

Mitsubishi Chemical Advanced Materials Plastics: Suppliers Guide Agreement**Part 1: General Guide Lines****A Language/Taal**

EN: Because Mitsubishi Chemical Advanced Materials Plastics is a 100% subsidiary of Mitsubishi Plastics Inc., and since our international customers in the automotive correspond with us in English, we have chosen to use the international business language for all our commercial correspondence. All our standard documents and circular letters are drawn up in English. We expect from our suppliers to be able to communicate with us in English. We suppose that our suppliers will contact us in case the meaning or contents of our texts would not be clear.

NL: Omdat enerzijds Mitsubishi Chemical Advanced Materials Plastics een 100% onderneming van Mitsubishi Plastics Inc. is, en anderzijds onze internationale klanten in de automobielinindustrie met ons in het Engels corresponderen, hebben we ervoor gekozen om alle commerciële briefwisseling in het Engels te voeren. Al onze standaarddocumenten en omzend brieven zijn dan ook in het Engels vertaald. Wij verwachten van onze leveranciers dat zij in het Engels met ons kunnen communiceren. Wij gaan ervan uit dat onze leveranciers contact met ons opnemen indien er onduidelijkheden zijn.

HU: A Mitsubishi Chemical Advanced Materials Plastics-nél, amely a Mitsubishi Plastics Inc. 100% -os tulajdonú leányvállalata és nemzetközi autóipari beszállító, a kommunikáció hivatalos nyelve az angol. Valamennyi dokumentumunk és a körlevelek angol nyelvűek. Ezért kérjük beszállítóinkat is, hogy angolul kommunikáljanak. Amennyiben bármely kommunikáció tartalma nem lenne egyértelmű, kérjük, hogy vegyék fel velünk a kapcsolatot .

B About us

Mitsubishi Chemical Advanced Materials Plastics nv is a leading injection moulding company for the automotive, medical, food & beverage, electric, electronic and general machine industry.

The origin of our company goes back to 1933, when Robert Tavernier started manufacturing buttons for the clothing industry. Later on ERTA has developed their own semi-finished products like ERTALON, ERTALYTE in extrusion and moulded machine parts for Picanol and other general industries.

In late 70ties ERTA has started the red buttons for the safety belts of cars.

In 1976 ERTA has been bought by DSM, a Dutch Holding, and developed systems and technical parts for the automotive industry.

In 2001 Quadrant AG has acquired the former global DSM Engineering Plastics division.

Quadrant AG has manufacturing plants all over the world. Quadrant AG employs about 2500 people in 27 operating locations around the world. In 2013, Mitsubishi becomes the 100% owner of Quadrant AG.

Quadrant CMS has a turnover of 45 million Euros and has a location in Tielt (Belgium) and started in 2003 Quadrant kft in Budapest, (Hungary) for the customers in the East& Central European countries.

Being a second and third tier supplier to the automotive, we are indirectly supplying our modules and products to almost all car manufacturers worldwide. There are 4 product lines which are the main activities for the automotive industry (safety belts, all kind of airbag containers (with horn functions), air ventilation modules and air spring systems) Mitsubishi Chemical Advanced Materials Plastics develops together with the customers system modules and integrates the departments Tool & Mould building and downstream, with injection moulding servicing the whole injection production.

From early days, the main materials processed are plastics, master batches and inserts. All kind of downstream activities can be outsourced. The purchasing departments of the different plants of Quadrant (Belgium, Switzerland, France, The Netherlands, The United Kingdom, The United States of America and KO)

are operating independently, but the global purchasing policy is joining the forces whenever it is needed to obtain the best purchasing conditions.

C Products purchased

The main categories of materials and services purchased for our production of the different automotive, medial, electric, electronic and general industry modules are:

Materials:

Raw material of plastics

Master batches

Inserts like Spring steel plate clips,
Spring steel wire forms,
Screws, nuts, bolts and other fixing articles,
Small plastic tubes,
Small plastic filters,
Contact Lead plates with silver Nickel, Copper, Brass , ...
Inserts for injection moulding,

Non-woven, PUR, textile converted parts, map rings, metal Zinc rings, ...

Activities: (for downstream)

Assembling (with the automation developed by Mitsubishi Chemical Advanced Materials Plastics)

Printing

Lacquer and vanishing

Functional testing

In-molding inserts

Sterilization (of medical products)

Surface treatments

...

D Purchasing strategic objectives

Since Mitsubishi Chemical Advanced Materials Plastics is a supplier of safety parts towards the automotive and medical industry, the collaboration with our direct and our final customers is essential for the development of our business.

Hence our purchasing strategic objectives result from our high degree of customer orientation. As a consequence in the end our objectives are determined by the severe requirements and high supplier expectations of the car manufacturers.

Our mutual success depends on every supplier supporting us in achieving the following strategic objectives:

- *World Class Performance*

Every supplier must be the best in each of the 5 criteria. The excellent performance is a condition and trump for our mutual success.

- *Continuous improvement*

In order to achieve excellence and customer satisfaction worldwide, our focus must be on continuous improvement in the total quality of all products, processes and services. Mitsubishi Chemical Advanced Materials Plastics and its suppliers must strive to examine and improve all of the systems by which we get things done. By making our suppliers an integral part of our overall quality process, we can produce better products right from the start.

- *Customer Satisfaction*

Mitsubishi Chemical Advanced Materials Plastics and our Customers' success in achieving Total Quality depends on viewing suppliers as a valuable extension of our own business. Our goal in purchasing is to build long term relationships with a select group of suppliers who share our total quality vision by consistently delivering the highest quality products and services. Our suppliers must apply effective procedures to monitor the customer satisfaction, so that they can be proactive towards us and our customers for improvement of the Total Quality.

E Purchasing mission of Mitsubishi Chemical Advanced Materials Plastics nv

Our customers are also your customers; therefore we need a complete engagement and cooperation of our suppliers. We recognize that Mitsubishi Chemical Advanced Materials Plastics cannot succeed without the superior quality, cost, service and technology offered by its supply base. We work together with you for a strong working relationship and drive us all toward a continuous improvement.

F Responsibility suppliers

Suppliers are responsible for meeting the supplier guide agreements.

Not meeting these requirements may result in the loss of existing and/or future business, in addition to reimbursement of costs to Mitsubishi Chemical Advanced Materials Plastics for issues resulting from those failures.

Suppliers shall ensure that their direct material/service suppliers comply with the requirements of IATF 16949 (latest version).

Suppliers shall adopt the standards of Zero (0) Defects and 100% On Time Delivery to Mitsubishi Chemical Advanced Materials Plastics nv

Suppliers shall understand that established PPM targets do not necessarily represent an Accepted Quality Level, but may be an intermediate continuous improvement step toward shipment of components/materials meeting the Zero Defects requirement.

Suppliers are expected to comply with OEM specific requirements.

Suppliers are expected to notify Mitsubishi Chemical Advanced Materials Plastics immediately when made aware of a potential safety issue.

Suppliers shall ensure that paid tools or equipment by Mitsubishi Chemical Advanced Materials Plastics will be identified with our property tag. This property tag is provided together with the tool lease agreement of Mitsubishi Chemical Advanced Materials Plastics and/or customer. The correspondence or the payment of the tool/equipments is sufficient to prove the property of Mitsubishi Chemical Advanced Materials Plastics. The tools or equipment owned and paid by Quadrant in the past stay property of Mitsubishi Chemical Advanced Materials Plastics because only the name has changed.

Part 2: Specific Guidelines for the Mitsubishi Chemical Advanced Materials Plastics suppliers

All our suppliers are classified into commodities. This purchasing turnover can divide in the 7 groups of suppliers:

Group 1: Ingredients of our products such as

1.1 Raw Materials (11xxx)

1.2 Master batches & fillers (12xxx + 13xxx)

1.3 Packaging Materials (31xxx + 32xxx + 33xxx)

1.4 Inserts (14xxx)

Group 2: Downstream (24xxx)

Group 3: MRO products (maintenance, repair and operation) and machines & equipment suppliers

Group 4: Services and facilities companies

Group 5: Moulds and assembly lines for projects

Group 6: calibration (282xxx + 83xxx)

Group 7: contractors (50000 - 59999)

We focus us on group 1-2-6 for the Evaluation system according IATF 16949 and ISO 14001 & ISO 50001

A Supplier prequalification

Mitsubishi Chemical Advanced Materials Plastics wants to work with suppliers who are not only capable of, but also motivated to sharing Mitsubishi Chemical Advanced Materials Plastics standards for total quality and continuous improvement.

Companies under consideration are subjected to the following prequalification, selection and evaluation process:

Potential suppliers who seem to be supplying products or services matching our needs are required to complete the Company introductory Questionnaire and U-fax, which will aid us in determining if their company may be considered as a suitable business parties.

Mitsubishi Chemical Advanced Materials Plastics asks also to forward your company brochure, financial data, and equipment lists and facilities brochure together with the completed questionnaire. It permits us a complete review and evaluation of your company's capabilities.

The obtained information and one or four initial quotations received, will allow us to evaluate your company in comparison to our current suppliers and to decide if we accept your company as a prequalified supplier.

This obtained documentation and evaluation will be treated confidentially and be retained in our suppliers' files for record purposes.

B Supplier evaluation

Our main suppliers will be evaluated according to our Supplier Evaluation Procedure (see also manual IATF 16949 & ISO 14001).

This includes on the one hand their achieved performance over the past 12 months and on the other hand the evaluation of the last 3 current months concerning the quality and delivery performance.

For this purpose our suppliers are also questioned on a regular base on the following subjects:

- Applied Quality Management System (standard)
- Supplier Assessment list (if the Quality Management System doesn't meet IATF 16949)
- Applied Environmental Management System (standard)
- Quality & Delivery action plan-logistic service
- Purchasing Conditions as Payment & Delivery Conditions which are :
 - o 90 days at the end of the month
 - o DPP, Tielt
 - o Euro invoicing

B.1 The supplier evaluation system

Evaluation suppliers 3- monthly and annual

Mitsubishi Chemical Advanced Materials Plastics evaluates the suppliers on regular base. The aim is to improve in Quality- and Delivery performance in first instance. On quarter base we evaluate the three worst suppliers per commodity (category of suppliers e.g. raw materials) based on turnover and 80/20 rule.

On annual base we evaluate all suppliers per category of suppliers.

This evaluation is divided up in two: quality performance and delivery performance.

B.1.1 Quality performance

The supplier must guarantee the total quality of the goods supplied. We require of our suppliers to commit to strive for a quality rejects level of 0 ppm.

Every product must meet our customer and Quadrants specifications. Every delivery with a quality problem on the product, package, and shipment will give rise to demerits and thus will affect supplier's evaluation.

At the start of a new project the first 3 deliveries will have an entrance control. If no major non conformities have occurred, the product will have the level of QA (Quality Assured) product. In case of a major problem the quality status becomes NOT QA product. Mitsubishi Chemical Advanced Materials Plastics will send a complaint.

The supplier needs to send back an 8D report according IATF 16949. (Mitsubishi Chemical Advanced Materials Plastics can provide a template of an 8D report).

All suppliers are evaluated in their own commodity group. The quality performance will be send out by the quality purchasing report F655/1. The table here under gives the levels of evaluation:

	QA%	
Mention	≥95%	sufficient
Write	≥85%- 95%	insufficient
Action plan	≥75%- 85%	Unacceptable
Audit	<75% after consultation	
Deleted	After consultation management review	

For suppliers which are below the level of the unacceptability of 75% they will be invited to discuss their action plan and also an audit at the supplier's premises. If no real improvement occurs after all these actions the customer will be informed for a change over after supplier.

B.1.2 Delivery performance

Deliveries must be on time, must have the correct quantity, the correct packaging, and correct identification. Non-conform deliveries give rise to demerits and thus will affect supplier's evaluation. Every supplier is evaluated each year and 3 months on their global delivery performance in their commodity group. A supplier will be evaluated according the following table.

	LB %	
Mention	≥90%	sufficient
Write	≥80%- 90%	insufficient
Action plan	≥70%- 80%	Unacceptable
Audit	<70% after consultation	
Deleted	After consultation management review	

The supplier will be informed for the Delivery performance by the logistical purchasing by the Delivery performance supplier report F655/1. If a supplier has more than two quarters no improvement on the LB% he will be invited to present his action plan. If the supplier cannot fulfill this, then Quadrant will also postpone the payments of the deliveries which are too late. This action will be executed until there is improvement on the delivery performance.

The supplier will inform Mitsubishi Chemical Advanced Materials Plastics when special efforts (premium freight) need to be done to assure the delivery on time (see TS16949)

B.1.3 Quality management system

Mitsubishi Chemical Advanced Materials Plastics is certified for IATF 16949 since 2004 for the production of parts and assembled parts for the automotive, medical, machine building customers.

Our suppliers are expected to have a quality management system and will be selected upon this criterion. Preference will be given to suppliers who have obtained IATF 16949/2009 – ISO9001:2015. Through this Supplier's guide, our Supplier Prequalification, Selection and our Supplier Evaluation Procedure, we encourage our suppliers to develop their quality system with the goal of subcontractor compliance to IATF 16949.

The Supplier Survey list is our tool to evaluate our suppliers on a regular base on their Quality Management System.

B.1.4 Verification of the subcontracted product or service

In compliance with IATF 16949 our customers may specify in their contracts that they or their representatives shall be afforded the right at the subcontractor's premises that subcontracted product conforms the specified requirements.

Accordingly by accepting our conditions of the U-fax and a purchase order, the supplier allows Mitsubishi Chemical Advanced Materials Plastics and his customer to verify at suppliers premises that the purchased product meets the specified requirements.

B.1.5 Verification of the compliancy of the supplier or products

In compliance with ISO/TS16949, ISO14001, ISO5001 and the valid and current legislation, we ask our suppliers that they are operating compliant with this applicable legislation. E.g.: if a license for ADR shipments is necessary for the purchased products, the supplier takes his responsibility to manage this. If the supplier delivers metal inserts, the supplier has to monitor the suppliers in his supply chain, if they are not purchasing any material that contains "Conflict of Minerals". (See further F. Environment, health and safety)

C Yearly contracts and projects agreements

For suppliers who have a yearly contract of a project agreement our automotive should fulfill the requirements which are imposed on us by our automotive customers.

100% on time delivery

Reserve at all-time 20% extra capacity with regard to the average monthly purchased product volume, in order to absorb consumption peaks.

Security stock: Our suppliers are expected to keep a reduced security stock in order to guarantee at all times deliveries according to our order schedules. However Mitsubishi Chemical Advanced Materials Plastics shall not be obliged to take extra stock quantities for any products, leveling more than 4 weeks of our average consumption beyond our order program. We will, as far as possible, keep our suppliers timely informed of changes in consumption as well as of the timing series will run out, so that our suppliers can adapt their security stock levels accordingly.

Safety stocks should be removed between 6 to 8 weeks before the end of the series.

Goods must be delivered first in first out (FIFO). The supplier must be able at all times to present us an acceptable contingency plan for applied machinery and tools.

Guarantee of delivery of goods for the lifetime of a project accordingly the IATF 16949.

Delivery service of spare parts should be assured till 15 years after the end of a project according the same ingredients, process and location. Mitsubishi Chemical Advanced Materials Plastics will not accept a higher price for the last run out.

Secrecy agreements: Mitsubishi Chemical Advanced Materials Plastics can ask the supplier for new developed parts to sign and agree with the secrecy agreement.

The purchase orders for ingredients are sent out by fax, mail and next by post if the supplier hasn't signed the U-fax. The Mitsubishi Chemical Advanced Materials Plastics purchase conditions are then the only agreed conditions for our suppliers. Disagreeing order confirmations should reach us within 2 days by fax or mail.

We expect our suppliers to inform us about their inability to supply ordered materials and quantities at the delivery times mentioned on our purchase orders within one week after receiving the order.

When a supplier is unable to meet the agreed delivery time, he must ask for concession, which will allow us to discuss the attainable delivery time with our customer and if accepted will avoid the costs of late deliveries.

Samples & prototypes: IATF 16949 recommend to use the definitive supplier for a project in the earlier stage of a project and to order the first prototypes from this chosen supplier.

The product development process in the automotive remains a relatively long process, during which frequent orders or frequently changed versions of samples and prototypes must be received within the shortest timings.

Therefore, when product development is involved, we tend to select suppliers who offer a prototype service and can guarantee for sample orders short delivery times and respect production of promised delivery times.

The supplier must use appropriate statistical data to ensure the quality of products and processes. Evidence is shown by a Cpk of minimum 1.33.

D Quotations and price competitiveness

D.1 Ingredients

For raw materials, master batches, fillers, inserts and packaging are the prices generally established on an annual basis. Yearly we can negotiate for standard ingredients with the help of our provisions for annual contracts. For custom made products, such as inserts we need to keep our project price due to be in line with our customer project price.

Mitsubishi Chemical Advanced Materials Plastics wish to receive the best prices on first quotations.

D.2 Components and assemblies according our customer requirements

Our supplier may be consulted very often/regularly for the many ongoing projects and consecutive requests for quotations from our customers. Responding to all these requests makes great demands on our efforts as well as those of our suppliers and in many cases without an order.

Quotations to the automotive have the following characteristics:

- Short response time required
- Unfortunately monthly informatively and without action
- No allowance to change development costs and normal pre-contract services.

Our customers in the automotive industry require from us and our suppliers of recurring purchases:

- That they absorb any normal material and labor cost inflation
- That they grant annual reductions for obtained improvements in productivity (on product and process).

D.3 Tools, moulds and machines

Once our customer has placed an order for tooling, prices are not renegotiable again in case uncalculated or unexpected costs arise during the tool development and production in process.

Quotations for tooling must always be complete and include:

- All costs for conversion of our CAD files (mostly Siemens NX, DXF, and IGES) and drawing measurements to whatever software format.
- All costs for modifications on parts and drawing that arise after acceptance of the order that pertain to the knowledge of the supplier.
- Each remark or objection on our drawing information that affects/might improve manufacturability, feasibility, functionality, or might reduce costs should be made on the quotation.
- The costs of all should be in advance foreseeable also changes to tooling during its guaranteed life-times such as possibly renewable date stamps and maintenance.
- Costs for marking of parts with the material code according to ISO 11469.
- The manufacturing location (country) of the quoted tool has to be mentioned on the quotation.
- Whenever asked, a break-down of the tooling and insert costs must be given (see form F159).

D.4 MRO Products

The yearly contract establish the prices for these articles together with the lead times and minimum delivery Quantities A call-off order is placed for contracted articles, what leads to fax call-off of the technical services of Mitsubishi Chemical Advanced Materials Plastics.

The supplier informs us at least once per year for cost down alternatives.

Price increases without any agreement by Mitsubishi Chemical Advanced Materials Plastics can never be accepted. The supplier takes once a year the initiative to discuss the prices.

D.5 Services and facilities companies

A yearly contract establishes the contractor prices for the well-defined services. A call-off order is placed for the yearly renewable services. No changes of prices, lead times and specifications can be done without approval of the Purchasing Department.

Services are evaluated when necessary. The contractor needs to respect the Quadrant Safety and Environmental guidelines (F129). These are available at the Prevention Advisor, or can be sent with the order when relevant. This document should be instructed by the supplier to the contract employees at Mitsubishi Chemical Advanced Materials Plastics. Each 3 years, we need a renewed signed document F129.

E Packaging and product identification

The packaging and make up shall be specific to the different goods and components and is to be agreed between both companies at the time of PPAP. (Production Part Approval Process)

Faced with the increased costs due to statutory regulation to take back packaging materials and no use of restricted substances and re-usable materials, we ask our suppliers whenever possible to deliver goods in returnable packaging.

Delivery notes and Odette labels shall mention supplier's production batch number in order to enable traceability of the raw material batch.

The supplier shall change his production batch number at each change of material batch used and should change it at each new machine set up (recommended).

A copy of the delivery note must be attached to one of the pallets. The following information must be on the packing lists or other delivery documents:

- Purchase order of Mitsubishi Chemical Advanced Materials Plastics
- Your contact
- Article number of Mitsubishi Chemical Advanced Materials Plastics
- Description of the article
- Batch number
- Quantity and number of packaging units per type.
- Characteristic information which identify the FIFO rule of the specific pallets in a delivery.

The goods should be packed on Euro pallets (120 x 80cm or 120 x 100 cm) with a maximum height of 2,0 meter (pallet included). Supplier initiated packaging or cost improvements are encouraged, but must be approved by Mitsubishi Chemical Advanced Materials Plastics to ensure operations are not actively affected. The supplier has to keep track of the quantity of packaging materials supplied, so that on simple request you can inform us of this quantity. All information, specification of the product and packaging should be stated in the signed "purchasing specification sheet" F119, which is a part of the PPAP.

The supplier is responsible to present the suitable and appropriate packaging to assure the quality and the preservation of the products so that they meet the specifications at our production.

F Environment, health and safety

Mitsubishi Chemical Advanced Materials Plastics provides innovative products and solutions worldwide that secure sustainable success for our customers. In alignment with our Group's mission statement and the Kaiteki policy of Mitsubishi, we place the highest value on social and ecological considerations such as the protection of human rights, the fight against corruption and protecting the environment.

Mitsubishi Chemical Advanced Materials Plastics promotes strong relationships with suppliers and the supply chain to minimize Health, Safety and Environmental (HS&E) risks and impacts and prevent business interruption and damage to our reputation. These relationships should also be used to reduce total costs by carefully considering all costs; direct and indirect, associated with the acquisition of goods and services. SHE performance shall be included in the criteria for the selection and continued use of suppliers

An ISO 14001 Certification is highly recommended and expected but not mandatory. Suppliers are strongly encouraged to evaluate emerging issues that could impact SHE and Corporate Social Responsibility at <http://aiag.org>.

The REQUIREMENTS below are those that we believe are a prerequisite to reach the above mentioned environmental targets:

- Written guidelines regarding environmental performance
- Regular review of production, maintenance, supply and disposal processes and products to determine their environmental impact
- An emergency response plan 5
- Definition of targets to improve environmental protection and documentation of their fulfillment which includes:
 - o safeguarding of resources (raw materials, energy, water)
 - o Prevention and reduction of environmental pollution
 - o Minimization of waste and rejects
 - o Reduction of expendable packaging
- Compliance with all automotive regulations regarding materials and substances
- A recycling concept/program

Mitsubishi Chemical Advanced Materials Plastics emphasizes with the certification of ISO5001 that we search at all time for the lightest footprint. Suppliers who works actively, will be higher ranked.

F.1 Legislations

Mitsubishi Chemical Advanced Materials Plastics is certified according ISO14001 & ISO5001 and is now in transition to ISO 14001:2015. We expect suppliers to understand and fully comply with all applicable Belgian, European and international laws and regulations, including, but not limited to, all Environmental, Health and Safety and related laws and regulations (EHS). If our customers need specific compliancy for legislation in the country they deliver of where they are located we transfer this requirement via the order to you as supplier. If No reaction, we expect the compliancy of the product according these legislations.

F.2 Directives

The supplier must ensure that during production wastes are minimized and that processes are adapted to the applicable environmental and safety regulations. Suppliers must not only comply with the Substance Use Restrictions according to the End of Life Vehicle Directive 2000/53/EC Compliance with this directive is a requirement of drawings, standards, specifications or other documents which define all parts and materials you supply to us. Also the WEEE directive (2012/19/eu), ROHS directive 2011/65/eu, REACH, CLP/GHS and other directives should be taken into consideration for the compliancy of the delivered products and services.

F.3 Conflict minerals

Mitsubishi Chemical Advanced Materials Plastics endeavors to not purchase any material that contains “conflict minerals” which directly or indirectly finance or benefit armed groups in the DRC or an adjoining company. Mitsubishi Chemical Advanced Materials Plastics does not file reports with the SEC. We recognize the SEC final rule for section 1502 that mandates our direct and indirect customers to undertake due diligence across their global supply chains and we ask an appropriate level of support to help us in the reporting obligations.

F.4 International Material Data System (IMDS)

To ensure compliance with the governmental regulations and directives of the car manufacturers, it is a requirement of all sub tier suppliers to report on all parts/materials/substances. The car manufacturers have generally elected to use the IMDS, the industry standards for materials management. (www.mdssystem.com)

We require of our suppliers to prepare the necessary part/material/substance information and enter the information into IMDS so that we can report it to our customers.

G Specific requirements – Quality

G.1 PPAP general (Production Part Approval Process)

According to the requirements of ISO/TS16949, samples and PPAP documents may be requested, if necessary. Depending on the submission level, the necessary documents must be delivered or supplied in a suitable form as requested via our PSI. (Part Submission Index) The PSI (F153), which is the content table of the PPAP required not only the PPAP acc. IATF 16949 items, but also our customer requirements such as:

- Packaging acc. our process
- Cleanliness requirements acc. the OEM, our customer and Mitsubishi Chemical Advanced Materials Plastics demands.
- Risk and opportunities made in your FMEA for Mitsubishi Chemical Advanced Materials Plastics' process & product.
- RAPIDS (Regulatory Affairs Product Stewardship Information Data Sheet) (See F153)

In general, all deliveries of prototypes and pre-series runs must be accompanied by representative reports detailing the dimensional accuracy of the components and by material certificates (unless expressly agreed otherwise with Mitsubishi Chemical Advanced Materials Plastics)

PPAP for automotive products

In general a PPAP requires submission level 3 for new products/projects. The submission level may be adjusted, if needed (particularly at the request of the customer).

The PPAP for automotive products should contain the IMDS (and if necessary also CAMDS) proposal to Mitsubishi Chemical Advanced Materials Plastics IMDS ID = 1493.

PPAP for non-automotive products

The Parts which are intended for non-automotive products or customers (e.g. AFSP parts) must be sampled in accordance with a reduced PPAP. For this, the minimum submission level is 4, with the sampling being required to include the following:

- Measured sample parts
- Measurement report
- Material certificates (if necessary)

Due to deviating requests on the part of the customer, additional documents may be required; this will be noted in the order documents.

The PPAP for food&beverage products should contain the RAPIDS as a minimum. Also doc's to proof the compliancy acc. the local legislation of a country should be provided without costs.

The PPAP for medical or paramedical applications should contain also the RAPIDS and necessary certifications acc. the appropriate customer requirements.

If we buy an ingredient of a product safety related product, we communicate this to the supplier.

G.2 Change Management

Changes on the design, product, process or location shall always communicate by the suppliers towards Mitsubishi Chemical Advanced Materials Plastics and are subject to PPAP. Exceptions must be agreed.

Mitsubishi Chemical Advanced Materials Plastics must act in accordance with customer requirements for change notification and as such, Mitsubishi Chemical Advanced Materials Plastics expects the supply base to

comply also. Change approval may take an extended period when Mitsubishi Chemical Advanced Materials Plastics customer approval is required. The testing and/or customer qualification process begins when the supplier provides sample parts to meet the Mitsubishi Chemical Advanced Materials Plastics validation plan. Changes shall not be implemented prior to the receipt of written approval from Mitsubishi Chemical Advanced Materials Plastics. VERBAL REQUESTS WILL NOT BE ACCEPTED. We refer to the Table 3.1 of AIAG PPAP Manual, latest edition.

G.3 Incoming inspection

In general, we expect that delivered products are flawless and almost entirely dispensable with any incoming inspection. If these deliveries are free from defects, the product shall be assigned the QA status and additional incoming inspections shall be eliminated.

In the event that problems or defects occur in production or during subsequent deliveries the QA responsible changes the “released” status into Not QA status for the next 3 deliveries.

The cost associated with additional controls attributable to one or more quality defects of the product shall be charged to supplier.

Mitsubishi Chemical Advanced Materials Plastics expects from its suppliers that an early production containment process (eg GP12) is in place to assure us the right quality at the start-up of the new projects. This means that the first 3 deliveries to Mitsubishi Chemical Advanced Materials Plastics should be management by an EPCP (eg GP12).

G.4 Material certificates and test reports

In general the PPAP documents must include the corresponding material certificates.

In addition, our suppliers should provide the appropriate relevant material certificates (3I acc.to EN 10204) for each product delivery that was produced with a new material batch.

For raw materials we refer to the F705 note for the required parameters to be measured.

For inserts, we refer to the PSI (Part submission index), which includes the required information.

The material certificates & test reports needs to be delivered at all-time except when there is an formal allowance to keep them at your premises. In case, when the reports, certificates are demanded they need to be delivered within 24 hours to Mitsubishi Chemical Advanced Materials Plastics or our customer.

G.5 Traceability

We expect full traceability for all products components, and materials.

Delivery notes and packaging labels (Galia, Odette and VDA labels) must list the supplier's production lot number to guarantee traceability of the raw material lot(s). Also the Mitsubishi Chemical Advanced Materials Plastics order number and article number is obligated to link the article with the right lot number. The supplier has the responsibility to instruct the forwarder & Shipment Company to respect the necessary documents.

G.6 Verification of sub-contracted products and processes (=Downstream)

To ensure product and process quality, it is common practice in the automotive industry that our customers, in particular our end customers (OEMs) reserve the right, in their contracts, to ascertain at any time either personally or through a representative, at the operation of a sub-contractor, that the manufacture of sub-contracted products processes meets the specific requirements.

To guarantee this process Mitsubishi Chemical Advanced Materials Plastics likewise demands from its suppliers that, flowing acceptance of an order, the supplier allows Mitsubishi Chemical Advanced Materials Plastics and customer to conduct an inspection at the supplier's operation at any time to ensure that the specified requirements are indeed met in production. Such inspections may take on an informal or formal form (audit). You will be notified in a timely manner about the schedule, the possible effects and the results of such inspections. This inspection can also be the result of a bad Quality performance report.

H Complaints

H.1 Complaints

Product processes and services that do not meet our requirements shall be subject to complaints. Our standard complaint report has an “8D” format. We expect that our suppliers are familiar with, understand, and are able to process this format. If not, please contact us for a template and explanation. This report will provide the supplier with information about the classification of the failure, the description of the problem and a relevant contact person within Mitsubishi Chemical Advanced Materials Plastics.

Upon receipt of a complaint Mitsubishi Chemical Advanced Materials Plastics expects an initial reaction within 48 hours. Initial reactions must, at a minimum, include a confirmation of the complaint, immediate containment actions (containment, additional inspections), and relevant contact persons.

Within 5 business days, unless otherwise agreed between Mitsubishi Chemical Advanced Materials Plastics and the supplier, we expect a detailed root cause analysis and the definition of effective corrective and preventative actions. At the same time the final completion date of the 8D should be agreed. All measures must also be effectively verified.

Parts subject to complaints shall be available to the supplier one month after the complaint was sent. If we have not received a response for the supplier by that time, the products shall be scrapped at the supplier's expense. If the supplier would like the products returned Mitsubishi Chemical Advanced Materials Plastics can organize the transport of these parts, at the supplier's expense.

Complaints shall be considered as a criterion/negative in the assessment of the supplier's performance. Unexcused, late responses to complaint reports increase the significance of these criteria/negatives.

H.2 Complaint costs

The goal of this complaint process is the prompt identification and sustained elimination of all defects, so that neither Mitsubishi Chemical Advanced Materials Plastics nor the end customer incurs any financial or other damage.

However, should a complaint result in costs, these shall be charged to the supplier, In the event that costs due to supplier complaints are charged to us by customers, we shall pass on these costs.

Mitsubishi Chemical Advanced Materials Plastics waives the right to invoice complaint costs as flat amounts.

In return, we reserve the right to charge variable costs, depending on the expenses:

- Alert by mail: not a direct cost.
- Administration cost in case of complaint 150€/complaint
- Administration cost in case of reoccurrence complaint 250€/complaint
- Administration cost in case of return of parts (incoming inspection) 250€/complaint
- Handling cost in case of production problems at Qcms /customer 500€/complaint
- Additional handling, rework, sorting, * 36€/ hour
- Additional work by employees (technical dept., testing...)* 45€/ hour
- Production line shut-down at Mitsubishi Chemical Advanced Materials Plastics *
100€/ hour
- Costs charged by our customers * effective cost
- Customer's production line shut-down * effective cost
- Preferred freight due to schedule obligations * effective cost
- Rejected material * effective cost
- Disposal effective cost

* caused by Mitsubishi Chemical Advanced Materials Plastics due to supplier product defects.

I. **GDPR (General Data Protection Regulation)**

Mitsubishi Chemical Advanced Materials Plastics respects the GDPR. Mitsubishi Chemical Advanced Materials Plastics will treat personal & confidential data indicated by the supplier as strictly confidential and will not access afterwards. Material data provided by the supplier will be used for the processing of the material and securing our process, people & environment. The supplier can inform Mitsubishi Chemical Advanced Materials Plastics which information is personal & confidential.