sonnedix

SOCIAL POLICY & STANDARDS

Suwa educational site visit, 2019

MESSAGE FROM OUR CEO

Axel Thiemann
CEO

"Sonnedix's purpose is to harness the power of the sun to build a bright future, to make a positive difference for the communities we partner with, and the environments in which we operate. We don't just talk about the potential for solar energy to transform the way people across the world live - it's what drives us to do what we do every day.

Our company values, in particular 'do the right thing' and 'sustainable growth', are the compass for and the heart of our business: Our Environmental, Social and Governance program is fundamental to how we work, whether we are striving to protect the environment, empower tomorrow's problem-solvers, support local communities or adhere to the highest standards of accountability, transparency and diversity.

I believe that sharing our commitments, goals and progress will enable, and inspire, others to join our ESG journey. We are ambitious – and committed - to do more. We want to be at the forefront of raising standards, driving transparency and ultimately accelerating progress towards a world where the future of solar power is limitless. Thank you in advance for your continued commitment to achieving this ambition."

OUR APPROACH TO SUSTAINABILITY

Sonnedix' approach to sustainability is governed by the Sonnedix Sustainability Strategy. The Sustainability Strategy outlines our strategic, voluntary commitment to sustainable growth and our contribution to the United Nations Sustainable Development Goals. Feeding into the Sustainability Strategy are our ESG policies and standards, which represent our compliance framework and set out the rules and guiding principles for our day-to-day operation. These policies and standards ensure Sonnedix' continuous regulatory compliance and implementation of good international industry practice, both in our offices and on our projects.

Integrating responsible, forward-thinking corporate ESG policies and standards into our daily business practices is key to achieving our purpose to harness the power of the sun to build a bright future. And it is what allows us to behave sustainably, ethically and accountably as we develop, finance, build and operate solar plants around the world, together with ensuring that we have a positive impact on our people and the environments and communities within which we work.

In order to proactively identify and assess ESG risks and opportunities for our projects and operations, and to put in place appropriate measures to mitigate these risks across our business lines, Sonnedix has developed a set of the following ESG policies and standards:

Environmental policy and standards

Social policy and standards (this document)

Governance policy and standards

CORE INITIATIVE

Sonnedix believes in the power of educating the problem solvers of tomorrow and in utilizing solar technology to improve local communities. Therefore, our objective is to increase educational initiatives related to solar/renewable energy and climate change and to improve socio-economic development in the communities in which we operate. This will be achieved through a number of sub-initiatives implemented at the corporate, office and project level as part of our Sustainability Strategy, and through effective implementation of the Sonnedix social policy and standards.

Sonnedix Atacama Solar groundbreaking ceremony, Chile

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THE SOCIAL POLICY

At Sonnedix, we are harnessing the power of the sun to build a cleaner, healthier future for people and our planet.

We are proud that the clean energy we generate helps us to power households and businesses across the globe, to make a positive difference for the communities we partner with, and the environment in which we operate.

That is why we are committed to not only identifying, evaluating, mitigating and, where possible, avoiding, the negative impact of our projects on the communities and cultures within which we operate, but, more importantly, ensuring that we enrich these communities through social and developmental activities.

We will achieve this by:

- Ensuring social risk management and engagement is driven by senior management;
- Implementing a social risk and impact management system which is integrated into the lifecycle of our projects and offices globally;
- Assigning accountabilities across the business;
- Meeting the statutory obligations set out under local, regional, national and international law, as applicable;
- Striving to not only meet, but exceed, the recognised international industry standards such as those set out by the World Bank Group/ International Finance Corporation;
- Ensuring that social and community engagement and impact is considered in the procurement of products and services, management of our assets, and in our investment decisions;
- Communicating this policy and its supporting standards and procedures both internally and externally with our Global Partners;
- Ensuring that our Global Partners understand and demonstrate that they conform to our policies and meet the standards we expect of them;
- Protecting and promoting the health, safety and welfare of all employees, partner and contractor workers and anyone else who may be affected by our project and business activities, including members of local communities;
- Educating and training all our employees to be competently aware of their own responsibilities in respect of the health and safety matters associated with their work and requesting the same from those working on our behalf;
- Resolutely investigating all health, safety, and community incidents and communicating any lessons learned across the group;
- Undertaking regular audits and reviews to ensure that our social risk and impact management system is effective and that our projects are implementing all relevant requirements;
- Providing senior management with periodic assessments of the performance and effectiveness of our social risk and impact management performance;
- Establishing a formal grievance management procedure for receiving, investigating and responding to concerns raised by internal and external Stakeholders relating to social and community issues;
- Ensuring employees feel comfortable reporting their social and community concerns; and
- Proactively developing and implementing project and corporate level initiatives that create a positive impact.

We are a responsible renewable energy producer, and it is our duty to ensure that our generation of clean electricity improves the communities in which we operate.

OVERVIEW

OBJECTIVES

To provide leadership, management, employees and contractors with guidance on the minimum social standards that they must attain when developing, acquiring, constructing or operating Sonnedix projects and to manage the social risks and impacts in accordance with the principles of sustainable development, applicable legal requirements, relevant international standards and recognised good industry practice.

SCOPE

This standard applies across the Sonnedix Group, including employees and those Global Partners working with us or on our behalf.

RESPONSIBILITIES

The content and intent of this standard is the responsibility of the Global Head of Legal & Compliance. The maintenance, revision and distribution of this standard is the responsibility of the ESG Manager.

Everyone who works for Sonnedix, either directly or indirectly, is expected to understand and assist in implementing this standard.

REQUIREMENTS

As a responsible renewable power producer, the success or failure of a project cannot be measured solely in financial terms, but must also consider the strength and nature of our relationships with the communities in which we operate. To maximise the efficacy of our community relationships, it is important that we engage with local communities and Stakeholders at the earliest possible opportunity rather than appearing to only engage when we need something.

These standards apply at all stages of a project's life cycle and the information/assessments generated at each phase of the project should be retained in the project folder and reviewed as part of any project handover process.

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These standards are the minimum expected and where local legislation provides higher standards then these should be followed.

The social standards are broken down into two key topics: communities and people, and health and safety.

COMMUNITIES AND PEOPLE

Chiang Rai, Thailand

COMMUNITY AND STAKEHOLDER ENGAGEMENT STANDARD

1. STAKEHOLDER ENGAGEMENT

At all times community and Stakeholder Engagement must be undertaken in consultation with the Sonnedix ESG team and all Stakeholder interactions must be recorded.

Where Sonnedix is the project developer, we must have ownership of the Stakeholder Engagement process throughout the lifetime of the project. We must also ensure that the commitments made are realistic and deliverable. It is essential that we manage the expectations and perceptions we give to local communities, as any failure to deliver these could significantly affect the ability to deliver a project. When considering Stakeholder Engagement, it is critical to understand the political and economic environment of the project locale. Projects should therefore use the services of external professionals at key phases of the engagement process especially when the project is located within or adjacent to communities.

Where Sonnedix was not the project developer, it is essential that we understand the extent of any Stakeholder Engagement undertaken during the development process and any commitments or expectations made. We should make all reasonable enquiries to establish not only who, what, where and when, but also the context and content of any engagement activities and any commitments made to the communities. We must then assume ownership of the Stakeholder Engagement process moving forward for the remaining lifetime of the project.

All reasonable efforts should be made to ensure the Stakeholder Engagement process is open and transparent to all involved. Communications must be agreed through the ESG team and all members of the project team should be made aware of project key messages which will form the basis of all community and stakeholder communication.

Sonnedix recognises the eight components of Stakeholder Engagement as outlined by the International Finance Corporation and it is these which every project should follow under the guidance of a competent professional.

Sonnedix Atacama Solar groundbreaking ceremony, Chile

STAKEHOLDER ENGAGEMENT - EIGHT COMPONENTS & THEIR KEY REQUIREMENTS FOR PROJECTS

In addition to the above, there are situations which require further specific approaches. For example, if indigenous communities are directly affected by the project or gender specific consultation is required. The project teams should consult ESG team for further guidance on this matter.

2. CULTURAL HERITAGE

Sonnedix recognises the importance of cultural heritage for current and future generations, as well as the connection that communities may feel to culturally significant locations, objects and practices.

Sonnedix will design and site its projects, to avoid damage to cultural heritage.

All contractors working on Sonnedix projects, are required to have a 'Chance Find' procedure which has been communicated to every person working on their behalf and which prevents the disturbance of any chance find until it has been assessed by a competent expert and appropriate mitigation taken.

Where a project may affect cultural heritage, the project team must instigate a process of Stakeholder Engagement which considers the views of any affected communities and which involves the regulatory authorities responsible for the protection of cultural heritage.

Where a project is likely to impact on or involves the removal of cultural heritage, the project must appoint a competent expert to undertake an assessment of the projects impacts on cultural heritage. The competent person will also be required to detail the control and protection measures required to comply with local and international regulations, based upon internationally recognised practices.

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No employee, contractor or person working on a Sonnedix project may significantly alter, damage or remove any critical cultural heritage.

3. INDIGENOUS PEOPLES

Indigenous Peoples Specific Application

Applicable when Stakeholders include:

- Communities of Indigenous Peoples who are resident upon the lands affected by the project as well as those who are nomadic or who seasonally migrate over relatively short distances, and whose attachment to ancestral territories may be periodic or seasonal in nature;
- Communities of Indigenous Peoples who do not live on the lands affected by the project, but who retain ties to those lands through traditional ownership and/or customary usage, including seasonal or cyclical use. This may include Indigenous Peoples resident in urban settings who retain ties to lands affected by a project;
- Communities of Indigenous Peoples who have lost collective attachment to lands and territories in the project area of influence, occurring within the concerned group members' lifetime, as a result of forced severance, conflict, involuntary resettlement programs by governments, dispossession from their lands, natural calamities or incorporation into an urban area but who retain ties to lands affected by a project;
- Groups of Indigenous Peoples who reside in mixed settlements, such that the Affected Indigenous Peoples only form one part of the more broadly defined community; or
- Communities of Indigenous Peoples with collective attachment to ancestral lands located in urban areas.

Indigenous Peoples Specific Requirements

If there is any possibility of a project impacting on Indigenous Peoples or lands associated with them, it is essential that the project notify the ESG team before engaging with Indigenous Peoples.

The project should then utilise a suitably competent person to undertake a risks and impacts assessment which identifies communities of Indigenous People who may be affected by the project and the way they are likely to be impacted.

All commercially reasonable efforts should be made to avoid adverse impacts on affected communities.

Where it is not possible to avoid impacts, an Indigenous Peoples Plan (IPP) should be prepared following a process of Informed Consultation and Participation (ICP) with the relevant communities.

Where a project involves any of the following circumstances then, in addition to preparing an IPP, the project will follow a process of Free, Prior and Informed Consent (FPIC):

FPIC

- Impacts on Lands and Natural Resources Subject to Traditional Ownership or Under Customary Use;
- The relocation of Indigenous Peoples from Lands and Natural Resources Subject to Traditional Ownership or Under Customary Use;
- Impacts on critical cultural heritage or involves the use of cultural heritage for commercial purposes.

! The relocation or resettlement of Indigenous Peoples is not an activity with which Sonnedix wishes to be involved, therefore any decision to do so will require the approval by the Board of Directors.

Sonnedix Atacama Solar Project, consultations with indigenous communities

HUMAN RIGHTS, CHILD AND FORCED LABOUR STANDARD

1. HUMAN RIGHTS

As part of our commitment to our global community, Sonnedix or any Global Partners/ individual working with us or on our behalf will uphold individual human rights in all operations and will make reasonable enquiries and obtain assurances that the products they are using have not been sourced from companies with a history of compromising or negating the human rights of their workers., including:

- Providing reasonable working hours and fair wages for those who work on our behalf;
- Not preventing employees from associating freely; and
- Adhering to collective bargaining agreements where they exist.

Further, Sonnedix will not knowingly do business with subcontractors, business partners or vendors who violate these practices or the human rights of those working on their behalf.

If you have reason to believe any third party is engaging in any of the above practices, report the misconduct immediately to the Sonnedix ESG team.

The Sonnedix Team (London office)

2. CHILD AND FORCED LABOUR

Child Labour – Sonnedix and those Global Partners working on our behalf will not tolerate the employment of persons under the age of 18, and will make reasonable enquiries and obtain assurances that the products they are using have not involved any person under the age of 18, in any manner that is economically exploitative, likely to be hazardous to or interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral, or social development.

Contractors should verify the age of any person who has the appearance of or potential to be under 18 by reviewing and retaining a copy of their nationally recognised identification document.

The Sonnedix team (Chile office)

! In the event that child labour is identified on a Sonnedix project, the contractor must notify the Sonnedix project lead immediately who should contact the Sonnedix Legal and Compliance team for advice on the course of action to take.

Forced Labour – Sonnedix or any Global Partner/individual working on our behalf, shall not employ forced labour, which consists of any work or service not voluntarily performed that is exacted from an individual under threat of force or penalty. This covers any kind of involuntary or compulsory labour such as indentured labour, bonded labour, prison labour or similar labour-contracting arrangements. Sonnedix, and those Global Partners working on our behalf, will also make reasonable enquiries and obtain assurances that products they are using have not been produced by forced labour.

! In the event of forced labour being identified on a Sonnedix project, the contractor must notify the Sonnedix project lead immediately who will contact the Sonnedix Legal and Compliance team for advice on the course of action to take.

Sonnedix or any Global Partner/individual working on our behalf will not employ trafficked persons.

Any Global Partner working on our behalf shall make all reasonable enquiries within their supply chain to obtain assurances that neither child or forced labour are being used and provide evidence to Sonnedix of their findings upon the request.

RESPONSIBLE SUPPLY CHAIN, DESIGN AND PROCUREMENT STANDARD

1. RESPONSIBLE DESIGN

When designing a project, Sonnedix and its Global Partners should consider its impact on the local community and the local environment.

- Projects should not be designed on areas of high productivity land unless all other reasonable options have been explored;
- Panels and structures should ideally be designed to allow other land use possibilities such as livestock grazing;
- Wherever possible, projects should be set out to follow the natural contours of the land;
- If not, levelling should be designed so that the import or export of materials from the site is minimised;
- Noise producing equipment should be located away from residential boundaries;
- Drainage and water runoff should be managed so as not to impact on others;
- Materials and the environmental scheme should be sympathetic to the surrounding environment; and
- Consideration must be given to project decommissioning and subsequent land use;

2. LOCAL PROCUREMENT AND EMPLOYMENT

We strive to employ local labour, enable knowledge transfer and use local suppliers whenever feasible on our projects. As such we aim to employ a minimum of 40% local labour on our projects through our contractors and subcontractors and enable local skills development through training and certification, where applicable. As part of the supplier and sub-contractor selection process, Sonnedix and its Global Partners should positively discriminate in favour of contractors who seek to maximize their use of meaningful local procurement and employment.

Further weighting should be given to contractors seeking to enhance the skills and improve the post project employment opportunities of members of the local community.

It is important to tightly manage stakeholder expectations around local procurement and employment, including any related messages sent out as part of the Stakeholder Engagement. Sonnedix and its supply chain should always understate the opportunities and provide more information at a later stage, rather than to overstate and leave the local community disenfranchised.

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Overstating potential opportunities, may be seen by Stakeholders as empty promises, it could even be considered a fraudulent or deceptive act, risking criminal procedures and putting an entire project and corporate reputation at risk.

3. SUSTAINABLE PRODUCTS

As part of the supplier and sub-contractor selection process, Sonnedix and its Global Partners should positively discriminate or bias in favour of suppliers and subcontractors who can demonstrate the use of products from sustainable sources or with a high content of sustainable materials. This includes the procurement of materials through responsible management schemes, such as the Forest Stewardship Council or similar, which can demonstrate chain of custody for the materials they are certifying.

Furthermore, weighting should be given to contractors who can demonstrate a corporate commitment to sustainable working and materials, or who actively participate in recognised sustainability schemes.

The carbon footprint of materials and equipment used on Sonnedix projects should be taken into consideration as part of the procurement process. The manufacture of panels, inverters, transformers and other equipment is undertaken at only a limited number of facilities/locations around the world but, wherever possible, Sonnedix and Global Partners must take into account the carbon footprint of the items being procured when making their selection.

Tree planting in Puerto Rico

4. CONFLICT MINERALS

Sonnedix are not a producer or manufacturer of goods and do not attract a need to file reports with regulatory authorities. However, as a responsible power producer, it is incumbent upon us to make reasonable enquiries of our supply chain in respect of the use of Conflict Minerals in the significant products purchased.

When shortlisting panels, inverters, tracking equipment, transformers, batteries or other ancillary equipment which may contain tin, tantalum, gold, cobalt or tungsten, enquiries must be made with the manufacturers about the use of Conflict Minerals in their products.

In making the final decision about which manufacturers products to use, additional weighting should be given to manufacturers as per the following hierarchy:

1) Manufacturers who do not use tin, tantalum, gold, cobalt or tungsten in their products;
2) Manufacturers who source their tin, tantalum, gold, cobalt or tungsten from Conflict-Free Smelter Program suppliers; and
3) Manufacturers who can confirm they have undertaken an independent supply chain traceability audit and can confirm no Conflict Minerals in their product.

5. MODULE AND EQUIPMENT TOXICITY

As part of the supplier and sub-contractor selection process, Sonnedix and its contractors should positively discriminate or bias in favour of suppliers and contractors who can demonstrate the use of products which minimise or eliminate the release of toxic chemicals over the life cycle of the panel or equipment.

6. END OF LIFE RECYCLING

As part of the procurement process, Sonnedix and its contractors should assign a significant positive weighting to contractors and manufacturers who have developed or participate in recycling and reuse schemes which cover their products. Manufacturers and contractors who do not participate in a recycling scheme must be required to detail how end of life panels and equipment would be disposed.

It is accepted that panels degrade over time to a point where they cease to be commercially viable but may still be beneficial for small scale users including residential. The reuse of panels in support of local communities and residents, should be considered a preferred recycling option when the need is genuine but will require careful management to ensure that re-used materials do not just become part of the local waste chain.

Where local reuse or recycling is not possible, the subsequent transport and shipping of panels/ equipment and the associated environmental impact should be factored into the procurement and selection process.

For the human rights, child and forced labour requirements that are applicable to the supply chain refer to relevant sections above.

SOCIO-ECONOMIC DEVELOPMENT ACTIVITIES STANDARD

Sonnedix recognises that as a responsible power producer, our commitments are not just to produce renewable energy but also to support the communities in which we operate. Socio-economic Development (SED) is an important part of the way we support these communities.

On a number of our projects, SED is an intrinsic part of the permitting process required to build or operate our plants and we are fully accountable to the authorities who issued these conditions. On the majority of our projects SED is not a contractual obligation, but something we choose to do in order to positively reinforce our relationship and give back to the community.

Given the global locations of our projects, the requirements of each community can vary significantly due to local demands and needs. However, in order to provide general guidelines to everyone involved, Sonnedix have chosen to align their financially supported SED activities with three broad focus areas.

Our teams are therefore expected to fully consider and adopt these values when recommending social development and community activities in their local region. The focus areas that best reflect our values are:

1) EDUCATING TOMORROWS PROBLEM SOLVERS

By providing educational support focussed on the opportunities and challenges presented by renewable energy, we can inspire future generations to overcome the problems of climate change.

Youth education – Working with schools and youth-based community groups to improve their knowledge and awareness of the solar industry, including the many opportunities it provides.

Solar/environment/technical education – Supporting groups or individuals though development and training to equip them with new skills and, as a result, provide them with new opportunities.

Scholarships – Providing academic access for the next generation of renewable energy thinkers and allowing them to reach their potential.

2) PRESERVING LOCAL "ENVIRONMENT"

In this context, local environment refers to much more than the flora and fauna of a project. The local and cultural heritage of a community are very much a part of its identity and the preservation of these is highly aligned to the international financing institutions' ethos. At the same time, projects to preserve the traditional environmental resources serve to embed Sonnedix within the local community.

Suwa educational site visit 2019

3) IMPROVING LOCAL COMMUNITY THROUGH SOLAR

Harnessing our knowledge, experience and resources for the benefit of the communities in which we operate is a natural fit. Providing solar power to community projects or solar powered lighting can significantly benefit a community in addition to offering the opportunity to extend access to local and cultural heritage.

All community activities undertaken as part of a SED programme must be co-ordinated through the ESG Manager before any commitment is given to external Stakeholders.

Employees and Contractors

Sonnedix are very keen to encourage their employees and our Global Partners to participate in social and community projects around the world. However, should this activity be connected or related to a Sonnedix project, the participants should contact the ESG team prior to taking part to verify that there are no ethical issues or conflicts of interest.

COMMUNITY INVESTMENT STANDARD

We recognise the potential of utilising solar technology to improve socio-economic development in the communities in which we operate. Supporting community investment programs and activities in areas that are aligned with our corporate values and in which we, as a business, have the most to offer, is important to us, as they result in a long-term, positive impact for both the company and local communities.

As such, Sonnedix will establish a country-level framework for long-term community investment by dedicating a percentage (%) of project revenue from new projects, for community investment. This includes both new development projects and mergers and acquisitions. Allocations for community investment on a specific project will depend on the project risks and context and will be adjusted for project the size and return (by applying a sliding scale principle). This will be submitted to the Investment Committee (IC), for consideration and approval.

As a group, Sonnedix has aligned our financing of socio-economic development activities into three focus areas. Our teams are therefore expected to fully consider and adopt these values when recommending social development and community activities in their local regions. Refer to the Social and Economic Development Activities Standard for further detail on key focus areas.

For further guidance on community investment and allocations on your project please contact the ESG manager.

The London team tree planting day, 2019.

THIRD PARTY GRIEVANCE AND COMMUNICATIONS STANDARD

As part of the management of any project or location, it is essential that Sonnedix and our Global Partners put in place a mechanism which allows third parties to share any complaints or concerns that may be raised and provides for effective communication to take place with third parties.

1. GRIEVANCES

To those affected, a grievance may feel very real and the impact on the individual can range from superficial to life changing. Because of the possible severity of the situation any system must ensure that any grievance, however insignificant, is addressed in a respectful, dignified and responsible manner.

The mechanism for reporting grievances should be easily accessible by all Stakeholders and should not discriminate against those who do not have access to email, internet or telephone. Because of this, a number of different options will be required and made available for reporting purposes.

Ordinarily, a grievance mechanism would include;

- A nominated person or point of contact on site or as a minimum in country,
- An email address,
- A telephone number, and
- A postal address or site letter box.

The details of these should be displayed on a notice board adjacent to the main project entrance or access road and then shared with Stakeholders as part of the Stakeholder Engagement process and any relevant external communications.

Upon receipt, a grievance should be reviewed by the project leadership team, recorded on a grievance tracking sheet and the Sonnedix ESG team must be notified via email at ESG@sonnedix.com.

Minor grievances may be addressed immediately by the project team providing that this provides full and final resolution of the issue within a very short timescale, while more significant issues should be brought to the attention of the Sonnedix ESG team for discussion and agreement.

The Sonnedix team (Madrid office)

2. COMMUNICATIONS

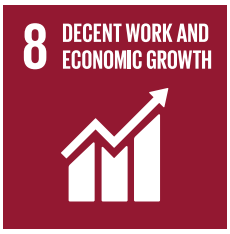
All formal external communications relating to a project or grievance should be directed via Sonnedix Communications Team. This is to ensure that they are on message, do not create unsubstantiated expectations and are appropriate for the audience.

Any enquires received by those working on our behalf should also be directed to the Sonnedix Communications Team, prior to making any formal response.

The communications approach for grievances or complaints may follow a general communications strategy or may, in certain circumstances, require an individual approach which takes into account specific sensitivities. When deciding which approach to apply, the Sonnedix communications team may consult with internal Stakeholders such as Development, ESG and the Legal & Compliance teams. They may also seek the advice of the local teams.

All communications relating to grievances must be recorded on a grievance tracking sheet.

HEALTH AND SAFETY



Sonnedix Atacama Solar women workforce, Chile

CONSTRUCTION, OPERATIONS & MAINTENANCE HSE STANDARD

1. GENERAL SITE SAFETY

Sonnedix and contractors working on Sonnedix projects should make all commercially reasonable efforts to protect workers, employees, visitors and persons affected by the project from hazards resulting from the project activity, including adjacent communities. They should also assess regulatory and permit requirements to ensure they are compliant.

This includes measures to prevent trespass onto the project and to alleviate the risks to persons trespassing. An example of this would be ensuring that excavations are not left open overnight without suitable measures to prevent a person from accidentally falling into the open excavation.

A contractor who introduces a hazard onto a project is required to demonstrate how they are managing this hazard to eliminate or mitigate the risks presented. At Sonnedix our expected mechanism for understanding and mitigating these risks is a Risk Assessment followed by a Safe Work Procedure based on it, in the form of a Risk Assessment Method Statement (RAMS) or similar, and it is the duty of everyone working on our projects and in our offices to ensure that they are familiar with any risks and controls detailed within the RAMS, which are relevant to them.

Contractors working on our projects are expected to provide Sonnedix with RAMS or equivalent tool which address the activities they are undertaking on the project at least one month prior to starting the activity. Short notice contractors are still expected to provide RAMS for the activities they are undertaking before commencing work.

RAMS should be produced by a competent person in co-operation with others who have a good working knowledge of the activities they cover. RAMS consist of three separate elements that can be combined into a single document which identify, assess and address the risks of the work activities being undertaken on a project. To include:

- General information, including details of the contractor, supervision, scope of works and activities;
- Risk Assessment covering general and activity specific risks; and
- Method Statement briefly outlining the safe working procedure and sequence for each activity.

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The controls and measures identified in the RAMS must be reviewed immediately prior to starting the activity and all controls implemented. Any contractor or worker who endangers themselves or others by not working in accordance with the RAMS for the activity they are undertaking may be removed from the project immediately without notice.

2. ATTENDANCE AND SIGNING IN

All projects must have a written record of persons on site (usually a signing in log), which is available in the event of an incident on the project.

Any contractor working on a Sonnedix project must maintain a written record of their workers and anyone attending site. This record should be made available to the Sonnedix project team and retained with the project files.

3. CONSTRUCTION MACHINERY AND EQUIPMENT

Prior to undertaking any activity which involves the use of construction heavy machinery or equipment, the RAMS or equivalent documents must be reviewed to assess whether the activity has been fully addressed and suitable control measures implemented where appropriate.

Contractors must:

- Maintain a register of all construction heavy machinery and equipment on site;
- Ensure pre-shift checks are undertaken and recorded;
- Inspect construction machinery and equipment at regular intervals in line with local legislation and / or manufacturers literature;
- Maintain construction machinery and equipment at regular intervals in line with the local manufacturer's instructions;
- Ensure that only trained and authorized persons can operate construction machinery and equipment;
- Ensure that construction machinery and equipment operators hold the relevant local qualification/certification for the plant being operated (copy to be retained in project files);
- Undertake noise and vibration assessments for the construction machinery and equipment being used (where appropriate);
- Select construction machinery and equipment which is suitable for the task and environment in which it is being used;
- Ensure operators undertake familiarization including isolation procedures on the actual construction machinery or equipment they are to be using;
- Only use construction machinery and equipment which is suitably guarded against entrapment, entanglement and impact;

In addition, when undertaking lifting, contractors must

- Produce a written plan of the lifting operations which should include any standard lifts and consider weather conditions (this may form part of the project RAMS);
- Ensure that lifting operations are appropriately supervised by a person competent to do so;
- Provide evidence that the lifting equipment has been inspected and tested by a qualified person;
- Specify lifting equipment that has safety hooks, safety devices, interlocks and over-wind prevention to meet the relevant legal requirements;
- Ensure that any loads being lifted have been assessed as within the capability of the plant or equipment;
- Ensure that the ground conditions are suitable for the lifting equipment being used;
- Only use lifting equipment in accordance with the manufacturer's specification and load rating charts;
- Use a clearly defined signaling system;
- Prevent persons from working below suspended loads;
- Prevent persons not immediately involved in the lifting operation from entering the area.

RAMS or equivalent should be reviewed in the event of a significant variation in the activity, such as a change of equipment, process or load.

When construction machinery and equipment operations are safety critical and could result in serious injury to persons, the operator should be subject to a regular medical examination to ensure that they are fit to operate the machinery or equipment. The frequency of any such medical examination varies according to the situation and local and federal legislation.

4. ELECTRICITY

Prior to undertaking any work on the electrical installation of a plant, a specific safe system of work for electricity must be implemented to ensure electrical safety has been fully addressed and suitable control measures implemented where appropriate.

A Safe System of Work can be defined as a process or combination of processes and management tools to carry out tasks safely by considering the hazards and risks involved and the corresponding control measures. It may require the existence of written safe work procedures, work permits, etc.

The safe system of work must be approved by a competent person with the relevant low voltage (LV) and high voltage (HV) qualification.

The safe system of work must define the level of approval and authorisation required for all activities on the project which involve the electrical systems or installation either directly or indirectly.

The safe system of work must fully address the arrangements required for cross-boundary switching and operations.

All HV electrical work must be the subject of a robust management system which is in accordance with the accepted international standards.

All LV electrical works must be undertaken in accordance with the project specific safe system of work for electricity and the RAMS, if applicable.

No person may undertake electrical works on a Sonnedix project unless they are suitably trained, competent, qualified and authorised.

5. EXCAVATIONS

Prior to undertaking any excavations works, the RAMS or equivalent documents must be reviewed to assess whether excavations have been fully addressed and suitable control measures implemented where appropriate.

Sonnedix and contractors should:

- Prevent persons from falling into excavations;
- Establish the location of any services or utilities which may be on the project site and affect excavations;
- Ensure the planning and inspection of excavations by a competent person (daily pre-shift and after natural or hazard increasing events);
- Provide suitable air testing when appropriate.;
- Identify any equipment or activity which could affect the stability of an excavation;
- Provide suitable access and egress;
- Ensure that spoil and materials are stored a safe distance from excavations, and according to national regulations;
- Use barriers and/or stop blocks when using construction machinery or vehicles adjacent to excavations;
- Prevent loose or falling materials impacting on persons working in excavations; and
- Prohibit workers from standing or working under suspended or elevated loads;
- Ensure construction machinery and vehicles are operated or loaded at a safe distance from any excavation.

6. FIRE AND EMERGENCY

Prior to undertaking any new activity on site, the RAMS or equivalent documents must be reviewed to assess whether fire and emergency has been fully addressed and suitable control measures implemented where appropriate.

When temporary living or office accommodation is provided on a project, it is then the responsibility of the provider to ensure that:

- All commercially reasonable measures are taken to prevent fires;
- It is equipped with automatic fire/smoke detection, means of raising the alarm and simple firefighting equipment which is appropriate for the type of fire likely to be encountered;
- The above is maintained in good working order;
- Sufficient persons have been given basic training/familiarisation in the use of firefighting equipment;
- Accommodation fire exits are signed/illuminated and kept free of obstructions at all times;
- The contact details for local emergency services are displayed prominently in any site accommodation.

When a contractor brings materials or gases onto a project which are flammable, these should be stored in a suitable flammable storage area. The exemption to this is the provision of gas cylinders which are directly connected to office accommodation to provide heating, cooking or hot water. Gas cylinders should be properly secured to avoid falling. Empty or spare cylinders should be stored in the flammable storage area.

Flammable storage areas should:

- Be located away from any office accommodation and sources of ignition;
- Not be situated near ventilation intakes or vents;
- Have suitable passive ventilation to prevent an internal build-up of fumes or gases;

Sonnedix Atacama Solar, Chile

- Be secured to prevent unauthorised access to the contents;
- Be constructed of materials which provide short term fire resistance;
- Be equipped with self-closing doors and fire extinguishers which are suitable for use on the materials being stored;
- Allow for the bonding and grounding of containers being stored;
- Prominently display external flammable warning signs, no smoking signs and warnings around the use of mobile phones or electrical equipment.

7. FIRST AID

Sonnedix and contractors working on its sites, must ensure that they have adequate first aid provision for their respective workers. Where Sonnedix only have a small presence on a project site, it is expected that the contractor working on the project site will make suitable allowance in their provision to cover the Sonnedix team.

First aid requirements may include but are not limited to:

- At least one CPR trained qualified first aider present on site whenever practicable when work is being undertaken or when persons are resident on the site;
- The provision of eye-wash and/or emergency showers close to work area;
- The provision of first aid stations and/or rooms (dedicated whenever possible) with gloves, gowns, masks and dressings etc;
- Suitable emergency procedures for dealing with trauma or serious illness on a remote site;
- The provision of an Automated External Defibrillator in construction projects, or production sites with continuous presence of personnel, which is maintained in accordance with the manufacturer's instructions.

8. HOT WORKS

Prior to undertaking any welding, grinding or cutting type activity which involves the generation of heat or sparks, the RAMS or equivalent documents must be reviewed to assess whether hot works have been fully addressed and suitable control measures implemented where appropriate.

All hot work should be made the subject of a contractor operated permit system which includes requirements for fire extinguishers and fire watch.

Control measures may include but are not limited to:

- Screening of welding activities;
- Fume extraction;
- Suitable eyesight protection;
- Wearing of fire resistant clothing;
- Removal of flammable materials from work area;
- Industry recognised training for the activity.

9. INDUCTION AND TRAINING

Sonnedix and contractors working on its projects or production sites are responsible for ensuring that their respective workers and visitors are provided with a suitable and sufficient induction and training. A record of induction, trainings and must be retained in the project folder.

Workers – All persons working on the project or production site should be given an induction which should include the following:

- Site contacts
- Site orientation including details of welfare provisions, when applicable;
- Emergency procedures;
- Site rules and signage;
- Signing in and out;
- Risks and hazards present at the site;
- Risk Assessment Method Statements or equivalent
- Tidy sites and correct disposal of waste;
- Drugs and alcohol;

- Chance find procedure to address actions to be taken in the event of the discovery of artefacts or cultural items whilst working:
- Location of first aid, eye wash stations, etc;
- PPE requirements.

Visitors - All visitors to a project should be given a brief induction which includes the following:

- Site contacts;
- Emergency procedures;
- They must be accompanied at all times;
- Signing in and out;
- Key risks and hazards;
- Obligation to remain aware of their surroundings;
- PPE requirements.

A record of induction attendance must be kept.

In addition to the above, everyone working on site should have completed a basic level of occupational health and safety training which includes:

- Knowledge of the task they are to be undertaking including known hazards;
- Knowledge of the materials, equipment, tools they will be using and any occupational health issues they present, including any task-specific PPE and clothing requirements;
- What to do in the event of an incident or accident.

Workers should be adequately trained for the work activity they are undertaking on the project; however, the level of training will vary per the role, its technical requirements and associated responsibilities. A list of all persons authorised to undertake work on the project must be available to Sonnedix at all times.

Workers who are allocated rescue and first aid responsibilities must have received dedicated training by a recognised body for the location in which they are operating such as the American Red Cross or St Johns Ambulance.

Team working onsite at Sonnedix Suwa, Japan

Contractors are responsible for the subcontractors they engage. They must monitor contracted and subcontracted labour to ensure that the level of competence is adequate before they start work on site.

10. ISOLATED/LONE WORKERS

Before allowing lone working or working in remote locations on a project, contractors must put in place procedures which safeguard the health and safety of these individuals. These procedures should be documented within the RAMS or equivalent along with an assessment of the risks to those working alone or in isolated areas.

The procedures should, as a minimum, provide contact at defined time intervals and a means for the individual to summon emergency assistance. Controls will also need to be put in place to ensure that these individuals follow the correct methods of work and safety measures.

11. LIVING STANDARDS

When construction workers are provided with site based residential accommodation, it is the responsibility of the contractor employing those workers to ensure that the accommodation meets all social, health and safety requirements. Sonnedix require all the contractors to comply with the the good international industry practice as set out in the Workers' accommodation: processes and standards - a guidance note by IFC and the EBRD (2009) or any subsequent revisions of this document.

12. MANUAL HANDLING

Prior to undertaking any activity which involves manual handling, RAMS or equivalent documents must be reviewed to assess whether manual handling has been fully addressed and suitable control measures implemented where appropriate. Manual handling must be the subject of a Risk Assessment which considers the full range of activity and provides suitable control measures when appropriate. The measures detailed must include risk minimisation/elimination, selection of mechanical lifting aids and training/instruction.

If a manual handling activity is not addressed within the RAMS, the contractor must arrange for the provision of a separate Risk Assessment and Method Statement covering the activity and/or equipment to be used.

The manual handling control measures identified should take into account the capability of the individual, as well as the type, height and position of the load being lifted.

13. NOISE STANDARD – OCCUPATIONAL

Prior to any noise generating work starting on site, the RAMS or equivalent documents should be reviewed to assess whether the noise exposure to unprotected workers is likely to exceed an 8-hour time weighted average of 85 dB (A) or a peak sound pressure (instantaneous) of more than 140dB(C), In all cases, national regulations should be met.

If this information is not contained within the RAMS, a noise assessment will be required for the activity and/or equipment being used.

In the event of the noise exposure exceeding the above limits, the contractor will need to demonstrate how they will manage and monitor the activity to ensure workers hearing is not affected by the work activity.

Where noise impact levels exceed the above levels, then measures must be taken to reduce the noise exposure to acceptable levels in accordance with the following Hierarchy of Control:

- Elimination – can the noise generating activity be avoided entirely or relocated;
- Substitution – can a different process be used which reduces the noise level generated;
- Engineering controls – install noise reduction measures such as acoustic barriers or mufflers;
- Administrative controls – agree restricted hours of operation along with a mechanism for ongoing monitoring; and
- Personal Protective Equipment – provide suitably specified hearing protection.

Assessments should be reviewed in the event of a significant change which may affect the noise exposure levels, such as a change in equipment or process.

Where workers are routinely exposed to high noise levels, periodic medical hearing checks should be carried out by suitably competent occupational health specialist.

These standards apply at all stages of a projects life cycle and the information /assessments generated at each phase of the project should be retained in the project folder and reviewed as part of any project handover process.

14. SECURITY

Prior to implementing site security arrangements, the contractor should assess any risks this poses to persons working on the project or associated health and safety risks to the communities and ensure that the arrangements are proportionate to the risks.

Any security provider should be made the subject of a due diligence exercise to ensure that they are not implicated in abuses or other similar allegations.

Security personnel should:

- Be trained and competent for the role they are undertaking;
- Display their name or other form of easily identification;
- Be licensed where local legislation requires it.

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The use of force is strictly forbidden on any Sonnedix project other than for purely defensive purposes and any incident or grievance raised in which the use of force is suggested will be subject to a formal investigation. Use of any lethal or non-lethal weapons by security is strictly prohibited on Sonnedix projects. Should the project teams deem this to be necessary due to a high-risk situation, contact the ESG Manager for advice on course of the action to take.

15. SIGNAGE

Contractors must ensure that signage on the project is easily understood by workers/visitors and is in accordance with international standards.

- Signage should identify hazardous areas, the nature of the hazard and any precautions that should be taken;
- Signage should clearly identify emergency exits, assembly points, emergency equipment and any other emergency information;
- At all times, emergency contact details should be provided on external facing signage at main entrance to the site.

Each site is required to have a sign at the main gate which provides the following information:

- The Sonnedix Logo, prominently displayed;
- The contractor's logo (where applicable);
- Site address and information;
- Emergency contact details (phone);
- General Site layout plan showing access points, emergency assembly points, evacuation routes and emergency exits, emergency water supply, vehicle routes and main buildings or sub-stations.
- Details of the project grievance mechanism.

16. SITE ACCESS AND EGRESS

Sonnedix and contractors working on Sonnedix projects are responsible for ensuring that there are suitable measures to control access to the site and to prevent unauthorised access. When the site is within close proximity to local communities, the risks involved with unauthorised access to the project site should be controlled and further communicated with signage as part of the community engagement process.

Contractors are also responsible for ensuring safe access and egress to any place of work on the project site.

Including:

- Unobstructed access to emergency exits;
- Sufficient emergency exits based upon the greatest number of people present;
- Suitable ladders or ramps into excavations;
- Segregation of pedestrian and vehicle routes;
- Hand, knee and foot railings on stairs, fixed ladders, platforms and around openings or exposed edges;
- Use of covers to prevent falling materials;
- Measures to prevent unauthorized access to dangerous areas.

All projects should consider the needs of disabled persons, when appropriate.

17. SLIPS, TRIPS AND FALLS

Sonnedix and contractors working on Sonnedix projects are responsible for ensuring that their activities do not create a risk of slips, trips and falls.

In order to do this, they must:

- Use appropriate controls to alleviate the risk of slips, trips and falls;
- Implement good housekeeping practices;
- Ensure paths and access routes are kept debris free;
- Clean up excessive waste and spills;
- Ensure cables, ropes and materials are located so as not to cause a trip hazard;
- Design access platforms with suitable trip and fall protection;
- Provide suitable footwear when specialized footwear is appropriate.

18. TRAFFIC MANAGEMENT AND DELIVERIES

The management of traffic and vehicle movements is a significant factor in reducing accidents on project sites. Prior to allowing vehicle movements on a project, RAMS or equivalent documents must be reviewed to ensure that suitable and sufficient control measures have been put in place to minimise the risks. Sonnedix and contractors should:

- Make all reasonable efforts to ensure that vehicles and pedestrians are segregated to eliminate the risk of collisions;
- Minimize the need for vehicles to reverse and require the use of audible alarms of any vehicle with restricted rear visibility;
- Ensure that any person operating a motorized vehicle or piece of mobile equipment is suitably trained and competent and authorized for the vehicle/equipment they are operating;
- Designate yards and storage areas where forklifts operate as pedestrian restricted areas;

- Manage delivery vehicles to ensure their movements are controlled and that their drivers do not put themselves or others at risk;
- Take special precautions when a site has live overhead power lines, including no approach zones, defined minimum clearance distances, signage and overhead barriers (goal posts);
- Establish clear vehicle routes and rights of way;
- Include traffic management as part of the site induction.

Delivery specific issues, contractors should:

- Plan deliveries and routes to minimize the impact on the local community and other work activities;
- Use unloading and lay down areas which are suitable and safe;
- Provide delivery drivers with clear instructions and site rules;
- Consider load security and address shifted/ unstable loads;
- Specify unloading methods appropriate to items being unloaded;
- Consider the risk from working at height on vehicles and the use of fall protection/prevention;
- Inspect vehicle mounted crane, vehicle carried forklift and vehicle hoist operator certificates and thorough examination certificates prior to use

Any person found operating a vehicle or piece of mobile equipment who is not trained/authorised or who is not operating it in a safe manner, may be removed from the project with immediate effect. This extends to private vehicles being driven on a project site.

19. WELFARE

The provision of welfare facilities on Sonnedix projects is important for health and hygiene reasons. Sonnedix and its contactors must, whenever practicable, provide welfare facilities for their respective workers which are clean and of sufficient number. These include:

- Clean lavatories, washing facilities with warm water, soap and hand drying facilities;
- Food preparation area with a supply of potable water;
- A clean eating area;
- Facilities for the disposal of waste food and packaging.

All welfare facilities should be well lit, ventilated with fresh air and maintained at a comfortable temperature during working hours. Where Sonnedix only have a small presence on a project site, it is expected that the contractor working on the project site will make suitable allowance in their provision to cover the Sonnedix team. When it is not practicable to provide welfare facilities on site then suitable alternative arrangements for the provision of welfare should be detailed by the contractor in their RAMS.

20. WORK AT HEIGHT

Prior to undertaking any activity which involves working at height, the RAMS or equivalent documents, must be reviewed to assess whether suitable fall prevention and protection measures have been specified. The measures detailed must include risk minimisation/elimination, machinery and equipment selection, training/instruction and inspection regimes.

If this information is not contained within the RAMS, the contractor must arrange for the provision of a Risk Assessment and plan of use covering for the activity and/or equipment to be used.

The fall prevention and protection measures identified should consider the prevention of falling objects or materials which could cause injury to persons near the Work at height activity. Any equipment selected should be appropriate to the task and risks. It is important to ensure that those undertaking Work at height or setting up the controls for Work at height have suitable training and experience for the task they are undertaking.

When planning activities involving Work at height, the following Hierarchy of Controls should be applied:

1. Avoid working at height;
2. Prevent falls using the existing workplace that is already safe;
3. Prevent falls using collective measures which protect everyone rather than just the individual;
4. Prevent falls using PPE;
5. Minimize distance using collective equipment;
6. Minimize consequences using collective equipment;
7. Minimize distance using PPE;
8. Minimize consequences through training and instruction.

The contractor must ensure that the control measures identified are in place prior to work commencing.

RAMS or equivalent documents should be reviewed in the event of a significant variation in the activity, such as a change of equipment or process.

These standards apply at all stages of a projects life cycle and the information /assessments generated at each phase of the project should be retained in the project folder and reviewed as part of any project handover process.

Working at height

FIRE & EMERGENCY PLANNING STANDARD

Despite all the precautions taken at Sonnedix sites and offices, we should be prepared for a potential major incident by planning for reasonably foreseeable incidents and putting in place simple procedures to ensure injury/damage limitation in the event of such an incident occurrence. It should be noted that this standard focuses on reasonably foreseeable incidents impacting Sonnedix that can be addressed in the confines of normal business procedures (eg project specific emergency preparedness plan) and do not require a focused and tailored response outside of standard operating procedures. For critical events or situations which may dramatically impact an organization's profitability, reputation, or ability to operate and due to its nature require to be managed outside of the standard operating procedures refer to the Sonnedix Crisis Management Plan.

1. IN OUR OFFICES

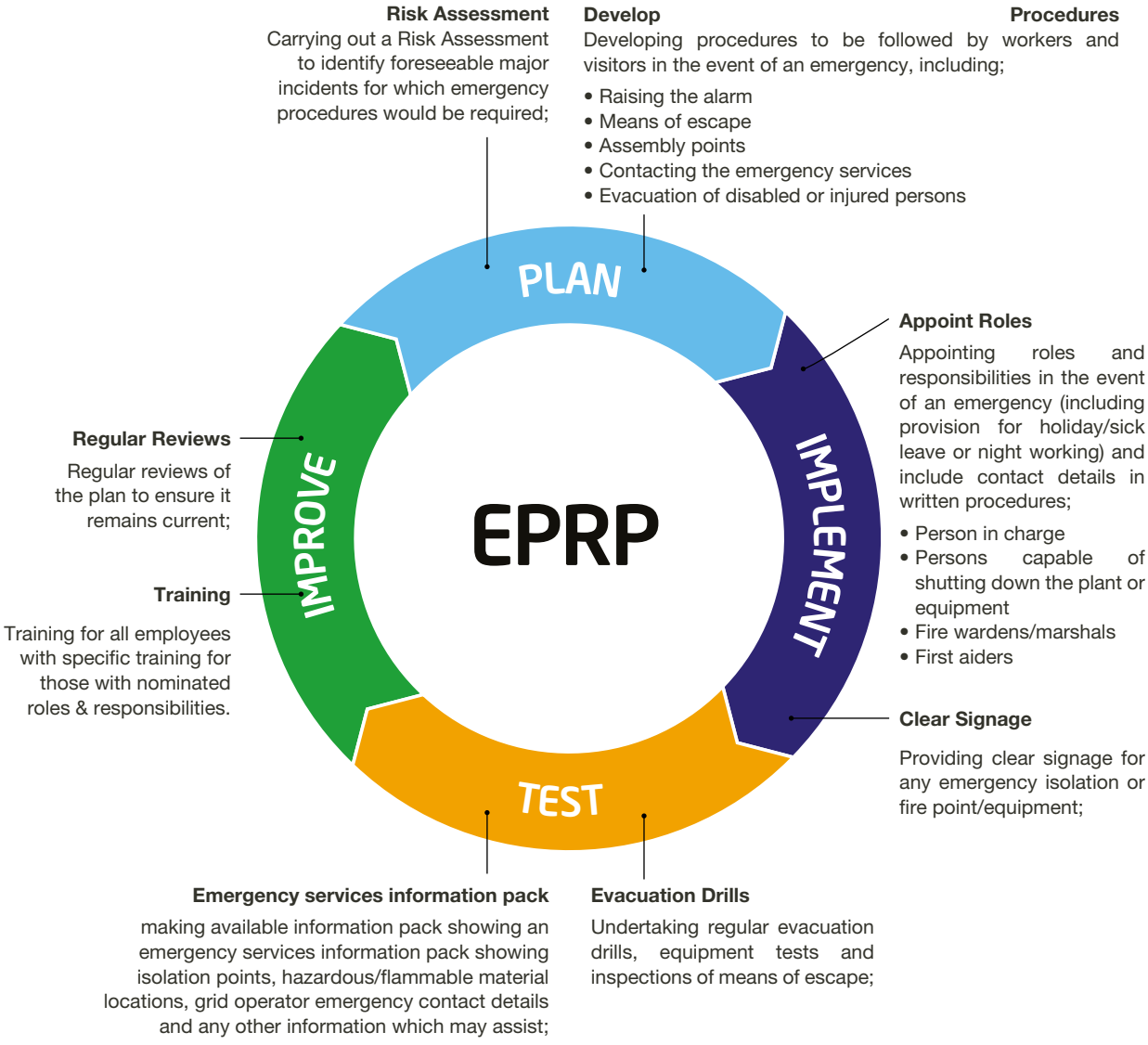
The Representative Director supported by the Office Manager is responsible for ensuring that:

- The Sonnedix Emergency Plan has been completed, implemented and is regularly reviewed to reflect any change in risk or environment.
- The Sonnedix Emergency Plan has been communicated to all office employees and the key points included in the visitor induction.
- Fire and evacuation procedures included in the emergency plan are practiced every year.
- Consideration has been given to practicing earthquake, tornado, hurricane, tsunami or other drills, as appropriate.
- Regular inspections of the workplace, emergency provisions and means of escape are undertaken and recorded.

2. ON OUR PROJECTS

It is the responsibility of the EPC and/or O&M contractor to develop and implement an emergency preparedness and response plan (EPRP) which addresses the entire site and those who may be affected by any incident on or near the project.

In developing the EPRP, they should consider the following:



Any concerns employees may have regarding emergency procedures should be reported to a responsible person immediately and the contractor will then take the necessary measures to investigate and remedy the situation.

In the event of an emergency on a Sonnedix Project, the following people should be notified immediately:

- For construction projects - Sonnedix Global Head of Engineering & Construction
- For all operational projects – Sonnedix Global Head of Asset Management
- Global Head of Legal & Compliance
- The Representative Director for the country in which the incident takes place.
- Sonnedix HSE Manager
- Sonnedix ESG Manager
- Sonnedix Risk and Insurance Manager

For crisis reporting please refer to the Sonnedix Crisis Management Plan.

SITE PERSONAL PROTECTIVE EQUIPMENT STANDARD

Prior to undertaking a work activity on site, RAMS or equivalent documents must be reviewed to assess whether the requirement for PPE has been fully addressed and suitable control measures implemented where appropriate. The selection of PPE should be based upon the risks presented by an activity and the nature of the equipment/method/ voltages involved.

When the RAMS identifies the need for PPE, it is the responsibility of the EPC or O&M contractor to ensure that workers (including those employed by subcontractors) are provided with the required PPE by their employer and that reasonable provision is made for visitors. Sonnedix will provide the required equipment for its employees.

1. GENERAL

High visibility jacket/ vest/ tabard or work clothing with reflective stripes:

- Must have multiple reflective bands in addition to the hi-visibility colour, and
- Should be kept clean and in good condition.

Head protection (hard hats or bump caps, if allowed by local legislation):

- Wide brim or specialist head protection may be used when identified by RAMS (where local legislation allows), and
- Must be worn directly on the head with no hood or hats underneath.

Full length trousers:

- Should be abrasion resistant, well-fitting and in good condition.

Safety boots:

- Must provide ankle support,
- Must have protective toecaps and midsole protection from penetrating objects, and
- Provide wearers a good fit and comfort.

2. WHEN IDENTIFIED BY RISK ASSESSMENT

Eye protection:

- Must be safety specific and not just general eyewear,
- Should be suitable for the task, and
- When using grinders, must be rated for high velocity/high impact use.

Hearing protection:

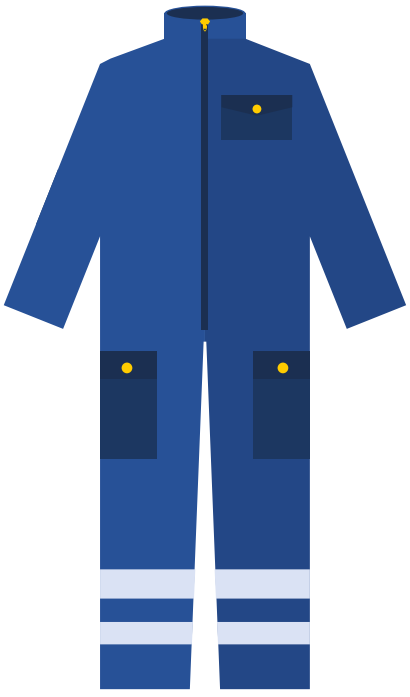
- Must be the suitable for the task and provide the correct degree of noise reduction, and
- Should not interfere with or prevent the use of other protective equipment when worn.

Gloves:

- Suitable for the task being undertaken (abrasion resistance, chemical or solvent class).

Specialist PPE (including gauntlets and gaiters to prevent animal bites):

- Should be suitable for the task being undertaken, and
- May require specific training or familiarisation.



3. WORKING IN A LIVE ELECTRICAL, HOT WORK OR POWER STORAGE ENVIRONMENT – WHEN IDENTIFIED BY RISK ASSESSMENT

Trousers and jacket or one-piece overalls:

- Full length trousers and long-sleeve jacket/ overall,
- Abrasion resistant, well-fitting and in good condition,
- Made of arc rated/certified flame proof material which is appropriate to the hazard, and
- If a high visibility clothing is worn, then it must also be made of certified flame proof material.

Base layer:

- Made of flame-retardant materials.Head/face/ eye protection:
- Suitably rated to the risk identified

4. VISITORS

A visitor who is attending a site to be shown around or as part of a tour may, subject to a Risk Assessment agreed with the EPC or O&M contractor, wear a reduced level of PPE, such astoe-cap shoes, long trousers and high visibility vests. The visitors will not be carrying out or exposed to any construction or operational and maintenance risks and will be escorted at all times by project health and safety representatives.

Any visitor who undertakes any work activity on the site including, but not limited to, inspections, audits, investigations, reviews, photography, testing, contractor visits, task assessments, will not benefit from a reduced level of PPE and their activity should be the subject of a Risk Assessment which identifies the PPE required.

5. USE, CARE AND MAINTENANCE

All users should be familiar with the PPE they are provided with and, where necessary, should receive training in its use and care.

PPE should be kept clean and in good condition. It must not be defaced, cut or interfered with.

The use of proprietary accessories, such as shade brims and neck covers, may be acceptable modifications depending on the situation.

Flame proof and flame-retardant clothing may have specific care requirements and a restricted number of wash cycles which will need to be monitored to ensure the integrity of the item has not been compromised.

The Sonnedix Italy team at Tortona, Italy

OCCUPATIONAL HEALTH STANDARD

The occupational health risks resulting from the contractor's activity must be addressed within the RAMS which, in addition to any other risks identified, should specifically address the following.

1. DISEASE

Due to the transient nature of project construction and the use of skilled labour from all over the world, all contractors must consider the potential for the inadvertent introduction of diseases into the local community. Contractors should therefore consider introducing basic health screening when transferring personnel between different project locations, especially when these locations have elevated disease risks.

At local project level, the build-up of labour during the construction phase can also introduce an increased risk of sexually transmitted infections, therefore contractors should provide sexual education programmes for their workers, when this has been identified as a plausible risk.

Where projects undertake health screening, including HIV/AIDS, the results may not be used to discriminate.

In addition to the above, Sonnedix and its contractors should be proactive in minimising and avoiding the creation of conditions which support disease or its carriers such as areas f stagnant water which could support mosquitoes and food waste stored in open containers which could attract rats.

2. DUST

Prior to undertaking any dust generating activity on site, the RAMS or equivalent documents must be reviewed to assess whether exposure to dust has been identified and suitable control measures specified/implemented in accordance with the Hierarchy of Control.

In addition, consideration must be given to providing suitable controls for workers undertaking activities in areas which are subject to high levels of dust such as adjacent to haul roads and traffic routes.

4. OCCUPATIONAL DERMATITIS

Occupational dermatitis is a significant cause of ill health which is best addressed through prevention. The safety data sheet and assessment undertaken as part of the above should identify any substances which could cause dermatitis along with the controls necessary to prevent/minimise occupational exposure. It is essential that these controls are implemented and that adequate washing facilities are provided to allow a person with skin exposure to wash off the substance with soap and running water.

The incorrect specification of PPE, especially gloves in hot/humid environments, can contribute to occupational dermatitis.

5. SUBSTANCES CLASSIFIED AS HAZARDOUS TO HEALTH

Any substances for use on a Sonnedix project or office which are classified as hazardous to health or labelled with a hazard warning, should be accompanied by a corresponding Safety Data Sheet and Risk Assessment which identifies any controls required. The Risk Assessment should consider the mechanism of exposure and include how the substance is to be used, mixed, worked, handled, stored and disposed.

When selecting controls for use with substances which are classified as hazardous to health, the Hierarchy of Control should be used and all reasonable efforts made to removing the risk altogether through the elimination/substitution of the substance being used. Where it is not possible to remove the risk, users should not only be suitably trained and familiarised with the use of the substance, but they must also be trained and fully conversant with the controls and precautions required.

Signage, hazardous materials

6. VIBRATION

Prior to undertaking any work activity with vibrating tools on site, the RAMS or equivalent documents must be reviewed to assess whether exposure levels to vibration have been identified and suitable control measures specified/implemented in accordance with the Hierarchy of Control.

Contractors must be able to demonstrate that they are managing the risk to workers from vibration and that they have suitable periodic health screening to identify anyone who is at risk of hand arm vibration problems. The controls implemented should ensure that the vibration exposure stays under any exposure action value specified in local legislation which vary significantly dependent upon locality.

Sonnedix Iznalloz, Spain

7. WORKING TEMPERATURE

Temperature related stress injuries can result from working in hot or cold conditions. Prior to undertaking any work activity on site, the RAMS or equivalent documents, must be reviewed to assess whether work activities in extreme temperatures have been identified and suitable control measures specified/implemented.

Where possible, the temperature of the working environment should be maintained to avoid extremes of temperature. Where this is not possible, such as when working outdoors, contractors are expected to manage the effect temperature has on workers by:

- Scheduling work to consider weather forecasts with extremes of temperature;
- Adjusting work and rest periods;
- Providing shelter for work and rest areas;
- Use of protective clothing;
- Providing easy access to hydration.

For use of PPE, manual handling and occupational noise refer to the relevant sections in the Construction, Operation and Maintenance and Personal Protective Equipment standards above.

PROJECT & OFFICE HEALTH, SAFETY, ENVIRONMENT RISK ASSESSMENT & MANAGEMENT

The identification and management of risk is a fundamental element in safeguarding not only the health and safety of everyone working on our projects and in our offices, but also the people and environment which may be impacted by them.

This standard is focussed on the practical project risks rather than the financial risks which are addressed as a standard agenda item by the Risk Committee.

At Sonnedix, our expected mechanism for understanding and mitigating risks on our projects are the RAMS or equivalent documents. In our offices a Risk Assessment is also expected to be conducted to identify risks and control measures.

Risk Assessment should include:

1. GENERAL INFORMATION

This section should include:

- Project or office details;
- Contractors details (where applicable) including contact details for responsible persons on the project;
- Scope of works, to include anticipated number of workers and operating hours;

2. RISK ASSESSMENT PROCESS

All offices, projects and activities should be the subject of a formal Risk Assessment and these should address general risks in addition to those specifically identified in the Sonnedix Standards.

The process of assessing risk follows five simple steps:

- Identify the hazards
- Evaluate the risks and decide on precautions
- Record your significant findings
- Review the assessment and update

Contractors are free to select their own format for the recording of Risk Assessments, as long as they provide the information in a clear and self-explanatory way, which sets outs the hazards, risks and control measures/actions required.

The results of any Risk Assessment should be communicated as part of the site induction process and be used to inform those planning activities at the location.

3. REVIEW

It is good practice for the contractors' project manager or safety professional to witness the first time an activity is undertaken to ensure that they are carried out in accordance with the RAMS or equivalent documents and that the RAMS themselves are fit for purpose. If issues are identified as a part of the witnessing or subsequent delivery of the activity which suggest that the Risk Assessment or RAMS require amendment, then any changes should be undertaken collaboratively but co-ordinated by a person competent to do. The revised version of the documents should then be provided to Sonnedix accompanied by a brief explanation of the changes made and reasoning behind them.

All Risk Assessments or RAMS should be reviewed periodically to ensure that they are current and reflect changes on the project.

They should also be reviewed in the following circumstances:

- Identification of new tasks/activities;
- When an activity involves new facilities, processes or equipment;
- When there are new or modified risks.
- Where there is a planned change to equipment, machinery or a specific process;
- In the event of a significant environmental change on or in the vicinity of the project; and
- In the event of a complaint, incident, audit or inspection which suggests an issue with a working practice.

4. HSE RISK MANAGEMENT RESPONSIBILITIES

4.1. In our offices:

The Representative Director is responsible for ensuring that the appropriate Risk Assessments are in place which address the nature and extent of the hazards present in their respective office. These should not be done in isolation but should involve representatives of those working in the office.

Once the Risk Assessment has been undertaken and suitable actions are identified, the Representative Director supported by the Office Manager should ensure that the actions are completed and that the identified risks have been addressed.

It is the responsibility of everyone working in the office to ensure that they do not interfere with or compromise the actions taken. They should also notify the office manager of any hazard that they become aware of which has not been identified on the Risk Assessment.

The office Risk Assessment must be reviewed annually or following any significant change in the workplace.

The office Risk Assessment should be included in the office induction/ new starter process.

4.2. Contractors working in our offices:

When a contractor is working in our offices, they are responsible for ensuring that they have completed their own Risk Assessment for their project or activity and have taken suitable control measures to ensure that they do not compromise the health and safety of themselves or others. They are also responsible for ensuring that they comply with all relevant legislation.

Prior to allowing a contractor to start work in our offices, the office manager should review the contractors proposed activities and identify any obvious conflicts with others working in the area.

Should the office manager have any concerns about the safety of the proposed activity, then they will not allow the activity to commence and contact the HSE Manager for further advice.

If the office manager is not competent or does not feel confident to undertake this review, then they should initially seek advice from the Representative Director and then HSE Manager if required.

4.3. Contractors working on our projects – Engineering, Procurement and Construction (EPC) and Operation and Maintenance (O&M)

The role of Sonnedix in project risk management:

1. Ensure that EPC and O&M contractors working on our projects have suitable Risk Assessment and management processes in place;
2. Ensure that contractor processes meet the standards we require of them;
3. Ensure contractors are coordinating their activities with third parties including the local community where appropriate;
4. Ensure that the EPC and/or O&M contractor holds all relevant permits and insurances for the activities they are undertaking;
5. Undertake audits/reviews/inspections to ensure the risk management processes are being followed; and
6. Ensure that all Sonnedix employees and visitors are the subject of a suitable risk management process.

The role of the EPC and O&M contractor in project risk management:

1. Co-ordinating the risk management activities of all contractors and for maintaining a risk register which addresses all activities on the project;
2. Maintaining an up-to-date copy of RAMS or equivalent documents, including for contractors working on their behalf, which cover all activities identified on the risk register, have been reviewed against the relevant Sonnedix standards and which comply with local legislation;
3. Ensuring that:
    a. Every worker is trained and competent for the tasks they are undertaking,
    b. Prior to starting work, workers have been given suitable instructions which outline the task they are expected to perform;
    c. All workers are fully familiar with the RAMS or equivalent documents for the activity they are undertaking,
    d. Control measures identified in the RAMS or equivalent documents are implemented prior to work commencing, and
    e. All work activities are being undertaken in accordance with the RAMS or equivalent documents
4. Implementing a project level system of incidents reporting, including near misses, and hazard observations which provides reports and incident notifications to Sonnedix;
5. Investigating and supporting the investigation of incidents to root cause level;
6. Empowering all workers to stop an activity if they feel it is unsafe, adversely affects health, will affect third parties or will negatively impact on the local environment; and
7. Undertaking regular site inspections, audits and reviews to ensure that points 1 -6 above are in compliance.

A copy of the risk register (anticipated) and supporting RAMS or equivalent documents must be provided to Sonnedix for review at least one month in advance of works starting. These should be subject to an additional review and fully communicated prior to use.

The role of contractors working on behalf of the EPC and/or O&M contractor is to fully participate in the above listed project risk management activities (points 1-7) and provide EPC or O&M contractor with all the necessary documentation and evidence of implementation for all activities they are undertaking.
The role of workers involved in construction and operation of Sonnedix projects in project risk management:

1. Only undertake work for which they are competent and have been instructed to undertake;
2. Comply with site rules and requirements;
3. Ensure that they are familiar with the RAMS or equivalent documents for the activity they are undertaking and the control measures they should be using;
4. Not undertaking any work activity which has not been covered in the RAMS or equivalent documents or for which the controls have not been put in place; and
5. Stopping and notifying project management of any activity which is unsafe, adversely affects health, will negatively affect third parties or will negatively impact on the local environment.

4.4. On our projects – Self-delivery of O&M using sub-contractor or Sonnedix employees

In the event of Sonnedix undertaking self-delivery of the O&M function or using subcontractors supervised by Sonnedix, Sonnedix assume the full responsibilities of the employer and O&M contractor respectively.

These will include but are not limited to:

1. Planning all work activities on the project to ensure that they are safe and do not negatively affect health, third parties or the local environment;
2. Maintaining a risk register which addresses all activities on the project;
3. Develop and maintain RAMS or equivalent documents, or requiring sub-contractors to provide RAMS or equivalent documents, which have been reviewed against our standards and which comply with all relevant legislation;
4. Reviewing and approving RAMS or equivalent.
5. Ensuring that:
    a. Every worker is trained and competent for the tasks they are undertaking,
    b. Prior to starting work, workers have been given suitable instructions which outline the task they are expected to perform,
    c. All workers are fully familiar with the RAMS or euivalent for the activity they are undertaking,
    d. Control measures identified in the RAMS or equivalent are implemented prior to work commencing,
    e. All work activities are being undertaken in accordance with the RAMS or equivalent,
    f. Implementing a lone worker system to cover workers on the project,
    g. All workers are empowered to stop an activity if they feel it is unsafe, adversely affects health, will affect third parties or will negatively impact on the local environment, and
    h. Providing all control measures including PPE.
6. A visitor induction and risk awareness/ management system has been implemented;
7. Implementing a project level system of incident and near miss reporting which provides reports and incident notifications;
8. Investigating and supporting the investigation of incidents to root cause level;
9. Undertaking regular site inspections, audits and reviews to ensure that points 1 -6 above are in compliance;
10. Undertaking reviews of the project risk management to ensure that it is still fit for purpose.

4.5. Development, Mergers and Acquisitions

As part of any development or merger and acquisition process, it is essential to undertake HSEC due diligence review of the included projects. This due diligence process should be undertaken at the earliest possible opportunity and whenever possible prior to any legal transfer of title.

This due diligence review should include finding if there is, has been or will likely be any of the following issues:

- Resettlement (voluntary or involuntary);
- Armed security or security incidents;
- Serious environmental incidents;
- Serious health and safety incidents;

- Large scale construction resulting in influx of workers;
- Suspicions of child labour, bribery or poor contractor working conditions;
- Negative publicity or campaigns or complaints; and
- Other known issues

Prior to the finalisation of a project acquisition, Sonnedix should be provided with a project specific health and safety file which includes the as built details of the plant, operations manuals and details of any variation to the design. Whenever possible a site visit should be undertaken to review the existing H&S approach including policy alignments and any HSEC issues which will need to be remedied.

When the acquisition is an entity, then a review of H&S policies and processes will be required in order to determine fit against those of Sonnedix.

In addition to the above, any O&M contractor should be reviewed against the requirements for O&M contractors above and any shortfall identified/ remedied.

Sonnedix Talayuela, Spain

APPENDIX 1: GLOSSARY OF TERMS

Child labour is defined as work that deprives children of their childhood, potential and dignity, and that is harmful to physical and mental development.

It refers to work that is mentally, physically, socially or morally dangerous and harmful to children.

It interferes with their schooling by:

- Depriving them of the opportunity to attend school;
- Obliging them to leave school prematurely; or
- Requiring them to attempt to combine school attendance with excessively long and heavy work.

Conflict Minerals describes minerals mined in conditions of armed conflict and human rights abuses. Conflict minerals include Cassiterite (Tin Ore), Columbite-tantalite (Tantalum), Cobalt, Gold and Wolframite (Tungsten Ore) or their derivatives extracted in the Democratic Republic of the Congo, Angola, Burundi, Central African Republic, Malawi, Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda and Zambia, where the funds from mining may have been diverted into supporting the conflict, or where labour may be compelled under conflict conditions and as such are considered to have significant ethical implications.

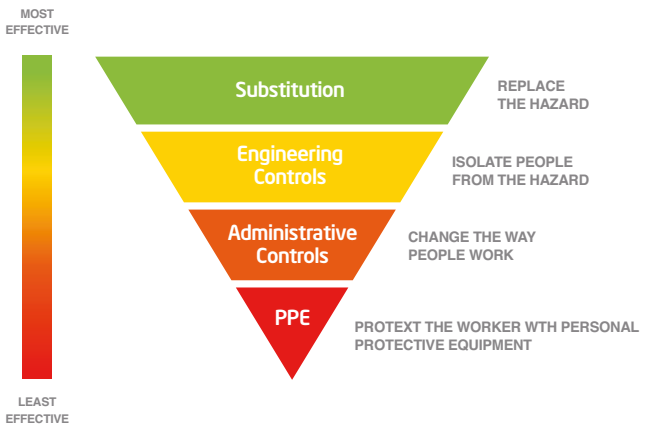
Cultural heritage refers to tangible forms of cultural heritage, such as tangible property and sites having archaeological (prehistoric), paleontological, historical, cultural, artistic and religious values, as well as unique natural environmental features that embody cultural values, such as sacred groves. It can also include intangible forms of culture like cultural knowledge, innovations and practices of communities embodying traditional lifestyles.

Forced labour is work that is performed involuntarily and under the menace of any penalty. It refers to situations in which persons are coerced to work through the use of violence or intimidation, or by more subtle means such as accumulated debt, retention of identity papers or threats of denunciation to immigration authorities.

Global Partners are all of Sonnedix' suppliers, contractors, subcontractors, joint development partners, consultants, agents, and other parties with whom Sonnedix does business.

Grievance refers to a complaint arising from an incident which is believed by the third party to be unfair, unjust or grounds for complaint or resentment.

Hierarchy of Control is a series of hazard controls in decreasing order of effectiveness.



When applying the Hierarchy of Control all commercially reasonable efforts should be made to provide the most effective control and, in all situations, PPE as the sole control is a measure of last resort.

Indigenous Peoples is used in a generic sense to refer to a distinct social and cultural group possessing the following characteristics in varying degrees:

- Self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;
- Collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories;
- Customary cultural, economic, social, or political institutions that are separate from those of the mainstream society or culture; or
- A distinct language or dialect often different from the official language or languages of the country or region in which they reside.

Manual handling means any transporting or supporting of a load (including the lifting, putting down, pushing, pulling, carrying or moving thereof) by hand or by bodily force.

Method Statement refers to a safe system of work that gives specific instructions on how to safely perform an activity.

Occupational noise means noise to which a worker is exposed to as part of the work activity they are undertaking.

Personal Protective Equipment (PPE) is equipment worn to minimize exposure to hazards that cause serious workplace injuries and illnesses. These injuries and illnesses may result from contact with chemical, radiological, physical, electrical, mechanical, or other workplace hazards. Personal Protective Equipment may include items such as gloves, safety glasses and shoes, earplugs or muffs, hard hats, respirators, or coveralls, vests and full body suits.

Pollution means the presence in or introduction into the environment of a substance which has harmful or poisonous effects.

Practicable is any idea or project which can be brought to fruition or reality without any unreasonable demands.

Public Official includes any (1) person holding legislative, administrative, military or judicial office for any country; (2) person exercising a public function for any country, government or governmental agency; (3) employee of a government-owned or controlled enterprise; (4) official or agent of a public international organization; and (5) political party or official of a political party. As such, Public Officials include honorary government officials; members of boards, officers, directors and employees of governmental, quasi-governmental or government-owned companies; some members of royal or ruling families; and officials of such public international organizations as the World Bank, International Monetary Fund and the World Trade Organization.

Risk Assessment means a systematic process of evaluating the potential risks that may be involved in a projected activity or undertaking.

Risk Assessment Method Statements (RAMS) are documents which contain an assessment of the risks presented by a work activity and which outline the control measures and methods of work required to be followed to mitigate the identified risks.

Stakeholders are groups who affect and/or could be affected by our activities, products or services and associated performance, including, but not limited to, the community affected, Indigenous Peoples, and Public Officials we interact with on our projects.

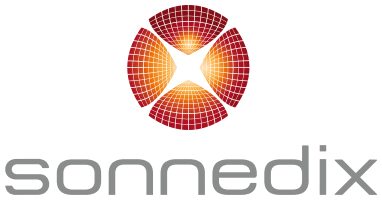
Stakeholder Engagement is the process used by an organisation to engage relevant Stakeholders for a purpose to achieve accepted outcomes.

Work at height means work in any place where, if precautions were not taken, a person could fall a distance liable to cause personal injury. You are working at height if you:

- Work above ground/floor level whether using a ladder, bucket truck, attached to a harness, working on a flat roof, or otherwise
- Could fall from an edge, through an opening or fragile surface, or
- Could fall from ground level into an opening in a floor or a hole in the ground

Visitor is someone who is attending a site to be shown around or as part of a tour and who is not involved in a work activity related to the project or site. Visitors do not include persons undertaking any project or site work activity including but not limited to inspections, audits, investigations, reviews, photography, testing, contractor visits or task assessments.

Policy Owner:	Legal & Compliance
Applies to:	Across Sonnedix, including employees and those Global Partners working with us or on our behalf
Review Period/s:	Q3
Effective Date:	Policy statement 01/01/2018; Social standards 01/01/2018
Modified date and version	20/06/2018; 01/01/2020
Supporting Documentation:	Sonnedix sustainability strategy, crisis management plan, RAMS, risk assessment, educational site visit process, near miss process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