

Introducing Product Classification Exchange



Introduction

What are Export Controls and why are supplier declarations important?

Governments apply Export Controls to safeguard and protect their most sensitive technologies. As a large organisation in the defence industry, many of the assets we procure incorporate these sensitive technologies, which is why complying with Export Control laws and regulations is so important to our business. If we don't comply with Export Control requirements, then we can't build, maintain or sell our products.

To help ensure compliance and safeguard our licence to trade, we ask our suppliers to provide us with declarations, so that we know what assets (including hardware, software, information and services) are subject to Export Control laws and regulations.

These declarations are required when we request a quotation or when we place a purchase order. If these materials are supplied to us on a regular basis and the applicable programme is active, then we require a yearly refresh of the declaration.

What is Product Classification Exchange (PCE)?

We've always taken supplier declarations seriously and expect our supply chain to support this. To help ensure we're reducing risks and improving efficiencies for both suppliers and ourselves, most BAE Systems UK businesses are introducing a new online tool called Product Classification Exchange (PCE) in a phased approach. This deployment excludes UK-based Inc. businesses, Rheinmetall BAE Systems Land (RBSL) and Maritime Submarines.

PCE is an online portal that improves the way our suppliers submit declaration information in line with Export Control compliance requirements. It will help to ensure that we and our suppliers stay compliant with Export Control laws and regulations.

Benefits to our Supply Chain of using PCE

- All suppliers will receive the same format declaration from BAE Systems UK businesses, giving a more consistent and co-ordinated approach across the organisation to gathering supplier declarations.
- PCE introduces a simplified and shortened declaration process, which makes submitting a declaration easier for our suppliers.
- The declaration in PCE is prepopulated with supplier and part information. This reduces the time required to complete a declaration.
- The online portal offers new flexibility in how a declaration can be completed.
- Yearly refresh declarations are fully populated with all the information previously submitted. Suppliers can then confirm or amend as required.





What do suppliers need to do to use the PCE portal?

There are three stages to prepare for PCE:

Step 1: Set up a central email address within your company to receive requests for declaration information from BAE Systems.

PCE will send all declaration requests from BAE Systems to this single, central email address.

In the event that multiple contact email addresses are uploaded to PCE, the system will send all declaration requests from BAE Systems, including reminders and any requests for re-submission, to each of those addresses.

Having a central email address will therefore help if you supply to different business units within BAE Systems or if you have more than one team member managing declaration requests for BAE Systems.

Step 2: Register through our online portal (Exostar) to enable access to PCE (if your organisation does not already have an Exostar account).

PCE is accessed through Exostar, which is a third party secure online portal. If you don't have an Exostar account, you will need to register with Exostar prior to your first declaration request in PCE.

BAE Systems will invite you to register with Exostar prior to your first declaration being due. Instructions on how to proceed with Exostar registration can be found on the Exostar website: www.exostar.com

Step 3: Purchase an Exostar credential (licence) for each user who will be accessing PCE.

Once your Exostar registration is in place, a notification will be sent from Exostar to advise that a credential (licence) purchase is necessary in order to access PCE.

The recommended credential is the 'Phone Based One Time Password (OTP) International'.

Companies that already hold an Exostar account with the required credential will receive an invitation to access PCE. This invitation will be sent from Exostar to your Exostar Organisation Administrator, who should be able to access PCE when they login.

A short video on how to register with Exostar is available on www.baesystems.com/pce



Frequently asked questions

What happens if I don't set up a central mailbox?

If you choose not to set up a central email address, all of your points of contact loaded to PCE will receive every request to submit a declaration from any part of BAE Systems your organisation works with.

Where can I get more information on PCE?

Videos are available on www.baesystems.com/pce that give more information about the new toolset, how to register for Exostar and how to complete a declaration using PCE

How will I know that I have to complete a declaration in PCE?

You will receive an automated email asking you to complete a declaration for all hardware, software, information and services supplied to BAE Systems. The notification will include a link to PCE, which will take you to an Exostar login.

How secure will my company and material information be?

The PCE portal is accessed through Exostar, which is a third party secure online portal. Non-BAE Systems users will need a 'Phone Based One Time Password (OTP) International' credential before they can access PCE, securing the data in the toolset from unauthorised users.

How much does it cost to use Exostar?

If you don't already have an Exostar account, a supplier registration for your company must be completed in Exostar. There is no cost associated with this registration.

To access the PCE portal, a 'Phone Based One Time Password (OTP) International' credential is required. This will cost \$61 for an annual subscription with a cost of \$61 per additional user (prices as at February 2022).

What happens if I choose not to sign up for Exostar to use the PCE portal?

All suppliers will be required to submit a declaration using the PCE portal. An offline form is available for suppliers that fulfil the offline criteria – their transactions are of low value and/or low frequency. This method will not provide the same flexibility and functionality as the online portal. Use of the offline form by suppliers that don't meet the offline criteria will need business unit approval.