2026

Global Supplier Standards Manual

SUPPLIER QUALITY

June 2026

PURPOSE

- The purpose of the Global Supplier Standards Manual is to communicate the requirements of NexForm Technologies (NexForm) to our suppliers.
- It is the expectation of NexForm that all suppliers of Direct Materials comply with all the requirements and expectations documented in this manual.
- NexForm expects this manual to provide the foundation for our working relationship with our Suppliers. We will strive for excellence through continuous improvement in the products and services we receive through close working relationships with our suppliers.

SCOPE

Geographic Applicability-

- This policy applies globally to all NexForm locations that are involved in the purchase of products and services for use internally or resale.
  - NexForm - USA
  - NexForm - Mexico

STANDARD PRACTICES

- The **Quality Chapter** of the Global Supplier Standards Manual was developed to present a minimum set of requirements to current and potential suppliers.
- The manual is divided into 15 specific sections

1. Quality Scope
2. Quality General
3. Supplier Assessment Survey
4. Advanced Product Quality Planning
5. Process Sign-off
6. Supplier Part Submission
7. Measurement System Analysis (MSA)
8. Statistical Process Control
9. Quality Performance Monitoring
10. Quality Deliverables
11. Supplier Material Rejection Report (Non-conformance) & Supplier Chargeback (SCB)
12. Problem Solving Documentation
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Change Log

Date of Change	Section	Description of Change
August	2.1 Quality Expectations	Modified language regarding quality certifications, process sign off, significant characteristics, and removed reference to line certifications.
March 2021	Scope	Eliminated European locations
June 2026	ALL	Transition from Motus to NexForm

1.0 Quality Expectations Scope

All suppliers shipping to NexForm Technologies plants are expected to meet the quality expectations set forth in this section. Please contact your NexForm Technologies Quality contact for questions on any topics covered in this section.

2.0 Quality Expectations General

2.1 Quality Expectations

A solid systems approach to quality management is essential to achieve the level of quality integrity required by today's demanding customers. Such an approach yields many benefits:

- A Common Platform for Quality Management
- Improved Communication due to Shared Systems
- Common Format for Training
- Systematic Change Control

NexForm Technologies requires all suppliers become certified to the current version of ISO 9001. Suppliers are required to submit updated copies of all certifications (ISO9001, IATF16949, and ISO14001) on an annual basis through the NexForm Technologies Supplier Portal.

All renewal certificates must be submitted before the expiration date of the certificate. Failure to submit certificates may jeopardize future business.

NexForm Technologies may verify the suppliers manufacturing location for compliance to these standards by performing an audit by a qualified representative.

2.2 Regulatory Conformity

The supplier must own the patent or copyright and be properly licensed that allows it to lawfully manufacture the product or utilize the manufacturing process. The duration of the requisite Intellectual Property must be sufficient to cover the term of the proposed supply agreement. The supplier must identify any third-party Intellectual Property Rights that could interfere with the proposed agreement.

Products provided and shipped shall be in compliance with all applicable laws and regulations of the following:

RoHS – Restriction of Hazardous Substances Directive – adopted by the European Union in Feb 2003 and recast in July 2011. For more information on the regulations governing RoHS compliance:
http://www.bis.gov.uk/nmo/enforcement/rohs-home

REACH – Registration, Evaluation, Authorization, and restriction of Chemicals – regulation which was adopted by the European Community in June 2007. For more information:
http://ec.europa.eu/enterprise/sectors/chemicals/reach/index_en.htm

3.0 Supplier Site Assessment (SSA)

3.1 Supplier Site Assessment

For a company to be included on the NexForm Technologies approved supplier list for all direct materials an SSA/VDA 6.3 audit must be completed. Supplier sites that are directed/imposed by a customer may be added without an SSA/VDA audit.

If an SSA/VDA audit is required, it must be completed before a purchase order is issued. NexForm Technologies may also perform similar audits at a regular frequency or instruct the supplier to complete a self-assessment. The purpose of the SSA is to review the supplier's quality management system, procedures and processes to ensure they meet NexForm Technologies' requirements.

Significant nonconformance(s) relative to NexForm Technologies expectations shall result in a supplier not being considered for NexForm Technologies Business. The SSA/VDA audit forms are available from the NexForm buyer.

4.0 Advanced Product Planning (APQP)

4.1 Advanced Product Quality Planning

APQP is the industry standards used when new products are introduced into the automotive market to monitor launch activities for all suppliers.

The supplier shall be notified concerning which parts require APQP tracking. Program

kick-off meetings are often held to further communicate launch requirements. The Supplier Advanced Quality Engineer and/or Operations Program Buyer are the main APQP contacts throughout the launch.

NexForm Technologies has developed a common global Product Development Process, (PDP) which provides a consistent APQP process. Suppliers may also be required to meet unique customer specific requirements and/or provide documents. If this is the case, the supplier shall be notified accordingly.

All pre-production parts must be marked / labeled with the NexForm Technologies part number and revision level as indicated on the CAD model and / or drawing. Pre-production parts that are shipped without proper identification as stated above may be returned at the supplier's expense.

5.0 Process Sign-Off (PSO)

5.1 Process Sign-Off Introduction

PSO is an in-depth review of all processing facets associated with the manufacture of products purchased by NexForm Technologies. The PSO process is a cross- functional evaluation of a supplier's readiness to produce product at a specified volume prior to the physical launch of a program at NexForm Technologies.

The PSO is a method to verify that a supplier's advanced quality planning processes have been successfully executed and that the production processes are capable of producing quality parts in sufficient quantity for production.

5.2 Process Sign-Off Expectations

The PSO review covers both the process documentation and the manufacturing process. By establishing the documentation as evidence of the intended process and then reviewing the actual process running at production rate NexForm Technologies acquires a first-hand understanding of the supplier's production readiness. NexForm Technologies uses this PSO process as a tool to assure our customers that our suppliers meet all requirements.

A PSO may be required to be performed on all new or modified parts. A PSO may be required based on supplier performance at the discretion of the NexForm team. Any product or process change that occurs during the lifecycle of a part or system will require a new PPAP submission, (level 3) and may be reviewed by NexForm Technologies to

determine whether a new PSO is required.

All PSOs must be completed prior to supplying parts for saleable vehicles. Customer specific formats can also be used to assess line speed / capacity verification (e.g.: VDA 6.3, 2 Days Production, Run @ Rate, etc.).

5.3 Sub-Supplier PSO

Suppliers shall ensure that sub suppliers have the ability to meet all quality requirements at production rate. All sub-suppliers' control plans shall be audited to ensure compliance.

6.0 Supplier Part Submission

6.1 Supplier Part Submission Introduction

Supplier part submission is a documented physical and functional inspection process to verify that defined manufacturing methods are capable of producing an acceptable product as specified by such applicable customer design records as engineering drawings, material or performance specifications, purchase orders, etc. during actual production at a given quoted rate.

NexForm Technologies utilizes common industry practices and forms as outlined in the AIAG Production Part Approval Process manual (latest published version). Suppliers are required to follow these standard practices when submitting PPAP packages for approval. NexForm Technologies submission requirements may also include International Material Data System (IMDS) reporting, regionally accepted equivalent documents (e.g. VDA series) and/or other documentation required by the OEM customer.

6.2 Supplier Part Submission Process

NexForm Technologies suppliers are required to prepare and provide part Submission packages for new parts, corrections to previous submissions, engineering changes and/or other planned changes to design, process or facility. Submission and subsequent customer approval are required prior to first production shipment.

Submission process applies to initial production runs using planned manufacturing processes, tooling, equipment, materials, and operators to validate a significant quantity of parts for future use. Prototype parts or parts built using methods different from those

intended for the normal production process are not considered to be initial production runs, nor are they subject to part submission requirements (unless specifically communicated by the appropriate NexForm Technologies quality contact for the program).

Additional details regarding other planned changes and related submission requirements can be found in Section 15 - Supplier Request for Change. Prior to start of production submission and timing requirements are communicated by the designated Advanced Quality Engineer or plant / facility Quality Engineer. Requirements may be communicated using the Supplier AQP Workbook and/or a regional supplier part submission requirements form. Following the start of production, packages are reviewed and approved at a plant / facility level.

The supplier is responsible to prepare and submit the part submission package to the designated customer representative for approval, along with the required sample parts and IMDS certification number. Unless otherwise directed by NexForm Technologies, the AIAG Production Part Approval Process (PPAP) Level 3 submission is required for all parts. All parts used for the PSO build or for the production of saleable vehicles must be submitted for customer approval. The NexForm Technologies representative may choose to validate the submission package content at the supplier's facility. At NexForm Technologies' discretion, a submittal review may also be conducted at a supplier's sub-sources.

The submission package is approved or rejected based on conformance to all requirements. The NexForm Technologies representative notifies the supplier of disposition and documents status in the submission package. Upon approval, supplier receives authorization to ship parts for production builds from a NexForm Technologies Materials representative.

If the submission package is rejected, the designated quality representative works with the supplier to resolve any discrepancies and to establish timing for a revised submission. Production shipments cannot begin until part submission approval is received. NexForm Technologies may choose to issue a Deviation Authorization (DA) if it is necessary to utilize the parts prior to full part submission approval. In such cases, the supplier is required to develop a corrective action plan to address any non-conformances and resubmit the package for approval prior to the DA expiration date. Suppliers are responsible for implementing additional containment measures that protect the customer during period in which the DA is effective.

6.3 Annual Validation Requirement

NexForm Technologies suppliers shall complete annual validation in order to demonstrate continued adherence to proper engineering levels and performance to design intent. Revalidation may or may not coincide with model year changes.
Only test, dimensional and material certification data less than one year old are acceptable for annual revalidation purposes. This annual requirement shall be documented on the supplier's Control Plan. Suppliers are not required to submit annual packages unless requested by NexForm Technologies, however annual documentation must be readily available according to the retention policy described in Section 6.5.

6.4 Quality Document Retention

NexForm Integrated Technologies suppliers shall maintain quality records such that they remain retrievable and legible upon request by NexForm Technologies and subsidiaries. NexForm Technologies requires record retention duration for "life of program" plus 20 years. Records related to nonconforming product for trend analysis and problem identification shall also be maintained. This requirement also applies to any supplier's sub-supplier. Additional record retention requirements can be referenced per AIAG or ISO 9001 and/or ISO/TS16949 (latest editions).

6.5 Configuration Control & Lot Traceability

The supplier shall be responsible for controlling / tracking the actual configuration of material or parts to the approved engineering documents in addition to any changes to ensure that the end product meets specified functional and physical requirements as contracted. Additionally, the supplier shall have a robust system in place to provide (upon request) lot or part traceability back to the raw material stock for all material shipped to NexForm Technologies. This requirement shall also apply to any supplier's sub- supplier.

6.6 OEM & AIAG Supplemental Requirements

In addition to NexForm Technologies and/or AIAG requirements, suppliers must also meet all applicable OEM Customer-Specific Requirements and must be able to show records of compliance. Further details can be found on the NexForm Technologies Supplier Portal or the applicable OEM website(s).

6.7 Changes requiring PPAP and/or Process sign-off

The following situations require PPAP submission, (level 3) and may require a PSO review:

Event	Example/limitations
Part Design Change	New part Engineering change to current part
Change of sub-supplier	New or additional sub-supplier Sub-supplier location change New delivery, (NexForm) location Supplier change of manufacturing location
Material change	Change of material supplier Change from outside supplier to internal supplier Change in material composition or grade
Manufacturing process change	Any change to previously approved process, (including flow, order or conditions) Change to manufacturing equipment, (new or alternate) Significant machine upgrades/changes, (controls, hydraulics, vision systems, etc.) Change to manufacturing location Manufacturing equipment move, (includes moves within existing facility
Tool/Jig change	Tool/Jig design change, (with or without a part design change) significant tool/jig repair, (does not include normal preventive maintenance and replacement of perishable items)
Die/Mold change	Die/mold design change, (with or without a part design change) significant die/mold repair, (does not include normal preventive maintenance and replacement of perishable items)
Inspection method change	Change to previously approved inspection methods Change to previously approved inspection equipment, (gages, equipment, vision systems, etc.)
Change of packaging/transportation	Change to previously approved packaging, (type, method, density, dunnage, etc.) Change in delivery method

7.0 Measurement System Analysis (MSA)

7.1 Measurement System Analysis Introduction

AIAG's Measurement System Analysis manual (and applicable Customer Specific Requirements) describes the methodology for ascertaining if the measurement techniques and equipment used are capable of collecting accurate data to drive improvements.

7.2 Measurement System Analysis Expectations

It is expected that all NexForm Technologies suppliers adhere to the methodology described within the AIAG MSA manual (and applicable Customer Specific Requirements). Data and gage performance evaluation are to be gathered and analyzed in accordance with the guidelines noted. Documentation as evidence of these evaluations shall be readily available for review and submitted to NexForm Technologies per AIAG PPAP requirements and per any requirements listed in Section 6 or Section 17.

7.3 Gage Certification and Calibration

All specific gages or checking fixtures used for NexForm Technologies product quality shall be dimensionally certified as part of initial PPAP, and evidence of compliance to drawing included within the PPAP package, gages / checking fixtures shall have MSA / gage R&R completed.

All gages or measuring instruments used for controlling NexForm Technologies product must be calibrated annually unless frequency is higher based on manufacturer's recommendations.

8.0 Statistical Process Control (SPC)

8.1 Statistical Process Control Introduction

AIAG's Statistical Process Control manual (and applicable Customer Specific Requirements) describes the methodology for ascertaining if a manufacturing system is consistently producing capable and conforming product.

8.2 Statistical Process Control Expectations

NexForm Technologies suppliers are expected to establish the appropriate Statistical Process Controls for the Critical / Significant Characteristics noted on the design record and/or selected during the Suppliers' APQP process (refer to AIAG's Statistical Process Control manual).

Critical Characteristics (CC):

Critical Characteristics shall be clearly defined on the design record. Critical Characteristics require the completion of short-term capability studies and on-going production data monitoring (Cpk evaluation) and/or a method of 100% verification per agreed upon Control Plan requirements. Summarized production process performance data shall be maintained by the supplier and made available to NexForm Integrated Technologies personnel upon request.

Significant Characteristics (SC):

Significant Characteristics shall be clearly defined on the design record. Significant Characteristics require the completion of short-term capability studies at the beginning of the project, and may require continual SPC during the lifetime of the project, proving cpk equal or greater than 1.33, and (long term). Where no significant characteristics have been identified, NexForm Technologies reserves the right to require demonstration of initial process capability on other characteristics.

SPC studies performed on SCs and CCs for the following Events:

- Before a part goes into production (process potential study – as part of the PPAP and PSO)
- When an engineering change is made that affects an SC and/or CC
- When a major tool maintenance / repair occurs that potentially affects an SC and/or CC
- When a major supplier process change occurs that potentially affects an SC and/or CC

The supplier's NexForm Technologies approved Control Plan shall be used to define the method and means of control of SCs or CCs during production. Where possible, SCs or CCs should be poke yoked. All poke yokes shall be verified prior to start of every shift.

Unless otherwise specified by the customer, short-term capability must exceed 1.67 Cpk, and long-term capability must achieve a minimum of 1.33 Cpk. When the process has demonstrated acceptable capability with these targets, the frequency and quantity of sampling should be reflected on the Control Plan (with review and approval from the appropriate NexForm Technologies quality representative).

8.3 Safety Critical Product / Process Requirements

As part of the NexForm Technologies Best Business Practice philosophy, suppliers are expected to meet certain minimum criteria for manufacturing safety critical components. This is achieved by meeting all AIAG industry standard audit requirements and by working with NexForm Technologies to achieve a target of 100% compliance to our Best Business Practice audits / templates.

The individual product / process audits and/or templates are available upon request from your Supplier Quality / Development Manager.

9.0 Quality Performance Monitoring

9.1 Key Process Indicators

Key Process Indicators (KPIs) are used by NexForm Technologies to measure the effectiveness of internal processes. NexForm Technologies requires all suppliers to define KPIs that are relative to their operation, set targets for these parameters, measure them relative to the established targets, report on the findings, and develop improvement plans based on the results. KPIs are to be regularly reviewed by management and communicated to all team members. Examples of KPIs that are relevant to a manufacturing facility may include (but are not limited to):

Quality Measurable

- Customer PPM
- Supplier PPM
- Internal PPM
- 8D Submission Timing
- Nonconforming Part Incidents
- Warranty
- Customer Disruptions

Manufacturing Efficiencies

- Scrap
- Downtime
- Production relative to Plan (i.e., First Time Capability, Output vs. Plan, etc.)

Shipping

- On-Time Delivery
- Premium Freight

Safety

- Lost-Time Accidents
- Recordable Accidents
- Days without a Lost-Time Accident

9.2 Quality Roadmap

Suppliers are expected to maintain a Quality Roadmap documenting current quality performance and action plans to improve performance to NexFormTechnologies.

The PPM Roadmap and applicable training is available upon request from your Supplier Quality / Development Manager.

10.0 Quality Deliverables

10.1 Parts Per Million (PPM) Introduction

One of the measurements of supplier quality performance is defective Parts Per Million.

10.2 Parts Per Million Expectations

The expectation for supplier performance is 0 PPM (zero defects).

Product received into NexForm Technologies Facilities that does not conform to the drawing, specification(s) and/or agreed upon standards shall be counted against a supplier's PPM record. Quantities shall be reported in the units of measure in which they are purchased. This applies to production parts / saleable units.

The following are PPM assignable:

- Production parts which do not meet drawing specifications or dimensional, functional, or appearance standards as called out in the specifications or from an approved boundary sample (boundary Sample must be approved by authorized Engineering and Quality representatives from both organizations).
- Out-of-spec parts that require rework / repair for use in production.
- Production parts damaged from inadequate packaging or transportation for which the supplier is responsible.
- Any defects outside of the boundaries defined by a Deviation Authorization (DA) (in cases where the supplier may be shipping prior to PPAP with an approved Customer DA).
- Out-of-spec parts shipped prior to PPAP approval without an approved customer DA
- Shipments that are received with mixed parts or parts that are the wrong revision Level after the clean point has been established; PPM is assigned for the quantity of incorrect parts only

The following are NOT PPM assignable:

- Parts that meet all drawing specifications and/or boundary sample

requirements but are not useable.

- Parts that meet all specifications and/or standards but have been rejected by a NexForm Technologies customer.
- Parts that have not been released and approved for production and/or that have no released drawing (Examples: launch parts, sample / trial parts, DOE parts, pre-production parts, etc.).
- Parts outside of the production system are addressed through prototype quality measures.
- Parts that have an approved DA for an out-of-spec condition(s): these parts cannot be assigned PPM for rejects associated with the deviated characteristic(s).
- Parts received with a delivery related Issue: part information errors, delivery errors, and quantity errors should be rejected as a Discrepant Material Report (DMR) rather than a Supplier Material Rejection Report (NON-CONFORMANCE).

In any of the above situations where a PPM is assignable, the following may occur:

- Corrective action requested
- MQR I or II scheduled
- Level I or II Containment initiated

The NexForm Technologies Quality representative at the receiving facility is responsible for the accurate application of PPM. In some cases, extenuating circumstances may lead to an adjustment in the amount of PPM charged to a supplier. Adjustments to a supplier's PPM should be requested using the Request for Amendment to Supplier Data form and/or by contacting the originator of the NON- CONFORMANCE.

10.3 Sorting Expectations

Parts may be sorted at the appropriate location (supplier or NexForm Technologies site). Parts received at a NexForm Technologies location or other NexForm Technologies ship-to-point that are rejected by the sort activity, stay on the supplier's PPM record. PPM shall be adjusted after the sort is complete, unless sampling has predicted a percent nonconforming within the isolated lot and the authorized Quality representative at the receiving NexForm Technologies facility agrees to use this method for capturing PPM.

If suspect parts are removed from a NexForm Technologies location and sorted

Off-site at the supplier's or a third-party facility), the supplier has 10 business days to report actual reject totals (identified during the sort) to the affected NexForm Technologies facility. If rejected data is not provided within that time, the entire quantity of parts transferred off-site may be subject to PPM assignment.

If the supplier identifies, communicates and takes appropriate action to contain and correct a potential problem before the problem is identified or before the parts are used at a NexForm Technologies plant, then the parts shall not be counted against PPM. If the problem is identified or used at NexForm Technologies prior to contact from the supplier, the PPM count shall be incurred.

Parts which are out-of-specification may be used "as-is" with an approved DA from NexForm Technologies Engineering if it's required to maintain production and as long as it does not disrupt the end customer. In these cases, PPM may be assigned based on risk, nonconformance history and severity as determined by the receiving NexForm Technologies facility.

10.4 Potential Product Safety Concern (PPSC) Introduction

Another measure of supplier quality performance is the designation of an Issue as a Potential Product Safety Concern (PPSC). Any Issue which may affect the safety of the product can be classified as a PPSC.

10.5 PPSC Expectations

One is too many. A PPSC is considered the highest level issue within the NexForm Technologies organization because of the safety and liability implications that could occur as a result of the nonconformance(s). PPSC issues shall remain open and containment shall remain in place until the countermeasures meet the requirements of the NexForm Technologies. Supplier containment and immediate involvement in the PPSC process is expected upon notification of the nonconformance issue with target completion timing of less than 30 days.

The designated NexForm Technologies PPSC Champion will be the main source for all related communication / interaction and will provide specific documentation as required.

11.0 Supplier Defective/Non-Conforming Material Report (DMR) & Supplier Charge Back (SCB)

11.1 Supplier Defective Material Report

Suppliers are notified of nonconforming material through a documented rejection notice, called a Supplier Defective/Non-Conforming Report. Nonconforming material is defined as suspect or rejected product that is deemed defective according to the drawing or established quality standards (i.e. customer specifications, inspection requirements, test results, etc.)

The DMR may be automatically generated from a NexForm Technologies electronic system (such as Plex) or provided as an E-mail attachment or hard copy form wherever electronic systems are unavailable. DMR's are subject to a $500 USD administrative fee or 500 € for Europe administrative fee.

11.2 Supplier Material Rejection Report Communication

Nonconforming material may be identified during incoming inspection, assembly, processing, final product audit, reliability testing, or through OEM notification. Once identified, the person responsible for the NexForm Technologies Quality contact shall communicate the nature of the issue to the supplier, request corrective action(s), and monitor until all actions have fully addressed the concern and the issue can be closed.

A Return Material Authorization (RMA) shall be requested from the supplier prior to disposition of nonconforming material. Disposition of supplier's nonconforming product may include scrap, rework, sorting or return to vendor. The RMA provides authorization for NexForm Technologies to proceed with actions as agreed between the supplier and the NexForm Technologies facility. An RMA shall also be requested to authorize recovery of NexForm Technologies costs related to rework or sorting activity performed on supplier's behalf. (Refer to Section 11.4 Supplier Chargeback for additional details.)

The NON-CONFORMANCE Notification also serves the following functions:

- Accounting Debit Memo for Supplier's Material
- Packing Slip for Returning Material
- Quality Record for PPM Application and Scorecard
- Supplier Response Request (4D/8D)
- Issue Communication to NexForm Technologies Purchasing / Supplier Quality teams
- Materials Management Record for Adjustment of Supplier's Cumulative Shipment History

11.3 Supplier Material Rejection Report Expectations

As requested by the NexForm Technologies Quality contact, suppliers must respond with a written interim containment plan within 24 hours of the Non- Conformance origination (if 4D or 8D is required). Unless otherwise directed by the NexForm Technologies Quality contact, the supplier is expected to respond using NexForm Technologies standard 8D Problem Analysis Report. The required 8D Template is automatically provided as part of Plex electronic notification(s).

When requested, the supplier is expected to communicate written problem-solving results utilizing the 8D approach within seven working days. If unable to resolve the quality issue within the seven-day period, the supplier is expected to provide a weekly updated 8D to NexForm Technologies until problem resolution is achieved.

A supplier's failure to respond to 4D or 8D requests by the specified deadline(s) affects the Problem Resolution Rating on the Supplier Scorecard.

11.4 Supplier Chargeback

Suppliers are notified of the DMR administrative fees through a Supplier Chargeback (SCB), or via the Plex notification. The RMA provided by the Supplier for the associated non-conformance also serves as authorization to process the $500 USD SCB Debit (500 € for Europe) administration fee.

Supplier Chargebacks are also used to capture additional costs that are incurred as a result of nonconforming material. Applicable charges may include but are not limited to third party sorting, operator downtime, additional labor or overtime, customer support hours, premium freight, material handling labor, rework, and/or assembly scrap. Suppliers can expect Supplier Chargebacks to include supporting documentation such as third-party invoices, downtime records, freight invoices, etc.

11.5 Supplier Chargeback Communication and Expectations

Similar to the DMR notification, SCB notices may be automatically generated from NexForm Technologies Electronic System(s) or provided as an E-mail attachment or hard copy form where electronic systems are unavailable.

Suppliers are expected to respond to an SCB with an RMA number within three working days.

In cases where a supplier disagrees with the Supplier Chargeback, a written response is still required by the specified due date. Disputed Chargebacks shall be escalated to the Purchasing representative responsible for assistance with final disposition. All Chargebacks should be targeted for closure within 30 days.

12.0 Problem Solving Documentation

12.1 Problem Solving Expectations

The 8D Problem Analysis Report is the NexForm Technologies preferred problem solving format for use by all NexForm Technologies facilities and suppliers. The 8D Problem Analysis Report provides a means for the definition and resolution of issues through problem solving.

Each supplier is responsible for appropriate and timely application of the 8D and for ensuring their organization possesses the knowledge and skill level to solve problems.

The completed 8D report should be returned to the NexForm Technologies Quality contact in the same format as it is received. The appropriate 8D format is either available upon request from your NexForm Technologies Quality representative or provided automatically via electronic notification.

Please note that there are some NexForm Technologies Facilities that must supplement the problem-solving documentation with Customer Specific problem- s o l v i n g documents / procedures. Contact your NexForm Technologies Quality representative to obtain the appropriate problem-solving documentation / format.

13.0 Supplier Management Quality Review

13.1 Supplier Management Quality Review Introduction

A Management Quality Review (MQR) is an escalation process used to ensure that the supplier is placing the proper focus on an issue and corrective actions. The process is detailed below in Section 13.4.

13.2 Supplier Management Quality Review & New Business Hold Criteria:

	MQR-1	MQR2	MQR3	Business Hold
Supplier scorecard results showing three consecutive months rating of "D" or "E", (excluding suppliers currently engaged in the NexForm ''Focus Supplier Program" and commercial section scoring)	X			
Chronic documented problems in the area of quality, delivery or logistics, including prototype, pre-production or production issues.	X			
Production suspended at NexForm plant due to a supplier's product quality, part shortage or logistical issue.	X			
Chronic documented unresolved MQR problems or unacceptable response from the supplier indicating that no progress has been made.		X		
Discovery that a supplier has not notified NexForm personnel and/or PPAP for a product / process change (i.e. tool move to different location / sub-supplier, material / part change, process controls changed from last approved PPAP, etc...).		X		
Supplier is issued a PPSC (Potential Part Safety Concern) that is verified to be the responsibility of the supplier. MQR2 is called only when the PPSC has been confirmed to be their responsibility and with agreement from the Supplier Quality Director.		X		
OEM or customer disruption due to a supplier's product quality, parts shortage or logistical issue.		X		
Chronic documented unresolved MQR2 problems or unacceptable response from the supplier indicating that no progress has been made.			X	X
Continued customer dissatisfaction on a supplier's product quality, delivery or logistical issue including a customer mandate to change suppliers to a known capable supplier.			X	X
Supplier inability or unwillingness to work with NexForm to make fundamental quality, delivery or logistical improvements.			X	X
Unresolved PPSC's at the supplier.			X	X

13.3 Supplier Management Quality Review - Send MQR Notice / Conduct MQR Review

An MQR1 or MQR2 is initiated by sending the MQR Meeting Notice form to the supplier. The formal agenda must include:

- Issues to be discussed (chronic issues, quality issues, delivery issues, service and documentation Issues)
- A review of the existing containment activities, data and progress toward exit Criteria (if applicable)
- Supplier 8Ds, including evidence of all actions implemented to contain / close the issue(s)

The MQR meeting is an opportunity to review and discuss important issues / concerns to NexForm Technologies. Focus must be placed on plans and actions for both NexForm Technologies and the supplier. Both should determine and agree upon steps to resolve the quality, logistics, and environmental, etc. issues. All quality, logistical, and environmental concerns are to be supported with the appropriate data as outlined on the formal agenda provided to the supplier. The supplier is expected to bring permanent corrective action for all of the items listed on the agenda.

13.4 Supplier Management Quality Review - Corrective Action Successful

The supplier corrective action with evidence of documented activities is reviewed to determine if satisfactory. If the corrective action is satisfactory, the MQR is closed. If the corrective action is not satisfactory or insufficient evidence is presented, a determination is made whether to escalate the MQR to the next level. On-site verification of an improved process may be required.

13.5 Supplier Management Quality Review - MQR3

An MQR3 requires supplier and customer senior management review at NexForm Technologies Headquarters (unless otherwise specified) for issues that meet the defined MQR3 / New Business Hold criteria

The MQR3 meeting is an executive discussion and the format and agenda is prepared as appropriate.

14.0 Containment

14.1 Containment Introduction

Containment is accomplished through deployment of additional controls in the supplier's manufacturing process to identify a known or potential nonconformance and to prevent it from shipping to NexForm Technologies.

Additional controls can include but are not limited to: inspection audits, dimensional measurements, SPC checks, appearance checks, part functionality checks, label verification systems, check fixtures and gages and poke-yokes.

The goal of containment is to protect NexForm Technologies from defective material escapes during the initial product and process startup (pre-production), throughout production, and in reaction to a quality issue identified at any location in the supply chain. The following sections detail NexForm Technologies' expectations for each of these phases.

14.2 Pre-Production / Launch Containment Expectations

Pre-production containment applies to any parts produced for prototype, pilot or saleable vehicle builds at NexForm Technologies prior to full production. Pre-production containment activities are a requirement of the supplier's AQP process and must be documented on a prototype and/or pre-launch Control Plan.

The pre-launch Control Plan includes increased frequencies and additional tests over and above the production Control Plan to ensure heightened product and process quality until the supplier's production process is validated. During pre-production, the sample size and/or frequency of product inspection is typically 100% and does not replace the final part audit.

The NexForm Technologies Advanced Quality Engineer reviews and approves the pre-launch Control Plan, which is typically done during the Process Signoff (PSO), open issues from the PSO shall drive deployment of additional controls and documentation in the pre-launch Control Plan.

The NexForm Technologies Quality representative continues to monitor pre-launch containment results until the exit criteria is met. Issues that remain unresolved at SOP are subject to Level I containment. Additionally, a Level I failure during may require instituting 3rd party inspection (Level 2 containment) to shield NexForm Technologies from nonconformance(s) during this phase.
Criteria for exiting pre-production containment are determined by NexForm Technologies. To exit containment, the supplier must achieve a pre-determined

quality level after a minimum of thirty days or three production Lots.

14.3 Containment Level I Expectations

Level I Containment is defined as additional controls implemented at the Supplier's Location upon NexForm Technologies' request following the identification of a supplier quality issue. The goal of this containment is to cleanse the entire system of any nonconforming material and to shield NexForm Technologies from receiving any additional defective product. The supplier is required to quarantine and sort all suspect product(s) within their facility, at their subcontractors, in-transit, at NexForm Technologies facilities, and at any customer location which may have parts or finished goods in inventory.

Upon identification of an issue, the NexForm Technologies Quality contact initiates containment activities by sending a Level I Containment Notification to the supplier's Quality Manager. The letter details the specific nonconformance and required supplier actions, including inspection and exit criteria.

Events that will lead to a supplier being placed on Level 1 contain but are not limited to include the following:

- Safety critical related failure
- An issue that impacts an CC/SC defined on the drawing
- Failed containment defined in 8D process prior to closure
- Quality impact on a NexForm customer
- Extended downtime due to a quality issue
- Significant quality spill
- Continued recurrences of the same issues without resolution or marked improvements
- Recurrence of the same failure within 1 year of issue closure

* Ultimately NexForm holds the discretionary right to impose CS1 for any event that negatively impacts production or our customers *

The supplier is responsible for acknowledging the Level I Notification by returning a copy of the letter with an authorizing signature to the NexForm Technologies Quality contact.

The supplier is responsible to reply with their implemented containment plan via an initial 8D within 24 hours of Level I notification. The containment plan must be reviewed and agreed upon by the NexForm Technologies Quality contact. The supplier is responsible for keeping the customer location advised of ongoing containment results until released from Level I.

Supplier containment guidelines include the following:

- Containment area must be highly visible and properly lit, equipped, etc.
- Containment area must have well-defined material flow including clearly identified areas for Incoming and outgoing parts
- No rework must be done in the containment area
- Product acceptance standards and measurement / testing process to be agreed upon by NexForm Technologies Quality contact
- Number of nonconformance's, corrective actions and results of activity must be readily available
- Charts must be updated and reviewed daily
- Problem solving must be formal, data driven and documented
- Containment personnel must be properly trained and have work instructions, quality standards, boundary samples, etc.
- Data from the supplier's containment activities must be kept on file and available upon request

Criteria for exiting Level I Containment shall be determined by the NexForm Technologies Quality contact. Exit Criteria shall be based on reaching a predetermined quality level and not a number of parts or days sorted. To exit containment, the supplier must achieve a predetermined quality level after a minimum of thirty days and/or three production lots.

14.4 Containment Level II Expectations

Level II Containment is defined as the implementation of additional controls by an impartial third party selected by NexForm Technologies at the expense of the supplier. Level II Containment is implemented when a supplier's Level I Containment activity fails to shield NexForm Technologies or its customer(s) from receipt of nonconforming material.

The NexForm Technologies Quality contact analyzes the nonconforming issue(s) and determines if Level II Containment is required. NexForm Technologies Purchasing Buyer and/or Supplier Development Manager may be

involved in the decision to implement Level II Containment. A Level II Containment Notification is sent to the supplier's Plant Manager and Quality Manager to notify them of the Level II Containment. The Level II letter details the specific nonconformance and required supplier actions including inspection and exit criteria.

The supplier is responsible for confirming receipt of the Level II Notification with and authorized signature by returning a copy of the letter to the NexForm Technologies Quality contact.

The NexForm Technologies Quality contact assigns a sorting company to perform Level II Containment. The third- p a r t y containment provider must be on NexForm Technologies' approved supplier list for sort companies.

The third party must provide documentation to both the supplier and NexForm Technologies Quality contact on the progress of containment activity.

The supplier is responsible for issuing the purchase order to the third-party source and is responsible for all costs for the sort company performing the containment activities. Initiation of Level II Containment does not relieve the supplier of any relevant Level I activities following the aforementioned containment guidelines and responsibilities.

Level II shall not be removed until the containment results meet the exit criteria previously established. Approval to remove Level II Containment comes from the NexForm Technologies Quality contact.

15.0 Supplier Request for Change

15.1 Supplier Request for Change

This procedure defines the steps for supplier product or process changes to ensure that they meet NexForm Technologies requirements and the OEM's Customer Specific Requirements. All suppliers are expected to follow the process as outlined.

NexForm Technologies requires advance notification and written approval prior to all product or process changes and/or transfers. Failure to do so may result in the supplier being placed on New Business Hold Status, a formal notification to the IATF16949 or ISO/QS9001 supplier registrar, and/or potential financial

consequences.

Examples of product and process changes that require NexForm Technologies approval include (but are not limited to):

- Any change that could affect form, fit or function
- Any product change
- Supplier manufacturing process change (temporary or permanent)
- Change in manufacturing or shipping location
- Change in sub-supplier
- Modified equipment
- New or refurbished equipment / tooling
- Changes in test / inspection Method
- Revisions to the line layout or workstation

Steps for obtaining approval for the requested process change:

1. Submit a completed Supplier Change Request (SCR) form to the NexForm Technologies Quality Manager / Quality Engineer
2. NexForm Technologies Quality Manager / Quality Engineer evaluate the SCR for completeness and acceptability; considerations for approval include OEM notification / approval, OEM specific requirements, safety characteristics, validation, capability studies, timing, risk, etc.
3. Supplier receives an official NexForm Technologies response to move forward
4. Supplier part submission package (refer to Section 6) submitted by the supplier to the NexForm Technologies Quality Manager / Quality Engineer
5. Supplier part submission and the SCR are approved by the NexForm Technologies Quality Manager / Quality Engineer
6. Supplier proceeds with the process change
7. The first shipment after approval must be tagged / identified to reference the SCR number (contact the NexForm Technologies Quality contact for the exact appropriate identification method)

The new supplied components with a Supplier Change Request are subject to incoming inspection at the NexForm Technologies Quality Manager's / Quality Engineer's discretion.

Revision History	Changes	Approved By
March 2021	Original	Larry Looman
April 2026	Update Section 11.1, 11.4, and 14.3-Supplier events for Level 1	
June 2026	Transition from Motus to NexForm	David Reed