



Supplier Quality Manual

Issue 11

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**SMA Magnetics sp. z o.o.
ul. Komandosów 3/1
32-085 Modlniczka**

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1. History of changes

History of changes			
Issue	Scope of change	Developed by	Date
01	-	Michał Sadowski	2014-01-20
02	Entire „Supplier Quality Manual”	Krzysztof Godyń, Marcin Grzesiak	2015-07-20
03	Specific requirements added for: - distributors and sales offices - catalogue parts Minor editorial changes	Marcin Grzesiak	2016-08-31
04	-VQE process introduced, - Initial part approval, - part approval requirements, - Tooling breakdown	Krzysztof Godyń, Marcin Grzesiak	2017-06-01
05	SCAR Process New criteria for supplier quality evaluation Change of e-mail addresses	Krzysztof Godyń	2018-03-12
06	Supplier Packaging Information SPI, Removal of attachment no. 7, Detailed description of the supply segregation, Supplier assessment, Declaration Reach I RoHS Electronic Invoices Attachment no1 Attachment no2	Krzysztof Godyń	2019-02-15
07	REACH, RoHS information added Conflict minerals information added Change of packing requirements	Bartosz Gmyrek	2020-07-17
08	Changing company address in Supplier Manual and Attachment, DPR abbreviation deleted from section 3	Bartosz Gmyrek	2021-03-15
09	Definitions and abbreviations have been updated. The provision regarding the marking of details during corrective actions has been modified. SAPQP description added. Code of conduct added. Deleted attachment 3 information request. Point 10.5 has been deleted, label template moved to point 10.3. Update Attachment 2 and 4. Translation correction. Added root cause nalysis in p.6.9	Dawid Dąbrowski Bartosz Gmyrek	2023-04-23
10	Requirements for environmental and sustainability aspects added. Stylistic changes. Requirements for Metal Parts Cables and connector adjustment in attachment no.2.	Marcin Grzesiak Dawid Dąbrowski	2024-09-23
11	Environmental requirements for packaging added Modification of point 4.1, 11.2	Dawid Dąbrowski	2025-07-21

All the paragraphs that contain changes in relation to previous version are indicated by the black line on the left side of the text – see example below.

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2. Introduction

The Supplier Quality Manual outlines the processes and requirements that suppliers of SMA Magnetics sp. z o.o. must meet. Our company is dedicated to continuous product improvement and quality enhancement, with supplier selection and collaboration playing a key role in maintaining high standards. The requirements described in this manual provides clear procedures for new project start-ups, serial production, change implementation, claims handling, and ensuring consistent supply. These requirements are crucial for the effective operation of SMA Magnetics sp. z o.o., as supplier process control is essential to ensuring product quality.

The *Supplier Quality Manual* apply to all suppliers who work according to current orders (components, materials, services) issued by the SMA Magnetics sp. o.o. In case of any change of this Manual, the supplier is obliged to implement all changes within 60 days from the date of publication of the new revision on the SMA Magnetics sp. o.o. website.

3. Definitions and abbreviations

- **8D**- Eight disciplines problem solving,
- **ALT** - average lead time,
- **APR** – average price reduction
- **Audit**- Systematic, independent and documented process for obtaining audit evidence and evaluating it objectively to determine the extent to which audit criteria are fulfilled,
- **CAPA**- **C**orrective **A**ction **P**reventive **A**ction; process to solve a nonconformity,
- **CAR**- **C**orrective **A**ction **R**eport; Report from supplier towards customer to respond on a SCAR with the result of supplier´s CAPA process with root cause, containment action, corrective action and preventive action,
- **CNC**- Computerized Numerical Control,
- **CMRT**- Conflict Minerals Reporting Template
- **Catalogue part** - product/component defined by the design and specifications created by the manufacturer and referring to public industry standards (e.g. ISO, DIN, etc.). The manufacturer is responsible for overseeing the specifications and all the related requirements for the product. For catalogue parts there are no specific requirements of SMA Magnetics sp. o.o. concerning its operation, functionality and/or the visual aspects that go beyond the definition of the manufacturer. Catalogue parts can be considered as available from stock or as produced on request,
- **DPO** - days payable outstanding,
- **EAN**- European Article Number,
- **EPAL**- European Pallet Association,
- **FIFO**- First in first out,
- **ISO**- International Organization for Standardization,
- **ISR**- Initial Sample Report,
- **MSDS**- Material safety data sheet,
- **OTIF** – On time in full
- **PDF**- Portable Document Format

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- **PPM**- Defective parts per million delivered,
- **QMS**- Quality Management Statement,
- **R@R**- Run at rate,
- **REACH** - Registration, Evaluation and Authorisation of Chemicals
- **RoHS** - Restriction of Hazardous Substances
- **VDA**- Verband der Automobilindustrie/ German Automobile Industry Association,
- **VQE**- Vendor Quality Evaluation,
- **SCAR**- **S**upplier **C**orrective **A**ction **R**quest; formula issued from SMA Magnetics to start a CAPA process at supplier according to method requested,
- **ZN**- Non-compliance notice,
- **SPI**- Supplier packaging information,

4. General information

4.1 Quality, Environmental and Occupational Health & Safety Policy

The main goal of SMA Magnetics Sp. z o.o. is the production of innovative inductive components in line with customer expectations, striving for the highest standards of quality, environmental protection, and occupational health and safety.

Our priority is to provide customers with all available resources to ensure the expected quality level of our products and to conduct operations in a manner that is safe for both people and the environment. In striving to maintain a balance between operational activities, the natural environment, and occupational health and safety, we commit to:

- Complying with legal and other applicable requirements related to quality, the environment, and occupational health and safety,
- Providing safe and healthy working conditions to prevent work-related injuries and health problems,
- Eliminating hazards and reducing OH&S risks,
- Establishing a framework for setting quality, environmental, and OH&S objectives,
- Continually improving the effectiveness of our Integrated Management System (Quality, Environment, OH&S),
- Regularly reviewing and meeting customer expectations at every stage of cooperation,
- Protecting the environment, including preventing pollution,
- Continuously improving the competence and awareness of employees in the areas of quality,

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environment, and OH&S,

- Consulting and involving employees and their representatives in OH&S-related activities.

Our commitments will be implemented, among others, through:

- Monitoring and optimizing key organizational processes,
- Managing resources and waste in a rational manner,
- Taking action to reduce emissions and the risk of failures,
- Taking preventive measures against work-related injuries and health issues,
- Supporting a culture of safety, quality, and environmental responsibility,
- Raising quality, environmental, and OH&S awareness among employees and all interested parties.

4.2 Key requirements

All products supplied to SMA Magnetics must meet the requirements outlined in contracts, documents, and guidelines (e.g., the "Supplier Quality Manual") provided with the request for quotation.

SMA Magnetics has adopted a "zero defects" (0 ppm) philosophy, which applies to all products delivered by suppliers. In practice, this requires continuous improvement of processes and products to approach the 0 ppm level.

SMA Magnetics expects that each non-compliance notice will be thoroughly investigated, with the root cause identified and eliminated by the Supplier.

This requirement serves as the foundation for ongoing improvement and Customer satisfaction. Furthermore, to monitor the Supplier's progress toward the 0 ppm target SMA Magnetics may set partial quality objectives for the Supplier.

The Supplier, in order to attain the highest quality, is required to:

- carry out the initial sample approval process according to the requirements,
- understand all the requirements related to the product,
- ensure that relevant means for assuring product quality are in place and available,
- implement the requirements at each level of the supply chain,
- maintain a documented Quality Management System compliant with ISO 9001:2015, or an equivalent system approved by the SMA Magnetics sp. z o.o

The Supplier should establish a system for managing changes that responds promptly and accurately. Any change that may affect aspects such as the production process, product design, functionality, quality, reliability, safety, supply continuity, or legal compliance must be approved in writing by an authorized representative of SMA Magnetics sp. z o.o.

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The Supplier also agrees to adhere to the current version of the SMA Business Partner Code of Conduct, which is available on the company's website: <https://www.sma-magnetics.com/en/for-suppliers.html>.

4.3 Communications

All communications must be conducted in either Polish or English, and this rule applies to all documents.

For any authorization to be valid, it must be in writing and approved by a representative of the SMA Magnetics. Verbal arrangements or instructions cannot be considered as official approval or authorization. ZN form - Non-conformance notification (Appendix № 4), shall be used only to report non-conformances - p.6.9.

ZN form must be sent to: zapytania.jakosc@sma-magnetics.com

The Supplier is obliged to inform SMA Magnetics about changes in the product (eg newer product generation), product withdrawal from the market, location changes for min. 12 months in advance.

In the event of a change or update to the MSDS during the product's lifecycle, the supplier is obligated to promptly inform SMA Magnetics of this and provide an updated MSDS in Polish

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5. Selection and qualification of a supplier

5.1 Application

Process of initial supplier selection is based on SMA Group internal procedure.

The supplier evaluation process is not applicable to subcontractors or internal suppliers of SMA Group.

The process is not applicable to catalogue components suppliers either, if not otherwise specified. The decision of whether to start the qualification process for the supplier of catalog parts is taken by the Quality manager of SMA Magnetics sp. z o.o.

5.2 Process flow

5.2.1 Supplier self-evaluation

A representative of the SMA Strategic Procurement Department request from a supplier to fill out a self-assessment questionnaire based on the VQE form. A completed VQE self-assessment record should be returned to the Strategic Procurement Department representative within 14 days from the receipt.

In case of source unwillingness to perform self-evaluation (or sharing the outcome), the process of source introduction is terminated.

Only sources which reached an "Acceptable" ranking out of the VQE self-assessment are to be considered for next steps of process.

If the source receives an "Unacceptable" rating during the VQE self-evaluation, the process of source introduction will be discontinued.

5.2.2 VQE audit planning

A representative from SMA Magnetics should reach out to the supplier's contact to agree on a suitable timeline for the on-site Vendor Quality Evaluation. The supplier needs to provide the right team and resources to carry out the assessment effectively.

5.2.3 VQE audit

A representative of the SMA Magnetics is to perform the on-site Vendor Quality Evaluation using VQE attached questionnaire. The appropriate applicable version is available on the website: <https://www.sma-magnetics.com/en/for-suppliers>

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Questions are to be ranked according to objective evidence identified on-site. Once on-site VQE has been performed, it is to be considered representative by whole SMA group within its validity period of 2 years.

5.2.4 Requirements for distributors and sales offices

If the type of activity of a direct supplier is distribution or sales office management it is required that they ensure that self-assessment process will be conducted for each of their 2nd tier suppliers producing components or materials for SMA Magnetics sp. o.o. At the request of SMA Magnetics sp. o.o. all self-assessment records should be made available.

In justified cases SMA Magnetics sp. o.o. will require that a Quality representative performs regular, complete assessment in the plant where production is carried. The scope of self-assessment for distributors and sales offices is limited and presented directly by a representative of Quality - (Depending on the supplier profile). As a minimum, this scope covers areas such as strategy and planning, supplier management, Identification and traceability, claims management.

6. Approval of production parts

A supplier may not ship manufactured parts as long as an unconditional or conditional Approval (QMS) approval endorsed by SMA Magnetics sp. z o. o. is not received by the supplier. In the event that a part/service is not fully approved, SMA Magnetics sp. z o. o. will advise the supplier what actions should be taken in order to obtain an unconditional approval.

In the event of any disputes, issues, or inquiries related to part approval, the supplier should contact the Quality Assurance Department at SMA Magnetics sp. z o.o. All documents and records related to part or product approval, or production, must be retained for a minimum of 10 years or for the duration required by applicable law.

A supplier, without a relevant authorisation, may not introduce any changes in a product and/or process after such product and/or process has been approved by SMA Magnetics sp. z o. o. Where a change is needed, the supplier is required to contact the Quality Assurance Department of SMA Magnetics sp. z o. o.

6.1 Conditional approval at the initial stage of production

The process of conditional approval at the initial stage of production is valid for all suppliers of SMA Magnetics sp. z o.o. The purpose of this process is to pre-approve the samples prepared by the supplier resulting from a process that has not been approved by a representative of the SMA Magnetics Supplier quality department.

Each time, when ordering samples at an early stage of production a supplier is obliged to supply documents, test results, etc. that were specified prior to order.

If a delivery is accepted, a conditional QMS will be issued covering only pre-determined deliveries. In case of a delivery that won't be accepted, products will be returned to the supplier.

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In the event of any nonconformities, these will be documented in the QMS with the following details:

- Whether the nonconformities can be accepted by SMA Magnetics sp. z o.o. at the current stage of production. If accepted, all nonconformities must be resolved before proceeding with the ISR process, in consultation with the SMA Magnetics sp. z o.o. quality team.
- If the nonconformities cannot be accepted at the current stage of production, a clear improvement plan will be agreed upon with the supplier to eliminate nonconformities in future deliveries."

6.2 Special characteristics

A special characteristic is a feature of a material, process, part or test that has a significant impact on the suitability, form or function of the product.

Special characteristics are identified in the course risk analyses. All identified special characteristics must be included into the control plan with specific requirements for measurement system type.

For all special characteristics default method is to achieve an acceptable level of process capability prior to the start of the production, in accordance with Attachment no. 2. Other methods, that are chosen by supplier have to be agreed and approved by SMA Magnetics.

All special characteristics are identified in SMA Magnetics sp. z o.o. specifications and drawings. Other characteristics are defined as standard characteristics. Appropriate control methods should be provided for all standard characteristics. The supplier is responsible for ensuring compliance of a particular characteristic with the requirements of SMA Magnetics sp. z o.o. Even if the characteristic is defined as standard.

6.3 Specific customer requirements

SMA Magnetics sp. z o.o. reserves the right to change specific requirements at any stage of the project. The supplier will be informed in advance on any change of requirements.

6.4 Development of prototypes/trial batch

The supplier is required to ensure an appropriate number of parts/samples from the production process internally approved and recognised as suitable for serial production. Detailed requirements of SMA Magnetics sp. z o. o. applicable to samples are listed in Attachment № 2.

6.5 Production process development

The supplier should ensure and provide evidence that the production process and the product quality control system of the supplier meet the quality requirements of SMA Magnetics sp. z o. o.. For parts identified as critical, the representative of SMA Magnetics informs the supplier about the scope of documentation that needs to be presented at individual stages of product development. The Supplier must provide documentation as described in the Supplier's APQP/PPAP. The respective applicable version is available at the webpage: <https://www.sma-magnetics.com/en/for-suppliers.html>.

6.6 The approval of the production part of the ISR

The Production Process Development, when completed, is subject to approval.

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In order to have a part approved for production, the supplier is required to provide:

- produced parts/samples per requirements specified in Attachment№ 2,
- all documents specified in Attachment№ 2,
- evidence of changes that occurred over the production process development,
- other documents, if such have been agreed upon with the supplier.

All required documents and samples must be submitted in the same time. Documents should be submitted in the PDF format.

SMA Magnetics sp. z o.o. evaluates (approves, approves conditionally, rejects) documentation, samples by submitting QMS document that confirms the appropriate approval status.

SMA Magnetics sp. z o. o. approves parts for production by delivering a QMS document with an appropriate description of parts approval status.

SMA Magnetics sp. z o.o., upon submitting a QMS document, reserves the right to limit or restrict approval, either quantitatively, time-wise, or to fully reject submitted samples and documentation, thereby prohibiting the delivery of parts in their current condition. Additionally, SMA Magnetics sp. z o.o. retains the right to change the status of a previously issued QMS document to 'limited' or 'rejected.' This process will be initiated in the event of concerns related to quality, delivery performance, or failure to respond to recommendations made by SMA Magnetics sp. z o.o. (e.g., claims).

The supplier, without the QMS document confirming part approval status (conditional or unconditional) may not ship any parts to SMA Magnetics sp. z o. o.

6.7 REACH, RoHS, Conflict Minerals declarations

Supplier is obliged to submit REACH and RoHS declarations for every product delivered to the Customer , according to Attachment № 2, points 3.7 and 3.8. For that, the Customer templates are available, although the Supplier may also use its own templates.

Suppliers of components containing tantalum, tin, gold, tungsten (3TGs) are obliged to submit as part of the Initial Sample Report declaration in accordance with the latest CMRT form found at <http://www.responsiblemineralsinitiative.org/>. Suppliers are also required to send the declaration at SMA Magnetics' request.

6.8 Re-approval

In below described cases supplier is obliged to contact Quality representative (zapytania.jakosc@sma-magnetics.com) to define required sample and documentation submission.

SMA Magnetics sp. z o. o. requires resubmission with relevant documents if any of the following events occurs:

- Change in the production process or specifications
- Change in the location of production, including any internal location changes

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- Change in the production process (e.g., CNC program, injection temperature, implementation of a new production line)
- Change in control method(s)
- Change in tools used
- Change in materials
- Suspension of production for more than 12 months
- Change or correction of a tool
- Change in purchased components
- Change of sub-supplier

6.9 Non-compliance found at the production stage

Where the Supplier, in the course of production, finds any non-conformances in manufactured products:

- the root cause analysis is obligatory and necessary actions must be applied
- if the non-conformance may be fixed, then the supplier may manufacture the product without being required to obtain a consent from SMA Magnetics sp. z o. o. However, the supplier is required to notify the customer about the problem and relevant information shall be provided to the Quality Assurance Department.
- Otherwise, in all other cases of non-compliance, the supplier is required to e-mail a relevant form in the electronic format to the Quality Assurance Department of SMA Magnetics sp. z o. o. The non-compliance notice from the supplier (Attachment № 4) is applicable in such a case.

In case of tool failure and the tool is SMA Magnetics sp. z o.o. property (injection mould, punching tool, etc.), Supplier is obliged to inform SMA Magnetics sp. z. o. o. immediately using ZN form (Attachment No. 4).

7. Verification of components at SMA Magnetics sp. z o. o.

7.1 General information

SMA Magnetics sp. z o. o. has adopted a principle that the supplier is fully responsible and liable for the quality of manufactured components. Each supplier of SMA Magnetics sp. z o. o. is responsible for ensuring and incorporating quality control into its production process along with an effective and efficient process for the release of products to customers.

In addition to the above, representatives of SMA Magnetics sp. z o.o. monitor the quality of supplied products according to our internal procedures for supply control.

In the event that an undeclared non-compliance occurs (see section 6.8 above), the claims process will be initiated.

8. Claims

In the event of quality and/or logistic non-compliance having been found, a claim document SCAR shall be issued per procedure GSQ-004.

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The following list shows in which events quality and/or logistic claim, or quality notification is made:

A quality claim is made in the event of:

- product damage,
- non-compliance with documentation and/or specification,
- dirtied or polluted items.

A logistic claim is made in the event of:

- non-compliance of the product description (label),
- non-compliance of the quantity of product in the shipment or packaging/container,
- supply is missing,
- supplied goods are not those specified in the order and/or invoice,
- packaging damage,
- non-standard packaging,
- problems with shipping documents.

Upon receiving the claim, the supplier is required to promptly take action to ensure uninterrupted production at SMA Magnetics sp. z o.o., address the issue, and secure the process, ensuring that supplies meet the required standards. If applicable, the supplier should replace the claimed product with another compliant product of the same configuration and quantity, or arrange for sorting and/or repair of the original product.

Where the continuity of production is at risk, SMA Magnetics sp. z o. o. may decide to carry out sorting and repairs at its own to protect any further damages and/or to stop any further losses for both SMA Magnetics and Supplier acting in the best interest of both SMA Magnetics and Supplier. This may result in charges for the supplier with all the costs and expenses related to the processing of the claim. Information will be fully and transparently shared with the supplier. Any costs or charges will be based on reasonable and market driven data available.

Supplier must respond with a first-level Corrective Action Request (CAR) (including a reference to the customer's SCAR and defined containment actions) or a first-level 8D report (including a reference to the customer's SCAR, a problem description, and defined containment actions) within one working day after the SCAR is issued to the supplier.

The final CAR or 8D shall be sent to customer no longer than 1 month after the SCAR was issued to supplier.

In case of 8D requested Supplier shall send an uncalled weekly update of the 8D report to customer.

Supplier shall inform customer's supplier quality department immediately if the defined timelines could not be met due to complexity of the problem. Extended timelines needs to be confirmed from SMA Magnetics site.

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SMA Magnetics supplier quality department will track the results and timelines to get suppliers defect / non conformity solved and to prevent re-occurrence of the defect / nonconformity issued within the SCAR.

In case of serious matters customer´s quality department will request phone calls or meetings on a regular basis to follow-up the actions.

The supplier corrective action is closed once SMA Magnetics sp. z o.o. approves the documents and confirms the closure of the SCAR to the supplier.

If customer requests a CAR the supplier is free to use suitable CAPA methods at his own choice useful to solve the described issue in the SCAR. Supplier needs to report back the result of the CAPA process in a timely manner using customers CAR format (GSQ – 002 Corrective Action Report Template) or a format of his own with at minimum the same content of SMA Magnetics sp. z o.o. CAR format.

Products shipped to customer during containment action phase (corrective action isn´t implemented yet) needs to be marked clearly outside of packaging boxes eg. using label "GSQ-005 Identification label certified products after claim".

9. Development and evaluation of suppliers

9.1 Audits

In case of quality, logistics problems SMA Magnetics sp. z o. o. reserves the right to carry out an audit to verify the sustainable solution.

SMA Magnetics sp. z o. o. carries out audits of suppliers according to the approved time-schedule. The scope of audits is based on requirements set forth in VDA 6.3 AND VDA 6.5. SMA Magnetics sp. z o. o. reserves for itself the right to carry out audits of sub-suppliers. No audit carried out by SMA Magnetics sp. z o. o. operates as a release of the supplier from the supplier´s responsibility for manufactured products.

9.2 Run at Rate

In order to verify the capacity and efficiency of a production, SMA Magnetics sp. z o. o. may carry out R@R test. The test aims to ensure that the production process, operated under normal conditions and scheduled by the supplier, is capable of meeting all the quality, quantity, and timing requirements set by SMA Magnetics sp. z o.o.

The R@R may be repeated in order to approve a process where the process has been changed in a manner that may affect its capacity and/or efficiency.

9.3 Evaluation of the supplier

SMA Magnetics sp. z o.o. evaluates its suppliers on an ongoing basis, taking into account defined assessment criteria.

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The assessment is provided for the last 12 months, 6 months, 3 months and 1 month. In addition, at the end of each calendar year.

SMA Magnetics sp. z o.o. generates a rating for the previous entire calendar year (January 1 to December 31). SMA Magnetics sp. z o.o. submits to the Supplier its assessment at his request via e-mail.

SMA Magnetics sp. z o.o. will be informing (via email) Suppliers with the worst monthly and six-monthly evaluation (category C, red) in the first two (2) weeks of the month following the month of the assessment.

Obtained assessment points (the Supplier can score up to 100 points) qualify suppliers for three (3) categories:

Category A (green) - Preferred suppliers

Category B (yellow) - Acceptable Supplier

Category C (red) - Risk Suppliers

The scorecard calculation is based on the following criteria:

- Quality claim indicator - number of quality claim calculated in ppm ,
- 8D reports - time of 8D reports to be counted in days,
- Number of deliveries on time and in a specified quantity (OTIF),
- Average lead time (ALT),
- Annual price reduction (APR),
- Dates of payment (DOP).

Detailed definitions of the above criteria and the method of their calculation, as well as the criteria for qualifying Suppliers for particular categories can be found in Attachment No. 1.

Where necessary SMA Magnetics sp. z o. o. sets individual objectives for supplier.

10. Requirements for environmental and sustainability aspects.

SMA Magnetics Sp. z o. o expresses its commitment to social responsibility through its obligation to comply with The United Nations Global Compact pact. Stable economic success is only possible through socially responsible activities. Therefore, we consider ecological and sustainable behaviour to be an important basis for cooperation with our business partners.

SMA Magnetics Sp. z o. o. adheres to all applicable legal provisions, regulations and contracts. Our business partners shall also undertake the responsibility to comply with all applicable national, EU and international regulations and standards, as well as to act in accordance with the values and principles described in this manual.

Issues related to sustainable development, including adaptation to climate change and the goal of achieving climate neutrality, are key for SMA Magnetics Sp. z o.o. in the processes of product and technological line design

We expect our Suppliers to show the same commitment as SMA Magnetics Sp. z o. o., therefore we recommend certification according to ISO 14001 standard or equivalent (e.g. EMAS).

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Suppliers who do not currently have a certified environmental management system introduced are encouraged to develop a plan of implementation of an appropriate system and its subsequent third party certification.

Suppliers should at least implement an environmental policy that includes sustainable development and issues related to climate change adaptation, and declare in the policy that they operate in compliance with applicable EU and national laws, as well as international conventions. Suppliers should identify and document significant environmental aspects of their production processes, including all products supplied to SMA Magnetics Sp. z o. o., and establish appropriate performance monitoring indicators.

Suppliers should establish environmentally oriented goals and improvement plans that support the Environmental Policy, including aspects such as:

- Minimizing the negative impact of the company's activities on the environment,
- Pollution reduction,
- Water consumption reduction,
- Electricity consumption reduction,
- Waste generation reduction,
- Reduction of carbon footprint.

SMA Magnetics Sp. z o. o. reserves the right, by mutual consent with the Supplier, to conduct an audit of the Supplier's environmental management system or its individual elements if the implementation of the system is not completed. SMA Magnetics Sp. z o. o. expects openness and cooperation both during the audit and in the phase of implementation of possible post-audit actions and recommendations. The jointly developed plans shall enable the Supplier to improve its processes and increase compliance with environmental protection and sustainable development requirements.

The Supplier will be obliged to present a comprehensive action plan in relation to the identified observations and will then be responsible for implementing required corrective and improvement actions.

11. Shipping, packaging and identification

11.1 Electronic Invoices

The Supplier is obliged to deliver to SMA Magnetics sp. z o.o. the original VAT invoice. Provisions concerning issuing and delivering VAT invoices in a paper form shall apply unless the Supplier and SMA Magnetics sp. z o.o. conclude a written agreement (Attachment № 5 – Consent to electronic invoices), on the basis of which the Supplier shall be obliged to issue and send to SMA Magnetics Sp. z o.o. electronic invoices (as well as their potential corrections) in a PDF form to an e-mail address indicated by SMA Magnetics Sp. z o.o. Electronic invoices issued without signed agreement (Attachment № 5 – Consent to electronic invoices) shall not be accepted.

11.2 Shipping and packaging

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The supplier is responsible for using packaging that ensures the protection of parts from damage during transport and storage.

The supplier must agree on the method of packaging the parts/material with SMA Magnetics sp. z o.o. so that the material can be properly secured and stored. The packaging must comply with DIRECTIVE 94/62/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 20 December 1994 on packaging and packaging waste. To confirm the above, a completed SPI form must be provided, including environmental protection recommendations for packaging – Attachment № 6, as well as environmental compliance declaration for packaging. The appropriate applicable version is available on the website: <https://www.sma-magnetics.com/en/for-suppliers>.

Each packaging must be labelled. Where a collective (bulk) package is used, it should bear a collective label. Each individual package should be labelled inside the package, as well. The supplier is obliged to deliver materials in accordance with the FIFO principle, unless otherwise agreed.

Where the parties have not agreed otherwise, the material must be delivered on certified pallets specified below:

- Europallet 800x1200 EPAL 1,
- Europallet 1000x1200 EPAL 3 – optional, required consultation with SMA Magnetics,
- Europallet 800x600 EPAL 6 – optional, required consultation with SMA Magnetics.

11.3 Identification of products specified by SMA Magnetics sp. o.o.

The supplier is required to apply labels showing the following items of information. The requirement is applicable to all the products manufactured on the basis of the specifications of SMA Magnetics sp. z o. o. .

- logo or name of SMA Magnetics sp. z o. o.,
- SMA Magnetics code as per purchase order,
- product name,
- name of raw material(s) (if applicable),
- unit and number of parts in the package,
- EAN-13 code (bar code) provided by SMA Magnetics sp. z o. o.,
- name of the supplier, location of the production plant (where the supplier operates production plants in various locations),
- other (if agreed upon).

Additional data required by the supplier may also be put on the label. SMA Magnetics sp. z o. o. does not set any requirements as to the graphic form of labels. However, all items of information specified on the label must be legible.

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Kod SMA : kod produktu według zamówienia
(SMA code) (product code per purchase order)

Nazwa : nazwa produktu według zamówienia
(name) (product name per purchase order)

Materiał : nazwa materiału/ów surowych użytych w produkcji
(material) (raw material/s used to produce product)

Ilość : ilość i jednostka
(quantity) (quantity and unit)

Dostawca : nazwa dostawcy oraz lokalizacja produkcji
(Supplier) (Supplier name and location of production)



logo lub nazwa SMA Magnetics sp. z o. o.
(logo or name of SMA Magnetics sp. z o. o.)

Photo 1 Sample label of a product manufactured as per specification provided by SMA Magnetics sp. z o. o.

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11.4 Identification of catalogue products

Catalogue products must be also labelled with labels showing at least:

- product name and number,
- quantity and unit,
- use-by date (if applicable),
- batch number/production series number.

All items of information put on the label must be readable.