

Slavery & Human Trafficking Statement

June 2023

E.ON's statement

This statement is made by E.ON SE as the ultimate holding company of the E.ON Group ("E.ON")¹, pursuant to section 54(6) of the UK's Modern Slavery Act 2015 (the "Act") for the financial year ending on 31 December 2022.

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, digitalisation 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 for 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 various policies and management processes in place.

E.ON's approach in outline

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.
7. Introduction of the German Supply Chain Due Diligence Act¹ has required a lot of elements to be enhanced and updated.

For further information about E.ON's responsible

¹ Lieferkettensorgfaltspflichtengesetz "LkSG"



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business practices please refer to the chapter “Human Rights and Supply Chain Management” in E.ON’s Integrated Annual Report.

E.ON’s achievements with update for 2022

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

1. E.ON Human Rights Policy Statement 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 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. E.ON continues to refine its approach to human rights and supplier management and introduced in 2021 a new annual mandatory training module on human rights cyber security and data protection. The module was refreshed and compliance was added to the training. It was issued to all employees in 2022. By the end of 2022, over 80% of employees had completed the training.

2. In 2022, 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 2022, the suppliers involved in 98.3% of the non-fuel purchase orders and call-off contracts at all E.ON Group companies had completed the onboarding process.

3. 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). In 2022 E.ON continued to carry out such reviews.

4. 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



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without delay. If it is not, we terminate our business dealings with the supplier. In 2022, no business dealings were terminated because no compliance violations were detected.

5. 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. In 2021 E.ON implemented its human rights due diligence process. It consists of a human rights risk matrix that was developed with human right experts and this is updated annually. In 2022 E.ON introduced a digital tool for ongoing risk assessments of suppliers with medium and high human right risks. They are assessed in a variety of categories, including sustainability, finance, cybersecurity, supply chain disruption, and compliance. The programme specifically gathers and evaluates information on risks relevant to the German Supply Chain Due Diligence Act. It looks at several elements called points of interests such as the holding company of suppliers, plant locations and logistics routes.

6. In 2022, four alleged violations of human rights were reported through the Group wide whistle blower hotline. The investigations found that in each case the allegations were unfounded and

therefore not a violation of human rights nor E.ON's Code of Conduct.

7. E.ON launched a Group-wide human rights due diligence project in 2022 to prepare the company for the requirements of Germany's Supply Chain Due Diligence Act. The project was led by the Group's Sustainability department with Representatives from Supply Chain, Human Resources, Compliance, Health and Safety and Environment departments being closely involved. As part of the project E.ON developed a Group wide approach to human rights management.

8. 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 2023

Activities proposed for 2023 include:

- conducting the annual mandatory e-learning compliance, human rights and cyber and data security for all employees;
- Implementing the measures required under the German Supply Chain Due Diligence Act including:-
 - a new concept for conducting risk analysis of human rights risks relating to E.ON's activities within its own business
 - implementing improved human rights risk matrix within its supply chain
 - updating the Supplier's Code of Conduct and
 - updating the Human Rights Policy Statement



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Health, safety and environment events will continue to be conducted throughout 2023 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 7, 2023. A new statement will be published each year on the website.

Dr. Ing. Leonhard Birnbaum

Chief Executive Officer, E.ON SE

June 7, 2023

¹ 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 Next Energy Limited
E.ON UK Infrastructure Services Limited
Npower Limited
Npower Commercial Gas Limited
Npower Group Limited

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