Ascential Technologies

Global Supply Chain Requirements

Revision 02-13-2025

ASCENTIAL TECHNOLOGIES GLOBAL SUPPLY CHAIN REQUIREMENTS

As part of an increasingly competitive and demanding marketplace, Ascential Technologies has a diversified, global supply chain that supports our global operations and, ultimately, our OEM Customers. Ascential Technologies has implemented many changes over the past few years, and we continue to evolve, in our efforts to maintain our position as a world-class design, engineering and manufacturing company.

We recognize that our supply chain is an integral part of what we do, and we have committed to continue our efforts at standardizing many of our supply chain management processes and systems. As part of that effort, this Global Supply Chain Requirements Manual forms the basis of our business relationship with our Suppliers. In addition to defining manufacturing, logistics and quality requirements, this Manual also details necessary environmental, compliance and other sustainability requirements that have become critical to the industry.

This Global Supply Chain Requirements Manual defines Ascential Technologies' requirements on behalf of all global manufacturing locations. There may be additional customer/Division/site specific requirements that are also required at a Division/site level, which may be more detailed or stringent than requirements defined in the Global Supply Chain Requirements, and Suppliers are expected to comply with both sets of requirements. Every attempt has been made to ensure that requirements in this Manual and requirements defined by a Division/site level document, are not in conflict. If such conflict does in fact occur, you are expected to contact your local Division representative who will work to ensure resolution of that conflict.

Our Suppliers are important to Ascential Technologies, and we will continue to strive to ensure a relationship of mutual respect and benefit, and we thank you for your support.

Mark Mensonides
Vice President of Procurement - Ascential Technologies

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1. INTRODUCTION

The expectations, requirements and standards defined within this manual are applicable to all Suppliers providing materials, products and services to any Ascential Technologies manufacturing facility. This includes Suppliers of direct materials and, as appropriate, indirect materials, packaging materials and services (including containment, sorting and calibration services) with potential impact on any product characteristics affecting Ascential Technologies' Customer requirements. These requirements also apply, in whole, to any supplier that is directed to Ascential Technologies, by any Original Equipment Customer. The requirements as detailed in this manual define basic requirements and are supplemental to requirements as defined within the latest ISO9001, ISO17025:2017 and IATF 16949 Standards, and any other specific requirements as communicated by your procuring division/site. The latest version of this manual will be posted on the Ascential Technologies website supplier portal (https://www.ascentialtech.com) Suppliers must review this site on a regular basis to ensure they have the most recent version available.

1.1 THE ASCENTIAL TECHNOLOGIES – SUPPLIER RELATIONSHIP

Ascential Technologies is committed to maintaining its position as a global leader within the it's sectors and we recognize the integral role that each supplier to Ascential Technologies has in maintaining our position of excellence in innovation, technology, cost, quality and delivery.

Ascential Technologies is committed to a High Quality strategy and expects all Suppliers to support this strategy and manage their own operations, similarly. Our intent is to establish strategic, long-term relationships with our Suppliers, and it is incumbent on each supplier to maintain a position of cost leadership while demonstrating a commitment to sustained quality, highest levels of service and a strong focus on continuous improvement.

We will endeavor to make every effort to manage our supplier relationships with the highest degree of integrity and professionalism, and we will ensure that our decisions are based upon optimization of value to Ascential Technologies and its stakeholders. We will not allow any undue influence or inappropriate activity to compromise those decisions.

This Supplier Manual outlines the fundamental requirements for all Suppliers to Ascential Technologies global operations. The Quality Systems requirements have been aligned across all our global manufacturing sites, to the greatest extent possible. In addition to the requirements defined in this document, there may be additional Division standards applicable to the Ascential Technologies operating Group(s) with which you conduct business. The quality and delivery requirements defined herein are to be considered an addendum to the Purchase Order and Terms & Conditions issued to all Suppliers and do not replace or alter the terms and conditions covered by these purchasing documents, the **Statement of Work (SOW)** or warranty agreements. Suppliers are also expected to comply with any terms and conditions imposed on Ascential Technologies, by the customer to whom the final products are ultimately being shipped.

This includes compliance with any specific forms or documents specified by any Customer of Ascential Technologies. Suppliers to Ascential Technologies are also expected to manage their sub-tier Suppliers of products and services to ensure compliance to the requirements defined within this manual, Ascential Technologies Purchasing Terms & Conditions, Ascential Technologies' Supplier Code of Conduct and Ethics, the latest manufacturing industry standards and any additional Customer or Division specific requirements.

1.2 COMMUNICATION – NOTIFICATION OF CHANGES

It is critical that the relationship between Ascential Technologies and our Suppliers be premised on open, effective and proactive communication. The occurrence of non-conforming product, unauthorized changes or any related supply chain issues, present a risk to both Ascential Technologies and to Ascential Technologies' customer(s), when not communicated and managed effectively. These risks also manifest themselves at the sub-tier Suppliers and sub-contractors that comprise the overall supply chain. In order to manage these risks most effectively, all Suppliers must communicate as early as possible, the following:

1. Any pending or potential issue which the supplier has identified.
2. All proposed material and/or process changes, including any change in process or product safety or critical characteristics.
3. All proposed changes, including:
   - Manufacturing location change
   - Tooling capacity change
   - Re-commissioning of tooling that has been inactive for one year
   - Tooling refurbishment/replacement
   - Proposed use of new manufacturing equipment
   - Tooling transfer (re-source)
4. Any potential manufacturing/quality issues, including any change in Quality Management Systems certification status (expiry, suspension, withdrawal or revocation).
5. Any potential supply and/or capacity issues.
6. Changes to sub-Suppliers of raw material, components or services.
7. Information Technology (IT) or supporting system changes that might impact production or shipment of product to Ascential Technologies.
8. Organizational changes with the potential for impact on manufacture or supply of product to Ascential Technologies.
9. Changes to ownership structure.

Suppliers will support all tests, validations, approvals and submissions required as a result of product or process changes, as directed by Ascential Technologies. Suppliers cannot charge for samples or testing resulting from supplier related or requested changes, unless approved by Ascential Technologies.

Suppliers must be proactive in their communication with their Ascential Technologies customers (Reference Section 4.4) and all changes must be communicated to Ascential Technologies, prior to proceeding with those changes. Failure to notify Ascential Technologies of potential issues or changes will result in internal elevation, as appropriate, and may result in notification of the issue to Ascential Technologies' customers. If necessary, a supplier's ISO and/or IATF Registrar will be contacted and asked to conduct any necessary investigations or assessments. In the absence of proactive communication of potential changes, any costs incurred by Ascential Technologies as a result of late

notification or insufficient lead time, from the supplier, will be the responsibility of the supplier and will be charged to the supplier, as appropriate. Continued non-compliance may lead to loss of business.

1.3 CONTINUITY OF SUPPLY

Suppliers are required to have well defined business contingency plans in place to ensure continuity of supply in the event of disruption to their operations and/or supply of materials, as a result of man-made events, natural disasters, utility or labor disruptions, equipment or logistics failures or interruptions, or disruptions/attacks on information technology systems. These contingency plans shall be reviewed on a regular basis. Suppliers shall immediately notify all Ascential Technologies Divisions to which they ship product, the moment they become aware of any potential supply disruption.

Each Supplier to Ascential Technologies shall identify an individual from the Supplier's manufacturing location, with sufficient authority to assume responsibility for dealing with any product quality and/or delivery related issues that may impact Ascential Technologies or Ascential Technologies' Customers. The identified contact needs to be available at any time such issues arise.

Contact information shall be made available to the Ascential Technologies Division being supplied, or uploaded in the appropriate database(s), as directed by Ascential Technologies.

1.4 CORPORATE SOCIAL RESPONSIBILITY/ SUSTAINABILITY

Ascential Technologies is committed to being a responsible corporate citizen. We expect our Suppliers to adhere to the elements of Ascential Technologies' policies and requirements covering corporate social responsibility/sustainability,

LEGAL COMPLIANCE & ETHICAL BEHAVIOUR

We expect that our Suppliers will always act with integrity by obeying the letter and spirit of laws, regulations, standards and Ascential Technologies policies that apply to them, regardless of where they do business, including:

- Antitrust and Competition Laws
- Anti-bribery laws
- Gifts & Entertainment limits or prohibitions
- Sanctions and Export Control Laws
- Responsible sourcing, including prohibitions on sourcing materials from areas of conflict
- Respect for Human Rights
- Diversity and Inclusion
- Health & Safety requirements
- Environmental Sustainability
- Preventions of Conflicts of Interest
- Protection of Ascential Technologies Information and Intellectual Property or, if applicable, that of Ascential Technologies' OEM customers

Suppliers must abide by the full requirements of the Ascential Technologies Supplier Code of Conduct and Ethics and should, in turn, also require that their Suppliers abide by the same requirements https://www.ascentialtech.com

ENVIRONMENTAL RESPONSIBILITY

Ascential Technologies' objective is to be an industry leader in health, safety and environmental practices. We are committed to environmental responsibility and have many different programs designed to protect our environment and manage critical resources so as to sustain and replenish these resources for future generations. We expect our Suppliers to show the same dedication and commitment to the environment and recommend certification to ISO 14001 environmental standards. Suppliers who are not currently holding environmental certification are encouraged to develop a plan of execution

having the objective of achieving certification status. In support of managing impact on the environment, Suppliers should be monitoring and optimizing greenhouse gas emissions, water consumption and emissions of volatile organic compounds (VOCs), particulate matter and ozone depleting substances.

In support of sustainability initiatives, we encourage our Suppliers to effectively manage, monitor and optimize energy consumption through an effective energy management program. We encourage Suppliers to consider using ISO 50001 as a guideline to an effective energy management standard, however certification is not mandatory at this time, unless as directed by the jurisdiction within which operations exist.

Ascential Technologies, and its supply base, must meet all requirements of International Material Data System (IMDS), Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) directives. As required, Suppliers shall comply with applicable standards on the classification, packaging and labeling of hazardous substances and mixtures, including national implementations of the UN Globally Harmonized System (GHS), such as Regulation (EC) No 1272/2008 on the classification, labeling and packaging of substances and mixtures (CLP Regulation) and the Workplace Hazardous Material Information System (WHMIS). For all parts supplied to Ascential Technologies, including new or modified parts and spare parts, compliance to current legal requirements must be ensured (e. g. REACH, GADSL).

Correct and complete Material Data Sheets (MDS), that comply with Conflict Minerals Guidelines, must be submitted in the IMDS (International Material Data System) to prove compliance. For parts not subject to PPAP, MDS must be submitted in IMDS, upon request.

Ascential Technologies expects our Suppliers and their sub-tier Suppliers, as appropriate, to register and comply with all applicable reporting requirements that are applicable to their products and processes.

RESPONSIBLE SOURCING OF RAW MATERIALS

The components we produce involve the use of several minerals and other raw materials. We are committed to ensuring that the materials used in our components have been sourced responsibly – that is, they do not originate from conflict-affected areas. Responsible sourcing of raw materials is key to ensuring that Ascential Technologies and its Suppliers are able to meet its commitments to respect human rights, as reflected in our Code of Conduct and Supplier Code of Conduct, respectively.

A growing number of regulations, emerging industry best practices, and OEM customers may require Ascential Technologies to disclose the origin of various raw materials used in its products. Given the breadth and complexity of Ascential Technologies' supply chain, we necessarily rely on our Suppliers for accurate information about products supplied to Ascential Technologies. I

In order to accurately and completely meet disclosure requirements related to raw materials in our products, Ascential Technologies expects and requires its Suppliers to conduct appropriate due diligence to enable the Supplier to provide information about product origin. Where necessary, this will require Suppliers to obtain such information from its own Suppliers as well.

CONFLICT MINERALS

Under legislation which came into effect in 2012, 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.

Currently, SEC requirements list Tin, Tantalum, Tungsten and Gold (collectively, 3TG) as Conflict Minerals. Other minerals may be added in the future.

Other jurisdictions, including the EU, are in the process of implementing or considering similar Conflict Minerals regulations. To ensure compliance with the SEC requirements, and any requirements implemented by other jurisdictions in the future, Ascential Technologies must request information regarding the use of conflict minerals, from any appropriate Suppliers. Any Suppliers contacted by Ascential Technologies, are required to support Ascential Technologies by accurately providing all requested data and reports in a timely manner.

Additional information on conflict minerals reporting can be found by clicking on either of these two links: http://www.aiag.org http://www.confict-minerals.com. Ascential Technologies' Policy Statement on Conflict Minerals can be found at:
https://www.ascentialtech.com/

REPORTING OF OTHER RAW MATERIALS

In addition to Conflict Minerals disclosure requirements above, heightened industry and customer focus on responsible sourcing has increased demand for transparency into the origins of other raw materials used in manufactured products. Currently, disclosure is being sought for a number of other raw materials including: Cobalt, Mica and Rubber. Disclosure regarding additional raw materials may be requested or required in the future. It is our expectations that such information will increasingly become a prerequisite for quotation by OEM customers, and Ascential Technologies expects its Suppliers will conduct similar due diligence with respect to additional raw materials as it requires for 3TG.

COUNTERFEIT PRODUCT

Suppliers must ensure that there is no risk of counterfeit product being shipped to Ascential Technologies.

Counterfeit product is defined as items that are, or contain, unlawful or unauthorized reproductions, substitutions or alterations that have been knowingly mismarked, misidentified or otherwise misrepresented to be an original manufacturer's part. Suppliers must have strict procurement policies in place to ensure traceability for all items incorporated into their product.

2. LEADERSHIP & THE ORGANIZATION

2.1 SUPPLIER QUALIFICATIONS

All direct material Suppliers must have a valid DUNS number as issued by Dun & Bradstreet and, as applicable by region, a valid VAT or HST number. DUNS numbers are validated by Ascential Technologies, and misrepresentation could disqualify you from Ascential Technologies business. Suppliers of indirect materials and services may also require a DUNS number, as directed by your procuring Division.

Any Suppliers shipping to any Ascential Technologies group must be registered within the Division/site ERP and/or manufacturing system. Suppliers registering in these databases must complete all information fields profiling applicable business systems, commodity capabilities and identifying key contact personnel. When registering in the Supplier Portal, Suppliers will be required to register one Quality contact, one Commercial contact and one Financial contact, at minimum. If a Supplier has multiple manufacturing sites with applicable unique DUNS identification, each manufacturing DUNS site is required to register in the appropriate database. Suppliers are required to maintain information in the database to ensure it remains current. At a minimum, data must be reviewed and, if necessary, updated at least annually.

Maintaining current information is critical as these global databases are accessible to all Ascential Technologies buyers and quality personnel worldwide.

Key performance metrics and Supplier ratings are also communicated via these databases.

Suppliers to Ascential Technologies must also meet key operational, financial and quality criteria, which combined determine a supplier's status. These metrics are reviewed on a regular basis and assist in development of Ascential Technologies' overall purchasing strategies, while at the same time driving Ascential Technologies' Supplier development processes.

2.2 CERTIFICATIONS

A Supplier's top management shall demonstrate leadership and commitment to their quality management system, and they are ultimately accountable for the overall effectiveness of that system. Top management is responsible to ensure that risk-based thinking is evident and effective in all aspects of a Supplier's management system. To ensure this, management's responsibilities should include:

- Conducting contingency planning reviews
- Identify and support process owners
- Support and participate in the escalation process related to all safety relevant products and processes
- Ensure achievement of customer quality targets and performance requirements
- Implement corporate responsibility initiatives dealing with anti-bribery, code of conduct and ethics and sustainability initiatives (including Human Rights, Health & Safety and Environmental sustainability)

Ascential Technologies' goal is for all Suppliers of materials and services, producing or affecting direct production material at our Test & Measurement Division, to become certified to IATF 16949. At minimum, all Suppliers of direct production material to Ascential Technologies, must demonstrate conformity to the latest IATF 16949 Standard, and/or to other standards that might be directed by the procuring Division(s) / sites including, but not limited to VDA, ISO 17025, ISO 45001, ISO/IEC 27001, TISAX/TPISR, ISO 26262 and ISO 15504-5 Automotive SPICE, latest revision of IPC-A-610, latest revision of DIN EN 61430 and ANSI/ESD S20.20. Suppliers who are not certified to IATF 16949 must, as a minimum, be certified to the latest ISO 9001 standard.

Ascential Technologies also encourages our Suppliers to work towards certification to ISO 45001 and ISO 14001. Suppliers who are only certified to ISO 9001 may be subject to an annual management system audit, by a qualified Ascential Technologies or 3rd party auditor. Should any existing certification expire, be revoked, or be placed in suspension or probation, the Supplier must immediately contact every Ascential Technologies Division/site to which the Supplier ships product, notifying them of the change in certification status. Any suspension in certification status must be reported to all applicable Ascential Technologies Divisions/sites within 5 working days.

Suppliers shall also maintain all required CQI Assessments, as defined by their processes (Ref. http://www.aiag.org) and all applicable regulatory standards in support of applicable OE Customer-specific requirements (Ref. http://www.iatfglobaloversight.org/). CQI Assessments need to be renewed on an annual basis, as determined by the latest date of completion. Suppliers shall nominate a product safety representative for each applicable manufacturing location.

Suppliers shall establish and maintain a documented process to ensure identification of training needs and documentation showing achieved competence levels for all personnel performing activities affecting conformity to product and process requirements. This shall include documented verification of competence for personnel conducting internal audits, including Quality Management System audits and applicable CQI assessments.

In addition to direct material Suppliers, the scope of these requirements applies to Suppliers of subassembly, sorting and re- work (either on-site or at a remote location) and services. Suppliers are expected to maintain the same level of quality and manufacturing controls, for the production of service parts and assemblies (i.e. for the full life of the program). This shall include any service requirements transferred to any alternate site, location or organization. Suppliers of service parts, components or assemblies must comply with the AIAG Service Parts Production Approval Process (Service PPAP).

Suppliers shall post, and update all applicable certifications based on notification received from the applicable Ascential Technologies Division/site. Failure to submit required or renewed certifications will result in a penalty to your supplier scorecard and could impact future business.

CYBER AND INFORMATION SECURITY

Suppliers must have systems and procedures in place to protect computers, servers, mobile devices, electronic systems, networks and data from any form of malicious attack.

Suppliers must have procedures in place, detailing response to any attempted or actual cyber-attack. These procedures must include immediate notification to Ascential Technologies, for any potential impact to Ascential Technologies' data or business.

With the ever-increasing dependence on electronic systems and communications, and in recognition of the ever-increasing threats to information protection and security, all Suppliers are encouraged to become certified to ISO/IEC 27000.

Ascential Technologies is working to be a leader in the area of cyber/information security, and it is important that all identified confidential information such as, but not limited to, specifications, design and engineering data and other critical information, is managed and maintained in a secure environment.

TISAX (Trusted Information Security Assessment Exchange) (www.tisax.org) and TPISR (Third Party Information Security Requirements) (https://www.aiag.org/supply-chain-management/cybersecurity) define Transportation industry standards for information security and establish assessment requirements to ensure globally harmonized levels of information security.

As determined by the nature and need for protection of information and data, Suppliers shall be able to demonstrate adequate safeguards and appropriate levels of information security. If directed by Ascential Technologies' OE Customer, certification to TISAX or TPISR may be required. Specific cyber security requirements will be directed by your procuring Division.

2.3 SUPPLIER ASSESSMENTS

Ascential Technologies reserves the right to review and assess a Supplier's financial, operational, information and IT security, quality, environmental and Health & Safety systems, for the purposes of validating compliance to standards established by applicable ISO, IATF, VDA 6.3 Standards, OE Customer Specific Requirements or requirements as detailed within this manual. Assessments or reviews may be conducted from time to time in order to ensure the on-going stability and viability of Ascential Technologies' supply base. All Suppliers, including Customer-designated or Customer-directed, are expected to provide, upon reasonable notice, access to their facility as well as those of sub-tier Suppliers, as necessary. Following notification of a requested assessment, Suppliers are expected to acknowledge and respond to such request, within 30 days. All appropriate measures will be taken to protect confidentiality of operational and financial information.

Assessment results are intended for verification of applicable ISO, IATF, VDA and applicable Customer Specific Requirements and in no way reduce or negate responsibility to meet specific regulatory, health and safety or other legal requirements applicable to the Supplier.

3. OPERATION – DESIGN & DEVELOPMENT PLANNING

3.1 DEFINING THE SCOPE

Ascential Technologies requires Suppliers to complete all advance product planning and submission in full accordance with the AIAG Advance Product Quality Planning and Control Plan manual. Unless otherwise directed and approved by your procuring Ascential Technologies Division(s), all PPAP submissions shall be as per Level 3 requirements, at minimum. As determined by Ascential Technologies' customer and upon request by Ascential Technologies, Suppliers must additionally meet submission requirements as per the current version of VDA2.

Suppliers shall ensure a multi-disciplinary approach is used throughout the product life cycle, and most especially through the design and development planning process. Suppliers shall conduct all necessary and prescribed activities to ensure clarity of all customer and Group-specific expectations as defined within Purchase Orders, Statement of Work etc. This includes activities and reporting related to design, testing, verification and/or validation and product conformance. Suppliers shall conduct and document detailed feasibility reviews to ensure all technical, manufacturing, performance, specification, certification (homologation) and timing requirements can be supported. Suppliers shall submit such feasibility reviews to Ascential Technologies, upon request. In cases where product certification (homologation) is required, the Supplier is responsible for ensuring completion of all homologation specifications and requirements.

Responsibilities shall be mutually agreed upon prior to the start of any certification activity. Suppliers will ensure that resources are available and able to communicate effectively, to ensure successful completion of all requirements to meet defined program timing. It is also the responsibility of Suppliers to ensure any sub-tier Suppliers for which they are responsible, also have sufficient resources assigned.

Suppliers will develop timing and progress charts, in a format as defined by the procuring Ascential Technologies Division(s) and will maintain and review timelines on a regular basis.

The Supplier shall have a documented sourcing process, for all sub-tier Suppliers affecting customer requirements. The sourcing process shall include a risk analysis that takes into consideration any available past performance data, overall risk analysis (commodity, geography, financial stability, technology, supply interruption, manufacturing capability, etc.) of sub-tier Suppliers. The risk analysis shall also include an evaluation of the sub-tier Supplier's Quality Management System. Suppliers shall have similar requirements, as defined in this document, in place for all sub-tier Suppliers. Upon request from Ascential Technologies, Suppliers shall provide any relevant information impacting upon product compliance or performance, including full transparency through the applicable sub-tier supply chain.

As defined specifically by the Ascential Technologies group or Division involved, Suppliers must have the ability to securely communicate CAD data, as required. The Supplier shall have adequate safeguards in place to prevent any improper use or communication of this data.

Suppliers are expected to use all appropriate tools in the product and process planning phase including, but not limited to:

- Geometric dimensioning & tolerancing (GD&T)
- Design for manufacturing & assembly (DFMA)
- Design of experiments (DOE)
- Simulation & Modelling
- Failure Modes & Effects (FMEA)
- Finite Element Analysis (FEA)

The Supplier's scope of planning will also ensure that all capital and tooling budgets necessary to support the program, are approved and in place in time to meet timing requirements.

3.2 PLANNING & DEFINITION OF REQUIREMENTS

As part of their risk analysis, suppliers will work with the appropriate Ascential Technologies plant(s) to ensure definition of key program deliverables, including at minimum:

- Definition of all customer expectations and government or legislative requirements (e.g. FMVSS, FDA) related to product development and approval, as well as serial launch and production. Customer requirements shall include all requirements of the applicable Ascential Technologies plant(s) as well as all final Customer and compliance expectations and requirements.

- Review of past warranty or field return issues for any similar product design and/or application. Wherever possible, every attempt to benchmark competitor products shall be made. The warranty analysis shall include all sub-tier suppliers, where appropriate.

- Historical quality data on previous designs or revisions of the current part, or on similar parts and manufacturing processes, shall be reviewed. Problem reports and corrective actions, rework and scrap shall be reviewed to ensure inclusion of adequate controls to prevent recurrence of previous non-conformities.

- Any campaign prevention data, or government recall or technical service bulletin data shall be reviewed, if available.

Suppliers shall work closely with Ascential Technologies to ensure all processes are controlled adequately so as to prevent the manufacture and transfer of defects. Process controls must be sufficient so as to control failure modes identified through the Process Failure Modes Effects Analysis (PFMEA). All related sub-tier documentation shall be available for review, by Ascential Technologies, upon request. Special attention shall be given to all Customer attach or interface points on the fnal product and to critical processes such as heat treating, plating , coating, soldering, welding and appearance items.

3.3 PRODUCT DESIGN & DEVELOPMENT

Suppliers with design responsibility must receive Ascential Technologies' approval of all product design, test and validation specifications, including CAD specifications and transfer requirements. Suppliers with design responsibility shall ensure all personnel with design responsibility are competent in all applicable tools and techniques, as identified by the supplier. All deviations must be approved by Ascential Technologies, in writing, in advance of implementation. Supplier requests for deviations and engineering approvals shall be documented and controlled as per the requirements and documents of the procuring plant(s).

Suppliers with design responsibility must complete all appropriate Design Failure Modes Effects Analysis (DFMEA), in compliance with latest AIAG standards and have them available for review and Suppliers with design responsibility must receive Ascential Technologies approval of all product design, test and validation specifications, including CAD specifications and transfer requirements. Suppliers with design responsibility shall ensure all personnel with design responsibility are competent in all applicable tools and techniques, as identified by the Supplier. All deviations must be approved by Ascential Technologies, in writing, in advance of implementation. Supplier requests for deviations and engineering approvals shall be documented and controlled as per the requirements and documents of the procuring Division(s).

Suppliers with design responsibility must complete all appropriate Design Failure Modes Effects Analysis (DFMEA), in compliance with latest AIAG standards and have them available for review and approval by Ascential Technologies. The supplier and Ascential Technologies will establish performance approval expectations for each phase including Engineering Validation (EV), Design Validation (DV) and Production Validation (PV) as defined by the procuring Division(s).

Data and results from EV, DV and PV testing shall be used in the design and construction of test and inspection equipment that will later control the manufacturing process.

3.4 TOOLING, GAUGES & TEST FIXTURES

Tooling design and build is generally the responsibility of the supplier, however many Ascential Technologies groups have developed detailed Tooling Standards to ensure suppliers manufacture tools that will provide high quality parts throughout the life of the tooling. These Tooling Standards will be communicated to you via the procuring plant, if necessary. Suppliers are responsible for the maintenance of all tooling, testing and inspection equipment. Customer owned tooling, gauges and test fixtures must be identified as prescribed by the customer, including identification with appropriate asset tags, or similar identification. Final payment of tooling will be contingent upon verification of proper identification and completion of PPAP as defined by AIAG PPAP or VDA2 Level 3 requirements. PPAP approval will not be signed off without completion and signing of Ascential Technologies approved bailment documentation (including bailment receipts incorporating pictures of tooling, gauges and test fixtures, and associated tagging or identification) reflecting the rights of Ascential Technologies and its customer in goods, including tooling, which are placed in supplier's care and custody. At any time following modification to the supplier, Ascential Technologies reserves the right to complete an on- site inspection of tooling owned by any Ascential Technologies customer directly, or by Ascential Technologies. Payment terms may differ within various Ascential Technologies groups, and suppliers need to make certain that they reference any applicable tooling purchase order(s) for actual payment schedule.

3.5 PROCESS DESIGN & DEVELOPMENT

As part of the advance planning process, Suppliers must design and develop a manufacturing process that will meet quoted production volumes and all quality requirements as approved by Ascential Technologies. The Supplier shall use a multi-disciplinary approach for risk identification and mitigation in developing and improving plant, facility and equipment plans. Quality planning documentation such as Failure Modes Effects Analysis (FMEA), Process Flow Diagram (PFD) and Process Control Plan (PCP) must be developed, reviewed and approved by Ascential Technologies prior to production approval and launch.

When a FMEA has a severity or failure mode of 9 or10, or as defined by any unique requirements of a Ascential Technologies customer, the risk must be addressed through design action/controls or process prevention and detection actions, regardless of the Risk Priority Number (RPN). Suppliers are expected to have a strong focus on prevention, as opposed to detection, and potential failure modes identified through the Advance Quality Planning process must have appropriate error-proofing designed into the manufacturing process to ensure capture and containment of product non-conformances.

Suppliers must ensure that enough floor space is available to support all necessary manufacturing and testing equipment. Once production approval is received from Ascential Technologies, any change to the manufacturing process must be communicated to Ascential Technologies, prior to the change taking place. These changes must subsequently be approved by Ascential Technologies prior to implementation.

The Supplier will also develop necessary packaging and labeling, as per the latest Automotive Industry Action Group (AIAG) or VDA guidelines, or as defined by Customer or any applicable legal requirements. In the event that specialty handling or packaging is required, the appropriate Ascential Technologies Division will communicate requirements to the Supplier.

3.6 PRODUCT & PROCESS VALIDATION

Prior to final production approval, the Supplier shall validate all control documentation (FMEA, PCP, and PFD) to ensure the manufacturing process is properly detailed and all measurement and control systems are identified and implemented. The Supplier shall establish appropriate production reliability/quality goals along with disciplined corrective action processes to drive improvement through the manufacturing process. Production Validation (PV) samples must come from the approved manufacturing process and flow, unless specifically authorized in writing by the procuring Ascential Technologies Division. Final production approval will require completion of all AIAG/VDA prescribed activities including component part dimensions, material certification (as defined by procuring Division) and all approved supporting documents, and any additional requirements that may be defined by your procuring Ascential Technologies Division. Deviations required to be part of a PPAP/ EMPB submission package, must be approved in writing by the procuring Ascential Technologies Division, prior to PPAP submission. Unless otherwise specified by Ascential Technologies, all level 3 requirements as detailed in the AIAG PPAP Manual, or as agreed upon per VDA2, must be met. If applicable, Suppliers must meet submission requirements according to VDA2 specification agreed upon. Unless otherwise approved in writing, by Ascential Technologies, production approval will be contingent upon successful completion of run-at-rate production trials at the quoted rates, including low or high threshold rates as defined by Ascential Technologies, and using the procuring Division's process and form. Successful run-at-rate must meet statistical capability requirements as defined through technical, AIAG/ VDA standards, or as approved by Ascential Technologies. For PPAP of new or modified parts, the Supplier must submit correct and complete Material Data Sheets (MDS) in IMDS. The PPAP Warrant/Initial Sample Inspection Report must include the version number and the ID number of the MDS approved by Ascential Technologies. Failure to comply may result in a delay of PPAP approval and subsequent payment of tooling funds. For IMDS assistance, contact the IMDS Helpdesk via the contact numbers listed within the IMDS site at www.mdsystem.com. For assistance with the CAMDS system, contact the corresponding CAMDS support within the CAMDS site, at www.camds.org. Final approval will be determined by the procuring Division. Suppliers are also expected to develop and implement detailed launch readiness reviews.

All product characteristics, as identified by Ascential Technologies or its OE Customer, affecting design, manufacture, assembly, fit or function (including future/subsequent processing), will be identified and communicated by the procuring Ascential Technologies Division. As part of the ultimate product and process validation, Suppliers shall be required to establish, validate and maintain short and long term capability, as defined by Ascential Technologies. Customer designated special characteristics, as identified by Ascential Technologies or its OE Customer, affecting safety or compliance with regulations, must be validated to have acceptable short and long term capability and must be controlled through acceptable statistical process control methods. As determined by Ascential Technologies' OE Customer(s) and as directed by your procuring Division, all FMEA items with a severity score of 8, or higher, must be controlled through appropriate error/mistake proofing.

As dictated by IATF 16949 Customer Specific Requirements, and unless otherwise directed by Ascential Technologies, Suppliers must complete annual revalidation to the technical specifications and submission level as determined by their procuring Division(s).

In the absence of specific direction from Ascential Technologies, Suppliers must complete an annual revalidation and submit the ISIR/PSW to the procuring Ascential Technologies Division. Any reduction in validation requirements must support applicable OEM requirements and can only be at the direction of Ascential Technologies.

Reference samples must be provided at no cost, for any product requiring surface finish or appearance requirements. These samples shall be taken from a production run made under serial production conditions. Suppliers shall provide the number of samples required by Ascential Technologies and all samples must be regarded as controlled samples, along with approval signatures and expiry dates, if applicable. Samples will represent the minimal acceptance standards.

3.7 FEEDBACK & ASSESSMENT

As part of the production part approval process for all new and transfer product, Suppliers shall develop an early product launch, or Safe Launch containment plan. The process shall include regular reviews of data collected as part of the containment checks, with appropriate controls and corrective action implemented to address all instances of non-conformance. Containment plans, results and corrective action must be approved by Ascential Technologies and available for review upon request.

Early product containment must remain in place until the production process is validated to be stable and approval is obtained from Ascential Technologies. Unless otherwise specifically directed by your procuring Division, your early product containment plan must remain in effect for the first 2000 parts, or for the first 90 days of production (whichever is more stringent).

Suppliers shall not proceed with shipments of production material without full PPAP approval, unless an approved waiver, deviation or interim approval has been granted in writing by Ascential Technologies. Suppliers can only ship the volume of parts, or for the duration of time specified by the interim approval.

4. OPERATION – CONTROL OF PRODUCTION

4.1 CONTROL OF FIXTURES & TEST EQUIPMENT

MONITORING

The Supplier must have a documented system in place to control, calibrate, and maintain the proper function and an accepted level of repeatability and reproducibility of all inspection fixtures, measuring / testing instruments and equipment. All customer-owned fixtures and test/inspection equipment must be clearly identified in the manner prescribed by Ascential Technologies or by Ascential Technologies' customer.

UPDATING INSTRUCTIONS

Operating instructions must be readily available at every inspection station with a standard, describing the proper methodology for use in inspection. These instructions must include a reference to the standard, and revision level, and be approved by appropriate personnel. Whenever there is any change to the inspection procedure that affects the use of the standard, or when any identification information is revised, the operating instructions must be updated to reflect the current status.

VALIDATION

All measurement and test equipment must be calibrated annually, at a minimum, or at such greater frequency as established by the Supplier's Measurement Systems Analysis (MSA) process. The calibration record/certificate must be on file at the supplier's facility and be traceable to the actual identification information and to the appropriate standard (e.g. NIST). Calibration Services of equipment must meet the requirements of ISO 17025:2017 and/or IATF 16949 standards.

INSPECTION, MEASURING, CALIBRATION AND TEST EQUIPMENT RECORDS

Records must include any revision information, traceable to the part revision level. External/ commercial/independent laboratory facilities used for inspection, test or calibration services by the supplier shall have a defined laboratory scope that includes the capability to perform the required inspection, test or calibration and must have evidence that the laboratory is acceptable to Ascential Technologies or must be accredited to ISO/IEC 17025 or national equivalent, by an accreditation body of the ILAC MRA (International Laboratory Accreditation Forum Mutual Recognition Arrangement).

MEASUREMENT SYSTEM ANALYSIS

Gage and fixture Measurement System Analysis (MSA) must be performed as detailed in the latest released edition of the AIAG Measurement System Analysis Manual and must meet the standards of the procuring Ascential Technologies Division(s).

RECORD RETENTION

Suppliers are expected to maintain applicable retention periods as specified in IATF 16949 latest edition standard, unless subject to longer retention periods in compliance with all applicable legal,

governmental or Customer specific requirements, pursuant to requirements communicated in writing by the procuring Ascential Technologies Division(s). Records must be stored in a location and/or environment that protects against inadvertent destruction.

4.2 MONITORING OF PRODUCT & PROCESS

Manufacturing process control must include continuous monitoring of product/process characteristics and of all key parameters influencing the manufacturing process. Appropriate statistical process control methods, or error- proofing, must be applied on all characteristics identified through the APQP process and as directed by your procuring Ascential Technologies Division(s). Process parameters and product characteristics subject to legislative safety, environmental and/ or emissions regulations must be documented in control plans in compliance with Ascential Technologies specific requirements and IATF 16949 requirements.

Suppliers must validate compliance to product and process requirements on a regular basis. This can be accomplished through layered process audits (Ref. CQI-8 LPA Guidelines), systems self-audits or similar methods of verification. Records of such audits shall be immediately available for review when requested by Ascential Technologies.

4.3 NON-CONFORMANCE & CORRECTIVE ACTION

Nonconformance notices will be issued upon discovery of defective product identified as a result of, but not limited to line rejections, mis-labelling, incorrect packaging, testing failures, failed inspection results, customer concerns, warranty and/or customer returns, receipt of obsolete material or material certification or other failure modes. Nonconformance notices will also be issued for materials/logistics noncompliance issues, such as over or under shipments, missed shipments, late deliveries, packaging issues and or required documentation (e.g. ASN) noncompliance issues. The nonconformance process is typically managed through the following procedure:

- Supplier will be notified of the concern, through the QPF system. All relevant containment actions must be initiated immediately and remain in place until corrective action has been reviewed and approved by Ascential Technologies. Unless otherwise specified, initial response to the nonconformance must be completed within 24 hours of notification.
- Upon notification, the Supplier shall initiate the Corrective Action Report (CAR) and any other supporting documentation as directed by the procuring Division(s). The initial CAR, detailing root cause and corrective action must be submitted to the Ascential Technologies procuring Division within 5 days, unless otherwise specified by Ascential Technologies. Validation and closure will be determined by the procuring division
- Suppliers shall assess the risk of any reported non-conformance for potential impact at any other Ascential Technologies location, globally, that they ship to. If such risk exists, they will immediately contact all affected Ascential Technologies locations
- Quality and delivery non-conformance will be reflected in monthly supplier scorecards
- Suppliers are responsible to review their monthly scorecards.

Under-performing Suppliers may be escalated to the Ascential Technologies Top Focus Supplier process. Suppliers will be expected to support any development activity that is part of this process. Costs related to the Top Focus process may be the responsibility of the Supplier, as appropriate.

Suppliers will be responsible for all validated costs for non-conformance issues, based on (but not limited to) the following criteria:

- Division sort of Supplier product at the Ascential Technologies facility, until certified stock arrives
- Production line shutdown
- Finished product sort and/or scrap of material
- Any material transfer of nonconforming supplier product
- Quality Department time for problem investigation
- Testing if required
- Any sort/rework charges incurred by Ascential Technologies, either directly or via 3rd Party sort/rework
- Related transportation expenses
- Any costs incurred by Ascential Technologies for disruption of our customers, including costs associated with sorting, rework, yard holds and applicable field actions
- Costs associated with the disposition/return of unapproved or unauthorized material sent by the Supplier
- Costs related to unauthorized deviations
- Costs incurred by Ascential Technologies associated with customer recalls or product failures, caused by Supplier non-conformance

These costs are charged to Suppliers specifically to offset costs incurred by Ascential Technologies and will vary according to the Division and specific issue involved.

TRACEABILITY

The Supplier shall follow the traceability method as determined by the procuring Ascential Technologies Division (e.g. date and shift of manufacture along with sequential processing number). In some cases, the component may be critical enough so as to warrant part identification; these instances will be communicated through the appropriate quality and engineering groups unless superseded by the procuring Division(s). Traceability requirements on prototype production parts may be defined by Ascential Technologies and must be supported by the Supplier.

A lot should contain a specific quantity of parts and should not exceed eight hours or one day of production, at a maximum. In the event of certain commodity-based material, methods such as “dye lots” or steel coils will be acceptable. For approval of a traceability method exceeding 8 hours, or one shift of production, the Division’s quality group must be contacted. The Supplier must ensure implementation and management of an effective FIFO method of stock rotation in both the production and shipping process. The FIFO date used in determining stock rotation must be the manufacturing date of the material affected.

Failure to comply with traceability requirements may lead to rejection of material and issuance of non-conforming material reports. Traceability Records shall be maintained and accessible for the life of the product, including Service, plus one year.

Traceability record retention deviations are only permitted if approved in advance in writing from your procuring Division(s).

CONTROLLED SHIPPING

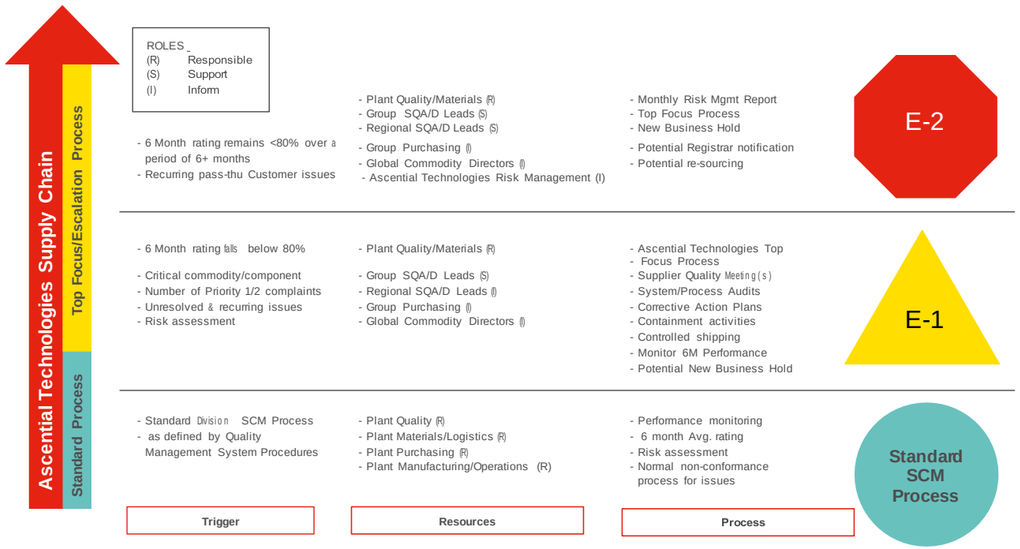
When directed by Ascential Technologies, Suppliers may need to certify product after a lot rejection has occurred. Two types of controlled shipping actions are usually employed when this situation occurs:

- Supplier conducted sort and certification of subsequent part shipments, and
- Third party sorting and certification

All controlled shipping actions are the responsibility of the Supplier to coordinate and manage. Any third-party sorting, re-work, inspection and containment activity must be conducted by a Supplier that is designated or approved by Ascential Technologies. Any third-party arrangements, not specifically directed by Ascential Technologies, must be reviewed and approved by the procuring Ascential Technologies Division(s). Continued part supply to Ascential Technologies must meet released quantities and without supply interruption.

The Supplier and the Ascential Technologies Division will agree on the method to be used to identify all certified material.

SUPPLIER TOP FOCUS AND ESCALATION PROCESS



The Ascential Technologies Top Focus and Escalation Process is designed to assist Divisions in their efforts to reduce chronic Supplier quality and delivery issues and drive improvement in overall supplier performance.

The escalation process is only initiated after reasonable efforts have been made at the Division level, to address concerns and drive improvement, but without satisfactory results.

The escalation process ensures that:

- Appropriate levels of management are aware of issues and engaged in the resolution process
- Adequate resources are assigned to drive resolution of issues and ensure improvement

- Ascential Technologies leverages the Customer and the Supplier's ISO and/or IATF 16949 Registrar appropriately, in the event Suppliers fail to respond and provide necessary support
- As becomes necessary, the Ascential Technologies "New Business Hold" and/or "Re-sourcing" options will be considered only upon consensus by all receiving Ascential Technologies Divisions
- Appropriate communication is made to both Supplier and Ascential Technologies executive management

The length of time spent at each step will be affected by the risk level and cost being incurred by Ascential Technologies, as well as performance in meeting defined exit criteria.

Specific activities at each escalation stage may vary minimally, depending on the Ascential Technologies Division involved, however in general the escalation process is as follows:

Standard SCM Process occurs at the Division level, and includes:

- Standard/normal complaint management
- Performance Monitoring
- Development activity with under-performing Suppliers

Escalation E-1 includes escalation to the Group/ Business Unit level and includes:

- Ascential Technologies Top Focus Process
- Performance review & risk assessment across all Ascential Technologies Groups
- Necessary containment activities
- Supplier Assessment & corrective action
- Potential new business hold

Escalation E-2 includes escalation to the Ascential Technologies Corporate level and includes:

- Ascential Technologies monthly review (Region & Global)
- Potential notification to Registrar
- New business hold and potential re-source

4.4 PRODUCT OR PROCESS CHANGE & DEVIATIONS

All proposed changes with any potential impact on design or the manufacturing process (including changes at your sub-Suppliers) must be submitted to the appropriate Ascential Technologies Division(s) for approval, prior to implementation. Suppliers are not authorized to make changes without documented, written approval from Ascential Technologies. Supplier must ensure that all supporting documentation is updated accordingly and may be subject to a PPAP/VDA submission.

Changes impacting legal requirements of chemical substances (e.g. REACH, ELV Directive, Global Automotive Declarable Substances List, etc.) on any supplied products, shall be submitted in a timely manner via the IMDS system. Submissions must be on a complete and correct Material Data Sheet. Deviation approvals by Ascential Technologies must be documented and approved in the format used by the procuring Division(s) and are limited to a determined quantity.

of parts or duration of shipment. Requests must be made in advance and with ample time for implementation, if approved. Suppliers will be required to build and maintain sufficient inventories of parts, as determined by Ascential Technologies, to support any changes and required approvals.

Suppliers are expected to effectively manage deviation expiry dates and must apply for any necessary extensions prior to the expiry of current deviations. Suppliers must be able to support any of Ascential Technologies' Customer-specific documentation required as part of the implementation of proposed changes. Suppliers must also allow sufficient time to complete all required approvals at Ascential Technologies, and at our affected Customer. Implementation of changes prior to final approval can result in:

- Loss of existing status/designations
- Financial impact due to exposure to containment and other related costs to secure all unapproved materials
- Mandate to return to previous level/design materials, and associated scrap costs
- Loss of future business

Suppliers must have documented approval prior to shipping any material or product for which a deviation from specification is required.

Initial shipment of all modified product, following implementation of the approved deviation, must be clearly identified as directed by the appropriate Ascential Technologies Division.

4.5 WARRANTY

A primary focus of Ascential Technologies' Customers is expenses attributed to product performance after equipment sale. Financial liability associated with warranty is increasingly significant as consumer awareness improves, and OEM Customers extend warranty coverages.

OEM Customers have stipulated that warranty costs will be shared with their supply base. As such, Suppliers will be expected to participate in warranty activities including:

- Warranty returns reviews/analysis
- Improvement actions
- Warranty cost responsibility

When a Supplier's component is implicated in a warranty, campaign or recall issue, with financial consequences to Ascential Technologies based on Ascential Technologies' Customers' warranty or recall policies, the Supplier must be prepared to accept these costs. The costs for which a Supplier shall be responsible shall be determined in accordance with Ascential Technologies Purchase Order Terms & Conditions, and as defined by any Division specific Statement of Work (SOW) or Statement of Requirements (SOR) or warranty agreement.

5. OPERATION – CONTROL OF MATERIALS & LOGISTICS

In support of lean and efficient business processes, Suppliers must be able to support electronic data interchange via Standard or Web EDI. Acceptable message standards include VDA, ANSI and EDIFACT.

5.1 GENERAL REQUIREMENTS REGARDING LOGISTICS PROCESSES

Suppliers shall design and manage their logistics processes to ensure quality and on time delivery of directed quantities to the location and at the times specified by Ascential Technologies.

In partnership with our Suppliers, Ascential Technologies will work to develop logistics planning that ensures:

- Minimal complexity in logistics business processes
- Maximum flexibility to support response to late changes in volume or timing of deliveries
- Minimal inventories in the supply chain
- Packaging designs support all handling and loading requirements
- Just in time delivery that complies with established delivery times
- Focus on continuous improvement
- Timely communication of all potential supply interruptions

Suppliers must be prepared to provide delivery costs based on:

1. FCA (Free Carrier)
2. DDP (Delivered Duty Paid)
3. Other (As directed by Ascential Technologies) Based on the information provided, Ascential will determine the Incoterms that will be used.

Brokerage fees on all imported products are typically the responsibility of Ascential Technologies, unless otherwise indicated by the procuring Division.

5.2 PACKAGING

Suppliers are required to adhere to Packaging Guidelines as defined by the Ascential Technologies Global Packaging and Shipping Manual, as well as all necessary AIAG/VDA Standards and Global REACH requirements. The Ascential guidelines can be accessed via the Ascential Technologies website or from the Ascential representative. Special packaging and labeling requirements, in support of specific Product Launch activity, may be requested by an Ascential facility. In the event that special packaging is required, design and approval will be managed as part of our overall APQP Program Delivery Process.

In preparation for product launch, production packaging approval, as well as back up packaging approval must be obtained from the Ascential procuring Division(s) prior to new part submission and/or a line Run @ Rate.

In order to ensure planned packaging optimizes the cube utilization of the transport vehicle, the Division assembly practices and lean operations, Suppliers are responsible to validate packaging design to these requirements if not directed differently by Ascential Technologies. Approval must be submitted with the PPAP submission.

A unit load, regardless of returnable or expendable packaging, must be stackable with overall dimensions that allow for optimum cube utilization of the transport vehicle. Packaging that will be used to support service requirements, also requires the approval of Ascential Technologies. Ascential Technologies encourages Suppliers to initiate design and cost improvement ideas, however Ascential Technologies approval must be obtained prior to implementation of any packaging changes.

A completed Supplier packaging form must be submitted to the Ascential Technologies Division, for approval of all new packaging or proposed changes to existing packaging. Approval must be granted prior to the first production shipment.

All Suppliers supplying goods to Ascential Technologies, that are considered to be controlled materials, must comply with appropriate legislated regulations for labeling, packaging and shipping, including MSDS (Material Safety Data Sheet) documentation. Material requiring MSDS shall not be shipped, without prior approval.

All solid wood packaging/pallets and crates must comply with the International Plant Protection Convention Standard ISPM #15, as detailed in Ascential Technologies' Packaging Guidelines.

Suppliers are responsible for the removal of all expired labels and debris from containers prior to packaging new material. Suppliers are responsible for ensuring that all containers are clean and that all functional gates or hinges are operational and safe.

5.3 LABELING

The Supplier shall be responsible for the clear identification of products during all phases of production and delivery and shall ensure appropriate labelling prior to shipment.

All materials for prototype or production consumption, shipped to Ascential Technologies Divisions, must be identified with labelling containing both human- readable text / graphics, and machine-readable, bar coded symbols.

These materials shall contain, as applicable: container labels, master labels, mixed load labels, primary metals labels, and part labels if specified by design records or specifications. All labels must be legible and able to be scanned, in compliance to AIAG or VDA Standards or standards designated by the Division(s).

Characters and symbols shall comply with the requirements of AIAG, B-8 standard – Quality Assurance Guide for Shipping Labels, VDA 4994 Standard and Other Bar Code Applications.

Parts Shipping labels (container, master, and mixed load), shall comply with the layout formats defined in the latest AIAG or VDA Standards. Customer specific content may be specified by a Ascential Technologies Division. Primary Metals labels shall comply with the layout format defined in the latest AIAG Primary Metals Standards.

Part labels shall comply with the requirements defined in the AIAG, B-4 standard – Parts Identification and Tracking Application Standard or VDA 4994 Standard.

Label placement, orientation, quality and quantities shall follow the guidelines contained in the AIAG, B10 Trading Partner Labels Implementation Guide, the AIAG B16 Global Transport Label for the Automotive Industry, or the VDA 4994 Standard, unless otherwise specified by Division specific requirements.

Barcodes shall conform to the standards published by the Automotive Industry Action Group standard (AIAG-B10) B-10 Label Specification or VDA 4994 Standard.

5.4 MATERIALS PLANNING AND FORECASTING

The nature of the manufacturing and assembly processes, within our Divisions, varies greatly. Based on the complexity of the manufacturing process, as well as the location and distribution of the supply base, each Division has unique materials planning requirements. Logistics and scheduling are Division specific and the Supplier should contact the Purchasing and Materials Groups at the procuring Division(s), for details.

It is the responsibility of the Supplier to immediately contact the responsible Division in the event they are unable to meet all requirements for delivery date, time, quantity and quality or if the Supplier has not received a weekly or scheduled production release. Unless otherwise negotiated with the Ascential Technologies Division(s) supplied, Ascential Technologies is responsible for only those production releases identified as firm or locked releases. Similarly, Ascential Technologies is responsible for only those raw material or component releases identified as firm or locked. Forecast volumes are for forecasting purposes only.

Suppliers must respond to all Material Releases received from Ascential Technologies in order to ensure their own supply of components and materials can support Ascential Technologies Division demands. During critical stages, such as Product Ramp or Product Launch, Suppliers shall meet all release demands necessary to support system fill and launch. If the product or component is not fully approved (PPAP) Suppliers must receive written authorization or an approved interim Part Submission Warrant (PSW) from the appropriate Division personnel, prior to shipment. If the Supplier has not received such authorization, they shall elevate immediately, to the procuring Division's Materials Management organization, in order to ensure support of system fill and launch.

Under no circumstances should unapproved material be shipped without proper, signed authorization.

Material forecasting information will be communicated to the Suppliers through their regularly scheduled releases. While this information is an indication of future material requirements, it is for the Supplier's planning purposes only and does not constitute a binding release authorization on the part of Ascential Technologies. Suppliers assume the risk associated with lead times, of various raw materials and/or components, where quantities extend beyond those required to support Material Releases.

Suppliers need to maintain sufficient safety stock and finished goods inventory to accommodate 100% on-time delivery. Short shipments must be communicated immediately, along with a corrective action and recovery plan.

Suppliers with production contracts with Ascential Technologies must maintain the ability to provide after-market and service components for a period of fifteen years following the end of program or production for individual components or assemblies, or for such longer or shorter period of time as stipulated by Ascential Technologies' respective OEM Customer for the Program, as communicated to the Supplier. The Supplier has the responsibility to maintain any tooling and/or assembly equipment in condition sufficient to support service requirements. Service schedules and pricing shall be determined in negotiation with the procuring Division.

5.5 TRANSPORTATION, SCHEDULES & ROUTING

It is important that our Suppliers are aware of transportation and delivery requirements, as it is one of the key performance metrics upon

which they will be assessed. Ascential Technologies supports the industry initiative of inventory reduction, recognizing however the importance this places on accurate and timely delivery of quality product, while also ensuring no customer production interruptions. It is our expectation that Suppliers will deliver 100% on time to our locations, in compliance to schedules.

In an effort to support JIT delivery, we expect our Suppliers to constantly strive to reduce lead times with their Suppliers, improve flexibility and minimize changeover times. If necessary to support JIT schedules, the Supplier may be asked to support local warehousing. All appropriate scheduling, routing, and delivery requirements will be communicated early in program award, typically through the Supplier Statement of Work or similar documentation used by the applicable Division. All transportation arrangements and requirements should be signed and agreed to by both organizations.

Suppliers may receive routing information including transportation method, pick-up and delivery window times as communicated by the Ascential Technologies Division(s) you are working with. Your procuring Division(s) will make certain that all transportation and routing details are clearly specified. Suppliers must question any ambiguous or unclear instructions. Unauthorized deviations from these routing instructions may result in a debit to the supplier for any incurred excess freight charges, including resultant administrative charges.

All costs incurred as a result of missed or late shipments, which are the responsibility of the Supplier, shall be recovered from the Supplier. All material entering from a foreign country must have "Country of Origin" clearly marked on the pro forma Invoice, as well as on the original Commercial Invoice. Brokerage fees for imported product are typically the responsibility of Ascential Technologies, unless otherwise negotiated by your procuring Ascential Technologies Division. All fees and charges resulting from the export / return of defective product shall be the responsibility of the appropriate Supplier.

5.6 BORDER SECURITY

CTPAT/PIP/AEO (Applicable regions only)

In an effort to secure the supply chain and help protect the borders of our respective countries Suppliers shall cooperate with Ascential Technologies, and as directed by your procuring Division(s), in support of compliance to minimum security requirements of the US Customs and Border Protection (US CBP), Customs-Trade Partnership Against Terrorism (CTPAT), Canada Border Services Agency (CBSA), Partners in Protection (PIP) and Authorized Economic Operator (AEO) Border Security programs.

http://www.cbp.gov/xp/cgov/trade/cargo_security/ctpat/ http://www.cbsa-asfc.gc.ca/security-securite/pip- pep/menu-eng.html
https://ec.europa.eu/taxation_customs/general-information-customs/customs-security/authorised-economic-operator-aeo_en#self

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For shipments that cross international borders, Suppliers must ensure (where applicable) for all FTL/Dedicated loads, that a documented CTPAT/PIP/AEO trailer or container inspection is conducted and that the trailer or container is affixed with a high security seal that meets or exceeds the standards outlined in ISO/PAS 17712. The seal number must be included on the Supplier's shipping documentation and in the ASN for production and service shipments.

5.7 FTA/CUSTOMS COMPLIANCE

(Applicable regions only)

Suppliers within the North American USMCA region must complete the USMCA Certificate of Origin, as directed by your procuring Division(s). Suppliers outside the North American USMCA region, as well as Suppliers in Europe, must complete a Declaration or Statement of Origin, as directed by your procuring Division(s). At times, other documents may be requested to fulfill our obligations under the United States-Mexico-Canada (USMCA) Free Trade Agreement or in compliance to third country deliveries within the European Union. All completed documents shall be submitted as per direction from your procuring Division(s). It is your responsibility, as a Supplier, to notify your procuring Division(s) within thirty (30) days of any change in the USMCA status of a procured good. Failure to complete the requested documents, or advise of a change in USMCA status, may affect your rating and have potential impact on future business opportunities. Suppliers shall be responsible for costs incurred as a result of missing, late or inaccurate reporting. Suppliers must inform Ascential Technologies immediately, in the event of any change to the origin of goods.

It is also expected that Suppliers maintain sufficient and required expertise to ensure, in partnership with Ascential Technologies, all necessary USMCA and Customs Compliance regulations and documentation. http://www.cbsa-asfc.gc.ca/trade-commerce/ tariff-tarif/ (Canada) http://www.cbsa-asfc.gc.ca/publications/pub/ bsf5083-eng.html (Canada) http://www.usitc.gov/tata/hts/bychapter/index.htm (United States)

5.8 DOCUMENTATION

An Advance Shipping Notice (ASN) should be sent to the Material Planner, or appropriate Division contact, within 30 minutes of each shipment leaving the Supplier's Division. In the event of a known shortage or late shipment, the Supplier shall contact the appropriate Ascential Technologies Division(s) and advise of the shortage or late shipment. The Supplier shall also indicate the anticipated time of delivery of the expedited material required to complete the original schedule. This notification is critical in allowing communication to production and, if necessary, to an Ascential Technologies Customer.

The Supplier shall maintain a third-party, or an alternate, approved contingency to facilitate scheduling and ASN communication in the event of a system failure at their location.

Suppliers must ensure that all material shipped is identified on a Packing Slip or Bill of Lading. While individual Division specifications may differ, the information typically required includes:

- Shipment date
- Invoice/Packing Slip number
- Address Sold to
- Address Shipped to
- Individual line item for each part number shipped
- Part Number and Part Description
- Purchase Order number, for each part number
- Order release number
- Quantity ordered & Quantity shipped

- Number of cartons/skids/containers shipped
- Total number of cartons/skids/weight
- Any other requested information

5.9 MATERIALS MANAGEMENT OPERATIONS GUIDELINES (MMOG)

The “M-7: Global Materials Management Operations Guideline Logistics Evaluation (MMOG/LE)” guidelines were developed to reduce the time and work required by Suppliers and customers to determine materials process compliance. Using the new browser-based MMOG.np application (available at https://www.odette.org/mmog/information), Suppliers complete a self-assessment and receive “A,” “B,” or “C” ratings based on their compliance. While deficiency in one or more critical areas automatically earns a “C” rating, the MMOG/LE guide automatically develops an action plan to allow companies to address deficiencies and drive continuous improvement.

Suppliers shall, at minimum, complete the Basic MMOG v5 Assessment, or the Full Assessment or any other specified assessment, as requested by their procuring Division. Completed MMOG v5 self-assessments must be sent to the Ascential Technologies Division/site as appropriate. Suppliers unfamiliar with MMOG shall contact Odette for assistance (China – cs@cedex.cn, North America – mmogle_help_desk@basics-llc.com, Others – mmog@odette.org).

6. CONTROL OF EXTERNAL PRODUCTS & SERVICES

6.1 SUPPLIER PERFORMANCE REPORTING

Supplier performance and overall status is monitored and reported through various reporting systems designed to report supplier status to other Ascential Technologies Divisions. Group and Division specific reports may be available through local Purchasing or Quality departmental contacts.

6.2 OPERATIONAL RATING CRITERIA

Supplier quality and delivery performance is the basis for a Supplier’s operational status and is monitored by Ascential Technologies on a regular basis.

Key operational metrics may include, but not be limited to:

- Defective parts per million (PPM)
- Number of non-conformance incidents
- Response time
- Costs of non-conformance
- Special status (CS1, CS2 etc.)
- On time delivery
- Material expedites
- Incidents of premium freight

Suppliers are expected to take immediate and appropriate action to address any performance shortcomings that are identified through the performance metrics. The Ascential Technologies escalation model will be used, as necessary, to address under-performing Suppliers. Suppliers shall have documented processes showing similar rating criteria, escalation processes and development strategies, for sub-tier Suppliers.

6.3 CONTINUOUS IMPROVEMENT

Suppliers must establish continuous improvement as an integral part of their management systems and business planning process. Continuous improvement activities must by documented and tracked as key performance indicators. Suppliers are expected to establish continuous improvement targets and use all appropriate data to drive continuous improvement and improve customer satisfaction. It is expected that Suppliers will use all appropriate tools, such as the PDCA cycle, Six Sigma and other appropriate tools and methodologies to ensure a disciplined and systemic approach to continuous improvement.

7. GLOSSARY OF TERMS

AEO Authorized Economic Operator

AIAG Automotive Industry Action Group

APQP Advance Product Quality Planning

ASN Advance Shipping Notice

CAD Computer-aided Design

CAMDS China Automotive Material Data System

CAR Corrective Action Request

CDP Carbon Disclosure Project

CMP Confict Minerals Platform

CMRT Confict Minerals Reporting Template

CQI Continuous Quality Improvement
Series of self-assessment standards for specialized processes including, heat treat, plating, coating, warranty, welding and soldering

CS Controlled Shipping

CTPAT Customs-Trade Partnership Against Terrorism

DDP Delivered Duty Paid

DFMA Design for Manufacturing and Assembly

DFMEA Design Failure Modes Effects & Analysis

DOE Design of Experiments

DUNS Data Universal Numbering System
A unique nine digit identification number, issued by Dun & Bradstreet, identifying each unique business location.

DV Design Validation

EMPB Erstmusterprüfbericht (German Initial Sample Test Report)

EV Engineering Validation

FCA Free Carrier

FEA Finite Element Analysis

FIFO First In First Out

FMEA Failure Mode and Effects Analysis

FMVSS Federal Motor Vehicle Safety Standards

GADSL Global Automotive Declarable Substance List

GD&T Geometric Dimensioning & Tolerancing

IATF International Automotive Task Force

IEC International Electrotechnical Commission

IMDS International Material Data System

ISO International Organization for Standardization

ISPM International Standards for Phytosanitary Measures

JIT Just in Time

MMOG Materials Management Operations Guidelines

MSA Measurement Systems Analysis

MSDS Material Safety Data Sheet

OE(M) Original equipment (manufacturer)

OHSAS Occupational Health & Safety Advisory Services

PCP Process Control Plan

PDCA Plan-Do-Check-Act

PFD Process Flow Diagram

PFMEA Process Failure Modes Effects & Analysis

PIP Partners in Protection

PPAP Production Part Approval Process

PSW Part Submission Warrant

PV Production Validation

QPF Supplier Quality Management Platform

REACH Registration, Evaluation, Authorization and Restriction of Chemicals

RPN Risk Priority Number

SPICE Software Process Improvement and Capability Determination

SOR Statement of Requirements

SOW Statement of Work

SQA Supplier Quality Assurance

SQD Supplier Quality Development

TISAX Trusted Information Security Assessment Exchange

TPISR Third Party Information Security Requirements

TS Technical Specifcation

USMCA United States-Mexico-Canada Agreement

VDA Verband der Automobilindustrie (German Automobile Industry Association)

8. REFERENCES

Confict of Interest Policy	https://www.Ascential Technologies.com/company/suppliers
Confict Minerals	http://www.confict-minerals.com
CQI Continuous Quality Improvement	https://www.aiag.org
CTPAT Customs & Trading Partners Against Terrorism	https://qpf.Ascential Technologies.com
IATF International Automotive Task Force	http://www.iatfglobaloversight.org/
IATF 16949	https://www.aiag.org
ISO 9001:2015	https://www.aiag.org
ISPM International Standards for Phytosanitary Measures	https://assets.ippc.int/static/media/files/publication/en/2021/03/CA8476EN.pdf
MMOG Materials Management Operations Guidelines	https://www.aiag.org
MAQMSR Minimum Automotive Quality Management System Requirements	www.iatfglobaloversight.org
NAFTA/Customs Compliance	http://www.cbsa-asfc.gc.ca/trade-commerce/tariff-tarif/ http://www.cbsa-asfc.gc.ca/publications/pub/bsf5083-eng.html http://www.usitc.gov/tata/hts/bychapter/index.htm
TISAX Trusted Information Security Assessment Exchange	www.tisax.org
TPISR Third Party Information Security Requirements	https://www.aiag.org/supply-chain-management/cybersecurity

RECORD OF REVISIONS

Old Revision Level	New Revision Level	Section	Description of Change
Draft	0		Initial Release