

# HUMAN RIGHTS MONITORING PROGRAM – EDP Group

## BUSINESS AND HUMAN RIGHTS – QUADRO RUGGIE

### THE CORPORATE RESPONSIBILITY TO RESPECT HUMAN RIGHTS

#### Guiding Principles for Companies

Nº	Principles (applicable to companies)	EDP References
	<b>Foundational principles</b>	
11.	Business enterprises should respect human rights. This means that they should avoid infringing on the human rights of others and should address adverse human rights impacts with which they are involved.	<b>Code of Ethics, EDP Group's Principles of Sustainable Development</b>
12.	The responsibility of business enterprises to respect human rights refers to internationally recognized human rights – understood, at a minimum, as those expressed in the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.	<b>Code of Ethics, Declaration of respect for Human and Labour Rights</b>
13.	The responsibility to respect human rights requires that business enterprises: (a) Avoid causing or contributing to adverse human rights impacts through their own activities, and address such impacts when they occur;	<b>Code of Ethics, EDP Supplier Code of Conduct</b>
	(b) Seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services by their business relationships, even if they have not contributed to those impacts.	<b>Code of Ethics, EDP Supplier Code of Conduct</b>
14.	The responsibility of business enterprises to respect human rights applies to all enterprises regardless of their size, sector, operational context, ownership and structure. Nevertheless, the scale and complexity of the means through which enterprises meet that responsibility may vary according to these factors and with the severity of the enterprise's adverse human rights impacts.	<b>Code of Ethics, Codes of conduct</b>
15.	In order to meet their responsibility to respect human rights, business enterprises should have in place policies and processes appropriate to their size and circumstances, including: (a) A policy commitment to meet their responsibility to respect human rights;	<b>Code of Ethics, Declaration of respect for Human and Labour Rights, Published Corporate documents</b>
	(b) A human rights due diligence process to identify, prevent, mitigate and account for how they address their impacts on human rights;	<b>Human Rights Monitoring Program – HRMP</b>
	(c) Processes to enable the remediation of any adverse human rights impacts they cause or to which they contribute.	<b>Code of Ethics + EDP Ethics System + Code of Ethics Regulations + EDP Ethics Ombudsman + Contact and</b>

		<b>complaint channels</b>
	<b>Policy commitments</b>	
16.	As the basis for embedding their responsibility to respect human rights, business enterprises should express their commitment to meet this responsibility through a statement of policy that: (a) Is approved at the most senior level of the business enterprise;	<b>Code of Ethics, EDP Group's Principles of Sustainable Development, Declaration of respect for Human and Labour Rights</b>
	(b) Is informed by relevant internal and/or external expertise;	<b>DSA + DAIC, HRMP</b>
	(c) Stipulates the enterprise's human rights expectations of personnel, business partners and other parties directly linked to its operations, products or services;	<b>Code of Ethics, Declaration of respect for Human and Labour Rights, Published Corporate documents, EDP Supplier Code of Conduct</b>
	(d) Is publicly available and communicated internally and externally to all personnel, business partners and other relevant parties;	<b>Code of Ethics, Published corporate documents</b>
	(e) Is reflected in operational policies and procedures necessary to embed it throughout the business enterprise.	<b>Code of Ethics + Code of Ethics Regulations EDP Group's Principles of Sustainable Development, HRMP, Manuals of procedures, internal regulations, health and safety regulations and procedures, etc.</b>
	<b>Human Rights due diligence</b>	
17.	In order to identify, prevent, mitigate and account for how they address their adverse human rights impacts, business enterprises should carry out human rights due	<b>HRMP, EDP's Supply Chain</b>

	diligence. The process should include assessing actual and potential human rights impacts, integrating and acting upon the findings, tracking responses, and communicating how impacts are addressed. Human rights due diligence: (a) Should cover adverse human rights impacts that the business enterprise may cause or contribute to through its own activities, or which may be directly linked to its operations, products or services by its business relationships;	<b>sustainability management</b>
	(b) Will vary in complexity with the size of the business enterprise, the risk of severe human rights impacts, and the nature and context of its operations;	<b>HRMP</b>
	(c) Should be ongoing, recognizing that the human rights risks may change over time as the business enterprise's operations and operating context evolve.	<b>HRMP</b> (UN + New Projects)
18.	In order to gauge human rights risks, business enterprises should identify and assess any actual or potential adverse human rights impacts with which they may be involved either through their own activities or as a result of their business relationships. This process should: a) Draw on internal and/or independent external human rights expertise;	<b>HRMP, EDP's Supply Chain sustainability management</b>
	(b) Involve meaningful consultation with potentially affected groups and other relevant stakeholders, as appropriate to the size of the business enterprise and the nature and context of the operation.	<b>HRMP, Stakeholder Relations Policy + COMPRO</b>
19.	In order to prevent and mitigate adverse human rights impacts, business enterprises should integrate the findings from their impact assessments across relevant internal functions and processes, and take appropriate action. (a) Effective integration requires that: <i>(i) Responsibility for addressing such impacts is assigned to the appropriate level and function within the business enterprise;</i>	<b>BU</b>
	<i>(ii) Internal decision-making, budget allocations and oversight processes enable effective responses to such impacts.</i>	<b>BU</b>
	(b) Appropriate action will vary according to: <i>(i) Whether the business enterprise causes or contributes to an adverse impact, or whether it is involved solely because the impact is directly linked to its operations, products or services by a business relationship;</i> <i>(ii) The extent of its leverage in addressing the adverse impact.</i>	<b>BU</b>
20.	In order to verify whether adverse human rights impacts are being addressed, business enterprises should track the effectiveness of their response. Tracking should: a) Be based on appropriate qualitative and quantitative indicators;	Indicators, Reports, HRMP, Supply chain sustainability management+ EDP Ethics Ombudsman
	(b) Draw on feedback from both internal and external sources, including affected stakeholders.	<b>BU</b>
21.	In order to account for how they address their human rights impacts, business enterprises should be prepared to communicate this externally, particularly when concerns are raised by or on behalf of affected stakeholders. Business enterprises whose operations or operating contexts pose risks of severe human rights impacts	Reporting (GRI), <b>HRMP</b>

	should report formally on how they address them. In all instances, communications should: (a) Be of a form and frequency that reflect an enterprise's human rights impacts and that are accessible to its intended audiences;	
	(b) Provide information that is sufficient to evaluate the adequacy of an enterprise's response to the particular human rights impact involved;	Reporting (GRI)
	(c) In turn not pose risks to affected stakeholders, personnel or to legitimate requirements of commercial confidentiality.	Manuals of procedures, internal regulations, health and safety regulations and procedures, etc.
	<b>Remediation</b>	
22.	Where business enterprises identify that they have caused or contributed to adverse impacts, they should provide for or cooperate in their remediation through legitimate processes.	<b>Code of Ethics</b>
	<b>Issues of context</b>	
23.	In all contexts, business enterprises should: (a) Comply with all applicable laws and respect internationally recognized human rights, wherever they operate;	<b>Code of Ethics</b>
	(b) Seek ways to honour the principles of internationally recognized human rights when faced with conflicting requirements;	<b>Code of Ethics</b>
	(c) Treat the risk of causing or contributing to gross human rights abuses as a legal compliance issue wherever they operate.	<b>Code of Ethics</b>
24.	Where it is necessary to prioritize actions to address actual and potential adverse human rights impacts, business enterprises should first seek to prevent and mitigate those that are most severe or where delayed response would make them irremediable.	<b>BU</b>
	<b>Operational principles</b>	
29.	To make it possible for grievances to be addressed early and remediated directly, business enterprises should establish or participate in effective operational-level grievance mechanisms for individuals and communities who may be adversely impacted.	<b>Regulations of EDP Code of Ethics, EDP's Supply Chain sustainability management</b>
30.	Industry, multi-stakeholder and other collaborative initiatives that are based on respect for human rights-related standards should ensure that effective grievance mechanisms are available.	GT.ORG collaborative project, <b>EDP Ethics Ombudsman Channel</b>
31.	In order to ensure their effectiveness, the contact channels and the grievance mechanisms should allow a substantive and fair assessment with a view to effective protection and remediation through real listening and acting in a timely manner, as	<b>Regulations of EDP Code of Ethics, EDP</b>

	<p>well as provide analysis and register for preventive purposes in future procedures. The mechanisms provided shall enable to assess how the company ensures awareness and access to all the interested parties on the complaint mechanisms and validate or improve its effectiveness.</p>	<p><b>Ethics Ombudsman Channel, Operational programs – COM PRO, etc.</b></p>
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