

PPG Automotive Coatings is a Tier 1 supplier for the automotive industry and as such, we maintain our IATF16949:2016 accreditation.

Per IATF16949:2016 Standard under 8.4.2.3 Supplier QMS Development:

PPG Automotive Coatings suppliers must be ISO9001:2015 certified. If not, a plan to achieve ISO9001:2015 certification must be in place and communicated to PPG. The ISO9001:2015 certification will be a requirement for new business opportunities within PPG Automotive OEM Coatings.

In addition to ISO9001:2015 certification, each supplier must have a plan in place that specifies the intended timeline for further QMS development

- Progression in meeting the Minimum Automotive Quality Management System Requirements (MAQMSR) – **see the Annex I to find the complete document.**
- Following that, progression in meeting all IATF16949:2016 requirements
- And then progression in achieving IATF16949:2016 certification, the ultimate goal as a sub-tier supplier for the automotive industry.

Through PPG second party audits and other interactions with suppliers, the MAQMSR focus will include the following:

- Control Plans and FMEA
- Process Approach
- Performance
- Internal Auditing (for both ISO9001 and IATF elements)
- Control of Non-Conforming Product
- Part Approval (including Measurement System Analysis and Calibration)
- Management Responsibility

Per IATF16949:2016 Standard under 8.4.2.4 Supplier Monitoring:

PPG Automotive Coatings will monitor the following together with the expectation:

| <i>Performance Indicator</i> | <i>Expectation</i> |
|--|---|
| Delivered product conformity to requirements | 100% |
| Customer disruptions at the receiving plant | None |
| Delivery schedule performance | As specified by applicable PPG facilities |
| Number of occurrences of premium freight | < 3 occurrences per year |

Individual PPG facilities may have additional performance indicators and expectations.

Per IATF16949:2016 Standard under 8.4.2.5 Supplier Development:

PPG Automotive Coatings will determine the priority, type, extent and timing of required supplier development actions. Inputs will include but are not limited to:

- Performance issues identified through monitoring
- Second party audit findings
- Second party MAQMSR compliance assessment
- Third party certification status
- Risk analysis
- Corrective & preventive actions verification

The schedule for QMS progression for PPG Automotive Coatings suppliers is outlined as follows:

| | |
|---|------------------------------|
| PPG internally supplied resins | MAQMSR compliant by end 2022 |
| Toll manufacturing (direct coatings products) | MAQMSR compliant by end 2023 |
| Toll manufacturing (others) | MAQMSR compliant by end 2023 |
| Melamine resins | MAQMSR compliant by end 2024 |
| Surface active additives and UV absorbers | MAQMSR compliant by end 2024 |
| Effect pigments | MAQMSR compliant by end 2025 |

Annex I - MAQMSR for sub-tiers link:

<https://www.iatfglobaloversight.org/wp/wp-content/uploads/2016/12/Minimum-Automotive-Quality-Management-System-Requirements-for-Sub-tier-suppliers-2nd-Ed.pdf>

Extended guidelines for MAQMSR for sub-tiers link:

<https://www.iatfglobaloversight.org/wp/wp-content/uploads/2016/12/Minimum-Automotive-Quality-Management-System-Requirements-for-Sub-tier-s....pdf>

