

PREFACE

Bekaert, as a worldwide leading independent producer of wire and wire products, is fully committed to the principle of Total Quality Control. Quality is our first mission.

Customer satisfaction can be attained by high quality product supplies and associated services meeting the highest requirements and expectations.

From our suppliers we expect an identical qualitative approach, respectively based on a quality management system in according to the ISO 9001 standard, and with as purpose to work towards the ISO/TS 16949 standard, and on promotive actions and striving towards a continuous improvement of products and services.

In line with the Environmental Management System of Bekaert, we expect from our suppliers that they fulfil all legal requirements and that they strive for environment friendly processes and products.

1. CLASSIFICATION OF AUXILIARY MATERIALS

The auxiliary materials are classified according to their influence on the properties of the wire or final product or on the manufacturing process. The classification ranges from critical auxiliary materials with direct influence on the quality of the wire or final product and/or with significant presence on the wire, through important auxiliary materials to less important auxiliary materials with minor influence on products or manufacturing processes.

This classification of auxiliary materials with their corresponding quality characteristics is covered by specification HA-01-01 for wire related matters and by the level 2.5 procedure for steelcord products.

2. SPECIFICATION

A Bekaert specification is drawn up for critical and important auxiliary materials. (If this should be the case, there can always be referred to another norm.) Less important auxiliary materials may also be covered by a standard or a complete product number and description.

The specification is a reflection of the Bekaert need for this product after a common Bekaert-supplier alignment. The supplier shall be able to illustrate his capability to provide consistently high quality products.

Besides quality requirements and product properties, testing method and a test report, the specification shall also refer to the form of delivery, to packaging modalities and proper identification.

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For critical and important auxiliary materials, the supplier shall give a written agreement to the Bekaert specification.

Manufacturing changes

All changes that can have an influence on the use or properties of the auxiliary material or our product must be communicated.

This is a must for the critical and important auxiliary materials.

Test report

If stipulated in the specification, a test report or a periodical survey or a statistical control of the main properties shall be provided per supply or per manufacturing period.

The test report or survey is considered as an integral part of the deliveries.

3. QUALITY POLICY-SYSTEM

Bekaert expects from suppliers' side that striving for quality improvement of their product and/or service supply remains a constant factor in their daily management. At the same time we want them to set up or to develop a quality management system in accordance to the ISO 9001 standard and working towards ISO/TS 16949, that enables them to supply reliable products, meeting our specification with respect to product description and application.

The delivered materials must be identified and traceable to all important process and product data.

4. SUPPLIER SELECTION

Purchased products and services can only meet the specification and delivery time requirements if we obtain them from a supplier who can prove objectively that his quality control and quality assurance are in accordance with the generally accepted requirements.

For critical and important auxiliary materials an "approved supplier" system is applied. Existing suppliers are approved on historical data.

New products and/or suppliers are approved after being successfully confronted with next successive steps of the approval procedure :

- written supplier's agreement with the specification or the requirements ;
- sample examination ;
- trial delivery ;
- final approval.

New suppliers of critical products are essentially subject to a (self-)audit at the selection stage.

5. SUPPLIER EVALUATION

The main items on which supplier evaluation is based and for which excellent suppliers distinguish themselves from others are :

- quality ;
- reliability in supplying ;
- service ;
- claim handling ;
- participation in product development ;
- pricing.

The supplier evaluation system shall allow to quantify supplier's performance as much as possible. This means that the main aspects such as quality, reliability in supplying, price etc... are to be measured.

Quality can be determined with the help of results of incoming inspections, evaluation of test report results and the percentage or the impact of claims or manufacturing disturbances caused by defective material.

Reliability in supplying shall be defined by the number of too early/too late supplies. The price evolution is followed up and compared to the competitors' price development.

The evaluation system makes the evolution of the supplier's performance level visible per period and provides at the same time an exhortation to improve the future performances.

6. ANOMALIES AND CORRECTIVE ACTION

In the case that the process or product inspection by the supplier or the incoming inspection by Bekaert or the processing reveals abnormal properties of the auxiliaries, the supplier must at once collaborate with Bekaert to establish the nature and the degree of anomaly.

Anyway, a contingency plan should be available according to F.M 07.06.20

Whenever the auxiliaries is found to be out of specification or has properties which could be deleterious for the aimed application, the supplier must be prepared to accept a downgrading or removal and replacement of the suspect material.

