

MKP

Milton Keynes Pressings

Supplier Requirements Manual

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1. Management Statement

MKP Ltd. Supplier Manual is based on the Policy and Procedures adopted by MKP Ltd, to ensure that we manufacture and supply products of consistent high quality, respecting health, safety and environmental concerns.

MKP Ltd. is committed to building relationships with preferred suppliers who share our vision & can support our business through the delivery of products & services that are consistently of the highest quality at competitive cost.

MKP Ltd. maintains Management System accreditations to ISO 9001, ISO 14001, BS OHSAS18001 and IATF16949

MKP Ltd. recognises the impact of supplier performance on our business, and encourages suppliers to maintain effective & accredited Management Systems.

As a minimum, MKP Ltd. requires suppliers to establish a quality system that incorporates the following procedural requirements:

1. Control of Documents
2. Control of Records
3. Control of Non-Conforming Product
4. Internal Audits
5. Training
6. Corrective Action
7. Preventative action

It is the policy of MKP Ltd. to source raw materials and components for use in our manufactured products from Suppliers who are certified to ISO 9001.

In order to promote this policy, MKP Ltd. will issue questionnaires and conduct on- site audits as required at Suppliers premises as part of Supplier development.

Automotive Suppliers: Certain requirements in this manual apply only to the automotive supply chain. If you are not sure if this applies to your company, please check with MKP Ltd Purchasing.

All suppliers of materials and components; that are used by MKP Ltd. in Automotive products; are encouraged to establish a quality system that complies with the requirements of IATF16949, and are required to be certified to ISO 9001 by an accredited body.

Specific requirements for suppliers of chemicals, components, tooling and packaging to MKP Ltd. are included in this manual.

Distributors are required to ensure the requirements of this manual are communicated to manufacturers of products supplied to MKP Ltd.

Contractors who provide services on site at MKP Ltd. are required to meet the requirements of this manual in respect of the supply of goods specified above, in addition to compliance with MKP Ltd. Health and Safety procedures.

Suppliers are required to agree to the conditions stated in this manual by signing and returning the attached Supplier Commitment Form.

2. Supplier Assessment and Development

MKP Ltd. expects Suppliers to provide a consistent level of service

In accordance with the following principles:

Quality: Right first time

Delivery: On time, in full, every time

Reliability: Sustainable products fit for purpose

Service: Systems in place to deliver expected quality of service first time

Cost: Competitive and stable pricing

MKP Ltd. maintains an Approved Supplier List, which includes key supplier Quality and Purchasing contacts.

Potential Suppliers are identified through the APQP process, and are initially evaluated by use of a Self Assessment Questionnaire.

Supplier information is refreshed at least every 3 years.

Certification to ISO 9001, IATF16949 and ISO 14001 is monitored.

We ask Suppliers to copy us with new certificates on a routine basis.

Distributors are asked to forward certification for sub-contracted manufacturers.

Suppliers must inform MKP Ltd. in writing if a certificate is rescinded.

Suppliers nominated by the end-use customer are considered equally to be suppliers to MKP Ltd. and are expected to meet the requirements of this manual.

Supplier Performance is monitored and scored

Suppliers are expected to maintain a minimum performance level each calendar year. Performance will be notified at least annually.

Suppliers who fail to meet performance targets will be required to submit a corrective action plan.

MKP Ltd. expects continual improvement of Supplier Performance, and Suppliers who fail to demonstrate this may find that they are no longer preferred suppliers to MKP Ltd.

To assist Supplier Development, MKP Ltd. will identify the capabilities of suppliers with respect to Quality Management and will address areas of weakness with the supplier.

MKP Ltd. will always work with suppliers to assist them in product development, cost reduction and quality improvement, and to meet the requirements of IATF16949 or other standards or specifications.

MKP Ltd. maintains an ISO 14001 Environmental Management System and expects suppliers to respect the environment and comply with all applicable environmental legislation. A copy of MKP Ltd. Environmental Policy statement can be viewed on our website: www.mkp.co.uk

3. Supplier Audits and Inspections

MKP Ltd. will not normally carry out audits of Supplier Management Systems, but reserve the right to do so, particularly for potential new Suppliers, where the Supplier is not yet registered to ISO 9001 or where Supplier performance has fallen below the expected level.

MKP Ltd. reserves the right to carry out product inspections, process audits or site audit at the supplier's facilities to the extent necessary to assure product quality and conformance, and the ability to manufacture parts at the required rate.

In the case of concerns, a visit to customer facilities to review progress against corrective action plans may also be required.

MKP Ltd. will agree the times and dates of visits in advance with Suppliers to ensure they are effective.

The Supplier will inform MKP Ltd. in advance of any on-site safety requirements.

MKP Ltd. customers that are design responsible also require access to MKP Ltd. suppliers for reasons as stated above. Suppliers are expected to fully co-operate in this case.

4. Supplier / MKP Ltd. Relationships

MKP Ltd. personnel will always strive to treat supplier representatives in a fair and courteous way.

MKP Ltd. personnel will endeavour to supply accurate and timely information to suppliers both verbally and in writing.

Offers or gifts that might be construed as bribery will not be accepted by MKP Ltd. personnel and may result in disbarment of Supplier.

Confidentiality

MKP Ltd. is entrusted with the security and confidentiality of data, drawings and materials supplied by our customers and requires Suppliers to maintain this confidentiality. Suppliers are required to sign a confidentiality agreement with MKP Ltd. on request.

All visitors entering MKP Ltd. premises must sign in at reception and be signed out at departure.

Visitors may be required to sign a confidentiality agreement to prevent disclosure of sensitive information.

Health and Safety

All visitors must comply with safety procedures as instructed by their site contact.

MKP Ltd. requires Suppliers to ensure MKP Ltd visitors to their sites be similarly advised of safety precautions required.

General

The operating functions at MKP Ltd. that will be in contact with Suppliers are as follows:

Managing Director: Policy and high value purchases

Technical: Quality, Health and Safety and Environment

Sales: Product Development and interface with MKP Ltd. customer

Purchasing: This function is being consolidated under a Buyer for purchase of goods and services and delivery schedules.

Tooling: Specification and design of Press Tools, Jigs and Fixtures.

Engineering: Engineering equipment, spares and maintenance.

Accounts: Invoices, payments.

5. Specification of Product / Service supplied

All purchased products or materials used in MKP Ltd. products shall conform to applicable statutory and regulatory requirements and end customer requirements.

It is the responsibility of the Supplier to ensure that products/ materials are assessed for safety in use, and to notify MKP Ltd. of any potential risks or hazards identified.

All Critical and Significant Characteristics of the product or material are to be agreed between MKP Ltd. and the Supplier, and specified in writing.

MKP Ltd. is responsible to provide accurate information to Suppliers regarding the product or service required.

MKP Ltd. will agree with the Supplier the product name / number and specification for all items to be purchased for production use.

Suppliers are responsible for the control of sub-contractors they use, with respect to the specification, verification and conformity of sub-contracted manufactured product.

Any changes to manufacturing location are to be notified to MKP Ltd. in advance.

Product designs are often controlled by MKP Ltd. customers, where this is the case, unless specifically agreed with the customer, MKP Ltd. will transmit drawings at the required Engineering Change level to the supplier.

If the Supplier receives data/ drawings from sources other than MKP Ltd, then they shall provide copies a.s.a.p. to MKP Ltd.

Suppliers are requested to review drawings supplied by MKP Ltd. within 1 week of receipt, and to raise any concerns within this time period.

Suppliers are required to supply product documentation for approval as specified by MKP Ltd. throughout the program.

MKP Ltd. will endeavour to provide an accurate estimate of volume requirements for new products, for Supplier planning purposes.

Any changed circumstances that threaten continuity of supply are to be notified to MKP Ltd. as soon as possible.

6. Advanced Product Quality Planning

All Suppliers:

All suppliers of components and materials are required to plan and develop the processes needed for product realization, in accord with ISO 9001.

Note: Suppliers are also encouraged as good practice to formally consider the following objectives and requirements for the product:

- product and personal safety
- reliability, availability and maintainability
- producibility and inspectability
- suitability of parts and materials used in the product
- selection and development of embedded software, and
- recycling or final disposal of the product at the end of its life

Suppliers are required to maintain records to provide evidence that the realization processes and resulting product meet all requirements.

Automotive Suppliers:

All suppliers of components for automotive products are required to produce advanced quality plans to support the development of new products.

Suppliers are expected to develop plans based on the AIAG guidelines in the current Advanced Product Quality Planning (APQP) Manual.

Additional requirements of the end customer with respect to sampling, measurement, testing, documentation, etc. will be communicated in advance to the Supplier by MKP Ltd..

All Suppliers are required to report the status of plan activities as requested by MKP Ltd. Management.

Failure Modes and Effects Analysis

FMEA is a tool which assists in the elimination of risk by a disciplined analysis of possible failure modes judged on the grounds of severity, occurrence and the likelihood of detection.

Suppliers are encouraged to use Design and Process FMEA's to analyse risk, in order to put in place controls to minimise the risk of making and supplying faulty product.

Automotive Suppliers:

All automotive component suppliers are to meet current AIAG FMEA Manual requirements.
A Process FMEA and Process Flow diagram are to be included in PPAP submissions.

7. Control Plan

A Control Plan, or Product Quality Plan, is a document that lists all process controls, from incoming material through to despatch.

Suppliers are recommended to develop Control Plans for products supplied to MKP Ltd, in order to minimise the risk of making and supplying faulty product.

Control Plans shall identify all Special Characteristics, including Critical and Significant Characteristics.

The Control Plan should be available in case MKP Ltd. is required to audit the supplier process.

Automotive Suppliers:

All automotive component suppliers are to develop and implement Control Plans as per current AIAG APQP Manual requirements. Control Plans for Prototype, Pre-launch and Production phases are to be developed where required.

MSA (Measurement System Analysis)

All Suppliers are expected to ensure that measurements on Critical or Significant Characteristics are carried out with equipment that is traceable to National/ International Standards.

Automotive Suppliers:

MSA shall be conducted on all measuring equipment identified in the Control Plan. The methodology used shall be in accord with the current AIAG MSA Manual.

SPC (Statistical Process Control)

SPC shall be defined for all Critical and Significant Characteristics.

MKP Ltd. may request production data as required.

Automotive Suppliers:

The methodology used shall be in accord with the current AIAG SPC Manual.

Capability Indices of $C_p > 1.67$ and $C_{pk} > 1.33$ are expected for stable processes.

In some cases, e.g. where indirect measurements are made, or gauge error is high, lower values may be accepted by MKP Ltd.

If unacceptable, an improvement plan will be requested and reviewed.

8. Approval of Supplied Products

MKP Ltd. will stipulate any documentation and samples to be provided by the Supplier with new components, materials and chemicals.

MKP Ltd. will provide written confirmation to the Supplier that the product and documentation are accepted or rejected, together with reason for rejection.

If product or manufacturing process is different from that approved, then the Supplier shall request a concession to supply.

Automotive Suppliers:

PPAP shall be carried out for components as detailed in the current AIAG PPAP Manual. Default PPAP submission is Level 3. All elements of PPAP are to be submitted, unless MKP Ltd. has agreed in advance that some may be omitted.

Any other submission format shall be identified on the Purchase Order.

For chemicals, where appropriate, a Bulk Material PPAP is to be submitted on request.

In accordance with TS 16949 Clause 7.6.3.2, any external laboratory used for testing within the PPAP process shall be accredited to ISO 17025 or equivalent, or there shall be evidence that the external laboratory is acceptable to the end customer.

9. Customer Supplied Components

Customers who supply components to be welded or assembled into product are responsible for approval of those components.

Where a customer specifies a component from a third party supplier, then that supplier is subject to the requirements of this manual, unless otherwise agreed between customer and MKP Ltd. Limited.

Where a customer invoices MKP Ltd. for the component, then they are considered to be a Supplier subject to the requirements of this manual, and will be assessed for inclusion on the MKP Ltd. Approved Supplier List.

Where free issue components are supplied, then suppliers are not subject to the requirements of this manual, but are responsible for conformance of the components.

Non-conforming goods detected will be subject to standard MKP Ltd. procedures.

Free issue components will be treated with care as customer property.

10. Supplier Sub Contracted Operations

Where a Supplier is providing an outsourced process to MKP Ltd., then the process controls operated by the Supplier must be agreed prior to supply with MKP Ltd. Ltd.

11. General Delivery Requirements

Where specified, suppliers shall acknowledge MKP Ltd. Purchase Orders by fax or e-mail within 24 hours of receipt, to confirm that the order has been accepted and goods or services can be delivered by the required date.

The first point of contact for the Supplier is the Purchaser identified on P.O.

Suppliers shall deliver the goods /services ordered as per the MKP Ltd. Purchase Order in full by the agreed delivery date to the MKP Ltd. Unit specified on the P.O.

All deliveries are to be made Monday to Thursday between 7.30a.m. and 4.30 p.m. and 7.30a.m. and 12.30p.m. on Friday

If using a third party carrier to deliver, the Supplier must inform them of specific delivery instructions as stated on the P.O.

The goods/services delivered must meet all agreed specifications and applicable statutory and regulatory requirements.

Product and documents shall be adequately packaged to preserve quality, and shall be clearly labelled as per requirements for each item type detailed below.

All deviations from the above shall be notified to MKP Ltd. in good time to prevent disruption to supply.

12. Delivery Requirements- Tooling

Tooling suppliers are required to deliver tooling that meets the requirements of the MKP Ltd. Purchase Order.

Tooling construction materials will be as specified by MKP Ltd. Limited, in accordance with MKP Ltd. Tooling Manual.

For Press Tools, Jigs and Fixtures, requirements will include clear identification marking, all specified features incorporated, in agreed positions, part numbers, logos, Asset Tags etc.

All Press Tools, Jigs and Fixtures will be delivered with a Tool Quality Report on which supplier measurements and checks have been recorded and signed.

Requirements for Models, Press tools, templates etc. will be agreed in writing at time of order.

On-time delivery is required, as stated on Purchase Order.

In the event of delay during tooling manufacture, MKP Ltd. purchaser is to be notified forthwith if on-time delivery is in jeopardy.

Any special precautions for safe handling of tooling must be provided in writing prior to delivery.

Tooling may be delivered early, by agreement with MKP Ltd.

In any case, delivery date/time should be notified at least 24 hours in advance, to ensure acceptance of delivery.

Unless otherwise agreed, invoice may be presented to MKP Ltd. following delivery of tooling, under agreed terms.

MKP Ltd. evaluates the performance of all Suppliers, and demerits are applied for each failure to deliver required product or documentation, as specified.

13. Delivery Requirements- Chemicals

Suppliers of chemicals for production use are required to supply a current Material Safety Data Sheet for the product, prior to supply.

Revisions to MSDS are to be notified to MKP Ltd., though as a fail-safe, MKP Ltd. regularly checks the status of MSDS held.

REACH information will be provided by Suppliers on request by MKP Ltd., however all materials containing Substances of Very High Concern are to be notified immediately.

No chemicals made using Conflict Minerals are to be supplied to MKP Ltd.. Further information on the definition of Conflict Minerals is available from MKP Ltd. buyer.

Automotive suppliers are required to provide IMDS data in a timely manner. (MKP Ltd Recipient Number 28943)

The specification for the product will be provided by the Supplier.

In the case of polyurethane systems, the typical moulded properties based on testing of representative product will be supplied.

All formulation changes that might affect product quality, performance or certification are to be notified in advance to MKP Ltd. Quality Dept.

Suppliers are required to provide IMDS data in a timely manner.

Chemicals for production use are to be accompanied with a Certificate of Analysis or Certificate of Conformity as specified by MKP Ltd. Quality Department.

Alternatively certificates can be e-mailed or faxed in advance of delivery.

Supplier Quality Control test results are to be provided on request.

Chemicals used in tooling, engineering and maintenance activities will not require Certificate of Conformity, but are required to comply with Supplier specification.

Suppliers are responsible to notify MKP Ltd. of any shelf life restrictions on chemical products.

No product is to be supplied with less than 3 months remaining shelf life, unless agreed in advance with MKP Ltd. Quality Department.

Labels on chemical containers shall include: Product Reference, Batch Number, Date of manufacture or expiry date.

On-time delivery is required, as stated on Purchase Order.

In the event of delay during product manufacture, MKP Ltd. purchaser is to be notified forthwith if on-time delivery is in jeopardy.

All packaging shall be robust and fit for purpose.

Offloading of chemicals shall be under the supervision of MKP Ltd. personnel.

MKP Ltd. requires chemical suppliers to provide on-site support in a timely manner in the event of processing problems.

14. Delivery Requirements- Components

The specification for the product will be agreed between MKP Ltd. and the Supplier prior to purchase. Product approval will be as per Section 8.

REACH information will be provided by Suppliers on request by MKP Ltd, however all materials containing Substances of Very High Concern are to be notified immediately.

No components made using Conflict Minerals are to be supplied to MKP Ltd. Further information on the definition of Conflict Minerals is available from MKP Ltd. buyer.

Automotive Suppliers are required to provide IMDS data in a timely manner.

On-time delivery is required, as stated on Purchase Order.

In the event of delay during product manufacture, MKP Ltd. purchaser is to be notified forthwith if on-time delivery is in jeopardy.

Component deliveries for production use are to be accompanied with a Certificate of Conformity as requested on the Purchase Order.

Alternatively certificates can be e-mailed or faxed in advance of delivery.

Supplier Quality Control test results are to be provided to MKP Ltd. on request.

Identification on containers shall include product name, date of manufacture, batch number (if applicable) and quantity.

15. Product and Process changes

For chemicals or components used in MKP Ltd. production parts; the following changes must be notified to MKP Ltd. by the Supplier prior to implementation:

Change in chemical composition

Change in specification

Change in applicable regulatory requirements

Significant change in manufacturing process, tooling or equipment

Changed location of manufacture

16. Non-Conforming Product

Products delivered that are found to be non-conforming to specification; or that give rise to a processing, quality or production problem, will be removed from production and placed in quarantine by MKP Ltd..

MKP Ltd. will notify the Supplier about the problem as soon as possible after detection. Faulty product will be detailed on an MKP Ltd Reject Report, and disposition will be agreed with the Supplier.

Suppliers are required to take all necessary steps to investigate cause of concern and re-work or replace faulty product so as to minimise disruption to MKP Ltd. production.

Initial Response is expected within 24 hours of notification of a concern and 14 days to identify root cause and conduct corrective action/s as necessary.

If the concern cannot be closed out within 15 days, and extension can be applied for.

Suppliers shall immediately notify MKP Ltd. upon discovery that they might have shipped nonconforming or suspect product to them. Notification must go to the Technical Department and the Purchasing Manager.

MKP Ltd. reserves the right to introduce additional controls and inspection activities depending on the nature of the defect and the supplier's ability to manage the issue, including invoking CSL1 and CSL2 sorting activities.

MKP Ltd. will always request that the Supplier complete a Concern and Corrective Action Report (CCAR) to document containment, cause of fault and corrective and preventive action taken.

Delivery of faulty goods, and/or failure to complete CCAR will adversely affect Supplier Performance Rating, which is notified on Reject Report.

Additional costs incurred by MKP Ltd. due to faulty supplied product will be invoiced to the Supplier.

17. Supplier Performance Rating

MKP Ltd. evaluates the performance of Suppliers with respect to delivery, quality and documentation on an annual basis.

A numerical Performance Rating value is calculated monthly for each Supplier, and is used by MKP Ltd. to determine if corrective action is required.

Each Supplier is assigned a score of 100 in January each year and demerits are applied for each failure to deliver required product or documentation.

Where a Reject Report is issued, then the demerits applied and current rating score will be notified on the Report.

Suppliers are expected to maintain a minimum performance level each calendar year. Performance will be notified at least annually.

Suppliers who fail to meet performance targets will be required to submit a corrective action plan.

18. Supplier Performance Review

Suppliers are asked to attend Performance Review meetings as required.

19. Appendix 1

MKP Ltd. Supplier Performance Rating System

Each supplier starts the year with 100 points, subject to satisfactory response to any CCAR issued in preceding year. Suppliers who reach a score below 90 during the course of the year will be requested to submit an improvement plan and performance will be reviewed by MKP Ltd. on an ongoing basis.

The scoring system is not intended to conflict with our target of 100% right first time, on time deliveries.

Jan Webber

Quality Director

20. MANUAL REVISION RECORD

Supplier Requirements Manual

Issue & Revision	Revision	Date	Approved
History: Issue No.			
1	First issue	18/02/15	J. Webber
2	Update IATF16949 references added Concern response timings added	21/6/18	J. Webber J. Webber J. Webber J. Webber
3			

Supplier Declaration

Supplier Name.....

Date Received.....

We have read and understood the contents of the Supplier Requirements Manual (MKP)

We agree to abide by the contents of the manual, and support MKP in the continuous improvement of our systems and procedures, to ensure the continuity of high quality on time deliveries of Press Tools, jigs, fixtures and general supplies to MKP Ltd.

Signed.....

Position.....

Date.....

Note.

Print, Sign, Date and return this sheet to jan.webber@mkp.co.uk