

QSS 0 Products and Services without Bespoke Contracts.

Use: Typically Sub £50k processes without a bespoke contract.

Amendment History		
Version	Date	Status
V3	June 2018	Updated for 2018 deployment
V3.1	July 2019	MSA improvements

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1. Quality Assurance Requirements:

1.1 Definitions

QA	Means quality assurance.
Quality Management System	The policy, procedures, work instructions and standards used by Supplier to manage its operations.
Quality Plan	Shall have the meaning set out in paragraph 1.8
Quality Review Meeting	Shall have the meaning set out in paragraph 1.9
Quality Assurance	All activities undertaken to ensure that standards and procedures are adhered to and that delivered products and services both meet requirements and are optimised to Telefonica business needs.
Supplier	The supplier contracted with under this agreement
Sub-Contractor	Third parties used by the Supplier

1.2 Introduction

This Quality & Sustainability Schedule (“QSS”) sets out the quality assurance required from the supplier with respect to the supply of products and or Services to Telefónica UK Limited (“Telefónica”). This schedule applies where the product or services being supplied has no bespoke supply contract. It is not intended for use in the procurement of significant products or services that can directly impact the customer service experience.

1.3 Working with Telefonica UK

Supplier will appoint a member of Supplier’s management team who will be responsible for:

- Realising a QA strategy addressing all Services and Equipment, Software and Documentation supplied or supplied under this Agreement.
- maintaining an overview of all quality issues;
- Liaising with Telefonica UK’s QA representatives and overseeing the effective resolution of any quality issues.

1.4 Problem Notification

Supplier will notify Telefonica UK’s QA representative without undue delay of any problem that endangers or may endanger the Delivery timescales, Milestones and/or impacts the functionality of the Equipment, Software, and/or Services to be provided under this Agreement.

1.5 Quality Management System

Supplier and associated Sub-contractors will demonstrate to Telefonica UK (with respect to all Equipment, Software, Documentation and/or Services provided under this Agreement) conformance of its Quality Management System (QMS) in accordance with EN/ISO 9001 or TL9000 or its equivalent and any future versions. Where suppliers are required to be so certified and are not they shall within 8 weeks of Contracting table a plan to achieve certification within an agreed timescale.

1.6 Right to audit

Without prejudice to Telefonica UK's rights set out elsewhere in this Agreement with respect to audit, the Supplier shall carry out all its obligations under this Agreement in a controlled and managed manner, thereby allowing Telefonica UK's QA representatives to evaluate such work. To this end:

- Telefonica UK is entitled to carry out quality reviews and quality audits of the Supplier's Quality Management System (QMS) Equipment Documentation, Software and Services supplied under this Agreement. Each party bears its own costs incurred by such a quality review.
- The Supplier will make available all relevant information to Telefonica UK that Telefonica UK deems necessary for fulfilling its reviews or audits and will grant Telefonica UK access to the QMS documentation, project and quality records.
- The QA representative or other authorised people of Telefonica UK may in all phases of the product creation process and service management, arrange quality reviews or audits by prior agreement with the Supplier at any time.

1.7 Regulatory Compliance

All services, equipment and software provided under this Agreement shall be demonstrably compliant with contractual requirements and relevant UK and EU legislation.

1.8 Quality planning

All Equipment, Software, Documentation supplied and Services performed under this Agreement shall be addressed by a quality plan(s). Subject at all times to the provisions of this Agreement, each quality plan(s) shall:

- contain no obligation for Telefonica UK;
- be provided to Telefonica UK by a date to be agreed after this Agreement has been signed;
- be maintained by Supplier and followed for the duration of this Agreement;
- identify the standards and procedures, highlighting any critical processes that will be employed for all work pertinent to this Agreement;
- identify the QA objectives, strategy and measures being employed by the Supplier to ensure the quality of the Equipment, Documentation, Software or Services provided under this Agreement;
- detail the Supplier's organisation, responsibilities and resources supporting this Agreement including and Permitted Sub-contractors;
- be subject to Telefonica's agreement.

Visibility of this QA strategy and its implementation will be provided to Telefonica UK by Supplier.

1.9 Quality Review Meetings

Without in any way limiting Supplier's obligations of reporting set out in this Agreement, the Supplier will at each Quality Review Meeting or upon request provide Telefonica UK with visibility of:

- Sub-contractors and work areas involved in delivery; and
- Quality Plan(s) and QA strategies addressing supplier delivery to Telefónica.

1.10 Defect analysis, problem reporting & Quality improvement

Supplier will:

- analyse quality data including defects, and use the result of this analysis to instigate continual quality improvements to the Equipment, Software, Documentation and Services supplied under this Agreement;
- agree with Telefonica UK QA representative the traceability of Equipment, Software, Documentation and Services provided back to an agreed level;

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- produce and implement corrective action plans to address all identified quality concerns and progress in a timely manner;
- notify Telefonica UK without undue delay of any defect reports raised from their global customer base relevant to Equipment, Software, Documentation and Services received by Telefonica UK; i.e. implement a “global problem alert process”;

1.11 Risk management

Supplier will operate formal risk management processes and make visible to Telefonica UK any risks that may impact on Equipment, Software, Documentation and Service quality or delivery timescales.

1.12 Release Criteria

Supplier will define, document and declare to Telefonica UK its Equipment, Software and Service release criteria. The Supplier shall amend its Equipment, Software and Service release criteria in line with any reasonable Telefonica UK request by mutual agreement.

1.13 Quality Reporting

Supplier will provide to Telefonica UK QA representative at mutually agreed intervals an overall quality report, which provides key performance indicators in an agreed format.

1.14 Third Parties

Supplier will maintain formal contracts with all Sub-contractors involved in providing support to Equipment, Software and Services provided to Telefonica UK under this Agreement such that the support requirements agreed between Supplier and Telefonica UK are underpinned by formal contracts between the Supplier and any Sub-contractors.

1.15 Project and Product Management:

When relevant the Supplier will create and agree with Telefonica's Project Management a project plan supporting the delivery of all products and services provided to Telefonica. The project plan shall include details of any associated risks, issues, assumptions, and dependencies. The plan, and its associated risks, issues, assumptions, and dependencies, shall be maintained and shared with Telefonica on request.

1.16 Reliability Management

Supplier will establish, implement and maintain reliability planning for the Equipment and Software provided under this Agreement. Such planning and its outputs will be made available to Telefonica UK. The planning and its outputs will provide visibility and evidence that agreed reliability objectives have been achieved and that the reliability of individual items of Equipment and Software is in line with its design objective.

1.17 Documents

Supplier will compile, keep up-to-date and secure all Documentation relating to this Agreement. Quality records will be maintained by the Supplier which demonstrates achievement of the Agreement requirements. Such records will be identified in a list provided to Telefonica UK and the details made available to Telefonica UK upon request.

The Supplier will keep all test results for a period of five (5) years.

The Supplier will maintain a list of all Equipment and Software supplied to Telefonica UK and supply copies of the final test records in electronic form to Telefonica UK upon request.

1.18 Service Readiness

The Supplier will:

- Operate defined service readiness criteria for all services provided under this Agreement addressing, as a minimum, personnel capability, resource levels, tools and processes that must be in place to successfully deliver services
- Maintain a view of their service readiness;
- At Telefonica's discretion, provide a maintained current service readiness;
- Ensure service continuity requirements are identified and agreed with Telefonica; and
- At Telefonica's discretion agree Service Readiness Plans with Telefonica Subject experts.

1.19 Financial Status Visibility

To protect Telefonica UK from any unexpected Supplier financial failure, the Supplier will agree with Telefonica UK a financial status report and share this report with Telefonica UK at agreed intervals.

1.20 Product Recall

Where a consumer product is being provided the supplier will define and agree with Telefónica a product recall management process identifying the data that will be monitored to identify any potential need for a product recall, associated responsibilities, and the communication and management processes for dealing with a product recall

2. Security & Business Continuity

2.1 Security:

Supplier shall, and shall procure that its Permitted Sub-contractors shall provide demonstrable evidence that they maintain a security policy, and operate a supporting security strategy that complies with ISO/IEC 27001 and additional current best industry standards as deemed appropriate to satisfy Telefonica UK security requirements. Where the Supplier is not certified to ISO/IEC 27001 and has access to Telefonica UK customer or employee data they shall have a plan to become certified within agreed timescales.

2.2 Business Continuity:

Supplier shall provide a copy of their Business Continuity Plan that demonstrates how they will maintain the contracted service level in the event of an emergency. The Suppliers Business Continuity Policy and Planning must align with the Business Continuity Standard ISO22301 Societal Security – Business Continuity Management Systems – Requirements. Draft planning will be provided pre contract where Suppliers wish to be considered for Telefonica UK supply and final planning provided at contract placement. Business Continuity Policy and planning as it relates to any product or service provided to Telefonica UK shall be subject to Telefonica UK agreement.

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3. Safety Requirements

3.1 3.1 The Supplier shall and shall procure that its Permitted Sub-contractors, shall demonstrate to Telefonica UK (with respect to all products and services provided under this Agreement) a documented Health and Safety Management System to ensure effective planning, operation, risk assessment and control of safety risks in conformance to the relevant parts of OHSAS 18001 or equivalent and its future evolutions. Where the supplier has a head count of greater than 250 or is involved in production the safety management system shall be certified to ISO 45001 Occupational Health and Safety Management System. Note ISO 45001 is an international standard that replaces OHSAS 18001 and Telefonica UK recognise and accept organisations that are in transition to the new standard.

3.2 Telefonica UK places great importance on health and safety of their employees and the proper and safe process for the handling of Orders by the Supplier. The following safety requirements shall be assured by the Supplier:

3.2.1 The Supplier has access to, and complies with, all relevant and up to date legal and official regulations of every relevant country necessary, to do the requested work in a way that the health and safety of the personnel involved can be assured.

3.2.2 The Supplier has in particular the current knowledge of the local regulations of the trade inspection, the trade association, or workplace regulations, for health and safety for workers, for fire prevention as well as the generally recognised rules for all work to be carried out under this agreement.

3.2.3 The personnel used by the Supplier are competent, has the skills, necessary training courses and protection equipment needed to fulfil the assigned work in a way that health and safety of the personnel involved and others affected by the work can be guaranteed.

3.2.3.1 The Supplier, if involved in work defined under the Construction Design Management Regulations, shall be successfully accredited to the specific SafeContractor UK Safety Schemes in Procurement (SSIP) under for the relevant scope, <https://www.safecontractor.com/contractor-accreditation>. Where not accredited for the scope of works as part of this award accepting TUK business will imply a commitment by the supplier to become accredited in timescales agreed with TUK but in any case not later than within 12 weeks of Contracting.

3.2.3.2 The Supplier shall demonstrate how they procure and appoint competent sub-contractors to undertake work on their behalf by evidence of assessment.

3.2.4 The said personnel has the necessary knowledge and skills to provide first aid assistance at any time.

3.2.5 Telefonica UK reserves the right for their personnel to give instructions to the Supplier's personnel regarding the completion of work of the Supplier. This includes the right to immediately stop any work in case of severe problems regarding health and safety for Telefonica UK and Supplier's personnel as well as third parties or equipment owned by one of those three parties.

3.2.6 The Supplier confirms that all expenses for meeting any of the health and safety requirements listed in this Schedule are included.

3.2.7 The Supplier shall stop the work immediately if the Supplier becomes aware that health and safety is endangered.

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3.2.8 The Supplier's personnel is obliged to immediately report every health & safety problem on equipment or facilities under responsibility and control of Telefonica UK or third parties which might or will affect the work.

3.2.9 The Supplier's personnel shall routinely monitor their safety performance and routinely notify Telefonica UK of the result.

3.2.10 Telefonica reserves the right to audit the supplier's health and safety management system and performance.

3.2.11 Supplier providing Contractors to Telefonica must ensure they are aware of and comply with the Telefonica UK H&S Guide for contractors.

4. Environmental Management Requirement

4.1 Environmental Policy: The Supplier shall have an up-to-date, documented Environmental Policy including commitment to environmental protection, prevention of pollution, compliance with environmental legislation, continuous improvement and to procure in line with its policy. The policy shall be effectively communicated to and understood at all levels within the organisation. The Supplier shall also be able to provide evidence of implementation.

4.2 EMS: The Supplier shall have a documented Environmental Management System to ensure effective planning, operation and control of environmental aspects. This Environmental Management System shall be certified to ISO 14 001 or other internationally recognized standards. Continuous improvement efforts shall be addressed within the Environmental Management System.

4.3 Programs for Improving Environmental Performance: The Supplier shall identify significant environmental impacts associated with its operations, and implement continuous improvement programs to address them. These programs shall cover the efficient recycling and/or disposal of waste materials and improving treatment and control of waste emissions affecting air, water and soil. The Supplier shall be able to provide supporting evidence.

4.4. Carbon Reduction Requirements: The suppliers will demonstrate that that they have an active carbon reduction programme or a plan to establish one. The programme will have a baseline and a clear time bound improvement target with respect to that baseline. Periodic progress reporting against the carbon reduction programme will be provided to Telefónica detailing both absolute and relative carbon measures as appropriate. A recognised carbon reporting methodology such as one of the following should be used.

- [ISO14064](#) – Greenhouse gases. Part 1 (2006)
- The WRI / [WBCSD Greenhouse Gas Protocol](#): A Corporate Accounting and Reporting Standard (Revised Edition)
- UK Government's Environmental Reporting Guidance (2013 version) – [DEFRA](#)
- Carbon Disclosure Project ([CDP](#))

Reports must be sent to SusProc@telefonica.com within 6 weeks of award and then at 6 monthly intervals. Where at the point of award a supplier does not already have an active carbon reduction programme their first report must detail their progress against a time bound plan to establish such a programme tabled at tender.

5. Sustainability Requirements

5.1 Supply Chain Sustainability Policy Compliance

Supplier shall, Comply with the Telefonica Minimum Standards for Sustainable Business as detailed in the 'Supply Chain Sustainability Policy Telefónica Group' and any additional sustainability requirements detailed by Telefonica. Supplier and its Sub-contractors shall demonstrate to Telefonica UK that they maintain policies to protect and promote standards in their supply chains that as a minimum comply with the Telefonica Minimum Standards for Sustainable Business available at the following website: http://telefonica.com/en/europe/html/suppliers/supplier_policies.shtml. At the point of contracting suppliers must either be fully compliant or have a plan agreed with Telefonica to move to full compliance within an agreed timescale which must not exceed 60 working days.

5.1.1 Suppliers will not in their operations use workers below the legal minimum age for employment or use any form of forced or bonded labour and prior to business placement will formally certify to Telefonica UK that this is the case.

5.1.2 Suppliers will pay particular attention to the requirements on Health and Safety, on Forced Labour and Trafficking and on Child and Young Person labour and will provide to Telefónica an annual statement detailing the measures it has taken to ensure that these requirements are being respected within its operations and critically within its supply chains. Provision of this statement will be a prerequisite of business award, both initial and going.

5.1.3 During the period of the contract should Telefonica UK discover any failure to comply with points 5.1.1 and 5.1.2 above Telefonica UK will give the supplier an opportunity to become compliant, within a specified timescale, details of which will be contained in a corrective action plan. Telefonica UK will have the right to cease business with a supplier if, in respect to points 5.1.1 and 5.1.2;

- The supplier refuses to agree a corrective action plan; or
- The supplier fails to satisfactorily complete the corrective action plan within the stipulated timescales; or
- Having become compliant the supplier lapses and is subsequently found to be non-compliant again

5.1.4 Supplier will if requested make an EcoVadis risk submission for itself and any facilities it will use to manufacture products for supply under this agreement.

5.1.5 Upon request Supplier will declare to Telefonica UK the steps it has taken to minimise the risk of forced labour or trafficking in its operations and supply Chains. Supplier shall operate a similar requirement of its suppliers.

5.1.6 Suppliers will ensure that worker rights and the supplier obligations under the Telefonica Supply Chain Sustainability Policy are effectively communicated to relevant managers and workers. such communication will be subject to Telefonica verification. Where a supplier operates in a sector or geography where slavery risks are heightened the supplier will ensure and demonstrate that appropriate training in the management of this risk is provided to all relevant personnel.