

Purchasing Policy

BEUMER Group A/S' aim is to practise a strategy focussing on proactive procurement, structured market analysis for all of our commodities constantly intensifying competitiveness and communication with our suppliers, as well as standardising purchasing processes and strengthening the decisions we take in our procurement activities.

Practicing the above BEUMER Group A/S is also aware that one or more supplier(s) may be critical in the sense that a critical supplier is a supplier delivering materials, components, or services that may influence the safety and performance of the BEUMER Group systems delivered to its end customers. Typically defined by being in product class 3 (project supply) or 4 (system/function supply) and / or where the consequences in time and cost to switch the Supplier and substitute him with another Supplier are unreasonable in relation to Project execution time and/or Replacement in a running system.

Strategy and purchasing policy

BEUMER Group A/S aims at co-operating with flexible and innovative suppliers who will support our company's goals, which are to deliver on time with the lowest possible error margin and with continuous improvements. Therefore, suppliers must be able to document efficient quality control and reduction of costs. Each month suppliers' ability to deliver on time is registered, and the quality of the supplied goods is continually evaluated in order to ensure that suppliers continue to adhere to the standards and specifications agreed upon.

With reference to The Ten Principles as defined in the United Nations Global Compact and the fact that BEUMER Group A/S is ISO 14001 certified and supports UN Global Goal 12 (Responsible Consumption and Production) and UN Global Goal 13 (Climate Action) and having its significant environmental aspects to include Environmental impacts at suppliers, CO2 emissions from transport of goods and recycling of waste, BEUMER Group A/S encourages all suppliers to define and respect an ethical and environmentally sound business practice.

All suppliers to BEUMER Group A/S are encouraged to practice a sound social and ethical responsibility by observing (but not limited to) full compliance with the law and applicable regulations in their country of resident, proper working environment and an accident-free working culture must be supported by meeting or exceeding current applicable health and safety legislation. BEUMER Group A/S' commitment to the protection and conservation of the environment must be supported by the suppliers' active commitment to a sound environmental management system by means of meeting or exceeding current environmental legal requirements.

The suppliers' and any sub-suppliers' use of environmentally responsible material and production methods as well the use of alternatives for scarce and non-renewable resources will be given preference, i.e. suppliers who are ISO14001 certified and who can demonstrate that they are working in accordance herewith and who have sustainable programs for energy and CO2 reduction, material utilisation and waste management (recycling) in a product life-cycle perspective and who have sustainable programs for chemical management, VOC emission and handling of hazardous waste will be valued.

BEUMER Group A/S wishes to the widest possible extent to enter into co-operation agreements with our suppliers, thus ensuring that terms regarding for instance packaging of products, utilisation of recyclable materials, delivery and payment are specified from the very beginning of the co-operation.

On-time delivery

As a supplier to our production you shall be able to secure 98% on-time delivery i.e. on-time delivery meaning up to 3 days earlier and 0 day later than delivery date stated in a purchase order.

As a supplier to our projects you shall be able to secure 98% on-time delivery meaning delivery on the delivery date stated in a purchase order, i.e. not sooner and not later.

As a supplier you shall be able to adhere to BEUMER Group A/S' manufacturing and / or installation schedules respectively, as the case may be.

Quality

As a supplier you shall be able to secure a quality level in accordance with AQL 1.0 as well as at least 98% compliance with quality requirements.

As a supplier you shall be able to demonstrate having a quality management system, preferably being ISO9001 certified, and that you are working in accordance herewith.

Warranty

As a supplier you shall warrant that the supplies be new and of good quality and workmanship, free from any defects and fit for the intended purposes and correspond to the current technical state-of-the-art. The warranty period shall be project specific but no less than 24 months from BEUMER Group A/S' handover to its customer.

Spare parts

As a supplier you shall be able to secure delivery of spare parts enabling BEUMER Group A/S to deliver spare parts to its customers within 5 calendar days.

As a supplier you shall be able to secure 98% on-time delivery i.e. on-time delivery meaning up to 3 days earlier and 0 day later than delivery date stated in a purchase order.

As a supplier you must be able to secure obsolescence management and provide for last-buy-option when parts are becoming obsolete.

As a supplier you must be able to provide single point of contact ("SPOC") to render support.

Intellectual Property Rights ("IPR")

As a supplier you shall warrant and guarantee that the supplies do not infringe any third party intellectual property rights and you must transfer any and all IPR which have been developed or acquired by you for the fulfilling of the Supplies including subsequent production of spare parts.

Export Control and Foreign Trade Data Regulations

As a supplier you shall comply with and adhere to all applicable export control, customs and foreign trade regulations ("Foreign Trade Regulations").

General Data Protection Regulation

As a supplier you shall guarantee that you will adhere to and act in accordance with the General Data Protection Regulation ("GDPR") agreed upon by the European Parliament and Council.

Anti-Corruption

As a supplier you must comply with and adhere to applicable anti-corruption laws and regulations.