



## **Supplier Requirements Manual**

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# Contents

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## Contents

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<b>NYX Goal</b> .....	3
<b>PURPOSE</b> .....	4
<b>SCOPE</b> .....	4
<b>CONTACTS</b> .....	4
<b>SUPPLIER CODE OF CONDUCT</b> .....	5
<b>SUPPLIER ELIGIBILITY</b> .....	7
<b>REQUEST FOR QUOTATION (RFQ) PROCESS</b> .....	10
<b>TERMS AND CONDITIONS</b> .....	10
<b>PURCHASE ORDER ADMINISTRATION</b> .....	10
<b>ADVANCED QUALITY PLANNING</b> .....	12
<b>PRODUCTION PART APPROVAL PROCESS</b> .....	12
<b>RUN AT RATE</b> .....	15
<b>ENGINEERING CHANGES:</b> .....	15
<b>EARLY LAUNCH CONTAINMENT</b> .....	16
<b>RECEIVING INSPECTION</b> .....	16
<b>QUALITY &amp; DELIVERY PROBLEM REPORTING AND RESOLUTION</b> .....	16
<b>CHARGE BACKS</b> .....	17
<b>PRODUCT IDENTIFICATION AND TRACEABILITY</b> .....	18
<b>INTERNAL AUDITS</b> .....	19
<b>RELEASING</b> .....	20
<b>DELIVERY</b> .....	21
<b>PREMIUM FREIGHT</b> .....	21
<b>SAFETY &amp; ENVIRONMENTAL</b> .....	22
<b>OBSOLESCENCE CLAIMS</b> .....	22
<b>METHODS</b> .....	24
<b>TRANSACTION SETS</b> .....	24
<b>LABELING</b> .....	25
<b>CALIBRATION/VERIFICATION</b> .....	30
<b>INVOICING</b> .....	31
<b>DEBITS</b> .....	31
<b>CREDITS</b> .....	32
<b>SUPPLIER PROFILE</b> .....	33
<b>SUPPLIER DEVELOPMENT</b> .....	33
<b>SUPPLIER PERFORMANCE MONITORING METHODS</b> .....	33
<b>NEW BUSINESS HOLD</b> .....	35

# INTRODUCTION

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## **NYX Vision**

**NYX Inc., always striving to be a World Class  
Value provider to our Global Customers and stake holders**

## **NYX Goal**

**To be a world class supplier**

One key element in reaching our vision is the partnership we form with our suppliers. Therefore, NYX recognizes suppliers as one of the key stakeholders to our business

Our expectations from our suppliers are identical to those expected by our customers.

***Jatinder-Bir Sandhu***  
***Chairman***

***Jasdeep Sandhu***  
***Executive Vice president***

***Vijay Kanakamedala***  
***President***

***James Waldo***  
***VP of Quality***

***Jimmy Dyal***  
***Director of Purchasing***

## PURPOSE

This Supplier Requirements Manual ("Manual") describes the purchasing procedures of NYX Inc. ("Buyer") and lists the obligations of a supplier ("Seller") to Buyer and to Buyer's Customers. Because purchased materials, parts, products, Processes and services ("Goods and / or Services") affect every part and assembly shipped by Buyer, these obligations are to ensure that Seller can and does conform to Buyer's quality, environmental management system requirements and is committed to customer satisfaction through continuous improvement of its processes and product.

## SCOPE

This Manual (as it may be amended) shall be incorporated into each contract agreement issued by NYX Inc. to Seller. Seller's sale of any Goods, Processes and / or Services to Buyer constitutes acceptance of the applicable PO (including this Manual). Obligations of the Seller contained in this Manual may only be modified or waived by an NYX Executive Representative (CEO, President, VP of Quality or VP of Purchasing) in writing.

Compliance to the requirements within this Manual, as well as to the NYX INC. Purchase Order Terms and Conditions is mandatory.

This Manual applies to all NYX Inc. Operating divisions ("All NYX Receiving plants")

This manual is also available on / NYX's Website Supplier Portal. It is the supplier's responsibility to check at regular intervals for updates to this Manual at [http://www.nyxinc.com/suppliermanual/NYX Supplier Requirements Manual](http://www.nyxinc.com/suppliermanual/NYX_Supplier_Requirements_Manual).

If for any reason, the above web-sites cannot be accessed, it is your responsibility to contact your assigned NYX buyer for a copy.

## CONTACTS

The NYX Inc. Purchasing organization (Corporate or Local Operating divisions) is the primary contact regarding any commercial agreement.

Corporate Headquarters: 14909 Beck Rd., Plymouth, MI 48170

Phone: (734) 462-2385 Fax: (734) 464-4830

### Quality

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## SUPPLIER CODE OF CONDUCT

Suppliers shall ensure operations are being performed in a manner that is appropriate, as it applies to their ethical, legal, environmental, and social responsibilities. Below is a listing of the basic requirements:

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- **Compliance with Local Laws and Regulations-** Suppliers must adhere to the laws and regulations in the locality in which they reside. This includes all local, state, and federal laws/regulations in the country of origin, as well as the country of sale. For products brought into the United States, all federal standards must be met. International suppliers should be Customs Trade – Partnership against Terrorism (C-TPAT) or country equivalent certified.
  - **Compliance with Environmental, Health, and Safety Laws-** Supplier must maintain and operate its manufacturing/production facilities and processes in accordance with local, state, and federal laws/regulations in the country of origin. At no time shall any NYX person be exposed to hazardous materials or unsafe conditions because of Supplier shipments to a NYX location, or while visiting a Supplier’s location. For items with inherent hazards, safety notices must be clearly visible. As applicable, documented safety handling and protection information must be provided.
  - **Non-Discrimination** Suppliers shall not discriminate against race, color, sex, religion, age, physical disability, or other defining characteristics as prohibited by local, state, and federal laws/regulations in the country of origin.
  - **Labor - Child Labor** – Suppliers shall employ workers of minimum legal age in accordance with local, state, and federal laws/regulations in the country of origin. Child labor laws must be followed.
  - **Forced/Indentured Labor** – Suppliers shall not practice the use of forced or indentured labor.
  - **Work Hours/Days** – Suppliers shall not exceed the daily and weekly working hours as permitted by local, state, and federal laws/regulations in the country of Origin.
  - **Wages and Benefits** – Suppliers shall compensate workers in accordance with local, state, and federal laws/regulations in the country of origin. This includes minimum legal wage, overtime wages, and benefits (required by law).
  - **Ethics** (“Whistle blowing”) Evidence of corruption, bribes, improper advantage, or any other form of illegal practice by the Supplier or associated operations will terminate all relations with NYX.
  - **Confidentiality** the Supplier shall ensure the confidentiality of NYX-contracted products and projects under development, and related product information, as well as intellectual property shared because of the working relationship.
  - **Code of Conduct and Policy Enforcement** This policy applies to Suppliers and their sub-tier sources. It is the responsibility of the Supplier to verify and monitor compliance of this code at their operations and sub-tier source operations.
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# PURCHASING

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It is our intention to team with suppliers that are committed to and deliver quality products. These suppliers can support NYX Inc.'s goals by consistently providing defect free products on time, taking a proactive approach to continuous improvement, and reacting quickly to our collective needs.

Quality, Delivery, Value, and Service are factors that govern the evaluation of all sources prior to soliciting a quotation and during the tenure of the purchase contract. NYX Inc. must be assured that new suppliers will be able to produce an improved product, reduce costs, or offer other advantages.

To improve both quality and cost of NYX Inc. products, we are constantly searching for additional suppliers who offer the best value.

## SUPPLIER ELIGIBILITY

To be an eligible supplier to NYX Inc., the supplier will have to meet the following criteria.

A supplier may qualify to be included in the Approved Supplier List through the following processes:

### **Customer Directed sources (also known as “Directed-Buy”):**

After the customer identifies the supplier as the selected source for a specific part or commodity, supplier information will be entered in the approved supplier list. NYX will require a letter from the customer that instructs the NYX to use the supplier. Details surrounding these circumstances will be handled on a case-by-case basis.

### **Competitive Bidding:**

Quotes and proposals may be solicited from potential new suppliers who are not included in the NYX Approved Supplier List. Tentative sourcing decisions to award business to a new supplier may be made with the requirement that the supplier has completed all selection requirements prior to the issuance of production purchase orders. Following receipt from supplier of a completed Request for Quotation, for goods, Processes or service along with a Supplier Quotation Analysis Form or a (commodity/supplier specific quotation analysis form), the approval process may start.

The approval process is as follows:

All production parts, material suppliers shall be ISO 9001 or IATF16949 certified or customer directed sources. Services such as rework, sorting etc. that effect customer requirements shall be ISO 9001 or IATF16949. External Lab that provide services -such as Calibration services, Lab testing services shall be accredited to ISO/IEC17025 or national equivalent, or either acceptable to customer.

Calibration services may be performed by the equipment manufacturer when a qualified laboratory is not available for a given piece of equipment/gage/instrument. In such cases NYX will verify the internal laboratory requirements.

Calibration services other than qualified laboratory or accepted by customer, if required may be subjected to Government regulatory confirmation.

Tooling and equipment suppliers to NYX are not eligible for certification to IATF 16949. Registration to ISO 9001 is acceptable

Any services that impacts the Quality management and Environmental management system must comply with applicable Government rules and regulations.

Competency of the external provider service personnel will be verified by reviewing certificate, training records, education level or experience.

### **Criteria for selection**

New suppliers to NYX shall follow the NYX supplier selection process. Documents related to supplier assessment will be maintained in their supplier file.

- Minimum ISO 9001 certificate or customer directed supplier to NYX.
- Note: When a supplier to NYX Organization is so small (in term of automotive business with NYX, resources and business complexity) as to not have adequate resources to develop a system according to IATF16949:2016 or ISO 9001:2015, certain specified elements may be waived by NYX of their supplier.

NYX Purchasing has to identify the criteria for selection of small suppliers. Small suppliers with the income of \$45,000 in annual purchases. Complexity of business will be determined on a case by case business.

- Complete the NYX supplier Evaluation Audit.
- If Supplier is conditionally approved through supplier evaluation with ISO 9001 certificate, purchasing will decide for awarding the new business to them.
- If Supplier are not approved through Supplier Evaluation Audit, NYX Purchasing shall not award new business until supplier achieve minimum acceptable level, i.e. Grade B.

Note: Based upon the circumstances and complexity of business, NYX Purchasing can overrule the supplier audit result for awarding the new business.

#### Supplier Assessment Passing Criteria

1. Approve: Grade A
2. Conditionally Approve: Grade B
3. Not Approve: Grade C

The Supplier Audit is part of the Continuous Improvement Process and has the purpose to achieve the 'A' Rating. Supplier is responsible for implementing the suitable measures and verify their effectiveness and sustainability for any discrepancies identified during the process and Product Audit, within a reasonable time period, e.g. by re-audits

An acceptable quote shall be received from the supplier. If these conditions are satisfactorily met, the supplier may be added to the Approved Supplier List.

The Corporate Purchasing will maintain an Approved Supplier List. This list will contain production material, color conc., component suppliers, calibration and testing suppliers. All other suppliers will be maintained in the MRP database. The Approved Supplier List will be updated on a continuous basis to reflect input from the assessment, development and performance monitoring systems maintained by the Corporate Purchasing. The data will be used to establish a supplier performance rating as well as to aid the assessment of suppliers for future business. The Corporate Purchasing reserves the right to remove a supplier from the approved supplier list at the discretion of VP of Purchasing.



It is the supplier's responsibility to submit copies of a supplier's renewal certificate on or before the expiration date of the certificate.

### **Probationary Suppliers:**

Suppliers with following conditions will be put in to the probationary status.

- Suppliers who are not ISO9001 or IATF16949 and pursuing towards this certification and added to the supplier list at the discretion of VP of Purchasing and VP of Quality
- Suppliers whose performance falls below the acceptable ongoing performance evaluation

All probationary suppliers will be responsible for all receiving and inspection costs that are incurred by NYX Inc. These suppliers will have to perform internal audits and submit results to NYX Supplier Quality. Suppliers may be subjected to quality system audit by the NYX Quality group.

### **Quality Management System Development-**

NYX will require for their suppliers to develop, implement and improved a quality management system certified to ISO 9001, unless otherwise authorized by the customer, with the ultimate objective of becoming certified to IATF 16949. The following sequence should be applied to achieve this requirement.

a) Compliance to ISO 9001 through second-party audits (Second party audits are external audits. They're usually done by customers or by others on their behalf of supplier expense. However, they can also be done by regulators or any other external.) Suppliers must pass the second party audit and have a plan to be certified within defined time on the audit report.

b) Certification to ISO 9001, through third party audits bearing the accreditation mark of a recognized IAF MLA member and where the accreditation body's main scope includes management system certification to ISO/IEC17021;

c) Certification to ISO 9001 with compliance to other customer-defined QMS requirements;

d) Certification to ISO 9001 with compliance to IATF 16949 through second party audits;

e) Certification to 16949 through third-party audits (valid third-party certification of the supplier to IATF 16949 by an IATF-recognized certification body)

**e-Business capabilities-** Suppliers shall have email, Internet access and Internet browser as a minimum for e-Business capability. This is required for communications such as Performance information, Program tracking, Supply EDI and ASN

### **Automotive product-related software or automotive product with embedded software:**

The organization shall require their suppliers of automotive product- related software or automotive products with embedded software, to implement and maintain a process for software quality assurance for their products.

A software development assessment methodology shall be utilized to assess the supplier's software development process. Using prioritization based on risk and potential impact to the customer, the organization shall require the supplier to retain documented information of a software development capability self-assessment.

## REQUEST FOR QUOTATION (RFQ) PROCESS

The RFQ process will be broken down into two groups:

A. Material Suppliers

B. Sub Contractors

### **Material suppliers:**

After being given their grade, they will have to fill out an RFQ form and the following information must be available: Only areas which are applicable to each supplier will need to be filled out: See Attachments RFQ.

### **Cost Estimates:**

- Quotes are to include assumptions considered in their preparation.
- Suggestions for alternative design/material are recommended.

### **B. Sub contracted work:**

For suppliers who are sub-contracted work from NYX additional cost breakdown items might be required in addition to what is listed above. Also, all Sub-contractors will be subject to the same grading system as all other suppliers.

Other items such as press size; cavities etc. will be required from Sub-contractors.

## TERMS AND CONDITIONS

The NYX Inc. terms and conditions requirement is posted on NYX website [www.nyxinc.com](http://www.nyxinc.com).

Suppliers are expected to comply with NYX terms and conditions, comply with end user terms and conditions, and customer specific requirements. This includes compliance with any specific forms or documents specified by any Customer of NYX. Suppliers to NYX are also expected to manage their sub-tier Suppliers of products and services to ensure compliance to the requirements defined within this manual, NYX's Terms & Conditions, NYX Supplier Code of Conduct and Ethics, the latest automotive industry standards and any additional Customer specific requirements.

## PURCHASE ORDER ADMINISTRATION

Once the supplier going through the RFQ process, and supplier is selected. NYX Purchasing dept will issue a initial Purchase order from Corporate head quarter office. Supplier reviews the initial Purchase order and return the Purchase order approval back to NYX through email or by signing it. After the initial Purchase Order, all ongoing P.O.'s will be released from the facility that is in use of the product.

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## **Quality Policy**

**NYX Inc., always striving to be a World Class  
Value provider to our Global Customers and stake holders**

NYX recognizes current version of ISO 9001 or IATF 16949 and ISO 14001 requirements. All suppliers are required to establish documents and implement effective production, quality, environmental management systems compliant with current version of ISO 9001 or IATF16949 and ISO 14001 requirements. This manual defines NYX specific requirements and is in conjunction with current version of ISO 9001, IATF 16949 and ISO 14001 Quality and Environmental Requirements.

Supplier are urged to refer to the information located on the IATF website:  
<http://www.iatfglobaloversight.org/>.

NYX reserves the right to verify supplier compliance to ISO 9001 or IATF16949 and ISO 14001 requirements on-site for those suppliers identified as having a high impact to quality.

## ADVANCED QUALITY PLANNING

All suppliers are required to produce product quality plans to support the development of new products and/or services, in accordance with the guidelines in the Advanced Product Quality planning and Control Plan (APQP) manual published by the Automotive Industry Action Group (AIAG). The supplier is required to report the status of plan activities on a regular basis.

NYX recommends that its suppliers use the latest Automotive Industry Action Group (AIAG) versions of the Advanced Product Quality Planning and Control Plan (APQP), Potential Failure Mode and Effects Analysis (FMEA), Measurement System Analysis (MSA), Production Part Approval Process (PPAP), and Statistical Process Control (SPC) manuals as guidelines for their system development

**PRODUCT SAFETY-** Supplier should have a process for identifying and controlling of statutory and regulatory product safety requirements related to products and processes. This will include identifying and controlling product-safety-related characteristics both during design and at point of manufacture; defining responsibilities, escalation processes, reaction plans, and the necessary flow of information including top management and customers; receiving special approvals for FMEAs and Control Plans; product traceability measures; and cascading of requirements throughout the supply chain.

**Note:** -A product safety and conformity representative (PSCR) for each individual step in the supply chain must be nominated for the VW product. **If a PSCR is required, they must have training consistent with VDA guidelines and the supplier shall be prepared to provide the training evidence to NYX upon request.**

**ERROR PROOFING-**During the APQP process, the Supplier's shall implement all necessary error proofing into the manufacturing process to eliminate or reduce the manufacture of defective product. The error proofing methods and devices shall be recorded in the (Risk Analysis) PFMEA and Control Plans. Error proofing devices shall be verified with the use of "rabbits" as defined on the control plan and records kept ensuring the device is continuing to function effectively. Error proofing devices list should be available with location and error proofing parts should be identified. Error proofing instructions should be available.

Note- Failure of error proofing required reaction plan to access the risk, if customer is impacted, notification required to NYX plant.

## PRODUCTION PART APPROVAL PROCESS

PPAP submissions shall be made in accordance with AIAG Manual latest edition guidelines. All submissions are to be Level 3 unless otherwise specified. The PPAP has to be submitted to the corporate supplier quality. After Corporate SQE approves the PPAP, it will be transferred to the respective plant.

Suppliers are not authorized to ship material to NYX plants prior to PPAP approval unless NYX issue the authorization.

Dimensional layout data must be provided for each dimension by cavity, specified on the part drawing(s), including notes. A reference drawing must accompany the layout report so that a relationship can be made between the report and the drawing specifications.

Dimensional layouts not required for bulk materials (e.g.-Resin, colorants, glue etc.)

If there is any change in the supplier process, supplier must notify to NYX, and proceed for PPAP submission

As per the NYX customer's requirement, Annual layouts and Annual Flammability are required to verify continuing performance.

Measurement system analysis (MSA) shall be performed to analyse the variation present in the results of inspection, measurement and test equipment identified on the control plan.

Suppliers/Sub-contractors is expected to have in place systems and procedures to ensure the capability of the measurement system used to evaluate key characteristics (KPC's).

All submissions for prototype part approval must include warrant, supporting dimensional and testing data as per the program requirements.

PPAP Submission shall be required for the following:

**Components:**

All components shall be PPAP approved before the first production shipment to any NYX receiving facilities.

Purchased components PSW must have the OEM part number with NYX part number for approval.

Suppliers shall be responsible for costs associated with the expedition of testing, missed schedules, etc. resulting from late or incomplete submissions.

Six (6) sample parts per cavity will be required for dimensional layouts.

All components other than shelf items required run @ rates.

**Product/Process Changes:**

NYX Corporate Purchasing and all receiving facilities must be notified prior to any change in product or production process. Samples may be required for review and to evaluate potential impact on NYX's manufacturing process. Submission for PPAP approval is required unless specifically waived. Unapproved changes will result in Containment Shipment Level 2 and New Business Hold.

**Location Changes:**

NYX Corporate Purchasing and all receiving facilities must be notified prior to any change in production location. Supplier should submit the location change plan to NYX Purchasing for location change approval. The location change plan shall include the requirements of a production bank if necessary to ensure NYX's production is not affected.

Upon approval supplier quality engineer shall work with supplier quality team to complete the PPAP process due to change of location.

PPAP Approval is required prior to the shipment of production material from the new location as an exit PPAP from the prior facility.

**Submissions over 1 year old:**

When NYX Incorporated is required to submit PPAP to its customers, all suppliers PPAP documentation must be no more than one year old. At that time, all PPAP's over one year old, will require new layouts, Annual flammability and warrants to level 5 upon request by NYX, regardless of the supplier's business relationship with NYX Incorporated Customer.

Note- If new dimensional layouts requested by NYX's customers within a year due to any reasons, Supplier shall be responsible to fulfil the request.

Ford product supplier need to submit annual PPAP for product requalification process. That requires annual dimensional layout, and flammability test along with the PSW (Part submission Warrant)

VW product supplier need to submit PPAP for product requalification process. That requires dimensional layout, material testing with the PSW (Part submission Warrant) every 3 years. Flammability testing require annually.

### **Outsourced Suppliers:**

A Level 3 PPAP shall be submitted unless otherwise specified by Corporate SQE. In case if the part is not fully approved, Supplier shall complete the Interim Approval request and submit to corporate SQE for approval 7 working days prior to MRD shipments.

Following must be submitted to get an Interim Approval:

1. PSW
  2. Interim Approval Form
  3. IMDS approval
  4. Appearance Approval
  5. Functional Approval with Critical Dimensions
  6. Material Certs
  7. Control Plan with Early production Containment
- Note: Direct all PPAP questions to Corporate Supplier Quality Engineer

### **Raw Material and Color Concentrate Suppliers:**

All raw material suppliers should submit IMDS ID, OEM Source approvals, SDS and all the test data to meet the required specification. Test data should be within one calendar year.

All color concentrate suppliers should submit IMDS ID, OEM source approvals, SDS and approved color plaques to match OEM masters and certification.

Only respective OEM approved sources shall be used. Material certifications must include a copy of the end customer color and/or construction approval (e.g. General Motors Material Evaluation Form). Material certifications must be provided, indicating lot numbers and date as certification that these approved materials were used in the manufacture or prototype and/or production parts.

### **ELV IMDS (International Material Data System) Reporting:**

As a part of each Production Part Approval Process (PPAP), Suppliers are required to provide confirmation that the ELV/IMDS Report has been submitted by supplier (in IMDS) for each NYX part number affected. This requires the submission is shall be provided according to ELV/IMDS Reporting Guidelines and approved by the NYX ELV/IMDS Coordinator.

The IMDS can be accessed via the Internet at the following address:

**<http://www.mdsystem.com/>**

### **NYX IMDS ID:**

- NYX Corporate - 1419

Supplier shall provide evidence within PPAP submission that ELV/ IMDS reporting are approved by NYX. IMDS Submission ID has to be provided on the Part Submission Warrant.

## **CONFLICT MINERAL REQUIREMENTS:**

Conflict Minerals includes all tin, tantalum, tungsten, and gold that are sourced from Anywhere in the world. All suppliers shall be able to determine the locations where the Tin, Tantalum, Tungsten, and Gold contained within products sold to NYX, originated within the Democratic Republic of the Congo or be able to verify that the 3TG contained did not originate within the Democratic Republic of the Congo.

Suppliers are required to support this effort by complying with NYX's annual conflict minerals reporting requirements

If your company provides NYX with products (excluding indirect purchases) containing tin, tungsten, tantalum, or gold (3TG), you must submit a Conflict Minerals Reporting via the I Point Conflict Minerals Platform (iPCMP) tool or by reporting manually using the electronic version of the Electronic Industry Citizenship Coalition and Global e-Sustainability Initiative (EICC/GeSI) Conflict Minerals Reporting Template. Suppliers are to refer to AIAG for more information and details ([www.aiag.org](http://www.aiag.org)).

## **MANUFACTURING FEASIBILITY AND CAPACITY PLANNING-**

Suppliers shall perform Manufacturing feasibility reviews and shall include supplier and the NYX team members as appropriate. Product volume changes of 20% or more over a previously verified volume capability shall require run @ rate. The capacity study shall include identification of the capacity constraints and evaluation of risk to NYX by the supplier. The results of this study shall be provided to the NYX SQE. The capacity information provided with the quote should reflect the available daily capacity and operating plan (hours/day, days/week). The operating plan should meet weekly volume requirements and current model service requirements and shall be no more than 100 hours per 5-day work week. The NYX Buyer shall be notified and approve of any operating plan using more than 100 hours per work week. Suppliers shall be responsible to have capacity to provide 15% above the aggregate NYX volume without additional investment from NYX.

## **RUN AT RATE**

NYX Supplier Quality Engineer (SQE) will perform a Run at Rate analysis. There will only be an interim approval on the PPAP until run @ rates are completed. Upon completion of PPAP approval in case of new product or new process any tooling invoices will be paid only after this analysis has been completed and approved.

## **ENGINEERING CHANGES:**

Engineering change will be processed via Engineering Change Notice (ECN) Procedure.

Any requests effecting price of a supplier component will utilize the ECN/RFQ Form to itemize applicable cost and timing.

Cost and timing response to all RFQs are expected within 5 business days, unless otherwise arranged with the designated Buyer.

Approved ECN will be provided to supplier via the designated Buyer and/or Supplier Quality Engineer/Product Engineer with all required supporting documentation.

## **Engineering Changes to Tooling:**

Eng. Tool Changes shall be coordinated through NYX Program/product engineering.

## **PPAP to the Engineering Change Level:**

The supplier shall submit a PPAP after the implementation of the Engineering change. The NYX Supplier Quality will direct the level of the PPAP submission

The appearance approval report must be filled out. On occasion, the supplier may be requested to obtain end customer appearance directly. Suppliers will be notified accordingly.

Laboratory testing must be conducted by an accredited facility ISO/ IEC 17025 A copy of this accreditation with scope of testing must be included with the submission.

Significant characteristics must demonstrate preliminary process potential and capability indices of 1.67 or greater. Long-term process potential and capability indices must be 1.33 or greater.

Restricted and reportable chemicals contained in the raw materials and parts used in the manufacture of supplied components must be reported ([www.mdsystem.com](http://www.mdsystem.com)). This form must be submitted with packages whether reportable chemicals are contained in components or not. For all new Products, Components, Materials and Color Concentrates need SDS entered in the [www.mdsystem.com](http://www.mdsystem.com) with 1st shipments.

Other PPAP related documents should be updated to reflect the current ECN level and kept at supplier location for records.

For Engineering change level PPAP submissions, Refer to AIAG PPAP manual.

## **EARLY PRODUCT CONTAINMENT**

All products will be subjected to 100% certification during the launch containment process. NYX SQE will decide the duration and exit criteria.

All parts will be subjected to 100% certification after all plant shutdowns and start-ups.

Any incidence in launching and start-ups will require supplier adherence to Level 1 or Level 2 Containment. See attachment level 1 and level 2 containment Procedures.

## **RECEIVING INSPECTION**

All Production components and materials will be subjected to Receiving Inspection as per the supplier receiving Inspection process

## **QUALITY & DELIVERY PROBLEM REPORTING AND RESOLUTION**

### **Notification from Supplier/Sub-Contractor to Operating Division**

If a supplier/sub-contractor has reason to believe that a non-conforming condition exists in the areas of Quality, Delivery or other services:

Immediate action must be taken by the supplier/sub-contractor to contact NYX Supplier Quality Engineer, Operating Division Quality and Material Representative. Contact shall be made by e-mail and telephone for emergency issues.



Notification to Operating Division shall be followed up by providing immediate action to sort or replace the material in house within 24 hours.

Long-term corrective action with irrevocable conditions to prevent any further occurrence of similar non-conformance and with applicable statistical documentation to support evidence of verification of irrevocable corrective action taken, to be forward in the NYX required format within 15 calendar days unless otherwise directed sooner.

### **Notification from Operating Division to Supplier/Sub-Contractor**

In the event of receiving any non-conformance in the areas Quality, Delivery or other services at NYX Receiving Plants:

The Operating Division Quality Personnel shall issue a Non-Conforming Material Report (NCRM) as it relates to Quality, Delivery and other issues. The supplier has 24 hours from receipt of NCRM to respond with a disposition of the defective material. After 48 hours passes with no response, the Operating Division reserves the right to scrap the material and charge the supplier back in full for the component(s). The Operating Division Supplier Quality Engineer will be the main point of contact for quality problems and resolution. If the problem affects delivery, then the Buyer and Material Representative must be notified immediately as well by phone and email.

A Delivery Performance Review may be issued at the Materials Representative discretion for delivery problems or another non-conformance

Delivery and Quality problems will negatively affect the supplier's monthly performance rating. Continued problems could result in de-sourcing.

After receiving the Non-conformance notification from NYX, Suppliers are required to

1. Fill out NYX required Quality Problem Report and respond within 24 Hours
2. Complete Drill Deep Worksheet and respond within 15 calendar days.

Failure to comply 24 hours and 15 calendar day's response will result of Customer Satisfaction NCRM with additional charges.

### **CHARGE BACKS**

For every NCRM issued, the supplier will be automatically charged a minimal amount of \$250 USD towards administration charges, plus other expenses accrued from NYX customers.

All Other expenses shall be charged at \$50.00 USD per hour, scrap costs, and any transportation charges will be charged extra, at supplier cost.

There will be a \$550.00 USD administration charge for any major online interruption.

There will be a \$1500.00 USD administration charge for any repeat issue in similar product and process.

Repeated concerns will be result of controlled shipping Level 1 or Level 2 Containment.

**Late response from Supplier:** 24 Hours Initial response \$250/Day if late (USD)  
15 Day Corrective Action Update: \$250/Week if late (USD)

If there is any dispute on debit note, Supplier have 15 calendar days from the day of receiving debit note from NYX to dispute.

Supplier shall file dispute note to NYX corporate Purchasing.

### **PRODUCT IDENTIFICATION AND TRACEABILITY**

Supplier must ensure that each part have 2d Barcode label that are scannable, if feasible to the part

Supplier must ensure lot traceability on all materials, color concentrate, components and assemblies. Record related to traceability shall be retained for the current year plus 15 additional years, unless otherwise specified by NYX Customer.

Molding suppliers must ensure the date wheel updated as per the requirement. Traceable items may include Lot#, Date, Shift, Raw material, Machine, tool #, cavity#, Operator number etc.

## INTERNAL AUDITS

### **Supplier/Sub-contractor Internal Self-Audits**

Suppliers/Sub-contractors are expected to conduct regular internal audits to ensure that internal systems and procedures which have been implemented to assure that customer requirements are being met, are in effect, are meeting goals and objectives, and are subject to a continuous improvement code.

Internal Audits should wherever possible, be conducted by personnel who are independent of the organization or functional activity that is being audited.

Documented procedures should be in effect for the internal audit, indicating:

- Audited system review for effectiveness from use of continuous improvement analysis.
- Defined responsibilities for personnel conducting the audit.
- Content/questions within the audit.

Follow-up Audit shall be performed to verify the effectiveness of the corrective actions for any non-conformances found in the Internal Audit

Internal audits showing follow-up activities are to be maintained on file for three years and are to be available for review, upon request by the Operating Division.

Audit Review(s) may be performed anytime a supplier/sub-contractor falls within the unsatisfactory supplier performance guidelines as established in the guidelines.

The supplier shall audit all quality management system processes over each three-year calendar period, according to an annual audit programme, using the process approach to verify compliance with QMS standard. Integrated with these audits, the supplier shall sample customer specific quality management system requirements

**Manufacturing process audit:** - Supplier shall audit all manufacturing processes over each three-year calendar period to determine their effectiveness using customer specific required approaches for process audit. Where not defined by the customer, the supplier shall determine the approach to be used.

Each manufacturing process shall be audited on all shifts where it occurs, including the appropriate sampling of the shift handover.

The manufacturing process audit shall include an audit of the effective implementation of the process risk analysis (Such as FMEA), control plan, and associated documents.

**Special process assessments-** Special process assessment should be performed annually, and copies of the performed audits should be forward to NYX Supplier Quality Engineer (CQI-9, 11, 12, CQI-23Weld audit, Chrome audit, Paint process audit, molding system assessment etc.) Suppliers of new parts that require special process assessments must submit all CQI's assessments applicable to their process as part of their APQP/PPAP. These CQI's assessment must be less than 12 months old. The supplier shall maintain the 2-prior annual CQI assessment reports at supplier site and make them available to NYX Corporate SQE upon request.

Any VW product supplier should submit annual self-assessment for VDA 6.3 process and product audit along with verification of D/TLD parts audit. VDA 6.3 audit should be performed by VDA 6.3 qualified auditors.

**Product audit-** The supplier shall audit products using customer specific required approaches at appropriate stages of production and delivery to verify conformity to specified requirements. Where not defined by the customer, the supplier shall define the approach to be used.

## **MATERIALS MANAGEMENT**

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NYX Inc.'s Materials Management team is responsible for all aspects of material releasing, logistics coordination, warehousing, and delivery at each NYX facility. The choice of suppliers in any of these areas may be the result of investigation and deliberation amongst various departments within NYX Inc., but the commitment to purchase rests solely with the appropriate procurement member of the Purchasing organization.

### **MMOG REQUIREMENT:**

To determine the supply chain materials process compliance all suppliers are required to perform annually MMOG/LE v5 Assessment Full version between the periods to May 31<sup>st</sup> to July 31<sup>st</sup>. MMOG/LE application available at <https://www.mmogle.com>. Completed MMOG v5 self-assessment must be sent to NYX mailbox at Odette: [odette-6793@mail2.mmogle.com](mailto:odette-6793@mail2.mmogle.com). Supplier unfamiliar with MMOG shall contact Odette for assistance [mmog@odette.org](mailto:mmog@odette.org) or can download all available material for MMOG.np(detailed user manual, help video, catalogues, converter tool etc.) from <https://www.odette.org/mmog/resources>

### **Communication and contact information**

All suppliers are required to update the supplier contact information annually between the periods to May 31<sup>st</sup> to July 31<sup>st</sup>. and upload under NYX SharePoint regardless of the last update date. Suppliers are responsible for maintaining contact information. These contacts include the top management representatives, and the required information includes phone numbers and email addresses. Additionally, suppliers shall, at minimum, maintain and update their certification status, once per year. Suppliers shall immediately communicate any change in certification/registration or status to your respective commodity or purchasing manager.

### **RELEASING**

NYX Inc. will issue vendor releases with one-week firm and an additional 12 weeks forecast on a weekly basis. The release within the week may fluctuate, however the cumms for the week will be firm. Supplier should be prepared to ship a week's quantity as per NYX demand. The supplier should maintain and plan sufficient inventory for the fluctuation. Blanket P.O.'s for production material will be issued on a calendar year basis.

All schedules issued are accumulative based with a typical start date of January 1<sup>st</sup>. Dates shown on these releases are NYX Inc. In-plant dates. Except for NYX scheduled milk-run pick-ups it is the responsibility to ship all freight in sufficient time to meet the required delivery date.

Each supplier is expected to maintain an accurate record of all shipments made including any returns as negative adjustments to the accumulative quantity shipped. Any discrepancies should be reported at once and resolved immediately to ensure the integrity of planning data and the continuous flow of material.

A discrete P.O. may be issued for spot buy items or items with an infrequent requirement.

## **DELIVERY**

**NYX Inc. requires 100% on-time delivery performance from all suppliers.**

Any delivery delays must be reported to the affected plant immediately. On-time deliveries are defined as no more than 3 days early and 0 days late. All deliveries are to be made per the logistics arrangements determined by each plant and within the normal scheduled delivery time. Any costs associated with delivery issue attributed to supplier lateness are the responsibility of the supplier.

Each supplier is expected to maintain at least 1 week worth of finished product on hand always in addition to requirements due.

**Risk Assessment-** The supplier shall have a risk assessment process in place to identify risks that can affect the ability to meet supply demands

### **Contingency plan:**

The supplier shall: a) identify and evaluate internal and external risks to all manufacturing processes and infrastructure equipment essential to maintain production output and to ensure that customer requirements are met; b) define contingency plans according to risk and impact to the customer; c) prepare contingency plans for continuity of supply in the event of any of the following: key equipment failures; interruption from externally provided products, processes, and services; recurring natural disasters; fire; utility interruptions; labour shortages; or infrastructure disruptions; d) include, as a supplement to the contingency plans, a notification process to the customer and other interested parties for the extent and duration of any situation impacting customer operations; e) periodically test the contingency plans for effectiveness (e.g., simulations, as appropriate);

f) Conduct contingency plan reviews (at a minimum annually) using a multidisciplinary team including top management, and update as required,

g) Document the contingency plans and retain documented information describing any revisions, including the person(s) who authorized the change(s).

The contingency plans shall include provisions to validate that the manufactured product continues to meet customer specifications after the re-start of production following an emergency in which production was stopped and if the regular shutdown processes were not followed.

## **PREMIUM FREIGHT**

It is NYX Inc. policy to avoid usage of premium freight. Unfortunately, its usage is unavoidable due to varying circumstances. Supplier attributed issues (Quality rejection, late delivery, etc.) will require premium freight to be paid by the supplier to meet required dates and/or to avoid plant shutdown. NYX Inc. attributed issues (Inventory loss, short lead time, etc.) will be paid for by NYX Inc.

## **SAFETY & ENVIRONMENTAL**

All suppliers/sub-contractors supplying goods to the Operating Division which are “controlled” under W.H.M.I.S. (Workplace Hazardous Material Information Systems) must be familiar with and comply with all such regulations, for packaging and shipping. Safety Data must accompany any initial shipments from all suppliers/sub-contractors and marked to the attention of the Operating Division Health and Safety Coordinator.

Where required, Material Certifications should be placed in a separate envelope and addressed to the Operating Division Materials Department or e-mailed to [rcerts@nyxinc.com](mailto:rcerts@nyxinc.com). All safety data sheets should be in a separate envelope and addressed to the Operating Division Health and Safety Coordinator.

The Operating Division will be responsible for the labelling and disposal of hazardous/non-hazardous waste resulting from the production process. Hazardous waste will be disposed of according to all state, local and federal government regulations.

## **OBSOLESCENCE CLAIMS**

All claims for obsolescent material must be submitted no later than 30 days after the last shipment of the material in question. Claims will not be paid for any material, in any state (finished good, work-in-process, or raw), beyond transmitted firm release authorizations.

## **ELECTRONIC DATA INTERCHANGE (EDI)**

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The electronic integration of inbound and outbound order data is essential to the successful management of inventory levels and engineering change coordination. All suppliers shall participate in the electronic exchange of data using traditional or web-based EDI. Further integration of this data to the respective order management system should be pursued to ensure elimination of data entry errors and reduction in order processing lead-time.

Traditional EDI may be set up upon request of Suppliers. There will be a one-time set up and testing fee of \$1000.00 U.S. For more Information contact SQE. Our EDI will be based on AIAG Specs (830 and 856-version 4010)

## **METHODS**

A web-based EDI solution is available for use by all suppliers. Order data and Advanced Shipment Notifications can be transacted through access of the e-business suite located on the NYX Inc. website ([www.nyxinc.com](http://www.nyxinc.com)). Authorization to this website will be granted by the Materials Manager/IT for the plant you are supplying.

Traditional EDI is available for use by those suppliers who have the need and capability to translate an AIAG ANSI EDI format. EDI specifications will be made available to these suppliers through agreement with the Materials Manager for the plant you are supplying.

Facsimile transmission of data is to be used as an emergency alternate to one of the above methods only.

## **TRANSACTION SETS**

NYX Inc. will transmit 830 Planning Schedules with 1 week's Firm material authorization and an additional 12 weeks forecast on a weekly basis. Suppliers are expected to transmit an 856 Advance Shipment Notice (ASN) within 1 hour of material departure from your facility. As required, 862 Ship Schedules may be utilized as a supplement to the 830 Planning Schedule.



# PACKAGING AND LABELING

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To support the quality manufacture of products in an efficient manner it is imperative that all material be properly packaged to prevent damage or product waste and be properly identified to facilitate ease in material handling upon receipt. Given the varied nature of products received we must work together to develop a packaging and labeling solution that best suits local storage and handling systems. All packaging should be identified at time of quotation and agreement made before start of production that the specification selected satisfies all requirements for safety, quality, material flow, and cost.

## Containerization/Pallet Requirements

Some regions where NYX ships product have regulations relating to containerization and packaging. External providers to NYX must adhere to these regulations. Examples of this type of regulation are: USDA Restrictions of Wood Pallets - The US requires NYX and its external providers to utilize pallets that have been certified as having been constructed from wood that has been treated/ fumigated. The pallets will need to bear a seal, showing certification.

## LABELING

Following two situations exist:

1. Labels for Pass through parts
2. Labels for Internal NYX parts

### Labels for Pass through parts

To print labels for parts which are *pass thru* (parts directly shipped to the customer from NYX on receiving from the vendor), please use the NYX website supplier portal ASN section.

At the time of creating an ASN you will need to make sub details for the items and then once you confirm your ASN there will be a button beside your ASN for printing labels.

The format of these labels is designed at NYX and the standard pack size for each part is already set. All that is required from the supplier's end is to have a Zebra label printer (preferably Zebra S600) installed at the computer where the ASN is being generated.

The website prints only one type of label for the shipment. Typically, it is set for printing standard box (container) labels. Under special circumstances a supplier may be set for printing master labels instead of box labels.

For detailed instructions on printing labels from the website please refer to the attached Vendor Website Work Instructions manual.

### Labels for Internal NYX parts

For parts being shipped for internal NYX use, the suppliers themselves print labels. Please print labels with a format as per the specifications mentioned below.

Note: All service parts come under this case.

**Container Labels:**

All individual containers should have two of the following 4” x 6” self-adhesive white labels attached:

PART NO. (P) <b>748</b> 	DESCRIPTION CLIP WITH PLASTISOL	
QUANTITY (Q) <b>1000</b> 	SHIP TO NYX INCORPORATED 38700 PLYMOUTH ROAD LIVONIA, MI 48150	
P.O. # <b>9567</b> 	MANUFACTURE DATE <b>04MAR 2003</b>	SHIPPED FROM QUALITY SUPPLIER 123 STREET NAME YOURTOWN, MI 48000
SERIAL # (S) <b>0000001000</b> 	SUPPLIER ID <b>QSUP</b> 	PACKING SLIP# <b>65683-22</b> 

**Container Label Specifications:**

**Bar Code Symbology** should be Code 3 of 9 (39) and at least 0.4” in height – 3:1 bar/width ratio

**Label Size** should be 4” wide by 6” long

**Each Row** of the label should be 1” in height

**Letters and Numbers** must be human readable and maximum possible font size for selected label segment

<p><b>Part</b></p> <p>Block Title = PART NO.  Block Title = (P)  Data = part number as assigned by NYX  Barcode Data Identifier = P</p>	<p><b>Part</b></p> <p>Block Title = DESCRIPTION  Block Title = (P)  Data = the name of the part in the container</p>
<p><b>Quantity</b></p> <p>Block Title = QUANTITY  Block Title = (Q)  Data = the number of units in the container  Barcode Data Identifier = Q</p>	<p><b>Ship to Destination</b></p> <p>Block Title = SHIP TO  Data = NYX plant address</p>
<p><b>Purchase Order Number</b></p> <p>Block Title = P.O.#  Data = purchase order number assigned by NYX for this part number and shipment</p>	<p><b>Date Manufactured</b></p> <p>Block Title = MANUFACTURE DATE  Data = the date the parts in the container were made  Format = ddmmyyyy</p>
	<p><b>Shipment Origin</b></p> <p>Block Title = SHIPPED FROM  Data = your company's name and address</p>
<p><b>Container Serial Number</b></p> <p>Block Title = SERIAL #  Block Title = (S)  Data = serial number unique to the individual container  Barcode Data Identifier = S</p>	<p><b>Supplier ID#</b></p> <p>Block Title = SUPPLIER ID  Data = your company's Supplier Code - provided by NYX</p>
	<p><b>Packaging Slip#</b></p> <p>Block Title = PACKING SLIP#  Data = Your unique packing slip or Bill of lading number for this shipment</p>

## Master Pack Labels

All Master Pack Pallets should have two of the following 4” x 6” self-adhesive white labels attached:

SHIPPED FROM QUALITY SUPPLIER 123 STREET NAME YOURTOWN, MI 48000	SHIP TO NYX INCORPORATED 38700 PLYMOUTH ROAD LIVONIA, MI 48150	<b>MASTER LABEL</b>
PART NO. (P)	<b>748</b> 	
P.O. # <b>9567</b> 	QTY/CONTAINER <b>25</b> CONTAINERS <b>20</b>	
QUANTITY (Q) <b>5000</b> 	SUPPLIER ID <b>QSUP</b> 	PACKING SLIP# <b>65683-22</b> 

### Master Label Specifications

**Bar Code Symbology** should be Code 3 of 9 (39) and at least 0.4” in height – 3:1 bar/width ratio

**Label Size** should be 4” wide by 6” long

**Each Row** of the label should be 1” in height

**Letters and Numbers** must be human readable and maximum possible font size for selected label segment

<p><b>Shipment Origin</b>  Block Title = SHIPPED FROM  Data = your company's name and address</p>	<p><b>Ship to Destination</b>  Block Title = SHIP TO  Data = NYX plant address</p>
<p><b>Part Number</b>  Block Title = PART NO.  Block Title = (P)  Data = part number as assigned by NYX  Barcode Data Identifier = P</p>	<p><b>Master Label Identifier</b>  Block Title = MASTER  Block Title = LABEL</p>
<p><b>Purchase Order Number</b>  Block Title = P.O.#  Data = purchase order number assigned by NYX for this part number and shipment</p>	<p><b>Pallet Quantities</b>  Block Title = QTY/CONTAINER  Data = the number of units in a single container   Block Title = CONTAINERS  Data = the number of containers on the pallet</p>
<p><b>Quantity</b>  Block Title = QUANTITY  Block Title = (Q)  Data = the number of units in the pallet  Barcode Data Identifier = Q</p>	<p><b>Supplier ID#</b>  Block Title = SUPPLIER ID  Data = your company's Supplier Code - provided by NYX</p>
	<p><b>Packaging Slip#</b>  Block Title = PACKING SLIP#  Data = Your unique packing slip or Bill of lading number for this shipment</p>

Shipping containers must be identified with their own country of origin.

# **TOOLING, FIXTURE MANAGEMENT**

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## **Tool, Fixture Management Policy, Customer, and Supplier Owned Tooling, Fixtures**

All suppliers are responsible to maintain all key equipments tooling, Fixtures etc associated with manufacturing of products supplied to NYX interiors. All equipment that includes tooling, fixtures shall be identified with a proper identification tag, stating, property of NYX, Customer, or Supplier owned. A preventive maintenance program must be followed as outlined in the standardized ISO 9001 and IATF16949 Quality System Requirements Manual. The supplier shall maintain a formal program with supporting documents, which shall be available upon request by NYX Supplier Quality Representative. All key equipment shall be maintained to support requirements as per signed contract unless written authorization from NYX is obtained. To ensure the tooling and equipment integrity, NYX may require an annual review to be performed by NYX Supplier Quality Representative.

## **CALIBRATION/VERIFICATION**

All suppliers are responsible to maintain all gages supplied by NYX. All active gages calibration should be done as per NYX defined frequency. All in active gage calibration/verification frequency decided based on the production volume or as prescribed by NYX.

# ACCOUNTING

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## INVOICING

The following are the requested steps of a Vendor when sending their invoice to NYX.

Invoices are to be submitted to Nyx Inc. by email only to

**APINVOICES@NYXINC.COM**

Attn: Accounts Payable

Correspondence can be mailed to NYX Inc.

**By mail:** NYX Inc.  
14909 Beck Rd. Plymouth, MI 48170  
Attn: Accounts Payable

Information to be included on Invoices:

- NYX Purchase Order Number
- Vendor Bill of Lading and Invoice Number
- Ship Date
- Ship to Plant
- Remit to address
- NYX Internal Part Number
- Quantity
- Unit Price
- Extended Amount
- Copy of bill of lading attached is preferred
- Copy of purchase order attached is preferred for Miscellaneous and one-time purchases

## DEBITS

**Non-Confirming Report is generated if parts are returned to vendor:**

Shipper is generated in CMS for vendor return

Shipper is updated and correctly removes inventory (Adjusts accum.)

Copy of shipper is sent to Accounting

Copy of NCMR is received from Quality and matched to CMS Shipper of return part.

Debit Memo is generated from shipper with dollar amount. Any additional charges from NCMR are added to total debit.

Copy is reviewed with Purchasing Manager if not already approved.

Debit memo is sent to Vendor by the issuing plant once approved. Accounting will deduct from their check

**If parts are not returned but NCMR is still generated**

Copy of NCMR is sent to Purchasing for approval of charge backs

Approved copy of NCMR is sent to Accounting

Debit Memo is generated with approved charge backs

Debit memo is sent to Vendor by the issuing plant once approved. Accounting will deduct from their check

**CREDITS**

Accounting receives and processes Invoices (Credits) from our Vendors, debits are issued to the vendors for any charge backs

**SUPPLIER PERFORMANCE MONITORING**

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## SUPPLIER PROFILE

Suppliers are requested to forward a copy of their Quality System Certification. For those suppliers are not certified to the appropriate standard, NYX supplier development requires an action plan and timing for certification.

## SUPPLIER DEVELOPMENT

NYX Identifies potential source by market research. An assessment will be done to verify whether a potential new supplier has the capability to meet the minimum requirements necessary to do business with NYX. Areas of development or training will be identified through on-site evaluation. A training program and timeline will be developed based on the evaluation. Training will be provided as per the training matrix and time lines. Suppliers who do not have the ISO9001 or IATF 16949 or equivalent status will be added in the approved supplier list under probationary approval for maximum one year. Supplier performance will be monitored during probationary approval period and supplier will be requested to start the process for ISO9001 or IATF 16949 equivalent registration. Probationary period will be extended if supplier is starting the process for ISO9001 or IATF 16949. If the supplier performance is not good within about 12 months during the probationary period, then supplier will be removed from the approved supplier list.

## MONITORING METHODS

NYX Uses a score card to monitor supplier performance. The score card provides an ongoing assessment of quality, delivery and responsiveness. Supplier will receive a Score card based on a 100-point maximum. The NYX supplier score card Performance levels are used as a measurement tool to compare suppliers.

Green- 80 to 100

Yellow- 60 to 79 (Sourceable)

Red - 59 and below (At risk)

### **2<sup>ND</sup> Party audit criteria-**

1. If supplier overall score  $\leq 59$  (Red supplier at risk), NYX plant supplier quality group will request corporate group to initiate supplier assessment audit (Second party audits)
2. For new NYX suppliers, corporate supplier quality group has to initiate self-assessment audit to new suppliers.  
Upon completion of supplier self-assessment audit by supplier, NYX corporate supplier quality group has to evaluate the need of onsite 2<sup>nd</sup> party audit.
3. The duration of the 2<sup>nd</sup> party audit will be confirmed to the full application of the audit day requirements table of the current edition of automotive certification scheme for IATF 16949 rules for achieving and maintaining IATF recognition.

The score card is available online via NYX supplier portal <https://nyxinc.com/nyxinc/supplier-portal/>. Suppliers are responsible to access, review their score card monthly and ensure action plans are developed as applicable to achieve good score card.

Quality performance will be monitored by tracking defective parts per million (PPM) received. PPM's will make up to 25% of the supplier's overall performance rating Performance data will be captured in the

Operating Division. The requirement for quality performance is 100% (Zero Defects). The Rating for PPM's will be assigned as below

PPM	RATING	PERCENTAGE	STATUS (R, Y, G)
0 - 10	25	100%	G
11- 25	20	80%	G
26 – 50	15	60%	Y
50 – 75	10	40%	R
> 75	0	0%	R

Number of quality concerns will be monitored by tracking NCMR's issued to the supplier. Number of quality concerns will make up to 25% of the supplier's overall performance rating. Performance data will be captured in the Operating Division. The requirement for quality performance is 100%. The Rating for Quality concerns will be assigned as below

CONCERN	RATING/ISSUE	PERCENTAGE	STATUS (R, Y, G)
No Concerns	25	100%	G
Up to 15 concerns	20	80%	Y
Up to 25 concerns	15	60%	Y
Up to 30 concerns	10	40%	R
Repeat customer Incident	0	0	R

Delivery Performance will be monitored by tracking compliance to shipment due date(s) and quantity accuracy from the Operating Division receipts. Performance data will be captured in the Operating Division. Any deviations from timeliness and quality accuracy requirement(s) must be approved by the material representative. Written authorization will be in the form of a modified supplier release. Delivery performance will make up 25% of the supplier's overall performance rating. Delivery performance requirement is 100%.

**Spills** will be monitored by tracking the line down/shutdown situations at both NYX facilities and Customer sites. Any Spill at Customer Location will automatically lead to Level 2 Controlled Shipping. Spills will affect the supplier overall performance rating by 20%. If there are 2 spills in a fiscal year, supplier will automatically place for any new business.

**Responsiveness** will be monitored and makes up to rest of the 25% of the supplier's overall performance rating. Responsiveness includes but is not limited to on time and accurate PPAP as required, timeliness in

the response to quality issues including plant visits per NYX requests and corrective action requirements, timely receipt of advanced shipping notices, packing slip accuracy, complying with packaging requirements, bar code label requirements. Administrative accuracy goal is 100%.

The rating for Responsiveness will be as below

NO. OF OCCURENCES	RATING	PERCENTAGE	STATUS (R, Y, G)
0	25	100%	G
1	20	80%	G
2	15	60%	Y
3	10	40%	R
4	5	20%	R
≥5	0	0	R

Competitiveness, cost and Technology will be monitored by purchasing annually.

The supplier performance ratings will be published in NYX website under individual supplier portal by 15<sup>th</sup> of every month for previous month's performance.

Unsatisfactory supplier performance will be monitored by the designated Buyer/ Materials Representative and Supplier Quality Engineer with any of the following steps being taken:

- Corrective actions (QPR) submitted as requested and monitored for compliance.
- Meeting with supplier representative, designated Buyer, Materials Representative, Materials Manager, Purchasing Manager, Program Manager, and/or Supplier Quality Engineer to issue time-line of completion for required corrective action.
- On-site supplier survey, as required
- Notice of placement on Controlled Shipping (CS1), which requires 100% inspection by supplier
- Notice of placement on Controlled Shipping (CS2), which requires 100% inspection by a 3<sup>rd</sup> party auditor, chosen by Operating Division, prior to shipment to Operating Division. Supplier shall be responsible for control shipping expenses.
- Notification to supplier of New Business Hold status.
- Notification to supplier of product de-sourcing due to continued non-compliance.

**New Business Hold:**

At the operating division’s discretion, suppliers will be placed on New Business Hold (NBH) for any one, or combination of, the following criteria:

- Suspension of their Quality System Certificate
- Performance issues resulting in multiple instances of Controlled Shipping
- Financial risk or instability
- Contractual issues (at Purchasing’s discretion)

**Warranty Management System-**

Suppliers shall implement a warranty management system. When NYX receives a warranty claims that involves supplied product, it becomes the responsibility of that Supplier to open a corrective action to document the investigation of the cause, testing results, root cause identification and corrective action taken. The Supplier will be responsible for expenses related to their product that NYX may incur in addressing the warranty claim.

**Revision History**

<b>Revision No.</b>	<b>Description of changes</b>	<b>Reason for changes</b>
08/11/15	Conflict minerals requirement added, Special process Molding system assessment(CQI-23) added  MMOG and supplier contact information annual submission requirements added	Due to US conflict minerals legislation  GM, Ford, Lear requirement  GM and Ford
06/14/16	Added “Purchased component PSW must have OEM part number with NYX part number for approval”	For better clarity
06/14/17	Requirements added as per the new IATF 16949	New release for IATF 16949

05/09/18	<p>Requirements updated to upload the items under NYX SharePoint instead of emailing</p> <p>MMOG, Supplier contacts Upload Supplier certifications-</p> <p>ISO 9001 or IATF 16949(Mandatory) ISO 14001</p> <p>ISO17025 (Vendor provide services for calibration, Lab testing)</p> <p>Upload Special Process Assessments- Annual</p> <p style="padding-left: 40px;">CQI-9 (Annual)</p> <p style="padding-left: 40px;">CQI-11 (Annual)</p> <p style="padding-left: 40px;">CQI-12 (Annual)</p> <p style="padding-left: 40px;">CQI-23 (Annual)</p> <p>VDA 6.3 annual assessment, D/TLD Audit- if component is for VW product</p> <p>Upload Conflict Minerals Report-Annual period-August 31st.</p> <p>PPAP- include annual layouts, annual flammability</p> <p>NCMR-</p>	Better improvement in the system
11/07/18	<p>Second party audit criteria added and remove the word “TS” from the entire document</p> <p>Containerization/Pallet requirements added</p>	As per the IATF requirement
03/02/21	<p>Annual flammability added</p> <p>MMOG/LE 4 replaced with MMOG/LE V5</p>	

	If PSCR required by NYX -Supplier must have training consistent with VDA guidelines and the supplier shall be prepared to provide the training evidence to NYX upon request.	
07/07/2021	<p>Added- Completed MMOG v5 self-assessment must be sent to NYX mailbox at Odette: <a href="mailto:odette-6793@mail2.mmogle.com">odette-6793@mail2.mmogle.com</a>. Supplier unfamiliar with MMOG shall contact Odette for assistance <a href="mailto:mmog@odette.org">mmog@odette.org</a> or can download all available material for MMOG.np(detailed user manual, help video, catalogues, converter tool etc.) from <a href="https://www.odette.org/mmog/resources">https://www.odette.org/mmog/resources</a></p> <p>Deleted corporate supplier quality engineer's name-Don Robinson and added Victoria Hanley and Zarna Bhagat</p> <p>Deleted Mr Chain Sandhu's name as chairman and added Jatinder Bir Sandhu</p> <p>Deleted Rimam Nasr and added Jasdeep Sandhu as executive vice president</p>	
08/12/21	<p>Added- The Supplier Audit is part of the Continuous Improvement Process and has the purpose to achieve the "A" Rating.</p> <p>Supplier is responsible for implementing the suitable measures and verify their effectiveness and sustainability for any discrepancies identified during the process and Product Audit, within a reasonable time period, e.g. by re-audits</p>	
11/09/2021	Address updated for Corporate head quarter	Due to moved to the new location
04/04/2022	<p>Updated paragraph for Terms and conditions and purchase order administration on page 9</p> <p>If criteria <math>\leq 59</math>, plant quality will notify to corporate supplier quality for 2<sup>nd</sup> party audits.-Page 33</p>	Updated due to terms and condition available on NYX web





