

UK-NSI

SUPPLIER

QUALITY

STANDARD

SQS-01

The latest version of this standard can be obtained on the UK-NSI web site

<http://www.uk-nsi.co.uk/website/suppliers.asp>

UK-NSI CO. LTD SQS-01 SUPPLIER QUALITY STANDARD

	1.0 INTRODUCTION
SELECTION APPROVAL APQP	2.0 SUPPLIER QUALITY SYSTEM ASSESSMENT AND APPROVAL
	3.0 PRODUCT QUALITY REQUIREMENTS
	4.0 ADVANCED QUALITY PLANNING
	5.0 FULL PRODUCTION PROCESS APPROVAL/PAP
	6.0 CHANGE CONTROL REQUIREMENTS
CHANGES	7.0 INITIAL PRODUCTION PARTS CONTROL SYSTEM (IPP)
	8.0 CONCESSIONS (TEMPORARY DEVIATIONS)
	9.0 LOGISTICS : PRODUCT PACKAGING, IDENTIFICATION AND DELIVERY
DELIVERY	
IMPROVEMENT	10.0 PROBLEM IMPROVEMENT REQUEST (PIR)
	11.0 COMPLIANCE AUDITS
	12.0 SUPPLIER PERFORMANCE RATING, QUARTERLY QUALITY REPORT
	13.0 CONTINUOUS IMPROVEMENT
REGULATIONS ENVIRONMENTAL HANDLING	14.0 REGULATIONS/SAFETY BOUND PARTS (SECURITY & REGULATION)
	15.0 ENVIRONMENTAL CARE
	16.0 CONTROL OF SUBSTANCES HAZARDOUS TO HEALTH
	17.0 R.E.A.C.H.

1.0 INTRODUCTION

SQS–01 describes UK-NSI’s common requirements for its supplier base.

The contents have been developed with the intention to improve communication between UK-NSI and its Suppliers and is directed towards defect-free supplied deliveries and continuous improvement.

Suppliers are now responsible not only for Quality Assurance of its products and services but are also responsible for their effect on the environment, material handling and safety issues.

The ability to achieve effective continuous improvement requires the understanding of modern Quality tools used within the Automotive Industry.

The SQS–01 has been designed to give concise UK-NSI expectations of its suppliers. The requirements/information provides a basis as guidelines and recommendations for the supplier’s own development when delivering into UK-NSI.

The previous issues of SQS–01 will entirely be superseded by this documentation at the time of issuing.

UK-NSI and its Customers reserve the right to verify product at the supplier’s premises as and when required.

2.0 SUPPLIER QUALITY SYSTEM ASSESSMENT AND APPROVAL

Suppliers are approved and added to the approved suppliers list by meeting the following criteria.

1. Supplier has achieved TS16949 accreditation with an approved certification body. (UK-NSI self audit document completed).

If the supplier does not have TS16949, then they may still be approved based on the Following.

2. ISO9001 2000 accreditation, plus on site audit. UK-NSI self audit document completed.
3. ISO9001 2000 accreditation and UK-NSI self audit document completed.

(This is for suppliers of proprietary off the shelf components.

4. Customer specified – approval is given based on customer project nominated supplier or Component. (UK-NSI self audit document completed).

**Compliance with any of the above will give the supplier the status of
*Provisional Approval***

The supplier's final approval and status will be confirmed after the following.

1. Review of UK-NSI self audit document and confirmation of agreed score. On site audit may be required
2. Review of first 3 months of KPI results following VP start up.

Annual review

All suppliers will be subject to an annual review of their status, which will be based on the following.

1. Previous 12 months KPI results
2. Re submission of an updated UK-NSI self audit document
3. If required, audit at the suppliers premises
 - In the event of a formal assessment, this will be conducted by UK-NSI's Supplier Development department and may include Purchasing and Technical departments dependant on product type.
 - All audits and assessments carried out by UK-NSI at the supplier premises will be arranged at convenient dates in order that relevant personnel, info and facilities are available.
 - * A UK-NSI self-audit document will be forwarded to the supplier annually.
 - * The supplier is expected to complete & return this document within 7 days of receipt.
 - Findings at Audits and Assessments will be identified to the supplier before leaving their premises (Deficiencies)
 - Suppliers completing successful assessments will be included on UK-NSI's Approved Supplier List.
 - Results are considered commercially between UK-NSI and the individual supplier. Should the supplier fail to meet the appropriate Quality Standard? (TS16949 e.g.), UK-NSI's approval may be withdrawn.

The Assessment criteria are contained in the Quality System Assessment document and are subject to change to reflect the UK-NSI requirements for suppliers to undertake a policy of continuous improvement.

Following the Assessment the supplier will be awarded a grading corresponding to their level of achievement. Re-assessment of a supplier depends on their original grading, quality performance, location and the commodity supplied, but in general re-assessments are carried out at the discretion of UK-NSI.

3.0 PRODUCT QUALITY REQUIREMENTS

The UK-NSI product quality requirements are detailed on drawings and specifications. It is the supplier's responsibility to deliver products:

- Which conform to our Purchase order covering drawings, specifications and special requirements
- to the specified location, correctly identified to meet the relevant delivery schedule.

To reach the objective of **ZERO DEFECTS** it will be necessary to develop a planned programme of continuous improvement through which mutual benefit will be achieved from lower quality costs by a reduction of waste, sorting and inspection.

Defective material from our factories and warranty departments must be investigated to enable the cause to be identified. In such circumstances you will be required to:

- provide details of containment action
- use your experience and product knowledge to carry out root cause analysis.
- Provide details of root cause analysis and dates for implementation of countermeasures
- Take the necessary actions to prevent reoccurrence

Participate in the continuous improvement process in the drive for **ZERO DEFECTS**

4.0 ADVANCED QUALITY PLANNING AND FULL PRODUCTION PROCESS APPROVAL

UK-NSI requires its suppliers to Quality Plan its products, they should use their own planning system acceptable to UK-NSI Quality department or use the TS16949 (APQP) Equivalent. Evidence of Quality Planning activities will be requested by UK-NSI.

QUALITY PLANNING

Quality Planning is fundamental to ensuring product quality and UK-NSI requires that all suppliers understand and implement those techniques applicable to their industry.

It is the suppliers responsibility to ensure that all UK-NSI Quality Planning requirements in respect of new, revised or re-sourced parts are prepared and submitted to the UK-NSI Supplier Development Department for approval by the agreed due date.

The supplier shall discuss and agree the particular requirements with the UK-NSI Supplier Development Department and submit a timing plan detailing these activities.

A typical Timing Plan such as Microsoft Project can be used.

The supplier is expected to utilise, where applicable, the following techniques / methodologies and keep an appropriate record:

Quality Problem Review

An essential part of the Quality Planning process is the review of previous quality problems on similar part or manufacturing process. The supplier will examine the records of in-house quality concerns, customer complaints and warranty returns etc. to ensure that details of known problems are available for consideration at the FMEA stage. It is also an opportunity to review the continuing effectiveness of the implemented countermeasures.

Specification Review

The supplier should carry out a Specification Review to verify that the latest drawings and specifications are available and that they are understood by all concerned. This should be carried out over a few business days not weeks. It should also be used to make preliminary identification of dimensions and characteristics that will require special control during the manufacturing process.

Failure Mode and Effect Analysis (FMEA)

Design – For Supplier Propriety Parts

Process – For Parts Designed by Nippon Seiki/UK-NSI

The FMEA will be used to identify and eliminate possible causes of failure that could arise during the design and manufacture of a part. It will enable potential failure modes to be prioritised in order of severity and allow for concentration of effort on the most critical.

The FMEA should be continually updated as the process is improved and the severity of potential failure modes are reduced. The completed FMEA will be forwarded to UK-NSI Quality Department for approval.

A TS16949 Core Tools FMEA Manual forms or equivalent should be used.

Control Plan (CP)

The CP will summarise all operations involved in the manufacture of a supplied part from Goods Inwards of raw material through to final packing and despatch. For every process element and/or control dimension and characteristic the CP will identify the following:

- Check point
- Frequency
- Method of inspection
- Sample size
- Action taken if defect found
- Data type

The completed CP should be forwarded to UK-NSI Supplier Development Department for approval. Once approved the CP will become a working document and will form the basis of a controlled Quality Plan. The CP should be periodically reviewed and where necessary updated and re-submitted for approval.

A TS16949 Core Tools APQP Manual form or equivalent should be used.

INITIAL PROCESS STUDY (IPS)

During the trial of the manufacturing process and/or tooling the supplier should carry out an IPS. The study should be undertaken when the conditions have stabilised and should include all dimensions and characteristics identified by the supplier or UK-NSI.

The IPS should be carried out in a recognised manner with a minimum of 50 samples (per spindle, impression or die) from a continuous and uninterrupted run. The data and results should be submitted as part of PPAP

The Supplier should give consideration to monitoring long term Process Capability of all UK-NSI parts by means of SPC charts, as a tool to aid continuous improvement.

This will be carried out at every change

5.0 FULL PRODUCTION PROCESS APPROVAL/PAP SUBMISSION

It is UK-NSI quality requirement that prior to a part receiving full approval and being allowed to go forward to Volume Production, the Manufacturing and Quality Process will be assessed. The Supplier is required to complete and submit the following elements to the satisfaction of the UK-NSI Supplier Development Department (nominally PAP Level 3):

- 1, Design Records
- 2, Deviations
- 3, Process Flow
- 4, Process FMEA
- 5, Dimensional results
- 6, Material, Performance & Test results
- 7, Initial process study (Capability etc)
- 8, M.S.A. (R & R)
- 9, Qualified Laboratory Documentation
- 10, Control Plan (PQCT)
- 11, Part Submission Warrant
- 12, Appearance report
- 13, Checking aids/Fixtures (equipment list)
- 14, Packing Specification
- 15, Master Samples

In certain circumstances it may be necessary to complete the Full Process Approval at the Suppliers premises. (Compliance Audit).

When Full Process Approval procedure is completed (including Run @ Rate, UK-NSI Supplier Development will issue to their Purchasing and the supplier, a signed copy of the PSW will authorise Volume Production of the part.

This procedure is to be used by a Supplier when the nature of supply comes under one or more of the following categories: -

- New part
- New Supplier
- Design Change
- New Supplier Location
- Machine /Process/Inspection Change
- Material Change
- Jig/Tool/Mould Change
- Transport/Packaging Change

Criteria for samples

The items submitted as samples should be chosen randomly from a significant quantity produced on production tooling under production conditions. These samples will be considered as standard from the production process, therefore they should not be subject to any special attention, which can not be maintained.

The sample size must be agreed with Supplier Development before submission. Where the manufacturing process involves multi-spindle / multi-cavity tooling the Supplier is required to submit the full sample size for each element.

The samples should be accompanied by a completed Dimension report and the relevant documentation required for **Full Process Approval (PPAP, PSW)**. When submitted the samples should be clearly identified as to part name, part number, total quantity and spindle or cavity number.

Criteria for completing the Dimensional Report

To give a common understanding, a current issue drawing of the relevant part is to be marked up by the supplier using a Dimension Number System.

i.e. all dimensions and / or specifications on the drawing will be individually numbered from No. 1 onwards.

The dimensions and / or specifications, as stated on the drawing, will be listed on the appropriate page against its specific Dimension Number.

It is the Suppliers responsibility to ensure that all necessary chemical or physical testing is carried out and the results are recorded. Where a sub-contracting test house carries out this testing a certificate must be provided.

The details of the type, grade and batch reference number of the material used to make the samples must be clearly stated.

In the case of a drawing revision the procedure still applies, but only to the revised dimension and / or specification and associated features, reference to the original PSW should be made for all other details.

The actual findings of each dimension will then be recorded in the Suppliers Result column along with the quantity tested.

The supplier will mark any dimensions / specifications not conforming to drawing requirements with an * alongside the results.

It is required to qualify parts on an annual basis if there is no change in order to still establish compliance to drawing

Submission

The appropriate number of samples and all documentation required for **FULL PROCESS APPROVAL** are to be sent to UK-NSI Supplier Development Department for evaluation with the Green copy of the PSW's being retained by the Supplier.

The supplier will complete all sections of the PSW, except for this section reserved for UK-NSI use.

UK-NSI Supplier Development Department will advise the supplier of the evaluation, **APPROVAL** or **REJECTED**, by returning a signed and endorsed copy of the PSW. In the case of APPROVAL the PSW will be accompanied by tested samples that are to be retained by the Supplier as masters.

The first delivery of parts following full process approval must conform to the Initial Production Parts control system, see section 7.

6.0 CHANGE CONTROL REQUIREMENTS

The Change Control procedure is used by the Supplier when the nature of supply changes and the circumstances are not specifically covered by the ISIR procedure. A Change Request Approval form (CRA: F-051-001) is to be submitted by the Supplier to UK-NSI purchasing at least one month prior to the first affected delivery. This details the nature and reason for change and must be accompanied by any relevant supporting documentation, specification or sketch / drawing.

The Supplier should complete all sections of the CRA form which are designated **ORIGINATOR**. If the **Customer/Project** is not known to the Supplier this box may be left blank for completion by UK-NSI. The lower part of the form, designated PROJECT MANAGER / ENGINEER, is for **UK-NSI use only**.

For traceability the CRA form provides for a serialised reference number, this should be designated by the Supplier and entered in the box marked **REF-**.

To ensure prompt and clear communication it is essential that the name of the originator is clear and legible.

A copy of the CRA form can be obtained from UK-NSI Supplier Development.

UK-NSI will evaluate the change and advise the Supplier of their decision, **APPROVE** or **REJECT**. To authorise the delivery of changed parts UK-NSI will return a signed copy of the CRA to the Supplier, endorsed with a CRA serial number.

The first delivery of parts following Change Control approval must conform to the Initial Production Parts control system, see section 7.0

7.0 INITIAL PRODUCTION PARTS CONTROL SYSTEM(IPP)

Initial Production Parts are defined as the first batch or delivery of a product where the status of supply has changed and approval by UK-NSI has been granted through the ISIR or CRA procedure.

Under these circumstances the following procedure will apply: -

- An Advance Notice of Initial Production Parts is submitted to UK-NSI by the Supplier, at least three working days prior to the first affected delivery. This document should be completed in as much detail as possible by the Supplier, and will clearly state the date on which UK-NSI can expect the first affected delivery. The Advance Notice form provides for a serialised reference number, this should be designated by the Supplier and entered in the box marked **NUMBER**.
- On the first delivery of the affected parts the Supplier will attach an IPP label to **each box / package / container**. This label is applied in addition to all other standard

labelling used by the Supplier. It should be positioned in a prominent place and clearly state the initials **IPP** and the supplier designated serial number.

- The IPP label should be used by the Supplier on the first delivery **only**, except when instructed otherwise by UK-NSI.

An example of the Advance Notice of Initial Production Parts form F-060-042 & IPP Label can be obtained from Supplier development.

- Failure to comply with above may result in additional cost recharge to the respective supplier.

8.0 CONCESSIONS (TEMPORARY DEVIATIONS)

UK-NSI expect Suppliers to deliver product / services which conform to the agreed quality standard. However in exceptional circumstances it may be necessary to accept product / services which deviate from the specification. It is only possible to do so provided the deviation is not detrimental to the fit, function, appearance or reliability of the product / service concerned.

UK-NSI will not permit the Concession Procedure to be used as a short cut to allow sub-standard parts to be manufactured.

Should a Supplier require to apply for a concession for product / service which deviates from the agreed standard the following procedure will apply: -

- Affected parts are to be quarantined by the Supplier and delivery to UK-NSI suspended.
- A formal written request for acceptance of the deviation is to be forwarded to UK-NSI Supplier Development Department by the Supplier, using Concession Note / Production Permit / Deviation Permit form (F060-020). Sections A to E should be completed in as much detail as possible by the Supplier, with originators name being clear and legible.
- UK-NSI will assess the concession request and advise the Supplier in writing of their decision, **APPROVED** or **REJECTED**.
- UK-NSI will return a signed copy of the ACCEPTED Concession Note to the Supplier, endorsed with a Control No.
- The Supplier must deliver parts accepted on concession with the concession Control No. clearly marked on all delivery notes and on batch identification labels.

An example of the Concession form F-060-020 can be obtained from Supplier development.

Any concession acceptance is not to be used as a precedent and will only be valid for the quantity or period stated on the concession. Any future non-conformity is to be treated separately and will be assessed on its own merits.

9.0 LOGISTICS: PRODUCT PACKAGING, IDENTIFICATION AND DELIVERY

PRODUCT PACKAGING

It is the Suppliers responsibility to ensure that product arrives at the UK-NSI designated location, in good order and without suffering deterioration or transit damage.

The Product Packaging must be considered at the earliest opportunity of any project and should be the subject of mutual discussions. The choice of packaging material should take into account the nature of the product, method of transport, the type of carrier, the expected amount of handling and any applicable environmental considerations. UK-NSI is certified to ISO 14001 therefore our request is that suppliers will propose returnable packaging, wherever possible. An agreed packing spec should be part of the PPAP documentation

IDENTIFICATION

UK-NSI require that **each box / package / container** is clearly labelled by the Supplier. The label may be any colour other than red and should contain at least the following information:

- Suppliers Name
- Purchase Order Number
- Part Number
- Part Name (Description)
- Batch reference number / Lot traceability number
- Quantity
- Any special batch conditions agreed with UK-NSI (I.e. IPP No., Concession No. Etc.)

THE SUPPLIER MUST HAVE A ROBUST SYSTEM FOR PARTS TRACEABILITY.

It is expected that upon stating the Advice Note Number and Part Number, the supplier is fully able to give batch/date/part information in case of a problem.

DELIVERY

It is essential to ensure prompt and effective administration of the UK-NSI invoice payment system that the Supplier provides an Advice Note with each delivery. The Advice Note format is at the Suppliers discretion but should contain at least the following information:

- Supplier name and address
- Purchase order Number
- Part Number
- Part Name (Description)
- Quantity delivered
- Quantity of boxes / packages / containers
- Any special batch conditions agreed with UK-NSI (I.e. IPP No., Concession Control No. Etc.)

Failure to deliver the correct quantity, on time, may effect your Supplier Performance rating.

10.0 PROBLEM IMPROVEMENT AND COUNTERMEASURE (8D)

Suppliers are required to respond in a prompt and responsible manner to concerns raised by UK-NSI.

When any part, delivered to UK-NSI, is found to be non-conforming the following procedure will apply: -

- UK-NSI Supplier Development Department will raise an 8D form , which is sent by fax or mail to the Supplier concerned, or the supplier may be requested to raise their own 8D to cover the problem.

- If deemed necessary, samples will be sent to the Supplier by the most appropriate means.
- The Supplier must complete all relevant sections of the 8D in detail, ensuring that individuals with RESPONSIBILITY for actions are clearly identified and that DATES for the various actions are specified.
- It is the responsibility of the Supplier to provide UK-NSI Supplier Development Department with:-
 - A, A documented response within 24 hours of receipt of the 8D
 - B, Details of interim countermeasure within 48 hours.
 - C, Details of permanent countermeasure within a time scale agreed with UK-NSI Supplier Development Department.

Failure to comply with the above will affect your Supplier Performance Rating.

- Where appropriate a UK-NSI Supplier Development Engineer will visit the Supplier to confirm the permanent countermeasures and to complete the COUNTERMEASURES AUDITED and OK section of the 8D.

Non-Conforming product

Non-conforming product will be subject to one or more of the following actions: -

- Where ever possible non-conforming product is returned immediately to the Supplier for replacement or credit.
- 100 % inspection / sort of the non-conforming parts by the Supplier at UK-NSI.
- In certain circumstances and where the lack or delay of suitable replacements jeopardises continuity of production, the non-conforming parts may be 100% inspected / sorted by UK-NSI.

Any additional costs incurred by UK-NSI as a result of inspection / sorting activity carried out on non-conforming parts will be the subject of a financial claim against the relevant Supplier. UK-NSI will charge the total cost of parts, materials and labour, and will include any charges levied by UK-NSI customers. (Refer to UK-NSI Terms and Conditions).

11.0 COMPLIANCE AUDITS

Once a supplier has been approved for supply and business placed with a supplier, UK-NSI Supplier Development department representatives may at intervals visit the supplier with the objective of determining that the supplier continues to comply with contractual Quality requirements.

12.0 SUPPLIER PERFORMANCE RATING, QUARTERLY QUALITY REPORT

As a matter of policy UK-NSI continually monitor, review and report on supplier Quality performance.

The following data is used to compile the report: -

- **Actual PPM, compared with target PPM.**
- **UK-NSI production line stoppage**
- **Quantity of parts delivered against quantity stated on delivery advice**
- **On time/late delivery of parts**
- **Pre-inspection of parts at UK-NSI prior to use (including stock checks)**
- **General response data**

The PPM figure is calculated as per the formula: -

1,000,000, **divided** by the amount of parts used in production, **multiplied** by the amount of rejects.

General response data.

No response required
Response acceptable
Response not satisfactory
No response

On time/late delivery of parts

On time deliveries given as a percentage of all the deliveries in the month.

UK-NSI production line stoppage

Total hours worked in the month, minus the amount of hours the line stopped due to a supplier problem, given as a percentage.

Pre-inspection of parts

Total amount of parts used, minus the amount of parts inspected at UK-NSI prior to use, either by the supplier or UK-NSI, given as a percentage.

Delivered quantities

Difference between actual delivered quantities against quantities stated on the delivery advice, given as a percentage.

The above six areas are averaged out to give an overall performance percentage.

THIS WILL THEN BECOME THE SUPPLIER RATING SCORE.

95% - 100% will result in 'Green' rating

85% - 94% will result in 'Yellow' rating

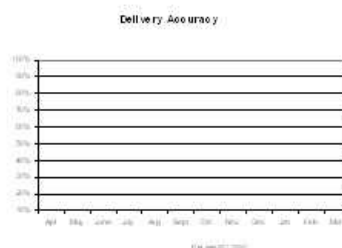
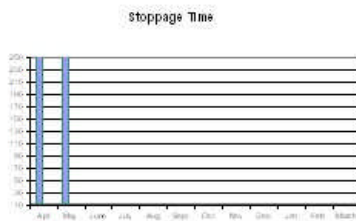
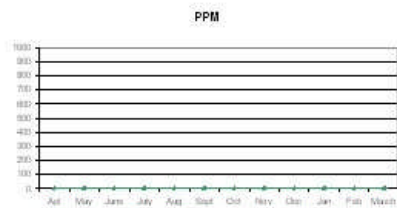
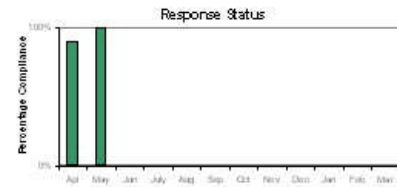
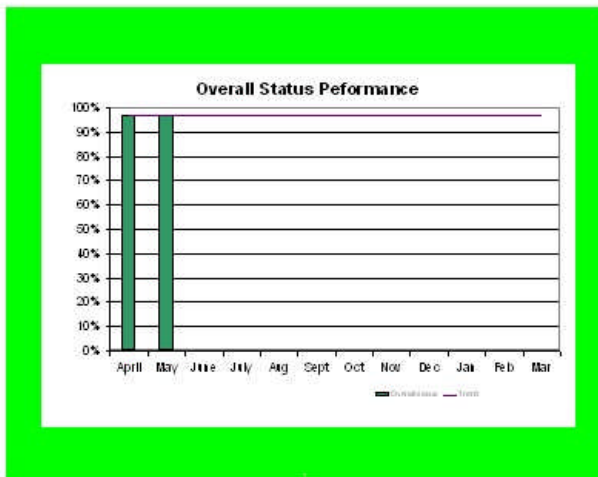
0% - 84% will result in 'Red' rating

See example below

Any Company Ltd

Supplier Key Performance Indicators

Overall Status = 97%



Escalation procedure

For activation when Supplier performance is 'RED' for more than 1 month., and all Suppliers who fail to achieve at least a yellow score, will automatically become party to the interview procedure below.

1. On the first and second instance of 'RED' score – interview with Snr Supplier Development Engineer.
2. On the third instance of 'RED' score – interview with Supplier Development Manager.
3. On the fourth and subsequent instance of 'RED' score – Interview with Head of Purchasing

13.0 CONTINUOUS IMPROVEMENT

UK-NSI operates a Continuous Improvement philosophy, and the same is expected of our suppliers. The following are some of the requirements:

- A Continuous Improvement philosophy should be deployed across the supplier's company.
- It is a requirement that suppliers analyse company level data trends in Quality, operational performance (in all Direct and Indirect areas) including those linked to Products and Services should be monitored and compared with Industry benchmarks.
- Customer satisfaction should be of paramount importance in the data analysis and prioritising for prompt solutions to problems.

- Feedback from Customers should be understood and acted upon. Trends on dissatisfaction should be documented and supported by objective evidence of review by senior management.
- Continuous Improvement should not only be restricted to Quality, but should encompass timing, delivery and price.
- It would be expected that suppliers have improvement projects active with objective evidence. The projects shall be controlled using appropriate continuous improvement tools & techniques.

14.0 REGULATION/SAFETY BOUND PARTS (SECURITY & REGULATION)

In order to fulfil the requirements related to product safety and conditions stipulated by Law in various markets as to personal safety environmental concern etc. UK-NSI may identify components/parts that are specifically critical.

UK-NSI and its suppliers must follow certain documentation, results records and traceability system. The suppliers must present their own system to UK-NSI well before start of production. (The requirements may vary according to Customer's specific system).

Product that has features identified by UK-NSI Customers, as safety critical will carry a Customer specified marking on the drawings and/or specifications. UK-NSI Purchasing Department will highlight these features when the drawings and/or specifications are issued to a Supplier.

Safety critical features must be considered during the APQP process of any project and control methods should be agreed between the Supplier and UK-NSI Quality Department.

All quality records associated with the product must be retained for a minimum of ten years, or longer if specified by the Customer / UK-NSI. In addition the Suppliers will be required to provide evidence of conformance with each delivery, details of which are to be agreed with UK-NSI Quality Department.

15.0 ENVIRONMENTAL CARE

UK-NSI actively pursues environmental management system as part of its programme of continuous improvement. It is therefore necessary for the supply chain to take appropriate measures for Environmental care.

Although it is not a stated requirement that Suppliers should operate a certified Environmental Management System, they are required to be aware of their responsibilities towards the environment and to take appropriate measures to minimise any damaging impact.

The total life cycle of the products from design and production through the usage phase to the handling and recycling of end-of-life material must be examined and the products adjusted to reduce its effect on the environment. Compliance against Environmental Legislation and Government Regulations, should become a mandatory practice. Each supplier has been sent the UK-NSI's "ENVIRONMENTAL STATEMENT". It is expected that each supplier understands the Statement.

Please be aware that all suppliers must be able to supply component information in compliance with regulatory requirements such as ELV, IMDS, MACS 1.

16.0 CONTROL OF SUBSTANCES HAZARDOUS TO HEALTH

- In compliance with our Customer requirements certain chemicals/substances must not be used. These would normally be identified to the supplier, but it requires mutual discussion and agreement to identify such substances.
- Certain substances that are used but are restricted shall also be identified in similar manner as above, but the use of, which should be limited.
- In addition to customer requirements, Control of Substances Hazardous to Health Regulations should be adhered to for all substances which enter UK-NSI premises. Material Safety Data Sheets for all substances which enter UK-NSI premises for the first time should be issued to the purchasing department (UK-NSI) before the substance is delivered.
- To avoid unnecessary risk to people or the environment, all instructions on the material safety data sheet regarding transport, storage, use and disposal shall be followed.

17.0 R.E.A.C.H.

Regulation (EC) No 1907/2006

Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH)

This regulation applies to ALL UK-NSI suppliers whether they supply products, materials, substances, preparations, articles, packaging or any other defined goods or services. It is not restrictive to chemicals or to the automotive industry and in this respect, suppliers are recommended to carefully consider their approach to this important legislation and their quality of communications with UK-NSI before deeming the regulation not-applicable to them.

All suppliers must comply fully with the requirements of REACH to include, but not limited to, the following.

1. Identification of the REACH representative
2. Confirmation of understanding the REACH obligations
3. Confirmation that all products* supplied will be / have been pre-registered / registered by the supplier or an actor further up their supply chain
4. Identification of all products* for which there is no intention to pre register / register
5. Confirmation of and information on the presence of any substances of very high concern (SVHC) (Article 57)
6. Confirmation of and information on any 'intended releases' from articles.
7. Provision of Material Safety Data Sheets (MSDS) in accordance with (Article 31) of the regulation to include the identification of substances, concentrations, risk phrases and risk management measures such as safe use** considerations
8. Confirmation that UK-NSI 'intended uses' are covered in the scope of registration.
9. Co-operation on all matters necessary to ensure UK-NSI REACH compliance in the procurement and safe use** of the suppliers products*

* 'Product '(includes Substances, Preparations and Articles)

** 'Use' (Safe storage, use and disposal)

Failure to do so will result in termination of supply.