

Westport

Supplier Quality Manual

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Date	Revision	Description of Change	Approved By
7/26/2017	A	Initial release	Miro Miletic
02/01/2022	B	Updated (company name and logo change)	Miro Miletic
6/20/2025	C	Updated	Miro Miletic
11/6/2025	D	Updated scoring matrix, sub-suppliers control, safety characteristic definition (to add compliance to statutory and regulatory requirements)	Miro Miletic
7/30/2026	E	Reviewed and revised	Miro Miletic

1. ORGANIZATION

1.1. Introduction

The purpose of this Supplier Quality Manual (the “Manual”) is to communicate Westport’s quality, delivery, compliance, and business continuity expectations for suppliers that provide materials, components, assemblies, tooling, calibration, testing, special processes, logistics, or other products or services that may affect product quality, regulatory compliance, safety, reliability, or customer satisfaction.

Westport is dedicated to being a leader in the manufacture of alternate fuel components, engine systems and auxiliary power technologies. Westport can achieve its goals only by working with suppliers that consistently meet Westport’s expectations for quality, delivery, cost, compliance, and responsiveness. Westport expects its suppliers to support a strong, reliable supplier base that enables Westport to provide world-class products to its customers.

To confirm that supplier quality systems conform to Westport requirements, Westport representatives may visit supplier facilities to review quality systems, manufacturing capability, capacity, process controls, and compliance with this Manual. Westport’s objective is to support effective supplier performance and mutually beneficial business relationships. Suppliers should work through their assigned Purchasing and Quality representatives for current requirements, clarifications and approvals.

This Manual applies to all suppliers and sub-suppliers, unless otherwise waived in writing by Westport. Suppliers are responsible for flowing down applicable requirements to their sub-suppliers and for ensuring sub-supplier compliance.

Suppliers must comply with this Manual and all applicable Westport policies, standards, procedures, codes, and supplier requirements that are posted on Westport’s website, provided to the supplier, or otherwise communicated by Westport from time to time, including, as applicable, Westport’s Code of Conduct, Human Rights Policy, Environmental Policy, responsible sourcing requirements, and any applicable product-compliance, ESG, quality, safety, cybersecurity, data-protection, export-control, sanctions, anti-corruption, trade-compliance, or regulatory requirements. Suppliers are responsible for reviewing applicable Westport supplier requirements communicated to them or made available through Westport-designated supplier portals, websites or other channels, as updated from time to time. Suppliers are responsible for ensuring that applicable requirements are flowed down to their sub-suppliers, contractors, agents, and other third parties involved in supplying products or services to Westport.

1.2. Quality Policy

Westport is committed to producing high quality, reliable and cost-effective products that are shipped on time, provide customer value and contribute to a better environment. Westport’s Quality Management System is established to achieve these objectives and embrace the principles of continuous improvement.

This section summarizes certain Westport quality expectations only. Suppliers must comply with all applicable Westport quality requirements posted on Westport's website, provided to the supplier, or otherwise communicated by Westport from time to time apply to the extent applicable to the supplier's products or services.

1.3. Environmental Policy

Westport is dedicated to a better world through cleaner air, and is committed to improving global environmental quality, preventing pollution and protecting the environment. Westport demonstrates this commitment through the development of technologies and products aimed at better utilizing alternate fuel resources such as natural gas and propane.

This section summarizes certain Westport environmental expectations only. Westport's applicable Environmental Policy and related environmental, health, safety, product compliance, and sustainability requirements posted on Westport's website, provided to suppliers, or otherwise communicated by Westport from time to time apply to the extent applicable to the supplier's products, services, operations, or supply chain.

Suppliers shall comply with applicable environmental laws, permits and customer-specific environmental requirements and shall maintain appropriate controls to prevent pollution, protect the environment and reduce adverse environmental impacts associated with products or services supplied to Westport. Where applicable and upon request, suppliers shall provide Westport with relevant environmental data, certifications, declarations, reports and supporting documentation.

Suppliers are expected to support Westport and customer sustainability objectives, including, where applicable and upon request, by tracking and reporting energy use, greenhouse gas emissions and other relevant environmental metrics; supporting energy-efficiency, renewable-energy, emissions-reduction and decarbonization initiatives; and providing product carbon footprint, lifecycle, materials or other sustainability information reasonably required by Westport or its customers.

Suppliers shall manage water, chemicals, waste and local environmental impacts responsibly. This includes, where applicable, controls for water withdrawal, consumption, discharge and wastewater quality; responsible chemical storage, handling, use, transport and disposal; spill prevention and emergency response; soil and groundwater protection; noise emissions and community impacts; and protection of biodiversity, land use, forests and sensitive ecosystems, including avoidance of unlawful deforestation or unauthorized conversion of natural habitats.

Where applicable to the products or services supplied, suppliers shall comply with applicable animal welfare laws, regulations and customer-specific animal welfare requirements.

1.4. Conflict Minerals and Responsible Minerals Reporting

Suppliers must provide conflict mineral reports when requested by Westport.

Westport, together with its suppliers and partners, is committed to increasing transparency regarding the origin of conflict minerals used in its products in compliance with applicable SEC, EU and customer responsible minerals requirements.

Westport expects suppliers to exercise reasonable due diligence regarding the source and chain of custody of conflict minerals and to provide, upon request, current conflict minerals reporting and supporting documentation. Suppliers

must promptly notify Westport if they identify minerals that may originate from conflict-affected or high-risk areas or that cannot reasonably be confirmed as conflict-free.

This section summarizes certain Westport conflict minerals expectations only. Westport's policies with applicable conflict minerals requirements, including its Code of Conduct and Human Rights Policy, along with responsible sourcing requirements, and any related due diligence or reporting requirements posted on Westport's website, provided to suppliers, or otherwise communicated from time to time apply to the extent applicable to the supplier's products, services, or supply chain.

1.5. Code of Conduct

Westport is committed to acting ethically, meeting all mandatory legal requirements, and pursuing a culture of honesty, integrity and responsibility.

Suppliers must comply with Westport's applicable Code of Conduct, as posted on Westport's website, provided to suppliers, or otherwise communicated from time to time, to the extent applicable to the supplier's products, services, operations, personnel, contractors, agents and supply chain.

1.6. Anti-Corruption and Trade Compliance

Suppliers shall comply with all applicable anti-corruption, anti-bribery, sanctions, export-control, customs, anti-money laundering, anti-boycott and trade-compliance laws and regulations. Suppliers shall not offer, provide, request or accept any improper payment, gift, benefit or advantage in connection with business involving Westport. Suppliers must promptly notify Westport of any government investigation, enforcement action, sanctions designation or material compliance issue that may affect products or services supplied to Westport.

1.7. Labor and Human Rights Policy

Respect for Human Rights is a core value for Westport and is consistent with sustainable business development. Westport is committed to opposing forced labour, human trafficking and child labour, and to promoting safe and healthy workplaces, freedom of association, collective bargaining and occupational safety.

Suppliers must comply with Westport's applicable Human Rights Policy and related labour, human rights, responsible sourcing, forced labour, child labour, human trafficking, health and safety, and workplace standards, as posted on Westport's website, provided to suppliers, or otherwise communicated by Westport from time to time, to the extent applicable to the supplier's products, services, operations, personnel, contractors, agents, and supply chain.

Suppliers shall not use forced labour, bonded labour, prison labour, indentured labour, trafficked labour, child labour or any form of modern slavery. Suppliers shall maintain appropriate due diligence processes designed to identify, prevent and mitigate such risks throughout their supply chains.

Suppliers shall use responsible and ethical recruiting practices. Suppliers and labour recruiters or employment agencies used by suppliers shall not charge recruitment fees or related costs to workers, shall not retain or destroy passports, identity documents, work permits or other personal documents, shall not use deceptive or misleading recruitment practices, and shall provide workers with employment terms in a language they understand. Suppliers

shall respect workers' freedom of movement and shall ensure that workers may terminate employment in accordance with applicable law and employment terms.

Suppliers shall respect legitimate land, forest and water rights, including the rights of Indigenous Peoples and local communities, in connection with activities related to products or services supplied to Westport. Suppliers shall not participate in or contribute to unlawful forced eviction or the unlawful deprivation of access to land, forests, water or related natural resources. Where supplier activities may affect such rights, suppliers shall conduct appropriate due diligence, comply with applicable law and customer requirements, and notify Westport of any material risk or allegation involving Westport-related products or services.

Where suppliers use public or private security forces in connection with their operations, facilities or supply chain activities related to Westport products or services, suppliers shall ensure that such security forces act lawfully, proportionately and consistently with applicable human rights standards. Suppliers shall not permit security forces to engage in intimidation, violence, unlawful detention, interference with freedom of association, or other conduct that could adversely affect workers, communities or other stakeholders.

1.8. Chemical Substance Guidelines

Based upon applicable restrictions on hazardous substances, including the Restriction of Hazardous Substances Directive ("RoHS") 2011/65/EU and Directive (EU) 2015/863, where applicable, suppliers are required to comply with chemical substance and restricted material requirements.

Restricted substances include lead and lead compounds, mercury and mercury compounds, cadmium compounds, hexavalent chromium, Bisphenol A, asbestos, polychlorinated biphenyls and polychlorinated terphenyls, except to the extent expressly permitted by applicable exemptions or written Westport approval.

Allowable Impurities:

A maximum concentration value, up to the percentage listed below by weight and homogeneous material shall be tolerated. These substances are allowable provided they are not intentionally introduced for any function purpose such as corrosion, adhesion, etc.

- Steel (including galvanized steel) (Less than .35% Lead by weight)
- Aluminum (Less than .4% Lead by weight)
- Copper Alloy (Less than .4% Lead by weight)
- Hexavalent Chromium (Less than .1% by weight)
- Cadmium (Less than .01% by weight)

For any part that does not meet the applicable restricted substance or allowable impurity requirements, the supplier must notify Westport Purchasing in writing before shipment.

Westport's applicable product compliance, restricted substances, chemical substance, REACH, RoHS, IMDS, and customer-specific material reporting requirements posted on Westport's website, provided to suppliers, or otherwise communicated by Westport from time to time apply to the extent applicable to the supplier's products, services, or supply chain.

1.9. Regulation (EC) No 1907/2006 (REACH)

REACH places responsibility on industry to manage the risks from chemicals and mixtures, even non-hazardous ones.

Suppliers must assure regulatory compliance with REACH for all substances, mixtures and articles sold to Westport and must provide evidence of appropriate statements or declarations upon request. If a substance of very high concern is present in an article supplied to Westport above applicable regulatory thresholds, the supplier shall provide Westport with all information required by REACH.

If the supplier is not itself responsible for REACH registration, the supplier must, upon request, confirm whether all substances supplied to Westport- whether supplied as substances, contained in mixtures, or intentionally released from articles - have been registered by the applicable manufacturer, importer, distributor or other party responsible for REACH registration.

If products supplied to Westport are eligible for REACH exemptions or are otherwise excluded from applicable scope of REACH, Westport may require the supplier to provide a declaration that includes:

- Information that products supplied contain SVHC substances from the most updated version of “Candidate List” issued by ECHA and/or substances from annex XIV REACH (authorization list) and/or substances from annex XVII REACH (restrictions list) in the version applicable at the time of declaration issue
- A copy of the most updated version of Safety Data Sheet (if applicable) of products purchased by Westport, notifying any change of the declaration provided
- Evidence of supplier’s commitment to promptly notify to have learned of its own non-compliance to the REACH Regulation, as well as to suspend supplies related.

If a SVHC is present in an article supplied to Westport above 0.1% (w/w), then the Supplier shall provide Westport with all information required by REACH.

Westport's applicable product compliance, chemical substance, restricted substances, REACH, RoHS, IMDS, and customer-specific material reporting requirements posted on Westport's website, provided to suppliers, or otherwise communicated by Westport from time to time apply to the extent applicable to the supplier's products, services, or supply chain.

1.10. International Material Data System Requirements (IMDS)

Where required by Westport, OEM customer requirements, the purchase order or applicable purchase documentation, suppliers must submit IMDS reporting as part of the applicable PPAP or other part approval process. IMDS submissions must be made to Westport IMDS ID: 282686, identify the correct Westport part name and part number, and where required, reference the IMDS submission number in the Part Submission Warrant or other applicable approval documentation.

Westport's applicable IMDS, product-compliance, material reporting, and customer-specific substance reporting requirements posted on Westport's website, provided to suppliers, or otherwise communicated by Westport from time to time apply to the extent applicable to the supplier's products, services, or supply chain.

1.11. Data Privacy and Cybersecurity

Suppliers shall implement reasonable administrative, technical and physical safeguards to protect Westport confidential information, intellectual property and personal information. Suppliers must notify Westport without undue delay of any cybersecurity incident, unauthorized access, data breach, ransomware event or other security event that could affect Westport information, products or operations.

1.12. Supplier Audit Rights

Westport and its designated representatives may, upon reasonable notice, during normal business hours and subject to reasonable confidentiality, safety, and security requirements, audit supplier facilities, processes, records and quality systems to verify compliance with this Manual, applicable agreements, customer requirements and applicable laws. Audit activities will be limited to matters relevant to products or services supplied to Westport. Suppliers shall reasonably cooperate with such audits and shall ensure equivalent cooperation from relevant sub-suppliers where necessary to verify compliance, where relevant to Westport-supplied products or services.

2. SUPPLIER QUALIFICATION

2.1. Initial Qualifications

Suppliers shall maintain a quality management system appropriate to the products or services supplied to Westport. Unless otherwise approved in writing by Westport, production suppliers shall, at a minimum, maintain certification to ISO 9001, with the objective of achieving certification to IATF 16949 where applicable to automotive production supply. Suppliers that are certified to IATF 16949 are expected to maintain such certification in good standing. External laboratories used for inspection, testing or calibration services shall maintain ISO/IEC 17025 accreditation, or equivalent approval acceptable to Westport, for the applicable scope of work.

Automotive suppliers, suppliers of critical components, and sub-tier suppliers that are not certified to IATF 16949 may be required to meet the Minimum Automotive Quality Management System Requirements for Sub-Tier Suppliers (MAQMSR), as defined by the International Automotive Task Force, or other quality management requirements specified by Westport.

Suppliers performing special processes, including heat treatment, plating, coating, welding, soldering, molding or similar processes, must maintain appropriate process controls and, when requested by Westport, provide evidence of applicable industry assessments, customer approvals, process qualifications or equivalent controls acceptable to Westport.

Each supplier is responsible for understanding and complying with this Manual. Suppliers must maintain competent resources and effective systems to satisfy Westport quality requirements and all applicable statutory, regulatory, customer-specific, environmental, safety, product-compliance, export-control, trade-compliance and responsible-sourcing requirements.

2.2. New Suppliers

Westport's Purchasing and Quality Assurance teams evaluate all new suppliers. All new suppliers may be required to submit the following items:

1. Supplier Profile – Quality Survey (GFI-QC-153) supplied by Westport Purchasing.
2. Financial Statements, when specifically requested by Westport Purchasing.
3. Confidentiality / Non-Disclosure Agreement (NDA), when specifically requested by Westport Purchasing.

Westport may classify suppliers by risk, criticality, product type, customer impact, special process content, regulatory exposure, delivery impact, and historical performance. Supplier classification may determine the level of audit, APQP, PPAP, documentation, inspection, monitoring, development, escalation, and approval required. Higher-risk suppliers may be subject to enhanced controls, including on-site audits, capacity assessments, launch readiness reviews, containment plans, special-characteristic controls, additional PPAP submissions, or more frequent performance reviews. After the above information has been received, Westport's Supplier Evaluation Team reviews the submission and may make one of the following determinations:

1. Add the supplier to the supplier list as approved or conditionally approved.
2. Schedule an on-site audit including Purchasing, Quality and Engineering, if needed.
3. Request additional information from the supplier, if needed.
4. Eliminate the potential supplier for further consideration.

2.3. Existing Supplier Evaluation Method

Westport's Supplier Evaluation Team, which consists of Purchasing and Quality Representatives, gathers appropriate data to evaluate supplier performance. Westport measures supplier performance across key categories, applies weighting to those categories to develop an overall score, and periodically communicates the resulting supplier scorecard to the supplier.

Performance categories reviewed may include:

1. Product Quality Performance DPM (defects per million)
2. Delivery Performance
3. Procurement
 - a. Timely response to RFQ's
 - b. Product Pricing
 - c. Lead Times
 - d. Customer Service

The supplier evaluation may determine the category in which the supplier is placed, including:

1. Approved – (70+ rating) These suppliers are given priority in sourcing decisions for new business
2. Conditional – (50+ rating) These suppliers require the Purchasing Manager's approval for new sourcing decisions.
3. Special – suppliers that supply proprietary product (e.g. specialized commodity), source control parts, or is otherwise considered a special supplier

Suppliers with 90+ rating (with a good history of quality inspections and no filed complaints from Westport customers related to them) are considered as Top priority suppliers for new business.

The supplier overall scoring is as follows:

Product Quality Performance	SCORE	Product Quality Rejects (PPM)
	30	Meets Goal of 2000 or better
	25	PPM between 2000-3000
	20	PPM between 3000-4000
	15	PPM between 4000-5000
	10	PPM between 5000-6000
	0	Above 6000

Delivery Performance	SCORE	Delivery Performance
	20	100% On Time
	10	No Incidents with Premium Freights
	10	No interruptions at Westport

Partnership	SCORE	Procurements
	10 5 0	Product Pricing
		Price reduction offered compared to previous year
		Maintaining previous year pricing
		Price increase
	10-7.5 7.4-5 4.9-0	Lead Times
		Reduction of standard lead times
		Maintaining standard lead times
		Exceeding standard lead time
	Max 10	Customer Service
		Timely response to RFQ
		Improvement plans
		Communication
		Training
		Innovative design /creativity
		Technical support
		Flexibility
		Proactiveness

2.4. Proprietary / Confidentiality Information

All drawings, documentation, sample parts, sketches, drawings, specifications or other materials supplied to Westport's suppliers in connection with purchase orders or requests for quotation are Westport proprietary information unless otherwise agreed in writing. Such information remains the property of Westport and must be treated as confidential unless otherwise agreed by Westport Purchasing or another authorized Westport representative.

2.5. Purchase Orders

The Supplier is responsible for meeting all purchase order requirements. The following items must be reviewed by the Supplier for each Purchase Order:

1. Purchased item part number.
2. Latest revision level of drawing.
3. Order quantity and price accuracy.
4. Delivery requirements.

If the supplier cannot meet the requirements, the supplier must notify Westport Purchasing. Should the purchase order requirements be acceptable, the supplier must accept it by acknowledgement by e-mail, or by signing a copy of the purchase order and returning it via email, to the assigned Purchasing Representative.

2.6. Purchase Order Changes/Engineering Changes

When an engineering drawing or engineering specification has been revised, Westport Purchasing will send the supplier an acknowledgement form along with the latest engineering drawing. The supplier must review the drawing and identify whether the change affects production, inventory, tooling, fixtures, material, work in process, open purchase orders, pricing or timing for delivery of parts to the latest print level with applicable first article data or parts.

The supplier is required to answer the applicable questions on the acknowledgement form and return the form to Westport Purchasing.

2.7. Supplied Design Format Information.

Westport provides suppliers with 2D drawings in PDF format. If supplier requires 3D Solid Works files, the supplier must contact Westport Engineering through its assigned Purchasing Representative.

2.8. Certifications

Suppliers are required to submit material mill certificates for metal parts, plating or heat treat certifications as applicable with each shipment, or a Certificate of Conformance or Certificate of Compliance that lists each applicable drawing requirement for plating or heat-treating processes. The original Certificate of Conformance or Certificate of Compliance for each part number should be retained in the supplier's files for future audit purposes. If the required certifications are not received with the shipment, the shipment may be rejected and may affect the supplier's quality rating.

2.9. Supplier Dimensional Certification Data

On certain parts, suppliers will be required to submit inspection data with each shipment until further notification by Westport. Westport Quality will identify the dimensions that must be inspected and will notify the supplier when such data is required.

2.10. Production Part Approval Process (PPAP)

Westport follows the Automotive Industry Action Group (AIAG) Production Part Approval Process (PPAP) for all purchased material required for production applications. PPAP qualification level requirements are established based on the criticality of the components, including design complexity, where used, safety impact, statutory and regulatory requirements, product quality and reliability. PPAP submissions must be submitted to the facility Quality Department with the measured parts where required.

For new or changed products, suppliers must support APQP or an equivalent launch-readiness process acceptable to Westport. APQP activities may include feasibility review, risk assessment, design and process reviews, capacity assessment, process flow, PFMEA, control plan, measurement system analysis, capability studies, packaging approval, run-at-rate or production trial run, safe launch containment, and lessons learned. Westport may require APQP gateway reviews before sourcing, tooling release, PPAP submission, production launch, or release from launch containment.

Westport will communicate PPAP submission-level requirements to suppliers through the purchase order or other written communication. Westport may also request additional information at any time, including Certificate of Conformance or Certificate of Compliance.

PPAP Requirement Table

Requirements	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4	Qualification Waived
Part Submission Warrant (PSW) (a)	S	S	S		
Sample Product (b)		S	S	S	
Ballooned Drawing (c)			S	S	
Dimensional Results (d)		S	S	S	
Process Flow Diagram (e)			S		
Process FMEA (f)			S		
Control plan (g)			S		
Material, Performance Test Results (h)		S	S	S (if applicable)	
Plating certs (i)				S (if applicable)	
Capability Studies (j)			S		
Gauge R&R Studies (k)			S		
IMDS (l)	S (if applicable)	S (if applicable)	S		

S = Submit to us. Retain a copy at the manufacturing location.

Each characteristic, feature or note on the drawing must be inspected and verified for conformance, and the results recorded as follows:

- Part Submission Warrant (PSW)**- The PSW summarizes the complete PPAP package. Any deviations must be identified on the PSW, with the approved deviation attached to the package. The PSW must comply with AIAG requirements or equivalent format acceptable to Westport. A PSW is not required for off-the-shelf parts unless requested by Westport.

- b) **Sample product** - For PPAP submissions requiring samples, three (3) samples must be submitted, or two (2) samples from each cavity for multi cavity tools, and identified as PPAP master samples.
- c) **Ballooned drawing** - Each feature, characteristic and note must be ballooned and cross-referenced to corresponding dimensional results.
- d) **Dimensional Results** - Five (5) piece layout is generally required and 3 of these 5 parts can be used for Master Samples. Five (5) piece layout required on all dimensions on the drawing, including radius, angles, GD&T and drawing notes, unless otherwise authorized by Westport. Actual measurements/results for variables data (must indicate pass or fail on the inspection report) and must include the tolerance of the dimension. Measured dimensions must be properly linked to the ballooned drawing. The layout file includes all tolerances with each measurement classified as OK and NOK.
- e) **Process Flow Diagram** - The process flow must show each production operation including any offline or outsourced operations. Processes to include are incoming material, material handling, storage, inspection, rework, repair, packaging etc. The process flows must link to the PFMEA and control plan. The process flows shall include a revision log showing the evolution of the document.
- f) **PFMEA** - A process failure mode and effects analysis must be provided in accordance with AIAG/VDA or equivalent expectations, including rework or repair processes where applicable.
- g) **Control Plan** - The control plan must describe each manufacturing process step, including receiving, material handling, storage, in process operations, testing, inspections, error proofing, poka yokes, KPC, yearly verifications, rework/repair and shipping. The Control Plan must include a revision log showing the evolution of the document, each KPC from drawings and yearly control plan verification.
- h) **Material and Performance test Results** - Material certifications and end-of-line or specific test results must be provided where required.
- i) **Plating Certifications** -if plating is called out on the drawing.
- j) **Capability Studies** - Initial process capability studies on key product characteristics identified on the drawing, if applicable.
- k) **Gauge R&R Studies** - Measurement System Analysis or Gauge R&R studies must be performed on key product characteristics, where applicable. All gauges are to be included in the control plan and must have Gauge R&R records (even calipers). Gauge studies must be current and within one calendar year. Gauge measurement requirements: 10 parts, 3 operators, 3 measurements per part (do not use consecutive parts). Recommendation is to collect 3 parts following machine/tool startup, 3 parts from the middle of the production run, 3 parts from the end of the production run and 1 part randomly taken at any point. Gauge acceptance standards: <10 % is considered acceptable, 10-30 % may be acceptable if followed by the action plan and signed off by Westport Quality Engineer. >30% is considered unacceptable and actions must be taken and documented to reduce the error to an acceptable range. Gauge GO/NOGO attribute gage requirements are 50 pcs, 3 operators and 3 measurements per part. All gauges, control fixtures and test equipment shall be calibrated and identified with reference numbers that reflect the last calibration date and next calibration date and/or expiration date. Third party sources used for gauges and test equipment calibration and testing must be evaluated by supplier and be certified to ISO/IEC 17025. The laboratory scope must be verified.
- l) **IMDS** - International Material Data System reporting, where required under Section 1.10, it will be indicated in the purchase order. IMDS must be submitted to Westport online to IMDS# 282686, using Westport part name and part number. The part IMDS number must be referenced in the Part Submission Warrant.

There are two types of key Product Characteristics:

1. This symbol  identifies Fit/Function Characteristics for Key Dimensions on components, materials or assemblies that are significant to the quality, reliability or performance of the finished product. The supplier must submit a process capability study of 1.33 Cpk or greater.
2. This symbol  is used to identify Safety Compliance Characteristics. Safety Compliance Characteristics identify key dimensions on components, materials or assemblies that are significant to safety requirements or statutory and regulatory compliance relating to the finished product. Any dimension identified with the Safety Compliance symbol requires 100% testing as part of the normal production process. The supplier must submit a process capability study of 1.67 Cpk or greater where required.

Note: all documents stated above as requested are to be identified and shipped to Westport as part of the PPAP. If these items are not submitted, PPAP will be rejected.

All requested documents must be clearly identified and submitted to Westport as part of the PPAP package. PPAP submissions may be rejected if required documents are missing, incomplete, inaccurate or illegible.

PPAP is required for the following:

1. New part being ordered for the first time
2. The existing part ordered from new source.
3. Design change to the current part (only inspection for the change is required)
4. Part that is purchased for Engineering which will be used for production in the future
5. Part from new tool which has been ordered to replace a worn tool
6. Verification of tool repair

Westport reviews supplier PPAP package for completeness, accuracy and legibility, and may verify selected characteristics and features for accuracy, compliance and fit within the assembly process, as required. Westport approval of a PPAP submission does not relieve the supplier of responsibility for ensuring that all supplied products conform to applicable drawings, specifications, purchase orders, approved samples, regulatory requirements and this Manual. Westport may require PPAP resubmission, additional validation, capability studies or containment where product, process, tooling, location, material, sub-supplier, inspection method, software, firmware or other conditions change, or where supplier performance indicates increased risk.

Conforming PPAP Reports are approved and distributed. Nonconforming PPAP Reports are returned to the supplier so that corrections can be made. Continuous rejections for PPAP may prompt the supplier to lose future business.

2.11. Non-conforming Material

The supplier will be notified of nonconforming material and will be asked for authorization to return to vendor, scrap or rework the material. A debit memo may be issued against the Supplier's account for all returned or scrapped material. The supplier is responsible for freight charges associated with the return of discrepant material and all non-conformance issues may be reflected in the supplier's quality rating. The supplier may be charged for all reasonable and documented costs associated with the rejection including, administrative costs, inspection, sorting, handling, rework, repair, replacement, scrap, premium freight, third-party testing, production interruption, customer charges, warranty or field-failure costs, and other reasonable costs arising from supplier nonconformance, subject to the applicable purchase order, supplier agreement, purchase terms and applicable law.

2.12. Tooling

When a tool has reached its estimated life and the supplier requests a new tool, the supplier must submit sample parts to Purchasing for review with an explanation identifying the areas where the tool needs to be replaced. Purchasing will then forward the request to Quality for review. If the tool is used to produce castings, casting and machining samples may be required.

When a new tool is produced, the supplier must permanently identify the tool with Westport part number, month and year of completion, Westport Property Tag number and purchase order number. Upon completion, the supplier must submit pictures showing the required identification with the required first article. Tooling instructions and manuals, including a list of tools and accessories, dimensions and weights, must be shared with Westport as required to support a potential tool transfer to a backup supplier.

2.13. Corrective Action Request (CAR)

Westport may notify the supplier of a nonconformance by issuing a Corrective Action Request (CAR). A CAR may be issued for actual or potential nonconformances, including receiving-inspection rejections, defective or suspect parts in stock, defects identified during Westport assembly, test or validation activities, customer complaints, audit findings, documentation deficiencies, process-control issues, delivery or packaging nonconformance, or recurring supplier performance issues.

Suppliers must use a structured problem-solving method acceptable to Westport, such as 8D, 5-Why, fishbone analysis, or an equivalent documented method. The response must include containment, affected lot identification, root cause, corrective action, preventive action, verification of effectiveness, and recurrence-prevention controls.

Unless otherwise specified by Westport, suppliers must provide immediate containment within 24 hours, an initial response within 48 hours, and a complete root-cause and corrective-action plan within 10 business days. Corrective actions will remain open until Westport accepts evidence of effective implementation.

2.14. Control of Inspection, Measuring and Test Equipment

The supplier must establish and maintain documented procedures to control, calibrate and maintain inspection, measuring and test equipment used to demonstrate conformance to specified product requirements. Inspection, measuring and test equipment must be used in a manner that ensures measurement uncertainty is known and consistent with required measurement capability. Equipment must comply with ISO10012 or other applicable requirements and use standards traceable to the National Institute of Standards and Technology (NIST) or another recognized national standards body where applicable.

2.15. Sub-Suppliers Quality Management Systems

Suppliers are required to comply with applicable requirements in this Manual throughout their supply chain (sub-suppliers). Suppliers remain fully responsible for the acts, omissions, quality and compliance performance of their sub-suppliers.

Suppliers must maintain an approved sub-supplier management process that includes selection, qualification, monitoring, change control, performance review and escalation. Suppliers must not change a sub-supplier, manufacturing location or outsourced process that affects Westport product without prior written approval from

Westport. Westport may require evidence of sub-supplier approvals, audits, certifications, process controls, special process assessments and corrective actions.

Suppliers shall impose applicable requirements of this Manual, Westport's Code of Conduct, Human Rights Policy, Environmental Policy and other communicated Westport supplier requirements on their relevant sub-suppliers, contractors, agents, labour recruiters, service providers and other third parties through binding contractual or equivalent written requirements. Suppliers shall monitor compliance using a risk-based approach and shall provide evidence of such flow-down and monitoring upon request by Westport.

2.16. Supplier Request for process change or design/specification change

Westport encourages suppliers to continually improve products and processes. However, the supplier must notify Westport 60 days in advance using the Request for Deviation or Process design/change form (GFI-QC-150) prior to shipment of parts produced from a changed process, raw material, raw material supplier, tool, mold, production site or manufacturing location, unless Westport approves a different requirement in writing.

Supplier change notification and prior written approval are also required for changes to production equipment, process sequence, inspection or test method, control plan, PFMEA, software, firmware, packaging, labelling, special process source, sub-supplier, ownership or manufacturing transfer, material formulation, material source, rework or repair process, or any change that could affect form, fit, function, safety, compliance, reliability, traceability, capacity or delivery. Westport may require PPAP resubmission, validation testing, capability studies, run-at-rate, first article approval, or containment before approving shipment from a changed condition.

Nonconforming parts must not be shipped to Westport without prior written approval. The supplier must complete the Request for Deviation or Process/Design Change form and submit it to Westport Purchasing. Prior or future verbal agreements will not be accepted.

Suppliers must maintain traceability from raw material, component, batch, lot, date code, process, operator, inspection, test and shipment records through to the product supplied to Westport, where applicable. Traceability records must be sufficient to support containment, investigation, recall and field-action activities. Suppliers must use FIFO controls, segregate suspect or nonconforming products, identify affected lots and provide traceability information to Westport upon request.

2.17. Packaging

Suppliers are responsible for ensuring packaging is sufficient to protect material from shipping damage during transport and handling. Packaging must prevent nicks, dings, scratches, dents, knocks and damage to the packaging and to the parts inside. Suppliers are encouraged to use recycled and reusable materials where appropriate and to avoid unsafe loading units.

Suppliers must comply with packaging specifications defined and approved by Westport during PPAP. Packaging and labelling must preserve product identification, revision status, lot or batch traceability, shelf-life status, ESD or moisture-sensitivity requirements, special handling requirements, and customer-specific or regulatory labelling requirements. Suppliers must notify Westport immediately if packaging, labelling or transportation conditions may have affected product quality or traceability.

In the case of inadmissible stacking of pallets, the supplier must apply an English identification sign stating, "DO NOT STACK".

2.18. Delivery Requirements

The Supplier must adhere to formally accepted shipment dates specified on the purchase order. The acceptable delivery window is no earlier than three days and no later than two days from the delivery date specified on the purchase order, unless otherwise agreed by Westport. Suppliers are responsible for transportation needed to meet agreed delivery dates. Missed shipments must be expedited the same day at the supplier's expense unless otherwise agreed in writing.

Suppliers must maintain contingency and business-continuity plans to protect quality and continuity of supply in the event of labour disruption, equipment failure, tooling failure, cyber incident, IT outage, utility interruption, natural disaster, transportation disruption, sub-supplier disruption, material shortage, pandemic, fire, flood or other event that may affect Westport. Contingency plans must identify responsible personnel, communication steps, alternate capacity or sourcing, protection of product quality, recovery actions and customer notification. Westport may request evidence that contingency plans are reviewed, tested and updated periodically.

Suppliers shall notify Westport promptly upon becoming aware of any actual or threatened event that could materially affect quality, regulatory compliance or continuity of supply.

2.19. Part Cleanliness and Burrs

Suppliers are responsible for ensuring parts are clean and free from burrs and sharp edges, oil, metal shavings, loose plastic, loose sand and other loose foreign materials. Parts found to contain any of the foregoing items or conditions may be returned to the supplier at the supplier's cost.

2.20. Shelf Life

If a product supplied to Westport has a recommended shelf life, the supplier must note the recommended shelf life on the outside packaging. If no shelf life is identified, Westport may assume that shelf life is indefinite unless otherwise communicated. **EXAMPLE: SHELF LIFE 5 YEARS** from date of shipment.

2.21. Warranty

Supplier warranty obligations are governed by the applicable purchase order, supplier agreement, quality agreement and Westport purchase terms. Unless otherwise agreed in writing, and subject to the applicable purchase order, supplier agreement, quality agreement, Westport purchase terms and applicable law, suppliers are responsible for nonconforming product and supplier-caused failures, including investigation, containment, root-cause analysis, corrective action, replacement, rework, repair, transportation, field support, customer charges and related costs.

2.22. Quality Recordkeeping

Suppliers must retain quality, traceability, inspection, test, calibration, PPAP, APQP, material, process, training, audit, corrective-action, change-control, shipment and regulatory-compliance records for a minimum of 15 years, or longer where required by law, customer-specific requirement, purchase order, supplier agreement or Westport written instruction. Records must be legible, retrievable, protected from loss or deterioration, and provided to Westport upon request.

3. SUSPENSION OF SUPPLY

Westport reserves the right to suspend supplies if any of the following conditions apply:

- Failure to comply with the Westport Purchasing General Conditions.
- Products or manufacturing processes changes made by supplier without proper notice or Westport authorization.
- Negative Test results.
- Improvement plans not respected.
- Lack of control.
- Components rejected by the customer due to malfunction.
- Inadequate supplier responsiveness.
- Failure to comply with delivery date and quantities.
- Providing inaccurate or fraudulent data or providing parts of poor quality.

In the case of defects that recur on the same product or have a direct impact on safety, statutory requirements or regulatory requirements, Westport may apply controlled-shipping levels on an escalating basis:

- CSL1 – the supplier must internally perform 100% control and certify next shipments.
- CSL2 – the supplier must perform 100% control and certify next shipments through an external provider within 48 hours of receiving official notification, unless otherwise agreed by Westport. If the supplier is unable to select a provider, Westport will provide references. The minimum requirements are:
 - ISO 9001 Certification
 - Previous experience of 5 minimum years in sorting activities
 - Specialized documentation (dedicate reporting)

Should one or more nonconformances persist after CSL2 activation, Westport may place the supplier on New Business Hold.

4. LOGISTICS

4.1. Order Management

Suppliers are required, according to applicable General Terms and Conditions of Purchase, to verify and ensure adequate production capacity for Westport needs. Suppliers shall communicate a reliable lead time (time from order to delivery), based on which Westport will schedule procurement of materials. This lead time must be reasonable and in line with sector lead times.

For each order received, the supplier must provide an order confirmation for date and quantity. Failure to send confirmation within three days shall be deemed confirmation of the order in the required time and quantity. In the event of deviation from requests or confirmations, the supplier must promptly notify Westport.

Order types generally include closed orders, call-offs from open orders and vendor scheduling. Westport reserves the right to request advances or postponements on current orders. Any exceptions must be agreed with the relevant Westport department.

Advances are often aimed at ensuring continuity of production, which requires flexibility and responsiveness on the part of the supplier, as well as the ability to organize urgent transport independently in cases where this is requested by Westport.

The Supplier is obliged to accept the postponement requests received:

- at least 7 days before the estimated transport start date, for Orders received from Westport Mechanical Div.
- within the cancellation window, for Orders received from Westport Electronic Div.

In addition, the supplier may not present material for delivery earlier than the scheduled dates. Westport reserves the right to charge the Supplier for any extra cost-generating impacts resulting from failing to meet confirmed dates and quantities. Any exceptions must be agreed with the Westport Dept involved.

4.2. Material Identification

Labelling of overpacks, pallets and individual parcels must be carried out using goods identification plates or labels. Parcel labels must include the following information:

- Westport part number.
- Shipping or production date.
- Shipped quantity.
- Westport supplier code assigned by Westport to each supplier. This code can be found on each Westport purchase order and consists of 7 digits (e.g. 4009009).
- Supplier batch number.

The image “Label No. 1” is an example of how the label should be presented on a single box or parcel:

Label n°1

 	ID	4000016118299
	P/N	AL756552P
	DESCR	Corpo alluminio arrotondato fragile
	DATE	22/11/2020
	QUANTITY	500
	SUPPLIER	4000988
	RECIPIENT	TG33
	POSITION	A01
	START LOCATION	L0233
	BATCH #	SPL3417

Westport provides suppliers with instructions on label content and format. Any exceptions must be agreed with the relevant Westport department.

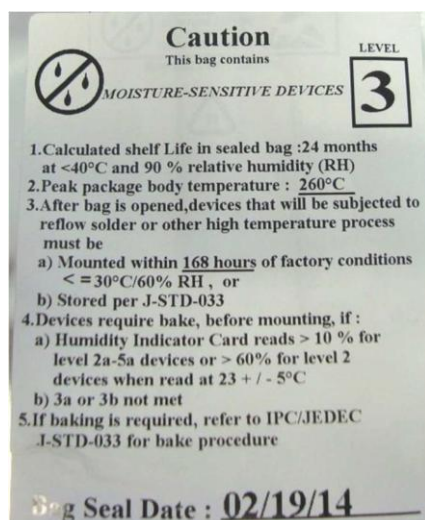
5. SPECIFIC REQUIREMENTS FOR COMPONENTS, MATERIALS AND ELECTRONICS PRODUCTS

5.1. Moisture-sensitive Components Supplied by Manufacturers and Distributors

Moisture sensitive electronic components must be vacuum-sealed in ESD-compliant packaging. A standard moisture sensitive caution label must be affixed to each package with the following information:

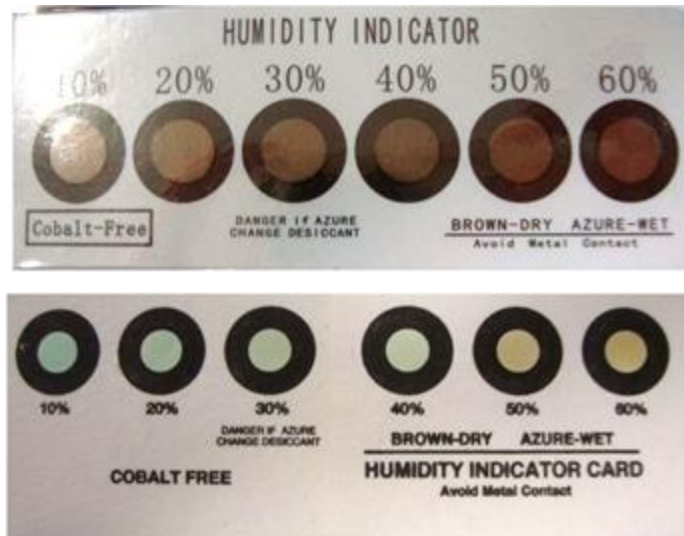
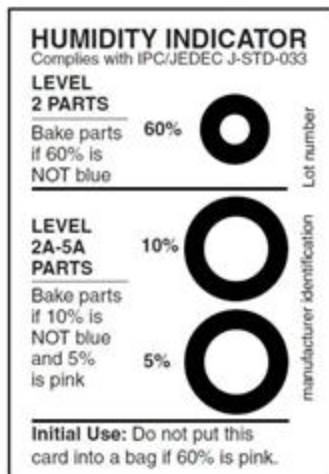
- Level
- Supplier Packaging Date
- Storage period under vacuum conditions
- Ambient conditions required for storage
- Use time after opening the package

Example:



5.2. Moisture-sensitive Manufacturers and Distributors Supplies

Inside each package, there must be a relative humidity indicator to show the preservation state of the components and, where appropriate, dehydrating bags made of silica gel. Some examples of moisture indicators (HIC):



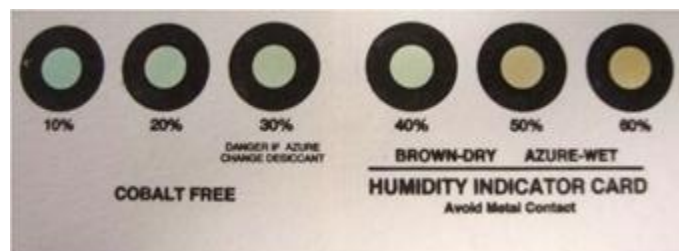
5.3. Non- Moisture-Sensitive Components Supplied by Manufacturers and Distributors

Electronic components that are not moisture-sensitive devices must be packaged to prevent oxidation of metal parts and must be contained in packaging that protects against electrostatic discharge, such as shielding bags. Where specific cleaning requirements apply, unitized or vacuum packaging may be required.

5.4. PCB Manufacturers Supplies

Printed circuit boards (PCBs) must be free of contamination and thoroughly cleaned without affecting the surface of the circuit. Rework is not allowed on printed circuit boards dedicated to automotive and, in some cases, non-automotive markets unless otherwise approved in writing by Westport.

PCBs must be tested for moisture level according to IPC TM 650 2.6.28 where applicable. PCBs must be vacuum-packed, with a humidity indicator and, where applicable, dehydrating bags placed inside the first level packaging in a manner that does not damage the PCBs. Here is an example of a moisture indicator (HIC):



The packaging must be designed to withstand mechanical stress, contamination during transport or storage, moisture risk, and ESD exposure.

Reference standards include the latest revisions of the following:

- IPC A 600 – Acceptability of Printed Boards
- IPC 1601 – Printed Boards Handling and Storage Guideline

- IPC-6012 - Qualification and Performance Specification for Rigid Printed Boards
- IPC 5704 – Cleanliness Requirement for Unpopulated Printed Boards
- IPC TM 650 2.3.25 - Detection and Measurement of Ionizable Surface Contaminants by Resistivity of Solvent Extract.

5.5. PCB/PCBA Cross-Sections and Additional Tests

PCB manufacturers and testing laboratories must follow applicable written agreements, purchase conditions and Westport requirements for conducting cross-sections and additional tests. General guidelines to be followed are:

- For conducting cross-sections refer, but not necessarily only, to the IPC-TM-650 TEST METHODS MANUAL paragraph 2.1.2 Cross-sectioning-Semi or Automatic Technique Cross-section Equipment (Alternate) for rigid PCBs.
- PCB cross-sections are mainly intended to check the quality of the following characteristics (main references IPC 600 and 6012 latest revisions):
 - PCB raw material.
 - Internal structure of multilayer panels.
 - Connection between layers.
 - Coverage and thickness (angular) solder mask.
 - Thickness and integrity of surface finish.
 - Metallization and thickness in through holes when existing.
 - Thickness and register of external and internal conductors.
- The cross-sections of PCBAs are mainly intended to check the quality of the following characteristics (main references IPC A-610 latest revision):
 - visual condition of welds for THT and SMD components
 - X-ray analysis e.g. for checking presence of voids.
 - Intermetallic soldering.
 - visual status of post-soldering components.
 - presence of possible copper dissolution.

The above, following the acceptability criteria below, where applicable or required by customers:

- Target condition: an ideal condition of total lack of imperfections.
 - Acceptable condition: condition that is not necessarily perfect but still guarantees the full functionality of the assembly. This situation occurs, for example, when cavities are found in the weld.
 - Defect condition: condition in which the functionality of the assembly is no longer ensured. This condition is linked, for example, to the presence of cracks in the weld that cause it to fail.
 - Process indicator condition: condition that identifies an imperfection that recurs but does not affect the functionality of the assembly.
- Pull & Shear Test: according to IEC-62137-1.1/ IEC-62137-1.2, on components to be agreed with Westport.
- Bending Stress: according to UNI 10478, in process steps to be agreed with Westport.

5.6. Electronic Component Independent Distributors

Suppliers of electronic components, distributors, brokers and independent distributors must maintain counterfeit-parts prevention controls. These controls must include procurement from authorized sources where practicable, traceability to the original component manufacturer or authorized distributor, verification of certificates and date codes, segregation of suspect material, notification to Westport of any suspect counterfeit or fraudulent material, and flow-down of counterfeit-prevention requirements to sub-suppliers. Suspect or confirmed counterfeit parts must not be shipped to Westport and must be quarantined pending written disposition.