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1. FOREWORD

We at Eagle Engineering Corporation have built on the principle of ACES – Accountability, Customer & Product Focus, Excellence and Speed. The major focus, in future, for our suppliers will be on quality of parts delivered to Eagle Engineering Corporation and customer, robust manufacturing processes and comprehensive adherence to the APQP process leading to WORLD CLASS QUALITY. To facilitate Supplier Engagement effectively we have upgraded our Supplier Quality Process and have prepared this common **Supplier Quality Manual**.

Together we have to overcome many challenges. Suppliers have a vital role in reducing the warranty failure rate, warranty costs and incoming PPM. Thus, suppliers have a key role to play in improving our current position and overall Customer Satisfaction. This needs to be addressed on topmost priority to enable us to achieve better results. We have to do it right, first time and every time. We need to be mindful of our speed of responses. Innovation will be the Key to our Sustainability & we at Eagle Engg. Corp. have a firm belief that “Together We Can Do It”.

We look forward to your support in implementing these requirements and partnering with us in our journey towards Process Excellence.

Warm Regards
Suresh Salian
Partner

2. Mission

To be passionate in anticipating and providing the best parts and experiences that excite our customers globally.

3. Vision

Most admired by our customers & employees for the experiences and value they enjoy from being with us.

4. Quality Policy

We at EAGLE ENGINEERING CORPORATION, are committed to continually improve upon quality of products including precision machined components.

Enhancing satisfaction of our valued customers through on time delivery and defect free products is the prime goal of the company.

This will be achieved by continual improvement in Quality management system through teamwork and dedicated efforts of all employees.

5. Introduction

The Eagle Engineering Corporation Supplier Quality Manual has been developed to document the quality requirements with the following objectives:

- Ensure flawless new part development.
- Assure that quality tools are utilized by suppliers in the development of any revisions to their products, processes, and services.
- Provide a framework for sustaining and improving the quality of supplier products, processes, and services

6. Purpose

The purpose of this document is to communicate to our suppliers the expectations of Eagle Engg. Corp. and meet quality management systems requirements.

7. Scope

This document covers the details of Eagle Engineering Corporation Supplier Quality Process. This process is applicable equally to all suppliers and affiliated organizations that supply parts, materials for production, pre-production to the customer.

8. Responsibility

Suppliers shall utilize the latest revision of this Quality Manual. Eagle Engineering Corporation will continually improve and revise the contents of this manual.

9. General Requirements

Eagle Engineering Corporation quality requirements stated in this document are general in nature. Quality requirements for specific parts are specified in product specifications and order documents.

10. Quality Requirements

Suppliers to Eagle Engineering Corporation supplying auto parts meant for customer requirements are expected to be certified to minimum ISO 9001-2015 with an aim to comply with IATF 16949:2016 QMS requirements. Eagle Engineering Corporation will carry out yearly audit of supplier's Quality Systems and manufacturing processes. Supplier is expected to carry out improvements in time bound manner as identified during such audits. Supplier is expected to proactively take suitable actions to make systems robust enough to ensure that non-conforming parts are prevented from escaping supplier's premises.

Supplier shall inform Eagle Engineering Corporation about changes in their QMS registration status, such as new certificate, suspension, revocation or switchover to another certification body.

11. Product Safety

Eagle Engineering Corporation manufactures products for performance and safety in vehicles. It is of utmost importance that our products are reliable in their applications. Product safety must therefore be the highest priority throughout the complete supply chain.

12. Specific Requirements

In many cases, this manual will not sufficiently describe all of the specific requirements of Eagle Engineering Corporation. Eagle Engineering Corporation specific requirements shall be identified during the Advanced Product Quality Planning (APQP) activities. If there are any questions regarding these specific requirements, the supplier shall contact the head of development.

Product-specific requirements may include but not be limited to the following:

- Special characteristics
- Special handling

Customer-specific requirements may include but not be limited to the following:

- Quality management systems
- Process techniques and process controls
- Identification and processing of critical parts and features
- Certification

13. Advanced Product Quality Planning

Purpose:

APQP is a structured method of defining and establishing the steps necessary to assure that a product satisfies the customer (Eagle Engineering Corporation). The goal of APQP is to facilitate communication with all stakeholders to assure that all required steps are completed on time. Some of the benefits of APQP are:

- To direct resources to satisfy the customer requirements.
- To promote early identification of required changes
- To avoid late changes
- To provide a quality product on time

Scope:

All new parts under development

Activities:

Advanced Product Quality Planning

Output

Updated Advanced Product Quality Planning

Process

The APQP project plan is developed in accordance with the recommendation of AIAG APQP manual. The type of Product, complexity and project expectations are considered in selecting the timing elements that are planned and charted. Each event has a “start” & “completion” date along with the actual point of progress recorded. APQP process is then formally kicked off for the various projects.

- The reviews are conducted by Eagle Engineering Corporation for all parts that are designated as Customer monitored APQP.
- For supplier monitored APQP parts, the supplier reviews and updates the timing charts and Open issue lists throughout the APQP Process.

- Each project plan will be different depending on the project program and the part.
- The APQP Timing chart will be continually referenced and reviewed throughout the Product Development Cycle.

APQP project planning facilitates communication between the supplier and customer (Eagle Engineering Corporation) to clarify requirements

Supplier Responsibilities

Create an APQP Timing Chart or equivalent and track tasks to completion in line with chart.

Suppliers should use APQP as a tool to support process development:

- To develop and execute an APQP Plan for flawless product launch.
- Regularly update the progress of product development based on their APQP plan and share the same with customer (Eagle Engineering Corporation) teams.
- Create an APQP Open Issues and monitor the same throughout the program.
- Update timing chart as timing changes occur and communicate any changes, concerns and issues.

Refer Advance Product Quality Planning (Annexure 01)

14. Production Part Approval Process-PPAP

Purpose

PPAP's purpose is to provide the evidence that all Eagle Engg. Corp. engineering design record and specification requirements are properly understood by the Supplier and that the manufacturing process at the Supplier has the potential to produce the product meeting these requirements consistently during an actual production run at the quoted production rate.

Scope

- Applies to all supplier sites supplying Production parts, service parts, production Materials.

PPAP Requirements

- Authorized Engineering Changes
- Customer Engineering Approval
- Process Flow Diagrams
- Control Plan
- Dimensional Results
- Sample Production Parts
- Master Sample
- Checking Aids
- Customer Specific Requirements

Refer Control Plan (Annexure 02)

15. Selection of Supplier

Eagle Engineering Corporation has established procedure for selection of material suppliers. This is applicable for suppliers supplying material or carrying out job work affecting product quality.

Procedure for Selection of Supplier:

The selection process includes the following:

- a) An assessment of the selected suppliers risk to product conformity and uninterrupted supply of the Eagle's product to their customers.;
- b) Relevant Quality and Delivery Performance;
- c) Evaluation of the suppliers QMS;
- d) Multidisciplinary decision making; and

Other supplier criteria that are considered while selection are as follows:

- Volume of Automotive Business (absolute and as a percentage of total business);
- Financial Stability;
- Purchased Product, material or service complexity;
- Required technology (product or process);
- Adequacy of available resources (e.g., people, infrastructure);
- Design and Development capabilities (including Project Management);

- Manufacturing capability;
- Change Management Process;
- Business Continuity Planning (e.g., disaster preparedness, contingency planning);
- Logistics process;
- Customer Service;

Criteria for Selection of Supplier:

1. Above 95% accepted to supply.
2. 85 to 95% conditionally accepted.
3. 75 to 85% Corrective action required and implementation status to be verified at supplier end after satisfaction only the supplier will be accepted.
4. Below 75% the supplier will be rejected.

Refer New Supplier Selection Checklist (Annexure 03)

16. Quality Targets (PPM)

- A. Raw Material Supplier (PPM): **Zero PPM**
- B. Job- worker Supplier (PPM): **100 PPM**

17. Supplier Evaluation / Performance Ratings (Quality & Delivery)

Responsibility: Partner
Frequency: Every month

Supplier performance ratings (Quality & Delivery) has been discussed every month.

Supplier evaluation is done on the basis of following data :-

- 1) Delivery Product conformity to requirements,
- 2) Customer Disruption at the receiving plant, including yard hold and ship stops,
- 3) Delivery Schedule performance,
- 4) Number of occurrences of premium freight,

- 5) Special Status customer notifications related to quality or delivery issues,
- 6) Delivery returns, warranty field returns and recalls.

Sr. No.	Basis for evaluation	Data to be collected (For Material supplier)	Data to be collected (For Material supplier)
01	Quality performance	Percentage Number of deliveries accepted / Total no. of deliveries	Percentage Cases of rejections / Total no. of deliveries
02	Delivery performance	Percentage Number of deliveries on scheduled date / Total no. of deliveries	Percentage Number of orders processed as per the schedule. / Total no. of deliveries

Based on the percentage obtained for each point, marks are given for Quality & Delivery performance. The guidelines for giving marks are given in supplier evaluation format. The total obtained marks are taken and **Supplier Rating** (Percentage for marks) is calculated.

The criteria for taking decision whether the supplier to be continued OR discontinued is as follows :

- Supplier Rating more than 90%:- **Good** - To be continued
- Supplier Rating less than 90% & more than 70%: - **Satisfactory** - Improvement required
- Supplier Rating less than 70%:- **Poor** - To be discontinued.

Refer Supplier Evaluation Record (Annexure 04)

18. Statutory and Regulatory Requirements

Eagle Engg. Corporation has made a process to ensure that purchased products, processes and services conform to the current applicable statutory and regular requirements in the country of receipt, the country of shipment and the customer identified country of destination if provided. If the customer defines special control for certain products with statutory and regulatory requirements, Eagle ensures that they are implemented and maintained as defined at suppliers.

19. Worst Supplier Identification

Raw Material Supplier : Should not achieve Zero PPM (Every Month)
Job- worker Supplier : Should not achieve 100 PPM (Every Month)

Recommendation Action:

01. Call to supplier Top management
02. Get corrective action plan
03. Monitor the effectiveness for 3 months
04. If not achieve next coming month , delete the supplier & identify new supplier

20. Condition to get approval of Re- PPAP

- Refer Supplier Change Management Procedure
- Refer Engineering change request (Annexure 05)
- Refer Team Feasibility Commitment (Annexure 06)
- Refer Risk Assessment Study (Annexure 07)

21. Supplier Non- conformance Record (8D Report)

- Suppliers are update 8D report (Include why why analysis)
- Closure Timeline: within 30 days.
- Update corrective action report with evidence.

- **Refer 8D Report (Annexure 08)**
- **Refer 8D Tracking Sheet (Annexure 09)**