RWE

Response received by BHRRC from RWE regarding assessment of exposure to and steps taken in response to forced labour issues in XUAR as documented by Sheffield Hallam University, among others, 14 July 2023.

(1) Assessment of exposure

“RWE response: We have also analysed the mentioned report back in 2021 and engaged with our suppliers and initiated additional measures to enhance transparency of our supply chains and to ensure human rights. According to our due diligence obligations, enshrined in our Human Rights Policy Statement, the company has established a yearly and ad hoc based risk assessments (i.e., abstract and concrete risk analysis) aimed at own business operations and own suppliers. The scope comprises several core ESG issues and several ESG risk factors, in accordance with recognized international standards and regulatory frameworks, such as World Bank Group Health and Safety, IFC Performance Standards, ILO Conventions, Act on Corporate Due Diligence Obligations in Supply Chains (i.e., LkSG), UN Global Compact, SDGs, among others. Additionally, we implemented a digital supplier monitoring tool as part of our supplier qualification and relationship management which covers, among others, human rights and supply chain responsibility. This approach allows RWE to capture systematically the risk exposure of the counterparties that are in the scope of the risk analysis.”

(2) Steps taken in response

“RWE response: RWE believes that human rights are a fundamental aspect of responsible corporate governance and has a strong and binding commitment to uphold and respect human rights. As such, the company shares with its suppliers the expectations and obligations connected to respecting and protecting human rights, encouraging them to implement measures to eliminate risks and infringements within the supply chain. This and further human rights related requirements have been set by RWE and are part of our human rights appendix which is included in contracts. In cases of concrete violations, suppliers are informed about their duty to take appropriate measures without undue delay and to inform RWE immediately.

Specifically regarding the reported situation in Xinjiang, RWE confirms that it does not source finished PV modules from Xinjiang for any Renewable project. In addition, and as a preventive measure, for each potential new supplier, we screen and engage with them to ensure that no counterparty is violating human rights, in order for them to be allowed to enter into a business relationship with RWE to supply goods or services to the company.

RWE response: Regarding own business operations and active suppliers, even though forced labour is a recognized risk, we have not encountered a concrete violation on labour rights that could have triggered the implementation of remedial measures without undue delay. However, we have implemented preventive measures and further checks to screen our suppliers in consideration with the risk-based assessment outcome.”