



QUALITY REQUIREMENTS FOR SUPPLIERS

1. INTRODUCTION

This document is owned by Kuźnia Polska S.A. with the registered office in Skoczów. It applies to the suppliers of basic materials / services for manufacturing of forged products, trimming, and processing operations, as well as the tests performed on forgings and parts.

The Supplier is obliged to comply with the agreements/ orders/ contract and the requirements of the IATF 16949:2016 Standard. The Supplier shall get acquainted with the Quality Requirements for Suppliers, supplementary to the above-mentioned requirements.

The applicable Quality Requirements for Suppliers have been published on the website of Kuźnia Polska S.A. in the QUALITY POLICY tab (<http://kuzniapolska.com/en/quality-policy/>)

In case of any discrepancy between the requirements of an agreement/ order/ contract and the contents of this document, the provisions of such agreement/ order/ contract shall prevail.

2. ACCESS

The Supplier undertakes to provide unlimited access, for representatives of Kuźnia Polska S.A. and its customers, to any and all devices, facilities, records and documentation (this applies as well to sub-suppliers of the Supplier) related to the performance of services, as well as to the Quality Management System.

3. TERMS AND DEFINITIONS

This document adopts terms and definitions indicated in the ISO 9000:2015 standard.

4. QUALITY MANAGEMENT SYSTEM

▪ 4.1.GENERAL REQUIREMENTS

The Supplier is obliged to have technical capacity of manufacturing/ providing products/ services meeting the requirements of Kuźnia Polska S.A.

Prior to order placing each supplier is subject assessment and approval process, and later also to periodic performance assessments. If the assessment result is unsatisfactory the Supplier needs to implement corrective actions and improvements, which constitutes a necessary condition for staying on the List of Approved Suppliers of Kuźnia Polska S.A. It is required that a Supplier of components for automotive production holds a certificate confirming its Quality Management System according to the IATF 16949:2016 Technical Specification. The minimum requirements of Kuźnia Polska S.A. for its suppliers include holding valid certification of the Quality Management System according to ISO 9001.

▪ 4.2. DOCUMENTS AND RECORDS

Kuźnia Polska S.A. is obliged to provide the Supplier with own or customer documents (drawings, standards, instructions, specifications) necessary for proper performance of the order.

Obtaining access to generally available standards shall be the Supplier's obligation.

The Supplier of products is responsible for preparing, securing and archiving documents and records concerning manufacturing and inspection (technologies, instructions, guide sheets, test reports, etc.). The period of retaining records not submitted to Kuźnia Polska shall be as follows:

- Automotive industry – 15+3 year from the project completion.
- Other – 10 years from the project completion.

5. LIABILITY OF THE SUPPLIER

The Supplier shall be fully liable for the quality of the products supplied/ services provided, and shall be responsible for meeting the requirements within its organization and its suppliers.

6. AWARENESS, COMPETENCE, TRAINING

The Supplier is obliged to get acquainted with all the quality requirements presented by Kuźnia Polska S.A. and to train the personnel accordingly.

The Supplier undertakes to treat as trade secrets any and all obvious commercial and technical details resulting from the commercial relationship.

7. ORDER EXECUTION

▪ 7.1 CONTRACT REVIEW

The Supplier should perform a review of the agreement/ order/ contract with regard to the feasibility study and delivery lead time. **Risk assessment shall be performed for all products.**

▪ 7.2 COMMUNICATION

Notices related to deliveries should be sent to the address of the person placing the order on behalf of Kuźnia Polska S.A. The Supplier shall notify Kuźnia Polska S.A. in case of any nonconformity related to the order execution.

Exchange of any and all communications between the supplier and its customer concerning the current subject of the order is forbidden without written consent of Kuźnia Polska S.A.

▪ 7.3 DESIGN AND DEVELOPMENT

The Supplier is obliged to plan and develop technical documentation necessary for the product execution. Such technical documentation should assure maintaining product identification and traceability and obtaining detailed information upon its completion. Technical documentation should be updated with regard to the changes that occurred. The PPAP Level 3 is required for automotive supplies (in absence of other requirements).

▪ 7.4 PURCHASES

In the case of purchases made by the Supplier for the ordering party, such order needs to include a request of: meeting these requirements and delivering quality documents.

Materials supplied for production should be accompanied by documents confirming their quality:

- for all type of deliveries a quality certificate as a minimum
- for steel deliveries inspection certificate including the results of the tests performed

▪ 7.5. PRODUCTION AND SERVICE PROVIDING

* 7.5.1. PRODUCTION SUPERVISION

Processes carried out on products designated for the automotive industry need to follow the agreed technology.

The Supplier of a product for the automotive industry is obliged to notify Kuźnia Polska S.A. on any change to the technological process validated Kuźnia Polska S.A./ customers or by supervisory authorities, having impact on the product and/ or its parameters, prior to introduction of such change.

The Supplier is obliged to attach the following quality documentation to each delivery:

- Quality certificate including the required parameter characteristics,
- Test reports (if required).

Quality documentation needs to contain the data enabling unambiguous identification with the product supplied.

The above-mentioned required documents need to be delivered together with the delivery at the latest, preferably in an electronic form, to the email address indicated in the order or to another address specified by Kuźnia Polska S.A.

* 7.5.2. VALIDATING PRODUCTION PROCESSES AND SERVICE PROVISION

A contractor of special processer needs to obtain validation from Kuźnia Polska S.A. or its customers.

All changes of special processes are subject to approval prior to their application.

* 7.5.3. IDENTIFICATION AND TRACEABILITY

Delivered components need to be identified at least by the following features:

- Product/ component name / number,
- Batch number,
- Heat
- Production date

The Supplier is also obliged to retain the product identification marks assigned by Kuźnia Polska S.A., throughout the period of providing services, doing tests and transportation, and to link them to the quality documentation.

* 7.5.4. CUSTOMER OWNERSHIP

Materials and products supplied or owned by Kuźnia Polska S.A. need to be supervised, visibly marked, and they can be used solely according to the order. The Supplier is obliged to notify Kuźnia Polska S.A. on damage or loss

of the products owned by Kuźnia Polska S.A. and to return them in case they are qualified as nonconforming. The quantity of nonconforming products needs to be indicated in the delivery documents.

* 7.5.5. PRODUCT PROTECTION

The Supplier is obliged to protect the product against external factors to prevent damage or mixing up/ misplacing during manufacturing and transportation.

▪ 7.6. SUPERVISION OF MONITORING AND MEASURING EQUIPMENT

Measuring equipment used for the products of Kuźnia Polska S.A. needs to be identified and include the calibration data.

8. MEASUREMENTS, ANALYSIS AND IMPROVEMENT

▪ 8.1. GENERAL

Kuźnia Polska S.A. requires that the Supplier pursues the following principles:

- zero nonconformity in the deliveries,
- timely deliveries according to the delivery dates agreed in the order/ delivery schedule,
- minimizing the number of defects in the production process.

▪ 8.2. CONTROL

The Supplier is obliged to control the supplies of its materials and the production process in order to ensure that the product meets the customer expectations.

Suppliers are obliged to check the specified parameters/ dimensions.

If applicable, statistical methods should be used.

Samples/ masters owned by Kuźnia Polska S.A. need to be returned by the Supplier to Kuźnia Polska S.A. upon the project completion.

▪ 8.3. NONCONFORMING PRODUCTS

Products with the nonconformity/ deviation status need to be isolated from conforming products delivered to Kuźnia Polska S.A.

Any delivery of a product nonconforming with the order requires obtaining a prior deviation permit.

It is required to notify Kuźnia Polska S.A. immediately (maximum within 24 hours) in case of suspicion or revealing nonconformity related to the products delivered.

▪ 8.IMPROVEMENT

Kuźnia Polska S.A. carries out periodic supplier performance assessments, including, *i.a.*:

- Timeliness of deliveries
- Certificate for conformity with ISO 9001 (minimum)
- Special shipments
- Quality aspects
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In case the assessment results are unsatisfactory the Supplier shall develop and implement corrective actions.

▪ 8.5 CORRECTIVE ACTIONS

Each nonconformity revealed by Kuźnia Polska S.A. in the supplied products/ services or documents of the Supplier needs to be analysed by the Supplier and the result of such analysis shall be submitted to Kuźnia Polska S.A. in the form of the 8D Report, unless Kuźnia Polska S.A. resolves otherwise.

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