



INNOVATECH

HUMAN RIGHTS RISK ANALYSIS & DUE DILIGENCE PROCEDURE

***Applies to: All employees, officers, contractors, suppliers, business partners and
affiliated entities***

Document Owner: Compliance & Ethics Function

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Table of Contents

1. Purpose	3
2. Objective	3
3. Scope	3
4. Governance, Roles & Responsibilities	3
4.1. Oversight	3
4.2. Supporting Functions	3
4.3. Escalation	3
5. Human Rights Risk Analysis Process	3
6. Prevention & Mitigation Measures	5
7. In-Depth Examination of High-Risk Cases	5
8. Affected Groups Considered	5
9. Information Sources	5
10. Monitoring & Effectiveness Review	5
11. Remediation	6
12. Documentation & Record Retention	6
13. Review & Continuous Improvement	6
14. Reference Documents	6

INNOVATECH Human Rights Risk Analysis & Due Diligence Procedures

1. Purpose

This procedure defines how INNOVATECH systematically identifies, assesses, prioritizes, prevents, mitigates, and monitors potential and actual adverse human rights impacts arising from its operations and business relationships.

This document supports the implementation of the **INNOVATECH Human Rights Policy** and aligns with the **UN Guiding Principles on Business and Human Rights**.

2. Objective

To identify, prevent, mitigate, and remediate adverse human rights impacts across INNOVATECH's operations and supply chain.

3. Scope

This procedure applies to:

- INNOVATECH's own operations and locations
- Employees and contractors
- Direct suppliers (Tier-1)
- Indirect suppliers (Tier-2 and beyond, where applicable)
- Business partners and third-party service providers

4. Governance, Roles & Responsibilities

4.1. Oversight

- **Executive Management** provides overall oversight and ensures appropriate resources are available.
- The **Compliance & Ethics Function** owns this procedure and coordinates human rights risk analysis.

4.2. Supporting Functions

- **Human Resources:** labor standards, non-discrimination, working conditions
- **Procurement:** supplier screening, contractual controls, corrective actions
- **Operations / Project Management:** operational and field-related risks

4.3. Escalation

Material or high-risk human rights issues are escalated to Executive Management for decision-making and remediation approval.

5. Human Rights Risk Analysis Process

INNOVATECH conducts human rights risk analysis through the following structured steps:

Step 1 - Risk Screening

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Initial screening considers:

- Country and regional risk profiles
- Nature of services and operations
- Supplier location and labor practices
- Community and environmental sensitivities

Step 2 - Risk Identification

Potential human rights risks considered include, but are not limited to:

- Forced labor, child labor, and human trafficking
- Discrimination, harassment, and unequal treatment
- Occupational health and safety risks
- Excessive working hours or unlawful wages
- Freedom of association and collective bargaining
- Impacts on communities, indigenous peoples, land, forest, and water rights
- Misuse of public or private security forces
- Environmental impacts with potential human rights consequences

Step 3 - Risk Assessment & Granularity

Risks are assessed at an appropriate level of detail, including:

- **Country-level risk**
- **Activity or project-level risk**
- **Supplier-level risk (Tier-1 minimum)**

Assessment considers:

- Severity of potential impact
- Likelihood of occurrence
- Scale and scope of impact
- Ability to prevent or mitigate harm

Step 4 - Risk Prioritization

Identified risks are prioritized based on:

- Severity of human rights impact
- Irremediability
- Likelihood

High-severity risks are prioritized regardless of likelihood.

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6. Prevention & Mitigation Measures

We protect confidential and personal data in accordance with applicable laws and contractual obligations.

Depending on risk level, INNOVATECH may apply:

- Contractual human rights clauses
- Supplier Code of Conduct requirements
- Supplier screening and onboarding
- Corrective action plans with defined timelines
- Capacity-building or awareness measures
- Training and awareness
- Adjustment or termination of business relationships in cases of serious or persistent non-compliance

7. In-Depth Examination of High-Risk Cases

Where heightened risk is identified, INNOVATECH may conduct enhanced due diligence, including:

- Additional supplier questionnaires or documentation requests
- Management interviews or clarifications
- Right-to-audit or independent verification (where contractually permitted)
- Executive Management review and approval of remediation actions

8. Affected Groups Considered

The risk analysis explicitly considers impacts on:

- Employees and contract workers
- Supplier and subcontractor workers
- Migrant workers
- Indigenous peoples and local communities
- Vulnerable or marginalized groups

9. Information Sources

Human rights risk analysis may draw on:

- Supplier self-assessments and onboarding documentation
- Contractual representations and warranties
- Country risk indices and publicly available human rights data
- Internal incident reports and grievance records
- Industry best practices and peer benchmarks

10. Monitoring & Effectiveness Review

- Implementation of mitigation measures is monitored by the Compliance & Ethics Function.
- Effectiveness is reviewed at least **annually**, or when significant operational or supply chain changes occur.

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- Adjustments are made where measures are found to be insufficient.

11. Remediation

Where INNOVATECH identifies that it has caused or contributed to adverse human rights impacts, it commits to supporting appropriate remediation, which may include:

- Corrective actions
- Engagement with affected parties
- Review and improvement of internal processes

12. Documentation & Record Retention

Documentation related to human rights risk analysis, mitigation actions, and outcomes is retained for **at least seven (7) years**, unless a longer period is required by law or contract.

13. Review & Continuous Improvement

This procedure is reviewed periodically and updated as necessary to reflect changes in:

- Legal requirements
- Business activities
- Supply chain structure
- Recognized human rights best practices

14. Reference Documents

- INNOVATECH Human Rights Policy (v1.0)
- INNOVATECH Code of Conduct & Ethics (v1.0)
- INNOVATECH Supplier Code of Conduct (v1.0)
- INNOVATECH Grievance & Whistleblowing Mechanism (v1.0)