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<i>TITLE:</i> Responsible Purchasing policy		<i>AUTHOR:</i> Peter Nyegaard Jensen	
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1. SHORT DESCRIPTION

Wind Cluster's Responsible Purchasing policy reaffirms our commitment to sustainability in our supply chain and confirms that we expect our suppliers to meet specific health and safety, human rights, ethical and environmental standards.

We encourage our suppliers to work at their own sector's level and with us to identify and develop ongoing performance improvements to our responsible and sustainable procurement programme.

We hope that this policy will promote sustainable business practices by our suppliers and throughout their entire supply chain.


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2. POLICY

2.1. SCOPE

This policy applies to all of Wind Cluster's buyers, suppliers and contractors and their affiliates and applies to all products and services that Wind Cluster purchases.

We strongly encourage our suppliers to promote the commitments of this policy within their own supply chain.

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2.2. PURPOSE

Wind Cluster® and our partners unite several hundred people with decades of accumulated experience in the field of wind energy; we facilitate their cooperation, providing expert sourcing of high-quality electronic and electromechanical components, systems, and services to the global wind industry. We help client lower their costs, increase their productivity, and make their business more effective.


It is our vision by playing a central role in the globalization of sub-suppliers, we aim to be the wind turbine manufacturers' natural first choice of supplier of electronic and electromechanical products and services.

With the aim to be market leader we also stands as an active promoter of ethics and sustainability in all its forms.

In support of these goals, which are materialised by Wind Cluster's commitment towards the 10 principles of the United Nations' Global Compact and the United Nations Development Goals amongst others, Wind Cluster commits to and will work with its suppliers to:

- Operate a lean supply chain that supports its corporate policies in the field of sustainability, whether in social matters (including health and safety, and human rights), environmental or ethical topics.
- Develop procurement solutions in line with customers, regulatory and wider stakeholders needs and expectations.
- Create long-term value and reduce risk for its business, suppliers and stakeholders.
- Increasingly rely on a supply chain achieving strong and verified sustainability performance.

We will achieve these objectives by setting responsible and sustainable procurement standards, by collaborating, innovating and embedding sustainable sourcing and purchasing into our business processes, assessment methods and performance indicators.


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2.3. INTRODUCTION

Wind Cluster defines its supply chain as the goods and services purchased for, and utilised in, its operations.

This includes primary input materials such as components, spares as well as immobilized machinery, industrial and professional services and products, packaging, IT and logistics.


Responsible Purchasing is a key principle both in Wind Cluster's procurement and in Wind Cluster's Sustainability approach, and it is given systematic consideration alongside factors such as price and quality.

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3. OUR COMMITMENT TO SUPPLIERS

In accordance with its principles, Wind Cluster will:

- **Collaborate:** Work with suppliers to improve social (including health, safety and human rights), environmental and ethical standards. This may include joint or third-party assessments, such as process audits, site visits or certifications, to evaluate performance against defined and agreed standards such as Wind Cluster’s own principles, clarified within its code of business conduct, the suppliers’ own ethical guidelines or appropriate sectorial sustainability standards.
- **Support:** Assist suppliers to identify activities that fall below those requirements and work towards achieving improved conditions in a timely manner possibly by the sharing of good practices or training.
- **Prioritise:** Focus attention on those parts of the supply chain where the risk of not meeting those requirements are highest and where the maximum improvement can be made.
- **Respect:** Conduct our business with suppliers in a fair, objective, transparent and professional manner. This includes treating suppliers’ employees working at our premises with the same workplace practices as our own staff.
- **Promote:** Act as an advocate for sustainable supply chain practices within our industry and increasingly rely on a supply chain achieving strong and verified sustainability performance.
- **Communicate and train:** Ensure that all Wind Cluster employees are aware of this policy and that those responsible for purchasing are appropriately trained.
- **Improve:** Regularly review our policies and practices to ensure they contribute to our responsible and sustainable procurement vision and to our reporting.

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4. WHAT WE EXPECT FROM OUR SUPPLIERS

4.1. GENERAL PRINCIPLES

We expect them to meet the requirement described in this policy and specifically in this paragraph, and if they fail to meet them, propose and implement mitigation plans to achieve them.

Failure to comply with the plan or to come up with one, might lead Wind Cluster to disengage from this supplier.

Suppliers are also strongly encouraged to collaborate both at their own sector's level and with Wind Cluster to identify further opportunities to improve sustainable business practices in the areas of health and safety, human rights, ethics and environmental stewardship along the supply chain.

4.2. HEALTH AND SAFETY


Wind Cluster is committed to work towards a "Journey to zero" accidents and injuries, as well as general wellbeing in the workplace and beyond. This is endorsed by its health and safety policies, procedures and instructions promoting safety as our first duty.

Wind Cluster requests its suppliers to eliminate all work related injuries on their workforce or community, and to meet similar standards as those of Wind Cluster in Health and Safety matters. Specific policies and instructions apply to those suppliers entering Wind Cluster's sites and must be strictly observed.

Noncompliance with health and safety guidelines or poor performance on this field can justify the immediate suspension of the contract.

4.3. HUMAN RIGHTS

As detailed in its human rights policy and code of business conduct, Wind Cluster respects all human rights, in particular those of employees and local communities, and is committed to promoting these principles to its suppliers.

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Wind Cluster requests its suppliers to develop and implement policies and procedures to ensure respect of all human rights in their businesses and those of their suppliers, in line with Wind Cluster's standards, with a particular focus on child or

forced labour, discrimination, freedom of association and decent conditions of employment.

4.4. ETHICS

Wind Cluster is committed to apply fair, ethical and transparent business practices. Wind Cluster does not buy materials and services that do not comply with national or international laws and conventions, including anti-corruption, money laundering and sanctions-based export controls.

Wind Cluster is committed to using raw materials and industrial products of legal and sustainable origin and will not source 'conflict minerals or materials'.

Wind Cluster maintains due diligence processes to achieve compliance with this commitment and requests relevant suppliers to fully support the company in this effort.

Wind Cluster requests its suppliers to maintain and enforce a company policy requiring adherence to ethical business practices, adopting the same principles as Wind Cluster's code of business conduct and related ethical policies.


4.5. ENVIRONMENTAL STEWARDSHIP

Wind Cluster is committed to sustainability and uses its expertise in wind power to contribute to the growth of renewable energy and reduction of emissions.

Wind Cluster has set up ambitious environmental objectives to minimise further its impact on the environment, fight climate change and strive for carbon neutrality by 2030.

We seek to work with suppliers that are committed to the same approach and follow best practices in environmental management, including energy and resource efficiency, biodiversity management, waste reduction, reductions in CO2 emission and recycling.

Wind Cluster requests its suppliers to maintain effective policies, processes and procedures to manage their environmental impact and to operate their business in a manner that meets high standards in terms of management of Environmental impacts.

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4.6. COMMUNICATION ON SEVERE CASES

In case of significant cases of violations of human rights or ethics and/or environmental hazards (including pollution, floods, etc.), we expect our suppliers to notify us promptly, to work in coordination with the communities to minimize the local impacts and provide us with reassurance regarding the possible impact on Wind Cluster's ability to comply with its own commitments.

4.7. DOCUMENTATION

On request, we require our suppliers to:

- Provide Wind Cluster or its representatives with copies of all relevant information, including elements regarding their Ultimate Beneficial Owners.
- Demonstrate what efforts they are making to meet the requirements of this policy in particular provide their own commitments towards Responsible Purchasing and related procedures.
- Co-operate and use reasonable endeavours to ensure that their subcontractors do the same.

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5. MONITORING AND REVIEW

5.1. MONITORING

This policy forms an integral part of Wind Cluster's supplier relationship management and evaluation procedure which includes the follow-up of performance indicators.

Wind Cluster will take a risk-based approach in assessing suppliers' compliance with the requirements of this policy.

Wind Cluster will work with its suppliers in addressing gaps identified.

Wind Cluster reserves the right to disengage from suppliers that do not meet the requirements of this policy or who cannot provide or commit to an improvement plan. e expect

5.2. REVIEW

Wind Cluster will periodically review this policy and the implementation programme, with respect to its suitability and effectiveness.