

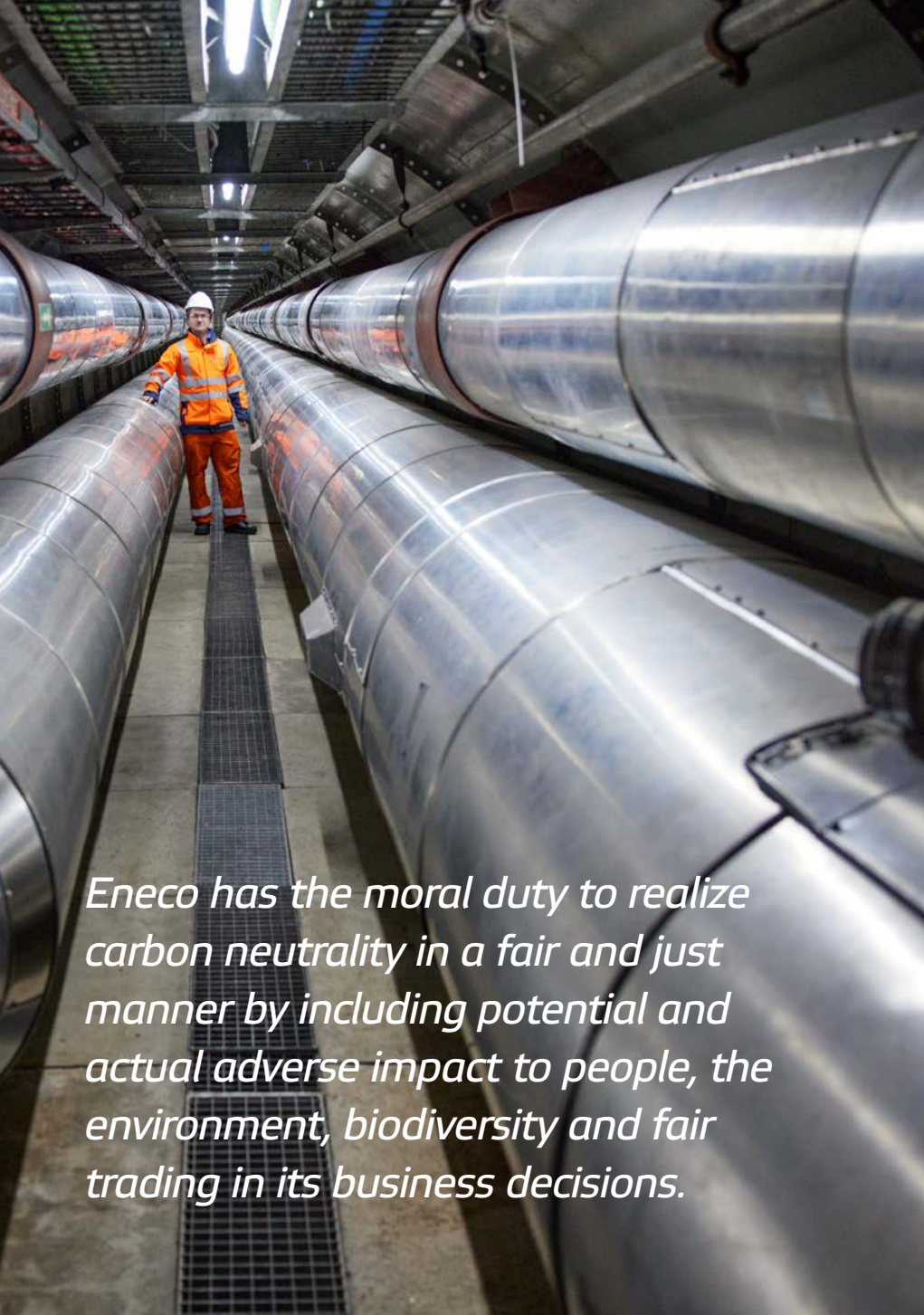
# Policy International Responsible Business Conduct



**Gaining control over adverse  
impacts in the value chain**

January 2024





*Eneco has the moral duty to realize carbon neutrality in a fair and just manner by including potential and actual adverse impact to people, the environment, biodiversity and fair trading in its business decisions.*

# Contents

<b>1. Organisational context</b>	<b>3</b>
Organisational boundaries of the policy	3
Our purpose	4
Our mission statement	5
Our principles	6
<b>2. CSR Due Diligence approach</b>	<b>7</b>
Stakeholders in scope	7
Good employership	8
Occupational and contractor health & safety	8
Sustainable procurement	9
Community engagement	10
Customer care	10
<b>3. Salient risks</b>	<b>11</b>
Climate change	11
Biodiversity loss	12
Material depletion	13
Forced labour	13
Energy poverty	14
<b>4. Complaints, grievances and remedies</b>	<b>15</b>
<b>About the document</b>	<b>16</b>



# 1. Organisational context



## Organisational boundaries of the policy

This policy applies to (1) all employees of N.V. Eneco and to (2) divisions in which N.V. Eneco has an interest of 50% or greater. It also applies, as far as is reasonably achievable, to (3) our upstream and downstream supply chain through partners, suppliers, and third-party contractors. All N.V. Eneco employees are expected to understand our IRBC (International Responsible Business Conduct) policy and act accordingly.

N.V. Eneco uses the following organisational boundaries for IRBC, which correspond to the IFRS financial consolidation. Therefore, all N.V. Eneco subsidiaries are included within the organisational boundaries of the IRBC. In terms of the IFRS consolidation, N.V. Eneco uses four ways to categorise its entities. Table 1 below gives a brief overview of these categories and how they are consolidated for financial accounting and IRBC responsibilities.

Category	Consolidated in financial statements	(Proportional) consolidation or not - financial	IRBC direct scope of actions	IRBC responsibility of leverage	IRBC reporting
Subsidiary	Yes	Yes – 100%	Yes	Yes	Yes
Joint Operations	Yes	Yes – proportional (% of operational control)	Yes – proportional to operational control	Yes	Yes
Joint Ventures	No	No - proportional (% of equity)	No	Yes	No
Affiliates / associates	No	No - proportional (% of equity)	No	Yes	No

(N.V. Eneco is referred to as 'Eneco' for the remainder of this IRBC policy.)

## Our purpose

The current global demand for energy is exhausting the planet's capacity. If everyone in the world lived as the average Dutch person does, we would need nearly three planets. Eneco is determined to bring energy demand and energy consumption within the boundaries of a liveable planet. We want to lead the way in the energy transition and live within the boundaries of the planet: this is our One Planet ambition. Our One Planet Plan contains concrete targets in the field of climate, biodiversity, circularity, and society.<sup>1</sup>

Together we have an important task: to prevent the Earth from warming up by more than 1.5° C. The challenge we face as a society is urgent and its scale is far greater than many may realise. The energy sector has an important pioneering role in the energy transition. It is Eneco's ambition to become climate-neutral by 2035 – not only in our own activities, but also in the energy we supply to our customers. This is faster than the scientifically substantiated 1.5° C path prescribes.<sup>2 3</sup> We believe that we have a moral obligation to do it,

and we believe that we can achieve it. However, we cannot do this alone, and so we seek to work closely with our customers, government bodies, suppliers and other partners that share this ambition.

We can only fulfil a leading position in the energy transition if we respect ambitious Codes of Conduct. The Eneco Code of Conduct<sup>4</sup> describes the principles and guidelines that apply to all Eneco's relationships, including with our employees. Together we can accelerate the pace of the energy transition with our three cultural values: drive the change, deliver the plan and make each other successful. These values connect and strengthen us and guide our behaviour.



1 [www.eneco.com/~media/eneco-nl-over-ons/pdf/one-planet-plan/eneco-one-planet-plan-nl.pdf](http://www.eneco.com/~media/eneco-nl-over-ons/pdf/one-planet-plan/eneco-one-planet-plan-nl.pdf)

2 [www.eneco.com/~media/eneco-nl-over-ons/pdf/eneco-one-planet-klimaatplan\\_nl\\_lr.pdf?la=en/](http://www.eneco.com/~media/eneco-nl-over-ons/pdf/eneco-one-planet-klimaatplan_nl_lr.pdf?la=en/)

3 As the first energy company to include emissions scope 1, 2 and 3 in its climate targets, we are recognised by the SBTi ([sciencebasedtargets.org/companies-taking-action#dashboard](https://sciencebasedtargets.org/companies-taking-action#dashboard)).

4 [www.eneco.com/~media/eneco-nl-over-ons/pdf/integer-zaken-doen.pdf?la=en/](http://www.eneco.com/~media/eneco-nl-over-ons/pdf/integer-zaken-doen.pdf?la=en/)



**1. Embedding responsible business conduct**  
Into policies & management systems



**2. Identify & assess adverse impacts**  
In operations, supply chains & business relationships



**3. Cease, prevent or mitigate adverse impact**



**4. Track**  
implementation and results



**5. Communicate**  
How impacts are addressed



**6. Provide for or cooperate**  
in remediation when appropriate

## Our mission statement

Pursuing climate neutrality is not only about taking responsibility by realising renewable energy solutions. For us, it is also about taking responsibility for the adverse impact (actual and potential) that our business activities have on people, on the environment and on biodiversity that is caused directly or indirectly through our national and international value chains and relationships. Wherever we operate, we endeavour to avoid causing or contributing to impacts related to workers, human rights, the environment, bribery, consumers, and corporate governance, and to facilitate access to remedies. As a responsible corporate citizen, we strive to conduct CSR due diligence as established in the OECD (Organisation for Economic Co-operation and Development) Guidelines for Multinational Enterprises<sup>5</sup> and the United Nations Guiding Principles on Business and Human Rights.<sup>6</sup>

Our commitment to responsible business conduct extends across the complete value chain and implies being aware of adverse impact (actual and potential) 'close to home' and of impact at a remove from our direct actions. We strive to extend our sphere of influence by using our leverage directly and in collaboration with partners to deliver positive value chain impacts, which is why we have joined the IRBC Agreement for the Renewable Energy Sector.<sup>7</sup> This is the sector's multi-stakeholder mechanism for implementing individual and collective due diligence, and for jointly developing long-term solutions to social and environmental risks in the global renewable energy supply.

<sup>5</sup> [www.oecd-ilibrary.org/finance-and-investment/oecd-guidelines-for-multinational-enterprises-on-responsible-business-conduct\\_81f92357-en](http://www.oecd-ilibrary.org/finance-and-investment/oecd-guidelines-for-multinational-enterprises-on-responsible-business-conduct_81f92357-en)

<sup>6</sup> [www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinesshr\\_en.pdf](http://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinesshr_en.pdf)

<sup>7</sup> [www.imvoconvenanten.nl/en/renewable-energy](http://www.imvoconvenanten.nl/en/renewable-energy)



## Our principles

As a member of the UN Global Compact<sup>8</sup>, Eneco respects and upholds the internationally recognised human rights as described in the Universal Declaration of Human Rights (UNDHR), codified in the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights, and articulated in specialised human rights treaties such as the Convention on the Rights of the Child (CRC) and the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), treaties that focus on the needs of particularly disadvantaged, marginalised, and vulnerable groups of people<sup>9</sup> all over the world.

In addition, with regard to labour standards, we specifically commit to uphold the principles concerning fundamental rights contained in the core conventions of the International Labour Organization (ILO) as set forth in its Declaration on Fundamental Principles and Rights at Work.

With regard to environmental standards, we are committed to bringing our policies and operations in line with the principles and decisions of international environmental agreements, notably the Convention on Biological Diversity (CBD), the United Nations Framework Convention on Climate Change (UNFCCC) – in particular the 2015 Paris Agreement – and the United Nations Convention to Combat Desertification (UNCCD). We report our CO<sub>2</sub> emissions in accordance with the GHG Protocol.

We do not do business with dishonest parties, criminals or anyone we suspect of being a criminal, nor do we become involved in any business involving proceeds from espionage or crime. We do not engage with third parties that are directly involved in the arms industry, nor with parties or countries that are on the UN or EU sanction lists or on the Politically Exposed Persons list.

Furthermore, we do our utmost and take appropriate measures to:

- exclude child labour, forced labour and modern slavery from our business activities,
- eliminate any form of discrimination or exclusion based on sexuality, gender, religion, culture, country or region of origin, or age,
- recognise and respect the right of employees and workers to organise and join trade unions,
- make sure that employees and workers are not paid less than the legal minimum wage or what employees might expect to live at a decent standard of living,
- ensure adequate working conditions, working hours, health and safety and social security,
- commit to fair trade practices and make equitable decisions to avoid corruption, abuse of power and conflicts of interest,
- adhere to applicable security and privacy standards and respect intellectual and other property rights,
- respect the diversity of indigenous peoples, acknowledging the unique and important interests that they have in the land, waters, and environment as well as their history, culture and traditional ways,
- ensure reduction of emissions of carbon dioxide and other harmful greenhouse gases,
- enhance biodiversity,
- avoid local pollution or other damage to the environment,
- trace products and their components and promote reuse and recycling,
- optimise our products' reusability and/or recyclability.



<sup>8</sup> through our main shareholder Mitsubishi Corporation

<sup>9</sup> A vulnerable group is a population that has some specific characteristics that place it at higher risk of suffering from adverse impacts than others living in the same area. Vulnerable groups include the elderly, the mentally and physically disabled, children, LHBTIQ+, ex-combatants, internally displaced people and returning refugees, religious and ethnic minorities and, in some societies, women.

## 2. CSR Due Diligence approach



Eneco has embraced the six-step approach of the OECD Due Diligence Guidance for Responsible Business Conduct.<sup>10</sup> The core features of this due diligence process are as follows:

- The process is aimed at demonstrating that our principles are adhered to in the course of doing business;
- It consists of:
  - Embedding responsible business conduct into policies and management systems,
  - Identifying and assessing actual and potential adverse impacts,
  - Integrating and acting on the findings (ceasing, preventing or mitigating adverse impacts),
  - Tracking the effectiveness of the response,
  - Communicating how adverse impacts are addressed,
  - Providing for, or cooperating in, remediation when appropriate,
- It applies to our own activities and to our relationships with suppliers and other business relationships;
- It is different from other due diligence activities in that it focuses on adverse impacts on individuals, communities, their environment and their rights, and not on the risks to the company;
- The process will be reviewed regularly and updated if needed, because risks can change over time, and due diligence is an ongoing process.

### Stakeholders in scope

Every stage of our value chains includes stakeholders that are or might be impacted by our business activities. Eneco's policy commitment respects the rights of the following stakeholders: our own employees, employees of suppliers and contractors, customers, environment and nature, vulnerable groups and the local communities along our value chain, including their representatives.

At Eneco, we recognise that risks relating to people and the environment require meaningful engagement with stakeholders within the organisation and outside. To that end, we engage with these stakeholders to help us define and understand our social and environmental impacts (actual and potential). Where we cause or contribute to an adverse impact, we will endeavour to remedy the situation, or cooperate in its remediation, through legitimate processes. We therefore seek to have grievance mechanisms in place, both for employees and for other relevant stakeholders. We will report publicly on how complaints in the value chain are managed. In situations where we are directly linked to negative human and environmental rights impacts because of activities in our supply chain, we will use our leverage to prevent or mitigate those impacts. What we can do to take responsibility and create positive impact or act

<sup>10</sup> [www.oecd.org/investment/due-diligence-guidance-for-responsible-business-conduct.htm](http://www.oecd.org/investment/due-diligence-guidance-for-responsible-business-conduct.htm)

correctly depends on how directly we are involved in causing the harm or risk and on the outcome of our leverage efforts. As a last resort, disengagement is an option if a supplier or business partner refuses to prevent impacts after a process of notice and warning.

### Good employment

Our aim is to be an upstanding employer, respecting the interests, wishes, ambitions and capabilities of our employees. Our employees are our most important assets and that is why we treat them with the upmost respect. We commit to

providing decent working conditions and treat everyone with equity and dignity, and we strive for a high degree of diversity and inclusion in the workplace. In all aspects of employment, including recruitment, compensation and benefits, training, promotion, transfer, and termination, we will treat individuals fairly and in a non-discriminatory manner, according only to their ability to meet the requirements and standards of their role. We will do so without regard to factors including (but not limited to) race, religion, colour, ethnic or national origin, disability, sexual orientation, gender, and marital status.

We are committed to this through our CLA contracts (Collective Labour Agreements), functional contracts and individual employment contracts. Our Human Resource Manual and the Eneco Code of Conduct provide transparency and clarity to our employees about what to expect from each other and about employee rights and collective positions within the organisation.

Our employee-related policies and procedures are compliant with all applicable domestic laws and are consistent with the core labour principles of the ILO (International Labour Organization), including

freedom of association and collective bargaining, non-discrimination, equal remuneration and the elimination of forced labour and child labour.

### Occupational and contractor health & safety

The safety, health and well-being of our employees, customers and surroundings are of utmost importance to us. Our HSEQ (Health, Safety, Security, Environment, Quality) Policy Statement expresses this commitment as follows:

*Eneco endeavours, to the best of its ability, to ensure the safety and health of everyone involved in or influenced by any part or aspect of our business operations. We do this continuously, as a robust and resilient organisation.*

*We comply with laws and regulations and guarantee and improve the quality of our services with respect for the environment and the world around us.*





Occupational health and safety relates to all aspects that could affect the health and safety of employees. Physical and psychosocial safety relates to preventing harm to an individual's health as well as preventing harm to the working environment, machines, and buildings. Physical and mental health relates to preventing illness, both in the short and the long term, and ensuring that employees are fit and motivated. We are committed to providing a safe and healthy work environment and strive to have zero accidents, injuries, or work-related ill-health. Our asset organisations are ISO 45001 certified<sup>11</sup> and Eneco has a Safety Culture Ladder level 4 certification.<sup>12</sup> Not only the health and safety of our own employees matter, but also those of the community where our assets are located and of the contractors working at the asset locations. To minimise the number of incidents, we have introduced a Contractor Safety Programme, which sets out requirements and actions with Procurement, HSSEQ and suppliers. In order to limit the impact of our activities in installation work by our contractors, we require them to adhere to Eneco's environment management guidelines.

## Sustainable procurement

We expect our suppliers to incorporate responsible business conduct and responsibility with respect to sustainability into their business conduct as well. Eneco's Procurement department makes sure that our procurement factors in not only functionality and price criteria, but also sustainability criteria. We do this by incorporating CSR (Corporate Social Responsibility) criteria<sup>13</sup> into the selection and contracting of suppliers. To ensure that our standards and values match before a new relationship starts, at least 90% of our procurement spend needs to be covered by a supplier-signed copy of the Eneco Supplier Code of Conduct.<sup>14</sup> A selection of our suppliers are assessed for the standard of their responsible business conduct on a regular basis, using an ESG (Environment, Social, Governance) rating that we ask them to complete. We are committed to promoting supply chain transparency and establishing long-term sustainable relationships. Eneco's Sustainable Procurement Policy<sup>15</sup> contains further details about how these mechanisms are applied.

## Community engagement

Our tangible Wind, Solar and Heat assets are physically situated at a variety of different geographical locations at home and abroad, and they impact the local environments and communities. We have signed the Dutch code of conduct for onshore solar (Gedragcode Zon Op Land<sup>16</sup>) and the Dutch code of conduct for onshore wind (Gedragcode Windenergie Op Land<sup>17</sup>), both of which we helped to write, and in which we commit to responsible and participative development and use of wind solutions, solar solutions, and land. We remain in close contact with the stakeholders in the proximity of our asset locations through our dedicated people who engage with those communities on a regular basis whenever an asset is in the process of development and realisation.

As soon as a project begins, we identify the 'community', which sometimes extends beyond local residents living in the immediate geographical vicinity of our generating assets. The community for a project might also be defined in a demographic sense (such as age) or from the perspective of a group of people sharing a common purpose. We adopt a long-term, proactive and open approach to engaging with broad communities. We believe that by developing sustainable projects we become part of the community for at least 20 years. We therefore engage with the community at an early stage in the project and not only give them the opportunity to share their views, but wherever possible also show how we have taken their feedback on board in shaping the project's design, presentation and ongoing commitment to the community. We work together with our communities to make a meaningful long-term social contribution.

11 [www.sccm.nl/gecertificeerde-organisaties](http://www.sccm.nl/gecertificeerde-organisaties)

12 [safetycultureladder.com/en/certified-companies/](http://safetycultureladder.com/en/certified-companies/)

13 [www.eneco.nl/over-ons/~/\\_/media/eneco-nl-over-ons/pdf/mvi\\_criteria\\_eneco\\_groep.pdf](http://www.eneco.nl/over-ons/~/_/media/eneco-nl-over-ons/pdf/mvi_criteria_eneco_groep.pdf)

14 [www.eneco.com/~/\\_/media/eneco-nl-over-ons/pdf/eneco\\_supplier\\_code\\_of\\_conduct\\_en.pdf](http://www.eneco.com/~/_/media/eneco-nl-over-ons/pdf/eneco_supplier_code_of_conduct_en.pdf)

15 [www.eneco.com/~/\\_/media/eneco-nl-over-ons/pdf/policy-sustainable-procurement-2021.pdf?la=en/](http://www.eneco.com/~/_/media/eneco-nl-over-ons/pdf/policy-sustainable-procurement-2021.pdf?la=en/)

16 [hollandsolar.nl/u/files/gedragcode-zon-op-land.pdf](http://hollandsolar.nl/u/files/gedragcode-zon-op-land.pdf)

17 [www.rvo.nl/onderwerpen/windenergie-op-land/gedragcodes](http://www.rvo.nl/onderwerpen/windenergie-op-land/gedragcodes)

## Customer care

Customers are essential to us, as they are the reason why Eneco is in business. Furthermore, we firmly believe that we need each other to achieve climate neutrality by 2035. We therefore treat our customers with care and respect. We show this by signing and complying with sector-specific codes of conduct that protect and respect customer rights:

- Code of Conduct for Consumers and Energy Suppliers<sup>18</sup>
- Code of Conduct for Suppliers of Smart Meters<sup>19</sup> (Eneco Declaration of Compliance<sup>20</sup>)
- Code of Conduct for Telemarketing<sup>21</sup>

Besides the sector-specific codes:

- We do not use door-to-door sales to sell energy contracts, and we act in compliance with the Quality Standard for Protection against Consumer Acquisition,<sup>22</sup>
- We act in strict compliance with the privacy rules of the GDPR<sup>23</sup> and the Dutch GDPR Implementing Act<sup>24</sup> through our Privacy Guidelines and training,
- We have a creditor policy based on the 'Organisation with Awareness of Money Problems' quality label<sup>25</sup>
- We take measures to protect the health and safety of consumers, for example by providing reliable, environment-friendly and safe products that enable sustainable consumption,
- We take measures to be as transparent as possible in how we inform our customers about our products and services,
- We ensure that we do not provide any misleading information.

18 [www.acm.nl/nl/publicaties/publicatie/5224/Gedragscode-consument-en-energieleverancier](http://www.acm.nl/nl/publicaties/publicatie/5224/Gedragscode-consument-en-energieleverancier)

19 [www.eneco.nl/-/media/eneco-nl/files/voorwaarden/gedragscodeleveranciersslimmemeters2012.pdf](http://www.eneco.nl/-/media/eneco-nl/files/voorwaarden/gedragscodeleveranciersslimmemeters2012.pdf)

20 [www.eneco.nl/-/media/eneco-nl/files/voorwaarden/verklaring-naleving-gedragscode-leveranciers-slimme-meters-2021-ondertekend.pdf](http://www.eneco.nl/-/media/eneco-nl/files/voorwaarden/verklaring-naleving-gedragscode-leveranciers-slimme-meters-2021-ondertekend.pdf)

21 [www.reclamecode.nl/nrc/code-voor-telemarketing-ctm/](http://www.reclamecode.nl/nrc/code-voor-telemarketing-ctm/)

22 In Dutch: Kwaliteitsstandaard Consumentenbescherming Werving

23 [eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32016R0679](http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32016R0679)

24 [wetten.overheid.nl/BWBR0040940/2021-07-01](http://wetten.overheid.nl/BWBR0040940/2021-07-01)

25 in Dutch: Geldzorgenbewuste Organisatie [www.keurmerkqbo.nl/over-gbo/](http://www.keurmerkqbo.nl/over-gbo/)



## 3. Salient risks



Salient environmental and human rights risks and violations are the most severe impacts that a company (or its business relations) might have on people or the environment. We intend to further validate our areas of severe impact and assess their likelihood and severity in order to prioritise our impacts for risk management and to enable us to address them proactively. Therefore, our areas of severe impact are continuously evolving and are part of our due diligence commitment. The following issues are identified at this time.

### Climate change

Climate change due to global warming is one of the greatest threats to human rights of our generation, posing a serious risk to the fundamental rights to life, health, food and an adequate standard of living of individuals and communities around the world. Since the 1800s, human activity has been the main driver of climate change, primarily due to the burning of fossil fuels such as coal, oil and gas. According to the Intergovernmental Panel on Climate Change (IPCC, 2021), at the current rate of global warming we will reach 1.5° C around 2030. A World Meteorological Organization report released on 17 May 2023 argues a 66% chance that the annual global average temperature will hit 1.5° C above pre-industrial temperatures at some time in the next

five years. If temperatures continue to rise, the frequency and intensity of heat waves, extreme precipitation and droughts will increase and serious effects on ecosystems, plants, animals and people will become impossible to avoid.

### Limiting global warming will require major transitions in the energy sector.

Eneco took the strategic path away from fossil towards renewable energy sources as early as in 2007. In 2021 we took further responsibility by accelerating the decrease in our CO<sub>2</sub> emissions by 15 years, announcing that we will become climate-neutral by 2035 for our scope 1, 2 and 3 emissions. To achieve this, we are focusing on:

- Decarbonising in a joint effort with our customers,
- Generating more sustainable energy and phasing out the remaining gas-fired power plant,
- Balancing and optimising the renewable but more volatile energy system.
- For a detailed description of our approach and the timeline by which we will realise this ambition, see our Climate Plan.<sup>26</sup>

<sup>26</sup> [www.eneco.com/~media/eneco-nl-over-ons/pdf/eneco-one-planet-klimaatplan\\_nl\\_lr.pdf?la=en/](https://www.eneco.com/~media/eneco-nl-over-ons/pdf/eneco-one-planet-klimaatplan_nl_lr.pdf?la=en/)



## Biodiversity loss

Biodiversity, meaning the variety of all living things on our planet, has been declining at an alarming rate in recent years, mainly due to human activity such as land use changes, pollution, and climate change. According to the World Wide Fund for Nature (WWF), wildlife populations in the Netherlands have dropped by half over the past thirty years. Moreover, ecologists from Wageningen University warn that some 70% of plant species and 40% of bird species will disappear from the Netherlands. Even if renewable sources produce energy in an eco-friendly way, they nevertheless have an impact on biodiversity. Energy production potentially affects biodiversity with its construction and placement. The main risks are:

- **Habitat loss:** energy sources take away space from plants and animals,
- **Wildlife destruction:** renewable energy sources stress animals and even kill them,
- **Land damage:** construction of renewable energy sources can damage the land's natural layout,
- **Displacement:** displaced animals might be forced to live elsewhere if renewable energy sources are built where they live.

To reverse the loss of biodiversity, Eneco wants to be a leader in the energy sector. To this end, we are currently running and evaluating seven pilot projects. The results will be used to decide whether we are able to substantiate that, from 2025, all our investment decisions for new renewable energy sources have a net-positive effect on biodiversity. This means that we should increase biodiversity more than we diminish it. We can achieve this by minimising the negative effects on local biodiversity when developing and implementing new projects, and by investing in nature restoration and development. The Biodiversity Code of Conduct<sup>27</sup> acknowledges our responsibility for biodiversity, describes our biodiversity methodology with its scoping and limits and describes our monitoring methods.

We follow a science-based approach, one that has been specifically developed for Eneco and is recognised by the largest environmental NGOs, to take appropriate nature restoration measures for each project to become net-positive. The measures under this approach come on top of the requirements under the necessary permits. To fulfil these objectives we use the Biodiversity Metric, a measurement tool used by the UK government. The Biodiversity Metric guidance refers to values also used



in BREEAM (Building Research Establishment Environmental Assessment Method), which is a widely used standard for sustainable construction. BREEAM distinguishes two levels of 'biodiversity positive'. Eneco has chosen to set the highest level

as a parameter. This means that, after Eneco's activities have been implemented, the natural environment should recover to at least 110% compared to its condition at the start of the project.

<sup>27</sup> Under construction; location of public availability as yet unknown.

## Material depletion

Attention for materials is becoming more and more important to Eneco. Although we are a utility company and not a manufacturer, we are highly dependent on materials such as metals, plastics, thermoplastics, and metalloids for our renewable energy sources. The availability of these materials is not a given,<sup>28</sup> and extracting the raw materials unfortunately goes hand in hand with adverse impacts on land use and emissions<sup>29 30</sup> that affect local communities and nature.<sup>31</sup> Reusing and recycling products slows down the use of natural resources, reduces landscape and habitat disruptions and helps to limit biodiversity loss. Another benefit from the circular economy is a reduction in total annual greenhouse gas emissions.<sup>32</sup>

Smart use of materials and lifetime considerations based on the R-ladder<sup>33</sup> are therefore part of the lifecycle decisions of our renewable energy

sources. This understanding is applied in Eneco's ambition to become a circular company by 2050.<sup>34</sup>



## Forced labour

For sourcing our solar panels, we are highly dependent on the People's Republic of China (PRC)<sup>35</sup>. As the report *In Broad Daylight*<sup>36</sup> shows, we cannot be sure that the solar panels that our EPD contractors install in our solar projects were manufactured without the use of forced labour. The Uyghur region produces between one third and one half of the world's solar-grade polysilicon. Numerous books, papers and reports by

academic researchers and journalists<sup>37</sup> have documented a region-wide ethnically targeted programme of state-imposed forced labour that is being enacted against the Uyghur community and other minority citizens of the Xinjiang Uyghur Autonomous Region (XUAR).<sup>38</sup> Polysilicon is an essential raw material for producing solar panels, the vast majority of PV modules produced worldwide have exposure to the Uyghur region. Production in China significantly increases that exposure.

28 [www.metaalnederland.com/wp-content/uploads/2022/03/Metaalvraag-van-de-Nederlandse-Energietransitie.pdf](http://www.metaalnederland.com/wp-content/uploads/2022/03/Metaalvraag-van-de-Nederlandse-Energietransitie.pdf)

29 [climatechampions.unfccc.int/3-ways-the-circular-economy-is-vital-for-the-energy-transition/](https://climatechampions.unfccc.int/3-ways-the-circular-economy-is-vital-for-the-energy-transition/)

30 [www.worldbank.org/en/news/infographic/2019/02/26/climate-smart-mining](https://www.worldbank.org/en/news/infographic/2019/02/26/climate-smart-mining)

31 [actonaid.nl/ons-werk/themas/duurzame-aarde/grondstoffen/](https://actonaid.nl/ons-werk/themas/duurzame-aarde/grondstoffen/)

32 [www.europarl.europa.eu/news/en/headlines/economy/20151201STO05603/circular-economy-definition-importance-and-benefits](https://www.europarl.europa.eu/news/en/headlines/economy/20151201STO05603/circular-economy-definition-importance-and-benefits)

33 [Utrecht Sustainability Institute \(2018\): \[circulareconomy.europa.eu/platform/sites/default/files/pbl-2019-outline-of-the-circular-economy-3633.pdf\]\(https://www.utrecht.nl/~/media/Files/2018/08/15/UT-2018-08-15-Circular-Economy-3633.pdf\) and \[www.pbl.nl/sites/default/files/downloads/pbl-2018-circular-economy-what-we-want-to-know-and-can-measure-3217.pdf\]\(https://www.pbl.nl/sites/default/files/downloads/pbl-2018-circular-economy-what-we-want-to-know-and-can-measure-3217.pdf\)](https://www.utrecht.nl/~/media/Files/2018/08/15/UT-2018-08-15-Circular-Economy-3633.pdf)

34 [www.eneco.com/what-we-do/circularity/](https://www.eneco.com/what-we-do/circularity/)

35 [rmis.jrc.ec.europa.eu/uploads/CRMs\\_for\\_Strategic\\_Technologies\\_and\\_Sectors\\_in\\_the\\_EU\\_2020.pdf](https://rmis.jrc.ec.europa.eu/uploads/CRMs_for_Strategic_Technologies_and_Sectors_in_the_EU_2020.pdf)

36 [www.shu.ac.uk/helena-kennedy-centre-international-justice/research-and-projects/all-projects/in-broad-daylight](https://www.shu.ac.uk/helena-kennedy-centre-international-justice/research-and-projects/all-projects/in-broad-daylight)

37 [xinjiang.sppga.ubc.ca/critical-scholarship/academic-publications/](https://xinjiang.sppga.ubc.ca/critical-scholarship/academic-publications/)

38 [www.shu.ac.uk/helena-kennedy-centre-international-justice/research-and-projects/all-projects/over-exposed](https://www.shu.ac.uk/helena-kennedy-centre-international-justice/research-and-projects/all-projects/over-exposed)



This severe risk of forced labour is too complex an issue for Eneco to solve by itself. Despite significant global pressure for increased transparency, information regarding solar industry sourcing is becoming less transparent all the time, making it difficult to offer any assurances of ethical sourcing. To achieve the essential transparency under the IRBC Agreement for the Renewable Energy Sector, we are therefore working with other parties to make verified ethical solar sourcing decisions and increase pressure in the solar supply chain to stop forced labour.

## Energy poverty

Financial debt among members of the public is a huge problem in the Netherlands, and one that is increasing. The recent energy crisis due to the war in Ukraine has only highlighted this problem. In recent years, Eneco has been working hard to structure services for customers with payment difficulties, to prevent our customers' debts from becoming a problem. To provide these customers with even better support, hopefully at an earlier stage, Eneco has joined Dutch debt counselling organisation Nederlandse SchuldhulpRoute<sup>39</sup> (NSR). NSR is a national infrastructure in which businesses, government and debt relief organisations work together to help people find their way out of debt by helping them to regain control of their financial and personal situation.

Together with Essent, Greenchoice, Vattenfall, NSR and SchuldenlabNL, Eneco was one of the initiators behind the government-supported Temporary Energy Emergency Fund.<sup>40</sup> The purpose of this fund is to prevent Dutch households from falling into further financial difficulties during the winter and being unable to pay their energy bills.



<sup>39</sup> [nederlandseschuldhulproute.nl/aangesloten-organisaties/bedrijven/](https://nederlandseschuldhulproute.nl/aangesloten-organisaties/bedrijven/)

<sup>40</sup> [www.noodfondsenergie.nl/](https://www.noodfondsenergie.nl/)



## 4. Complaints, grievances and remedies



It is a matter of great importance to Eneco to protect the company, its employees, its suppliers, its customers, the environment, and society as a whole against serious irregularities that might be conducted by Eneco or Eneco's employees (including temporary staff).

We acknowledge the importance of accessible complaints procedures, grievance mechanisms and remediation. As such, we have different points of contact for different stakeholders to report perceived irregularities concerning Eneco.

- Customers can contact our *Customer Service*,<sup>41</sup>
- Suppliers can contact us at [procurement@eneco.com](mailto:procurement@eneco.com),<sup>42</sup>
- Suspected breaches of our Code of Conduct or infringements of EU law by Eneco can be reported to [fm\\_speakup@eneco.com](mailto:fm_speakup@eneco.com)<sup>43</sup>
- Questions about Eneco's strategy and policies can be sent to [CorporateCommunicatie@eneco.com](mailto:CorporateCommunicatie@eneco.com),
- Contact information for questions from or for the media can be found in our newsroom,<sup>44</sup>

- International adverse impacts (actual or potential) caused by or directly linked to renewable energy may be reported to the Dutch NCP (National Contact Point),<sup>45</sup>
- International adverse impacts (actual or potential) caused by or directly linked to wind and/or solar energy can be reported to the independent RECDC (Renewable Energy Complaints and Disputes Committee)<sup>46</sup> of the IRBC Agreement for the Renewable Energy Sector.

Every concern that is reported is taken seriously, and we take appropriate action on each report. However, the above channels should not be used for acquisition purposes.

Eneco does not permit any form of or attempt at retaliation against reporters who have reported in good faith. Any breach of this non-retaliation rule will lead to disciplinary measures.

41 [www.eneco.nl/klantenservice/](http://www.eneco.nl/klantenservice/)

42 [www.eneco.com/suppliers/](http://www.eneco.com/suppliers/)

43 [www.eneco.com/who-we-are/doing-business-with-integrity/](http://www.eneco.com/who-we-are/doing-business-with-integrity/)

44 [news.eneco.com/](http://news.eneco.com/)

45 [www.oecdguidelines.nl/notifications/submitting-a-specific-instance](http://www.oecdguidelines.nl/notifications/submitting-a-specific-instance)

46 Link to the RECDC once available.

# About the document

## Legal rules and conflicting requirements

In all situations and contexts, and in all jurisdictions, Eneco complies with the applicable laws and international standards, respects the law and this policy and endeavours to respect internationally recognised human rights and environmental standards. When faced with conflicting or unclear requirements, we will endeavour to honour the principles of internationally recognised human rights and environmental standards.

## Approval and oversight

This policy statement has been endorsed by N.V. Eneco's Management Board. At the Board level, it falls under the CEO's responsibility. Different Eneco departments are involved in the implementation of IRBC policies, such as Strategy, Operational Risk Management, Procurement, Corporate Communication and various business departments.

Eneco will report on the progress towards implementing this policy in its combined annual financial and sustainability report. The policy will be reviewed periodically to ensure that it continues to reflect our goals.

## Review and update

Our aim is to continually improve, monitor, track and transparently report on our ability to manage IRBC risks and to have a positive impact. This is a journey, and it will be driven not least by raising awareness among our employees, suppliers, and other stakeholders. We are aware that changes in operations, locations, products, and counterparties could result in an evolving risk profile. To remain up-to-date, besides our regular due diligence processes, we will reassess our impact internally on an annual basis and conduct IRBC assessments of our value chain every three to five years.

## Related policies and procedures

[Eneco Code of Conduct](#)  
[Supplier Code of Conduct](#)  
[Sustainable Procurement Policy](#)  
[One Planet Plan](#)  
[Climate Plan](#)

