

# Solar Stewardship Initiative Code of Conduct



# Foreword

The European solar industry is unwavering in its commitment to enhancing responsible Environmental, Social, and Governance (ESG) performance across the sector. The European solar sector's core values are built around environmental values and respect for human rights, which must be reflected at all steps of our supply chain. Alignment with these principles is fundamental to the long-term success and viability of any business operating in today's global economy.

The European solar industry is similarly dedicated to accelerating the clean energy transition and delivering real and rapid solutions to the immediate climate and energy crises. Solar is a reliable, sustainable, and renewable source of energy, key to fighting climate change, empowering citizens, and improving energy security.

Today, solar is growing exponentially, and according to the IEA is expected to be the main electricity source in Europe by 2050, fostering green economic development across the continent. With growth, the impact that we can make in the value chain increases. Reinforcing a responsible, transparent, and sustainable solar value chain is central to delivering this transition.

SolarPower Europe and Solar Energy UK have come together to create the Solar Stewardship Initiative (SSI or the Initiative). This puts into action the solar

industry's strong belief that industry-driven requirements can bring about real change, while creating the framework of economic incentives that are essential to achieving a truly sustainable supply chain.

The Initiative is being designed to further enhance supply chain transparency and strengthen confidence in how, where, and by whom products are manufactured. It will work to establish and access verifiable information on current levels of transparency and seek to ensure that solar products entering the European value chain align with responsible ESG practices.

The SSI is the logical next step to SolarPower Europe's Solar Sustainability Best Practices Benchmark and Solar Energy UK's Responsible Sourcing Guidance. Both provide a strong foundation to keep driving the highest ESG standards across the full value chain. Through the SSI, the sector is striving to establish the right mechanisms to increase traceability of solar products, components, and raw materials. An industry-led programme, like the SSI, remains the most effective approach to enhancing transparency and sustainability in our supply chains, while building trust and product stewardship.

The SSI has been developed considering existing Environmental standards, certifications and

programmes, including ISO 14001:2015 Environmental Management systems,

ISO 14044:2006 Life cycle assessment and the World Resource Institute/WBCSD Greenhouse Gas Protocol. The Initiative is also aligned with the main international human rights and social responsibility standards, such as the ILO Declaration on Fundamental Principles and Rights at Work, UN Global Compact, OECD Due Diligence Guidance for Responsible Mineral Supply Chains, and UN Guiding Principles on Business and Human Rights.

In parallel, the development of the SSI has taken into account the views of relevant stakeholders such as national and European policymakers, international financial institutions, human rights experts, and environmental and human rights NGOs. As the Initiative evolves, it will remain committed to continuing this essential engagement. More information can be found at: [www.solarstewardshipinitiative.org](http://www.solarstewardshipinitiative.org)

# Principles and Commitment

This Code of Conduct is founded on internationally recognised standards and guidelines, including the United Nations Guiding Principles on Business and Human Rights, United Nations Global Compact, OECD Due Diligence Guidance for Responsible Business Conduct, and International Labour Organisation (ILO) Conventions, to form a robust document relevant to the solar supply chain.

All Entities that design, manufacture, or provide goods and services to the solar industry may voluntarily adopt this Code of Conduct, Entities shall:

- Understand that society and business are best served by responsible business behaviours and practices;
- Commit to, at a minimum, operating in full compliance with all applicable laws, rules and regulations;
- Either commit to undergoing due diligence audits and/or other due diligence requests from their clients, work towards providing transparency about the upstream Supply chain or share existing and equivalent documentation and work towards carrying out due diligence themselves of their supply chains to cascade the principles and criteria of this Code of

Conduct to further tiers in the solar Supply chain.

- Commit to work towards traceability with a view to establish a Chain of Custody system as outlined in the Solar Stewardship Initiative's roadmap;
- Upon client request, commit to provide evidence of the implementation of the Solar Stewardship Initiative Code of Conduct or an equivalent standard by accepting independent assessments and audits; understand the Code of Conduct is best implemented through a continual improvement approach that advances supplier performance over time.

This Code of Conduct is divided into three sections: the Environment; Human and Labour Rights; Governance and Business Ethics. By adopting this Code of Conduct, Entities are demonstrating a commitment to ethical and transparent practices in each area.

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# 1. Environment

## 1.1 Environmental compliance and impact

**a.** The Entity as a minimum must meet the requirements of local and national laws related to environmental standards.

**b.** The Entity shall be aware of and comply with their end client's environmental requirements.

**c.** The Entity shall demonstrate that they have the relevant valid permits including for use and disposal of resources. This shall include emissions to air, discharges to water, water usage, assessment and management of spills and leakage, hazardous and non-hazardous waste management, and biodiversity.

**d.** The Entity shall develop and maintain an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers. The Entity shall have senior management endorse, support through provision of resources and regularly review the environmental policy.

**e.** The Entity shall identify and assess significant environmental impact of their site operations and processes. The Entity shall establish action plans to minimise any actual or potential adverse impacts on humans or the environment in accordance with the mitigation hierarchy.

**f.** The Entity shall measure the impacts of its business activities, including continuous recording and regular reviews of use and discharge of natural resources, including emissions to air, discharges to water, water usage, assessment and management of spills and leakage, hazardous and non-hazardous waste management, and biodiversity.

**g.** The Entity shall make continuous improvements in their environmental performance and secures the provision of resources to implement them.

**h.** The Entity should have a nominated individual responsible for co-ordinating the Entity's efforts to improve environmental performance.

## 1.2 Greenhouse gas (GHG) emissions and climate change

**a.** GHG emissions data collection and disclosure

The Entity shall collect and account for Greenhouse Gas (GHG) Scope 1 and Scope 2 emissions according to a recognised standard, such as WRI/WBCSD Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and shall make this information available upon customer request. The Entity shall work towards accounting for material sources of indirect GHG Scope 3 emissions.

**b.** GHG emissions reduction

The Entity shall establish time-bound greenhouse gas emissions reduction targets and implement a plan to achieve these targets. The targets shall cover the material sources of Direct and Indirect Greenhouse gas emissions.



# Human and Labour Rights

## 2.1 Respect Human Rights

The Entity shall respect Human Rights and observe the UN Guiding Principles on Business and Human Rights, complying with the requirements of Applicable Law related to Human Rights standards, including as a minimum:

- a. By developing a policy commitment to respect Human Rights which is communicated to all appropriate parties, including its own suppliers. The Entity shall have senior management endorse, support through provision of resources and regularly review the Human Rights policy.
- b. By undertaking a Human Rights Due Diligence process that seeks to identify, prevent, mitigate, and account for how it addresses its actual and potential impacts on Human Rights and those of its business relationship, including its Supply chain aligned to the scope of this Initiative.
- c. Where the Entity identifies as having caused or contributed to adverse Human Rights impacts, it shall provide for or cooperate in their remediation through legitimate processes.

## 2.2 Freely chosen employment

The Entity shall neither engage in nor support the use of forced or compulsory

labour as defined in ILO Conventions C105, C29, and Protocol P29 (2014) to this Convention.

All Workers employed by the Entity have chosen the employment voluntarily, fully understanding the terms and conditions of employment. Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable period of notice.

As part of the hiring process, Workers must be provided with a written employment agreement that contains a description of the terms and conditions of employment in a language they can understand. For Migrant Workers the written agreement must be in their native language and be provided prior to the worker departing from his or her country of origin.

There shall be no substitution or change(s) in the employment agreement between departure and arrival in the receiving country unless these changes are made to meet local law and provide equal or better terms.

If the offer of employment includes a probationary period, it must be set in accordance with national and local laws, and in the absence of local law must not exceed 3 months. In the case of operators, the probationary period must never exceed 3 months.

Furthermore, the Entity shall not:

- a.** Engage in or support Human Trafficking either directly or through any employment or recruitment agencies.
- b.** Require any form of deposit, recruitment fee or equipment advance from Workers either directly or through employment or recruitment agencies.
- c.** Require Migrant Workers to lodge deposits or security payments at any time. The Entity is responsible for payment of all fees and expenses for Migrant workers (including domestic migrants) associated with joining the Entity or its sites that would have the effect of bonding the Worker.
- d.** Require workers (including Migrant Workers) to lodge deposits or security payments at any time.
- e.** Hold Workers in Debt Bondage or force them to work in order to pay off a debt.
- f.** Unreasonably restrict the freedom of movement of Workers in the workplace or in onsite housing.
- g.** Retain originals of Workers' identity papers, work permits, travel documents or training certificates.
- h.** Deny Workers the freedom to terminate their employment at any time without penalty, given notice of reasonable length.

### **2.3 Child Labour and Young Workers**

The Entity shall neither use nor support the use of Child Labour as defined in ILO Conventions C138, C182, and ILO Recommendation 190 and shall comply with related national and international law:

- a.** A basic minimum working age of 15 years.
- b.** Not engaging in or supporting Hazardous Child Labour.
- c.** Not engaging in or supporting Worst Forms of Child Labour.

### **2.4 Freedom of Association and Collective Bargaining**

- a.** The Entity shall respect the rights of Workers to associate freely in Labour Unions, seek representation and join Workers' councils without interference, in line with the ILO Conventions C87 and C98.
- b.** The Entity shall respect the rights of Workers to collective bargaining, participate in any collective bargaining process in good faith, and adhere to collective bargaining agreements where such agreements exist.
- c.** Entities that operate in countries where applicable law restricts the right to freedom of association and collective bargaining, shall support alternative means of association for Workers that are permitted under applicable law and shall not hinder the development of parallel means for independent and free association and bargaining.

## **2.5 Non-discrimination**

There shall be no Discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, political affiliation, union membership, or regional or tribal origin, per ILO Conventions C100, C111, and C181. Fair treatment.

**a.** The Entity shall not tolerate any mistreatment of a Worker by another Worker, employee and/or manager, which may include verbal, psychological, sexual or physical bullying and harassment, or any behaviour which disrupts or interferes with another's work performance or that creates an intimidating, offensive or hostile work environment.

**b.** The Entity shall prohibit all forms of corporal punishment and protect personnel from any type of abuse (mental or physical coercion and verbal abuse) or inhumane treatment in the workplace.

## **2.6 Regular employment**

All work performed on the Entity's site must be on the basis of a recognised employment relationship established through national law and practice.

## **2.7 Ethical recruitment**

No recruitment fees or related costs shall be borne by Workers. The Entity shall not require to any Worker any

deposit or charge for specific material or equipment provided for the job duty (such as protective equipment, uniforms, etc.). It is forbidden to request any Worker to repay training fees directly related to internal training conducted on The Entity's premises, on departure from the Entity's site.

## **2.8 Wages, benefits and working hours**

The Entity shall:

**a.** Respect the rights of Workers to a living wage and ensure that wages paid for a normal working week shall always meet at least a legal or industry minimum standard and shall be sufficient to meet the basic needs of Workers and to provide some discretionary income.

**b.** Make wage payments that are timely, in legal tender and fully documented. All workers must receive an itemized pay slip for every pay period, showing the basis on which they are paid.

**c.** Comply with Applicable Law and industry standards on Working Time (including Overtime working hours), public holidays and paid annual leave. Overtime must be paid and voluntary and consistent with applicable national and international standards.

## **2.9 Occupational Health and Safety (Worker's Protection)**

Occupational Health and Safety Policy

**a.** The Entity shall implement, communicate and regularly review an Occupational Health and Safety Policy that senior management has endorsed and supports through provision of resources.

- Apply the Policy to all Workers and Visitors present in any area or activities under the Entity's control.

- Include in the Policy a commitment to comply with Applicable Law on Workers' health and safety, international standards, and ILO Conventions on Occupational Health and Safety including where relevant ILO Conventions 155 and 1761.

#### Occupational Health and Safety Management System

**b.** The Entity shall have a documented Occupational Health and Safety Management System that is conformant with applicable national and international standards.

**c.** The Entity shall conduct a health and safety risk assessment and site inspections on a regular basis and implement actions to minimize risks / hazards found.

**d.** Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.

#### Hazardous materials handling and waste management

**e.** Hazardous chemicals/materials are controlled, stored, used and disposed of according to applicable law requirements, any hazards and risks are minimized to Workers and controlled by the Entity's health and safety management system.

The site is safe and hygienic.

**f.** A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

**g.** Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.

**h.** Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.

### **2.11 Fire safety, Emergency preparedness and response**

**a.** The Entity shall identify and assess emergency situations in the workplace and any company provided living quarters, and to prevent them by implementing appropriate plans and response procedures.

**b.** The Entity shall have site specific emergency response plans developed in collaboration with potentially affected stakeholder groups such as communities, Workers and their representatives, and relevant agencies.

## 3. Governance and Business Ethics

### 3.1 Anti-Corruption and Bribery

All forms of bribery, corruption, extortion and embezzlement shall be formally prohibited. Entities shall not pay or accept bribes or participate in other illegal inducements in business or government relationships, or through the use of intermediaries. Entities shall ensure they have adequate systems, including risk assessment, training and internal monitoring, in place to prevent bribery and comply with Applicable Law.

### 3.2 Responsible sourcing

The Entity shall implement a Responsible Sourcing Policy, aligned to the social, environmental and governance principles and criteria identified by this Code of Conduct and communicate, and raise awareness of these principles amongst its supply chain partners.

### 3.3 Sourcing from Conflict-Affected and High-Risk Areas

**a)** The Entity shall not contribute to Human Rights abuses in High-Risk Areas in line with Guidance on Due diligence for EU businesses to address the risks of forced labour in their operations and supply chains: OECD Due Diligence Guidance for Responsible Supply Chains

of Minerals from Conflict-Affected and High-Risk Areas and/or the United Nations Global Compact Guidance on Responsible Business in Conflict-Affected and High-Risk Areas 13. The Entity shall not contribute to environmental adverse impacts through their operations and supply chains.

**b)** The Entity shall establish due diligence policies and procedures to demonstrate the Entity's commitment to avoid direct or indirect contribution to Human Rights abuses and environmental adverse impacts. The due diligence policies and procedures shall be regularly reviewed commensurate to risk.

**c)** The Entity shall identify and assess actual and potential risks related to forced labour and Human Rights abuses and environmental adverse impacts in the Supply chain.

**d)** The Entity shall provide training to relevant employees (e.g., purchasing team) on due diligence procedures.

**e)** The Entity shall develop and adopt a binding, time-bound and measurable plan with suppliers or other business partners to credibly obtain and verify information on origin. If after implementing the plan, the origin is still unknown or declared as coming from a high-risk area, assess whether independent access to worksite and workers to collect information and carry out work-place assessments is feasible. If not feasible, direct suppliers should consider to source materials from

commodity traders outside of the high-risk area.

**f)** The Entity shall seek to address these risks in a manner commensurate with the company's control or influence over the suppliers of these goods and services, following common practices and international guidelines, including the Guidance on Due diligence for EU businesses to address the risks of forced labour in their operations and supply chains. Remediation and / or responsible disengagement shall follow international best practices.

# References

In developing the Code of Conduct, the below international initiatives, best practices, standards, and guidance were consulted.

Aluminium Stewardship Initiative, ASI Chain of Custody (CoC) Standard V2 – Guidance, December 2017

Aluminium Stewardship Initiative, ASI Performance Standard, V2 December 2017

Bettercoal, Bettercoal Code 2.0, January 2021

CNV International, Core Labour Rights

EU Ecodesign directive

European Standards, CSN EN 19694 Stationary source emissions - Greenhouse Gas (GHG) emissions in energy-intensive industries - Part 2: Iron and steel industry  
Dhaka Principles for Migration with Dignity, 2017

GHG Protocol and Science Based Targets (SBT) Initiative

Guidance on Due diligence for EU businesses to address the risks of forced labour in their operations and supply chains

ICMM Performance Expectations and Position Statements

ILO Convention 29 (Forced Labour)

ILO Convention 87 (Freedom of Association)

ILO Convention 98 (Right to Organise and Collective Bargaining)

ILO Convention 100 (Equal Remuneration)

ILO Convention 105 (Abolition of Forced Labour)

ILO Convention 111 (Discrimination – Employment and Occupation)

ILO Convention 138 (Minimum Age)

ILO Convention 155 (Occupational Health and Safety)

ILO Convention 176 (Safety and Health in Mines)

ILO Convention 182 (Worst Forms of Child Labour)

ILO Protocol 29 - Protocol of 2014 to the Forced Labour Convention, 1930

ILO Recommendation 35 (Forced Labour – Indirect Compulsion)

ILO Recommendation 90 (Equal Remuneration)

ILO Recommendation 111 (Discrimination – Employment and Occupation)

ILO Recommendation 146 (Minimum Age)

ILO Recommendation 164 (Occupational Health and Safety)

ILO Recommendation 190 (Worst Forms of Child Labour)

International Financial Corporation (IFC) Performance Standard 1 – Guidance Note

International Labour Organisation's Tripartite Declaration of Principles



concerning Multinational Enterprises and Social Policy

IRMA Chain of Custody Standard for Responsibly Mined Materials (draft published for consultation)

IRMA Standard for Responsible Mining

ISO 14001:2015 Environmental management systems – Requirements with guidance for use

ISO 14044:2006 Environmental management – Life cycle assessment – Requirements and guidelines

ISO 14064-1:2006 Greenhouse gases – Part 1

ISO 22095:2020(E) Chain of custody - General terminology and models

ISO 26000:2010 Guidance on social responsibility

ISO 37001: Anti-bribery management systems

ISO 45001:2018 Occupational health and safety management systems – Requirements with guidance for use

ISO/IWA 19 (Guidance principles for the sustainable management of secondary metals)

ITA Code of Conduct

OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas

OECD Guidelines for Multinational Enterprises 2011

Responsible Mines, CRAFT Code, July 2018

Sarbanes-Oxley (Sox) Act of 2002

Sedex Members Ethical Trade Audit (SMETA) Best Practice Guidance

SEIA Solar Supply Chain Traceability Protocol

STMicroelectronics NV, ST Corporate Labour and Human Rights Procedure, September 2020

The Commodity Trading Sector. Guidance on Implementing the UN Guiding Principles on Business and Human Rights

U.S. Environmental Protection Agency - Life Cycle Assessment: Principles and Practice International Reference Life Cycle Data System (ILCD) handbook

United Nations Global Compact Principle 10: Anti-Corruption

United Nations Global Compact Guidance on Responsible Business in Conflict-Affected and High-Risk Areas: A Resource for Companies and Investors

United Nations Convention Against Corruption

United Nations Convention on the Rights of the Child

United Nations Guiding Principles on Business and Human Rights

United Nations Universal Declaration of Human Rights

# Glossary

## Applicable law

The relevant international and/or national and/or state and/or local laws of the country or countries where the Entity operates. This may include, but is not restricted to, acts, regulations and statutory policies. Where a conflict arises between Applicable Law and the requirements of the Solar Stewardship Initiative, the Entity should comply with the higher standard except where this would result in a violation of Applicable Law. (Adapted from Responsible Jewellery Council – Code of Practices 2013)

## Bribery

The offering, promising, giving, accepting or soliciting of an advantage as an inducement for an action which is illegal, unethical or a breach of trust. Inducements can take the form of gifts, loans, fees, rewards or other advantages (taxes, services, donations, favours etc.). (Adapted from Transparency International Anti-Corruption Glossary)

## Child Labour

Work that deprives children of their childhood, their potential and their dignity, and that is harmful to their social, physical and mental development. It refers to work that is mentally, physically, socially or morally dangerous and harmful to children, and interferes with their school 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. (Adapted from International Labour Organisation – What is Child Labour)

## Hazardous Child Labour

is work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children (ILO Convention 182). ILO Recommendation 190 notes the following should be considered when determining whether work is Hazardous Child Labour:

- (a) Work which exposes children to physical, psychological or sexual abuse;
- (b) Work underground, under water, at dangerous heights or in confined spaces;
- (c) Work with dangerous machinery, equipment and tools, or which involves the manual handling or transport of heavy loads;
- (d) Work in an unhealthy environment which may, for example, expose children to hazardous substances, agents or processes, or to temperatures, noise levels, or vibrations damaging to their health;
- (e) Work under particularly difficult conditions such as work for long hours or during the night or work where the child is unreasonably confined to the premises of the employer.

**Worst Forms of Child Labour** is defined under ILO Convention 182 as:

- (a) All forms of slavery – including the trafficking of children, debt bondage, forced and compulsory labour, and the use of children in armed conflict.
- (b) The use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic purposes.
- (c) The use, procuring or offering of a child for illicit activities, in particular the production and trafficking of drugs.
- (d) Work which is likely to harm the health, safety or morals of the child as a consequence of its nature or the circumstances under which it is carried out.

**Code of Conduct** Statement of principles and values that establishes a set of expectations and standards for how an organisation will behave, including minimal levels of compliance and disciplinary

actions for the organisation, its staff and other personnel (Adapted from Transparency International Anti-Corruption)

### **Collective Bargaining**

A process through which employers (or their organisations) and workers' associations (or in their absence, freely designated workers' representatives) negotiate terms and conditions of work. (Adapted from ILO/IFC Better Work –Guidance Sheet – Freedom of Association)

### **Compliance (with Applicable Law)**

Refers to the procedures, systems or departments within organisations that ensure all legal, operational and financial activities are in conformity with current laws, rules, norms, regulations, standards and public expectations. (Adapted from Transparency International Anti-Corruption Glossary)

### **Conflict-Affected and High-Risk Areas**

Areas identified by the presence of armed conflict, widespread violence, including violence generated by criminal networks, or other risks of serious and widespread harm to people. Armed conflict may take a variety of forms, such as a conflict of international or non-international character, which may involve two or more states, or may consist of wars of liberation, or insurgencies, or civil wars. High-risk areas are those where there is a high risk of conflict or of widespread or serious abuses as defined in paragraph 1 of Annex II of the OECD Due Diligence Guidance. These are: any forms of torture, cruel, inhuman and degrading treatment; any forms of forced or compulsory labour; the worst forms of Child Labour; other gross Human Rights violations and abuses such as widespread sexual violence; or war crimes or other serious violations of international humanitarian law, crimes against humanity or genocide. Such areas are often

characterised by political instability or repression, institutional weakness, insecurity, collapse of civil infrastructure, widespread violence and violations of national or international law. (Adapted from OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, 3rd ed 2016)

### **Corruption**

The abuse of entrusted power for private gain. Corruption can be classified as grand, petty and political, depending on the amounts of money lost and the sector where it occurs. (Adapted from Transparency International Anti-Corruption Glossary)

### **Discrimination**

Where people are treated differently because of certain characteristics – such as race, ethnicity, caste, national origin, disability, gender, sexual orientation, union membership, political affiliation, marital status, pregnancy status, physical appearance, HIV status or age or any other applicable prohibited basis – which results in the impairment of equality of opportunity and treatment. (Adapted from ILO/IFC Better Work – Guidance Sheet – Discrimination)

### **Debt bondage**

Where work or service is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily. (ILO – Forced Labour Convention, 1930 (No. 29))

### **Due Diligence**

An ongoing, proactive and reactive process through which companies can identify and assess risks, and design and implement a

strategy to respond to identified risks. (Adapted from OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas). See also Human Rights Due Diligence.

### **Embezzlement**

Where a person or entity misappropriates the assets entrusted to them.

### **Emissions to air**

Air emissions that are regulated under international conventions and/or national laws or regulations, including those listed on environmental permits for the Entity's operations. (Adapted from Global Reporting Initiative – GFI G4 Implementation Manual, 2013, p252)

### **End Client**

End Client refers to Corporate Buyers and Solar Developers in the solar supply chain. Typically, these are the requestors of an ethical social audit.

### **Entity**

The facility at which the audit is being executed.

### **Extortion**

Act of utilising, either directly or indirectly, one's access to a position of power or knowledge to demand unmerited cooperation or compensation as a result of coercive threats. (Adapted from Transparency International Anti-Corruption Glossary)

### **Forced Labour**

All work or service which is exacted from any person under the menace of any penalty and for which the said person had not offered himself voluntarily. This includes any work or service that is demanded as a means of repayment of debt. (Adapted from ILO/IFC Better Work – Guidance Sheet – Forced Labour)

### **Free, Prior, and Informed Consent**

Given the diversity of indigenous peoples' histories and contemporary realities, as well as their broad range of institutions and decision-making practices, a one-size-fits-all formulation of FPIC is not possible. As has been elaborated on by UN bodies addressing Indigenous peoples' rights, there are a number of overarching principles which are embodied in the four component parts of the requirement for FPIC.

- "Free" implies consent is sought in the absence of any actual or perceived coercion, intimidation or manipulation and indigenous peoples can determine the format of the consultations. Free also reflects the fact that participating in consultations aimed at obtaining their FPIC is a self-determination right of indigenous peoples, rather than an obligation which they must meet.
- "Prior" implies consent is sought sufficiently in advance of any decisions or actions which may impact on indigenous peoples' enjoyment of their rights and that indigenous peoples have the time they need to make their decisions in accordance with their own processes and through their own freely chosen representatives and institutions.
- "Informed" implies that there is full disclosure of all the information indigenous peoples need in order to meaningfully assess the potential risks and benefits of the project (including its location, duration,

scope, impacts, benefits and/or partnership models). This information must be provided in a format understandable to, and through a process agreed by, the concerned indigenous peoples. This may involve participation in, or indigenous conduct of, impact assessments, access to funding for independent technical and legal advice, and negotiations in relation to benefits.

- "Consent" implies respect by all parties, irrespective of the outcome, for the freely taken informed autonomous decision of indigenous peoples. This decision should be the outcome of good faith rights-based consultations and cooperation with the concerned indigenous peoples. It should be taken by them in accordance with procedures and timeframes of their own choosing and be premised on indigenous rights-based principles of self-determination, inclusivity, consensus, harmony and intergenerational well-being. (Adapted from Mining, the Aluminium Industry and Indigenous Peoples, 2015)

### **Freedom of Association**

The right of all workers, without distinction whatsoever, to establish and, subject only to the rules of the organisation concerned, to join organisations of their own choosing without previous authorisation. (Adapted from ILO C87 ILO Better Work – Guidance Sheet – Freedom of Association)

### **Greenhouse Gas (GHG) Emissions –**

Direct Emissions from sources that are owned or controlled by the Entity. (Adapted from The Greenhouse Gas Protocol)

### **Greenhouse Gas (GHG) Emissions –**

Indirect Emissions that are a consequence of the activities of the Entity but occur at sources owned or controlled by another entity. (Adapted from The Greenhouse Gas Protocol)

### **Greenhouse Gases (GHGs)**

Gaseous compounds in the atmosphere that are capable of absorbing infrared radiation, thereby trapping and holding heat in the atmosphere. By increasing the heat in the atmosphere, greenhouse gases are responsible for the greenhouse effect, which ultimately leads to global warming. Six GHG covered by the UNFCCC are: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulphur hexafluoride (SF<sub>6</sub>). (Adapted from UNFCCC)

### **Hazardous Waste**

Waste defined as such by national legislation at the point of generation, and treated waste deemed hazardous under the terms of the Basel Convention. (Adapted from Global Reporting Initiative – GFI G4 Implementation Manual, 2013, p123)

### **Human Rights**

Universal rights and freedoms regarding as belonging to all people without Discrimination based on internationally recognised standards. At a minimum, these include rights articulated in the International Bill of Human Rights, the ILO Declaration of Fundamental Principles and Rights at Work and Applicable Law. (Adapted from UN Office of the High Commissioner on Human Rights)

### **Human Rights Due Diligence**

An ongoing management process that a reasonable and prudent enterprise needs to undertake, in the lights of its circumstances (including sector, operating context, size and similar factors) to meet its responsibility to respect Human Rights. (Adapted from The Corporate Responsibility to Respect Human

Rights: An Interpretive Guide (UN, 2012)). See also Due Diligence.

### **Human Trafficking**

The recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability, or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation. Human trafficking can lead to Forced Labour. Human trafficking is also known as 'modern slavery'. (Adapted from UN Protocol to Prevent, Suppress and Punish Trafficking in Persons, 2000)

### **Indigenous Peoples**

Considering the diversity of indigenous peoples, an official definition of "indigenous" has not been adopted by any UN-system body. Instead, the UN system has developed a modern understanding of this term based on the following:

- Self- identification as indigenous peoples at the individual level and accepted by the community as their member.
- Historical continuity with pre-colonial and/or pre-settler societies
- Strong link to territories and surrounding natural resources
- Distinct social, economic or political systems
- Distinct language, culture and beliefs
- From non-dominant groups of society
- Resolve to maintain and reproduce their ancestral environments and systems as distinctive peoples and communities. (Adapted from the UN Permanent Forum on Indigenous Issues)

### **Initiative**

See **Solar Stewardship Initiative**

### **Labour Union**

Considering the diversity of indigenous peoples, an official definition of "indigenous" has not been adopted by any UN-system body. Instead, the UN system has developed a modern understanding of this term based on the following:

- Self- identification as indigenous peoples at the individual level and accepted by the community as their member.
- Historical continuity with pre-colonial and/or pre-settler societies
- Strong link to territories and surrounding natural resources
- Distinct social, economic or political systems
- Distinct language, culture and beliefs
- From non-dominant groups of society
- Resolve to maintain and reproduce their ancestral environments and systems as distinctive peoples and communities. (Adapted from the UN Permanent Forum on Indigenous Issues)

### **Life Cycle Assessment**

LCA is a systematic set of procedures for compiling and examining the inputs and outputs of materials and energy and the associated environmental impacts directly attributable to the functioning of a product or service system throughout its life cycle (ISO 14040: 2006).

### **Management System**

Management processes and documentation that collectively prove a systematic framework for ensuring that tasks are performed correctly, consistently and effectively to achieve the desired outcomes, and to drive continual improvement in performance. (Adapted

from Responsible Jewellery Council Code of Practices 2013)

### **Migrant Worker**

A person who is to be engaged, is engaged or has been engaged in a remunerated activity in a State of which he or she is not a national. (Adapted from the UN Convention on the Rights of Migrants)

### **Mitigation hierarchy**

Prioritises the avoidance of biodiversity and ecosystem services impacts over the minimisation and restoration of impacts. Biodiversity offsets to address residual impacts are defined only after avoidance, minimisation and restoration measures have been applied. (Adapted from the CSBI's 'A cross-sector guide for implementing the Mitigation Hierarchy')

### **Occupational Health and Safety**

Concerned with protecting the safety, health and welfare of people engaged in work or employment. (Safe at Work)

### **Overtime**

The hours worked in addition to those in the normal work week and which should be voluntary. (Adapted from Responsible Jewellery Council Code of Practices 2013)

### **Policy**

A statement of principles and intentions. (Adapted from Responsible Jewellery Council Code of Practices 2013)

### **Solar Stewardship Initiative**

The programme designed by SolarPower Europe and Solar Energy UK – assisted by DNV as independent technical advisor and with the support of STS as independent

traceability specialists –to enhance end-to-end transparency, sustainability, and ESG performance across the solar supply chain.

### **Stakeholder**

**Internal:** Individuals and parties within an organisation.

**External:** Parties that exist outside of the organisation which affect or are affected by business activities.

### **Supply Chain**

Currently the Initiative focuses on the silicon supply chain for solar PV modules, including all supply chain stages from raw material extraction, metallurgical grade silicon production, polysilicon production, ingot and wafer manufacturing, cell manufacturing and module manufacturing and assembly. Based on the outcomes of the stakeholder consultation, supply chain stages such as other component manufacturing, PV equipment suppliers, logistics, service providers and transport are currently out of scope of this Solar Stewardship Initiative. It is recognised that ESG risks may also be associated with these supply chain stages, and the solar industry should consider evaluating them in the future.

### **Visitors**

A person visiting an Entity's Facility or operation or location under the Entity's Control who is not a Worker at the Facility or operation or location.

### **Waste**

Hazardous Waste and Non-Hazardous Waste.

### **Workers**

Includes employees (individuals who have entered into or works under a contract of employment or a contract of service or apprenticeship, whether express or implied and whether oral or in writing, or as defined by Applicable Law); and contractors (an individual, company or other legal entity that carries out work or performs services pursuant to a contract for services). For the avoidance of doubt, Workers include Migrant Workers. (Adapted from Responsible Jewellery Council Code of Practices 2013)



# Anti-Trust Statement

SSI fully complies with all applicable laws, including antitrust and competition laws. SSI does not condone or in any way seek to facilitate antitrust breaches.

In particular, at meetings which SSI convenes or presides over, it does not permit any participants to discuss or share confidential proprietary or otherwise commercially sensitive information. Participants should not hesitate to voice any concerns they may have regarding the conduct of others at such meetings.

Participation in SSI is on a voluntary and non-exclusive basis. Participants remain free to operate other facilities or offer other products, which do not comply with the standards mentioned SSI's Code.

SSI's mission is to further develop a responsible, transparent, and sustainable solar value chain and it does not engage with matters relating to pricing, terms or conditions of sale, production or sales levels, salaries, customers or suppliers. It makes no commercial recommendations of any kind.