

HUMAN RIGHTS STATEMENT

OUR COMMITMENT

Vattenfall has a number of policies governing us and our suppliers with reference to e.g. the International bill of Human rights; ILO Core conventions; OECD guidelines for Multinational Enterprises; United Nations Global Compact (UNGC); and UN Guiding Principles for Business and Human Rights (UNGPR). Vattenfall recognizes that business has a responsibility to respect all internationally recognized human rights and aims to make a positive contribution thereon. We have stated our commitment to respect human rights in our Group-wide Code of Conduct¹, Code of Conduct for Suppliers², and in our statement on slavery and human rights (in accordance with the UK Modern Slavery Act).

Vattenfall's Code of Conduct, defines how we are conducting business respectfully and with integrity. We only work with others who commit to do business in an appropriate ethical manner.

At Vattenfall, we perform training and raise awareness internally around human rights among managers and buyers. Human rights are part of the internal training of Vattenfall's Code of Conduct for Suppliers. Vattenfall is a signatory of the UN Global Compact and applies its fundamental principles in the areas of human rights, labour, the environment and the fight against corruption. Vattenfall is committed to these principles throughout the entire value chain, including our suppliers.

RESPONSIBLE SOURCING AND PURCHASING

Vattenfall purchases a wide range of goods, services and fuels, with varying risk profiles and legal and sustainability requirements. We recognize the critical role our suppliers play in assisting us to source responsibly and sustainably. As part of Vattenfall's ambition to act responsibly throughout the value chain, we are continuing our work with improving the sustainability performance of our suppliers. Through our supplier engagement strategy and sustainability assessments, we aim to deepen our influence in the supply chain and to strengthen relationships with our suppliers.

Vattenfall's Code of Conduct for Suppliers governs the way we work and communicate with our suppliers and defines the company's requirements and expectations on suppliers. The Code of Conduct for Suppliers was updated in 2017 and explicitly addresses Modern Slavery and Human Trafficking. The Code of Conduct for Suppliers contains specific sections regarding: community engagement and development; child labour and young workers; modern slavery and forced labour; working hours; wages and benefits; health and safety; freedom of association and collective bargaining; and non-discrimination. Suppliers shall respect the rights of indigenous and tribal peoples and their social, cultural, environmental, and economic interests, including their connection with land and other natural resources. Vattenfall requires its suppliers to comply with the Vattenfall Code of Conduct for Suppliers or an equivalent standard, agreed together with Vattenfall, when doing business with Vattenfall.

¹ See [Code of Conduct](#)

² See [Code of Conduct for Suppliers](#)

ADDRESSING OUR HUMAN RIGHTS IMPACTS

We recognize that we must take steps to identify, prevent, mitigate and remedy potential and actual negative human rights impacts throughout our value chain, on the basis of Vattenfall's impacts in terms of cause, contribution and linkage.

We perform human rights impacts and risk screenings throughout our value chain together with independent third parties. The latest screening showed that our highest risks, also referred to as "salient risks", which we may be contributing or linked to, are through our supply chain in high risk countries in the areas of working conditions and impacts on society.

Salient risks connected to our own operation are mainly related to subcontractors and their working conditions, local community, indigenous people, and privacy (personal data and information).

IMPLEMENTATION MECHANISM

We manage our human rights risks by integrating human rights consideration into policies, procedures and decision-making, having a due diligence process in place, acting on the findings, tracking our actions, and communicating with stakeholders.

Conducting due diligence

The UNGP requires companies to implement a human rights due diligence process for identifying, preventing and mitigating negative human rights impacts. At Vattenfall we aim to regularly and systematically identify and assess human rights, environment, and business ethics-related risks and impacts in our value chain and to subsequently use this information to avoid, mitigate, or remedy the impacts. Our due diligence covers our own operations as well as sourcing. Where we identify that we have caused or directly contributed to negative human rights impacts, we engage in appropriate remediation processes ourselves or in cooperation with stakeholders.

Grievance channels

UNGP requires companies to remedy situations in which the company's operations or projects have caused or contributed to a negative human rights impact. At Vattenfall, we have set up a whistle blowing system that is available to personnel and interested parties, including all stakeholders, to make comments, recommendations, reports, or complaints concerning the workplace, the environment, or suppliers business practices. We also request our suppliers to take measures to avoid causing, contributing, or being linked to negative human rights impacts and to take responsibility for their impacts.

Stakeholder dialogue

We have dialogues with our stakeholders to listen to their views and concerns. For customers, employees, and suppliers we encourage open feedback through regular internal and external surveys, questionnaires and focus group discussions. We have regular consultations with stakeholders, such as indigenous peoples, which may be affected by our operations. We aim to continuously improve our engagement with stakeholders and to better understand our impacts on them in order to take further actions. We also frequently conduct materiality analyses to understand and act upon the opinions of our stakeholders.

Continuous improvement

We aim to continually evaluate and strengthen our approach to address human rights. We regularly participate in national and international initiatives to exchange experience with other companies, as well as to gain higher leverage towards suppliers. These initiatives include, among others, the Sustainable Biomass Partnership, Bettercoal, Swedish Network for Business and Human Rights, Green chain, and WindEurope.

We will track and evaluate our actions and regularly report our progress on human rights through our annual report.