

Press Release

18 April 2012

Energy companies launch new Bettercoal initiative to support improvements in global coal mining

- **Bettercoal** formally registered, Board of Directors established
- Global consultation on new code of practice to be launched

Eight major players in the European energy market have today (Wednesday 18th April) announced the formal establishment of **Bettercoal**, a global initiative to promote the continuous improvement of corporate responsibility in the international coal supply chain.

The initiative has been set up by founding members DONG Energy, EDF, Enel, E.ON, GDF SUEZ, RWE and Vattenfall, and aims to support on-the-ground changes to the benefit of workers, communities, businesses and the environment. Nordic energy firm Fortum has also joined **Bettercoal** as its first new member.

Joachim Löchte, Chair of the newly established **Bettercoal** Board of Directors said: "As major global users of coal, our members are keenly aware of the potential negative impact of mining activities, particularly for those who live and work close to the mines.

"We need greater assurance that our coal is coming from mines that are taking a responsible approach to protecting workers, communities and their local environment. This is why we have established **Bettercoal** – it's a long-term investment that will initially focus on improving business practices within the mines themselves, and we'll be doing this through engagement with stakeholders including mining companies and operators."

As a first key step, the initiative is now developing a new code of practice that will build upon existing mining standards and recognise current best practice in the industry. The **Bettercoal** Code will set out the ethical, social and environmental principles and provisions that members expect their coal supply chain to align with, and will be the basis for performing regular on-site assessments by independent 3rd party assessors. The results of these assessments will be shared between the members of **Bettercoal**.

Joachim continued: "There have long been standards related to the mining industry generally but it's clear that there are some inconsistencies in what coal users expect of suppliers in terms of on-the-ground performance"

The **Bettercoal** Code is being developed with support from an independent Stakeholder Advisory Group made up of experts from civil society, trade unions and the mining community. It will be subject to a global public consultation process that will be launched later this year.

The initiative is open for membership to major coal users from anywhere in the world, including energy utilities and industrial players such as cement manufacturers and steel makers. Initially, its focus will be on mines that supply the international markets however the Code, tools and experiences will be made available for the benefit of stakeholders worldwide.

The appointment of an Executive Director to head up **Bettercoal** is expected shortly.

ENDS

Notes to editors:

Bettercoal was registered as a Private Company Limited by Guarantee under the UK Companies Act 2006 on the 28th February 2012. It will operate as a not-for-profit membership initiative.

The consultation process for the **Bettercoal** Code is scheduled to start later this year and will consist of a 60-day consultation and a further 30-day consultation, both of which will be accessible via the **Bettercoal**



website (www.bettercoal.org), teleconferences, webinars and face to face meetings in key locations including Colombia, Russia and South Africa.

For further information please contact:

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BSR is a not-for-profit business network and consultancy focused on sustainability that has been working with the members of **Bettercoal** to set up the initiative.

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Anti-trust statement

Bettercoal is committed to complying with all relevant antitrust and competition laws and regulations and, to that end, has adopted an Antitrust Policy Statement, compliance with which is a condition of continued **Bettercoal** membership.