

## Global Webasto Standard

### Quality Policy for suppliers: QW1

Revision Level 22



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## Recitals

It is the objective of the Webasto Group to meet the highest expectations of our clients and consumers at all times. Achieving this goal requires a systematic quality management in which the suppliers of the Webasto Group play an essential role.

### 1. Scope

- 1.1 This supplier quality policy (“**QW1**”) compiled by Webasto SE and its associated companies pursuant to Sections 15 ff. German Stock Corporation Act (AktG) (jointly referred to as “**Webasto**”) shall apply to the production, procurement, delivery, provision and/or purchase of products of whatever kind, in particular of prototypes, parts, spare parts, components, aggregates, substances, materials, rights including software contained therein or related thereto as well as the associated documentation and the source and object code of this software (jointly referred to as “**supply items**”), which are procured by Webasto for the purpose of producing Webasto products and/or to conduct Webasto’s business activities from the supplier in question (“**supplier**”). The respective current QW1 forms the basis of Webasto’s quality requirements for suppliers in relation to the development, manufacture, procurement, delivery, provision, testing and/or purchase of supply items. The QW1 can be viewed and accessed at <https://startsuppliers.webasto.com> (“**supplier portal**”). Further information on Webasto standards, processes and forms is also available on the supplier portal.
- 1.2 The legal relationships between Webasto and the supplier (Webasto and the supplier, each individually also referred to as the “**party**” and jointly as the “**parties**”) in connection with the purchase of supply items by Webasto shall be based solely on the provisions of Webasto’s General Terms and Conditions, which the Webasto General Terms and Conditions for the Purchase of Tools and the respective current QW1 are an integral part of and which are also each available on the supplier portal. The current QW1 in its respectively valid version and the applicable associated documents shall form part of every enquiry and every order. This shall also apply to all future business relationships for the purchase of supply items, even if then the applicability of the provisions set forth in Webasto’s General Terms and Conditions, including the QW1, is not explicitly agreed once again. The acceptance of supply items from the supplier or payments made by Webasto to the supplier without any objections shall under no circumstances constitute recognition of different terms and conditions of the supplier. Webasto rejects any and all general terms and conditions, additional or opposing terms and conditions contained in offers or acceptances by the supplier and these shall not become part of the supply agreement, unless the parties have agreed otherwise in writing. A separate, additional case-by-case rejection shall not be required.
- 1.3 The supplier must take steps to ensure that the content of provisions set forth under this QW1 shall be applied by any subcontractors and/or third parties mandated by the supplier, where permitted, to honour its supply and performance obligations towards Webasto. The supplier shall be obligated to take steps to ensure that its subcontractors or third parties each behave in accordance with the stipulations of this QW1 and grant Webasto the rights formulated in the Webasto General Terms and Conditions and/or this QW1 and/or that they in turn pass on the obligations arising from this QW1 to their suppliers in each case.
- 1.4 Above and beyond the duties arising from the QW1, the supplier must also take steps to ensure that the requirements of Webasto’s clients, i.e. the vehicle manufacturers (Original Equipment Manufacturers = “**OEMs**”), are met, and that its subcontractors or third parties in turn be obligated to meet the requirements of the OEMs.
- 1.5 In individual cases, Webasto’s individual companies shall have the right to demand the supplier meet higher quality standards going beyond this QW1. Any modifications, additions and side agreements to this QW1 must be made in writing. This shall also apply to the written form requirement itself.

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- 2. Quality system, qualifications, assessment, approval and development of suppliers.**
- 2.1 The supplier shall be obligated to have a quality system in place which at minimum meets the standards of the international quality standard, *International Standards Organisation* (“ISO”) **9001**. In addition to this, the supplier shall be obligated to develop, introduce and maintain quality management systems which meet the requirements of the international quality standard *International Automotive Task Force* (“IATF”) **16949**, in its respectively valid version.
- 2.2 The supplier’s management must ensure that employees are qualified in necessary methods and/or standards referred to in this QW1 in line with their responsibilities. This means in particular that the supplier
- a) shall maintain a qualification matrix for staff in the context of project work as well as in the production process,
  - b) shall conduct regular initial and refresher training sessions, where possible with a certificate of successful completion, and
  - c) shall regularly monitor the correct application of this knowledge by the employees.
- Webasto shall reserve the right to verify the aforementioned measures to ensure the supplier’s employees are sufficiently qualified if so required.
- 2.3 The supplier shall be obligated to provide evidence of a continuous improvement process for its quality system.
- 2.4 Webasto shall source all materials for prototypes and series parts solely from suppliers listed as Webasto approved suppliers. New suppliers and/or new supplier production sites can be added to the list of Webasto approved suppliers if all of the following (cumulative) criteria are met or in place:
- a) Valid certificate for a quality management system which at minimum meets the requirements of the international quality standard **ISO 9001**.
  - b) The supplier has successfully passed the Webasto audit in accordance with the standard of the Verband der Automobilindustrie e.V. (“VDA”) **Volume 6.3**.
  - c) Functioning environmental management system., e.g. ISO 14001
- 2.5 In compliance with Webasto’s management system and depending on supplier performances, Webasto shall conduct additional scheduled recurring product and process audits at the suppliers, for which at least two (2) days notice will be given. The supplier hereby grants Webasto and Webasto’s clients the right to verify at the relevant sites of the supplier that the products supplied by the supplier, its processes, services and/or other necessary systems meet the applicable, specific requirements under this **QW1** and Webasto’s General Terms and Conditions.
- 2.6 Webasto expects its suppliers to have in place appropriate, data protection-compliant document management and archiving of its quality records, which the supplier must provide to Webasto without undue delay at its first request.. Archiving must ensure access to the data during the retention period. For all product specific documentation, a retention period of eighteen (18) years after the end of Webasto’s client’s (serial) production (End of Production = “EOP”) and/or their last use shall apply. The supplier must require its subcontractors to archive to the same extent and to pass on these obligations to their subcontractors to the extent that this is legally possible.

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### 3. Maturity level definitions

The supplier shall be obligated to comply with the production conditions for pre-series parts and initial samples under VDA standards, Volume 2, and the Webasto matrix below defining prototypes, pre-series parts and initial samples:

Components Status Criteria	Prototypes (also: "A" samples)	First Off Tool Part (FOT) (also: "B" samples)	Pre-series part / Off Tool Sample (OTS) (also: "C" samples)	PPAP/PPF part
a) (Supplier) Production Site	No special requirements	Series Tooling Final production site, or at tool manufacturer site	Series Tooling Final production site	Series tooling Final production site
b) Process	Series production technology or special process (stereolithography, milling, ...)	Series production process	Series production process Material processing	Series production process Intra Logics final status, e.g. packaging, material handling
c) Reworking	Allowed	Allowed, if marked on component Documentation of Webasto	Allowed, if marked on component Approval needed from Webasto before rework	Not allowed
d) Dimension		Deviations permitted but to be communicated with ASQE	100% YS, YC, CC and SC in tolerance range 100% dimensionally in tolerance range	100% of dimensions in tolerance range Achieved capability
e) Material	Series or special material	Series material	Series material	Series material
f) Function	No or basic functions	Functional restrictions allowed	Full functionality Fully suitable for validation	Full functionality Fully suitable for validation
g) Proof of compliance with specifications	Measurement report, if required by Webasto	FOT measurement report to ASQE prior to component submission to Webasto	OTS measurement report Material report IMDS (Capability study)	As per agreed submission level PPAP / PPF Capability study
Allowed deviations from requirements a-g) for final component status	To be coordinated with Webasto engineering No special approval required from Webasto	To be coordiante with Webasto (ASQE or Engineering) No deviation approval required	Process & Component: Need for official deviation approval by Webasto prior to submission. No other deviations allowed if not approved by Webasto in advance.	None

Table 1: Maturity levels

### 4. Prototypes, production control plan for prototypes, prototype testing

For prototype orders, the supplier shall be required to:

- manufacture prototypes with production processes chosen by the OEM or the client.
- provide data for planning the production processes and creating the production tools if and to the extent that this is so desired by Webasto and/or Webasto's client.
- compile a production control plan to manage production which contains all the necessary tests (minimum requirement here is tests according to the specifications, drawings and sketches) during and after the manufacture of the prototypes.
- clearly label the prototypes, pre-series parts and initial samples, their packaging and the corresponding documentation in line with Webasto's or Webasto's client's stipulations by means of tags and stickers.

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- e) document the results of the prototype testing and provide this to Webasto prior to first delivery.
- f) unless otherwise agreed, check all of the features stated in the documents (dimensions, materials and functions) for each individual part, whereby the data must be clearly attributed to each specific part.
- g) consult with Webasto on any deviations and secure Webasto's written consent prior to delivery to Webasto.

**5. Production feasibility assessment**

5.1 The assessment of production feasibility by the supplier shall be a binding part of the offer submitted by the supplier for:

- a) new products,
- b) changed products,
- c) process changes and
- d) increases in volume.

The production feasibility assessment must be documented on the designated Webasto form (see supplier portal).

5.2 The supplier shall be obligated to provide all the information on this form in full, accurately, truthfully and in line with the current state of the art of technology.

**6. Advanced Product Quality Planning**

6.1 The supplier shall be obligated to carry out Advanced Product Quality Planning = “APQP” in line with the stipulations below:

- a) Independent APQP execution up to the point of sample approval in line with the standards set forth in the **Automotive Industry Action Group (“AIAG”) “APQP” reference manual, or VDA Volume 4 (QVP)** .
- b) Regular notifications to Webasto regarding the APQP status.
- c) Use of Webasto's online Tool or APQP template (see supplier portal).

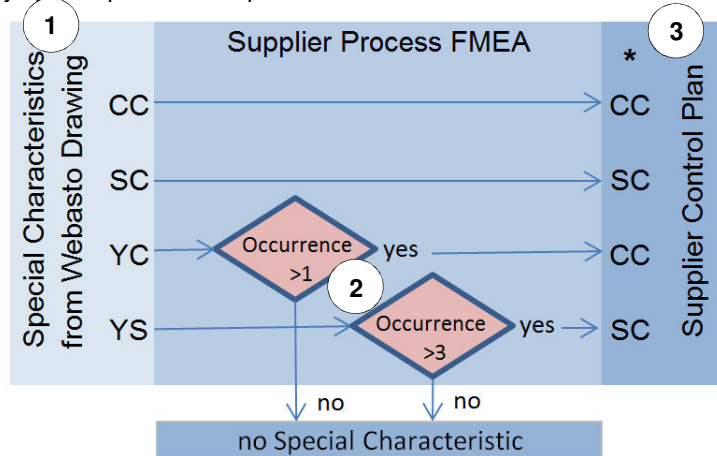
6.2 The supplier shall be obligated to fully comply with the relevant specifications, product requirements and/or any other generally binding requirements, in particular client and general standards, statutory requirements etc. (jointly referred to as “**general requirements**”) of Webasto and/or Webasto's clients.

Special obligations:

- a) General requirements must be independently and fully considered, updated and complied with in their respective current, applicable version and must be provided to the organisation of the supplier and/or of Webasto, and
- b) Webasto must be informed in writing and without undue delay of any changes to the specifications, product requirements and/or general requirements which have or may have an impact on the products and/or processes of the supplier, Webasto and/or of Webasto's client.

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6.3 Within the required supplier documentation, the following process has to be followed for all special and potentially special product and process characteristics:



\* marking according Supplier Standard

Table 2: Special Characteristics

- 1 Webasto labels special and potential special characteristics (YS/YC) in the specification based on the design FMEA.
  - 2 Supplier assesses potential special characteristics (YS/YC) using its process FMEA in terms of the likelihood of occurrence and on this basis whether these should be transferred to CC or SC. CC and SC characteristics are directly integrated into the production control plan of the supplier.
  - 3 The result is incorporated into the production control plan.
- a) Special critical product characteristics and/or process parameters which impact the safety of a product or compliance with legal regulations (Critical Characteristic = “**CC characteristic**“) have to be controlled and clearly documented and the supplier must keep these as **CC characteristics**.
  - b) Special significant product characteristics or process parameters which impact the fit and/or functioning of a product and/or which were identified for other reasons, such as client requirements, (Significant Characteristic = “**SC characteristic**“), have to be controlled and clearly documented and the supplier must keep these as **SC characteristics**.
  - c) Potential special critical product characteristics or process parameters which may compromise product safety and/or compliance with legal regulations in the event of an expected variation (Potential Critical Characteristic = “**YC**“) have to be controlled and clearly documented and the supplier must convert these into **CC characteristics**.
  - d) Potential special significant product characteristics or process parameters which may compromise the fit and/or function in the event of an expected variation (Potential Significant Characteristic = “**YS**“) have to be controlled and clearly documented and the supplier must convert these into in **SC characteristics, following Table 2**.
  - e) Potential special critical and/or potential special significant product characteristics or process parameters which in spite of an expected variation would not compromise or be able to compromise the product safety, legal regulations, fit and/or functioning (“**YC/YS characteristics**“) have to be clearly documented. They then no longer constitute a special characteristic.

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- 6.4 When preparing the documentation, the supplier shall also be obligated to:
- a) assess the respective special critical and potential special product characteristics and/or process parameters in a plausible way on the basis of a risk analysis,
  - b) include all special and potential special product characteristics and/or process parameters in the documentation in a plausible way,
  - c) Develop suitable *risk mitigation* measures and include these in the corresponding documents, in particular in work instructions, production control plan and drawings (where applicable).
  - d) list the actions to be taken as a result for internal process approval and the sampling for Webasto.
- 6.5 The supplier shall be obligated to conduct a Failure Mode and Effects Analysis = “FMEA” by itself in accordance with the standards set forth in the **AIAG** reference manual for “FMEA” or in VDA Volume 4, including
- a) conducting and updating the process **FMEA**,
  - b) conducting and updating the design FMEA, if the supplier is responsible for design and
  - c) ensuring review by Webasto.
- 6.6 The supplier shall be obligated to prepare a production control plan (“PCP”) in accordance with the **IATF 16949 standard, Chapter 8 in addition to Annex “A”**, and to update this independently and to provide Webasto with the PCP for first sample inspection at the agreed submission level.
- 6.7 The supplier shall be obligated to ensure process potential and process capability in accordance with the current standards of **VDA, Volume 2 and/or AIAG “PPAP” and Volume 4 (methods, economic process design, process design and control), and/or AIAG “APQP”**, and when doing so to monitor the relevant processes using Statistical Process Control (“SPC”) and to document the process results relating to the special product characteristics and/or process parameters in accordance with the applicable retention obligations. Unless otherwise agreed, the supplier must also conduct capability studies in accordance with current VDA standards. Regardless of the standards in **VDA, Volume 2 and Volume 4**, the supplier must however at least achieve Cpk and Ppk values  $\geq 1.67$  at all times. Further information on this is available in **VDA Volume 4** and/or **AIAG “PPAP”, Volume 4**. Additional/other requirements may be agreed between the parties and applied on a case-by-case basis. These must always be precisely documented.
- 6.8 The supplier shall be obligated to introduce and maintain a material data system which meets the requirements of the International Material Data System (“IMDS” can be viewed and accessed at [www.mdsystem.com](http://www.mdsystem.com) or [www.imds.de](http://www.imds.de)) and also, in particular, to meet the following requirements:
- a) Setting up a supplier IMDS account and ensuring that the employees of the supplier using the IMDS account are sufficiently qualified to do so.
  - b) Providing Webasto with the IMDS data in the scope of initial and change sampling in the appropriate system.
  - c) Independently updating the IMDS data in compliance with the applicable legal requirements.
  - d) Analogous processing for Chinese supply plants in the China Automotive Material Data System (“CAMDS”) if required.

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- e) If IMDS data is not explicitly required: Submission of a compliance declaration in accordance with the EU chemicals regulation REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) (“**REACH**”), which can be viewed and accessed at <https://echa.europa.eu/de/regulations/reach/understanding-reach>, in the scope of sampling.
- 6.9 The supplier shall be obligated to conduct packaging planning in line with the current Supply Chain Management Standards of Webasto (see supplier portal) and when doing so must in particular
- a) ensure the suitability and correct quantity of the packaging for potential transportation methods and routes,
  - b) ensure sufficient protection against soiling, moisture, heat and/or mechanical influences,
  - c) already take suitable packaging into account during the production feasibility assessment and/or offer calculation,
  - d) Complete a packaging data sheet, unless otherwise agreed,
  - e) assume ultimate responsibility for the suitability of the packaging, in particular including when other delivery conditions have been agreed, such as “*ex works*”, or when the initial packaging proposal was made by Webasto, as well as always already agree any necessary optimisations with Webasto during the **APQP** and
  - f) validate the packaging by means of transportation tests, if the supplier should lack the requisite experience with the packaging in individual cases.

**7. Process approval and initial sampling.**

- 7.1 Process approval and initial sampling shall be conducted by the supplier in accordance with the following stipulations. Webasto shall reserve the right to reject incoming products which have not been approved and to return them at the expense of the supplier or, in consultation with the supplier, to destroy them on site.
- 7.2 When conducting process approval, the supplier must comply with the standards set forth in **VDA, Volume 6.3 “Process audit”**, and also fulfil the following obligations:
- a) Each initial sampling for Webasto shall first require process approval by the supplier.
  - b) Process approval must already be scheduled in the project planning phase.
  - c) Process approval must only be conducted by employees of the supplier who have the requisite skills and qualifications.
  - d) The results must be documented by the supplier and made available to Webasto for inspection upon request and without undue delay.
  - e) If requested by Webasto, the supplier must make it possible for Webasto to conduct a process audit without undue delay. This process audit shall NOT replace the process approval to be conducted by the supplier itself.
- 7.3 For the initial sampling conducted by the supplier, the supplier must meet the **VDA, Volume 2 or AIAG “PPAP”** standards and also fulfil the following obligations:
- a) Compliance with the agreed deadlines for initial sampling: Fulfilment of the contract shall include both the receipt of the parts complying with the specifications at the Webasto plant as well as the provision of the required documentation at the agreed submission level.

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- b) If Webasto so requests: Submission of the agreed quality agreement.
- c) Errors or deviations in parts and/or documentation, will be treated as a non-conformity.
- d) Non-fulfilment may lead to a non conformity claim, possibly associated with subsequent costs. This is included in the supplier evaluation.
- e) Compliance with the production conditions for initial samples according to Table 1.
- f) Delivery in series packaging.
- g) Clear labelling of the initial sample parts/shipment with a tag or “initial sample” packaging tape. Stating the order number in the shipping documents.
- h) The Webasto specific online Tool has to be used to submit documentation, if provided.

**8. Product and process quality requirements**

- 8.1 The supplier must ensure that the products match the contractually guaranteed properties. The supplier shall be responsible for monitoring the entire sub supply chain including the respective subcontractors. The supplier must comply in particular with the specific requirements of Webasto’s clients and the applicable national and international laws as well as official regulations. The supplier has to document this with the relevant certificates of recognised certification bodies and updated documents.
- 8.2 For electrical and electronic parts or components, the standard **ISO 26262** “Road vehicles - functional safety” shall apply in particular. Derogation from this standard shall be subject to prior written consent from Webasto.
- 8.3 The supplier agrees, that Webasto, third parties authorised by Webasto and/or Webasto clients conducting inspections of its products and processes (“**audits**”) in accordance with the following provisions. Webasto or Webasto’s client shall assume the costs of, standard audits in general. The supplier shall assume the costs of any audits required for special reasons, in particular as a result of warrantycases, client complaints, client recalls or other escalation events. The supplier must ensure that its subcontractors will also grant Webasto, third parties authorized by Webasto and/or Webasto clients an according audit right to the same extent:
  - a) If Webasto so requests, a date for conducting the audit must be agreed in advance with the supplier, in urgent cases, in particular in the event of imminent danger or imminent damage to Webasto and/or Webasto clients, the supplier must agree to an according audit being conducted without undue delay, or at any rate no later than within twenty four (24) hours.
  - b) If Webasto’s client has requirements regarding laboratories to be used during the audit, these must be complied with.
  - c) **IATF 16949** shall apply in its respective valid version to the requirements for audit laboratories.
- 8.4 The provisions cited under fig. 6.7 shall apply to the requirements the supplier’s process capability must meet. The supplier shall also be obligated to conduct a 100% audit at its expense until the deviation has been safely resolved and/or to have this conducted by Webasto or third parties commissioned by Webasto.
- 8.5 Boundary samples shall define the quality of non-measurable properties by means of setting a visual acceptance standard (in case of doubt, the drawing standard shall be binding). For the purposes of producing boundary samples, the supplier shall be obligated to

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- a) coordinate the definition of boundary samples with Webasto prior to the delivery of OTS parts (c-samples),
- b) select representative parts for boundary sample definition in consultation with Webasto,
- c) present the relevant parts to the responsible Webasto employee,
- d) clearly label the deviation on the part in question,
- e) sign the boundary sample,
- f) take steps to ensure that Webasto has approved the boundary sample
- g) store the boundary sample properly in a professional manner at the expense of the supplier and
- h) assure boundary samples at supplier and Webasto premises.

8.6 For changes to parts and processes, the standards of **VDA, Volume 2 “Trigger Matrix”** shall apply, and the supplier shall be obligated to

- a) comply with the production processes without modifications,
- b) promptly inform Webasto of the changes in line with VDA trigger matrix for PPF processes,
- c) if a change becomes necessary, to submit a request to Webasto for this in writing (and within Webasto specific format where applicable) and secure Webasto’s prior consent to perform the change and an agreement on who will assume the costs,
- d) clarify the scope of sampling ahead of time,
- e) only perform the change or only start with the change once securing prior written consent from Webasto and
- f) only perform the change after approval and consultation with Webasto.

8.7 To ensure the traceability of supply items, the supplier shall be obligated to

- a) establish a traceability system to trace all parts and/or supply items for all parts and all characteristics it has delivered to Webasto impacting safety and/or legal regulations, such as the Federal Motor Vehicle Safety Standards (“**FMVSS**”) for combustible parts and glass breakage, from the point in time of initial sampling onwards, enabling the identification of the production batch, production date, etc.,
- b) improve or stabilise quality, and thanks to the traceability of the supply items, enable quick containment of defective parts,
- c) send the part history to Webasto together with the quality control plan and
- d) ensure that the system for tracing all parts and/or supply items meets the following requirements:
  - (i) Traceability of the shipping batches to the supplier order number, supplier batch number, shift, production line, inspection documents.
  - (ii) The batch numbers/date codes must be stated on each packaging unit.
  - (iii) No more than two batch numbers/date codes per physical handling unit.

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- (iv) The batch numbers/date codes must be delivered in the order they were produced, i.e. the “First In-First Out” (“**FIFO**”) principle for the parts and/or supply items must be adhered to for stocking and storage.
- (v) The parts must be labelled specifically in accordance with the relevant drawings.

Webasto shall reserve the right to submit complaints for parts that it receives that are not suitably labelled for traceability at the supplier’s expense.

8.8 For the conduct of a re-qualification audit, unless otherwise agreed, the supplier shall be subject to the following re-qualification levels (RQ1-2). Further client-specific quality requirements may also be set in the scope of the control plan or alternatively of the quality agreements.

RQ1	RQ2
<ul style="list-style-type: none"> <li>• Critical characteristics (CC or YC on drawings)</li> <li>• Potential characteristics (YC or YS on drawings)</li> </ul>	<ul style="list-style-type: none"> <li>• Without special characteristics</li> </ul>
<ul style="list-style-type: none"> <li>• Complete design records (drawing)</li> </ul>	<ul style="list-style-type: none"> <li>• Complete design records (drawing)</li> </ul>
<ul style="list-style-type: none"> <li>• Every 12 months</li> </ul>	<ul style="list-style-type: none"> <li>• Every 36 months</li> </ul>
<ul style="list-style-type: none"> <li>• Laboratory requirements in accordance with IATF 7.1.5.3 Laboratory Requirements (see 8.3.c))</li> </ul>	
<ul style="list-style-type: none"> <li>• Based on IATF 8.6.2 Layout Inspection and Functional Testing</li> <li>• VDA/PPAP coversheet at Webasto’s request within 72h</li> </ul>	

**9. Evaluation of supplier performance and escalation model**

9.1 Webasto shall continuously evaluate the performance of its suppliers in accordance with the following criteria:

- a) General performance (*inter alia* contract status, quality certificates).
- b) Development phase (*inter alia* APQP status, initial sampling date and quality, pre-series-production quality).
- c) Series performance (*inter alia* parts per million (“**ppm**”), number of notices of lack of conformity, number of repeat errors, reworking, field quality, processing of the 8 disciplines report (“**8-D report**”).
- d) Logistics performance (*inter alia* logistics complaints depending on level of disruption).

9.2 An escalation due to non-compliant supplier performance shall be carried out in accordance with the provisions of the Webasto escalation model (which can be viewed and accessed on the supplier portal) as follows:

- a) Unsatisfactory performance leads to escalation in line with the escalation model.
- b) The supplier shall be informed in writing of the change in the escalation level in each case.

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Further details on the escalation model and the individual escalation levels can be viewed and accessed on the supplier portal.

**10. Deviations, corrective action and reworking**

10.1 In the event of deviations, requisite corrective action and reworking, the supplier must meet the following obligations:

- a) Immediate formal notification of the affected Webasto plant(s) as soon as it has been noticed that materials not in line with the specifications may have been delivered:
  - (i) In exceptional cases, special approval may be applied for provided that the deviations are deemed to be negligible or non-relevant to the functioning of the item or reworking is performed which requires approval.
  - (ii) The validity of such special approval shall be limited in time or volume and shall only become valid once fully signed.
  - (iii) The Webasto “*Deviation approval*” form must be used (see supplier portal).
- b) The material supplied under the special approval must be clearly labelled with an additional label and a copy of the special approval.
- c) The effectiveness of rework must be ensured by appropriate tests and documented.

10.2 All parts delivered which are recognised as non-compliant shall be subject to a complaints process in which the supplier shall be informed by Webasto without undue delay. In the scope of the complaints process, the supplier must meet the following obligations at its own expense:

- a) Immediate reaction to coordinate further measures required such as sorting, replacement of stocks, reworking, etc. and providing information to all affected Webasto sites on the results and measures.
- b) Verification of whether the materials in question (or other potentially affected materials) are also being delivered to other Webasto plants or subcontractors.
- c) If so, they must be immediately informed about this non-compliance and consulted on appropriate action. Here, the entire supply chain must be included.
- d) Establishing the necessary communication with the affected sites, for instance conference calls etc. including sending copies of the 8-D report and updates thereof to these sites.
- e) If needed, commissioning appropriate service providers or deploying its own staff as it cannot be assumed that Webasto will have the facilities and/or staff available for requisite special actions.
- f) If the supplier fails to react without undue delay, Webasto shall be entitled to organise the said special actions itself and subsequently invoice the supplier for these, if this is necessary to maintain delivery capability.
- g) The type of costs in this case may be: Sorting, scrapping, special shipping, internal analysis periods, reworking, etc.
- h) The actions to be taken by Webasto shall be done with a view to minimising damage and avoiding greater damage or subsequent costs, for instance as a result of production stand-stills.

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10.3 If the complaint is processed using 8-D report methods, the supplier must comply with the following obligations:

- a) In the scope of the complaint, Webasto shall have the right to demand the problem be solved using 8-D report methods. The Webasto specific 8-D form or online Tool has to be used, if provided.
- b) Compliance with the following maximum processing times:
  - (i) Steps D1 to D3 within twenty four (24) hours (in relation to a working day).
  - (ii) Steps D4 and D5 within fourteen (14) calendar days.
  - (iii) Steps D6 to D8 and completion within sixty (60) calendar days.
- c) Client-specific requirements may possibly lead to changed deadlines, these will be stated on the letter of notice of lack of conformity.
- d) When analysing warranty cases, compliance with the “*Webasto Warranty & Cost Agreement*“, available on the supplier portal.

10.4 Webasto and its suppliers shall be obligated to improve quality in the field and in turn customer satisfaction. For this purpose, Webasto may set warranty targets for suppliers, which may be agreed on with the supplier for specific projects or as a whole for all deliveries. The supplier shall then be obligated to comply with the targets agreed and monitor compliance therewith. In this case, the standards set forth in the Webasto Policy on “Field Failure Analysis” (which can be viewed and accessed on the supplier portal) and the standards of VDA, Volume D (Field Failure Analysis) shall apply unless otherwise agreed.

**11. Subcontractor management**

To ensure an effective quality management system for the supplier’s subcontractors, the supplier shall be obligated to

- a) resolve problems in the supply chain without undue delay in full itself and/or by third parties and at its own expense,
- b) ensure that the quality of its subcontractors products comply with the stipulations of this **QW1**, in particular with the methods and standards described in this **QW1** and that they monitor such,
- c) ensure that all the products and services used meet the specifications at all times,
- d) ensure the traceability of the parts and/or supply items,
- e) conduct audits of products and processes at its subcontractors,
- f) ensure that no changes are made to products and/or processes without the prior notification and/or prior consent of Webasto, in particular in the case of changing subcontractors and
- g) ensure that the supplier and Webasto have the right to visit the subcontractor after prior notification in order to inspect and evaluate the quality of the products, processes and tools.

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## 12. Change history

QW1 Version	Section	Changes
V19 → V20	All	Complete new revision
V20 → V21	2.2.	Translation mistake corrected
	2.4.c	Added "ISO 14001"
	2.6.	"Technical documents" replaced by "product specific documents"
	3.	Table 1 content reviewed for better clarity and translation
	4.	Wording "For prototype orders" included
	4.d	"pre-series parts and initial samples" added for better clarity
	4.e	"with each" replaced by "prior to first" for better clarity
	6.3.; 8.1.; 8.3.; 8.3.d; 8.5.g; 8.7.c; 8.7.d (iii); 10.1.c; 10.3.d; 10.4.	Wording changed for better clarity
	6.4.	Reference added to table 2 for better clarity
	6.4.c; 7.3.c-e/g;	More specific wording for better clarity
	6.5.	Spelling corrected
	6.5.c	"inspection" replaced by "reviewed"
	6.7.	"capability" and "potential" replaced by "potential" and "capability" as well as reference to "AIAG PPAP" and "and/or AIAG APQP"
	6.9.d	"produce" replaced by "complete"
	7.2.e	"so requests" replaced by "requested by"
	7.3.	Spelling corrected
	7.3.h	Added
	8.5.; 8.5.e	"Tolerances" replaced by "Boundary" for better clarity
	8.5.h	Added
	8.6.b	"Webasto's" replaced by VDA
8.6.c	"and within Webasto specific format where applicable" added	
8.8. table	"CPotential" in box "RQ1" changed to "Potential"	
10.1.a (iii)	"Special" replaced by "Deviation" for better clarity	
10.3.a	Use of Webasto specific 8D online tool added where applicable	
V21 → V22	12.	Change history added
	0.	Cover sheet added

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