



# Sustainability Responsible Procurement

Sarah Albert  
Director, Sustainability

June 1, 2021



# Vision & Mission

**Our Vision:** Renewable energy powers the world – delivering clean, affordable power to all.

**Our Mission:** To be the world's leading energy solutions company delivering the most intelligent, reliable and productive solar power for future generations.

# Why Am I Here?



**Sarah Albert, Director of Sustainability**

- Sarah Albert, 宋爱珠
- Worked on the Flex Sustainability Team 2011-2020 – Nov.
- Transitioned to the Nextracker Team in 2020
- My day to day: At factories, focus is on sustainability execution and workers
- Based in Shanghai

# NX Supply Chain | Risk Management

## Preventive approach & feedback loop process



### Supplier Capacity

Supply chain successfully tested at 550MWp/wk in Q4'19. 600MWp/wk as of March'21

**Enable** potential ~30GWp/year, >2x current demand.



### Customer Demand & Supplier forecasts

Weekly review of demand forecast by region, product type, translating into 26wks supplier forecasts.

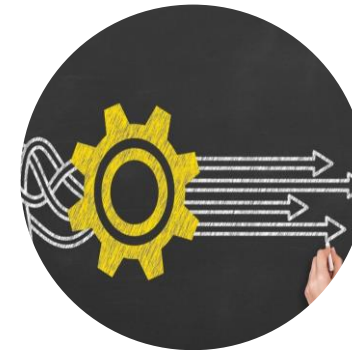
**Enable** right sizing of inventory at NX suppliers and appropriate Lead Times.



### S & OP

Quarterly review of demand by regions, product types, suppliers SWOT, etc... resulting in long term decisions.

**Enable** right sizing CAPEX investments, NX supplier commitments & development



### Business System & Processes

Weekly tracking in systems of all key supply chain KPIs (allocations, inventory, OTD, demand, capacity, etc...) along with adequate targets.

**Enable** immediate response in case of any deviations.



### Risk Management

Dedicated team focused on CSR compliance, Trade Compliance and other external risks.

**Enable** a pro-active approach, planning on potential risks and mitigating them



# Responsible Procurement Program / Pillars



**May 19, 2021**



## **Solar Industry Forced Labor Prevention Pledge**

Last updated: May 19, 2021 at 9:00AM ET

We, the undersigned companies and organizations, state our firm opposition to the use of forced labor within the solar supply chain. We hereby commit to helping ensure that the solar supply chain is free of forced labor and raising awareness within the industry on this important issue. To assist in these efforts, we support the development of an industry-led solar supply chain traceability protocol as a tool for identifying the source of primary raw materials and inputs and tracking their incorporation into finished products, including solar modules.

*Nexttracker signed, Feb 2021*

# Factory Behavior, Regular Visits, Governance, & Communication Cadence

- Regular visits to China factories are top priority
- Training RBA
- Core items (FL)
- Operations
- Worker living environment
- HR records
- Worker communications
- Supply Chain Mapping
- Best practice collection





# Opportunities/Lessons Learned

- Language / Culture
- Benefit of systems vs. manual
- Inherit risk vs. actual risk
- Tools and their complexity
- Building on trust and forming relationships
- Learning from electronics industry (years of experience)
- Industry wide approach
- Benefit of audit sharing
- Capacity building > large scale raise the bar
- Importance of of RA / performance assessments (internal / external) as IMS







nextracker™  
A Flex Company



Thank you