INTRODUCTION

Welcome to this brief introduction to our management systems for Quality Assurance and HSE!

Our intention is to give our customers, owners, suppliers and other business partners an insight into how we continuously consider and work with quality assurance and HSE.

Our management systems within quality control and HSE are certified according to NS-EN ISO 9001:2008 (with the exception of item 7.3 – "Design and Development") and SN-BS OHSAS 18001:2007. In addition, we are certified in according to EN 1090-1 and we have a certified system for production control of reinforcement steel from coil according to regulations issued by the Kontrollrådet and EN 10080 (3 locations).

PRESENTATION OF NORSK STÅL AS

Norsk Stål is Norway's oldest steel and metal distributor with revenues of approx. NOK 1.4 billion (2014). The company has 9 locations nationwide and has a total of 230 employees (2014).
We work within several market segments; including offshore, ship building, construction and mechanical industry (market segments). The company is owned by Leif Hübert AS.

PRODUCTS AND SERVICES

Our goal is to stock and distribute steel and metals in a way that makes our customers profitable and competitive. This requires an international network of contacts, good logistics and skilled staff in all levels of the organisation.
We stock approximately 4,000 items within steel, metals, aluminium and stainless steel, and our range is the most complete in the market.
Our operations are strategically located and combined with logistic, this makes us cover Norway.

Pre-fabrication is a growing business area for the company. Alongside shotblasting and priming, we use modern machinery for cutting plates, cut to shape and foliation.

VISION

Steel and metals will in the foreseeable future be important elements for a development of a sustainable society.
Norsk Stål will take responsibility for continuously developing and providing a sustainable and efficient stockholding- and logistics systems and associated processing / information development.
Our presence contributes to added value between producer and end users.

BUSINESS IDEA

Our business idea supports this vision by being the leading steel- and metal stockholder in Norway to:
- work within the main steel and metal areas as shipbuilding, offshore, construction and mechanical industries
- be the leading supplier to the Norwegian shipbuilding- and offshore clients that develop their operations outside Norway. Norsk Stål will also export to markets where we have a competitive advantage due to our stock range
- understand the value added by physical distribution and processing of products, services and information exchange
- help to streamline and develop the chain between producer and end user

THE PROCESSES AND THEIR CONTRIBUTION TO CONTINUOUS IMPROVEMENT

Based on the requirements in NS-EN ISO 9001:2008 we work according to process-oriented principles, which mean our work is always based on the understanding that the next stage in the chain is the customer.
Our goal is to fulfil the standard and always ensure that all processes are carried out accordingly.

Facts which are brought up by the management system provide the foundation for continuous improvement.

The processes include:

- management responsibility
- resource management
- measurement, analysis and improved

MANAGEMENT SYSTEM

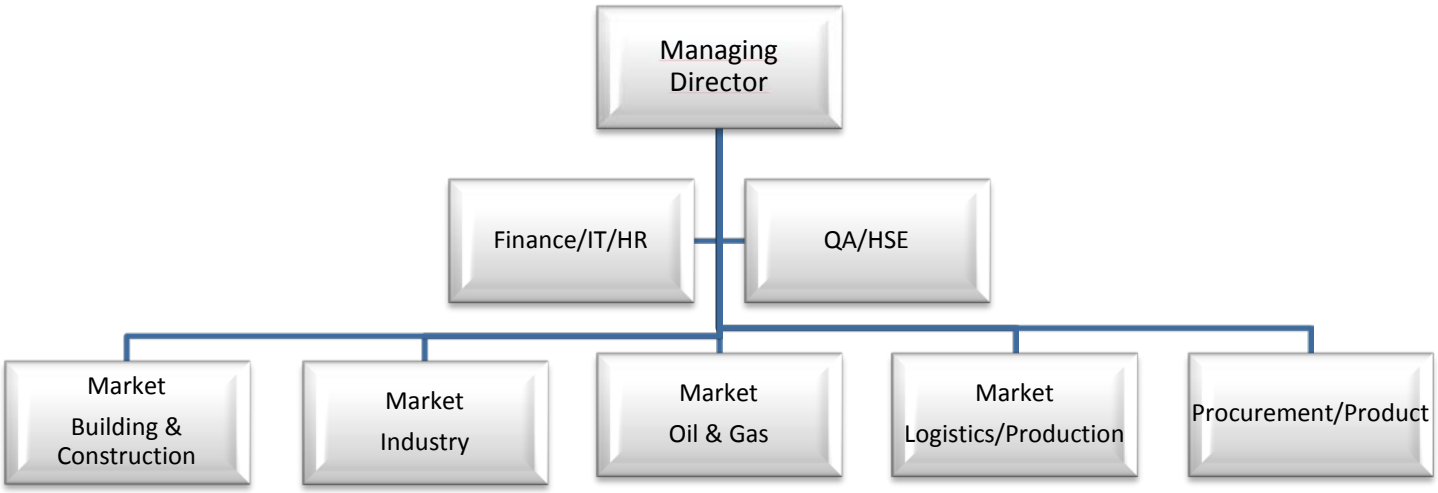
Level 1 of our management system indicates how we work with quality assurance and HSE.
Its purpose is to show how we fulfil the requirements in the ISO standard and Norwegian Internal Control Regulation, our continuous improvement work and to provide necessary information to our customers/suppliers/owners/other business partners.

Level 2 describes our main QA processes and descriptions of documented procedures acc. to NS-EN ISO 9001:2008.

Level 3 describes the documented HSE processes and procedures acc. to SN-BS OHSAS 18001:2007.

ORGANISATION

We have decided to attach a functional chart. A complete organisational chart for all functions/processes has been prepared and is always available on request.



CONTROL OF DOCUMENTS

Our documents and procedures have been prepared by the relevant process owners with support from their own organisation. These data are stored electronically and ensure that we can review our activities at any time in an organised manner.
The procedure for control of documents describes the necessary registrations to ensure compliance between the requirements for efficient use of the system and the factual bases created to achieve the desired results.

MANAGEMENT RESPONSIBILITY

The company management prepare and define the company's quality and HSE policies and goals. The company's results are dependent on management and its ability to create the conditions to allow all levels of the organisation to carry out the efforts expected.
The managing director has overall responsibility for everything related to the company's quality control and internal audits.
The company's management regularly ensures that the processes, resources and the management system's methods are sufficiently effective and suitable for achieving our strategic goals.

QUALITY POLICY AND OBJECTIVES

The company management has prepared its quality policy which has been adapted to the organisation and our company structure. This includes the obligation to meet requirements and carry out a continuous assessment of improvements in the quality system. The quality policy includes an established quality goal that is measurable and compatible with the policy.
The quality policy is regularly reviewed to decide whether it is still suitable and meets established requirements.

HSE – POLICY AND OBJECTIVES

Norsk Stål has, since 1994, established a system for systematic health, safety and environment work based on the requirements in the Internal Control Regulation and other legislations.
The company actively uses resources, available systems and knowledge to achieve defined HSE aspects and requirements.

MANAGEMENT REPRESENTATIVE

The management has named its quality manager as the representative for quality and internal control matters. He has the responsibility for coordinating the work to ensure that the quality and HSE systems work effectively and are continually maintained. Together with process owners, he must contribute to improve the system. The quality manager reports to the managing director twice a year on how the system works and which improvements have been carried out.

MANAGEMENT'S REVIEW

The company management are the process owners, and shall regularly assess the efficacy of the quality assurance system in relation to our customers' and internal requirements relating to the specifications in EN ISO 9001: 2008 and BA OHSAS 18001:2007.

The managements review will contain the results achieved in relation to the established quality and HSE policies, goals and requirements.
Regional meetings are held at fixed intervals, where the status of the company's results, goals, expectations and improvement areas are assessed. The available factual basis provides the foundations for assessment and reports to show the organisation's ability to confirm and verify the system against the expected results. To ensure that the continuous improvement is documented, there will be continuity between the reports.
The company's management review twice a year the status of quality assurance and HSE status.

RESOURCE MANAGEMENT

Our objective is to establish and, in time, obtain the resources necessary to:
– improve the quality assurance system's processes for achieving the desired quality
– achieve profitability through customer satisfaction

The employees will have the necessary skills (= knowledge + experience) to be able to carry out their role and know how they contribute to the achievement of the quality goals.
The responsibility for mapping, analysing and implementing plans for increasing skills lies with line managers, and is based on achieving strategic and operational targets.

The company will ensure that our premises and additional technological equipment fully comply with the product requirements.

HEALTH, SAFETY AND ENVIRONMENT

The working environment is a crucial factor in allowing the company to achieve its goals.
We want to create a secure and safe work environment by creating the best conditions for the employees, and particularly by focusing on the risk of injury and leave of absence.

We have ambitious, but clearly defined, HSE goals that are an integral part of our policy.
Through continuous improvements, risk analysis, training and active commitment from all employees, we will ensure compliance with guidelines for achieving our targets.

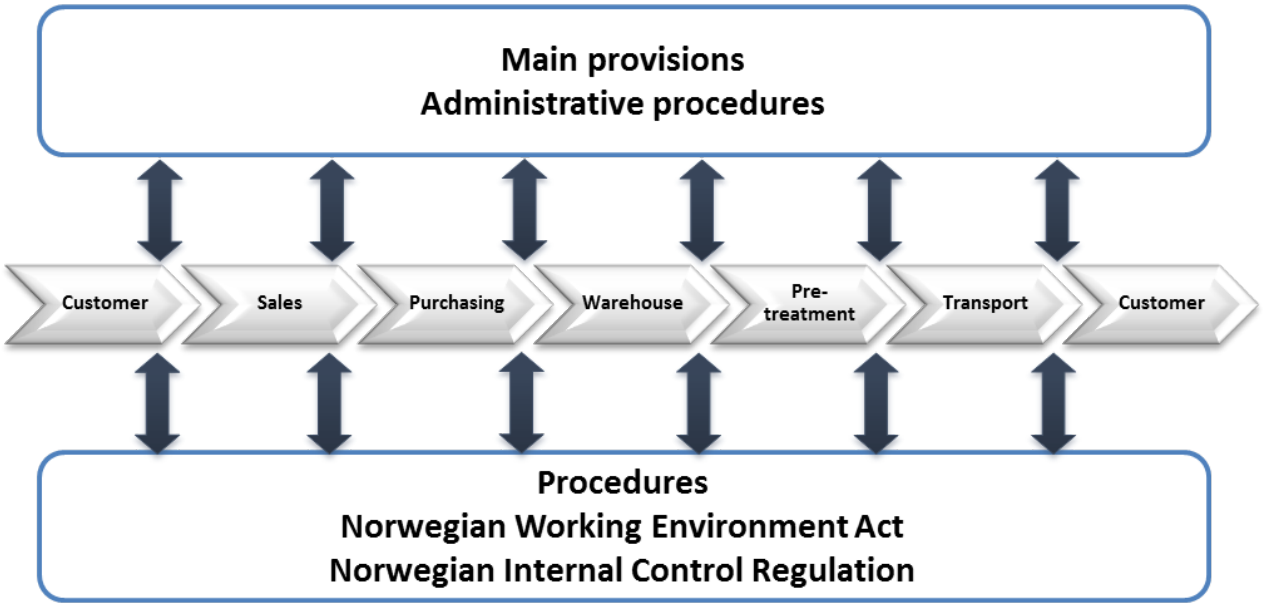
PROCESS MANAGEMENT

All internal manufacturing processes in our value chain are described and documented.
This is to ensure compliance with Norwegian legislation.

The processes lists all activities carried out within the area.
The procedures within the various processes are described in level 2 of our quality assurance system.
The processes define measurement figures.
All employees have access to the processes and procedures.

All employees have got job descriptions according to roles and functions.

The main processes contain roles and functions as shown below:



CONTINUAL IMPROVEMENT PROCEDURES

CONTINUAL IMPROVEMENT
Norsk Stål works continuously on improving the effect of the system for quality management.
Control tools used in these improvement processes are defined quality goals, audit results, analysis of data, corrective and preventive actions and management review.

INTERNAL AUDITS
A management tool which continually will assess the processes and activities of quality and HSE management systems.
The intention is to map the extent to which we meet the established requirements and goals. Audits uncover the degree of efficiency of the system, the processes and their correctness as well as their own efficacy.

Approved audit plans are prepared and the sites are audited continuously.
The process owners provide suggestions for the relevant audits. Audits will be carried out if there is a suspicion of a lack of correctness within the area or where there is a deviation between established targets and compliance.

The audit reports, including the description of responsibility and schedules for any measures, support management in assessing compliance with the management systems.

NON-CONFORMANCE MANAGEMENT
The objective is to prevent unintended use or supply of products and pre-treatment services and to uncover and handle non-conformance from applicable processes and procedures.
Non-conformance will be registered in the SAP-system and handled in local management meetings where the necessary measures are implemented.
Non-conformance management is a part of the management review.

CORRECTIVE ACTION

The intention is for corrective action is to eliminate the reasons for non-conformance and prevent their repetition. This is a contributory factor to measure, assess and implement improvements. Responsibility and deadlines are noted in the schedule. Implementation of and treatment occur in the SAP-system and is integrated in the non-conformance system. Corrective actions are handled in local management meetings and the results are reported in the organisation.

PREVENTIVE ACTION

These actions are in order to prevent the occurrence of nonconformence. The organisation shall continually aim to eliminate potential non-conformance by pre-mapping the degree of risk. The assessment is based on available factual and empirical bases and is handled locally in management meetings as required.

ANALYSIS OF DATA

The organization shall collect, determine and analyse all available facts and data from monitoring and measuring, in order to:

- assess whether the management systems are suitable and effective
- assess where any actions can and should be implemented

The analysis will provide information regarding customer satisfaction, the validity of the product, suppliers and process capabilities with any additional measures.

Cross references, requirements in OHSAS 18001:2007 / Norwegian Working Environment Act / NS-EN ISO 9001:2008 / PDCA - approach

Management systems for QA / HSE - Level 1	Level 2	Requirements in OHSAS 18001:2007	Requirements in the Norwegian Working Environment Act	Requirements in NS-EN ISO 9001:2008	PDCA approach
Definition	X	3	-	3	
HSE policy	X	4.2/4.3.3	§§ 3-1/4-1	5.1/5.3/54.1/ 6.4	PLAN
Management system	X	4.2/4.3	§§ 1-1/2-2/3-1/4-1	4.2/4.2	PLAN
Control of documents	X	4.4.5	§ 3-1	4.2.3	DO
Risk analysis	X	4.3.1	§ 3-1	6.2/6.4	PLAN
Requirements in law and legislations	X	4.2/4.3.2	§§ 1-1/2-2/3-1/7-1	6.4	PLAN
HSE goals	X	4.3.3	§ 3-1	5.1/5.4.1	PLAN
Action plans	X	4.3.4	§ 4-1	5.4/6.4	PLAN
Planning	X	4.3.1/4.4	§§ 3-1/4-1/4-2	5.4/6.4	PLAN
Structure and responsibility	X	4.4.1	§§ 3-1/5-2	4.1/5.1/5.3/5.5.2	PLAN
Training – knowledge – skills	X	4.4.2	§§ 3-2/3-5/4-2/ 4-4/6-5	6.2.2	DO
Communication	X	4.2/4.3.4	§§ 3-2/4-2/8-1/ 8-2/8-3	5.5.3/6.2.2	DO
Non-conformance	X	4.5.2	§ 3-1	8.3	ACT
Corrective and preventive actions	X	4.5/4.5.2	§§ 2-1/3-1/4-1	8.5.2-8.5.3	ACT
Measurement, analysis and improvement	X	4.5.1	§§ 1-1/3-1/5-1	8	CHECK
Accidents/near misses, warning of undesired events (RUH)	X	4.5.2	§§ 2-4/2-5/3-1/3-6/ 4-3/5-1/7-2/13-1	6.4	DO
Registrations	X	4.5.3	§§ 5-1/7-2	4.2.4	DO
Audit of the systems	X	4.2/4.5.4	§ 3-1	8.2.2	DO
Management review	X	4.6	§ 7-2	5.6/8.4	CHECK
Internal audit	X	4.5.5	§§ 3-1/3-2/3-3/4-1	8.2.2	CHECK
Continual improvement	X	4.2	§§ 2-1/2-4/2-5/3-1/ 3-6/4-1/4-3/5-1	8.5.1	ACT