



ANNUAL SUPPLIER QUALITY COMMUNIQUE Q1 2021

Pleora is committed to engaging with our suppliers and service partners on the evolution of quality management standards. This includes proactively communicating trending quality issues that may impact Pleora and our customers.

Please contact your Pleora buyer or Quality Manager for access to the Q.C. Clauses.

We trust our suppliers have employed a Code of Conduct internally and flow these down to their suppliers with expectations in terms of Ethical behavior, Health and Safety and Product Safety in compliance with local laws. If a supplier suspects a potential quality or safety risk in the supplied product to Pleora we request notification through your Pleora buyer.

ISO 9001:2015 QMS Changes (ALL)

With the release of ISO 9001:2015 standards ISO and AS9000/9120 accredited suppliers should be well past the registration process. The Process approach (PDCA) strengthened explicitly with integration of the QMS into an organization's business processes. ISO revised suppliers to be referred to as external interested parties and introduced a significant change in the management and control of suppliers and sub-tier suppliers. Although not mandatory, suppliers are encouraged to seek ISO accreditation.

Risk Areas

Counterfeit Mitigation: (EEE) AS5553B, AS6081-and ARP 6328

SAE via their suite of AS standards have released the approved revisions to several standards related to counterfeit mitigation. Pleora requires our suppliers, third party suppliers and franchised distributors and brokerage test houses to mitigate the risk of counterfeits, to adopt methods in accordance with AS5553, AS6081 or ISO/IEC 17025 which will guide them on methods to avoid and detect counterfeits.

If a supplier defines the need for broker parts use **please stop** and **consult your Pleora Buyer for specific procedures or QC Clauses.**

Trending Quality SCARS/Quality Escapes (ALL) **Example of High Risk Recent occurrence “**

Pleora are advising suppliers to focus on the control and monitoring of special process suppliers; Specific focus failure modes (risk Areas) often include plating, painting and anodize.

Special process failures in areas such as Anodic Coatings/ Nickel-plating defects and soldering process defects are trending globally resulting from poor contract review and failure to flow down audit and verify requirements to the sub tier **special process** vendors from Pleora or OEM requirements. **Ref KOBE steel Scandal 2018-2019:**

<https://www.reuters.com/article/us-kobe-steel-scandal-ceo-idUSKBN1GH2SM>



Pleora encourages our supplier partners to audit the process tests conducted to substantiate a certificate of conformity. A supplier audit should include supporting lab test results behind the C of C. (I.E. plating, painting, chemical film or anodic coating feature or chemistry and physical properties.) These reports for active purchase orders will be requested on a sample basis by your Pleora buyer.

The CHANGE OPPORTUNITY (risk area)

High Risk Opportunity for Defect and quality escape prevention and detection:

A failure that has been frequently detected by industry or noted in supplier SCAR responses occurs when a supplier's internal process encounters a change opportunity. In any industry sector this is one of the most risk prevalent areas for quality defects to occur and for escapes to customer to take place and remain undetected.

Pleora encourages a practice of first-/golden sample verification during these product and or process change scenario. Using a secondary engineer, shift supervisor or lead hand could verify or peer verify that the operator or technician has generated an acceptable part.

Change Notification to Pleora:

If you supply Pleora designed product and plan to relocate a factory, line or product, change a process, procure and deploy new equipment or experience a significant labor disruption please ensure Pleora is informed before the changes via your assigned Pleora buyer. Pleora monitors all other OEM/COTS part changes through conventional PCN methods.

Pleora may request an FAI to support the verification of changes. Please consult the SAE/IAQG website supplier portal for AS9102 access and training materials for FAI completion if applicable to your product.

FOD Controls:

Suppliers are required to ensure Pleora ordered parts or assemblies are free from FOD (Foreign Object Debris). Suggested guidance for a FOD control system includes NAS 412 FOD standard although other standards are available. Several examples can include where FOD such as machining chips were not removed from drilled and tapped holes.

What should Pleora suppliers do?

Review purchase orders, quality clauses and general terms and conditions to the purchase orders, contract terms and conditions can be obtained from the Quality Manager or Pleora assigned buyer.

- Ensure employees who prepare the certificates or conformity are knowledgeable of the requirements based on the commodity.
- Analyze your final inspection process/procedure/checklists and confirm that it includes review of the certificate or conformity.



- Where applicable audit your F.A.I methodology and re-train staff to train using the IAQG supplier chain management handbook. (SCMH)
- Consider adopting a structured 8D root cause and corrective action system, review containment strategies.
- Audit special process suppliers on site and verify process controls are acceptable and are documented.
- Review your contractual flow down to suppliers.
- Ensure change notifications are provided to Pleora for approval prior to initiating the change.
- If distributing EEE parts refresh your AS5553 knowledge and create a counterfeit mitigation control plan.
- If you are an O.E.M of third part circuit card assemblies and wish to use broker parts call Pleora for advanced approval.

Regards

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