

Sustainability Leadership Plan

May 2024

Our Approach to Sustainability Leadership

Through electricity as an enabler of regeneration, ESB is driven to make a difference for planet, place and people. This summary of our Sustainability Leadership Plan sets out our key ambitions and the actions we will take, as they relate to **these three pillars**.

We are taking a regenerative or 'net positive' approach to our actions as we want to restore and regenerate communities and natural ecosystems, creating the conditions for human and natural life to thrive. We will, on an ongoing basis, provide further details of our actions, targets and progress in delivering our Sustainability Leadership Plan on <u>esb.ie/sustainability</u>.

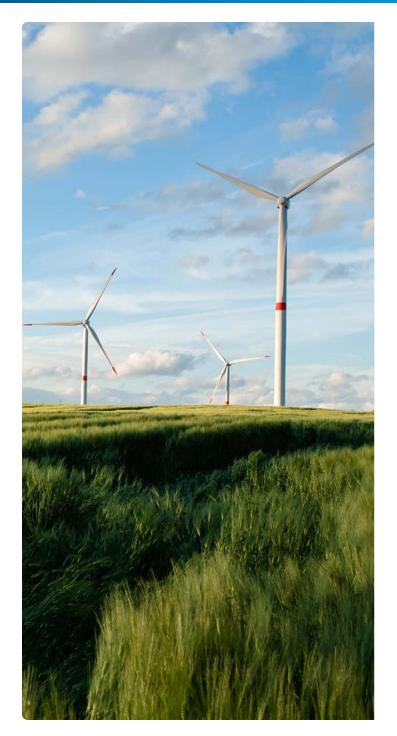
Our Areas of Focus to 2030

To achieve real and lasting change, our plan is organised around three key pillars: planet, place and people. Our priorities are informed by the work undertaken by the <u>Stockholm Resilience Centre</u> which acknowledges that we must look more broadly than climate when considering our impacts and actions across distinct environmental dimensions that support life on earth. Action on these workstreams is important, appropriate and aligned to our strategy and values.

The 11 areas of focus of our **Sustainability Leadership Plan**







Planet

We are working towards net zero emissions by 2040 through sustainable and regenerative approaches

Addressing Climate Change

Our strategy **Driven to Make a Difference: Achieving Net Zero by 2040** sets out a clear pathway to achieve net zero emissions in a way that supports our customers and ensure our continued growth. We are undertaking transformational changes right across our group to support national climate action plans and address multiple, interlinking sustainability challenges.

Our actions will include:

- Publish an <u>ESB roadmap to Net Zero by 2040</u> with 2030 targets for Scope 1, 2 and 3 emissions.
- Identify actions needed to achieve stretched total emission reduction target for 2028.

Resource Use and Circular Economy

We are committed to sustainable sourcing of materials (including recycled materials) and implementing end-of-life plans.

- Including life cycle cost assessments as part of tender specification for all major capital projects.
- Having end-of-life plans in place for wind turbines, solar panels, and batteries to maximise reuse or recycling of materials.
- Ensuring sustainability-related contract award criteria are in use for all major tenders.

Place

We are committed to helping our communities to transition to net zero and thrive

Biodiversity and Ecosystems

Our goal is to be nature positive by 2030. We will actively seek to support nature restoration across our activities.

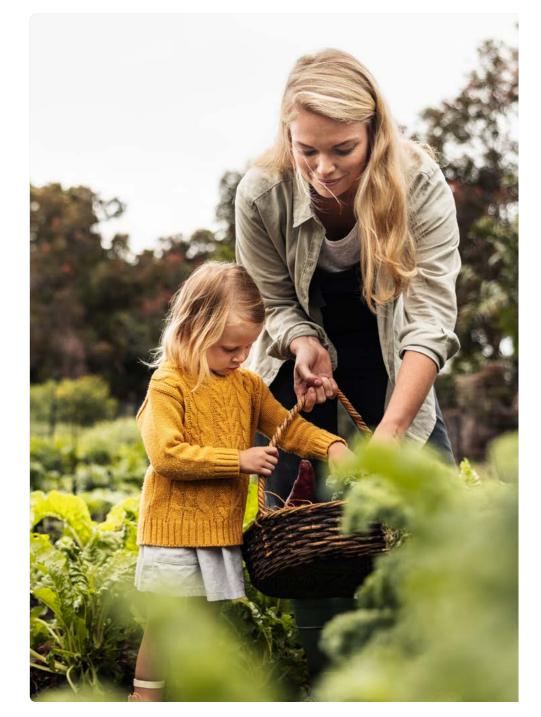
Our actions will include:

- Operating pollinator action plans for all of our sites.
- Developing all new onshore project sites for biodiversity net gain.
- Implementing a nature positive approach along 30% of our owned river channels or lakeside habitat by 2030.

Pollution

We aim to reduce and ultimately eliminate all emissions to the environment.

- Upgrading our system for control of hazardous substances (CoHS) - integrating environmental risk, providing a mobile app for staff recording, and improving reporting systems.
- · Restricting use of herbicides to situations of high safety-risk cases.
- Tracking and reporting on progress towards eliminating the use of creosote-treated poles and SF₆ gas.



Water

We will use water efficiently and conscientiously in our premises and for electricity generation.

Our actions will include:

- Using metering and related technologies in all our premises to reduce potable water use by 10% by 2028.
- · Having water impact assessments for all major investments.
- Assessing the resilience of generating stations to water-related impacts of climate change.

Communities

We will forge strategic and innovative engagement with communities and stakeholders to support the delivery of our strategy.

- Including a Community Impact Assessment in all capital programmes.
- Enhancing our portfolio of community focused initiatives that are supported and sponsored.
- Developing and implementing a Stakeholder Engagement Strategy for ESB Group.



People

We are committed to supporting the social and environmental conditions which enable everyone to flourish

Our Employees

We are building and sustaining a workplace where everyone works safely, grows and can thrive as their true self.

Our actions will include:

- Working to achieve ROI public sector target of 4.5% employees with disabilities by 2024 (6% by 2025) as well as target for women to represent 30% our workforce by end of 2025.
- Ensuring equity is embedded across key people processes, policies and behaviours.
- Progressively increasing our standard of inclusivity as accredited by Irish Centre for Diversity.

Our Customers

Our goal is to inspire, empower, and support our customers to achieve net zero emissions by 2040.

Our actions will include:

- Expanding our electric vehicle charging network to more than 2,000 public chargers within five years, and 3,000 by 2030.
- Having more than half of our Electric Ireland customers on smart tariffs within five years.
- Using our diverse range of customer brands and products to promote and encourage an 'all-electric' lifestyle.



Our Supply Chain

Our goal is to integrate high environmental, social and governance standards and sustainability leadership into all of our sourcing activities.

Our actions will include:

- Collaborating with others so we support suppliers with training and acquiring best practice.
- Aligning our processes with ISO's Guidance Standard on Sustainable Procurement (ISO 20400).
- Updating our procurement policies, procedures and due diligence standards in alignment with the Ethical Trading Initiative base code and applicable EU Directives.

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Making it Happen

We have developed a comprehensive and ambitious plan, based on a deep understanding of stakeholder views and key global sustainability issues. This will act as a sound and enduring framework for us to assess our impact and to make solid progress towards a leadership position in sustainability. We commit to reporting our progress, pursuing collaborative engagement and adapting our approach as the needs of planet, place and people evolve.

Sustainability Governance

We aim to align business planning and decision-making with our Net Zero strategy and purpose.

Our actions will include:

- Integrating resilience to climate risk into site selection, planning, design, and approval processes.
- Including material sustainability impacts in business approval processes.
- Implementing emissions reduction targets and reporting on progress.

External Leadership

We will collaborate and seek support for policies that endorse the national Climate Action Plan and ESB's Net Zero strategy.

- Working to achieve ambitions as set out in ESB's Net Zero 2040 roadmap and adhering to Ireland's net zero 2050 targets.
- Working with industry bodies to advocate for policies that support Ireland's climate goals.



Our Sustainability Leadership Plan in Action

We are a strong, diversified utility operating across the electricity market: from generation, through transmission and distribution, to supply. We also work in other related sectors where we can make a difference, including telecommunications, electric vehicle charging, home retrofits and more.

All our business units and more than 9,000 staff are committed to delivering on the actions and ambitions outlined in both our Net Zero by 2040 Strategy and this Sustainability Leadership Plan.

The following highlights some of the ongoing activities within our organisation:

- We have environmental specialists across our respective business units, including ecologists involved at all stages of projects, ensuring biodiversity is considered throughout their design, development and operation. For example, in partnership with Bord na Móna, we are developing a 70MW solar farm at Timahoe, Co Kildare. As part of the Environmental Impact Assessment, we identified the presence of two rare butterfly species – marsh fritillary Euphydryas aurinia and small skipper Thymelicus sylvestris – and we are taking action to protect and provide a more suitable habitat for these species.
- We are a partner of the All-Ireland Pollinator Plan (AIPP) and as part of our wider biodiversity and ecosystem workstream, we have committed to taking up opportunities for more pollinator-friendly management of landscapes. For example, significant progress has been made at the ESB Networks Training Centre in Portlaoise, where several areas of the 14-hectare site (which would historically have been subject to regular mowing) is now subject to both short-flowering and long-flowering meadow regimes.

- We are a founding partner of the new Irish Supply Chain Sustainability School, with this initiative helping us, our supply chain partners and the wider Irish built environment on our collective sustainability journey through the provision of tools, resources and learning materials.
- We launched a new Sustainability Navigator Programme in 2023 with the goal of creating a sustainability culture within ESB through upskilling and increasing knowledge on key topics, and participation in workshops and special interest groups.

For more information on our activities, please check out <u>esb.ie/sustainability</u>

Reporting our progress

We will publish updates against metrics to assess progress of our Sustainability Leadership Plan on our website via esb.ie/sustainability.

All relevant reports and policies are also available here.

From year ending December 2025 we will report in alignment with the EU Corporate Sustainability Reporting Directive (CSRD).

Stepping Forward on our Social and Environmental Responsibility

Climate change is one of the defining challenges of this generation. Its impact is evident in increasingly extreme weather patterns, rising sea levels, water shortages and disruption to biodiversity and ecosystems. Human consumption and production also have a catastrophic impact on the earth's climate and ecosystems.

Electricity has a transformative role to play in tackling climate change by eliminating carbon and other harmful greenhouse gas emissions from the energy sector. The pace of decarbonisation and electrification is critical in determining whether it will be possible to stay below 1.5°C of planetary warming.

Our <u>Driven to Make a Difference: Net Zero by 2040</u> – which is primarily our climate action-based strategy - is focused on three UN Sustainable Development Goals (SDGs) where we believe we can make a lasting and tangible difference.

We are putting in place the infrastructure and services to enable our customers and broader society to live more sustainably. We are balancing this with the imperative to maintain reliable and affordable electricity supplies to support customers, communities, and our economy.

We are stepping forward on our social and environmental responsibility, cultivating a safe, sound, and sustainable ethos in line with our values.

These include:



Ensure access to affordable, reliable, sustainable and modern energy for all.



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.



Take urgent action to combat climate change and its impacts.