



# Supplier manual

**MAN Energy Solutions**  
Future in the making

Plant and  
systems  
engineering

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**List of Abbreviations**

AB	Auftragsbestätigung = Order Confirmation
AEO	Authorized Economic Operator
AFC	Approved for Construction
ASB	As Built
DIVE	Direktversand = Direct Dispatch
HSE	Health, Safety & Environment
MAN ES	MAN Energy Solutions SE
MwSTSystRL	Mehrwertsteuersystemrichtlinie = VAT System Guideline
PSI	Pre-Shipment Inspection
RO	Routing Order
UstG	Umsatzsteuergesetz = VAT Act
UVA	Unvollständige Ausfuhranmeldung = Incomplete export declaration
VBM	Versandbereitschaftsmeldung = Notice of readiness for dispatch

**Change history**

Rev.	Description	Date	Reviser	Release
0	Initial publication	June 30, 2014	AS	MH
1	Update	October 1, 2019	FG	MH

## 1 Preamble

***"Our success is based on cooperation with our suppliers and partners in a spirit of trust."***

This is the motto for the Supplier Manual you are now reading. In order to cope with the increasing challenges on the global market, there is a need for continuous further development. For this purpose, we and our partners want to jointly develop suppliers who work with us to tackle the demands in regard to quality and performance standards in a dedicated manner, but also attempt to reduce costs and delivery times. The focal points here are reliability, innovative capacity and intensive cooperation.

You should regard this Manual as a guide to partnership-based cooperation between you as a supplier and MAN Energy Solutions SE (hereinafter called "MAN ES"). We attach great importance to the topics contained in this Manual in order to ensure trouble-free and efficient material and document flow.

In particular, the requirements relating to the processing of orders for plant equipment and systems are defined since they are naturally supplied to a large extent using the direct dispatch process. The Manual will help you to attain our joint goal of smooth cooperation in accordance with agreements.

The Manual supplements our Logistics Specifications which focus on plant supply of our production and assembly.

We are confident that your constructive support will also enable us to cope with global competition in future. We would like to thank you for the continuing excellent and successful partnership and cooperation.

Michael Hover

Vice President

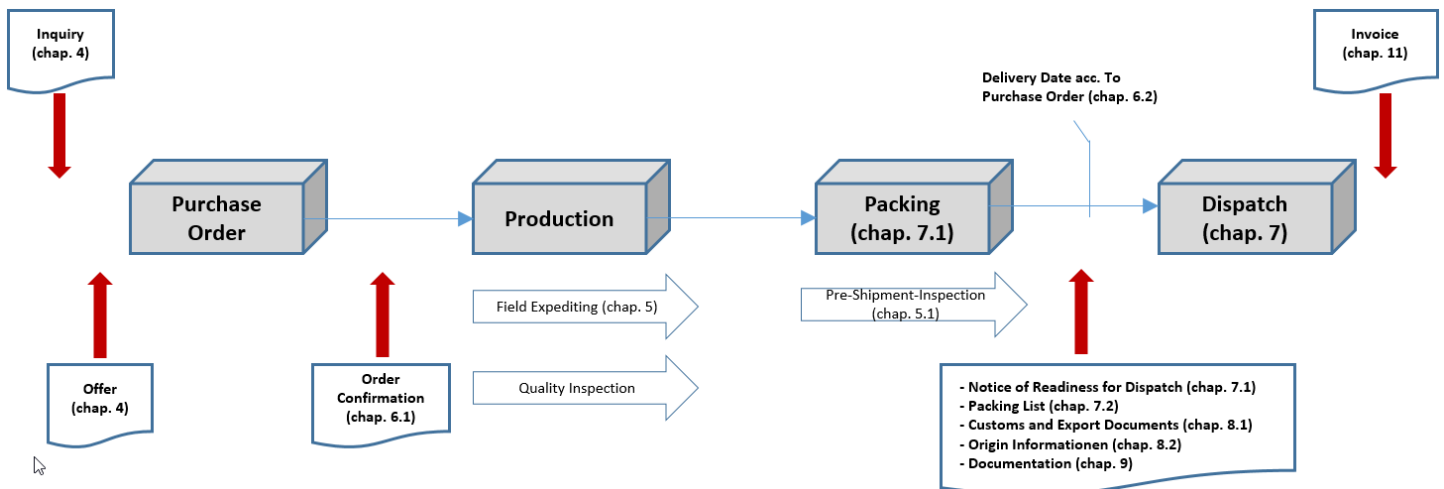
Purchasing Plant Power/Marine



Augsburg, October 1<sup>st</sup>, 2019

## 2 Process overview

The following diagram illustrates the relevant overall process.



## 3 General Information

### 3.1 Corporate responsibility

We expect our own company and you, as our supplier, to take responsible action, for example in regard to environmental protection, workers' rights and the prevention of corruption. Please refer to our Corporate Responsibility Strategy which you can find under the following link:

<https://www.corporate.man.eu/en/responsibility/cr-strategy/at-a-glance/At-a-glance.html>

### 3.2 Code of Conduct for Suppliers and Business Partners

We also expect you, as our supplier, to comply with the principles shown in our "Code of Conduct for Suppliers and Business Partners". This obligation also applies to our company and our business partners. The "Code of Conduct for Suppliers and Business Partners" describes social responsibility, transparent business relationships, fair market behavior and protection of data, business secrets and company assets.

During your business transactions with our company and our partners, this also naturally applies to the commissioning of third parties from whom we must demand the same compliance.

You can find the "Code of Conduct for Suppliers and Business Partners" under the following link:

[https://man-es.com/docs/default-source/compliance/code-of-conduct-for-suppliers-and-business-partners.pdf?sfvrsn=83402c3f\\_8](https://man-es.com/docs/default-source/compliance/code-of-conduct-for-suppliers-and-business-partners.pdf?sfvrsn=83402c3f_8)



### 3.3 Compliance with country-specific regulations

The country-specific regulations relating to services on all MAN ES construction sites must always be observed (e.g. in regard to working hours, share of local manpower, etc.).

### 3.4 Publications relating to MAN Energy Solutions SE

Any publications relating to MAN ES must be approved by us. You should contact our Communication Department in this respect using the following e-mail address: [press@man-es.com](mailto:press@man-es.com)

### 3.5 Evaluation of suppliers

We use SAP to evaluate suppliers. The evaluation of is prepared at regular intervals and can be discussed with you on request.

### 3.6 Validity of the Supplier Manual

The provisions of individual orders apply. These provisions take precedence over any concluded Supply Agreements. The provisions of this Supplier Manual must also be used.

### 3.7 Topicality

Just like all documents, this Supplier Manual is also subject to constant additions and changes, where necessary. It is therefore only valid up until the date on which it is printed. However, you are welcome to download the latest version under the following link: [www.man-es.com/documentation](http://www.man-es.com/documentation)

## 4 Inquiry/Offer Process

In response to our inquiry, you must send us a non-binding offer relating to the stipulated materials/services. The inquiry normally contains the following information:

- Material description
- Technical documents
- Required quantity
- Requested payment and delivery terms
- Technical contact person for any queries
- Information on the required documentation (see Chapter 9)
- General specifications relating to assembly and operating documentation
- Required documentation language
- Packing and material regulations
- Delivery date
- Delivery location
- Warranty
- Other project-related information



Generally speaking, the provision of any Supply Agreement concluded with your company will apply.

You should send us your offer within the stipulated period.

The following information must be included in the offer:

- Project number
- Project name
- Inquiry number
- Name of our buyer from whom you received the inquiry
- The contact persons in your company
- Validity of offer (at least 6 months)
- If documents (drawings, data sheets, project specifications, etc.) are listed in our order, you must access these via the Extranet account created for you (Nexus supplier portal). – Reversely, you must provide us with your documents through this interface. Examples include acceptance certificates, 3.1. manufacturer notifications and serial numbers.

Further information regarding Nexus can be obtained from the contact persons whom you know in Purchasing.

## 5 Field Expediting

In order to ensure that all obligations which you accepted when confirming our order are fulfilled on time, it is essential that you monitor your own work and the activities of your subcontractors. Expediting should be carried out according to the processes used by the manufacturer.

We and/or a service provider commissioned by us reserve the right to monitor the progress of the order. We presume that you will grant us or our representative access to all areas in which this order is being processed. You must also send us all information and documents which are required to expedite and execute the order.

This provision also relates to subcontractors whom you have commissioned.

### 5.1 Pre-shipment inspection (PSI)

Irrespective of our customer order, we carry out PSI from time to time. Our aim here is to ensure that only packages with the correct delivery quality arrive at their destination. This includes, in particular, compliance with the packaging standard, marking regulations, detailed packing lists and identification of individual components and packing units.

A full quantity inspection is also performed. You must ensure that the components are prepared for this inspection and have not yet been packed in closed subpackaging. Preliminary packing lists, a component list, a delivery parts list, etc. are required for a quick inspection.

The PSI is carried out directly either by our company or by a third party whom we have commissioned.

You must consider that packages may only be sealed after consultation with us and after the completion of a successful PSI. If a package has been sealed without a successful PSI or has not been expressly approved by our company, we reserve the right to open the package at your expense in order to carry out a further inspection.

Delays are not acceptable. You must inform us at an early stage about the progress of your packing process.

If PSI are unsuccessful, we reserve the right to pass on the costs of a second inspection and any incurred subsequent costs to you.

In order to plan an arrival date in good time, you must inform us around two weeks in advance when the corresponding material is ready for packing and the inspection can take place. The lead time may also be changed depending on the specific order. You must contact the responsible person in Expediting to coordinate everything precisely.

## 5.2 Photo documentation

As an alternative to the performance of PSI, photo documentation is required in some cases. In other words, you document here your goods packing process. You must then send the photos to the contact persons stipulated by us in Expediting. The photo documentation will be used to verify conformity with our order and the valid packaging standard (e.g. HPE).

It is important that the photos you send are meaningful. You should note the following in this respect:

When the case is open, it should be possible to see, for example:

- Use of dessicant bags
- Preservation (e.g. aluminum compound foil)
- Protection against slipping, damage, etc.
- Use of filling material according to the relevant standard
- Labelling of components and subpacking units

When the case is closed, it should be possible to see, for example:

- Marking according to our regulations
- Packing list (attached to the package)
- Any other regulations according to the order
- Stamping of the mandatory customs and shipment symbols

## 6 Desk Expediting

### 6.1 Order confirmation

Once the order has been accepted, you should legally sign and return the order confirmation (AB) enclosed with our written order to us within five working days. You must send us the complete order confirmation.

The recipient of the order confirmation is the person named as the contact. You must not use, in principle, another confirmation form.

You must specify deviations from the order on our order confirmation form in a clear and explicit manner. If there are differences between the order and order acceptance, they must be clarified with us. Orders will only become valid when these differences have been clarified and confirmed in writing. If we do not react to any differences, this should not be regarded as approval.

Waiver of the order confirmation requirement may be agreed by mutual consent. In this case, however, this agreement will not necessarily apply to all our orders depending on demand.

Please also refer to our General Payment Terms.

## 6.2 Delivery date

The confirmed delivery date for goods, customers and quality and planning documentation must be observed with binding effect. The date is regarded as "arriving". In the case of directly dispatched order items, this is the handover date.

In order to ensure that the delivery date is observed, we reserve the right to demand a progress report relating to the specific order. If you discover that the confirmed delivery date is at risk, you must immediately notify the contact person in Expediting who is known to you. If necessary, suitable measures will then be agreed in consultation with us to ensure the delivery date is observed.

## 6.3 Delay in delivery

If delivery is delayed, we reserve the right to demand a contractual penalty. Legal regulations will also apply.

## 7 Shipping Processing

The Incoterm to be used and the dispatch regulations can be found in the respective project-specific order.

There are several ways of shipping to us:

- **Direct Dispatch (DIVE):** You will inform us that the goods are ready for dispatch on the confirmed delivery date. We will then organize the further transport, provided you do not have to deliver directly to the construction site yourself.
- **Routing Order (RO):** You will provide "FCA Your Outgoing Goods" after reporting readiness for dispatch to the Routing Order freight forwarder defined by us.

ROs are generally only used for suppliers based in Germany. Weight and length restrictions also apply. Suppliers that use ROs generally receive a separate notification with details of the freight forwarder. Notification of the delivery must always be provided one to two working days

in advance of collection via the freight forwarder. The costs for freight forwarding from collection are borne by MAN directly.

- Direct delivery to a MAN delivery point (see below)

Please refer to the respective order to find the relevant delivery point.

<u>Augsburg plant</u>	MAN Energy Solutions SE  Gate Heinrich-von-Buz (Gate C) Stadtbachstr. 1, 86153 Augsburg/GERMANY Deliveries from Monday to Friday between 7.00 a.m and 3 00 p.m
<u>Duisburg Field Warehouse</u>	Duisburg Packing Logistic  c/o MAN Energy Solutions Halle 3.1, Hafenr. 3514 Im Freihafen 8, 47138 Duisburg/GERMANY Deliveries from Monday to Friday between 7.00 a.m and 2.00 p.m
<u>Gersthofen Field Warehouse</u>	Bavarian Logistics Solutions GmbH  Otto-Hahn-Str. 2, 86368 Gersthofen/GERMANY Deliveries from Monday to Friday between 8.00 a.m and 5 00 p.m
<u>Derching Field Warehouse</u>	MAN Energy Solutions SE  Äussere Industriestrasse 15 86316 Friedberg/Derching Deliveries from Monday to Friday between 7.00 a.m and 2.30 p.m
<u>Frederikshavn plant</u>	MAN Energy Solutions SE  Niels Juels Vej 15, 9900 Frederikshavn/DENMARK Deliveries from Monday to Friday between 7.00 a.m and 2.30 p.m

If you deviate from the delivery point stipulated in the order or from the delivery times stipulated above, we reserve the right to invoice you for any incurred costs or to refuse to accept the delivery at your expense. Deviating delivery times may be agreed with our Dispatch Department in exceptional cases.

## 7.1 Notice of readiness for dispatch

The Notice of readiness for dispatch (VBM) informs you that the specified consignment is ready for dispatch. The quality inspection (incl. necessary finishing work), preservation, packing, marking according to the order and, if necessary, a successful PSI have already been completed by this point in time.

A printed VBM form will be sent to you with the order. If some stipulated items are not ready for dispatch, you must note this on the form. The VBM contains the following information:

- Company stamp
- Signature
- Commission number
- Confirmation date
- Collection address
- Name of contact person
- Contact data

You must then send the VBM to our contact person shown on the VBM.

In the case of direct deliveries, you must present the following documents at the latest on submission of the VBM:

- Packing list for the goods shown in the VBM
- Pro forma invoice (depends on the agreed Incoterm)
- Export documents (depends on the agreed Incoterm, see also Section 8.1)
- Hazardous Goods Declaration if necessary
- etc.

## 7.2 Packing list

Information about components delivered loose, small parts (e.g. fastening materials, screws, nuts, seals, mating flanges, etc.) and information in case of several packages per order item:

It is absolutely essential that you provide us with detailed information in these cases. For this purpose, you must use our template in the project-specific form which you received. These articles must also be identified based on assignment to the package and the delivery documents.

The indications in the packing list must fulfill the following purposes:

- They serve as proof of the goods delivered vis-à-vis our customer
- They are used for customs clearance

Please maintain the data with the corresponding level of care. We reserve the right to invoice you for any additional costs incurred due to incorrect or insufficient information.

## 7.3 Labelling

Quick, clear material identification is essential for prompt assembly progress on our construction sites. It is essential in this case that the delivery notes and packing lists show the highest possible degree of detail.

The labeling must be selected such that the material can be assigned to the items in the packing lists.

Physical goods assignment is only possible if information on delivery documents and packages can be clearly reconciled with actually supplied materials. If this assignment is not possible, we will consider the delivery to be incomplete where the affected items are concerned.

The labeling is determined either on a part-specific basis in the form of a technical specification or according to a specific project.

You must contact us immediately if information is missing or contradictory.

## 7.4 Packaging and marking in the direct dispatch (DIVE) process

The minimum standards in the HPE Packaging Guidelines apply in principle. Order-related or customer-related requirements may also apply in special cases. In your capacity as a manufacturer, you are responsible for designing product-oriented packaging which is suitable for transportation.

The corresponding marking regulations for your project will be notified to you at the latest with the dispatch call-off or may be requested beforehand from the responsible contact person. You will receive the dispatch call-off after the Notice of readiness for dispatch has been sent correctly.

It is also necessary to mark every package with the "Carrier Code". This "Carrier Code" is used to clearly identify the package.

The "Carrier Code" consists of a code letter permanently assigned to the supplier and a consecutive number for the complete project. We will send you the code letters. You should continue the following number per package in ascending order (e.g. "Company Max Musterlieferant GmbH": XY 1 for the first package, XY 2 for the second package, etc.). Ascending numbering of the packages must be carried out for each project number and runs for all orders relating to this project number.

Only MAN documents may be supplied with the package and only MAN markings may be attached, unless a specific different agreement has been made. This does not apply to documents and markings related to transport safety.

## 7.5 Preservation (DIVE)

Preservation must be agreed in the overall concept relating to the selected packaging, mode of transportation and the particular condition of the goods. The nature and duration of preservation are based on the stipulations of the respective specified standard. This may also lead to order-related and customer-specific requirements which will be notified to you as part of the inquiry, but at the latest with the order.

## 7.6 Shippers' own – carriers' own containers (DIVE)

Shippers' own containers may be purchased by you as packing material and will become our property after use (just like the material, e.g. a wooden box). You must pay the costs of shippers' own containers as soon as possible, for example during the offer phase.

Carriers' own containers are used as transportation aids for consignments on container ships and are not therefore regarded as packaging. Seaworthy packed consignments are normally loaded in these containers rented by the shipping company.

You must agree, in principle, to the supply/use of sea containers with our company.

The utilized containers must be certified according to ISO and contain a suitably valid CSC sticker and a CSC certificate.

## 8 Origin Topics, Export Topics

### 8.1 Customs and export documents (DIVE)

#### 8.1.1 Customs clearance of exports

If the consignment is supplied from an EU Member State other than Germany, a complete export customs declaration is required. In this case you must send us a copy of the export accompanying document and the export notice.

If your delivery plant is located in Germany, we may request in the call-off letter that you either issue an incomplete export declaration (UVA) or a complete export declaration when goods are exported, unless we are declaring the goods ourselves.

If you issue a incomplete export declaration (UVA) yourself, you should note the following in order to ensure a smooth and trouble-free procedure for settlement of the export declaration which you issued:

#### *a. Customs office*

You must arrange for the incomplete export declaration (UVA) to be cleared by your inland customs office and enter Göggingen Customs Office, office number 7401, as the customs office for the supplementary declaration.

#### *b. Customs number, participant constellation "0110"*

Our customs number/EORI number is DE2242036. We are both a declarant and an exporter. You should, however, enter your company as a subcontractor and a "direct representative" of the declarant. The representation relationship is correctly shown by the number "2" in the box "Declarant/representative". This results in a participant constellation which is designated by the code "0110" in the ATLAS System.



*c. MAN purchase order number as reference (purchase order number 45xxxxxxx)*

You must always enter the MAN purchase order number as a reference on the export declaration. This can be effected in box 31.4 on ATLAS declarations.

*d. Information regarding the number and weight of packages*

You should ensure that the declaration shows the correct number and weight of the packages.

*e. Presentation of goods*

Unless you are in possession of corresponding authorization, the goods to be exported on our behalf should be presented to the export customs office.

When you apply for presentation of the goods outside the premises of the customs office, you must give the customs office a suitable time window in which any inspection can be performed. You must always ensure that the goods do not leave the stipulated packing and loading location before receipt of the handover notification by your export customs office.

*f. Tariff group classification of goods*

When an incomplete export declaration (UVA) is issued, you should enter the correct statistical goods numbers on the export declaration. You must also enter the statistical goods number for every individually listed item on the packing list according to Section 6.3.

*g. Copy of the incomplete export declaration (UVA) and export notice to the contact person in Dispatch*

You must send a copy of the incomplete export declaration (UVA) by fax/e-mail to the respective contact person in Dispatch so that settlement can take place on time. You must also send us the export notice by the customs authorities as soon as you receive it.

## 8.1.2 Information regarding materials/goods

Our respective contact person in the Dispatch Department and our Export Control and Customs Department must receive the following information in good time prior to the dispatch of the goods:

- Statistical goods number for every individual item (information on the packing list according to Section 6.3)
- Weights and arithmetical individual prices (information on the packing list according to Section 6.3)
- Notification if goods requiring an export license are involved according to the currently valid Dual-Use Regulation and the German Export List or the respective valid national export list. Notification to department FGLE is required so that a corresponding export license can be applied for. Dispatch may only take place after this license has been received. The approval process with the responsible authority generally takes several months. Please also inform us if you have applied for an export license in line with your national (not German) legislation. Please e-mail: [Exportkontrolle@man-es.com](mailto:Exportkontrolle@man-es.com)
- Notification if goods of American origin are involved or if the provisions of US re-export control law are to be applied. Email to [exportkontrolle@man-es.com](mailto:exportkontrolle@man-es.com)

- On request, binding customs tariff information
- On request, information relating to the goods list

We must naturally assume that you or one of our commissioned partners will duly carry out customs clearance in accordance with the customs law provisions of the European Union.

### 8.1.3 End-Use Certificate

You should contact our responsible expeditor if you require an End-Use Certificate for your export control.

## 8.2 Supply of origin information

We require documentary evidence of the originating status of all goods to be supplied by your company. Only use the form supplied by MAN to do so, which you will receive in a separate e-mail.

This produces the following requirements depending on the place of business of the supplier:

#### *a. Suppliers with their place of business in the EU*

All EU suppliers must provide us with a long-term supplier's declaration for goods with preferential originating status. You will receive a printed form for this purpose with our first order. This form must show the precise country of origin (ISO Alpha 2 Country Codes, e.g. EU (DE)) of the goods. (However, you should pay attention to the special case stipulated in item 5)

#### *b. Suppliers with their place of business in a preferential country (e.g. Switzerland, South Korea, Norway)*

If your place of business is located in a country with which the EU has signed a preferential agreement and the supplied goods are correspondingly preferential originating goods, you must send us a declaration of origin on the invoice according to the respective preferential agreement.

#### *c. Suppliers with their place of business in all other countries (e.g. USA, Japan, Taiwan, China)*

If your place of business is located in a non-EU country with which the EU has not signed a preferential agreement, we always require the name of the country of origin – and in response to a separate inquiry – a certificate of origin issued by the responsible authorities or another form of reliable proof of non-preferential origin.

#### *d. The following principle applies irrespective of the supplier's place of business*

If a preferential certificate of origin cannot be issued, we require as a minimum condition the name of the country of origin and - in response to a separate inquiry - a certificate of origin issued by the responsible authorities.

*e. Loosely supplied parts*

The above-mentioned certificates of origin are required for all loosely supplied parts. You should use the packing list according to Section 6.3 for the corresponding indications of origin. The packing list will be sent to you with the order. You must complete the column "Country of origin" accordingly. You must enter the precise country of origin according to the ISO ALPHA Code 2.

Depending on the origin and preferential status of these items, you must also duly complete and send us the corresponding declaration of origin as described in items 1-4. A printed form for an EU supplier's declaration can be found in the tab "Supplier's declaration" of the packing list.

You must send the corresponding information to the contact person named by us at the latest at the time of arrival of the goods consignment.

### **8.3 Authorized Economic Operator (AEO certification)**

You must always make sure that the business establishments and transshipment centers at which the goods intended for us are produced, stored, processed, loaded and transported are protected as part of a secure delivery chain against unauthorized access by third parties and that the utilized personnel are reliable.

## **9 Documentation**

A product always consists of material and the documentation listed below. If only the material or only the documentation is available, the product is incomplete. Payment will only be approved after the product has been fully checked in regard to completeness and quality.

The purpose of this chapter is to define the requirements of the documentation for you as our supplier. The documentation includes the laws, directives and standards to be observed, the delivery conditions, the required contents, the extent, the technical design and the order requirement.

We make a distinction between planning documentation, quality documentation and assembly and operating documentation.

### **9.1 Planning documentation**

#### **9.1.1 Document hierarchy**

In the event of differences between different documents, the document with a higher degree of importance takes precedence. There now follows a table which shows this:

Sequence	Inquiry documents	Order documents
1	-	Order
2	Inquiry specification/data sheet	Order specification/data sheet (if used)
3	Project specification General equipment specification (if used)	

#### 9.1.2 Scope of planning documentation

The content of the planning documentation should be appropriate for the type of product. It should enable smooth and correct planning and system design by the shipyards.

As an example, planning documentation typically includes the following:

- Drawing with main dimensions incl. interfaces
- P&ID
- Circuit and terminal diagram
- Data sheets (mechanical and electric)
- Installation instructions

#### 9.1.3 Title block

We reserve the right to send you, based on the order, a title block with instructions on its completion. On request, the title block must be included in the documents/drawings. The title block may contain meta-data and the status for a test procedure and/or an acceptance procedure (approval status). Since this title block is very important to us, we rely on you to complete it correctly and completely

Generally speaking, the title block sent by us must be placed directly over your title block for drawings or on the cover sheet of documents. Under no circumstances do the title block and/or the contained information change the liability between you and our company. You are the owner and have full responsibility for the documents/drawings.

## 9.1.4 Inspection procedure or acceptance procedure for planning documents and drawings

If our order contains a request for planning documents or drawings, we expect you to carefully prepare them without mistakes and observe the specified delivery date. We also rely on perfect cooperation in this case.

The engineering documents to be submitted by you will be inspected and/or accepted.

If we are forced to reject the engineering documents provided by you due to mistakes, they must be amended within five working days. Otherwise, we reserve the right to link the agreed payment instalments to amendment of these documents. We also reserve the right to impose penalties for delayed delivery if the deadline is not observed.

If you supply equipment, the engineering documents will normally be given the status "Approved for Construction (AFC)" prior to production and delivery when they are accepted by our project engineer. However, this acceptance must not be regarded as final acceptance of the documentation.

We will continually inspect the documentation during the construction work, assembly and commissioning. Comments regarding changes are normally made by means of red markings directly on the paper of documents supplied by you. These documents are then sent to you. You should then clarify the changes with our project engineer and revise your documents as requested.

For the purpose of final acceptance by our project engineer, you must compile the complete engineering documentation (including the changed documents with new revisions) and send it to us. After final acceptance, you will be awarded the status "As Built (ASB)".

You must make sure that the information in the engineering documents "Approved for Construction (AFC)" and "As Built (ASB)" agree with the information in the quality documentation and the assembly and operating documentation. A change in the engineering documents could therefore necessitate a corresponding change in the quality documentation and/or the assembly and operating documentation.

## 9.2 Quality documentation (order-specific)

In order to demonstrate compliance with the quality characteristics and requirements, you must internally prepare for this purpose suitable documentation which normally exceeds the extent of the quality documentation to be supplied and keep this documentation for a period of 13 years (30 years for documents with security relevance). After prior notification, we may inspect the internal documentation or receive copies thereof.

Whenever a test plan relating to the order was agreed, the extent of the documentation to be handed over to us is also agreed. If no agreement regarding the extent of the documentation was concluded, you must send us the following documents:

- Signed legally binding quality report
- Copy of the utilized test plan,
- Report on the test results from the individual items of the test plan,
- if required: Certificate according to DIN EN 10204

- If applying to the construction element, Declaration of Conformity/Declaration of Incorporation according to EU laws and EU directives
- If applicable, material certificates, acceptance certificates, manufacturer approvals, welding plan/welding instructions (WPS), welding certificates, welding procedure tests (WPQR), welders qualifications
- Documentation on CD data carriers

Any evidence or certificates, which are requested in the order item for the part/component/system, must be supplied separately by you in an assignable form via Nexus. In addition, paper originals of requested items must be send to us by post.

If we demand an acceptance report, if necessary with a residual item list, we will send it to you in due course. The procedure relating to the residual item list must be regulated between us immediately.

#### **N.B.:**

The order will only be deemed to have been fulfilled when we have received all the agreed quality documentation in the correct form. Due to data processing reasons, the quality documentation may be requested with a separate order item assigned to the order (an order confirmation relating to this item is then required).

## **9.3 Assembly and operating documentation**

### **9.3.1 Requirements**

You must always comply with the documentation provisions according to the Product Safety Act and applicable EU directives and standards. Instructions must take into account IEC 82079. Refer to the order specifications for any customer-specific requirements.

### **9.3.2 Order specifications**

The specifications relating to assembly and operating documentation will be sent to you with the inquiry. These specifications are binding for your offer. The order always refers to these specifications.

## **10 Quality**

### **10.1 Manufacturer's responsibility**

As our supplier, you are aware of your responsibility regarding the quality of the services which we have ordered. This is an important factor in our business transactions and, combined with the trust which we justifiably place in you, forms the basis for successful long-term cooperation.

If the commissioned scope of services from the order is not based on MAN ES development, construction and design, production is carried out by you as part of a commission with your manufacturer's responsibility for the commissioned scope. Your scope of supply normally comprises a number of construction elements which are arranged in such a way that they function as a unit.

As part of your manufacturer's responsibility, you must also guarantee that only suitable materials and processes are used during your commission. You must ensure that only suitable qualified personnel are used. On request, you must provide us with documentary evidence of their qualification and training.

For orders relating to marine applications, we expect you to have corresponding knowledge of marine regulations stipulated by the IMO, the EU and the classification companies. You must always supply products complying with the regulations. In addition, any evidence or certificates stipulated in the order must be supplied.

## 10.2 Quality system of the supplier

You have introduced a quality management system according to ISO 9001.

If you have not been certified according to ISO 9001, you may alternatively use suitable documents to prove that you have an adequate quality management system. We will then verify the suitability of this quality management system and, if this is the case, approve it.

The products must comply with the latest state of the art. All task steps during production (e.g. design, construction, purchases, manufacture, assembly work, tests) must comply with ISO 9001.

We are entitled to perform an audit to determine whether your quality assurance measures guarantee compliance with our requirements.

## 10.3 Standards and directives

The products and work areas must comply with the latest international standards, directives and norms. With regard to the order, you must also comply with national standards, directives and laws in the particular country of the end user if they have to be observed.

We will give you the name of the end user's country for the specific order. You must prove that the entire scope of the order conforms to the regulations of this country in an appropriate way. If special permits and their maintenance are required to execute the order, you are responsible for acquiring them. You should only accept the order if you have the necessary authorization and can prove this by means of suitable documents. On request, you must send us documentary evidence of compliance with these stipulations.

### *Deliveries to power stations in the EU and associated countries*

You must make sure that all EU directives relating to your product are observed. You must preferably use harmonized norms. You must assume manufacturer's responsibility for your product, carry out the conformity assessment and prepare and send us risk assessments/risk analyses and operating instructions/assembly instructions showing the residual dangers.



You must confirm conformity or agreement with the EU directive by means of the documents prescribed for this purpose under EU law. You must also send us all individual documents/calculation and construction documents, test reports and permits which you require/prepare to prove conformity. If acceptance inspections by independent experts (NOBO) are required for your product, you must arrange these inspections and send us the reports. Your performance will only be deemed to have been fulfilled when we have received all documents correctly and completely.

#### *Deliveries to power stations outside the EU:*

You must ensure compliance with all legal/official regulations relating to your product in the end use country notified to you when the order is issued. You must assume manufacturer's responsibility for your product. The end use country will be notified to you when the order is issued. You must always prepare and send us risk assessments/risk analyses and operating instructions/assembly instructions showing the residual dangers. These documents must correspond at least to the provisions of the latest version of EU Machine Directive 2006/42/EC or alternatively, if this Directive cannot be applied to the product, to the applicable EU directive. If other documents, tests, documentary evidence or the use of special standards regarding your product are required in the end use country, you must send them to us. Your performance will only be deemed to have been fulfilled when we have received all documents correctly and completely.

#### *Obligation of your subcontractors:*

You must obligate subcontractors to the same extent. This corresponds to your responsibility as a general contractor.

## **10.4 Quality responsibility**

Irrespective of an inspection or consulting by us during the construction phase, you have manufacturer's responsibility for execution according to the order and the particular regulations. You are obliged to set up your quality management system according to the "zero-defect strategy" and implement all the necessary quality assurance measures. If you discover quality failures, you must immediately inform us about them along with intended remedial measures.

## **10.5 Quality tests**

We can safely assume that you will personally carry out suitable tests, record quality-influencing process parameters and the results of quality tests, and keep them for a period of 13 years (documents with safety relevance 30 years). If actually required in an important case, you must send us the record or parts thereof.

## 10.6 Marking

Marking of the products, components and parts, as well as their quality documentation must ensure secure identification. It must also be possible to track utilized materials and subcomponents. In this case, you must comply with our regulations and/or the EU directives/standards if available.

Every document/report/certificate, every test report, every confirmation, i.e. every order-related record, must be marked at least with our order number, item number, component designation/identification and your company code, serial number and date of manufacture.

## 10.7 Changes in processes

You must ensure that changes/problems in the processes within the overall chain of your order processing do not lead to any impacts whatsoever on the commissioned overall system and its reliability (quality over time).

You must inform us immediately about changes/problems, including delays or capacity problems, which may have impacts on order processing in our customer order (construction of the complete power station).

## 10.8 Environment, agreement with legal regulations

When executing our orders, it is natural that not only technical and economic aspects apply. Our objective is also to reduce negative impacts of our products on people and the environment to an absolute minimum. We have therefore introduced an environmental management system (ISO 14001) and are certain that you and your partners will do the same since you, just like us, are obliged to protect the environment.

### 10.8.1 Materials, contents

The use of certain materials and contents are regulated by governments (e.g. ban on heavy metals, ban on asbestos, etc.). You are obliged to comply with these regulations. You must prepare material/safety data sheets relating to hazardous materials and attach them to the technical documentation.

### 10.8.2 Emissions

Based on the latest state of the art, you must minimize emissions of exhaust gases, noise, substances and radiation, and observe the relevant regulations.

### 10.8.3 Recycling

If possible, the use of non-recyclable materials must be reduced. If possible, you must also identify recyclable materials and ensure that they can be removed constructively.

## 10.9 Quality tests prior to the provision of services

You must perform production-accompanying tests and incoming goods inspections. You must also ensure that only tested and perfect goods/services are supplied.

Depending on the ordered product, we will become involved in your quality assurance processes and take part in tests. For this purpose, you must contact us as soon as the order is received to clarify whether a test plan to be agreed between both parties is necessary. You must offer us your full support in this case.

## 10.10 Procedure regarding delivery problems

The incoming goods inspection at our company is only normally carried out in regard to identity and completeness. Complaints concerning defects which already existed when the goods were handed over, but can only be detected during use, will be notified to you immediately, but at the latest within five working days after their discovery. You must acknowledge justified defects. Other details are regulated in the framework contract or delivery contract.

## 10.11 Health, safety and environment (HSE) precept and concerns

### 10.11.1 Industrial safety

Based on the principle of "Safety First", we expect you to supply technically perfect goods and services. In order to ensure a high level of safety, industrial safety, environmental protection and health protection, it is essential that managers are aware of their responsibility. We therefore expect your management and your management team to show great commitment and act as an exemplary role model.

Since safety, industrial safety, environmental protection and health protection can only be attained through early planning, products and services must be developed and planned according to the latest state of the art. This also naturally includes extensive risk analyses, hazard assessments and risk assessments.

It is also essential that your personnel always act in an environmentally responsible, safety-conscious and health-conscious manner, formulate potential improvements and therefore actively cooperate in continuous further development.

We also expect your employees and managers to have the required technical qualifications. Your company must also have sufficient resources to manufacture the products and, in particular, furnish services.

We expect you to accept your social responsibility towards industrial safety, environmental protection and health protection, and therefore to react flexibly to social developments, i.e. to understand legal regulation solely as self-evident minimum requirements.

In the event of near accidents, incidents or accidents, we expect a systematic analysis and the derivation of effective and continuous remedial measures not only for the actual case, but also for the

future. Recognized management systems are used for this purpose in a meaningful way. We are relying on you to use these systems. These systems are continually improved and are permanently adapted to the state of the art and changing conditions.

We certainly believe that low accident rates can be attained. If we so request in individual cases, we must be able to check the figures, which you report to us, by inspecting your records. Attempts must always be made to attain "zero accidents".

Compliance with these principles represents an indispensable principle of our business relationships. We therefore reserve the right to perform a check by means of an audit.

### *Behavior on MAN ES construction sites, work sites of MAN ES*

During work on our construction sites, at company premises or other work sites which we manage or share, you must always comply with the legal (also local) regulations and order-specific provisions relating to industrial safety, health protection, environmental protection, accident frequency and accident severity. You may only use fully instructed and suitable personnel for this work. You must send us documentary evidence which we will request from you for this purpose if required.

#### 10.11.2 Analysis, reporting and appraisal

Near accidents, incidents or accidents in connection with goods or services must be reported immediately to us. You must start an investigation straightaway and automatically send us the results.

If it appears necessary to us, we may request - depending on the situation - improvements and possibly the use of relevant experts in this case.

If it appears necessary to us, improvements and possibly the use of relevant experts may be requested in this case.

#### *Support for our employees during inspections at your site or during joint work:*

Depending on the order, we will carry out inspections or construction supervision at your company. You are responsible for ensuring that all dangers are excluded. You must inform our employees about dangers which may arise during the course of this work and support/supervise them if necessary. You must inform us immediately about SHE-related incidents.

## **11 Invoicing, tax matters**

### **11.1 Invoicing**

You can find the information required to issue an invoice in §14 (4) of the German VAT Act (UStG). We also refer to § 226 of the Directive on the VAT System (MwSTsystRL). An invoice must contain the following mandatory information:

- a. The full name and the full address of the entrepreneur providing the service and the recipient of the service

- b. The tax number issued by the tax office to the entrepreneur providing the service or the VAT registration number issued to the entrepreneur providing the service by the Federal Central Tax Office
- c. The date of issue of the invoice
- d. A consecutive number with one or more series of numbers which are assigned once by the invoice issuer to identify the invoice (invoice number)
- e. The quantity and nature (commercial designation) of the supplied goods or the scope and nature of the other services
- f. The date of supply of the goods or other services; in the cases according to paragraph 5 sentence 1 the date of collection of payment or a part payment if the date of collection is definite and does not agree with the date of issue of the invoice
- g. The payment for goods or other services (§ 10) itemized according to tax rates and individual tax exemptions, and every prior agreed reduction in payment, unless it was already included in the payment
- h. The applicable tax rate and the tax amount due on the payment or, in the case of a tax exemption, a reference to the fact that a tax exemption applies to the goods or other services
- i. In the cases in § 14b (1) Sentence 5 a reference to the retention obligation of the recipient of the services
- j. The information "Credit note" if the invoice is issued by the recipient of the services or by a third party commissioned by the recipient of the services according to paragraph 2 sentence 2.

The latest version of the VAT Act is always used as the basis. If you have to invoice foreign tax, the invoice regulations of the state whose tax is invoiced will apply.

You must also always specify our order number.

You must then send us one copy of the invoice to the address shown on the current order.

This address is normally:

*MAN Energy Solutions SE, 86224 Augsburg, Dept. FGADB*

You must avoid using any different additions to the address. We reserve the right to reject incorrect invoices.

You must also take note of the following distinctions.

### *Advance invoices:*

If an advance payment in the form of a bank guarantee was agreed in the contract concluded with your company, the invoice must also be explicitly declared as an "advance invoice". This invoice can therefore be declared as an advance invoice for financial accounting and tax purposes, and can be distinguished from other "part payment invoices/progress invoices". You must send us the related bank guarantee at the same time.

## *Part payment invoices and progress invoices*

You must clearly declare other invoices as "part payment invoices" and/or "progress invoices" if this was contractually agreed. Progress invoices are mostly based on the progress of the construction work. This progress is confirmed directly on the spot by means of a performance report which is attached accordingly to the invoice.

Contractually agreed retentions, etc. must be deducted accordingly.

## *Final invoices:*

At the end of the contractually agreed goods or services, you must issue a "final invoice" which must also be clearly identified as such. The "final invoice" must show all advance payments, part payments and deductions, including VAT, made up to this point in time. They must be deducted.

## **11.2 Tax matters**

If you sell us goods which are transported or sent from Germany to another EU member state, you must not charge any VAT to us when you issue the invoice. The information regarding the final destination is shown in our order. In case of doubt, you should contact the buyer who is responsible for you. His/her name is shown in the order.

In these cases you are carrying out a tax-free, intra-Community supply of goods to us. We are then obliged to pay tax on the intra-Community acquisition of goods in the final country of destination.

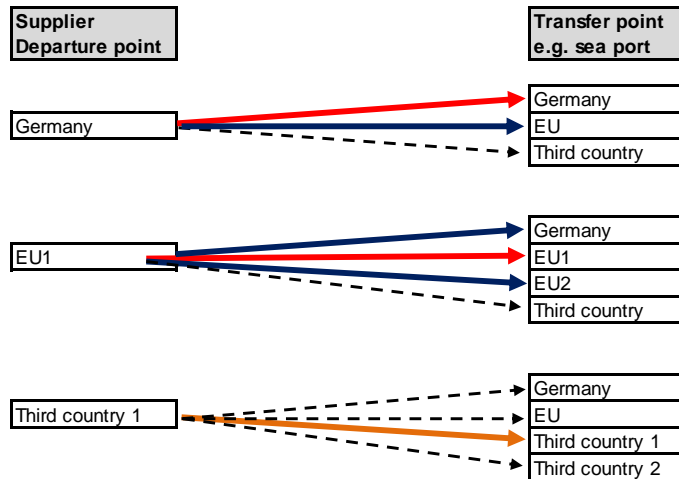
Your invoice must also show our international VAT registration number in the particular goods receiving country. You can find a list of our international VAT registration numbers under the following link: [www.man-es.com/documentation](http://www.man-es.com/documentation)

This provision applies if you sell us goods which are transported or sent from one EU member state to another EU member state.

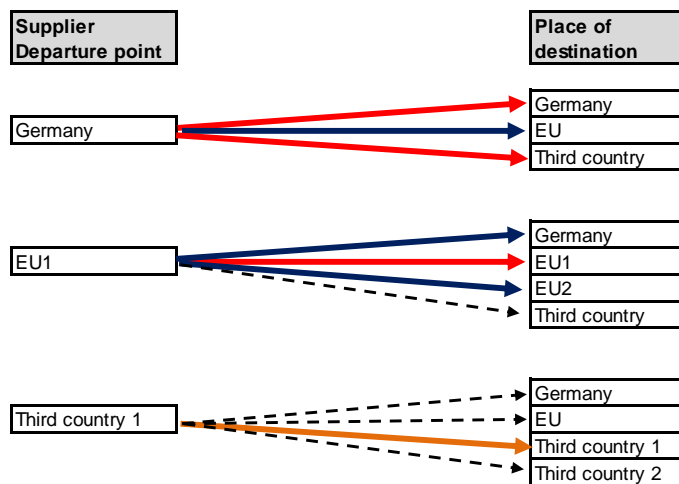
Below is an overview of VAT determination for purchases of components and services.

MAN Energy Solutions purchases components from a supplier (material purchasing)

a) Incoterm FOB

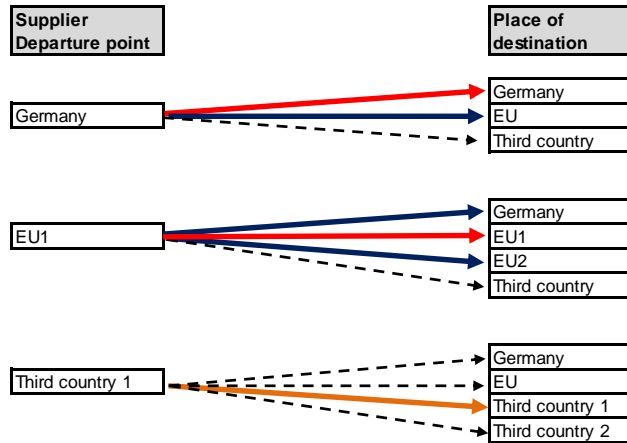


b) Incoterms EXW / FCA departure point (MAN ES is responsible for transport of the components to the place of destination)





c) Incoterms CIP / CIF / DAP etc. (supplier is responsible for transport of the components to the place of destination)

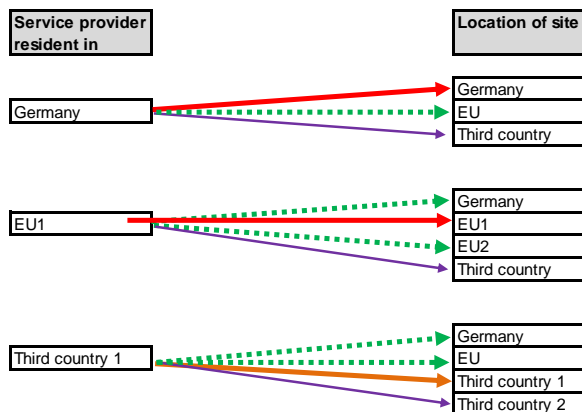


- Supplier's invoice with respective local VAT and showing the respective local VAT ID number
- Supplier's invoice excluding VAT (tax-free intra-Community supply); MAN ES must give the supplier the VAT ID number of the transfer point / country of destination
- Supplier's invoice with respective local VAT
- - - Supplier's invoice excluding VAT (tax-free export delivery)

## 2. Services

MAN Energy Solutions purchases services from a service provider (property service)

N.B.: not manpower services!



- Supplier's invoice with respective local VAT and showing the respective local VAT ID number
- Supplier's invoice excluding VAT (property site decisive; reverse charge); MAN ES must give the service provider the VAT ID number of the site country (exception: if local VAT registration of the service provider in the site country: invoice can be with respective local VAT, if applicable in the respective country)
- Supplier's invoice with respective local VAT
- Supplier's invoice excluding VAT (property site decisive, reverse charge, if applicable) (exception: if local VAT registration of the service provider in the site country: invoice can be with respective local VAT, if applicable in the respective country)



You can send all questions and comments regarding the Supplier Manual to the following e-mail address: [supplier-manual@man-es.com](mailto:supplier-manual@man-es.com)

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