

Modern Slavery Statement 2024

Reporting entity and scope of statement: This statement has been made in accordance with the requirements of the United Kingdom's Modern Slavery Act 2015 (2015 c. 30) by Wartsila Energy Storage UK Ltd (the "**Company**" or "**WESU**") for the financial year ending 31 December 2024.

Company structure, operations, and supply chains: Wartsila Energy Storage UK Ltd is a wholly owned indirect subsidiary of Wärtsilä Corporation (together with its subsidiaries, "**Wärtsilä**"), with a focus on energy storage and optimisation services in the United Kingdom. WESU employed a total of 27 employees at the end of 2024. The Company is committed to limiting the risk of modern slavery occurring within its own business, infiltrating its supply chains, or otherwise arising through any other business relationship. WESU sources goods and services from suppliers under a global supply chain program.

Policies in relation to slavery and human trafficking: As a wholly owned subsidiary, WESU follows Wärtsilä's policies and procedures.

The human rights themes of particular importance to Wärtsilä are health and safety and fair labour practices, which include fair employment conditions, freedom of association, non-discrimination, and non-harassment. In furtherance of this commitment, WESU supports and respects internationally recognised human rights as outlined in the International Bill of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, and the United Nations' Guiding Principles on Business and Human Rights. The Company also supports and subscribes to the Ten Principles of the UN Global Compact, of which six principles are related to human and labour rights. WESU works to ensure that there is freedom of association and the right to collective bargaining in the Company.

Together, Wärtsilä's Code of Conduct and internal policy on human rights, equal opportunities, and fair employment practices define common rules and provide guidance for all employees on respecting human and labour rights and fair employment practices. Please see

<https://www.wartsila.com/sustainability/our-approach/policies-and-commitments/policy-on-human-rights-equal-opportunities-and-fair-employment-practices>.

Additionally, human rights considerations and international best practices are incorporated within various guidelines, such as the Quality, Environmental, Health and Safety Policy, which sets priorities for enhancing health and safety in our business operations. This policy can be found here:

<https://www.wartsila.com/sustainability/our-approach/policies-and-commitments/qehs-policy>.

These principles are also extended to Wärtsilä's supply chains, as further elaborated below.

Wärtsilä Energy Storage's Herndon office is certified under SA8000:2014 Social Accountability Standards and audited periodically by the registrar ABS Quality Evaluation organization. Wärtsilä as a whole, and WESU specifically, also follow SA8000 Management Systems' requirements globally.

In addition to the SA8000 audits, Wärtsilä Energy Storage business globally is also audited periodically by the ABS Quality Evaluation organization. WESU also subscribes to a system of annual audits by external third parties including the following: "Corporate Internal Audit", "ISO Management Systems Audit" and "SA8000 Social Accountability Audit" that include certain elements related to workers and human rights (e.g., Occupational Health and Safety, regulatory compliance reviews on wage, benefit, worked hours, and vacation entitlements).

Due diligence processes: WESU's supplier selection and qualification process includes background checks and site inspections, including confirming conformance to SA8000:2014 Social Accountability Standards that focus on both human and workers' rights. Human and labour rights are also included as part of the requirements stated in the Wärtsilä Supplier Handbook, as well as in our supplier risk assessment and compliance assurance procedures. The Supplier Handbook can be found here:

<https://www.wartsila.com/suppliers/guidelines>.

Suppliers must adhere to certain policies and requirements, such as supplier engagement principles and validation processes, supplier on-boarding and evaluation requirements, and audits of the supply chain to identify and address potential issues and ensure that suppliers understand and comply with our ethical standards and requirements. In addition, certain suppliers may be asked to certify in writing their commitment to provide written evidence, as required by relevant authorities, that their products are made in full compliance with international laws as to human and labour rights.

Risks assessment of modern slavery practices in the operations and supply chains of the Company: In its internal operations, WESU has identified challenges in the types of maintenance operations carried out by its service personnel in certain energy storage projects. These operations can require long working hours in the case of power black outs and other exigencies. In addition, the Company has identified the manufacturing and supply chains as the key areas where modern slavery risks may occur, due to the competitive and price-sensitive nature of the energy storage business globally, as well as the difficulty in ethical sourcing of key raw materials for energy storage.

Actions taken by the Company to manage these risks: WESU has focused its attention on four critical efforts: (1) adherence to international certifications and guidance; (2) an internal Code of Conduct, policies, and trainings; (3) the use of audits; and (4) supplier selection and qualification processes (as described above).

Wärtsilä has a global Code of Conduct, as well as whistleblower channels that are anonymous and managed by a third party. These whistleblower channels are open for reports both by Wärtsilä's employees as well as its suppliers to report any violations and concerns. The Code of Conduct and whistleblowing channels are both applicable to WESU.

After suppliers are selected, the Company continues to assess and monitor their services and products. Wärtsilä UK assesses suppliers using the VMS Rating system in a Supplier Relationship Management system, ensuring that all category suppliers are evaluated with our Wärtsilä Supplier Requirements, as further elaborated in the Supplier Handbook. This assessment helps the Company maintain stringent standards in identifying potential modern slavery risks. The Supplier Development & Quality team continuously monitors the situation through regular VMS Rating follow-ups and other development activities. Wärtsilä UK also conducts monthly supplier compliance checks by utilizing third party legal services and advisors to identify if there are any changes in the compliance status of our suppliers (both current and potential).

WESU also leverages Wärtsilä's global policies to review raw material challenges across the supply chain. The Company has general visibility of raw material up to a tier two level for critical components, such as the assembly of the Quantum and the PCS (Power Conversion System). For production of batteries, reviews are held at tier two, at the level of the cells.

Key performance indicators of the Company's actions to measure effectiveness of steps being taken: The Company is committed to complying with all relevant legal and ethical obligations in a transparent and systematic manner to fight against modern slavery activities via third party monitoring services, external legal analysis, internal training, and continual monitoring of the Company's activities and those of its suppliers to ensure the appropriate processes and control systems are implemented and effective.

Wärtsilä's executive management team routinely monitors and assesses the effectiveness of the actions taken through a company-wide consultation process, involving the reporting entities, the operating network companies, and internal key functions.

As noted above, Wärtsilä has elected VMS Rating Coverage as a key performance indicator of its suppliers against Wärtsilä's Supplier Requirements, including modern slavery standards.

Training on modern slavery and trafficking: Wärtsilä has implemented and established various measures to root out and mitigate modern slavery risks with employee-facing policies and trainings (e.g., mandatory Code of Conduct ethical guidance and training for employees, third-party monitored whistleblowing channels for grievances and reporting).

Approval by WESU's directors: This statement has been approved by the Company's board of directors on 24th June 2025.

Signed on behalf of Wartsila Energy Storage UK Ltd on 30th June 2025.



Name: Raymond Walsh

Title: Managing Director