



SUBSTANCES OF CONCERN MANAGEMENT STANDARD
(SOCMS)

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SECTION 'A' SUPPLIER REQUIREMENTS

1.0 Background

It is Nifco UK Limited policy to comply with all applicable laws wherever in the world we do business. Many countries where our products are sold and our customers now impose strict limits on the amounts of certain substances that can be found in our products. In the case of the automotive industry these limits are stated in the **European Directives 2000/53/EC (End of Life Vehicle) and 76/769/EEC (PFOS Reduction)**.

The consequences of not meeting these limits can include an inability to sell our products. Also, it is critically important for us to know that our products are safe to use. To accomplish this, we are issuing this our mandatory Substance of Concern Management Standard. (SOCMS)

This standard is not optional. We fully expect all our contract manufacturers and materials suppliers, to comply with it in all respects. We will perform audits, to monitor, and ensure, compliance with this standard. We expect all vendors to understand and be responsible for SOC reporting for the full supply chain of their product content.

We recognize that this change may represent a difficult transition for some of our manufacturing partners, and we are committed to providing clear instructions and all reasonable assistance to you as we introduce this standard.

We will amend the supply agreements we have with our suppliers to ensure that all of our trading partners are fully notified of their obligation to comply with this standard as well as our quality standards.

We require the signature of your company CEO (or designee), acknowledging receipt and agreeing to meet the requirements of this standard, on the Form attached. Please return the signed form to your primary Nifco contact.

Failure to agree to the reporting requirements of this standard will result in analysis being carried out by Nifco UK Limited on your behalf and all costs incurred will be recharged to your company.

Please also note that we will update these standards to reflect changing legal or customer requirements. We are committed to working with you to give you as much advance notice as possible of any changes to the standard.

2.0 Scope

This standard applies to the following commodity groups :

- a) Raw materials.
- b) Metal fasteners, plated pressings.
- c) Specialist assembled components (e.g. Thermostats, PCV Valves, *upholstery* etc.)
- d) Secondary operations i.e. Painting, Plating, Flocking etc.
- e) Packaging.

Data must be either entered onto the IMDS database as described in section 4. or supplied in the format described in section 5. of this standard. (Note: SOC Data submission also needs to be included on PPAP Warrant).

A declaration will be required from all suppliers to confirm that no PFOS (reference 76/769/EEC) is present in any item purchased by Nifco UK Ltd.

Please note that when using the Nifco spreadsheet, the declarations given must include the packaging of the product you supply.

In all cases evidence of the continuing validity of the results must be supplied. This may be in the format of inclusion in an annual layout review or by Certificate of Analysis (C of A).

3.0 Declarable substances.

Please note that Nifco UK Limited staff are not technical experts on these chemicals. We are providing this information for general background purposes. It is advisable to consult your own internal materials experts or seek outside expertise to learn more about these specific substances and their potential occurrence in your products.

A full listing of the materials which are declarable can be found at the Global Automotive Declarable Substance List (GADSL) website at www.gadsl.org

If you do not have access to the internet a copy of the listing is available from your contact at Nifco UK Limited.

Definitions

Substances : Chemical elements or chemical compounds as parts of materials or Preparations.

Preparations : Mixtures, composed of two or more substances: Chemical elements, chemical compounds or preparations thereof in finished state used to manufacture products/articles

Products/articles : Materials, which have been transformed during production to take a specific shape, surface or form, which has a greater influence on their function than their chemical composition does.

Parts : Single components made up of one or more homogenous material(s)

Declarable Substance Classification

A declarable substance when present in a material or part in a vehicle will be shown on the GADSL as "P" or "D", defined as follows:

P = Prohibited

A substance designated "P" is either prohibited by regulation for use in certain applications or may not exceed regulated threshold limits.

D = Declarable

A substance designated "D" must be declared if it exceeds the defined threshold limits. Depending on its specific application, the same substance could be classified "P" in one end use and "D" in another end use. When this is the case, both classifications for the substance will be shown on the GADSL with examples under the application column.

In addition to the substances/ limits identified in the GADSL there may be other substances & limits that may be set by our customers. These will be notified to you on an individual basis.

4.0 Reporting Using the IMDS Database

Where possible Nifco UK expect suppliers to subscribe to the International Material Data System (IMDS) and submit all requests for material composition of products by Nifco UK to this system. Suppliers will require Internet connection and browser software to access IMDS. Minimum requirements are described on the IMDS web site, www.mdsystem.com

Nifco UK do not provide training for the IMDS but will support suppliers with information on training and/or data submission when requested.

Data should be submitted to IMDS as per IMDS Training Manual and User Guide.

Nifco UK understands that not all suppliers at present subscribe to IMDS, so where suppliers do not subscribe, data should be submitted as per Section A – 5.0 of this standard.

5.0 Reporting Using the Nifco Spreadsheet

If suppliers do not have access to the internet or at present do not subscribe to IMDS, then material submission data should be reported on Nifco UK Component Material Content Data Sheet S0535.

Data sheet/s will be provided by Nifco IMDS administration for completion for each part that requires data submission. Blank copies of form can also be obtained from Nifco IMDS administration for review.

Data sheets should be completed with relevant details of material content as explained in 5.1 below.

5.1 Completion of Spreadsheet

Form Headings

Nifco Part No.

Drawing No.

Customer No.

Part Name

Data Required

To be completed by Nifco IMDS administration

When applicable, to be completed by Nifco IMDS administration

When applicable, to be completed by Nifco IMDS administration

To be completed by Nifco IMDS administration

All data below should be supplied by the supplier

Measured Weight

Total weight of part to be supplied by supplier

Assembly Item Name

If part is not an assembly and is only single part, the word "Single" should be entered.

If part is an assembly, then all parts of the assembly must have material content listed and the name of each item should be entered into this field.

Qty

If a single part then one should be entered into this field. Otherwise, if an assembly, the quantity of each sub-part should be entered.

Material Name

Material name for each part or sub-part should be entered into this field.

Material No.

Abbreviation or material number

Classification (material name)

A description of material type

Definition. (D/P)

State whether the material is declarable (D) or Prohibited (P).

Measured Weight (g)

The weight of each individual part, in grams, should be supplied

Environment Rated Substance Content (%)

The last three fields should be completed with relevant data that can be obtained from the Global Automotive Declarable

Cas No.

Substance List (GADSL) website at www.gadsl.org

Each single or individual part of an assembly, must have the basic substance reported on the data sheet.

Note: If there are any issues with completion of data sheet the supplier should contact the IMDS administration at Nifco UK.

Once completed data sheet should be returned to Nifco UK.

SECTION 'B' Nifco UK Limited REQUIREMENTS

2.0 Scope

This standard is written to support and implement the Nifco UK Limited Environmental Policy. Also to ensure that the correct actions are taken to ensure that both our suppliers and Nifco meet the requirements of the European Directive 2000/53/EC, 76/769/EEC and any other End of Vehicle Life requirements as stated by our customers.

3.0 Classification of Suppliers

For the requirements of this standard our suppliers are classified as follows.

- Class 1..... Bought out component supplier.
- Class 2..... Secondary process supplier (Painting, plating, Flocking etc.)
- Class 3..... Raw material supplier (Polymers, pigments etc.)
- Class 4.....Packaging supplier
- Class 5.....Service supplier

4.0 Identification of Requirements

The need for a supplier of any given class to supply data regarding SOC's will be identified during the development of each and every deliverable product supplied by Nifco UK Limited. Records of the identification and subsequent document generation will be recorded in the development records.

5.0 Reporting using the IMDS/Customers Specific System

Nifco UK are committed to reporting all product content on to the IMDS (International Material Data System), customer specific system e.g. Honda or via customer required declaration.

On request from customer for submission of part, Nifco IMDS administrator will establish relevant information (material) by interrogating Nifco BOM (Bill of Material) and IMDS. If all information is available, ID reference numbers will be noted and product structure tree will be created by IMDS administrator as per IMDS Training Manual and User Guide.

If data is required to complete IMDS tree, suppliers will be contacted and asked to submit data to IMDS (see Section A – 4.0) or to Nifco UK using Component Material Content Data Sheet (see Section A – 5.0)

As stated, Nifco are committed to removing all prohibited substances from its products. If any restricted substances are found and IMDS submission is rejected by the customer, supplier/s will be notified and Nifco UK expect relevant supplier/s to take action to remove substance from product. Timing of this action should be communicated to Nifco UK IMDS administration.

6.0 System Audits

Regular audits will be conducted both on the use and implementation of this management standard and also on the data supplied by our customers against this standard.

Customer audits will be scheduled based on, strategic importance, criticality of results and also on a random basis.

9.0 Amendments

DATE	REV	CHANGE
04/05/05	1	New Standard
07/11/07	2	All changes in red italic. Section A : 1.0 Background – “and 76/769/EEC (PFOS reduction)” added. 2.0 Scope – “upholstery” added. “A declaration will be required from all supplier to confirm that no PFOS (reference 76/769/EEC) is present in any item purchased By Nifco UK Ltd” added. Section B : 2.0 Scope – “76/769/EEC” added. 5.0 Reporting – “or via customer required declaration” added. 8.0 Flow Chart – “Note: Presence of PFOS will be actioned in line with the above flow chart ” added.
13/10/08	3	<i>Signatures added to page 7</i>

IN WITNESS whereof, the parties have executed this Agreement on the date set out above.

.....
Duly authorised signatory for and on behalf of: Nifco UK Limited
Name of signatory:
Title:
Date:

.....
Duly authorised signatory for and on behalf of:

Name of signatory:
Title:
Date: