Modern Slavery Statement 2022

This statement is published by Sonnedix Power Holdings Limited, on behalf of its subsidiary Sonnedix UK Services Limited, pursuant to section 54 of the UK Modern Slavery Act. It sets out the steps taken by Sonnedix Power Holdings Limited and its subsidiaries (collectively “Sonnedix”) during the financial year 2022 to prevent and eradicate forced labour and human trafficking in Sonnedix’s global operations and supply chains.

Our Business

Sonnedix is an established Renewable Energy Producer with a proven track record of successfully designing, financing, building and monitoring high-performance, cost-competitive renewable energy projects around the world.

At the close of 2022, the Sonnedix corporate structure included multiple entities in and 538 employees across Chile, the United States of America, France, Spain, Italy, Germany, Poland, Portugal the United Kingdom, and including employees of our trusted Japanese development partner, Sonnedix Japan K.K. Sonnedix had a total capacity of 8,776 MW of which 2,190 MW were operational/mechanically complete, 466 MW were under construction, and a further 6,120 MW were under development.

The majority of Sonnedix employees are office or project based, as a result the key risk area for modern slavery is within the procurement and supply chain activities undertaken through a limited number of global partners and suppliers.

Our Policies

Integrating responsible, forward-thinking corporate policies into our daily business practices is key to us achieving our goal of smartly transforming the sun’s power into clean energy. It’s what allows Sonnedix to behave sustainably, ethically and accountably as we develop, finance, build and operate solar plants around the world. It’s also what ensures that Sonnedix has a positive impact on our people, the environments, and communities within which we work.

Sonnedix has zero-tolerance for the use of child or forced labour on our projects or plants and we will not knowingly do business with contractors, subcontractors, business partners or vendors who violate these practices or the human rights of those working on their behalf.


- Sonnedix Governance Policy,
- Sonnedix Whistleblowing Policy,
- Sonnedix Third Party Grievance and Communications Standard,
- Sonnedix Contractor HSEC Management Standard,
- Sonnedix Global Partners Standards of Conduct, and
Sonnedix Code of Ethics and Business Conduct.

Sonnedix is committed to the highest ethical standards in our work and in our interactions with customers, suppliers, utilities, co-investors, competitors and our community. An important aspect of accountability and transparency is a mechanism to enable all individuals to voice concerns internally in a responsible and effective manner when they discover information that they believe shows wrongdoing. Sonnedix therefore provide 24/7 reporting of any concern including those which may relate to slavery and human trafficking.

Due Diligence

Recognising the supply chain as a key risk area, Sonnedix conducts comprehensive due diligence on its high risk third-party engagements, including on its construction contractors and plant operators. This due diligence process includes a review of, among other things,

- Global commercially provided databases,
- Government lists, and
- Media reports.

In addition, our contractual documentation includes appropriate compliance terminology and language, and through our Global Partners Standards of Conduct we obtain an undertaking of compliance from those working with us or on our behalf.

Risk Identification

The energy transition’s unprecedented demand for clean energy comes with an increased demand for raw material supply and elevated exposure for businesses in the renewables sector to the risk of encountering modern slavery in their supply chain.

The sector is facing increasing scrutiny in connection with human rights management within its complex value chain, most notably forced labour. As noted in our 2021 Modern Slavery Statement, the solar sector, in particular, came into the spotlight as a consequence of allegations of forced labour in the solar supply chain, most notably in polysilicon production.

At Sonnedix, we strive for the highest standard of human rights and treat these allegations with the utmost seriousness. Following the allegations, we continued to take a two-fold approach in addressing this matter.

Outward looking:

Driving and achieving systemic change in complex supply chains requires collaborative action with other key industry stakeholders. Since 2021, Sonnedix has sponsored Solar Power Europe and Solar Energy UK’s work in developing a solar-industry specific value chain assurance programme.

This collaboration between the solar associations and businesses saw, in October 2022, the launch of the Solar Stewardship Initiative (SSI). Designed to further enhance transparency and responsibility across the entire value chain, the SSI is endorsed by more than 50 solar organisations. With support from external consultants specialising in supply chains, the first step was to define and develop the set of standards that the industry should hold itself to, the SSI code of conduct and assurance protocol. These standards were piloted in Q4 2022 at several sites and will be open to public consultation in spring 2023 with the full roll-out of the assurance scheme expected by the end of 2023. These types of initiatives, alongside regulatory actions, are key to safeguarding the global solar supply chain from human rights abuses.
Inward looking:

Sonnedix includes robust contractual provisions related to human rights in key equipment supply agreements and EPC contracts, and we vet our suppliers and contractors through our pre-qualification process (internally by the ESG team) and audit programmes (by independent third-party consultants). Over the course of 2022, 10 audits of our Tier 1 suppliers in Asian manufacturing hubs have been undertaken. One instance of noncompliance related to a lack of human rights policies and systems by a supplier was highlighted by external audits and was subsequently closed prior to production taking place following the provision of required documentary evidence by the supplier. This included the provision of adequate supplier code of conduct and confirmation of origin for polysilicon and other module components which confirmed sourcing for the audited batch of modules. The ESG team further assesses potential exposure to human rights risks for every new acquisition and advises on the potential risk and mitigation. Additionally, the ESG team coordinates the internal cross-functional collaboration around this topic and reports to the relevant Board Committees on the actions that Sonnedix is taking to mitigate human rights risks.

Effectiveness

Sonnedix will assess any instances of non-compliance as they arise on a case-by-case basis and take action as required. We will only conduct business with those who fully comply with this statement or who are taking demonstrable steps towards compliance.

Training

All Sonnedix employees are provided with compliance training upon commencing employment which includes whistleblowing, covering how concerns should be raised by our employees should they suspect any wrongdoing or breaches of the law, our Codes of Conduct or policies. Furthermore, modern slavery is specifically included in the environment, social and governance training that is mandatory for all new employees.

Next Steps

Sonnedix will continue to review our internal processes to evaluate what further steps can be taken to improve our position regarding slavery and human-trafficking. We will also continue to implement training and promote improved awareness of slavery and human-trafficking across the business. The percentage of employees who have completed the modern slavery awareness training will continue to be tracked as a key performance indicator along with the number of audits of our key suppliers and grievances received which relate to modern slavery or forced labour.

Furthermore, Sonnedix will continue to collaborate with other key industry stakeholders and actively participate in renewable energy industry associations’ initiatives that aim to increase end-to-end transparency and sustainability across solar supply chains. A further update will be given in the 2023 statement.

Sonnedix

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