



GROUP HUMAN RIGHTS AND LOCAL COMMUNITIES POLICY



Revisions

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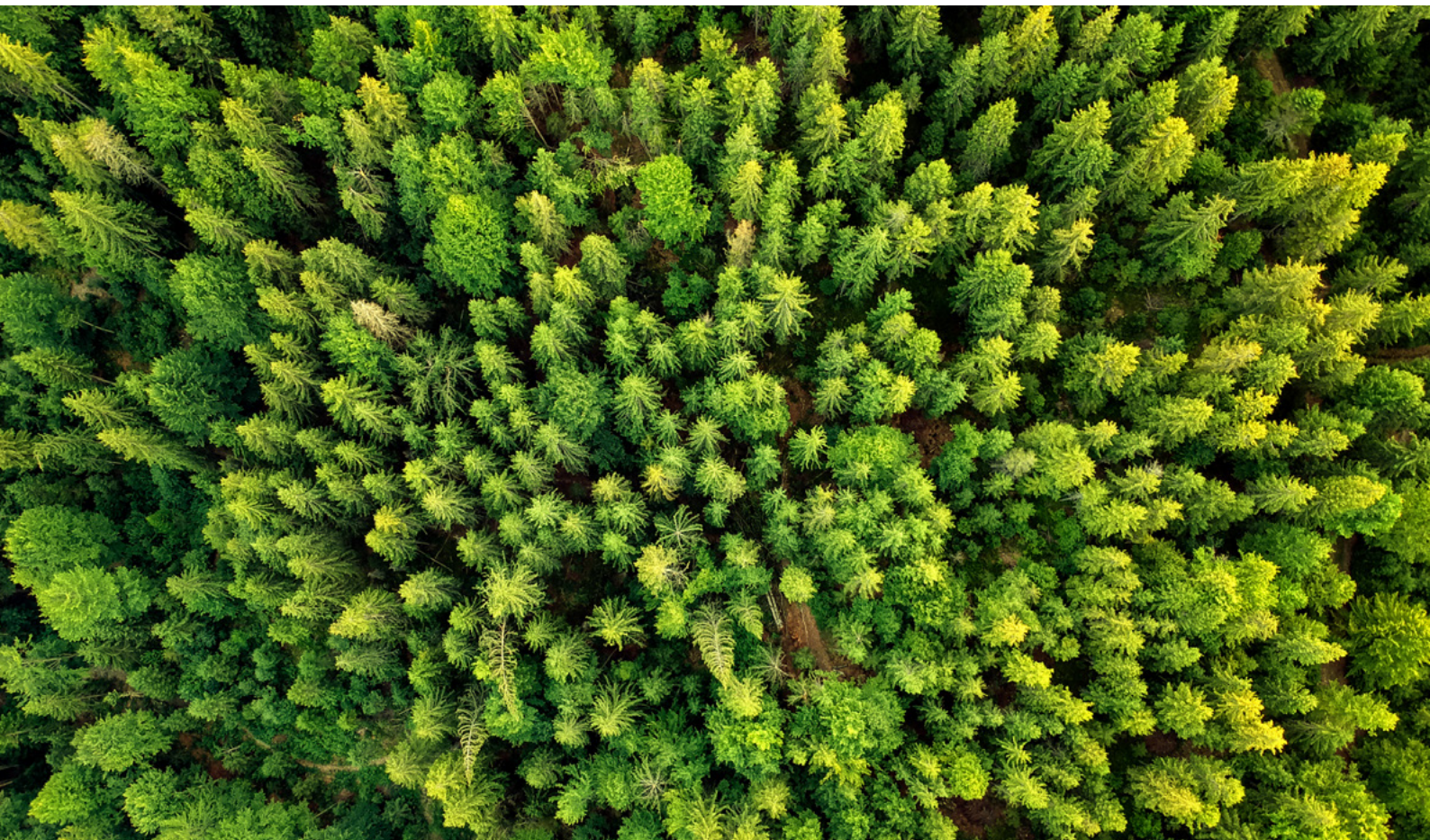
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1. Policy provisions

1.1 Objective

The SOLEK Group is a multinational enterprise with a business case to alleviate the impacts of the climate crisis on society by investing in other sources of energy and delivering solar energy solutions globally. The climate crisis does not happen in a vacuum, and it is the people and the societies in which we run our business that will shape our future. Hence, our human rights policy is built on the idea that for a healthy business, we need a healthy society; as a business, we should do our best not only to respect the basic rules and principles of human rights but to further innovate and invest in the people and societies that surround us.

For the SOLEK Group, human and labor rights mean ensuring good working conditions, fair wages for all employees, gender equality, and the rights of children, indigenous people, and disabled persons. It also includes following international labor standards and ensuring employees' freedom of association and right to collective bargaining through trade unions. This policy lays out how SOLEK Group approaches human rights, labor rights and the concern for local communities in detail, as well as setting out necessary steps and checks for implementing our pledges.

1.2 Legislative framework

As set forth in our Sustainability Strategy, our Group implements the **UN Sustainable Development Goals (SDGs)**, specifically SDG3, SDG5, and SDG11, through the respect and promotion of human rights.

The legislative framework governing the approach of businesses to human rights is the **UN Guiding Principles on Business and Human Rights** (UNGP), which establish businesses' responsibility to respect internationally binding human rights and relevant instruments. Accordingly, the SOLEK Group commits to respecting human rights. This means that we will avoid infringing on the human rights of others and will address adverse human rights impacts with local communities and all that are involved. The responsibility to respect human rights requires our SOLEK Group to (a) avoid causing or contributing to adverse human rights impacts through our own activities and address such impacts when they occur; (b) seek to prevent or mitigate adverse human rights impacts that are directly linked to our operations, products, or services by our business relationships, even if they have not contributed to those impacts.

Similar to the UNGP, Article 18 of the **EU Taxonomy Regulation** sets out which international human rights instruments our SOLEK Group should respect to define our activities as sustainable and in line with the Taxonomy Regulation. Article 18 sets the minimum social safeguards which entities implementing sustainable economic activities must follow and which must be aligned with some of the international human rights instruments listed below; for the purposes of our Human Rights Policy, we have identified additional human rights instruments to implement (in line with the UNGPs).

International treaties and human rights instruments that SOLEK Group respects and which we pledge to promote and contribute to fulfilling through our economic activities:

- The OECD Guidelines for Multinational Enterprises reflect governments' expectations of businesses on how to act responsibly. They set up Guidelines approved by OECD Member States, including the Czech Republic, on how the SOLEK Group should act responsibly on sustainability risks. Through our Group Human Rights Policy, we especially focus on gender equality and the need for heightened sensitivity to gender issues in countries where women might be disproportionately affected, including aiming to develop a gendered approach to due diligence. Furthermore, we aim to implement the OECD's "Practical actions for companies to identify and address the worst forms of child labor in mineral supply chains" in which SOLEK Group participates;
- The American Convention on Human Rights;
- The International Bill of Human Rights (the Universal Declaration of Human Rights and the UN Covenants on Civil and Political Rights and on Economic, Social and Cultural Rights);
- The EU Charter of Fundamental Rights;
- EU Non-Discrimination Legislation, namely the following directives: Directive 2000/43/EC against discrimination on grounds of race and ethnic origin; Directive 2000/78/EC against discrimination at work on grounds of religion or belief, disability, age or sexual orientation; Directive 2006/54/EC equal treatment for men and women in matters of employment and occupation; Directive 2004/113/EC equal treatment for men and women in the access to and supply of goods and

services; Directive Proposal (COM(2008)462) against discrimination based on age, disability, sexual orientation and religion or belief beyond the workplace.

- Including creating strategies and plans to implement the following directives which are not yet binding, namely the Women on Boards Directive, Pay Transparency Directive, CSRD, and CSDDD;
- The International Labour Organization Declaration on Fundamental Rights and Principles at Work;
- The UN Declaration on the Rights of Indigenous Peoples;
- The UN Standards of Conduct for Business Tackling Discrimination against Lesbian, Gay, Bi, Trans, and Intersex People;
- The Istanbul Convention (Council of Europe Convention on Preventing and Combating Violence Against Women and Domestic Violence);
- The Convention on the Rights of Persons with Disabilities (UNCPRD).

1.3 Scope

This Human Rights and Local Communities Policy is in line with the SOLEK Group Sustainability strategy. The Policy is applicable to all SOLEK Group employees and projects and serves as an ethical guide. The Policy should be communicated to all business partners and stakeholders. This Policy describes principles and operations for reaching the aims and goals set in the Sustainability Strategy and to ensure that all our SOLEK Group's human rights responsibilities are implemented.

1.4 Definitions and Abbreviations

Policy	The Human Rights Policy
Company	SOLEK HOLDING SE, ID No.: 29202701, with registered seat at Voctářova 2497/18, Libeň, 180 00 Prague 8, registered Commercial Register kept by Municipal Court in Prague, file No. H218
SOLEK Group	The Company and its subsidiaries
Group Company	All companies that are part of the Group
Employee	All employees, officers, contractors, directors or members of statutory bodies of all Group Companies
Sustainability strategy	<u>SOLEK Sustainability strategy</u> issued in 2022.
Working conditions	Conditions under which the work is performed, including for example the work environment, physical conditions, mental demands, and hourly wages.
Persons with disabilities or disabled persons ²	Individuals including those who have long-term physical, mental, intellectual, or sensory impairments which in interaction with various barriers may hinder their full and effective participation in society on an equal basis with others. Disability is the umbrella term for impairments, activity limitations, and participation restrictions, referring to the negative aspects of the interaction between an individual (with a health condition) and that individual's contextual factors (environmental and personal factors).
Living wage ¹	The remuneration received for a standard workweek by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family. Elements of a decent standard of living include food, water, housing, education, health care, transportation, clothing, and other essential needs including provision for unexpected events.

¹ Global Living Wage Coalition, 'What is a Living Wage?', accessed on: <https://www.globallivingwage.org/about/what-is-a-living-wage/>

Child labour ² , child labor	<p>Work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development. It refers to work that:</p> <p>Is mentally, physically, socially, or morally dangerous and harmful to children; and/or 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.</p> <p>For the purpose of this definition, a child refers to a person under the age of 15 years, or under the age of completion of compulsory schooling, whichever is higher. Exceptions can occur in certain countries where economies and educational facilities are insufficiently developed, and a minimum age of 14 years applies. These countries of exception are specified by the International Labour Organisation (ILO) in response to a special application by the country concerned and in consultation with representative organizations of employers and workers.</p>
Collective bargaining ²	<p>All negotiations which take place between an employer, a group of employers or one or more employers' organizations, on the one hand, and one or more trade unions or, in their absence, the representatives of the workers duly elected and authorized by them in accordance with national laws and regulations, on the other, for:</p> <p>determining working conditions and terms of employment; and/or</p> <p>regulating relations between employers and workers; and/or</p> <p>regulating relations between employers or their organizations and a workers' organization or workers' organizations.</p>
Grievance mechanism ²	Any routinized, state-based or non-state-based judicial or nonjudicial process through which stakeholders can raise grievances and seek remedy.
Pay ²	<p>Gross hourly earnings, which are the wages and salaries earned by full-time and part-time employees, per hour paid, before any tax and social security contributions are deducted. Wages and salaries include any overtime pay, shift premiums, allowances, bonuses, and commissions.</p>
Social dialogue ²	<p>All types of negotiation, consultation or simply exchange of information between, or among, representatives of governments, employers, their organizations and workers' representatives, on issues of common interest relating to economic and social policy. It can exist as a tripartite process, with the government as an official party to the dialogue or it may consist of bipartite relations only between workers' representatives and management (or trade unions and employers' organizations).</p>
DEI	Diversity, Equity, Inclusion
Diversity	Having a heterogeneous mix of identities (race, ethnicity, nationality, gender, gender identity, veteran status, physical and cognitive ability, age, sexual orientation, socioeconomic class, experience, etc.).
Equity	Regardless of their identity, all employees are compensated fairly and have the opportunity and support to succeed and grow in their jobs.
Inclusion	The identities of all employees are respected and valued. Employees have the opportunity to participate and contribute regardless of their identity.
Discrimination ²	<p>Discrimination can occur directly or indirectly - Direct discrimination will have occurred when an individual is treated less favorably by comparison to how others, who are in a similar situation, have been or would be treated, and the reason for this is a particular characteristic they hold, which falls under a "protected class". Indirect discrimination occurs when an apparently neutral rule disadvantages a person or a group sharing the same characteristics. It must be shown that a group is disadvantaged by a decision when compared to a comparator group.</p>

² EFRAG, ESRS S1 Own Workforce, 2022, p.25-29, accessed on: https://www.efrag.org/Assets/Download?assetUrl=%2Fsites%2Fwebpublishing%2FSiteAssets%2FED_ESRS_S1.pdf

Harassment ²	A course of comments or actions that are unwelcome or should reasonably be known to be unwelcome, to the person towards whom they are addressed. Harassment occurs when one or more employees are deliberately abused, threatened and/or humiliated in circumstances relating to work. Harassment may be carried out by one or more employees, with the purpose or effect of violating the employee's dignity, affecting their health, and/or creating a hostile work environment.
Indigenous people ³	Indigenous peoples are generally identified as 1) tribal peoples in independent countries whose social, cultural, and economic conditions distinguish them from other sections of the national community, and whose status is regulated wholly or partially by their own customs or traditions or by special laws or regulations; 2) peoples in independent countries who are regarded as indigenous on account of their descent from the populations which inhabited the country, or a geographical region to which the country belongs, at the time of conquest or colonization or the establishment of present state boundaries and who, irrespective of their legal status, retain some or all of their own social, economic, cultural, and political institutions.
UNCPRD	United Nations Convention on the Rights of Persons with Disabilities
LGBTQ+ rights	Ensuring lesbian, gay, bisexual, transgender, queer (or sometimes questioning), and other individuals have equal rights.
EU CFR	The Charter of Fundamental Rights of the European Union
UNGA	The United Nations General Assembly

2. Key Principles


2.1 Key overarching human rights principles

- We commit to the principle of equality and non-discrimination.
- We will approach human rights and concerns of our employees with intersectionality, understanding that each employee has a different starting position depending on their identity or status.
- We commit to limiting and monitoring adverse impact on human and labor rights through all our business undertakings and economic activity. We will ensure this through human rights impact assessments, as well as stakeholder engagement with indigenous peoples and local communities.
- Through this policy we commit the SOLEK Group to the human rights non-violation principle.

2.2 Ensuring the rights of employees

- We commit to ensuring the full enjoyment of all individual rights of our employees per the EU CFR and International Bill of Human Rights.
- We promote Diversity, Equity, and Inclusion as defined in our Diversity Policy.
- We are against all discrimination in the workplace, and we will ensure that all our employees and HR are trained to act in line with EU anti-discrimination laws and our Diversity Policy across of all our business activities.
- We maintain strict Health and Safety provisions, as defined in the Integrated Policy of Health, Safety, Environment, Quality and Social Responsibility and are improving our conditions to be aligned with ISO 45001 in accordance with the SOLEK Sustainability Strategy.
- We protect employees who raise concerns ("whistleblowing") as defined by the SOLEK Group's Code of Business Conduct and Ethics and the Group Whistleblowing and Investigation Policy.

³ EFRAG, ESRS S3 Affected Communities, 2022, p.10, accessed on: https://www.efrag.org/Assets/Download?assetUrl=%2Fsites%2Fwebpublishing%2FSiteAssets%2FED_ESRS_S3.pdf



2.2.1. Anti-Bullying and Anti-Harassment As a SOLEK Group, we demand all of our employees and any subcontractors working with our employees to not to engage in harassment, bullying, or workplace violence; not to aid, abet, or encourage others to engage in harassment, bullying, or workplace violence; to behave in a responsible and professional manner; to treat others in the workplace with courtesy and respect; to listen and respond appropriately to the views and concerns of others; and to be fair and kind in their dealings with others. We will train all our employees to ensure this, and we have a safety system and an anonymous reporting system in place.

2.2.2 Equal Pay and Remuneration

- By 2025, we will ensure that all our employees and subcontractors are receiving above the minimum wage and living wage, in line with the Global Living Wage Coalition's research.
- Through our Group Diversity Policy, we pledge to respect gender equality and narrow the gender pay gap, not only to ensure pay equity but also pay equality by supporting women in management.

2.3 Respect for sanctions systems and condemning human rights violations

As a SOLEK Group, we fully commit to respecting the human rights sanctions systems of the United Nations, the EU, and the Czech Republic, as the country from which we operate. We will stay updated on these by following the UNGA Resolutions and the EU/CZE Sanctions lists.

2.4 Value chain

As guided by the OECD Guidelines for Multinational Enterprises, we aim to ensure that there is no child labor involved in our business activities. For this purpose, we have developed a detailed Group Procurement Policy and a questionnaire for suppliers.

2.5 Local communities impacted by our solar power plants

- By investing in local communities all over the world, we help to ensure the creation and preservation of decent jobs in the transition to a green economy.
- We commit to contributing to the basic economic infrastructure for transportation, telecommunications (including Internet), financial services, electricity, and waste removal in accordance with our local communities investment strategy, which is currently in development and which we aim to finalize by 2025.
- We aim to ensure the promotion of gender equality through our work, guided by the OECD Guidelines for Multinational Enterprises.
- Though our economic activities and our public sector outreach, we aim to become a partner to civil society and the public sector in achieving the fulfillment of all individual rights and protections that affect our employees and society.
- To ensure the fulfillment of the [UN Declaration on the Rights of Indigenous Peoples](#), we take into account the recommendations set in the Business Reference Guide to the UN Declaration on the Rights of Indigenous Peoples and we aim to implement them through our Human Rights Strategy. We commit to conducting human rights due diligence to assess actual or potential adverse impacts on indigenous peoples' rights, integrate findings and take action, and track and externally communicate our performance; and to consult in good faith with indigenous peoples in relation to all matters that may affect them or their rights. We will obtain (and maintain) the free, prior, and informed consent of indigenous peoples for projects that affect their rights, in line with the spirit of the UN Declaration; establish or cooperate through legitimate processes to remediate any adverse impacts on indigenous peoples' rights; and establish or cooperate with an effective and culturally appropriate grievance mechanism.

2.6 Ensuring LGBTQ+ rights

- To implement the EU CFR and the International Bill of Human Rights, guided by UN Standards of Conduct for Business Tackling Discrimination against Lesbian, Gay, Bi, Trans, and Intersex People, we will: respect, communicate, and monitor the human rights of LGBTQ+ people; Ensure that there is no discrimination in their recruitment, employment, working conditions, benefits, respect for privacy, or treatment of harassment of LGBTQ+ people; provide a positive, affirmative environment so that LGBTQ+ employees can work with dignity and without stigma; never discriminate against LGBTQ+ suppliers, distributors, or customers; and use our leverage to prevent discrimination and related abuses by our business partners.
- Furthermore, we aim to contribute to stopping human rights abuses in the countries in which we operate. By consulting with local communities to identify steps we should take — including public advocacy, collective action, social dialogue, support for LGBTQ+ organizations, and challenging abusive government actions.
- In the Czech Republic, and all countries where this is possible, we aim to equalize the rights of LGBTQ+ people beyond local legislation so that, for instance, same-sex couples receive the same benefits as opposite-sex couples, even in countries with no marriage equality.

2.7 Rights of persons with disabilities

Guided by the principles of the Convention (UNCPRD), we believe that as a SOLEK Group we have a responsibility to, and will make sure through our Human Rights Strategy to: respect the inherent dignity, individual autonomy including the freedom to make one's own choices, and independence of persons; ensure the principle of non-discrimination; ensure full and effective participation and inclusion in our economic activities and in our teams; accept and respect the differences of persons with disabilities as part of human diversity and humanity; aim to ensure accessibility, where possible; and pay attention to equality between men and women with disabilities.

3. Implementation

3.1 Responsibilities

The responsibility to ensure human rights protection and implement this Policy lies with the top management of the firm, which sets the necessary targets, communicates the Human Rights Policy, and ensures the necessary budget contribution for its implementation.

- **HR and the DEI Team** are responsible for the identification of best DEI practices, creation of surveys for employees to provide feedback, climate assessments, and focus group discussions, creation of long-term strategies in hiring, retention, and unbiased recruitment, adoption of policies, and communication across the organization for the promotion of diversity, equity, and inclusion.
- Management is responsible for setting the right tone of internal communication of DEI strategy.
- All **employees** are bound to respect existing local legislation and the Code of Business Conduct and Ethics, our anti-bullying and anti-harassment principles, and our equality principle.

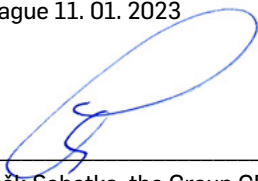
All employees can raise concerns ("whistleblowing") as defined by the Group's Code of Business Conduct and Ethics and Group Whistleblowing and Investigation Policy.

3.2 Indications for further tasks and activities

- By the end of 2023, we will conduct a thorough human rights impact assessment across all levels of our business operations with an independent organization to ensure its credibility. Based on the assessment, we will develop a **Human Rights Strategy** for our SOLEK Group to supplement the legislative framework outlined in this Policy, and implement our goals as set forth in chapter 2: Key Principles.
- By the end of 2025, and in line with the SOLEK Group Sustainability Strategy, we will create an investment plan that includes social investments to support local communities.
- By 2030, and in line with the SOLEK Group Sustainability Strategy, we want 100 % of our activities to be certified under ISO 45001.

Approval Authority Signature and Date

In Prague 11. 01. 2023



Zdeněk Sobotka, the Group CEO

