

# MODERN SLAVERY STATEMENT 2023

NORDEX OCEANIA



MODERN SLAVERY STATEMENT NORDEX OCEANIA 2023

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## **AIM, PURPOSE AND SCOPE**

This Modern Slavery Statement has been prepared by Nordex Oceania Pty Ltd (ACN 128 202 102) ("Nordex Oceania") pursuant to section 13 of the Modern Slavery Act 2018 (Cth) for the reporting year 01 January – 31 December 2023.

Nordex Oceania belongs to the global Nordex group of companies (hereinafter also referred to as the "Nordex Group"). The holding company, Nordex SE, is listed on the Frankfurt Stock Exchange (ISIN: DE000A0D6554).



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## 1. INTRODUCTION

As a manufacturer of innovative onshore wind turbines, the Nordex Group works with its customers to continually increase the share of renewable energies in the global energy mix. Sustainability is at the core of the Nordex Group’s business model, being essential not only to the Nordex Group’s commercial future, but also for preserving our environment for future generations.

For this reason, the Nordex Group is continuing to pursue the holistic approach reflected in its sustainability strategy titled ‘Together for change - Wind for a sustainable future’. This strategy is the foundation of The Nordex Group’s actions and encompasses the central themes of sustainability for the period 2022-2025 and beyond.

The Nordex Group is committed to the idea that green energy businesses should also be accountable for their impact on people, including the workers in our supply chains and the communities in which we operate.

This Modern Slavery Statement provides an overview of the progress the Nordex Group is making in addressing modern slavery risks, as well as the planned actions for the year ahead.

## 2. OUR BUSINESS AND SUPPLY CHAINS

The Nordex Group develops, manufactures, delivers, installs and services wind turbines in the onshore sector. It has more than 10,000 employees globally operating in more than 40 countries where we are driving forward the global energy revolution by providing affordable, green energy.

The Nordex Group currently has Sales and Service offices in around 30 countries, mainly in Europe, North and South America, as well as in other selected markets such as India, Pakistan, South Africa and Australia, with colleagues also working across our production and installation sites, which can be found in the table below:

Reporting scope 2023: ●	Serial Production Sites			Offices (incl. Engineer Centers)
	Nacelle	Rotor Blade	Concrete Tower	
Brazil	●		●●	●
Germany	●			●●●
France				●
India	●●●	●		●
Spain	●	●		●●●●
USA				●

(Nordex Sustainability Report 2023, p.11)



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The Nordex Group currently has partial oversight of its extended supply chains beyond manufacturing sites and tier 1 suppliers. The table below shows the countries of origin of our tier 1 suppliers.

The key materials, products, and services purchased by the Nordex Group include:

- Direct materials: nacelle components, steel tower sets, raw concrete tower materials, blade sets, and raw blade materials
- Indirect materials: tools, equipment, ancillaries
- Services: transportation, cranes, and installation

### Supplier countries of origin in %

	2023	2022	2021
Germany	29.9	32.2	30.6
Europe (excluding Germany and Spain)	18.9	15.6	19.4
Türkiye	14.6	10,7	11
America (excluding Brazil)	9.0	10.4	10.5
China	7.7	8.5	7.8
Brazil	5.9	8	4.8
Spain	7.4	7.2	8.1
Asia (excluding China)	5.9	6.9	5.2
Africa	0.2	0.4	2.2
Australia	0.5	0.2	0.4

(Nordex 2023 Key Facts of Sustainability)

## 3. RISKS IDENTIFIED IN OPERATIONS AND SUPPLY CHAINS

With reference to our previous Modern Slavery Statement for the 2022 reporting year, our highest risks regarding human rights remain as follows:

### 3.1 Indirect spend

We procure goods and services for our business operations which are not part of the wind turbine. These include IT equipment, car leasing, facilities management, special tooling and equipment and other services for training, recruitment, and professional services. Cleaners and other functions covered by facilities management are often a hidden workforce and may also often be subcontracted, making them more vulnerable to negative human rights impacts, particularly related to wages and/or long hours. There are risks of exploitative labour practices and modern slavery in various roles in this category and the working conditions can often be a concern.




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### 3.2 Sourcing of materials for the wind turbines

Many of the materials in wind turbines are mined. Mining companies providing many of the materials such as iron ore, copper, aluminium, and lead can have a severe impact on workers, communities near mines, and the environment from their operations. The sites where mining takes place for the minerals used in the production of wind turbines are geographically widespread. Highly industrialised countries, such as Australia and Canada, represent the main producers of certain minerals, such as aluminium, iron and nickel. However, a large proportion of global production of the minerals used in wind turbines is mined in low and middle-income countries where there is a greater risk of exploitation.

### 3.3 Transportation and logistics

The Nordex Group uses suppliers for the transport of materials and components to both manufacturing and installation sites. This can be by road, air, or sea. There is a risk of local shipping companies being linked to human trafficking, where there is movement of goods and passengers often taking place along the same road, sea, and air networks as human trafficking rings. Transport and logistics also rely on large, low-skilled workforces and often use recruitment companies to find employees and there is a risk with these labour agencies/providers, particularly if they are not properly vetted, that workers could face issues such as having their passports confiscated or wages withheld.

### 3.4 Sourcing from countries with increased risk of human rights and environmental protection violations, including risk of modern slavery

We are operating, and/or sourcing from countries where the risk of human rights violations, including modern slavery, is particularly high. To our knowledge, these countries are currently: Colombia, China, Democratic Republic of Congo, India, Indonesia, Pakistan, Russia, Brazil, Gabon, Ghana, Kazakhstan, Malaysia, the Philippines, Turkey, Ukraine, Vietnam and Zimbabwe.

To supplement the results of the risk assessment described above, we have started conducting further analysis in course of preparation of compliance with the German Supply Chain Due Diligence Act (GSCA). The GSCA establishes binding legal obligations in relation to the absence of any form of slavery and forced labour in supply chains. In this context, our analysis gives us more insights into our supply chain's risks. Based on these insights, we are enabled to take appropriate prevention measures in case of high risk of human rights violations, and to take mitigation measures where necessary.

## 4. ADDRESSING MODERN SLAVERY RISKS

As a global manufacturer of wind turbines, the Nordex Group sources products and services from numerous suppliers based throughout a wide range of countries, and generates a significant share of value in our upstream production stages. The Nordex Group's Global Sourcing Department ensures that the required products and services are sourced in the right quality, at the right time, and at the right cost. As a core principle of our commitment to sustainability, the Nordex Group sees it as vital to ensure that our own environmental and social standards are also maintained throughout our supply chain.



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In the 2023 reporting year, the Nordex Group continued the implementation of policies and practical measures to address the relevant risks in its operations and supply chain. Our progress with these actions is described below.

### 4.1 Current human rights initiatives

In the process of preparing for compliance with the German Supply Chain Due Diligence Act (GSCA), a legislative instrument in Germany (where the Nordex Group is headquartered), which became applicable for the Nordex Group from start of 2024 onwards, we are incorporating additional measures related to human rights risk management both internally within the Nordex Group as well as within the supply chain. These initiatives are communicated both to our employees as well as to suppliers and relevant business relationships, and we will update our Human Rights Policy accordingly.

During 2023 we updated the Complaints mechanism (whistleblower system "*notify!*") by explicitly mentioning modern slavery cases as to-be-reported incidents, we trained sourcing/supply chain managers as well as internal staff on the GSCA and its protected human rights positions, and we set up a classification and identification system for human rights violation risks on regional level. This system is based on widely accepted studies, benchmarking systems, and insights from public and civil society organisations.

### 4.2 Code of Conduct for Employees

We uphold Human Rights globally in all our relationships. The Nordex Group Code of Conduct for Employees is our legal and ethical compass for doing the right thing, in the right way, at the right time, in all our activities and relationships. In 2023, we continued to communicate its contents, and launched a comprehensive, mandatory e-learning.

As a shared yardstick for responsible conduct, our Code of Conduct is our guide to the principles, standards, and ethical expectations of the Nordex Group and addresses the Company's main compliance risks, such as in the field of business relationships. It is the core document that sets out our top-level binding corporate rules. The Code of Conduct is binding for all employees, managers, executives and directors of the Nordex Group.

The Nordex Group's robust corporate governance provides a clear framework that defines our role and empowers us in our responsibility to uphold our standards every day and in every situation – to support each other, to protect ourselves and the Nordex Group, to create ethical relationships, and to be committed to society and nature. The Code of Conduct for Employees includes a specific section for Human Rights and our Human Rights Policy.

As stated in the Code of Conduct, and in line with the United Nations Guiding Principles on Business and Human Rights (UNGPs), we are committed to the United Nations Universal Declaration of Human Rights, the International Labor Organisation's (ILO) core labor standards, and the ILO's Declaration on the Fundamental Principles and Rights at Work. All our business decisions and activities are based on our strict compliance with laws and regulations, as well as our strong company values.



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### 4.3 Code of Conduct for Contractors and Suppliers

In addition to the Code of Conduct for Employees, the Nordex Group has a Code of Conduct for Contractors and Suppliers in which we expect its target group to adhere to the principles of integrity and ethical, lawful conduct throughout the entire duration of their business relationship with us. Our Code of Conduct for Contractors and Suppliers defines our labour and human rights expectations, and requires full compliance with them.

Our suppliers and contractors are required to commit to it in writing. In agreeing to it, suppliers and contractors commit to prohibit and refrain from using any kind of child labour, as well as not to use compulsory, forced or prison labour, or any kind of slavery.

The Code of Conduct for Contractors and Suppliers also requires that suppliers and contractors ensure compliance with these principles in their own supply chains.

### 4.4 Whistleblower System

Every single person has a role to play in promoting ethical behavior and fighting against criminal offences, corruption, fraud, human rights or environmental violations, among others, at all levels of society.

Committing to a speak-up culture, we have established the whistleblower system "*notify!*" based on principles of trust, confidentiality, good faith, impartiality, and protection, with the purpose of encouraging and facilitating the reporting. The Nordex Group continues to raise internal awareness of the whistleblower system through both employee training and in-person country visits by the compliance team.

Nordex Group employees, our business partners' employees, and the general public can use the "*notify!*" whistleblower system to report any suspected compliance violation in connection with the Nordex Group's business activities, including human rights violations.

The Nordex Group does not tolerate or condone the abuse of human rights in any part of our business or supply chains. All allegations of abuse are taken seriously, and we work to effectively remedy any incidence of human rights abuse using our internal grievance mechanisms. We are committed to ensuring no one suffers any detrimental treatment as a result of reporting in good faith their suspicions of modern slavery.

The whistleblower system includes three reporting channels: getting in touch personally with staff of Corporate Compliance, using an internet-based reporting platform, or using a central hotline/e-mail address/postal address. Reports can be submitted anonymously wherever this is not restricted by country-specific regulations. The company protects reporters from negative consequences.

We follow up every report confidentially, independently and competently. There is a dedicated human resource for conducting internal investigations. The Corporate Compliance department validates all new reports. The Business Ethics Committee then discusses and evaluates the matter, which also steers any necessary investigations and consequences. We inform the Management and Supervisory Board on a regular basis about the reports received, and their status and resolution.






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#### 4.5 Training and communications

Experts from the Nordex Group People & Culture and Corporate Compliance departments support our employees and managers both by offering training courses on values, policies, guidelines and our Code of Conduct, and by providing advice on a case by-case basis. Additionally, training programs include awareness regarding the Whistleblower System.

#### 4.6 Due diligence processes

Our processes for due diligence in the supply chain, and in our own operations, build on the OECD due diligence approach for responsible business conduct. While this approach was underlying the development of the refined due diligence processes in the supply chain, we are currently revisiting the related processes for our own operations, to understand improvement potentials.

## 5. EFFECTIVE ACTION TAKEN TO ADDRESS MODERN SLAVERY AND PLANS FOR THE FUTURE

Whilst the Nordex Group has had no incidents of modern slavery reported or identified through our current risk management systems so far, we recognise the continuing need to develop better processes to identify, prevent and mitigate any such risks.

### 5.1 The actions implemented in the previous 12 months include

- Implementation of measures across the Nordex Group to ensure full compliance with the German Supply Chain Due Diligence Act.
- The Nordex Group's grievance mechanism was reviewed to ensure compliance with legal regulations.

### 5.2 Ongoing actions

- Communicate policies and procedures regarding the Nordex Group's human rights related goals and expectations, including development of a Nordex Group-wide modern slavery policy.
- Align the Nordex Group's supplier audit programme with results of the supply chain risk analysis, and with further supplier management activities, including by integrating human rights related aspects into the audits scheme, such as methods of identifying exploitative labour practices.
- Development of a training course to raise awareness at employees and suppliers for human rights, including abusive working practices.
- Continuous improvement of monitoring, tracking, and reporting on our efforts and the progress we make.
- Update The Nordex Group's Code of Conduct for Contractors and Suppliers taking into account the German Supply Chain Due Diligence Act, and being more explicit on prohibition of modern slavery.
- Development of a group-wide modern slavery policy, to be issued in course of 2024.



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## 6. CONSULTATION

The Nordex Group operates globally as a matrix organisation with strong centralised corporate functions, global policies, and a high level of sharing of expertise, technology, and human and financial resources between companies within the Group. The contents of this Modern Slavery Statement, and the measures described in this document, have been prepared and developed by the Nordex Group's global sustainability department, which is responsible for coordinating modern slavery topics within the wider Nordex Group.

This Statement was approved by the board of directors of Nordex Oceania on 21 June 2024.

A handwritten signature in blue ink, appearing to be 'R. Timmers', with a horizontal line underneath.

Robert Timmers

Managing Director, Nordex Oceania Pty Ltd

A handwritten signature in blue ink, appearing to be 'Victor Equisoain', enclosed in a light blue circular stamp.

Victor Equisoain

Director, Nordex Oceania Pty Ltd

A handwritten signature in blue ink, appearing to be 'JL Blanco', with a horizontal line underneath.

José Luis Blanco

CEO, Nordex SE

A handwritten signature in blue ink, appearing to be 'S. Pfeiffer', with a horizontal line underneath.

Dr. Sandra Pfeiffer

Director, Global Sustainability