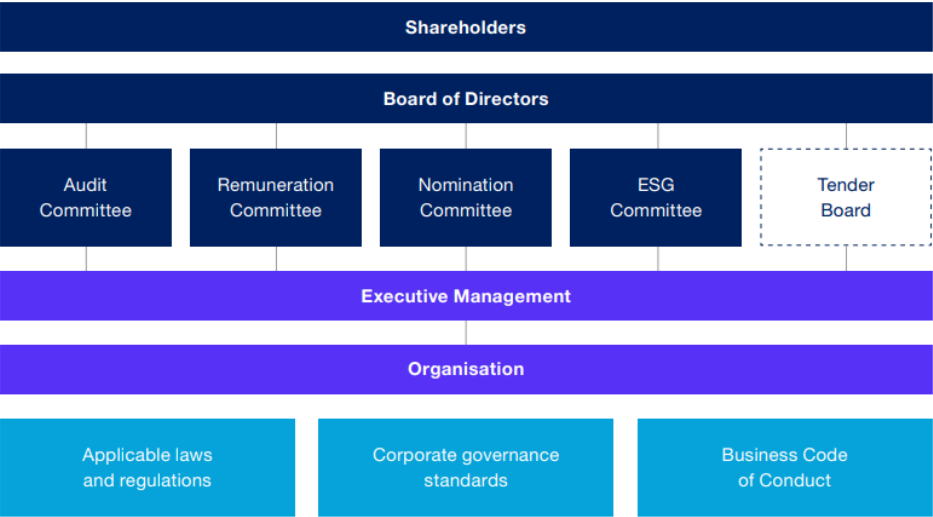


Figure 1. NKT’s Corporate Governance framework

The integration and implementation of the NKT policies in relation to Human Rights is a key objective of this governance organisation.

On a regular basis, NKT reviews and modifies the policies in order to ensure adequate and effective implementation.

Human Rights Policy

NKT’s commitments to human rights align with recognised international human rights standards, including the International Bill of Human Rights and the eight International Labour Organisations’ (ILO) fundamental core conventions forming the basis of ILO’s Declaration on Fundamental Principles and Rights at work. Our approach to human rights is guided by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

As a signatory to the UN Global Compact since 2009, we recognise the importance of respecting human rights as a fundamental aspect of our business operation. Our human rights policy underlines our commitment and sets our guiding principles on how NKT commits to ensure human rights for our employees and in the communities that we operate in, as well as for the workers and communities in our value chain.

Our human rights policy can be found at [Policies and Assurances](#) .

Fair pay

In our commitment to ensure that modern slavery or trafficking does not occur, NKT aims to ensure that all employees are remunerated fairly and in accordance with applicable legislation, and that employees with the same job scope and qualifications, who are in the same country, have equal terms and conditions in terms of compensation, benefits, and career opportunities, regardless of their nationality, gender, sexual orientation, religion and immigration status.

NKT allows employees to unionise and promotes good collaboration with unions and workers councils. NKT follows the procedures and compensation regulation set out by the collective bargaining agreements entered into with the unions.

Recruitment

To avoid that modern slavery or trafficking takes place, NKT has well-documented, standardised recruitment processes that ensures fairness and transparency in all recruitments. Furthermore, all employees receive an employment agreement that clearly indicates the employees’ rights, responsibilities, and conditions of employment including salary, benefits, working hours, and other labour conditions.

Access to remedy

NKT is committed to a culture of openness and honesty and takes full responsibility for its actions. Employees and business partners are urged to report any concerns arising from their daily work or their collaboration with NKT. To support this, NKT operates a whistleblower hotline for the use of both employees and external stakeholders to report unethical or suspected unlawful behaviour. Awareness of the hotline is raised on an ongoing basis, and NKT has a strict policy whereby whistleblowers can choose anonymity to eliminate risk of retaliation for raising a concern or reporting suspected misconduct in good faith.

NKT takes all allegations of human rights violations in connection with business conduct, operations, or partnerships seriously. Concerns can be reported anonymously via the globally available whistleblower hotline. This enables people to raise concerns on all human rights issues, including human trafficking, forced or involuntary labour, child labour, and actions harming persons, their livelihood or property, related to NKT's operations, suppliers, contractors, third-party agents, and other business partners with a direct link to the company.

### **Training**

NKT continuously provides compliance training across the organisation, with specific emphasis on employees working in high-risk areas. The training involves both face-to-face sessions and e-learning modules and covers the topics of Code of Conduct, anti-bribery and anti-corruption, data privacy, competition law, trade sanctions, and the whistleblower hotline.

## **3. Due diligence in the supply chain**

NKT is committed to respecting human rights in line with the UN Guiding Principles. It is important for NKT to ensure supply chain risks are addressed accordingly, especially when working with partners where the direct control of working conditions and recruitment practices are limited.

Monitoring of the supply chain is prioritised according to a risk-based approach. This means that the follow-up efforts are focused on those suppliers that are assessed to be at heightened risk of having adverse impacts within the areas covered by the code.

NKT works with approximately 5.500 suppliers annually, and a segmentation model determines the engagement level to manage supplier due diligence and strategies. In NKT, the supplier due diligence approach includes supplier qualification, compliance and financial risk review, and supplier audits. As part of the qualification process, suppliers complete a self-assessment questionnaire on their incorporation of parameters related to health, safety, quality, human rights, climate and environment.

For the compliance risk review, a screening and monitoring tool is used to check suppliers against: sanction lists, watchlists and blacklists, politically exposed persons (PEP), and adverse media, etc. If the report shows that a supplier is non-compliant, the scope of the cooperation must be reviewed and documented. Furthermore, the financial stability of the supplier is evaluated.

The supplier due diligence is valid for two years and then needs to be re-performed. In addition, an annual supplier risk assessment is conducted, including if the supplier operates out of a high-risk country. The outcome of the supplier risk assessment feeds into supplier segmentation and re-evaluation. The supplier information is assured through an on-site supplier audit.

Furthermore, NKT uses the Conflict Minerals Reporting Template (CMRT) provided by the Responsible Minerals Initiative to increase transparency in respect to the smelters and refiners used in the supply chain to ensure the smelters and refiners used are conformant.

### **Monitoring of our due diligence processes**

NKT uses key performance indicators (KPIs) to monitor how effective we have been in ensuring that slavery and human trafficking is not taking place in any part of our business or supply chains.

## **4. Risk assessment**

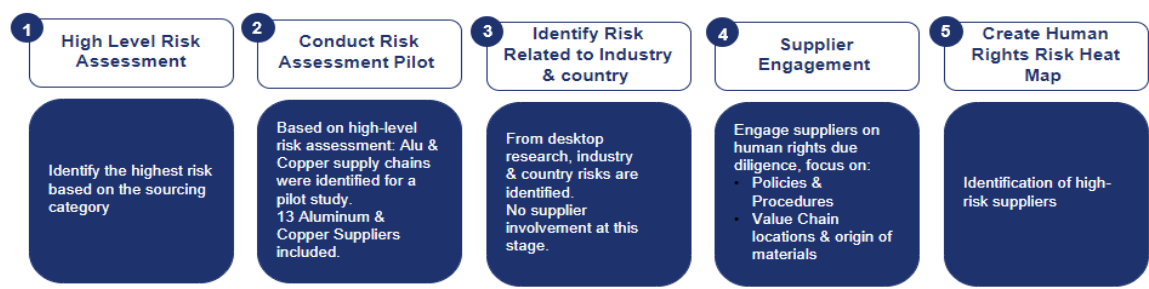
Human rights and modern slavery risks come in many forms, are prevalent across different geographies, and materialise in a number of ways. NKT seeks to understand the most salient potential human rights and modern slavery risks for the utilities and the sectors in which it operates, and continuously works with its partners and suppliers to identify and prevent occurrences. NKT has a low risk of human rights issues and modern slavery in its direct operations due to its adherence to the law of each country we operate in and robust due diligence of recruitment and operating standards. However, there is a higher risk in NKT's supply chain.

In 2023, NKT conducted a human rights risk assessment to evaluate actual and potential risks to its own workforce and the value chain, focusing on strategic suppliers, particularly in the metals value chain. The assessment followed the UN Guiding Principles on Business and Human Rights (UNGPR). The results from these assessments have also been used for the Double Materiality Assessment required under the EU Corporate Sustainability Reporting Directive (CSRD), to further identify material human rights topics.

The human rights risk assessment of the supply chain leverages the already existing Supplier Engagement Program and sourcing process which requires suppliers to acknowledge NKT Human Rights Policy during the registration and qualification process.

The assessment included the identification of individuals, groups or populations that may have a heightened risk of vulnerability or marginalisation and took into account the different risks that may be faced by men and women. The assessment involved the identification of, and direct consultation with, relevant internal as well as external stakeholders.

With regard to NKT's supply chain, human rights-related risks are most significantly associated with metals and especially rights holders working in mines and smelters. NKT has undertaken a specific assessment of these risks following a 5-step process described in the figure below.



The results of the risk assessments showed that NKT's most salient human rights risks are:

- Health and safety in the supply chain
- Health and safety in our own workforce (also related to temporary employees/off-site workers)
- Sexual harassment related to own workforce
- Rights related to affected communities

5. Actions and mitigation

The implementation of mitigation measures related to the individual salient human rights risks are ongoing. Mitigation actions have been taken related to Health and Safety, by developing a new Health and Safety strategy for 2024-2026, consisting of training behavioural safety, developing and executing a safety maturity roadmap for each site, and implementing global standards for our most important risks. The strategy is enabled by a strong health and safety organisation at group and sites, and, importantly, a proud safety culture on all levels. Another mitigation measure that has been developed relates to sexual harassment, since a global Non-harassment Policy has now been developed. Furthermore, a training course related to the same topic will be rolled out to all employees in the course of 2025.

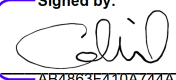
NKT continuously works on improving the risk mapping by assessing and addressing risks relating to human rights and labour terms and conditions within NKT operations and our supply chain. Processes are in place to ensure applicable labour legislation and Code of Conduct are being followed. Furthermore, we are implementing a risk overview for human and labour rights based on geographical location, type of activity and supplier type, thus integrating human rights due diligence in the operational activities. This will further integrate sustainability requirements in supplier assessments and our due diligence processes going forward, to continually improve our response to human rights risks, including modern slavery.

6. Consultation

In the process of performing the human rights risk assessment included in the DMA, to also cover potential risks of forced labour, internal stakeholders have been consulted and involved. The involvement has included relevant internal staff, as well as external stakeholder support from The CopperMark, IRMA and Danish Institute for Human Rights, among others.

7. Approval

This statement was approved by the CEO and endorsed by the board of NKT A/S on behalf of itself, as the parent entity and principal governing body of NKT A/S, as well as NKT's second reporting entities, including NKT HVC Ltd., UK, NKT (U.K.) Ltd., Ventcroft Ltd., UK and NKT Pty Ltd., Australia, on 17 May 2025 | 11:49 CEST

Signed by:  
  
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(Signature)

Claes Westerlind  
President and CEO  
NKT A/S