



# Supply Chain Requirements

## Quality of Supply & Product



| Rev | Date    | Created    | Approved   |
|-----|---------|------------|------------|
| 01  | 06.2014 | J Brooker  | K Williams |
| 02  | 02.2017 | J Brooker  | K Williams |
| 03  | 10.2017 | S Mann     | K Williams |
| 04  | 08/2019 | K Williams | K Williams |



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## 1. Scope

The document applies to any Supplier or Sub-contractor for any of the Creative Group Subsidiaries.

Its purpose is to be a guidance document for suppliers to Creative Group of the expectation for Quality and delivery of the referenced parts and subsequent supply therein.

Instruction given on the purchase order should take precedent over this document, it is the supplier's responsibility to obtain clarification where conflict between PO and this document occurs.

It is not the purpose of this document to lay down the commercial requirements or contractual requirements of the order.

## 2. Applicable documents

Creative will issue a Purchase Order with every required order, the PO will detail any special requirements or flow down of information; as well as financial, quantity and commercial information.

Creative Terms and Conditions are both on the internet and issued.

Creative issued drawings

It is assumed that other legislative or international standards are applied and adhered to by the supplier, or if knowingly not complied to should be highlighted to Creative immediately.

## 3. Communication

Commercial communications should be primarily with the Creative Purchasing department or your nominated contact.

Invoicing or accounting communications should be with the Creative Purchasing department

Technical queries should be primarily raised through the Creative Production team, but must also copy the Purchasing team into the communication.

Quality issues, concessions or product deviations should be raised through the Creative Quality department.



Any instances where the supplier is unsure whom to contact, by default the Purchasing team should be the point of contact, upon which they will notify of the correct contact.

### **Communication expectations**

It is expected that the supplier will, in a timely fashion, communicate the following:

- Order confirmation or inability to meet deadline / requested date.
- Variation in price or discrepancies in order.
- Inability to meet the requirements of the Purchase order.

The supplier must notify Creative immediately in the following instances:

- Delayed delivery or foreseen failure to meet required dates.
- Product nonconformity.
- Product recall.
- Supplier is changing their sub-contractor.

It is the responsibility of the supplier to confirm any discrepancies or revision status of documents not defined within the PO.

## **4. Supplier Approval**

Creative operates an approved supplier database to ensure only reliable supply chains are achieved.

Where possible the supply chain will be formed of formally accredited suppliers by UKAS registered approval bodies. Non accredited supply may be used, but Creative reserves the right to apply increased monitoring or controls as deemed necessary to ensure product conformity and service is maintained.

As a supplier you will be monitored and scored on the following:

1. Product quality (NCRs)
2. Delivery performance.
3. Price.
4. Communication.

As well as the above, Creative will record your approved scope of works and any potential further services you may be able to offer.

Failings in **Any** of the above may result in the supplier being struck off the approved supplier list



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## 5. Quality requirements

### Quality Management Systems

The supplier must have a formal quality management system, which is actively being applied and supported by the top management of the company. If the supplier is running an accredited system this will be logged on Creative supplier database, it is the supplier's responsibility to notify Creative immediately if the following occurs:

- Suspension of the accreditation.
- Loss of the accreditation.
- Removal of the accreditation (whether deliberate or unintentional).
- Where work is sub sub-contracted, the supplier will notify Creative and provide details of the sub sub-contractors Quality Management System status.

Creative will ensure that if a minimum requirement exists for a supply chain, such as AS9100, that a suitable supply chain is sourced at the initial stage.

### Audit and access to premises

Reasonable notice will be given of any requested audit activity, or visit by Creative, 'reasonable' being defined by the nature or urgency of the visit.

Creative PO states the requirement of access to the suppliers premises should it be required.

Creative reserves the right not to publish the results from the audit, but where acceptable will issue a copy to the supplier for agreement. Results from the audit will be held on file for as long as the supplier is live on the Creative supplier management system, or standards define a set timescale.

The frequency of visits will be applied as required by Creative to ensure that satisfactory supply chain is maintained, setup or rectified.

### Document retention

Unless specifically stated upon the Purchase order, documentation retention should follow the below guidelines:

Documentation required to demonstrate product conformity, such as (but not limited to) Test results, material certificates, inspection records. **25 YEARS**



N.B. where legal or international standards define a retention greater than that required by Creative, the supplier should apply those requirements, if the Creative retention is longer than those defined, the Creative requirement supersedes the requirement laid out in the standard or legislative requirement.

### **Change Control**

Any change instigated by Creative or by Creative's customer, will be communicated to the supplier by the Creative Purchasing department; it is then the responsibility of the supplier to track that change within their organisation, informing Creative immediately if any commercial or delivery issues arise from the change.

Any changes required by the supplier, must be formally approved by Creative, prior to the change being made. Under no circumstances can the supplier modify the component or documentation without prior authority being given.

## **6. Product Quality**

### **Product validation and testing**

Any specific requirements for testing will be laid down in the Purchase order, it is the supplier's responsibility to outsource or ensure that the requirements are suitably met and records to this effect are clearly legible and supplied in a timely fashion as required.

### **Product Inspection**

The drawing will provide guidance on the requirements for inspection of the physical component; however, sampling plans are the responsibility of the supplier, and need to ensure creative requirements are met and any non-conforming product captured prior to shipment.

If a specific inspection requirement is defined by Creative (I.E. sampling plan, SPC or FAIR), this must take precedent to the suppliers sampling plans or inspection regime (unless the supplier's inspection plans are more stringent).

**Counterfeit parts** (Unauthorized copy, imitation, substitute or modified part which is knowingly misrepresented)

Parts ordered against AS9100 requirements, or, has specific text on the PO related to this topic will be subject to counterfeit part controls when received at Creative, any suspect products will be treated as non-conforming.

Creative expects its supply chain to have suitable measures to plan, implement, and control processes needed to prevent counterfeit or suspected counterfeit parts, appropriate to the organization and the product, for the prevention of counterfeit or suspect counterfeit part use, and their inclusion in product(s) delivered to Creative.

**Product Safety** (Ability for a product to perform to its intended purpose without causing unacceptable risk of harm to persons, or damage to property)

Creative expects its supply chain to have suitable measures to plan, implement, and control the processes needed to ensure product safety during the entire product life cycle, as appropriate to the organization and the product



## **Non-Conforming product**

**Any product found to be non-conforming at the suppliers facility, must not be shipped without prior agreement and subsequent concession being issued by Creative.**

A formal request for concession must be raised and authorised by Creative.

Non-conforming product received or identified at Creative, will be identified and the customer will be notified of the non-conformity; at which time they will be instructed on the decision of how to proceed with the parts.

An NCR will be issued by Creative and the supplier will be expected to provide details of the Corrective action, Root cause and preventive actions identified; Creative reserve the right to instruct the supplier to apply further corrective action or controls as a result of non-conformance.

A NCR will only be closed upon satisfactory closure and agreement of the actions and information therein.

NCR's will affect the supplier scoring maintained by Creative and may ultimately result in supplier approved status being removed or suspended.

## **Batch control and material identification**

If required by Creative, batch control must be applied and controlled by a documented procedure at the supplier's facility.

Items being delivered to Creative with batch control must be identified on the delivery note, segregated in the packaging and clearly marked with batch numbers in the container.

Non batch controlled items must arrive with part numbers marked on delivery note and marked on the container.

## **Product preservation**

The supplier is responsible for ensuring they apply the relevant preservation requirements for the products, in line with the industry standards for their product, E.G. ESD control for electronic items.

The supply must allocate suitable packaging to ensure that the product reaches Creative in a good condition.

Any special requirements identified by Creative will be requested on the PO.

## **7. Creative Tooling or Free Issued materials**

If the instance arises where Creative issues tooling or materials to the supplier, the tooling will be marked as Creative property and will have a unique identifier, the supplier must track this tool within a formal tool register or ERP system as Creative property. Material will be identified as per creative material identification procedures/disciplines.





It is expected of the supplier that they will suitably store the tooling or material to ensure no damage occurs and that the preservation of the tooling or material is maintained.

If the material is for Aerospace orders, then AS9100 requirements must be adhered to by the supplier, to ensure no cross contamination occurs and that batch control is applied. The paragraphs in section 7 are a guide, commercial/contractual laws or instructions take precedence.

## 8. Delivery to Creative

**The components should be supplied to Creative Goods Inwards in the following fashion:**

- Clearly labelled with all details, with accompanying paperwork.
- Protected in a suitable method, thus to prevent damage in transit, FOD or environmental damage.
- On a pallet in good condition
- Packaged in a fashion for ease of handling, allowing compliance with English health and safety regulations/guidance
- Delivery should be within the delivery hours specified

## 9. Legislative requirements

Creative requires its supply chain to be aware of and compliant to all relevant legislative and local authority requirements. Detailed below are some of the key legislation that Creative supply chain is required to be compliant with:

### **Conflict Materials**

Creative supplied products do not knowingly contain materials that are obtained from the Democratic Republic of Congo or its adjoining countries.

To substantiate this statement we ask our suppliers to provide similar declarations that their products do not contain conflict materials.

### **REACH**

REACH is a European Union regulation concerning the Registration, Evaluation, Authorisation and restriction of Chemicals. It came into force on 1st June 2007 and replaced a number of European Directives and Regulations with a single system.

REACH applies to substances manufactured or imported into the EU in quantities of 1 tonne or more per year.

We ask our suppliers to provide declarations that their products comply with REACH.





## RoHS

The Restriction of the Use of Certain Hazardous Substances (RoHS) in Electrical and Electronic Equipment Directive (2011/65/EU) aims to prevent hazardous substances from entering the production process and thereby keep them out of the waste stream.

We ask our suppliers to provide declarations that their products comply with RoHS in its most current revision.

## Modern slavery act

The Modern Slavery Act is a global-leading piece of legislation. It sets out a range of measures on how modern slavery and human trafficking is dealt with in the UK.

Whilst not all of the Act is directly relevant for business, section 54 entitled 'Transparency in supply chains etc.' impacts the corporate sector.

Creative demands that its supply chain is compliant with the legislation and its suppliers do not breach the modern slavery act.

## Anti-Bribery and Corruption

Creative Instrumentation (the "Company") is committed to applying the highest Standards of ethical conduct and integrity in its business activities. Every employee and individual acting on the Company's behalf is responsible for maintaining the Company's reputation and for conducting business honestly and professionally.

- The Company considers that bribery and corruption has a detrimental impact on business by undermining good governance and distorting free markets.
- The Company benefits from carrying out business in a transparent and ethical way.
- The Company does not tolerate any form of bribery, whether direct or indirect, by, or of, its employees, officers, agents or consultants or any persons or companies acting for it or on its behalf.

Creative Instrumentation prohibits the offering, giving, solicitation or the acceptance of any bribe or corrupt inducement, whether in cash or in any other form:

- *to or from* any person or company wherever located, whether a public official or public body, or a private person or company;
- *by* any individual employee, director, agent, consultant, contractor or other person or body acting on the firm's behalf;
- *in order to* gain any commercial, contractual, or regulatory advantage for the firm in any way which is unethical or *to* gain any personal advantage, pecuniary or otherwise, for the individual or anyone connected with the individual.

This policy is not intended to prohibit the following practices provided they are appropriate, proportionate and are properly recorded including:



- normal hospitality or small monetary value gifts that are donated to or from that do not affect or influence business decisions.
- fast tracking a process which is available to all on the payment of a fee

## 10. Deviation

It is assumed by acceptance of the Purchase order that the supplier agrees to abide by the terms laid out in this document; if this is not the case or the supplier intends to deviate from this document, deviation must be notified to Creative Purchasing department

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