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1. Purpose

To define the requirements specific to Oetiker NY Inc. suppliers.

2. Scope

All Oetiker NY Inc. suppliers are required to comply with the requirements defined in this manual.

3. Definitions / Terms / Abbreviations

AIAG: Automotive Industry Action Group
CQI: Continuous Quality Improvement

4. Requirements

4.1 General

The provisions of this supplier manual shall apply to all current and future purchase agreements between Oetiker and the supplier. The Manual's provisions will be considered as a supplement to the requirements defined in the purchase order, Oetiker purchase terms and conditions and any additional requirements as determined by Oetiker.

It is the responsibility of the supplier to make products and provide services that meet the requirements agreed in advance in the purchase orders or specifications of Oetiker and its customers. The supplier is further responsible for the quality of the products provided by their sub-suppliers and ensuring that they adhere to the same quality requirements to which the supplier is obligated.

It is the supplier's responsibility to inform Oetiker of any change to the status of an approved quality or environmental certification and to provide proof of new or updated certification upon receipt from an approval body.

The Manual is of unlimited duration. Oetiker shall notify in writing to the supplier the latest released version of the Manual. Any updates of the Manual will be notified electronically. Failure to maintain the Manual with Oetiker may result in the supplier being blocked for existing and future business and /or removed from the approved supplier listing.

The supplier and Oetiker shall keep all details of any communication, verbal or written, confidential.

4.2 Supplier Selection

To become an approved Oetiker supplier, the candidate must pass the following selection process:

- Self- assessment audit
- Supplier manual agreement
- On-site risk assessment audit
- Acceptance of the ordering specifications

4.3 Auditing and Verification

Oetiker and its customers reserve the right to examine, evaluate and audit the processes and quality assurance measures of the supplier and its sub-suppliers at any time, with advanced notification. The supplier commits itself to provide requested information and self-assessments promptly. Renewed management certifications must be send without request to: QualityCoordinator.us.Lancaster@oetiker.com
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4.4 Testing and Inspection by Oetiker

Oetiker reserves the right to participate in tests and inspections carried out by the supplier and their sub-suppliers, to have inspections observed by an authorized third person, and to carry out inspections of products and system from the supplier, if deemed necessary.

4.5 Production Part Approval Process

PPAP documentation according to the latest revision must be submitted for all products.
Suppliers are expected to follow current AIAG Core Tools for PPAP submissions.
Product(s) must not be shipped unless PPAP approval has been obtained.
The default PPAP submission level for all initial samples to Oetiker NY is a level 3.

PPAPs are to be submitted in accordance with Oetiker Supplier PPAP Checklist ONY-F-1007**.**

Oetiker requires electronic PPAP submissions to be sent in a PDF format to: QualityCoordinator.us.Lancaster@Oetiker.com .

Samples are to be submitted separately to Attention: PPAP Coordinator and must be clearly labeled as PPAP Samples.

PPAP Production order quantities must be clearly labeled as PPAP PARTS/ NOT FOR PRODUCTION.

The Supplier prefix may be used in the part number at time of PPAP to assist with part segregation until Oetiker customer PPAP's are approved. Supplier Quality will communicate with the Suppliers, confirming proper barcode labelling, through this approval process.

During safe launch activities, part must be clearly labeled with a sticker on the outside of each box as evidence of completion to ONY incoming inspection.

Plating suppliers must conform to the requirements outlined in JT3016M.
Plate certifications are required to be sent with each shipment and must include actual measurement test results of each lot processed.
Salt spray compliance by an accredited laboratory is required to be submitted with PPAP.

4.6 Annual Validations

Suppliers are responsible to complete and maintain on-site annual part validations that include a full dimensional layout by cavity, spindle, or station.
These records should be readily available upon request by Oetiker.

The following requirements are required to be completed annually and submitted to: QualityCoordinator.us.Lancaster@oetiker.com .

Material certificates are required to be submitted annually with analysis completed by an accredited laboratory (required by product grade / source).

Conflict Minerals Reporting is required to be submitted annually per the latest template released per the Responsible Minerals Initiative (RMI).

CQI Assessments (as applicable) are required to be completed annually to latest revision released by AIAG.

4.7 Supplier Changes

4.7.1 Permanent Changes

The supplier must give an advanced notice to Oetiker for any permanent proposed change to the supply chain, the product, the production processes, the manufacturing location and/or the warehouse location that might affect the products supplied.
Oetiker approval for proposed change is needed before products are dispatched.
Change requests must be submitted on Oetiker Supplier Change Request Form ONY-F-1008.

4.7.2 Temporary Changes

The supplier shall notify Oetiker of any temporary deviation of the process, products, packaging from their internally defined quality requirements and parameters. Such a notification has to be sent in advance and fully detailed with potentially affected deliveries and describe potential consequences of the deviation.
Oetiker Supplier Material Deviation Request Form ONY-F-1011 must be completed for all deviations.
All deviations must be approved and labelled as such prior to release of material for shipment to Oetiker.

4.8 Regulatory and Statutory Requirements

The supplier must ensure that products and services delivered comply with all relevant regulatory requirements on occupational and public health and safety as well as environmental protection in both: the country of manufacture as well as in the country of sale. Supplier must ensure that all statutory and regulatory requirements are passed on to the complete supply chain.

The supplier must provide all regulatory required documentation for the products and services delivered (e.g.: safety data sheets; marking and labeling of hazardous materials; machines safety conformity declarations associated with operation manual and technical file; etc.). These documents must be provided in the English language.

Oetiker expects the supplier to perform its manufacturing and other activities in compliance with all relevant health, safety, environmental & sustainability regulatory requirements.

The supplier is committed to acting in accordance with all applicable laws and conducting their business in a socially and environmentally responsible manner with the highest degree of integrity.

Oetiker encourages that the supplier establishes and maintains an environmental management system in accordance with ISO 14001 or equivalent. At least, environmental procedures should be in place covering the manufacture and delivery (e.g. durable, recyclable packaging) of the products or services in question.

The European End-of-Life-Vehicles Directive 2000/53/EC (ELV) that was entered into force on October 21, 2000, imposes specific rules for materials used in cars. All suppliers of Oetiker are responsible to ensure that materials and components supplied to Oetiker are in compliance with the ELV-Directive and its latest valid version of the related Annex II to the European Commission Decision. The supplier need to inform Oetiker about the contents of every part deliver to Oetiker through the IMDS. Oetiker suppliers must be registered as an IMDS user and are required to report the contents of the products they supply to Oetiker in the IMDS under the respective IMDS ID Number Refer to the following link for more information about IMDS: http://www.mdsystem.com Liability rests with the supplier in the event of that components being supplied to Oetiker do not conform to the relevant statutory requirements.

All suppliers who are supplying materials must confirm their compliance related to the requirements of European Union regulation (EC) 1907/2006 concerning the Registration, Evaluation, Authorization and restriction of Chemicals (REACH) and also the 'CLP Regulation' in the EU, the classification and labelling of hazardous chemicals is governed by Regulation (EC) No 1272/2008 on classification, labelling and packaging of substances and mixtures. Suppliers are responsible for securing REACH authorizations for continued use of any materials or preparations contained in REACH Annex XIV listed substances latest revision and to ensure that Oetiker “use activity” is contained in the authorization. The complete candidate

list of substance which require authorization can be found at http://echa.europa.eu/web/guest/candidate-listtable and is frequently updated. It is the supplier's responsibility to monitor this list and keep track of any additional substance that may be added.

Section 1502 of the Dodd-Franck Wall Street Reform and Consumer Protection Act requires a prior audit and information obligations for companies whose products contain minerals called "conflict minerals" from Central Africa. OETIKER requires that each of its suppliers' supply chains provide the necessary information on conflict minerals contained in the products purchased by our company. Each OETIKER material supplier must fill out a "Conflict Minerals Report Template" questionnaire created by the EICC (Electronic Industry Citizenship Coalition) and GeSI (Global e-Sustainability Initiative). This questionnaire shall be completed annually and is available at http://www.conflictfreesourcing.org/conflict-minerals-reporting-template/.

In relation to the legal requirements established by the European Community regarding restrictions on the use of certain Hazardous substances RoHs Directive 2015/863/UE RoHs 3 the supplier is in compliance to the EU Directive 2015/863, therefore the article/s provided by them do not contain Pb, Cd, Hg, Cr VI, PBB, PBDE, DEHP, BBP, DBP & DIBP.

In the case of wooden pallets or containers with phytosanitary treatment, the supplier ensures that NIMP-15 specification is respected for the entire supply chain.

4.9 Logistics

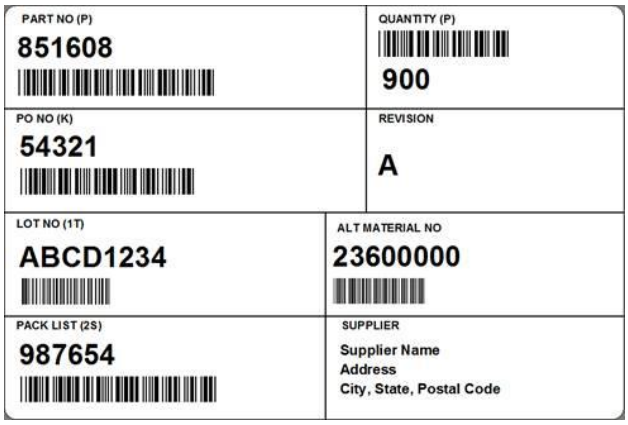
Oetiker expects a delivery performance (quality, on-time, and quantity) which is in accordance to oetiker schedules.

Delivery must be in accordance with Oetiker normal receiving hours, unless otherwise agreed. Information must accompany each delivery to identify the supplier, the product(s) and quantities, the reference/order number, and any hazardous material or environmental notifications.

Individual containers must have a 4 x 6 label affixed to one side of each container with the label facing outward. Labels are required to be in accordance with Barcode text 39. Information in the barcode must include specific information with no spaces or symbols.

The following detail is required in the shipping barcode label:

- Oetiker NY part number
- Oetiker NY drawing revision level
- Quantity of material in container
- PO number
- Job number/ Packing Slip #
- Supplier traceable lot number
- Supplier name/address
- An Alternate Material No. will be communicated if required.
- A container (box/tote) must contain only one lot number.
- A Master Ship Label is required on all shipments with multiple containers.
  See below example:



A packing slip must be included with every shipment and contain the following information:

- Packing slip number/Job number
- Oetiker purchase order and line release number(s)
- Part number
- Drawing revision number
- Lot Number(s) & Quantity of each lot number
- Total quantity shipped

The line release number must also be referenced on the invoice.

Packages / containers / packaging materials must be free of debris, foreign material and fluids when they are received at Oetiker.
All packaging/cartons/pallets must comply with AIAG packaging standards, and when shipping international, all international shipping standards.

The use of metal banding materials for packaging is not permitted.

Boxes or totes must be stacked no more than four (4) high on a pallet.

Boxes / containers must not exceed 40 lbs. At a minimum, supplier lot control information must be traceable back to the date(s) of the production run, the material heat lot in which parts were produced, and the approved production equipment that it was produced on.

4.10 Corrective Actions

Upon notification from Oetiker of a concern or defect, the supplier must respond with written documentation indicating containment actions taken to avoid further defects from reaching Oetiker. This must be provided within 24 hours of notification (counted on working days). The supplier shall use suitable problem-solving techniques in 8D or similar format. First root cause analysis and actions have to be shown within 5 days.

If the supplier is liable for the defect products, the supplier must arrange immediately actions for collection and replacement of defective products or arrange actions for sorting or reworking at a location specified by Oetiker.
Components at incoming status may be returned to suppliers based on no disruption to Oetiker NY production processing.
Components detected with discrepancy during Oetiker processing are not typically returned to suppliers based on part status of having additional operations completed.
Oetiker Supplier Quality will communicate with suppliers regarding containment and on-site sorting requirements.

The supplier is required to send “Certified” product shipments that are clearly labeled until the final 8D corrective action has been received and closed by Oetiker.

Should the supplier fail to respond adequately within 24 hours (counted on working days), OETIKER will take appropriate measures to ensure production is not jeopardized. All actions will be documented and costs tracked (see section “4.11 Containment & Failure Costs” below).

The supplier must update the 8D document regarding the identification of the root cause(s), actions taken to prevent recurrence, and the verification that was completed to determine the actions implemented are effective. Oetiker has to be informed on a regular base until the issue is closed.
Evidence of Supplier actions and controls (Control Plan, FMEA, Work Instructions, etc.) are required to be submitted with the final 8D report to Oetiker Supplier Quality.

An official 8D closing confirmation will be sent to the supplier after corrective action is completed including sufficient effectiveness reviews.

Oetiker reserves the right for an escalation audit on a management level upon reasonable prior notice to the supplier, and during regular business hours at supplier’s offices and shall not interfere unreasonably with the Supplier’s business activities, if:

- The Supplier does not adhere to the requirements identified in this manual.
- Supplier has poor quality performance as a result of unstable internal or external processes.

4.11 Containment & Failure Costs
All costs associated with a supplier discrepancy will be charged back to the responsible Supplier.
These costs may include, but are not limited to, inspection/sorting activities, scrap of component or assemblies, cost to rework component or customer assemblies, customer disruptions, premium freight, over-time, and travel and expenses to and from customer sites.

4.12 Supplier Performance
The supplier is expected to maintain a production and quality system to provide zero defects culture. In order to achieve the target of zero defects, the supplier shall have an active continuous improvement program in place.

All suppliers will be assessed according to our supplier evaluation process in order to ensure conformity of externally provided products, processes & services to internal & external customer requirements.

The following indicators will be monitored:

a) Delivered product conformity to requirements

b) Customer disruptions caused by suppliers

c) Delivery schedule performance

4.13 Documentation
The supplier and their sub-suppliers must keep quality records on file to ensure 100% traceability of products back to the date of manufacture or receipt.
Supplier Quality Management System and Production Part Approval Process documentation must be maintained for the life of the product, plus 50 years. The supplier must make these documents available upon request by Oetiker or the customer.

4.14 Contingency Plan

Supplier shall develop and maintain contingency plans in accordance with IATF 16949 (6.1.2.3).
These plans must be made available to Oetiker NY upon request.

4.15 Supplier Compliance Acknowledgment

As an authorized representative of the supplier, I certify that we agree to comply and adhere to this revision of ONY-I-1002 Oetiker NY Supplier Requirements Manual and any identified additional Oetiker Customer Requirements as defined here:

☐ _____ ☐ _____

☐ _____ ☐ _____

Supplier Name :_____ Date : _____

Supplier Representative & Title : _____

Signature _____

5. Applicable documents

Document type	Nomenclature, title and hyperlink
ONY-F-1007	ONY Supplier PPAP Checklist
ONY-F-1008	ONY Supplier Change Request Form
ONY-F-1010	Supplier Packaging Form
ONY-F-1011	Supplier Material Deviation Request Form
JT3016M	General Plating Quality Requirements

6. Change history

Status	Created/ changed	Reviewed	Approved	Comment (changed/added)
00	*Laura Burnett* *Quality & Environmental Manager* *08 May 2019*	*Mark Wiecek* *MRO/Quotation Group Leader* *08 May 2019*	*Laura Burnett* *Quality & Environmental Manager* *08 May 2019*	Initial release (JTF 7.4.3) Complete re-write to align requirements in OEGR-SC-04-55
01	*Tanya Lords-Quinn* *Document Coordinator* *09 Nov 2020*	*Mark Wiecek* *MRO/Quotation Group Leader* *13 Nov 2020*	*Laura Burnett* *Head Quality & Environmental* *09 Nov 2020*	Convert to one manual for ONY. (Removed: OEGR SC 04 55). Added hyperlinks to the applicable throughout.