



Eneco, at the heart of society

Annual Report 2012 Eneco Holding N.V.



Sustainable business operations

Already 37% less CO₂ emissions per employee

Eneco's internal business operations are CO₂ neutral since 2008. This means that we optimise the reductions where possible and compensate remaining CO₂ emissions with CO₂ certificates. Unfortunately, we will not be able to meet the ambitious target that we formulated in 2008 to achieve a 50% reduction for Eneco Group in 2013 compared with 2007. The result for 2012 was 37%. However, we do expect to be able to realise a further reduction to 44% in 2013.

CO₂ certificates

Eneco strives to improve its efficiency as much as possible and to reduce its CO₂ emissions. For areas of our internal business operations that still generate CO₂ emissions, we purchase REDD or Gold Standard CO₂ certificates to compensate (page 45) these emissions. Purchase takes place before publication of the annual report relating to the year in which the CO₂ emissions occurred. All the CO₂ certificates required for the years 2008 to 2012 have been delivered and paid in full by Eneco.

CO₂ EMISSIONS REDUCTION PER EMPLOYEE

	Realisation 2012 (compared with 2007)	Projection 2013
Eneco Group	37%	44%
Eneco	48%	53%
Stedin	51%	57%
Joulz	17%	25%

CO₂ emissions decrease

In 2012, the CO₂ emissions of Eneco Group per employee were 37% lower than the emissions in 2007. Last year, we reported a reduction of 30%. Due to the nature of the activities, there are substantial differences between the business segments Eneco, Joulz and Stedin. Half of Joulz's footprint relates to emissions from company vehicles, the sustainability of which is not easy to improve. In addition, there was a restructuring at Joulz as a result of which the percentage of direct employees, such as technicians, increased compared with the percentage of indirect employees. The footprint of direct employees is bigger, due to the fact that they need to travel more in connection with their work. This has

a negative impact on the CO₂ emissions per employee. Nevertheless, Joulz was still able to improve its efficiency.

The results can also be attributed to the relocation of the three business segments Eneco, Stedin and Joulz to sustainable offices. These relocations not only reduced our CO₂ emissions with respect to housing, but also improved the sustainability of commuter traffic and reduced traffic between different office locations due to the close proximity of the new offices to public transport nodes and a new mobility policy. The increased availability of green gas has enabled us to meet 38% of our total gas requirement in a sustainable manner. However, this reduction is tempered by the growth of our car fleet due to the increase in the number of field technicians.

CO₂ EMISSIONS PER EMPLOYEE - ENECO GROUP

[tons CO ₂ /employee]	2007 ¹	2012 ¹
Mobility	2,8	2,7
Housing	1,8	0,3
Paper	0,1	0,0
CO ₂ emissions/ employee	4,6	2,9

¹ Rounded numbers

Environmental Management System

In 2012, the safety management system was revised to incorporate environmental management. Following the document assessment at the end of 2012, the framework procedures for ISO 14001 are now in place and operational control will be further specified in 2013. Certification will be possible at a later stage, depending on the relevance to the business.

In 2013, Joulz obtained a level 5 CO₂ performance ladder certificate, which is the highest rung on the ladder. Joulz was also the first company in the Netherlands to obtain a level 5 performance ladder certificate in the area of Corporate Social Responsibility.

CO₂-compensation

REDD (Reduced Emissions from Deforestation and forest Degradation) is a new instrument for the financing of forest protection. Reasons for deforestation are the money that is made from cutting down trees and using the land for the cultivation of crops such as soy an oil palms. In contrast, not much money is earned by leaving the forests intact. Since deforestation is one of the main causes of climate change, investing in forest protection is highly important. Through these investments, it is possible to earn money by leaving the forests intact, which discourages deforestation. This is the essence of REDD. Eneco and WWF wish to stimulate the new instrument. To do this properly, Eneco and WWF have entered into agreements with respect to the use of REDD certificates.

Gold Standard projects have strict criteria: the investments must relate to sustainable energy projects in developing countries. Projects that could not be realised without the sale of CO₂ certificates. Another condition is that the local population must benefit from the projects.

Mobility

Both Eneco and Stedin have a strict parking policy and encourage the use of public transport. Eneco rewards employees who travel to work by bicycle. The lease policy for the entire group is aimed at improving sustainability. Lease car drivers are given the opportunity to opt for a more sustainable alternative by offering them public transport passes. It has also been decided that only cars that have a maximum emissions standard of 120 grams of CO₂ per kilometre may be used.

Higher fuel consumption

Since 2007, the fuel consumption of our vehicle fleet increased by 33 percent. This is due to the increase in the number of

vehicles. The average emissions standard of our vehicle fleet is 171 grams of CO₂ per kilometre; the average emissions of the company vehicle fleet amount to 188 grams of CO₂ per kilometre and the average emissions of the lease vehicle fleet to 134 grams of CO₂ per kilometre.

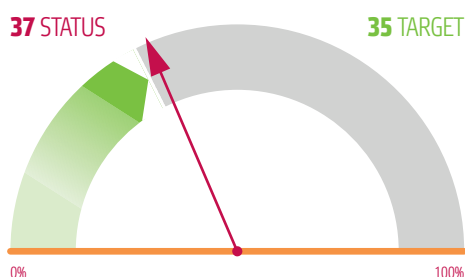
Energy consumption

In 2010, we started to replace the natural gas used for the heating of our business premises with green gas. Due to the higher availability of green gas, the share of green gas in our total energy consumption increased again in 2012. As a result of the relocation to sustainable offices and the implementation of the new method of working, the amount of energy used for space heating decreased by 31% per square metre. Electricity consumption per square metre decreased by 13% (compared with 2007). In absolute terms, the decrease in energy consumption can mainly be attributed to the fact that the number of square metres of office and warehouse space decreased while the number of employees increased.

Projection 2013

Unfortunately, we will not be able to meet the ambitious target of 2008 to achieve a 50% CO₂ emissions reduction for Eneco Group in 2013 compared with 2007. This is mainly due to the fact that the development of electric vehicles is not progressing as quickly as we anticipated at that time, in particular in the area of company vehicles. However, we do expect to be able to realise a further CO₂ emissions reduction to 44% in 2013. Although there are differences in the contribution of each of the business segments due to the nature of their activities, each of them will take further steps in 2013:

CO₂ EMISSIONS REDUCTION PER EMPLOYEE COMPARED WITH 2007



- In order to switch all the vehicles in our lease vehicle fleet to vehicles with CO₂ emissions per kilometre of 120 grams or less, we have offered lease car drivers the possibility to select a new car under an accelerated exchange scheme. This scheme allows drivers of lease cars with CO₂ emissions higher than 120 grams per kilometre to immediately select a new clean lease car. A sufficient number of lease car drivers have responded positively to this proposal, which means that the average CO₂ emissions of our lease vehicle fleet will drop to 120 grams or less per kilometre during the course of 2013.
- In 2013, we will be using more green gas as a replacement for natural gas. It is expected that sufficient amounts of green gas will be available in 2013, to meet Eneco Group's entire gas demand.
- In 2013, Joulz will start to use a new office at the Willemsplein in the centre of Rotterdam. This building is being renovated completely with a range of sustainable aspects, including a direct current network that will reduce the energy consumption. Joulz other office building in Heineoord received an 'Excellent' rating according to the Breeam system. The aim is to obtain a 'Very Good' or higher rating for the office in Rotterdam.

We expect that the measures described above will contribute to achieving a reduction of CO₂ emissions by the end of 2013 of around 44%. It is also expected that Stedin will improve the sustainability of its business operations to 57% less CO₂ emissions per employee, Eneco to 53% and Joulz to 25% less CO₂ emissions per employee.