

Brookfield Renewables Partners

Response received by BHRRRC from Brookfield Renewables Partners regarding assessment of exposure to and steps taken in response to forced labour issues in XUAR as documented by Sheffield Hallam University, among others, 15 September 2023.

(1) Assessment of exposure

« Brookfield Renewable Partners L.P. is committed to conducting business in an ethical and responsible manner that respects human rights. We are aware of the issues raised in the report and take them seriously. We have prohibited the use of child and forced labour in our supply chain, we do not source directly from the Xinjiang region, and we require that our suppliers to maintain processes to identify and prevent adverse human rights impacts that could arise from their actions and from the actions of their suppliers.

Our commitment to respecting human rights is consistent with the ESG principles that are integrated throughout our decision making, governance and operations. We embed these standards into our policies and procedures, training, communications, contracts as well as into our procurement and due diligence processes. These policies, procedures and processes, ensure that we conduct appropriate due diligence on our vendors and also help us enhance traceability of products, as described further in our answers to questions B and C, below.

In addition, we have a global presence with procurement and ESG teams on the ground. This enables us to engage locally with suppliers through our local teams and in local languages. Our teams perform diligence to better understand our vendors and their business, including their relevant operations and locations, legal entities and any parent companies or relevant subsidiaries, websites and reports, and affiliations with government entities. We perform third-party risk corporate profile checks and risk screenings on new vendors both during due diligence and on a regular basis.

As noted above, we require that our suppliers maintain processes to identify and prevent adverse human rights impacts that could arise from their actions and from the actions of their suppliers.

We are regularly enhancing our approach, tracking and assessing the effectiveness of our policies and procedures related to respecting human rights and updated these as required. For example, in 2022, in line with the UN Guiding Principles on Business and Human Rights, we conducted a human rights assessment of our global business activities in partnership with a leading, third-party, sustainability consultancy. The assessment reviewed our potential human rights risks and impacts across our business activities, including our supply chain, and reviewed our systems, policies and practices that serve to identify, prevent, mitigate and respond to these risks.

Also in 2022, in light of public reports flagging the increased ESG risk in certain key renewables technologies, we updated our supplier due diligence guidelines to address these risks, including conducting an enhanced human rights related assessment for these technologies.

In 2023, we further updated the language in our Vendor Code of Conduct to ensure it more appropriately captured the risks related to child and forced labour of any form.”

(2) Steps taken in response

“We continue to focus on solar panels in our supply chain. We continue to enhance our approach in this area including by regularly updating our due diligence processes, key contract terms, policies and procedures and partnering with others to promote industry change.

Our Vendor Code of Conduct (“Vendor Code”) requires that our vendors respect human rights and maintain processes to identify and prevent adverse human rights impacts that could arise from their own or their suppliers’ operations. This includes a prohibition on the use of child and forced labour. We also maintain the right to audit suppliers against our Vendor Code of Conduct and have conducted audits on a number of our suppliers. We also provide a global ethics hotline for the anonymous reporting of any concerns or potential violations. We review and update our Vendor Code annually, including to ensure that we are following best practices related to human rights and child and forced labour issues.

We have taken concrete steps, including:

- Working directly with our suppliers to encourage the mapping of their supply chains for child and forced labour risk, conducting assessments and audits and driving traceability and diversification. Carrying out supply chain due diligence on material contracts and counterparties across our global businesses, which includes a robust assessment of human rights risks. For our largest and most strategic suppliers, we elevate that assessment to our global head office, to ensure we have greater engagement at the corporate level from the vendors with regards to this process.
- Working through solar industry associations and a cross-sector working group to drive transparency and traceability and the sharing of emerging practices and innovative ways of working to manage child and forced labour challenges. We support the Solar Energy Industry Association’s (SEIA) Solar Industry Forced Labor Prevention Pledge alongside many of our suppliers. We also support the adoption of an industry traceability protocol as a tool for identifying the source of primary raw materials and inputs and tracking their incorporation into finished solar panels. In early 2023, we became a member of Solar Power Europe to support initiatives including the Solar Stewardship Initiative, which is working to further develop a responsible, transparent, and sustainable solar value chain.
- Engaging directly with our peers. In 2023 we have been participating along with some of our peers in the renewable sector and other industries in an effort to formally benchmark practices on managing child and forced labour risks and engage on emerging practices and innovative ways of working to manage child and forced labour challenges.
- Investing in Indian solar manufacturing to support the early development of solar manufacturing in the country, including wafer manufacturing, which contributes to diversifying the global solar supply chain. “

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