

sonnen

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Policy statement of sonnen Holding GmbH on its human rights strategy according to § 6 section 2 of the Supply Chain Due Diligence Act (LkSG).

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Introduction.

sonnen Holding GmbH (sonnen), headquartered in Wildpoldsried, Germany, is fully committed to respect human rights and environmental obligations within its supply chain. We consider the protection of human rights to be a central element of our business activities and are committed to implementing applicable law, respecting internationally recognized human rights and environmental obligations, and to take active steps to prevent human rights abuses and environmental degradation.

We expressly condemn all forms of child labor, forced labor, all forms of slavery and (modern) human trafficking as well as discrimination in any form. We are committed to ensuring compliance with the occupational health and safety regulations applicable at the respective place of employment, paying appropriate wages, treating our employees fairly and equally, and protecting the freedom of association of our employees.

Since 2015, sonnen commits its suppliers to compliance with the ten principles of the UN Global Compact. In October 2021, sonnen published a "[Sustainable Supply Chain and Conflict Minerals Policy](#)". This communicates the expectation to all sonnen suppliers that they will adopt the guidelines and management systems imposed by sonnen regarding conflict minerals and will exercise due diligence towards their own suppliers. Furthermore, guidelines are issued regarding the business integrity of suppliers, compliance with all applicable laws and regulations as well as with regard to corruption and fair competition. Suppliers are also expected to have a systematic approach to HSSE and social performance management. It is required that suppliers conduct their activities in a manner that respects human rights in accordance with the United Nations Universal Declaration of Human Rights and the core conventions of the International Labor Organization (ILO). sonnen also works with suppliers to reduce greenhouse gas emissions along the supply chain and to develop a circular economy. In the "[Sustainable Supply Chain and Conflict Minerals Policy](#)" sonnen refers to Shell's Global Helpline. Furthermore, these topics are reflected in sonnen's contracts with suppliers. In addition, compliance with ISO 14001 and ISO 45001 is also mandatory for suppliers.

With the coming into force of the LkSG (Supply Chain Due Diligence Act) on January 1, 2023, sonnen as a group of companies headquartered in Germany, will be subject to the law, as it and its affiliated companies, employ a total of more than 1,000 people in Germany.

This policy statement describes the procedures by which sonnen complies with the obligations arising from the LkSG. In doing so, we focus on addressing identified priority human rights and environmental risks. In addition, we define the company's expectations of its employees and suppliers to meet the due diligence requirements. Through a comprehensive risk analysis, we strive to take appropriate measures to minimize potential negative impacts on human rights and the environment and to promote sustainability throughout our supply chain.

Our commitment to respecting human rights and protecting the environment forms the basis for our actions and reflects our sense of responsibility as a company. We strive to make a positive contribution to society and the environment through our engagement and to manage our supply chain responsibly.

sonnen Holding GmbH.

sonnen Holding GmbH is a so-called portfolio company of Shell plc. and is, together with its affiliated companies, a leading company in the energy sector, based in Wildpoldsried in the district of Oberallgäu. Its focus is on the production and distribution of battery storage systems for private households and commercial enterprises. The company enjoys an outstanding position in the German market as well as in various other international markets. In addition to battery storages, sonnen offers its customers the opportunity to become a part of a "community" that enables the virtual exchange of energy.

The activities of sonnen and its supply chain.

sonnen's business operates in a dynamic environment that is constantly exposed to new risk factors. To deal with these challenges appropriately, the company has established processes and procedures to identify, assess, prevent, and mitigate both internal and external human rights and environmental risks in its supply chains and internal operations.

With this policy statement, sonnen expressly commits to applying these processes not only for its own business, but also for all affiliated companies in the sonnen group and to implement them in accordance with the LkSG.

The due diligence processes and the activities within the supply chain enable sonnen to be flexibly prepared for changing circumstances and to react proactively to them. The company not only considers its own actions, but also the actions of its direct and indirect suppliers who provide services in the manufacture of its products.

In this way, sonnen shows itself to be a responsible company that faces the challenges of the supply chain and is committed to sustainable activities in its own business activities and in the supply chains.

sonnen benchmarks.

sonnen and thus its affiliated companies as part of Shell plc, have already committed themselves before the LkSG came into force to comply with international, national, internal, and external regulations, particularly around human rights, and environmental protection with due care. The core values of Shell plc. form the overarching framework for the specific sustainability requirements for the company and its partners. In this context, the focus is particularly on transparent cooperation with the company shareholders and partners.

Shell General Business Principles and Code of Conduct

Sustainable Supply Chain and Conflict Minerals Policy

All the above guidelines have been developed in collaboration with internal and external stakeholders and apply to the entire Shell Group and thus also to sonnen. They will be put to the test after the risk analysis according to LkSG to be carried out in 2024 and, if necessary, adapted to meet the highest standards of sustainability, human rights, and environmental protection.

Risk management.

sonnen has implemented a transnational and group-wide risk management. However, to meet the requirements of the LkSG, the risk management is being more closely adapted to the specific circumstances of the LkSG.

With this policy statement, sonnen explicitly confirms that the existing risk management remains valid and has been supplemented by the specific requirements of the LkSG. In addition, sonnen guarantees that all required risk analyses, preventive, and corrective measures are defined and implemented in accordance with the requirements of the LkSG.

It is particularly important for sonnen and its affiliated companies that a complaint about a possible violation of the human rights strategy can be issued. A corresponding complaints procedure has been established.

In order to ensure transparency, sonnen also ensures that annual reporting is carried out on the measures taken and their success.

Risk assessment and remedial measures.

sonnen systematically applies procedures to assess potential impacts on human rights and the environment, both in relation to its own activities and in the context of procurement and purchasing. Risk assessment is carried out through various methods, which vary according to the area of operations and are binding for sonnen and its affiliated companies. The operational responsibility for carrying out risk analyses, preventive measures, and corrective measures in connection with the LkSG lies with the responsible persons designated for this purpose within sonnen and its affiliated companies.

Risk assessment in own business area and supply chains.

sonnen conducts systematic analyses to assess the potential impact of its own activities and those of its suppliers along the entire supply chain on human rights and environmental issues. These risk analyses are conducted on an ongoing basis and are applied to both direct and indirect business relationships, as far as they are known. The risk assessment considers varying aspects, including industry-, commodity- and country-specific risks as well as vulnerable groups.

In a first step, potential risks are identified at an abstract level, with specific focus areas such as child and forced labor, income, working hours, discrimination, freedom of association, and occupational health and safety are given special consideration. Some priority risks have already been identified in our own business area, such as disregard for occupational safety and freedom of association, child and forced labor, unequal treatment in employment, and environmental damage caused by soil, water and air pollution and the handling of hazardous substances.

The results of these analyses are continuously incorporated into sonnen's decision-making processes, both regarding internal business strategies and the selection and management of suppliers. The risk analyses serve as a basis for the identification of appropriate targets and the development of preventive and corrective measures. sonnen is committed to implementing the requirements of the LkSG and will publish additional priority risks arising from this law in future updates of its policy statement.

Prevention Measures.

sonnen is committed to conducting its business activities with regard for human rights and environmental concerns. This commitment applies both to our own business operation as well as for purchasing decisions. To reach this target, risk analyses are carried out and based on the results suitable targets and measures are defined. These targets and measures are regularly reviewed and adjusted in the event of new findings.

The implementation takes place on three levels of cooperation:

Internal cooperation: sonnen integrates human rights and environmental issues into its workforce through guidelines, awareness-raising, and employee training. A regularly updated catalog of measures is used to minimize risks related to human rights and environmental issues in every supplier decision. Risk-based controls are implemented to verify compliance with these measures.

Collaboration in the supply chain: sonnen addresses the risks related to human rights and environmental concerns in the supply chain through systematic supply chain management. In doing so, sonnen works closely with suppliers, production sites and raw material producers. The selection of suppliers already considers risks related to human rights and the environment by focusing on the purchase of certified products. sonnen strives to commit all suppliers to comply with the Shell Business Principles and the Code of Conducts and creates concrete rules for the implementation of human rights and environmental concerns throughout the entire supply chain. Trainings support suppliers and producers in fulfilling the requirements and the continuous improvement of social and environmental performance. Transparency and the integration of human rights and environmental aspects are part of the supplier assessment process, and various control mechanisms are agreed upon to ensure compliance with the requirements.

Collaboration with stakeholders: sonnen recognizes that long-term sustainability along the supply chain can only be achieved through collaboration with all relevant stakeholders. It maintains a continuous exchange with a wide range of stakeholders and engages in national and international initiatives, alliances, and forums. Participation in external events, industry initiatives and partnerships, as well as monitoring political and regulatory developments are essential elements of its strategy. sonnen examines, as part of the further development of its human rights strategy, where the involvement of rights holders and potentially affected parties is possible and appropriate.

At the same time, sonnen recognizes that compliance with human rights and fair working conditions also depends on effective human rights and environment-related regulations and measures taken by states on the ground.

Remedial Action.

The management of sonnen assures that human rights and environment-related obligations are considered in its business activities and in purchasing decisions. Nevertheless, should violations of these obligations occur, the company will take appropriate remedial action to stop or minimize the extent of the violation. The identification of violations is done through various mechanisms, such as for example, re-surveys of existing suppliers, media reports or information from external stakeholders. Follow-up audits can also be used to detect repeated violations.

If a violation is identified, the case will be forwarded to the responsible internal working groups and/or the management depending on its severity. These working groups examine the results of detailed investigations and decide on appropriate follow-up measures. These measures can range from increased diligence in dealing with the supplier to active cooperation with the supplier to remedy the violation.

In cases of particularly serious violations, sonnen reserves the right to consider the termination of the business relationship with the supplier concerned. Compliance with human rights and environmental standards is a high priority for sonnen, and it is committed to taking appropriate and decisive measures to ensure that its business partners also comply with these standards.

Complaints procedure.

Even before the LkSG came into force, Shell had already set up a group-wide whistleblower procedure which makes it possible to report violations of laws and internal guidelines or irregularities. Due to the stricter requirements of the LkSG, sonnen has decided to introduce an internal complaints procedure in addition to the existing whistleblowing system at Shell plc. This new procedure enables anyone to report human rights and environmental risks, as well as violations of the corresponding obligations in sonnen's own business area or at suppliers.

In accordance with § 8 of the LkSG, sonnen's management has issued a complaints regulation and has selected independent personnel to conduct the complaints procedure who offer a guarantee of impartiality and are free from instructions. sonnen published clear and comprehensible information on the accessibility and course of the complaints procedure on the group's website to the public. Complaints can be submitted in a barrier-free manner via various reporting channels. Receipt of complaints is acknowledged promptly, they are processed swiftly and discussed with the complainants.

The complaints procedure has been designed in such a way that the identity of the complainants is confidential and that there is effective protection against discrimination or punishment due to a complaint. sonnen attaches great importance to maintaining the confidentiality of the reporters and to ensure that they do not have to fear any negative consequences if they report possible violations or risks.

Monitoring and reporting.

sonnen is aware of its ongoing responsibility to ensure human rights due diligence both in its own business operations and in its supply chains. It recognizes this challenge and is actively engaged in continuous improvements in its strategic approaches and actions.


sonnen regularly reviews its activities to ensure that human rights due diligence is effectively implemented. This process serves to uncover any vulnerabilities and identify measures to further improve compliance with human rights and environmental concerns.


sonnen publishes a publicly accessible human rights report which appears annually from the first half of 2025. This report will be filed with the Federal Office for Economic Affairs and Export Control and provides a detailed insight into the company's measures and progress regarding the implementation of human rights due diligence.

Through this transparent reporting, sonnen demonstrates its commitment to respecting human rights and environmental concerns and provides accountability for its continuous improvement efforts. This openness also promotes trust among stakeholders and enables them to understand the company's progress in this key area.

Update Policy Statement.

| Version | Date | Changes |
|---------------|---------------|---------|
| First version | November 2023 | - |
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