

Mr. Mauricio Lazala  
Deputy Director  
Business & Human Rights Resource Centre  
1-3 Charlotte Street, 3rd floor, London W1T 1RD, UK

Bilbao, July 5<sup>th</sup> 2021

Dear Mr. Lazala

Thank you for your email dated June 28<sup>th</sup>, 2021 (“the Letter”). We at Siemens Gamesa share your concerns about protection of human rights globally and we hope the answer hereto shall provide you with clarity on Siemens Gamesa Renewable Energy, S.A.’s (“Siemens Gamesa”) commitment to the protection of human rights.

First of all, we hope you and your loved ones as well as the Business & Human Rights Resource Centre Team are safe in the current scenario of COVID-19.

As one of the global leaders within the Industry, Siemens Gamesa considers the respect for human rights to be an integral part of our responsibility as a global business. As stated in our Business Conduct Guidelines, Siemens Gamesa recognizes its responsibility for respecting human rights as a core element of responsible corporate behavior. We at Siemens Gamesa were pioneers in embracing best practices for human rights protection, by joining the United Nations Global Compact (“UNGC”) back in 2005.

Siemens Gamesa is committed to embracing and supporting, within its sphere of influence, the set of core values in the areas of human rights, labour standards, the environment, and anti-corruption included in the UNGC and related internal policies that have been implemented, transforming principles included thereto as an integral part of its business policies, strategy and operations: Human Rights Policy, Business Conduct Guidelines, Supplier Relationship Policy, Code of Conduct for Suppliers, among other relevant binding enactments, which are publicly available on our web site, and to which our customers and suppliers also adhere before engaging in any specific business activities.

A comprehensive review to applicable policies and implementation practice of all these aspects mentioned above is made publicly available within the Group Consolidated Non-Financial Statement, released annually. Moreover, our exposure to external scrutiny, conducted by ESG rating agencies, confirm that our policies and practices in this area remain best in class.

Accordingly, the company's involvement in any human rights infringements or other adverse human rights impacts is and must be avoided. Compliance with applicable laws and regulations is essential, but beyond that Siemens Gamesa employees and related stakeholders are expected to be aware of these issues. They are also expected to avoid infringing the human rights of others and to address the adverse human rights impacts of the activities and circumstances in which the company is involved.

For every project, Siemens Gamesa performs a Compliance Risk Evaluation (CRE) - which consists in a due diligence process to both proactively and systematically identify potential human rights risks. All projects which meet the criteria are subject to the Siemens Gamesa Human Rights Project Due Diligence process. The project is thoroughly assessed using a predefined detailed questionnaire for any potential human rights risks with regards to its location, labor rights, local community rights, livelihoods and the partners involved, including customers, suppliers, consortium partners and security detail, where applicable. All potential risks must be mitigated and, if mitigation is impossible, the project will not be approved by the CRE process.

Additionally, human rights risks are a mandatory element of the Compliance Risk Assessment (CRA), conducted every 2 years. Any human rights risks detected during the bottom-up risk assessment conducted on each Siemens Gamesa unit must have a mitigation plan set for it, which must be implemented in the following financial year. The last CRA (two-year cycle) was completed in 2020 and no specific human rights risks were detected.

The company continuously conducts a global supply chain mapping. In fiscal year 2020, Siemens Gamesa purchased almost €7.4 billion (€8.2 billion in FY19) from approximately 19,000 tier-1 suppliers. These suppliers have been impartially screened and assessed for high standards compliance with our excellence value. Moreover, Siemens Gamesa's Supplier Relationship Policy<sup>1</sup>, the Code of Conduct for suppliers and Third-Party Intermediaries<sup>2</sup>, the General Purchasing Conditions<sup>3</sup> and our internal rules and procedures all set minimum expectations for suppliers to comply with. They all integrate the Principles of the UN Global Compact on Human Rights, Environment and Anti-Corruption and provide fundamental guidance for our business activities. Suppliers that fail to meet our requirements may be conditionally approved (if issues are not critical) upon implementation of development measures, or immediately blocked from doing any further business with Siemens Gamesa (if issues are critical, especially for compliance issues).

<sup>1</sup> See: Siemens Gamesa Supplier Relationship policy. Link: <https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/investors-and-shareholders/corporate-governance/corporate-policies/supplier-relationship-policy.pdf?la=en-bz&hash=552A19E60659E142285C31B2E6921EE4D2041196>

<sup>2</sup> See: Code of Conduct for Suppliers and Third Party Intermediaries. Link: [https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/sustainability/code-of-conduct/code\\_of\\_conduct\\_for\\_suppliers\\_and\\_third\\_party\\_intemediaries\\_en.pdf?la=en-bz&hash=D284F9974754A8848ABC85A15035AF0F1022B007](https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/sustainability/code-of-conduct/code_of_conduct_for_suppliers_and_third_party_intemediaries_en.pdf?la=en-bz&hash=D284F9974754A8848ABC85A15035AF0F1022B007)

<sup>3</sup> See General Purchasing Conditions. Link: [https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/sustainability/purchase-conditions/siemens-gamesa-gpc-002-2018-06-en\\_sgre-general-purchasing-conditions.pdf?la=en-bz&hash=1AAE86231AB9BD2E3918DE4FEE1DA5BB0DDC316B](https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/sustainability/purchase-conditions/siemens-gamesa-gpc-002-2018-06-en_sgre-general-purchasing-conditions.pdf?la=en-bz&hash=1AAE86231AB9BD2E3918DE4FEE1DA5BB0DDC316B)

Siemens Gamesa is therefore expressly and publicly committed to ensuring fair and positive social and labor-related behavior through several high-level policies and requires its employees, business units, affiliated companies, suppliers and business partners to act in accordance with UNGC principles at all times.

We remain at your full disposal should any additional information be required.

Kind regards

A handwritten signature in blue ink, reading "Lezamiz", is written over a horizontal line. A vertical line intersects the horizontal line, forming a crosshair shape.

Jon Lezamiz Cortazar

Global Head of Public Affairs