

A man and a woman are standing in a field of green plants under a blue sky with white clouds. The woman, on the left, is wearing a grey long-sleeved shirt with the 'Scatec' logo, blue jeans, and sunglasses. She is holding a green, oval-shaped fruit. The man, on the right, is wearing a dark blue polo shirt with the 'Scatec' logo, dark pants, and sunglasses. He is holding two of the same green fruits. A large teal semi-circle is on the left side of the image, containing the text 'Scatec', 'Transparency Act Statement', and '2024'. In the bottom right corner, there are several white diagonal lines.

Scatec

Transparency Act
Statement

2024

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1. Introduction and background

Scatec is a renewable energy provider focusing on increasing access to reliable and affordable clean energy in emerging markets. The Company develops, builds, owns, and operates renewable energy projects, with 4.8 GW in operation and under construction on five continents. Sustainability is integrated into all business units and the value chain. Dedicated sustainability resources are involved at both the project and corporate levels in all phases of power projects for long-term impact.

We are committed to operating in line with the [Equator Principles](#) and the [IFC's Environmental and Social Performance Standards](#) to ensure consistent practices in all projects. Our work is also guided by the [OECD Guidelines for Multinational Enterprises](#). We partner with the IFC, Norfund, KLP, and major development banks known for high standards in renewable energy projects. Scatec's Environmental and Social Management System (ESMS) helps us manage environmental and social risks throughout the project lifecycle and value chain. The ESMS is aligned with international best practice, such as the IFC ESMS Implementation Handbook and [ISO](#) standards, among others.

In this Transparency Act Statement we detail how we – in our global operations and value chain activities – embed our commitment to respecting human rights and providing decent working conditions in line with the objectives of the [UN Guiding Principles on Business and Human Rights](#) (UNGPR) and the [Norwegian Transparency Act](#).



2. Scatec's management of human rights

2.1 Governance

The Board of Directors ensures Scatec's business practices align with sound corporate governance. Our core values – predictability, driving results, being changemakers, and teamwork – guide our behaviour and ethical guidelines. We comply with all relevant laws and regulations, but our commitment to ethics goes beyond mere compliance.

Our key governing documents are listed and briefly described below:

- The Code of Conduct outlines the requirements for ethical business conduct at Scatec and is applicable to all employees, consultants, and directors, including subsidiaries, joint ventures, and affiliates.
- The Human Rights Policy confirms Scatec's responsibility to respect human rights in its business activities globally and pays attention to the risks associated with specific groups, such as indigenous people, minorities, women, children, migrant workers, and other vulnerable groups.
- The Integrity Due Diligence (IDD) Procedure requires Scatec to evaluate potential business partners to confirm their commercial competence and corporate integrity, and to assess their ability to meet Scatec's standards and values.
- The Supplier Conduct Principles outline Scatec's values and selected rules and expectations for business partners, service providers, and suppliers.
- The Human Resources Policy guides the management of human resources within the Company on an international scale, ensuring that no forced labour is allowed, nor any work or service that is not voluntarily performed, i.e. under threat of force or penalty.

Our policies and procedures (available on our [corporate website](#)) have been reviewed and updated to reflect what constitutes violations of human rights and labour, as well as the classification of such violations.

Scatec's sustainability, supply chain, and compliance units work together to:

- assess human rights risks
- screen projects and partners
- conduct due diligence and implement mitigations
- report on human rights externally



2.2 Salient risks

As a renewable energy provider, Scatec may encounter various human rights issues in its solar, hydropower, and wind operations, as well as in their value chains. Human rights impacts were identified through an in-depth saliency assessment in specific operational and value chain areas and categorised by severity (considering scale, scope, and remediability) and likelihood. These risks were then mapped onto Scatec's solar, wind, and hydropower portfolios in different geographies. Finally, current management controls were reviewed to pinpoint improvement areas.

The table on the right summarises the key risks identified, highlighting their impact and relevance and the effectiveness of existing management controls.

Salient risks	Main impact
High risk	
Displacement/Loss of livelihood	Operations
Forced, compulsory, and child labour	Operations and supply chain
Indigenous peoples' rights	Operations and supply chain
Health and safety	Operations and supply chain
Medium risk	
High-risk raw materials	Operations and supply chain
Protection of human rights defenders	Operations
Abuse of force – security	Operations
Low risk	
Freedom of association and collective bargaining	Operations and supply chain
Access to water	Operations
Right to a healthy environment	Operations

2.3 Due diligence

Scatec is linked to human rights impacts involving our employees, workers in the supply chain, and local communities that are affected by our business and supply chain operations. This connection to risks and impacts can occur primarily through these channels:

- Directly via our operations
- Through suppliers and their sub-suppliers
- Through partnerships where we do not have operational control
- Together with partners, in joint ventures or other forms of shared responsibility for projects

In all the areas listed above, we have established due diligence processes to assess risks and impacts on human rights.

Due diligence in our solar, wind, and hydro projects

- We follow standardised processes to identify, mitigate, and monitor environmental and social (E&S) risks, including human rights risks, under the IFC Performance Standards framework.
- Human rights due diligence is part of our E&S due diligence process. Project risk registers, Environmental and Social Impact Assessments (ESIA), Environmental and Social Due Diligence (ESDD), Environmental and Social Action Plans (ESAP), and Environmental and Social Management Plans (ESMP) all include aspects of human rights.
- When initial assessments indicate potential human rights risks, focused impact assessments are conducted for the purposes of deeper understanding and mitigation.

Due diligence in our supply chain

- All new third parties, including business partners, suppliers, and corporate customers, must undergo appropriate integrity due diligence (IDD) as per the IDD procedure. The IDD requirements for third parties are risk-based and determined by factors such as the risk level of the country, the scope of the work, and the annual contract value.
- Scatec's IDD questionnaire gathers detailed information from third parties on human rights due diligence within their organisations. The IDD tracker includes risk categories for human and labour rights. This update provides Scatec with a comprehensive overview of the country, sector, third-party type, and human or labour rights risk categories for reporting purposes.
- No relationship with a third party may be established without appropriate assessments of the business relationship, and no contract shall be executed without adequate governance, social (including human rights), and compliance commitments. All third-party relationships will undergo sufficient monitoring.
- An enhanced due diligence (EDD) process is implemented when there is a high risk of human rights violations identified in a potential business partner's operations or supply chain. The EDD process includes a public records review, a reputational review, and a potential red flags review conducted by a third party.

2.4 Access to remedy

Scatec has a whistleblowing channel and grievance mechanism in accordance with the IFC Performance Standards and UN Guiding Principles on Business and Human Rights.

The whistleblower function is available to employees, suppliers, partners, and customers through internal channels and the corporate website. It is managed by an independent third party and is accessible in eight languages. Whistleblowers have the option to remain anonymous.

The grievance mechanism is designed for individuals, communities, and companies who wish to provide feedback or express concerns about our projects. It allows for issues to be presented to the project administration and is supervised by our global sustainability business unit. Each grievance is logged, assigned to the responsible person, and processed according to our grievance procedures. We aim to respond and take action to resolve the grievance within 15 working days. The mechanism is available at each local project site and in five languages on our [corporate website](#).

2.5 Training and capacity building

Scatec's human rights training programme for security personnel was developed in accordance with the Voluntary Principles on Security and Human Rights. The training is provided to third-party security service providers and staff based at Scatec's project sites.

Additionally, our interactive corporate training for all employees continues to offer comprehensive background information on human rights, focusing on business and human rights and emphasising the specific role human rights plays within Scatec and its operations. Furthermore, Scatec delivers specialised training for other exposed groups, primarily community workers, including community liaison officers (CLOs) and social staff.



3. Human rights work in 2024

Further to Scatec's priority human rights issues, we present examples below of our work related to human rights issues in 2024.

3.1 Displacement and loss of livelihood

Land acquisition for our projects may impact people who rely on this land. If physical displacement (loss of shelter) and/or economic displacement (loss of assets/income sources) cannot be avoided through alternatives or site optimisation, the resettlement process must be managed to protect the rights of the affected individuals and prevent long-term hardship and impoverishment. Scatec adheres to IFC Performance Standard 5: Land acquisition and involuntary resettlement, which guides the planning and implementation of various mitigation measures, such as fair compensation and improvement of living conditions, with the active engagement of the affected individuals during the process.

During 2024, there were no resettlement processes ongoing.

3.2 Forced, compulsory, and child labour

The solar supply chain faces industry-wide risks

and human rights challenges. Scatec actively collaborates with the industry and suppliers, such as [SolarPower Europe](#), to strengthen the supply chain and address these issues. Scatec has implemented processes to manage risks and regularly conducts risk assessments, including human rights considerations, in all projects.

For all new module and battery procurement in 2024, we followed our supplier qualification procedure step by step:

- We conducted desktop traceability audits/assessments on all shortlisted suppliers to determine their ability to map and document the origin of their supplies.
- Upon signing a contract, to ensure that the components are not sourced by entities associated with forced labour, potential suppliers are obliged to be evaluated by an expert third party, such as the [Clean Energy Associates](#) (CEA), with regard to the supplier's ability to trace the origin of solar module and battery components. This is accomplished through document audits and, where possible, through physical assessments of production facilities. This is then compiled in a chain of custody audit report.
- We require solar module and battery suppliers to provide a complete list of sub-suppliers, which we independently vet.

- Suppliers that are not able to comply with the above do not continue further in the qualification process.

In 2024, we concluded module procurement for the following projects: Grootfontein in South Africa, Mmadinare in Botswana, and the portfolio in Tunisia. All procurement included the respective chain of custody audits to ensure that traceability commitments were executed as per contract. No project audits had adverse findings.

Due to potential forced labour in Xinjiang's polysilicon production, Scatec has increased its scrutiny of solar suppliers. If a supplier is found violating labour standards, we work with them to address issues. If they do not comply, we seek alternatives.

Forced labour risks are an industry-wide issue. Scatec collaborates with peers to evolve best practices and apply pressure on supply chains for compliance. Geopolitical challenges complicate this, as China denies forced labour claims and restricts foreign audits. Scatec supports industry and government efforts to develop long-term solutions, including alternative supply chains outside high-risk regions.

For further information on measures implemented and actions taken by Scatec in relation to our solar module suppliers, refer to the 'Transparency Act' section on our [corporate website](#).

3.3 Labour and working conditions of contractors' employees

In 2024, Scatec sought to ensure contractors' adherence to compliant labour practices for all projects. Contractors must comply with IFC Performance Standard 2, local laws, and regulations and ensure that subcontractors do the same. We regularly inspect working conditions, recruitment practices, welfare services, and grievance mechanisms through periodic audits and inspections.

3.4 Gender-based violence and harassment (GBVH) awareness and prevention

Scatec has zero tolerance for any form of sexual harassment in the workplace. In 2024, we developed a gender action plan (GAP) to be rolled out in all new projects. The GAP covers topics such as equal opportunities for women to be recruited as project employees and for contractors' workforce; physical arrangements for a safe workplace and privacy concerns of women in host communities; providing adequate skills and resources for GAP implementation, including GBVH training and awareness for project staff, contractors' workforce, and communities; inclusive stakeholder engagement and community programmes; and functioning mechanisms for managing GBVH cases.

Collaboration with relevant stakeholders, community representatives, and GBVH projects is undertaken to support local initiatives. Potential risk factors associated with Scatec's operations include the introduction of a significant male workforce; an influx of male workers; utilisation of temporary, informal, or migrant workers who may be disconnected from their usual support systems; deployment of security personnel; remote worksites; and lack of awareness and training.

Preventative measures are implemented at the organisational, project, and community levels, focusing on leadership, company culture, review of corporate policies and procedures, recruitment, and staff training. Work is carried out closely with contractors and suppliers to ensure that the entire workforce on site is trained. In 2024, awareness campaigns were conducted on sites and in communities in Botswana and South Africa. In 2025, we aim to roll out standardised training and induction materials in all new projects.

3.5 Responses to requests from the public

During 2024, Scatec received and responded to one media query related to the Transparency Act, which is available on our [corporate website](#). All previous requests and corresponding responses can be found via the same link.

4. Scatec's focus on human rights in 2025

Our human rights efforts continue to be based on the saliency assessment, focusing on forced labour in the value chain, displacement and resettlement in our operations, and contractors' working conditions. We track the effectiveness of these actions and report annually.

Short-term goal: Enhance stakeholder engagement to understand impacts and actions and continue addressing gender-based violence and harassment in new projects.

Medium-term goal: Establish a human rights performance framework with corporate-level targets to monitor due diligence.





Scatec

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