

### 1 - Scope

The supplier quality directive is valid for the supply of production materials for the injection molding facilities of the Mitsubishi Chemical Advanced Materials NV in Tielt, Belgium and Mitsubishi Chemical Advanced Materials Kft in Szigetszentmiklós, Hungary. This quality agreement is also applicable for customer directed suppliers and for services as sub-assembly, sorting and rework.

### 2 - Business Language

Mitsubishi Chemical Advanced Materials NV and Mitsubishi Chemical Advanced materials Kft are global players and therefore all communications will be conducted in English unless otherwise requested by Mitsubishi Chemical Advanced Materials NV or Mitsubishi Chemical Advanced Materials Kft.

### 3 - Quality management system requirements (QMS)

Suppliers shall have a quality management system according to ISO 9001 and depending on the business, preferably according to IATF 16949 (automotive), ISO 13485 (medical) and/ or AS9100 (Aerospace).

The ultimate goal of the QMS set-up is to fully comply to the industry standards (Incl. 3<sup>rd</sup> party certification) and a quality target of ZERO Defects. The supplier needs to inform Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi Chemical Advanced Materials Kft immediately if the certificate has expired, revoked or has been placed on suspension. The supplier needs to inform Mitsubishi Chemical Advanced Materials NV at least 6 months prior to the expiration date if there is no recertification planned.

Mitsubishi Chemical Advanced Materials NV and Mitsubishi Chemical Advanced Materials Kft reserve the right to audit the supplier in regards of the quality management system, the processes and the products after prior notification. The final customer may attend these audits.

### 4 - Environment, Energy, Health and Safety

Mitsubishi Chemical Advanced Materials NV and Mitsubishi Chemical Advanced Materials Kft highly recommend its supplier to be certified by the ISO 14001 and/or ISO 50001. It is mandatory for suppliers to have an implemented environmental and energy management system.

It is highly recommended for suppliers to have a health and safety management system. All suppliers need to meet applicable legal, environmental, energy, transport and import regulations (incl. operation 'clean sweep'). Additionally, the supplier needs to review its production, maintenance, supply (transport conditions) and disposal processes and products to determine their environmental impact. Upon request, the supplier shall provide recycling and disposal concepts for its products. Every supplier should define targets to improve environmental protection and documentation of their fulfilment which includes the safeguarding of resources (raw materials, energy, water), the prevention and reduction of environmental pollution, the minimization of waste and rejects and the reduction of expendable packaging.

### 5 - Code of Conduct

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The guidelines on corruption, antitrust law, forced - and child labor, human rights, discrimination, labor standards, and trade secrets contained in the Code of Conduct are observed by Mitsubishi Chemical Advanced Materials NV and Mitsubishi Chemical Advanced Materials Kft and are part of the business relationship. Mitsubishi Chemical Advanced Materials NV and Mitsubishi Chemical Advanced Materials Kft pass on these guidelines of conduct to all suppliers as part of a declaration of commitment and expects suppliers to recognize these guidelines of conduct or otherwise to present their own documented principles of conduct that at least ensure compliance with the requirements specified in the Code of Conduct.  
(See Annex 'Code of Conduct')

### 6 - Quality specific requirements

#### 6.1 New Projects:

For new projects and in case of major changes in existing projects, Mitsubishi Chemical Advanced Materials NV and Mitsubishi Chemical Advanced Materials Kft expect the supplier to use a project management approach (Such as APQP). Every quote needs to include a feasibility study, including resource and capacity planning. Results must be shared with Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi Chemical Advanced Materials Kft. If a quote is made without remarks, it means that the project is considered feasible by the supplier, including all given requirements as specified by Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi Chemical Advanced Materials Kft. Once a project has been awarded, Mitsubishi Chemical Advanced Materials NV and/or Mitsubishi Chemical Advanced Materials Kft need to be informed on a regular basis about the progress of the related activities according to an agreed time plan. The standard method used by Mitsubishi Chemical Advanced Materials NV and Mitsubishi Chemical Advanced Materials Kft to approve materials for serial deliveries is the PPAP (Production Part Approval Process) process.

a. PPAP and samples

The supplier needs to provide initial samples and PPAP documentation for every project. Initial samples must be produced and tested under serial production conditions. Depending on the submission level, the necessary documents must be delivered or retained by the supplier. The required submission will be documented via a PSI. (Part Submission Index). The PSI shows the required content of the PPAP submission. All deliveries of prototypes and pre-series runs must be accompanied by representative reports detailing the dimensional accuracy of the components and by material certificates.

Packaging of material must be suitable and should protect the parts to guarantee the preservation during transport and storage. This is valid for sample-, PPAP and serial material.

i. PPAP for automotive products

In general a PPAP submission level 3 will be required for new products/projects. The submission level may be adjusted, if needed (particularly at the request of the customer). The PPAP for automotive products should contain the IMDS (and if necessary also CAMDS) proposal to Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi Chemical Advanced Materials Kft. Suppliers are expected to comply with OEM specific requirements. Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi Chemical Advanced Materials Kft will provide details where applicable.

ii. PPAP for non-automotive products

The Parts which are intended for non-automotive products or

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customers (e.g. AFSP parts) must be sampled in accordance with a reduced PPAP. For this, the minimum submission level is 4, with the sampling will be required, including:

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

Due to specific customer requirements, additional documents may be required. This will be noted in the order documents.

The PPAP for food & beverage products should contain the RAPIDS as a minimum. Also, docs to proof the compliancy according to the local legislation of a country should be provided without costs.

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

### 6.2 Serial deliveries:

Only formally approved materials by Mitsubishi Chemical Advanced Materials NV or Mitsubishi Chemical Advanced Materials Kft can be delivered under serial conditions. Mitsubishi Chemical Advanced Materials NV and Mitsubishi Chemical Advanced Materials Kft expect from its suppliers that an 'early production containment process' (E.g., GP12) is in place to assure the right quality at the start-up of the new projects. This means that the first deliveries to Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi Chemical Advanced Materials Kft should be managed by an Early Production Containment Process (e.g., GP12). Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi Chemical Advanced Materials Kft suppliers should provide the appropriate relevant material certificates (3.I acc.to EN 10204) and/or agreed inspection report for each delivery.

For raw materials a template will be shared (See Annex 'Raw material test specifications') indicating the minimum required parameters to be measured.

Material certificates and inspection reports needs to be delivered at all-time except when there is a formal documented agreement that the supplier can keep these documents 'available on request'. In case, when the reports, certificates are demanded they need to be delivered within 24 hours to Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi Chemical Advanced Materials Kft.

For inserts, Suppliers shall adopt the targets of ZERO Defects and 100% On Time Delivery performance.

Suppliers shall understand that where PPM targets were agreed, this does not represent an Acceptance Quality Level, but is only an intermediate step in the journey of continuous improvement with the ultimate goal of reaching ZERO Defects!

The supplier must use appropriate statistical techniques to ensure the quality of products and processes. Therefore a minimum Cpk of 1.33 must be achieved during serial monitoring.

#### *b.* Change Management

Changes (such as but not limited to changes in the design, product, process, or location) need to be communicated by the supplier towards Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi Chemical Advanced Materials Kft in advance and are subject to PPAP (update). The effects of any change, including changes caused by sub-suppliers, require a verification and validation to ensure the compliance with the requirements and specifications.

Any request needs to be accompanied by a detailed timeline demonstrating proper change control that identifies necessary safety stock requirements and timing to allow for a timely Customer approval and validation.

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Not any change shall be implemented by the supplier prior to the receipt of a written approval from Mitsubishi Chemical Advanced Materials NV or Mitsubishi Chemical Advanced Materials Kft. Verbal requests or approval shall not be accepted. The Table 3.1 of AIAG PPAP Manual, latest edition needs to be respected.

### c. Traceability

Mitsubishi Chemical Advanced Materials NV and Mitsubishi Chemical Advanced Materials Kft expect full traceability for all products components, and materials. Delivery notes and packaging labels (Galia, Odette and VDA labels) must list the supplier's production lot number and Mitsubishi Chemical Advanced Materials NV or Mitsubishi Chemical Advanced Materials Kft part number to enable traceability management. The Mitsubishi Chemical Advanced Materials NV or Mitsubishi Chemical Advanced Materials Kft order number and article number are obligated parts of the delivery identification. The supplier has the responsibility to instruct the forwarder & shipment company to respect and manage the necessary documents. The supplier shall change the production batch number at least at for each raw material batch change, for each production day and for each new machine set up. Furthermore, the FIFO (First In First Out) principle must be respected at the supplier and for all deliveries to Mitsubishi Chemical Advanced Materials NV and Mitsubishi Chemical Advanced Materials Kft.

### d. Verification of sub-contracted products and processes (=Downstream)

To ensure product and process quality Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi Chemical Advanced Materials Kft reserve the right, to ascertain at any time either personally or through a representative without prior notification, at the operation of a sub-contractor, that the manufacture of sub-contracted products processes meets the specific requirements. To guarantee this process Mitsubishi Chemical Advanced Materials NV and Mitsubishi Chemical Advanced Materials Kft demand from their suppliers that, flowing acceptance of an order, the supplier allows Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi Chemical Advanced Materials Kft and its customer to conduct an inspection at the supplier's operation at any time to verify that the specified requirements are met.

The supplier will be notified in a timely manner about the schedule (where possible), the possible effects and the results of such inspections.

When non-conformities are identified during such inspection, Mitsubishi Chemical Advanced Materials NV and Mitsubishi Chemical Advanced Materials Kft, expect corrective actions to correct the non-conformity and a root cause analysis within one week. The fully closed action plan must be submitted within 60 days (unless otherwise agreed with Mitsubishi Chemical Advanced Materials NV and/or Mitsubishi Chemical Advanced Materials Kft). Root cause analysis shall be conducted using appropriate problem solving techniques (such as Ishikawa and 5-Why).

### e. Complaints

Once the Product is successfully validated via the PPAP-process, the serial production phase begins. Supplier are expected to inform Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi Chemical Advanced Materials Kft about a potential safety, quality or delivery issue. Processes and services that do not meet the agreed specifications and requirements will be issued as a complaint. Mitsubishi Chemical Advanced Materials NV and Mitsubishi Chemical Advanced Materials Kft will require an 8D report as a standard. Both the 'Mitsubishi Chemical Advanced Materials NV and Mitsubishi Chemical Advanced Materials Kft provided 8D template' and suppliers own 8D template are acceptable. This report will provide the supplier with information about the issue, a description of the problem and a relevant contact person(s) within Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi

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Chemical Advanced Materials Kft. Furthermore, it provides for a logic and mandatory flow to fully manage the incident.

Upon receipt of a complaint Mitsubishi Chemical Advanced Materials NV and Mitsubishi Chemical Advanced Materials Kft expect an initial reaction within 48 hours. Initial reactions must, at a minimum, include a confirmation of the complaint, immediate containment actions (sorting operations, additional inspections, goods in transit,...), and 8D team contact details.

Within 5 business days, unless otherwise agreed between 'Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi Chemical Advanced Materials Kft' and the supplier, a detailed root cause analysis and the definition of effective corrective and preventative actions is expected. At the same time the final completion date of the 8D should be agreed. All measures must also be verified on effectiveness to assure the problem will not be repeated. Parts subject to complaints shall be available to the supplier for investigation.

If the supplier does not send feedback within one month, the products shall be scrapped at the supplier's expense. If the supplier would like the products returned Mitsubishi Chemical Advanced Materials NV or Mitsubishi Chemical Advanced Materials Kft can organize the transport of these parts, at the supplier's expense. If there are non-conforming products, (such as not but limited to scrap, parts from sorting due to a complaint, parts from trials, engineering parts) the supplier must render these parts unusable to avoid the unintended use.

Complaints will be considered in the assessment of the supplier's performance. Unexcused, late responses to complaint reports might be subject to devaluation of the scoring or input to a new supplier complaint.

### f. Complaint costs

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

However, should a complaint result in costs, these shall be charged to the supplier. If costs are linked to a supplier complaint, these costs including the costs of the customers of Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi Chemical Advanced Materials Kft, will be charged to the supplier.

Mitsubishi Chemical Advanced Materials NV and Mitsubishi Chemical Advanced Materials Kft reserve the right to charge variable costs, depending on the expenses:

- Alert by mail: not a direct cost
- Administration cost in case of complaint: 150€/complaint
- Administration cost in case of reoccurrence complaint: 250€/complaint
- Administration cost in case of return of parts (incoming inspection): 250€/complaint
- Handling cost in case of production problems at MCAM /customer: 500€/complaint
- Additional handling, rework, sorting \*: 40€/ hour
- Additional work by employees (technical dept., testing...) \*: 55€/ hour
- Production line shutdown at Mitsubishi Chemical Advanced Materials \*: effective cost, depending on machine size
- Costs charged by MCAM customers \*: effective cost
- Customer's production line shut-down \*: effective cost
- Preferred freight due to schedule obligations \*: effective cost
- Rejected material \*: effective cost
- Disposal: effective cost

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\* incl. cost at Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi Chemical Advanced Materials Kft customer due to the supplier incident.

*g.* Measurement and Improvement of supplier quality performance

It is the expectation, that the suppliers will achieve ZERO Defects and 100% on time delivery. Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi Chemical Advanced Materials Kft monitor the performance based on key performance indicators. The supplier performance data will be shared with the supplier after the yearly evaluation. The supplier's performance is taken into consideration for future sourcing decisions as well as for continuous improvement efforts.

*h.* Yearly requalification

For automotive products a yearly requalification is mandatory. I.e an annual update of the PPAP (Min. level 4, incl. PSW, ISIR and material certificates - unless otherwise agreed with Mitsubishi Chemical Advanced Materials NV and Mitsubishi Chemical Advanced Materials Kft). Submission upon request by Mitsubishi Chemical Advanced Materials NV and/or Mitsubishi Chemical Advanced Materials Kft

## 7 - Liability

Each supplier shall be responsible for the flawless quality of its deliveries. In order to meet this responsibility, the supplier shall maintain appropriate management systems to meet quality requirements and delivery deadlines and to ensure the ability to deliver in emergency situations.

## 8 - Laws and legislations

### 8.1 Legislations

Mitsubishi Chemical Advanced Materials NV and Mitsubishi Chemical Advanced Materials Kft expect suppliers to understand and fully comply with all applicable Belgian and/ or Hungarian, European and international laws and regulations, including, but not limited to all Environmental, Health and Safety related laws and regulations.

If our customers need specific compliancy for legislation in the country they deliver the products or where they are located, Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi Chemical Advanced Materials Kft will transfer these requirements.

### 8.2 Directives and Regulations

The supplier must ensure that waste is minimized during production and that processes are adapted to the applicable environmental, energy and safety regulations.

Suppliers must comply with the applicable directives and regulations such as but not limited to the Substance Use Restrictions according to the End of Life Vehicle Directive 2000/53/EC, the WEEE directive (2012/19/EU), RoHS directive 2011/65/EU, REACH Regulation (EC) 1907/2006, CLP/GHS,... in order to guarantee full compliance of the delivered products and services.

### 8.3 Conflict minerals

Mitsubishi Chemical Advanced Materials NV and Mitsubishi Chemical Advanced Materials Kft endeavors to not purchase any material that contains "conflict minerals".

Mitsubishi Chemical Advanced Materials NV and Mitsubishi Chemical Advanced Materials Kft do not file report with the SEC. We recognize the SEC's final rule for section

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1502 and the European Regulation (EU) 2017/821 that requires our direct and indirect clients to conduct due diligence in their global supply chains, and we request an appropriate level of support to assist us with the reporting requirements.

### **9 - Conformities**

Materials and products supplied to Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi Chemical Advanced Materials Kft comply with all conformities required in the respective specifications.

If it is foreseeable for the supplier that the conformities can no longer be fulfilled due to changes in the law, unavailability of raw materials or other causes beyond the supplier's control, the responsible Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi Chemical Advanced Materials Kft purchaser must be informed immediately. The supplier must then take measures in coordination with Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi Chemical Advanced Materials Kft to ensure continued delivery in accordance with the specifications.

Materials and products that do not or no longer comply with the defined conformities may only be delivered after written approval by Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi Chemical Advanced Materials Kft.

### **10 - Confidentiality**

The Supplier and Mitsubishi Chemical Advanced Materials NV and/ or Mitsubishi Chemical Advanced Materials Kft undertake to maintain secrecy with regard to third parties concerning the contents of this Quality Agreement. This shall also apply beyond the end of the business relationship. Compliance with confidentiality is also required of (possible) sub-suppliers and is to be ensured by the supplier on its own responsibility.

### **Annex 'Raw material test specifications'**

### **Annex 'Code of Conduct'**