



Sittard, April 2020

Dear Customer,

This letter responds to your request to give specific information or expecting to execute specific audits regarding the Traceability of our products. The reason for this are the updated BRCGS requirements applicable for your business.

Many customers in the Polymer Packaging industry businesses have asked us to give detailed traceability information or even want to execute customer traceability audits. While we acknowledge the desire of our customers to comply with their BRC effort, we trust you will understand, due to the high workload impact, that we made the decision not to provide detailed info for specific batches or execute dedicated customer traceability audits. We therefore have prepared a package of information providing information you are seeking.

Our operations are executed under the ISO 9001 requirements and in accordance with these also the topic of traceability (chapter 8.5.2). In our Management system specifically under Internal Audit the topic of Traceability is captured by executing Internal Audits with the purpose to validate compliance versus our procedures that have been set-up to ensure traceability.

We hope and trust the attached information package will give you sufficient information about SABIC's processes on traceability to give you adequate assurances and confident that we manage this topic very well.

This information package is updated on a 3 year interval unless we have reviewed it earlier.

We thank you for your understanding and look forward to the continued growth of our valuable cooperation.

Yours sincerely,

J.E.W. de Bock
Quality Manager SABIC Europe

Encl. customer information package (pages 2 to 4)

Detailed statement and information regarding traceability of our products.

Basis of the traceability requests are the updated BRCGS Packaging requirements issue 6, August 2019 specifically the topic on traceability of purchased raw materials, in our case the SABIC polymer packaging products.

The specific BRCGS requirement regarding traceability is stated in chapter 3.7 Supplier approval and performance monitoring and states the following:

3.7.5

The company shall ensure that its suppliers of raw materials have an effective traceability system. Where a supplier has been approved based on a questionnaire instead of certification or audit, verification of the supplier's traceability system shall be carried out on first approval and then at least every 3 years. This may be achieved by a traceability test.

Reading the above requirement the following is applicable to comply with:

- 1) The supplier (=SABIC) has an effective traceability system
- 2) Verification of the supplier system (=SABIC) shall be carried out

For the above two items the details are explained / worked out in the following 2 chapters.

Disclaimer. The information contained herein may include typical properties of our products or their typical performances when used in certain typical applications. Actual properties of our products, in particular when used in conjunction with any third party material(s) or for any non-typical applications, may differ from typical properties.

It is the customer's responsibility to inspect and test our product(s) in order to satisfy itself as to the suitability of the product(s) for its and its customers particular purposes. The customer is responsible for the appropriate, safe and legal use, processing and handling of all product(s) purchased from us.

Nothing herein is intended to be nor shall it constitute a warranty whatsoever, in particular, warranty of merchantability or fitness for a particular purpose.

Supply Agreements and General Conditions of Sales are applicable to all sales.

ANNEX 1) The supplier (=SABIC) has an effective traceability system

The traceability system is built on the fact that every polymer production batch/lot has a specific unique batch number.

Based on that batch number all information (product measurements, production measurements, used raw materials etc.) can be retrieved based on date and time of production.

This batch number (and other contact info) is printed on the Certificate of Analysis (CoA) which is sent with every delivery.

All relevant measured information (e.g. Production measurements, Laboratory measurements, etc.) are stored in interconnected digital systems (incl. back-up systems) therefore data is secured and easily retrievable.

All customers to whom a specific batch/lot is shipped can be retrieved from the ERP system (SAP).

ANNEX 2) Verification of the supplier system (=SABIC) shall be carried out

The verification of supplier system is carried out via SABIC's Internal Audit system on the topic of traceability.

The Internal Audit on traceability is carried out on a regularly basis by checking the traceability on a number of randomly selected product grades if they comply with:

- Measured product values and comparing it with specifications
- Measurements during production (stable operation)
- Complying to Product recipes
- Raw materials verifications, spec versus delivery (CoA's and/or analysis)