



20 YEARS OF

**Business & Human Rights  
Resource Centre**

# **Renewable Energy & Human Rights Benchmark**

**KEY FINDINGS FROM THE WIND & SOLAR SECTORS**

**2023 EDITION**

# Contents

<b>Forewords</b>	3
<b>Executive summary</b>	5
Industry progress	6
Areas of concern	7
<b>Recommendations</b>	10
Recommendations to companies	10
Recommendations to governments and policy-makers	12
Recommendations to investors	13
<b>Context and approach</b>	14
Context	14
Benchmarking approach	16
<b>Results</b>	18
<b>Analysis</b>	20
Core UNGP Indicators from the WBA's Corporate Human Rights Benchmark	21
Salient human rights risks	34
Serious allegations	71
Low-carbon transition planning	73
<b>Endnotes</b>	74





# Foreword

**Nick Robins**, Professor in Practice – Sustainable Finance,  
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By 2030, renewable energy will need to triple in order to avoid catastrophic loss and damage from the climate crisis. Falling costs means solar and wind energy are now growing fast in many countries. But a concerted effort is needed in developing countries, where a seven-fold surge in clean energy investment is required by the early 2030s, according to the International Energy Agency. If we are to deliver this at scale and speed, then a just transition is essential, a transition which seizes the opportunities climate action brings as well as faces up to and deals with the attendant risks. The clean energy transformation offers immense opportunity for workers not just in terms of more jobs, but also in terms of better jobs with decent working conditions, for a more gender-equal energy system and for communities to properly share in the value that renewable expansion generates. But these opportunities will not happen automatically.

This is where the 2023 Renewable Energy & Human Rights Benchmark is so helpful as it shows how smart government regulation and incentives, responsible investment and business practices, and the active participation of workers and communities, can generate shared prosperity to the benefit of all. The Benchmark also highlights that clean energy transition also comes with social risks. Examples of poorly designed clean energy initiatives which threaten livelihoods and labour rights, local communities and Indigenous Peoples, are sadly already emerging. These practices not only breach human rights, but also undermine the social licence to operate and undermine public trust.

At the LSE, we have been working with financial institutions, business, trade unions and civil society to show how the just transition can become a reality by effectively integrating human rights throughout climate action, planning and investment. If net-zero is science-based, the just transition is rights-based. For the renewables sector, the Benchmark shows the actions needed to realise the positive potential of renewables and confront the downside risks. The 2023 Renewable Energy and Human Rights Benchmark highlights what this means for companies and investors in the wind and solar energy sector, including red flags and best practices among these companies on human rights. There are clear steps companies can take to prevent and mitigate human rights harms including through supply chain transparency and

human rights due diligence as set out by the UN Guiding Principles and updated OECD Guidelines for Multinational Enterprises. Proactively identifying opportunities for co-benefit with hosting communities and historically marginalised workers takes this effort one step further.

Renewables can be the forerunner of a just transition, showing how the clean energy system can be free of the injustices of fossil fuels. It's good to see some big players are recognising the imperative for a just transition through practical steps, including agreements with unions on transitioning workers into renewable energy. More need to follow suit. In addition, wind turbine and solar panel manufacturing provides millions of new jobs worldwide on an annual basis, allowing the sector an opportunity to demonstrate that jobs in the sector's key technology supply chain are not only green but also respect the rights of workers. One of the biggest issues for the sector, and therefore the global transition, remains its exposure to the risk of forced labour in Xinjiang, as [documented by the UN Special Rapporteur on Contemporary Forms of Slavery](#).

Looking beyond the renewable energy sector, just transition expectations are now being hardwired into key pieces of climate and sustainable finance regulation. In the UK, for example, the Transition Plan Taskforce has recently published a [disclosure framework](#) on transition plans, clearly integrating human rights and just transition; disclosure will become a mandatory requirement. Similarly, EU actions to address climate change are increasingly incorporating social dimensions, including through the EU Taxonomy as well as the Corporate Sustainability Due Diligence Directive (CSDDD), which is also focusing on transition plans. Leading firms and early adopters of progressive, rights-respecting policies are already a step ahead. It will also be important for these elements to be reflected in governments' broader policies and regulations on climate and renewable energy, including on procurement and auction processes in order to set a level playing field for companies.

This is a unique moment of potential in the evolution of the global energy system. We have an opportunity to deliver on the promise of a just transition and build an energy sector which respects and champions human rights. I encourage investors and companies, policy-makers and communities to use the Benchmark to inform their own work in contributing to a transition that is fast, but also fair.



# Foreword

**Joan Carling**, Executive Director,  
Indigenous Peoples Rights International

The climate crisis is upon us and accelerating with each passing day. Indigenous Peoples bear little responsibility for its cause but are disproportionately affected by its impacts. Indigenous Peoples have a long history of defending our rights to lands and resources, often against unscrupulous corporate actors operating under lax regulatory frameworks. The urgency to extract minerals for renewable energy technologies further exacerbates these threats.

Approximately half of the known reserves of transition minerals are situated on Indigenous Peoples' and peasant communities' lands. Additionally, the expansion of land-based wind and solar projects raises concerns for Indigenous Peoples, whose customary rights often lack adequate legal protection from governments.

When projects lack meaningful community consultations and participation and disregard the principles of Free, Prior, and Informed Consent (FPIC), Indigenous communities understandably resist to protect our rights and well-being. However, this resistance often results in our silencing and the unjust and disproportionate targeting and criminalisation of Indigenous defenders.

Yet, Indigenous Peoples, as the guardians of biodiversity, land, and forests, are already at the forefront of the energy transition, fighting against climate change. We stand as strong allies to states and other actors committed to decarbonising global energy and establishing a more equitable model for shared prosperity. Recent examples of Indigenous co-ownership in renewable projects demonstrate that, with the right regulatory framework and enabling environment for building equitable partnerships, we can pursue business models that empower Indigenous Peoples, avoid reputational risks, combat the climate crisis and advance the Sustainable Development Goals, including the pledge to leave no one behind.

However, as revealed in this edition of the Renewable Energy Benchmark, there remains much room for improvement within the sector. While the gap between policy and practice is the one to close in respect of many of the Benchmark's indicators, the lack of even foundational policies on Indigenous Peoples' rights amongst renewable energy companies is striking. Given the scope for harm of these rights, this is an area that

needs urgent attention. Companies must commit to respecting Indigenous Peoples' rights as outlined in the UN Declaration on the Rights of Indigenous Peoples (UNDRIP) including the proper conduct of FPIC. Likewise, Governments must uphold their duty to protect Indigenous Peoples' rights and regulate the private sector. This entails the enforcement of human rights due diligence obligations, safeguarding human rights and environment defenders and promoting environmental sustainability. Without these critical elements, the transition risks fuelling conflicts, litigation, and allegations of corruption – threats that imperil public support for rapid renewable energy project deployment and can slow down the transition as a whole.

Looking forward, the wind and solar energy sector has unique opportunities to contribute to shared prosperity, respect for human rights, and social protection in partnership with Indigenous Peoples. Models such as co-ownership and benefit sharing, particularly with Indigenous peoples, are on the rise and [offer a path toward a just and equitable energy transition](#). These business models give a real seat at the table for Indigenous groups. They are not only desirable, but also deliver and serve the objectives of appropriate rollout of wind and solar global installed capacity – the only viable route to contain further aggravation of the climate crisis.

The [time is ripe](#) for renewable energy companies and their investors to learn from Indigenous leadership and environmental stewardship. There is no time to waste if humanity is to meet the challenge of the battle against the mounting threats of global social and ecological devastation brought by climate change. Lamentable corporate practices, land grabs and disregard for Indigenous rights through mere lip service paid to consultation processes must become a thing of the past; and give way to full-fledged processes to achieve FPIC from Indigenous groups in a way they can define, respect for their traditional land rights and protection of human rights defenders.

The establishment of partnership with us, grounded on the respect for customary land rights, FPIC, equitable benefit-sharing, sustainable use of resources, and protection of human rights defenders is paramount in advancing the just transition in the right direction.

# Executive summary

The race to a fully decarbonised energy system by 2050 requires unprecedented roll-out of renewable energy projects across all geographies, facilitated by enormous investment in this growing sector. To reach net zero by 2050, the International Energy Agency estimates annual clean energy investment must increase seven-fold and amount to approximately [US\\$4 trillion](#) and installed capacity of renewables-based electricity generation [must triple by 2030](#) – with solar and wind capacity accounting for 85% of that increase. Buoyed by decreasing [electricity production costs](#), increased investor appetite and targeted policy initiatives such as the EU Green Deal and the US Inflation Reduction Act, as well as regional initiatives such as the Renewable Energy for Latin America and the Caribbean Initiative (RELAC), among others, the pace of this shift is increasing but must still accelerate to meet the immense challenge of climate change.

This transformation offers immense opportunity for the private sector, and governments, as well as for the communities and workers upon whose support the global energy transition depends. The 2023 Renewable Energy & Human Rights Benchmark results highlight that, with smart business regulation and incentives to ensure a floor of responsible corporate behaviour, and active participation of workers and communities, shared prosperity can be generated to the benefit of all. This will ensure a level playing field for responsible business and investors, and insist irresponsible companies transform rapidly.

Nevertheless, the required speed and scope of the transition comes with risk of real harm that also hollows out public trust. Threats to environment, livelihoods, land, Indigenous Peoples' rights and culture, and labour rights, are already emerging. The Benchmark highlights the action needed to reverse this trend. Commitment to a just transition is essential. [Rights-based business operations, and commitment to both good-faith negotiations and shared prosperity](#) by government, companies, and their investors offer a path to an energy transition that is both fair and fast.

This Benchmark aims to shed light on a foundational element of this challenge to achieve a just global energy transition: **the human rights policies and practices of companies in the renewable energy value chain – from equipment manufacturers to developers**. It seeks to inform responsible investor decisions, galvanise company actions, and inform governments' business regulation and incentives. It assesses 28 of the most powerful players in renewable energy: 19 global and regional wind and solar project developers (including, for the first time, fossil fuel companies that have moved into renewable energy), and the top 9 publicly listed wind turbine and solar panel manufacturers. This Benchmark evaluates companies in line with globally endorsed, international standards including the UN Guiding Principles on Business and Human Rights (UNGPs), and against the salient (likely and severe) risks these companies must confront.

## Industry progress

This year, the Benchmark reveals clear frontrunners across companies assessed: among solar manufacturers (**First Solar**), wind turbine manufacturers (**Vestas**) and project developers (**Ørsted**, followed closely by **Enel Green Power**, **EDP** and **Iberdrola**). **ACCIONA Energía** performed best among the developers that are Independent power producers (IPPs). **It is notable that the highest scores in each company category are fairly low: 34% in the electric utilities category, 21% for IPPs, 30% for oil and gas firms, and 39% for manufacturers.** This demonstrates the sector is far from being ready to deliver a fast and fair transition which preserves public trust and delivers shared benefit, alongside returns to shareholders.

Areas of better corporate practice are emerging, with the highest average scores of all companies recorded for: high-level human rights policy commitments and governance arrangements (**46%**), company grievance mechanisms and remedies (**36%**), and approaches to lobbying and political engagement (**29%**) – three core indicators moored to the UNGPs and company practice on social transformation. With the exception of solar panel manufacturers, efforts by benchmarked companies to embed human rights through adoption of human rights due diligence practices are also relatively robust – versus other indicators in the Benchmark – at **26%**, although this score highlights major room for improvement in this critical area.

**Alongside this leadership, there is also welcome, modest progress across the sector** since the publication of our 2021 Benchmark. This includes that today:

- ➔ Three-quarters (75%) of top wind and solar project developers have strong human rights policies in place in line with the UNGPs. Two-thirds of project developers and nearly half of wind turbine and solar panel manufacturers have board-level oversight of human rights, demonstrating increased adoption of “tone at the top” approaches to human rights in business conduct in the sector.
- ➔ All project developers have a grievance mechanism available for workers. Two-thirds of project developers have a grievance mechanism available for external stakeholders.
- ➔ Eight companies, both manufacturers and project developers, now have in place policies specifically to respect the rights of human rights and environmental defenders, showing progress of the sector at policy level in a critical area.
- ➔ Seven project developers publish their country-by-country tax reporting on a voluntary basis – showing sector progress towards greater transparency that will need to be complemented by clear positions in support of contract transparency and disclosure of project-level financial flows, in line with existing standards for the extractive industry.
- ➔ Half of all companies have publicly committed to prohibiting corruption – performing relatively better than in other sections of the Benchmark, but highlighting significant room for improvement as the demand for renewable energy may incentivise corrupt practices to serve speed.

## Areas of concern

Against these positive trends, however, the range of scores recorded highlights profound differences in performance between leaders and laggards. These stretch from **6 to 34%** for project developers, **3 to 39%** for wind turbine manufacturers, and **2 to 25%** for solar panel manufacturers. This underscores the need for urgent government regulation and incentives, alongside investor engagement, to level the playing field and prevent companies harming workers and communities.

**While there is better adoption of broad human rights policy commitments among companies, material shortcomings across companies on salient human rights risks in renewable energy are evident:**

- ➔ **Policies and practices on Indigenous Peoples' rights and land rights remain poor**, while these rights remain the subject of the highest number of serious allegations related to project development. **All but two companies – EDF Renewables and Ørsted** – either do not mention Indigenous Peoples' rights at all, or make commitments not anchored in the UN Declaration on the Rights of Indigenous Peoples, highlighting a critical area for improvement given the heavy pressure and potential impact of renewable energy developments on the land and rights of Indigenous Peoples. **Ørsted** and **ACCIONA Energía** are the only companies which have a commitment to respect land rights but do not provide evidence of how they identify legitimate tenure holders.
- ➔ **The severe issue of exposure to forced labour risks** in Xinjiang Autonomous Uyghur Region (XUAR), as documented by UN bodies, requires urgent transparency of solar supply chains in line with [OECD Due Diligence Guidance for Responsible Business Conduct](#) and UNGP commentary on human rights due diligence, supported by calls from investors. Increasingly, industry associations are taking steps to strengthen traceability standards. However, steps currently do not extend to the full public transparency necessary for industry to definitively “both know and show they respect human rights” through external communication in line with the UNGPs. In this context, any decision to maintain “crucial business relationships” in high-risk areas must be explained, in line with [OHCHR Guidance on Business & Human Rights in Challenging Contexts](#). **No company in the Benchmark currently publicly discloses its full supply chain, resulting in scores of 0% across the board for this indicator**; however, 14/24 of the relevant companies outline steps to undertake supply chain traceability exercises. Several companies refer to diversifying their supply chains, including creating bifurcated supply chains. While diversifying supply chains is welcome, bifurcated supply chains do not address the core issue of forced labour risks in XUAR.
- ➔ **The gap between policy and practice must be bridged.** A number of serious, specific gaps in respect of human rights commitments and performance also emerged in the Benchmark assessment, across companies. Notably, all companies scored poorly (an **average of 1%**) on their responses to all serious human rights allegations included in the Benchmark, including regarding Indigenous Peoples' rights, forced labour, and attacks on human rights defenders. **No companies scored any points** on engaging with affected stakeholders to provide for or cooperate in remedy. Several benchmarked companies with human rights commitments in place also have allegations against them on the same issue: for example, **EDF Renewables** has adopted welcome language on Indigenous Peoples' rights and human rights defenders yet has been associated with attacks against defenders and allegations of abuse of Indigenous rights in Mexico. Development of human rights policies are an essential first step – and even with the best intentions, things can go wrong in practice. But effective implementation on the ground is essential to ensuring policies are more than words.

### Significant challenges, particularly for solar panel manufacturers and oil and gas companies:

- ➔ Solar panel manufacturers, in particular, lag on human rights commitments and practices compared with wind. Only two out of six solar manufacturers (**First Solar** and **Trina Solar**) had a strong human rights commitment in place, and only **First Solar** scored any points on five out of six human rights due diligence indicators, despite imminent European legislation on due diligence that will create significant legal risk.
- ➔ The single biggest human rights issue for **oil and gas sector companies (bp, Shell and TotalEnergies)** involved in renewable energy projects remains their limited action to address climate change. None of the three major oil and gas companies have a credible plan in place to transition away from production of fossil fuels, nor do they invest the necessary level of capital expenditure in renewable energy to reflect an urgent revamp of their business models. To the contrary, each of the oil and gas companies included in the Benchmark have this year rolled-back their previous decarbonisation commitments. While these companies have positively increased alignment of their broad policies with the UNGPs, like other companies, they also lack focus on salient human rights risks for renewable energy.

Despite these challenges, **the energy transition continues to offer profound potential to build shared prosperity, respect for human rights and social protection, and fair negotiations for communities and workers**. The Benchmark brings this into sharp relief by highlighting:

- ➔ The importance of exploring new shared prosperity project models including co-ownership and benefit sharing models, in particular those with Indigenous Peoples. These models are on the rise and offer significant opportunity for an energy transition that does not lead to more conflict, but rather that is fast, just and equitable. Of the benchmarked companies, **Ørsted** leads in exploration of this opportunity, having committed to community co-ownership in an offshore project in Scotland. Case studies included in the Benchmark reflect on other examples, including in Canada.
- ➔ The majority of companies developing wind and solar projects continue to have non-renewable energy power generation in their portfolios. This provides a significant opportunity to assess skills gaps and provide skills and capacity training to workers whose jobs will be displaced in the transition and to local communities and youth in emerging markets, where large-scale investments in renewable energy are urgently needed in order to meet climate goals. **Company steps are currently piecemeal on this opportunity with no company disclosing comprehensive skills gaps assessments.**
- ➔ Responsible project developers and wind turbine and solar panel manufacturers have unique insights to help shape government policies and industrial strategies which accelerate the transition to renewable energy, while safeguarding human rights. **Collective advocacy for smart regulation and incentives to generate a responsible level playing field of business standard is needed.**



It is essential the renewable energy sector delivers swift and sustainable solutions to the climate crisis, which build shared prosperity and public trust. The alternative is dire: a transition that risks fuelling harm, conflict, litigation, delays and ballooning costs in wind and solar value chains. Community scepticism regarding the energy sector derives from a legacy of harm and weak stakeholder consultation. Assertive, corrective company action can reverse this.

The high-level policy commitments by renewable energy developers and manufacturers revealed in this benchmark represent an important first step towards a more positive future. But it is essential the **pace of change in industry practice now increases rapidly**, in line with the world's need for an answer to the climate crisis that is not only fast, but also fair. The imperative of accelerated permitting of renewable projects will be supported by building greater trust in energy companies through stronger respect for the rights of communities and workers. For individual projects, accelerated permitting which leads to efficient and effective installation will be facilitated by upstream investment in community and worker engagement, and concrete commitment to, and delivery of, shared prosperity models.

Policy-makers, companies, and investors must play their own critical roles in ensuring these goals are achieved, in an 'all hands-on deck' approach to sustainably address the greatest risk to human rights of our time.





# Recommendations

## Recommendations to companies

Companies' commercial success, and the fast transition, depends upon creating a stable and cooperative investment environment that builds on the trust of communities and workers, builds public support and avoids costly conflicts and delays. This approach includes:

### Shared prosperity:

- ➔ Design and implement projects to deliver shared benefit and avoid harms to rights including through [shared prosperity project models](#) in careful deliberation with all members of affected communities, and on the basis of FPIC for Indigenous Peoples, and respecting the values, needs and aspirations of communities.<sup>1</sup>
- ➔ Ensure decent work in line with ILO Fundamental Rights at Work and living wages for all workers.
- ➔ Adopt strong just transition plans and comprehensive upskilling and retraining programmes for workers affected by the transition. Use leverage to advocate for governments to adopt [just energy transition principles](#).
- ➔ Adopt public, responsible corporate lobbying and political engagement policies that prohibit political contributions. Ensure alignment of business association membership with commitment to respect human rights, including positions on climate regulations.

## Corporate duty of care:

- ➔ Adopt and implement public commitment to fully respect the rights of those affected by each operational stage of the wind and solar value chain and project cycle, including upstream sourcing of minerals, with particular attention given to Indigenous Peoples' rights and their rights to FPIC, and land rights, supported by oversight and expertise of board members.
- ➔ Undertake both upstream and downstream human rights and environment due diligence with both a gender and conflict sensitive lens.
- ➔ Commit to timely and effective remedy when having caused or contributed to human rights harms, and adopt grievance mechanisms accessible to all.
- ➔ Deliver transparency in operations and supply chains with verified disclosure of suppliers and sites in case of severe human rights harm. Follow recommendations by the OHCHR and UNWG on business and human rights on analysis of severity of risks, leverage, and crucial nature of business relationships and potential termination of business relationships.

## Fair negotiations:

- ➔ Ensure engagement and good-faith consultations with affected stakeholders feed into each step of the human rights due diligence process starting at the earliest possible project phase; put in place continuous engagement processes; ensure Indigenous Peoples can define the way by which their Free, Prior and Informed Consent (FPIC) is achieved.
- ➔ Guarantee workers' freedom of association and right to collective bargaining with trade unions or equivalents.
- ➔ Adopt a zero-tolerance policy to protect human rights and environmental defenders from intimidation or violence to silence them.
- ➔ Adopt a proactive approach to governance and transparency through clear commitment to zero tolerance for all forms of bribery, voluntary disclosures of national tax contributions and project-related payments and support to publication of contracts and licences.

## Low-carbon transition planning:

- ➔ All oil and gas and electric utilities should make it a priority to develop and implement just energy transition plans aligned with a 1.5°C scenario that include workers and affected communities.
- ➔ Oil and gas companies must adopt clear plans to cut fossil fuel production in the short-term, and stop exploration now.

# Recommendations to governments and policy-makers

Governments' energy transition programmes and green industrial policies need business regulation, incentives, and market access rules aligned to drive a fast transition to clean energy with key conditions and social safeguards to deliver shared benefit. Equally, responsible investors and companies require a level playing field that rewards their efforts and insists irresponsible companies transform rapidly. These include:

## Shared prosperity:

- ➔ Adopt regulations and incentives which favour projects with business models that deliver [shared prosperity project models](#) in careful deliberation with affected communities to avoid harm and build public trust.
- ➔ Ensure social protection and re- and/or upskilling training or programmes for workers affected by the transition.
- ➔ Ensure policies to address climate change integrate social safeguards and considerations.

## Corporate duty of care:

- ➔ Mandate corporate human rights and environmental due diligence and include obligations for bidders and contractors in public procurement processes, based on transparency, risk assessment and mitigation plans through stakeholder engagement.
- ➔ Mandate fossil fuel phase-out and just transition planning for project developers with fossil fuel activities.
- ➔ Adopt transparency legislation to mandate disclosure of contracts and agreements, including land leases/agreements, and transparency of operations and supply chains.

## Fair negotiations:

- ➔ Strengthen Indigenous rights regulation in line with international standards including United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and ratify ILO Convention 169 Indigenous and Tribal Peoples.
- ➔ Adopt strong just transition plans with workers' organisations; uphold ILO core conventions including workers' rights to freedom of association and collective bargaining, elimination of all forms of forced or compulsory labour, abolition of child labour and elimination of discrimination.

## Recommendations to investors<sup>2</sup>

Investors in the energy transition can build long-term value and returns through investments that avoid human rights and environmental harm, and build public trust especially given the disruption of the transition. This requires engagement with companies and governments:

### Shared prosperity:

- Express high-level expectations towards renewable energy investees using [key questions](#) regarding shared benefit with stakeholders, human rights and environmental due diligence, policies on human rights and labour rights, and practices on salient human rights issues.
- Develop policy regarding preferred ownership and investment models that favour shared benefit outcomes for communities and workers.

### Investor duty of care:

- Undertake own human rights and environmental due diligence (HREDD) in investments and supply chains with higher social risk, prior to and during investment, and publish results in line with the UNGPs.
- Adopt stewardship and responsible investment policies, including voting and proxy resolution guidelines, regarding rights-respecting renewable energy investments.
- Use leverage to advocate for governments to adopt just energy transition principles.

### Fair negotiations:

- Insist companies adopt responsible policies and practices that respect the rights of workers, Indigenous Peoples, and communities, and invest in early and continuous consultation with affected stakeholders on the design and implementation of projects.
- Ensure affected stakeholder engagement informs each step of companies' human rights due diligence process.

# Context and approach

## Context

Climate change is the ultimate risk to human rights. Responding to it with the urgency it requires not only means decisively planning the exit from fossil fuels – but also ensuring the swift and effective deployment of renewable energy (RE) capacity across all geographies. According to the [Intergovernmental Panel on Climate Change \(IPCC\)](#), wind and solar energies are primary mitigation options to have a chance to limit global warming to 1.5°C. Under [IRENA's 1.5°C scenario](#), global installed wind power capacity (including onshore and offshore projects) needs to quadruple by 2030 – from 899 gigawatts (GW) at the end of 2022 to 3 500 GW by the end of the decade, and to reach 10 300 GW by 2050. Global solar capacity would need to jump from 1047 GW at the end of 2022 to 5 400 GW in 2030, a fivefold increase, and reach 18 200 GW in 2050.

Acceleration in the deployment of global RE capacity is buoyed by decreasing [electricity production costs](#), increased investor appetite and targeted policy initiatives such as the EU Green Deal, the US Inflation Reduction Act, and regional initiatives such as the Renewable Energy for Latin America and the Caribbean Initiative (RELAC), among others. This rapid and vast overhaul of global energy systems is critical to contain the most harmful effects of climate change, but this will not happen in a vacuum. The race to a fully decarbonised energy system by 2050 is taking place in a profoundly unequal world, against the backdrop of rising global conflict, and in a context where both critical resources and [energy access issues](#) are disproportionately prevalent in regions which have contributed least to climate change. In this context, there is real danger the distribution of benefits will be skewed to the wealthy and powerful, and the costs and risks to the majority and vulnerable. This is already building resentments that are exploited by powerful vested interests and populist political forces, who see an opportunity to set the public against decisive climate action. The energy transition thus requires not only an 'all hands-on deck' approach and good faith cooperation between governments and the private sector, it must also, by design, include the interests and views of workers and communities.

The energy transition offers [profound potential](#) to build shared prosperity, respect for human rights and social protection as part of companies' and governments' duty of care, and the guarantee of fair negotiations for communities and workers. Without these critical elements, the energy transition risks fuelling conflicts between local communities, workers and companies in wind and solar value chains. Community opposition resulting from a failure to adequately communicate with affected stakeholders, increasing litigation, opaque operational practices and allegations of corruption pose serious threats to the public support necessary to a fast-paced energy transition and to the sustainable roll-out of RE projects.

Human rights abuse can materialise at different stages of the renewable energy value chain: from [harms to communities and their environment in the extraction of minerals](#) required to manufacture renewable energy equipment, to [forced labour concerns](#) in the extraction, assembly, and manufacturing – to the [project siting selection, construction, operation](#), to the decommissioning of wind and solar energy projects. Indigenous Peoples, in particular, are on the frontline of RE expansion as they hold an estimated [20% of the Earth's landmass](#), including land ripe for solar and wind power installations.

The [emergence of corporate accountability legislation across multiple jurisdictions](#) brings the opportunity of smart regulation and incentives to create a level playing field for responsible business, that consolidates best practice and outlaws abuse to create a level playing field for responsible business, and insists irresponsible companies in the wind and solar industry transform rapidly. The RE sector needs to exercise responsible political engagement and corporate lobbying practices, which support the just transition agenda and end dependency on fossil fuels. Energy companies with major fossil fuel assets have a duty to transform their lobby messages: the [oil and gas sector](#) has been singled out in recent years for its anti-climate regulations lobbying.

Companies, investors and governments should also use this transition to address the unsustainable concentration of wealth by creating new business models to deliver shared prosperity. This requires more fundamental changes including [exploring new approaches to project ownership and governance](#) that put power back in the hands of those who have been exploited by the energy and extractive industries. Government, industry and investors must commit to a departure from 'business-as-usual' to explore these options.



# Benchmarking approach

Research for this Benchmark was carried out by Business & Human Rights Resource Centre in collaboration with [EIRIS Foundation](#).

Following a public consultation with over 80 individuals from 58 entities including civil society, companies, investors and other experts, the Renewable Energy & Human Rights Benchmark [methodology](#) has been revised in 2023. It is anchored in the UNGPs and aligns with existing benchmarks while taking into consideration the distinct roles companies play in the RE sector.

The benchmark covers companies under two broad categories (wind and solar project developers and manufacturers). These categories are further divided into the following sub-sectors:

## Wind and solar project developers:

- Independent power producers (IPPs)<sup>3</sup>
- Electric utilities, including green subsidiaries
- Oil and gas companies involved in renewable energy project development

## Manufacturers:

- Wind turbine manufacturers
- Solar panel manufacturers

Leveraging business relationships is key to advancing the just energy transition agenda. Each of the sub-sectors covered by the benchmark includes a set of companies with distinct but related roles, and different points of leverage with which they can prevent, mitigate and remedy human rights harms, and influence improved human rights outcomes. For example, while manufacturers may not have direct involvement in undertaking consultations with communities at the project siting stage, they can adopt related expectations towards their project developer clients. Similarly, project developers can embed specific human rights and supply chain transparency requirements into their supplier agreements and work with suppliers to build capacity on prevention, mitigation and remedy of salient human rights issues.

The methodology assesses companies under four sections: (1) UNGPs core indicators, (2) Salient human rights issues (3) Serious allegations, and (4) [Assessing Low-Carbon Transition](#) (ACT), using assessments conducted by the World Benchmarking Alliance (WBA) in its [Climate and Energy Benchmarks](#). For more information on the weighting of these sections and indicators, see the [full methodology document](#).

The benchmark also includes several case studies of companies not benchmarked but which illustrate some of the challenges and practices in the industry.



## The responsibility of oil and gas companies to respect human rights in the energy transition

In recent years, the three major European oil and gas major companies – bp, Shell and TotalEnergies – have announced new investments in renewable energy projects, seemingly differentiating themselves from the trajectory of their US counterparts Exxon and Chevron. TotalEnergies intends to have [100GW installed renewable capacity by the end of the decade](#), while bp aims to achieve 50GW by 2030 and Shell announced it has approx. [50GW in operations or in development](#). These companies are now directly competing with 100% renewable energy project developers on bidding for and developing wind and solar projects.

Oil and gas companies have a [historical responsibility](#) for climate change – the greatest threat to human rights. Their responsibility to respect human rights starts with ensuring they fully decarbonise their project portfolios in the shortest timeframe: developing renewable energy projects while increasing or maintaining their oil and gas extraction, transformation and distribution activities, will not suffice.

None of the oil and gas companies included in the benchmark have a robust plan for transitioning away from the production of fossil fuels. According to the World Benchmarking Alliance, they do not invest nearly enough in renewables to truly transform their business model: [TotalEnergies](#) invests only 15% of its overall capital expenditure (CapEx) in renewables, [bp's](#) announcements about investments in 'transition growth engines' are insufficiently transparent – while revenues from renewables represent only a fraction of its oil and gas revenues, and [Shell](#) dedicated only 5% of its 2020 CapEx to its 'Renewables and Energy Solutions'. All miss the mark quite considerably, given companies in the oil and gas sector should be investing [at least 77% of their CapEx](#) in low-carbon technologies in a 1.5°C scenario.

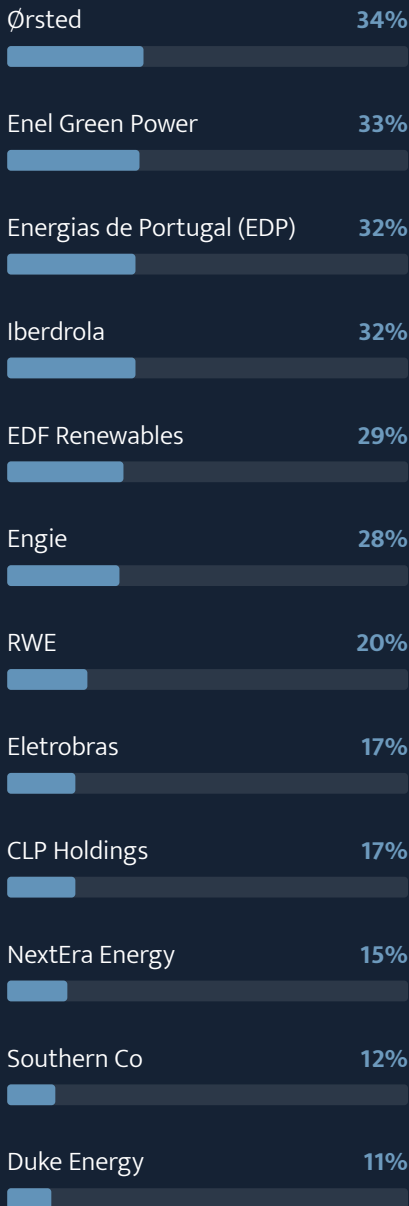
While the [International Energy Agency](#) has warned that the development of new oil and gas fields must stop immediately if the world is to have a chance to reach global net zero carbon emissions by 2050 – bp, Shell and TotalEnergies continue to invest in new fossil fuel projects. Recent global surges in oil and gas prices since Russia's invasion of Ukraine, and recent record-breaking annual profits seem to have led to a [renewed faith in the future of fossil fuels](#) and to roll-back [previous decarbonisation commitments](#): Shell has declared it will invest [US\\$40 billion in oil and gas production by 2035](#), [bp has reduced](#) its carbon emissions targets for the end of the decade and announced it will ramp up its investment in oil and gas fields, and [TotalEnergies](#) has cut down its emission reduction target to 20-30% by 2030 – while developing new oil operations, such as the [massive EACOP in Uganda and Tanzania](#).

The three companies also have serious human rights issues, both legacy and current, associated with their oil and gas operations that remain to be fully addressed. In 2015, the Ocale and Bille Nigerian communities respectively filed claims against [Shell](#) in the UK High Court. Plaintiffs consist of 42,500 residents of Nigeria who seek remedy for extensive oil pollution which affected their livelihoods and the environment. The case is ongoing. bp's oil and gas operations in Azerbaijan [have reportedly affected the health of community members](#). The company was also involved in the devastating [Deepwater Horizon oil spill](#). TotalEnergies was recently associated with 14 attacks against human rights defenders in Uganda in 2022 – [one of the companies connected to the highest numbers of HRD attacks](#) tracked by the Business and Human Rights Resource Centre in 2022.

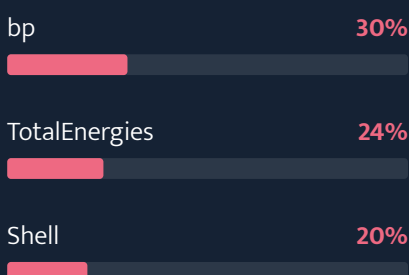
The credibility of oil and gas companies' climate and human rights commitments will depend on their capacity to decisively move away from extracting and distributing fossil fuels. It is equally important they work to address the gap between their existing human rights policies, and the reality of the continuing impacts of their oil and gas operations on local community members, the environment and those defending their rights.

# Results

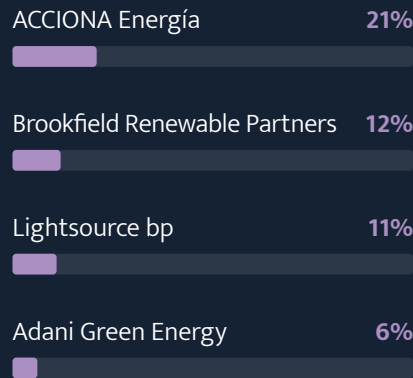
## Electric utilities companies



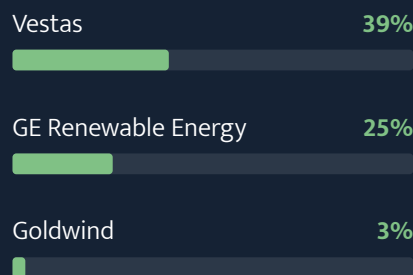
## Oil and gas companies



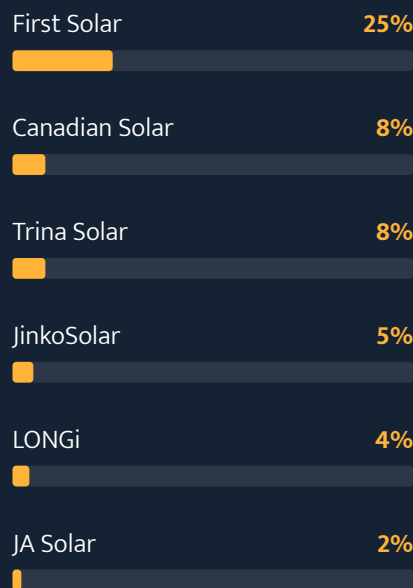
## Independent power producers (IPPs)



## Wind turbine manufacturers



## Solar panel manufacturers



## Notes on scoring approach:

Due to methodology revisions, **company scores from previous benchmarks should not be compared directly.** Where companies have made significant improvements or exemplify leading practices, these are marked in corresponding analysis sections. The benchmark’s methodology aims to capture both baseline expectations of companies (Score 1) as well as aspirational practices (Score 2). The salient human rights issues section was specifically developed with a view to capture leading best practices where only the most advanced companies will achieve full scores.

**Scores for companies in the different project developers’ sub-categories (electric utilities, oil and gas, independent power producers) should not be compared to one another** as company assessment categories have been designed to allow for integration of an assessment of efforts towards full decarbonisation of energy production portfolio for electric utilities and oil and gas companies, based on the World Benchmarking Alliance’s (WBA) Oil & Gas and Electric Utilities Benchmark, using ACT methodologies.

**Scores for equipment (wind turbines and solar) manufacturers should not be compared to project developers’ scores** as indicators have been tailored to reflect their position in renewable energy value chains.

		Average scores >	Developers ▼	Manufacturers ▼	All ▼
<b>Section 1: Core UNGPs indicators</b>			39%	26%	35%
<b>Theme A1</b>	Governance and policy commitments		51%	36%	46%
<b>Theme A2</b>	Responsible lobbying and political engagement		36%	17%	29%
<b>Theme B</b>	Embedding respect and human rights due diligence		32%	15%	26%
<b>Theme C</b>	Remedies and grievance mechanisms		37%	34%	36%
<b>Section 2: Salient human rights risks indicators</b>			12%	9%	11%
<b>Theme D</b>	Indigenous Peoples and affected communities' rights		6%	2%	4%
<b>Theme E</b>	Land and resource rights		2%	0%	1%
<b>Theme F1</b>	Security and conflict-affected areas		5%	1%	4%
<b>Theme F2</b>	Responsible mineral sourcing		2%	13%	6%
<b>Theme G</b>	Protection of human rights and environmental defenders		9%	6%	8%
<b>Theme H</b>	Labour rights (including protection against forced labour)		11%	7%	10%
<b>Theme I</b>	Right to a healthy and clean environment		11%	26%	16%
<b>Theme J</b>	Transparency and anti-corruption		21%	7%	17%
<b>Theme K</b>	Diversity, equality and inclusion		5%	3%	5%
<b>Theme L</b>	Just transition		29%	22%	27%
<b>Section 3: Serious allegations</b>			1%	0%	1%
<b>Section 4: Low-carbon transition planning<sup>4</sup></b>			47%	N/A	47%

# Analysis

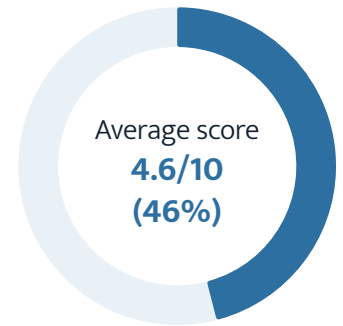


# Core UNGP Indicators from the WBA's Corporate Human Rights Benchmark

## Theme A1. Governance and policy commitments

### Overview

A public commitment to human rights is the first step for companies to take under the UN Guiding Principles on Business and Human Rights (UNGPs). This commitment must be reinforced through strong governance at Board level to oversee the implementation to ensure a commitment from the top.<sup>5</sup>



### Key findings

- ➔ 75% of top wind and solar project developers and two-thirds of wind turbine manufacturers have strong human rights policies in place in line with the UNGPs. However, this is only the case for two out of six solar panel manufacturers.
- ➔ Two-thirds of wind turbine and solar panel manufacturers do not have in place a strong commitment to respect the ILO Fundamental Rights at Work and do not extend this expectation to suppliers.
- ➔ Two-thirds of project developers and nearly half of wind turbine and solar panel manufacturers have board-level oversight of human rights.
- ➔ Half of project developers, a third of wind turbine manufacturers, and no solar panel manufacturers have a commitment to remedy adverse impacts in place in a formal policy document. One solar panel manufacturer states that it works with suppliers to remedy adverse impacts.

### Recommendations

- ➔ Adopt strong policy-level commitment to the UNGPs and strong commitments and requirements of suppliers to respect ILO Fundamental Rights at Work.<sup>6</sup>
- ➔ Establish board-level oversight for human rights and disclose human rights expertise of board members or committees overseeing human rights.
- ➔ Commit to remedy the adverse human rights impacts that companies cause or contribute to in a policy-level document and extend this expectation to suppliers.

## Project developers: 5.1/10 (51%)



- ➔ Nine out of 16 utilities/IPPs and all three oil and gas companies have strong human rights commitments in line with the UNGPs. However, more than half do not have strong expectations of suppliers on the ILO Fundamental Rights at Work.
- ➔ Two-thirds of project developers have board-level oversight of human rights. However, only one company (**Iberdrola**) provides evidence of human rights expertise of relevant board members.
- ➔ Half of project developers have a commitment to remedy adverse impacts in place in a formal policy document. However, only two extend this commitment to suppliers beyond grievance mechanisms.<sup>7</sup>

## Wind turbine and solar panel manufacturers: 3.6/10 (36%)



- ➔ Two out of three wind turbine manufacturers (**GE Renewable Energy** and **Vestas**) and two out of six solar panel manufacturers (**First Solar** and **Trina Solar**) have strong human rights commitments in place in line with the UNGPs.
- ➔ Two-thirds of wind turbine and solar panel manufacturers do not have in place a strong commitment to respect the ILO Fundamental Rights at Work and do not extend this expectation to suppliers. This is a critical issue considering the reports of egregious labour rights abuses especially in the solar panel supply chains (see [Theme H](#)).
- ➔ One wind turbine manufacturer (**GE Renewable Energy**) and half of solar panel manufacturers (**Canadian Solar**, **First Solar** and **LONGi**) have a board member or board committee tasked with specific governance oversight of respect for human rights.
- ➔ Only one out of three wind turbine manufacturers (**Vestas**) has a commitment to remedy adverse human rights impacts in a formal policy document. In addition, GE Renewable Energy states in its human rights policy that it “endeavours to ... improve [its] procedures to ... remedy [its] salient human rights impacts”. No solar panel manufacturer has such a commitment in a policy document but First Solar states that it works with suppliers to remedy adverse impacts.

For an indicator-level analysis, see [Annex](#).

## Investor engagement and industry collaboration

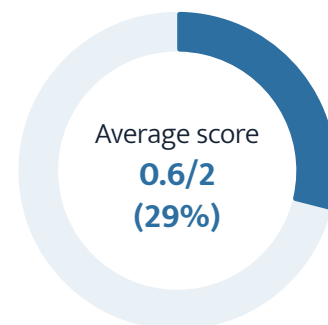
The past few years have seen increased investor mobilisation on the social dimensions of the energy transition. Investors interested in just transition more broadly have a range of [guidance and initiatives](#) available. Investors are now also expanding their efforts on just transition beyond the transition away from fossil fuels towards the transition to renewable energy. Key investor initiatives include the the UN Principles for Responsible Investment's (PRI) [advance initiative](#), which aims to strengthen the implementation of the UNGPs and deepen engagement on salient human rights issues, and the Investor Alliance for Human Rights, which leads [engagements](#) on forced labour risks including in solar and electric vehicle supply chains. Corporate buyers of renewable energy have also begun to use their leverage including through developing new toolkits for procurement and human rights due diligence. The industry increasingly recognises key human rights challenges and is addressing these through multi-stakeholder approaches including through the [International Responsible Business Agreement for the Renewable Energy Sector](#), and initiatives led by industry associations, such as the [Solar Stewardship Initiative](#), the [European Solar Manufacturing Council](#), and the [Solar Energy Industries Association](#). Civil society in various regions provide support to companies looking to improve their human rights approach through communities of practice such as the [Initiative for Social Performance in Renewable Energy](#) in South Africa and [Responsible Renewable Energy Initiative](#) in India, the Philippines, and other countries in Southeast Asia.



## Theme A2. Responsible lobbying and political engagement fundamentals

### Overview

Full alignment and consistency between a company's commitment to respecting human rights and the reality of its corporate lobbying and political engagement practices are crucial steps to ensure companies fulfil their duty to respect human rights.



### Key findings

- ➔ The wind and solar sector needs to improve disclosure of information on its political engagement and lobbying policies and practices to demonstrate its responsibility to respect human rights is reflected in its approach to engagement with policymakers.
- ➔ Half of all companies (14 out of 28) have a public policy detailing their lobbying and political engagement.
- ➔ A third of all companies (12 out of 28) have publicly committed not to make political contributions.
- ➔ Ten out of 28 companies disclose information about their lobbying expenditures.
- ➔ Only four companies (**EDP**, **Engie**, **Southern Company** and **Shell**) clearly require third party lobbyists to comply with their policies.

### Recommendations

- ➔ Adopt public responsible corporate lobbying and political engagement policies and commit to not making direct or indirect political contributions.
- ➔ Publish all lobbying expenditures, and explicitly require third party lobbyists to adhere to the company's human rights policies.
- ➔ Regularly review lobbying activities and business associations membership to ensure alignment with commitment to respect human rights, including regarding climate regulations.



## Project developers: 0.7/2 (36%)

- ➔ **EDP** scores the highest (2). Ten out of 19 companies (**CLP Holdings, EDF Renewables, EDP, Engie, Iberdrola, Lightsource bp, NextEra Energy, Southern Company, Shell** and **TotalEnergies**) have public policies available setting out their lobbying and political engagement approach. Seven of them (**CLP Holdings, EDP, Eletrobras, Enel Green Power, Engie, Shell** and **TotalEnergies**) also commit to not making political contributions. While **ACCIONA Energía, Lightsource bp** and **RWE** do not have a lobbying and political engagement approach policy in place, they publicly commit to avoid making political contributions.
- ➔ Eight companies out of 16 (**ACCIONA Energía, Adani Green Energy, CLP Holdings, Duke Energy, EDF Renewables, EDP, Enel Green Power** and **Southern Company**) all disclose expenditures on lobbying activities. In contrast – only four companies (**EDP, Engie, Southern Company** and **Shell**) clearly require third party lobbyists to comply with their policies.

## Wind turbine and solar panel manufacturers: 0.3/2 (17%)

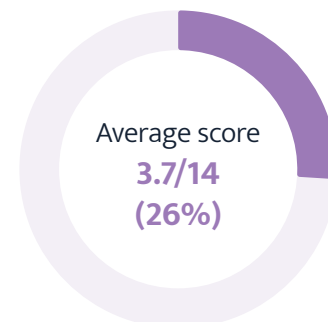
- ➔ Only three out of nine manufacturers (**GE Renewable Energy, Vestas** and **First Solar**) score partial points on responsible lobbying and political engagement. The four companies have adopted public policies – complemented by a clear position not to make political contributions by **GE Renewable Energy** and **Vestas**. **Vestas** is the only manufacturer that discloses information on lobbying expenditures.
- ➔ No company has a clear requirement in place for third party lobbyists to comply with the company's policies.



## Theme B. Embedding respect and human rights due diligence

### Overview

Undertaking human rights due diligence is essential to fulfil the corporate responsibility to respect human rights under the UNGPs and the OECD Guidelines for Multinational Enterprises. Human rights due diligence involves (1) Identifying human rights risks and impacts (2) Assessing human rights risks and impacts (3) Integrating and acting on human rights risks and impact assessments (4) Tracking the effectiveness of actions to respond to human rights risks and impacts, and (5) Communicating on human rights impacts. Implementing rigorous human rights due diligence processes, informed by affected stakeholder views, is key to understanding and effectively addressing human rights issues and therefore avoiding financial and legal risks, including project or equipment delays, legal actions, reputational damage.



### Key findings

- ➔ Over a third of project developers and two-thirds of wind turbine manufacturers have started to adopt human rights due diligence practices. However, only one solar panel manufacturer (**First Solar**) has demonstrated actions across more than one element of the human rights due diligence process.
- ➔ Only two project developers (**Iberdrola** and **Engie**) and two wind turbine manufacturers (**GE Renewable Energy** and **Vestas**) describe how systems are triggered by new circumstances and disclose risks in these contexts.
- ➔ Importantly, only four companies (**ACCIONA Energía**, **EDF Renewables**, **Iberdrola** and **Shell**) describe how human rights assessments involve affected stakeholders and only one (**Iberdrola**) describes how it involves affected stakeholders in decisions about actions taken on its salient human rights issues.

### Recommendations

- ➔ Undertake rigorous human rights due diligence processes (beyond social auditing) that clearly involve affected stakeholders in all steps and ensure human rights management systems are responsive to new circumstances.

## Project developers: 4.4/14 (32%)



- ➔ Ten out of 16 utilities/IPPs and all three oil and gas companies have started to integrate human rights due diligence processes. However, five out of 16 project developers/IPPs, have not demonstrated action across any of the elements of human rights due diligence (**Adani Green Energy, CLP Holdings, Duke Energy, NextEra Energy** and **Southern Company**). Only one company (**Iberdrola**) scores at least partial points across all six indicators in this section.
- ➔ Only two project developers (**Iberdrola** and **Engie**) describe how systems are triggered by new country operations, new business relationships, new human rights challenges or conflict affecting particular locations in addition to regular risk identification processes and disclose risks in these contexts.
- ➔ Only **ACCIONA Energía, EDF Renewables, Iberdrola** and **Shell** describe how human rights assessments involved affected stakeholders. Only **Iberdrola** describes how it involves affected stakeholders in decisions about actions taken on its salient human rights issues.

## Wind turbine and solar panel manufacturers: 2.1/14 (15%)



- ➔ Two out of three wind turbine manufacturers (**GE Renewable Energy** and **Vestas**) engage in parts of the human rights due diligence process. **Goldwind** is the only wind turbine manufacturer included in the benchmark that has not demonstrated action on human rights due diligence.
- ➔ Only one solar panel manufacturer (**First Solar**) has demonstrated actions across more than one element of the human rights due diligence process. All other solar panel manufacturers in the benchmark have scored zero points on five out of six indicators in this section.
- ➔ Only two wind turbine manufacturers (**GE Renewable Energy** and **Vestas**) describe how systems are triggered by new country operations, new business relationships, new human rights challenges or conflict affecting particular locations, in addition to regular risk identification processes, and disclose risks in these contexts.

For an indicator-level analysis, see [Annex](#).

## Reflections from EIRIS Foundation

### How human rights due diligence (HRDD) is different from social auditing

Meaningful human rights due diligence not only helps companies fulfil their corporate responsibility to respect human rights, it can also prevent conflicts, delays and costs. [HRDD is distinct from social audits processes undertaken by many companies](#). Auditing can be one tool companies use, but it is not equivalent to HRDD nor is it effective on its own as a risk mitigation measure.

A [recent study by ODI](#) found that social risk mitigation measures in emerging market contexts can help investors avoid financial risks that, *“conservatively, are up to four times the cost of risk mitigation procedures.”* Importantly, the study highlighted that *“social dialogue with local people is by far the most effective way of mitigating social risks.”*

#### The main differentiating factors of HRDD from audits include:

- ➔ **Proactive and ongoing nature:** HRDD is proactive – it starts with the company’s process of identifying, measuring and addressing its salient human rights risks periodically and when something new happens. It requires companies to develop a mechanism to stop or prevent the actual or potential human rights harms which were identified in the risk assessment, thereby enabling companies to prepare for, prevent or mitigate human rights harm they may otherwise cause.
- ➔ **Involvement of affected stakeholders:** HRDD must involve affected stakeholders at all stages (including identifying, assessing, integrating and acting, tracking and monitoring, and communicating on human rights impacts).
- ➔ **Impact on rightsholders:** HRDD looks for the exposure to a particular risk measured against the impact on rights-holders rather than compliance with regulations or supplier codes.
- ➔ **Tracking and monitoring systems and processes:** HRDD involves reviewing how systems and policies are performing to identify and act upon necessary improvements. Data from audits can be helpful but audits themselves may only look to fix the cases identified, rather than the systems or policies that failed to prevent them.

Implementing HRDD procedures will help RE companies prepare for [upcoming HRDD laws and regulations](#) and enhance companies’ ability to identify salient risks, engage constructively with stakeholders and proactively build systems which effectively prevent and remedy human rights and environmental harm.

## Elevating stakeholder participation – the extra mile to meaningful engagement

While research for the Benchmark found several good examples of communication on meaningful stakeholder engagement in HRDD, company disclosures overwhelmingly fell short of providing insights on how the views and inputs of affected stakeholders are not only collected but also understood, analysed and – most importantly – acted upon. These are vital steps that take stakeholder participation from a box-ticking exercise to a meaningful contribution to shaping companies' approach to human rights as affected stakeholders have unique insights into the conditions on the ground.

The CHRB methodology, the basis for the assessment of HRDD in this benchmark, emphasises the importance of stakeholder input at every step of the due diligence process. Arguably, affected stakeholders not only have most direct interest in effective HRDD processes – they also have unique insights into conditions on the ground. A [recent methodology revision](#) found that an overarching commitment from companies to engage with stakeholders was not sufficient to ensure the quality of the HRDD process. Integrating stakeholder engagement into each part of the human rights due diligence process ensures stakeholder input is understood as a vital part of the HRDD process instead of being considered an add-on.

Examples of common evidence that are insufficient to meet this requirement include one-off examples of stakeholder consultations on one salient issue in one location, as they don't show the company has a systematic approach to stakeholder engagement. Referring to grievance mechanisms – rather than engaging with stakeholders on risks or the design of solutions to prevent impacts arising in the first place – is indicative of a misunderstanding, either of the proactive nature of HRDD or the value of stakeholder input in the process. Grievances generally occur after impacts whereas HRDD is intended to prevent or mitigate those.

The research for this benchmark has uncovered a lot of activity and a willingness to engage with this agenda by the sector. However, there is a need to highlight the importance of consistent and detailed disclosure on these processes including which rights-holders were consulted, how the consultation was conducted, what the rights-holders contributed and how those contributions were implemented. Not only does this allow for external stakeholders to assess the quality of the process but it also helps the companies clarify their own thinking about the purpose of HRDD and underpin the effectiveness of the process.



Photo by Joe Brusky

## Downstream due diligence: Manufacturers managing human rights impacts at the project level

While wind turbine and solar panel manufacturers have a clear responsibility to manage their supply chains responsibly, they also have a significant opportunity to influence project level human rights impacts by using their leverage as sellers of key equipment. Based on **Vestas's** experience in emerging markets, which has included projects where **Vestas** provided wind turbines to projects that allegedly harmed Indigenous Peoples' rights such as the [Lake Turkana Wind Power](#) project in Kenya, **Vestas** recognised the need to maintain the social license to operate is project and context specific. **Vestas** has introduced a downstream [social due diligence process](#) to identify and assess adverse impacts and *“to avoid, minimise and where not possible compensate for the adverse impact caused or contributed to by **Vestas**.”*

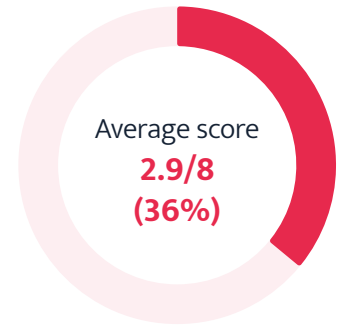
Key potential adverse impacts addressed by the process include poor local community consultations, failure to obtain FPIC, lack of clarity around land ownership and/or use, physical and/or economic displacement, among others. **Vestas** emphasises that the output of its social due diligence is a *“live document and can be reviewed if there are significant changes to the project development, construction or service phase.”* It tracks progress on mitigation measures and aims to *“resolve any issues or establish necessary course correction that may be needed.”*



## Theme C. Remedies and grievance mechanisms

### Overview

Facilitating or providing remedy for adverse human rights impacts is the third pillar of the UNGPs. It includes collaboration with judicial and non-judicial grievance mechanisms as well as providing operational-level grievance mechanisms. However, grievance mechanisms are not equivalent to provision of remedy – they are rather a process used to reach an agreement around remedy. The UNGPs' effectiveness criteria outlines key criteria for grievance mechanisms to be meaningful, including key elements regarding accessibility and rights compatibility.



### Key findings

- ➔ All project developers and two-thirds of wind turbine and solar panel manufacturers have a grievance mechanism available for workers, but only two have all the required elements in place to demonstrate effectiveness (**ACCIONA Energía** and **bp**). Two-thirds of project developers and half the wind turbine and solar panel manufacturers have a grievance mechanism available for external stakeholders.
- ➔ While two out of three wind turbine manufacturers describe the approach they take to provide or enable a timely remedy for victims, solar panel manufacturers (with only one out of six doing so) and project developers (three out of 19 doing so) lag significantly behind. The provision of or cooperation in remediation depending on the company's level of involvement in adverse impacts is a key responsibility of businesses under the UNGPs.

### Recommendations

- ➔ Ensure grievance mechanisms are aligned with the [UNGPs' effectiveness criteria](#) and explicitly require suppliers to have their own effective grievance mechanisms in place.
- ➔ Demonstrate provision of timely and effective remedy for victims of adverse human rights impacts and disclose how implementation of agreed remedy is monitored.

## Project developers: 2.9/8 (37%)



- ➔ **Grievance mechanisms for workers:** All project developers have a grievance mechanism available for workers. Five project developers (**ACCIONA Energía, bp, CLP Holdings, RWE** and **Shell**) demonstrate these are available in all relevant languages and nine out of 16 project developers also extend this expectation to suppliers. Only **ACCIONA Energía** and **bp** have all the required elements in place including to (1) ensure this mechanism is available in all relevant languages (2) workers can access the mechanism, (3) extend this expectation to suppliers, (4) and require suppliers to have the same expectation in place for their suppliers.
- ➔ **Grievance mechanisms for external individuals and communities:** Two-thirds of project developers have a grievance mechanism available for external stakeholders. However, only **Enel Green Power** and **Ørsted** expect suppliers to extend the expectation of a grievance mechanism for external stakeholders in their supply chain.
- ➔ **Remedying adverse impacts:** Only one out of 16 utilities/IPPs (**Iberdrola**) and two out of three oil and gas companies (**bp** and **Shell**) describe the approach they took to provide or enable a timely remedy for victims. In addition, one company (**ACCIONA Energía**) describes the approach it would take to provide or enable timely remedy for victims despite no adverse impacts at the time. Only one project developer (**RWE**) describes its approach to monitoring implementation of agreed remedy.

## Wind turbine and solar panel manufacturers: 2.7/8 (34%)



- ➔ **Grievance mechanisms for workers and external individuals and communities:** two out of three wind turbine manufacturers (**GE Renewable Energy** and **Vestas**) and three out of six solar manufacturers (**Canadian Solar, First Solar** and **Trina Solar**) have a grievance mechanism available for both workers and external stakeholders, while **JinkoSolar** only has a grievance mechanism for workers. Only **First Solar** and **Vestas** describe how they ensure external individuals and communities have access to the company's own mechanism(s) to raise complaints or concerns about human rights issues at the company's suppliers. Only **Vestas** demonstrates its grievance mechanisms both for workers and external stakeholders are accessible in all relevant languages.
- ➔ **Remedying adverse impacts:** Solar panel manufacturers lag significantly behind on providing remedy on adverse impacts. While two out of three wind turbine manufacturers describe the approach they took to provide or enable a timely remedy for victims, only one solar panel manufacturer does so (**First Solar**). Among all manufacturers, only **First Solar** describes both changes to systems, processes and practices to prevent similar adverse impacts in the future and its approach to monitoring implementation of the agreed remedy.

For an indicator-level analysis, see [Annex](#).



## Elusive legal remedies for harms to Indigenous Peoples' rights

In cases where the alleged adverse impact relates to the rights of Indigenous Peoples to land and cultural practices, it is rare for companies to provide effective remedy once projects are underway. Once the project has been developed and is operating, harm might have already taken place, which can lead to lasting community tensions and a loss of trust. In the case of the **Storheia and Roan wind farm** in Norway, the Supreme Court has [ruled](#) that the licence for the land was invalid as the plans infringed on the right to culture of the Sámi people. However, the communities have not received remedy for this harm to date, and are of [diverging opinions](#) as to whether remedy is possible without project cancellation. Similarly, in the case of the Kenyan **Lake Turkana Wind Farm**, the Kenyan Environment and Land Court [ruled](#) that “*the only effective remedy would be an order for demolition or removal.*” The project is currently operational, but legal challenges are [ongoing](#) and expected to last several years. Implementing strong HRDD and effective grievance mechanisms at the earliest possible operational stage can make the difference between a company's ability to identify and address adverse human rights impacts in advance and potentially avoid lawsuits, delays and ultimately a loss of ability to provide effective remedy.



## Transparency on adverse impacts and remedies

While social audits cannot replace proper HRDD, they can help identify and address human rights harms, when action is taken on the results of such audits. In August 2023, **First Solar** [revealed](#) social audits uncovered forced labour at its Malaysia manufacturing site. The social audit found that foreign workers employed by janitorial, warehouse and security services providers “*were subjected to unethical recruitment comprised of the payment of recruitment fees in their home countries, passport retention, and the retention of wages.*” The company stated that following “*corrective actions ... the service providers are cooperating and have since returned all passports and retained wages to the workers.*” It also indicated it is “*working with the ancillary service providers to ensure the recruitment fees are reimbursed to their current and former employees.*” Transparent communication around adverse impacts and remedies is a key element of companies' human rights responsibilities. Mark Widmar, Chief Executive Officer at **First Solar** reinforced the value the company sees in transparency: “*The audit results reaffirmed First Solar's belief that independent on-site social audits must be an essential standard across the industry. By uncovering the practices of ancillary service providers and by proactively making the results of the audit transparently available, our customers and the industry as a whole can take comfort that when First Solar says it has zero tolerance for unethical behaviour, we mean it.*”

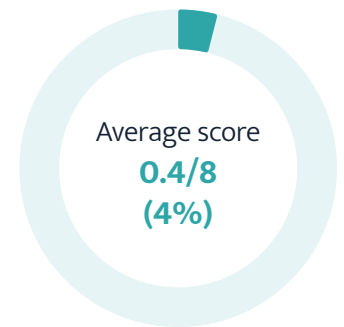
# Salient human rights risks

## Theme D. Indigenous Peoples and affected communities' rights

### Overview

Indigenous Peoples have a right to self-determination recognised under international law, including the right to give or withhold their consent for projects affecting their lands and resources. Engaging with all project-affected communities in an inclusive and meaningful way is essential in a rights-respecting energy transition and helps reduce risks of conflicts. All RE actors can also play a significant role in supporting new models of shared prosperity, departing from business-as-usual approaches, and help support rebalancing of power between companies and local communities. To this end, [Indigenous leadership](#) in RE projects is increasing. Bridging the local-to-global gap in the energy transition is pivotal to retain public support: project developers need to ensure their wind and solar projects contribute to the improvement of local energy access. Manufacturers are expected to demonstrate downstream due diligence to ensure business partners (including project developer clients) have these commitments and practices in place.

Companies should be guided in their relationships with Indigenous Peoples and affected communities by the principles enshrined in the UNDRIP.



### Key findings

- ➔ All companies but two – **EDF Renewables** and **Ørsted** – or 26 out of 28, either do not mention Indigenous Peoples' rights at all, or make commitments not anchored in the UNDRIP. No company has processes in place to identify Indigenous groups affected by their activities.
- ➔ No project developer has made a public commitment at policy level to identify potential benefit and ownership sharing agreements with local communities, or to explore co-ownership models, and manufacturers have not expressed any expectations towards their clients to do so.
- ➔ Only two companies (**EDF Renewables** and **Vestas**) disclose actions to support local energy access and affordability for communities that live near companies' wind and solar projects. Three companies (**Eletrobras**, **Enel Green Power** and **Iberdrola**) publicly support government policies addressing energy access challenges.

Recommendations	Project developers ▼	Wind turbine and solar panel manufacturers ▼
<p><b>Respect for Indigenous Peoples' land and forest rights and right to FPIC, including their right to define the process by which FPIC is achieved and to withhold consent, regardless of an opposing claim by the government.<sup>8</sup></b></p>	<p>➔ Adopt a public commitment.</p>	<p>➔ Adopt clear expectations towards all business partners, including project developer clients and upstream minerals suppliers to have a commitment.</p>
<p><b>Identification and engagement with affected communities, with specific attention paid to the needs of traditionally marginalised groups.</b></p>	<p>➔ Adopt a public approach. Disclose information beyond general description of intentions and reflect on how those engagements during project development and operations phases have contributed to shaping their approaches.</p>	<p>➔ Adopt clear expectations towards project developer clients for engagement with communities during development phase, and adopt own processes to directly listen to and respect communities' concerns during operations.</p>
<p><b>Identify potential benefit and ownership sharing options, including co-ownership models, grounded in a meaningful FPIC consent process and ensure all affected rightsholders have a true say.</b></p>	<p>➔ Commit to exploring such models in a way that respects Indigenous principles and values, accepts that building trust and benefit-sharing approaches could take additional time and resources, and includes safeguards in case of communities minority equity ownership.<sup>9</sup></p>	<p>➔ Reward project developer clients progressing towards benefit and ownership sharing models.</p>
<p><b>Publicly support local access and affordability of renewable energy, including through engagement with governments to support policies seeking to address local energy access challenges.</b></p>		

## Alleged inadequate consent process and land conflicts with Indigenous groups in French Guiana fuels conflicts and opposition to solar-to-hydrogen megaproject

In French Guiana, a 140 MW solar-to-hydrogen project is facing opposition by neighbouring Indigenous groups. The CEOG project ('Centrale Electrique de l'Ouest Guyanais' – West Guiana Electric Power Plant), developed by **HDF Energy** would require 140 ha of land – of which 78 ha are comprised of equatorial forest, the vital source of livelihood for the 200 inhabitants of the Kali'na (one of the six Indigenous groups in French Guiana) village of Atopo Wepe situated in the immediate vicinity of the project.

According to their Yopoto (traditional chief), Roland Sjabère, the [community is not against the project](#), in a context of increasing energy access challenges in West Guiana, but it is against its location: the CEOG is too close to their village – only 1.6 km away, and [would severely hamper access to hunting and fishing areas](#). HDF Energy would have been granted the authorisation to use lands from the French State in less than a year – [following an expedited consultation process](#), in violation of their right to give or withhold their FPIC. The group says [negotiations to access their lands have not been conducted in good faith](#), as most community members don't have a sufficient command of French, the language in which the negotiations have been conducted. In addition, the [Environmental Impact Assessment is reported as being incomplete](#): the project would impact several protected species not mentioned in the assessment. Nevertheless, in 2021, the [Yopoto did sign an agreement](#) to develop a partnership agreement with HDF Energy, only to retract his consent two months later.

[Conflict has now escalated](#), beginning with the arrests of protesters, including the Yopoto in October 2022. The project site was subsequently blocked by protesters [in November 2022](#). Demonstrations were brutally repressed by police forces, using tear gas, [in March 2023](#). [Deforestation operations resumed in September 2023](#), in the presence of a large contingent of law enforcement forces. The villagers have recently [filed a legal complaint](#) against the company, and are supported by the representative council of Indigenous groups in French Guiana, who has been denouncing the disproportionate repression of the project's opponents.

The company argues [there is no other viable location](#) for the project and that [all required authorisations have been obtained](#). [It states](#) the project has evolved through a process of close consultation with the village and recalls the 2021 mutual agreement, and its proposition to endow a community development fund.

Ongoing conflict and strong local opposition, amplified at the national level through support of [150 high-profile individuals](#), illustrate how poorly designed consent protocols with Indigenous groups can have damaging consequences for a project's operational rollout, as well as for companies' reputations.

## Project developers: 0.4/8 (6%)

- ➔ **Commitment to respecting Indigenous Peoples' rights:** two project developers (**EDF Renewables** and **Ørsted**) have a clear commitment to respecting the rights outlined in the UNDRIP – yet, **EDF Renewables** is also associated with [one serious allegation of abuse against it in Mexico](#). While their policy commitments remain insufficient, **bp**, **EDP** and **Iberdrola** achieve partial scoring for recent examples of achieving FPIC.
- ➔ **Engagement with all affected communities:** **bp**, **EDF Renewables**, **Enel Green Power** and **Iberdrola** achieve partial scoring for describing their processes to identify and engage with affected stakeholders and/or providing recent examples.
- ➔ **Benefit and ownership sharing:** while it lacks a clear policy commitment, **Ørsted** has committed to community co-ownership in an [offshore project in Scotland](#), the only example of this kind in this Benchmark.
- ➔ **Local energy access:** four project developers achieve partial scoring for either having disclosed actions to support energy access and affordability of RE in the communities in which they operate (**EDF Renewables**) or for publicly supporting government policies and actions (**Iberdrola**, **Eletrobras** and **Enel Green Power**).

## Wind turbine and solar panel manufacturers: 0.2/8 (2%)

- ➔ **Commitment to respecting Indigenous Peoples' rights:** wind turbine manufacturers are more advanced than their solar panel manufacturing counterparts in their commitments to respecting Indigenous Peoples' rights. While **GE Renewable Energy** mentions "*Indigenous rights are a critical concern ... in [their] downstream value chain,*" no manufacturer demonstrates clear expectations of its clients in this respect. **Vestas** has an expectation that its business partners respect human rights and refers to Indigenous Peoples rights including FPIC in its social due diligence tool, but falls short from explicitly requiring respect for Indigenous Peoples' rights of business partners in publicly available documents. No solar panel manufacturers have adopted language outlining their expectations towards business partners.
- ➔ **Engagement with all affected communities:** only **Vestas** scores points for disclosing a process for direct engagement during projects' operational phase.
- ➔ **Benefit and ownership sharing:** no manufacturer scores any points for rewarding project developer clients for having these policies in place.
- ➔ **Local energy access:** only **Vestas** and **GE Renewable Energy** score partial points for disclosing actions to support local access and affordability of renewable energy in value chains.

## Indigenous-led solutions in a just energy transition

Indigenous Peoples represent 5% of the global population, and yet comprise [15% of the world's extreme poor](#). They are affected by the RE value chain in numerous ways, ranging from the extraction of transition minerals – as [50% of transition mineral reserves are on Indigenous and peasant communities](#) – to the development of RE projects on their lands. Indigenous Peoples are increasingly [organising themselves](#) to make their voices heard and are seeking more ownership and control of these projects.

This is already a reality in [Canada](#) where, with involvement in more than 197 clean energy projects over one megawatt (as of 2021) and enabling regulatory framework, Indigenous communities are the largest owner of clean energy assets in Canada after the Crown and private utilities; as well as [elsewhere](#). The [15 MW Sukunka Wind Energy Project](#) in Canada's British Columbia, for example, was developed by Sauletu First Nation and its partner, **Natural Forces** (a private independent power producer) and is now the largest majority-owned Indigenous green energy project in the region.

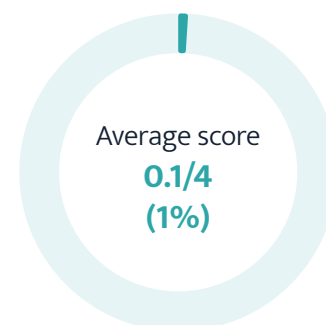


## Theme E. Land and resource rights

### Overview

Onshore wind and solar projects are land-intensive. Land acquisition and compensation processes, when relocation cannot be avoided, are often the source of conflicts with local communities and Indigenous groups, as exemplified in multiple cases documented in [Kenya](#). This is compounded in situations where land rights are customary and/or when the identification of legitimate tenure rights holders is complex. Land acquisition or use without full FPIC from Indigenous communities can have detrimental impacts on the realisation of their specific rights, including their right to cultural survival. Such cases can lead to litigation, as was the case for the Fosen project in Norway where the Supreme Court ruled the wind project development license invalid. Physical and/or economic displacement without just compensation [can infringe on several human rights](#), including the right to an adequate standard of living, and must be used as a measure of last resort.

Land rights are primarily salient at project siting and raw material sourcing operational stages: manufacturers should have clear expectations in place towards project developer clients and raw material suppliers.



### Key findings

- ➔ All companies scored zero on having a policy in place to respect the land rights of legitimate tenure rights-holders as set out in the UN Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests, supported by identification of tenure holders. Project developers also do not disclose their processes to identify legitimate rights-tenure holders.
- ➔ Language committing project developers to implement just and fair physical and economic displacement, as a last resort measure, remains too vague. Only two companies (**EDF Renewables** and **Shell**) achieve partial scoring.
- ➔ Manufacturers do not have clear expectations in place towards their project developer clients, and upstream mineral suppliers regarding respect for land rights, as well as strict implementation of just and fair physical and economic displacements.

**Recommendations**

**Project developers**

**Wind turbine and solar panel manufacturers**

**Respect for land rights of legitimate tenure rights holders, including where land and ownership rights are customary and/or not formally recorded, supported by clear processes to resolve conflicts and listen to and respect communities' concerns.**

➔ Adopt a public commitment.

➔ Adopt clear expectations towards project developer clients and upstream minerals suppliers.

**Use physical and economic displacement as a matter of last resort, and when it cannot be avoided, minimise its impact on those displaced through mitigation measures such as fair compensation and improvements to living conditions, and guarantee active community engagement throughout the process. Use the International Financial Corporation (IFC) Performance Standard 5 (Land and Acquisition and Involuntary Resettlement) to guide the process.**

➔ Adopt a public commitment.

➔ Adopt clear expectations towards project developer clients and upstream minerals suppliers





## Project developers: 0.1/4 (1%)

- ➔ **Respect for land and natural resource tenure rights:** no company scores full points for having a clear policy in place to respect the land rights of legitimate tenure rights holders as set out in the UN Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests and identifying legitimate tenure rights-holders. Language used by project developers shows limited progress: **Ørsted** has an explicit commitment to respect land rights, but does not provide evidence of how it identifies legitimate tenure holders. **Eletrobras** recognises that “*even informal land ownership must be taken into account*” and ACCIONA Energía “*undertakes to respect and protect the rights of minorities and the rights of communities over their lands.*”
- ➔ **Just and fair physical and economic displacement policy implementation including FPIC:** two companies (**EDF Renewables** and **Shell**) achieve partial achievement. **EDF Renewables** has adopted an explicit commitment to “*providing compensation and/or restoring livelihoods, at least to the conditions preceding its work.*” **Shell** has committed to work in accordance with the IFC Performance Standard 5. Other developers use vague language on minimising impacts of displacement or refer only to physical displacement.

## Wind turbine and solar panel manufacturers: 0/4 (0%)

- ➔ **Respect for land and natural resource tenure rights:** while no company scores any points on adopting clear expectations towards their clients or upstream mineral suppliers, two wind turbine manufacturers demonstrate awareness of the impacts of clients’ projects on land rights. **GE Renewable Energy** recognises it can use leverage with customers in the case of projects affecting the rights of vulnerable communities – but notes it “*is often limited.*” **Vestas** includes “*land acquisition, land use and livelihood*” as examples of adverse impacts addressed in its social due diligence tool.
- ➔ **Just and fair physical and economic displacement policy implementation including FPIC:** No company scored any point for expecting its clients and its upstream mineral suppliers to commit to follow IFC Performance Standard 5 when physical and economic displacement is determined to be necessary, and not to relocate without having obtained FPIC and to provide a just and fair compensation. However, **Vestas** includes “*physical and/or economic displacement*” as examples of adverse impacts addressed in its social due diligence tool.

## Allegations of illegal land acquisition in India

In 2020, in the state of Assam in India, **Azure Power** (a privately owned company registered in Mauritius) started the development of a 15 MW solar energy power plant. Through the process of land acquisition, allegations of violations of the human rights of the Indigenous villagers of Mikir Bamuni have emerged, and specifically of their land rights, according to an assessment conducted by an [independent fact-finding committee of experts](#).

Community members allege land acquisition by **Azure Power** was done in violation of national law. They assert it was done in contradiction with India's 2018 Solar Energy Policy, which specifies that solar projects are developed in government-owned, barren land. Villagers and the experts further allege the land was bought through irregular land agreements which did not recognise their legitimate occupancy rights over the land they had been cultivating for decades, a claim supported by the [Gauhati High Court's decision](#) to suspend the land transfers. In addition, villagers allege they were not only illegally removed, but also faced forceful evictions facilitated through intimidation tactics towards community leaders and harassment by police forces and state authorities. Indigenous-led Right Energy Partnership coalition [stated the project violated](#) the rights of the Adivasi and Karbi peoples, whose FPIC had not been obtained by **Azure Power**.

The Resource Centre approached **Azure Power** in June 2021 to request it respond to the allegations presented in the assessment made by the independent group of experts. The company responded: *"Claims that **Azure Power** has 'forcibly' taken over the land resulting in violation of human rights of those cultivating the land is incorrect and erroneous. **Azure** has purchased the land from bona fide land owners on a seller-willing buyer basis in accordance with state policies and local laws ... Presence of police at the project site is not a regular feature, and has been sought only in exceptional situations – where there was imminent threat and danger to the safety and well-being of our site workers and employed villagers."*

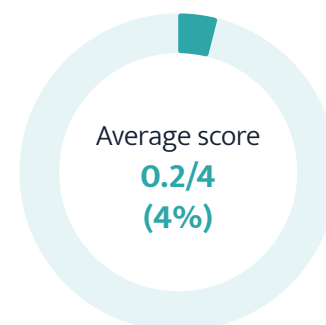
This example highlights how accusations of illegal land grabbing expose companies to serious litigation and reputational risks.



## Theme F (part 1). Security and conflict-affected areas

### Overview

Operating in or sourcing from conflict-affected areas requires specific action from companies as human rights impacts may be magnified in contexts of conflict. The UN Working Group on Business and Human Rights has issued a [report](#) outlining the steps expected of companies in these contexts, emphasising the need for heightened HRDD which applies a conflict-sensitive lens. Ensuring a human rights-based approach to security arrangements is key for companies both in situations of conflict and peace. This includes undertaking regular human rights risk assessments of security providers in line with the Voluntary Principles on Security and Human Rights. In addition, the International Code of Conduct for Private Security Providers contains a set of principles to govern the operations of private security providers in terms of their own management, as regards their responsibilities towards those who might be impacted by their activities. While these standards were developed with the extractives and private security sector in mind respectively, their consideration is relevant for renewable energy companies.



### Key findings

- Companies do not have approaches in place to address human rights in conflict-affected areas adequately and when they do, they focus exclusively on conflict minerals.
- Only oil and gas companies and one IPP (**ACCIONA Energía**) declared they undertake human rights risk assessments of security providers. Only oil and gas companies and one IPP (**ACCIONA Energía**) declared they undertake human rights risk assessments of security providers.
- **Vestas** is the only company which has indicated it plans to strengthen its human rights processes in conflict-affected and/or high-risk areas beyond conflict minerals.

### Recommendations

- Undertake heightened HRDD to identify and assess risks associated with operations in or sourcing from conflict-affected and/or high-risk areas in line with the recommendations of the [UN Working Group on Business and Human Rights](#). This includes engaging with stakeholders on the ground on a continuous basis.
- Undertake regular human rights risk assessments of security providers.

## Project developers: 0.2/4 (5%)

- ➔ **Heightened HRDD:** no project developer commits to address the heightened human rights risks associated with operations in or sourcing from conflict-affected and/or high-risk areas in line with the recommendations of the UN Working Group on Business and Human Rights. Undertaking heightened HRDD in conflict-affected areas is critical for companies in the RE sector, just like other sectors, as illustrated through the recent example of [bp's planned solar plant in Nagorno-Karabakh](#).
- ➔ **Human rights assessments of security providers:** one utility/IPP (**ACCIONA Energía**) and all three oil and gas companies undertake human rights risk assessments of security providers in line with the Voluntary Principles on Security and Human Rights and/or the International Code of Conduct for Private Security Providers.

## Wind turbine and solar panel manufacturers: 0.1/4 (1%)

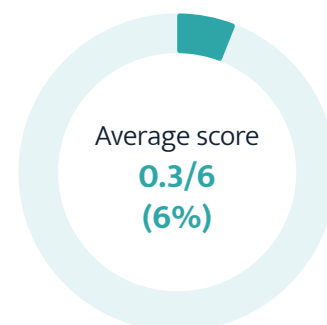
- ➔ **Heightened HRDD:** while several wind turbine and solar panel manufacturers have addressed conflict minerals (assessed as part of Responsible Mineral Supply Chains in the following section), their approach to conflict does not extend beyond this issue. Currently no solar panel manufacturers and one wind turbine manufacturer (**Vestas**) commits to strengthen its human rights processes on conflict-affected and/or high-risk areas beyond conflict minerals.
- ➔ **Human rights assessments of security providers:** currently no wind turbine or solar panel manufacturer has an approach to security and human rights in line with the Voluntary Principles on Security and Human Rights and/or the International Code of Conduct for Private Security Providers.



## Theme F (part 2). Responsible mineral sourcing

### Overview

According to the [International Energy Agency](#), demand for transition minerals is expected to more than triple by 2050 to meet net zero goals. Considering that both wind and solar energy sectors require a range of minerals sourced from conflict areas and/or high-risk regions, and/or linked to [human rights harms](#), companies must be alert both to securing mineral supply and ensuring supply chains are free of human rights abuses. The [OECD Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas](#) (OECD Guidance) outlines key steps on due diligence for downstream and upstream actors including supply chain traceability and transparency, risk identification, assessment, management and disclosure of due diligence processes. Recent [additional guidance](#) from the OECD illustrates how responsible sourcing of minerals is key to a reliable supply of transition minerals.



### Key findings

- ➔ Due diligence on mineral supply chains in line with the OECD Guidance is a nascent practice among project developers with a few leading the way.
- ➔ Most wind turbine manufacturers have strong commitments in place, but the implementation of key steps in the OECD due diligence process are not yet publicly available.
- ➔ Commitments by solar panel manufacturers to undertaking due diligence remain unclear as to whether they align with the OECD Guidance. Only one solar panel manufacturer (**First Solar**) has a strong commitment to due diligence in place in line with the OECD Guidance.
- ➔ Company practices are the most advanced on this issue of conflict minerals<sup>10</sup> including establishing “3TG origin”.<sup>11</sup> However, as human rights risks associated with other key transition minerals relevant to the wind turbine sector, manufacturers are expected to expand this risk assessment to other relevant minerals.

### Recommendations

- ➔ Commit to undertake due diligence in line with the [OECD Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas](#) and disclose steps taken to identify and manage risks.
- ➔ Ensure traceability of supply chains to raw material level and disclose information on first-tier suppliers.
- ➔ **Project developers:** adopt clear expectations from manufacturers to disclose the list of all qualified smelters/refiners.
- ➔ **Wind turbine and solar panel manufacturers:** publicly disclose the list of all qualified smelters/refiners.

## Project developers: 0.1/6 (2%)

- ➔ **Due diligence in line with OECD Guidance:** only two project developers (**EDP** and **Ørsted**) have a clear commitment to due diligence in line with the OECD Guidance and only **Ørsted** includes this in supplier contracts and expects suppliers to describe steps taken to manage and respond to risks identified in their mineral supply chains. No project developer discloses suppliers publicly.
- ➔ **Risk identification in mineral supply chains:**
  - ➔ No project developer currently describes its processes for identifying and prioritising risks and impacts in its supply chain as set out in the OECD Guidance and discloses the risks identified. One company taking steps towards this is **Enel Green Power**, which *“launched a working group involving all areas of the Company to develop and update the raw materials strategy, with particular reference to so-called critical raw materials, identify priority areas on which to act and implement solutions to manage the associated impacts and risks ... particular reference to respect for human rights.”*
  - ➔ Moreover, no project developer expects suppliers (at a minimum wind turbine and solar panel suppliers) to publicly disclose the list of all the qualified smelters/refiners the supplier has independently judged to conform to the due diligence processes set out in the OECD Guidance. **Ørsted** has taken steps towards this as it sent a senior executive letter to 11 suppliers and their sub-suppliers asking them to engage with the Initiative for Responsible Mineral Assurance (IRMA) and to start mapping their own supply chains. It also started mapping its iron and copper supply chains, and [has plans to map ten](#).
- ➔ **Risk management in the mineral supply chain:** only one project developer (**Ørsted**) expects suppliers using minerals in equipment provided to the Company (at a minimum wind turbine and solar panel suppliers) to describe the steps taken to manage and respond to risks identified in their mineral supply chain.



## Wind turbine and solar panel manufacturers: 0.8/6 (13%)

- ➔ **Due diligence in line with OECD Guidance:** two out of three wind turbine manufacturers (**Vestas** and **GE Renewable Energy**) and one out of six solar panel manufacturers (**First Solar**) has a commitment to undertake due diligence in line with OECD Guidance and incorporates this into supplier contracts. Some solar panel manufacturers have due diligence commitments in place without specifying the standards these will follow. In addition, **GE Renewable Energy** describes how it works with suppliers to contribute to building their capacity in risk assessment and improving their due diligence performance. No wind turbine or solar panel manufacturer discloses their suppliers (direct or indirect).
- ➔ **Risk identification in mineral supply chains:** two out of three wind turbine manufacturers (**Vestas** and **GE Renewable Energy**) and one out of six solar panel manufacturers (**First Solar**) describe their processes to identify the smelters/refiners in its supply chain and assess whether the smelters/refiners have carried out due diligence processes in accordance with the OECD Guidance. **GE Renewable Energy** is the only manufacturer that disclosed a list of all qualified smelters in its supply chain conformant with the OECD Guidance.
- ➔ **Risk management in the mineral supply chain:** two out of three wind turbine manufacturers (**Vestas** and **GE Renewable Energy**) and two out of six solar panel manufacturers (**JA Solar** and **LONGi**) describes the steps taken to manage and respond to risks in its mineral supply chain. Only **GE Renewable Energy** and **Vestas** disclose whether there has been significant improvement in risk prevention/mitigation over time.



## Industry-led certification schemes and mineral supply chain due diligence: are they the same?

In recent years, industry-led schemes have emerged which offer certification of mineral supply chains through third party auditing. Many companies now rely on these schemes and standards to assess their human rights risks, outsourcing impact assessments and monitoring. These certification schemes can be: (1) site-level certification, which focuses on assessing conditions and impacts at specific locations, for example whether workers' rights are respected in a factory, whether local communities have been consulted and their public participation rights respected, and (2) supply chain level initiatives, which focus on sourcing practices throughout the supply chain.

Beyond the mining sector, [numerous reports have pointed out the lack of effectiveness of social audits](#) in comprehending risks of human rights abuses in global supply chains. [Limitations](#) include, among others, potential lack of independence, as third party audits are paid by companies, and conflicts of interest, when auditors also do regular work with those companies on other aspects of their business. Auditors also often lack sufficient human rights expertise, do not consult sufficiently with local communities and rely heavily on evidence provided by companies themselves.

They often lack a consistent methodological approach aligned with the UNGPs, and as such cannot amount to due diligence. As [Germanwatch conclude in their review of industry standards in the raw materials sector](#): companies cannot outsource their responsibility to conduct human rights and environmental due diligence. The most egregious example of the failure of a certification scheme to effectively manage risks is the [case of the dam break in Brumadinho, Brazil, in 2019](#), where 272 people were killed and an entire river was contaminated. TÜV SÜD's subsidiary (a German certification company) in Brazil had certified the dam's stability on several occasions, most recently a few months before the dam broke. [Legal proceedings on the liability of TÜV SÜD are ongoing in Germany](#).

[While industry-led certification schemes can complement sound legislation for effective human rights safeguards](#), they cannot replace them. In this regard, the inclusion in the draft EU Critical Raw Materials Act of a safe harbour clause allowing companies to rely on certification schemes to ensure that new mining projects, within the EU or outside, respect human rights and the environment, risks [promoting top-down compliance](#) approaches. This approach will be largely insufficient to effectively manage the complexity, variety and range of [potential harms to human rights in mineral supply chains](#), and [has been criticised by many in civil society](#).

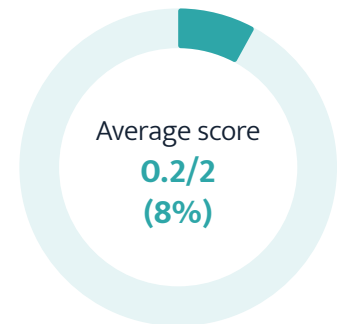




## Theme G. Protection of human rights and environmental defenders

### Overview

Throughout RE value chains, human rights and environmental defenders (HREDs) are at heightened risk of being abused. Indigenous defenders are [disproportionally affected](#). [At least 148 attacks](#) related to transition mineral mining have occurred between 2010 and 2021, with [mining being the most dangerous sector](#) for defenders since the Resource Centre began tracking HREDs attacks. Since 2015, [38 attacks against defenders in the wind and solar sectors](#) have been recorded. The most common form of attacks is judicial harassment, including cases which bear the hallmarks of [Strategic Lawsuits Against Public Participation](#) (SLAPPs), which have a chilling effect on how local communities can exercise their freedom of expression to voice concerns over projects on their lands – to the detriment of building public trust.



### Key findings

- ➔ While eight companies have now adopted public commitments to respect the rights of HREDs, showing limited progress in the sector – compared with 2021 when no companies scored any points on this category – there is still a concerning gap between policy and practice, [according to our database](#).
- ➔ Only one company (**Ørsted**) explicitly expects suppliers to make this commitment.

### Recommendations

- ➔ Adopt and implement policy commitments which recognise the valuable role of HREDs, reference specific risks to defenders, ensure effective engagement and consultation with HREDs at all stages of the due diligence process. Commit to zero-tolerance for reprisals throughout the company's operations, supply chains and business relationships, and adopt clear expectations from business partners to do the same.



Photo by [Joe Brusky](#)

## Project developers: 0.2/2 (9%)

- ➔ Six project developers (**bp**, **EDF Renewables**, **Lightsource bp**, **Ørsted**, **RWE** and **Shell**) achieve partial scoring for having adopted a commitment to respect the rights of HREs. **Ørsted** is the only project developer that explicitly expects suppliers to make this commitment.
- ➔ Despite this, **EDF Renewables** has been associated with 15 attacks against HREs since 2015, **bp** with one attack and **RWE** with three, **according to our database**. This reveals a concerning gap between policy and practice.
- ➔ **TotalEnergies** does not have a policy in place and was associated with 14 attacks against HREs [in Uganda in 2022](#) – [one of the highest counts](#) in the sector.

## Wind turbine and solar panel manufacturers: 0.1/2 (6%)

- ➔ Only **First Solar** and **Vestas** achieved partial achievement for adopting a clear policy on zero tolerance for attacks against HREs, but do not extend it to its business partners.



## Criminalisation of opposition to solar plant in Namasigüe (Choluteca, Honduras)

**Scatec Solar** acquired solar plant megaproject ‘Los Prados’ to be developed in the locality of Namasigüe (Choluteca District, Honduras) at the end of 2015 and operations started in 2018 in three of the parks. Its development required deforestation of areas used by local communities for agriculture and cattle. Communities have since [reported](#) experiencing a decrease in their quality of life, including reduced access to food and water, with local streams and water sources drying out, requiring delivery of drinking water which the community has no means for storing. Furthermore, the thermal sensation has increased, in a region which already reaches 40°C in the hottest seasons of the year.

The community argues they were not appropriately consulted before the project was developed. An initial consultation process [involved only a limited number of people](#) – 40 inhabitants out of a population of 15,000 – who they argue did not represent them. In November 2019, the local community, [accompanied by the Red de Abogadas Defensoras de Derechos Humanos en Choluteca](#) (RADDH), carried out an independent consultation process, in which 11,992 people participated. The consultation, which consisted of a yes/no/blank voting process resulted in a 97% vote against the project. Throughout the years, those opposing the project have been subject to intimidation, and 10 HREDs remain subject to criminal procedures. Community leader Reynaldo Reyes Moreno, who initially opposed the project and was subjected to criminal proceedings, and later accepted a conciliation agreement with the company, [was assassinated in 2018](#).

In [response](#) to queries from the Resource Centre in 2023, **Scatec Solar** asserted that “*with regards to local stakeholders, continuous dialogue with our communities has been the basis of our local stakeholder engagement. This transparent dialogue has been achieved through open meetings with communities, where information is shared, and questions are addressed. In the past year [2022], two such meetings have taken place.*” Regarding the lawsuits against HREDs the company [responded in 2021](#): “*Scatec considers it valuable to reiterate the desire to conclude the two legal processes opened in 2017. Our objective is also to achieve the closure of these legal processes, in which Red de Abogadas Defensoras de Derechos Humanos represents 10 defendants, who have had all the precautionary measures suspended. The closure of these processes can be realised through the conciliation of the parties, having as a precedent that in 2018, Conciliation Agreements were carried out with 12 of the 22 defendants. During the months of May and September 2021, a member of Red de Abogadas Defensoras de Derechos Humanos was formally presented with a proposal for a Conciliation Agreement in favour of 10 of its clients ... The document does not include within its content any commitment for any of the Parties, nor does it condition any situation, only to terminate the legal process in benefit of each of the accused.*” It has also replied to concerns over deforestation and local water sources and community health.

This case exemplifies how defenders face increased risk of criminalisation when they speak up about risk of human rights abuses in projects affecting them.

## Theme H. Labour rights (including protection against forced labour)

### Overview

The ILO and IRENA estimate wind and solar energy sectors together provided more than 7.7 million jobs worldwide in 2021, [accounting for more than half of global renewable energy employment globally](#). The sectors have a significant opportunity to demonstrate green jobs can be [decent jobs](#) which respect the rights of workers throughout the value chain. A critical labour rights issue in the solar sector was elaborated in a report by the [UN Special Rapporteur on Contemporary Forms of Slavery](#) which identified “*indicators of forced labour pointing to the involuntary nature of work rendered by affected communities have been present in many cases*” in the context of “State-mandated systems” in the Xinjiang Uyghur Autonomous Region of China (XUAR). In addition, globally there are [concerns regarding the right to collective bargaining and freedom of association](#) as well as poor working conditions in the supply chain and construction phases [including through the use of subcontractors and labour recruitment agencies for construction of projects](#).



### Key findings

- ➔ While all companies have health and safety management practices in place in their own operations, there is a lack of transparency and consistency in expectations of supplier disclosures, in setting targets, and improvements to management systems.
- ➔ **Forced labour management practices have significant shortcomings in the sector.** These include (1) limited disclosure of mitigation and prevention measures in the supply chain including lack of transparency around supply chains, (2) lack of explicit board level oversight, and (3) limited efforts on guaranteeing responsible wage practices and freedom of movement.
- ➔ Respect for freedom of association and collective bargaining is fully embraced by only a minority of project developers (five) and only one manufacturer (**Vestas**). This is concerning as freedom of association and collective bargaining are essential to enable protection of workers' rights.

## Recommendations

- ➔ Task a board member or committee with oversight of forced labour issues specifically; disclose how the experiences of affected workers or relevant stakeholders (such as civil society, unions and workers or their representatives) inform board discussions.
- ➔ Require suppliers to pay workers directly, in full and on time in their contractual arrangements or through a supplier code of conduct. Prohibit suppliers from retaining workers' personal documents or restricting workers' freedom of movement.
- ➔ Commit to respect freedom of association and collective bargaining, including reference to equivalent worker bodies where the rights to freedom of association and collective bargaining are restricted under law in their own operations and supply chains.
- ➔ Publish or refer to verified disclosure of full solar panel supply chains to raw materials level, including names of suppliers and locations.
- ➔ Use leverage where possible to prevent, mitigate and remedy adverse impacts. Where the severity of the impact is high and companies lack the ability to undertake HRDD or use their leverage, interrogating the crucial nature of business relationships with suppliers active in or linked to regions at high risk of forced labour before considering ending the relationship remains the only tool available for companies that want to ensure supply chains are not at risk of exposure to forced labour in these regions. In this context, the decision to continue engagement with "crucial business relationships" in high-risk areas must be explained, in line with [OHCHR Guidance on Business & Human Rights in Challenging Contexts](#).

## Project developers: 1.3/12 (11%)

- ➔ **Health and safety:** 18 out of 19 project developers disclose quantitative information on health and safety for worker-related injury rates/lost days and fatalities and extend health and safety requirements to suppliers. However, based on public sources only three clearly require suppliers to make the same disclosures (**CLP Holdings**, **EDF Renewables** and **Enel Green Energy**). Half (eight out of 16) utilities/IPPs (**ACCIONA Energía**, **Brookfield Renewable Partners**, **CLP Holdings**, **EDF Renewables**, **Enel Green Power**, **Lightsource bp**, **Ørsted** and **RWE**) and all three oil and gas companies were able to demonstrate they had met targets related to both injury rates/lost days and fatalities or described improvements to health and safety systems in response to fatalities or injuries.

### ➔ **Forced labour risk management:**

- ➔ Only one project developer (**Lightsource bp**) has tasked a board committee with oversight of forced labour issues specifically. No project developers describe how the experiences of affected workers or relevant stakeholders (such as civil society, unions and workers or their representatives) inform board discussions.
- ➔ Two out of 16 utilities/IPPs (**CLP Holdings, Ørsted**) and one oil and gas company (**bp**) disclose ongoing efforts to prevent and mitigate forced labour both in their own operations and supply chains.
- ➔ Four out of 16 utilities/IPPs (**EDF Renewables, Eletrobras, Lightsource bp** and **RWE**) and one oil and gas company (**bp**) discloses the factors they consider when deciding whether to end the business relationship.

### ➔ **Prohibition of forced labour:**

- ➔ **Wage practices:** only one utility/IPP (**Ørsted**) and two out of three oil and gas companies (**bp** and **TotalEnergies**) explicitly require suppliers to pay workers directly, in full and on time in its contractual arrangements with suppliers or supplier code of conduct. No project developer describes how it works with its supply chain to ensure this is met.
- ➔ **Restrictions on workers:** three out of 16 utilities/IPPs (**ACCIONA Energía, Brookfield Renewable Partners** and **Ørsted**) and two out of three oil and gas companies (**bp** and **TotalEnergies**) prohibit suppliers from retaining workers' personal documents or restricting workers' freedom of movement or requiring workers to use company provided accommodation. No project developer describes how it works with its supply chain to ensure this is met or cascaded down the supply chain.
- ➔ **Freedom of association and collective bargaining:** three out of 16 utilities/IPPs (**EDF Renewables, EDP** and **Iberdrola**) and two out of three oil and gas companies (**bp** and **TotalEnergies**) require in their own operations and of suppliers respect for the right of all workers to form and join a trade union of their choice<sup>12</sup> and to bargain collectively and prohibit intimidation, harassment, retaliation and violence against trade union members or equivalent worker bodies and trade union representatives. No company provides its assessment of the number affected by restrictions to freedom of association or collective bargaining in its supply chain.
- ➔ **Living wage:** only one utility/IPP (**Ørsted**) and one oil and gas company (**TotalEnergies**) have a living wage requirement in place for suppliers.

## **Wind turbine and solar panel manufacturers: 0.9/12 (7%)**



- ➔ **Health and safety:** all three wind turbine manufacturers and four out of six solar panel manufacturers disclose quantitative information on health and safety for workers related to injury rates or lost days and fatalities. In addition, two manufacturers (**GE Renewable Energy** and **Vestas**) describe how they work to improve health and safety management systems.

- ④ **Forced labour risk management:** disclosure among wind turbine and solar panel manufacturers around forced labour risk management practices in own operations at a general level is common, however, these practices fall short of meeting key criteria including:
  - ④ **Disclosure of mitigation and prevention measures in the supply chain (especially beyond Tier 1):** One out of three wind turbine manufacturers (**GE Renewable Energy**) discloses ongoing efforts to prevent and mitigate forced labour in supply chains. While all solar panel manufacturers have disclosures around steps taken in their own operations on forced labour, only one (**First Solar**) discloses steps taken in its supply chain in publicly available documents at the time of research. No solar panel or wind turbine manufacturer discloses its full supply chain, which is a critical issue as it is recognised as a cornerstone of addressing forced labour risk and impact.
  - ④ **Board level oversight and responsibility for forced labour risks:** no wind turbine or solar panel manufacturer has tasked a board committee with oversight of forced labour issues specifically. One out of three wind turbine manufacturers (**GE Renewable Energy**) and three out of six solar panel manufacturers (**Canadian Solar**, **First Solar** and **LONGi**) have board oversight of human rights, but relevant board members/committees are not tasked specifically to oversee forced labour, while this is a critical issue for the sectors.
  - ④ **Clarity around ending business relationships:** two out of three wind turbine manufacturers (**GE Renewable Energy** and **Vestas**) and one out of six solar panel manufacturers (**Trina Solar**) disclose factors leading to ending business relationships regarding forced labour concerns.
- ④ **Prohibition of forced labour:**
  - ④ **Wage practices:** while several wind turbine and solar panel manufacturers cite abiding by legal requirements on wages and expecting suppliers to do so, none explicitly indicate that it requires suppliers to pay workers directly, in full and on time.<sup>13</sup>
  - ④ **Restrictions on workers:** two out of six solar panel manufacturers (**First Solar** and **Canadian Solar**) indicate they do not retain workers' personal documents or restrict workers' freedom of movement nor require workers to use company provided accommodation. Neither of them demonstrate how they proceed to eliminate retention of workers' documents or other actions to physically restrict movement in their supply chain. Two out of three wind turbine manufacturers (**GE Renewable Energy** and **Vestas**) prohibit suppliers from retaining workers' personal documents or restricting workers' freedom of movement or requiring workers to use company provided accommodation.
- ④ **Freedom of association and collective bargaining:** one out of three wind turbine manufacturers (**Vestas**) and no solar panel manufacturer have a requirement, in their own operations and supply chains, to respect freedom of association and collective bargaining, including reference to equivalent worker bodies where the rights to freedom of association and collective bargaining are restricted under law.
- ④ **Living wage:** No wind turbine or solar panel manufacturer has a commitment to ensuring the provision of a living wage in its supply chains.

## How do companies respond to the risk of exposure to forced labour in XUAR evidenced in reports by UN bodies?

According to [recent data](#), approximately 35% of the world's polysilicon, and 32% of global metallurgical grade polysilicon, the material from which polysilicon is made, is produced in XUAR. Investigations by UN bodies, academics and journalists have presented evidence on a number of human rights abuses including the use of forced labour in XUAR. [In its July 2022 report to the UN General Assembly](#), the UN Special Rapporteur on Contemporary Forms of Slavery “regards it as reasonable to conclude that forced labour among Uyghur, Kazakh and other ethnic minorities has been occurring in the XUAR” and finds that some instances of forced labour in XUAR “may amount to enslavement as a crime against humanity.” The Special Rapporteur states he “considers that indicators of forced labour pointing to the involuntary nature of work rendered by affected communities have been present in many cases” in the context of “State-mandated systems”. Further analysis by independent UN experts [concluded](#) that the violations in the Region “may constitute international crimes, in particular crimes against humanity” and [have urged](#) China to address their “repeatedly raised concerns.”

In response to the issue, for example, the US has introduced the [Uyghur Forced Labor Prevention Act](#), which aims “to strengthen the existing prohibition against the importation of goods made wholly or in part with forced labor into the United States and to end the systematic use of forced labor in the XUAR.” The Act includes a presumption that “any goods, wares, articles, and merchandise mined, produced, or manufactured wholly or in part” in XUAR are the product of forced labour unless proven otherwise by “clear and convincing evidence.”

Supply chain transparency and traceability is critical to start addressing the issue. Investors are [calling on companies](#) to perform and disclose complete mappings of their value chains (upstream suppliers and downstream distributors, customers and users), in and outside of China. Industry groups are gearing up to establish stronger traceability standards, which must rely on specific disclosure requirements and extend through value chains. Discussions are underway to adopt further regulations on human rights due diligence and forced labour around the world, including at an EU level.

Insufficient supply chain mapping and traceability by global solar supply chain actors, and associated lack of transparency have emerged as critical issues in the Benchmark. Considering the risk of forced labour can be several layers removed in companies' supply chains, the global solar value chain remains at risk of exposure to the human rights risks in XUAR, without clear and transparent information on direct and indirect suppliers as well as business partners.

The Resource Centre approached companies in the Benchmark asking them to outline their response to the risk of exposure to forced labour in XUAR. Key findings include:

- ➔ Only 14/24 of the companies approached outline steps to undertake supply chain traceability exercises and some only in relation to the US market. This is alarming as tracing the supply chain is the first step to understanding [potential levels of exposure to forced labour risks in XUAR](#).
- ➔ In addition, no company currently publicly discloses its full supply chain – making it impossible to verify the effectiveness of their responses to the risk of exposure to forced labour. Transparency around full supply chains is of utmost importance to enable external verification by and credibility for clients and investors.

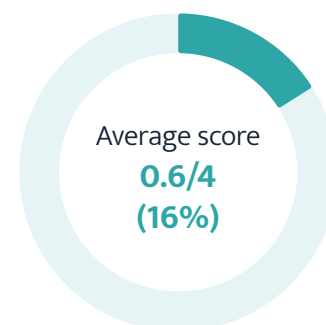


- ➔ One company, **First Solar**, explains it uses technology which does not require polysilicon and does not have exposure to the risks as a result. Several companies refer to diversifying their supply chains, including creating bifurcated supply chains. While diversifying supply chains is welcome, bifurcated supply chains do not address the core issue of forced labour risks in XUAR.
- ➔ Social auditing (mentioned by 12/24 companies) is one of the main steps companies continue to reference in their responses to forced labour risks. However, social auditing has been widely documented as insufficient in this context, as [independent audits in XUAR are not possible](#), due to risk of reprisals to workers and auditors, and the lack of free access to facilities and workers has led to auditors leaving the region. In its [August 2022 report](#), the OHCHR notes “[p]atterns of intimidations, threats and reprisals are generally credible and are likely to have caused, and continue to cause, a serious chilling effect on these communities’ rights to freedom of expression, privacy, physical integrity and family life, and in consequence inhibit the flow of information on the situation inside XUAR.”
- ➔ Considering these factors, companies currently do not have the necessary means to undertake either credible audits or human rights due diligence to verify that workplaces in XUAR are free from forced labour.
- ➔ In cases where companies are linked to human rights abuses, the [OHCHR’s Interpretive Guide to the UNGPs](#) and [Considerations for Remaining and Exiting](#) outline that companies are expected to seek to increase leverage and if unsuccessful, consider ending the business relationship. The UN Special Rapporteur on Contemporary Forms of Slavery refers to the abuses in the context of “State mandated systems”, where it is difficult, if not impossible, for companies to have leverage.
- ➔ Moreover, as OHCHR explains, the UNGPs expect companies to consider the severity of the impacts in case of crucial relationships. It is reasonable to conclude that in the case of XUAR, where the severity of the impact is high (as documented by the UN Special Rapporteur on Modern Slavery and related UN expert body report) and companies lack the ability to undertake HRDD or use their leverage, ending business relationships with suppliers active in or linked to XUAR through sourcing of raw materials remains the only tool available for companies that want to ensure supply chains are not at risk of exposure to forced labour.
- ➔ While polysilicon is currently a key material for the solar sector, supply chains are starting to shift away from the region. As mentioned above, according to the latest [data](#), the proportion of polysilicon sourced from XUAR is down to 35% (from 45% in 2021) and metallurgical silicon stands at approximately 32% of global production. As seen in the benchmark, several companies refer to diversifying supply chains, taking steps towards decreasing reliance on XUAR. Efforts are underway in other regions to develop local production of polysilicon elements.
- ➔ No companies have disclosed a commitment to engage with affected stakeholders, including through dialogue with the Uyghur diaspora. This step would be particularly meaningful for companies to undertake as it would expose them to the realities faced on the ground.

## Theme I. Right to a healthy and clean environment

### Overview

The UN General Assembly recognised the right to a healthy and clean environment in July 2022. The RE sector contributes to this through its core operations of providing renewable energy. However, as all businesses, the RE sector is also responsible for examining its own environmental footprint. For example, the use of coal as an energy source in the production of solar panels and end of life disposal processes for solar panels and wind turbines are receiving increasing scrutiny and can be mitigated through effective life cycle assessments and corresponding action plans. As more RE projects are developed to meet climate goals, there is also an increasing recognition of the importance of assessing and acting on cumulative impacts (i.e.: those that go beyond single projects), for example on biodiversity, health and water resources, as part of environmental impact assessments. Cumulative impact assessments are also critical to identify, prevent, mitigate and remediate violations of the right to a clean, healthy and sustainable environment and address environmental justice, including disparities exacerbated by racial and social injustice.



### Key findings

- ➔ All but four project developers disclose undertaking environmental impact assessments. However, most do so as a matter of legal compliance rendering it difficult to assess consistency across geographies and whether cumulative impacts are taken into consideration. Cumulative impact assessments have been emphasised by various bodies including environmental protection agencies in the [US](#) and Europe (i.e., [Ireland](#)), the [IFC](#) and [collaborations between environmental groups and industry](#) as key to addressing environmental and social impacts that go beyond single projects including on health, water sources, agricultural land, and wildlife, and will only increase in importance as the roll-out of renewable energy projects expands. As regulations around environmental requirements change and as the roll-out of wind and solar projects accelerates, companies will be expected to explain or demonstrate under what circumstances they undertake Cumulative Impact Assessments.
- ➔ Life cycle assessments are undertaken by all manufacturers. However, transparency around the standards these assessments follow and related action plans will be expected of manufacturers in the future to demonstrate progress.

## Recommendations

### Project developers:

- ➔ Undertake public environmental and cumulative impact assessments, in line with the Espoo Convention and/or the EU Environmental Impact Assessment Directive.
- ➔ Disclose payments made to government-mandated remediation funds or guarantees payments for environmental restoration and compensations to affected parties.
- ➔ Adopt expectations towards manufacturers to undertake regular public life cycle assessments of products, in line with [ISO 14040/ISO 14044](#) with action plans and progress on adverse impacts identified.

### Wind turbine and solar panel manufacturers:

- ➔ Commit to work only with project developer clients that provide evidence of conducting public environmental impact assessments and cumulative impact assessments.
- ➔ Comply with government-mandated remediation funds requirements or guarantee payments for environmental restoration and compensations.
- ➔ Undertake regular public life cycle assessments of products in line with [ISO 14040/ISO 14044](#) with action plans and progress on adverse impacts identified.



## Project developers: 0.4/4 (11%)



- ➔ **Environmental impact assessments:**<sup>14</sup> 12 out of 16 utilities/PPs and all three oil and gas companies disclose undertaking environmental impact assessments. However, only two companies (**Iberdrola** and **bp**) refer to examples of cumulative impact assessments, which account for impacts of broader ecosystems.
- ➔ **Life cycle assessments (LCAs):** project developers approach life cycle assessments from a range of angles. While some require suppliers to undertake LCAs (e.g.: **Engie** and **Iberdrola**) it may not be clear publicly the standards these are expected to meet. Others require [Environmental Product Declarations](#) that have clearer public standards (e.g.: **EDP** and **Enel Green Power**). A subset of project developers undertake LCAs themselves on their own activities (**ACCIONA Energía**, **EDF Renewables** and **Eletrobras**) or on supply chain emissions (**Ørsted** and **Lightsource bp**).

## Wind turbine and solar panel manufacturers: 1.1/4 (26%)

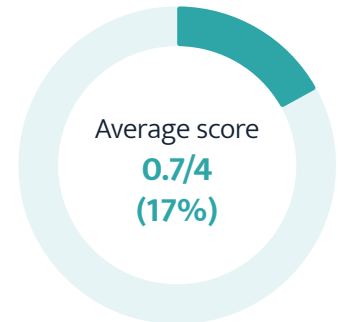


- ➔ **Environmental impact assessments:** one out of three wind turbine manufacturers (**Vestas**) has downstream due diligence processes in place which cover environmental impact assessments and management plans from project developers. However, it is not currently clear whether these include expectations of clients to undertake cumulative impact assessments. Two out of six solar panel manufacturers (**Trina Solar** and **LONGi**) indicate undertaking EIAs themselves at project design and construction stages. Solar panel manufacturers currently do not disclose using downstream due diligence processes that include EIA or cumulative impact assessment expectations of clients.
- ➔ **Life cycle assessments:** all three wind turbine manufacturers and five out of six solar panel manufacturers (**Canadian Solar**, **First Solar**, **JinkoSolar**, **LONGi** and **Trina Solar**) disclose undertaking life cycle assessments on a regular basis in line with [ISO 14040/ISO 14044](#) including on risks related to raw material sourcing and waste generation, including minerals and metals, and decommissioning. **JA Solar** states it “undertakes environmental responsibilities throughout the entire product life cycle” and offers details on its steps regarding photovoltaic waste recycling. Only **Vestas** has public action plans in place to address potential adverse impacts identified during life cycle assessments and publishes progress on these.

## Theme J. Transparency and anti-corruption

### Overview

Rapidly growing capital investments in the RE sector and current policy changes to accelerate permitting and licensing procedures may increase corruption risks in the RE sector, as [existing research demonstrates](#). [Potential similarities to the ‘resource curse’](#) that has characterised the extractive sector have been pointed out. [Corruption in the sector could take many forms](#): from undue influence, rent-seeking behaviours to distorting competition; to land grabbing and manipulation of community consultations and consent processes. Further up the value chains, evidence points to a mounting number of cases of corruption in the [extraction of transition minerals](#). Allegations of bribery and corruption can severely erode public support for RE projects – and [ultimately risks derailing](#) the objectives of a fast and just energy transition. Tax avoidance in transnational business operations have long jeopardised national revenues of countries in the Global South – [where climate action requires significant infrastructure and social investments](#). Enhanced transparency on tax payments and contracts can help build public trust in the RE sector, and support greater corporate accountability.



### Key findings

- ➔ Half of all companies (15 out of 28) have a commitment to prohibiting bribery of public officials – however, only eight extend it to their suppliers.
- ➔ Seven project developers (out of 19) have already disclosed their country-level tax contributions – in future assessments, companies will be expected to take a step forward and disclose information on project-level payments to governments, in line with existing requirements for the extractive sector.
- ➔ No project developers express support for the publication of contracts – a significant gap, particularly as the three oil and gas companies have already adopted positions in support for their oil and gas contracts.
- ➔ Manufacturers need to progress on transparency, and adopt clear expectations towards clients.



## Recommendations

- ➔ Commit to zero-tolerance for all forms of active and passive bribery and corruption, of public officials and between private parties, including through value chains and third-parties, and extend this expectation to business relationships.
- ➔ Disclose country-by-country tax payments, in line with [GRI 207](#).
- ➔ Publish all payments-to-governments information at project level, in line with existing standards for the extractive industry.
- ➔ Declare public support for the disclosure of contracts and licenses, including annexes, for all renewable energy projects.

### Project developers: 0.8/4 (21%)

- ➔ **Commitment to prohibit bribes to foreign public officials:** 11 project developers have a clear commitment to prohibiting bribes to public officials (**ACCIONA Energía, Adani Green Energy, Brookfield Renewable Partners, Duke Energy, EDF Renewables, EDP, Enel Green Power, Engie, Iberdrola, Ørsted** and **Southern Company**). **ACCIONA Energía, Brookfield Renewable Partners, EDF renewables, Enel Green Power, Iberdrola** and **Ørsted** also extend this requirement to their suppliers. **ACCIONA Energía, Enel Green Power, Iberdrola** and **Ørsted** score full points for this indicator as they also report on bribery incidents.
- ➔ **Payments to governments and contract transparency:** while no project developers publish information on payments to governments at project level, seven – **bp, Enel Green Power, Iberdrola, Ørsted, RWE, Shell** and **TotalEnergies** publish a full country-by-country tax report, in line with [GRI 207-4](#), on a voluntary basis. While the three oil and gas companies have adopted clear positions in favour of contract transparency for their oil and gas activities, they have not extended it yet to their renewable energy operations. No project developers either disclose contracts, or express support their disclosure.

### Wind turbine and solar panel manufacturers: 0.3/4 (7%)

- ➔ **Commitment to prohibit bribes to foreign public officials:** three manufacturers have a clear commitment to prohibiting bribes to public officials: **Canadian Solar, JinkoSolar** and **Vestas**. Only **Vestas** extends this commitment to its suppliers.
- ➔ **Payments to governments and contract transparency:** no manufacturer either discloses its own country-by-country tax reports, and/or expect its project developer clients to publish information on payments to governments and to disclose contracts.

## The case for transparency: lessons from the extractive sector

The publication of contracts between extractive companies and national governments are essential to understand their fiscal terms, stabilisation and force majeure clauses, environmental and social impacts evaluation and management, and public participation modalities. Civil society long campaigned for the full disclosure of these project contracts and related payments to governments, to bring much needed accountability to a sector too often associated with corruption, tax avoidance and corporate capture of resource extraction policies – limiting benefits to citizens.

Once a controversial proposition, the disclosure of contracts and project-level payments to governments are now part of normative expectations for the sector, allowing citizens in resource-rich countries to build greater understanding of financial flows from resource extraction projects. The UK, Canada and the EU adopted legislation in the 2010s, requiring extractive companies to report on their payments to governments at project level.

Since the 2019 revision of the Extractive Transparency Initiative Standard, all EITI-implementing countries are required to disclose new contracts. In 2020, [70% of EITI-implementing countries had disclosed at least one contract](#) – up from 57% in 2017. Claims by the industry that such disclosure of contracts would put them at a competitive disadvantage [did not appear to be grounded](#) in reality and likewise have not been reported to have occurred. Many companies now support contract disclosure, including the three oil and gas companies included in this year's benchmark.

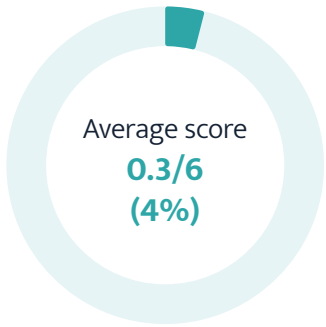
While there is still significant room for improvement in disclosures in the extractive sector, there has been progress, helping inform crucial public debate on the terms and conditions of natural resources extraction – as exemplified in [Mozambique](#), [Indonesia](#), [Ghana](#) and [Colombia](#).



## Theme K. Diversity, equality and inclusion

### Overview

Embracing diversity, equality and inclusion (DEI) can enable companies to respect key rights including non-discrimination, women's rights, and racial equity. This is particularly relevant for renewable energy companies in order to ensure a rights-respecting workforce including in contexts where certain groups have been historically marginalised (e.g. racial and environmental justice) or where rights of certain groups of people are restricted (e.g. women's and LGBTQIA+ rights). For example, according to [latest data from IRENA](#), roles women take on in the solar sector are unevenly distributed towards lower paid job categories across solar PV job roles, with the highest female participation rates in administrative level jobs (58%) and lowest in senior management (17%). DEI issues including gender sensitivity are not only important from a workforce perspective but also critical to integrate into broader human rights approach. This can allow companies to address issues that may otherwise not be apparent (for example, identification of legitimate land tenure holders where women are not able to hold formal land tenure rights, gender-based violence in supply chains, or other gendered impacts in value chains).



Average score  
**0.3/6**  
**(4%)**





## Key findings

### ➔ DEI training:

- ➔ While most companies offer optional DEI trainings available for staff, no company has demonstrated it provides mandatory training on DEI (including gender-based violence in line with [ILO 190/Women's Empowerment Principles](#)) to all staff.
- ➔ One company (**bp**) offers mandatory DEI training focusing on race for certain geographies (US and UK) while others such as **Ørsted** are starting to integrate DEI training into their onboarding programme and beginning to engage their supply chains on DEI more actively.

### ➔ Gender balance and sensitivity:

- ➔ Four utilities/IPPs (**ACCIONA Energía, EDP, Enel Green Power** and **Iberdrola**) and one out of three oil and gas companies (**bp**) have demonstrated that women and non-binary people make up at least 40% of the Company's board of directors and executive level and only two manufacturers (**GE Renewable Energy** and **Vestas**) have demonstrated reaching at least 40% female representation at board level.
- ➔ No company has demonstrated gender sensitivity is integrated more broadly into its human rights approach beyond employment (i.e. human rights due diligence process, risk management and remedy including in its value chain).

- ➔ **Gender wage gap: First Solar** and **Enel Green Energy** are the only two companies in the benchmark which have closed the gender pay gap to date. In addition, four out of 16 utilities/IPPs (**Adani Green Energy, EDP, Eletrobras** and **Iberdrola**) report gender wage gap information across multiple pay bands.

## Recommendations

- ➔ Provide mandatory training on DEI, including gender-based violence in line with [ILO Convention 190 Violence and Harassment](#) and UN's [Women's Empowerment Principles](#) to all staff.
- ➔ Integrate gender sensitivity more broadly into human rights approach beyond employment (i.e. human rights due diligence process, risk management and remedy including in value chain).
- ➔ Set timebound targets and demonstrate that women and non-binary people make up at least 40% of the Company's board of directors and executive level.
- ➔ Set timebound targets to close the gender wage gap and report progress against them.

## Addressing the gender impacts of a solar project in Uzbekistan

Total Eren, a wholly-owned subsidiary of **TotalEnergies**, has developed a 100 MW solar plant in the Samarkand region of Uzbekistan – the Tutly project, named after the nearby settlement. The solar plant began operating in June 2022. In August 2022, [during a fact-finding mission conducted by Bankwatch](#), local female residents reported a lack of access to employment opportunities, and being disproportionately affected by local electricity shortages. The fact-finding mission further noted that the project’s consultation processes and risk mitigation plan, including its grievance mechanism, lacked a gender-specific approach despite gender-based inequalities present in the context of rural Uzbekistan. Tutly project’s [Stakeholder Engagement Plan](#) (SEP) submitted to the European Investment Bank, which provided funding support, does not detail how women were engaged and consulted during the project planning phase. Moreover, and according to Bankwatch, the SEP was translated in Russian but not in Uzbek – while most local women do not speak Russian.

The Resource Centre reached out to **TotalEnergies**. The company provided a [response](#). It details that an “Awareness Raising Programme” has been put in place, including regarding “*opportunities to work in energy sector and possibilities for local girls and women with education.*” The company provided figures on local employment of women during the development, averaging 6% of total local community member employment. It also states that trainings on “*human rights requirements, including gender and racial equality*” were provided to the construction contractor’s employees. Representatives of Tutly Solar LLC, Total Eren’s local subsidiary, had previously confirmed to Bankwatch that no capacity development training for local women has been put in place.

**TotalEnergies** did not provide information on translation of the SEP in Uzbek, or on having adopted a gender-specific approach to consultation and risk mitigation, beyond engagement with representatives of the Tutly women’s committee, who “*were also encouraged to explain grievances mechanism to all women.*” It further explains that while “*it does not have the mandate to supply electricity directly to end-users*”, “*solar kiosks configured to support lighting, phone charging, TV, refrigeration, Wi-Fi etc. are under study by FE Tutly Solar LLC in the frame of the Community Development plan.*” The company also has a plan to invest in the installation of a photovoltaic system to enable electricity access to the local medical centre.

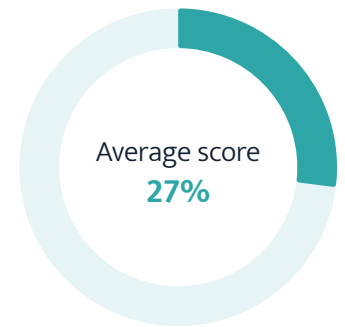
While the socio-economic conditions of women living in Tutly may still improve as a result of future actions by the company, this case highlights the relevance of adopting a gender-specific lens to engagement plans, and considering the gender impacts when designing community development plans and skills training to support local employment.



## Theme L. Just transition

### Overview

Companies in the renewable energy sector can play a key role in supporting a just transition to a low-carbon economy. Each segment of the industry has distinct roles in the transition: Oil and gas companies and utility companies/PPs involved in transitioning out of the development, production and distribution of fossil fuels are expected to take rigorous planning and social dialogue on just transition to support workers and communities, while manufacturers and IPPs focused solely on renewable energy production play an important role in providing jobs that are not only green, but also decent, taking into consideration workers affected by the broader transition. The WBA has developed a set of indicators on just transition which were applied to companies in the benchmark under the following categories: (1) Utility companies and oil and gas companies are assessed under all six indicators. (2) IPPs,<sup>15</sup> wind turbine and solar panel manufacturers are assessed under JT 3,<sup>16</sup> JT 4, and JT 6.<sup>17</sup>



### Key findings

- ➔ Only a third (five out of 15) of project developers involved in transitioning out of fossil fuels have started just transition planning, a critical first step for companies to have a comprehensive strategy in place to address the social impacts of the low-carbon transition.
- ➔ Two-thirds of project developers (16 out of 19), two-thirds of wind turbine manufacturers (two out of three) and a third of solar panel manufacturers (two out of six) have committed to support access to green and decent jobs as part of the low carbon transition. However, no company discloses how it identifies skills gaps for workers and affected stakeholders in the context of the transition.
- ➔ Less than half of project developers (nine out of 19) disclose processes for understanding the alignment of lobbying activities with policies and regulation that support the just transition and only two disclose action plans to address any misalignment.



## Recommendations

### All companies:

- ➔ Disclose processes for identifying skills gaps for workers and affected stakeholders in the context of the low carbon transition and engage in social dialogue with workers affected by just transition plans.
- ➔ Support upskilling processes for own workers when applicable, the general workforce and affected stakeholders in the context of the low carbon transition.
- ➔ Align lobbying activities with policies and regulations that support the just transition.

### Electric utilities, oil and gas companies:

- ➔ Engage in a social dialogue with workers and affected communities to develop a just transition plan; disclose the risks of employment dislocation caused by the low carbon transition and related impacts on workers and affected stakeholders.

## Project developers: 29%

- ➔ **Fundamentals of social dialogue and stakeholder engagement in a just transition:** seven out of 12 electric utilities and all three oil and gas companies have some elements of social dialogue and stakeholder engagement in place. However, only two companies (**Engie** and **TotalEnergies**) demonstrate social dialogue and meaningful engagement on all aspects of a just transition.
- ➔ **Fundamentals of just transition planning:** only four out of 12 electric utilities (**EDP**, **Enel**, **Engie** and **Southern Company**) and one out of three oil and gas companies (**bp**) have started just transition planning. Just transition planning is a critical first step for companies to have a comprehensive strategy in place to address the social impacts of the low-carbon transition. The handful of companies will be in a good position to prepare for upcoming legislation on the topic, including in the UK. The UK Financial Conduct Authority plans to strengthen [transition plan requirements](#) based on the [Transition Planning Taskforce's disclosure framework](#), which integrates human rights and social impacts specifically.
- ➔ **Fundamentals of creating and providing or supporting access to green and decent jobs for an inclusive and balanced workforce:** 13 out of 16 utilities/IPPs and all three oil and gas companies have a public commitment to create and provide or support access to green and decent jobs as part of the low carbon transition. These commitments are supported through practical measures in 12 out of 16 utilities/IPPs and two out of three oil and gas companies. However, no oil and gas companies or project developer involved in non-renewable sources of energy has disclosed the risks of employment dislocation caused by the low carbon transition and related impacts on workers and affected stakeholders.

- ➔ **Fundamentals of retaining and re- and/or up-skilling workers for an inclusive and balanced workforce:** 14 out of 16 utilities/IPPs and all three oil and gas companies have a public commitment to re- and/or up-skill workers displaced by the transition to a low carbon economy or demonstrate this through practice. However, no company discloses its process(es) for identifying skills gaps for workers and affected stakeholders in the context of the low carbon transition.
- ➔ **Fundamentals of social protection and social impact management for a just transition:** five out of 12 utilities and one out of three oil and gas companies demonstrate how they contribute to addressing the impact of the low carbon transition on workers' social protection in the contexts in which they operate. In addition, no companies disclose process(es) for identifying the impacts of the low carbon transition on workers' and affected stakeholders' social protection.
- ➔ **Fundamentals of advocacy for policies and regulation on green and decent job creation, employee retention, education and reskilling, and social protection supporting a just transition:** Six out of 16 utilities/IPPs and all three oil and gas companies disclose processes for understanding the alignment of lobbying activities with policies and regulation that support the just transition, but only two companies (**EDF Renewables** and **Engie**) disclose action plans to address any misalignment.

## Wind turbine and solar panel manufacturers: 22%



- ➔ **Fundamentals of creating and providing or supporting access to green and decent jobs for an inclusive and balanced workforce:** according to the [latest data by IRENA](#), wind turbine and solar panel manufacturers provide 1.4 and 4.9 million jobs worldwide. While all jobs in these sectors are green, it is important to ensure that these are also in line with the principles of [decent work](#). Two out of three wind turbine manufacturers (**GE Renewable Energy** and **Vestas**) and two out of six solar panel manufacturers (**Canadian Solar** and **First Solar**) have a public commitment to create and provide or support access to green and decent jobs as part of the low carbon transition.
- ➔ **Fundamentals of retaining and re- and/or up-skilling workers for an inclusive and balanced workforce:** wind turbine and solar panel manufacturing sector have a significant opportunity to support a just transition through integrating workers from the fossil fuel industry into renewable energy jobs. [Analysis by IndustriALL, ITUC and LO Norway](#) highlights ways in which skills gap analysis and training can support this movement. While no manufacturers have a public commitment in place to re- and/or up-skill workers displaced by the transition to a low carbon economy, two manufacturers (**GE Renewable Energy** and **Vestas**) demonstrate measures to provide re- and/or up-skilling, training or education opportunities for workers and affected stakeholders.
- ➔ **Fundamentals of advocacy for policies and regulation on green and decent job creation, employee retention, education and reskilling, and social protection supporting a just transition:** two out of three wind turbine manufacturers (**GE Renewable Energy** and **Vestas**) and one out of six solar panel manufacturers (**First Solar**) discloses processes for understanding the alignment of lobbying activities with policies and regulation that support the just transition. Among all companies, only **Vestas** meets all elements of this indicator.

## Ørsted signs landmark agreement with unions in the US on skills transfers programs for construction workers

In May 2022, Danish wind farm developer, **Ørsted**, [signed a landmark agreement](#) with North America's Building Trades Unions (NABTU) to support the transition of US union construction workers into the offshore wind industry. The agreement includes local training programmes, industry standard for wages, and occupational health and safety covering all of **Ørsted's** contractors and subcontractors. It has a strong focus on diversity, equity and inclusion through diversity targets, training, monitoring and notably establishes Workforce Equity Committees for each project *"to prioritise recruiting and retaining people of colour, women, gender-nonconforming people and local environmental justice communities."*

NABTU says **Ørsted** is the [first developer that approached it nationally](#) for this type of agreement. Labour union leaders including NABTU and AFL-CIO have [hailed the agreement](#) as one to follow: *"This is what it looks like to put the words 'high-road labour standards' into action,"* said AFL-CIO President Liz Shuler. *"The project labour agreement signed today is proof that labour and employers working together can create an equitable clean energy transition with opportunity for everyone."* These steps by **Ørsted** exemplify the role project developers can play to support a just transition through innovative rights-based approaches achieved through social dialogue.

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## Mahindra Susten's Centre of Excellence: Leveraging employment opportunities in the energy transition through upskilling of rural and economically disadvantaged community members in India

India [aims to have 500 GW of renewable energy capacity developed by 2030](#). Mahindra Susten, a renewable energy company based in India, exemplifies the role companies can play in creating the conditions to ensure that new job opportunities in the energy transition help reduce social inequalities.

In 2019, the company inaugurated the [Mahindra Susten Centre of Excellence](#) located in the Indian town of Karjat. The project consists of a massive upskilling programme, specifically targeted at youth and economically disadvantaged segments of the population, through the funding and operation of a training centre on solar photovoltaic systems. The Mahindra Susten Centre of Excellence has successfully upskilled over 4,700 individuals as technicians for the nation's renewable sector, as well as over 10,000 individuals in semi-skilled trades. It also prioritises female participation.

Susten's efforts to support a just energy transition through its upskilling program have been publicly recognised in a recent report authored by the [United Nations Global Compact](#). Key factors of its success include: selecting candidates from rural and disenfranchised areas, a comprehensive and structured curriculum, and support from the company's senior management.


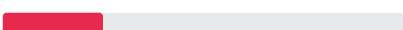
# Serious allegations

The Renewable Energy & Human Rights Benchmark assesses serious allegations against companies that meet a range of criteria including (1) severity, (2) clear human rights link, (3) recent nature, (4) covered in the Resource Centre’s database, (5) sufficient detail, (6) relevant to wind and/or solar sector operations/supply chains of companies.<sup>18</sup> The tables below outlines the distribution of serious allegations by issue and geography.

## Issue distribution of serious allegations

Issue/topic of allegation ▼	Relevant operational stage <sup>19</sup> ▼	Number of companies ▼
<b>Forced labour</b>	Supply chain	24 
<b>Indigenous Peoples’ rights</b> (including land rights, FPIC)	Project siting and development	6 
<b>Threats and attacks on HRDs</b>	Project siting and development, project construction	2 <sup>20</sup> 

## Geographical distribution of serious allegations (location where allegation occurred)

Region ▼	Countries ▼	Number of companies ▼
<b>APAC</b>	China	24 
<b>Latin America</b>	Brazil, Colombia, Mexico	7 



## Analysis of company responses

For all serious allegations except for forced labour, companies were assessed against a set of Corporate Human Rights Benchmark (CHRB) criteria that included (1) having a detailed public response to the allegation, (2) investigating and taking appropriate action, (3) engaging with affected stakeholders to provide for or cooperate in remedy.

### Companies scored an average of 1% across these categories:

- ➔ All companies scored 0 on engaging with affected stakeholders to provide for or cooperate in remedy.
- ➔ Two out of six companies with allegations related to Indigenous Peoples rights (including land rights/FPIC) received points for having a public response in place.
- ➔ Two out of these six companies received points for describing steps taken to implemented improvements or reinforced its management system(s) that have been identified to avoid such human rights impacts in the future.

All companies involved in the solar sector and/or based in XUAR (24) were assessed against the serious allegation of forced labour in XUAR. In the context of this issue, as CHRB indicators were considered not to be applicable, companies were assessed against (1) publishing independently verified full solar panel supply chains to raw material level (or wind turbine supply chains for one company), and (2) steps taken in line with UNGPs if mapping identifies suppliers linked to regions where there is a high risk of forced labour, including those identified by UN bodies. Please see section H for further context and analysis of company responses and the Benchmark [methodology](#) for full indicators.

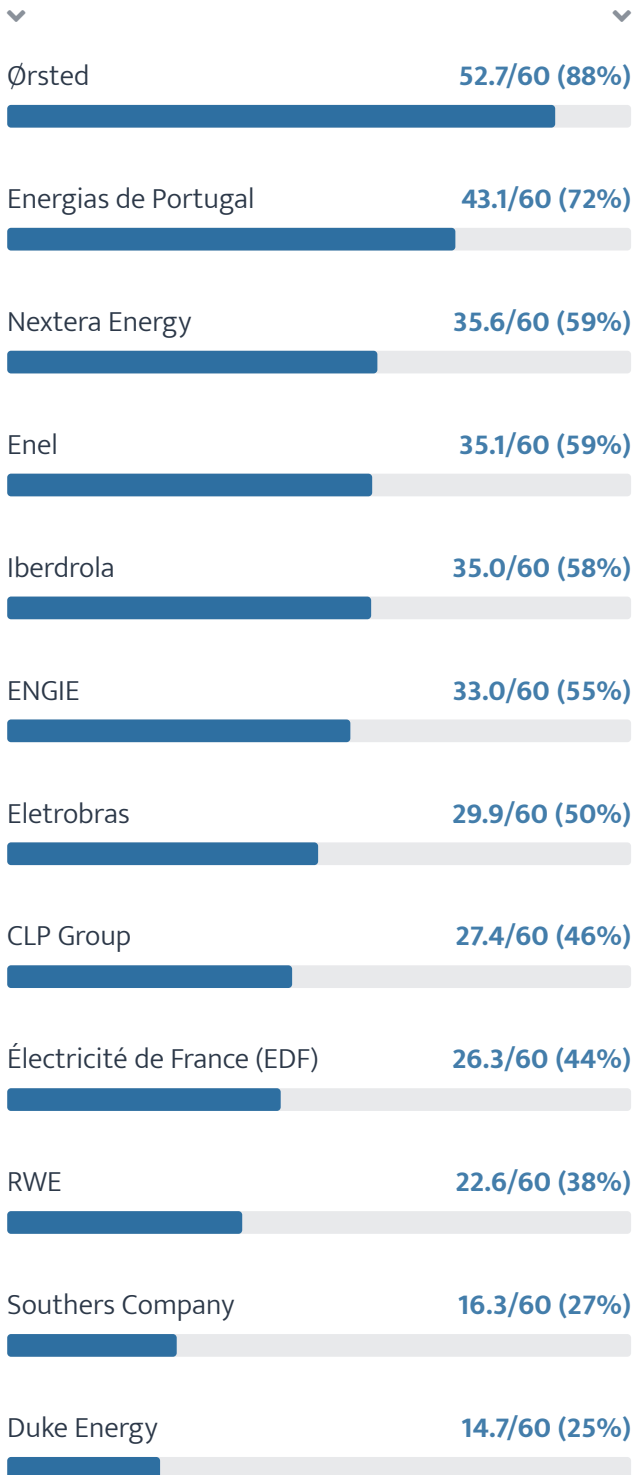




# Low-carbon transition planning

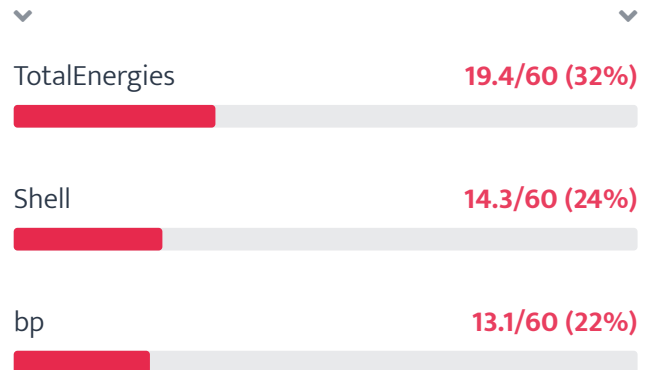
## Electric utilities companies

ACT score



## Oil and gas companies

ACT score



→ 12 electric utilities and three oil and gas companies have independently been assessed by the World Benchmarking Alliance, as part of series of sector-specific [Climate and Energy Benchmarks](#). For companies without this section, scores in other sections have been normalised.

→ The assessment of their efforts to transition to a low-carbon business model has been done using the ACT ('Assessing low-Carbon Transition') initiative methodology – a joint project between [ADEME \(French Agency for Ecological Transition\)](#) and [CDP](#).

# Endnotes

- 1 This process should not create risks for communities when they have minority rights, and must consider potential gradual increasing transfer of ownership overtime. More detailed recommendations stemming from regional consultations undertaken by BHRRC and Indigenous Peoples Rights International are available [here](#).
- 2 For more recommendations to investors, see [here](#).
- 3 These companies either produce >90% of their electricity from renewable energy sources and are not connected to broader energy companies in their corporate structure (ACCIONA Energía and Brookfield Renewable Partners) or have corporate structures that connect them to other energy companies but have not been included in this year's World Benchmarking Alliance Electric Utilities assessments to date (Lightsource bp, Adani Green Energy). Lightsource bp is a private company and not subject to the same disclosure requirements as publicly-listed companies. Lightsource bp is a 50:50 Joint Venture partnership with bp and bp's investment in Lightsource bp is clearly referenced in its last [2022 Annual Report](#) as part of its low-carbon strategy. Lightsource bp has started reporting on various sustainability dimensions on a voluntary basis. For both these reasons, Lightsource bp has been included in this year's benchmark, with the caveat its public disclosures on sustainability matters are more limited and not directly comparable to publicly-listed companies given their voluntary nature.
- 4 Applicable only to Electric utilities and Oil and gas companies: CLP Holdings, Duke Energy, EDF, EDP, Eletrobras, Enel Green Power, Engie, Iberdrola, NextEra, Ørsted, RWE, Southern Company, bp, Shell, TotalEnergies.
- 5 In this section, only formal policy documents were accepted as evidence due to the importance of human rights policies to be adopted at the highest level of the company.
- 6 Including worker bodies equivalent to trade unions where the right to freedom of association and collective bargaining is restricted under law.
- 7 It is important to note that having grievance mechanisms in place can be a way to receive and investigate concerns that may require remedy, but do not constitute a commitment to remedy themselves (See Theme C. Remedies and Grievance Mechanisms).
- 8 For more detailed recommendations, see our joint report [Protector not Prisoner](#).
- 9 Refer to endnote 1 for more information and detailed recommendations.
- 10 Some companies refer to undertaking due diligence on conflict minerals without clear indication of alignment with OECD Guidance on Responsible Mineral Supply Chains. In these cases, companies were not awarded points. Companies were also not awarded points where they "promoted" but did not require due diligence from key material suppliers.
- 11 Tantalum, tin, tungsten and gold, defined explicitly by the US government and other regulatory bodies as "conflict minerals".
- 12 Or equivalent worker bodies where the rights to freedom of association and collective bargaining are restricted under law.
- 13 Vertically integrated solar panel manufacturers were also expected to demonstrate that they pay their own workers (whether directly employed or contracted) regularly, in full and on time.
- 14 Project developers are often legally required to undertake environmental impact assessments. As these assessments are country-dependent, they are not assessed in this report.
- 15 These are Adani Green Energy, ACCIONA Energía, Brookfield Renewable Partners and Lightsource bp.
- 16 These categories of companies are not assessed under JT.3.b as it is not considered relevant to them.
- 17 This section uses research undertaken by the WBA for companies covered under the WBA oil and gas and electric utilities benchmarks. For green energy subsidiaries of electric utilities, corresponding parent company scores are used.
- 18 For more information on the criteria, please see the full methodology document.
- 19 See the [Transition Minerals Tracker](#) for a broader set of allegations related to renewable energy mineral supply chains.
- 20 One case involved allegations both regarding Indigenous Peoples rights and HRDs and is therefore counted under both topics.



## Business & Human Rights Resource Centre

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**Business & Human Rights Resource Centre** is an international NGO which tracks the human rights impacts of over 10,000 companies in over 180 countries, making information available on our 10-language website.

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