



Supplier Manual

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Introduction

The Supplier Manual is intended to be a communication instrument to suppliers on how to conduct business with CpK Interior Products. In all cases, purchase orders, supplier agreements, contracts and any other business agreements shall prevail. For additional information and periodic updates to this manual, visit the CpK Interior Products website at <http://www.cpkip.com>. The term “Supplier” in this manual represents “Component and/or Raw Material Suppliers” whose product and services directly affect the quality of the products manufactured by CpK Interior Products.

Objectives

CpK Interior Products strives to be the standard by which all interior products companies define themselves – admired for our people, partnerships, quality and innovation. We are committed to shaping the future through innovative research, development and critical thinking. We strive to deliver products that meet the needs of our customers. As a result, we require our suppliers to partner with us and commit to the following objectives:

- Effective fiscal management of operations that ensures target pricing and yearly cost reductions consistent with customer agreements and requirements. This includes being responsible for a proportionate share of systems E&D expenses (as applicable).
- Fostering a manufacturing environment that is committed to the safety of its workforce, environmental sustainability and the supply of defect free products and materials. This includes the development of a reliable quality management system (ISO/IATF or other appropriate standards as approved by CpK) that employs the use of extensive error and mistake proofing devices to meet PPM and warranty performance that is consistent with CpK customer requirements.
- Fostering a responsive environment that replies, within 24 hours, to a request for corrective action by providing the immediate countermeasure for containment and, within 10 days, providing root cause analysis, permanent corrective actions, updated PFMEA and Control Plan documentation.
- Fostering an environment committed to continuous improvement through the growth and development of the workforce geared to the benefit of all stakeholders.
- Creating a manufacturing environment that strives to ensure 100% on-time delivery performance through the effective management of required capacities to meet program/product volumes.
- Collaborating with and supporting the Product Development Teams (PDT) from pre-quote through to post-launch (via APQP) and through the production phase for the lifetime of the product.
- Fostering an environment of transparency that ensures compliance to any and all

requests to audit financial documentation as it relates to tooling and piece price.

Section 1 – General Information

1.1 Purpose

The intent of this manual is to broaden the scope of recognized automotive quality system standards to include the additional requirements of CpK. It is imperative that every internal and external supplier location that manufactures and/or ships production and/or service parts and materials to CpK plants, or to our customer's plants, embrace the standards and business practices outlined in this manual.

1.2 Scope

This manual applies to all Suppliers of Component and/or Raw Material whose product and services directly affect the quality of the products manufactured by CpK Interior Products and its related facilities.

1.3 Exceptions

The CpK purchase order, purchase contract, or a CpK Corporate Purchasing representative may waive conformance with some or part of the requirements described in this manual. Waiving of conformance must be in writing and appropriately signed by a CpK authorized representative.

1.4 Qualifying New Suppliers/New Supplier Selection

CpK Interior Products is committed to collaborating with our supply base for long-term sustainability. To ensure a successful relationship, prior to selection, each potential supplier is assessed for proper fit. A cross-functional team that may include Corporate Purchasing and Supplier Quality, Research & Development, Program Management Team, and/or Plant Quality or Logistics personnel will review each site. There are two forms used for assessment, Supplier Assessment Review Form and Bulk Material Assessment Form. The following details the focus of the assessments:

- Business Overview
 - Sales volume
 - Manufacturing size/location
 - Supplier footprint – OEM, Tier 1 or 2, etc.
 - Core competencies and technologies
 - Quality Management System (ex: ISO 9001, IATF 16949)
- Operations Review

- Organizational structure
- Shift Patterns
- Operating Systems
- Goal Attainment (SQDCM – safety, quality, delivery, cost, and morale)
- Program/Engineering Change Management
- Shop-Floor and/or Laboratory Review
 - Safe Practices/Environmental Stewardship
 - 5S, 5T and Visual Management
 - Automation and Error/Mistake Proofing
 - Operating Instructions – JES, VSOP and SOP
 - Machine Maintenance – equipment age and adherence to PM schedules
 - Calibration certifications and schedules

Based on outcome of assessment, Suppliers may be required to institute corrective actions and provide proof of effectiveness to remain in consideration for new business. New Supplier deemed “high risk” will be audited prior to start of production and will have to demonstrate readiness-using customer driven process (i.e. PSO/PPA/PPAP).

1.5 External Laboratory and Calibration Services

All external laboratory facilities used for inspection, test, and/or calibration services must be accredited to ISO/IEC 17025 or its national equivalent. A qualified equipment manufacturer or internal laboratory (registered to IATF 16949:2016) may also be acceptable and must be approved by CpK Management prior to service. A customer waiver may be required.

The following requirements apply when providing calibration services:

- Calibration certificate must provide a statement of conformance to specification after calibration
- Calibration certificate or associated documentation must include readings before and after calibration (including any out of specification readings)
- Calibration certificate or associated documentation must indicate that calibration methods and measurement standards are traceable to internationally recognized standards; or other equivalent national body
- Calibration service provider shall provide recommendations for disposition and/or repair requirements on associated calibration documents as appropriate
- Where a qualified laboratory does not exist for a given measurement standard, or a given piece of equipment, the calibration service may be performed by the original equipment manufacturer (a lab scope must be provided)

- Laboratory scope shall be included with calibration certificate and associated documentation for calibration of measurement standards, and/or inspection, measuring and test equipment

1.6 Supplemental Requirements and Supporting References

The Automotive Industry Action Group (AIAG) has published several manuals that standardize procedures, reporting formats, and technical nomenclature, which are required by the automotive OEMs. Suppliers are responsible to remain current with these standards.

It is necessary and the responsibility of the supplier to obtain current editions of each of these reference manuals to fully comply with the requirements of ISO 9001:2015 and IATF 16949:2016 and CpK expectations. Copies of the following publications can be ordered from AIAG via website at <http://www.aiag.org>. Membership to AIAG is recommended.

Customer Specific Manuals and Supplemental Requirements

- OEM customer specific manuals and specifications are required as they apply to the supplier's end item customer base
- PFMEA Audit and Control Plan Audit
- CpK Tool and Check Fixture Specifications
- Raw Material Record Retention – Raw Material Suppliers must retain the material CoA for the life of Product plus one calendar year.

1.7 Statutory and Regulatory Requirements

CpK Interior Products expects all suppliers to operate and provide products, processes, and services that conform to the current applicable statutory and regulatory requirements in the country of receipt, the country of shipment, and the country where the end product will be sold. It is the responsibility of the Supplier to communicate any risks to CpK Purchasing and/or Supplier Quality.

NAFTA certificates expired July 1, 2020. Suppliers are required to have obtained USMCA Certification of Origin documents prior to this date. To ensure continued compliance USMCA Certificates of Origin must be submitted every year for each component supplied no later than the first week of each New Year. Any charges/fees issued against CpK Interior Products due to late submission will be passed on and the sole responsibility of the supplier. The fees will be reimbursed to CpK in the form of a debit memo.

1.8 Audits

CpK Interior Product's suppliers must permit the auditing of supplier locations to establish and confirm requirements defined by the purchase agreement and in this manual are being achieved. Authorization to audit includes the ability to confirm the supplier can sustain the contracted production capacity. The audit can be performed in the form of a supplier assessment, control plan audit, or product audit. CpK Supplier Quality will give the supplier reasonable notice regarding the intent to audit. All applicable CpK and CpK Customer Representatives will have the required authorization, competency, and access to perform the audit.

The result of an audit may dictate that the Supplier is required to implement actions to correct or improve the product or processes. In these cases, it is the responsibility of the supplier to develop an action plan documenting responsibilities and completion dates. The Supplier is responsible to monitor, update and communicate status. If there are any significant changes or deviations to the already agreed upon commitments, the supplier must receive written authorization from Supplier Quality to waiver from the original plan.

Problems, affecting or having the potential to affect CpK, that emerge as a result of a sub-supplier to the Supplier, require the Supplier to follow the same process of auditing. Documented evidence of corrective or improvement actions must be developed, maintained and available to CpK Supplier Quality when requested.

1.9 Data Submission Requirements

All tooling suppliers are responsible to verify the part dimensionally, and all component suppliers shall be capable of providing data in the DCS/GDM format (North America suppliers only) or a format approved by the CpK Plant/Supplier Quality.

Suppliers are responsible to ensure an adequate system is in place for receipt, control and obsolescence of supplied design records. For data security and integrity, suppliers must have a system implemented and in place to protect and maintain the confidentiality of information. The system must protect against accidental or unlawful destruction, accidental loss, alteration, unauthorized disclosure or access.

1.10 Injection Molding Tooling

All tooling for CpK injection molded components will be handled by a CpK Tooling Engineer.

1.11 Distribution and Revision Control

This manual is written under the direction of CpK Interior Products and is maintained electronically. This manual will be periodically reviewed. When changes occur, revisions will be posted on the CpK Website. It is the responsibility of the supplier to establish a schedule of periodic checks.

Section 2 – Product Quality

2.1 Standard Supplier Charge-Back Summary:

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

An administration cost recovery charge, (refer to the specific CpK plant being supplied for fees and administration charges) may be issued in the event of the following receiving discrepancies:

- Incorrect ASN
- Packing slip discrepancies or no packing slip submitted with the shipment
- AIAG bar code label errors or no bar code label affixed to shipping container(s)
- Illegible Bar code labels, all must be readable by scanner
- Incorrectly labeled containers – label versus actual container content
- Material shipped in a manner other than first in first out (FIFO)
- CoA not submitted within required timeline
- Missing co-ship sample with all required documentation
- Freight non-compliance
- Cost incurred for clean-up due to the receipt of incorrect raw material

A six-hour minimum labor administration cost recovery charge may be issued with each notification of non-conforming product. To determine the current rate refer to the specific CpK plant being supplied. In addition to the administrative charges, the charges listed below may also apply:

- Any and all CpK customer charges incurred as a result of a supplier's non-conforming product.
- A charge on behalf of CpK for time spent sorting and/or re-working a supplier's product.
- Any and all line stoppages based on both man-hour and machine idle time.

Debits for charges incurred will be made in the currency specified on the Purchase Order and shall equal the above amounts in U.S. currency. All charges will be validated and approved by CpK Finance.

2.2 Containment

CpK Interior Products may place a supplier in immediate “containment” if:

- The supplier has been identified as a “High Impact Supplier” for a CpK product launch.
- The severity of the performance issue deems it appropriate.
- The clean point is broken

Under these circumstances, the Quality Manager or designee of the specific CpK plant will send a formal, written notification to the supplier. This notification identifies the specific containment level that applies to the supplier and the actions required to address that status.

Launch: Controlled Shipping Level 1 (CS1)

Launch CS1 Requires:

- Immediate implementation of a containment system in addition to the supplier’s normal process controls and inspections.
- Submission of a CS1 containment plan and/or corrective action plan.
- Evidence based on data from the controlled shipping area that the normal production process is free of all non-conformances for a minimum of 30 working days after the start of mass production or implementation of permanent corrective action.

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

Controlled Shipping Level 2 (CS2)

CS2 Requires:

- Immediate implementation of a CpK approved third-party containment system. This containment is in addition to CS1 Containment activity already in place.
- A formal meeting between CpK, the third party and the supplier to establish all CS2 criteria.
- Evidence based on data from the controlled shipping area that the normal production process is free of all non-conformances for a minimum of 30 working days after the start of mass production or implementation of permanent corrective action.

CS2 may be elevated to new business hold if timely permanent corrective action is not achieved.

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

2.3 Supplier Performance Measurement

Evaluation of Approved Suppliers

Performance Monitoring is used to determine the Supplier's performance to the requirement and efforts on improvement. Additionally CpK reviews supplier evaluations and uses this measurement as a consideration for new business awards. Supplier performance is evaluated and communicated to suppliers via CpK's SupplyWeb online portal. Second party audits may be initiated based on evaluation to assessments: supplier risk assessment, supplier monitoring, QMS development and implementation, product audits and process audits. The scope and the frequency of these audits will be defined by the data available. The supplier will be given reasonable notice of any audit that is to take place.

2.4 Performance Rating

CpK expects 100% on time delivery and quality performance. If there is the potential for an interruption due to an issue with either, it is the supplier's responsibility to notify the receiving plant, Materials Planning and Control, within 24 hours of such an event. Supply interruptions are defined as not being able to meet the specific scheduled amount CpK has requested through the production releases.

CpK Interior Products understands that a supplier's performance directly impacts our performance and therefore it is important to monitor a supplier's performance. The Performance Rating is based on data from the receiving plant and is comprised of delivery performance and product conformity to requirements. On a monthly basis, plant personnel from Receiving Inspection and Quality Control monitor the following metrics for both directed and purchased parts. A supplier is rated on:

1. Quality – PPM (Parts per Million)
2. Quality – Responsiveness
3. Delivery – ASN Submission (Advanced Shipping Notice)
4. Delivery – Incorrect shipments including late/early/short shipments to release

5. Delivery – Documentation errors including mislabeled parts/racks and/or incorrect/missing shipment documentation

It is CpK's intent to protect our customers from receiving nonconforming product. If defective product escapes from one of CpK's facilities to our customer and it is found to be due to a supplier defect, an additional penalty will be applied to the supplier's rating.

If provided by CpK's customers, the Supplier's scorecard will include special status notifications, dealer returns, warranty, field actions and recalls. The supplier will be expected to respond to these issues utilizing a corrective actions/8D.

Scorecard ratings are calculated monthly with a 12-month rating available on CpK's SupplyWeb online portal. Ratings will fall into three categories:

1. Excellent – Higher than 80%
2. Good – 60% to 79%
3. Poor – Less than 60%

A supplier in 'Excellent' standing follows plant specific minimum incoming material inspection requirements. A supplier in 'Good' standing may require escalated controls and monitoring depending on trending metrics. A supplier in 'Poor' standing will require further escalation controls and potential loss of business. These controls may include regularly scheduled phone call, completion of Corrective Action Forms, 8D, Defective Material Notices, increased receiving inspections, 3rd party sorting and containment plans and/or second party audits. All associated costs will be at the expense of the supplier and charged back accordingly.

Each manufacturing site has a process in place to manage the escalation/de-escalation of performance related issues within their scorecard rating system. The main factor influencing this process will be trend analysis. Suppliers trending in a positive/negative direction for consecutive periods (1 to 2 quarters) will be subject to the scrutiny of the receiving plant.

Section 3 – Quality, Environment and Safety Management Systems

To ensure the safety of both CpK's workforce and a supplier's, prior to providing any services, related to a sort and/or rework at a CpK facility, suppliers must provide evidence of insurance and licensing. Please direct any questions regarding the requirements for submission to the appropriate plant's Quality contact. This individual will provide direction regarding plant contacts.

3.1 Quality Management System

All suppliers are required to implement and maintain registration to ISO 9001. It is advised that suppliers refer to the appropriate documents for specific requirements. Any exceptions must be approved by CpK Supplier Quality and require further action. It is the responsibility of the supplier to inform CpK of any changes in registration status.

Suppliers are requested to forward evidence of their quality system certification to the appropriate CpK Interior Products plant that they are supplying.

Suppliers must implement and maintain a quality management system. The goal of the system must be to obtain zero defects. The Supplier must have a documented improvement process and be committed to continually improve delivery, product quality, and quality management systems.

3.2 Environmental Management System

CpK Interior Products is committed to the sustainability of the environments in which we operate and to complying with all applicable governmental regulations for the protection of our workforce, workplaces and communities. We expect our suppliers to adopt the same practices and comply with regulations related to the health and safety of their workforce and environmental protections. While it is not a requirement for suppliers to be third-party registered to ISO 14001 Environmental Management Systems, CpK recommends that suppliers implement a strategy that ensures accountability to safety and environmental stewardship.

3.3 CpK Supplemental Quality Management System Requirements

Maintaining Process Control

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

Annual Validation

The supplier is responsible for conducting annual validation. Results are to be available when requested by CpK. Annual validation is:

- Submission of PSW
- Submissions of CQI requirements (where applicable)
- Testing for flammability (where applicable), applicable CC specifications and other as per supplier Control Plan. This testing applies to the supplier's parts and their sub-supplier's components.
- Layout of the supplier's parts and their subcomponents.
- Layout of all cavities, unless otherwise approved by CpK Quality.

Appearance Items

Suppliers of designated appearance items, per Stellantis Engineering Standard AS10119<A> and AIAG PPAP Manual shall also adhere to the requirements of Stellantis Engineering Standard AS.00001. Additionally, suppliers shall retain an extra appearance approved sample to be made available to CpK upon request.

3.4 Managing Engineering Changes

To ensure effective engineering change management, suppliers are required to include additional labels on containers to clearly identify new level product. The labels must include a description of the change and alert the plant that new stock is being received. The format of the label is to be approved by and at the direction of CpK Quality. Unless otherwise directed, these labels will need to be adhered to the containers for a minimum of 3 shipments.

Section 4 – Supplier Problem Communication

4.1 Defective Material Notice (DMN), Discrepancy Report (DR) or Customer Discrepancy Report (CDR) and Corrective Action

A DMN, DR or CDR may be issued to a supplier when nonconforming material is received at either a CpK or its customer's facility. The notification to the supplier will be via RMA Request form and will typically include the following information:

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

CpK reserves the right to initiate sort, scrap, rework or repair activities without prior authorization from the supplier to protect customer build.

The supplier shall comply with the following corrective actions:

- Initiate containment and inspection of all suspect material including product on route, at the CpK plant or at the customer location.
- Post evidence of customer concerns at appropriate locations.
- Implement immediate corrective action to eliminate the discrepancy.

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

The supplier will complete and return the RMA (Return Material Authorization) request form to CpK Interior Products plant within 24 hours. Failure to respond to RMA requests will result in defective material tickets being closed with a no-response status and a debit memo issued against the supplier's account. Non-conforming parts will be scrapped 5 days after the ticket is closed.

The supplier shall be responsible for supplying CpK current supplier RMA request contact e- mail addresses.

If a sort and/or rework of defective, material is required and the supplier chooses to subcontract the work, the supplier is responsible for ensuring the vendor of choice has the required liability insurance and WSIB account number for tracking purposes. The supplier must ensure any/all employees providing onsite sort and rework assistance understand and acknowledge the site's safety and environmental protocols. In addition, the supplier is responsible to ensure the appropriate supervision is provided.

4.2 Corrective Action

Corrective action forms vary. Contact the CpK receiving plant for appropriate forms.

The supplier shall complete the corrective action using an approach that typically includes the following steps:

- Immediate countermeasure developed in the production operation: short-term corrective and containment actions such as sorting, reworking, reprocessing, temporary countermeasures, etc. A description of the countermeasure is to be submitted to the CpK plant within 24 hours and include an authorization number to sort, scrap, rework or repair. It is the responsibility of the supplier to verify that any/all countermeasure are authorized to be implemented. Prior to deploying any new countermeasure, the supplier must seek and receive approval to proceed from Supplier Quality.

- Root cause established: in-depth analysis of the reported problem shall be conducted to determine the true underlying cause(s) and/or reason for the discrepancy.
- Corrective action implemented: long-term action taken to ensure that the problem will not recur. Methods that may be used are mistake-proofing systems, training, process changes, or tool changes.
- Verification performed: objective evidence that the problem has been solved, including statistical capability studies where applicable.
- Certification obtained: a dated signature of a responsible supplier management representative who attests to the accuracy of all statements made on the form.

The written corrective action report, PFMEA and Control Plan are due to CpK within 10 days of notice. The report will at minimum detail the problem description, interim actions, root cause and the permanent corrective action plan. If the report cannot be completed in 10 days, the supplier shall submit the incomplete report and include a timing plan for the submission of the completed report.

Upon implementation and submission of permanent corrective action(s), the corrective action will remain open for a period of 90 days to verify effectiveness. Only after the 90-day period has been successfully completed will the corrective action be closed. After successful completion of the 90-day verification phase, the supplier will submit the final completed copy of the corrective action report to the respective CpK Interior Products plant.

When requested, the supplier shall provide on-site support personnel at CpK and/or its customer's facilities.

Section 5 – CpK Specific Requirements by Commodity

5.1 Product, Process and Material Changes

Product, process and material changes are to be guided by Stellantis PPA, the current AIAG PPAP (Production Part Approval Process) and OEM requirements.

5.2 Run@Rate /Production Demonstration Run (PDR) and Production Part Approval Process (PPAP)

Suppliers shall notify or confirm in advance to CpK of a scheduled or upcoming Run@Rate, PDR and/or PPAP.

Production Part Approval Process (PPAP)

All suppliers of raw materials and components used in the manufacture of CpK products are required to submit PPAP packages and receive PPAP approval prior to pre-production PS shipments. PPAP documentation is to be submitted in the electronic format specified by the Advanced Quality Group. All documents must be available in English and/or translated to English.

With the exception of chemical suppliers, suppliers shall comply with the current version of the Stellantis PPA, PPAP manual, or the OEM customer's specific requirements for product approval. The Product Development Team or other designated CpK representative may modify these requirements. The default level for all submissions is Level 3. CpK must approve any change to this submission level. All items that do not meet specification shall be clearly identified on the PSW and a CpK pre-approved action plan for each discrepancy shall accompany the submission.

It is mandatory for suppliers to provide IMDS Data for all components and raw materials supplied to CpK id 113231 as part of the PPAP/PSW. Submission are to include material certifications for all purchased components or services. The documentation must verify the composition of the materials used and their individual components including any aspects related to the environment. The IMDS data must be submitted/released to the CpK IMDS Coordinator through the following website: <http://www.mdsystem.com/index.jsp> utilizing the code CpK id 113231.

To ensure the uninterrupted supply of product related to a launch, the supplier must develop and implement a SAFE LAUNCH plan. The plan is to define the method, responsibility, characteristics, frequency and duration. SAFE LAUNCH is required for new product launches or when requested by CpK Supplier Quality and/or the plant Quality Engineer. In the event that quality defects escape during the duration of SAFE LAUNCH, it may be extended at the discretion of CpK Supplier or Plant Quality.

For formal sign-off and approval, all PPAP submissions shall be forwarded to CpK Supplier Quality with the exception of fasteners and felt tape which are to be forwarded to the assigned Quality Engineer at the CpK Manufacturing Plant receiving the material.

Validation shall follow the requirements of PPAP. Annual PPAP validation submissions are required at the supplier's expense, unless the receipt of a written waiver is obtained from CpK. See section 3.4 for annual validation requirements.

Changes in Approval Process

CpK expects all its suppliers to follow the conditions for resubmission and approval as outlined in the AIAG-PPAP Manual. Failure to comply puts significant risk on CpK, our

customers and the supplier. Therefore, any changes to a previously approved manufacturing process, including changes of sub-Suppliers, require the Supplier to contact CpK Purchasing and/or CpK Supplier Quality. The Supplier will be responsible for conducting any required validation testing and accountable for associated costs. Failing to follow the prescribed resubmission and approval process will make the Supplier fully responsible and accountable for any and all costs incurred resulting from customer acceptance and any failures (including field failures) that are attributable to the change. As a result of any violation, CpK may choose to inform the Supplier's third party registrar.

5.3 Plastic Components

Regrind

The percentage of regrind shall be verified by appropriate validation testing and approved through PPAP submission (for Stellantis product reference PS-9065). Suppliers shall document a policy/procedure outlining the method of control of regrind used in the product. Documentation of all blending, by lot, shall be filed for CpK review and approval when requested.

Processing Aids

There shall be no oil, lubricant, mold release or other contaminant on product shipped to CpK plants, unless CpK or its customer specifies the presence of such material in engineering drawings, specifications, etc. In such cases, the supplier shall obtain approval in writing from CpK Quality prior to product shipment. The same requirement applies to the following scenarios:

1. When it is required by the supplier's manufacturing process and cannot be entirely removed prior to shipment of the product.
2. When it is indirectly required in order to meet CpK or its customer's requirements (for example, salt spray resistance).

5.4 Powders, Resins, and Other Raw Material (i.e. Paint)

The supplier shall receive and evaluate raw material certifications showing actual test results prior to use of each batch of material. If a subcontractor performs material blending (glass, etc.) the certifications for all virgin materials shall be maintained on file by the supplier for CpK review.

In the event that CpK requires troubleshooting information, expertise, knowledge and/or assistance, it is essential and expected that material suppliers will support and collaborate with CpK to aid in problem resolution. The extent of this information may

include requests for processing guidelines and/or CPN information. CpK will not request proprietary information.

The supplier shall provide a certificate of analysis via email 24 hours prior to shipment. Each CoA submission should be directed to the appropriate facility utilizing the address listed below:

- CpK Guelph – Guelph.certificate@cpkip.ca
- CpK Port Hope – cpkipcoa@cpkip.ca
- CpK Belleville – infobvl@cpkip.ca

Additional requirement for suppliers shipping to the following location:

Belleville and Port Hope: Each bulk tank resin shipment must be accompanied with a 1 lb. sample complete with CoA and any and all required documentation. The batch number of the sample and the product shipped must be clearly written and indicate that both are from the same manufacturing batch. Shipments that arrive without the required CoA/documentation will not be offloaded until confirmation has been received that the specific lot has been approved for use. Suppliers should be aware that any additional cost incurred to secure approval for use are the supplier's liability and subject to additional charge backs (see section 2.1).

Section 6 – CpK Packaging and Freight Requirements

CpK is committed to ensuring that the products supplied are packaged in a manner that prevents damage, defects and maintains the integrity of the product supplied. It is the responsibility of the supplier to provide any and all product in approved packaging per CpK's APQP/CpKLM process. Packaging is part of the PPAP submission.

6.1 Determination of Packaging Types:

Suppliers of production parts and materials are to be held responsible for packaging their products in **pre-approved** packaging and in accordance with the instructions contained herein. All pack size, packaging, container or pallet dimensions and or type shall be submitted on the required packaging form(s) and pre- approved by the appropriate CpK facility. The form can be obtain via CpK's website. Each submission should be directed to the appropriate facility utilizing the address listed below:

GuelphPkg.instruction@cpkip.ca

PortHopePkg.instruction@cpkip.ca

BellevillePkg.instruction@cpkip.ca

Packaging should be returnable. Where an exception to use expendable packaging has been approved, to ensure the safety of our workforce and the quality of the product, a lid must be used instead of flaps to avoid the use of knives to open the box. The packaging should be recyclable. Aside from the approved dunnage, no additional protective wraps should be used, unless approved by CpK.

It should be noted that burlap or cloth bags, barrels, drums, kegs, cans or pails are not acceptable as shipping containers for other than granular or liquid materials; in most cases these are inefficient and difficult to handle and do not conform to the integrated handling systems employed at CpK facilities.

Selection of a Method:

Generally, selection of the method of packaging will depend upon the specific part or material, the method of transportation and the method of handling required by the receiver. However, certain basic factors deserve consideration. Packages, which are to be manually handled, are subject to rougher handling than those handled mechanically. In addition, manually handled product and packaging combined must not exceed 20 lbs. /9.1 kg.

Package size, strength and type must be selected to provide protection and to fit the mode of transportation, applicable carrier regulations and distance of transit.

In finalizing the packaging design, the following cost factors must be given equal consideration and importance:

- a) Handling Labor
- b) Material Handling Equipment
- c) Transportation cost (optimum cube utilization)
- d) Floor space availability
- e) Direct Labor
- f) Recyclability, Disposal or Return
- g) Design shall follow 'best practices' criteria

CpK has the option of reviewing all supplier-packaging designs and rejecting those designs, which are not compatible or adequate to CpK systems. Additionally, suppliers are to review their packaging on an on-going basis in order to improve deliverable part quality, part presentation, and continual minimization of costs. The specific method used should be chosen to best fulfill the requisites of good packaging practice for any given commodity.

It is mandatory that when a supplier ships in sufficient volume to warrant palletization that the parts or materials be loaded on a pallet or packaged as a unit load.

There may not be more than one part number packaged in any container unless specifically directed by the CpK receiving operation.

All expendable containers must be loaded to cubic capacity to maintain load density, package integrity and obtain optimum freight rates; unless the quantity of parts on release do not allow for optimum efficiency in pack.

All cardboard corrugated containers must have a manufacturer's certificate with bursting or puncture test visible on the assembled container.

CpK must approve the standard pack density per pack and unit load quantities.

It is the responsibility of the supplier to maintain the cleanliness of the packaging material removing dirt, debris and outdated labeling prior to use and ensuring functionality of all returnable packaging. The supplier must notify CpK of any requirements for repair/replacement.

6.2 Freight

All FTL (full truckload) shipments must be loaded and/or offloaded at their designated window time provided in the CpK routing letter and any delays in loading and/or offloading will be charged back to the supplier. Window time for pick up is maximum 60 minutes.

All LTL (less than truckload) shipments must be scheduled with the carrier 24 hours in advance. All shipments must be ready the day of the shipment no later than 10:00 AM, or mutually agreed with the carrier. Window time for pick up is maximum 30 minutes.

All cross-border shipments must have two copies of all packing slips and Customs paperwork must be placed in a sealed envelope and attached to the shipment.

Freight weighing less than 100 lbs. is to be shipped utilizing a courier. If there are any questions concerning shipment the supplier is to contact the specific plant where the material is to be delivered.

Premium Expedited Freight:

Please consult your Materials Planner if any expedited shipment is to be arranged by the Supplier to support Production.

Communication and Problem Resolution:

Any shipping problems (due to production issues or otherwise) require immediate communication to your CpK Interior Products Materials Planner or Production Control Manager.

Non-Compliance:

Failure to comply with the above instructions will result in supplier performance penalties and charge backs of premium freight or any other financial penalties incur to CpK Interior Products.

Section 7 - Continual Improvement

CpK Interior Products is committed to improving processes and sustaining the overall performance of our business, products and customer service through the application of World Class Manufacturing methodologies. Suppliers are responsible to review their product(s), process(es), services and apply the same logic of improvement using the PDCA cycle (Plan Do Check Act).

7.1 Error/Mistake-Proofing

Automotive customers require “zero defects.” The most effective way to accomplish this task is to use error proofing in product designs and mistake proofing in manufacturing processes. CpK expects its suppliers to adopt the same tools and operating philosophies as a fundamental responsibility of doing business. CpK Interior Products will monitor mistake-proofing progress as required.

7.2 Benchmarking

It is a CpK expectation that suppliers establish benchmark facilities, with the intent to understand and document competitor parts and materials. This knowledge and information is to be used as a source of input to improve current and new products.

7.3 Productivity Improvements and Price Reductions

Specified productivity improvements and price reductions are the minimum adjustments expected and committed to by our suppliers. The specific terms of the agreements are defined on the purchase order. Suppliers can seek the support and assistance of CpK Supplier Quality to collaborate with for improvement in their processes, products and manufacturing capabilities.

Section 8 – Supplier Diversity

8.1 Supplier Diversity Program

CpK has an established supplier development program to develop and maintain a qualified diverse supply base. CpK actively seeks diverse suppliers and encourages our supply base to support and promote the use of a diverse supply base. A diverse supplier is a business establishment that meets one or more of the following criteria:

- (a) A small business, as defined in Title 15, Section 632 of the United States Code and related regulations.
- (b) A small business owned and controlled by socially disadvantaged individuals (at least fifty-one (51) percent of the business is owned and controlled by one or more socially and economically disadvantaged individuals and the management and daily business operations are controlled by one or more such individuals.
- (c) A business that is at least fifty-one (51) percent owned by a woman or women who also control and operate the business.
- (d) A small business that obtains HUBZone (Historically Underutilized Business Zone) certification (maintains a principal office in a HUBZone, at least fifty-one (51) percent of the business is owned and controlled by one or more U.S. citizens, and at least thirty-five (35) percent of its employees reside in a HUBZone.
- (e) A business that is at least fifty-one (51) percent owned by a service-disabled veteran (an individual who has served in the U.S. armed forces and has received an honorable discharge documented by DD Form 214, Certificate of Release of Discharge from Active Duty or veterans who also control and operate the business.
- (f) A business that is at least fifty-one (51) percent owned by a veteran or veterans who also control and operate the business.
- (g) Or other categories of diverse businesses that CpK may include in its diversity supplier development program.

Suppliers are required to provide proof of valid certificate authorized by a governing board/counsel.

Section 9 – Reference Documents & Revision History

9.1 Documents

AIAG PPAP Manual
AIAG FMEA Manual
AIAG MSA Manual
AIAG APQP Manual

AIAG SPC Manual

It is expected as a part of the CpK Supplier Manual that all suppliers remain current with the latest edition of each of these publications.

9.2 Revision History:

<i>Old Revision Level</i>	<i>New Revision Level</i>	<i>Section</i>	<i>Description of Changes</i>
Release – Jan 2019	Rev 1 – 2 20 2019	1.4 Supplemental Requirements and Support References	Removed reference to CpK Corporate Material Specifications and added requirement for Material Suppliers to retain material CoA. Defined CoA retention period per CpK expectation.
Rev 1 – 2 20 2019	Rev 2 1 30 2020	Introduction	Defined term “Supplier”
		1.6 Audits	Added “competency” to requirements for CpK representatives
		2.3 Supplier Performance Management	Included not regarding escalation/de-escalation process
		3/3.1 Quality, Environment and Safety Management	Suppliers are required, at a minimum to implement and maintain registration to ISO9001, removed the requirement for suppliers to be ISO 14001
		3.3 CpK Supplemental Management System Requirements Maintaining Process Control	Added Supplier’s responsibility to contact CpK regarding out of tolerance conditions for critical and significant characteristics
Rev 2 1 30 2020	Rev 3 3 2020	Manual	Removed reference to “Quality” from title and updated page notations
		1 Objectives	Added reference to CpK Vision
		1.2 Scope	Clarified “supplier”
		1.4 Qualifying New Suppliers	Added Section for qualifying new suppliers
		1.5 Supplemental Requirements and Supporting References	Updated customer specific manuals
		1.8 Data Submission	Added requirement for suppliers to have system to ensure the confidentiality of supplied records
		2.1 Standard Supplier Charge-Back Summary:	Removed specific cost recovery notation, change to the requirement to contact plant for specific costs
		Section 3	Added supplier requirement for insurance and licensing prior to onsite support for sorts and reworks.
		3.1 Quality Management System	Added requirements for supplier to notify of any changes to registration
		5.2 Run@Rate/Production Demonstration Run...	Clarified requirements for PPAP approval prior to pre-production PS Shipments Clarified IMDS submissions requirements
		5.4 Powder, Resins and other Materials	Revised to include requirements of material suppliers to collaborate with CpK for troubleshooting and root causing issues Revised COA submission to reflect individual facility requirements
		Section 6 CpK Packaging and Freight Requirements	Referenced tracking of packaging through APQP/CpKLM process – requirements for packaging submissions Premium Expedited Freight – removed

			requirement for AETC number Added requirements for supplier's responsibility to ensure returnable packaging is maintained.
		Section 7 Continuous Improvement	Added requirement for applying PDCA Cycle Added section for productivity and price reduction requirements
		Section 8	Change to reflect supplier diversity program
		Section 9	Changed from section 8
Rev 3 4 2020	Rev 4 8 2020	Section 1 General Information 1.6 External Laboratory and Calibration Services	Added section detailing requirements for external laboratory accreditation and requirements for providing calibration services
		Sections 1.6 – 1.10	Renumbered 1.7 to 1.11 due to addition of External laboratory and Calibration Services (1.6)
		1.7 Statutory and Regulatory Requirements	Added new requirements based on USMCA
		5.2 Run@Rate/Product Demonstration Run (PDR) and Production Part Approval Process (PPAP)	PPAP Documentation is to be submitted in the electronic format specified by the Advanced Supplier Group
Rev 4 8 2020	Rev 5 10 2020	2.4 Performance Rating	Update to list the measurable each supplier will be evaluated to
		6.1 Determination of Packaging Type	Updated contact information for packaging submissions and added form can be access on CpK Website
		Section 1.5 and 1.6	Aligned body of manual with table of contents (Section 1.5 in manual was showing 1.6 content and vice versa)
		Footer	Added Document ID CGR-BMS9-002
Rev 5 10 2020	Rev 6 04 2021	1.4 Qualifying New Suppliers/New Supplier Selection	Further defined team members that could be involved in supplier assessment Indicated forms used for supplier assessment Added additional requirements based on supplier score and high risk ranking
		2.3 Supplier Performance Measurement	Removed email as supplier communication method, added SupplyWeb as methods of communicating supplier rating
		2.4 Performance Rating	Clarified Supplier Rating Inputs, defined rating categories, potential impact to supplier and escalation/de-escalation process
		5.2 Run@Rate, PDR and PPAP	Added the requirement for PPAP documentation to be available in English and/or translated to English
		Throughout manual	Replaced references to FCA with Stellantis