



Scatec

Transparency Act
Statement

2025

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1. Introduction and background

Scatec is a leading renewable energy provider that is accelerating access to reliable and affordable clean energy in emerging markets with 5.8 GW generation capacity and 1.9 GWh storage capacity in operation and under construction across five continents at year-end 2025.

Sustainability is a core part of Scatec's operations, integrated throughout the business and value chain. Dedicated sustainability teams contribute at both project and corporate levels during every project phase, ensuring long-term positive impact.

We follow the [Equator Principles](#), [IFC's Environmental and Social Performance Standards](#), and the [OECD Guidelines for Multinational Enterprises](#) to ensure consistent, high-quality practices. Our partners include IFC, Norfund, KLP, and leading development banks in renewable energy. Scatec's Environmental and Social Management System (ESMS), aligned with international standards like the IFC ESMS Implementation Handbook and [ISO](#) standards, manages environmental and social risks throughout our projects.

This Transparency Act Statement outlines how we uphold human rights and fair working conditions in our global operations and value chain, following 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 follows strong corporate governance. Our core values - predictability, results, change, and teamwork - shape our ethics and behaviour. We observe all laws and regulations and are committed to ethical standards beyond compliance.

Our main governing documents include:

- The Code of Conduct: Sets ethical standards for all Scatec employees, consultants, and directors, including subsidiaries, joint ventures, and affiliates.
- Human Rights Policy: Affirms Scatec's global human rights obligations, with focus on vulnerable groups.
- Integrity Due Diligence (IDD) Procedure: Ensures potential partners meet Scatec's competence and integrity criteria.
- Supplier Conduct Principles: States expectations for business partners and suppliers.
- Human Resources (HR) Policy: Oversees HR practices globally, prohibiting forced or coerced labour.

Our updated policies and procedures on our [corporate website](#) define and classify human rights and labour violations.

Scatec's sustainability, supply chain, and compliance teams collaborate to:

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

2.2 Salient risks

As a renewable energy provider, Scatec may encounter a range of human rights issues within its solar, storage and hydropower operations, as well as throughout the associated value chains. Human rights impacts were identified through a comprehensive saliency assessment targeting specific operational and value chain activities, with risks categorised by severity - considering scale, scope, and irremediability - as well as likelihood. These risks were subsequently mapped across Scatec's technology portfolios in various geographic regions. A review of current management controls was then conducted to identify potential areas for improvement.

Further, the double materiality assessment (DMA) conducted in compliance with the Corporate Sustainability Reporting Directive (CSRD) ensured an annual review of the material risks and impacts identified. Scatec considered human rights matters affecting its own workforce, workers in the value chain and affected communities surrounding its project sites.

The following table provides an overview of the principal risks identified, outlining their impact, relevance, and the effectiveness of existing management controls.

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

2.3 Due diligence

Scatec is exposed to human rights risks through our employees, supply chain workers, and communities affected by our operations. These risks arise via:

- Direct company activities
- Suppliers and contractors
- Partnerships without operational control
- Joint ventures and shared project responsibility

We conduct due diligence to identify and manage human rights risks in all these areas.

Due diligence for solar, storage and hydropower projects

- We use standard processes under IFC Performance Standards to identify and manage environmental and social risks, including human rights.
- Project assessments and management plans always consider human rights impacts.
- If human rights risks are identified, we carry out focused impact assessments.

Supply chain due diligence

- All new third parties undergo risk-based integrity due diligence (IDD) based on country risk, scope, and contract value.
- The IDD questionnaire collects detailed information on human rights due diligence; results are tracked and reported.
- Relationships and contracts require assessment and commitments on governance, social responsibility, and compliance. Ongoing monitoring is in place.
- High-risk parties face enhanced due diligence (EDD), including public records, reputation, and red flags reviews by an independent third party.



2.4 Access to remedy

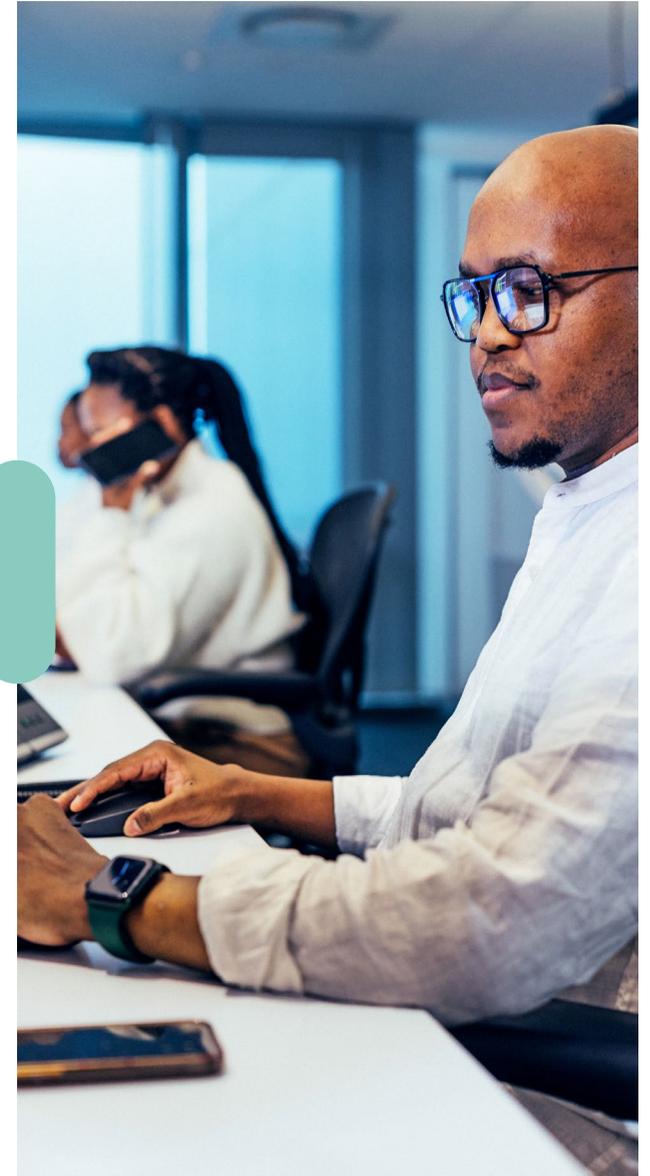
Scatec provides both a whistleblowing channel and a grievance mechanism, adhering to the IFC Performance Standards and the UN Guiding Principles on Business and Human Rights.

Employees, suppliers, partners, and customers can access the whistleblower service via internal platforms or the corporate website. Managed by an independent third party, this function supports eight languages and guarantees the option of anonymity for whistleblowers.

The grievance mechanism enables individuals, communities, and organisations to offer feedback or raise concerns regarding Scatec projects. Issues can be submitted directly to project administration and are overseen by the global sustainability business unit. Every grievance is recorded, assigned to a responsible party, and handled according to established procedures. Scatec strives to address each grievance within 15 working days. This system is available at all local project sites and can also be accessed in five languages through the [corporate website](#).

2.5 Training and capacity building

Scatec's human rights training for security personnel follows the [Voluntary Principles on Security and Human Rights](#) and is offered to third-party providers and site staff. All new employees receive interactive corporate training on business and human rights, while specialised programmes are delivered to community workers such as Community Liaison Officers (CLOs) and social staff.



3. Human rights work in 2025

Further to Scatec's salient human rights risks, we present examples below of our work related to human rights priority areas in 2025.

3.1 Displacement and loss of livelihood

Our projects need land, and in some cases our land use may affect people who depend on it. If it's not possible to avoid physical displacement (like losing a home) or economic displacement (such as losing property or income), we handle the resettlement process carefully to protect people's rights and prevent long-term difficulties or poverty. Scatec follows IFC Performance Standard 5, which covers land acquisition and involuntary resettlement. This standard guides us in planning and carrying out steps like ensuring fair compensation and improving living conditions, while actively involving those affected throughout the process.

During 2025, Scatec was not involved in any projects that caused physical displacement. However, there are projects in our backlog which will cause limited impact on livelihood activities. Further studies were conducted in 2025 to refine the impact and devise necessary actions to deliver global best practice.



3.2 Forced, compulsory, and child labour

The solar supply chain faces industry-wide risks, particularly regarding human rights. Scatec continues to work to strengthen the supply chain and mitigate these challenges, conducting regular risk and human rights assessments across all projects.

For all new module and battery procurement in 2025, Scatec continued to follow our standard practice:

- Applied a supplier qualification procedure, including desktop traceability audits on shortlisted vendors.
- Required expert third-party (e.g., [Clean Energy Associates](#)) evaluations of suppliers' ability to trace component origins and document findings in chain of custody audit reports.
- Demanded full sub-supplier lists, independently vetted by Scatec.
- Disqualified suppliers unable to meet these requirements.

In 2025, module procurement for projects in Botswana, Brazil and Egypt included comprehensive chain of custody audits, with no negative findings.

Due to forced labour risks in Xinjiang's polysilicon production, Scatec continues to have intensified supplier scrutiny. Non-compliant suppliers are given opportunities to address issues; persistent non-compliance leads to alternative sourcing. Recognising that forced labour is an industry-wide problem, Scatec collaborates with peers and supports efforts to develop alternative supply chains, despite geopolitical barriers in regions like China. 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 2025, Scatec focused on making sure contractors followed proper labour practices during project execution. All contractors are required to comply with IFC Performance Standard 2, as well as relevant local laws and regulations, and they must also ensure their subcontractors do the same. We routinely check working conditions, recruitment processes, welfare services, and grievance procedures through audits and inspections carried out at regular intervals. To streamline our efforts, we developed tools for global use such worker interview and labour audit templates.



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 2025, we rolled out a gender action plan (GAP) template to be implemented in all new projects. The GAP addresses the potential risk factors associated with Scatec's operations, including the influx of a large male workforce, utilisation of temporary, informal, or migrant workers who may be disconnected from their usual support systems, deployment of security personnel and remote worksites.

Preventative measures are implemented at the organisational, project and community levels and include equal opportunities for women to be recruited as project employees, physical arrangements for a safe workplace, GBVH trainings and awareness for project staff, contractors' workforce and local communities, inclusive stakeholder engagement and community programmes, and functioning mechanisms for managing GBVH cases.

Work is carried out closely with contractors and suppliers to ensure that the entire workforce on site is trained. In 2025, we standardised induction and training materials, piloting gender initiatives in Botswana, South Africa, Brazil and Egypt. We strengthened our grievance process to handle GBVH cases, with an aim to conduct further trainings in 2026.

3.5 Responses to requests from the public

During 2025, Scatec did not receive any queries related to the Transparency Act. All previous requests and corresponding responses can be found on our [corporate website](#).

4. Scatec's focus on human rights in 2026

Our human rights efforts continue with a strong focus 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.

Scatec

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