

## KENSON PLASTICS PROCEDURE

<b>Title:</b>	<b>Environmental Compliance Product Management</b>	<b>Number:</b>	<b>KWI-7.4-1-4</b>
<b>Approved By:</b>	<b>Chris O'Leary</b>	<b>Issued Date:</b>	<b>2014 MAR 07</b>
<b>Signature:</b>	<i>Signature on File</i>	<b>Revised Date:</b>	<b>2014 MAR 07</b>

### 1.0 INTRODUCTION:

- 1.1 PURPOSE: This procedure defines Kenson Plastics Inc.'s Environmental Compliance Product Policy and the commitment to managing the associated program to ensure compliance with environmental and customer specific requirements and regulations such as RoHS and REACH SVHC as part of Kenson's product stewardship.
- 1.2 SCOPE: This procedure is applicable to all Kenson Plastics Inc. employees, particularly with Management Commitment, Planning, Reporting, Procurement and Auditing to ensure whenever possible / required full disclosure of material information for all articles manufactured by Kenson Plastics Inc. can be provided.

### 2.0 GENERAL:

#### 2.1 DEFINITIONS:

- 2.1.1 R.E.A.C.H.: Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) is a European Union Regulation of 18 December 2006 which addresses the production and use of chemical substances and their potential impact on human health and the environment.
- 2.1.2 SVHC: A substance of very high concern is a chemical substance (or part of a group of chemical substances) for which it has been proposed that the use within the European Union be subject to authorization under the REACH Regulation. A substance may be proposed as an SVHC if it meets one or more of the following criteria: Carcinogenic; Mutagenic; Toxic for reproduction; It is persistent, bioaccumulative and toxic; there is scientific evidence of probable serious effects to human health or the environment which give rise to an equivalent level of concern.
- 2.1.3 RoHS: The Restriction of Hazardous Substances Directive 2002/95/EC, is the restriction of the use of certain hazardous substances in electrical and electronic equipment, adopted in February 2003 by the European Union and expanded 2011 i.e. RoHS Recast 2011/65/EU. This directive restricts (with exceptions) the use of six hazardous materials in the manufacture of various types of electronic and electrical equipment:
1. Lead (Pb)
  2. Mercury (Hg)
  3. Cadmium (Cd)
  4. Hexavalent chromium (Cr6+)
  5. Polybrominated biphenyls (PBB)
  6. Polybrominated diphenyl ether (PBDE)
- 2.1.4 Product Environmental Compliance (PEC): Refers to the substance requirements of an article to be met by Kenson Plastics Inc. during the planning, procurement, manufacturing and packaging processes as dictated by customer or regulatory requirements.

2.2 REFERENCES:

- 2.2.1 KPP-8.3-1 Nonconforming Product and Material
- 2.2.2 KPP-7.5-1 Process Control
- 2.2.3 KPP-7.4-1 Purchasing
- 2.2.4 KPP-8.2-1 Internal Audits
- 2.2.5 KPP-8.5-1 Corrective and Preventive Actions
- 2.2.6 RoHS EU2 Directive 2002/95/EC and subsequent amendments
- 2.2.7 REACH Registration, Authorization and Restriction of Chemicals, European Union Regulation (EC) 1907/2006

**3.0 PROCEDURE:**

- 3.1 EQUIPMENT AND REAGENTS: None specific to this procedure.
- 3.2 HEALTH, SAFETY AND ENVIRONMENTAL REQUIREMENTS: Refer to specific regulations as dictated through product and customer requirements.
- 3.3 ADVISORY NOTES: Under REACH, manufacturers and importers are required to gather detailed information on the properties of their substances, and to register the information in a central database prior to placing them in the EU market.
- 3.4 POLICY: Responsibility: Kenson Management

Kenson Plastics Inc. is a premier designer and manufacturer of precision pressure-formed plastics, specializing in engineered plastic components and enclosures primarily for the medical, electronic and transportation industries.

Kenson Plastics Inc is dedicated to ensuring our articles and manufacturing operations comply with applicable environmental legislation and regulations, to responsibly manage the use of hazardous materials, and to promote recycling / reuse.

Kenson Plastics Inc. ensures that our products when required, shall meet or exceed environmental regulations, including the Restriction of Hazardous Substances (RoHS) Directive, EU Directive 2002/95/EC and its subsequent amendments to include RoHS Recast 2011/65/EU and the Registration, Authorization and Restriction of Chemicals (REACH) European Union Regulation (EC) 1907/2006.

Should Kenson Plastics Inc. agree to produce specific articles for certain customers that require parts that are not environmentally compliant, Kenson shall manage this by manufacturing, labeling, storing and handling these in segregation from compliant parts to eliminate possible contamination.

Under the structure of the REACH Regulation, Kenson Plastics Inc manufactures articles specific to customer design and requirements and do not manufacture or supply substances / preparations. In addition, our articles do not involve the intentional release of substances and as a result, shall not be required to complete registration or pre-registration requirements for these products.

- 3.5 PLANNING: Responsibility: Kenson Management
  - 3.5.1 Kenson Plastics Inc. shall be knowledgeable and understand applicable customer and regulatory requirements which dictate Product Environmental Compliance (PEC).

- 3.5.2 Kenson Plastics shall provide communication and training regarding the Environmental Compliance Product Management Program as appropriate to job function and title.
- 3.5.3 Kenson Plastics shall ensure that PEC requirements are recognized and documented as appropriate within product planning to include procurement of raw materials.
- 3.5.4 Kenson Plastics Inc. shall ensure documentation and reporting as associated with PEC requirements are completed and updated as appropriate.
- 3.5.5 Kenson Plastics Inc. shall ensure that periodic auditing is performed to ensure compliance with the Kenson Plastics Inc.'s Environmental Compliance Product Policy and its associated program and activities.
- 3.6 PROCUREMENT: Responsibility: Kenson Management; Purchasing Agent
- 3.6.1 Kenson Management shall determine which suppliers, if any, are required to comply with PEC requirements and to provide the associated documentation. This determination may be through Kenson Policy or Customer / Regulatory Requirements.
- 3.6.2 Assigned Purchasing Agents shall communicate environmental requirements to those supplier as established in 3.6.1. Prior to or at reception of procured materials / articles / components, Kenson shall acquire Environmental Compliance reports and / or Certificates of Compliance.
- 3.6.3 Receiving personnel shall verify the receipt of purchase orders using appropriate practices as dictated via Purchasing Procedures.
- 3.6.4 Environmental documentation acquired for each applicable supplier and / or the articles purchased shall be maintained for reference and for distribution upon request or as required for reporting purposes.
- 3.7 MANUFACTURING / DESIGN: Responsibility: VP Sales; VP of Operations; Engineering Manager; Quality Manager
- 3.7.1 During the support of customer design general information shall be acquired regarding the customer project (s) and product (s) which can include but may not be limited to the following:
- Customer name
  - Business Type / Division / Market
  - Contact Personnel
  - Environmental Compliance Requirements
  - Product Information [Engineering Drawing, Model, Specifications, Tolerances, Required Raw Materials, etc.].
- 3.7.2 Kenson Plastics Inc. shall determine the specific environmental regulations, directives, initiatives and customer requirements (as RoHS, REACH, HF, etc.) applicable to product. It should be verified if a customer environmental banned / restricted substances specification exists and if there are special environmental requirements applicable to the product realization process, the procurement of direct or indirect materials, customer supplied product, and / or packaging requirements.

3.7.3 Requirements shall be communicated to applicable personnel to include Purchasing Agents, as required.

3.7.4 During product realization (if dictated by customer or regulatory requirement) equipment / tools shall be dedicated to the use of either environmentally compliant or non-compliant processes where cross contamination is a concern.

- This shall include products waiting for rework, fixtures, scrap, and personal protection equipment [PPE] in order to avoid contamination.
- Labeling / signage shall mark materials, tools, equipment, work stations / areas that are compliant. [Example: "Lead Free"].

3.8 AUDITING / TESTING: Responsibility: Kenson Management Quality Manager

3.8.1 The Kenson Environmental Compliance Policy and its associated procedure shall be audited at least once annually through the QMS or other relevant auditing process.

3.8.2 Audit results shall be reported to the Kenson Management and noncompliances within the system shall be addressed accordingly using the Kenson Plastics Inc. Corrective and Preventive Action Program and any applicable 3<sup>rd</sup> party reporting criteria.

3.8.3 Compliance to specific regulation / products shall be based on documentation provided by vendors and raw material suppliers and shall not be validated by third party testing unless specifically agreed upon by Kenson Plastics Inc. to assume this responsibility or when customer agrees by contract to pay for this service.

3.9 TRAINING AND COMMUNICATION: Responsibility: Kenson Management Quality Manager

3.9.1 Kenson Plastics shall communicate their Environmental Compliance Policy and associated documentation to those customers who require or request this information.

3.9.2 Kenson Plastics shall make aware / train as appropriate the Kenson Plastics employees who plan, execute and audit the program. This awareness / training shall be completed initially and then recurrent as determined by need.