


ENERPAC  TOOL GROUP	Title: Supplier Quality Manual		Global
	Doc number: P-PUR-30576	Revision: 3.0	Date: August 23



Supplier Quality Manual Procedure

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1 **PREFACE**

ETG views its suppliers as vital members of the team. It is essential to work together to provide customers with products that meet their expectations and standards. Our mutual success is dependent on satisfied customers.

The purpose of this supplier quality manual is to provide ETG's suppliers:

- Standards for quality.
- Supplier selection procedure.
- Procedures for working with ETG's procurement and supplier quality teams.
- Requirements necessary to meet ETG's customers' requirements.

ETG's internal procedures support this manual. This manual is available at: <https://www.ETG.com/en-us/support/e/supplier-documentation>. Suppliers should ensure they are working with the most current version of this manual. It is the responsibility of each supplier to review, understand, and conform to all requirements in this manual that are applicable to the product that are applicable to the product or service supplied to ETG.

2 **OBJECTIVE AND SCOPE**

The objective of this manual is the avoidance of quality problems and the safekeeping of clear processes between ETG and each Supplier.

The terms and conditions of this agreement shall apply to any existing and future purchase agreements. This manual is in addition to ETG's purchase terms and conditions, requirements stated on drawings, purchase orders or specifications, and other regulatory requirements.

All deliveries made by the Supplier shall be subject to ETG's General Procurement Terms and Conditions ("T&C") which can be found at <https://www.ETG.com/en-us/support/e/supplier-documentation>

The supplier shall ensure that its sub-suppliers take the necessary measures in order to meet the obligations that have been set out in this manual.

The ETG supplier quality manual applies to all direct suppliers and subcontractors who supply products and services such as:


- Production material.
- Production parts.
- Purchased components.
- Outside processing such as heat treating, e-coating, plating, etc.
- Indirect material supplier will be out of this scope.

This manual will assist the supplier to meet the terms and conditions of ETG's purchase orders as well as the product drawings, specifications, QMS, policies, and procedures.

3 **RESPONSIBILITIES & CONTACTS**

Information flow between ETG facilities and their suppliers is vital to success. It is therefore imperative for all suppliers to communicate with ETG staff in an accurate, professional, and timely manner. Suppliers need to ensure that they acknowledge, understand, and take proper actions. ETG uses English as the primary language of communication and expects suppliers to comply with this mode of communication. Some exceptions may apply but will be agreed during supplier on-boarding.

Suppliers shall inform ETG procurement promptly of changes in their points of contact for management & quality personnel. A point of contact for off-shifts and weekends is mandatory. Cell phones are acceptable but please ensure that the cell phones are in coverage and turned on during these periods. ETG will also provide suppliers with points of contact for regular, after hours, and weekends.

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4 **DEFINITIONS**

Acronyms	Definition
APQP	Advanced Product Quality Planning
PPAP / PAP	Production Part Approval Process / Part Approval Process
FAIR	First Article Inspection Report
Ballooned Drawing	A ballooned drawing contains 'balloons' that point to individual dimensions and requirements of the part. The numbers correlate with the numbers in the inspection report.
ETG	Enerpac Tool Group
SNCR	Supplier Non-Conformance Report
CAPA	Corrective Action, Preventative Action
SC / CC	Significant Characteristics / Critical Characteristics
RFQ	Request For Quote
SQE	Supplier Quality Engineer
PO	Purchase Order
PPM	Parts Per Million
ASL	Approved Supplier List
SV	Sample Validation
PV	Process Validation
QV	Quality Validation
SQ / SQE	Supplier Quality / Supplier Quality Engineer

5 **SUPPLIER SELECTION**

The ASL are managed at an applicable site, regional and global level. Suppliers must be added to the ASL prior to any sourcing activity or business award.


ETG's procurement and supplier quality personnel reserve the right to visit prospective suppliers to establish their qualifications, experience, financial fitness, and performance prior to selection. ETG's procurement personnel will work with the prospective supplier to assess the supplier's financial resources. Supplier quality will audit the prospective supplier, apply a rating and be moved to the approved supplier list.

ETG selects Suppliers based on the following criteria:

- Qualified suppliers must operate their quality systems in conformance to current revision of ISO 9001, at a minimum they should structure their management system in line with ISO 9001 unless otherwise specified by our customers. Testing facilities shall be certified to ISO/IEC 17025 if design responsible.
- Suppliers must demonstrate their expertise through the qualifications of personnel, equipment, and engineering.
- Suppliers must demonstrate that they have the necessary financial resources.
- Suppliers must show that they have a superior track record of providing quality products or services on time and to schedule, and also demonstrate the highest level of customer service.
- Suppliers must be competitive and demonstrate value. Commercial issues must be addressed and resolved quickly.

All new direct suppliers must perform the following activity prior to being awarded business.

- Pre-sourcing audit and/or risk assessment completed and submitted to ETG procurement. ETG procurement and quality team will review submission.
- If successful ETG may conduct a formal pre-sourcing audit based on submission of self-assessment results.

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- If approved move to the ETG Approved Supplier list.
- Signed NDA - Non-Disclosure Agreement.
- Able to submit RFQ for new projects.

Note: All document formats are available: <https://www.enerpac.com/en-us/support/e/supplier-documentation>

The prioritization for ETG's supplier selection and approval – and the ongoing surveillance audits will be based on:

- Supplier's quality performance.
- Importance and risk of product supplied.

Registered suppliers are required to submit or make available copies of all certificates and insurance policies to ETG procurement personnel. Suppliers are required to notify ETG procurement of any change in certification status i.e. lost certification, paused certification etc.

6 **PRODUCT QUALITY PLANNING AND APPROVAL**

6.1 Submission Requirements

Products must be submitted for quality approval anytime a new part or a change to an existing part or process is being planned. It is at the discretion of each ETG SQE to determine when and what level submission will be required. In the event approval submission is not requested, ETG quality reserves the right to request any of these documents at any time during the life of the product. ETG quality also reserves the right to request a submission for a variety of reasons including but not limited to the following:

- New part or product.
- Changes to part, product, supply chain, or process.
- Multiple non-conformances
- If 2 years has passed since last production

Supplier must not subcontract all or part of a product without prior agreement from ETG procurement personnel. Tier 2 suppliers and subcontractors must apply the requirements set out in this manual.

Submission forms can be found under All_ETG_Supplier_Forms.xlsm at <https://www.Enerpac.com/en-us/support/e/supplier-documentation> -

Submission documents must be named by part number, drawing revision and submission date:

Example - DM10001,REV1,22.08.21

All changes must be noted on the change page with text highlighted in **blue**.

6.2 Quality Planning

It is highly recommended for supplier to use AIAG APQP processes as part of their contractual relationship with ETG. These activities are required to develop robust products and processes and validate product to ETG and its OEM customer's standards where applicable.


6.3 Advanced Product Quality Planning –

During product launches, it is recommended for the Supplier to establish a Quality Planning Team within their organizations using a multi-disciplinary approach. Team members shall include personnel from departments such as engineering, quality, materials, manufacturing, or any other department deemed necessary. Upon request, the Supplier is required to join and support the advanced quality planning meetings and activities at the applicable ETG business unit/plant or its customer's location.

It is highly recommended for supplier to prepare an advanced product quality plan for each product which details how quality requirements will be met up to S.O.P.

The plan (Make to print) should include but not limited to the preparation of:

- Process Failure Modes and Effect Analysis (PFMEA).
- Control Plans.
- Process Flow Diagrams.
- Control Plan Key Features Diagram.
- Special and Significant Characteristics.
- Mistake proofing devices.
- Special tooling.

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- Preliminary Process capability (Capability Studies and MSA).
- Gauge planning and verification.
- Trial Part Submission.
- Work Instructions.
- Packaging Requirements.

This allows:

- The identification, procurement, installation & verification of controls, processes, equipment, jigs, fixtures and gauges.
- Resource and training requirements.
- Inspection and test requirements appropriate to the product at various stages up to S.O.P.
- The preparation of Inspection Reports, Control Plan Key Feature Diagrams, Control Plans and FMEA.

For the implementation of APQP supplier should contact ETG related supplier quality personnel for the instructions and agreement.

6.4 Low Volume Products and Components Approval

Low volume products and components are classified by volume below 250 per annum, custom and prototype products. ETG SQE and procurement personnel will advise the supplier of what quality documentation is required for submission. Typical requirements are detailed below –

- FAIR:100%-dimensional layout inspection report shall be conducted based on Table 1. All SC/CC dimensions are to be 100% measured on every part, unless otherwise specified.
- Bubbled Drawing :100% fully ballooned drawing (including the notes).
- Material Certificates: Must be supplied from the produced or heat treatment source.
- Coating Certificates of Conformity: Must be supplied from coating supplier.
- Hazardous Material Declaration

Table 1 –

Run Quantity	FSIR Quantity
2 – 25	2
26 – 50	3
51 – 90	4
91 – 150	5
151 – 250	6

6.5 High Volume Products and Assemblies Approval

Products with expected volumes of over 250 per annum and components deemed critical are required to follow the PPAP. ETG supplier quality engineer will determine what the requirements are for each product. As a minimum PPAP submission level is Level 3 is suggested. Full requirements are referenced in supplier PPAP manual P-PUR-30575. Inspection report quantities shall be based on Table 2.

Table 2 -


Significant Production Run Quantity	FSIR Quantity
251-500	7
501 – 1200	8
1201 +	9

During new product launch the supplier is required to implement (at no cost to ETG) a ramp up plan. The purpose of this plan is to provide protection to the supplier, ETG and the customer from defects. The plan also provides feedback on how effective the suppliers process is. Criteria for this plan is to be agreed with local SQE.

6.6 Submission Status

Upon receipt of PPAP submissions, the applicable ETG supplier quality department will review and confirm if all specifications and requirements are met. Feedback will be provided to the supplier within a reasonable time frame, as agreed upon between supplier and applicable ETG SQE, as part of the approval status.

One of the following conditions shall apply:

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- FULL APPROVAL - indicates that the documentation, part, capabilities and all applicable material meet all specifications and requirements, production is authorized.
- INTERIM APPROVAL - indicates minor non-conformities have been found and action and timing plans submitted, and only limited time or quantity production is authorized. Resubmission is required to obtain full approval. Or a Supplier request for change is made.
- REJECTED - means that the submission does not meet the specifications and/or requirements. No production is permitted. Resubmission is required to obtain an approval status.

Change in steel suppliers does not require full PPAP resubmission when the material specification remains the same. Notification to the applicable ETG plant shall be prior to any changes and approval may be required depending on the receiving plant. Revalidation and verification processes are still required for this change however and documentation must be retained by the supplier with access of the information being provided to the relevant ETG division.

Rejected submissions could result in financial penalties.

7 ETG OWNED EQUIPMENT

7.1 Measurement Equipment

Maintenance, identification, calibration and repair of all ETG supplied gages and measurement devices are the responsibility of the supplier. ETG may periodically inspect the condition of gages and measurement devices.

7.2 Tooling and Equipment

The supplier is responsible for the cost of maintaining all dies, tools; weld fixtures, inspection fixtures and machines provided by the ETG. The supplier shall utilize a preventive and predictive maintenance programs to maintain the condition of all production equipment and tooling. ETG may periodically inspect the condition of equipment.

The supplier will execute a bailee/ownership receipt which establishes ownership of the equipment or tooling and must also maintain adequate insurance on the assets.

Contingency plans for critical equipment must be defined by the supplier and any sub tier supplier utilized. This shall include a list of critical spare parts and named leadership to ensure compliance. Supplier needs to define and monitor and when requested by ETG, provide evidence of these activities.

Any ETG owned assets (i.e. tooling and/or equipment) (the "ETG Assets") located at the supplier's premises will be catalogued and inventoried on a yearly basis at the supplier's location.

Shortcomings on both measurement equipment and tooling and other equipment that are not promptly corrected shall be addressed through the applicable local procurement department. ETG reserves the right to correct any shortcoming and recover costs where applicable.


8 RECORD RETENTION

The supplier shall maintain records of the acceptance activities for all products, parts or components delivered to ETG. These records include material certifications and one-to-one quality data traceability to ETG's PO. The supplier shall retain the records for a minimum of seven (7) years, or as customer specific requirements. Supplier must be able to provide this documentation when requested by ETG.

9 SUPPLIER AUDIT

ETG may audit the supplier's processes based on the following reasons or based on priorities when required by customers:

- Supplier on-boarding process
- Supply of new goods or services.
- NPD or custom project
- Detection of an insufficient series-production quality.
- Relocation of the supplier's manufacturing site – Prior notification to ETG required.
- Change of the supplier's production processes.
- Negative performance measurement trend.

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Depending on the project risk ETG supplier quality team may complete on site process audits using the ETG process audit format from the kick off date of each project awarded. This process audit will continue throughout the project and into production as a continuous improvement tool.

Where there are multiple projects or product groups, these will be captured as a combined audit.

All elements of the audit will be evidence based and should be provided to the ETG SQ team during the audits.

10 **NON-CONFORMANCE AND CORRECTIVE ACTION**

An SNCR will be raised if any material, product, or process is suspected to be nonconforming to specification. A formal notification will be sent via the Qualityze reporting system to the supplier with a defect statement, part description, applicable photos or reports, lot/batch number, suspected quantity and CAPA number. Should the information be insufficient in the SNCR for the supplier, they should notify ETG immediately with a request for information.

In some cases, the material may be returned to the supplier for rework, for ETG Columbus a Return Material Authorization number (RMA) is required; if the supplier does not have an RMA procedure, the name of the person authorizing the return at the supplier's location will be noted on the notification.

ETG follows the 8D (8 Discipline) problem solving methodology a detailed instruction W-QUA-0004 can be provided to the supplier upon request. It is the supplier's responsibility to take the necessary corrective and preventive actions to resolve quality problems. The supplier is advised to use acceptable problem-solving methods such as 3 legged 5 why analysis, Fishbone Diagram, Design of Experiments, Histogram, Pareto Analysis to investigate the root cause of problems and implement countermeasures to eliminate them.

Corrective action reports should address the root cause for the occurrence and failure of the quality system. ETG's supplier quality personnel will work with suppliers to help address root causes and implement permanent corrective actions. Suppliers are encouraged to use mistake-proofing methodologies in their corrective actions. Where applicable, countermeasures for one particular problem shall be implemented on other similar processes and products to eliminate the reoccurrence of the problem. All corrective actions should be verified periodically to make sure that they remain effective.

All information is to be recorded by either:

- Completing the ETG 8D form provided
- Completing their own NCR report.
- Be given access to the Qualityze system to complete the complaint directly into the system.

The supplier is responsible for providing an initial response up to D3 with-in 24 hours of issuance of the SNCR, root-cause, corrective action plan (Up to D5) within 3 business days of issuance, implement corrective actions, validate with verification complete (Up to D8) within 30 days off issuance. Evidence of actions supplied to the appropriate SQE.

Immediate Resolution of line down situations within 24 hours.

- Delivers validated good parts to our own production facility at supplier's cost.
- The supplier validates parts at the ETG site to maintain production.
- Containment in place at supplier site and for in transit product at ETG site.


The supplier is expected to supply certified parts and remove non-conforming material from the ETG location for sorting or rework at a remote location. Certifying parts at an ETG location is not acceptable unless it is approved and necessary to meet customer delivery schedules. Suppliers or representatives on site at ETG must recognize all ETG health and safety practices.

NOTE: Should ETG be issued a customer complaint due to a supplied product of service and as a result ETG incurred costs, ETG may seek to recover costs as per ETG purchasing T&C's.

10.1 **Rework**

Rework (or salvage) is work done outside of the approved PPAP process to correct discrepancies. Any rework or salvage activities performed by the supplier requires written approval from the ETG applicable SQ Team. The supplier is responsible for initiating written rework requests that include, at a minimum, the following:

- Part information.
- Nature and cause of rework.
- Rework or salvage method including operator instructions.

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- Quantity.
- Identification of reworked part.
- Corrective actions with dates of implementation to avoid future occurrences.

Under no circumstances shall a supplier rework or salvage parts and ship to any applicable ETG business unit/plant or its customers' location without obtaining written authorization. Any reworked parts shipped without written authorization will be rejected and returned to the supplier at their expense. Any additional costs incurred by the applicable ETG business unit/plant will be charged to the supplier.

10.2 Supplier PPM Definition –

PPM is defined as a product failure due to an item not meeting print specification or expected functionality which has been delivered to an ETG business unit, plant or worksite. These can include but are not limited to –

- Product damaged during transport (If courier was organised by supplier and not ETG)
- Item does not meet specifications and requirements on the drawing.
- Substance has leaked during transport.
- Coating or treatment process not sufficient to specifications.
- Incorrect decal applied.
- Incorrectly assembled.

The non-conformance will be raised based on suspect reject quantity, PPM will be based on actual rejected quantity only.

If the supplier does not respond to the non-conformance root cause within the period outlined by the SQE, PPM will be selected as yes. This time frame is set out in the email notification, the supplier can request that this time is extended.

Supplier can inspect and sort / rework bad parts, or pay a third party, resulting in only bad parts being calculated in the PPM number.

If the supplier chooses not to inspect, sort & rework parts then the entire lot will be considered defective. (Intercompany ETG will not be included here, as third party should not be required)

Items outside of supplier PPM score are-

- Parts re-worked and damaged by ETG.
- NPD phase parts – Prototype, PV, PV, QV. These are all development phase parts.
- Parts damaged at ETG site / during ETG owned shipping or storage.
- Additional requirements outside of drawing / PO requirements.

10.3 Early Suspect Product Notification


Suppliers shall proactively notify ETG immediately if they suspect that the applicable ETG business unit/plant may receive (or has received) non-conforming material. The applicable ETG business unit/plant Supplier quality personnel will work with the supplier to identify sorting or other activities needed to protect ETG and the customer. In doing so, the supplier's scoring will not be negatively impacted at this point.

10.4 Cost Recovery

In some instances where ETG has been significantly impacted by the cost of a supplier non-conformance, they may seek damages which may include but are not limited to –

Supplier shall bear all costs associated with the discrepant material costs. Examples are, but not limited to the following:

- Rework and/or Repair.
- Overtime to meet ETG customer's schedules.
- Production down time at ETG.
- Down Time at ETG customer.
- On-line containment.
- Handling or storage of suspect or nonconforming material.
- Customer returns and charge backs.
- Premium freight.
- Travel costs incurred by ETG personnel.

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- Disposition of scrap.
- Administrative Costs.
- Warranty.

ETG shall maintain standard charges for some commonly incurred costs, the Supplier may request these standard costs from each applicable ETG business unit/plant. Cost impact is recorded in the ETG non-conforming system. If ETG seek to recover costs, CAPA record will be issued with detailed cost information.

11 **SUPPLIER PERFORMANCE AND DEVELOPMENT**

11.1 Performance

ETG may use scorecards to monitor its supplier base, performance may be conducted on a global, regional or by business unit/plant. ETG will issue score cards to its strategic suppliers, strategic suppliers may include, high spend, high risk products, high SNCR rate. Where this scorecard is not in place, individual locations will provide method for assessing suppliers.


Supplier score card measures detailed in Table 3 below-

Measure	Description	Weighting
DPPM	(Defective qty/receiving quantity) x 1000000	30%
High / Medium level CAPA	Quantity of High / Medium CAPA priority	10%
CAPA response level	Response time within stated clause 10	10%
Delivery	Total # deliveries / # late deliveries	30%
Payment	Payment period after receiving goods or services - 30, 60, 90 days	5%
Service	Acknowledgement lead time of ETG purchase order	5%
Supplier Risk Assessment	Supplier completed risk assessment	10%

Vendors will be graded by Table 4 shown below -

Performance %	Quality Grade	Supplier Status	Actions required
90-100%	A	Green	Vendor consistently conforms to the standard. No Action Required
70-89%	B	Blue Alert	Vendor has minor non-conformances. Possible actions- <ul style="list-style-type: none"> - Supplier Notification - Improvement Plan - Supplier Visit - Process and Product Audit
60-69%	C	Yellow Alert	Vendor has major non-conformances. Supplier Actions required within 30 days. <ul style="list-style-type: none"> - Increased Supplier Visits - Onsite reviews of improvements - Process and Product Audit
<60%	D	Red Alert	Vendor has major non-conformances. Potential further actions - <ul style="list-style-type: none"> - New Business Hold - Resourcing by ETG

ETG quality and procurement teams periodically review supplier performance and status. These reviews prioritize ETG's supplier development activities, are used in the selection of suppliers for new business and impact decisions to either increase or decrease the number of suppliers.

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Quality Grade A - These suppliers are considered strategic/preferred.

11.2 Supplier Development and Continuous Improvement

The objective of supplier development is to raise the supplier's performance up to an acceptable status within a period of 6 months.

The scope of development measures will follow the quality performance, level / status of the quality management system and the relevance of the purchased goods or services. For the purpose of supplier development, the following area are considered:

- Form of contract / supplier agreements.
- Training.
- Self-assessment audits, 3rd party audit results, on-site visits- when warranted.
- Preventive and corrective action plans.

Failing improvement, the escalation process may be initiated:

Step 1:

- Contact Supplier
- Review individual categories effected to formulate a plan for improvement.
- Action plan required to improve processes.
- Involve affected plants and monitor for 1-3 month.

Where sufficient improvements are observed, the supplier will be removed from the escalation path. Where sufficient improvements are not observed, the supplier will then be escalated to step 2.

Step 2:

Where a supplier is escalated to Step 2, the respective procurement manager will be notified. The procurement manager will then update the ERP system to place the supplier on "New Business Hold" from any future RFQ's. The supplier may be notified of this but will then be monitored over the next 60 days for performance on current open purchase orders.

Where sufficient improvements are observed, the supplier will be removed from the escalation path. Where sufficient improvements are not observed, the supplier will then be escalated to step 3.

Step 3:

Where a supplier is escalated to Step 3, the respective procurement manager will notify the supplier of the lack of improvements. The procurement manager will notify the respective buyers to begin a re-sourcing plan to a new supplier. Move to inactive in the ERP system.

Inactive: Do Not Source List, no development will be performed on inactive suppliers.

ETG designated personnel to be on site at the supplier's location and processes to help the supplier until such ratings can be improved to an acceptable standard. The cost to support this may fall into the economic penalty category for the supplier cost claw back.


11.3 Continuous Improvement

ETG is committed in supporting its suppliers to continually improve their quality management system. ETG procurement, supplier quality and supplier personnel will review performance, audit suppliers' processes and create development plans.

Suppliers will continually improve and chart the effectiveness of their Management System in quality, service, cost, technology, and delivery performance. This information shall be made available to Enerpac Global Procurement and/or Quality, when requested.

12 CONCESSION AND DEVIATION

Suppliers shall request approval for deviation from specifications or drawing requirements in writing to the receiving applicable ETG business unit/plant. All requests should be made through the applicable ETG business unit/plant quality department using form F-QUA-0002. Deviations should always be requested prior to shipping the product. The supplier is responsible for initiating the request for a deviation that includes, at a

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minimum, the following:

- Part information.
- Detailed description of deviation.
- Quantity of product that will be produced under deviation.
- Purchase order number
- Identification number
- Corrective actions to be implemented and timing for implementation.
- Method of identification of deviated parts.

Under no circumstances shall the supplier ship discrepant parts to any applicable ETG business unit/plant without obtaining a signed deviation. Any parts shipped without written authorization may be rejected and returned to the supplier at the supplier's expense. ETG reserves the right to cancel any deviation at any time for any reason. Any additional costs incurred by the applicable ETG business unit/plant will be charged to the supplier.

13 IDENTIFICATION AND TRACEABILITY

All material, product and components are required to be correctly identified. Suppliers must be able to ensure full traceability. As a minimum, the following information must be present on each label:

- Supplier Identification.
- Product Identification Number.
- Lot Number.
- Quantity.
- Date Code
- Date of Shipment.
- Material Heat Number
- Cavity/ Tool traceability may also be required.

13.1 Certification

It is the responsibility of the supplier to provide, upon request, certification of product conformance to the relevant applicable ETG business unit/plant for each lot of products shipped. Unless noted otherwise in purchase order, all raw materials supplied to ETG for manufacture (all raw metallic, resins, and chemicals) shall include a copy of the original material certificate or a material test report from an accredited ISO laboratory. The supplier is required to retain a copy of all certifications for traceability through the lot numbers on the shipping labels.

The Supplier may send the certification by email, along with each shipment or, if agreed to by the applicable ETG business unit/plant, keep them on file. All certifications shall be available for review upon ETG's request.


Certification may include information such as chemical composition, physical properties, dimensional measurements, statistical data, or test results, etc. Detailed requirements of certification will be determined and agreed to during project development phase. Other information, such as Engineering Change Level, Original Mill Certification, or Raw Material Certification, etc., are to be retained by the supplier and made available upon request.

14 CONTAMINATION AND RUST PREVENTION

All suppliers will ensure compliance with ES404 to prevent the deterioration of goods during storage at both the supplier and ETG locations. Requests can be made to the local procurement or quality team for ES404.

Part Final Condition, Preservation & Cleanliness: Specifications contained in this section apply to all parts unless otherwise specified on the specific part print.

- Parts and their packaging are to be free of rust, dirt, chips, burrs, and sharp edges.
- Parts should be presented in a manner ready for production consumption.
- The supplier shall apply a rust inhibitor to all ferrous metal parts that are not painted or plated providing surface protection. Black oxide treated parts will require rust inhibitor.
- Rust inhibitor should provide a minimum exposure of 6 months in an indoor environment. We will measure 6 months from date of receipt of product. Affiliate shipments will take into account transit time but will still be measured based on receipt of product.

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- China – 6-week transit time reduction.
- European Distribution Center (EDC) – 3-week transit time reduction.
- Rust inhibitor should meet all non -hazardous material requirements and have the ability to be removed through a standard wash process commonly used in automated paint application. The supplier should contact the ETG SQ team for approval of rust inhibitor.
- Non-Ferrous metal parts not subject to rust can be excluded from the rust inhibitor requirement.

Examples of this would be for parts made of aluminum, stainless, or plastic.

15 DISPUTE RESOLUTION

Suppliers are encouraged to work out any disputes directly with the applicable ETG business unit/plant with which they have their concern. Disputes that cannot be reconciled with the Divisions should be raised to Global Quality and Procurement Departments, with a copy of all correspondence to the applicable ETG business unit/plant. ETG Corporate Procurement and/or Corporate Quality will investigate the dispute and work to resolve the issue in a collaborative and timely manner.

16 TRAINING


ETG Employees - This manual is required to be communicated to all strategic suppliers. It shall also be communicated to the supplier at the beginning of any NPD or custom project.

17 CROSS REFERENCE DOCUMENTAION

Document Number	Document Title
P-PUR-30575	Supplier PPAP Manual
F-0001	Submission Forms
ES404	Corrosion protective guidelines for suppliers
Qualityze: W-QUA-0004	8D Training Package
F-QUA-0002	Concession and Deviation Form

18 Revision History

Rev No	Reason for change
1.0	Created and released
2.0	Brand Image Changed
3.0	Full Review and update.

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19 **ACKNOWLEDGEMENT AND ACCEPTANCE**

If the terms and conditions have already been signed, this is no longer required, these documents are referred to in the terms and conditions already.

ETG Supplier Quality Manual

Acknowledgement and Acceptance

The **ETG Supplier Quality Manual** compliance is a mandatory requirement for all production material suppliers to Enerpac Group.

Comment and amendments:

Please confirm your intent to comply by forwarding this official document to your main Procurement Contact Person within Enerpac. This is required before any new business is awarded.

Company details

Company name:

Address:

Supplier code

Name:

Function, Department:

Email address:

Phone:

Location, Date:

Signature: