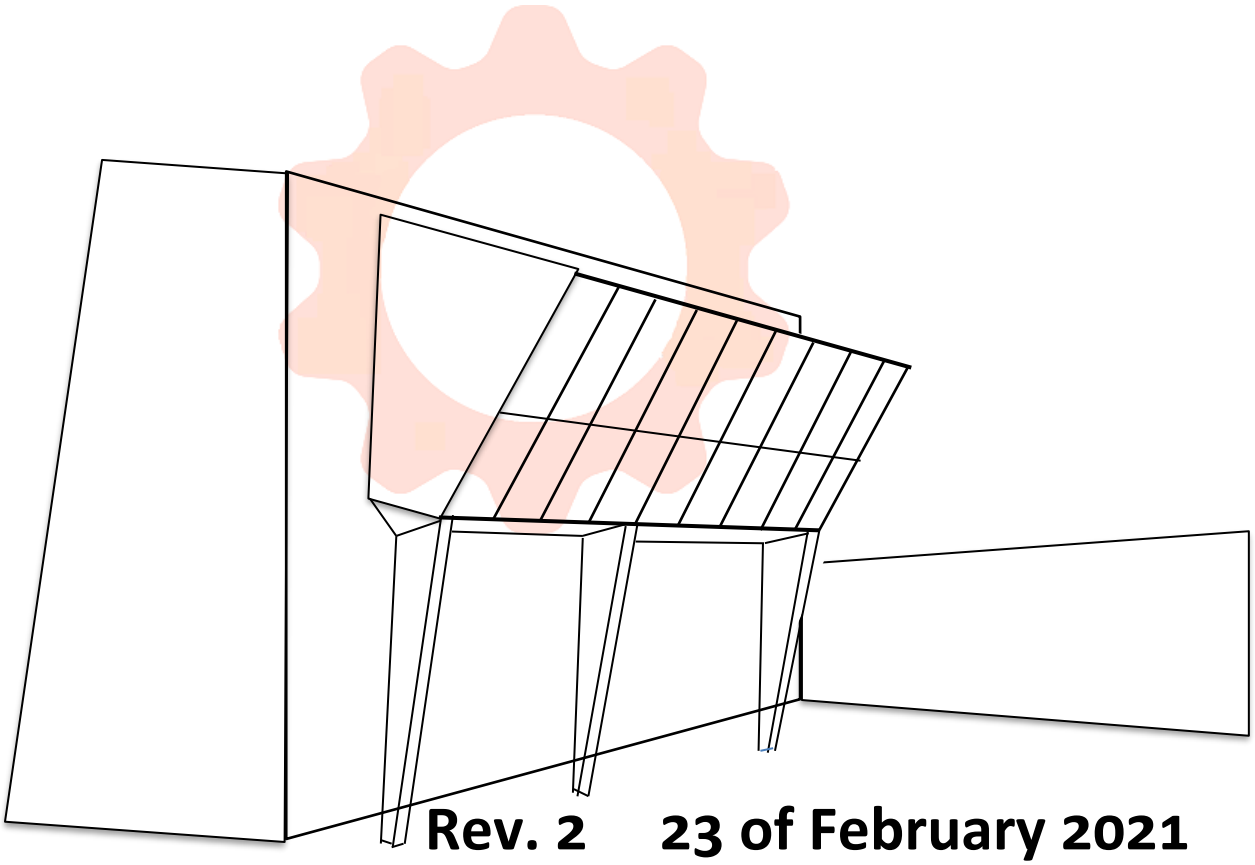
ANEXO 08
SUPPLIER WARRANTY AGREEMENT

Quality requirements for the supply chain



Rev. 2 23 of February 2021

0. Management Commentary

Dear supplier,
This document serves as an informant of the requirements that INDUSTRIAS MECANICAS SAN ANDRES S.L (Hereinafter INMESA) has for its suppliers. These must comply with each of the points defined below. Failure to comply with said requirements may result in the loss of existing or future businesses, as well as reimbursement to INMESA of the costs resulting from non-compliance.
The requirements indicated in this Manual are complementary to the conditions established in the contract. In turn, these requirements must be transferred throughout the supply chain.

The supplier must review this Manual and send acknowledgment of receipt as attached.

The text consists of 12 different sections:

1. Selection of Supplier

INMESA has a documented initial supplier selection process, based on an initial evaluation that will be carried out at the time of opting for a project award.

The Initial Evaluation considers the following criteria:

Criterio Evaluación	Descripción Criterio	Objetivo		Ponderación
01-Risk Assessment: Importance of customer piece	Score from 1 to 3 the importance of the part in which the M.P or supplier components will be included. Being 1 Low, 2 Medium and 3 High	≤	2,00	5,0%
02-Risk Assessment: Complexity M.P.	Score from 1 to 3 the complexity of manufacturing the M.P or supplier components. Being 1 Low, 2 Medium and 3 High	≤	2,00	5,0%
03-Compliance Level Quality: PPM´s	Indicate the global PPM´s of the supplier during the last exercise.	≤	500	10,0%
04-Quality Compliance Level: No. of incidents	Indicate the number of incidents that the supplier has had with its customers in the last year.	≤	3,00	15,0%
05-Delivery Compliance Level: Number of delays	Indicate the number of delays, including urgent transport, that the provider has had.	≤	3,00	10,0%
06-Compliance Level Delivery: Unemployment to client	Indicate the number of customer stoppages, caused by delivery failures.	=	0,00	15,0%
07-Certificate ISO 9001	Score 1, if the supplier is in possession of a valid ISO 9001 certificate. On the contrary, it will be scored 0	=	1,00	5,0%
08-Certificate IATF 16949	Score 1, if the provider is in possession of a current certificate of IATF 16949. On the contrary, it will be scored 0	=	1,00	5,0%
09-Business Volume Automotive	Indicate the supplier's% of automotive business with respect to its total.	≥	50,00	5,0%
10-Productive Capacity available	Score 1, if the supplier has the productive capacity to manufacture the requested. On the contrary, it will be scored 0	=	1,00	10,0%
11-Design Capacity and Development	Score 1 if the provider has Design and Development capacity. On the contrary, it will be scored 0	=	1,00	5,0%
12-Contingency Plans	Score 1, if the provider implements a Contingency Plan. On the contrary, it will be scored 0	=	1,00	5,0%
13-Management Process Changes	Score 1 if the supplier implements a Product-Process Change Management process. On the contrary, it will be scored 0	=	1,00	5,0%
14-Certificate ISO 14001 or RG058 supplier evaluation questionnaire	Score 1, if the supplier is in possession of a valid ISO 14001 certificate or RG058 supplier evaluation questionnaire. On the contrary, 0 will be scored	=	1,00	5,0%

Tabla 1: Initial Supplier Evaluation Criteria

Suppliers that enter INMESA's facilities as Maintenance or Calibration and tests, must have signed RG057 Communication of environmental requirements to subcontractor (waste managers as authorized by the Generalitat of Catalonia is not necessary)

INITIAL EVALUATION STATUS

Conditions Status "A":
This is the status that indicates that the supplier meets the established initial criteria. Therefore, to achieve this score, the provider must obtain a score greater than or equal to 90%. The supplier that is in this status will be fully selectable for INMESA projects.
Conditions Status "B":
A supplier will be in this status when their score is between 80% and 90%, with the score being 80% included. The supplier that is in this status will be selectable following the requirements and / or Action Plan established by INMESA.
Conditions Status "C":
A provider will be in this status when they achieve a score below 80%. The supplier will not be eligible for INMESA projects, the possibility of preparing a Development Plan will be considered so that the supplier may be eligible in the future.

2. Supplier Monitoring

INMESA has a process for monitoring the performance of the quality of the product and service provided and the environment by its suppliers. This process defines evaluation criteria, by means of which the conformity status of the internal and external (customer) requirements of our suppliers will be checked.
Various types of providers are defined, which have defined criteria and specific objectives for them. All INMESA suppliers will be evaluated based on the criteria described below. All suppliers will be obliged to meet these requirements to ensure the quality of materials and supply and compliance with environmental requirements.
For the evaluation to be effective, the number of purchases / services requested from INMESA to the supplier must be 1 or higher.
The following Table defines the types of providers, the evaluation criteria, the objective and the degree of weighting in each case.

2.1. Supplier Monitoring Criteria

All INMESA suppliers will be evaluated based on the criteria described in Table 2 depending on their type and those that apply to them. All will be obliged to comply with these requirements to ensure the quality of products and / or services and environmental requirements. INMESA implements up to 6 indicators or weighted criteria to obtain the global mark of the Supplier. When the objective is met, the total weighting value is obtained, otherwise, 0 is obtained for that indicator. The quantities and values will be the same for each and every one of them.
For suppliers that supply materials and / or services intended for the direct manufacture of automotive products, they must be certified as a minimum by ISO9001 and have a QMS development plan to achieve IATF 16949, unless the client indicates otherwise. . If you do not have the current certification, you will not be able to achieve "A" status.

Tipo de Prov.	CRITERIOS SEGUIMIENTO DE PROVEEDOR															
	Nº de incidentes (No conformidades)		Nº de Paros (Interrupciones de		Nº de Retrasos de entregas (**)		Nº de transportes Urgentes		Cantidad de PPM'S		Certificado ISO 9001:15		Certificado IATF 16949:16		Certificado 17026	
	Obj. (*)	Pond.	Obj. (*)	Pond.	Obj. (*)	Pond.	Obj. (*)	Pond.	Obj. (*)	Pond.	Obj. (*)	Pond.	Obj. (*)	Pond.	Obj. (*)	Pond.
Calibrations and Test	< 1	50%													= 1	50%
Packaging	< 3	20%	0	20%	< 7	20%	< 3	10%	500	20%	= 1	10%				
Logistic	< 3	45%			0	45%					= 1	10%				
Raw Materials	< 2	15%	0	20%	< 7	15%	< 1	20%	< 500	15%	= 1	5%	= 1	10%		
Superficial Treatments	< 2	15%	0	20%	< 7	15%	< 1	20%	< 700	15%	= 1	5%	= 1	10%		
Chemical Products	< 1	20%	0	20%	< 7	20%	< 1	10%	< 500	20%	= 1	5%	= 1	5%		
Thermal Treatments	< 1	20%	0	20%	< 7	20%	< 1	10%	< 500	20%	= 1	5%	= 1	5%		
Maintenance	< 1	20%	0	20%	< 7	20%					= 1	10%				
Components	< 2	15%	0	20%	< 7	15%	< 1	20%	< 500	15%	= 1	10%	= 1	10%		

(*) Los objetivos son valores aplicables al periodo de evaluación definido para cada tipo de proveedor
(**) INMESA evaluará la Cantidad de retrasos el valor en base a un margen de +7 dias desde el plazo de entrega

Tabla 2: Criterios de seguimiento de proveedores.

2.2. Status Conditions

The supplier's status or score is dictated by the number of indicators it meets. There are 3 possible statuses:

2.2.1. Status Conditions "A"

This is the status that indicates that the supplier meets the established quality and environmental criteria. Therefore, to achieve this score, the supplier must achieve a greater than or equal to 90%. In addition, the quality and environmental certificates must be in force. Otherwise, this level cannot be reached.

2.2.2. Status Conditions "B":

A supplier will be in this status when their score is between 80% and 90%, with the score being 80% included. In the event that a supplier falls from "A" to "B", an incident will be opened and an 8D report will be required explaining the reasons, corrective and preventive actions so that its evaluation returns to A.
The response to an 8D request will be 24 hours (working days) for containment actions and 7 days for sending the completed 8D report. Said report must be approved and closed after analysis and verification of the effectiveness of the actions.
The final evaluation is carried out annually, therefore, all suppliers who have descended to status B are required to be in status A at the end of the following calendar year, so that if for 2 consecutive years they descend to B or remain this status, the possibility of the descent to C will be studied from the INMESA management committee.
If the supplier is in status "B" because he does not have the validation, but the client approves it, he can work for INMESA.

2.2.3. Status Conditions "C":

A provider will be in this status when they achieve a score below 80%. In the event that a supplier achieves this qualification, the following ways will be followed, as concluded in the extraordinary evaluation meeting:
A. 8D Report Request
B. Complete requalification of the product
C. Recertification
D. Escalation of the problem (see point 7)
E. Break with the provider.

A C provider will be evaluated in detail to analyze its evolution. Suppliers who have achieved this score are required to have abandoned such status during the following calendar year.

3. Development of Supplier Quality System

INMESA requests all its product and service providers to develop, implement and improve an ISO9001 certified quality management system, unless otherwise agreed.
For those automotive product and service providers, in addition to this ISO9001 certification, they must have the objective of being certified according to the IATF16949 standard in a certain period of time. For this, 4 phases are established that the supplier and INMESA will coordinate together to achieve this objective:
-Phase 1. Certification in ISO9001 through 3rd party audits, by an accredited entity.
-Phase 2. Certification in ISO9001 and compliance with other INMESA requirements through 2nd Part audit carried out by INMESA.
-Phase 3. Certified in ISO9001 and compliance with IATF16949 by means of a 2nd Part audit carried out by INMESA.
-Phase 4. Certification in IATF16949 through 3rd party audits, by an accredited entity.

4. APPROVAL OF PRODUCTS / SERVICES

Suppliers must review all the documentation provided by INMESA and request all the additional information they deem necessary in order to determine the process parameters and controls necessary to ensure the quality of the product or service to be supplied. Packaging and packaging conditions must also be taken into account to ensure the quality of the product is maintained. Therefore, the supplier must respect the specifications provided by INMESA.
In addition, it must ensure the correct calibration of the control equipment used.
For the approval of the products or services, you must present the documentation requested in each case, since it varies depending on the product or service to be supplied.

Situations that require presentation of samples and certificates:
-New supplier
- New product / service
- Modifications in materials, working methods, equipment or process conditions.
- Moving the production process to another location or to a subcontractor.
- Restart of production after an unemployment period of more than 12 months.

5. Modifications Requested by Supplier

Suppliers must submit a written request for the product or process to be modified and obtain INMESA's approval before implementing the change. This includes changes in sub-suppliers throughout the supply chain.
INMESA must act in accordance with ALL customer requirements for notification of changes and, as such, INMESA expects the supply base to act accordingly. The approval of the modification can take a long period when the approval of the client of INMESA is required.
Verbal requests WILL NOT BE ACCEPTED.

6. Second Part Audits

INMESA has a 2nd Part Audit process and planning for its suppliers. Any supplier is subject to an audit by INMESA under the following reasons:
a) Assess supplier risk
b) Monitor the supplier
c) Support in the development of the Quality Management System
d) Perform product audit (VDA 6.5. Accord)
e) You carry out process audits (VDA 6.3.)
INMESA will document and inform the supplier about the need, type, frequency and scope of the 2nd part audits.

7. Supplier Development (Action Plan)

INMESA will determine the priority, type, scope and term of the actions requested for the development of a supplier.
These actions may be triggered for the following reasons:
a) Problems of quality and periodic performance
b) Results of 2nd Part audits.
c) Certification status of 3rd Part of the Quality Management System.
d) Risk analysis.
e) Environmental problems and periodic performance
The supplier shall implement the defined actions to resolve open problems and to detect opportunities for improvement.

8. Legislative and Regulatory Requirements

All suppliers must comply with the legislative and regulatory requirements that apply to their products / services, whether they are their own or transferred by INMESA, its client or any governmental or institutional entity.
The supplier must ensure that the legislative and regulatory requirements for the country of reception, delivery and destination of the products / services supplied are met.

The supplier must comply with the REACH Regulation (Regulation [CE] No. 1907/2006, of December 18, 2006, and comply with the requirement of INMESA REACH Declaration Letter_V1 9 F.

8.1.- Communications

Communications between suppliers and INMESA must always be in writing, indicating all the necessary data to clearly relate any communication with other documents. In all cases, the name of the person-company that carries it out and the date must be indicated, and as appropriate: Product ref., Number of orders, certificate number, invoice number ...

8.2.- Visits

The supplier must facilitate visits by INMESA representatives upon request, as well as access to the records associated with the products / services supplied.

8.3.- Quality and Environmental Certificates

The quality and environmental certificates must make clear reference to compliance with the required specification and must contain the actual values of the certified parameters, as well as the data necessary to ensure traceability.In addition, the certificates must include:
- The company and qualified responsible that issues them.
- Date of completion
- The tests carried out
- The values obtained, etc.

8.4.- Identification and Traceability

For all delivered products, the following information must be indicated in the associated documentation:
-Provider's name
- Reference or material code.
- Serial / lot number or Manufacturing Order.
-Product denomination.
- Number of containers, rolls, Kg or pieces of the delivery.
-Deadline.
Said documentation must also include the data requested in the applicable regulations in each case.
The data provided must ensure traceability with the supplier's control records.

8.5 Realization and Control of the Process

The provider must ensure:
- Availability of the latest edition in force of all documents that affect the product and process for all the workers involved.
- Check out all obsolete editions to avoid mistakes
- Verification of all processes and products before the start of each manufacture or after machine adjustments.
- Control of raw materials and purchasing products

9. Management of Non-Comformities

Reasons to make a Claim by INMESA:
- non-compliance with product specifications or environmental non-compliance
- failure to meet delivery deadlines
- non-compliance in packaging / packaging and / or identification thereof

9.1.- Internal NON-Conformity

When detecting an incident, the provider must have implemented:
- Non-compliant material blocking system to prevent INMESA from being served.
- Cause analysis system and determination of corrective actions to avoid repetition of the incident.

In case the decision is a reprocessing:
- must be approved by authorized personnel
- rework instructions should only be accessible to authorized personnel
- traceability must be ensured as reprocessed material

9.2- Non-Conformity Detected by INMESA

When receiving a claim or incident report from INMESA, suppliers must act as follows:

1. apply a containment action within the first 24 hours.
2. submit a corrective action plan within the first 10 business days, unless otherwise specified.

These objectives are standard, but the quality and environmental manager of INMESA's suppliers can establish more restrictive deadlines, if necessary.
Suppliers shall use the 8D systematic problem solving method.

In the event of incidents that affect our client, INMESA may request as supplementary information to 8D, a 5x5 WHY report (5 why).
If it were a major Non-conformity issued by our client, the escalation process would be activated by lowering the evaluation of the supplier involved to C, so point 10 of this manual would apply.
INMESA may also collect information on the process or product control records affected by the incident in question.
Suppliers are responsible for all costs and expenses caused by any defect in the material supplied and INMESA will pass these costs on to the responsible supplier.

9.3.- Derogations

If the supplier detects any non-compliance with product requirements, it can request a derogation from INMESA's Quality Suppliers, clearly indicating the non-specification requirements. Always BEFORE serving INMESA.
INMESA will study the application and accept or reject it.

10. Problem Escalation Procedure

Between the possible existence of problems with suppliers, an escalation procedure is established:

Level 0 of escalation

The supplier has a problem with INMESA, it acts according to the Non-Conformities protocol and 8D.

Escalation level 1

The provider does not give an effective response to the problem, being the actions ineffective or non-existent. The problem will be escalated to the Purchasing Directorate of INMESA, an alert of descent to "C" status will be transmitted. Maximum resolution period 2 months, after this period it will be scaled to Level 2.

Level 2 escalation

The supplier is not able to supply according to INMESA's requirements, the problem will be escalated to INMESA's Management who, if necessary, will alert the final customer (Manufacturer / Tier 1) of what has happened to find a mediation to the problem. Your downgrade to "C" status will be transmitted to the provider.

After the analysis and verification of the measures adopted, their effectiveness is verified and the escalation proceeds.

11. Confidentiality Commitment

As INMESA suppliers, they must protect the information entrusted to them by INMESA, its affiliates, clients or suppliers.

Confidential information can only be used and disclosed with the prior authorization of INMESA. This commitment is established to all kinds of confidential information (products, processes, people, customers, suppliers, etc ...), whatever the support in which it is found.

Violation of this commitment may result in the termination of INMESA-supplier relationships.

Furthermore, INMESA reserves the right to claim compensation for damages that may be caused as a result of the violation of the duty of confidentiality and professional secrecy agreed in this Clause.

12. History of Modifications

- **Ed.1**- 16/07/19 - Edition Initial
- **Ed**.2- 23/02/21 - Added environmental requirements by ISO 14001

* IMPORTANT Return signed and sealed to IN.ME.SA as acknowledgment of receipt and conformity.

Company: ……..

Name: ……..

Position: ……

Signing y Stamp