



# **SMTSA ZAF QUALITY ASSURANCE MANUAL**

to

ISO 9001: 2015

## **Quality Management System**



---

General Manager: Commercial

# QUALITY POLICY

The management of SMSA ZAF is committed to continually improve the company's performance and meeting its customers' expectations while offering them a safe, efficient, and professional service.

SMSA ZAF is professed to being the leading provider of logistics, supply chain and transportation solutions. SMSA ZAF provides these services aligned with internationally recognized "Good Distribution Practices" and shall optimize its clients' benefits by providing them with state-of-the-art-support.

Quality is considered to be a personal responsibility for all our employees at SMSA ZAF. To preserve it, the senior management shall provide required support and training to ensure effectiveness of the company operations and systematically mitigate associated risks.

In addition, SMSA ZAF creates a working environment conducive for enabled, satisfied, motivated, and committed employees making SMSA ZAF "The Employer of Choice".

At SMSA, we do not just provide delivery services; we offer solutions characterized by trust, excellence and innovation. Through the continuous improvement of our services, risk management and commitment to global best practices, we remain dedicated to being "the employer of choice" and the trusted partner our customers rely on.

## SMSA ZAF commit to:

- **Compliance and Excellence:**
  - Meeting all regulatory and client requirements, while continuously enhancing the effectiveness of our QMS. This includes compliance with the latest industry standards and effective risk controls to ensure every shipment is handled with the utmost care and professionalism.
- **Tailored Solutions:**
  - Providing client-focused, innovative services designed to meet the specific needs of our clients, ensuring their satisfaction and fostering long-term mutually beneficial long-term business relationships.
- **Operational Excellence:**
  - By adhering to international standards and best industry practices, we ensure the safe and efficient handling of client's products. We prioritize operational efficiency throughout the entire logistics chain, fostering reliability and trust while effectively managing risks at each stage.
- **Employee Empowerment:**
  - We are dedicated to fostering a workplace where our employees are well equipped, trained, and motivated to contribute to SMSA's quality culture. Every individual is vital in maintaining our high standards, identifying potential risks, and driving ongoing improvement throughout our processes

- Senior management is committed to ensuring that this policy aligns with our organization's purpose and serves as a framework for establishing and assessing quality objectives. The Quality Policy is effectively communicated and understood throughout the organization. Regular reviews and updates ensure that the policy continually aligns with changes in the organization's business and risk environments.



Dirk Uys  
Managing Director: SMSA ZAF

## Table of Contents

<b>1.</b>	<b>Introduction .....</b>	<b>5</b>
<b>2.</b>	<b>Revisions and Amendments .....</b>	<b>6</b>
<b>3.</b>	<b>Exclusions .....</b>	<b>6</b>
<b>4.</b>	<b>Context of the Organization .....</b>	<b>7</b>
<b>5.</b>	<b>Leadership .....</b>	<b>10</b>
<b>6.</b>	<b>Planning.....</b>	<b>12</b>
<b>7.</b>	<b>Support .....</b>	<b>13</b>
<b>8.</b>	<b>Operation .....</b>	<b>18</b>
<b>9.</b>	<b>Performance Evaluation .....</b>	<b>23</b>
<b>10.</b>	<b>Improvement.....</b>	<b>26</b>

# 1. Introduction

## 1.1 Company Profile

### History

Namlog's proud history began in 2002, with Komatsu South Africa as the first client, shortly followed by Toyota South Africa. In 2016 Namlog and Mellets Transport started with a long-term business relationship with Atlas Copco and later with Epiroc South Africa, (from here on in referred to as Epiroc). These respected organisations are still clients of Namlog.

Namlog grew to be the preferred supply chain partner to numerous multi-national companies. Our world-class services have brought success, profitability, and competitive advantages to our clients, as well as to our organisation.

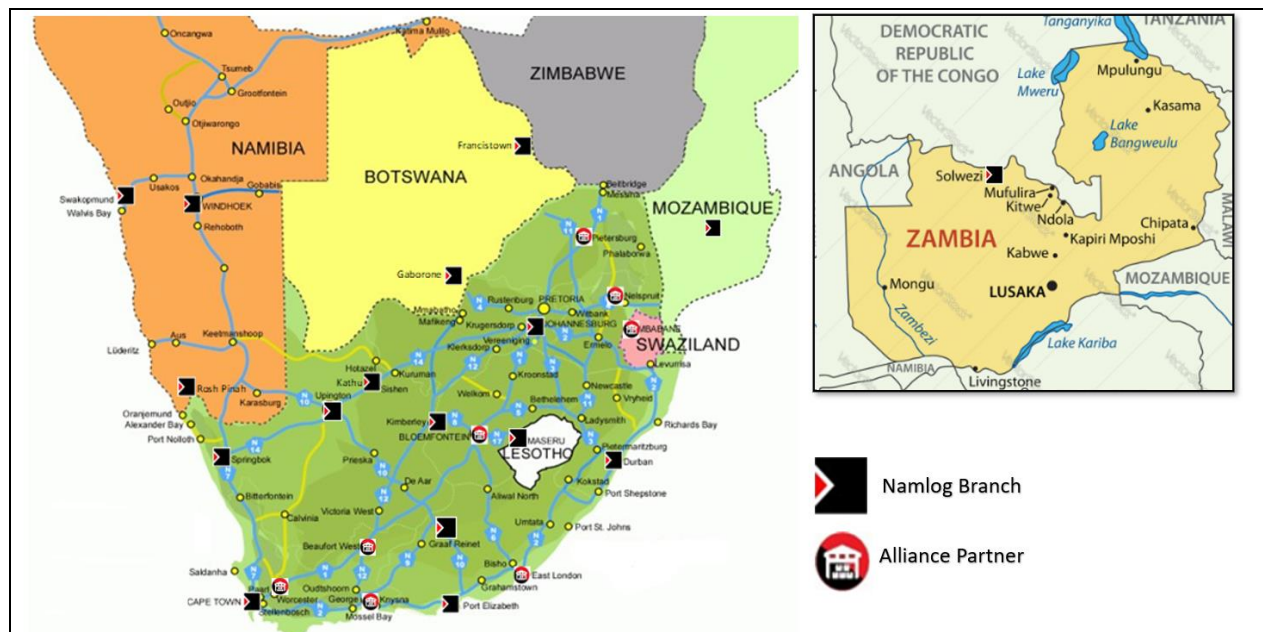
In February 2022, the Namlog Group was acquired by SMSA Express a leading global transport and logistics group, based in Saudi Arabia. Being part of the SMSA Group strengthens Namlog's position in the Southern African logistics market with significant strategic benefits to Namlog and our esteemed clients.

### Capabilities and Facilities

Our well established, reliable network is capable of providing effective distribution anywhere within South Africa, Namibia, Botswana, Swaziland, and Lesotho.

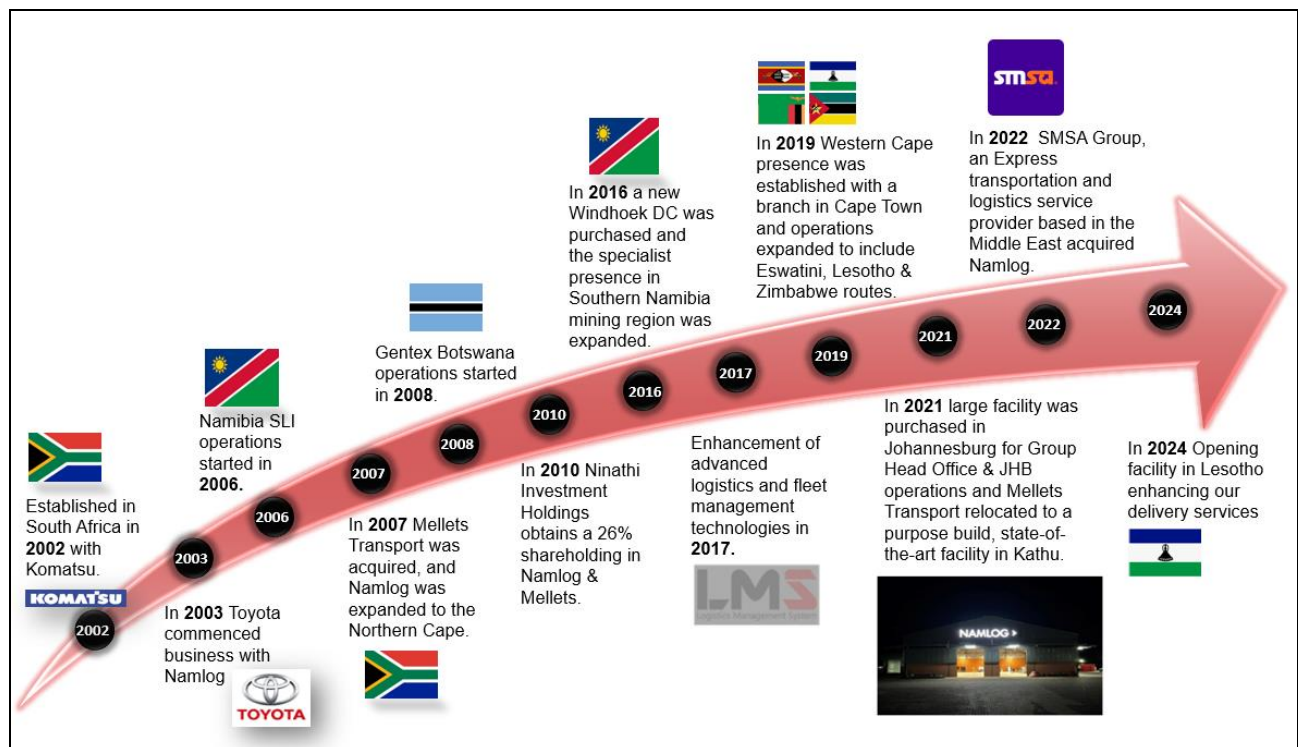
Specialised services are also provided to other Southern African countries, i.e. Zambia.

Namlog offers Network Distribution, Dedicated Freight Services (Closed-loop-Services) and Specials and Abnormal road transportation services.



## Major Achievements and Major clients

The table below indicates the key milestones of NAMLOG.



## 2. Revisions and Amendments

When amendments are made, details shall be entered into this sheet.

Issue No.	Date	Details of Change	Amended Pages

## 3. Exclusions

ISO 9001 (2015) Clause 8.5.1F, Validation of Processes and Service Provision as there are no special process which will need such validation because all products could be validated by the subsequent monitoring and measurement.

ISO 9001 (2015) Clause 8.3, Design and Development as there is no design and development activities which are carried out by the company. Namlog is not a product manufacturing organization.

ISO 9001 (2015) Clause 8.5.5, post-delivery activities, the scope of SMSA ZAF works is completed upon delivery. It is possible to validate delivery services against OTIF (On-Time, In Full) deliveries, for example, our service delivery times are monitored against customer

SLA's, delivery discrepancies against number of parcels collected and delivered, in-transit damages and losses, etc.

ISO 9001 (2015) Clause 7.1.5, Monitoring and measuring resources, the following equipment is calibrated:

- Manual induction scales
- Dimensioner equipment
- Wheel alignment equipment
- Fuel pump dispenser and fuel bowser
- Fastening equipment (satangs and chains) of the Abnormal Transport Division

## **4. Context of the Organization**

### **4.1. Understanding the Organization and its Context**

SMSA ZAF identifies internal and external factors that might affect its strategic directions and its ability to achieve the performance targets and commitments through the following (but not limited to), means:

- Strategy Planning and Workshops, compiling subsequent SWOT Analysis for the organization and per department.
- Internal & External Surveys (Employee Survey's, Customer Satisfaction Survey's, Brand Awareness & Public Perception).
- Risk Identification analysis and management thereof according to the "Risk and Opportunities Identification and Management Process".
- SMSA ZAF related road transportation services:
  - Hub and Spoke Delivery Network/ Model
  - Dedicated Delivery Services
  - Abnormals and Special Delivery Services
  - Crossborder Road Transport Delivery Services
  - Customs Clearing
- Monitoring of organizational, departmental and individual KPI's.
  - Implementing corrective actions and reference to internal and external factors to improve the achievement of KPI's.
- Analysis of lessons learned which might reveal new internal and external factors.
- Records are kept and maintained for all these activities for monitoring and review.
- Senior Management summarizes the above data through the logging of "Factors and Interested Parties Affecting SMSA ZAF Strategic Directions, Targets, and Commitments". Logged entries are consolidated and reviewed including their interactions and might be presented as an input to the following activities:
  - Strategic Meeting
  - SWOT Analysis
  - Management Review Meetings

With the aim of ensuring that the requirements of the QMS remain achievable and the resources needed to meet these requirements are secured.

## **4.2 Understanding the Needs and Expectations of Interested Parties**

Customer requirements are understood broadly to include all aspects of products offering and associated services that are relevant to customer satisfaction.

Nearly all processes and elements of the quality system are designed and implemented specifically, to ensure that customer requirements are met, with specific references to:

- Section 6, Resource Management - starting by providing the required training, and adequate infrastructure to create a suitable work environment
- Section 7, Service Realization – relates to the planning and implementation of reliable and effective service deliveries.
- Section 8, Measurement, Analysis and Improvement – covers all activities related to the verification and the monitoring of processes specific related to the execution of services.

Identification and review of interested parties affecting SMSA ZAF Strategic Directions, Targets, and Commitments is done in parallel to the identification and review of internal and external factors affecting SMSA ZAF Strategic Directions, Targets, and Commitments as detailed under 4.1 above.

## **4.3 Determining the scope of the QMS**

The scope of SMSA ZAF QMS covers the activities related to the collection, receiving, consolidation, and delivery of customers freight, by providing various types of road transport services such as Consolidated, Dedicated, Abnormal (Out-of-Gauge) and Specials (uninterrupted) to local and cross-border destinations.

The commodities transported (as indicated in the Customer Segmentation by Industry document) are measured against various Customer Service Level Agreements.

Consolidated transportation services involve collecting cargo from various customers and consolidating different freight at Namlog branches (hubs) to optimize truck loading capacities. The transportation of cargo with optimized truck loads effectively reduces transportation costs while enhancing overall efficiency. Cargo is then transported either to other Namlog branches via a well-established delivery network (spokes) or directly to the final delivery locations of our customers.

Dedicated transportation services could include In-house personnel, but in essence it is the loading of customers cargo on dedicated vehicles (allocated to a dedicated customer), for the delivery thereof on specific routes to a specific customer destination.

Specials and Abnormal transportation services, includes the collection of cargo from a customers location and delivery thereof to a customers destination. Abnormal transport relates to cargo classified by law due to the dimensions, weight or a combination of both as abnormal cargo. Specials transportation focus on the delivery of cargo on an emergency or express basis.

This quality system has been organised to comply with the International Standard ISO 9001: 2015.



### **4.3QMS and its Processes**

SMSA ZAF ZAF operates a fully documented QMS appropriate to the company's activities and in accordance with ISO 9001:2015.

The documented system of SMSA ZAF is the GUIDE SYSTEM and it includes:

- Quality Assurance Manual
- Work Instructions
- Policies
- Quality Records (Forms)
- Any other documents required for the effective planning, operation and control of the quality system.

The effectiveness of the company QMS is continually improved through the methods mentioned under clause 10.3 of this Quality Manual.

Quality procedures were developed in the form of process flow charts (Usually, referred to by the company as the process maps). Quality Procedures describe the responsibilities and methods to be followed for carrying out various activities and tasks in sufficient details.

These procedures define how the requirements of applicable clauses of ISO 9001 are applied within the company.

The processes needed for this QMS and their application throughout the company, including the inputs required and outputs expected from these processes. Matrix of applicable quality procedures to each clause of this manual is available in GUIDE).

SMSA ZAF also had set KPIs for the QMS and its processes and set a mechanism for monitoring those KPIs to ensure the implementation, effectiveness and continual improvement of this system.

It had also identified the sequence and interaction of these processes. This is done through the quality procedures.

The company had determined the criteria and methods needed to ensure that both the operation and control of these processes are effective. The processes mentioned above are monitored, measured and analyzed as mentioned in section 9.1 of this quality manual.

The company had ensured the availability of resources needed to support the operation and monitoring of these processes. This includes human resources, required infrastructures, and suitable work environment.

SMSA ZAF had also identified and assigned the responsibilities and authorities for these processes, and address the risks and opportunities mentioned in 6.1 of this quality manual.

SMSA ZAF also implements the changes needed after evaluating the processes, to achieve intended results and for continual improvement of the processes, as well as the QMS.

## 5 **Leadership**

### 6.2**Leadership and Commitment**

#### General

For the purpose of administrating the QMS, the SMSA ZAF Executive Management Committee (EXCO) includes the SMSA Board of Directors, Managing Director (MD), Operations and Divisional Directors, as well as the Chief Financial Officer. The Managing Director is responsible for SMSA ZAF's overall conformance to the QMS and has the authority to delegate certain functions and responsibilities.

SMSA ZAF EXCO is committed to supporting the QMS through various activities, including: Taking ownership of QMS responsibilities and ensuring accountability for its effective implementation.

- Establishing Quality Policies and Standard Operation Procedures which are compatible and aligned with SMSA ZAF strategic objectives.
- Promoting a systematic approach to processes, clearly defining and mapping them through the organization's GUIDE system, and implementing a robust risk management system to identify and mitigate potential threats.
- Developing resource planning processes to ensure the availability of necessary resources, guaranteeing the effectiveness of QMS.
- Communicating the importance of QMS effectiveness and conformity through various means, including internal audits, management reviews, and other channels. The Commercial department leads this effort.
- Ensuring that QMS achieves its intended outcomes by setting quality objectives and key performance indicators (KPIs) at different levels within SMSA ZAF, fostering a culture of continuous improvement.
- Communicating the importance of the effectiveness and conformity of QMS. This is done through various means such as internal auditing, management reviews, etc. The Commercial department was assigned to lead this role.
- Ensuring that QMS achieves its intended results, where this was done in various methods, with emphasis on quality objectives and KPIs at the different levels of SMSA ZAF.

The SMSA ZAF EXCO members of the board meet on a regular basis to review and discuss the identified risks, opportunities and most effective way forward to achieve SMSA ZAF's strategic objectives. SMSA ZAF's management systems are applied to achieve continuous improvement.

#### Customer Requirements Focus

The SMSA ZAF executive management team is committed to ensure:

- Meeting customer as well as regulatory and legal requirements. The Operational Division and the Customer Services Department is responsible for implementing this commitment by promoting awareness of customer requirements throughout the organization.

- Determining risks and opportunities that can affect conformity customer services and the ability to enhance customer satisfaction.
- Having customer satisfaction as a priority for SMSA ZAF through different means such as measuring it, timely response and resolution of customer complaints, setting KPIs relevant to service level and achieving customer requirements, etc.

### **6.3 Policy**

#### **SMSA ZAF Quality Policy**

The management of SMSA ZAF is committed to continually improve the company's performance and meeting its customers' expectations while offering them a safe, efficient, and professional service.

SMSA ZAF is professed to being the leading provider of logistics, supply chain and transportation solutions. SMSA ZAF provides these services aligned with internationally recognized "Good Distribution Practices" and shall optimize its clients' benefits by providing them with state-of-the-art-support.

Quality is considered to be a personal responsibility for all our employees at SMSA ZAF. To preserve it, the senior management shall provide required support and training to ensure effectiveness of the company operations and systematically mitigate associated risks.

In addition, SMSA ZAF creates a working environment conducive for enabled, satisfied, motivated, and committed employees making SMSA ZAF "The Employer of Choice".

#### **Communicating the Quality Policy**

The quality policy is maintained as documented information and is made available to all relevant interested parties. Senior management ensures that it is communicated, understood and applied throughout the organization.

This quality policy is posted at prominent locations in the company facilities to ensure that it will be seen by all employees. Also understanding of this quality policy by employees is verified during internal audits.

### **6.4 Organizational Roles, Responsibilities and Authority**

Senior management ensures that responsibilities and authorities for relevant roles are assigned, communicated, and understood within the organization. This manual and the process maps which are listed in it define the responsibilities and authorities of persons playing a role in the QMS to conform with the requirements of the International Standard.

SMSA ZAF had assigned the responsibilities and authorities for reporting on the performance of the QMS and opportunities for improvement to the senior management.

## **6.5 Management Representative**

The SMSA ZAF executive management team appointed a management representative who has the responsibility and authority to:

- Ensure that processes needed for the QMS are established, implemented and maintained.
- Report to the SMSA ZAF executive management team on the performance of the QMS and any need for improvement.
- Ensure the promotion of awareness of customer requirements throughout the organization.
- Ensures that the Quality Policy and quality objectives are known, understood and achieved in all areas of the business.
- Ensures that all personnel are aware of their responsibilities within the QMS and that staff are adequately trained to perform their roles.
- Coordinate communication with external parties on matters relating to the quality system and ISO 9001 registration.
- Ensures that all corrective and preventive actions are addressed to eliminate the possibility of a repeat of the same or similar defects/complaints.
- Establish with the support of the SMSA ZAF executive management team and in coordination with other departments a frame to identify and handle risks and opportunities for improvement.

The Management Representative appointed is the General Manager: Commercial.

## **7 Planning**

### **8.2 Actions to Address Risks and Opportunities**

SMSA ZAF determines the risk and opportunities based on the issues referred to in 4.1 and the requirements referred to in 4.2.

- SMSA ZAF develops Action plans to address identified risks and opportunities
- Operational processes will be modified to reflect such actions
- When implementing action plans to address risks and opportunities including the modification of processes, the actions will be assessed to determine the effectiveness thereof.

The action plan includes risks identified in lessons learned, and opportunities identified through SWOT study.

### **8.3 Quality Objectives and Planning to Achieve Them**

SMSA ZAF had established a set of quality objectives and key performance indicators at relevant functions and levels of the organization, which are specific and measurable as well as consistent with the quality policy.

These objectives cover conformity of SMSA ZAF services as well as customer satisfaction and are communicated to the relevant parties within SMSA ZAF.

When planning these objectives SMSA ZAF determines:

- What will be done
- What resources will be required
- Who will be responsible
- And when will be completed

For each objective, the company sets review mechanisms to ensure that set quality objectives were in action. In general, it reviews the quality objectives in the management review meetings.

It also sets implementation measures for each quality objective in order to make the monitoring and measurement of the objective possible.

SMSA ZAF had also established product quality objectives in some cases in the form of policies.

### **6.3      Planning of Changes**

SMSA ZAF has planned a systematic manner of carrying out the needed changes in the QMS as defined in this manual in Section 4.4.

SMSA ZAF takes in consideration the following with respect to required changes, the:

- Purpose of the change and any of its potential consequences
- Integrity of the QMS
- Availability of resources
- Allocation or reallocation of responsibilities and authorities

## **9 Support**

### **7.1      Resources**

#### **General**

Senior management has the responsibility and authority for provision of resources needed to implement and maintain the QMS continually improve its effectiveness. Also, SMSA ZAF review of the requirements related to the services (clause 7.2.2 of this quality manual) includes identifying resources required to achieve customer requirements.

Allocation of resources for particular activities is integrated with the process of defining and initiating the activity. It may take the form of personnel assignments, allocation of space or equipment, training, procurement decisions, budgets, etc.

Allocation of resources may be documented in the operational procedures, minutes of meetings, memorandum, or any other form. Approvals of resource allocations may be also communicated verbally.

Management review of the quality system is the principal forum for allocation of resources for the operation and improvement of the system. All actions initiated by the review are supported by allocation of specific resources necessary for their implementation.

## People

Senior management is committed to providing resources necessary for establishing, implementing, maintaining, and improving the QMS. Section 6.1 of this manual defines processes for identifying resource requirements and allocation of resources for specific activities and development of projects.

## Infrastructure

The SMSA ZAF executive management team ensures that infrastructure needed to achieve conformity to product and services is provided and maintained. This includes:

- Buildings, workspace and associated utilities.
- Process equipment (both hardware and software)
- Supporting services such as transport and information and communication technology.

## Environment for the Operation of Processes

The SMSA ZAF executive management team ensures the provision and maintenance of the environment necessary for the operation of its processes and to achieve conformity of its products and services.

### 1. Human Factors

Human Resources and departmental managers are responsible for ensuring suitable environment which is a combination of human and physical factors, such as:

- Social (e.g., non-discriminatory, calm, non-confrontational)
- Psychological (e.g. stress-reducing, burnout prevention, emotionally protective)
- Physical (e.g., temperature, heat, humidity, light, airflow, hygiene, noise)

The Operations Department is responsible for identifying those operations where environmental conditions could impact quality performance of personnel or result in product nonconformities. Where appropriate, limits of exposure measures shall be defined and implemented for these operations.

Relevant workplace policies are communicated mainly at staff on-boarding phase, through training (including on the job training), toolbox talks awareness programs and, where necessary, disciplinary actions.

### 2. Health & Safety

The Risk Manager and the HR Business Partner have been appointed as 16.1 representatives of the CEO, in accordance with the Occupational Health and Safety Act 85 of 1983. They are responsible for the implementation and maintaining of Health and Safety regulatory requirements at Namlog's Brentwood Park facility. All health and safety officers appointments report to the 16.1 appointees.

## Monitoring and Measuring Resources

General - SMSA ZAF had developed quality control as well as calibration procedures to ensure the:

- Availability of resources suitable for the monitoring and measurement activities
- These resources are maintained to ensure their continued fit for their purpose functionality.

Where possible the calibration activities shall be ultimately traceable to national or recognised standards.

The required controls of calibration are covered in the Calibration policy.

Where equipment is found to be out of calibration, corrective action decisions should be taken immediately on the suspect equipment to rectify the situation. The calibration status of equipment shall be easily identifiable at all times.

## Organizational knowledge

SMSA ZAF has identified the following means as organizational knowledge which have to be maintained:

- Local and international standards and regulations relevant to SMSA ZAF scope of work. Refer to the SMSA ZAF Standard Government Regulation Reference Guide.
- SMSA ZAF standards of work pertinent to Operations, Contract Logistics and CSD
- Training Modules
- Lessons Learned

SMSA ZAF has developed internal processes to ensure the maintenance and development of this knowledge. The internal processes are based on work instructions, job descriptions, Standard Operating Procedures and Company Policies.

## **7.2      Competence**

Appropriate training, education, experience and skills are recognised as fundamental to the attainment of, and continued effectiveness of, the quality system.

SMSA ZAF ensures that all employees doing work affecting quality are competent enough before they are assigned this work. Objectives were set to ensure employees receive the required training after they join the company for the effective performance of functions assigned to them. Competence requirements might be satisfied by one or more of the following ways: Academic qualifications, work experience, skills and training.

Training records are maintained for all employees by the HR department. It is the responsibility of the Departments and HR to identify training needs.

Identification of training needs may also be highlighted by one or more of the following;

- Customer complaints
- Internal Audit
- New or revised working practices and methods
- Employee feedback

The departmental managerial staff, ensures that employees are aware of the relevance and importance of their activities and how they contribute to the achievement of the quality objectives. Usually, this is done during internal auditing.

HR Department maintains appropriate records of education, training, skills and experience.

## **9.2            Awareness**

Appropriate training, education, experience and skills are recognised as fundamental to the attainment of, and continued effectiveness of, the quality system.

SMSA ZAF ensures that all employees doing work affecting quality are competent enough before they are assigned this work. Objectives were set to ensure employees receive the required training after they join the company for the effective performance of functions assigned to them. Competence requirements might be satisfied by one or more of the following ways: Academic qualifications, work experience, skills and training. Training records are maintained for all employees by the HR department. It is the responsibility of the Departments and HR to identify training needs.

Identification of training needs may also be highlighted by one or more of the following:

- Customer complaints
- Internal Audit
- New or revised working practices and methods
- Employee feedback

The management representative ensures that employees are aware of the relevance and importance of their activities and how they contribute to the achievement of the quality objectives. Usually, this is done during internal auditing.

HR Department maintains appropriate records of education, training, skills and experience.

## **9.3            Communication**

The Management ensures effective internal communication regarding the QMS.

Internal communication regarding the quality system flows in two ways:

- The management communicates to the organization the quality policy and objectives; customer and regulatory requirements; policies and process specifications.
- The organization communicates to the management information and data regarding customer needs and expectations, customer satisfaction, quality performance, the effectiveness of the quality system, and opportunities for improvement.
- The information is communicated through manuals, procedures, instructions, policies, quality records, reports, etc.; and through training, on-the-job instruction, and meetings.
- Management review meetings have a special role in ensuring proper communication between the senior management and the organization. The meeting provides the framework for the organization to report on the status of quality-related issues and activities, and for the management to formulate policies



and directives to change and/or improve the quality system.

- Management Representative has the overall responsibility for ensuring that all pertinent documents, reports and records are distributed to/accessed by appropriate departments and functions, and that information and data about quality performance and the effectiveness of the quality system are reported to the senior management.

Moreover, SMSA ZAF had set specific methods for external communication with interested parties including:

- Products and services requirements in the form of agreements, service levels and delivery commitment times.
- Customers complaints handling through complaints policy
- Customer feedback and identification of their requirements through customer surveys
- Any other methods seen as necessary to communicate with interested parties such as regulatory channels as required by local rules and regulations (For example for the renewal of licenses, etc.)

## **9.4            Documented Information**

### **Control of Document**

The Company has established and maintained a procedure for control of all documentation relating to the quality system (Document control process map).

The procedure ensures that:

- All documents are reviewed and approved prior to issue.
- The pertinent issue of appropriate documents is available at the location where operations essential to the effective functioning of the quality system are performed.
- All changes to documents are made through the change process in the GUIDE system, are reviewed and approved by the same functions as the original documents. All holders are informed of these changes and will have access to them as read only.
- The master set of applicable documents is maintained and updated.
- Obsolete documents are removed from points of use and issue.
- Obsolete documents retained for knowledge preservation or legal purposes are clearly identified as such.

The procedure ensures that the documents of external origin essential for the Company's quality system are adequately controlled. All incoming and outgoing correspondence is adequately controlled and filed for easy retrieval.

### **Control of Records**

The requirements for quality records are found within the Control of Records process map.

All data supporting the achievement of quality requirements and effectiveness of the quality system are included as quality records. The records are suitably identified. The Control of Records process map defines where and by whom the records are maintained and states the retention period for each record.

## **10 Operation**

### **8.1 Operational Planning and Control**

SMSA ZAF sets the quality objectives for its products in the form of policies and product objectives and agreements with the clients.

The company had also identified different processes needed to achieve the product in the form of process maps and had provided resources required for achieving the products.

It also specified the required verification, validation, monitoring, and inspection activities specific to the product and the criteria for the product acceptance in the purchasing process map (For packaging of shipments) and in the QA process map and in the control of nonconforming material procedure.

Records needed to provide evidence that the realization processes and resulting product meet requirements are maintained.

### **8.2 Requirements for Products and Services**

#### **Customer Communication**

SMSA ZAF management had developed a clear policy for communicating with customers in relation to:

- Product information, which includes, for example, product requirements, and the criteria followed by the organization for verification, monitoring, and inspection of the product and the role of the customer in such activities This also includes process maps, and work instructions explaining different stages of the service.
- Enquiries, contracts and/or order handling, including amendments as detailed in Sales process map.
- Customer feedback including customer complaints as detailed in Customer Service process map.
- Handling or controlling customer property
- Establishing requirements for contingency actions when required

#### **Determining the Requirements for Products and Services**

The senior management realizes the importance of meeting customer requirements. In fact, meeting customer requirements is projected in SMSA ZAF as the principal objective of the QMS and is emphasised in different clauses of this quality manual such as clauses related to management responsibility, quality policy and quality objectives, employee awareness, and many others and to that extent the company gives importance to the identification and determination of customer requirements. The subjects of determining requirements related to the service, reviewing these requirements, and customer communication are covered in the following process maps (New Business Development,

Product related requirements are determined in the contracts, client purchase orders, in the form of regulations and in the form of policies.

Determination of requirements related to the product includes:

- Requirements specified by the customer, including the requirements for delivery.
- Requirements not stated by customer but necessary for specified or intended use, where known.
- And statutory and regulatory requirements related to the product.

### Review of the Requirements for Services

Upon receipt of the client shipment (through SMSA ZAF Service Centers), contract or order, and prior to commencement of any work, provision is made for an internal review to determine the following:

- Scope of work to be undertaken and service requirements (including customer requirements)
- Required delivery time
- Payment terms and conditions
- Regulatory requirements
- Relevant company standards and procedures
- The organization has the ability to meet the defined requirements

In relation to the external inspection / auditing services the requirements are received based on customer feedback, requirements, complaints and ability to meet SLA.

Records are maintained of all customer requirements review and contract review activities, including the review and appropriate action taken as a result of any amendments to the original order and related documentation. Concerned persons are copied of these records and made aware of amendments.

### SMSA ZAF retains documented information, as applicable:

On the results of the review;  
On any new requirements for the products and services.

### Changes to Requirements for Products and Services

SMSA ZAF ensures that relevant documented information is amended, and that relevant persons are made aware of the changed requirements, when the requirements for products and services are changed.

## **8.3 Design and Development**

Design and development requirements are not applicable to SMSA ZAF as there are no design and development activities carried out by the company.

## **8.4 Control of Externally Provided Processes and Services**

### **General**

SMSA ZAF ensures that externally provided processes and services conform to requirements. SMSA ZAF had determined the controls to be applied to externally provided processes and services. This includes:

- Services from external providers are intended for incorporation into the organization's own services; such as third-party subcontractors.
- A process, or part of a process, is provided by an external provider as a result of a decision by SMSA ZAF management.

SMSA ZAF had developed clear criteria for the evaluation, selection, monitoring of performance, and re-evaluation of external providers, based on their ability to provide processes or products and services in accordance with requirements. SMSA ZAF retains documented information of these activities and any necessary actions arising from the evaluations.

### **Type and Extent of Control**

SMSA ZAF ensures that externally provided processes and services do not adversely affect the organization's ability to consistently deliver services conforming to its customers requirements.

SMSA ZAF ensures:

- That externally provided processes remain within the control of its QMS
- Define both the controls that it intends to apply to an external provider and those it intends to apply to the resulting output,
- Take into consideration:
  - The potential impact of the externally provided processes, products and services on the organization's ability to consistently meet customer and applicable statutory and regulatory requirements
  - The effectiveness of the controls applied by the external provider
- Determine the verification, or other activities, necessary to ensure that the externally provided processes and services meet requirements.

### **Information for External Providers**

SMSA ZAF ensures the compliance to customers requirements with communication to the external provider before introducing external service provider to the customer.

Based on the verification and approval of external service provider's capability to meet the customer service requirements; by evaluating their operational methods, processes and equipment, the external service provider will be contracted to provide services to SMSA ZAF.

Factors to consider:

- Competence, including any required qualification of persons
- The external providers' interactions with the organization
- Control and monitoring of the external providers' performance to be applied by the

- organization
- Verification or validation activities that the organization, or its customer, intends to perform at the external providers' premises.

## **8.5 Providing of Services**

SMSA ZAF had developed and explained the required controls of the service provision activities in different process maps and policies including for various departments such as:

- Operations Division (Customs Clearing, Line Haul, Specials and Abnormals, etc.)
- Contract Logistics and Customer Service Centers,
- Risk Management
- Finance Department
- Human Resource Department process maps.

### **Control of Services Provided**

Formal controls have been established and workmanship criteria defined where an absence of such would adversely affect product or performance quality.

All processes are carried out under controlled conditions. Various methods of control are practiced depending on the nature of the process. Typical examples are:

- Documented process Maps
- Standard Operation Procedures and Company Policies
- Selection and training of suitable personnel
- Monitoring and inspections on vehicles and processes

There are no special processes in the company whereas the result of the process cannot readily be verified by consequent monitoring.

### **Identification and Traceability**

SMSA ZAF ensures identification of service by various means including the required documentation such as waybills, signed POD's, monitoring and tracking of vehicles, etc.

All vehicles are fitted with a GPS monitoring devices.

SMSA ZAF has a dedicated control room with operators to monitor and track vehicles 24 hours / 7 days per week, and provide assistance in the case of emergencies, as and when required.

The results of all monitoring performed shall be recorded and retained for predetermined periods (As covered in Control of Records procedure). These records shall provide objective evidence of the controls carried out and shall ensure historic data on product conformance and corrective/preventative action as appropriate.

### **Property Belonging to Customers and External Providers**

The core business processes and QRM process maps explain how SMSA ZAF identify, verify, protect and safeguard customer property. This includes handling of customer shipments from acceptance to delivery.

## Preservation

The storage requirements of all materials are designed to avoid the following:

- Degradation
- Inappropriate handling
- Loss of proper identification, segregation or traceability as applicable

Shipments shall be stored in a way to assure clear segregation, identification and traceability. Material shall be handled in such a way as to avoid damage.

## Post-delivery Activities

Post-delivery activities are not applicable to SMSA ZAF, as the scope of SMSA ZAF works is completed at the delivery stage.

## Control of Changes

SMSA ZAF review and control changes for service provision, to the extent necessary to ensure continuing conformity with requirements. This takes place through various means and tools such as annual processes review, and monitoring of KPIs.

SMSA ZAF retains documented information describing the results of the review of changes, the person(s) authorizing the change, and any necessary actions arising from the review.

### **8.6      Release of Customer Services**

The Quality & Risk Management department determines all the inspection and monitoring requirements and stages as well as methods of inspection for each service.

The results of all inspections and monitoring performed shall be recorded and retained for predetermined periods. These records provide objective evidence of the controls carried out and ensure historic data on product conformance and corrective/preventative action as appropriate.

### **8.7      Control of Non-conforming Outputs**

Services which do not conform to specifications are recorded, as and when highlighted by customers. These non-conformances can be related to collections and deliveries of customers cargo.

Collections:

- Cargo collected later than the planned / communicated time and date of collection
- At the wrong collection location / address
- Cargo not collected at all as planned

Deliveries:

- Cargo delivered later than anticipated or communicated time or date
- Delivery of cargo at the wrong location
- POD's not signed by customer

Records are maintained and periodically reviewed in order to establish actions to prevent re-occurrence where appropriate. The procedure for dealing with nonconforming material is recorded in Control of Non-conforming Product and Corrective and Preventive Action.

## **9. Performance Evaluation**

### **9.1 Monitoring, Measurement, Analysis and Evaluation:**

SMSA ZAF had determined and implemented the monitoring, measurement, analysis and improvement processes needed to:

- Demonstrate conformity of the product as detailed under clauses 8.6, 8.7 and 9.1.3 of this manual.
- Ensure conformity of the QMS as detailed under 9.2 and 9.1.3 of this quality manual
- Continually improve the effectiveness of the QMS as detailed under clauses 9.1.3 and 10.2 of this quality manual.
- Enhance customer satisfaction as detailed under clauses 9.1.2

The data analysis techniques are used by SMSA ZAF to demonstrate the suitability and effectiveness of the QMS.

The company recognises that everyone within the organisation is responsible for his own quality and has introduced formal controls to achieve this objective. Independent verification shall also take place via the internal auditing personnel to ensure that the controls remain effective.

### **General**

Quality system processes are monitored by variety of approaches and techniques, as appropriate for a particular process and its importance. These include:

- Conducting internal audits of the quality system
- Monitoring trends in corrective and preventive action requests
- Measuring and monitoring customer satisfaction

The Commercial department determines all the inspection and monitoring requirements as well as methods of inspection for each service. The Commercial Department involves all the other departments with a pre-determined auditing plan.

The results of all inspections and monitoring performed shall be recorded and retained for predetermined periods. These records provide objective evidence of the controls carried out and ensure historic data on product conformance and corrective / preventative action as appropriate.

SMSA ZAF represented by the Commercial Department collects and analyses the various data to reflect the performance of the QMS and to evaluate the opportunities for improving it as follows:

- Data analysis is done to reflect customer satisfaction by analysing customer surveys, (inclusive of customer compliments and complaints)

- Analysing the results of the inspection of the company services which reflect conformity to service requirements
- Analysing the trends in the company services and processes where opportunities of improvement and opportunities for risks elimination could be identified
- Performance of suppliers is analysed through analysis of nonconforming materials
- If planning has been implemented effectively
- The effectiveness of actions taken to address risks and opportunities

### Customer Satisfaction

All the Departments at SMSA ZAF are responsible for customer satisfaction. Suitable customer satisfaction indicators are developed by SMSA ZAF.

The Contract Logistics Department will receive customer complaints, which will be evaluated to determine if the complaint is a non-conformance. The customer complaint will be swiftly resolved with the assistance of other relevant / applicable departments.

Information and data pertaining to customer satisfaction (complaints and compliments) are collected from:

- Account executives
- Drivers and operational personnel
- Customers via customer surveys

The company had also developed customer survey forms to collect customer feedback and measure customer satisfaction.

### Analysis and Evaluation

SMSA ZAF represented by the Commercial Department collects and analyses the various data to reflect the performance of the QMS and to evaluate the opportunities for improving it as follows:

- Data analysis is done to reflect customer satisfaction by analysing customer surveys, (inclusive of customer compliments and complaints)
- Analysing the results of the inspection of the company services which reflect conformity to service requirements
- Analysing the trends in the company services and processes where opportunities of improvement and opportunities for risks elimination could be identified
- Performance of suppliers is analysed through analysis of nonconforming materials
- If planning has been implemented effectively
- The effectiveness of actions taken to address risks and opportunities

### Internal Audit

SMSA ZAF management representative plans internal audits with a provision for the next 12 months and accordingly prepares internal audits schedule. Frequency of audits depends on the complexity of the audited function and results of previous audits as well as it takes in consideration of the status of the function / department to be audited.



Internal audits in the company are carried only by trained internal auditors. It is the policy of the company that no auditor will audit his own work.

It has established a procedure (Internal Audit process map) which details the responsibilities and requirements for planning and conducting audits and for reporting results and maintaining records. Follow-up audits are carried out to ensure that corrective actions were duly taken.

The Management Representative has the responsibility to monitor that the appropriate action is taken on a timely basis.

## **9.2 Management Review**

Senior management periodically reviews the QMS to ensure its continuing suitability, adequacy, and effectiveness. The review evaluates current status and performance of the quality system and initiates actions for further improvement of the system. The process for conducting management reviews is defined in Section 5.6 of this manual.

### **General**

Senior management in the company have periodical management review meetings to ensure continuing suitability, adequacy and effectiveness of SMSA ZAF QMS. Minutes of the all-Management Reviews are retained by the Management Representative.

The Company has established and maintained a procedure for management review (Management Review Process Map).

### **Management Review Inputs**

Input into the management reviews consists of information and data related to quality performance of the organization. At a minimum, this includes:

- The suitability of the Quality policy, continuance and the need for changing it
- Measuring of Quality Objectives and the need for changes and timing plan to effect these changes
- Results of internal quality audits
- Customer compliments and complaints
- Process performance and service conformance data
- Status of preventive and corrective actions
- Follow-up actions from previous management reviews, and recommendations for improvement
- Evaluation if changes that had to be implemented into the QMS was implemented and the effectiveness thereof
- Data indicating the progress towards achieving continual improvement goals and objectives
- The review of the effective changes brought about by completed and current improvement projects
- The overall effectiveness of the QMS

## Management Review Outputs

Management review meetings are concluded with actions to improve processes of the QMS, which will enhance customer service deliveries. The review also identifies resources required to implement these actions.

The minutes include improvement actions and assign responsibilities and allocate resources for implementation of these actions.

## **10. Improvement**

### **10.1 General**

SMSA ZAF established the opportunities for improvement and actions to be implemented to meet and enhance customer service delivery agreements.

These shall include:

- Improving services to meet requirements as well as to address future needs and expectations
- Correcting, preventing or reducing undesired effects
- Improving the performance and effectiveness of the QMS

### **10.2 Non-conformity and corrective action**

A centralized approach for tracking both preventive and corrective action is contained within Corrective and Preventive Action Procedure. This procedure in conjunction with other procedures as noted in 8.5.2.2 and 8.5.2.3 establish a roadway for continuous improvement.

For corrective action, Corrective and Preventive Action Procedure define the requirements

as:

- Reviewing customer complaints (The procedure for handling customer complaints is detailed in Customer Service process map)
- Determining the causes of the customer complaint
- Evaluating the need for action to prevent a re-occurrence
- Determining and implementing corrective actions
- Records of the results of corrective actions
- Reviewing corrective actions taken for continuous improvement

For preventive action, Corrective and Preventive Action Procedures provides:

- Determining potential nonconformities and their causes
- Evaluating the need for action to prevent occurrence of nonconformities
- Determining and implementing action needed
- Records of results of action taken
- Reviewing preventive action taken

### **10.3 Continual Improvement**

Opportunities for improvement are identified from such sources as:

- Data of services provided their characteristics and trends
- Records of service nonconformities
- Customer compliments and complaints
- Market research and analysis of new technologies
- Feedback from employees, service providers and other interested parties
- Internal and external audits of the quality system

Evaluation of improvement opportunities

- Opportunities for improvement are based on feedback from various departments in the business, evaluated by the Operational and Contract Logistics Department, for implementation through the corrective and preventive action process.
- Improvement opportunities based on longer-term data and trends are evaluated by the SMSA ZAF executive management team. These opportunities are prioritized on the impact of the quality policy (and the necessary assistance and changes required) to maintain current and achieve new quality objectives. When new important opportunities for improvement are not adequately supported by the current policy and objectives, the management review may change the policy and / or establish new quality objectives.