

Appendix

1 Stakeholder engagement

Key topics and concerns that have been raised through stakeholder engagement, including:

- How the organisation has responded to those key topics and concerns, including through its reporting
- The stakeholder groups that raised each of the key topics and concerns

| STAKEHOLDER GROUP | ENGAGEMENT (102-43) | KEY CONCERNS (102-44 I) | RESPONSE (102-44 II) |
|------------------------------------|--|--|------------------------------|
| National governments and customers | Close dialogue with national governments is a natural part of our operations and our projects often involve regular dialogue. This dialogue is usually conducted by our project development team or community liaisons. | The main concern of governments in host countries, that will often also be our customers, is local impacts and value creation , which usually include the economic value of the projects, increased access to energy, the potential for direct and indirect job creation. | Refer to chapter 3 |
| Local government and communities | A social impact assessment is conducted in planning all projects and based on this assessment, a plan for stakeholder engagement is developed. Scatec Solar emphasises continuous dialogue with local and regional communities to manage and meet expectations. A dedicated community liaison officer (CLO) is appointed in all our locations. | The main concern of local governments and communities is also local impacts and value creation, specifically job creation, local content, and education/training. | Refer to chapter 3 |
| Co-investors and partners | A detailed dialogue regarding expectations is the starting point for all partnerships, and is detailed in our agreements. Depending on the partnership, we maintain a close dialogue with our partners. | Co-investors and partners are concerned that we be a trustworthy business partner who applies international best-practice standards such as the IFC's Performance Standards and the Equator Principles to manage environmental and social impacts. Investors with a specific impact-investment focus are also concerned with the local value creation, and with promotion of green energy. Some of our partners are also concerned with our ability to promote Norwegian exports | Refer to chapters 2 and 3 |
| Financing partners | Financing partners are mainly engaged prior to providing capital, and often have very specific requirements regarding how environmental, social, and governance factors are assessed and managed. | Financing partners also focus on our business conduct and on our efforts to ensure that we are a trustworthy business partner. Local financiers and financiers with an impact focus are also concerned with our local impact and value creation regarding, for example, access to energy and job creation. | Refer to chapters 2 and 3 |
| Shareholders | Existing and potential shareholders are engaged on a regular basis and often express their concerns and expectations directly to top management. | Shareholders are concerned with the ability to create value in the short and longer terms and with governance aspects such as anti-corruption and being a trustworthy business partner. | Refer to chapter 2 |
| Employees | Our employees make up our company and who we are. | Many of our employees are proud of our social and environmental impact through promoting renewable energy and our ability to demonstrate local value creation. Employees are also concerned about own working conditions, health and safety, and about opportunities to develop competencies and their career paths. | Refer to chapters 1, 2 and 3 |
| Contractors | Contractors concerns are heard as part of the project they are involved with and our contractors are considered as if they were our own employees when on our sites. | Contractors that work on our projects are concerned with their working conditions, fair wages, health and safety and opportunities to develop competencies. | Refer to chapter 2 |

| STAKEHOLDER GROUP | ENGAGEMENT (102-43) | KEY CONCERNS (102-44 I) | RESPONSE (102-44 II) |
|-------------------------------------|--|---|---------------------------|
| Norwegian government and regulators | The Norwegian government is engaged through the various institutions that are interested in our efforts in Norway and in other countries. | The Norwegian government regulates our efforts and is also interested in supporting the positive impacts of our efforts in Norway and abroad. | Refer to chapters 1 and 3 |
| Suppliers | Supplier visits are undertaken each year to monitor and establish a platform for good dialogue and feedback. | Our suppliers are concerned with fair pricing, working conditions, and health and safety. | Refer to chapter 2 |
| NGOs | NGOs that represent local communities are engaged through each phase of the project. Environmental NGOs in Norway are engaged through collaboration with regard to promoting renewable energy. | NGOs in the local communities are concerned with our ability to create local value. Norwegian environmental NGOs support us in our efforts to promote renewable energy. | Refer to chapters 1 and 3 |

2 Definition of topics in materiality matrix

Promoting and financing solar energy

Promoting solar energy: Take on a role to promote solar energy and contribute to the reduction of greenhouse gas emissions. Share knowledge and experiences of the benefits of renewable energy in dialogue with policy makers, local authorities, investors and other partners.

Climate risk and opportunities: Identify, evaluate and respond to potential climate-related risks and opportunities to our people, business and physical assets

Innovative and green finance solutions: Explore and leverage on innovative ways to raise capital such as carbon and climate finance.

Environmental Governance

Biodiversity: Avoid and minimize negative impacts on biodiversity (ecosystems, plants, animals) and ensure that this is sustainably managed and conserved for future generations

Water management: Promote responsible and efficient use of water in sourcing of materials, construction and operations

Waste management: Prevent or minimize the impact of waste

Greenhouse gas (GHG) emissions: Report on our company's greenhouse gas emissions to establish an overview of our own emissions and how to potentially reduce them

End-of-life management: Ensure that our solar energy systems can be reused, recycled or disposed safely through designing recyclable modules, implementing take-back systems etc.

Social Governance

Land resettlement: Avoid involuntary resettlement wherever possible and minimize the impact on individuals displaced through mitigation measures such as fair compensation and improvements to living conditions.

Stakeholder engagement: Interact with and influence project stakeholders to the overall benefit of the project and its advocates through consultation, communication, negotiation, compromise, and relationship building

Human rights: Respect human rights and recognize our responsibility of avoiding the infringement of rights of local communities or other stakeholders wherever the company operates

Local job creation and training: Contribute to local job creation and skills transfer to the communities where we operate

Local development programs: Implement community development programmes in the local communities where we have operations addressing local needs and social challenges

Community engagement: Ongoing communication in communities about the project and potential impacts, manage expectations and ensure local support and understanding of our projects

Anti-corruption

Ensure continuous focus on a zero-tolerance approach to bribery and corruption and strive for high standards of business ethics.

Responsible procurement

Select suppliers based on relevant sustainability criteria including high environmental standards and performance, strong social performance (related to e.g. health and safety and working conditions and respect for human rights) and strong scores on transparency and anti-corruption.

Health, Safety, Security and Environment (HSSE)

Health, safety and environment: Continuously work for zero harm to personnel, materials and the environment

Labour conditions (employees): Ensure fair working hours, wages and physical conditions for all employees working on site

Labour conditions (contractors): Ensure fair working hours, wages and physical conditions for all contractors' employees working on site

Contractor safety and monitoring: Define and communicate our health and safety standards to contractors and monitor their performance

Security and emergency preparedness: Prepare for and be able to respond to emergencies and minimize all consequential impacts/losses

Our people

Talent attraction and retention: Have systems in place to attract new talents and retain existing talent

Human capital development: Develop human capital (knowledge, skills and abilities) in our organization through relevant training and education

Diversity and equal opportunity: Provide equal opportunities and value diversity of people (gender, cultural background and age)

Freedom of association & collective bargaining: Support the right of workers to organize unions and associations to pursue their interests and take collective action

3 Greenhouse gas emissions methodology

Scatec Solar uses The GHG Protocol - Corporate Accounting and Reporting Standard to calculate its emissions. Direct greenhouse gas emissions reported under Scope 1 include those resulting from onsite backup generators, Scatec Solar vehicles and other maintenance activities. Emissions factors for fuels are from the UK Government's Conversion Factors for greenhouse gas reporting, 2018. Indirect emissions reported under Scope 2, are reported for offices and onsite maintenance facilities, with emissions factors from the IEA's statistics with a 3 year rolling average from 2014-2016, CO₂ Emissions from Fuel Combustion 2018 edition. Scope 2 emissions are reported using both the market-based and location-based method. Scatec Solar does not purchase any guarantees of origin (GoO). Scope 3 emissions are currently reported for business related flights using an average factor from the UK government conversion factor list.

4 Entities included in the consolidated financial statements

Refer to the Annual Report 2018 for a complete list of all the entities included in the organisation's consolidated financial statements.

5 Information on employees and other workers

See tables on next page for information on employees and other workers.

| | MEN | WOMEN | TOTAL |
|----------------------|-----|-------|-------|
| Permanent employment | 164 | 82 | 246 |
| Temporary employment | 148 | 35 | 183 |

Temporary employment=Short term + consultants

| | EUROPE | AFRICA | LATIN AMERICA | MENA | ASIA | TOTAL |
|----------------------|--------|--------|---------------|------|------|-------|
| Permanent employment | 90 | 91 | 30 | 13 | 22 | 246 |
| Temporary employment | 55 | 36 | 29 | 43 | 20 | 183 |

Temporary employment=Short term + consultants

| | MEN | WOMEN | TOTAL |
|-----------|-----|-------|-------|
| Full time | 305 | 114 | 419 |
| Part time | 7 | 2 | 9 |
| Total | 312 | 116 | 428 |

Turnover

| AGE | TURNOVER 2018 % |
|---------|-----------------|
| 18 - 29 | 2.8 |
| 30 - 49 | 12.6 |
| 50 - 70 | 20.4 |

| GENDER | TURNOVER 2018 % |
|--------|-----------------|
| Male | 10.1 |
| Female | 15.2 |