

QUALITY REQUIREMENTS FOR THE SUPPLIERS

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1. INTRODUCTION

This document shall be the property of ELECTRIS and shall pertain to the Suppliers of basic materials and services for the production of copper elements for the power industry and research on these products.

Hard copies or mailed copies of these requirements are only of informative nature.

The provisions of the **Requirements** are intended to specify in detail the terms and conditions for the suppliers of ELECTRIS .

These Requirements shall apply to the Suppliers in the case of whom ELECTRIS has reserved in the order (contract, agreement) meeting the requirements hereof. The Supplier shall be obligated to read and apply these requirements.

The scope of the requirements may apply to the Suppliers fully or to a limited scope (depending on the subject matter of deliveries).

In the case of any discrepancies between the requirements specified in the order, contract, agreement and the provisions hereof, the requirements specified in the order/contract/agreement shall be binding.

2. RIGHT OF ACCESS

The Supplier shall be obligated to provide access for the representatives of ELECTRIS, its customers and supervisory bodies to all the devices and facilities related to the order performance (also at their suppliers') and all the records and documentation concerning the provision of services and Quality Management System.

ELECTRIS reserves the right for them, its Customers and supervisory bodies to carry out audits of the process/product Quality System of the Supplier.

3. DEFINITIONS AND TERMINOLOGY

This document shall contain the terms and definitions specified in the ISO 9001 standard.

4. QUALITY MANAGEMENT SYSTEM

4.1. GENERAL REQUIREMENTS

The Supplier must have the technical capacity to produce and/or supply goods meeting the demands of ELECTRIS.

Every Supplier shall be subject to assessment and approval prior to first order placement and later periodical assessment. Obtaining unsatisfactory assessment results entails the need to introduce corrective actions and supplementary actions by the Supplier, being the condition for remaining on the List of Approved Suppliers of ELECTRIS.

4.2 DOCUMENTS AND RECORDS

ELECTRIS shall be responsible for providing the Supplier with own documents or customer's documents (drawings, standards, specifications, manuals) necessary for correct order performance.

The Supplier shall be obligated to obtain the generally available standards.

The Supplier shall be responsible for drawing up, securing and archiving the documents and records as regards the manufacture and inspection (technologies, manuals, cover pages, test protocols etc.) – the so-called evidence to prove meeting the requirements. The period of archiving records not transferred to ELECTRIS shall amount to 10 years following project completion (if not stipulated otherwise).

5. LIABILITY

The Supplier shall be fully liable for the quality of the products/services. The Supplier shall be liable for meeting the requirements within their organisation and meeting the requirements by their suppliers.

6. COMPETENCE, AWARENESS, TRAINING

The Supplier shall ensure that the staff performing actions influencing the quality is familiarised with all the qualitative requirements provided by ELECTRIS Persons having access to the documentation provided by ELECTRIS shall be obligated to abide by the confidentiality rules.

7. ORDER EXECUTION

7.1. PLANNING GOODS MANUFACTURING

The Supplier shall plan and develop the processes necessary to manufacture the good/provide the service to meet the requirements of ELECTRIS.

The Supplier shall review the contract/order/agreement concerning the possibilities and deadline for execution.

The Supplier shall be obligated to keep and archive documentation concerning the production for ELECTRIS as regards: manufacturing process (drawing, technology, process manuals etc.) and inspections (quality records – guidelines, decisions, attestations, quality certificates etc.).

The Supplier shall be obligated to: make the technical documentation available to the Representatives of ELECTRIS, return – at the request – the documentation being the property of ELECTRIS.

7.2. CORRESPONDENCE

Any correspondence concerning the deliveries shall be directed by the Supplier to the address of the person issuing the order. The Supplier shall inform the ordering party of ELECTRIS about any inconsistencies resulting from order execution.

7.4. PURCHASE

In the case of purchase made by the Supplier for the benefit of the ordering party, the order must contain the demand: to meet all the conditions and supply quality documents.

Materials delivered for production should have documents confirming their quality:

- for the supply of copper, aluminum material certificate containing the results of the tests. Electris requires 3.1. certificate according to EN 10204:2004 to raw material (not applicable to catalogue products).

In the case of purchases made by the Supplier for the order, the order must contain a request for:

- meet these requirements,
- delivery of quality documents. Materials delivered for production should have manufacturer's approvals containing the results of the tests.

7.4.1. Prevention of Counterfeit Parts

The Supplier is obliged to plan, implement and control processes in order for the prevention of counterfeit or suspect counterfeit part and their use in the product (s) delivered to Electris.

The supplier is obliged to pass the requirement of preventing the use of counterfeit material to all its sub-suppliers in accordance with EN 9100: 2016.

The supplier is obliged to prevent and minimize the possibility of using counterfeit materials by:

- Training appropriate people in raising awareness and preventing counterfeit parts;
- Training of personnel selecting suppliers;
- Training of personnel performing control on entry from the verification method and methods of detecting counterfeit parts;
- Monitoring reports of counterfeit parts from external sources;
- Purchase of materials from authorized distributors and other approved sources;
- Ensuring traceability of parts and components (OEM);
- Performing chemical tests and analyses;
- Quarantining and reporting parts of suspicious or detected counterfeit parts.

Definition of the counterfeit part in accordance with clause 3.1 of EN 9100: 2016:

3.1 Counterfeit Part

An unauthorized copy, imitation, substitute, or modified part (e.g., material, part, component), which is knowingly misrepresented as a specified genuine part of an original or authorized manufacturer.

NOTE: Examples of a counterfeit part can include, but are not limited to, the false identification of marking or labeling, grade, serial number, date code, documentation, or performance characteristics.

7.5. PRODUCTION AND SERVICE PROVISION

7.5.1. PRODUCTION SUPERVISION

Processes on the goods intended for ELECTRIS should be executed according to the specified technology.

The Supplier of a good for ELECTRIS shall be obligated to inform about any change in the technological process approved by ELECTRIS /customers or supervisory body, having an impact on the good and/or its characteristics prior to introduction.

Every delivery must be accompanied by the quality documents:

- quality certificate containing the demanded parameters characteristics;
- protocols from the tests carried out (if required).

The quality documentation should contain data making unambiguous identification with the supplied good possible.

The above documents should be supplied at the latest along with the delivery or electronically to the e-mail address from the order or another one indicated by ELECTRIS.

7.5.2. PRODUCTION PROCESSES AND SERVICE PROVISION VALIDATION

The entity performing special processes should obtain an approval of ELECTRIS or its customers. All the changes introduced to special processes shall be subject to approval prior to application.

7.5.3. IDENTIFICATION AND TRACEABILITY

The supplied components must be identified with at least:

- name/number of the good/component;
- batch number;
- other identification signs at all the stages of production and delivery;
- expiry date/shelf life (if applicable).

7.5.4. PROPERTY OF THE CUSTOMER

Materials and goods supplied by ELECTRIS or being its property must be supervised, marked in a visible manner and may be used only according to the order.

The Supplier shall be obligated to inform ELECTRIS about any damage or loss and to return all the nonconforming goods from the goods they were entrusted with. The quantity of nonconforming goods should be specified in the delivery documents.

7.5.5. GOODS SECURITY

The Supplier shall be obligated to secure the good against any damage and replacement while production and transportation.

7.6. SUPERVISING EQUIPMENT FOR MONITORING AND MEASUREMENT

The applied control equipment must be identified and contain the calibration data.

8. MEASUREMENTS, ANALYSIS AND IMPROVEMENT

8.1. GENERAL PROVISIONS

The Supplier shall try to follow at least the following rules:

- zero nonconformities in the deliveries;
- deliveries in accordance with the deadlines specified in the order or schedule of deliveries;
- minimising production process losses (limiting the number of shortages).

8.2. SUPERVISION

The Supplier shall be obligated to supervise their deliveries and materials and the production process to ensure the goods meet the customers' requirements.

Suppliers shall be obligated to control the selected characteristics. To the express request of ELECTRIS a check chart of the selected characteristics should be drawn up. If applicable, apply statistical methods.

8.3. PROCEDURE WITH A NONCONFORMING GOOD

Delivering a product inconsistent with the order must be preceded by the consent of ELECTRIS. Goods qualified as being nonconforming, or with a defect, supplied to ELECTRIS must be clearly marked and isolated from the conforming goods, thus protecting them against accidental use.

The consent and defects must be referred to in the quality documentation.

It is required to immediately inform ELECTRIS in the case of suspecting or observing nonconformities concerning the supplied goods.

8.4. IMPROVEMENT

ELECTRIS runs a periodical assessment of suppliers, covering for instance:

- quality of deliveries;
- timeliness of deliveries;
- audits at suppliers;
- the level of defectiveness in deliveries.

In the case of obtaining unsatisfactory results, the Supplier shall be obligated to develop and introduce supplementary actions.

8.5. CORRECTIVE ACTIONS, COMPLAINTS

Should ELECTRIS find a nonconformity in the delivery, which has not been previously reported, the Supplier shall receive a Complaint.

Such nonconformity requires being analysed and undertaking the following actions:

- determining and removing the reasons for nonconformities and failure to detect them at the Supplier's;
- introducing protection, preventive actions;
- evaluating their effectiveness.

The Report (Corrective Actions Report or 8D) should be supplied to ELECTRIS by mail, to the address indicated, within 14 days from complaint receipt.

In the case of observing nonconformities in the delivery, ELECTRIS reserves the right to send back the nonconforming part to the Supplier without considering the possibility of their usefulness in order to improve/repair or replace. In the event of

inability to repair the parts, Electris reserves the right to charge the supplier for material and labour costs incurred in connection with the manufacture.

Before Electris will charge the supplier for costs, Electris will agree with the supplier in advance and both parties will agree to additional costs. In the event of additional costs related to the poor quality of the material or service provided, the supplier will be informed of this fact before additional costs arise.

8.6. PACKING

The goods must be packed in a manner not resulting in mutual damage during dispatch and storage, the Supplier shall protect the shipment against damage during transportation.

Transportation should correspond to the generally binding standards.