

Slavery and human trafficking statement 2020

Introduction

Lightsource bp is a global leader in the development and management of solar energy projects and a 50:50 joint venture with bp.

We are advancing the low-carbon goals of investors, utilities, corporations, and local communities worldwide and are taking urgent action to combat climate change and its impacts by offering affordable and clean energy, which aligns with the UN Sustainable Development Goals. Further details can be found at www.lightsourcebp.com.

Our policy

Modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another to exploit them for personal or commercial gain.

Lightsource bp is committed to acting ethically and with integrity in all our business dealings and relationships and to implementing and enforcing effective systems and controls to aim to ensure modern slavery is not taking place anywhere in our own business or in any of our supply chains.

As we continue to expand our business, we are committed to holding ourselves to high standards and ensuring there is transparency in our own business practices and in our approach to tackling modern slavery throughout our supply chains. We expect the same high standards from all our contractors, suppliers, and other business partners.

Our code

Lightsource bp's Code of Business Conduct and Ethics (our "Code," available [here](#)) makes clear that we, as a business, respect the law, support universal human rights, and take great care to respect the people and cultures of the communities we work with worldwide. It clearly sets out that the principles contained within it to guide our own operations also apply with respect to our business partners and counterparties.

Lightsource bp has a separate Code of Business Conduct and Ethics for Counterparties (the "Code for Counterparties", available [here](#)) which clearly sets out the expectations and commitments of those with whom Lightsource bp does business, including joint venture partners and developers, vendors, suppliers, contractors, customers, land agents, service providers, consultants, and any sub-contractors thereof. Compliance with our Code for Counterparties is included in Lightsource bp's contracts and agreements. One of the key expectations and commitments contained within this Code for Counterparties is respect for the human rights and dignity of all people. Counterparties are pointed to the UN Guiding Principles on Business and Human Rights for guidance and are expected to take steps to ensure there is no use of forced or compulsory labour, human trafficking, child labour, slavery, or servitude in their business activities.

Relevant to both the Code and the Code for Counterparties is Lightsource bp's Speak Up Program which encourages those within Lightsource bp, its counterparties and any sub-contractors to speak up if they see any instances not aligned with either policy. The Speak Up Program provides several avenues for issues to be raised, including a confidential and anonymous app. You can find guidance on how to speak up in our Code and our Code for Counterparties. Lightsource bp has a zero-tolerance policy in respect of retaliation for concerns raised in good faith.

Our business and supply chain

We are a global solar energy business with activities in 14 countries across Europe, North and South America, Australia, Asia, and Africa. Lightsource bp does not provide any manufacturing services or supply raw materials to suppliers; we build and maintain our solar power plants with parts, services and equipment purchased from the third-

party supply chain.

Lightsource bp will either source solar panels, trackers and other related materials and services directly from suppliers, or indirectly through our engineering, procurement, and construction (EPC) partners or co-development partners.

Regardless of the business model, all counterparties involved in the development of a Lightsource bp solar plant are contractually required to comply with our Code for Counterparties directly, who are in turn required to pass down compliance with our Code for Counterparties through to the counterparties' sub-contractors supply chain.

Our selection and identification of suppliers, co-developers, vendors and other contractors is based on multiple criteria, including but not limited to workforce conditions and health and safety performance of the suppliers and their supply chain, environment, sustainability, supplier diversity, supply disruption risk, financial strength, bankability, technological and commercial reliability, and capacity. Only Lightsource bp approved suppliers' materials are used directly or indirectly for Lightsource bp solar plants.

Lightsource bp is partnering with trade bodies across multiple regions and collaborating with organisations who are dedicated to supporting the industry on traceability and compliance with human rights in the supply chain. With their help, we will seek to identify ways that aim to ensure that the rights of workers vulnerable to forced labour in global supply chains are consistently respected and promoted.

Risk management and due diligence

As part of our commitment to continuously improve our ability to manage risk, including those related to human rights, we implemented several measures to mitigate modern slavery risk. These measures support our continuous improvement of the quality of the business decisions we take as an organisation.

Our Global Counterparty Risk Management Policy and Procedure, introduced in 2019, provides the organisation with clear guidance on how to conduct due diligence on our counterparties, including their compliance with modern slavery and other human rights laws and regulations. This policy includes guidance on:

- The use of a web-based risk intelligence database to support business decisions made prior to entering negotiations with a counterparty. This system will inform Lightsource bp of issues such as sanctions, watchlists, and adverse media coverage that may be linked to the counterparty.
- Counterparty Due Diligence Programme:

Lightsource bp has adopted a risk-based approach to conducting due diligence on our counterparties. Our Risk Matrix takes into consideration several data points related to the services a counterparty would provide Lightsource bp including but not limited to the type of counterparty and the jurisdiction of their business. Depending on the risk profile of the counterparty, varying levels of due diligence will be conducted based on if it presents low, medium, or high legal compliance risk to the organisation. This will ensure the greatest time and attention are spent on those counterparties which represent a higher risk.

Where the counterparty presents medium or high-level risk, Lightsource bp contracts an external provider to conduct third party due diligence, based on research of publicly available information on the counterparty, covering 23 different areas including known allegations and/or violations of modern slavery and human trafficking-related activities. The diligence is based on media coverage, allegations, claims and litigations faced, and fines or penalties incurred. This process also searches for where there is evidence of positive engagement by the counterparty.

Compliance terms are included in our contractual agreements with counterparties. The terms may vary slightly depending on the services provided, however all medium and high-risk counterparties, which include our suppliers, EPCs and co-developers, will always be contractually required to conduct due diligence on any subcontractors and suppliers they use. The contractual obligations also require counterparties to pass down the requirement of compliance with our Code for Counterparties throughout their supply-chain.

During 2020, Lightsource bp launched a new supplier and contractor pre-qualification questionnaire in cooperation with third party certification consultants. This provides a community model, which develops and defines best practices, by connecting buyers and suppliers, streamlines procurement and raises standards specific to the renewables industry. This will improve the quality of the data driving risk assessment decisions and mitigation actions. A composite scoring system was also developed and implemented which covers a spectrum of 21 different criteria, including those of workforce conditions and health and safety of the suppliers and their supply chain, sustainability, environment, supplier diversity, financial health, technological capabilities, capacity, and supply disruption. A risk indicator is then generated, which weights, ranks and classifies suppliers.

These combined analyses take into account available data relating to workforce standards throughout the supply chain, and together are used to inform the business decisions that Lightsource bp take.

Lightsource bp recognises, in common with its peers, adjacent markets, and other industry sectors, the importance of accurate and timely information to inform our business decisions. We will continue to work with our trade bodies, government actors, and interested stakeholders to improve the quality, visibility, and accuracy of data throughout a complex supply chain essential to the continued ethical, transparent development of alternative energy sources.

If we identify instances of modern slavery or human trafficking, we will take suitable action which may include terminating discussions and/or existing relationships with the counterparty in question and notifying relevant authorities of the issues involved.

Training and awareness

Lightsource bp provides training on our Code and the Code for Counterparties which underpins and reinforces the elements of our human rights commitments. We strive to effectively manage risks to our workforce and engage contractors on this important issue. We continue to develop the appropriate capability and resources for our operational teams and support them with expert technical guidance. We provide targeted face-to-face, virtual, and online training to those relevant parts of our businesses and functions on how to manage the risk of labour rights and modern slavery.

The Code training is made available to all employees and required to be completed by all new joiners as part of their on-boarding. Follow-up training is primarily aimed at people who work on solar projects, in operational roles and in functions such as human resources, legal and ethics and compliance.

Nature of this statement

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our Group’s slavery and human trafficking statement for the financial year ending 31 December 2020. It was approved by the Board of Directors in line with the Modern Slavery Act on 31st March 2021.

Signature of director:



LIGHTSOURCE BP RENEWABLE ENERGY INVESTMENTS LIMITED

Date: 31st March 2021