

# Quality standard for suppliers



This Quality Standard is established so that suppliers fully understand and comply with SKF Supplier Quality policies and specific requirements set forth.

**This edition is necessary due to the following developments that are strongly supported by SKF:**

- Sustainability (“Code of Conduct”,
- “Environment, Health & Safety Policy”)
- “Just in time” & “Zero Defect” delivery concepts
- ISO 9000 Quality Management Series, ISO/ TS 16949
- Six Sigma practice/approach

**Upon receipt of this Quality Standard, suppliers are required to:**

Perform a systematic documented contract review,  
Formally agree to the content using the format on page 14

**The main changes in this 4th edition in comparison with the 3rd edition concern:**

- The list of applicable criteria and workflow for supplier approval, which may vary with applications, see pages 6;
- The formal basis for quality agreement, see pages 7 & 14;
- The Zero Defect plan required at approval phase, see page 7;
- The requirements on company management
  - Sustainability see page 10,
  - Zero Defect management, see page 10,
  - Continuous improvements, see page 10,
  - Responsibility towards subcontractors, see page 11.

# Contents

SKF Purchasing Quality Policy .....	4
Scope .....	4
Definitions .....	4

## SKF Supplier approval – system, process and product

Workflow for supplier approval .....	5
List of applicable criteria for supplier approval .....	6
Third party QMS certification .....	7
• Supplier Quality Assurance Agreement .....	7
- Adoption of SKF major business principles .....	7
- Compliance with SKF Qs .....	7
• SKF System & Process Certification .....	7
• Advanced Product Quality Planning (APQP) .....	7
- Agreement on technical documentation .....	7
- Zero Defect Plan .....	7
- Assessment of potential risk of failure in the process (P-FMEA) .....	7
- Definition of Process Flow Chart and Supplier Control Plan .....	7
- Prototypes .....	8
• Production Part Approval Process (PPAP) .....	8
- Direct Material .....	8
- Indirect Material .....	9
- SKF confirmation of product approval .....	9
Start of production .....	9

## Ongoing business

1. Company management .....	10
• Sustainability .....	10
• Zero Defect management .....	10
• Continuous improvements .....	10
• Responsibility towards subcontractors and sub-suppliers .....	11
2. Supply chain .....	11
• Supply chain agreement .....	11
• Production planning and physical flow .....	11
3. Manufacturing .....	12
• Manufacturing process control .....	12
• Documentation, traceability and records .....	12
• Change control .....	12
• Non-conformance at suppliers' premises .....	12
• Non-conformance identified at SKF or at the final customer's premises .....	12
4. Quality agreement .....	14

# SKF Purchasing Quality Policy

Assuring that the supply of products and services will never be the bottleneck in serving SKF final customers

Using approved suppliers, based on their quality system, process capability and performance

Encouraging suppliers to maintain continuous improvement programs

*Aim at total quality in everything we do*

## Scope

The Quality Standard for Suppliers applies to internal and external suppliers of direct or indirect materials that have an impact on the quality of SKF finished products.

It also applies to bearing steel makers not delivering directly to SKF but used for SKF rolling components.

This document does not replace or alter other terms & conditions or related technical documents provided by SKF.

## Definitions

**Product:** direct and indirect materials (also includes service).

**Direct material:** any product that will be converted to or used as an SKF finished product.

**Indirect material:** shop supply products, equipment or services that will not be converted into an SKF finished product and/or are not part of the SKF finished product, but that have an effect on SKF finished products.

- Typical shop supply products are: abrasives (grinding wheels, honing stones), diamond tools, carbide tools (for turning), lubricants, gas and quenching media,
- Typical equipment is: all production machinery (e.g. pressing, turning, rolling, heat treatment, grinding, assembling, packaging), and all measuring devices.

**Critical characteristic:** a feature identified by SKF or by suppliers, whose deviation beyond specified tolerances could jeopardize persons or affect compliance with governmental regulations.

**Significant characteristic:** a feature identified by SKF or by suppliers, whose deviation beyond specified tolerances could jeopardize products or processes or reduce lifetime or utility.

**High Impact characteristic:** a feature identified by SKF on drawings and specifications, whose non-conformance would potentially disturb its final customer assembly process. All parameters, which remain as finished once mounted on SKF products, are in general considered as High Impact Characteristics (HIC).

**Broken Promise (Delivery):** the date used for measuring a broken promise is either the first acknowledged date or the requested date. A broken promise happens when the date of receiving is later than the date used for measuring OR if the quantity is less than ordered.

**High Tech suppliers:** Suppliers of products such as ABS Sensors, impulse wheels, special plastic/electrical components, cable/connector suppliers, etc. as well as all those suppliers that the SKF Application Engineer or Project Manager define as such.

**Lead-time:** the time from receiving the order (purchase order or call-off order) at the suppliers' premises to goods arriving at the SKF manufacturing site or at another location as otherwise agreed with SKF. If suppliers supply from stock, the stock replenishment lead-time shall also be measured separately.

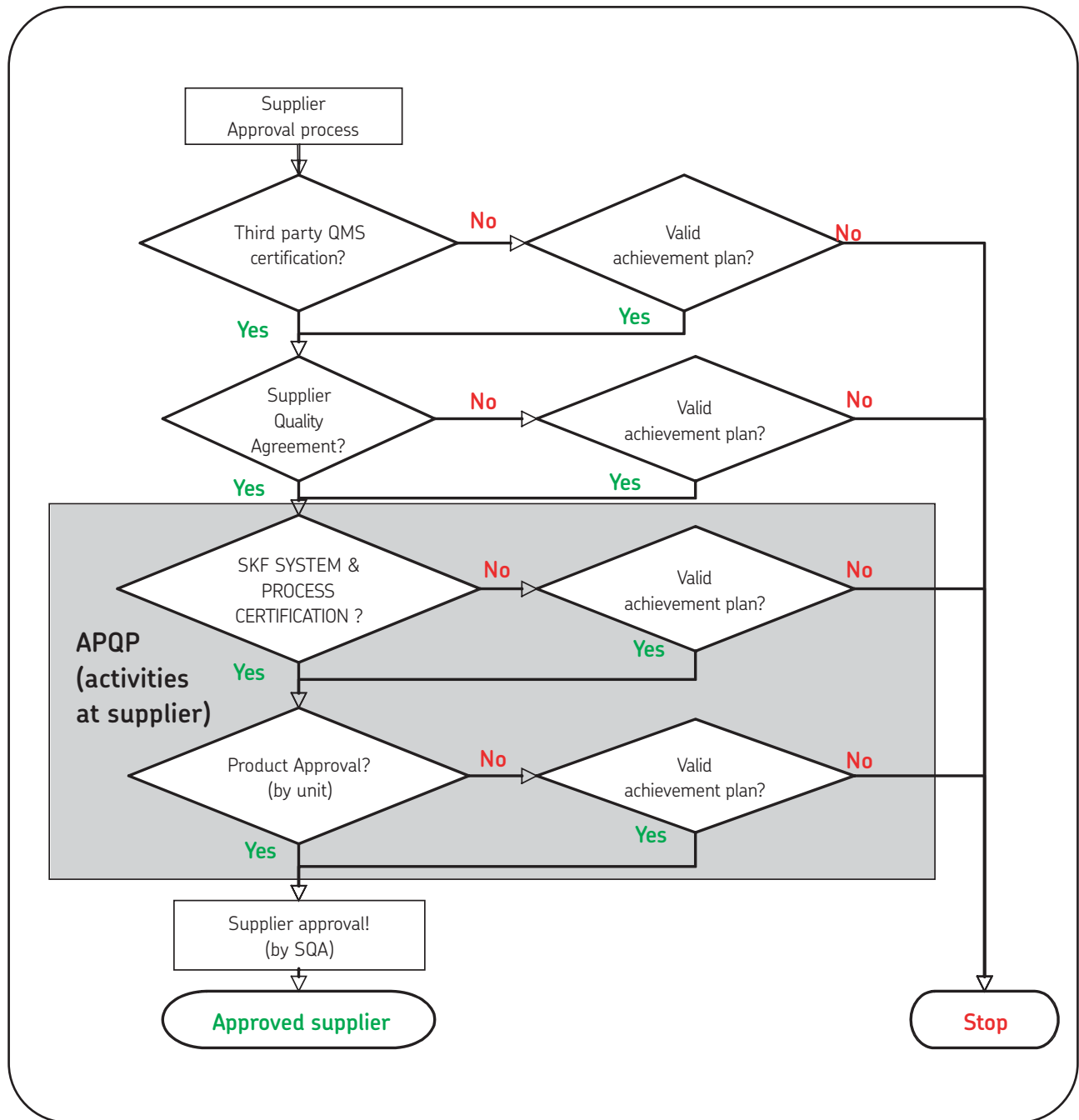
**Initial Samples:** representative parts of a batch manufactured to agreed product specification, using series production process and inspection plans as described in the Supplier Control Plan.

**Outlier:** a faulty product of sporadic occurrence being abnormal to the accepted standard, which is unfit for use and/or may cause an adverse customer reaction.

**Supplier Control Plan:** a formal document issued by suppliers. It describes the nature and extent of controls that suppliers will implement to ensure that products delivered to SKF conform to agreed product specifications.

# SKF Supplier Approval (System & Process & Product)

## Workflow for supplier approval



## List of applicable criteria for supplier approval

Req

### Third Party QMS Certification

ISO / TS16949:2002

ISO 9001:2000

### SKF Quality Assurance Agreement

SKF Qs

EU directive for 'End-of-life of vehicles'

Supply Chain agreement

### SKF System & Process Certification

QT3 audit

H.T audit

BSM audit

Technical Visit

Previous SKF audit

Bearing Steel Making Process Description – Questionnaire

Forging Process Description Questionnaire

Primary customer approval

### Advanced Product Quality Planning

Agreement on Material Specification: D33,D32,D30

Agreement on Drawing & list of 'Critical and Significant' characteristics

Agreement on Packaging Specification

Zero Defect Plan

Availability of FMEA

Submission of 'Control plan & Process Flow Chart'

List of Sources or subcontractors

APQP+

### Product Approval

Prototypes

PPAP

IS / ISIR

Performance test

Material sample assessment (e.g. Billets, Big bars, Rubbers, Grease, Oils, etc.)

Pilot deliveries for 'Steel approval'

Approval on 'First delivery'

Run @ rate audit

Customer approval

### Third party QMS certification

In all cases, suppliers shall be minimum third party registered to ISO 9001:2000 for the appropriate scope, by an accredited third party certification body and provide SKF with copy of valid certificate.

For some select suppliers SKF may require ISO TS 16949:2002 certification due to a specific scope, business or customer requirements.

Suppliers not meeting the above requirement shall submit a plan to achieve compliance within 18 months from receiving the SKF Quality Standard.

### Supplier Quality Assurance Agreement *see page 14* Adoption of SKF major business principles:

The Supplier Quality Assurance Agreement with SKF implies mandatory adoption of the following key principles:

- SKF Code of Conduct,
- SKF Group Environmental Health and Safety policy (EHS),
- ZD concept as conformance and performance standard.

### Compliance with SKF Qs:

The Supplier Quality Assurance Agreement with SKF also implies full compliance with all requirements in the SKF Qs. Suppliers not fulfilling all of these requirements shall provide SKF with a schedule for fulfilment.

### SKF System & Process Certification

SKF approval criteria require visits using appropriate certification procedures. Thus, suppliers shall allow SKF access to their manufacturing location (as well as sub-suppliers if necessary), in order to enable SKF to accomplish proper auditing activities of suppliers' Quality Management System and Process.

Suppliers shall co-operate fully with SKF representatives in the course of such activity and implement the changes that are agreed with SKF.

When the required conformance level is met, SKF will issue an SKF Qs certificate.

The SKF Qs certificate is granted for a specific supplier location/process/family of products, and is valid for an indefinite period of time unless otherwise specified by SKF.

### Advanced Product Quality Planning (APQP)

#### Agreement on technical documentation

Technical documentation is provided by SKF in the form of a drawing, list of High Impact, Critical and Significant characteristics, material Standards & Practices, packaging and delivery conditions, and other product specification, and will be referred to within purchase orders or agreements.

Any technical documentation provided to suppliers by SKF shall be considered its own property, remain SKF's property, and as such shall be treated as highly confidential. Suppliers may be required to sign a formal confidentiality agreement.

In the absence of documented SKF requirements, such as for appearance, the standard is the approved Initial Samples.

Suppliers shall use structured methods (detailed feasibility study) to assess the ability to meet SKF specifications. High Impact, Critical and Significant characteristics shall be identified (either specified by SKF or requirement coming from supplier process) as part of the feasibility study and clearly identified on related working documents like FMEA, control plan, work instruction and inspection instructions.

Documented evidence shall be retained and made available to SKF on request (see "Documentation, Traceability and Records" chapter).

Suppliers shall formally confirm to SKF their agreement on final product specifications and subsequent changes.

Documented evidence shall be retained and made available to SKF.

### Zero Defect Plan

Suppliers shall use structured quality methods aiming at ZERO DEFECT as the product acceptance standard from the start of the APQP process. Suppliers shall monitor and document defects as early as possible in order to develop an effective Zero Defect plan with the target of achieving Zero Defect at "start of production", or at an agreed time period with SKF.

Documented evidence shall be retained and made available to SKF on request.

### Assessment of potential risk of failure in the process (P-FMEA)

For all SKF products, suppliers shall perform, maintain and document a structured activity plan to assess the potential occurrence of defects and possibility of non detection of defects throughout the process, including sub-contracted operations and delivery.

Input for such activity shall be based on existing data, as well as customer input in particular for the assessment of the severity (effect) of each defect for SKF.

The output shall quantify risk assessment in order to prioritize adequate improvement actions and finalize the process route and the supplier control plan.

SKF recommends using the process FMEA from the AIAG publication (please access <http://www.aiag.org/publications/quality>) for conducting such activity.

The documents shall be controlled, retained and made available to SKF on request.

### Definition of Process Flow Chart and Supplier Control Plan

For all SKF products, suppliers shall establish a unique schematic diagram, hereafter called "Process Flow Chart" covering all process steps from receiving materials to delivery, including sub-contracted operations.

Information in the Process Flow Chart shall include the following elements as a minimum:

- Sequence of production and inspection stations,
- Type and reference number of key production equipment,
- Method of moving products or material that could potentially impact the quality,
- Disposition flow after inspection stations, as well as after rework.

In addition, suppliers shall also establish a unique document, hereafter called "Supplier Control Plan", describing all process and product control activities that impact the quality of SKF products. The Supplier Control Plan shall follow the same sequence as the Process Flow Chart from receiving materials to delivery, including sub-contracted operations.

Information in the Supplier Control Plan shall include the following elements as a minimum:

- Linkage to SKF part number with latest revision level,
- All product and process parameters specified by SKF or identified by suppliers for its impact on SKF products,
- Special identification of High Impact, Critical and Significant characteristics,
- Assessment and measurement technique, necessary gages and test equipments, for both set-up and production phases,
- Sample size and frequency, including set-up phase as well as production phase,
- Control method, such as statistical process control, inspection records, mistake proofing, automatic equipment, etc.,
- Reaction plan to non-conforming products or operations out of control.

SKF recommends the formats shown in the "Advanced Product Quality Planning and Control Plan" from the AIAG publication.

Control plans shall be developed for all SKF new or modified products and related processes. It may be based on the existing plan.

Suppliers shall ensure that Supplier Control Plans and Process Flow Charts are controlled documents with, if requested, SKF on the distribution list (see section "Change Control").

### **Prototypes**

For testing purposes, SKF may require suppliers to deliver manufactured prototypes of the product.

Prototypes shall be manufactured by the same sources and subcontractors intended for use in series production. SKF shall be formally notified of any deviation to this requirement. Suppliers shall not manufacture the prototypes until deviation has been approved by SKF.

Prototype Quality Control Plans shall be made available upon request, as well as the list of any sources and subcontractors used to manufacture the part.

A release of prototypes by SKF does not imply a product approval status, as described in the next section.

## **Production Part Approval Process (PPAP)**

### **Direct Material**

Depending on product type, SKF will notify suppliers of specific activities required to verify the conformity to specifications.

The objective of this process is to grant formal product approval status.

When SKF imposes the use of specific sources or subcontractors as a part of SKF specifications, suppliers shall purchase only from those specified. This does not relieve suppliers of their obligation to ensure the quality of sub-contracted parts, materials and services.

1) Approval of bearing steels for rolling components Bearing steel for the manufacture of rolling components (such as billets, round for tubes, bars, wires, etc.) shall always be approved by SKF prior to use by either SKF or direct suppliers to SKF. Approval of such steel typically requires submission of samples and a metallurgical property assessment of three pilot deliveries.

Approval is always granted for a defined and controlled process route.

2) Approval of semi-finished products and components Suppliers will be required to apply one of the following procedures for the approval of SKF components:

PPAP for which suppliers of SKF components shall strictly apply the requirements of the International Standard "Production Part Approval Process" – PPAP valid edition, section 1 from the AIAG publication. Unless stated in the PPAP order, suppliers shall use level 3 as the default level.

IS/ISIR for which suppliers are required to fulfil the following requirements as a minimum:

- Parts for IS/ISIR shall be taken from a significant production lot with a minimum of 300 pieces, unless otherwise specified by SKF.

This lot shall be manufactured at the production site under all the conditions and environment intended to be used for series production.

Submit SKF specified quantity of samples and report including:

- Process Flow Chart,
- Dimensional results/inspection reports showing full compliance with all SKF specifications,
- Capability studies, as applicable, for High Impact, Critical and Significant characteristics with a minimum Cp and Cpk of 1.33,
- Material certificates,
- Supplier Control Plan.

If required by SKF, a "Run @ Rate" audit will be performed at the suppliers' premises between first "off tool production" and the end of the ramp-up phase to verify that the actual process is to plan, as documented in PPAP, in line with the ZERO DEFECT objective and to demonstrate the supplier's ability to produce at the SKF required rate.

#### **Indirect Material**

SKF does not have a specific procedure for the approval of indirect material.

SKF defines it case by case.

#### **SKF confirmation of product approval**

Upon receipt of the PPAP or of the IS/ISIR, SKF will complete the assessment.

Formal written approval will be granted to suppliers when assessment shows that agreed product specifications have been met.

Approval of parts is granted for the specific process route defined in the Process Flow Chart. This is the basis for change control procedures in order to assure that any modification to this process route will require prior approval from SKF.

Suppliers are not permitted to supply series products before confirmation of product approval from SKF. In exceptional circumstances, SKF may decide and advise suppliers that the approval will be granted when capability on critical or significant characteristics are confirmed for series delivery.

If assessment shows that agreed product specifications have not been met, SKF will notify suppliers of the nature and extent of non-conformance and provide further requirements for corrective actions. SKF Quality Assurance will advise suppliers of any temporary product specifications, to permit the delivery of products until agreed specifications are met.

#### **Start of production**

Approval status granted by SKF does not relieve suppliers of their responsibility to verify that all activities planned during the APQP phase are completed and suitable for series production. Such activities may include, for instance, open items from FMEA, open issues with subcontractors, capacity problems or non-conformance identified during PPAP production without closed corrective action, open planned investments, etc.

# Ongoing business

## Company Management

### Sustainability

A. Code of Conduct, see "SKF Code of Conduct" (<http://www.skf.com/portal/skf/home/about?contentId=004557>)

- Suppliers shall adopt the principles of the SKF Code of Conduct (Code of Business Ethics).
- Suppliers shall provide evidence of compliance with these principles when requested by SKF.

B. Environment, please access "SKF's Environmental, Health & Safety (EHS) policy" (<http://www.skf.com> select "Investors" -> "Sustainability" -> "Policies")

- Suppliers shall adopt the principles of SKF's Environmental, Health & Safety (EHS) policy.
- Suppliers shall implement and maintain an effective environmental management system, in accordance with ISO 14001 or equivalent.

Suppliers shall aim at official certification of their environmental management system by third party organization.

Environmental parameters shall be measured and reported, at regular intervals, to the suppliers' management and employees.

Manufacturing facilities shall comply with all government safety and environmental regulations on prohibited, restricted and hazardous substances, and documented evidence of compliance shall be provided when requested by SKF.

If problems concerning compliance with legal EHS demands relating to the co-operation with SKF occur, suppliers shall immediately inform SKF thereof.

Suppliers shall guarantee that no substance from the SKF specified list of prohibited or restricted substances (SKF has adopted the VDA list as reference, accessible on Internet via the following link: [http://www.mdsystem.de/html/en/home\\_en.htm](http://www.mdsystem.de/html/en/home_en.htm), is included in the products delivered to SKF or used in the related manufacturing process. Suppliers not fulfilling some of the requirements shall request an SKF waiver and provide a time plan for fulfilment.

Suppliers may also be required to provide reports on the material composition of products containing any of the prohibited or restricted substances.

Steel makers supplying SKF factories directly or indirectly shall provide SKF with information concerning risks relating to radioactive contamination and how monitoring of radioactivity is performed at, for example, the truck/railway entrance or landing place; information such as:

- Level of radioactivity
- Photo of equipment
- Example of measuring protocol
- Calibration certificate for measuring equipment.

Additional information may be requested by SKF.

### Zero Defect management

Approval given by SKF does not relieve suppliers of their obligation to deliver the right product to the right place at the right time with "ZERO DEFECT" as specified in the performance standard covering product and service.

The ambitious goal of ZERO DEFECT requires maximizing efficiency and minimizing waste throughout the organization.

In order to achieve these goals, suppliers shall develop appropriate documented ZD programs for SKF products covering:

- Subcontractors and sub-suppliers
- People and attitude
- Process reliability
- Customer satisfaction.

### Continuous improvement

Suppliers shall maintain an effective documented quality management system based on the ISO 9000 series of standards and fulfilling the SKF Qs requirements, with the aim of being certified to the ISO TS 16949 standard.

SKF monitors supplier performance (e.g. product quality, service, cost, etc.).

Suppliers shall regularly review key performance indicators against targets and to determine strategies for improvement, including:

Cost of non quality relating to SKF parts and reduction plans (scraps, repair, failures, extra or premium freight, etc.)

Non-Conformance, NCC/NCI, aiming at ZERO DEFECT, using problem-solving techniques.

Delivery performance, aiming at 100 % delivery performance

and Zero Broken Promises through, for example, lead-time reduction.

Supplier shall report results and relevant improvement activities on agreed key measurements, when requested by SKF. As part of SKF's supplier development programs, SKF may perform an on-site Certified Supplier Quality Audit (CSQA) to identify opportunities for improvements in terms of quality and service.

Suppliers should take the initiative to regularly communicate with SKF in order to assess and confirm current performance and to review future improvement objectives.

Suppliers shall aim to increase SKF's satisfaction by proposing improvements to delivered products leading to a more competitive product.

#### **Responsibility towards subcontractors and sub-suppliers**

Primary suppliers to SKF are responsible for supplied material, services and sub-contracted operations.

Primary suppliers shall ensure that sub-suppliers and sub-contractors have valid third party Quality Management System certification according to ISO 9001:2000 if the supplied material, service or sub-contracted operation has an impact on product quality or physical properties on the product supplied to SKF. If this requirement is not met, suppliers are not allowed to use the sources or subcontractors unless prior approval has been given by SKF.

On specific SKF request primary suppliers shall ensure that sub-suppliers and subcontractors have an internal PPAP process in place.

Suppliers shall purchase the relevant materials from SKF approved sources (sub-suppliers or subcontractors) if specified by SKF.

The use of such sources does not relieve suppliers of their obligation to ensure quality of supplied materials, services and sub-contracted parts.

Note for bearing steel sources: the bearing steel manufacturer and related process route used for PPAP are part of the approval. Suppliers are not authorized to change to another source or process route even if another steel manufacturer is in the list of SKF approved subcontractors.

See section "Change Control".

## **Supply Chain**

### **Supply chain agreement**

ZERO DEFECT objectives also include quality of service, including the reliability of delivery promises. SKF's target for on-time delivery is Zero Broken Promises.

In order to achieve these goals, suppliers shall define and agree with SKF:

- key logistic parameters, such as: lead-time, stock policy, transport time, transport units, transport mode etc.
- definition of operational direct contacts between suppliers and the SKF production unit, etc.

### **Production planning and physical flow**

Suppliers shall have a computerized system allowing for daily and on-line reception (at least through email) of SKF's purchase and call-off orders and forecasts, as well as transfer of advance shipment notifications at the time of shipment.

Suppliers shall have daily and on-line access to Internet.

Suppliers' production planning shall be order-driven.

Suppliers' plant layouts shall minimize material travel and handling, facilitate synchronous material flow, and minimize value-added use of floor space.

Orderliness and cleanliness of suppliers' operations and processes shall be well maintained and systematically improved. Suppliers shall have structured methods to follow up key logistic parameters such as broken promises, lead-time (and other agreed parameters) and shall implement activities for continuous improvements.

Suppliers should have a computerized system for control of material procurement, production planning and deliveries on a daily operational basis.

## Manufacturing

### Manufacturing process control

The SKF acceptance criterion on agreed product specifications is ZERO DEFECT.

High Impact, Significant and Critical characteristics shall be identified on related working documents like FMEA, control plan, work instruction and inspection instructions.

Suppliers shall use statistical methods, such as statistical process control (SPC), as described in the AIAG "Fundamental Statistical Process Control" reference manual or equivalent, for the continuous control and improvement of processes affecting High Impact, Critical and Significant characteristics.

The target for ongoing statistical process capability, Cp/Cpk, is a minimum of 1.33 for High Impact, Critical and Significant characteristics. When unacceptable process capability exists or statistical techniques are ineffective, 100% automatic inspection or "mistake-proof" procedures are required. Cp/Cpk values shall be monitored for all High Impact, Critical and Significant characteristics and reported to SKF if requested.

If suppliers assess Cp/Cpk to be an inadequate measure of capability, such as for very small batches, SKF may allow suppliers to use an alternative method upon request.

Suppliers shall identify key process machines/equipment and develop effective total preventive maintenance (TPM), such as:

- Routine maintenance by operators (cleaning, oiling, small repairs, standardized check lists),
- Monitoring maintenance (fixed interval inspection),
- Corrective maintenance (planned and unplanned repairs),
- Enhanced maintenance prevention (design of existing equipment, purchasing policies and requirement specifications, improvement teams),
- Continuous review of the total performance of maintenance.

The capability of measuring systems shall be determined using analytical methods, such as those described in the AIAG "Measurement System Analysis" reference manual.

### Documentation, Traceability and Records

Suppliers shall maintain traceability from the supplied product back to material sources based on High Impact, Critical and Significant characteristics, and on other processes affecting the quality or material properties.

Suppliers shall retain manufacturing records for a minimum of 3 years, unless otherwise specified, including the Production Part Approval Process.

These records shall be made available to SKF upon request.

### Change control

Changes affecting products and processes generally require prior approval from SKF, as described in the AIAG "Production Part Approval Process" reference manual.

Prior to the first production shipment, suppliers shall notify SKF and submit for part approval (unless the SKF part approval activity has specifically waived this requirement for the subject part) the following:

- engineering change to design records, specifications, or materials,
- production following any change in process, or method of manufacture, or in the inspection plan, having an impact on quality of delivered product (ref. to Supplier Control Plan and to Process Flow Chart or Process Route),
- change of material or its source,
- change of source for sub-contracted parts, or services (e.g.: heat treatment, surface treatment, turning operation, etc.),
- production from new or modified tools (except perishable tools), including additional tool, replacement, or refurbishment, etc.
- production from tooling and equipment transferred to a different plant location.

SKF shall be notified in case of mergers, acquisitions or affiliations.

### Non-conformance at suppliers' premises

A non-conforming product or suspect product shall not be shipped without prior documented SKF approval relating to specifying quantity of parts and duration of the approval. A product shipped under such approval shall be identified on each shipping container, according to SKF instructions.

In case of a problem or potential problem that may affect the scheduled delivery terms, suppliers shall immediately inform SKF.

### Non-Conformance identified at SKF or at the final customer's premises

In order to cover costs caused by defective products at SKF or at the final customer's premises, suppliers shall maintain appropriate product liability insurance and provide proof of insurance to SKF upon request.

Any product or service that does not meet SKF acceptance criteria, whether found at SKF or at the final customer's premises, will be recorded and notified by the receiving SKF factory.

There are two types of Non-Conformance Notification:

- Non-Conformance Complaint - NCC, relating to approved products and agreed specifications with the scope of direct materials and some indirect materials.
- Non-Conformance Information - NCI, relating to unapproved products, PPAP, products out of the scope of NCC or specifications that are not agreed upon.

SKF will provide a specific Corrective Action Report (CAR) format with every NCC or NCI.

Suppliers shall always use the SKF CAR format when answering any NCC or NCI sent by SKF.

Suppliers shall maintain effective documented procedures, using team approaches and disciplined problem-solving methods, to ensure that on receipt of an NCC or an NCI they will:

- Implement immediate actions, such as temporary inspection activity, sorting, rework, recall, etc., to prevent recurrence of the non-conformance in future deliveries,
- Report immediate actions to SKF within six working days, with logistical information and proposed plan to prevent recurrence,
- Perform root cause analysis:
  - for the defect (as applicable on samples of the non-conforming product)
  - for the non-detection,
- Analyse impacts on FMEA, process flow chart and supplier control plans,
- Implement permanent process-related corrective action, for reducing defects towards ZERO DEFECT,
- Close NCC/NCI when the effectiveness of the action has been confirmed,
- Inform SKF of the progress of a "corrective action" until completion of said corrective action, verification and closure.

In case of Non-Conformance, SKF (as well as the appropriate SKF customer) has the right to perform a quality audit to verify the effectiveness of problem-solving activities.

When the nature of the defect may affect the performance of SKF in delivering to the final customer, SKF may require suppliers to conduct sorting operations at SKF's premises, designated third party inspection source, or at SKF's customer location at the suppliers' expense and in a timely manner.

Suppliers shall measure the trend in number of complaints (NCC & NCI) from SKF and responsiveness to SKF (immediate actions, corrective action plan, closing).

Suppliers not showing improvement in a number of NCC&NCI may be subjected to an escalation approach from SKF, which can result in serious decisions affecting future business.

# Quality Agreement

between

**SKF**

and the supplying company:

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Name and address of supplier:

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## **Concerning products delivered to SKF facilities**

Governing the organization and implementation of joint quality management aiming at assuring the quality of products/components supplied by the Supplier ("the Products") to some or all of the SKF manufacturing and development units.

The Supplier confirms the adoption of SKF major business principles:

- SKF Code of Conduct
- SKF Group Environmental Health and Safety policy (EHS)
- ZD concept as conformance and performance standard

The Supplier commits to supply the Products in compliance with the applicable requirements of this SKF Quality Standard for Suppliers, edition 4.0, or according to the enclosed schedule.

This Agreement shall remain in force until terminated by six (6) months' notice by either party in writing. However, it shall in all cases continue to apply for all purchase and supply agreements agreed prior to its termination.

Name:

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Function:

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Location & date:

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Signature:

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