



Quality and CSR Purchase Supplier Manual

PUR - Purchasing

FIG_PUR_120


FIG-General Instruction Sheet

BK

SUPPLIER MANUAL

SQA and PQA program

Supplier Quality Assurance

 Saint Jean Industries	<h2>Quality and CSR Purchase Supplier Manual</h2>
PUR - Purchasing	FIG_PUR_120
FIG-General Instruction Sheet	BK

CONTENTS

1	HISTORICAL.....	4
2	INTRODUCTION	4
3	SCOPE	4
4	TRACEABILITY, SAVING, BACKING UP, ARCHIVING	4
5	TERMINOLOGY	5
6	PRINCIPLES	5
7	QUALITY REQUIREMENTS AND RESPONSIBILITIES	5
8	CLIENT'S SPECIAL REQUIREMENTS	6
9	CHECKS	6
9.1	Production checks	6
9.2	Annual review.....	6
9.3	End check.....	6
9.4	Compliance certificate.....	6
10	RIGHT OF ACCESS	7
11	SELECTING, ASSESSING AND APPROVING SUPPLIERS	7
11.1	Principle.....	8
11.2	Certifications	8
11.3	Approval level.....	8
12	REGULATORY AND / OR LEGAL REQUIREMENTS.....	9
13	YOUR CONTACTS	9
14	CONFIDENTIALITY RULES.....	9
15	SAINT JEAN INDUSTRIES GROUP CODE OF ETHICS.....	10
16	“CONFLICT MINERAL” APPROACH.....	12
16.1	Definition	12
16.2	History	12
17	ENVIRONMENTAL APPROACH	13



Quality and CSR Purchase Supplier Manual


PUR - Purchasing

FIG_PUR_120

FIG-General Instruction Sheet

BK

18	RADIOACTIVITY SUPPLIES INPUT	13
19	HEALTH AND SAFETY IN THE WORKPLACE	13
19.1	Definition	13
20	COMPLAINTS	13
20.1	Supplier response in 8D format.....	14
20.1.1	Short-term response	14
20.1.2	Medium-term response	14
21	MANAGING TEMPORARY OR FINAL MODIFICATIONS.....	14
21.1	Modification of products.....	14
21.2	Modification of processes	14
21.3	Request for temporary modification (exemptions)	14
21.4	Request for final modification.....	14
21.5	Destruction of non-compliant products.....	15
22	SUPPLIERS OF COMPONENTS AND RAW MATERIALS	15
22.1	PPM and/or Demerits.....	15
22.1.1	Family: Raw Materials Suppliers	15
22.1.2	Family: Component Suppliers	16
22.2	Performance report.....	16
22.2.1	Rules of the calculation of the “QCD”	16
22.2.2	Rules of calculation of the level’s alerts.....	16
22.2.3	Family: Raw Materials Suppliers	16
22.2.4	Family: Component Suppliers	16
22.2.5	Quality	16
22.2.6	Costs	17
22.2.7	Deadlines	17
22.3	Rating correction request.....	17
23	KEEPING OF RECORDS	17
24	ACCEPTANCE OF THE DOCUMENT	18

 Saint Jean Industries	<h1>Quality and CSR Purchase Supplier Manual</h1>	
PUR - Purchasing	FIG_PUR_120	
FIG-General Instruction Sheet	BK	

1 HISTORICAL

Index	Modification	Date
BK	Rewriting of Section 22: Suppliers of components and raw materials Update of chapter 11.2	16/05/23
BJ	Supplement to chapter 11.1 Consideration of energy performance	22/06/22
BI	Updating of the contact list (Harol France)	15/11/19
BH	Updating chapter: SAINT JEAN INDUSTRIES GROUP CODE OF ETHICS	11/10/19
BG	Add chapter « RADIOACTIVITY SUPPLIES INPUT » and update chapter « Contact»	10/09/19
BF	Adding rules of the calculation of the "QCD"	04/06/19
BE	Add chapters «ENVIRONMENTAL APPROACH» ; «HEALTH AND SAFETY IN THE WORKPLACE»; Removal « TOOL SUPPLIERS»	09/10/18

2 INTRODUCTION

The quality of the products delivered to Saint Jean Industries' clients is largely dependent upon that of the goods and services that it purchases.

The Supplier Quality Assurance program specifies how Saint Jean Industries intends to apply the guidelines of its quality policy in its relationships with suppliers and in quality management for the products purchased.

This program is vital for ensuring the continued performance of the Saint Jean Industries Group and for enabling it to achieve its strategic goals.

Through this program, Saint Jean Industries hopes to:

- Implement, together with its suppliers, the conditions necessary to ensure the overall quality of all products purchased, throughout their life cycle
- Establish strong and lasting relationships with its suppliers, based on mutual trust
- Challenge its suppliers to manage their quality and continuous improvement processes
- Promote innovation among its suppliers.

3 SCOPE

This document has been created in order to meet the various requirements associated with the automotive and aeronautical sectors and is based on the ISO 9001 – IATF 16 949 - EN 9100 reference frameworks. It is therefore to be applied irrespective of business sector, supplier or subcontractor.

Some sections or paragraphs only apply to the aeronautical sector. They have been drafted in addition to existing information. In such circumstances, the "Aero Division" specifies this.

4 TRACEABILITY, SAVING, BACKING UP, ARCHIVING

The whole document is managed in accordance with Saint Jean Industries' rules which are defined in the general computer procedures: Saving and Archiving of Computer Data according to: FIG_IS_401 and FIG_IS_402



Quality and CSR Purchase Supplier Manual

PUR - Purchasing

FIG_PUR_120

FIG-General Instruction Sheet

BK

5 TERMINOLOGY

Product: The subject of a purchase order (equipment, materials, services, CAD data, documentation, etc.)

Aero: Aeronautics

SQA: Supplier Quality Assurance

PQA: Product Quality Assurance

Client: Saint Jean Industries and its own clients

Demerits: Syn: fault, error

IS: Initial Samples

FAI: First article inspection

CR: Compliance Rating

PPAP: Production Part Approval Process

PPM: Parts per Million

Qualification: Supplier's ability to meet the client's requirements

QCD: Quality Cost Deadline

6 PRINCIPLES

Suppliers are fully responsible for the quality of all the products they deliver.

In order to meet our target of offering our clients superior quality products, there are a number requirements with which our suppliers must comply. Our requirements include (but are not limited to) those listed in the manual below.

This manual does not replace any potential specific contractual clauses between Saint Jean Industries and the supplier.

Saint Jean Industries has identified three major supplier categories.

- Family: Component Suppliers
- Family: Raw Materials Suppliers
- Family: Tool Suppliers

"Aero Division"

- *Family: Supplier subcontractors*


7 QUALITY REQUIREMENTS AND RESPONSIBILITIES

Our clients' quality requirements are cascaded down to our suppliers which accept orders submitted by the client.

By accepting to deliver a product, the supplier shall commit to delivering it in compliance with the specifications that it receives. These requirements may be, but are not limited to, production methods, specifications, special measurements, or technical instructions. Suppliers must ensure that they have the most recent applicable documents.

"Aero Division"

Our clients' quality requirements are cascaded down to our suppliers which accept orders submitted by the client.

	Quality and CSR Purchase Supplier Manual	
PUR - Purchasing	FIG_PUR_120	
FIG-General Instruction Sheet	BK	

Suppliers may only subcontract with the prior written permission of Saint Jean Industries' Quality and Purchasing divisions. These suppliers will then have to apply all of Saint Jean Industries' requirements to their own suppliers.

Suppliers must ensure that they have the most recent applicable documents for the part referenced in the order. If they do not, it is vital that they request these from the Purchasing Division.

No documents sent by the supplier to Saint Jean Industries may release it from its responsibilities in relation to the product's quality.

8 CLIENT'S SPECIAL REQUIREMENTS

"Aero Division"

If a client has any special requirements, special procedures must then be drafted. The purpose of these procedures is to specify any additional special requirements that there may be.

Examples of special requirements: List of suppliers authorized by the client, special FAI format, work with suppliers and subcontractors of special processes that have been approved by the client, etc. These special requirements should appear on the order.

9 CHECKS

9.1 Production checks

Suppliers must carry out all the necessary checks and tests for ensuring the product's compliance.

Records should be kept for proving that the product has undergone checks and/or tests, and for demonstrating that the product is in compliance with acceptance criteria.

9.2 Annual review

In addition to the various checks conducted during product manufacture, suppliers undertake to provide once a year to Saint Jean Industries a follow-up review of the critical dimensions noted on the drawings for the component they manufacture. This criticality may be defined differently depending on the given client of Saint Jean Industries.

9.3 End check

The supplier must ensure that each delivery is in compliance with the requirements of the order submitted and is complete. The aim is for all (automobile) supplies that get through to the PPAPs or which are used as IS to be Quality Assured.

"Aero Division"

When a product delivered by the supplier is released and deemed "Appropriate for manufacture", it must be identified and recorded. This is so that it may be recalled and replaced if it is found that it does not meet requirements.


It is essential that the supplier check:

- *That all support documents are complete and are the right ones for the parts and orders concerned.*
- *That the requisite procedures have been applied and properly followed.*

9.4 Compliance certificate

"Aero Division"

For each delivery, the supplier must provide a compliance certificate.

	Quality and CSR Purchase Supplier Manual	
PUR - Purchasing	FIG_PUR_120	
FIG-General Instruction Sheet	BK	

This certificate must be drawn up according to the NF L00-015 standard and must specify the following as a minimum:

- *The name of the company and the information needed so that it can be recorded*
- *It should bear the following phrase: "Compliance certificate"*
- *It should have a unique number*
- *The order reference should be quoted*
- *All the specifications, standards, drawings, etc. should be quoted*
- *The batch number(s)*
- *If necessary, the exemption agreement reference*
- *Information about how long the product can be stored and the conditions under which it should be stored*
- *The numbers of all compliance certificates from its own suppliers and subcontractors*
- *Any other information it considers relevant*
- *The following phrase should be quoted: "product in compliance in all respects with the order or contract"*
- *The number of the compliance certificate for any heat treatment it may have received or a copy of the certificate*
- *The number of the material compliance certificate or a copy of this certificate*

The certificate must be signed and dated by the Quality Manager or their representative.

10 RIGHT OF ACCESS

"Aero Division"

Official Organizations, Saint Jean Industries, its clients or third-party organizations are required to monitor products manufactured by the ordering party. As such, they are entitled to examine all production stages relating to the aforementioned order.

Official Organizations, Saint Jean Industries, its clients or third-party organizations will enjoy free access to the supplier's premises, as well as those of any of its suppliers, together with all the facilities they need in order to carry out their tasks fully and correctly.


In no way will this right of access and their being monitored discharge the supplier of its obligation to supply compliant products.

Similarly, the supplier must have contractually formalized its own right to access and survey the premises of its own suppliers.

11 SELECTING, ASSESSING AND APPROVING SUPPLIERS

In order to be approved, each supplier has to be assessed using our internal procedures:

- SQA assessment: FIG_PUR_103
- PQA Supplier Procedure: FIG_PM_904

 Saint Jean Industries	<h2>Quality and CSR Purchase Supplier Manual</h2>	
PUR - Purchasing	FIG_PUR_120	
FIG-General Instruction Sheet	BK	

11.1 Principle

These procedures define the supplier selection and approval process in compliance with the purchasing policy.

The Purchasing Department manages this task by initiating it and monitoring actions with the Project Management Department and/or Quality Department.

A given supplier or subcontractor is only approved to supply products that are mass-produced.

This selection is based on the following criteria:

- Certification: In relation to the various divisions. See "Certifications" section
- The ability to provide compliant Initial Samples
- The ability to provide compliant production-series parts
- An audit result compliant with the following rules
- The energy performance of energy-consuming equipment, products or services

Audit results and a decision according to a procedure: "CI" = Compliance Index

Observation	Corrective actions	Approval level
CI score > 95% & no rejection criterion*	Monitoring the process and continuous improvement	SATISFACTORY
75% score < CI > 95% & no rejection criterion*	Short or medium term as part of a progress plan	ACCEPTED WITH RESERVATIONS
CI score < 75% or at least 1 rejection criterion*	Immediate and final or preventions put in place pending their approval	REFUSED

Rejection criterion* Non-compliance, Protective actions, and immediate corrections

11.2 Certifications

In relation to the various divisions, Saint Jean Industries requires suppliers and subcontractors:

- Chassis, Engine & Industry, Wheel, Braking Divisions:
 - o ISO 9001 certification (minimum) and/or IATF 16949 certification (Goal)
 - o ISO 17025 calibration subcontracting
- Aero Division:
 - o ISO 9001 certification (minimum) and/or EN 9100 (Goal)
- Tooling Division:
 - o ISO 9001 certification

11.3 Approval level

A supplier is deemed to have been approved once the Purchasing and Project Management departments have given their go-ahead. The supplier then receives a: "**PRODUCT SUPPLIER APPROVAL**" in accordance with the FIG_PM_904_FM_03 document. The approval level is determined after an overall analysis.



Quality and CSR Purchase Supplier Manual

PUR - Purchasing	FIG_PUR_120
FIG-General Instruction Sheet	BK

12 REGULATORY AND / OR LEGAL REQUIREMENTS

"Aero Division"


Suppliers must find out what the regulatory and / or legal requirements developed by official bodies in the air transport sector and government organizations are, and it must apply them.

13 YOUR CONTACTS

Plant	Department	Telephone number	Fax
Head office Saint Jean d'Ardières (France)	Purchasing	+33 (0)4 74 66 68 29	+33 (0)4 74 69 67 72
	Quality	+33 (0)4 74 66 68 39	+33 (0)4 74 69 67 72
Heber Springs (US)	Purchasing	+1 501-362-9596	+1 501-362-9584
	Quality	+1 501-362-9532	+1 501-362-9584
Slavonski Brod (Croatia)	Purchasing	+385 35 405 333	+385 35 405 325
	Quality	+385 35 405 331	+385 35 405 335
Harol (France)	Purchasing	+33 (0)3 29 66 91 38	+33 (0)3 29 66 83 07
	Qualité GS	+33 (0)3 29 66 68 93	///
	Qualité PMS	+33 (0)3 29 66 68 95	
Laval (France)	Purchasing	+33 (0)2 43 64 17 39	+33 (0)2 43 90 72 72
	Quality	+33 (0)2 43 64 34 32	
Saint Jean d'Ardières (France)	Purchasing	+33 (0)4 74 66 68 94	+33 (0)4 74 66 68 90
	Quality	+33 (0)4 74 66 68 39	+33 (0)4 74 66 43 05
Valladolid (Spain)	Purchasing	+34 983 024 030	+34 983 024 025
	Quality	+34 983 024 024	+34 983 024 025
Tooling Saint Jean d'Ardières (France)	Purchasing	+33 (0)4 74 66 68 93	+33 (0)4 74 66 43 05
	Quality	+33 (0)4 74 66 21 52	+33 (0)4 74 66 68 90

14 CONFIDENTIALITY RULES

During assignments at suppliers' premises, Saint Jean Industries representatives shall be required to comply with industrial confidentiality rules and the supplier shall also guarantee Saint Jean Industries compliance with industrial confidentiality rules.

	Quality and CSR Purchase Supplier Manual	
PUR - Purchasing	FIG_PUR_120	
FIG-General Instruction Sheet	BK	

Strict confidentiality rules will apply to all documents supplied by Saint Jean Industries. Under no circumstances may these documents be passed on to third parties without Saint Jean Industries' authorization.

Depending on the product type and/or process, suppliers must sign a confidentiality agreement before working with Saint Jean Industries.

15 SAINT JEAN INDUSTRIES GROUP CODE OF ETHICS

CORPORATE ETHIC CHAPTER

SAINT JEAN INDUSTRIES

INTRODUCTION

The Group of Saint Jean Industries is built on several dozen years of history, very closed to the Family owner and founder. Women and men who are involved have contributed to a sustainable growth. They have molded and forged the corporate human value of the group:

Involvement, humility, creativity, team spirit and passion


General mission of *Saint Jean Industries* Group:

« Work for a cleaner world by reducing the natural resources consumption with less capital, energy and time ».

CHAPTER 1 – Respect of Fundamental Human Rights

In all subsidiaries of the group, the value creation is generated by the people development. Therefore, the prevention of any risks and consequences related to human right is of the fundamental basic in our corporate policy. In addition to the top priority related to safety at work, we apply in our HR processes as in our daily activities on our business and with our partner, the following principles related to Human rights:

- No child will be asked for a forced in our company or within the supply chain and its business relation. Nobody will be submitted to a forced labor in our company or within our partners.
- Any form of harassment or discrimination including any distinction, exclusion or preference based on sex, ethnicity, skin color, national extraction or social origin, religion or political opinions either in the recruitment process or in people management will be tolerated. The respect of the “person” must, in any case, not be impacted by a behavior or decision related to the group’s activities.

	Quality and CSR Purchase Supplier Manual	
PUR - Purchasing	FIG_PUR_120	
FIG-General Instruction Sheet	BK	

- Whenever external stakeholders, employees, or other Saint Jean Industries Partners believe that a violation of the principles contained in this policy has occurred, they can report it immediately without any fears to the following employer' entities: top management and/or human resources managers and/or employee's representatives.

- All staff member hired by Saint Jean Industries or within our partners must be managed in accordance of the Labor law of the country they are working in.

CHAPTER 2 – Prevention of the corruption – Code of Business Conduct

Definition of the different behaviors which are prohibited because it may be considered as attempt of corruption or influence peddling:

- Activities of « Influence Peddling » are performed by people who have a concrete decision maker status or pretend to have an influence and base on that statement request and accept gifts, offers or promises, to get from a third-party advantages and favors.

- Actions of corruption is characterized by the endeavor to get, from a person empowered and by the way of any advantages, decisions to take actions or not which are related of her responsibilities.

As a result, it is strictly forbidden to try to get gifts or offered services by anyone who has any sales relationship with our company; the targeted advantages concerned all employees and their family members, or to accept any gift or offered services, for which in return it could influence or give the feeling of influence the decisions of the company.


For the gifts which are delivered directly to the company, the manager of the concerned person must be informed to manage to share / distribute those gifts.

RECIPROQUELY, all employees will never and in any way engage action of Influence peddling and actions of corruption. Internal audit managed by the Finance department will allowed to confirm the absence of such practices. However, invitation of clients to business lunch or events (such as exhibitions) are tolerated if and only if they have previously informed the top management of the company.

CHAPITRE 3 – Environmental Policy

Saint Jean Industries believes that ensuring respect of the environment is an essential value.

All our facilities and plants are compliant with the ISO 14001 environmental regulation. Thus, the group is committed to meet the need of its customers and to create value for its stakeholders, whilst reducing its environmental impact. Furthermore, *Saint Jean Industries* promotes the environmental respect throughout its entire value chain.

	Quality and CSR Purchase Supplier Manual	
PUR - Purchasing	FIG_PUR_120	
FIG-General Instruction Sheet	BK	

CHAPTRE 4 – Whistleblowing Policy

Definition: « **A whistle-blower** is a person who reveals or inform without any personal interest and in good faith, a crime, an offence, a threat or a serious injury for the general interest; who has been personally aware. ».

In this policy and in some countries by law:

« Any individual that is concerned by a malpractice can report it in a confidential manner the related information even if it is confidential without any fears if it is done in good faith and with the objective to protect the general interest.

How to proceed: 3 communication channels

1. Direct or functional manager
2. The employer: Top management or Head of Human Resources
3. Employee representative

Protection of Whistle-blowers:

Saint Jean Industries is committed that any whistle-blower can reveals any deviation related to this policy, without any fear and under confidentiality.

Olivier BETOU
Chief HR officer

16 “CONFLICT MINERAL” APPROACH

Saint Jean Industries undertakes that its products do not include “conflict minerals” from entities that directly or indirectly finance conflict in the Democratic Republic of Congo or in neighboring countries.

This supply chain information helps us, our customers and suppliers get one step closer to the goal of ending human rights violations and the funding of armed groups in the Democratic Republic of Congo, which are widely recognized for being funded through the illegal trade in conflict minerals.


By committing itself to this approach, Saint Jean Industries expects its suppliers to also commit to this action and implement an internal policy.

16.1 Definition

“Conflict minerals” are gold, tantalum, tin, tungsten and any other mineral or its derivatives determined by the US Secretary of State to finance a conflict in the Democratic Republic of the Congo or in a neighboring country.

16.2 History

The concept of “conflict minerals” appeared in the late 1990s. The origin goes back to the “blood diamonds” that financed the rebellions in Angola and Sierra Leone.

	Quality and CSR Purchase Supplier Manual	
PUR - Purchasing	FIG_PUR_120	
FIG-General Instruction Sheet	BK	

17 ENVIRONMENTAL APPROACH

The challenges and issues related to sustainable development have led us to think more responsibly about production methods and the consumption of material goods. The impacts of these processes on pollution, the depletion of natural resources, public health and the economy are not without consequence.

Saint Jean Industries has been committed to this environmental approach (ISO 14001 certification) for several years, and therefore expects its suppliers to also commit to this action and implement an internal policy.

18 RADIOACTIVITY SUPPLIES INPUT

The producer undertakes to deliver products (components, raw material, etc.) without radioactivity and that they are accompanied by a certificate of inspection 3.1 according to the EN 10204 standard including the control of non-radioactivity.

19 HEALTH AND SAFETY IN THE WORKPLACE

Health and safety in the workplace entails several concepts (hygiene and safety, collective involvement, the cost of illness and accidents, etc.) that aim to eradicate or limit certain harmful effects that employees may encounter in the course of their work.

Along with improving employee awareness, safety and the preservation of health have become obligatory objectives.

Saint Jean Industries asks its suppliers to comply with laws and regulations and to take steps to prevent accidents.

19.1 Definition

Risk: The possibility that something unpleasant or unwelcome will happen


20 COMPLAINTS

In the event of quality problems, the supplier must determine the cause and corrective action to resolve the identified problem and ensure that it will not recur.

For each complaint, the supplier must analyze and monitor action plans (in 8D format), and may add additional documents (testing reports, photos, etc.). The model used need not be the Saint Jean Industries model.

Saint Jean Industries reserves the right to:

- Recover any (justified) expenses resulting from failures caused by quality and delivery problems from the suppliers.
- Audit action plans to evaluate their implementation and effectiveness.

	Quality and CSR Purchase Supplier Manual	
PUR - Purchasing	FIG_PUR_120	
FIG-General Instruction Sheet	BK	

20.1 Supplier response in 8D format

20.1.1 Short-term response

The supplier must acknowledge receipt of a request for corrective action within 48 working hours and must undertake immediate action upon receiving a request for corrective action, by directly contacting the supplier's quality department in accordance with established procedure.

20.1.2 Medium-term response

Within a maximum of 10 days, the supplier must send:

- An analysis of the problem
- A proposed action plan with completion dates.

21 MANAGING TEMPORARY OR FINAL MODIFICATIONS

21.1 Modification of products

A product change is any change which involves changing a rating on the drawing.

Unless otherwise specified in the contract, the "Quality" target requested from suppliers will be at least 10% lower than the previous year.

Such a change will need to be approved by the client, and the supplier must pass on any documents (drawings, test reports, inspections, etc.) which may be requested.

21.2 Modification of processes

A procedure change is any change which does not involve a change to the drawing (e.g., a change in the location of manufacturing sites).

Such a change will need to be approved by the client, and the supplier must pass on any documents (drawing, test reports, inspections, etc.) which may be requested.

21.3 Request for temporary modification (exemptions)

The supplier may submit an exemption request to the Purchasing Department for products that are not compliant with design requirements. The request must be made and approved before delivery of the non-standard product.


Saint Jean Industries will either agree to grant or will refuse to grant the exemption request once it has analyzed all the documents passed onto it by the supplier (drawing, test reports, inspection reports, audits, etc.). This list of documents is not exhaustive.

While a decision is being awaited, the products for which exemption requests have been submitted must be quarantined.

All products which are not in compliance with established standards or which do not meet specifications must be clearly identified. If the exemption request is not approved, the product will not be accepted. Unapproved products will be rejected.

21.4 Request for final modification

Suppliers are required to give notice of any modifications they wish to make to products or processes and to obtain written consent from Saint Jean Industries before implementing the requested modifications.

	<h1>Quality and CSR Purchase Supplier Manual</h1>	
PUR - Purchasing	FIG_PUR_120	
FIG-General Instruction Sheet	BK	

The format of the request document may be determined by the supplier. Once the request has been submitted, SJI will explain which documents must be provided. For multi-site deliveries, suppliers are required to submit a request to each site and must also obtain consent from all sites receiving the deliveries.

Suppliers that are required by the Saint Jean Industries client must also notify the SJI client and provide the client's modification approval.

All requests must be sent by the supplier at least 3 months before the prescribed modification date.

21.5 Destruction of non-compliant products

Saint Jean Industries may recover non-compliant products once the supplier has given their commercial approval. Otherwise, the supplier undertakes to destroy all non-compliant products.

"Aero Division"

Saint Jean Industries may recover non-compliant products once the supplier has given their commercial approval. Otherwise, the supplier undertakes to destroy all non-compliant products.

The supplier must provide a certificate attesting that the product has been destroyed. The following information must appear on this certificate:

- *Company name*
- *The following phrase: "Destruction certificate"*
- *The number(s) of the batch to which the product belongs (for multiple batches, all of the batch numbers should be quoted)*
- *The quantity of products destroyed for the batch number*
- *The method used to destroy them*
- *The exemption refusal or non-compliance notice that resulted in the need to have the product destroyed*
- *The FAI reference (if the product undergoes an FAI)*

The destruction certificate must be signed and dated by the Quality Manager or their representative.

22 SUPPLIERS OF COMPONENTS AND RAW MATERIALS

22.1 PPM and/or Demerits


Saint Jean Industries expects its suppliers to deliver parts that meet the agreed specifications.

The "Quality" target expected of suppliers is zero defects. One of two calculation methods may be used, depending on the deliveries. These calculation methods are an integrated part of the performance review.

22.1.1 Family: Raw Materials Suppliers

In order to measure and monitor the quality of raw materials delivered, the Demerit level is calculated. The demerit value is defined according to:

- The disruption
- Criterion subject to safety and regulations or not
- Exemption or not
- Repeated or not

	Quality and CSR Purchase Supplier Manual	
PUR - Purchasing	FIG_PUR_120	
FIG-General Instruction Sheet	BK	

The Demerit score can be between 15 and 594 points, and is taken into account during the performance review.

22.1.2 Family: Component Suppliers

To measure and monitor the quality of the components delivered, the final quantity of non-conforming part(s) detected is taken into account in the performance report.

22.2 Performance report

QCD (Quality Cost Deadlines) is the overall supplier performance evaluation system used by Saint Jean Industries. Data is fed into our computer database in real time.

The “C” part of the QCD is monitored separately by the Purchasing Department.

22.2.1 Rules of the calculation of the “QCD”

There is no ranking of the worst suppliers.

Depending on the results of the indicators (All indicators over for a rolling twelve month period are not in the objectives), Saint Jean Industries reserves the right to request objective evidence of action plans such as copies of modified procedures, training reports, audit results or statistical data. This list is not exhaustive. If necessary, Saint Jean Industries may visit the supplier to audit the various documents sent by the supplier.

Service" suppliers (e.g. temporary staff) are not included in the QCD. Only certification validation dates are monitored.

22.2.2 Rules of calculation of the level’s alerts

Three indicators change monthly: The logistics service rate, the number of non-conformities and the PPM rate. The history over a rolling 12-month period appears in the scorecards.

22.2.3 Family: Raw Materials Suppliers

Three indicators change monthly: The logistics service rate (this rate is given for information only, as it is monitored specifically and in real time by the Purchasing department), the number of non-conformities and the demerits rate. The history over a rolling 12-month period appears in the scorecards.

22.2.4 Family: Component Suppliers


Number of days delivery is delayed * Number of days delivery is early * Number of non-compliant parts

"Aero Division"

Products that are not mass delivered are also integrated into the global supplier performance assessment system.

22.2.5 Quality

Suppliers are fully responsible for the quality of the products delivered. They must implement and verify the effectiveness of the procedures in their quality system to ensure that all products delivered meet Saint Jean Industries requirements.

	Quality and CSR Purchase Supplier Manual	
PUR - Purchasing	FIG_PUR_120	
FIG-General Instruction Sheet	BK	

22.2.6 Costs

This chapter covers reducing costs in accordance with goals set in the contract:

Year n-1- x%

22.2.7 Deadlines

Suppliers must report any differences between the order and delivery (as far as quantities and/or deadlines are concerned) as soon as possible.

Saint Jean Industries expects its suppliers to make 100% of deliveries on-time and in the right quantities.

22.3 Rating correction request

Suppliers shall have the right to dispute the rankings obtained and to appeal to the Supplier Quality and/or Purchasing Departments. Only appeals supported by quantifiable and verifiable data concerning supplier performance will be considered.

23 KEEPING OF RECORDS

The supplier undertakes to comply with all requirements to do with keeping records and to supply them to Saint Jean Industries if needed.

"Aero Division"

The supplier undertakes to comply with all applicable requirements for keeping records and to provide Saint Jean Industries, its clients and any other third parties and Official Organizations at all levels of the supply chain that the order involves with access to these records.



Quality and CSR Purchase Supplier Manual

PUR - Purchasing	FIG_PUR_120
FIG-General Instruction Sheet	BK

24 ACCEPTANCE OF THE DOCUMENT

COMPANY:

Name of Representative: _____ Position: _____

Company stamp:

Hereby declares that they have received, read and approved the "Supplier's Manual" document: Supplier Quality Assurance

Hereby declares that they have received and read the "Supplier's Manual" document, but that they do not approve it: Supplier Quality Assurance

Reason for refusal:

Date: _____ Signature: _____

NB: Document acceptance to be returned (signed) to the Purchasing Department