



***Supplier Development  
&  
Guidelines Manual  
(North America)***

**May 2022**



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## **INTRODUCTION**

**The intent of this manual is to define the vision of the Plasman North American Purchasing Group, to outline the requirements for becoming an Approved/Preferred Supplier, and to broaden the scope of recognized automotive quality system and environmental standards to include additional requirements of Plasman. This manual will outline the operating standards and business practices of Plasman, including supplier quality, delivery and service expectations and supplier performance metrics as well as a reporting system.**

**In addition to Plasman Purchase Order Terms and Conditions, it is mandatory that the Supplier understand and ensure compliance with this manual. It is the responsibility of the Supplier to check for updates to this manual at regular intervals at:**

**<https://plasman.com/supplier-portal/>**

**For more information or clarification related to this manual, or if for any reason the website cannot be accessed, contact the appropriate Plasman key contact personnel listed in this manual.**

**Top Management is committed to the development, implementation, and continual improvement of the effectiveness of the Quality and Environmental Management Systems deployed at our Plasman manufacturing facilities:**

- **WINDSOR 1 MANUFACTURING**
- **WINDSOR 3 MANUFACTURING**
- **TECUMSEH MANUFACTURING**
- **TILBURY MANUFACTURING**
- **FORT PAYNE MANUFACTURING**
- **CLEVELAND MANUFACTURING**
- **QUERETARO MANUFACTURING**

**Mike Merner**  
Corporate Director, Purchasing

**Tom Byrne**  
Corporate Director, Quality

In support of PLASMAN management commitment, the following is the endorsed Quality Policy:

## Quality Policy

**Plasman** is committed to the continual improvement and development of our manufacturing processes, products, employees, and business relationships, creating a better, more sustainable and inclusive future is our collective responsibility.

This drive will ensure our continuing success in the engineering design and state-of-the-art manufacturing of the highest quality automotive trim, precision subsystem components, and consumer-focus products. Our reputation as a leading global manufacturer with expertise in design and engineering, tooling, molding, surface finishing, and assembly has generated customer expectations, and we deliver the solutions.

This solution-focused goal will be achieved by setting measurable objectives and targets for quality, while driving towards the industry standard of zero defects. Utilizing both established and innovative technologies, methodologies, and training initiatives, **Plasman** provides the resources needed to meet the existing and future requirements of the marketplace.

**Plasman** considers effective communication to be the cornerstone of our business relationships. Fostering the established framework of collaboration with our customers, suppliers, and each other, ensures our ability to anticipate our customers' needs and make their visions a reality.

In support of PLASMAN management commitment, the following is the endorsed EH&S Policy Statement:

## Environmental Health & Safety Policy Statement

**Plasman** endeavours to take every precaution reasonable to protect the environment and promote the health and safety of all employees and interested parties. It is our intention that Plasman be a safe place to work, with defined and established responsibilities and clear goals to create a physically and mentally sound workplace. Plasman shall demonstrate responsible corporate citizenship through our focus on pollution prevention initiatives.

### It is the policy of PLASMAN:

- To commit to the elimination of Health & Safety and Environmental hazards and reducing risks through consistent and systematic communication, cooperation, education, and leadership.
- To comply with applicable environmental and occupational health and safety legislation and other requirements that relate to our health & safety and environmental aspects within the scope of our overall business operations.
- To reduce health, safety and environmental impacts by setting objectives and targets to minimize the footprint our activities create on the environment and personal safety.
- To require that all Supervisors ensure that safe work areas are maintained and all persons working for or on behalf of the Organization work within best practices, legislation and standards for health and safety and environmental protection.
- To ensure that processes are implemented to identify hazardous conditions, report occurrences, investigate and assess so that the risk to the environment, physical, organizational and social work environment is maintained as safe and secure.
- To commit to using consultation and participation of employee's and, where they exist, workers' representatives in order to support continuous improvements related to environmental impacts, workplace injury and illness prevention initiatives.
- To establish that Employees and all persons working for or on behalf of the organization work in a safe manner, report all hazardous conditions, unsafe work practices and potential impacts on the environment immediately to their Supervisors.
- To integrate global sustainability practices supporting the environment, human and social rights and opportunities in order to establish a balanced work model.

A safe workplace is the responsibility of everyone. Your active participation and support are critical to maintaining and improving Environmental, Health and Safety at Plasman.

# Supplier Code of Conduct

Sustainability is a strategic priority for Plasman. We strive for compliance by committing to relevant international standards, laws, regulations, and customer requirements. We take responsibility for our products, production, and supply chain in order to deliver sustainable solutions.

## Purpose and Scope

The purpose of the Plasman Supplier Code of Conduct is to define minimum sustainability requirements for all Plasman suppliers, including Suppliers that deliver goods and/or services. This Code of Conduct is an integral part of the agreement between Supplier and Plasman.

## General Requirements

1. Supplier shall comply with all the Requirements of the Supplier Code of Conduct.
  2. Suppliers shall comply with all applicable laws and regulations as well as the contractual terms and conditions agreed upon with Plasman.
  3. Supplier shall be transparent and disclose legally required permits and licenses upon request.
- **BUSINESS ETHICS**
    - Supplier shall respect and comply with applicable fair trade, competition and anti-trust laws and regulations.
    - Supplier shall not engage in any form of bribery or corruption, and shall avoid situations where private, financial or other external interests conflict with the job responsibilities of employees.
    - Supplier shall respect Plasman's confidential information and intellectual property rights and comply with the laws governing data privacy.
  - **HUMAN RIGHTS AND WORKING CONDITIONS**
    - Supplier shall respect human rights; including the process where employees may choose to be part of trade union or similar external representative.
    - Supplier shall comply with applicable laws and collective bargaining agreements and pay at least the minimum wage laid down by local law.
    - Supplier shall not tolerate forced labor or modern slavery.
    - Supplier shall comply with applicable laws regarding working and resting hours, and sick and parental leave.
    - Supplier shall not directly or indirectly allow or use child labor and nobody of the Suppliers' or its subcontractor's employees shall be below the minimum legal age for employment.
    - Suppliers shall not engage in any form of discrimination based on race, ethnicity, nationality, age, gender, religion, union affiliation, disability, pregnancy, political affiliation.
    - Supplier shall not tolerate any form of harassment and abuse.
  - **HEALTH AND SAFETY**
    - Suppliers shall provide its employees with a safe and healthy working environment that minimizes the incidence of work-related injuries
    - Supplier shall ensure that its Employees' potential exposure to safety hazards are identified, assessed and controlled. Where hazards cannot be adequately controlled by these means, employees shall be provided with appropriate personal protective equipment including access to first-aid supplies.
    - Supplier shall comply with hazardous material restrictions set by applicable laws and regulations.
  - **ENVIRONMENTAL STEWARDSHIP AND RESPONSIBLE SOURCING**
    - Supplier shall strive to reduce their negative environmental impact.
    - Supplier shall monitor, track and document its consumption of natural resources such as water, energy and raw materials.
    - Suppliers shall monitor, track and document its emission to water, soil and air, and its waste.
    - Supplier shall implement responsible handling of potentially hazardous substances including (transportation, storage, and disposal) and supply employees with adequate personal protective equipment when applicable.
    - Supplier shall comply to applicable laws and regulations regarding prohibition or restriction of specific substances (including tantalum, tin, tungsten, gold, cobalt).
    - Suppliers shall be transparent on raw materials origin upon request.
    - Suppliers shall report substances used in the products delivered to Plasman through the International Material Data System (IMDS).

## Compliance statement

Plasman requires suppliers to report non-compliance with this code of conduct to their Purchasing contact. Plasman reserves the right in the event of non conformity to exercise early termination for cause of the business relationship with any supplier and/or present an acceptable countermeasure/remedy plan to correct the non conformity.

## Plasman Key Contact Personnel

### Plasman – Corporate

635 Sprucewood Ave., Windsor ON N9C 0B3 Canada P: (226) 221-8120

<b>Name</b>	<b>Title</b>	<b>E-Mail</b>
George Mitri	Supplier Quality Manager	<a href="mailto:George.Mitri@plasman.com">George.Mitri@plasman.com</a>
Christian Clarkson	Supplier Quality Engineer	<a href="mailto:Christian.Clarkson@plasman.com">Christian.Clarkson@plasman.com</a>

### Windsor 1 Manufacturing

5250 Outer Drive, Oldcastle ON N9G 0C3 Canada P: (519) 737-1633

<b>Name</b>	<b>Title</b>	<b>E-Mail</b>
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Joey Zhang	Buyer	<a href="mailto:Joey.Zhang@plasman.com">Joey.Zhang@plasman.com</a>

### Windsor 3 Manufacturing

635 Sprucewood Ave., Windsor ON N9C 0B3 Canada P: (226) 221-8120

<b>Name</b>	<b>Title</b>	<b>E-Mail</b>
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Fran Keeton	Senior Buyer	<a href="mailto:Fran.Keeton@plasman.com">Fran.Keeton@plasman.com</a>

### Tecumseh Manufacturing

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Dayna DeBruyn	Senior Buyer	<a href="mailto:Dayna.Debruyn@plasman.com">Dayna.Debruyn@plasman.com</a>

### Tilbury Manufacturing

P.O. Box 538, 24 Industrial Park Road, Tilbury ON N0P 2L0 Canada P: (519) 682-1155

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Dayna DeBruyn	Senior Buyer	<a href="mailto:Dayna.Debruyn@plasman.com">Dayna.Debruyn@plasman.com</a>

### Fort Payne Manufacturing

403 Airport Road West, Fort Payne AL 35968 USA P: (256) 979-

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Dayna DeBruyn	Senior Buyer	<a href="mailto:Dayna.Debruyn@plasman.com">Dayna.Debruyn@plasman.com</a>

### Cleveland Manufacturing

3000 West 121<sup>st</sup> Street, Cleveland, OH 44111 USA P: (216) 252-2995

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Dayna DeBruyn	Senior Buyer	<a href="mailto:Dayna.Debruyn@plasman.com">Dayna.Debruyn@plasman.com</a>

### Queretaro Manufacturing

Av. Industria de la Transformación, #321 Parque Ind., Queretaro, San Rosa Jáuregui, QRO CP 76220 P: 52+442 211 6900

<b>Name</b>	<b>Title</b>	<b>E-Mail</b>
Gerardo Zarraga	Quality Manager	<a href="mailto:Gerardo.Zarraga@plasman.com">Gerardo.Zarraga@plasman.com</a>
Lenka Horenska	Buyer & Traffic Coordinator	<a href="mailto:Lenka.Horenska@plasman.com">Lenka.Horenska@plasman.com</a>

# Standard Supplier Requirements

The Supplier Development and Guidelines Manual is intended to be a communication instrument to suppliers on how to do business with Plasman manufacturing facilities. In all cases, Purchase Orders, supplier agreements, contracts and any other business agreements shall prevail. For additional information and periodic updates to this manual, you may contact the Purchasing Department at Plasman.

## Basic Supplier Requirements

- All suppliers of automotive production material or service must be third party registered (or actively pursuing registration) to either ISO 9001:2015 or IATF 16949:2016 Quality Standards (unless otherwise specified by Plasman). The ultimate automotive production supplier development objective is certification to IATF 16949 requirements.
- Supplier delivery performance shall be 100% on time
- Supplier Advanced Product Quality Planning Teams shall support Plasman from concept phase through to post-launch phase via the APQP Process and through the production phase, for the lifetime of the product
- Use of error-proofing in design and mistake-proofing in the manufacturing processes
- Requests for corrective action require an initial response within 24 hours and a final response (including root cause analysis and irreversible corrective action) within 10 days

## Material Certificate of Analysis (COA)

**The COA for the Resin/Paint supplied must:**

- call out all test / items listed in the automotive engineering specification
- show test tolerance / units of measure and actual results
- show the test name and test method used
- if salt and pepper material is supplied, certificates of analysis for the resin and colour concentrate required
- evidence that the laboratory which completed the testing is ISO/IEC 17025 certified
- be sent 24 hours prior to shipment
- be sent with each lot of Resin/Paint supplied
- send pre-ship colour plaques 5 days prior to shipment

## All Resin / Components Bar Code Label Requirements

**Bar Code Labels (2 per box) should include the following:**

- Plasman Part Number
- Net Weight or Number of Pieces
- Duns Code (if applicable)
- Box Serial Number
- Resin Type or Component Description
- Lot Number
- Material ID Number
- Filling Date and Shift
- Company Name and Address

## Supplier Packaging Requirements

### **Plasman Responsibilities for Plasman owned containers:**

- The Plasman facility, when shipping empty containers, will assure the containers are free of debris and undamaged
- The Plasman facility will provide maintenance, repair and funding for Plasman owned packaging systems
- The Plasman facility is to provide disposition of obsolete/damaged containers
- Only safe containers SHALL be used to transport product

### **Supplier Responsibilities for Plasman owned containers:**

- The supplier will load parts into clean undamaged containers only and load the container systems into the transportation equipment in a safe manner for transport and maintaining part quality
- The supplier is responsible to inspect all containers upon return and document any damaged containers. Damage report to be submitted within 24 hours of the receipt of the shipment with details of packing slip, carrier name to their Plasman contact. The supplier is responsible to remove the damaged container(s) from the system immediately
- Under no circumstances will damaged packaging be used for shipments to Plasman facilities
- Only safe containers SHALL be used to transport product

## Palletization Requirements

**Pallet Specifications** – All wood pallets and other packaging material comprised of wood must conform with the current **International Standards for Phytosanitary Measures No. 15 (ISPM #15), Regulation of Wood Packaging Material in International Trade**. To facilitate the recycling of used, expendable packaging, pallet cartons fastened to the pallet must be constructed with a “breakaway” feature or other method to allow easy separation from the shipping pallet.

## Automotive Supplier Requirements

The Automotive Industry Action Group (AIAG) has published several manuals that standardize procedures, reporting formats, and technical nomenclature, which are required by our OEM Customers. Suppliers are responsible to remain current with these standards including, but not limited to, APQP, FMEA, PPAP, SPC, MSA, MMOG/LE, CQI-9 Special Process: Heat Treat System Assessment, CQI-11 Special Process: Plating System Assessment, CQI-12 Special Process: Coating System Assessment, CQI-14 Special Process: Warranty System Assessment, CQI-15 Special Process: Welding System Assessment, CQI-17 Special Process: Soldering System Assessment, CQI-23 Special Process: Molding System Assessment. Copies of these publications can be ordered from AIAG at (248) 358-3003 or via website at <http://www.aiag.org>. Membership to AIAG is recommended.

**Suppliers are to provide a copy of applicable CQI Assessments (appropriate to their process) annually (and if there are significant changes).**



## Diversity Supplier Requirements (U.S. Suppliers)

Plasman is committed to expanding our relationship with the diversity business community. Plasman diversity policies support the activities of the MMBDC (Michigan Minority Business Development Council) and the NMSDC (National Minority Supplier Development Council), as well as other state and local economic community organizations.

## Customer-Specific Requirements

OEM Customer-Specific Requirements and specifications are mandated and must be complied with as they apply to the suppliers end item customer base. For information on obtaining OEM Customer-Specific Requirements contact Plasman Purchasing, or visit the IATF – International Automotive Task Force website at [www.iatfglobaloversight.org](http://www.iatfglobaloversight.org) and/or OEM Customer website/supplier portal. Plasman and the end customer reserve the right to audit, inspect, qualify and certify the manufacturing processes, facilities and parts related to all programs in current and/or future production. This is subject to compliance with all applicable standard non-confidentiality and non-disclosure agreements. **Suppliers are responsible for remaining current to Customer-Specific Requirements.**

## Anti-Bribery Policy

Plasman strictly prohibits fraud, bribery and other corrupt business practices in all of our business operations. This prohibition applies to all business activities, anywhere in the world, whether they involve government officials or private sector employees. This Policy applies to everyone at Plasman and our supply chain acting on Plasman's behalf anywhere in the world. As a Canada led company with business operations in Mexico, United States, Sweden, Norway, and Belgium we are committed to observing the standards of conduct set forth in the U.S. Foreign Corrupt Practices Act (the "FCPA"), the Canadian Corruption of Foreign Public Official's Act, and related legislation, as well as local anti-bribery laws of all countries in which the Company operates (collectively, the "Anti-Bribery Laws").

This Policy supplements the Conducting Business with Integrity, Fairness and Respect section of Plasman's Business Code of Conduct and Ethics.

Suppliers are responsible for following anti-bribery practices in conjunction with the **Plasman Supplier Code of Conduct** (see page 5).

## Service Parts Requirements

All suppliers are responsible for the supply of original equipment service parts to Plasman. This obligation remains in effect at the production supplier of record for fifteen years after part concludes series production or cancellation of the part unless a source change is approved. Service parts are to be produced from production tooling that is continuously maintained so that service parts can be produced at the agreed upon quality criteria. Regular preventative and predictive maintenance activities are required to maintain production capability. Pricing of service part component orders remain at production levels for five years after part concludes series production for a minimum of five years or for the length of time that any claim of obsolete inventory exists, whichever is later. Set-up charges for service parts should be at or below fair market value and must be approved in writing by the Plasman Purchasing Department. The dealer direct supply items are to be supplied within 24 hours of release to the supplier. Depot supply items will be released on the weekly releases according to normal supplier demand communication methods.

## **Conflict Minerals**

2012 U.S. legislation requires that manufacturers who file certain reports with the U.S. Securities and Exchange Commission (SEC) must disclose whether products they manufacture, or contract to manufacture, contain conflict minerals that come from sources that support or fund inhumane treatment in the region of the Democratic Republic of the Congo or an adjoining country. Applicable Plasman suppliers are required to provide information regarding the use of conflict minerals in all supplied products. Additional information on conflict minerals reporting can be found at: <http://www.aiag.org> and <http://www.conflict-minerals.com>.

## **Supplier IMDS Compliance**

In compliance with the European Union Directive concerning the environmental impact of End-of-Life Vehicles (ELV), the OEMs are mandating that their suppliers account for all prohibited, restricted and reportable substances used in the production of automotive parts in the International Material Data System (IMDS). Please provide the material information for the resin or components you supply to Plasman through the IMDS system. Plasman IMDS ID is 13531.

Please ensure our six digits IPN is entered in the Material-No field. If you have already reported directly to the IMDS, please inform us so that we may access the information related to our product(s).

## **Automotive Product-Related Software or Automotive Products with Embedded Software**

Suppliers of automotive product-related software, or automotive products with embedded software are required to implement and maintain a process for software quality assurance for their products and retain documented information of a software development capability self-assessment.

## **Statutory and Regulatory Requirements**

Suppliers are required to ensure that supplied products, processes, and services conform to the current applicable statutory and regulatory requirements in the country of receipt, the country of shipment, and the customer-identified country of destination, if provided (reference Terms and Conditions of Purchase Order).

If special controls are defined for certain products with statutory and regulatory requirements, suppliers shall ensure they are implemented and maintained as defined by Plasman or OEM Customer.

PLASMAN Environmental Vision & Strategic Plan

**ENVIRONMENTAL VISION**

Plasman is committed to implementing effective environmental systems as part of our overall business and operating philosophy.

Plasman will determine both internal and external issues that are relevant to the organization and that have both a direct influence on the effectiveness of the environmental management and an impact on global environmental and sustainability issues.

**STRATEGIC PLAN**

Plasman commits to establish and maintain compliance to all applicable environmental legislation and standards.

Plasman commits to participate in stakeholder and strategy sessions as put forth by our governmental leadership and client base to pro-actively further the goal of lessening environmental impact.

Plasman commits to participate in energy reduction initiatives in order to reduce the carbon footprint of our organization.

Plasman commits to implementing programs which will reduce emissions and lessen the subsequent impact on the environment.

In addition to these core values Plasman will also consider the implications and risks to our business in respect of cultural and social responsibility, financial implications and the use of best available technologies where financially practical and feasible.

# Supplier Quality Expectations

## Supplier Quality Management System

Unless otherwise specified by Plasman customers (i.e. customer-directed source), all suppliers of automotive production materials and services (including production, service, and accessory parts, heat treating, plating, painting or other finishing services, sub-assembly, sequencing, sorting, rework, and calibration services) that affect Plasman customer requirements are required to be third-party certified to ISO 9001:2015 and/or IATF 16949:2016, or other appropriate standard as shown below:

- Component Parts, Fasteners, Customer-Specified Materials, Chemical and Raw Materials – ISO 9001 or ISO/IATF 16949
- Tools, Molds, and Equipment – ISO 9001
- European Suppliers – VDA, EAQF, AVSQ, or ISO/IATF 16949
- Calibration Services and Laboratory Testing (Resin & Paint) – ISO/IEC 17025

**NOTE:** Suppliers are to forward evidence of their quality system certification to Plasman Purchasing. **Suppliers are required to notify Plasman in writing within five (5) working days if certification is expired, suspended, or withdrawn by the Registrar.**

## Supplemental Quality Management System Requirements

Statistical process control (SPC) is mandatory for critical and significant characteristics as defined by your Plasman Quality Department representative, the PDT or the supplier's internal requirements. Critical/safety characteristics shall have a minimum 2.00 Ppk at PPAP, and 1.67 Cpk in production, unless otherwise waived by Plasman Quality Management or Engineering. Significant characteristics shall have minimum 1.67 Ppk and 1.33 Cpk. If there is any variation in these values, or the required capability cannot be met, contact your Plasman Quality Manager or Engineering representative for further instructions.

## Appearance Items

The following applies to suppliers of coloured parts or components and to suppliers of paints, coatings, pigments, dyes, tints, master batches and other colourants.

### **Colour Masters**

Only Plasman or its customer's approved colour masters may be used to develop colour formulations or to determine the acceptance of coloured materials. The supplier is responsible for obtaining current colour masters as required.

### **Colour Measurement and Evaluation**

Visual and analytical evaluation of colour and gloss shall be made in compliance with customer end-item requirements. Contact your Plasman Quality Management representative for information.

## Plasman Supplier Profile

Suppliers shall complete and submit the **Plasman Supplier Profile** annually to the Plasman Purchasing Department. Suppliers are responsible for updating the Plasman Senior Buyer when a major change takes place, which may require the **Plasman Supplier Profile** to be resubmitted. Further, **suppliers are required to forward a copy of their Quality and/or Environmental Management System Certification(s)** and maintain current versions on file with the Purchasing Department. For those suppliers not certified to the appropriate standard, Plasman Purchasing may require an action plan and timing for certification, or confirmation of source approval from the OEM customer.

## Supplier Quality Systems Assessment

Plasman and our end customers reserve the right to audit, inspect, qualify and certify that supplied products and services meet specified purchasing requirements. Where Plasman and/or our customer intends to perform independent verification at the supplier's premises, the intended verification arrangements and method of product release will be stated in the purchasing order and/or purchasing documents (subject to compliance with all applicable standard confidentiality and non-disclosure agreements).

All new suppliers may be required to successfully complete self-assessment and/or an on-site survey by Plasman Purchasing before being approved. Suppliers who are certified to the applicable quality system standard, or who have been audited by a Plasman OEM customer may, at the discretion of Plasman, have this survey waived. Critical-To-Success suppliers are required to complete the self-assessment annually. Surveys of current suppliers are conducted using the applicable **Plasman Supplier Assessment** form at a frequency determined by Plasman Purchasing and/or the end OEM customer. The lead auditor will provide the supplier a written report that summarizes the survey findings and identifies any areas for corrective action. Where corrective action is required, a corrective action plan must be submitted to Plasman Purchasing within 30 days of receipt of the report, unless otherwise specified. Where required Plasman will assist in implementing this plan and periodically evaluate the plan's effectiveness.

Additionally, when determined by Plasman, **Second-Party Audits** may be used for the following: supplier risk assessments, supplier monitoring, supplier QMS development, product audits, process audits. In addition to certification to ISO 9001 compliance to other customer-defined QMS requirements such as Minimum Automotive Quality Management System Requirements for Sub-Tier Suppliers (MAQMSR) or equivalent may be assessed through second-party audits.

## Supplier Problem Communication

Suppliers shall notify their certification body/registrar and Plasman Purchasing in writing within five (5) working days, when a customer changes the status of a site servicing a Plasman facility or customer, to any of the following:

- FCA (Stellantis) "OEM Service Complaint, TPSL – Top Problem Service Location, or New Business Hold"
- Ford Q-1 Revocation
- General Motors CS2 (Level II Containment), New Business Hold – Quality, BIQS Revocation
- JOEM Customer-Specific Quality Hold or Shipping Containment Placements (as required)
- Tier 1 Customer-Specific Quality Hold or Shipping Containment Placements (if additional to above)

## Nonconforming Material

A request for Corrective Action may be issued to a supplier when nonconforming material is received at either a Plasman Plant or its customer's facility. The notification to the supplier will typically include the following information:

- Part number
- Part description
- Problem description
- Lot number
- Quantity rejected

Plasman reserves the right to initiate sort, scrap, rework or repair activities without prior authorization from the supplier to protect customer build. The issuing Plasman representative shall Email the Supplier Corrective Action Report (SCAR), or otherwise notify the supplier of the problem. The supplier shall comply with the following corrective actions:

- Initiate containment and inspection of all suspect material including product in route, at the Plasman plant or at the customer location
- Post evidence of customer concerns at appropriate locations (i.e. Quality Alerts)
- Implement immediate corrective action to eliminate the discrepancy

Supplier liability for sort, rework/repair, scrap, freight, customer charges, Plasman administrative charges, etc., is detailed in a debit memo.

If sort and/or rework of defective material are required and the supplier chooses to subcontract the work, the supplier is responsible for appropriate supervision.

The supplier shall review rejected accumulations weekly so the product can be dispositioned; if product is not reviewed on a weekly basis, Plasman reserves the right to return the product to the supplier and debit the account.

## Corrective Action

The supplier shall provide an **initial response** to Plasman requests for corrective action **within 24 hours**. This initial response will include at a minimum:

- acknowledgement of notification of the issue(s)
- 100% containment action(s)

The supplier will complete a **corrective action** (including root cause analysis and irreversible corrective action) **within 10 working days** (contact the issuing Plant Quality Department for appropriate forms). If the report cannot be completed in 10 working days, the supplier shall submit the incomplete report and include a timing plan for the submission of the completed report. Additionally, the supplier will provide objective evidence to support corrective action implementation when required by Plasman. When requested, the supplier shall provide on-site support personnel at Plasman and/or its customer's facilities.

## Supplier Quality Improvement Process

The Supplier Quality Improvement Process was developed to monitor deficient suppliers and to assist these suppliers in becoming self-reliant. The process is driven by the supplier's quality and delivery performance. The supplier quality and delivery information is gathered at each individual Plasman manufacturing facility; this information is then summarized and captured on a scorecard.

## Supplier Containment

Plasman Purchasing may place a supplier in immediate "containment" if:

- The supplier has been identified as a Critical-To-Success Supplier
- The severity of the performance issue deems it appropriate by Plasman and/or Plasman Customer

## Controlled Shipping Level 1 (CS1)

CS1 requires:

- Immediate implementation of a containment activity in addition to the supplier's normal process controls and inspections
- Submission of a CS1 containment plan and/or corrective action plan
- Evidence required to exit from CS1 is based on data from the controlled shipping area that the normal production process is free of all non-conformances for a minimum of 30 working days after implementation of permanent corrective action (removal of CS1 status may be subject to additional requirements based on Plasman Customer direction)

CS1 may be elevated to Controlled Shipping Level 2 (CS2) and/or New Business Hold if zero defects and/or permanent corrective action is not achieved.

## Controlled Shipping Level 2 (CS2)

CS2 requires:

- Immediate implementation of a Plasman approved third-party containment system (this containment is in addition to CS1 containment activity already in place)
- A formal meeting between Plasman, the third-party and the supplier to establish all CS2 criteria
- Evidence required to exit from CS2 is based on data from the controlled shipping area that the normal production process is free of all non-conformances for a minimum of 30 working days after the implementation of permanent corrective action (removal of CS2 status may be subject to additional requirements based on Plasman Customer direction)

CS2 may be elevated to New Business Hold if timely permanent corrective action is not achieved.

The supplier may submit a written request to be removed for any containment (CS) level to the Plasman Plant Quality Manager. This request must provide evidence that all the criteria of the containment have been met. Plasman will remove the supplier containment status after verification of the effectiveness of implemented actions.



## Supplier Procedure Approval (External Documentation)

All on-site suppliers (production applicable products and services) operating at any Plasman location must submit any external documentation (i.e. procedures / work instructions / forms) intended for use (at the applicable Plasman location) to the Quality Department for review and approval prior use.

## Product and Process Change Point Control

In conjunction with the Plasman “Product and Process Change Point Control” protocol detailed below, suppliers and sub-suppliers are responsible for ensuring they understand and apply any additional OEM-Specific Change Point Control requirements (Reference “Customer-Specific Requirements” on page 8 of this manual).

Suppliers and sub-suppliers are prohibited from making any unauthorized changes to a Product (e.g., material, component, subassembly, subcontracting etc.) and/or to a Process used to produce a Product that has been previously approved through the PPAP or NMR process.

Suppliers and sub-supplies are required to notify the appropriate Quality Manager and Senior Buyer in writing of their intention to change a Product or Process prior to change(s) being implemented.

Suppliers and sub-suppliers may be held responsible for all damages, losses and liabilities suffered by Plasman, its subsidiaries, and customers, that are attributed to any unapproved change.

The following items are considered to be a “Change” requiring notification to Plasman prior to implementation:

- Design Change: ALL changes
- New Supplier: New Supplier/Sub-Supplier and/or location change
- Materials: Change of materials and/or materials supplier including items such as Mold releases
- Manufacturing method change, condition change of Molding, Plating etc. including order of process and/or adding or deleting process steps
- Process standards changes
- Temporary process changes including any form of rework
- Machine changes such as Plate Line, Molding Press and Machine relocation internal or external
- Jig/fixture or measurement gage changes
- New Mold or dies
- Packaging change
- Delivery methods including routing

In the event suppliers and sub suppliers are unclear about the need to announce a change point they are required to notify applicable Plasman key quality contact personnel to determine the path forward.



## Product and Process Change Point Control – Honda Specific Requirements

In conjunction with the Plasman “Product and Process Change Point Control” protocol detailed above, Honda suppliers and sub-suppliers are responsible for ensuring they understand and apply Honda-Specific Change Point Control requirements (Note: the system shall trigger use of Honda’s IPPAAR and IPP system when required. Manufacturing conditions is a general term used to describe Types of Changes No. 3 through No. 10 in HSQM-0041, “Change Point Control”. These changes are: Material Change, Manufacturing Method Change, Process Order Change, Machine Change, Jig/Tool Change, Die/Mold Change, Inspection Method Change, and Transportation/Packaging Change) as detailed below:

### Change Point Control

**IPP Control Levels** There are three levels of control in the IPP process. They are listed in the table below. If you are unsure which level to use, contact your Quality representative.

Control Level	Procedure	Control Method
A - IPPAAR	<ul style="list-style-type: none"> <li>The supplier initiating the IPPAAR must obtain PQ/PH approval prior to use in MP (use the IPPAAR form) The Initial Production Parts Quality Assurance Declaration form must be attached to the IPPAAR.</li> <li>An IPP tag must accompany the first IPP parts for MP and the parts must be properly labeled</li> </ul> <p>Note - IPP tags must apply to the first shipment that goes directly to Honda production. Do not send IPP tags with in-process parts.</p>	<ul style="list-style-type: none"> <li>Delivery of IPP parts must be done according to FIFO</li> <li>The supplier must keep the following information               <ul style="list-style-type: none"> <li>Date of IPP'd parts production</li> <li>Date of delivery</li> <li>Quality confirmation data such as inspection or testing data, if not attached to the IPPAAR</li> </ul> </li> </ul>
B - IPP Tag	<ul style="list-style-type: none"> <li>IPP tag must be attached to first IPP parts shipped</li> </ul> <p>Note - IPP tags must apply to the first shipment that goes directly to Honda production. Do not send IPP tags with in-process parts.</p>	Same steps as level A
C - Supplier	Internal at the supplier	The supplier tracks these changes. Information is made available to Honda upon request.

Use the following table to help determine the correct control level.

## Product and Process Change Point Control – Honda Specific Requirements (continued)

### Change Point Control

**Types of Changes** It is necessary to issue IPP tags when there are changes to parts or processes that make those parts. The table below explains each change type, lists some example changes (change type not limited to examples), and how to determine the level of control (A, B or C).

Note - a change in a part due to one of the listed types requires control of the first lot, whether the change originates internally or externally to the supplier.

No.	Item	Explanation/Examples	A	B	C
1	Design Change	The part drawing changes, altering the physical structure of the part. A design change is done when a new part drawing or an M/I is issued.	X		
		<ul style="list-style-type: none"> <li>• New part design</li> <li>• Design change that affects the part</li> <li>• Design change that does not affect the physical structure of the part, such as part name or part number</li> </ul>			X
2	New Supplier	<p>A supplier or sub-supplier, who has never produced the part or component, begins manufacturing the part for Honda.</p> <ul style="list-style-type: none"> <li>• Addition of a new supplier or sub-supplier</li> <li>• Changing the supplier or sub-supplier</li> <li>• New delivery location</li> <li>• Change from in-house production to outside supplier (or vice versa)</li> <li>• Change in factory location</li> <li>• <u>Substances of Concern (SOC) as per the SOC Manual.</u></li> </ul>	X		
3	Material Change	<p>The material(s) used to manufacture the part is changed.</p> <ul style="list-style-type: none"> <li>• Change of material supplier</li> <li>• Material supplier changed from outside to self-supplied (or vice versa)</li> <li>• Change in material composition (including anti-rust oil or lubrication oil)</li> <li>• <u>Substances of Concern (SOC) as per the SOC Manual.</u></li> </ul>	X		
4	Manufacturing Method Change	<p>A process method, setting or condition used in manufacturing the part is changed or modified. This includes any change that effects the way the parts are produced as reflected in the PQCT. This applies when the normal control range changes, not for routine adjustments.</p> <ul style="list-style-type: none"> <li>• Casting or forging method change</li> <li>• Sintering condition change</li> <li>• Heat treatment condition change</li> <li>• Rubber or plastic molding condition change</li> <li>• Welding condition change</li> <li>• Plating or coating condition change</li> <li>• Machining or cutting condition change</li> <li>• Process standards or setting method change</li> </ul>			<b>Honda Quality Rep to Set Level</b>
		<ul style="list-style-type: none"> <li>• Associate change on a critical process</li> </ul>			

**Product and Process Change Point Control – Honda Specific Requirements (continued)**

**Change Point Control**

Types of Changes (continued)

No.	Item	Explanation/Examples	A	B	C
5	Process Order Change	<p>The manufacturing process order is changed or deviates from the PQCT.</p> <ul style="list-style-type: none"> <li>Change to the order of the process, or adding or deleting process steps</li> <li>Change a temporary process to a permanent one (or vice versa)</li> </ul> <p>Note: If the IPPAAR process cannot be completed before parts are to be shipped (e.g. a welding robot breaks down and the process is done by hand) contact PQ/PH immediately. PQ/PH will provide instructions and requirements to suppliers in this situation</p>	Honda Quality Rep to Set Level		
6	Machine Change	<p>When the machine initially used to produce the parts during the approval process has been changed or replaced by another machine. (Machine examples: stamping press, assembly line, injection or blow molding, forge press, etc.)</p> <ul style="list-style-type: none"> <li>Initial use of a new machine</li> <li>Major modification or repair of a machine</li> <li>Minor modification or repair of a machine</li> <li>Equipment relocation within the same plant</li> <li>Equipment relocation outside plant or building</li> <li>Changes to machine control logic (e.g. software upgrade or replacement that affects machine function)</li> </ul>	Honda Quality Rep to Set Level		
7	Jig/Tool Change	<p>The primary or secondary tooling or jigs are changed, potentially affecting the quality, function, appearance, or reliability of the part. (Jig and tool examples: welding or assembly fixtures used in manufacturing process, cooling fixtures, sonic or heat welding, etc.)</p> <ul style="list-style-type: none"> <li>Change in machining master for camshaft or pistons</li> <li>Change in machining master for other parts</li> <li>New or modified jigs and tools</li> </ul>	Honda Quality Rep to Set Level		
8	Die/Mold Change	<p>A die or mold that is used in the manufacturing process is new or changed.</p> <ul style="list-style-type: none"> <li>New or renewed die or mold</li> <li>Revision or repair of the die or mold</li> </ul>	Honda Quality Rep to Set Level		
9	Inspection Method Change	<p>The inspection methods of the part are changed, potentially resulting in either an improvement or changes in the part's quality performance. This may require a revision to the PQCT.</p> <ul style="list-style-type: none"> <li>New or modified inspection equipment</li> <li>Measuring method change or measuring instrument type change</li> </ul>	Honda Quality Rep to Set Level		
10	Transportation/ Packaging Change	<p>The method of transporting the part to Honda, or the packaging of the part deviates from the initially approved method. The change could adversely effect the quality of the part.</p> <ul style="list-style-type: none"> <li>Change in delivery method, packaging materials or containers</li> </ul>		X	

## Product and Process Change Point Control – Honda Specific Requirements (continued)

### Change Point Control

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#### Types of Changes (continued)

No.	Item	Explanation/Examples	A	B	C
11	Use At Honda Direction Only	If directed to sort parts use the Sort Label Procedure HSQM-0067. In this case no actual IPP tag is sent and reason code (11) is entered into ASN along with HTR/DTR Number.	NA		
		An IPP tag may be requested if a sort is deemed critical.		X	
		For all other instances, enter a detailed description in the How Changed area on the IPP Tag.		X	
12	Weight Change	<u>Substances of Concern (SOC) as per the SOC Manual.</u>	X		
13	Tariff	<u>The product source and/or source of materials included in the make-up of the product are changing as a result of Tariff laws.</u>	X		

Note: A completed, approved IPPAAR form is required for all A level changes prior to shipment of the changed part. All IPPAARS must have an Initial Production Parts Quality Assurance Declaration form attached. All A level changes also require an IPP tag on the first production shipment to Honda.

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# Engineering & Program Management

## Advanced Product Quality Planning (APQP) and New Model Review (NMR)

Plasman Program Management follows the methodologies of APQP (Advance Product Quality Planning) and NMR (New Model Review) processes as appropriate based on Customer expectations. Based appropriately on either the AIAG APQP model or the NMR model, the process offers the following enhancements:

- Defined Gates
- Focus on Key Elements
- Quality of Event Criteria
- Gate Review and Sign-Off

The “gates” are similar in purpose to the phases of the AIAG APQP process for example, and can be understood in the same way. Each gate involves a list of broad tasks called “elements.” The most significant elements to a successful, timely product development and launch are called “Key Elements.” A priority system places emphasis on “Key Elements” by requiring a review of the “Quality of Event Criteria.” The “Quality of Event Criteria” is subtasks that require not just completion but evaluation of their quality level. Plasman has taken the APQP process to a higher level by not only identifying the tasks, but also assessing how well they were completed.

## Critical-To-Success Suppliers and the APQP / NMR Process

An evaluation is performed at the planning stage of each new program to estimate the level of “impact” on the success of the program associated with each supplier. The criteria for evaluation considers the following:

- New Supplier to Plasman
- Quality and Delivery history
- Technological capability
- Experience with the manufacturing process and the product
- Quality Status or Program Timing directed by the OEM customer

When the risk level, in any of the areas, is higher than normally expected on a new program, the supplier may be categorized as a Critical-To-Success Supplier. CTS Suppliers are expected to participate as active members of the Plasman external APQP teams.

In addition, CTS Suppliers are required to implement a containment process at program launch.

## Run @ Rate / Process Sign Off (PSO) and Production Part Approval Process (PPAP)

Suppliers shall notify or confirm in advance to Plasman Program Management of a scheduled or upcoming Run @ Rate, PSO and/or PPAP.



## **Production Part Approval Process (PPAP) – Domestic OEMs**

All suppliers of raw materials and components used in the manufacture of Plasman (Domestic OEM/Tier 1) products are required to submit PPAP packages and receive PPAP approval prior to beginning shipments.

Suppliers shall comply with the current version of the AIAG PPAP manual, or the OEM customer's specific requirements for product approval. Plasman Program Management other designated Plasman representative may modify these requirements. The default level for all submissions is Level 3. Plasman must approve any change to this submission level. All items that do not meet specification shall be clearly identified on the PSW and a Plasman pre-approved action plan for each discrepancy shall accompany the submission. For formal sign-off and approval, all PPAP submissions shall be forwarded to the assigned program manager at Plasman Corporate Program Management. Validation shall follow the requirements of PPAP. Annual PPAP validation submissions are required at the supplier's expense, unless the receipt of a written waiver is obtained from Plasman.

**Bulk Materials Suppliers** – The minimum submission requirement for supplier/subcontractor bulk materials is the PSW and the Bulk Materials Checklist.

All Suppliers will submit PPAP packages to the following email address: [PPAP@plasman.com](mailto:PPAP@plasman.com)

## **Part Approval Process – Japanese OEMs**

All suppliers of raw materials and components used in the manufacture of Plasman (JOEM/Tier 1) products are required to submit JOEM Customer-specific packages and receive appropriate approval prior to beginning shipments.

All Suppliers will submit PPAP packages to the following email address: [PPAP@plasman.com](mailto:PPAP@plasman.com)

## **Continual Improvement**

Suppliers shall develop an annual continual improvement plan, approved by upper management, which establishes improvement goals, implementation dates and responsible personnel. As part of a supplier's Continual Improvement system, Plasman expects suppliers to implement several interrelated systems.

## **Lean Principles**

It is the expectation of Plasman that suppliers recognize Lean as an inherently more cost-effective method of managing a business.

## **Mistake-Proofing**

Automotive customers require “zero defects.” The most effective way to accomplish this task is to use error proofing in product designs and mistake-proofing in manufacturing processes. Plasman expects its suppliers to adopt the same tools and operating philosophies as a fundamental responsibility of doing business. Plasman initial focus will be with new suppliers, existing Critical-To-Success Suppliers and problem suppliers.

## **Benchmarking**

It is the expectation of Plasman that suppliers establish benchmarking facilities and activities to develop and maintain a database of information on competitor parts and materials. This information shall be a source of input to all current and new program activities.

## **Value Analysis/Value Engineering (VA/VE)**

It is the expectation of Plasman that suppliers utilize VA/VE workshops at key pre-launch and post-launch junctures to continually provide improving product value to the customer. These workshops shall target total cost (Design, Process, Policy, and Tier 3), not just the traditionally targeted product design.

## **Product Development / Engineering and Design**

This section presents the Plasman expectations and requirements in the area of product development (Engineering and Design). Reflecting a commitment to continual improvement of technology, Plasman plans emphasize an increased reliance on supplier technical expertise.

Plasman suppliers and their technological capabilities in product development are critical to achieving continual improvement.

## **Glacial Acidic Test Capabilities**

Plasman suppliers must demonstrate their testing capabilities (internal or external provider) to perform Glacial Acidic Test for chrome plated parts.

## **Design and Development Capabilities**

Suppliers are expected to have the technical and personnel resources to support all phases of design, development and engineering. Suppliers shall design and manufacture their products and issue periodic progress reports in accordance with the Plasman APQP requirements.

## **Design Schedule Review and Involvement**

Suppliers will demonstrate the ability to participate in early design activities, from concept through prototype and production. They shall have the ability to provide the necessary information and data per the Plasman APQP process unless otherwise specified.

## **Computer Aided Design and Engineering Resources**

Suppliers are expected to have CAD/CAE capability, experienced personnel and appropriate facilities to perform design and engineering analysis. If CAD/CAE is subcontracted, the supplier shall provide project leadership and direction (i.e., engineering, monitor key events and timing, etc.). Unless otherwise specified, the following items apply to all programs/projects.

## **Dimensional and Management Resources**

Suppliers are expected to have the dimensional management and graphical documentation (via CAD) capabilities to support the Plasman dimensional management process in accordance with the Plasman APQP.

Suppliers shall demonstrate the ability to participate in early dimensional management activities, from concept through prototype and production. Suppliers are expected to document key events and timing on a DMP (Dimensional Management Plan).

## **Error Proofing**

Suppliers who have design responsibility, or who are participating with Plasman in developing new products, are expected to demonstrate the use of error-proofing methods and actions for making improvements and to minimize the total cost of producing the product. Suppliers participating in an APQP team will have input into an evaluation of error-proofing methods.

## **Program Management**

It is the expectation of Plasman that suppliers will use a multi-disciplinary approach for decision making and a documented program tracking system that includes key events and “target versus actual” timing. Suppliers shall identify “decision making” associates by name, title or responsibility and telephone numbers. Designated individuals are required for evaluating quality, reliability, health, safety, environmental issues, product service and cost reduction. Suppliers shall maintain a manufacturing and construction flow chart covering the entire project from purchase of raw materials through finished product customer approval and depicting all operations, inspection design and build reviews, tests, checks, prove-outs, etc., along with milestone dates. All significant / critical / dimensional characteristics and tolerance will be approved by Plasman along with desired Pp and Ppk data.

## **Engineering Change Management System (ECMS)**

The Engineering Change Management System has been instituted to provide Plasman Program Management program cost control and tracking. Suppliers are required to respond to open issues directed to their attention on or before the required date identified. The response shall be faxed or mailed to the program manager or other designated individual.



# Accounting Practices

## Standard Terms and Conditions

The terms listed below are guidelines only. For actual payment terms, refer to the Purchase Order or the actual contract.

Contact the individual Plasman plant for instructions on invoicing. Plasman payment terms are specified on the Purchase Order or actual contract. All material, parts and/or tooling must be received through our receiving department and must have a proper packing slip firmly attached to the outside of one of the containers. The packing slip must reference the appropriate Purchase Order number and part/tool number and have the appropriate signature(s) from our receiving department to serve as proof of delivery to ensure payment. Paper invoices are required at all operations for all tooling, testing, development/process samples and all non-production items. All invoices supporting these items shall have the appropriate approval documentation attached to expedite approvals (i.e., PPAP or Gage R&R documentation). The supplier's invoice number shall be the same number as the packing slip number. Each invoice must reference the Plasman part/tool number and Purchase Order number exactly, or the invoices will be returned to the appropriate supplier further delaying payment.

The assigned Plasman part number/item number/non-production material number (including all alpha and numeric characters) must be shown on your invoice exactly as it appears on the Purchase Order. Tool invoices must identify only one tooling Purchase Order number per invoice. Plasman payment terms for new tooling are specified on the Purchase Order or actual contract. Tooling invoices and non-production invoices must remain separate. All tooling and non-production invoices referencing a price other than that stated on the Plasman Purchase Order will be returned to the appropriate supplier further delaying payment. Plasman payment terms for new capital equipment are specified on the Purchase Order or actual contract.

## Payment Disputes

Plasman has a 60 day dispute policy regarding issues of problems/past due invoices or short payments. Notification is required within 60 days of the product ship date or payment of the issue in question. All notifications shall be in writing and followed-up by a telephone call within seven days of submission to our accounts payable department.

Any and all payment issues brought to our attention after the 60 days dispute period will not be honored.

## Standard Supplier Charge-Back Guidelines

Errors in workmanship or discrepancies in delivery may result in a charge-back to the supplier. The actual charge to the supplier is determined by the costs incurred by Plasman resulting from the discrepancy. Charge-backs are typically transacted as a debit against open invoices. The following is a summary of the charges typically assessed. Additional charges may be assessed based on actual costs incurred on behalf of the supplied product.

A \$150 administration cost recovery charge may be issued per occurrence in the event of the following receiving discrepancies:

- Incorrect ASN
- Packing slip discrepancies or no packing slip submitted with the shipment
- AIAG bar code label errors or no bar code label affixed to shipping container(s)
- Incorrectly labeled containers – label vs. actual container content
- Material shipped in a manner other than first in first out (FIFO)

A \$150 administration cost recovery charge may be issued per occurrence with each notification of non-conforming product.

In addition to the above \$150 administrative charges, the charges listed below may also apply:

- Any and all Plasman customer charges incurred as a result of a supplier's non-conforming product
- A \$50 per man-hour charge on behalf of Plasman for time spent sorting and/or re-working a supplier's product
- Any and all line stoppages based on both man-hour and machine idle time (Charges will be determined through our accounting department)
- A \$150 charge for all incomplete, incorrect or otherwise discrepant PPAP submissions
- A \$150 administrative fee plus negotiated rate for third party inspection service

### Warranty

Suppliers may be subject to any identified warranty costs, claims and/or field failures associated with product supplied or generated by defective product. Debits for charges incurred will be made in the currency specified on the Purchase Order.

# Supplier Performance Metrics

As partners of Plasman, the ongoing performance of suppliers is vital to our success. Measurement of the capabilities of suppliers in five key areas is an integral component in the supplier development process. These categories are quality, delivery, technology & innovation, relationship management, and market competitiveness. Success in all five sections is necessary to achieve the level of Preferred Supplier. Plasman will provide consistent feedback to our partners in these categories, identifying and highlighting opportunities for continuous improvement.

## Quality

Plasman defines quality as providing products and/or services that meet or exceed customer expectations over the life of the product or service. Plasman expects that suppliers will not only meet order specifications but will supply products that are suitable for their intended use in areas of design, dimensions, and durability. Suppliers are required to pursue continuous improvement opportunities to reduce process variation and optimize performance. It is essential that suppliers have a comprehensive internal and external Quality Management System that meets or exceeds the requirements of ISO 9001 / IATF 16949. Suppliers who are not third party certified must be actively pursuing registration, unless this requirement has been waived, in writing by a Plasman representative. The following quality performance criteria will be evaluated;

- PPM
- Supplier Corrective Action Requests
- Incidents of Controlled Shipping and Major Disruptions
- Number of Rejections
- Severity of Rejections
- Timeliness and Successful Implementation of Corrective Actions
- Systemic Quality Issues and Trend Lines
- Warranty
- Third Party Quality System Registration

## Delivery

Plasman expects 100% on-time delivery from its suppliers in order to meet customer requirements and expectations. This incorporates both timeliness and accuracy of shipments, as well as the corresponding documentation. In order to achieve this, the supplier must properly manage all phases of the delivery process. Support for inventory management initiatives such as consignment inventory programs and Kanban will be taken into consideration in assessing the supplier delivery performance rating. The following delivery performance criteria

- Overall Delivery Timeliness Performance
- Overall Delivery Accuracy Performance
- Advanced Shipping Notices and Shipping Documentation
- Inventory Management Initiatives

## Technology & Innovation

Plasman suppliers must be capable of providing the technical expertise, resources and continuous improvement in technology to support current and future Plasman programs. This includes all required material development and manufacturing expertise. Suppliers must demonstrate capability to fully support all Advanced Product Quality Planning and Program Launch Teams. Suppliers must also demonstrate a commitment to proactive introduction of new technology. The following technology and innovation performance criteria will be evaluated;

- Field Technical Support
- New Program Launch / APQP Support
- New Technology Development
- Expertise in Commodity / Product
- Training and Education Programs

## Relationship Management

Suppliers are expected to demonstrate a commitment to Plasman and our customers through all encounters at the plant and corporate level. It is anticipated that suppliers will be proactive and will aggressively pursue every opportunity to further the corporate objectives of Plasman. Suppliers are encouraged to put forth recommendations that will assist Plasman in advancing in the areas of quality, efficiency, service and cost. The following relationship management performance criteria will be evaluated:

- Plant level Relationships
- Corporate Level Relationships
- Suggestions, Recommendations and Initiatives

## Market Competitiveness

Plasman anticipates that suppliers will utilize continual improvement methodologies and lean manufacturing principles to ensure that they remain market competitive. Efficiency enhancements should be used to offset external economic impact factors beyond the reasonable control of the supplier. The following market competitiveness performance criteria will be evaluated;

- Purchase Price Variance
- Internal Cost Control Systems
- Cost Reduction Initiatives
- Cost of Quality
- Capital Investments
- Value Analysis / Value Engineering Initiatives
- Technical Support

## Supplier De-Sourcing

In the event that a Supplier's corrective and preventive action process fails to effectively address the root cause of supply issue(s), or if identified performance continues to trend negatively and/or is considered by Plasman to be detrimental to the supply chain, a de-sourcing review may be conducted by the Plasman. Supplier de-sourcing consideration may take into account poor Quality/Delivery performance, relationship management issues, technological or innovation deficiencies, market competitiveness, or other identified signs of business distress.

De-sourcing reviews will include the Corporate Director of Purchasing, Corporate Supplier Quality Manager, Plant-Specific Senior Buyer (or designates), and other Plasman management (e.g. Platform/Program Managers, Quality Managers) deemed necessary to provide/review the Supplier performance data/evidence to determine if the supply chain relationship can continue. If the decision is made to de-source the supplier, a plan will be developed to relocate any existing work (including but not limited to: tooling, tool assists, packaging, documentation, records) without disruption to manufacturing, along with confirming/implementing the required Customer/internal communication protocols.

## Requests for Quotation / Bid / Tender

Plasman will notify suppliers of new business opportunities through one of three processes. These are the Request for Quotation (RFQ), Request for Bid (RFB), and Request for Tender (RFT). Each process has been designed and engineered to address specific requirements.

In order to be selected for consideration, suppliers must adhere to all requirements of the opportunity to which they are responding. Supplier performance metrics and supplier capabilities will be factored into the decision-making process in all cases.

### Request for Quotation (RFQ)

The Request for Quotation is the default process that will be used to notify suppliers of a new business opportunity. Potential suppliers will be forwarded a new business notification cover letter accompanied by the RFQ package (Appendix C). Responses not submitted within the prescribed time limit may be disqualified at the discretion of Plasman. Responses not submitted using the provided forms could be disqualified at the discretion of Plasman.

New suppliers will receive the Supplier Self-Assessment & Capabilities Profile for completion. An on-site visit and/or assessment by Plasman may be required to provide objective evidence of the adequacy of the potential supplier's quality systems and manufacturing capabilities. Where required, the Subcontractor Quality Systems Audit (Appendix B) will be used. For new programs a supplier risk assessment will be conducted in consideration of new business prior to issuance of the business award notification (BAN).

Suppliers will be notified only if they are successful in the RFQ process. Suppliers that are not selected may elect to appeal the decision to Plasman Purchasing. A neutral panel of three Plasman executives will review the Request for Quotation to ensure adherence to all standard Plasman procedures and protocols.

### Request for Bid (RFB)

The Request for Bid will be used to notify suppliers of a new business opportunity relating to a capital equipment purchase. The RFB will include detailed design and performance specifications. Responses to the RFB must include timing, delivery, support/service details, warranty information, and all constraints or modifications to specifications. All RFB responses must also include copies of contracts and/or agreements as they relate to the capital equipment purchase. Responses not submitted within the prescribed time limit may be disqualified at the

discretion of Plasman. Responses not submitted using the provided forms may be disqualified at the discretion of Plasman. For new suppliers a contract review will be conducted in consideration of new business prior to issuance of the business award notification (BAN).

Suppliers will be notified only if they are successful in the RFB process. Suppliers that are not selected may elect to appeal the decision to Plasman Purchasing. A neutral panel of three Plasman executives will review the Request for Bid and all accompanying documentation to ensure adherence to all standard Plasman procedures and protocols.

The Request for Tender will be used to notify suppliers of a new business opportunity relating to a specialized service requirement. The RFT will include a detailed project outline and applicable confidentiality agreements. Responses to the RFT must include timing, delivery, support/service details, communication plans where applicable, and all constraints or modifications to project outline. All RFT responses must also include copies of contracts and/or agreements as they relate to the project scope. Responses not submitted within the prescribed time limit may be disqualified at the discretion of Plasman. Responses not submitted using the provided forms may be disqualified at the discretion of Plasman. For all new specialized service requirements, a project review will be conducted in consideration of new business prior to issuance of the business award notification (BAN).

Suppliers will be notified only if they are successful in the RFT process. Suppliers that are not selected may elect to appeal the decision to Plasman Purchasing. A neutral panel of three Plasman executives will review the Request for Tender and all accompanying documentation to ensure adherence to all standard Plasman procedures and protocols.

## Change Record

<b>Revision Level</b>	<b>Revision Date</b>	<b>Page(s) Affected</b>	<b>Description of Change</b>	<b>Revised By</b>
A	May 1-2007	All	Initial Release	M. Merner T. Byrne
B	Apr 21-2008	5, 8, 9, 10, 14, 19	Revised Key Contact Personnel (page 5), updated OEM Name ("Chrysler" page 8 & 10), referenced Supplier colour master responsibility (page 9), added Tier 1 and JOEM Supplier problem communication requirement (page 10), included Production Part Approval Process distinction ("Domestic OEM/Tier 1 and JOEM/Tier 1" page 14), and reworded Quality requirement ("Supplier Corrective Action Requests" page 19).	M. Merner T. Byrne
C	May 27-2009	3, 5, 6, 7, 8, 16, 17	Defined Supplier responsibility for compliance with manual and added website location for manual updates to "Introduction" (page 3) thereby eliminating the Supplier Manual Acknowledgement Letter sign-off requirement (formerly page 22), revised Key Contact Personnel (page 5), upgraded ISO 9001:2000 to ISO 9001:2008 with Dec 31-2009 deadline to Basic Supplier Requirements (page 6) and Supplier Quality Management System (page 8), added request for ISO 14001 Certificate, Contractor Safety Requirements "Certification and Sign-Off" document, and EH&S Regulations and Part Mutilation Protection Policy (page 7), added EDI (page 16), and removed "automated receipt system" from Standard Terms and Conditions section (page 17).	M. Merner T. Byrne
D	Sep 25-2009	6, 7, 8, 9	Upgraded TS16949:2002 to TS16949:2009 with Dec 31-2010 deadline to Basic Supplier Requirements (page 6) and Supplier Quality Management System (page 8), added A.P. Plasman Environmental Vision (page 7), revised Supplier Quality Management section by added "coating" and "plating" (page 8), and changed section "Supplier Profile" to "Initial Quality Survey Checklist" including removal of annual submission requirement (page 9).	M. Merner T. Byrne
E	Apr 15-2010	5, 8	Updated Key Contact Personnel section, and revised Customer-Specific Requirements section (updated IATF website link).	M. Merner T. Byrne
F	Mar 1-2011	3, 5, 6, 8	Revised Introduction section (page 3 – addition of Plasman Corp. LLC, Fort Payne Plant), updated Key Contact Personnel section (page 5 – Tilbury Plant Quality Manager, addition of Fort Payne Plant), revised Basic Supplier Requirements and Supplier Quality Management System sections (pages 6 & 8 – removed reference to ISO 9001:2000 & ISO/TS 16949:2002 versions).	M. Merner T. Byrne
G	Mar 31-2011	All	Revised all sections (New Company Logo and A.P. Plasman Corporation / Plasman Corp LLC), and revised Introduction section (page 3 – new website tab "Supplier Portal").	M. Merner T. Byrne
H	Feb 15-2012	All	Revised all sections (New Company Logo – name change from A.P. Plasman Corporation to A.P. Plasman Inc.), revised Supplier Quality Expectations section (page 9 – revised Initial Quality Survey Checklist verbiage), and revised Corrective Action section (page 11 – changed Quality "Manager" to Quality "Department", and added verbiage "the supplier will provide objective evidence to support corrective action implementation...").	M. Merner T. Byrne
I	Jan 21-2013	5	Revised Key Contact Personnel (Windsor Plant 1 & Tilbury Plant)	M. Merner T. Byrne
J	Dec 16-2013	5, 8	Revised Key Contact Personnel (Tecumseh Plant & Fort Payne Plant) and updated all email addresses, revised section Automotive Supplier Requirements (replaced "Chrysler, Ford, and General Motors" with phrase "our OEM Customers" and added "CQI and MMOG/LE" to the publications example list).	M. Merner T. Byrne
K	Aug 8-2014	5, 8	Revised Key Contact Personnel (Fort Payne Plant) and added Conflict Minerals reporting requirements	M. Merner T. Byrne

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## Change Record (continued)

<b>Revision Level</b>	<b>Revision Date</b>	<b>Page(s) Affected</b>	<b>Description of Change</b>	<b>Revised By</b>
L	Apr 7-2015	5, 10	Revised Key Contact Personnel (Tilbury Plant), updated Supplier Quality System Assessment (added first paragraph).	M. Merner T. Byrne G. Ryder
M	Sep 24-2015	3, 6, 8, 10, 12, 13, 18	Updated website to www.applasman.com (changed from www.applasman.ca), revised Basic Supplier Requirements and Supplier Quality System Requirements sections (added reference to ISO 9001:2015), revised Automotive Supplier Requirements section (itemized CQI Special Processes), revised Supplier Problem Communication (added FCA to Chrysler), revised Supplier Quality Survey Checklist section (changed "Initial" to "Supplier" Quality Survey Checklist), revised Supplier Quality System Assessments section (Critical-To-Success Suppliers to complete self-assessment annually), added "Product and Process Change Point Control" section, and revised Standard Supplier Chargeback Guidelines section (added "Warranty").	M. Merner T. Byrne G. Ryder
N	Dec 15-2015	5, 13	Revised Key Contact Personnel (WP1, WP2, Tecumseh, Tilbury), revised Product and Process Change Point Control section (added list of items considered "Changes").	M. Merner T. Byrne G. Ryder
O	Jan 15-2016	5, 8, 13	Revised Key Contact Personnel (WP2), revised Customer-Specific Requirements section (added verbiage "and/or OEM Customer website/supplier portal"), and revised Product and Process Change Point Control section (added reference to OEM-Specific Change Point Control requirements and communication protocol in the event of uncertainty).	M. Merner T. Byrne G. Ryder
P	Feb 15-2016	All	Revised entire document (re-branding logo and company name formerly A.P. Plasman Inc./Plasman Corp LLC), revised website address on page 3 (changed from www.applasman.com), revised listed manufacturing facilities on page 3 (added Windsor Plant 3), and revised manufacturing locations and contact names on page 5 (added Corporate Office and Windsor Plant 3).	M. Merner T. Byrne G. Ryder
Q	Mar 28-2016	5	Revised key contact personnel email addresses (formerly applasman.com).	M. Merner T. Byrne G. Ryder
R	Apr 25-2016	All	Revised entire document (addition of A-Brite Plating – Cleveland Plant: additional logo and changed A.P. Plasman – A Division of Plasman Group to A.P. Plasman / A-Brite Plating), revised key contact personnel on page 3 (added A-Brite Plating – Cleveland Plant contacts), revised listed manufacturing facilities on page 3 (added Cleveland Plant), revised Automotive Supplier Requirements on page 9 (added CQI-14), and revised Supplier Problem Notification on page 11 (revised FCA bullet item).	M. Merner T. Byrne G. Ryder
S	May 24-2016	2, 6, 10	Revised Contents page (added page number reference), revised Section 3 Key Contact Personnel (Fort Payne Plant Quality Manager), and revised Section 5 Supplier Quality Expectations (removed VDA revision level reference from Supplier Quality Management System).	M. Merner T. Byrne G. Ryder
T	June 2-2016	6, 23	Revised Section 3 Key Contact Personnel (A-Brite Plating Buyer), and revised Section 5 Supplier Quality Expectations (added Supplier De-Sourcing).	M. Merner T. Byrne G. Ryder
U	Sep 22-2016	16	Revised Section 6 Engineering & PM – PPAP (added "All Suppliers will submit PPAP packages to the following email address: <a href="mailto:PPAP@theplasmangroup.com">PPAP@theplasmangroup.com</a> ")	M. Merner T. Byrne G. Ryder
V	Dec 12-2016	6, 7, 10, 16	Revised Section 3 Key Contact Personnel (WP1, Tilbury, A-Brite), revised Section 4 Standard Supplier Requirements and Section 5 Supplier Quality Expectations (added IATF 16949), revised Section 6 Engineering & Program Management – PPAP (identified Bulk Materials Supplier requirement).	M. Merner T. Byrne G. Ryder

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## Change Record (continued)

<b>Revision Level</b>	<b>Revision Date</b>	<b>Page(s) Affected</b>	<b>Description of Change</b>	<b>Revised By</b>
W	Feb 1-2017	3, 6	Revised Section 1 Introduction (removed reference to Windsor Plant 2) and Section 3 Key Contact Personnel (WP1 personnel change, removed reference to WP2).	M. Merner T. Byrne G. Ryder
X	Mar 1-2017	6, 8	Revised Section 3 Key Contact Personnel (A-Brite personnel change), and revised Section 4 Standard Supplier Requirements (ISO 14001 Conformance: highlighted Supplier/Subcontractor Safety Requirements Sign Off process).	M. Merner T. Byrne G. Ryder
Y	May 15-2017	8 – 28	Revised Section 4 Standard Supplier Requirements (added Supplier Packaging Requirements, rearranged order of remaining subsections).	M. Merner T. Byrne G. Ryder
Z	Aug 4-2017	6, 8	Revised Section 3 Key Contact Personnel (WP1 & A-Brite personnel change), and revised Section 4 Standard Supplier Requirements (added Palletization Requirements to Supplier Packaging Requirements).	M. Merner T. Byrne G. Ryder
A	Jan 19-2018	6, 9, 10, 11, 12	Revised Section 3 Key Contact Personnel (WP3 personnel change), revised Section 4 Standard Supplier Requirements - Basic Supplier Requirements (added suppliers of “automotive” production materials and services, added sections “Automotive Product-Related Software or Automotive Products with Embedded Software” and “Statutory and Regulatory Requirements”), revised Section 4 Standard Supplier Requirements - ISO 14001 Conformance (updated Plasman Group Environmental Vision & Strategic Plan), revised Section 5 Supplier Quality Expectations - Supplier Quality Management System (added suppliers of “automotive” production materials and services, replaced “such as sub-assembly, coating, heat treating, metal finishing, plating, sequencing, sorting, rework and calibration services” with “including production, service, and accessory parts, heat treating, plating, painting or other finishing services, sub-assembly, sequencing, sorting, rework, and calibration services”, changed “customer-approved” to “customer-directed” source), revised Section 5 Supplier Quality Expectations - Supplier Quality System Assessments (added “Second-Party Audits”), and revised Section 5 Supplier Quality Expectations -Supplier Problem Communication (General Motors: removed CS1, added BIQS Revocation to General Motors).	M. Merner T. Byrne G. Ryder
B	Feb 28-2018	11, 12	Revised Section 5 Supplier Quality Expectations – Supplier Quality Management System (added Supplier notification requirement in writing within 5 working days if certification expired / suspended / withdrawn), and revised revised Section 5 Supplier Quality Expectations - Supplier Quality System Assessments (added reference to Minimum Automotive Quality Management System Requirements for Sub-Tier Suppliers – MAQMSR in association with second-party audits).	M. Merner T. Byrne G. Ryder
C	Apr 23-2018	7, 15	Basic Supplier Requirements (added automotive supplier IATF 16949 goal), and Supplier Procedure Approval (External Documentation) section.	M. Merner T. Byrne G. Ryder
D	Nov 7-2018	6	Revised Section 3 Key Contact Personnel (WP3 & A-Brite personnel change).	M. Merner T. Byrne G. Ryder
E	May 27-2019	6, 7, 8, 11, 12, 16, 22	Revised Section 3 Key Contact Personnel (Fort Payne & A-Brite personnel change), revised Section 4 Standard Supplier Requirements – Basic Supplier Requirements subsection and Section 5 Supplier Quality Expectations – Supplier Quality Management System subsection (removed reference to ISO 9001:2008 and TS 16949:2009), revised Supplier Problem Communication subsection (removed reference to GM CS1 and Top Focus Program), added subsection Product and Process Change Point Control – Honda Specific Requirements, revised Section 6 Engineering and Program Management (added subsection “Glacial Acidic Test Capabilities”).	M. Merner T. Byrne G. Ryder

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## Change Record (continued)

<b>Revision Level</b>	<b>Revision Date</b>	<b>Page(s) Affected</b>	<b>Description of Change</b>	<b>Revised By</b>
F	May 25-2020	6	Revised Section 3 Key Contact Personnel (Fort Payne & A-Brite personnel change), and revised document revision control number (changed "GWI-APC" to "IWI-GHQ").	M. Merner T. Byrne G. Ryder
G	Oct 15-2020	All	Revised entire document including title page, header, footer and all pertinent sections (company rebranding including logo and naming convention changes: A.P. Plasman/A-Brite Plating/Plasman Group changed to Plasman, Tecumseh Plant to Tecumseh Manufacturing, Tilbury Plant to Tilbury Manufacturing, Windsor Plant 1 to Windsor 1 Manufacturing, Windsor Plant 3 to Windsor 3 Manufacturing, A-Brite Plating to Cleveland Manufacturing, Fort Payne Plant to Fort Payne Manufacturing), added North American to title page and Introduction section (page 3), revised Section 3 Key Contact Personnel (Fort Payne & Cleveland personnel change), and removed A-Brite Plating Quality Policy Statement as Plasman Quality Policy Statement standardized (page 4).	M. Merner T. Byrne G. Ryder
H	Nov 12-2020	3, 5	Revised Section 1 Introduction (revised website address – rebranding), and revised Section 3 Key Contact Personnel (revised email addresses – rebranding and added Queretaro Manufacturing location contacts).	M. Merner T. Byrne G. Ryder
I	Jan 25-2021	5, 8, 27	Revised Section 3 Key Contact Personnel (W1M, TIL, FPM, CLE personnel changes, W3M position title change), revised Section 4 Standard Supplier Requirements (Service Parts Requirements: supplier obligation – changed duration from ten to fifteen years and added "...part concludes series production...", pricing – changed duration from three to five years and added "...for five years after part concludes series production...", and revised Section 8 Supplier Performance Metrics (Supplier De-Sourcing: relocation – added "...including but not limited to: tooling, tool assists, packaging, documentation, records)...").	M. Merner T. Byrne G. Ryder
J	May 14-2021	3, 5, 6, 7, 8	Revised Section 1 Introduction (revised website – included website filepath to manual), revised Section 3 Key Contact Personnel (removed fax numbers, revised location contacts: TIL, FPM, CLE), revised Section 4 Standard Supplier Requirements (Sub-Section: Basic Supplier Requirements – removed bar code label example, and Sub-Section: Supplier Packaging Requirements – added "facility" to Plasman, and Sub-Section: Automotive Supplier Requirements – added CQI Assessment submission requirement "annually/ and if there are significant changes), and revised Section 5 Supplier Quality Expectations (revised sub-section / document name from " Plasman Supplier Quality Survey Checklist" to "Plasman Supplier Profile").	M. Merner T. Byrne G. Ryder
K	Jun 22-2021	5, 11	Revised Section 3 Key Contact Personnel (CORP personnel change), and Section 5 Supplier Quality Expectations (Sub-Section: Supplier Problem Communication – changed FCA Chrysler to FCA Stellantis).	M. Merner T. Byrne G. Ryder
L	Aug 5-2021	4	Revised Section 2 Quality & Environmental Health & Safety Policy Statements (revised Environmental Health & Safety Policy Statement).	M. Merner T. Byrne G. Ryder
M	Aug 31-2021	5	Revised Section 2 by adding Supplier Code of Conduct (renamed section as Policies: Quality Policy Statement, Environmental Health & Safety Policy Statement, Supplier Code of Conduct).	M. Merner T. Byrne G. Ryder
N	Feb 15-2022	3, 6	Revised Section 1 Introduction (revised website address to manual), and revised Section 3 Key Contact Personnel (CLE personnel change).	M. Merner T. Byrne G. Ryder
O	Apr 26-2022	4, 5	Revised Section 3 Key Contact Personnel (W1M personnel change), and Section 2 Quality & Environmental Health & Safety Policy Statements (updated Quality Policy to reflect global Plasman operations).	M. Merner T. Byrne G. Ryder

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## Change Record (continued)

<b>Revision Level</b>	<b>Revision Date</b>	<b>Page(s) Affected</b>	<b>Description of Change</b>	<b>Revised By</b>
P	May 18-2022	6, 9, 27	Revised Section 3 Key Contact Personnel (Fort Payne personnel change), revised Section 4 Standard Supplier Requirements (added "Anti-Bribery Policy"), and revised Section 8 Supplier Performance Metrics – Quality (added bullet "Warranty").	M. Merner T. Byrne G. Ryder