



Human Rights Assessment

BECCS

# Introduction

Stockholm Exergi has conducted a Human Rights Assessment (HRA) for the BECCS project, ensuring compliance with Equator Principles 4 (EP4), specifically Principles 2 and 10.

This process included a comprehensive assessment of human rights risks across the entire value chain. Mitigation measures, such as supplier due diligence and a Supplier Code of Conduct, have been established, with residual risks carefully evaluated. In line with EP4 requirements, the HRA findings will be disclosed publicly to demonstrate our commitment to transparency and responsible project development.

# The approach

The HRA has been conducted ensuring compliance with Equator Principles 4 (EP4), specifically Principles 2 and 10. The HRA has been based on the minimum safeguard requirements in the EU Taxonomy, covering OECD Guidelines for multinational enterprises, UN Guiding Principles on Business and Human Rights (UNGPs), International Labour Organisation's (ILO's) core conventions, The declaration on Fundamental Principles and the International Bill of Human Rights.










In the assessment we have considered that our own operation is in Sweden, where we work under collective bargaining agreements and have a high degree of social security. This results in low risks for our own workforce. The risk for contractors and subcontractors, as well as workers in the value chain is considered higher.

# Risk mangagement and governece









This part describes the process of our risk mangagement and governance.

- We screen our suppliers through for sanctions and adverse media, and suppliers accept our Code of conduct for suppliers.
- Stockholm Exergi provide training depending of the category of the suppliers. Our training is mainly about our sustainability policy and requirements related to bribery and corruption.
- Our workforce has to complete a digital training on bribery and corruption.
- The purchasing department has to attend an advanced training on bribery and corruption.
- The workforce in Stockholm Exergi and first tier suppliers has to complete our health and safety training that also contains human right perspectives.




# HR Risk Assessment - Social

Risk	Evaluation	Comment
1. Corruption and bribery		Not a considerable risk due to Stockholm Exergi's compliance system
2. Whistle-blowers		Stockholm Exergi's whistle blower system provides the possibility of detecting risks in the project upstream, downstream and internally.
3. Decent employment terms		General problem in the forestry and construction sectors (imported labor). Swedish staff is covered by collective agreements. The supplier code of conduct claims decent employment terms. Third-party review is conducted.
4. Freedom of association and the right to collective bargaining		General problem in the forestry and construction sectors (imported labor). Swedish staff is covered by collective agreements. The supplier code of conduct claims freedom of association and the right to collective bargaining. Third-party review is conducted.
5. Forced labor		General problem in the forest industry and construction sector (imported labor). Challenges in shipping. There is a work environment plan that sets out rules for access to the workplace. SSG, onsite ID control cover those who are in the workplace, a BAS-U responsibility. The supplier code of conduct covers forced labor.
6. Wages and benefits		Problems in the forestry and construction sectors (imported labor). Swedish staff is covered by collective agreements. The supplier code of conduct covers wages and benefits.
7. Work hours	 	Problems in the forestry and construction sectors (imported labor). Can follow up with SSG to see when those who work check in and check out and who register in the system.
8. Young workers (aged 15-18)		ID documents are checked before workers at site get a pass to ensure that they are 18 or older. Low risk.

# HR Risk Assessment - Social

Risk	Evaluation	Comment
9. Child labour		ID documents checked before workers at site get a pass to ensure that they are 18 or older. Low risk.
10. Anti-discrimination		Discrimination is a general risk in construction, shipping, forestry and potentially CO2 storage. SE takes measures to handle this question internally. Supplier code of conducts and zero tolerance policy.
11. Harassment		Harassment is a general risk in construction, shipping, forestry and potentially CO2 storage. SE takes measures to handle this question internally. Managed by the supplier code of conduct and process for supplier evaluation in the value chain.
12. Diversity and equality		Lack of diversity and equity is a risk in construction, shipping and forestry. SE takes measures to handle this question internally.
13. Health and safety		BECCS pose greater risks than SE's normal project due to its size. Managed by occupational H&S management systems, code of conduct, training and safety walks.
14. Alcohol and drug abuse		Problem area in ship loading. Specific proposals for BECCS projects to carry out alcohol and drug tests and random checks. Planned and budgeted.
15. Minority rights in the supply chain		Important to be vigilant depending on the geographical location of the value chain. Small risk, establish process together with purchasing and legal in BECCs
16. Right to an adequate standard of living		Stockholm Exergi has requirements in the sustainability policy that at site workers should be paid reasonably to be able to live in the place where they operate. Not a considerable risk.

# HR Risk Assessment - Environmental

Risk	Evaluation	Comment
17. Emissions to soil		Emissions to soil is not a major risk in the BECCS project due to that the type of operation does not cause considerable soil contamination
18. Use of natural resources		The use of natural resources in not a major risk due to our control system when purchasing fuel
19. Waste		SE has a system to handle hazardous waste in own operation and downstream. No considerable risk of hazardous waste upstream.

# Summary

In industries such as construction, shipping, forestry, and CO<sub>2</sub> storage, challenges like discrimination, harassment, and lack of diversity pose significant risks and therefore these risks are evaluated as medium-risk (yellow) .

Stockholm Exergi actively addresses these issues through robust internal measures, including a Code of conduct for suppliers, a zero-tolerance policy, and rigorous supplier evaluations.

The BECCS project, being larger in scale entail heightened risks. Risks will be mitigated through environmental and occupational health and safety systems, employee training, and proactive safety measures such as unannounced alcohol and drug tests. Stockholm Exergi prioritizes ethical practices and a safe working environment throughout its value chain.