



Supplier Manual

Version 1, May 2021

ERIKS

Table of content

1. Introduction ERIKS	3
1.1 The manual	3
2. Purchase order management	4
2.1 Quotations	4
2.2 Ordering	4
2.3 Confirmation	4
2.4 Delivery performance	4
2.5 Shipment and packaging	5
2.6 Certificates	5
2.7 Invoicing	5
2.8 Declaration of origin	5
2.9 Life cycle management and change management	5
2.10 Continuous improvement and cost reduction	5
2.11 Returns	5
2.12 Code of Conduct for Business Partners	5
3. Quality	6
3.1 Quality management system	6
3.2 Initial sample testing and inspection	6
3.3 Manufacturing and marking of Goods, traceability and test certificates	6
3.3.1 Process disruptions/quality deviations	6
3.3.2 Preventive maintenance / repairs	6
3.3.3. Marking	6
3.3.4. The FIFO principle / traceability	6
3.3.5. ERIKS property	6
3.3.6. Inspection certificate	7
3.3.7. Compliance with regulations	7
3.4 Acceptance of Goods and incoming inspection	7
3.5 Special releases for delivery of Goods and Services	7
3.6 Rejections and complaints	7
3.7 Environmental management	8
3.8 Health and Safety	8
3.9 Supplier Assessment	8
3.10 Audits	8
4. Relevant links for RoHS, REACH, CMD and ERIKS documents	9
Concluding note	9

1. Introduction ERIKS

ERIKS is an industrial service provider offering a wide range of technical components and products, co-engineering and customisation solutions, and associated digital, technical and onsite services. We help customers in a variety of industry segments improve product performance and reduce total cost of ownership. We make industry work better.

Our technical know-how is the basis of our specialism. Over the last 80 years, we have built up deep expertise in the areas of: sealing and rubber technology; flow technology; industrial plastics; power transmission and bearings; tools, maintenance and safety products; industrial and hydraulic hoses; and gaskets. Our 7,000 skilled people worldwide serve customers in their original equipment manufacturing (OEM), and maintenance, repair and overhaul (MRO) operations. ERIKS has branches in 17 countries, with a strong position in Western Europe and North America, and a presence in South-east Asia. For more information, please visit www.eriks.nl.

ERIKS truly believes we can make industry work better. In order to get there, we are keen to understand every aspect of our customers' business and look for continuous improvements. We are dedicated to cooperation. We expect our Suppliers to do the same.

1.1 The manual

The instructions in this manual outline the requirements for doing business with ERIKS in general, or a specific ERIKS location in particular. By providing these instructions, ERIKS wants to help you as a Supplier to ensure safe, smooth, timely and full deliveries. It outlines the requirements for (non) merchandise deliveries and returns. Hence: Suppliers and their performance are critical to the success of ERIKS. Without the skills, dedication and hard work of our Suppliers, ERIKS would be unable to meet the needs of our Customers. As such, ERIKS regards our Suppliers as partners in our business model.

Although ERIKS recognises that our Suppliers have their own internal quality systems and business processes, we feel it is important to document and communicate ERIKS' expectations.

An ERIKS Supplier must strive to meet all the expectations as laid out in this document, not only concerning environmental protection, but also the safeguarding of smooth processes and continuous improvement.

With appropriate justification, certain exceptions to compliance with specific elements of this Supplier Manual may be granted by ERIKS. These exceptions shall be documented and mutually signed by ERIKS and the Supplier. ERIKS may require compliance regarding specific legal or regulatory requirements. If applicable, these special legal or regulatory requirements will be specified in the Purchase Order or other agreement with the Supplier.

2. Purchase order management

The general purchasing conditions of ERIKS B.V. or superseded framework agreements apply to all requests for quotations, offers, orders, [purchasing] contracts and the commitments deriving from them.

2.1 Quotations

ERIKS expects the Supplier to quote in accordance with the RFQ requirements and technical product documentation. Furthermore, ERIKS expects the Supplier to quote within 3 working days of our sending a request for quotation. If specifications are to be shared, an NDA may have to be signed.

To ensure that we have the correct company details of the Supplier and that communication takes place between the right people and at the right levels, we ask our Suppliers to complete the ERIKS Supplier Questionnaire.

2.2 Ordering

An order will be sent electronically via EDI, a web portal or email. ERIKS has a strong preference for electronic data interchange. ERIKS aims to work paperlessly, therefore we embrace use of digital methods of communication, like EDI. ERIKS is able to process the following types of EDI messages:

- DESADV
- EDIFACT
- RECADV
- INVRPT
- DELFOR

No goods may be delivered without a purchase order.

2.3 Confirmation

All orders, call-off orders or purchases in any form have to be confirmed by the Supplier within 24 hours of receipt. Confirmations can be sent by EDI, the web portal or e-mail and need to be addressed to the purchasing department of ERIKS.

2.4 Delivery performance

The Supplier warrants continuity of supply to ERIKS and compliance with the agreed lead times. Delivery dates which are mentioned on our Purchase Orders are the date Goods must arrive in our warehouses. All delivery times are of utmost importance. Any failure in complying with the conditions of our Purchase Orders has a direct impact on our Customers, so the Suppliers must inform our Operational Purchasing Team in case of any discrepancy between their shipment and our order.

The delivery performance and quality performance of a Supplier will be reported by ERIKS using our Supplier Rating System (SRS). The SRS is distributed on a regular basis and shows operational performance as measured by ERIKS:

KPI	Target	Explanation
OTIF	98%	Performance Supplier delivered on time to ERIKS according to the requested delivery date
Service level	98%	Requested delivery date [ERIKS to Supplier] compared to first promised delivery date [Supplier to ERIKS]
Delivery performance 1	98%	Performance Supplier delivered on time to ERIKS according to the first promised delivery date.
Delivery performance 2	98%	Performance Supplier delivered on time to ERIKS according to the last promised delivery date.
Defects	0.01%	Percentage of defects delivered by Supplier

Performance results will be an important topic of management reviews, held on a regular [quarterly] basis.

2.5 Shipment and packaging

The Supplier needs to send the Goods to the delivery address as shown on the Purchase Order and these should be accompanied by a packing slip.

ERIKS standard delivery conditions are DAP for deliveries to ERIKS from within the Netherlands, or FCA for European deliveries to ERIKS in the Netherlands and FCA or FOB (sea freight) for deliveries from outside of the EU according to the latest Incoterms. FCA and FOB shipments will be arranged using ERIKS' selected forwarders.

All specified packaging and shipment instructions are included in the "Packaging and shipment instructions".

2.6 Certificates

Product certificates (e.g. 2.1; 2.2; 3.1; 3.2) are to be sent digitally to certificaten@eriks.nl as well as enclosed in the delivery in paper format.

2.7 Invoicing

Unless otherwise agreed in writing, invoices will be paid following their receipt and approval within 60 calendar days of the end of the month of the invoice date. Invoices are preferably to be sent via EDI connection or digitally to Crediteuren@eriks.nl within 2 days after delivery.

2.8 Declaration of origin

All EU Suppliers are generally obliged to provide a long-term Supplier's declaration which complies with EEC regulation no. 2447/2015. Where this is not possible, ERIKS expects that an individual Supplier's declaration be provided, as well as the marking of the respective country of origin of the Goods on the delivery note, the packing list and the invoice. ERIKS has a legal obligation to provide the correct information to the customs authorities regarding the country of origin (CoO) and statistical Combined Nomenclature Code (CN) of the Goods that are imported and exported. These obligations may also apply to the Supplier who is the main source of information for the correct CoO and CN-codes of the Goods coming from ERIKS. The Supplier will proactively and timely provide ERIKS with the correct CoO and CN codes of the Goods, preferably with a validity period of 2 years, by sending them to the following address: mdm@eriks.nl

If the Supplier is not able to provide the declaration, the Supplier will add this information to invoices. All the information will be provided to ERIKS free of charge.

2.9 Life cycle management and change management

The Supplier will manage the supply chain, including lifecycle management. If a product will become obsolete, the Supplier will inform ERIKS six (6) months prior to the moment the product, material(s) or article(s) becomes obsolete.

If the product(s), article(s) or material(s) change, this always will be shared with ERIKS. If not, the Parties agree to put a procedure in place. The Supplier may not make any changes that affect the fit, shape or function of the Goods without the prior written approval of ERIKS.

The Supplier shall develop a contingency plan for potential catastrophes disrupting product flow to ERIKS, and advise ERIKS at the earliest in the event of an actual disaster.

2.10 Continuous improvement and cost reduction

ERIKS expects from our partners a pro-active focus on costs and proposals for cost reductions to meet the cost-reduction targets set by the market and product life cycle. The Supplier will proactively present a yearly overview of cost-reduction proposals that may accumulate into a yearly cost-reduction opportunity. ERIKS has a yearly 3% total cost reduction target.

2.11 Returns

ERIKS is allowed to return standard stock Goods to the Supplier. Prerequisites are that the stock is: a) not older than two (2) years; b) not used; and c) in original state/packaging. The Supplier will credit the purchase price of the Goods to ERIKS, or ERIKS has the right to get new up-to-date Goods instead of the returned Goods of the same value. The stock of ERIKS will be reviewed yearly.

2.12 Code of Conduct for Business Partners

ERIKS expects its Suppliers to accept and underwrite the ERIKS Code of Conduct for Business Partners.

3. Quality

To guarantee compliance with all ERIKS quality requirements, quality inspection and testing by the Supplier must extend from receipt of the material at the Supplier's premises, through the entire production process and on to the dispatch of the finished Goods and Services.

The Supplier undertakes to incorporate all sub-Suppliers and, if applicable, development partners, as well as all involved third parties who are needed for the manufacture or quality assurance of the agreed Goods and Services into their quality management system, or to ensure the quality of the initial deliveries themselves. Records of the tests and measurements must be kept and made available to ERIKS if requested. This also applies to sub-Suppliers.

3.1 Quality management system

The Supplier undertakes to maintain and develop a quality management system (hereinafter "QM system"), the content of which complies with the requirements of ISO 9001 (as amended). A QM system certified according to ISO 9001 or a comparable standard (ISO 13485, EN 9100, ISO TS 16949, VDA 6.1) is desirable.

3.2 Initial sample testing and inspection

The initial sample testing inspection must be carried out in the following steps:

- Manufacture of the initial sample under volume production conditions using production equipment and methods used in volume production;
- Testing of the initial sample in accordance with the agreed test specifications and capable measuring equipment;
- Documentation of the test results in an initial sample test and inspection report;
- Delivery of initial samples along with the relevant initial sample test and inspection reports;
- If applicable, further testing and inspection of selected characteristics by ERIKS and documentation of the results in the initial sample inspection report by ERIKS;
- ERIKS' internal approval or rejection for volume production;
- Information passed to the Supplier by ERIKS on the result of the initial sample testing and inspection; and
- Definition of further measures in consultation with the Supplier, if necessary.

3.3 Manufacturing and marking of Goods, traceability and test certificates

3.3.1 Process disruptions/quality deviations

In the event of process disruptions and quality deviations, the Supplier will analyse the causes, initiate corrective measures, check their effectiveness and document this procedure.

If Suppliers are unable to supply any Goods and Services in accordance with the required specifications, they must obtain special approval from ERIKS prior to delivery.

3.3.2 Preventive maintenance / repairs

The Supplier will ensure that Goods and Services are supplied in accordance with the agreed volumes and delivery schedules. The Supplier will undertake preventive maintenance procedures to avoid disruptions and breakdowns of machines, equipment and tools.

3.3.3. Marking

The Supplier undertakes to mark the Goods and Services and the packaging in accordance with the agreements signed with ERIKS. It must be possible to match the Goods and Services that are supplied with the order. The Supplier must ensure that after packaging, the marking of the Goods is legible during transport and storage.

3.3.4. The FIFO principle / traceability

The Supplier undertakes to abide by the FIFO (first in, first out) principle. In so far as traceability is required, the Supplier must ensure that the Goods and Services supplied are traceable to the extent required, with a minimum of traceability per batch. The Supplier has a method in place to monitor shelf life, min 75% of the shelf life required

3.3.5. ERIKS property

Manufacturing and testing equipment that is supplied by ERIKS, particularly equipment and devices supplied in the context of the purchase of Goods and Services, must be marked as the property of ERIKS. The Supplier is responsible for ensuring that the items supplied by ERIKS are undamaged and work properly, and will repair and maintain them, unless otherwise specified in other provisions (e.g. a loan agreement).

3.3.6. Inspection certificate

At the request of ERIKS, the Supplier will supply quality testing and inspection certificates with the Goods and Services as required by the relevant order. The quality of the purchased raw materials must be documented by the Supplier in an acceptance test certificate (as specified by ERIKS). All certificates shall be supplied digitally before shipment of the Goods.

3.3.7. Compliance with regulations

Products must comply with specific required regulations (e.g. REACH, RoHS, Conflict Minerals) and any other regulations on banned substances. Required documentation must be available upon request.

The Supplier is obliged to provide information if products do not meet the criteria of the regulations.

3.4 Acceptance of Goods and incoming inspection

On the arrival of the Goods and Services, ERIKS will only check whether they correspond to the quantity and type ordered, whether there is visible external transport damage on the packaging and whether there are visible external defects. The Supplier must orient its quality management system and quality assurance measures to this reduced testing and inspection of incoming Goods. ERIKS will inform the Supplier in writing about defects in the Goods and Services that were delivered as soon as they are identified during the regular course of business. In this respect, the Supplier will waive objections to delays in lodging a complaint.

3.5 Special releases for delivery of Goods and Services

If the Supplier is unable to supply the Goods and Services as agreed in accordance with the contract due to non-conformities identified prior to delivery, and if the deviations cannot be rectified by special efforts and emergency measures before the agreed delivery date, in truly exceptional cases the Supplier may request approval for the delivery of non-conforming Goods and Services by means of an application for special release.

Nevertheless, the urgency of the supply situation must always be first clarified with the person at ERIKS who placed the order and efforts made to rectify the deviations by reconditioning or supplementary work.

The causes of the deviations that were identified must be analysed immediately and suitable corrective action taken to permanently prevent the recurrence of the deviations.

The application for special release must be made in writing using the ERIKS form and sent to the person at ERIKS who placed the order. The application must always contain a detailed description of the deviation, the cause that was identified, the corrective actions taken and the planned time for implementation. Quality Management, Technical Development and other departments at ERIKS will assess the application for special release with regard to the potential effects and risks of the deviation. At the conclusion of the assessment, ERIKS will inform the Supplier about the decision taken with regard to special approval. The following decisions are possible:

1. Acceptance of the delivery with special approval subject to subsequent rectification or an extension of the warranty obligation.
2. Acceptance of the delivery with special approval but with a reduction in the purchase price, after mutual agreement.
3. Refusal of the defective delivery and refusal of the special release.

A combination of 1 and 2 of the above decisions is also possible. All deliveries based on a special release must be clearly and unambiguously marked. A copy of the special release signed by ERIKS must be attached to the Goods and Services when they are delivered. Any declaration by ERIKS to accept the special release does not absolve the Supplier of any guarantee obligations and/or liability.

3.6 Rejections and complaints

In the event of rejections, these will be processed by the Supplier in a prescribed, structured method for resolving the problem; this method will ensure that the defects are rectified in a sustainable and permanent manner. ERIKS will decide on a case-by-case basis which of the following methods will be used:

- Supplier's comments [E-Mail]
- 8D report

In the event of a complaint, the Supplier is obliged to initiate suitable immediate measures to isolate defects in all suspect Goods in circulation and to initiate suitable remedial measures. In the event of increasing quality or delivery problems or recurring complaints, ERIKS will agree with Supplier to implement more stringent requirements regarding inspection of the Goods supplied. Once ERIKS has made the 8D report form available to the Supplier, the latter has one business day to complete Sections D1 and D2 and make an initial statement about Section D3, and to notify ERIKS of both. Thereafter, Section D3 shall be concluded in consultation with the respective contact at ERIKS and ERIKS is to be notified no later than three (3) business days after the 8D report form has been made available.

3.7 Environmental management

An environmental management system certified according to ISO 14001 or a comparable environmental management standard is desirable. If so requested by ERIKS, the Supplier will demonstrate appropriate recycling and disposal concepts for Goods and Services.

3.8 Health and Safety

The Supplier undertakes to promote and ensure the health and safety of their employees on an ongoing basis. Compliance with country-specific laws, standards and regulations on health and safety of their respective employees is obligatory for the Supplier. A health and safety management system certified according to ISO 45001 is desirable.

3.9 Supplier Assessment

ERIKS regularly conducts Supplier assessments based on the Goods and Services supplied by the Supplier; amongst other things, these assessments are also considered when selecting Suppliers and when considering further collaboration with the Supplier. The Supplier assessment is also the basis for the joint determination of quality objectives with the Supplier to achieve continuous improvement. If these objectives are not achieved and depending on the case in point, a Supplier development programme may be agreed to ensure that the Supplier's planned supply performance is achieved.

3.10 Audits

The Supplier grants ERIKS, a third party nominated by ERIKS or a Customer of ERIKS the right to conduct audits. The audit may be conducted as a system, process, product or mixed audit. In every case, audits will be conducted after giving prior notice and by agreement. If necessary, the Supplier will enable audits to be conducted at short notice if so requested by ERIKS. The Supplier will grant ERIKS and, in so far as is necessary, Customers of ERIKS access to all manufacturing sites, testing laboratories, warehouses and adjacent areas and will also allow ERIKS sight of all documents relevant to the audit, as well as access to tools, testing equipment and devices. Necessary and reasonable restrictions by the Supplier to protect its company secrets will be accepted during this process.

If quality problems occur that are caused by a sub-contractor, the Supplier will, if necessary, ensure the option for ERIKS and, in so far as necessary, ERIKS' Customer, to audit this sub-contractor.

ERIKS will inform the Supplier of the findings of the audit. If, in the opinion of ERIKS, corrective measures are necessary, the Supplier will immediately undertake to implement the corrective actions set out in the audit report within the period allowed and in an effective manner and to inform ERIKS of this.

The documents, records and information exchanged between the parties as part of the audit will be kept confidential according to the provisions agreed between the parties.

4. Relevant links for RoHS, REACH, CMD and ERIKS documents

The Supplier and their Goods must comply with various international standards and below mentioned ERIKS documents:

REACH

[European Regulation EC 1907/2006](#)

Official Journal of the European Union:

The candidate list Substances of Very High Concern (SVHC)

RoHS-2

[European Directive 2011/65/EU, 2015/863](#)

Official Journal of the European Union:

Conflict Minerals Declaration

US legislation for manufacturing companies publicly traded in the U.S.

The Conflict Minerals Reporting Template (CMRT) must be filled out every year

[General Purchasing conditions of ERIKS b.v.](#)

[ERIKS Supplier Questionnaire](#)

[ERIKS Packaging and shipment instructions](#)

[ERIKS Code of Conduct for Business Partners](#)

Concluding note

Should you have any further questions, please get in touch with your contact person at ERIKS.

ERIKS Nederland

Head Office Alkmaar

Visiting address

Toermalijnstraat
1812 RL Alkmaar
The Netherlands

Contact

T +31 88 855 85 58

E info@eriks.nl

For all locations, look at
www.eriks.nl/vestigingen

Follow ERIKS online:



www.eriks.nl/socialmedia



Let's make industry work better

ERIKS