

General Operating Procedure

Title:	
	Quality and Environment Requirements for Providers and Subcontractors

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<small>The only version of this document approved and recognized as the original version is the Spanish version. If differences exist between the original document and its translation, the only version considered to be valid is the Spanish version.</small>	

Reasons for changes in translation sheet

Rev.	Date	Reason for change
E00	20/06/13	First translation of the document (Spanish original version) into English.

Reason for changes sheet

Rev.	Date	Reason for change
00	25/01/13	New document that cancels and replaces the POG-05/23.00, adapting it to the new codification by processes established in the POG-051-01.00. The document contents have not been modified from the previous one.
01	20/06/13	The reference related to the portal for the management of providers has been removed and some requirements have been clarified. Inclusion of the requirement for the supplier or subcontractor to send back to Inabensa the signed purchase order as a demonstration of acceptance of the conditions.

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1. Objective

Inabensa has a quality and environment management system implemented. The same is certified, among others, according to the standards UNE-EN ISO 9001 and UNE-EN ISO14001. It establishes, within the framework of this system:

- A homologation of the providers and subcontractors to assure they are capable of supplying products or providing services in accordance with its requirements.
- The preparation of a quality and environment plan for each contract and order, as well as the control and supervision of the activities related with the same to ensure compliance with the established requirements.

The objective of this procedure is to define, in relation to quality and the environment, the minimal responsibilities, interrelations and requirements demandable of providers and subcontractors, as well as to define the requirements to be met by the provider's and subcontractor's quality and environment plan in the cases established in this procedure.

The requirements established in this procedure will be part, as a referenced document, of the orders placed by Inabensa. The acceptance by the provider or subcontractor of an Inabensa order signifies acceptance as well of all the requirements included in this document.

2. Processes it applies to

This procedure shall be applicable to all products and services contracted by Inabensa.

Any exception to these requirements, proposed by the provider or subcontractor, shall be presented in writing, and shall be accepted in like manner by Inabensa and shall only be applicable to the order or contract in question. The provider or subcontractor may not make it extensive to other past or future orders or contracts.

3. Reference documentation

The following standards shall be applicable for supplies and services:

- UNE-EN ISO 9001 'Quality management systems. Requirements'
- UNE-EN ISO14001'Environmental management systems'

Note: other reference documentation that could be applicable shall be dealt with via the orders / contracts to be established.

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4. Acronyms, abbreviations and definitions

Provider / subcontractor

A natural person or corporate body providing Inabensa with a product / service.

Quality and environment plan

A document, the objective of which is to define, plan and control the processes and resources required for the execution, and tracking and control of execution, as well as to minimize the environmental impacts that could be generated as a consequence of the execution of Inabensa's activities, pursuant to the requirements of the quality and environment system, those established by the customer, as well as the requirements established in applicable regulations and legislation.

Inspector

A person from Inabensa or the subcontractor, who shall be responsible for the inspection duties to be carried out during the execution of the work or provision of the service.

5. Development

Within the different contractual relationships Inabensa may establish with its providers or subcontractors, two situations arise:

a) Supply of catalog products or services.

Standardized products or services for which no quality and environment planning is required as they are not finish-to-size products or services. Examples (and therefore of a non-limiting nature):

- Maintenance service companies at their installations.
- Manufacturers or intermediaries for manufactured products (catalog).
- Environmental managers.
- Machinery / tool hire, with or without operator.

b) Supply of products or services for which quality and environment planning is required.

In the purchase document (contract or order), Inabensa will describe the activity framework within which the provider or subcontractor must respond, either with an in-house quality and environment plan (applicable to Annex I), or based on the one established by Inabensa.

5.1. Responsibilities of the provider or subcontractor

It shall be responsible for compliance, and assuring compliance, within the framework of its functions, with what is established in the defined quality and environment plan (if applicable), as well as with what is indicated in Inabensa's orders or contracts pursuant to the requirements established in this procedure. In this sense, the supplier or subcontractor should send back to Inabensa every signed purchase order as a demonstration of the acceptance of the conditions established.

In general, the provider or subcontractor shall have to comply with the following requirements, provided they are applicable and depending on the corresponding type of activity:

- During execution of the contract, the provider or subcontractor shall strictly and rigorously apply what is established in the quality and environment plan and shall verify that its personnel know, understand and utilize the technical and environmental methodology, and shall provide them with the means required for this purpose.
- In the case of problems detected during the delivery of the product, provision of the service or execution of the work in relation to a provider or subcontractor, Inabensa reserves the right to disqualify said provider or subcontractor. In this event, the provider or subcontractor shall be obliged to implement corrective actions to improve its services and be re-qualified.
- The provider or subcontractor shall be responsible for sending to the purchasing department of Inabensa its updated quality and environment certificates
- Each one of the product design or manufacturing / work execution stages may require the intervention of Inabensa depending on what is established in the order or contract. In this event, and unless Inabensa has authorized it expressly in writing, the provider or subcontractor may not commence a new stage without Inabensa's approval.
- The provider or subcontractor shall adopt the opportune measures to assure strict compliance with the all the environmental legislation in force that is applicable, as well as the requirements derived from Inabensa's environmental management system, and to this end, shall bear the costs inherent to said obligation as well as of the sanctions that may be imputable to it for breaches of the environmental legislation in force. Inabensa's specific requirements in environmental matters for each product or service shall be transmitted to the provider or subcontractor prior to commencement of the works.
- All tests shall be carried out in strict accordance with the Inspection Points Programs (PPIs) approved by Inabensa (or the end customer) and listed in the corresponding quality and environment plan.
- The provider or subcontractor shall provide Inabensa with, upon request, a copy of the necessary documentation (measuring equipment calibration certificates, material documentation, training record, waste management documentation...) to assure it of conformity of the works with the established requirements.
- The provider or subcontractor shall inform Inabensa of the products that are part of the supply or of the execution of the work that are, or could become, harmful to health and/or the environment.

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- The subcontractor undertakes to inform Inabensa’s technical supervisor of the works of any environmental incident that occurs during the execution of the same, especially if there have been emissions into the atmosphere, discharges or spills affecting land, sewer networks, water supply networks or similar. The subcontractor shall provide all information that is required of it in relation to environmental incidents that have occurred.
- The subcontractor also undertakes to apply all the preventive and corrective measures deemed necessary to prevent, minimize or make good any impact or incident on the environment. To this end, it shall establish the environmental response plans covering any environmental emergency situation or it shall apply Inabensa’s environmental response plans.

5.2. Product or service not requiring quality and environment plan

The provider or subcontractor shall supply the product or service in accordance with what is stipulated in the purchase document (contract, order, etc.) established between both parties. The general and specific specifications to be met by the provider or subcontractor shall be indicated in this document.

As regards engineering works, advisory services, projects in general, etc. that require a design, the subcontractor shall establish the necessary controls to assure conformity of the end result according to the requirements of ISO 9001. In the event of the subcontractor not holding this certificate, the person responsible from Inabensa shall establish the necessary controls and the subcontractor shall provide proof that guarantees control of the design process.

5.3. Product or service requiring subcontractor quality and environment plan

If thus established by Inabensa in the purchase document, the provider or subcontractor shall prepare a quality and environment plan prior to commencement of the works. The requirements of this plan are indicated in Annex I hereto and shall be subject to approval by Inabensa’s project chief. This plan shall make reference to Inabensa’s quality and environment plan or to its specifications.

5.4. Product or service executed under Inabensa’s quality and environment plan

The provider or subcontractor undertakes to comply and ensure compliance of its activities with what is established in the quality and environment plan Inabensa shall provide it with prior to execution of the works.

5.5. Communication

The provider or subcontractor shall appoint a liaison for communications with Inabensa in quality and environment-related matters.

5.6. Inabensa audits

Inabensa reserves the right to conduct audits at the provider’s or subcontractor’s facilities.

Inabensa shall be entitled to inspect, at any time, the execution of the works or services as well as the materials employed. This inspection may be carried out by its own personnel or through external agency. The inspectors shall be given free access to the aforementioned facilities to allow them to perform their duties.

6. **Records**

The quality and environment plan elaborated by the provider or subcontractor, and approved by Inabensa, and the records generated as a result of fulfillment of the same.

7. **Archive**

The provider’s or subcontractor’s quality and environment plan and the records generated as a result of fulfillment of the same shall be handed over to Inabensa upon request, or filed by the provider or subcontractor, and available to Inabensa.

8. **Annexes**

- Annex I: Requirements of the quality and environment plan.

9. **Formats**

Not applicable.

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Annex I – Requirements of the quality and environment plan

The requirements to be met by the provider's or subcontractor's quality and environment plan are hereby established:

The requirements indicated here-below shall be fulfilled together with those included in the following documents:

- Standards ISO 9001 and ISO 14001.
- Inabensa's quality and environment plan, if appropriate.

1 Documentation

A list of applicable documents must be available, including the following, in a non-limited nature:

- Quality and environment documents.
- Applicable technical regulations, standards and instructions.
- Development documentation.
- Applicable environmental legislation.

Control of these documents and of the registers generated by application of the quality and environment plan shall be conducted in accordance with what is established in standards ISO 9001 and ISO 14001.

2 Organization

An organization chart defining the duties and responsibilities established to conduct the corresponding activities shall be available.

3 Planning

In general, and for each job or project, an execution plan shall be prepared. This plan shall respect whatever is indicated in the order and shall comply with the general plan established by Inabensa. It shall be kept updated throughout the delivery of the product, the provision of the service or the execution of the work.

4 Identification and evaluation of environmental aspects

The identification and evaluation of the environmental aspects shall be done in accordance with the requirements of standard ISO 14001, and the significant aspects shall be identified.

5 Fulfillment of applicable environmental requirements

Verification of fulfillment of the applicable environmental requirements shall be done in accordance with the requirements of standard ISO 14001, and proof of fulfillment of the same shall be provided.

6 Design control

Design shall be executed in accordance with the requirements of standard ISO 9001.

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7 Execution

The procedures of the quality management and environmental management systems the provider or subcontractor intends to apply during the project (executive procedures, technical instructions, etc.) shall be applicable, as shall the documentation related to the project generated by the customer or Inabensa.

8 Product tracking and measuring

Tracking and measuring of the product during the execution of the project shall be done via Inspection Point Programs (hereinafter "PPIs") or similar inspection document. These PPIs shall take, at least, the following requirements into account:

- The PPIs shall include the information related to: inspection points with acceptance criteria, the result of the inspection with identification of the person responsible for said inspection, identification of the measuring equipment (when applicable), observations and non-conformities.
- The PPI shall identify the element inspected in an unmistakable manner.
- The scope of the inspections, including the final tests, shall be defined in the inspection points program. The scope shall be established in function of the legal or statutory requirements, the customer's requirements and the provisions already specified in the quality plan.

These PPIs shall be examined and approved by Inabensa prior to commencement of the corresponding phase and shall be filled out by inspectors accredited by the provider/subcontractor, and accepted by Inabensa.

The PPIs may be established by Inabensa if considered opportune.

9 Management of measuring equipment

The provider's or subcontractor's measuring equipment utilized for inspections or tests to provide evidence of product conformity with the specified requirements, and to measure key features of the operations that could have a significant impact on the environment or on compliance with legal or statutory environmental requirements shall be calibrated, sealed and suitably identified. The calibration must be done via measurement patterns that are traceable to national or international measurement patterns.

In the remaining cases, the subcontractor shall establish verification of the measuring equipment to be employed by checking correct operation of the same and validity of the results with calibrated measuring equipment.

10 Management of materials

All materials utilized in manufacturing the product or execution of the work shall conform to what is established in the order or contract, as well as to the regulations in force.

The personnel responsible for receiving materials on site shall conduct the inspections. The scope of the same will be in function of the supplied product and its influence on the quality of the end product.

The delivery document must make reference to the purchase document or to the specification to allow verification that what has been delivered corresponds to the order or to what is specified.

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11 Waste management

In the event of the subcontractor contracting the services of waste managers for a project, the subcontractor shall provide Inabensa, during the project planning stage, with the authorization documentation of the foreseen managers / evaluators.

The subcontractor undertakes to keep the work area clean and tidy.

To assure suitable management of each waste, the subcontractor shall provide a sufficient number of duly identified containers, in good condition, at the worksite. These shall be managed in a convenient manner by an authorized manager / evaluator, and in accordance with the legislation in force.

Once all the works or services contracted have been completed, the subcontractor is obliged to leave the work area clean and free of any remains. To this end, it shall remove all debris, containers, rubbish, scrap and any other type of waste generated that is on the site. The subcontractor shall bear the costs of collection, transportation and suitable management of the same, unless informed by Inabensa in writing that Inabensa accepts responsibility for said management.

12 Operational control, work tracking and measuring

The subcontractor shall establish the manner in which to incorporate environmental management into the activities and operations derived from the manufacturing of the product, provision of the service or execution of the works, thereby assuring that both these and their impacts are under control, and thus conduct tracking and measurement of their key features.

13 Environmental incidents

The subcontractor must identify the environmental risk situations under normal as well as abnormal conditions, and establish documented action plans in case of an environmental incident, and define and implement the measures to minimize them.

14 Treatment of non-conformities

Non-conformities detected during the execution of the work must be reported to Inabensa's inspectors or representatives as soon as possible.

If the detected non-conformity affects a product or piece of equipment it shall be identified as "Non-Conforming" in a manner that prevents its unnoticed installation, use or delivery.

In the event of a subcontractor detecting non-conformity in a material that has been delivered by Inabensa, it shall advise Inabensa of said non-conformity immediately.

If, during the course of resolving the detected non-conformity, Inabensa requires the participation of the subcontractor, the same undertakes to make all the necessary human and materials means available up until the non-conformity problem has been solved.

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In the event of a non-conforming manufactured product, the subsequent conformed product shall require acceptance by Inabensa prior to its use.

Any complaint, verbal or in writing, by Inabensa to the subcontractor or provider must be dealt with and responded to as quickly as possible. The provider or subcontractor undertakes to transmit the following information, at least:

- Causes of the problem
- Resolving of the problem
- Corrective actions, if appropriate

15 Communication

Communication shall be established in accordance with the requirements of standards ISO 9001 and ISO 14001.

16 Personnel qualification

All provider or subcontractor personnel related with the products, works or services contracted by Inabensa shall be suitably qualified, with accreditation if necessary, to assure the required quality level is met, guarantee correct environmental behavior and reduce the risk of an incident with environmental repercussions.

17 Documentation to be provided

During and upon completion of manufacturing of the product, provision of the service, or execution of the work, the provider or subcontractor shall provide Inabensa with all the necessary documentation, the content of which must meet what is established in the order, the contract, or in supplementary documents to the same.

Their code, title and revision no. or date shall be indicated on all documents handed over to Inabensa. In any event, the data required to allow subsequent identification of the same shall be indicated.

The provider or subcontractor shall keep an updated and complete record of the supplied goods, and/or works or services executed under the order or contract, and of all transactions related with the same. The provider or subcontractor shall keep all of said records for a period of at least three years as of from the date of fulfillment of the order or contract. Said records shall be available for any possible audit by Inabensa.