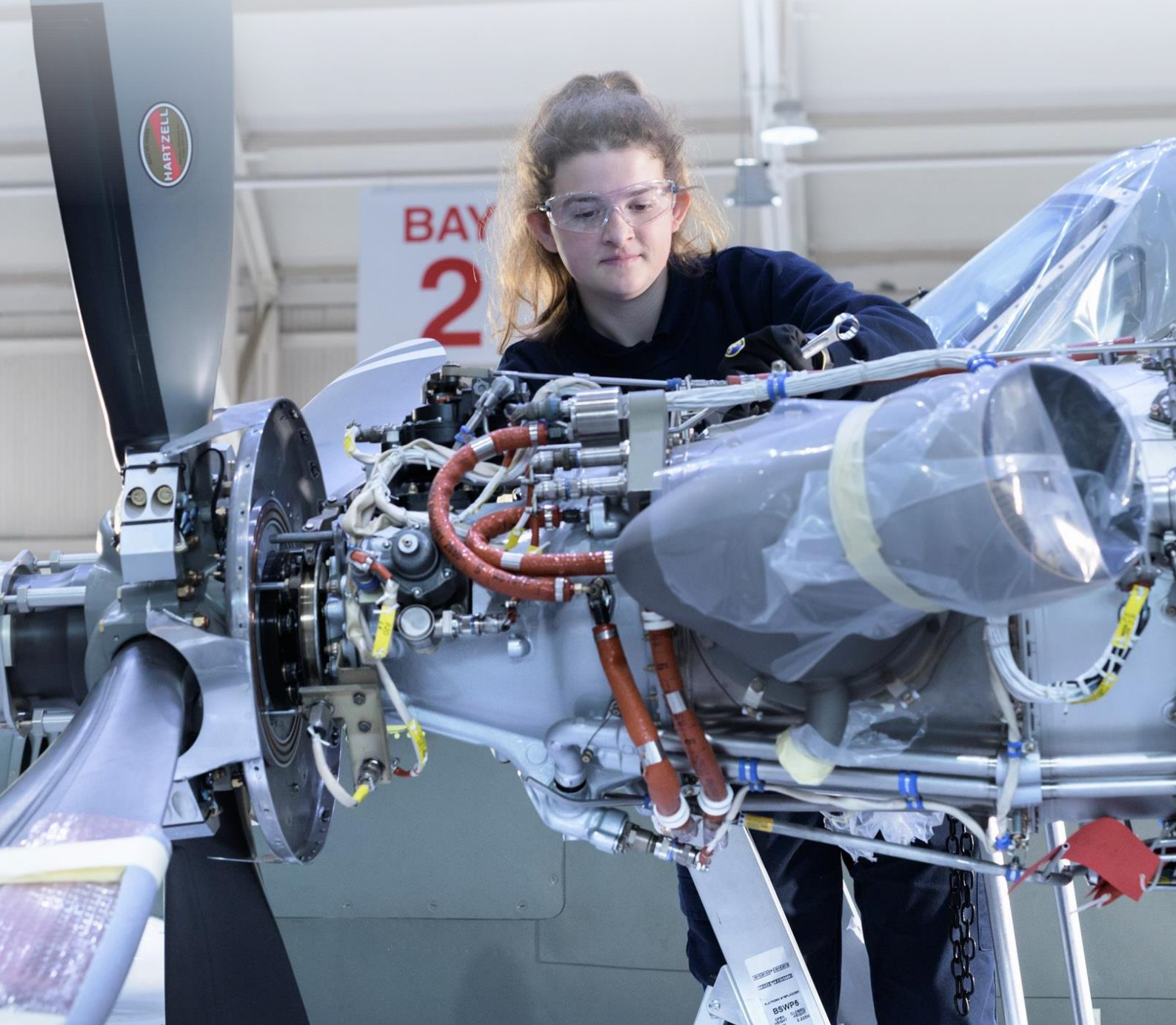


Joint Supply Chain Accreditation Register (JOSCAR)



What is JOSCAR?

Raytheon Systems Limited (RSL), are making some important changes to enhance our Supplier Assurance information and compliance with our policies and processes.

We have partnered with a UK-based third party called 'Hellios Information' to support us in the management of this process, known as the Joint Supply Chain Accreditation Register (JOSCAR).



JOSCAR will form a part of our supplier evaluation and approval approach, with the intent to improve data availability and monitor compliance for our suppliers; meaning your company can submit and maintain a majority of the information we need via a single online system shared within RSL, as well as other major Prime organisations using JOSCAR.

JOSCAR has been created to help suppliers demonstrate they are 'fit for business', not only in the defence, aerospace, security and space sectors but also other sectors they may be operating in. It is a cross-sector collaborative solution intended to help reduce the time, cost, resources and duplication currently needed to provide information. Holding common supplier data in a central system allows the information to be accessed by all participating buying organisations.

Why have I been asked to join JOSCAR?

As either an existing or future supplier to RSL, we are looking to have certain key suppliers register through the JOSCAR system to ensure we are able to track compliance data and qualification information. Hellios will then support RSL in collecting, validating and administering the qualification data on our behalf.

What areas does the registration process cover?

Questions relate to the management systems and processes your company has in place in areas critical to RSL and our industry; personnel, legal, financial, insurance, supply chain, quality, health & safety, environment, business continuity, import/export, counterfeit products, cyber security and data privacy.

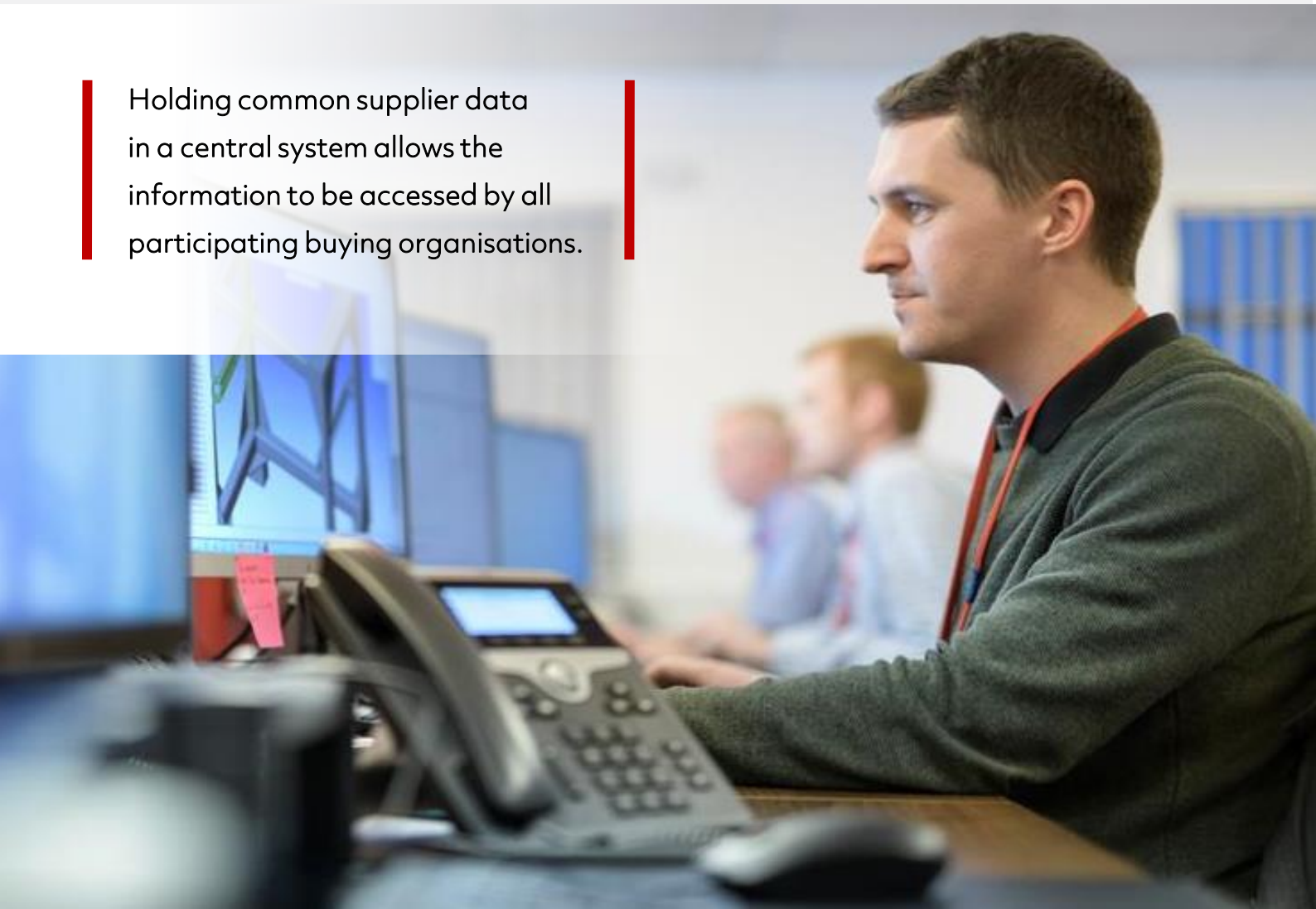
Benefits of registration:

As well as providing greater efficiency across the supply base in the defence industry, particularly in the UK, suppliers will also benefit from:

- A simple online process to submit compliance information and reduces the likelihood of duplicate requests across RSL.
- Tailored questions that are geared toward the products and services being provided by your organisation.
- An online profile which can be maintained and updated throughout the year to ensure your continuous compliance with RSL activities and requirements.
- JOSCAR approval also means you also won't have to provide certain assurance information each time you bid for business with RSL.
- Having the ability to monitor and implement continuous improvement opportunities or initiatives to ensure compliance is maintained as industry requirements evolve.
- Confidence in a common process being utilised by multiple prime contractors.

Another significant benefit will be exposure to other UK Primes, including one of our primary customers, the Ministry of Defence. The other major buying organisations involved with JOSCAR include BAE Systems, Leonardo, QinetiQ, Babcock, MBDA, General Dynamics and more, who will all have access to the data provided by the supplier. This brings additional efficiency and avoids duplication. One registration will be enough for suppliers who use the system to meet the pre-qualification requirements of multiple buyers.

Holding common supplier data in a central system allows the information to be accessed by all participating buying organisations.



How to gain compliance approval?

There are two stages of qualification. Some suppliers will only need to do Stage 1. However, due to the nature of certain products and services some suppliers could also be subject to additional requirements, represented as Stage 2.

Stage 1 Qualification

- RSL will send suppliers a request to complete an online questionnaire.
- Our external partner Hellios Information Limited will then contact you with the details on how to complete the online questionnaire.
- This is free of charge and should take approximately 30 - 60 minutes to complete.
- This information will allow us to determine whether your organisation is also required to complete the Stage 2 assessment.

Stage 2 Qualification

- Stage 2 is a more detailed online assessment, which requires you to supply supporting evidence. This stage will take approximately two hours to complete.
- Depending on the size of your organisation, an annual fee ranging from £275 to £725 (plus VAT) may be payable. For some smaller organisations, the cost of Stage 2 is free. Costs are payable directly to Hellios to cover the operating costs of the system.
- RSL and each of the participating primes involved in the programme pay an annual subscription fee to help minimise the costs to our suppliers.

RSL may wish to undertake further assurance activities following completion of Stage 1 and/or 2 depending upon specific internal or external (customer) requirements. This will not incur any additional registration costs to your organisation.

Frequently asked questions:

How long is JOSCAR qualification valid for?

Stage 1 and Stage 2 qualifications are valid for one year from completion, renewals will then be required. Hellios will issue reminders to suppliers in advance of their compliance expiry date and will work with you throughout the year to ensure your compliance data is kept up to date.

Will my competitors have access to the information we provide?

Other suppliers will not have access to the information you provide which is only available to the prime contractors using JOSCAR, each of which has signed confidentiality agreements with Hellios.

What if I take no action?

If you take no action your company may no longer be considered compliant with RSL's supplier evaluation and monitoring and will likely require additional discussions with your procurement representative to agree appropriate actions.

Will JOSCAR replace RSL's Raytheon Enterprise Supplier Assessments (RESA)?

No, but we do intend to utilise JOSCAR to support our RESA process to the fullest extent possible, which will ultimately reduce workload associated with the provision of duplicate information.



For further information:

For further information you may either contact:

- Your RSL procurement representative
- Hellios directly at joscar@hellios.com; or
- visit the JOSCAR webpage at www.hellios.com