



# Supplier Quality Manual

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**Your needs. Our drive.**

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## Introduction

We are presenting the leaders of the company who ensure value added to all AD Plastik Group stakeholders with their knowledge and excellence in management and focus on quality and results.

Continuously arising of customer expectations requires continuous improvement of all products and services as well as business processes and corporate procedures.

Final customer satisfaction, as well as OEM's, through quality in all aspects is a crucial success factor for AD Plastik Group as a Supplier of complex products for the international automotive industry and consequently for you as our Supplier whose products are used in AD Plastik Group production.

The goal of AD Plastik Group is to provide high quality services and products to its customers with the achievement of zero defect(s) quality for all Supplies. This goal can be met only with suppliers that meet or exceed our expectations and through the mutual efforts of AD Plastik Group and its Suppliers. Avoiding defects instead of discovering defects and continuous improvements in the entire supply chain, customer inquiry, offer, order, and product development, start of production, volume deliveries and field operation are indispensable requirements which we must and want to fulfil with the active help of our Suppliers.

Suppliers are considered partners and we maintain long-term cooperation if they continually meet quality standards based on internationally recognized standards such as IATF 16949, ISO 14001, ISO 9001 and specific requirements in the automotive industry (e.g. by VDA) which are necessary to achieve common objectives. We require business management from suppliers in accordance with UN guidelines regarding corporate social responsibility.

Customer requirements may exceed AD Plastik Group's basic requirements and have to be followed as part of our customer's satisfaction policy.

## 1. Objective

The Supplier Quality Manual has been developed to describe and define AD Plastik requirements and expectations on all AD Plastik approved parts and material Suppliers in supplemental AD Plastik General Terms and Conditions for purchase of goods and/or services (ADP GTC).

### Purchasing – AD Plastik

It is intended to drive consistency on a global basis in AD Plastik's sourcing, purchasing and operating functions. Its goal is to create a favorable working business environment for both, AD Plastik and suppliers that strives for high customer satisfaction while supporting continuous cost reductions, high quality, ongoing improvements in overall efficiencies and productivity.

This manual defines supplier's responsibilities for ensuring that purchased items conform to AD Plastik's specifications and other requirements. All requirements in this manual are to be considered as Customer Specific Requirements.

## 2. Scope

The details stipulated within this manual are intended as the minimum mandatory requirements for AD Plastik's supply partners (any company providing pre-production, production, or service parts to AD Plastik).

## 3. Zero Defect Policy

Throughout the supply chain, customers and Suppliers (free sourced or mandated) have to be interdependent upon each other's performance. Our target is to ensure customer satisfaction for Quality, Cost and Delivery.

To enable us to achieve this, Objectives are:

- Rang "A" Suppliers
- 100% of initial samples delivered right first time and on time
- 0 PPM strategy – received PPM (Parts perMillion) / 0 customer complaint
- Self-Certification compliance with AD Plastik Requirement
- 0 final customer complaint (impact by Suppliers bad performance)
- 100% Reactivity on time (Quality and Logistic)
- 0 Safety and Regulation Alerts
- 0 Warranty Case/Cost
- 0 CSL – Control Shipment Level - Suppliers special status
- 100% on time delivery
- 0 MPM (Miss-Delivery per Million)

### 3.1. Supplier Quality Management System Requirements

AD Plastik requires from each supplier to be certified in accordance to the valid version IATF 16949 by accredited certification bodies approved by AD Plastik or its customers.

In special cases, if specific customer recommendations or existing Suppliers within Quality and Delivery KPI target, AD Plastik could accept the valid version ISO 9001 when the supplier successfully pass our internal System and Process Assessment review.

In addition, AD Plastik expects suppliers to have valid version ISO 14001 (Environmental Management Standard), ISO 45001/OHSAS 18001 (Occupational Health & Safety) and ISO/IEC 27001 (Information security management)

If the Supplier is not certified by IATF 16949 or ISO 9001 and ISO 14001, ISO 45001/OHSAS 18001, ISO/IEC 27001 it is mandatory to answer the self-assessment questionnaire. The questionnaire contains the essential requirements of ISO standards, as well as the main questions on Corporate Social Responsibility (CSR) policy of the Supplier.

Valid certificates must be yearly sent through Supplier quality and Purchasing department contact.

All AD Plastik Suppliers are required to establish documented management system and maintain effective production, quality and management systems compliant with above mentioned requirements (at their latest version), including Certification Status defined by Customer Specific Requirements.

### **3.2. Control of the quality and industrial performance**

The supplier must produce in regards with his contractual obligations and yearly defined objectives. Supplier must implement a structured planning approach with 3 levels, starting from strategic planning until planning of production to guarantee the respect of delivery program.

The Supplier has an obligation to the Customer to have the zero-defect target. If the zero defect target cannot be achieved in the near future, the Customer shall apply and accept, for a limited period of time, and threshold mentioned in Quality Agreement or yearly defined objectives, in serial life, as an interim target. If the actual defect rate is below maximum limits agreed by the parties, this does not release the Supplier from its obligation to deal with all complaints and to work on continued improvements. The agreement of quality targets and measures as well as action limits does not release the Supplier from his liability in respect of defect and damage claims from the Customer which arise from defects in supplies and/or services.

AD Plastik reserves the right to give to the certifier the quality results of the supplier.

## **4. Customer Specific Mandatory Requirements**

### **4.1. Corporate Social Responsibility**

AD Plastik considers corporate social responsibility to be an evaluation of its own impact on society, environment and the economy. Corporate social responsibility approach puts a special emphasis on taking care of people, the environment and all aspects related to the protection and preservation of natural resources. Therefore, all Suppliers are requested to reduce environmental impacts of their products and processes by developing new solutions.

The Supplier is informed of UNO Global Compact principles and commits to be in conformity with it. The following principles are particularly important: preservation of human dignity and human rights, prohibition of discrimination on grounds of religion, race, national origin, age, disability, marital status, gender, sexual orientation, political affiliation, union or similar, retention of adequate social working conditions, compliance with existing laws and regulations, industry, health and safety standards.

The Supplier commits specially to refuse child labor (I.L.O 138) and forced labor (I.L.O. 29&105) and to implement a policy of occupational risks prevention in consistence with above principles.

The Supplier shall deploy actions to improve the energy efficiency of their sites, prevent pollution, reduce hazardous material, optimize waste and develop a sustainable use of resources.

The Supplier shall ensure compliance to all legal and other relevant environmental requirements for their products, equipment and sites.

In the process of everyday work operations, the Supplier agrees to use rationally and optimally needed resources (especially materials, energy and water) and to effectively reduce environmental impact to a minimum (especially regarding to waste, wastewater, air pollution and noise).

The Supplier also must commit to fight against unfair business practices and encourage its supply chain behavior opposed to all forms of corruption, blackmail and bribery.

Furthermore, the Supplier informs its own suppliers of this clause and its commitments to Customer.

#### **4.1.1. Regulated Substances**

Supplier is responsible for complying with all applicable international and national legislation relating to the control and restriction of hazardous substances. The legislation includes, but not exclusively:

Biocidal Products Regulation (BPR, Regulation (EU) 528/2012)

Regulation (EC) No 850/2004 of the European Parliament and of the Council of 29 April 2004 on persistent organic pollutants and amending Directive 79/117/EEC (POP)

European Union directive for the classification, packaging and labeling of hazardous substances (1272/2008/CE)

European Union directive for the marketing and use of certain hazardous substances and preparations (76/769/EC)

Stockholm Convention to protect human health and the environment from persistent organic pollutants

U.S. Toxic Substances Control Act (TSCA) and its amendment, Frank R. Lautenberg Chemical Safety for the 21st Century Act.

Directive 2000/53/EC of the European Parliament and of the Council of 18 September 2000 on end-of life vehicles (ELV)

Wall Street Reform and Consumer Protection Act; July 2010, U.S. law H.R. 4173 incl. Dodd-Frank passage – section 1502 (Conflict Minerals)

Concerning REACH (Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals) the Supplier must fulfill all obligations due to Registration, Evaluation, Authorization and Restriction of Chemicals.

This includes communication obligations of SVHC in articles including spare parts and packaging. In the case of importing substances, mixtures or articles, the Supplier takes the role of an importer and needs to comply with all resulting obligations.

The supplier is requested not to use SVHC (Substances of very high Concern) in articles and mixtures delivered to AD Plastik.

Therefore, the use of substances which are listed in Annex XIV and XVII of REACH and the candidate list are not permitted. If the supplier intends to use a SVHC they must contact AD Plastik in time to negotiate and recommend further actions, risks and substitution options.

#### **4.1.2. Conflict Minerals**

Conflict Minerals (Tantalum, Tungsten, Tin and Gold) are natural resources mined in a conflict zone and sold to support the fighting. AD Plastik encourages its direct Suppliers to source responsibly with certified conflict free smelters, wherever possible.

#### **4.1.3. Material Data Report**

Within Production Part Approval Process reporting of substances must be made in IMDS unless otherwise agreed. At PPAP phase the data submitted must be accepted by AD Plastik.

Reported data must be in line with the IMDS Recommendations and comply with the rules and content of the GADSL ([www.gadsl.org](http://www.gadsl.org)).

Additional requirements may occur due to various requests from AD Plastik's customers.

#### 4.1.4. Material Safety Data Sheet

Supplier has to provide the latest version of the MSDS according to the legislation of the respective country for the delivery (e.g. in Europe according to Regulation (EC) No. 1907/2006 (REACH) or ISO 11014-1). The MSDS has to be provided prior to the first delivery as well as in case of an update of the MSDS. The recipient of the MSDS is the delivered location and the language used in the MSDS has to be the language of the country where the material is delivered.

#### 4.2. Sub-Supplier Management System

All requirements for AD Plastik's suppliers have to be communicated into their supply chains correspondingly. A suitable Sub-Supplier Management shall strongly support this through:

- Documented evidence that Sub-Suppliers quality management system is monitored
- Follow up the quality of the purchased parts using suitable measures (including PPM quality target setting, special key characteristics follow-up, Control plan, PPAP and Initial Samples submission,...).

AD Plastik reserves the right to review the process at the Sub-Supplier on its own initiative in case of major problem or risk.

##### 4.2.1. Special case of Directed Purchase components - tripartite agreements

For technical or economic reasons, AD Plastik may ask the Supplier to include components from other Suppliers. According IATF 16949, Tier 1 Suppliers are accountable for their supplies, including components. A tripartite agreement stipulating the job-sharing between the parties involved will be incorporated into the supply contract.

#### 4.3. Electronic DATA Interchange Requirements (EDI)

AD Plastik aims to optimize all processes in the entire supply chain from Suppliers to AD Plastik and from AD Plastik to AD Plastik's customers in the interests of all. To make purchasing and/or supply processes smoother and to minimize the liaison required, the purchasing and/or supply process may have to be redesigned (e.g. introduction of EDI) in order to optimize the logistics chain between AD Plastik and Supplier. AD Plastik expects active support and contribution from Supplier to any change in the logistics processes proposed by AD Plastik.

The supplier shall use the AIAG MMOG process as a guide to maintain an orderly delivery system. The supplier shall agree on a packaging specification with the packaging engineer. It is the responsibility of the supplier to ensure that material is delivered to the AD Plastik in accordance with the packaging specification and labeling standards approved.

#### 4.4. Packaging

In order to ensure safe handling (in accordance with accident prevention and other regulations) and smooth operations, the supplier has to ensure that all products are packed and shipped in accordance with the Supplier Logistic Agreement and the agreed Logistic Part Datasheet.

Hazardous materials have to be packed and marked in compliance with the applicable laws and regulations as amended from time to time and they have to be accompanied by the corresponding latest version of the MSDSs.

Supplier has to ensure that hazardous symbols (pictograms) as well as other legally required hazardous warning information are clearly visibly and permanently attached to all the individual packaging units as well as on the outer packing of the shipping units. They have to comply with the specific legal requirements of the country to which the product is consigned.



#### 4.5. Labeling

Supplier has to ensure that labels are positioned horizontally and sufficiently robust to ensure that they remain in the specified position and are legible for the shelf life of the product. Supplier has to ensure that fasteners used for a label do not impair its legibility and any old labels have to be removed prior to shipment.

#### 4.6. Marking / Traceability

Each component must be marked to permit the material identification regarding recycling.

- The material type mark must be in accordance with AD Plastik requirement.
- The marking has to be in accordance with the requirement to define traceability.

Supplier has to ensure the traceability of raw materials, semi-finished products and finished products within the production process. Further, Supplier has to prepare and keep all inspection reports for all inspections from material receipt up to dispatch of products. In case of an identified or suspected nonconformity, traceability must be possible in such a way that limitation of the quantity of suspect and/or nonconforming products, or semi-finished products, can be carried out. Any sorted or reworked material must be traceable.

#### 4.7. S/R Mandatory Rules

AD Plastik has identified following processes as mandatory:

- Heat Treatment
- Fastening
- Riveting
- Welding

For which all S/R characteristics are considered as secured only via:

- Poka Yoke
- Cp/Cpk
- Certificates/Validations related to Raw material

Supplier is responsible for complying with all applicable international and national legislation as Regulation (EU) 2018/858. of the European Parliament and of the Council; of 30 May 2018; on the approval and market surveillance of motor vehicles and their trailers, and of systems, components and separate technical units intended for such vehicles, amending Regulations (EC) No 715/2007 and (EC) No 595/2009 and repealing Directive 2007/46/EC.

#### 4.8. 7 Quality Basics

AD Plastik has identified following quality Basics as mandatory:

- 1<sup>st</sup> OK part
- Poka Yoke
- Red Bins
- Self Inspection
- Rework under control
- Final Inspection
- QRQC (Quick Reaction Quality Control)

Supplier is responsible for complying with 7 Quality Basics in order to achieve defined targets.



#### **4.9. Repair or Rework operations**

Re-use of components is considered a rework operation.

Rework / repair operations planned must be incorporated into the overview of flows, the FMEA process and the control plan to be qualified with the standard manufacturing process. The supplier must obtain authorisation from AD Plastik before carrying out rework or repair operations not planned during the initial qualification.

Each reworked part must be identified via a mark or a serial or batch number.

#### **4.10. Temporary Quality Wall (TQW)**

TQW is a demand by AD Plastik to a Supplier to put in place an additional inspection process in order to assure flawless launch at each SOP. Also, in case of reoccurring claims, TQW is demanded while implementing a root-cause problem solving process. This demand will be requested via an official letter from AD Plastik's side.

TQW consists of two types or levels of containment:

- Level I is an additional inspection process performed by the Supplier at the Suppliers facility separate from the normal production process.
- Level II or Third Party Controlled Shipping is additional control conducted by a third party (selected by AD Plastik and paid by the Supplier), off the Suppliers facility and at the Suppliers expense. AD Plastik will inform the Supplier about this level of containment via an official Level II letter.

#### **4.11. Engineering Change Request (ECR) Management**

Engineering Change Request (ECR) consists of feasibility evaluation, cost impact and timing. After decision, the change will be kicked off through Purchase Order (PO) and new design revision level. ECR can occur during program phase and series production. For each change a new PPAP submission will be required.

#### **4.12. Change Request via Purchasing Change Request (PCR)**

In case of change initiated by Supplier, Supplier must inform AD Plastik of any change (Material, Product, Process and tool changes, production transfers etc.) and must request approval in writing from Purchasing department. AD Plastik Purchasing must approve all changes prior change initiation. In order to prevent bottlenecks, Supplier is required to give AD Plastik at least twelve (12) months advance notice of any production relocation plans and to notify AD Plastik's central and plant purchasing organization of the actions proposed to ensure supplies during relocation in written form.

Samples may be required for revision and to evaluate potential impact on AD Plastik's manufacturing processes. In case of tool move, plan must include safety stock to ensure that AD Plastik's Production and Service requirements are not affected. Submission for PPAP approval is mandatory prior to the shipment of the "new" parts (or from new location) unless specifically waived. After AD Plastik written approval, the first delivery with "new" parts must be identified.

#### **4.13. Sub-Supplier Change**

In case of Sub-Supplier changes (product/ process change), Supplier is required to present: Part Submission Warrant (PSW) with relevant PPAP items.

#### **4.14. Supplier Self-Certification**

Supplier Self-Certification can be requested when a preliminary evaluation was performed by AD Plastik. This request can be related to Process Audits, QMS Audits, requalification, PPAP, etc.

#### 4.15. Emergency plans

Supplier is required to create and make available within its organization an emergency plan for the eventuality of disturbances affecting its logistics and/or production processes and the continuous supply of products to AD Plastik. Disturbances may include for example:

- Relocation of tools and machinery
- Damage or delays in shipment
- Non-conformities
- Tool/equipment/machinery breakage
- Disturbances in supplies from sub-suppliers
- Other events (strikes, accidents, flooding, hurricanes, fire, earthquakes, etc.)

Supplier is required to develop, define and implement emergency procedures to ensure smooth supplies to AD Plastik even in the event of such disturbances. Upon request of AD Plastik Supplier will present the emergency procedures to AD Plastik.

In the event of any of the disturbances listed above, Supplier must promptly notify AD Plastik in order to ensure timely, effective liaison and adequate supplies to AD Plastik.

Supplier is requested to designate contact persons who shall be available at all times (i.e. also at weekends and outside normal business hours) to deal with emergencies such as quality problems with the products supplied causing imminent production hold-ups at AD Plastik. Supplier must notify AD Plastik of the names of these contacts.

#### 4.16. Production / product conformity

At AD Plastik's request, the supplier must provide the following product compliance elements within one week:

- Inspection and Measurement Reports, according to the mass production part inspection standard, in a format with structured and digitized data
- Audit reports
- Access to results of mass production control plan

#### 4.17. Complaints

Supplier undertakes to deliver the products only as described in the specification agreed upon. In case of any deviation of the delivered product with regard to documented requirements (e.g. timing, quantity, marking, specified criteria, etc.) AD Plastik will raise a complaint against Supplier. Complaints should be solved using appropriate methods.

All additional costs at AD Plastik related to a nonconforming delivery will be compiled case by case and sent to Supplier for compensation.

##### 4.17.1. Reporting Tool – 8D and Required Response Time Frame

Supplier has to have trained (preferably certified) personnel with the ability to quickly and permanently resolve product and process issues using data driven problem resolution tools and techniques (8D, Ishikawa diagram, 5 why?...).

Problem resolution has to be conducted using the 8D Problem Action report which is the official communication tool for reporting and resolving problems.

The required Response time frame is as follows:

- An initial response (essentially the containment action/ 8D report: Steps 1 to 3) is required within 48 hours of receipt from AD Plastik.

- Steps 4 to 6 of 8D report with verified complete root cause analysis are required within 10 calendar days of receipt from AD Plastik.
- Final 8D report is required within 30 calendar days of receipt from AD Plastik

If not otherwise agreed and if Suppliers fails to respond within AD Plastik defined time frame (48 hours for critical issues for section 1 of the 8D report and /or 10 working days for full root cause and final corrective action for section 2 and 3 of the 8D), Supplier will be deemed to accept the claim and all costs will be the sole responsibility of the Supplier.

#### **4.17.2. Warranty Claims**

Upon receipt of a warranty claim, Supplier shall respond within the specified limits, utilizing only bellow available responses:

- a) Category 1: Responsibility of Supplier
- b) Category 2: Trouble Not Found NTF
- c) Category 3: Responsibility of Dealer and/or Customer

Supplier shall respond with an 8D report within time frame defined in point 3.12.1.

In case of NTF, Supplier shall clearly describe and document with data its conclusion. NTF status in the warranty analysis process must follow systematic elimination of potential root cause factors. NTF typically describes a scenario whereby testing indicates that returned part meets AD Plastik's and/or our customer part and performance requirements as defined in purchase orders, PPAP and warranty terms and agreements.

When the Supplier investigation has determined the defect to be Dealer or Customer miss-use, Suppliers need to provide all supporting documentation for approval of this category. In the event that AD Plastik disagrees with a Supplier response, AD Plastik will give timely notice of its objection.

A rejected Supplier response where the parties do not agree as to content effectiveness, shall not be binding upon AD Plastik. The Supplier shall retain the affected components until the issue is resolved in a positive manner; such that AD Plastik customers will concur with our Suppliers root cause and corrective action analysis, including supporting documentation.

#### **4.17.3. Cost Recovery Policy**

Supplier are liable for all costs incurred by AD Plastik when the cause is the Suppliers responsibility. Costs might include but are not limited to:

- Administrative costs
- Operating costs of containment (i.e sorting, destruction of parts...)
- Additional transport costs
- Costs incurred in the downstream operation stage
- Rejects of finished and/or semi-finished Products
- Retrofit of sub-assemblies or vehicles
- Machine downtime
- Staff costs associated
- Lost production time
- (Re) packaging & handling costs
- Travels and extra- trip to customer
- Claims charged by the customer
- Additional special costs
- Costs of an expert and external laboratory testing

#### **4.18. Reverse PFMEA**

The supplier shall deploy Reverse PFMEA (R-PFMEA). It is a pro-active methodology to identify potential Process failure modes in the shopfloor. This is realized by a Cross-Functionnal team. Reverse PFMEA review is a pro-active tool used to reduce risks for rejections and claims, and consequently to improve process quality performance and customer satisfaction.

#### **4.19. Measurement System Analysis**

Supplier shall meet the specification in the AIAG MSA and shall have a containment plan (such as 100% inspection, gage improvement, or other means).

In order to provide adequate measurement system discrimination, for measurement equipment used to measure special characteristics, the apparent resolution of the equipment shall be at most one-tenth of the total process to six sigma standard deviation (reference AIAG Measurement System Analysis).

#### **4.20. Layout inspection and functional testing**

A layout inspection shall be performed annually. All cavities shall be included in annual layout inspection and functional testing. The supplier will update PPAP document files to include the annual dimensional layout data and a self-certified PSW cover sheet. A full dimensional layout will include all significant characteristics and all key functional dimensions. This document is to remain on file with the original PPAP. AD Plastik representative or third party may request a copy of this document. If so, it should be made available within 24 hours. The annual layout data shall be included in the control plan and PPAP records.

### **5. Product realization**

#### **5.1. Design and process development**

In the case of product and / or process development, the Supplier shall employ on its own established methods (as appointing the project management, milestone plans, advanced product quality planning for prototypes / pre-series / series, associated monitoring mechanisms). AD Plastik is to be kept informed of the development progress made. AD Plastik reserves the right to check / inspect the development work also on-site at the supplier.

The requirements to be met with regard to that development shall be laid down in writing, e.g. in the form of a specification. Upon acceptance of the order, the Supplier undertakes to operate a system of project management which must already be implemented from the planning stages of the products. It must also cover procedures and other cross-divisional tasks and must comply with the standards accepted in the automotive sector according to VDA or AIAG in the current version, and will, upon the Customer's request, provide the Customer with all documents required

Series delivery may happen only after release in writing from AD Plastik (see Sampling).

#### **5.2. Advanced Product Quality Planning (APQP process)**

The supplier is obligated to perform an advanced product quality planning under consideration of suitable methods (e.g. APQP, VDA 2, maturity level assurance). The advanced product quality planning needs to start at the earliest date.

The supplier ensures with actions and usage of suitable risk analysis (e.g. FMEA) on its own responsibility throughout all project phases that all requirements for the products are fulfilled and the quality goals are met.

The supplier is responsible for planning and determining the scope of the tests (characteristics, number of random samples, capability parameters etc.) under consideration of statistic methods for quality assurance. In individual cases (e.g. AD Plastik risk classification for products), the scope of inspections can be stipulated

by AD Plastik (e.g. in the TDS). The series production accompanying inspections defined with advanced product quality planning must be suitable for verifying the conformity of the products with the specifications at any time.

If AD Plastik does not specify any special characteristics requiring statistical process control and associated capability limit values (e.g. in the drawings, TDS), then the supplier shall be responsible for selection and assessment of special and for the intended use essential product characteristics and process parameters.

For special characteristics, the short-term or long-term capability study needs to be provided. If the capability for a special characteristic cannot be shown with a capability study proof needs to be presented via secondary characteristics or a 100% inspection needs to take place.

Upon AD Plastik's request the Supplier shall provide evidence-proving test / inspection planning documents to AD Plastik (e.g. Control plan for prototypes / pre series / series, capability studies).

### **5.3. Multidisciplinary approach**

FMEAs shall be prepared using the AIAG Potential Failure Mode and Effects Analysis reference manual. The supplier shall review FMEA's by using Reverse FMEA (R-FMEA) tool.

### **5.4. Sampling**

The formal sampling process serves for technical verification of degrees of readiness and as proof of suitability for bought-in products / provided services.

Before the start of serial delivery, initial samples based on the product and process specifications must be submitted to AD Plastik. Sampling shall follow the AIAG PPAP manual. The documentation has to be presented to AD Plastik in English language. PPAP must be submitted on time according to the AD Plastik PPAP required date.

Details / requirements for sampling (e.g. level, number of sample-parts, forms, and data format) will be agreed within the AD Plastik.

When a PPAP identifies that a part does not fully conform to required specifications, the supplier must obtain an approved Temporary deviation request to authorize the supplier to ship this product. The supplier shall provide action plan with request for deviation. Deviation must be corrected within 90 days or a second temporary change must be requested.

Every type of change made to components, manufacturing process or manufacturing place which might affect the agreed specification or the product quality is to be communicated with a sampling process. The execution and scope of new sampling is to be agreed with AD Plastik at an early stage.

Require insufficient or incomplete PPAPs from the supplier special efforts at AD Plastik (e.g. rejection of customer PPAP caused by insufficient supplier PPAP) these special efforts might be charged to the supplier after information and chance of reaction.

### **5.5. China Compulsory Certification (CCC) requirement**

For supplies subject to CCC approval, unless otherwise specified by AD Plastik, it is the supplier's responsibility to contact the China Quality Certificate centre (CQC) and to get their approval.

## 6. Continuous Improvement

A continuous improvement philosophy should permeate all of Supplier's products and processes. To be effective, an improvement strategy must have tactical and strategic longterm element, sustained and focused on key processes which provide value-added substance to the company's objectives, including AD Plastik satisfaction.

## 7. Audits

The Supplier has to carry out internal planned audits (e.g. VDA Volume 6, Part 3, CQI 8 LPA,...) for all the products delivered to AD Plastik and all the processes linked with their development and production at regular intervals, planned annually in advance. This is based on contractually defined product specifications and properties as well as further agreements affecting the deliveries, e.g. logistics and packaging. In the event of deviations, the Supplier initiates all the corrective actions necessary and ensures their effective and long-term implementation.

In addition, AD Plastik and its customers are authorized to carry out process, product or system audits with advance notice in order to check whether the Supplier's quality assurance and environmental requirements meet the AD Plastik requirements. If quality problems occur which are caused by performances and/or deliveries of the Suppliers's sub-contractors, the Supplier must carry out an audit at the sub-contractor's if requested to do so by AD Plastik, with AD Plastik. A participation if ap-propriate and present the results to AD Plastik.

## 8. Revision history

Revision date	Notice
15.10.2019.	Created
16.11.2020.	2nd addition

Chapter	Change summary
Introduction	Update of introduction
7. Audits	Added new chepter
8. Revision history	Added new chepter