



# SUPPLIER CODE OF CONDUCT



# FOREWORD



## Management commitments

« MECATRANS must be inclusive, meaningful for its employees and dynamic for its customers. Our company cultivates performance, is ambitious and looks to the future of a circular world.

MECATRANS relies on its management system to implement its quality policy, incorporating it into its corporate strategy and adapting its operations to its two customer segments (OEMs and Independent Aftermarket).

**Operational excellence** governs the organization of production and operations at MECATRANS.

Our permanent policy is to provide our customers with products that meet their exact needs at the lowest possible cost, because the only way to build customer loyalty is to constantly optimize our economic performance.

Our quality objective is to achieve "**zero defects**" in all our services. General management ensures that customer needs are taken into account, prioritized in day-to-day actions, and that quality efficiency is maximized.

In order to guarantee the application and effectiveness of this policy, we have decided to formalize our purchasing and supply principles and practices, with the aim of achieving **total quality** in our commercial relations with our suppliers, in the present code.

MECATRANS complies with the requirements of the international automotive quality standards ISO 9001 and IATF 16949.

That's why MECATRANS aims to work proactively and transparently with its suppliers and service providers, so that each party adopts a mindset that encourages **continuous improvement** to achieve "zero defects".

.

# 1. Scope

This code of conduct is intended for all suppliers and service providers whose products or services are used in the remanufacturing process for turbochargers produced by MECATRANS, and which have an impact on quality.

Suppliers and service providers shall ensure that all their suppliers and subcontractors are aware of and comply with the requirements expected by MECATRANS, as specified below.

The fact that MECATRANS does not refer to the present code of conduct in a request for quotation, a purchase order or when signing a contract does not exempt suppliers and service providers from complying with it.

# 2. Targets

MECATRANS formalizes in this code of conduct its minimum and general requirements, expectations and recommendations, intended for all suppliers and service providers with whom MECATRANS has present or future business relations.

These specifications establish a general framework, supplemented by existing contractual requirements between MECATRANS and its partners (purchase orders, specifications, charters, protocols, technical specifications, general purchasing conditions).

In case of doubt about the interpretation of MECATRANS' expectations, we invite the supplier or service provider to contact the company's Purchasing Manager.

# 3. Expectations

The supplier or service provider is responsible for supplying all parts and products according to the commercial and technical specifications indicated by MECATRANS, in compliance with the purchase order transmitted.

It is the supplier's responsibility to ensure that all measuring systems, production and delivery processes, as well as those implemented by their subcontractors, are subject to rigorous control in order to meet the requirements specified by MECATRANS.

## 3.1. Initial supplier selection

MECATRANS has set up procedures for sourcing and selecting its suppliers and service providers.

The supplier selection and approval process is carried out jointly by MECATRANS' Purchasing and Quality departments.

### **3.1.1. Partner quality profile**

Suppliers are selected on the basis of their technical ability to meet the company's needs and their level of quality assurance.

MECATRANS also uses service providers approved by the customer whenever required.

MECATRANS uses a scoring system (score from Q1 to Q4) to assess the supplier's or service provider's quality requirements and commitment, based on a questionnaire and supporting documents.

MECATRANS encourages its partners to register their quality management system with a recognized certification body.

In all cases, the supplier will seek to comply with the requirements of the international standards ISO 9001 and IATF 16949.

Moreover, suppliers must inform MECATRANS of any changes in their certifications, including copies of updated certificates.

### **3.1.2. Product quality requirements**

Once the level of quality assurance has been determined for the selected supplier or service provider, it is combined with an examination of the product sample.

Regulatory compliance of products and production methods is an essential prerequisite to which all partners must commit.

Suppliers must provide and maintain a control system to ensure that their products comply with purchase order requirements, whether manufactured or not.

The supplier shall establish and maintain procedural documentation to control any non-conforming product. Procedures shall cover the identification, documentation, evaluation, segregation and disposal of non-conforming products, including the need for documented investigations.

MECATRANS encourages its partners to apply the Advanced Product Quality Planning (APQP) method and use the Production Part Approval Process (PPAP) tool to meet our product requirements.

Suppliers are strongly encouraged to use Failure Mode and Effects Analysis (FMEA) to identify potential system failures, as well as their causes and effects.

FMEAs by families of similar components, materials or services are accepted.

A Supplier/Product matrix records the detailed list of approved suppliers for a given product.

### **3.1.3. Environmental commitments**

MECATRANS' business is based on the circular economy. We expect a similar commitment from our suppliers and service providers in their manufacturing processes and systems.



MECATRANS encourages its suppliers and service providers to obtain ISO 14001 certification or, in the absence of established certification, to strive to apply the principles and requirements of this standard.

In any event, the supplier undertakes to comply strictly with all standard and regulatory requirements relating to safety and the environment.

The RoHs (Restriction of the Use of Hazardous Substances) certificate of conformity, in accordance with Directive 2011/95/EC, must be supplied for each new item before samples or production materials are delivered. This certificate must be issued by an approved third-party laboratory. The supplier must provide any other audit certificate requested by MECATRANS.

A Material Safety Data Sheet (MSDS) must be supplied for each new item before samples or production materials are delivered. If an MSDS cannot be submitted, an Engineering Data Sheet must be supplied. The supplier must have documentation on site concerning the conformity of this type of material, and must provide it on request.

#### **3.1.4. Ethical commitments**

The supplier undertakes to adopt an attitude of commercial fair play.

Compliance with trade rules concerns the entire regulatory framework under which goods enter or leave a given country, based on import/export laws and regulations.

MECATRANS also encourages its service providers to implement and promote a CSRD (Corporate Sustainability Reporting Directive) approach within their organization.

Finally, MECATRANS requires its partners to respect the requirements and duties laid down in its Code of Ethics, which sets out our internal standards and international requirements in this area, including respect for human rights and fundamental freedoms, the absence of undeclared work, the fight against money laundering, etc.

## **3.2. One-off evaluation**

### **3.2.1. Unannounced reassessment of the partner's quality profile**

MECATRANS reserves the right to re-evaluate, without prior notice, its service provider in the event of dissatisfaction, complaint or non-conformity.

The supplier will be informed of this and will seek to maintain the commercial relationship established with MECATRANS by implementing corrective and curative actions, regularly informing MECATRANS of its planning, progress and results.

Depending on the results, MECATRANS reserves the right to re-approve the supplier for all or part of its range, or, failing that, to de-list it.

Furthermore, a supplier reassessment may be necessary in the event of a merger, acquisition or affiliation, to verify the continuity of the supplier's quality management system.

### 3.2.2. Supplier's process modification request

If the supplier wishes to introduce changes in processes, design or materials that affect product quality, the supplier undertakes to inform MECATRANS without delay and to seek its agreement so that MECATRANS can assess the potential impact of such a change on the quality of the finished product delivered by MECATRANS.

A PVAEF sampling procedure can again be implemented.

The product modification request will be granted if the specific requirements initially determined by MECATRANS are preserved.

### 3.3. Product traceability

Suppliers must identify all parts in accordance with the purchase order issued by MECATRANS and maintain product traceability with a unique numbering system from receipt of the raw material or components, through all stages of production and on to delivery..

Traceability must extend to material certifications, performance tests, dimensional results and any work carried out by third parties.

### 3.4. Transparency

In any event, MECATRANS is entitled to request proof of current certification from the supplier or service provider at any time.

Certified suppliers and service providers whose certification has been suspended undertake to notify MECATRANS of this fact within one month.

### 3.5. Key Performance Indicators & Monitoring

As MECATRANS' main objective is to achieve operational efficiency, suppliers and service providers will be regularly assessed on the basis of performance indicators (quality, logistics and lead-time performance indicators).

Measurement, analysis and improvement are the processes for planning, determining and using performance indicators for products delivered or services provided for MECATRANS.

These indicators determine the current level of performance, guide ongoing improvement activities and enable performance levels to be monitored.

It is mandatory for the supplier to define, plan and implement means of measurement where processes affect the quality of products or services intended for MECATRANS.

The supplier shall identify and document the steps in the manufacturing process that affect product performance. MECATRANS is able to guide the supplier in this identification insofar as it concerns the performance of the components or products intended for him.

In the event of poor supplier performance, MECATRANS reserves the right to discontinue the supplier's product range or any part thereof.

## 4. Responsibilités

The Purchasing Department, General Management and the Quality Manager are responsible for the application of this Code of Conduct and have full authority to ensure that all suppliers and service providers comply with and fulfill the requirements set out herein.

MECATRANS checks products and services, the quality system, facilities and equipment, compliance with professional ethics (see MT-CDC Code of conduct and ethics), and legal, regulatory and environmental provisions.

In any event, if no anomaly has been noted on these points, this in no way excludes the possibility for MECATRANS to de-list a product or service if the latter is not considered satisfactory with regard to the expectations of MECATRANS or its customers.

## 5. Continuous improvement

Suppliers and service providers must make continuous improvement an essential part of their production and management systems.

Continuous improvement actions must be documented and tracked as key performance indicators.

Suppliers are required to set continuous improvement objectives and use all appropriate data to aim for operational excellence of their process and total customer satisfaction. Suppliers are expected to use all appropriate tools, such as the PDCA approach, and other appropriate methodologies to ensure a disciplined and systemic approach to continuous improvement.

As part of its annual reassessment of suppliers and service providers, MECATRANS reserves the right to ask them to identify the areas for improvement within their organization, the associated planning, and an assessment of progress and achievement in the long term.