

# Buschhoff

STANZTECHNIK



## Supplier Guidelines

Revision 14

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## 1. Management-System

### 1.1 Aims

Our philosophy as a company is to afford our customers the highest level of satisfaction possible.

This can only be achieved when our products are consistently supplied to our customers in flawless quality, delivered on the agreed date and offered at a fair price. We strive towards delivery in flawless quality.

At the same time, we work according to guidelines whereby the provision of goods and services is executed respecting the environment and its resources to the best possible extent.

#### **These are our aims!**

As our supplier you play a significant role in enabling us to reach these goals. The tool to achieve this is the implementation of our management system as laid out in these guidelines.

#### **Let us make these aims our joint aims!**

### 1.2 Supplier's responsibilities

#### **The supplier is responsible for the quality of his product**

This applies to the quality of the product and service as well as to the efficient punctual processing of the order on the agreed date.

Products supplied by Buschhoff, with a defect or where a defect is suspected should be reported to our quality control department immediately.

Any deviations from the order placed should be presented to Buschhoff without delay. Should the supplier be placed in exceptional circumstances through an automobile manufacturing client (e.g. Customer complaint about the performance of the Quality Management System), Buschhoff is to be automatically informed.

### 1.3 Demands of the Management – System

#### **Minimum requirements:**

The supplier must apply and maintain an approved QM –System, the minimum requirement of which is the ISO 9001 (proof of which is the certificate issued by an accredited certification board).

Our target is the IATF 16949 in addition to a functioning environment-friendly management system.

Please supply us with a copy of your actual certification.

### 1.4 General observations to section 1.3

These requirements also apply to subcontractors of suppliers.

The requirements of Buschhoff (as far as they concern them) must be passed on to

used subcontractors.

Buschhoff must be informed if a sub-contractor is engaged by a supplier and the full obligations of the contract remain the responsibility of the main supplier.

**Buschhoff retains the general right to carry out audits with a supplier by appointment, should it be deemed necessary.**

## **2. Records and documentation**

The records and documentation according to these guidelines include:

- Drawings (Buschhoff or Customer drawings)
- Modifications to drawings as noted above
- Specifications and standards
- Framework agreement

The supplier is responsible for these technical records.

The supplier is always obliged to produce according to the most recent technical specification.

Within the framework of the quality forward planning, the supplier is obliged to ascertain that the technical records are completed and current in order to produce according to the requirements of these guidelines!

Discrepancies must be clarified with the project team at Buschhoff and any eventual changes should be documented.

Any missing technical documents can be obtained from Buschhoff Purchasing Department. Any modification is subject to clarification with Purchasing at Buschhoff.

Following agreement with Purchasing or Quality Control at Buschhoff, invalid, revised or obsolete technical documents should be:

- Returned
- Filed
- or destroyed

All documents supplied by Buschhoff, particularly those in relation to Buschhoff customers, should be handled with strict confidentiality and may not be conveyed to any third parties.

## **3. Securing the quality**

### **3.1 Advanced Quality planning (AQP)**

For all purchases or parts and services, Buschhoff reserves the right of a Advanced Quality Planning from its suppliers.

As a tool to enable the AQP process we recommend procedure following the APQP Handbook.

Storage, packaging and transporting must be included in the AQP procedure.

A Buschhoff - AQP - Questionnaire can provide a basis for the procedure and a signed completed AQP questionnaire should be returned to Buschhoff.

### **3.2 Checks and Records**

The supplier is obliged to check his processes regularly and these inspections of the requirements of the system, process and product should be comprehensively documented.

To facilitate such inspections an inspection plan should be established. The minimum requirements of such a plan are:

- Inspection criteria
- Inspection method and means
- Frequency and range of inspection
- Action to be taken in the event of any deviation from the standards set being discovered to prevent any defective part being despatched to a customer.

The execution of each inspection is to be fully recorded and this documentation must be provided to Buschhoff upon request.

In accordance with the requirements of the IATF 16949, all supplied products should be recertified at regular intervals. Any enquiries as to the form and range of this recertification should be addressed to our quality department.

For suppliers of commission-based welding work, the requirements are laid out in the attachment provided.

### **3.3 Process Capacity**

The proof of stable and proficient processes may be required.

As a supplier is aware that the products supplied to Buschhoff will be used in the automobile industry, he must, as applicable, prove that his processes are exercised according to the CQI standards of the AIAG ( e.g. CQI-9-Heat Treatment, CQI-11 Plating, CQI-12 Coating and CQI-15 Welding). The documentation proof of the maintenance of these requirements must be made available to Buschhoff upon request.

### **3.4 Checking and measurement methods**

The supplier carries the full responsibility for a smooth execution of the checking and measurement process.

Whatever check and measurement methods are used must be capable of measuring the features concerned and must be subject to an inspection monitoring system.

If the QVP - Process necessitates additional checking and measurement requirements in relation to a particular product, the provision of which exceed the normal expenditure limit, the matter should first be clarified with purchasing at Buschhoff.

### **3.5 Despatch / Labelling / Packing**

In the absence of specific packing guidelines from Buschhoff, a packaging form should be chosen which secures the maintenance of the quality of the product during the whole storage and transport process.

Ecological awareness and reusability should also be considered in the choice made. The labelling of the delivery should be in agreement with the despatch department at Buschhoff and conform to the universally-accepted standard of the details to be included.

In general, the Buschhoff accompanying labels attached to the containers must be filled out.

In the field provided for the operation, enter the number of parts, type of container, name and date.

Delivery of samples are treated separately and must be labelled as such.

Delivery of reclamations/returns are also treated separately and should be labelled as follows:

- Buschhoff Report number
- Form of reproduction ( 100% - check, newly made, form of modification/adjustment)
- Inspector at the supplier and the date of the inspection made

### **3.6 Samples**

Generally, new products, modified products or adjusted process sequences must be indicated.

Prior to any modifications in the form of a corresponding sample report, Buschhoff must be informed and have agreed to the adjustment being made.

Here the distinction needs to be made between the production and pre-production lines.

Minimum requirements for samples are the submission of :

- Cover sheet
- Measurement and inspection results
- Material reports
- Proof of the machine capability ( $Cmk > 1,67$ ) for initial sampling as a special requirement from Buschhoff

It is normal practise that the sample follows after VDA 2 unless there are other requirements from the customer. In this case Buschhoff can call for other sample procedures, e.g. according to the Handbook PPAP.

Labelling of samples is as detailed in section 3.5

### **3.7 Inspection reports / Non-conformity/ failure costs**

If a deficiency in quality is discovered in a delivery, you will receive a Quality Standard Report and an 8 - D Report form

Rapid / immediate term arrangements should be provided in writing within 24 hours.

There is a period of 5 working days to the completion of the 8 - D Reports. An extension of this deadline until the final completion can be obtained from the quality standards department at Buschhoff.

**Buschhoff retains the right to claim all the costs relating to a complaint, from the supplier.**

In the event of a claim made by the final customer themselves, the supplier will be informed as soon as possible and measures to be taken will be mutually agreed upon. In exceptional cases (access to the supplier, avoidance of production break, loss of production, night shifts etc...) Buschhoff retains the right to take appropriate measures to restore the customer's satisfaction.

### **3.8 Checking of goods received**

Buschhoff executes a random goods-received inspection.

In this connection we would draw your attention to the particular responsibilities of the quality of the delivery.

Buschhoff will inform the supplier of any noted errors or faults in the delivery as soon as possible.

### **3.9 Agreement of aims/ PPM**

In the absence of any additional customer requirements, Buschhoff expects a supplier

quality with a failure rate maximum of 100 ppm.

If this limit is exceeded, Buschhoff retains the right to demand that improvement steps be implemented.

### **3.10 Batch-only processing, FiFo principle**

Buschhoff expects its products to be processed in batches. Unless otherwise agreed, the batches delivered by Buschhoff (batch corresponds to our operating order number) must be treated separately, marked in a traceable manner and delivered again according to the FiFo (first in first out) principle.

## **4. Environmental awareness**

### **4.1 Aim**

Protection of the environment and sustainability on our use of resources have a high priority with us as a family-owned business. We endeavour to maintain a healthy balance in the ecologically-friendly use of all resources from purchasing to waste disposal.

We make every effort to select our resources according to the desire to protect the environment as far as possible.

We expect the same attitude from our business partners.

### **4.2. Specific Requirements**

We expect the supply of products which are safe for the environment. They should be free of increased radioactive material.

In addition, the goods gelled to us must comply with the current status of Regulation (EC) No. 1907/2006 "Registration, Evaluation, Authorization and Restriction of Chemical Substances (REACH)..." and EU Directive 2011/65/EU "Restriction of use certain dangerous substances in electrical and electronic equipment.", (RoHS).

If there are any deviations from this, we expect the supplier to inform us without being asked before delivery. The further procedure will then be discussed with our purchasing department.

Buschhoff's customers also include American companies. We are therefore affected by the Conflict Minerals Regulation (use of tantalum, tin, gold, tungsten) and the request to disclose the use of cobalt and mica (mica).

(More details information to these regulations can be found under-<http://www.conflict-minerals.com/deutsch/>).

If products you supply to Buschhoff contain such materials, we request that you obtain the necessary documentation and information relating to such from the latest "EICCGeSI ConflictMineralsReportingTemplate" -List.

(More details information to these regulations can be found under <http://www.conflictfreesmelter.org/ConflictMineralsReportingTemplateDashboard.htm>).



German Supply Chain Act LKSG (from 01.2023):

Even if your company does not fall within the scope of the LKSG, we expect your company and your suppliers to comply with due diligence obligations. This includes human rights issues (e.g. ILO standards on child labor, forced labor, inadequate wages) and the avoidance of or compliance with defined environmental agreements (e.g. Minimata/mercury ban or Stockholm/POP chemicals or Basler/special waste shipment)

## 5. Supplier Evaluation

Your deliveries will be assessed by Buschhoff quarterly.

The criteria of this assessment are :

- Quality of the delivered product
- Delivery reliability
- Adherence to the management-system relating to quality and respect for the environment

The grading is awarded as A -, B- or C - Supplier.

Our clear goal as Buschhoff is to only work with „A“ suppliers!

For suppliers awarded a "B" grade, we ask for actions which have to be taken with the aim of achieving an upgrade to "A" status.

With a grade lower than a „C“, steps will be mutually agreed, e.g. a meeting with our purchasing and quality standard staff in order to achieve improvement in the supply performance.

The criteria of this supplier evaluation can be found in the attachment

## 6. Technical standards

The relevant standards to these guidelines are:

The ongoing QM - and environmental guidelines as laid down in the latest version of the statutory regulations and where appropriate the specific customer requirements.

## 7. Miscellaneous

These guidelines are provided as a manual which should help bring answers and clarity to the majority of issues which can arise re supplier processes.

They do not release parties from additional requirements laid down in contractual

agreements, but rather are intended to complement the technical and commercial range of a contract.

Generally speaking, it is the supplier's responsibility to be aware of and comply with all the appropriate statutory and official regulations in relation to his business. The requirements of the exporting country, the importing country and the country of destination must also be taken into account - provided that information on these is available.

Upon agreement the supplier is ready to offer Buschhoff and its customers access to its production plant and operational means.

Buschhoff is always the customer and thereby, the first point of contact in relation to any problem, question or comment. Any agreements between our suppliers and our customers requires our prior permission.

The latest version of these guidelines is available to download on our website - [www.buho.de](http://www.buho.de). The supplier must check at regular intervals that he is aware of the latest version of these guidelines.

Our Quality Standard Department is ready to receive any comments you may have in regard to these guidelines.

## **8. Concluding comments**

The validity of a contract is not affected, should any part of these guidelines become inoperative.

In the event of any part of these guidelines become inoperative Buschhoff and its suppliers oblige themselves to find an economically and legally compatible alternative.

## **Attachments**

1. Requirements for commission-based welding work
2. Supplier Evaluation assesment criteria

### **1. Requirements in relation to suppliers of welding processes**

This list of requirements is drawn from the requirements provided by Buschhoff's customers. We are therefore responsible to equally convey these to be adhered to and duly documented by our suppliers.

In the absence of alternative arrangements these requirements are also generally

addressed to all commission-based welding work.

As appropriate the following requirements must be adhered to for all welding processes and duly documented:

### **Spot-welding:**

- Process parameters must be recorded
- Frequency of the electrode, that is the electrode cap changer must be recorded
- Frequency of the electrode cleansing must be recorded
- Frequency of destroyed tests on assembly lines must be recorded
- Chisel tests and their frequency (tear diameter) must be recorded
- Maximum number of spot welds for galvanized and ungalvanized materials must be recorded
- Test values must be traceable (by order / charge sheet)

### **MIG – MAG Welding**

- Process parameters must be recorded
- Cleaning frequency of the electric current or gas head must be recorded
- Change frequency of the electric current head must be recorded
- Cross-section check once per production must be recorded
- Length of welding seam must be recorded
- Frequency of visual check of the welding seam must be recorded

### **Nuts and bolts points**

Torsional and pressure level should be according to the required specification.

## **2. Supplier evaluation**

<b>Supplier evaluation relating to quality, delivery date reliability</b>				
	<b>Certificate</b> ISO 14001	<b>Certificate</b> IATF 16949, VDA 6.1	<b>Product- quality(0)</b>	<b>Delivery date (T)</b>
<b>Factor</b>	0,025	0,025	0,65	0,30

<b>Grade</b>	Yes / No	Yes / No	0-100%	0-100%
<b>Maximum</b>	<b>2,5%</b>	<b>2,5%</b>	<b>50%</b>	<b>45%</b>

Grade assigned according to =

Certification ISO 14001 available (yes =2,5 %, no = 0%) + IATF 16949 or VDA 6.1 available (yes =2,5 %, no = 0%) + grade re product quality ( percentage reached x 0,50) + grade re delivery date ( percentage reached x 0,45 ) = **Sum Total in %**

The percentage of rejected deliveries as a part of the total deliveries will be graded for product quality and delivery date reliability.

#### *Product quality*

Each failure which occurs means a disruption of the process and causes a problem for Buschhoff Stanztechnik GmbH & Co KG or, in the worst case, for the end customer. Therefore each failure will be included in the evaluation.

A PPM figure determined that exceeds our requirements may result in a downgrading of the valuation result.

#### *Delivery dates*

Assessment of delivery date reliability is based upon the punctuality of the delivery arrival. In the event of deliveries on schedule being achieved by extra trips for the supplier, these will be recorded according to frequency and can lead to a lower grade.

Buschhoff reserves the right to take other "soft facts" into account in the supplier evaluation. These may enhance or devalue the mathematical results.

In such a case, a corresponding justification must be included in the supplier evaluation.

## **Supplier evaluation**

Assessment according to product quality and delivery date reliability

90% - 100%	A - Supplier	No quality defects
80% - <90%	B - Supplier	Minor quality defects
<80%	C - Supplier	Numerous quality defects

Overview of the Revision position:

Revision 10	➤ fully revised	Januar 2015 i.A. Drölle
Revision 11	➤ change point 5 Supplier evaluation ➤ change from ISO/TS16949 up to IATF 16949	December 2017 i.A. Drölle
Revision 11a	➤ new layout	June 2019 i.A. Drölle
Revision 12	➤ 4.2. RoHS requirement ➤ 7. Export and import country requirements.	December 2019 A. Heimer
Revision 13	➤ 1.4 General observations ➤ 3.5 Despatch / Labelling / Packing ➤ 3.10 Batch-only processing, FiFo principle ➤ 4.2 Specific Requirements Demand RoHS concretization, demand for cobalt and mica added. Information on the Supply Chain Act LKSG. ➤ Attachment Supplier evaluation: Soft facts and consideration of the PPM number	07.12.2023 A.Heimer
Revision 14	➤ <a href="#">5.0 Adjustment of the evaluation period</a>	.18.12.2024 A. Heimer
	➤	