

Purchase Order Quality Requirements

The requirements of this document are an integral part of the Purchase Order and supplement any other Purchase Order requirements.

Introduction

Sylatech values the strategic relationship that we have with our suppliers, and we recognise that they play a key role in meeting our customers' requirements for quality, product safety, and delivery.

Whilst meeting our purchase order requirements, Sylatech requires our suppliers to be compliant to local legal obligations, and regulations within the following areas –

- Labour
- Health and Safety
- Environmental
- Ethics

Product/Materials Compliance

Sylatech requires its suppliers to respond in a timely manner to RoHS, REACH, Conflict Mineral, and other compliance information requests as required.

Product Safety

Product Safety ensures components perform without unacceptable risk to people, property, or the environment. This is achieved through rigorous design, manufacturing, and testing.

Suppliers shall, as appropriate to the supplier organisation and its products and services:

- Demonstrate a commitment to product safety and safety culture
- Provide training and communication on product safety to relevant personnel
- Encourage everyone to speak up with regards to product safety concerns.

Clause 01 Quality and Purchase Order Requirements Flow Down

If work is to be sub-contracted, these quality requirements, along with all other purchase order requirements, must be flowed down. Adequate controls must be applied to sub-tier providers to ensure that all purchase order requirements are met.

Clause 02 Control of Records

Quality records generated that are relevant to work carried out for Sylatech Ltd, shall be identified, stored in a suitable manner and retained indefinitely*. Any Sylatech Ltd owned documents are to be returned at Sylatech's request.

Clause 03 Corrections to Records

Changes or corrections to written records shall be made as follows: Draw a single line through the error, enter the correct data and apply initials against it, the use of 'white out' is not permissible.

Clause 04 Unauthorised Repair

Repairs by welding, brazing, soldering, sizing, or the use of adhesives on parts damaged, or found to be faulty, are prohibited without authorisation from Sylatech Ltd.

Clause 05 Non-Conforming Product

The supplier's material review authority may include rework but shall not extend to "repair" or "use-as-is" without prior documented approval from the Sylatech buyer. Supplier shall submit to buyer all requests for variance from contract, order, specification, or drawing requirements, concessions will be granted where possible. Sylatech Ltd reserves the right to request failure analysis of non-conforming products.

Clause 06 Right of Access

The supplier and its sub-contractors shall permit Sylatech Ltd, our customer, or regulatory authorities' access to the suppliers' premises (if required, and within a reasonable time period), to perform review of records (and inspection of work if specified in the contract), relevant to work carried out for Sylatech Ltd.

Clause 07 Packaging Requirements

Supplies on this order shall be preserved, packaged, and packed in a manner affording adequate physical protection from damage and deterioration during normal handling, shipment, and storage.

Clause 08 Traceability Requirements

Items supplied on this order shall be traceable to their origin. Test, chemical, mechanical and inspection data (if applicable), should be held on file to be viewed at Sylatech's request.

Clause 09 First Article Inspection Reports (F.A.I.R)

The purpose of the F.A.I.R is to give objective evidence that all Sylatech Ltd drawing requirements are correctly accounted for, verified and recorded.

A F.A.I.R should be carried out when there is -

1. The first supply of a new part manufactured to a Sylatech supplied drawing.*
2. A revision change to the drawing.**
3. A change in process, material, tooling or inspection method that can potentially affect form, fit or function.*
4. A change in NC program type, manufacturing source, or location of manufacturing equipment, including tooling transferred from another supplier or division of the same supplier.*
5. A two-year lapse in production.*

The F.A.I.R is not complete until all nonconformities (if any), are closed out, this will require discussion between the supplier and Sylatech Ltd.

The preferred format for the results record is as per AS9102, supplier alternatives will be acceptable, and a copy of the F.A.I.R shall be supplied to Sylatech Ltd with the goods.

* Full F.A.I.R- All drawing dimensions measured and recorded; all drawing notes verified as compliant.

** Partial F.A.I.R- Those dimensions/notes affected by the revision change to be measured and recorded.

Clause 10 Product Inspection

Product manufactured to a Sylatech supplied drawing is to be inspected for conformance, particular attention is to be applied to dimensions or notes that are highlighted as 'critical/key'. **NB:** Sylatech may request that a sample part be shipped

to Sylatech for approval prior to a production run. Verification methods for critical/key features may include 100% inspection and/or test. If 100% inspection is not used an alternate Statistical Process Control (SPC) plan should be submitted to the buyer for consideration and approval. Approval in writing of the alternate SPC plan must be received from the buyer prior to submission of items for product acceptance by Sylatech.

Unless otherwise specified, inspection/test reports or SPC data shall be maintained at the supplier for each lot for part numbers that contain critical/key characteristics.

All gauges, equipment, and other test devices used for product acceptance or in-process control will be included in the supplier's calibration system and the calibration shall be traceable to a national/international standard.

Clause 11 Foreign Material (FOD/FoD - Foreign Object Damage/Debris)

The contamination of goods by foreign material or objects is not acceptable as it could eventually affect product appearance and performance. The supplier shall ensure the prevention, detection, and removal of Foreign Object Damage/Foreign Object Debris. Conformance to BS EN 9146 is preferred.

By delivering items to Sylatech, the supplier shall be deemed to have certified to Sylatech that such items are free from any foreign materials that could result in FOD.

Clause 12 Source Inspections and Process Verifications

Sylatech performed source inspections or process verifications shall not absolve the supplier of the responsibility to provide conforming product, nor shall it preclude subsequent rejection. The use of a Sylatech sub-tier supplier shall not be considered by the supplier as evidence of effective control of quality of the sub-tier supplier.

NB: If inspection activities are to be performed by Sylatech staff at the supplier's premises, it will be agreed with the supplier at the time of order placement.

Clause 13 Special Processes

Special processes are defined as those processes where the output cannot be easily validated in a non-destructive manner. Subsequently, any defects become apparent after the product has been placed into use or delivered to customers.

The supplier is required to validate and control all special processes and shall maintain evidence that supports the ability of the processes to achieve the specified results. Validation includes, but is not limited to, defined process criteria, approved and trained personnel, approved equipment, specific methods or procedures



specified by the design authority, retention of records, test reports, and re-validation plans.

Sylatech reserves the right to verify or validate by any means necessary the special processes that are used on Sylatech's parts or products.

Examples of special processes include – Plating, Painting, Chemical Conversion Coatings, Welding, Brazing, Heat Treating, Non-Destructive Testing and Hot Iso-Static Pressing.

Clause 14 Suspension or Loss of Quality Approvals

Suppliers must immediately notify Sylatech Ltd of the suspension or loss of any quality management system, or process approvals, e.g., ISO 9001, AS9100 or Nadcap.

Clause 15 Obsolescence Management

The supplier shall inform Sylatech of all items that will become obsolete within the next twelve months. The supplier shall maintain regular communication with sub-tier suppliers with regard to possible raw material or component obsolescence.

Sylatech requires suppliers to notify the buyer regarding obsolescence with lead time sufficient so as not to disrupt delivery schedules. The supplier shall notify the buyer in writing.

Clause 16 Counterfeit Risk Mitigation

Sylatech requires that suppliers are to comply with standard counterfeit mitigation processes applicable to their industry. Suppliers shall purchase material directly from original equipment manufacturers, original component manufacturers or their authorised distributors. Delivered goods to Sylatech that are suspected of being counterfeit will be rejected.

Clause 17 Supplier Performance

Supplier performance for quality and on time delivery will be monitored by Sylatech. If the supplier's performance does not meet Sylatech's requirements, Sylatech may request root cause analysis and applicable actions to improve performance. Ultimately, Sylatech may remove the supplier from Sylatech's approved supplier list.



Clause 18 Supplier Initiated Changes

Suppliers are required to inform Sylatech prior to shipping material or products with regards to changes in product, processes, and manufacturing facility locations, approval to ship must be obtained.

For items where Sylatech has design authority, suppliers are required to obtain written approval from the buyer prior to any change(s). Suppliers are required to maintain record of all such approvals and have them available upon request.

Notes

Ref Clause 02

*Indefinitely does not mean that the records must be retained permanently. Records having a retention period of 'indefinitely' should be reviewed periodically to determine if they have surpassed their useful legal and business life. Destruction of records with indefinite retention period must be authorised by Sylatech Ltd.