



## **Policy Statement of the MVV Group on Respecting the Environment and Human Rights**

MVV is a key pioneer of the energy transition and, with the Mannheim Model, is committed to pursuing a strategic course that will enable us to become climate neutral by 2040 and, as one of the first energy companies in Germany, climate positive from then onwards. We are consistently building on the heat transition, on the electricity transition and the associated expansion in renewable energies and on green products and solutions for our customers. In October 2022, we were the first energy company in Germany to receive verification from the SBTi that our decarbonisation action and targets are net zero compatible.

To ensure that this transformation succeeds on a sustainable basis, and in our role as part of society, we are obliged to consistently abide by all applicable regulations and laws and to provide transparent report on the management of our company.

For us, unconditional respect for human rights is a fundamental aspect of responsible corporate governance and of our responsibility towards society. This has always been of central importance to us. We are aware that our business activities bring us into contact, whether directly or indirectly, with human rights-related topics and that these are influenced by our actions. Alongside the ethical justification for our actions, we are also convinced that we can only succeed on a permanent basis if our business activities are compatible with people and the environment. This is the only way we can securely position our company for the future.

Our commitment to protecting human rights applies equally to our own business activities and to our value chains, and in particular to our supply chains as well.

We base our definition of human rights on internationally recognised human rights standards, conventions, principles and policies and align our business activities to these:

- ✓ The Universal Declaration of Human Rights of the United Nations (UN)
- ✓ The Guidelines for Multinational Enterprises of the Organisation for Economic Co-operation and Development (OECD)
- ✓ The Guiding Principles on Business and Human Rights of the United Nations (UNGP)
- ✓ The Conventions and Recommendations of the International Labour Organization (ILO) on labour and social standards
- ✓ The Ten Principles of the Global Compact of the United Nations (UNGC)
- ✓ The UN Convention on the Rights of the Child



- ✓ The UN Convention on the Elimination of All Forms of Discrimination against Women
- ✓ The Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal
- ✓ The Stockholm Convention on Persistent Organic Pollutants (POPs Convention).

As a member of the UN Global Compact, we are committed to:

- ✓ Respecting and enforcing human rights everywhere and at all times
- ✓ Promoting respect for human rights in the areas we are able to influence and ensuring that human rights violations are not caused, supported or tolerated on account of our own business activities
- ✓ Promoting the elimination of all forms of forced labour and the abolition of child labour
- ✓ Upholding the freedom of association and the effective recognition of the right to collective bargaining and ensuring compliance with internationally recognised standards of work safety at our company and wherever possible at our suppliers as well
- ✓ Promoting the elimination of all forms of discrimination in respect of employment and occupation
- ✓ Safeguarding the health and safety of workers and relevant stakeholders
- ✓ Respecting further human and personal rights-related topics such as land distribution and use, the right to water, property rights, the right to education, data protection and privacy rights.

### **Responsibility and integration in our compliance management system**

Responsibility for implementing this Policy Statement lies with the Executive Board of MVV Energie, the executive boards and managers of individual subgroups and subsidiaries, division heads and executives with group functions. This is the only way to ensure that every company and every department in our Group is aware of its own responsibility for respecting human rights and implementing these in our daily work.

Respect for human rights is integrated into our compliance management system (CMS). Our Compliance Officer and Human Rights Officer monitors the relevant statutory and internal company requirements and due diligence obligations. In this, she works closely with other group-internal stakeholders, such as central procurement, sustainability management, risk management, the group legal department, the personnel department, work safety and the compliance managers and corresponding units at the MVV Group's companies. She regularly reports to the Executive and Supervisory Boards of MVV Energie AG, as well as to MVV's Sustainability Programme. External reporting on human rights-related topics is provided in particular in the Sustainability Report, the Non-Financial



Group Declaration and the report to be compiled pursuant to the German Supply Chain Due Diligence Act (LkSG).

### **Our implementation of human rights-related due diligence obligations**

Actually implementing effective processes and measures to actively protect human rights is just as important as the commitment to respecting such rights.

### **Risk management and risk analysis**

We are continually working to systematically identify and manage the impact of our business activities on human and personal rights. To this end, we review the areas in which risks of human rights violations may arise in our own business divisions, as a result of our business activities or in our supply chains.

In analysing human rights-related risks, we account for the interests of our employees and of all stakeholders in the “protected legal positions” defined in the LkSG legislation who may be directly affected by our business activities. The goal we have set ourselves here is to exchange information with potentially affected rights holders or their representatives and account for their interests to the greatest possible extent.

The human rights-related risk analysis of our own business divisions and our business activities is conducted by identifying and assessing risks based on a risk assessment specifically developed for this purpose. All relevant group functions and operating business units are involved in performing this analysis.

In the first stage, we perform the human rights-related risk analysis of our supply chain on an automated (AI-assisted) basis. This analysis is based in particular on:

- ✓ The origin of the supplier and location of its production facilities
- ✓ The products and services involved
- ✓ Procurement volumes
- ✓ External and officially recommended risk sources
- ✓ Specific self-disclosures by individual suppliers
- ✓ The calculation of risk values based on available data in all categories defined in § 2 LkSG.

These extensive analyses and assessments are performed on the basis of established standards. We are continually working to further develop the underlying methodologies and compare these with good and best practice in and beyond our sector. Before agreeing



contracts with business partners in sectors with risk exposure, we conduct a transparent risk-oriented integrity review to the extent permitted by law.

We assess, weight and prioritise the risks analysed this way on an individual basis and to an appropriate extent based on the nature and scope of the business relationship, the potential influence of our business activities, the severity and reversibility of the potential violation and our own contribution to its causation. Based on the risk values thus determined, where necessary we then implement suitable corrections and put effective measures in place. These particularly involve measures to avert, detect, minimise, terminate and prevent risks.

Any human rights violations identified are consistently investigated, terminated or minimised.

The processes in place to ensure compliance with human rights and identify potential risks are regularly reviewed and, if applicable, developed further. They form the object of the audits performed by our Human Rights Officer and our group internal audit department.

Direct responsibility for implementing the risk analysis and subsequent measures lies with the management of our individual group departments, companies and locations. The various procurement organisations and sales units have a particularly significant role to play in upholding due diligence obligations in our value and supply chain.

Unless otherwise required by relevant national legislation, our group companies are not permitted to set regulations that diverge from this Policy Statement. If companies feel obliged to diverge due to national legislation, they are required to report this.

## **Our measures**

Our business activities are predominantly located in EU and/or OECD countries in which human and personal rights are embedded in national law and supplemented by basic rights; these significantly exceed the minimum standards defined by the UN and the ILO. We are continually working to reduce the likelihood of potential human rights violations even further.

The object of our risk analysis also includes identifying the severe risks referred to as “salient issues”, i.e. human rights-related topics that could have the severest impact on those potentially affected by our business activities (e.g. employees at our Group, in the supply chain, local residents or customers).

Human rights violations in select Chinese provinces or production sites where most of the world’s production of silicon for photovoltaics modules is located may currently be deemed



to be salient issues. We are in close contact with our suppliers in this respect but have yet to gain awareness of any specific violations within our supply chains.

For the topics identified, we derive measures that are intended on the one hand to improve the status quo and on the other to avoid any situations of concern in respect of human rights. Depending on the topic involved, these measures may be selected on group level, by several group companies acting in concert or on the level of an individual group company.

Based on our findings and taking due account of international standards, we have compiled regulations and policies that provide a framework for our employees and business partners. These also define specific targets and measures to protect human rights and relevant preventative measures:

- ✓ Human Rights Policy
- ✓ Compliance and sustainability standards for suppliers
- ✓ MVV's Sustainability Report
- ✓ Non-Financial Declaration in Annual Report
- ✓ Whistleblowing system implemented worldwide
- ✓ Compliance management system (CMS)
- ✓ Training concepts

We conduct individual audits and checks and oblige our business partners to uphold relevant standards by means of contractual arrangements and assurances.

Some of the challenges in the often highly fragmented value chain require sector-wide and cross-sector approaches and initiatives. MVV is a participant in the Sector Dialogue to Uphold Human Rights in Global Supply and Value Chains of the German Energy Industry and a member of the UN Global Compact.

### **Expectations in employees, suppliers and business partners**

We expect and require our employees and business partners to respect, comply with and uphold applicable laws and human and personal rights. Violations of such are not tolerated; on the contrary, they are consistently sanctioned.

We are unreservedly committed to responsible and sustainable procurement and expect the same of our suppliers and service providers.

All suppliers to MVV Group companies are obliged to comply with our minimum requirements in respect of human and worker rights, environmental and climate protection, sustainability, compliance management, corruption prevention, antitrust law and money



laundering prevention. Our Supplier Code of Conduct and our Compliance Code of Conduct are constituent components of our contracts with our suppliers.

Furthermore, we have set ourselves the goal of raising awareness among our suppliers for social and labour law issues. Compliance with social standards also forms part of our supplier evaluations, contract award talks and supplier development processes.

### **Reporting concerns – contact partner**

MVV Energie has established a reporting process that enables employees, business partners and third parties at any time to report violations of human rights or, environmental obligations, infringements of laws or EU regulations and breaches of internal requirements.

Our complaints mechanism is based on a clearly defined process that is accessible to everyone at our website [MVV Whistleblower-Hotline](#).

All reports and notifications are treated confidentially and in accordance with national and international laws and standards.

Notifications and reports may be submitted, also anonymously, to the following persons:

**Eva Hofmann-Rösch, Compliance Officer of MVV Energie AG,**

**Luisenring 49, D-68159 Mannheim  
0621 / 290-1094  
0170 571 11 59**

or via the e-mail addresses

**[eva.hofmann-roesch@mvv.de](mailto:eva.hofmann-roesch@mvv.de)  
[compliance@mvv.de](mailto:compliance@mvv.de)**

**Laura Borgel, confidence lawyer of the MVV Group**

**069 / 770 196-78**

or via the e-mail address

**[borgel@feigen-graf.de](mailto:borgel@feigen-graf.de)**



We review our positions and their implementation both regularly and critically. We are also working to continually develop them further.

Mannheim, January 2023

Dr. Georg Müller  
Chairman of the Executive Board

Verena Amann  
Executive Board Member

Ralf Klöpfer  
Executive Board Member

Dr. Hansjörg Roll  
Executive Board Member