## Source: World Economic Forum https://www.weforum.org/

**23 January, Davos, Switzerland** – Batteries will be a major driver in reducing the carbon footprint of the transport and power sectors through the use of electric vehicles and renewable energy. To help companies and governments, the Global Battery Alliance designed 10 guiding principles for the creation of a sustainable battery chain by 2030.

These principles are intended as the first step in a responsible, sustainable battery value chain as set out in the Global Battery Alliance's "<u>A Vision for a Sustainable Battery Value Chain in 2030</u>".Implementing commitments will be based on existing standards such as the Organisation for Economic Co-operation and Development (OECD)'s Due Diligence Guidance and economically viable considerations for a circular and low carbon economy.

At the Annual Meeting 2020, 42 organizations, including businesses from mining, chemicals, battery, automotive and energy industries, representing annual revenue of close to a trillion dollars, along with international organizations and global NGOs, have agreed on the 10 guiding principles.

They include maximizing the productivity of batteries, enabling a productive and safe second life use, circular recovery of battery materials, ensuring transparency of greenhouse gas emissions and their progressive reduction, prioritizing energy efficiency measures and increasing the use of renewable energy, fostering battery-enabled renewable energy integration, high quality job creation and skills development, eliminating child and forced labour, protecting public health and the environment and supporting responsible trade and anti-corruption practices, local value creation and economic diversification.

"We all need batteries to power the clean revolution. However, we must ensure violations of human rights do not occur anywhere in the value chain, that local communities benefit and that battery production is sustainable. These guiding principles are an important first step to build a value chain that can deliver on this promise while supporting societies and economies at the same time", said Dominic Waughray, Managing Director, World Economic Forum.

Organizations supporting the realization of a battery value chain that meets these principles include AB Volvo, African Development Bank, Amara Raja Batteries , Analog Devices, Audi, BASF, Bayerische Motoren Werke (BMW), Cadenza Innovation, China EV100, Clarios, ClimateWorks Foundation, Enel, Envision Group, Eurasian Resources Group (ERG), Everledger, Fairphone, Fundacion Chile, Good Shepherd International Foundation, Greentech Capital Advisors, Groupe Renault, Honda, IMPACT, International Institute for Environment and Development (IIED), International Justice Mission (IJM), Johnson Matthey, International Lead Association (ILA), Leaseplan, Office of the President of the Democratic Republic of the Congo (DRC), OPTEL Group, Pact, Pure Earth, Responsible Battery Coalition, SGS, SK Innovation, Sociedad Química y Minera de Chile SA (SQM), The Faraday Institution, The World Bank Group, Trafigura, Transport & Environment (T&E), Umicore, United Nations Children's Fund (UNICEF), the Volkswagen Group and the World Business Council for Sustainable Development (WBCSD). To realize the full ambition of these principles, the Global Battery Alliance is actively seeking the endorsement of additional organizations to ensure full participation throughout the battery value chain.

This alignment among key players in the battery market establishes the basis for a transparent accountability system. It will guide the development of a global digital battery information disclosure system referred to as the "Battery Passport", which is designed to enable a transparent value chain, for example, with respect to human rights and the environmental footprint.

## What the signatories say

"Je suis ravi d'annoncer que le Gouvernement de la République Démocratique du Congo soutient la Global Battery Alliance et ses dix principes directeurs. J'invite les membres de mon gouvernement à travailler avec l'Alliance afin d'établir une chaîne de valeur durable du cobalt. C'est indispensable pour permettre la transition énergétique." Felix Tshisekedi, President of the Democratic Republic of the Congo (DRC)

"Amara Raja is fully committed to support the transition to a carbon neutral energy footprint across the globe and recognizes that advanced battery technologies have a critical role to play to enable and

accelerate this transition. Amara Raja is delighted to be part of the Global Battery Alliance efforts to drive the transition and endorses the 'Principles and Commitments to Realize the 2030 Vision'. The principles and commitments as articulated by the GBA provide a framework for implementation of a scalable and sustainable approach for faster adoption of smart energy solutions for a greener future." **Vijayanand Kumar Samudrala, Chief Executive Officer, Amara Raja Batteries** 

"Analog Devices strongly believes that technology is one of the key enablers for a sustainable, circular and ultimately regenerative economy. Batteries will play a key part in enabling this shift as the world accelerates towards renewable energy sources. It is vital that the value chain forming around batteries is both sustainable and just across the entire lifecycle of the battery, from extraction and formation to second life and recycling. At Analog Devices, we support the work of the Global Battery Alliance and fully endorse the 10 principles for a sustainable value chain." **Vincent Roche, Chief Executive Officer, Analog Devices** 

"For Audi, batteries are key on our way to carbon neutral mobility. To ensure that this technology is thoroughly sustainable, we welcome and support the GBA initiative and our common principles. We believe in the power of joint collaboration across all stakeholders in the entire value chain of batteries and therefore encourage others to join the GBA as well. Audi is striving for a reliable "sustainability performance seal", carried out by robust stakeholder engagement, which stands as a global reference for clean and ethically produced batteries." **Hildegard Wortmann, Member of the Board of Management, Sales and Marketing, Audi** 

"These guiding principles are a milestone for the Global Battery Alliance to promote a sustainable and responsible battery value chain. As a founding member of the alliance, BASF welcomes a joint vision and concrete actions, such as the planned battery passport." **Martin Brudermüller, Chairman of the Board of Executive Directors of BASF and Co-Chair of the Global Battery Alliance** 

"An efficient, transparent, sustainable global value chain is vital to ensuring that the battery industry continues to meet unprecedented demand in an innovative and socially responsible manner. The guidelines put forth by the Global Battery Alliance provide a thoughtful and actionable approach for ensuring that. By bolstering the role that energy storage plays in combatting climate change while lifting underserved populations up out of energy poverty, the GBA's efforts can benefit our whole society." **Christina Lampe-Onnerud, Founder and Chief Executive Officer, Cadenza Innovation** 

"The 10 principles of the Global Battery Alliance have far-reaching significance for the development of the global battery industry, and will play a guiding role in the orderly and sustainable development of the battery value chain. As a think tank and exchange platform for China's electric vehicle industry, China EV100 has been committed to conducting research and cross-industry exchanges on the entire value chain and recycling of the battery industry for the past six years. We are willing to work with GBA to help the energy transition and decarbonization of the transportation industry along with the sustainable development of the electric vehicle and battery value chain." Liu Xiaoshi, Executive Deputy Secretary-General, China EV100

"When combined with zero-carbon electricity from sources like wind and solar, batteries can cleanly power our vehicles, homes and businesses, reducing climate pollution and advancing sustainable development. As an organization dedicated to ending the climate crisis, the ClimateWorks Foundation supports the work of the GBA and applauds its efforts to improve battery supply chain sustainability in the mining and extraction industries and ensure greater transparency and traceability." **Charlotte Pera, President and Chief Executive Officer, ClimateWorks Foundation** 

"We support these principles as they are fully aligned with our strategy and with commitments we have already made to the environment, society, human and labour rights. The collaboration of the whole value chain to sustainably supply battery storage systems is key to accelerate the energy transition. As the world's leading private operator of renewables and networks, we have implemented tangible actions to foster a circular and sustainable value chain that is respectful of human rights." **Francesco Starace, Chief Executive Officer, ENEL** 

"As we convene for the 50th anniversary Davos meeting, the launch of the 10 key principles will help bring the Alliance one step closer to unlocking the potential of batteries to power sustainable development. We are aiming to ensure that the vast benefits to the global economy never come at the cost of the most

vulnerable communities. A key focus for ERG is working with all Alliance members to eradicate child labour within the battery value chain." Benedikt Sobotka, Chief Executive Officer of Eurasian Resources Group and Co-chair of the Global Battery Alliance

"At Everledger, we believe technology is one of the greatest platforms for change towards a low carbon economy. We not only support the principles of the GBA, but also enable the global battery value chain to achieve ever increasing levels of transparency for sustainability efforts." **Leanne Kemp, Chief Executive Officer, Everledger** 

"It is time we as an industry make a joint effort in cleaning up our battery supply chains. We welcome the GBA principles as an important step towards this." **Monique Lempers, Director Impact Innovation, Fairphone** 

"As non-corporate members of the Global Battery Alliance, we endorse the GBA principles for the development of an economically, socially and environmentally sustainable battery value chain. Aligning our diverse global collaboration platform around the principles – placing the Sustainable Development Goals and the critical connectivity of human rights and development at the heart of the value chain – is an important step forward for the GBA. We are committed to monitoring and implementing joint programmes to deliver concrete progress against the principles, and developing clear and transparent measuring tools, as we continue to support this critical effort." Joint statement from Cristina Duranti, Director, Good Shepherd International Foundation; Joanne Lebert, Executive Director, IMPACT; Gary A. Haugen, Chief Executive Officer, International Justice Mission; Karen Hayes, Vice-President, Mines to Markets, Pact; Charlotte Petri Gornitzka, Assistant Secretary-General and UNICEF Deputy Executive Director, Partnerships, United Nations Children's Fund (UNICEF)

"We fully endorse the Global Battery Alliance's bid to develop a responsible and sustainable battery value chain. The world is going to need many more batteries using different chemistries and technologies as demand for energy storage continues to grow and we are encouraged that the 10 guiding principles make reference to lead-based batteries that will continue to play a significant role in achieving the UN sustainability goal to provide access to clean and affordable energy for all. The GBA's aim to foster the creation of a sustainable battery value chain by 2030 is fully aligned with lead battery industry's material stewardship initiative and our own guiding principles." **Andy Bush, Managing Director, International Lead Association** 

"Johnson Matthey is very pleased to support the 10 principles of the GBA, which underpin our company's vision to build a cleaner, healthier world. This a key milestone for the battery community as we align to deliver common objectives that will power a sustainable energy transition in a way that safeguards and benefits the whole supply chain and the planet. JM is fully committed to working together with the GBA on these critically important efforts." **Robert MacLeod, Chief Executive Officer, Johnson Matthey** 

"Electric vehicles and the batteries that power them are central to the fight against climate change. LeasePlan therefore fully supports the work of the Global Battery Alliance to ensure we have safe, clean and ethically produced batteries. Collectively, we are determined to build a 100% sustainable battery value chain and ensure the industry maintains its social licence to operate." **Tex Gunning, Chief Executive Officer, LeasePlan** 

"We welcome the adoption of GBA principles that explicitly refer to the need for human rights standards in the battery supply chain. To effectively address child labour and other human rights issues, formalization of artisanal and small-scale mining (ASM) sites is key. The GBA is ideally positioned to pool knowledge and resources to develop ASM formalization standards that can be implemented in the DRC." **Michael Posner, Director of the NYU Stern Center for Business and Human Rights and Dorothée Baumann-Pauly, Director of the Geneva Center for Business and Human Rights** 

"At OPTEL, we are proud to use our traceability expertise to contribute to the achievement of the GBA principles towards a sustainable battery value chain. This project fits perfectly with our mission of using innovative technologies to create a more sustainable world and we recognize all the organizations jointly involved in this effort." **Louis Roy, President, OPTEL GROUP** 

"The Global Battery Alliance is moving the needle with respect to batteries. Health problems from battery recycling (especially lead-acid batteries) are ridiculously enormous. We need to avoid a similar problem

with lithium batteries, as their boom continues. GBA is the group that can make this happen." **Richard** Fuller, President, Pure Earth

"Batteries are becoming a significantly more important part of our energy infrastructure, economy and national security. A key part of sustaining our growing, battery-reliant energy infrastructure is to conserve human and natural resources. We at the Responsible Battery Coalition are proud to join with our fellow members of the Global Battery Alliance in supporting these principles and working together in creating a sustainable, humane and circular battery value chain." **Steve Christensen, Executive Director, Responsible Battery Coalition** 

"SK Innovation fully supports the 10 guiding principles and the GBA's ambition to build sustainable global battery value chain by 2030. This vision and timeframe dovetails with SK Innovation's 'Green Balance 2030' initiative, which will accelerate our transition to a low carbon economy. Moreover, we believe accurate measurement is the very first step in building momentum and credibility for a sustainable value chain. SK group-wide socio-environmental impact assessments demonstrate that our growing battery business is leading the way with our decarbonization efforts." **Jun Kim, President and Chief Executive Officer, SK Innovation** 

"In the last 25 years SQM has been operating and optimizing its sustainable production process for lithium. SQM takes its responsibility seriously in protecting the environment and ensuring the well-being of its neighbouring communities. As a key element to achieve the goals of the Paris Agreement, today we are taking another step, making a public and transparent commitment to the principles of the Global Battery Alliance of the World Economic Forum to ensure sustainable supply of lithium. SQM is proud to endorse the GBA principles of the World Economic Forum. As a leading lithium producer, we believe this is major step towards realizing a sustainable battery supply chain." **Ricardo Ramos, Chief Executive Officer, SQM** 

"We must diligently work together and support governments like that of the DRC in their efforts to address shortcomings in the Lithium-ion value chain. These challenges cannot be wished away. The adoption of the Global Battery Alliance principles provides a welcome foundation in pursuit of the responsible sourcing of materials such as cobalt, which are essential for the transition to low carbon economies." **Jeremy Weir, Executive Chairman and Chief Executive Officer, Trafigura** 

"Rechargeable Batteries are the best technology to achieve zero emissions mobility and underpin climate neutral economy of the future. The Global Battery Alliance should accelerate the transition to sustainably sourced and produced batteries by enabling full traceability along the supply chain and implementing the Battery Passport. GBA's members include the world's largest mining and smelting companies so it is in their power to guarantee responsible, safe and inclusive extraction of battery metals in developing countries." Julia Poliscanova, Director, Transport & Environment's Clean Vehicles and E-Mobility Director

"I am very pleased that after over two years of intense work among many key stakeholders of the battery value chain we have reached consensus on 10 challenging principles. In particular, the principles call for 'immediately and urgently eliminating child and forced labour' from the batteries. Indeed, we cannot accept that the pursuit of climate neutrality should in any way involve child labour. Therefore (along with the immediate elimination of child labour) I am prepared to pledge significant funds to support the work of a consortium of NGOs in order to ensure that children are out of the mines and I invite other members of the Global Battery Alliance to join me for the creation of this fund." Marc Grynberg, Chief Executive Officer, Umicore

"At Volkswagen, our sustainability and social responsibility requirements go well beyond production and cover the entire value chain. We do not tolerate any infringements of environmental and social standards – this applies to the entire supply chain. That's why we support the GBA and are committed to the 10 principles that were agreed today as a building block to safeguard human rights and economic development consistent with the UN Sustainable Development Goals." **Ralf Pfitzner, Head of Sustainability, Volkswagen Group** 

Sustainable batteries are a must for our society to thrive within planet boundaries. WBCSD welcomes the 10 principles for a sustainable value chain that protects human rights and accelerate the transition to carbon neutrality, and will continue to support the Global Battery Alliance members in their action towards

the vision for a sustainable battery value chain by 2030", Maria Mendiluce, World Business Council for Sustainable Development (WBCSD)

## About the Annual Meeting 2020:

The World Economic Forum Annual Meeting 2020 will take place on 21-24 January 2020 in Davos-Klosters, Switzerland. The meeting brings together more than 3,000 global leaders from politics, government, civil society, academia, the arts and culture as well as the media. Convening under the theme, *Stakeholders for a Cohesive and Sustainable World*, participants will focus on defining new models for building sustainable and inclusive societies in a plurilateral world. For further information, please click <u>here</u>.