



MANAGEMENT MANUAL



FAYARD A/S
Kystvejen 100
5330 Munkebo
Denmark

ISO 9001 - ISO 14001
Management System Certification

BUREAU VERITAS
Certification Denmark A/S



ISO 45001 + Bek. 1409/2020
Management System Certification

BUREAU VERITAS
Certification Denmark A/S



Management Manual

Introduction:

This document is FAYARD A/S Management Manual.

The Manual describes the overall structure and guidelines of the shipyards' Management System.

The management of FAYARD A/S is committed to the shipyards' working procedures are carried out in accordance with the ISO 9001-2015, ISO 14001-2015, and ISO 45001-2018 Management Standards.

In connection with the above-mentioned commitment, the management is also aware of the commitment of support with required funds and resources to comply with the management code. That this is valid today and in the future. It is also the managements desire that the Management System is described according to the "Keep it simple" principles and the industry "Best Practice" rules. This to describe the real world, the actual daily work and not just a theoretical tool.

Docking and repair of ships and other floating units.

This Management Manual describes the policies of FAYARD A/S and the strategic goals.

Furthermore, the overall contents of the procedures are described. The management is obliged to meet the policies and strive towards the stated goals.

The Management Manual should be used internally and is given to customers and suppliers, who want to achieve information about the Management System.

This document and all management documents are made in Danish for implementation reason. Important parts valid for foreign customers are translated into English.

The system topics, development and construction can be included in this Management System.

Munkebo, 18 December 2024

Thomas Andersen
CEO

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Policies

FAYARD A/S was founded in 1916 (Fredericia Skibsværft A/S) and is owned by the Andersen family.

FAYARD A/S is Denmark's largest repair yard. Our primary task is the repair, maintenance, and conversion of ships. We have 4 dry docks and associated buildings, cranes and equipment that form the basis for carrying out our work. Fayard creates opportunities for participation and consultation with employees and our business partners and ensures that FAYARD A/S complies with all applicable legal requirements for health and safety.

Management has elected the following 4 policies that describe the overall Management basic philosophy and objective of FAYARD A/S:

1. Working environmental safety policy

The goal of FAYARD A/S is to achieve zero occupational injuries and illnesses by continuously improving its prevention practices, awareness, and controls.

2. Environment protection policy

FAYARD A/S aims to be the leading shipyard in the Northern Europe market for repair, maintenance, and conversion of ships by leading the way with the use of new technology to protect the environment as much as possible.

3. Quality policy

It is the policy of FAYARD A/S to provide safe, efficient, and quality repair of ships and other floating units. This is reflected in FAYARD QHSE Manual.

4. ESG Policy

As part of our ESG policy, where one of the main points is environmental, we continuously work to reduce energy consumption and emissions to minimize the environmental impact of our operations. This focus applies both internally and externally. We aim to ensure optimal use of resources and reduce the environmental impact as much as possible. We are committed to preventing environmental damage and preventing pollution, thus promoting sustainability.



Organization and goals

Organization charts 5.3.2 – AMU / AMR Organization chart 5.3.3

Responsibilities and authorities

Responsibilities and authorities are found in the job descriptions. Job descriptions are available for key persons. The job descriptions are kept in the CFO archives.

Customer requirements

FAYARD A/S targets that all service performed by the yard are to meet the expectations of our customers and always comply with agreements made. This also to be achieved in respect with the environment.

Strategy targets for FAYARD A/S

Concerning repair, maintenance, and rebuilding of ships, it is the objective of FAYARD A/S to become the market leaders in the Northern European region. Additionally, it is FAYARD A/S objective, through high quality, environmental behavior, competitive prices, and delivery on time to ensure a satisfied range of customers as well as a good reputation in the market.

Methods for reaching the strategic targets.

FAYARD A/S prioritizes safety, quality and delivery on time and as agreed. FAYARD A/S aim to be ahead using new best available technology and protecting the environment in the best possible way and ensuring that the work is being carried out efficiently and quickly in compliance with a healthy working environmental way.

FAYARD A/S will ensure that our employees are highly qualified with a focus on efficiency, quality and that the tasks are being carried out within time limits agreed, and at competitive prices.

A stay as short as possible at the yard is a crucial parameter for our customers. Through optimal productivity, good planning, and targeted resources, FAYARD A/S will constantly work toward solving the tasks within the shortest possible period. This to be done with respect to the working environment and environmental protection.

One of FAYARD A/S new measures is to find new customers/markets through canvassing. This tool will help reach goals and collect “feed-back” from the markets, if there is anything we can improve and integrate into our system.

The CEO has the responsibility for this.

Evaluation of designated targets / improvement of the Management System

Our designated targets and management systems will be evaluated once a year. The evaluation will be made by the CEO together with the persons who are responsible for the Management System. If any non-conformance regarding management or system are found, corrective measures will be taken to determine the time schedule for the implementation. A plan is prepared for the annual evaluations where any nonconformances and timetable for corrections are recorded. After each evaluation, the plan is signed off by the CEO and the person responsible for the Management System and is stored by management.

Management system

Management System general structure.

The structure of Management System consists of the following areas:

-  Management system (general description)
-  Procedures for work etc.
-  Checklists
-  Section division (content) follows the requirements according to the ISO Standards.

Management Manual

The Manual is:

- a comprehensive summary of the management System;
- available to all employees of FAYARD A/S;
- accessible to customers and partners according to requirements;
- available for download from our web www.fayard.dk; and
- written in Danish, available in English in terms of a short summary e.g. Management Manual and various checklists.

The CEO is responsible for, and approves, the management manual.

Procedures, documentation and document control

Procedures

The procedures outlined in the Management System are described as follows:

1. PURPOSE
2. EXTENT AND SCOPE
3. RESPONSIBILITY
4. EXECUTION
5. DOCUMENTATION
6. REFERENCES

Documentation

To register and document the work functions, these will be described.

Document Control

All approved documents and checklists in the management System, must be under the control document in connection with the issuance, registration and approval. This is the responsibility of CEO.

Planning of Quality:

Short description of quality goals

Education and training. Job descriptions

To ensure a high level of safety and to comply with all regulatory requirements, education and training are highly prioritized. The area is described in this section. Updated job descriptions are available for key employees.

Infrastructure. Buildings and machinery

The Yard's infrastructure is registered, checked and documented. This includes docks, buildings, machinery and cranes, etc.

Working Conditions. Work Environments. Safety Organization.

The work environment has a high priority and because of this several safety groups in various departments are created with elected safety representatives. Furthermore, the CEO is a member of the Safety Organization.

Product Manufacturing. Dockings

FAYARD A/S appears and wants to remain the leading ship repair yard in Northern Europe, with quality work of the highest standard. Dockings performed are in high quality and on time.

Contract review. Quotation

Quotations are prepared according to Terms and Conditions as per Danish Maritime/Standard Bimco Repaircon and the customers' specifications as well.

Operating procedures

This section describes a wide range of work procedures performed during the daily work. This includes e.g. in- and out- dockings, coating, welding, and procedures for various works.

Legal and regulatory requirements

The legal requirements are observed and complied with according to e.g. working environment act, substances and materials, workmanship and technicalities.

Requirements are controlled and verified by relevant Classification Society, standards, and the vessel Superintendents.

Inspection and testing

A comprehensive series of inspections, issuing test certificates are performed. This includes e.g. crack tests of the rudder, pressure test of hoses, load testing of cranes and pressure testing of tanks etc.

Measuring and testing equipment

The applied test equipment for inspection and testing is tested and certified in accordance with applicable laws.

Communication with the customer / the vessel

Customer contact and cooperation with customer is based on a very long and close cooperation and mutual trust.

Communication with the customer and vessels are unpretentious, comfortable and with mutual respect between the parties.

Design and Construction

Procedure can be included in a project if requested.

Purchasing

Many purchase orders are ordered by the Costumers. A selection of purchased products is verified and registered upon receipt at the warehouse. Also, vendor ratings according to agreements and lessons learned are made.

Inventory and stock supply

The inventory is controlled manually. The warehouse employees inspect the inventory daily, follow up on any lacking items, and follow up, and make purchases.

The costumers' goods, receive, storage, delivery to the costumers is registered and controlled by FAYARD A/S' computer system. It is traceable by the costumers where the goods are anytime.

Sub-Contractors

The major / largest subcontractors (evaluated annually, regular business partners).

IT / Cyber

Security around IT is a high priority at Fayard A/S as well as with many of our customers. As a starting point, Fayard A/S works according to the guidelines in NIS2 and ISO 27002. This is described in Fayard A/S' IT security policy v2.0 with associated appendices and guidelines for users. Ongoing awareness training of employees is carried out as well as ongoing control and development of the IT environment's security.

Safety, Working environment and Environment protection.

Safety at a high level is extremely important in the maritime industry and FAYARD A/S always aim for a very high safety standard. There are contingency plans and permits for some jobs with risk such as welding work, gas measurement and access to confined spaces.

Critical processes are identified and evaluated. A possible risk will be evaluated in a risk assessment form.

All employees and relevant subcontractors shall go through Fayard' online HSE-Induction when starting at Fayard.

There is high focus on the environmental areas and sorting of waste and sewage from ships. This includes oil and wastewater from tankers.

Nonconformities and corrective actions.

It is essentially in the Management System, that nonconformities are detected and corrected in the daily work and during audits. This is recorded in the nonconformity reports and in the nonconformity list.

Internal and external Audits.

External audits covering the entire Management System are conducted annually and planned based according to the audit plan. Internal audits are conducted annually by internal auditors. Our costumers also audit Fayard A/S. Many of our costumers make FAYARD A/S audits for extension of frame agreements, ore before a new project is contracted.

The content in this book includes management records and these are filed according to agreement.