

بترو رابغ
Petro Rabigh



Procurement Department

Suppliers Relation and Strategic Sourcing

MATERIAL SUPPLIER GUIDE

October -2019

ACRONYMS/DEFINITIONS

Acronym	Definition
<i>BCD</i>	<i>Bid Closing Date</i>
<i>E-GR</i>	<i>Electronic Good Receive</i>
<i>ERS</i>	<i>Evaluated Receipt Settlement</i>
<i>GI</i>	<i>Goods Issued</i>
<i>GOSI</i>	<i>General Organization for Social Insurance</i>
<i>GRN</i>	<i>Goods Receive Note</i>
<i>GR</i>	<i>Goods Receipt</i>
<i>ISO</i>	<i>International Organization for Standardization</i>
<i>KPI</i>	<i>Key Performance Indicator</i>
<i>MRO</i>	<i>Maintenance, Repairs, and Operations</i>
<i>MSDS</i>	<i>Material Safety Data Sheet</i>
<i>MSG</i>	<i>Material Service Group</i>
<i>OHSAS</i>	<i>Occupational Health and Safety Assessment Series</i>
<i>PA</i>	<i>Purchase Agreement</i>
<i>PO</i>	<i>Purchase Order</i>
<i>PPE</i>	<i>Personal Protection Equipment</i>
<i>PRC</i>	<i>Petro Rabigh Company</i>
<i>RFQ</i>	<i>Request for Quotation</i>
<i>SAGIA</i>	<i>Saudi Arabia General Investment Authority</i>
<i>SASO</i>	<i>Saudi Standards, Quality and Metrology Organization</i>
<i>SES</i>	<i>Service Entry Sheet</i>
<i>SRS</i>	<i>Suppliers Relation & Strategic Sourcing Section</i>

MATERIAL SUPPLIER GUIDE

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INTRODUCTION

Petro Rabigh strongly emphasizes on the quality and reliability of its products. In order to achieve this goal, we count on the effort and contribution of all our stakeholders.

Our Suppliers play an essential role in our company's overall performance. Therefore, we expect from our suppliers the highest level of commitment to achieve the performance and quality level we strive for to meet the company's mission and vision.

MISSION

To maximize stakeholder value with our integrated resources in a sustainable, world class manner.

We are constantly searching ways to continuously improve our performance. We are striving for a seamless integration of all our assets into a streamlined, fault-free, learning organization. We focus on creating lasting, sustainable value in all our endeavors.

VISION

Globally Recognized, Locally Committed.

Our products are recognized and marketed throughout the world. We are the preferred local and international long-term business partner for our customers.

The growth and sustainability of our local communities are important to us.

We value and respect them, and we support their durable development to the best of our abilities.



PROCUREMENT DEPARTMENT

Mission

Procurement Department mission is to procure materials with Optimum Quality, Time, and Cost, Towards Achieving Plant Integrity & Reliability to Maximize Stakeholders Value. Petro Rabigh's Procurement Department must, and is solely empowered to, consider all sourcing options to ensure best value is secured from all procurement of goods.

RELATIONSHIPS

Suppliers Relation

Suppliers Relation is the entity within Petro Rabigh that is responsible for establishing and managing relationships with material suppliers. Suppliers Relation is responsible for coordinating business related (suppliers relations) communication between the company's material suppliers and its external customer regarding the supplier's evaluation in compliance to Petro Rabigh business terms. Suppliers Relation is the primary organization in Petro Rabigh responsible and authorized to pre-qualify and/or disqualify new suppliers and register them in the company's supplier database.

It is our aim to nurture these relationships to be mutually beneficial, pursuing the highest level of ethics in business and excellence in the supply chain. Understanding the significance of relationships with our suppliers, we work locally and internationally to ensure the needs of Petro Rabigh's operations and projects are met.

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REGISTRATION WITH PRC

Petro Rabigh Supplier Portal – SAP Ariba

Petro Rabigh Suppliers and SAP-Ariba are in the transformation mode toward success with the implementation of our new initiative for improving and streamlining its supplier registration, sourcing, procurement, and accounts payable processes by implementing an E-Commerce solution from Procurement to Payment.



As part of Petro Rabigh's evolution into an efficient performance-driven organization, the Petro Rabigh supplier portal is allowing new suppliers to register, apply for pre qualification, and track the status of their pre qualification application online. It will allow existing suppliers to:

- ▶ Update company profile online
- ▶ Get reminders for renewing licenses and certificates before expiration
- ▶ Get invitations for Bidding activities

Additionally, the Petro Rabigh supplier portal is allowing suppliers to electronically transact with Petro Rabigh through Ariba Network:

- ▶ Receive Petro Rabigh Purchase Orders electronically
- ▶ Submit confirmation, shipping documents and invoices electronically
- ▶ Track the approval and payment of invoices
- ▶ Publish online catalogs for product (B2B)
- ▶ Reduce administrative expenses
- ▶ Benefiting from potential new business opportunities through visibility to other buying organizations on the Ariba Network

For PRC to register as a supplier in SAP-Ariba, suppliers shall visit the online registration link:

<http://PetroRabigh.supplier-eu.ariba.com/register>

Alternatively, suppliers may send any inquires related to registration request to Suppliers Relation & Strategic Sourcing Section:

- ▶ As a Local Or International Manufacturer, send an email to: supplierinquiries@petrorabigh.com

SRS is the main entity for registration of material suppliers with Petro Rabigh. The supplier shall fill out the supplier profile questionnaire and upload clear scanned copies of the required documents. The supplier shall complete its profile and submit to PRC preferably within (10) business working days after receiving the automated email from SAP-Ariba to process the registration:

Local Suppliers

- ▶ Company Profile
- ▶ Confirmation/approval on Petro Rabigh Supplier's Code of Conduct
- ▶ Copy of valid Commercial Registration (CR) certificate
- ▶ Copy of valid Chamber of Commerce certificate
- ▶ Copy of valid Zakat certificate
- ▶ Sales authorization certificates/product certifications (for sole agent, representative, distributor, agent), if applicable

- ▶ ISO & OSHAS certificates, Quality Management system & other manuals (uncontrolled copy), if applicable

International Suppliers

- ▶ Company Profile
- ▶ Confirmation/approval on Petro Rabigh Supplier's Code of Conduct
- ▶ Copy of valid Commercial Registration (CR) certificate, if applicable, or business license
- ▶ Copy of valid Chamber of Commerce certificate, if applicable
- ▶ Sales authorization certificates/product certification (for sole agent, representative, distributor, agent), if applicable
- ▶ ISO & OHSAS certificates, Quality Management system & other manuals (uncontrolled copy), if applicable

Traders

- ▶ Minimum two years in business
- ▶ Supplier's Profile and Introductory letter
- ▶ ISO & OHSAS certificates, Quality Management system & other manuals (uncontrolled copy), if applicable
- ▶ Confirmation/approval on Petro Rabigh Supplier's Code of Conduct
- ▶ Copy of valid Commercial Registration certificate
- ▶ Copy of valid Chamber of Commerce certificate
- ▶ Copy of valid Zakat certificate

Local Manufacturers

- ▶ Confirmation/approval on Petro Rabigh Supplier's Code of Conduct
- ▶ A copy of Valid Commercial Registration (CR) Certificate
- ▶ A copy of Valid Industrial License and any other Government permits
- ▶ Copy of Articles of Association (For companies only)
- ▶ Copies of owners national ID or Iqama
- ▶ A copy of Valid Zakat payment Certificate
- ▶ A copy of Valid Civil Defense License
- ▶ Uncontrolled copy of the Quality Management System manual as per latest ISO 9001 year 2000 requirements
- ▶ List of Quality Control Procedures
- ▶ Organization Chart including QA/QC Department
- ▶ Brochures, Technical Data, Specification for each product
- ▶ Material Classification Form (MSG list)/Product Categories
- ▶ A copy of Valid Chamber of Commerce Certificate of membership
- ▶ Copy of Insurance Policy
- ▶ Factory Location Map on Company Letterhead

INTERNATIONAL MANUFACTURERS

A. GENERAL

- ▶ Commerce Confirmation/approval on Petro Rabigh Supplier's Code of Conduct
- ▶ Product Certifications
- ▶ Company Organizational Chart
- ▶ A letter of introduction identifying Manufacturer company and detailing business activity and full information about their agency, if any, in Saudi Arabia including name, address and contact
- ▶ A sketch showing the location of the vendor's office and warehouse facilities

B.COMMERCIAL

- ▶ Acquisition & mergers, If applicable
- ▶ A copy of a valid Commercial Registration Certificate authenticated by Chamber of Commerce in the country of origin, If applicable
- ▶ A copy of a valid Industrial License Certificate authenticated by Chamber of Commerce in the country of origin, If applicable
- ▶ Article of Association which shows the ownership and percentage authenticated by Chamber of Commerce in the country of origin (This applies to companies only)
- ▶ Copy of Insurance Policy

C. QUALITY

- ▶ Uncontrolled Copy of Quality Management System Manual
- ▶ Quality Organization Chart
- ▶ ISO 9001 Certification, if available
- ▶ List of Quality Procedure

D. TECHNICAL

- ▶ Technical Organization Chart
- ▶ Patents/Manufacturing Licenses
- ▶ Technical data/Specifications for each product
- ▶ List of all products with full description/Technical data/ Specifications for each product
- ▶ Product Data Sheet, Materials Safety Data Sheet

SUPPLIER INFORMATION UPDATE

Suppliers shall log in to SAP-Ariba to reflect its update. Certain update requires approval from SRS before the update will roll out into the system. Suppliers may also send an email to SRS at supplierinquiries@petrorabigh.com

To update supplier's record, the supplier should upload the following documents:

▶ For a Supplier Ownership Update

- Company/establishment letterhead authenticated by Chamber of Commerce that includes the supplier ID number and the new owner's name
- Up-to-date Article of Association (for companies only)
- Copy of new owners' Government IDs

▶ For a Supplier Government Certificates Update

- A copy of valid Commercial Registration Certificate or Business License
- A copy of valid Chamber of Commerce Certificate
- A copy of valid General Organization for Social Insurance Certificate (GOSI)
- A copy of valid Industrial License (for manufacturers only)
- A copy of valid SAGIA License (for investors only)

▶ For Bank account Update

- Identification letter from Bank detailing company name, bank account no, IBAN no, Swift Code & Currency

▶ For Manufacturers Commodity Update:

- A company/establishment letterhead authenticated by the Chamber of Commerce that includes the supplier ID number and the MSGs numbers which require to be updated

SUPPLIER AGENCY LINKAGE

To link an approved local supplier to approved sources for products they represent either as sole agent or authorized agent, the supplier shall log in to SAP-Ariba to reflect its update or to send the following by email to Supplier Relations: (supplierinquiries@petrorabigh.com)

- Copy of the Sales Authorization letter, Agency letter or letter of Representation from Manufacturer

SUPPLIER PERFORMANCE

Supplier performance is measured by set of key performance indicators (KPIs) that reflect actual supplier performance across different aspects of doing business with Petro Rabigh.

This procedure covers the performance evaluation of suppliers providing materials, equipment, spare parts, supplies, etc. to Petro Rabigh.

Evaluation is a continuous process in which the designated Supplier performance can be evaluated spontaneously based on Evaluation Criteria & Values extracted from SAP-Ariba and SAP Reports.

The supplier performance evaluation will be performed once every year for active suppliers that have provided goods to the Company. The Supplier performance analysis is based on two (2) main categories, namely:

KPI % and Target			
Indicator	Supplier KPI	Weight (%)	KPI Target (%)
OTD	80%	80	64
Quality	95%	20	19

ACCESS TO PETRO RABIGH

Temporary Access

Suppliers are always welcome to visit Petro Rabigh with a temporary access. However, it has to be for a business related topic and shall be coordinated through the concerned party.

Introducing new supplier and counseling meeting

The scope of SRS is to handle the performance and counselling for existing suppliers. In addition, to arrange visit to new supplier whom SRS is intending to meet. All other visits to be handled by the concerned party.

Request For Quotation (RFQ) and Purchase Orders (PO) concern

Suppliers should coordinate with the concerned buyers from Procurement to facilitate the temporary access.

Delivering Bids

If suppliers would like to submit a bid directly to PRC, they should contact SRS to issue a temporary access.

Delivering Goods

Suppliers should coordinate with the concerned customer within Petro Rabigh to facilitate the temporary access.

SAFETY REQUIREMENTS

Suppliers must comply with all materials handling safety requirements, which includes, but is not limited to:

- ▶ Designate, appropriate and clear space on the loading dock at the warehouse must be available
- ▶ Only certified personnel shall operate forklift and other mechanical handling equipment
- ▶ Supplier shall provide its transport driver with a Material Safety Data Sheet (MSDS) for each of the hazardous materials / chemicals being transported to Petro Rabigh, upon collection of Goods
- ▶ Supplier shall provide personal protection equipment (PPE) such as gloves, safety spectacles etc. as indicated by

the MSDS, to the crew transporting hazardous materials / chemicals.

- ▶ Supplier shall comply with a safety checklist to ensure minimum safety requirements, during material transportation, including:
 - Emergency preparedness procedures and training, including emergencies on highways
 - First aid equipment and supplies
 - Equipment safety test approval status
 - Fire prevention and control equipment, etc.
 - Supplier shall provide required training to its employees (who are transporting / handling materials being supplied to Petro Rabigh) on the correct lifting and carrying techniques to prevent personal injury
- ▶ Suppliers are expected to conduct their business and provide products to Petro Rabigh in such manner as to prevent incidents, control occupational injuries/illnesses, and reduce damage to property or the environment.
- ▶ Suppliers performing service activities within Petro Rabigh premises are obligated to adhere to Petro Rabigh safety rules and regulations.
- ▶ Government Regulatory Compliance: Suppliers shall comply with all applicable governmental regulations. These regulations related to the health and safety of the workers, environment protection, toxic and hazardous materials. Suppliers should recognize that the applicable government regulations might include those in the country of manufacture, as well as in Saudi Arabia (the country of sale)
- ▶ We require that our suppliers carry out their operations in a safe manner. To be in line with relevant regulations, approved codes of practice, and industry best practice. Furthermore, to a point that does not expose any person to the risk of injury or ill health. Accordingly, the suppliers are expected to demonstrate a clear commitment to Health and Safety Management and that they maintain effective policies and procedures.
- ▶ PRC expects that suppliers will and have provided training to their employees, and anyone else who may be impacted by their activities. To include; training related to the use of work equipment, manual handling, risk assessments, fire safety, emergency response and preparedness, first aid, personal protective equipment. Additionally, training relevant to the particular health and safety risks relevant to or created by that organization's operations. Suppliers should ensure the provision and maintenance of protection equipment, at no cost to the workers. Under the hierarchy of control measure personal protection equipment is deemed the last line of defense and as such must offer the necessary protection against foreseeable hazards.

Suppliers, who have established documents, implement effective production, quality and management systems

compliant, specified by the Customer requirements (ISO 9001, 14001, 18001 certification, as necessary) would have a superior advantage over others.

BIDDING AND AWARD

Request for Quotation (RFQ)

Details of materials requirements and all terms and conditions will be provided in requests for quotations (RFQs), purchase orders (POs), and procurement agreements (PAs), which must be adhered to. Suppliers shall view the RFQs to understand requirements, and clarifying requirements with buyers. (Appendix A, A.1)

Quotation

RFQs may be for PAs or POs and should be quoted accordingly. The RFQ will detail the requirement for goods and how it should be submitted. Supplier shall acknowledge their intention to quote or not. In case of rejection (Not to quote), Supplier to specify the reason. Supplier has to submit their bidding no later than BCD and according to all specific requirements. Regarding Chemical materials, suppliers have to provide the shelf life, lead-time, storage condition, and packaging size at the time of submitting their bids.

Awarding

The prices stated on the front of purchase order include all charges for packaging, handling, documentation charges, storage, transportation to point of delivery, SASO certificate and other taxes.

Purchase Agreement (PA)

PA is awarded whenever a supplier bid is successful. A PA is an agreement to simplify future supply against PO, but it is not a guarantee of business. Both parties, PRC and Supplier shall sign a hardcopy of the PA. Purchaser orders may be issued with reference to the already agreed terms and conditions for items covered by the PA.

Purchase Order (PO)

POs are awarded whenever a supplier bid is successful, or it can result from a previously awarded PA.

Order Acknowledgement

Supplier will be deemed to have accepted all Purchase Orders, along with the applicable Purchase Order Terms and Conditions, by acknowledgement within three (3) days to expeditors@petrorabigh.com or through SAP-Ariba, if the supplier has a subscribed, active account within SAP-Ariba.

DELIVERY

- ▶ Shipment or delivery of goods shall be in accordance with the schedule specified in the Purchase Order
- ▶ Shipping documents shall be submitted a week prior to shipment arrival day. Any extra charges or penalties

occurred due to delay in submitting shipping documents will be on supplier's account.

- ▶ Goods purchased subject to inspection, testing and approval
- ▶ Rejected orders subject to be returned upon supplier's cost
- ▶ Seller will provide Buyer the latest material safety data sheets (MSDS) for any chemical substance determined to be hazardous materials
- ▶ If Seller does not, or appears that it will not meet the delivery schedule, it will promptly inform Buyer in writing of the reasons behind their delay and the estimated duration of such delay
- ▶ Supplier may ship via expedited routing to meet the delivery schedule or to recover the time lost, and the cost difference shall be paid by Supplier

PACKAGING

- ▶ Once goods are ready for shipment, they should be packaged according to any specific packaging requirements detailed in the PO.

PAYMENTS

Summary

Payment is the final stage in the supply chain process, and it should progress rather quickly if the following procedure is followed carefully:

All invoices should be sent to finance@petrorabigh.com with the appropriate documentation. Depending on the type of supply and Vendors' location, documentation may include:

1. Bill of Lading
2. Signed delivery note
3. FCR (Freight Cargo Received) - Applicable for Purchase Order with Inco Term EXW
4. Once an invoice is logged into PRC system, an Automatic Invoice Receipt acknowledgement is communicated, and sent to the registered email ID of the Vendor
5. Automatic Payment notifications are sent to vendor's registered email ID once payment is made
6. Rejection emails along with Reason and Action Required are automatically sent to vendor registered email ID with a copy to concerned invoice processor. Hence, Vendor can directly reply to invoice processor with his/her action completed details
7. With respect to Overdue Invoices, Vendors should send their follow up and payment inquiries to Account Payable Unit (APU) only. Refer to finance and accounting contact information

BANK DATA SUBMISSION

Petro Rabigh does not accept the bank data update that is written on the invoice. Suppliers are required to submit the following bank data on the company's original official letterhead signed by an authorized person and authenticated by their bank (or stamped) through their SAP Ariba Account:

- ▶ Supplier number
- ▶ Telephone number
- ▶ Business email address
- ▶ Fax numbers
- ▶ Bank Name
- ▶ Account numbers
- ▶ SWIFT or routing number (for out-of-Kingdom banks only)
- ▶ IBAN number

VALUE ADDED TAX (VAT) SUBMISSION

Supplier is required to provide its VAT certificate to SRS for update in our system.



CONTACT INFORMATION

Contact	Purpose	Telephone/Fax/Email
Suppliers Relation	Suppliers Registration, company introduction and sourcing	T: (012) 425-8510 SULAIMAX@petrorabigh.com
	Supplier Performance, Counseling and Escalation	T:(012) 425-7841 AJLANTA@petrorabigh.com
Procurement	MRO Spare parts procurement inquiries	T:(012) 425-8970 MUNSHIRT@petrorabigh.com T:(012) 425-8813 MOHAX0Z@petrorabigh.com
	Chemicals Chemical procurement inquiries	T:(012) 425-8905 GHAMTMOA@petrorabigh.com T:(012) 425-8914 SAEEDIMM@petrorabigh.com
Logistics	PRC Logistics Logistics inquiries	T: (012) 425-8758 AHMESFOB@petrorabigh.com
	DHL Local Shipment Forwarder inquiries	T:(012) 616-5685 Ex.2001 F:(012) 616-5829 HARIS.SCENT@dhl.com
	Kuehne + Nagel International Shipment Forwarder inquiries	T:(012) 229-6858 PRC.CT@kuehne-nagel.com
Expediting Team		EXPEDITORS@petrorabigh.com
Finance & Accounting	Invoice Submission	FINANCE@petrorabigh.com
	Invoice Follow up Payment Follow up	T:(012) 425-8406 KULKARPX@petrorabigh.com T:(012) 425-8345 JAISWAAX@petrorabigh.com

Appendices



Rabigh Refining and Petrochemical Co.
 PO Box 666
 21911
 SAUDI ARABIA

<p>Vendor Address</p> <div style="border: 1px solid red; padding: 5px; text-align: center; color: red;"> For any update, please go to page 6 "Supplier Information Update" </div>	<p>Request for Quotation (Bidder List Urgent RFQ)</p> <p>reference number : \</p> <p>RFQ Number : 6000</p> <p>Date : 11/27/2016</p> <p>Buyer :</p> <p>Phone : 012-425-</p> <p>Fax : +966-12-425-1978</p> <p>E-Mail : @PETROARABIAH.COM</p> <p>Delivery Date : 12/10/2016</p>
<p>Doc. Priorities: Normal Urgent Emergency Shutdown</p>	
<p>Quot. Closing Date : 12/03/2016</p> <p>Terms of Delivery : EXW-MNFR. W/H</p> <p>Terms of Payment : 45 Days from Invoice Receipt & PCR/BL/WB</p>	
<p>Quotation must be submitted on or before the Bid Closing Date (BCD) at quotation@petrorabigh.com</p>	



Ref No : 0110017023 Rabigh Refining and Petrochemical Co.
 RFQ No : 6000156097 PO Box 666
 Date : 11/27/2016 21911
 SAUDI ARABIA

Item	Material/Description	Quantity	UM	Delivery Date
10	1000042270 BEARING; PN:HR32205, JSW BEARING FFT: FOR GEAR ORIGINAL_MNFR: TMEIC EQPT_MNFR: JSW EQPT_MNFR_P_N: HR32205 DWG_AND_DOCS: LTC50533-Y47	6	EA	12/10/2016
			Estimated time of receiving the materials	
			<p>All materials must be purchased from the PRC approved manufacturers list included in this PO. Any deviation from the approved manufacturers list has to be pre-approved by PRC in writing and such approval should indicate the newly approved manufacturer and any condition(s) for such deviation. PRC shall have the right to reject any materials purchased from unauthorized manufacturers without any liability or obligation to PRC.</p>	
	MPN#	Manuf.	Manuf. pl. Rev. 1	Manuf. Name
		908950		TheJapanSteelWorksLtd
		908951		TMEICEUROPELIMITED

Rabigh Refining & Petrochemical Company

P. O. Box: 101, Rabigh 21911, Kingdom of Saudi Arabia

Tel.: 966 12 4251213, 966 12 4258820, Toll Free: 800 440 9000, Fax: 966 12 425 8696

www.petrorabigh.com