



## **Mandatory terms and conditions for suppliers of ARAKO spol. s r.o. who supply products and services relevant to nuclear safety**

valid and effective from 14.2.2025

These mandatory conditions apply to suppliers in the nuclear energy sector who supply products and services relevant to nuclear safety. The binding conditions are an integral part of the purchase order for products (materials, semi-finished products, assembling parts) or services that affect the technical safety of selected equipment intended for nuclear power plants (valves manufactured by ARAKO). The requirements for the quality management system are specified in the ISO 19443:2019 standard,

The mandatory conditions include requirements for quality assurance, environment, occupational health and safety, safety culture, nuclear safety and social responsibility.

When selecting and evaluating suppliers, ARAKO takes into account the supplier's attitude and approach to quality, safety and the environment. We require suppliers and their employees to take personal responsibility for quality, safety and compliance with mandatory obligations, and to make quality, safety and environmental protection an integral part of their thinking, behaviour and working habits. We encourage suppliers to understand how their activities contribute to quality, safety and environmental protection and to continuously improve.

### **1 1 Basic concepts**

- 1.1 "Company" - ARAKO spol. s r.o.
- 1.2 "Supplier" - the manufacturing or commercial organization supplying the requested product or service.
- 1.3 "Counterfeit Items" - Items that are deliberately manufactured, refurbished or altered to imitate without authorisation genuine products and pass them off as genuine.
- 1.4 "Fraudulent Items" - Items that are intentionally misrepresented with the intent to deceive (e.g., items bearing an incorrect identification mark, false or inaccurate certification).
- 1.5 "Suspect items" - Items that are indicated or suspected may not be genuine.

**2 Quality assurance** A supplier providing products relevant to nuclear safety must demonstrate that it has an ISO 9001:2015 quality management system in place and certified and meets the requirements of ISO 19443:2018 as specified by the customer.

- 2.2 If the Supplier fails to demonstrate compliance with the requirements of clause 2.1, ARAKO must allow the Supplier to verify its competence and, if necessary, allow an audit to be carried out.
- 2.3 The Supplier must deliver products and services in the required quantity and quality in accordance with the Purchase Order/Contract between the Supplier and ARAKO.
- 2.4 The supply shall conform to the agreed specifications of the Company regarding packaging, labelling, storage, delivery and monitoring.
- 2.5 When handling stainless steel material, the supplier shall eliminate possible contamination with carbon steel. The stainless steel material shall be stored in such a way that it is not in direct contact with the floor surface, metal pallets for storing the material and parts shall be provided with a wooden backing or the individual layers shall be covered with corrugated paper. The interior of the pallet must also be secured against contact between the stored products and the carbonaceous material of the pallet. Textile ties or ropes must be used when handling the material.
- 2.6 The Supplier shall maintain records to ensure traceability of the delivered products for the period of time specified by ARAKO's statutory and regulatory requirements.
- 2.7 The Supplier shall differentiate the requirements applied by ARAKO to its subcontractors.
- 2.8 If requested, the Supplier shall prepare and submit for approval a Quality Assurance Program.

- 2.9 If required, the Supplier shall prepare and submit for approval a Quality Plan for selected Safety Class 1, 2, 3 equipment.
- 2.10 The Supplier shall, if required, prepare and submit for approval an Inspection and Test Plan for selected Safety Class 1, 2, 3 equipment.
- 2.11 The Supplier must notify ARAKO of non-conforming products and services including counterfeit, fraudulent or suspect items.
- 2.12 Supplier must obtain ARAKO's approval for the disposal of non-conforming products.
- 2.13 Supplier must notify ARAKO of material changes in products and services and changes in subcontractors.
- 2.14 The Supplier shall provide ARAKO representatives with access to production facilities at all levels of the supply chain and to all relevant information for the Company, its customers, third party organisations, regulatory authorities and/or individual representatives involved in the Order.
- 2.15 Inspection documents (2.2, 3.1, 3.2 as per EN 10204) confirming the quality of the product supplied shall be supplied in written form as an original, in electronic form with electronic signature and shall include a statement that it is not a counterfeit, fraudulent or suspect item. It must also state that the product is intended for use in the nuclear power industry.
- 2.16 If the supplier (a commercial organisation that does not manufacture the product) cannot provide the original inspection document, the document must state that it is a copy of the original document plus the date and signature of an authorised officer.
- 2.17 If the supplier issues its own copy, the document must include the following information - name of the manufacturer, registration number of the original document, date of issue.

### **3 Safety culture and nuclear safety**

- 3.1 The Supplier shall apply the basic requirements of a safety culture in the day-to-day operations of the Company.
- 3.2 To ensure nuclear safety, the Supplier shall initiate and commit to internal rules for adherence to technological discipline, clear identification and traceability of products, storage and protection of documented information and avoidance of counterfeit, fraudulent or suspect items.

### **4 Social responsibility**

- 4.1 The Supplier undertakes to comply with applicable and effective local, regional and national legislation and laws, including those relating to environmental protection (EP), occupational health and safety (OHS), social, governance and management, and to optimise the use of natural resources in its production and to manage all waste produced in an environmentally sound manner.
- 4.2 The Supplier must truthfully, fully and accurately disclose the risks associated with the products or services provided.
- 4.3 The supplier must provide all required information relating to the environment and health and safety.
- 4.4 The Supplier must ensure that all materials supplied are registered for their intended use and comply with the legislation of the relevant country and the legislation of the Czech Republic.
- 4.5 The Supplier shall actively protect the confidentiality of all information received from ARAKO.
- 4.6 The Supplier shall comply with applicable local, regional and national regulations and laws. He shall actively protect the confidentiality of all information received from ARAKO. The Supplier shall be guided by its own code of ethics and, in the absence of a code of ethics, shall accept ARAKO's code of ethics posted on the website: <https://www.arako.cz/en/about-the-company/the-code-of-ethics/>.
- 4.7 The Supplier shall promptly address any complaints from the Company.