

# Slavery & Human Trafficking Statement

June 2021

## E.ON's statement

This statement is made by E.ON SE as the ultimate holding company of the E.ON Group ("E.ON")<sup>1</sup>, pursuant to section 54(6) of the UK's Modern Slavery Act 2015 (the "Act") for the financial year ending on 31 December 2020.

## E.ON's structure, business & supply chain

E.ON is an international energy company which is focused on energy networks and customer solutions.

Global trends like sustainability and climate protection, digitalization and technological innovation are altering the energy landscape. E.ON's core businesses reflect this: the transformation of yesterday's power lines into tomorrow's smart energy networks and the increasing demand for innovative customer solutions.

Value-enhancing procurement of goods and services is an important requirement of the success of E.ON's business. In all E.ON's procurement processes, E.ON requires human rights to be respected and environmental standards to be maintained throughout the entire supply chain. To this end, E.ON has introduced various policies and management processes.

## E.ON's approach

E.ON has a commitment to act ethically and responsibly in all its business relationships and has zero tolerance of slavery and human trafficking in any part of its business or supply chain. E.ON supports and is committed to upholding the UN Guiding Principles on Business and Human Rights and the core labour standards set out by the International Labour Organisation. E.ON has a wide range of internal policies, standards and processes in place groupwide to assist in tackling slavery and human trafficking, including:

1. E.ON Code of Conduct and E.ON's Human Rights Policy Statement;
2. E.ON Supplier Code of Conduct, with standards regarding human rights, working conditions, environmental protection and ethical business practices that E.ON requires its suppliers to meet;

3. General Purchasing Conditions for suppliers to require compliance with the E.ON Supplier Code of Conduct;
4. Defined and monitored onboarding and qualification processes of new suppliers before E.ON engages in business with them;
5. Frequent evaluations of E.ON's top suppliers against key performance indicators;
6. Whistleblowing hotline to enable employees and third parties to report possible violations of the law or of company guidelines or policies.

For further information about E.ON's responsible business practices please refer to → [E.ON's Sustainability Report](#).

## E.ON's achievements in 2020

E.ON recognises the benefits of upholding standards and continually improving supply chain performance through successful collaboration as follows:

1. E.ON's Supplier Code of Conduct was updated in 2020. The updated version contains a more detailed description of E.ON's Corporate Social Responsibility requirements, including information on how to contact E.ON's whistleblower hotline. E.ON's supplier prequalification process consists of self-registration, formal agreement to adhere to E.ON's Supplier Code of Conduct and a compliance check.
2. In 2019, E.ON updated its 2008 Human Rights Policy Statement, which is signed by all Management Board members and published on E.ON's website. The statement acknowledges the International Bill of Human Rights and the Declaration on Fundamental Principles and Rights at Work of the International Labour Organisation (ILO) and its fundamental



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conventions, and refers to E.ON policies, such as the E.ON Supplier Code of Conduct. E.ON's environmental, social and governance standards are based on the ten principles of the United Nations Global Compact (UN GC), the world's largest initiative for responsible corporate governance, which includes respecting human rights. In 2020, E.ON continued to refine its approach to human rights and supplier management. E.ON introduced a new mandatory training module on compliance, human rights and cyber and data security. The module is mandatory for all employees and conducted annually. By the end of 2020, 87.3% of employees had completed the training.

3. In 2020, E.ON continued to focus on monitoring existing and new suppliers to ensure that they complied with E.ON's minimum requirements and that potential risks to health, safety, the environment and corporate social responsibility, including the protection of human rights, were identified and mitigated. This was facilitated by the adoption of a fully digital supplier onboarding solution at the end of 2018, which was integrated into E.ON's enterprise resource planning (ERP) system. This means that every non-fuel supplier must complete this onboarding process if the individual transaction volume exceeds €25,000 (per event and per spend category) or the health, safety and environment risk is medium or high. This process (among other requirements) requires the suppliers to pass a compliance check and accept E.ON's Supplier Code of Conduct. By the end of 2020, the suppliers involved in 99.3% of the non-fuel purchase orders and call-off contracts at the units of the former E.ON<sup>2</sup> had completed the onboarding process.
4. Following a comprehensive assessment conducted in 2018, E.ON continued to evaluate its suppliers' performance and, based on the findings, make decisions about its future relationship with them. Key non-fuel suppliers are determined annually, based on E.ON's annual spend with them

and their criticality to E.ON's business. They are then periodically evaluated using five key performance indicators (KPIs): quality, commercial, delivery, processes and innovation, and corporate social responsibility (which includes the protection of human rights). The total number of supplier performance reviews increased by 88% relative to 2019.

5. Enabled by periodic risk assessments a new KPI focussing on violations or suspected violations was added to reporting of the supply chain organisation at the start of 2020. "Suppliers under investigation/observation" shows the suppliers we are monitoring more closely. In such cases, the supply chain Compliance Officer and the respective supply chain Director are notified, and a process is set in motion to ensure that the situation is rectified without delay. If it's not, we terminate our business dealings with the supplier. In 2020 no business dealings were terminated because no compliance violations were detected.
6. In 2020 no violation of human rights was reported through the whistle blower hotline.
7. E.ON conducted a rigorous benchmarking and human rights risk assessment encompassing the top 80 per cent of its current and anticipated spend and in all purchasing categories. In 2020, the supply chain organisation designed a systematic process for rolling out the risk matrix developed in 2019. The purpose of the matrix, which breaks down risks by country and purchasing category, is to mitigate any potential risk of human rights violations.
8. In 2020, a series of online chats have been held in the supply chain organisation hosted by two senior members of the Group wide Supply Chain function. The purpose of the



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chat "HSE & Compliance: Doing the right thing!" was to emphasize to the supply chain community that HSE & Compliance is the basis of everything we do. Four main areas were covered: compliance, how we care about each other and how we work together safely as well as sustainability. All chats were recorded and are available on demand to the supply chain community.

9. E.ON continued to provide training to both its new and existing supply chain employees with the aim of enhancing knowledge of all sustainability issues, including social welfare and human rights topics.

## Plans for 2021

Activities proposed for 2021 include:

- conducting e-learning human rights and cyber and data security for all employees; and
- reviewing the risk matrix with regard to E.ON's new suppliers and updating it on a regular basis. If this process identifies risks then suppliers will have to take additional steps, such as presenting a corrective action plan or agreeing to on-site audits in order to successfully pass the onboarding process

Health, safety and environment events will continue to be conducted throughout 2021 for E.ON employees and contractor representatives. The aim of these events is to reinforce awareness

of the importance of these topics to E.ON, both generally and for individual projects, as well as to design specific action plans for joint improvement initiatives related to the products and services a particular contractor or subcontractor provides. The events also serve as a forum for sharing best practice and communicating E.ON's standards and policies.

## E.ON's continued commitment

E.ON will continue to review its policies and processes in relation to the prevention of modern slavery and human trafficking in its business and supply chain, strengthening these where necessary to ensure continued alignment with the Act.

E.ON will also continue to train all employees on, and ensure compliance with, its Code of Conduct and will identify additional training needs where necessary.

This statement has been approved by the E.ON SE Board of Directors on behalf of E.ON on June 1, 2021. A new statement will be published each year on the website.



**Dr. Ing. Leonhard Birnbaum**  
Chief Executive Officer, E.ON SE  
June 1, 2021

<sup>1</sup>Which includes the following E.ON companies qualifying under the criteria of the UK Modern Slavery Act 2015:

E.ON UK plc  
E.ON Energy Solutions Limited  
E.ON UK Energy Markets Limited  
E.ON UK CHP Limited  
E.ON Control Solutions Limited  
E.ON UK Steven's Croft Limited  
E.ON Energy Installation Services Limited  
E.ON Next Energy Limited (from and including 2 June 2020)

The following companies became part of the E.ON Group from 2 June 2020 however for the financial year 2020 they continued to be managed independently so they will be included in the Npower Group statement which can be found in the Npower website

<https://www.npower.com>  
Innogy Business Services UK Limited  
PS Energy UK Limited  
Npower Limited  
Npower Commercial Gas Limited  
Npower Gas Limited  
Npower Yorkshire Limited  
Npower Group Limited

To view E.ON's previous statements please → [click here](#)

<sup>2</sup>Excludes companies which are part of the Innogy Group.

