

Vendor Performance & Announcement

August 2019



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Total component vendors

35

Top 4 CLIP

Supplier	Aug	Number (GR)	Total (%)	Class
100194	100	3	100	A
101588	100	1	100	A
102195	100	35	100	A
104754	100	6	100	A

Bottom 4 CLIP

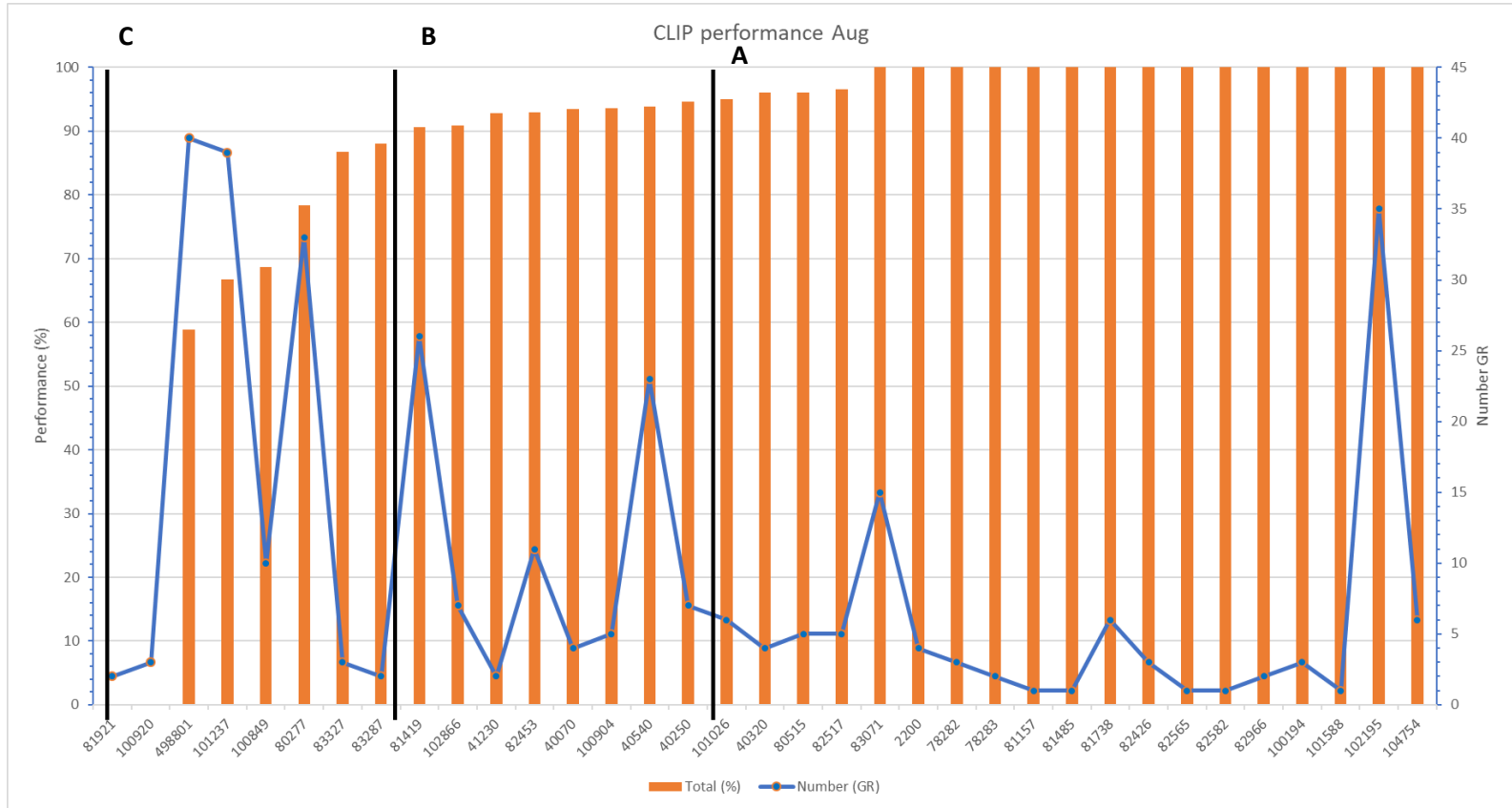
Supplier	Aug	Number (GR)	Total (%)	Class
81921	0	2	0	C
100920	0	3	0	C
498801	59	40	58,8	C
101237	67	39	66,8	C

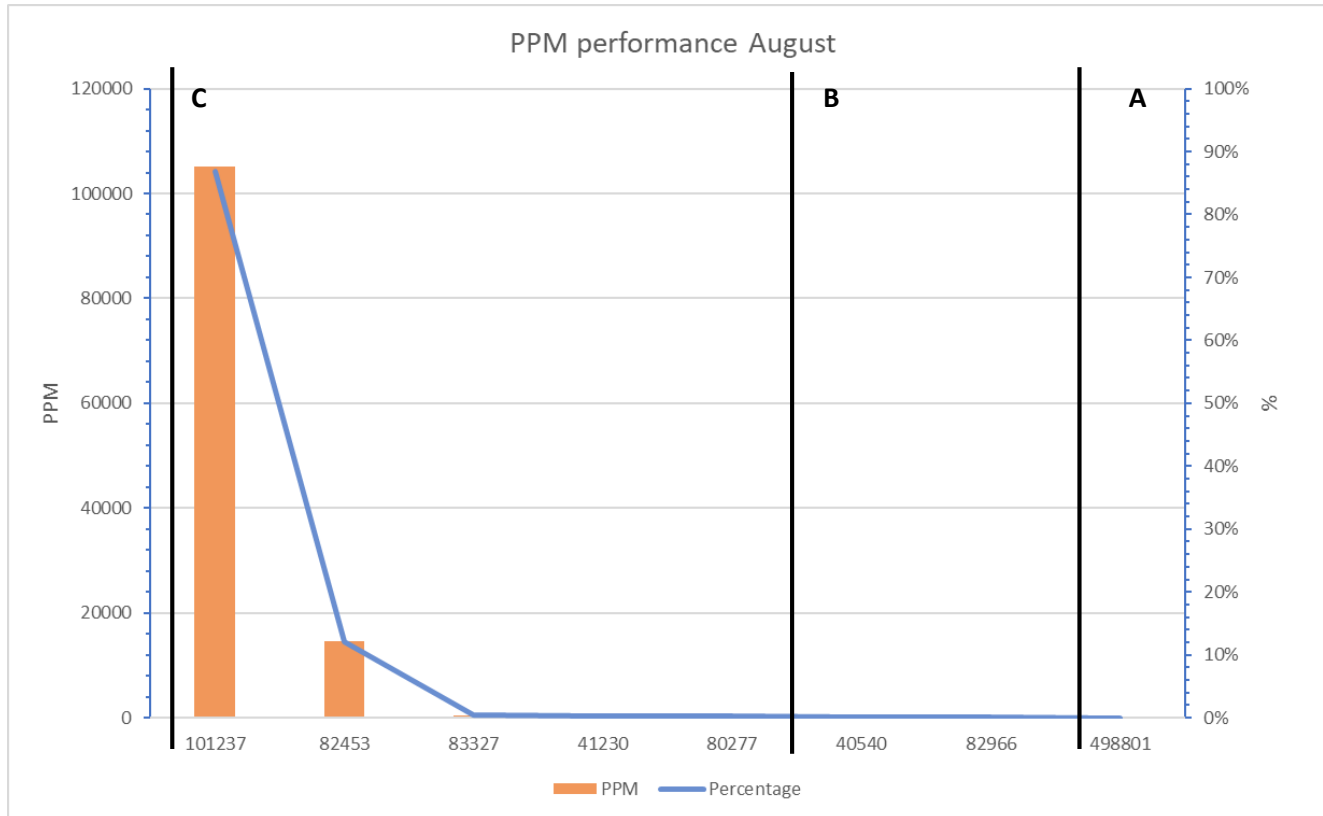
PPM

Supplier	PPM	Percentage	PPMClass
101237	105215	87%	C
82453	14589	12%	C
83327	501	0%	C
41230	347	0%	C
80277	277	0%	C
40540	98	0%	B
82966	56	0%	B
498801	16	0%	A

Overall performance

Overall Performance		
Good	Average	Poor
18	8	9





Following the August measurements, Punch Powertrain plans to start / continue the quality improvement plan with vendor **101237**.

Separate official letter and invitation will follow.

CLIP (Confirmed Line Item Performance) is a measurement used by Punch Powertrain to measure delivery performance between the supplier and Punch Powertrain Sint-Truiden.

Definition: The KPI measurement considers all deliveries in a specific month versus delivery due date when:

The delivery arrives within a 3 day window + and - of the requested date ; And if the received quantities are +/- 10% of the requested quantity. The CLIP target is currently defined > 90%.

Starting 1 January 2018 The CLIP KPI will be sharpened in such a way that Punch Powertrain only accepts too early deliveries in a 3 day window, but not anymore too late deliveries (+3 days).

2019 CLIP target > 95%.

PPM (Parts per million) is a measurement used by Punch Powertrain to measure quality performance.

Definition: One PPM means one defect on a million pcs or $1/1.000.000$

The Punch Powertrain rate for most automotive suppliers is targeted at 25 PPM or 0,0025%.

To calculate: For example, let's say you had 25 pieces defective in a shipment of 1.000 pieces.
 $25/1000 = 0,025$ or 2,5% defective ; $0,025 \times 1.000.000 = 25.000$ PPM.

2019 PPM target ≤ 25 PPM (or contractually agreed otherwise).

If you have any further questions, please contact:

For CLIP

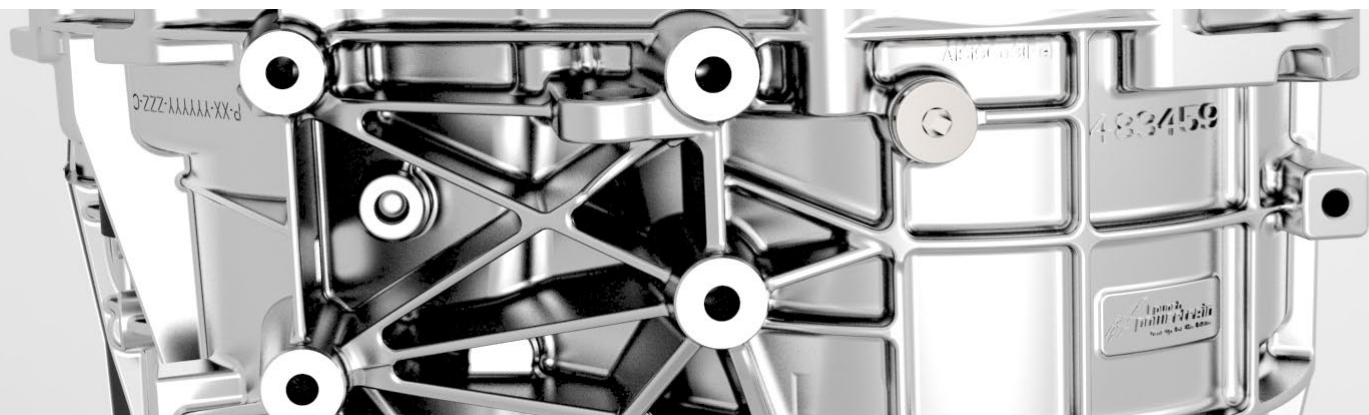
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Thank you for your attention!

For more info about us, please visit our website www.punchpowertrain.com



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