

## MANAGEMENT RESPONSIBILITY POLICY

### 1.0 PURPOSE

To define levels of management responsibility and to document the requirements when conducting Management Reviews within the framework of Bradken's Integrated Management System.

### 2.0 SCOPE

This procedure details the management responsibility functions of Bradken's Integrated Management System and the requirements for their periodic management review in order to ensure continuing suitability and effectiveness. This procedure applies to all Bradken sites, though site specific procedures and conduct of the review may vary. This procedure defines the minimum requirements for reviews.

NOTE: Whenever "Quality Representative" appears in this procedure, read "Quality Manager, Technical Manager or nominated management representative."

Whenever "Environmental Engineer" appears in this procedure, read "Environmental Engineer, Environmental Officer or nominated representative."

### 3.0 RESPONSIBILITY AND AUTHORITY

3.1 The structure of each Division, Business or Functional Group entity is defined in the Bradken organisation charts. Position responsibilities are identified in the relevant position description.

3.2 **Executive Managers** and **General Managers** are responsible for all activities of their Division, Business or Functional Group as well as for providing adequate resources to maintain an efficient management system.

3.3 **Commercial Managers, Sales & Marketing Managers, Manufacturing Managers** and other Division, Business and Function Managers are responsible for preparing reports to be included in the Monthly Report of the Division, Business or Functional Group, as applicable.

3.4 The **Quality Representative**, in conjunction with the **Site Manager** is responsible for:

- arranging the periodic Management System review meetings;
- setting the meeting agendas with input from members of the management team or where meetings are of a repetitive nature, for standardising an agenda; and
- ensuring that the meetings are minuted, where appropriate, and that the meeting minutes are distributed.

3.5 The **Environmental Engineer** is responsible for ensuring that periodic environmental reviews are wherever possible included as part of the Management System review meeting.

3.6 With regard to the Management System, all **Managers and Supervisors** are responsible for:

- ensuring that adequate resources are available for the performance of work and verification activities including checking of work, auditing of processes and provision of records and documentation as required;
- the quality of work carried out by all personnel within their area of control;
- verifying that approved procedures are adopted within their work area and that any necessary complementary procedures are raised, updated, and implemented by assigned personnel;
- ensuring that all staff under their control are adequately trained and experienced in their technical discipline to perform their duties in a satisfactory manner; and
- ensuring that all subordinate staff are familiar with organisational procedures and have access to them.

# 2 BK SP MS Management Responsibility Policy

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- 3.7 Further details on responsibilities and authorities can be found in *Bradken Process Framework (Quality Manual)* [Ref: 2 BK SP MS].
- 3.8 All positions in the Company that can affect or contribute to quality, environmental or safety, including those previously described, are defined by formal position descriptions, which nominate key tasks and areas of authority. Position descriptions are prepared in consultation with each section's Manager or Supervisor.
- 3.9 In the absence of any personnel, their duties are assumed by nominated personnel as detailed in the relevant position descriptions.

## 4.0 **MONTHLY REPORTS**

Each Division, Business and Functional Group shall prepare a monthly report to Executive Management detailing the performance of the business over the past month including matters of significance. Division and business reports should include the following as a minimum:

- Executive Summary
- Financial Results
- Sales and Marketing
- Manufacturing
- Safety
- Environmental
- Capital Expenditure
- Working Capital
- Product Development

## 5.0 **MANAGEMENT REVIEW MEETINGS**

A range of management review meetings are held at Bradken sites. These may occur on a daily, weekly, monthly or annual basis, as appropriate to the needs of the site or function.

### 5.1 **DAILY REVIEW MEETINGS**

These are typically held at the manufacturing sites. Key attendees include managers and supervisors. The meetings cover health, safety and environment, production, planning, conformance to schedule, quality, wasters, maintenance, customer sales, etc. Key agenda items include, but are not limited to:

- results from previous 24 hour production;
- follow up of the previous action points; and
- the allocation of responsibility for any new action points.

### 5.2 **WEEKLY AND MONTHLY REVIEW MEETINGS**

#### **Manufacturing**

Key attendees include managers and supervisors. These meetings review week, month to date, or complete month results for the subjects covered in the daily review meetings. Actions and responsibilities are agreed based on (at least) non-conformances, adverse trends and PONC (Price of Non-conformance).

## Sales

Key attendees include Regional Sales Managers, Sales coordination, etc. These meetings review week, month to date, or complete month results for orders received along with major enquires, orders and prospects as well as budgets. Actions and responsibilities are agreed based on plans and strategies, non-conformances, adverse trends and PONC (Price of Non-Conformance).

## Division, Business or Functional Group

Key attendees include managers and supervisors from Manufacturing, Sales / Marketing, OH&S, Commercial, etc. All business KPIs are reviewed, with actions and responsibilities determined.

## Executive

Direct reports to the Managing Director review Bradken performance against the budget and business plan monthly. Refer to *Executive Management Review* [Ref: 2 BK SP MS] for more details.

### 5.3 MANAGEMENT SYSTEMS REVIEW MEETING

A periodic review of Quality, Environmental and Safety Management Systems shall also be held where appropriate, either as a stand alone meeting or as part of one of the monthly review meetings.

#### Agenda

Agenda items should include, but not be limited to the following:

- Review of previous meeting minutes and outstanding actions
- Review of major developments or improvements made in the Management System or progress since the last review
- Review the results of internal audits and status of corrective and preventative actions
- Review the results of external audits, including non-conformances, areas of concern, opportunities for improvement and status of corrective and preventative actions
- Review of product and process non-conformances and customer feedback, including significant trends
- Impending changes within the Division, Business, Functional Group or Company, and what actions are necessary to facilitate the changes
- Recommendations for improvement

Where considered appropriate, outcomes of reviews are to be processed through the appropriate Corrective Action system to assist problem solving activities.

Additional agenda items if an environmental review is also being conducted include:

- Review the status of corrective and preventative actions from the legal compliance review
- Communications with external parties and complaints and status of corrective and preventative actions
- Overall site environmental performance
- Progress to achieve the Environmental Goals, the site Environmental Improvement Plan, the Site Environmental monitoring Plan, the site Environmental Training Plan
- Changing circumstances affecting the site's environmental performance
- Recommendations for improvement to the site EMS and site's environmental performance
- Any recommended changes to the Environmental Policy or the Environmental Goals

Details on the conduct of environmental review are available in Environmental Review [Ref: 2 BK SP ENV 360].

## Attendees

Meetings shall include the senior manager and their direct reports, including all key managers and supervisors that have a significant impact on the Management Systems. A quorum is 70% of the nominated attendees.

## Records

Each review meeting shall be minuted with actions and completion dates nominated where required. The date of the next meeting should also be arranged before the meeting is concluded.

The minutes should be collated with any appropriate attachments, e.g. non-conformance analysis, training schedule, etc. and copies distributed to all attendees within one week of the meeting. A copy should also be forwarded to the relevant General Manager, and the Management Systems Manager and Environmental Manager where applicable.

## 6.0 REFERENCE DOCUMENTATION

<a href="#">2 BK SP MS</a>	<a href="#">Bradken Process Framework</a> (Quality Manual)
2 BK SP MS	Executive Management Review
2 BK SP ENV 360	Environmental Review