



HUMAN RIGHTS & LABOR POLICY

(Amended as of December 31, 2018)

1. ABOUT THIS POLICY

Ormat Technologies Inc. (with its subsidiaries "Ormat") recognizes its responsibility to respect human rights,¹ to avoid any infringements of human rights and to address any relevant human rights impacts that Ormat may be directly or indirectly involved with or responsible for.

This Policy sets out Ormat's commitments and responsibilities in relation to human rights, and especially those applicable to the business activities and operations of Ormat, with particular attention for conflict-affected or high-risk contexts.

Ormat's human rights commitment is guided by the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Labor Organization's (ILO) ² eight core labor conventions including the Declaration on Fundamental Principles and Rights at Work.

Other internal references to Company documents that are linked to and support the principles outlined in this policy are the Code of Business Conduct and Ethics, Code of Ethics Applicable to Senior Executives, Ormat's Corporate Governance Guidelines, Ormat's Anti-Corruption Policy and Ormat's Conflict Minerals Policy. These policies outline principal commitments that Ormat expects its stakeholder groups – employees, managers, suppliers, subcontractors and business partners – to follow. This Human Rights Policy outlines Ormat's commitment to these and other stakeholder groups affected through Ormat's activities and operations.

Ormat is committed to complying with applicable laws and human rights commitments, as well as honoring and recognizing internationally accepted human rights principles,

¹ Ormat defines human rights according to the United Nations' definition of human rights, as follows: "Human rights are rights inherent to all human beings, regardless of race, sex, nationality, ethnicity, language, religion, or any other status. Human rights include the right to life and liberty, freedom from slavery and torture, freedom of opinion and expression, the right to work and education, and many more. Everyone is entitled to these rights, without discrimination."

² The core conventions of the International Labor Organization (ILO) include no. 29, 87, 98, 100, 105, 111, 138, and 182.



especially when faced with conflicting requirements presented in local laws and regulations. Where relevant, Ormat develops and implements due diligence processes to identify, prevent, mitigate and account for potential adverse human rights impacts that are tied to its operations.

2. OUR COMMITMENTS TO HUMAN RIGHTS AND LABOR AND SOCIAL STANDARDS

In addition to Ormat's commitment to the internationally accepted principles of human rights, Ormat assigns particular importance to upholding and complying with fundamental labor and social standards, including:

- Avoiding child labor practices;
- Avoiding compulsory labor practices;³
- Acknowledging and respecting employees' right to the freedom of association and collective bargaining;
- Providing and securing all relevant and essential employment rights;
- Working to eliminate discrimination⁴ with regards to employment, including all forms of harassment and abuse;
- Ensuring essential health and safety standards and practices in the workplace by developing risk awareness and encouraging responsible behavior among employees;
- Respecting the rights of local communities by promoting free and informed consultation activities, with particular regard for vulnerable communities, such as tribal or indigenous peoples;⁵
- Demonstrating zero tolerance for corruption, according to the principles outlined in Ormat's Anti-Corruption Policy;
- Respecting the right to privacy of all stakeholders including the correct use of information and data.

3 Compulsory labor refers to all work or service which is extracted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily.

4 The term 'discrimination' refers to both direct and indirect discrimination. Direct discrimination refers to any distinction, exclusion or preference based on race, color, sex, age, sexual orientation, political opinion, national extraction or social origin, which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation. Indirect discrimination refers to any distinction, exclusion, or preference which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation.

5 Tribal peoples refers to peoples in independent countries whose social, cultural and economic conditions distinguish them from other sections of the national community, and whose status is regulated wholly or partially by their own customs or traditions or by special laws or regulations. Indigenous peoples refers to peoples in independent countries who are regarded as indigenous on account of their descent from the populations which inhabited the country, or a geographic region to which the country belongs, at the time of conquest or colonization or the establishment of present state boundaries and who, irrespective of their legal status, retain some or all of their own social, economic, cultural and political institutions.



3. RESPONSIBILITIES, REVISIONS AND REVIEWS OF THIS POLICY

This policy is communicated to relevant stakeholders by providing all employees, suppliers, subcontractors, business partners, local communities and others with access to the policy Ormat's website at the following link www.ormat.com/en/company/welcome/governance

Grievances, questions or complaints with regards to the this policy can be submitted to Ormat's whistleblower ethics hotline by telephone at 1-866-294-5535 or via its third party website, www.ethicspoint.com.

Breaches of this policy are taken seriously and all of the conditions outlined in this policy are enforced with the greatest stringency. Through reports to Ormat's Ethics Line, Ormat is committed to investigating and resolving any relevant grievances.

Furthermore, Ormat is committed to establishing and supporting grievance mechanisms for impacted local communities.

The human rights policy and procedures are overseen and administered by Ormat's management, across all operations owned or managed by Ormat.