



QUALITY REQUIREMENTS FOR SUPPLIERS

1. INTRODUCTION

This document is the property of TAKONI Sp. z o.o. and it applies to all suppliers.

The supplier is obliged to apply the findings included in agreements, orders, contract terms and requirements of ISO 9001.

SUPPLIER QUALITY REQUIREMENTS supplement these requirements. Supplier is obliged to know and comply with these requirements.

Existing and supervised SUPPLIER QUALITY REQUIREMENTS are published on the website TAKONI Sp. z o.o. - www.takoni.com.pl in Quality tab.

E-mail or printed out copies of these requirements are for informational purposes only.

In case of any conflict between the requirements of the purchase order, agreement, contract, and subjects of this document, then requirements contained in the purchase order / agreement / contract are always privileged.

2. RIGHT OF ACCESS

The supplier is obliged to provide access for representatives of TAKONI Sp.z o.o. , its customers and supervisors to all equipment and facilities involved in contract realization (also with their suppliers) and all records and documentation regarding the implementation of services and the applicable Quality Management System

3. TERMS AND DEFINITIONS

In this document all terms and definitions given in ISO 9000 are applied.

4. QUALITY MANAGEMENT SYSTEM

4.1. GENERAL REQUIREMENTS

The supplier must have the technical capacity to product and / or deliver products that meet the requirements of TAKONI Sp. z o.o.

Each supplier is evaluated and approved prior to the first contract, and then evaluated periodically. Obtaining unacceptable ratings forces supplier to corrective and improvement actions in order to remain in suppliers TAKONI Sp. z o.o. on the list of approved suppliers.

It is required that the supplier of components used for automotive production must be certified according to ISO 9001, meeting also the requirements of the document MAQMSR with the aim to achieve the third party certification according to IATF 16949.

Minimum requirements of TAKONI Sp. z o.o. for other suppliers is the possession current certification of the Quality Management System according to ISO 9001.

4.2. DOCUMENTS AND RECORDS

TAKONI Sp. z o.o. is responsible for providing supplier with Takoni or Takoni's own customer documents (drawings, standards, specifications, instructions) necessary for proper contract/purchase order realization. The supplier is responsible for supplying himself with commonly available standards and technical specifications. The supplier is responsible for maintaining, securing and archiving all documents and records concerning production process and control (technology, instruction, guidance cards, test protocols, etc.). Period of archiving of records that has not been sent to TAKONI Sp. z o.o. is minimum 5 years after end of project, **for the automotive industry 10 years** after project completion if not otherwise agreed.

5. RESPONSIBILITY

Supplier takes full responsibility for the quality of products / services. Supplier is responsible for the fulfillment of Takoni Sp z o.o. requirements within his organization and for the fulfillment of these requirements by his suppliers.

6. COMPETENCE, AWARENESS AND TRAINING

Supplier shall ensure that personnel performing activities that affect quality will be familiar with all quality requirements provided by TAKONI Sp. z o.o. Persons that have access to documents delegated by TAKONI Sp. z o.o. are obliged to respect the rules of confidentiality.

7. PRODUCTION ORDER EXECUTION

7.1. CONTRACT REVIEW

The supplier shall conduct a review of agreement / order / contract, concerning the capability and timing of its execution. **For all products it is necessary to assess risk.** The supplier shall ensure confidentiality of all products ordered by Takoni sp.z o.o. and all data related to it.

7.2. COMMUNICATION

All correspondence concerning supplies Supplier shall address to the person issuing particular order. The Supplier shall inform TAKONI Sp. z o.o about all inconsistencies and non-conformities found during order execution.

7.3. DESIGN AND DEVELOPMENT

The supplier is obliged to plan and develop a technical documentation necessary for product realization. The technical documentation shall provide identification and traceability of the product and getting accurate information regarding its production. The technical documentation should be updated in relation to issued changes. **For automotive supply is required PPAP level 3** (if not otherwise agreed).

7.4. PURCHASING

For purchases made by the Contractor for the customer, purchase order must contain requests of compliance with these conditions and providing necessary quality documents.

Supplied materials that are used for production should be delivered together with required quality documents:

For all types of supply at least a certificate of quality according to EN 10204 p.2.1

And for rubber compounds quality certificate containing tests results (ex. in accordance with EN 10204 p.3.1).**7.5. PRODUCTION AND SERVICE PROVIDING****7.5.1. PRODUCTION SUPERVISION**

The processes carried out on products designed for automotive industry should be produced according to established technologies.

Suppliers of materials and components used for production of parts for automotive industry is obliged to notify TAKONI Sp. z o.o. of any change in process approved by TAKONI Sp. z o.o. / customer or supervisor, that affects product and / or its characteristics, prior to its introduction.

Each delivery must be accompanied by quality documents:

- A certificate containing test results of required characteristics,
- And the study protocols (if required).

Quality documents should contain information allowing identification with the delivered product.

These documents should be submitted at least with the delivery in electronic form on address indicated in purchase order or otherwise indicated by TAKONI Sp. z o.o.

7.5.2. VALIDATION OF MANUFACTURING PROCESSES AND SERVICE PROVIDING

Special processes suppliers must be approved by TAKONI Sp. z o.o. or its customers. All changes in special processes are subject of approval before its introduction.

7.5.3. IDENTIFICATION AND TRACEABILITY

Supplied components must be identified with at least:

- Name / number of the product / component
- Batch number,
- Other identification marks on all stages of production and delivery,
- Expiry /validity date (if applicable).

7.5.4. CUSTOMER PROPERTY

Materials, tools and products supplied by TAKONI Sp. z o.o. or owned by Takoni Sp. z o.o. has to be supervised, marked in a conspicuous way and may be used only in accordance with the purchase order. The supplier is obliged to inform TAKONI Sp. z o.o. in case of destruction or loss of materials, tools and products and to return of all nonconforming products made from them . Number of non-conforming product should be specified in the delivery documents.

7.5.5. PRESERVATION OF PRODUCT

The supplier is obliged to protect the product from damage and replacement during production process and transport.

7.6. MONITORING AND MEASUREMENT EQUIPMENT SUPERVISION

Control instrumentation used must be identified and contain information about calibration and validity.

Checking, calibration of measuring instruments for measuring products for the automotive industry should be carried out by certified measurement laboratories.

8. MEASUREMENT, ANALYSIS AND IMPROVEMENT

8.1. GENERAL RULES

The supplier should endeavor to meet the minimum of following rules:

- **Zero nonconformities** in deliveries,
- **Delivery in accordance** with the deadlines agreed in the contract or in the delivery schedule,
- Minimize internal scrap in production process (reduction amount of defects).

8.2. CONTROL

Supplier shall maintain his incoming material control and production process control to assure that his product meets Takoni Sp. z o.o. requirements.

Suppliers are obliged to control designated characteristics. At request of TAKONI Sp. z o.o. measurement report shall be prepared on designed characteristics.

Statistical methods should be used if appropriate.

8.3. NONCONFORMING PRODUCT

Providing a product that does not match the contract must be preceded by obtaining agreement from TAKONI Sp. z o.o.

Products classified as non-conform or with defects when supplied to TAKONI Sp. z o.o. must be isolated from conform products and clearly marked. **The required response time of a client after receiving information about the complaint within 24 hours. The administrative costs of handling complaints in TAKONI is 100, - Euro (if no otherwise agreed).**

Information about defects and obtained consent should be written on quality certificates. It is required that supplier informs Takoni Sp. z o.o. immediately if non-conformity of already delivered products is suspected.

8.4. IMPROVEMENT

TAKONI Sp. z o.o. performs periodic assessment of suppliers which is based, among others, on:

- **quality of supplies,**
- **delivery precision, (required at the level of 95%),**
- periodic Supplier audits,
- level of defects in supplied products.

In case of unsatisfactory results, the supplier is obliged to develop and implement improvement actions.

8.5. CORRECTIVE ACTION

Any non-conformity found by TAKONI Sp. z o.o. in supplied articles or documents must be analyzed by supplier, and the result of analysis communicated to TAKONI Sp. z o.o. in form of report that contains at least:

- cause of non-conformity,
- corrective actions (product improvement),
- preventive action (to prevent recurrence of non-conformity).

In case of products for automotive industry 8D report is required.