Beatrice Supplier Day – Elgin & Wick September 2015

Siemens Wind Power
Presentation topics

- Beatrice project
- Supply Chain Requirements
- Registration process
Siemens Wind Power – Beatrice Project scope

Siemens Wind Power awarded preferred supplier of the turbine contract.

Scope of our contract includes:

- Engineering
- Procurement
- Installation
- Vessels
- Offshore Commissioning
- Warranty and Service period

Of 83/4 Siemens 7.0 - 154 Wind Turbines
Individual blades are 75m long
Quayside – Pre-Assembly operations
Offshore Installation of Siemens 6MW (Gunfleet Sands III)
Siemens investment in Green Port Hull – A world-class offshore wind manufacturing and assembly facility

Siemens will invest around **£160m** in the Green Port Hull facility (£310m combined investment with ABP).

These investments will create **1,000** jobs in the UK.

There are three significant elements:

1. A project execution site located at Alexandra Dock
2. A blade manufacturing facility also at Alexandra Dock (previously located at the separate Paull site)
3. A logistics distribution centre, supporting our service activities

These elements will raise the UK content of our wind turbine scope significantly.
Siemens plc – supplier selection criteria

- Environment, Health & Safety
- Competence
- Delivery
- Value for money

Above all suppliers need to bring a competitive advantage
Local and National Supply Opportunities

- Facilities Management
- Temporary Site Buildings
- Off site Accommodation
- Ground transport
- Small Plant Hire
- Tools & Consumables
- Office Supplies
- Marine Fuel
- Marine Coordination
- Bottled Water
- Communication Hardware
- Crew Transfer Vessels
- Fabrication, Welding, Machining
- Site set up trades

Existing ‘Frame’ Agreements in place
## Example - Machined Parts

<table>
<thead>
<tr>
<th>Milled Parts</th>
<th>Turned Parts</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1" alt="Milled Parts" /> <img src="image2" alt="Milled Parts" /> <img src="image3" alt="Milled Parts" /> <img src="image4" alt="Milled Parts" /></td>
<td><img src="image5" alt="Turned Parts" /> <img src="image6" alt="Turned Parts" /> <img src="image7" alt="Turned Parts" /> <img src="image8" alt="Turned Parts" /></td>
</tr>
</tbody>
</table>

Size: up to 50-800mm  
Material: Alu, steel  
Surface treatment: Galvanized, painted, spay metalized, electro galvanized

Size: up to 5-3000mm  
Material: Alu, steel  
Surface treatment: Galvanized, painted, spay metalized, electro galvanized
Supply Chain Approach

Industry Engagement

Working with key intermediaries;

- H & I Enterprise
- Scottish Enterprise
- Scottish Renewables
- Renewable UK
- Offshore Renewable Energy Catapult
- The Crown Estate
- Other Intermediaries
How to engage and advice for potential suppliers;

Understand the market
- Who’s your customer?
- Recognise that component supply may be 2nd or 3rd tier

Understand what you offer
- LCOE Reduction
- Logistics advantage

Lever Support networks
- Enterprise Agencies
- Scottish Renewables and R-UK
- Other trade groups
Supplier Qualification

Siemens are committed to using local suppliers wherever possible. It makes sense commercially and technically.

These are the criteria which would qualify “ready for business” (R4B):

- Approach to Health, Safety and the Environment
- Reliable Delivery
- Competence & Quality
- Value for money
Summary of Qualification Processes
For contracts > £40,000 p.a.

Supplier Qualification → Decision Gate R4B → Product / Service Qualification → Decision Gate R2O

**Ready for Business**
- Business Performance Analysis
- NDA & CoC signed
- QMS Audit
- EHS Audit
- Corrective agreements

**Ready to Order**
- Product & Process Verification
- Process Audit
- Ts & Cs
- Agreed prices / rates

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Page 14
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