



Guiding Principles of
REpower Systems AG | **Renewable Energy** for the future

Preamble

The REpower Systems Group develops turbines and other products with the aim of facilitating the competitive generation of electricity from wind energy. This effort is REpower's contribution to meeting the challenges of growing energy needs, climate protection and reducing energy imports in the countries in which the company operates.

REpower views itself as a company with a long-term whose sustainable success will only be guaranteed if it can fulfill the expectations that society as a whole places in it. The sustainability triangle featuring three parameters – economic strength, social responsibility, and environmental responsibility – therefore symbolizes the environment in which all of REpower's business processes are conducted.

The company's objective is to create a high level of value in all of the Group's units in alignment with the interests of shareholders, business partners, employees, and the public, and therefore to increase the value of the company as a whole.

The following guiding principles have been laid down in the knowledge that the sustainable success of a company is materially dependent on the professionalism, conduct, and sense of responsibility of its management and its employees.

Economic strength

■ Customers

Customers are at the heart of all of our activities. A high level of customer satisfaction is the guarantee for future sales of our products and services, and therefore also for the competitiveness of the REpower Systems Group.

This is why the company's primary mission includes developing and marketing products and services that meet customer requirements in terms of quality, price, safety and environmental friendliness. To this end, all employees undertake to make optimal use of their technological, environmental and commercial expertise in fulfilling their professional responsibilities.

We evaluate the quality of our products and our company's performance using structured control processes as part of an ongoing dialog with our customers. This approach enables us to implement specific countermeasures in the event of unfavorable developments.

■ Shareholders

Our corporate objective is to increase the value of our company sustainably for our shareholders.

We consider trust to be an essential condition for our relationship with our shareholders. In order to build and maintain this trust, we ensure that our communication efforts are objective, transparent, timely and verifiable. Equally, comments from our investors are incorporated into our business process as helpful suggestions. We support the German Corporate Governance Code on transparent and trustworthy corporate leadership and already implement these principles to the greatest extent possible. We intend to meet our shareholders' expectations of participating in the company's success via dividend payments by pursuing a systematic dividend policy.

■ Suppliers

REpower aims to work only with suppliers with impeccable reputations because the quality of our products is materially dependent on the quality of the components used due to our low level of vertical integration. We expect our suppliers to accept and comply with our quality standards. In order to ensure that suppliers fulfill REpower's quality requirements for the long term, relationships with suppliers are subject to regular audits.

■ Technological leadership

Technological leadership in terms of innovation, quality and earnings strength will ensure the company's competitiveness, and therefore the sustainable growth of our company. We are actively involved in shaping technical progress in our industry by developing pioneering products and technologies. We regard the information gained from the sale of wind turbines and from wind turbine project development as a result of our broad positioning in the value chain as valuable knowledge that we incorporate into the development and production process.

REpower strives to live up to its ambition of being a premium supplier of wind turbines.

Our products are defined by

- High-yields and performance thanks to innovative turbine and rotor technologies
- Procurement of high-quality third-party components via long-term system partnerships
- Rigorous quality assurance
- Stability due to excellent production, assembly and commissioning quality
- The highest possible level of availability thanks to constant monitoring of all turbines and effective maintenance
- Precise implementation of customer requirements thanks to easily adaptable product platforms

■ Quality management

The quality of the processes in our company serves to secure the future of REpower. All of our company's workflows are structured as processes with clearly defined specifications, precise workflows and interfaces to other departments, control points and end results that can be clearly evaluated and unambiguously agreed handovers to downstream processes. To put this quality policy into practice, REpower has established a quality management system in accordance with DIN EN ISO 9001:2000 that will be implemented by the entire company and updated as necessary.

■ Financial success

Growth and earnings strength are the most important indicators in assessing our long-term financial success. We view REpower as a dynamic growth company that aspires to maintain and improve its position among the world's major wind turbine manufacturers with excellent growth rates in the future.

For several years now, REpower has stood out from the field thanks to its earnings strength, which exceeds the industry average. Our unique combination of business segments enables us to focus on those links in the wind energy generation value chain that are highly profitable in addition to generating further synergies.

REpower's low level of vertical integration and the associated reduction in capital tied up allow us to employ our capital efficiently. We utilize our resources in a focused and effective way and take into account profitability in order to meet our growth targets.

■ Fair competition

REpower respects the underlying principles of the market economy and therefore conducts its business fairly in relation to the competition. We expect the same from other market participants.

Social responsibility

■ Company

REpower supports internationally accepted human rights within its sphere of influence and ensures that no REpower company participates in any way in human rights abuses.

REpower categorically condemns the use of all forms of forced or child labor in both the company and the entire Group.

Moreover, REpower takes a proactive approach to improving the social and environmental conditions in the countries in which we are represented as a company or by subsidiaries/affiliates. In doing so, we respect the provisions of local law applicable in the relevant markets.

REpower supports the freedom of employees to organize collectively and recognizes their right to negotiate collective agreements.

REpower is neutral with regard to political parties. No REpower company is permitted to provide financial support to political parties, organizations, or their representatives. However, we believe that we are obligated to express our opinion about all important issues that affect us, our employees, customers, shareholders and the general public to governments, public authorities, industry associations and institutions, and therefore to exert our political and societal influence.

■ Conduct

We treat each other fairly and with respect. Communication within the company, with our business partners and with other groups relevant to REpower's business is typified by open, trust-based and objective dialog. Opinions other than our own are treated with tolerance and respect.

■ Employees

REpower views its employees as its most valuable capital. REpower respects the personalities of its employees. We aim to offer our employees good, safe working conditions, to create a stable environment, to employ them optimally in accordance with their talents and to promote an independent working style. We encourage our employees to contribute their creativity and potential toward achieving our joint success. In doing so, we adhere to the principle of equal opportunity for all employees regardless of their race, age, nationality, religion, or other characteristics. However, qualifications being equal, we aim to hire and promote an increasing number of women within the company.

By providing straightforward information and communicating with our employees in a timely manner, including beyond hierarchical and unit boundaries, we are able to integrate employees into our working and decision-making processes.

Our clear organizational structure unambiguously defines each employee's responsibilities, authority and competencies. A structured process ensures that all employees are introduced to their professional responsibilities and the company's workflows and processes that pertain to them. Intra-company training and qualification via specific training programs is viewed as one of the core missions of the company.

REpower creates jobs in all markets in which we operate, and we consider it important to employ a high percentage of local residents.

■ Financial integrity

Business relationships with third parties are governed solely by objective criteria. Personal relationships or interests may not influence decision-making processes involving third parties. Employees are not permitted to ask for, accept, offer, or grant personal advantage to natural persons, companies, authorities, or other institutions in the course of any process connected with the fulfillment of their contractual obligations as employees. Anyone who offers or accepts bribes will be dismissed immediately.

■ Occupational health and safety

Economic considerations do not take precedence over safety and occupational health. We require and promote consciousness of safety and health issues among all employees and strive to continually improve conditions by agreeing relevant goals.

All employees are responsible for occupational safety in their units. Occupational health and safety regulations must be strictly applied. All employees must systematically adhere to safety regulations without exception in the interests of themselves, their co-workers and the entire company.

Supervisors have a particular responsibility in this regard. They should ensure that employees abide by safety regulations, which requires thorough induction and training of all employees. The management responsibilities of supervisors include monitoring the required safety measures. All employees are encouraged to inform new co-workers of and to proactively work to avoid dangers and risks.

Environmental responsibility

■ Environmental protection

Environmental protection, which is an integral part of our company's guiding principles, must accompany all financial processes in the company. Our products and our production and business processes must be designed to be as environmentally friendly as possible. Responsible conduct is exemplified by avoidance of all foreseeable negative effects on the environment.

Our objective is to manage existing resources responsibly and frugally. All employees are encouraged to employ sustainable business practices.

REpower's core business is the development and application of environmentally friendly technologies. The high quality and long life of the technologies used to manufacture our products in conjunction with our recyclable designs make a significant contribution to environmental protection and the responsible use of resources.

REpower supports initiatives designed to meet environmental challenges.



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