

**Purpose**

The purpose of this procedure is to identify the additional quality management system requirements for Martec suppliers.

**Scope**

This document should be read and understood in conjunction with Martec Standard Terms and Conditions of Purchase (Goods and Services) SP017-2 attached hereto (latest version located on Martec website), relevant purchase order information and applicable product technical documentation.

**Definitions / Documents**

Martec Standard Terms and Conditions of Purchase (Goods and Services) SP017-2  
Sub-tier – contractor / supplier to a Martec approved supplier  
Vendor Suppliers list (lists suppliers who hold a controlled copy of this procedure)

**Method**

The following policies and practices apply to all Martec suppliers / sub-contractors. Any deviation should be authorised, in writing, by Martec's Engineering Manager, Business Unit Director or Supplier Quality Engineer.

Key suppliers will be evaluated regularly. As a minimum, this will be confirmation of the status of third party approvals (e.g. ISO9001, AS9100) held and past delivery / quality performance. Such evaluations may be conducted by telephone, email, onsite audit.

New suppliers are onboarded by Martec through completion of a Vendor Questionnaire SP011-4 and Supplier Quality Engineering assessment. Suppliers of components, materials or sub-contract processes on/for Martec parts are to have established Quality Management Systems in place, ideally certified to AS/EN9100. Suppliers holding ISO9001 may also be considered for use. Suppliers that do not hold a certified QMS are to ensure that Martec are made aware of this and will be requested to demonstrate an effective and appropriate QMS is in place before approval.

**Use of Sub-Contractors**

Under no circumstances should suppliers sub-contract work without written authorisation from Martec.

Where authorisation is given, it is the responsibility of the supplier to flow down all applicable requirements to sub-tier suppliers and to ensure conformance against these, unless otherwise agreed in writing with Martec.

Where parts are sourced by the supplier from their sub suppliers / contractor the sub supplier / contractor shall be 'Quality Assured' with the necessary quality approvals and the scope of registration to satisfy Martec's purchase order requirements.

**Control of Quality Records (Retained Documented Information)**

Suppliers shall ensure that they retain all documented information (records) requirements as identified within AS/EN9100. These requirements must be communicated to sub-tier suppliers (where applicable).

Records must be stored in such a manner so as to prevent damage and enable quick retrieval. Where records are stored electronically a system must be implemented to safeguard the integrity of such records. Data security must be ensured.

As a minimum, all records must be held for a minimum of 15 years, however some customers to Martec require records to be retained on an indefinite basis and therefore consultation must take place with Martec should suppliers deem it necessary to dispose of any records.

### **Rights of access**

All suppliers to Martec (and any sub-tiers) must offer right of access to all their facilities and records associated with any relevant purchase orders to Martec, Martec customers or any Regulatory body (eg: CAA).

### **Control of Non-Conformance**

In the event that a supplier identifies that a non-conforming product may have been delivered to Martec then in the first instance, the Martec Engineering Manager must be contacted. Relevant Part numbers, order numbers, batch numbers and quantities along with description of suspected problem must be made available as soon as known.

In the first instance, should either product or process non-conformity be suspected by a supplier then production should be immediately halted pending investigation.

If prior to despatch to Martec, non-conforming product or process occurs, Martec Quality Department must be contacted if

- Product is being manufactured to Martec design and rework back to original standard or replacement, is not possible without affecting delivery requirements.
- Any form of deviation from design or authorised process is required. In this case concession or production permit should be sought from Martec prior to shipment.  
**(Note – this includes any deviation in material specification.)**

### **Control of Change**

Suppliers shall notify Martec (in writing) of changes to processes, products, or services, including changes of their suppliers or location of manufacture. Suppliers do not hold any delegated design responsibilities and as such, have no authority to approve any changes that could have an impact on product provided to Martec.

### **Inspection Requirements**

Sample inspection processes can be adopted by suppliers but should be agreed in advance with Martec.

Sample plans must always be statistically valid (using BS6001, ISO2859 or an equivalent standard). An AQL of zero must be employed.

Martec or Martec customer (this shall include appropriate Regulatory Authorities as applicable) shall be afforded the right to inspect at supplier's premises that subcontracted product conforms to specified requirements.

Lighting levels for inspection activities must be a minimum of 1100 Lux.

All personnel performing visual inspection shall be capable of meeting the following eyesight requirements:

Near Vision: Jaeger J.2 or Snellen N5

Colour: Ability to distinguish red, green, blue and yellow as determined by standard coloured plates.

Testing shall be performed annually and a record of tests shall be maintained.

All manufactured components shall be visually inspected by suppliers at 10x magnification. Particular attention must be given to component surface finish, including damage from metal to metal contact. Martec Quality must be consulted if further clarification is required around this.

Inspection, measurement and test equipment shall generally have an accuracy 10 times greater than the component tolerance it is used to measure. Accuracy of 4 times greater may

be acceptable provided it is justified by a measurement uncertainty analysis. All measuring and test equipment shall be clearly marked with identification of its calibration status, including expiry date.

### **F.A.I.R (First Article Inspection Report)**

Unless otherwise agreed, as a minimum the supplier must submit the following documents to represent a First Article Inspection Report: -

1. A detailed inspection report: -
  - a. This should be based on the last part of the production run.
  - b. As a minimum the report should include part and issue number, batch or job number, item dimensions and inspection equipment used.
2. Certificate of Conformance (including any sub-contract process)
3. Raw material certificate

The FAI rule is invoked under the following conditions: -

1. At the end of the first production run of a **new part**.
2. After form, fit or function change of an existing part: ie:
3. When a significant process change has occurred i.e.
  - a. A change in the manufacturing source(s), process(es), inspection method(s), tooling or materials.
  - b. A change in numerical control program or translation to another media.
  - c. A natural or man made event which may adversely affect the manufacturing process.
  - d. A lapse in production for two years or as specified by the customer.

The preferred format for First Article Inspection Reports is as defined in AS9102. However alternative formats may be agreed in consultation with Martec Quality Department.

### **Raw Material**

When a supplier procures raw material on behalf of Martec then processes must be established to:

1. Periodically verify a sample of test certificates against applicable specifications.
2. Periodically validate a sample of raw materials against test certificates by an appropriate form of analysis (information regarding this can be sought from Martec).

All supplier procured raw material must comply with the release requirements of BS EN 10204 3.1. where applicable. (e.g. metal components only).

### **Traceability**

Unless otherwise identified in relevant purchase orders, full component and material batch traceability must be maintained by suppliers. Where differing batches of parts have been issued by Martec to a supplier for processing, care must be taken to prevent mix up.

### **Plating**

Unless otherwise stated in relevant purchase orders, all plating controls must be performed in accordance with solution suppliers' requirements. Internally generated process control sheets must demonstrate such compliance.

### **Release Requirements & Delivery Paperwork**

Martec purchase orders have historically used a code system to identify the required paperwork to be provided by Suppliers with delivered Goods or Services. This system is gradually being phased out, however when referenced, the following codes apply::

A - Standard – All Goods and Services to be supplied pursuant to this Order shall be to recognised industry standards and high standards of quality.

B - Certificate of Conformity – All Goods tendered for delivery must be accompanied by a signed Certificate of Conformity, bearing the following declaration, "Certified that the Goods listed hereon have been inspected and tested and, unless otherwise stated in the Order, conform in all respects with the requirements of the Order. Furthermore, the raw materials and or piece parts used have been obtained from approved sources supported by released notes/certificates".

C - Certificate of Conformity – All Goods tendered for delivery shall be accompanied by a Certificate of Conformance, in accordance with your Quality Organisation as approved under BS EN ISO 9001 and/or AS9100.

D - Certificate of Analysis – All Goods tendered for delivery must be accompanied by a copy of a certificate or statement detailing as appropriate the chemical and/or metallurgical properties of the Goods.

E - Shelf Life – Where Goods supplied hereunder have limited shelf life the Supplier shall define on its Delivery Advice Note / CofC, the material expiry date where applicable the date of manufacture and the cure date.

Codes A and E apply to all Purchase Orders whether stated or not.

Irrespective of whether the above codes are stated, the following requirements apply to all Purchase Orders for components / processes that are to be incorporated into Martec product:

- Unless otherwise stated, all deliveries to Martec must be accompanied by a Certificate of Conformity produced in accordance with BS EN ISO / IEC 17050-1. Supplier's CofCs must state Martec Purchase Order Number, Part Number and Drawing Revision / Issue.
- Where supplier has procured raw material on behalf of Martec in order to produce a Martec drawn part, then release should be accompanied by original material certification (mill cert), with Batch/heat# traceability reference to be stated on the Suppliers' CofCs.

For all of the above, the Supplier shall ensure that such paperwork is provided at the same time as the physical supply of Goods/Services.

### **Handling and Packaging**

Suppliers of metallic components must ensure that they are handled, transported, and stored during all stages of the production process in such a manner as to ensure that they do not knock together or otherwise become damaged. Dings and dents are not permitted. Note: All chamfer/rads/break edges/surface finish must follow drawing specifications. Burrs and F.O.D of any kind are not acceptable.

Suppliers must ensure that components are packaged sufficiently so as to avoid damaging metal to metal contact. Examples of inadequate packaging are shown below:





Failure to provide parts in suitable packaging will result in automatic rejection.

### **Ship to Stock Status**

Martec's strategy is to develop and maintain excellent relationships with its approved suppliers. Suppliers that demonstrate their ability to provide product, consistently meeting requirements, may be able to achieve Ship to Stock status for specific parts.

Martec maintain criteria for determining when a part / supplier can become ship to stock (typically based on regular provision of parts without defects).

Once a part / supplier has moved to Ship to Stock status, Martec will no longer perform incoming inspection on any subsequent batch received. Parts will be kitted direct to Production and may be shipped to customer without any further dimensional inspection. The importance of part conformity under such arrangements cannot be understated. It is therefore incumbent upon suppliers to apply strict controls to reduce the risk of non-conforming part shipment.

Controls under such circumstances may include:

- Implementation of documented Inspection Plans for parts affected
- Inspection staff specifically trained and authorised in handling ship to stock status parts
- Sealed manufacturing methods (ie: no authorised changes without notifying Martec Goods Inwards)
- No changes in source of supply for raw material
- Notification to Martec of changes in key personnel
- Implementation of statistical control techniques, PFMEA

Specific requirements are to be agreed with Martec on a case by case basis, however it is the ship to stock supplier's responsibility to provide a plan in response to this status change.

### **On Time Delivery**

On time deliveries of suppliers' parts / components is vitally important as Martec continues to experience high demands to meet customer requirements efficiently. All Martec suppliers are required to ensure that all sourced parts / components are delivered on time. It is important that Martec are notified well in advance of any unforeseen circumstances resulting in late delivery issues.

### **Martec Ltd Anti-Slavery and Anti-Human Trafficking Policy**

Martec Ltd is committed to ensuring that neither its employees or contractors or its suppliers use slave labour or engage in human trafficking. Pursuant to this Anti-Slavery and Anti-Human Trafficking Policy (the "Policy"), Martec Ltd specifically prohibits its suppliers from using forced labour of any kind. Martec's Code of Business Conduct establishes ethical business conduct as critical to our business and our expectation of compliance with applicable UK laws.

Martec Ltd monitors its supply chain for compliance with this Policy by engaging in periodical business reviews. Martec Ltd generally does not engage third parties (a) to verify product supply chains to evaluate and address risks of human trafficking or slave labour laws or (b) audit suppliers to evaluate supplier compliance with company standards for trafficking and

slavery in supply chains. However, Martec Ltd promptly and thoroughly investigates any claims or indications that a supplier is engaging in human trafficking or slave labour, or is otherwise not complying with this Policy. Any such claim made would be reported to appropriate Martec Ltd personnel or others as appropriate along with the resolution of the claim and/or the findings of the investigation. Martec Ltd does not require certification from direct suppliers that materials incorporated into the product comply with laws regarding slavery or human trafficking of the country or countries in which they are doing business, but shall maintain a supplier acknowledgement as records of suppliers compliance to Martec's policy. Martec Ltd maintains internal accountability standards and procedures for employees or contractors failing to meet company standards regarding slavery and human trafficking. The Supply Chain management team and all Martec Ltd executives receive training on Martec Ltd Code of Business Conduct, although specific training on eradicating slave labour or human trafficking is not generally provided.

Martec Ltd will not continue to purchase goods or services from any supplier that is found to be engaging in human trafficking or using slave labour.

### **Counterfeit Parts / Suspect Unapproved Parts Avoidance / Obsolescence**

Martec suppliers are required to implement practices and processes to ensure that counterfeit or suspect unapproved parts are not purchased or provided to Martec. The nature of such processes are to be determined by suppliers, but should include: 100% material traceability back to manufacturer; use of approved sources; employee awareness training; full compliance with all approved technical data provided by Martec.

Continuation of supply is essential to Martec's success. As such, Martec suppliers are responsible for identifying any potential obsolescence or supply chain risks that could affect supply. Notification of potential obsolescence, last time buy, or other related factors should be made in the first instance to Martec's Business Unit Director or Engineering Manager.

### **Staff Awareness and Competence**

Suppliers shall ensure that all persons working on, or in support of, Martec product are aware of:

- their contribution to product or service conformity;
- their contribution to product safety;
- the importance of ethical behaviour.

Evidence of such awareness training should be maintained on file as a quality record.

Suppliers shall ensure that competence requirements for each process performed that affect Martec's product are clearly defined and that suitable training records are retained demonstrating staff performing such activities have been deemed competent.

### **Export Control / UK Military Regulations**

Some of Martec's customers provide products and services into UK Military applications and therefore require Martec and its suppliers to adhere to applicable export regulations. Unless otherwise agreed in writing, all Martec suppliers must not transfer documentation or material (including manufacturing locations) outside of the UK.

### **Digital Security**

Martec Ltd require suppliers to take appropriate actions to ensure the security and integrity of their IT systems. Whilst it is for the supplier to identify and implement appropriate policies and procedures around this, Martec Ltd will flow down specific requirements as they arise.

**Compliance with FAR 52.204-27.** TikTok has been associated with potential security risks and data breaches that can compromise the integrity of our work

environment. Martec Ltd requires its suppliers to acknowledge and agree that the installation of the TikTok application ("TikTok") on devices provided or used for work purposes is strictly prohibited. The prohibition includes but is not limited to smartphones, tablets, laptops, and any other devices owned or managed by Supplier or used in connection with Supplier's business operations, including personal devices used for work purposes. Martec requires its suppliers to take all necessary steps to ensure that its employees, subcontractors, and agents do not install, access, or use TikTok on devices provided, or personally owned, that are used for work purposes.

## **REACH**

The Registration, Evaluation, Authorization and restriction of Chemicals (REACH) Regulation EC No 1907/2006 is a regulation of the European Union, adopted to improve the protection of human health and the environment from the risks that can be posed by chemicals. Under REACH, substances which are most hazardous to human health and to the environment are being gradually evaluated. Those found to meet the criteria in Article 57 of the REACH regulations are added to the 'Candidate List', and are then known as Substances of Very High Concern (SVHC). Further substances are added to the Candidate List every 6 months. As of Jan2023 the Candidate List contains 233 SVHCs. Martec Ltd does not independently conduct analytical testing for REACH and therefore relies on technical data provided by our supply chain to ensure compliance. Martec Ltd require all suppliers to ensure their compliance with REACH obligations and to provide general statements of compliance. From time to time, Martec may require suppliers to make part specific declarations around the incorporation of SVHC within products provided.

## **Conflict Minerals**

In accordance with the Dodd-Frank Wall Street Reform and Consumer Protection Act, Section 1502 Conflict Minerals, If the Goods supplied against this Order contain the minerals Tin, Tantalum, Tungsten or Gold, then the Supplier shall warrant that any items or materials forming part of the Goods have been sourced from legitimate and responsible sources which are in compliance with United Nations resolutions and which are not in any way involved in funding conflict. If requested by the Company, the Supplier shall provide all relevant information and documentation showing the source of such items and materials. The Supplier undertakes to flow down this requirement to its suppliers.

## **Sustainable Procurement**

Martec Ltd requires its supply chain to apply sustainable procurement principles where possible, including:

- Minimise the use of energy and natural resources, in favour of renewable energy sources
- Giving consideration to the whole life cost, risks and impact of our procurement choices. Promoting long term sustainability benefit over short term profit.
- Choosing to be ethical and fair in our practices and requiring our suppliers to promote similar practices throughout our supply chain.
- Supporting and encouraging the use of local and regional businesses, particularly small and medium sized enterprises.

## **Corporate Social Responsibility**

Martec Ltd require its supply chain to operate to a high standard of quality and integrity in their relationship with their employees, suppliers and customers.

Martec Ltd suppliers shall demonstrate compliance with the minimum standard of business behaviours, health safety and environmental practices, applicable laws and regulations and act in a way that is ethical and corporate responsibility.

Martec Ltd suppliers are to ensure that applicable anti-bribery and corruption laws are not breached.