



**TOPSOE**

# **UK MODERN SLAVERY ACT STATEMENT 2021**

**22 FEBRUARY 2022**

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## Introduction

This statement is published in accordance with the requirements of the UK Modern Slavery Act 2015 and sets out the steps taken by Haldor Topsoe (Topsoe) and its subsidiaries to prevent modern slavery and human trafficking in its business operations and supply chains during the financial year 2021.

## About Topsoe's business and supply chains

Topsoe is a world-leading provider of energy-efficient technologies, catalysts, services, and hardware to produce essential chemicals and fuels. For 80 years, we have been perfecting chemistry to help the chemical and refining industries produce more, while using the least possible energy and other resources. It is our vision to lead the global transition of these industries into the renewable future and reduce carbon emissions.

Topsoe is headquartered in Denmark. We employ more than 2,100 people across 15 countries and five continents. Topsoe's main production sites are in Denmark and the US. Topsoe is owned by Haldor Topsøe Holding A/S and Dahlia Investment Pte. Ltd. (which is

wholly-owned by Temasek). For more information about Topsoe, visit [→ Topsoe.com](https://www.topsoe.com).

Through our supply chains, we source raw materials, technical hardware components and services from more than 500 suppliers globally. For other goods, materials and services that support our business activities, we have more than 2,500 suppliers.

## Governance

Topsoe's approach to human rights and modern slavery is governed by Topsoe's Compliance & Sustainability Committee; a committee comprising the CEO, CFO and other senior management representatives. The Committee oversees the implementation and development of Topsoe's Compliance program, incl. [→ Code of Conduct](#), Topsoe's sustainability framework, and the policies and procedures designed to respond to compliance and regulatory requirements. It also oversees the processes that ensure due diligence with regard to potential adverse impact on human rights.

## Commitment and policies

As a member of the UN Global Compact,

Topsoe supports and respects the protection of all human rights as described in the Universal Declaration of Human Rights, the International Bill of Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work. At Topsoe, we live by the Topsoe [→ Code of Conduct](#), which expresses our commitment to human and labor rights and serves as the compass for how we conduct our business in a responsible and ethical way.

To fortify our commitment to respecting human rights and thereby the elimination of modern slavery and human trafficking, we have established several policies.

→ Our [→ Supplier Code of Conduct](#) outlines requirements toward essential suppliers within human and labor rights, health and safety, environmental matters and business ethics.

→ Our Procurement Policy confirms that Topsoe will integrate social, environmental, and ethical responsibility in the evaluation of suppliers.

→ Our [→ Responsible Minerals Sourcing Policy](#) requires that relevant suppliers comply with applicable regulations, such as the EU Conflict Minerals Regulation, and adhere to the standards of due diligence established by the Responsible Minerals Initiative, ensuring transparency around Topsoe's sourcing of conflict minerals. We updated the policy in 2021 and it now also includes cobalt.

→ Our Third Party Assurance Policy describes the key areas where Topsoe has established systematic compliance due diligence processes that aim to ensure compliance by identifying and mitigating potential reputational, financial, contractual and compliance risks that could occur in our interactions and collaborations with third parties. We evaluate potential risks in our value chain and address them by adequately ensuring that our relationships with third parties comply with the principles of the Topsoe Code of Conduct and with applicable regulations, incl. those concerning human rights. In 2021, Topsoe conducted approximately 600 third party due diligence screenings.

### Risk assessment and due diligence

The chemical industry and the business of Topsoe are generally associated with a low risk of modern slavery and human trafficking. Most of our suppliers provide highly technical products and are in countries associated with low risk of modern slavery. In certain areas of our supply chains there might be a higher risk of labor rights violations due to their location and the nature of the goods and services procured. Specifically for the sourcing of minerals classified as 'conflict minerals', we seek to mitigate such risks through our Responsible Minerals Sourcing Policy and related processes. To safeguard Topsoe values, we strive to select business partners who share our commitment to high ethical standards, enacted through due diligence assessments of customers, end-users and suppliers.

Our relationship with business partners, such as suppliers and intermediaries, is

based on trust, dialog and a mutual commitment to act with integrity, in line with international conventions and the principles stated in our Supplier Code of Conduct. At the end of 2021, 70% of targeted suppliers had signed our Code or adhere to their own Code of equivalent standard.

We conduct annual risk assessments throughout Topsoe's business to ensure that the most material risks are identified and mitigated. Human rights risks are also covered by these assessments.

Progress on human rights due diligence, including modern slavery, is communicated annually in our Sustainability Report.

### Training

Topsoe's Compliance & Sustainability e-learning course, which is mandatory for all Topsoe employees, raises awareness of the principles established in our Code of Conduct. In 2021, we updated our e-learning

to include more human rights issues. Relevant employees are trained in applicable requirements relating to Topsoe's commitment to human rights, including labor, health & safety and 'conflict minerals' requirements. In 2021, Topsoe initiated internal training on sustainability issues for lead buyers and category managers, incl. social issues such as human and labor rights. This training continues in 2022.

### Access to remedy

The → [Topsoe Compliance Hotline](#) enables internal and external stakeholders to anonymously report any illegal or unethical misconduct or concerns of suspected misconduct, including human rights violations. All reports are investigated, adverse impacts are mitigated, and remediation is ensured. Further, our suppliers are expected to establish a grievance mechanism, e.g. a compliance hotline or whistleblower system, allowing for anonymous reporting of any serious

concerns or dilemmas relating to Topsoe's → [Supplier Code of Conduct](#).

### Next steps to prevent modern slavery in our business and supply chains

Going forward, it is Topsoe's ambition to establish a Human Rights Framework to ensure a solid foundation for our due diligence practices and to improve tracking and reporting on our most salient human rights risks. Further, we aim to reach 90% commitment to our Supplier Code of Conduct in 2022 on a re-defined supplier scope based on spend.

### Approval

This statement has been approved by Roeland Baan, President & Chief Executive Officer of Haldor Topsoe A/S, February 2022.

Signed

**Roeland Baan**

CEO and President

Date 4 March 2022