

Supplier Manual



TABLE OF CONTENTS

Table of Contents	2
Message to our Suppliers.....	3
Administration.....	4
Government Regulatory Compliance	4
RoHS, REACH Conflict Minerals	4
Supplier Selection, Criteria & Approval.....	4
General Requirements	4
Customer Directed Sources.....	5
Supplier Audits	5
Supplier Rating Categories	5
Process Change.....	5
Non-Conforming Material	6
Shelf Life Terms	6
Material Specifications & Certifications.....	6
Contingency Plan	6

MESSAGE TO OUR SUPPLIERS

The purpose of this manual is to define policies, procedures and quality system requirements, and the expectations of McLoone Metal Graphics. The procedures in this manual are intended to be simple, direct and meant to provide guidance to all Suppliers. Our objective is to establish a mutually beneficial long-term partnership with our suppliers.

McLoone Metal Graphics is committed to supplying the highest quality products to its customers and expects the same from its supply base. The procedures in this manual are to ensure that purchased materials and products meet or exceed McLoone's quality standards and help ensure that our products meet our customer's expectations.

"QUALITY" can be defined as doing something right the first time. "QUALITY" is achieved through the continual reduction of variation in products and services, this is needed to achieve the excellence that meets or exceeds customer expectations. "QUALITY" is a way of life. It is the driving force for achieving total customer satisfaction and profitability.

We thank you for your continued support, as well as your commitment to meet our "QUALITY" objectives.

McLoone Metal Graphics

Manual Original Date: 9/18/2019

Revision Date: 08/11/2022

ADMINISTRATION

This manual is “distributed” only via the posting on the McLoone website. Printed copies are uncontrolled documents. Suppliers are expected to remain up to date on the requirements by visiting www.mcloone.com.

GOVERNMENT REGULATORY/SATUATORY/COUNTRY OF ORIGIN COMPLIANCE

Suppliers shall comply with all applicable governmental Regulatory and Statutory Requirements. These regulations relate to the health and safety of the workers, environment protection, toxic and hazardous materials, and free trade. Suppliers shall recognize that the applicable government regulations might include those in the country of manufacture, as well the country of sale.

RoHS, REACH, CONFLICT MINERALS

Suppliers in all regions shall ensure that all components and materials supplied to McLoone complies with legal and customer requirements. As a supplier to McLoone you are required to provide a “Certificate of RoHS and Reach Compliance” or statement of compliance on raw materials and materials incorporated into components sold to McLoone. In addition to RoHS/ REACH compliance we request that our customers are compliant to the Conflict Material Directive.

SUPPLIER SELECTION, CRITERIA, AND APPROVAL

McLoone encourages our suppliers to be registered to ISO 9001 at a minimum.

GENERAL REQUIREMENTS

- 1) Suppliers will be evaluated by one or more of the methods contained in this manual.
- 2) Suppliers will be evaluated on the following:
 - Statutory/Regulatory Compliance
 - Quality
 - ISO Registration
 - Price
 - Technical Support
 - On Time Delivery
- 3) The supplier’s deliveries are considered on time if they are no more than 0 days late.

CUSTOMER DIRECTED SOURCES (known as DIRECTED-BUY)

When specified by the customer, McLoone shall purchase, materials or services from customer sources. All requirements for purchased product are applicable to the supplier unless otherwise defined.

SUPPLIER AUDITS

McLoone may choose to perform supplier audits to be used for the following:

- Supplier Risk Assessment
- Supplier Monitoring

SUPPLIER RATING CATEGORIES

Preferred Supplier: (95 – 100) rating indicates that the supplier is doing an excellent job and is highly recommended for new business.

Approved Supplier: (80-94) rating indicates a satisfactory supplier who is encouraged to improve in some areas to be moved up to preferred. Recommended for new business.

Probationary Supplier: (69-79) rating indicates much work must be done to improve. Corrective Action report must be completed with actions for improvement. New business is not recommended.

Unacceptable Supplier: (68 and below) rating indicates immediate action must be taken. A corrective action report must be completed. An on-sight survey may be conducted. It is not recommended that new business be placed unless there are extenuating circumstances.

New Probationary: rating indicates a new supplier. The next quarterly report will rate the supplier based on performance.

Disapproved: A management decision to no longer purchase from the supplier.

PROCESS CHANGE

Suppliers shall submit a written request for product or process changes to McLoone prior to implementing the change. Suppliers shall request, in writing, a deviation or concession before shipping non-conforming material to McLoone.

A plan to return to normal production and product identification is required and shall be submitted at the same time as the written request. Material shipped under an approved deviation shall be labeled as such.

NON-CONFORMING MATERIAL

In cases when a supplier ships non-conforming material to McLoone. The supplier will be sent a notification of the non-conformance, requesting disposition of material.

The supplier will also be subject to a \$200 administrative fee as well as a \$50.00 hr. sort charge for any rejected/non-conforming product.

Suppliers are responsible for all costs and expenses created by any defect on the material supplied. This may include, but is not limited to re-work costs, shipping and handling, expedited material replacement and potential costs of our customer.

McLoone may require the supplier to submit a corrective action plan for non-conforming material. Suppliers shall implement a containment action within 24 hours. Within 10 working days, unless otherwise specified: the suppliers shall submit a corrective action plan.

SHELF LIFE ITEMS/MATERIALS

If an item/material has shelf life expiration, the supplier shall label all individual containers with the shelf life expiration date as well as include this information in the certificate of analysis. Suppliers shall keep McLoone informed of any changes in shelf life dates.

MATERIAL SPECIFICATIONS AND CERTIFICATIONS

Material Certifications are required with every shipment. Certifications should have the following:

- Compliance to any specification on stated on the purchase order
- Acceptable tolerances for all testing performed by the supplier
- Actual test data performed by the supplier

CONTINGENCY PLAN

Suppliers shall develop a contingency plan for potential catastrophes that could disrupt product flow to McLoone Metal Graphics and advise McLoone immediately in the event of an actual disruption. This plan should include Information Technology and periodic testing of plan for effectiveness.