

DAIMLER TRUCK

North America

Supplier Quality Manual

as referenced in Doing Business with Daimler Truck North America



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1.0 Introduction

1.1 Purpose

The purpose of the Daimler Truck North America (DTNA) Supplier Quality Manual is to create a common level of understanding between DTNA and its suppliers. This element is critical to meeting and exceeding our customers' expectations. The foremost objective of the manual is to communicate to our suppliers the DTNA quality requirements. It covers the most important quality-related processes and methods, from product creation to product performance, and identifies the allocation of tasks and responsibilities between DTNA and its suppliers.

By understanding what the customer needs and expects drives operational efficiency and competitiveness; Therefore, DTNA expects this manual to be fully read and widely deployed to personnel involved in the delivery of DTNA parts.

We encourage and promote feedback. Any suggestions for improvements to this document may be directed to moq_supplierquality@daimlertruck.com

1.2 Scope

The Supplier Quality Manual applies to all suppliers of parts, materials, tooling, warehouses, distribution centers and services to all Daimler Truck North America LLC plants, subsidiaries, and divisions. This manual, in conjunction with "Doing Business with Daimler Truck North America LLC" provides the primary quality requirements.

1.3 DTNA Quality Policy

The quality policy is the guideline for our business activities. The enhancement of all business aspects is the goal of our business strategy.

Daimler Truck North America LLC and its affiliated business units, brands and operations are committed to continually improve the performance of its products in all aspects of our customers' expectations and experiences with its products, services, and people, while maintaining its commitment to the environment and safety.

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1.4 Quality Objective

The main quality objective is to ensure the delivery of innovative, high-quality products that meet customer expectations through measurable goals focused on a zero-defect culture, regulatory compliance, failure prevention, clarity in roles and responsibilities and active supplier engagement in continuous improvement and operational excellence across the entire end-to-end production process.

1.5 Quality Requirements for suppliers

To uphold our quality standards and ensure compliance with customer and regulatory requirements, the following criteria must be met:

- **Quality Compliance:** All parts must meet DTNA specifications, including drawings, technical standards, industry standards and all testing requirements throughout the life of the component, including safety features properly documented in PPAP (Production Part Approval Process) and executed during production to meet the process capability of CPK greater than or equal to 1.67.
 - Although the acceptable threshold for quality performance is set at 50 PPMs annually, **the commitment is to strive for zero defects.**
- **Traceability & Packaging:** Components must be properly identified, fully traceable to raw materials, and packaged according to DTNA and C-TPAT standards to ensure secure and compliant delivery.
- **Supplier Responsibility:** Suppliers must proactively manage risks, implement robust inspection plans for all materials (including those from directed-buy sources), and ensure quality throughout their supply chain, including sub-suppliers with no exceptions.

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2.0 Quality Management Requirements

2.1 Quality Representatives- Contact Details (Add, modify and/or remove)

Suppliers are responsible for providing and maintaining designated quality contacts information unsolicited. When there is a modification, suppliers are responsible for updating the new contacts within the next ten days after the change takes place. DTNA recommends as a best practice to schedule a review of the Quality contacts at least twice a year to ensure the contact information is correct in the Supplier 360 portal.

Supplier 360 Portal

  <https://dtna.my.site.com/Supplier>

DTNA requires suppliers to provide contacts for 4 notifications designations: Main Contact, PPAP Contact, Return Goods Authorization (RGA) Contact, and Reject Notification Contact. DTNA's system limits the Main, PPAP, and RGA designations to a single contact. Up to 3 contacts are available for the Reject Notification designation.

Up to date Quality contacts provides best in class communication flow. Improper contact information leads to misdirected communications that many times result in negatively affecting the supplier's performance record, which will negatively affect Masters of Quality eligibility.

Questions concerning the Quality contacts may be directed to the following email: PPAP_QE_Support@daimlertruck.com

This section exclusively applies for Quality representative contacts modification. To update supplier name, address, or supplier code please contact your DTNA buyer directly.

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2.2 Supplier Certification Requirements

All suppliers' manufacturing locations, warehouses, distribution centers and services, such as corporate offices, have a direct impact on the quality of our final products. Therefore, all supplier locations that interact with DTNA shall maintain a Quality Management System demonstrated by a valid ISO 9001 or IATF 16949 certification, and an Environmental Management System demonstrated by a valid ISO 14001 certification.

Evidence of a fully functioning Quality and Environmental Management System must be endorsed by a 3rd party certification company. Copies of valid certification(s) must be updated in Certus unsolicited. It is the supplier's responsibility to ensure that DTNA always has valid certificates.

Suppliers may contact info-proq-dtna@daimlertruck.com to request the appropriate access to the Certus System.

Certus Portal (Log in to the DTNA Supplier Portal using your credentials. Navigate to the "Applications" section, select the "Certus" application, and upload your certificates.)



[Home | Daimler Truck Supplier Portal](#)

If there is an inability to comply with the certification requirements, the supplier must contact DTNA at the following email moq_supplierquality@daimlertruck.com to establish a recovery plan to reinstate the certifications. (Applicable only for existing DTNA T1 suppliers).

Quality and Environmental certifications are mandatory for eligibility of Masters of Quality award and will significantly impact the supplier's standing.

2.2.1 Sub-supplier Certification Requirements

Tier-1 (T1) supplier must assume responsibility for all faults from their sub-suppliers and warrant the integrated product as a whole. To support that, T1 suppliers shall be responsible for maintaining a certified and effective Quality Management System (QMS).

- **DTNA reserves the right to directly assess Tier-2, Tier-3, and lower-tier suppliers** when their operations have a significant impact on the final product's quality. Accordingly, we do not endorse or sign any documentation intended to bypass compliance with DTNA certification requirements.

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- We strongly recommend the **selection of sub-suppliers that hold valid Quality and Environmental certifications**, to ensure that all sub-components meet DTNA standards.
- Suppliers are encouraged to proactively address any certification-related concerns with their sub-suppliers, maintaining a Management System that complies with **ISO 9001 and ISO 14001 standards at a minimum.**

These requirements also apply to directed-buy suppliers, without exception.

2.3 Quality Requirements for sub-suppliers

The Tier-1 supplier must act as a bridge between DTNA and their sub-suppliers, ensuring that all components align with DTNA standards, this also applies to directed-buy suppliers **with no exceptions.**

Key responsibilities:

- **Selection and evaluation:** Ensure that their sub-suppliers meet the quality standards and technical requirements. This includes assessing capabilities, quality history and regulatory compliance, including environmental, quality and safety aspects.
- **Product Quality and Risk Management:** T1 is responsible for ensuring that sub-components meet the specifications. T1 is also responsible for identifying and managing risks associated with supply continuity and potential impacts on production, this includes ongoing monitoring and periodic quality processes audits of Tier-2, Tier-3 suppliers.
- **Transparency and Communication:** Maintaining clear and constant communication with sub-suppliers is essential to ensure that DTNA specifications and expectations are understood and issues are resolved promptly.
- **Shared responsibility:** In the event of a quality spill or regulatory non-compliance, T1 shall be held responsible for all faults of its sub-suppliers and warrant the integrated product as a whole.

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The Tier 1 Supplier shall ensure that its sub-suppliers comply with the following requirements:

- **A robust Quality Management System (QMS) must be established and maintained** throughout the organization and its supply chain.
- **Product safety must be guaranteed during the development of components**, ensuring compliance with all applicable standards.
- **An effective Incoming Inspection Control Plan must be implemented** for raw materials and sub-components to ensure that final components meet all DTNA specified requirements.
- **Appropriate quality controls and risk management practices must be in place** to minimize the likelihood of producing defective products.
- **Defective products must be promptly identified and quarantined** at the earliest stage of the production process.
- **Production process capability must be stable and validated**, demonstrating consistent performance over time.
- **Quality data and legally required compliance testing must be thoroughly documented**, providing clear evidence that products have been manufactured in accordance with all relevant laws and safety standards.
- **Product traceability must be ensured across the entire supply chain**, from raw material to final delivery.
- **Any change to form, fit, or function requires DTNA Engineering approval**. If a deviation is granted, a formal Product/Process Change Notification (PPCN) must be submitted without exception.

2.3.1 PPAP Requirements for Sub-Suppliers

Suppliers shall ensure their sub-suppliers use PPAP and have the full responsibility for managing PPAP for their sub-suppliers, including engineering deviation requests to ensure the components consistently meet DTNA requirements.

Tier-2 PPAP submissions to DTNA are not required, but Tier-1 shall be responsible for requesting PPAP documentation to the Tier-2 upon DTNA request, **this also applies to directed-buy suppliers with no exceptions.**

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2.4 Automotive Industry Standards and DTNA Requirements

Compliance with Automotive Industry Standards, tools and procedures is vital to supply products to DTNA. The supplier is required to use the latest edition of these standards, most of which are available at www.aiag.org. Examples: Production Part Approval Process, Advanced Product Quality Planning, FMEA, etc. All expectations and requirements described in “Doing Business with Daimler Truck North America LLC” shall be followed by the supplier.

2.5 Welding Certification

Welding is a key process, so it is essential that every feasible precaution is incorporated to ensure the quality of this process. For welding processes, DTNA requires that:

- Suppliers maintain appropriate welding certifications for equipment.
- All welding equipment needs to be operated by certified personnel.
- Parts must be welded in accordance with their respective AWS Standard.
- Welding Steels - all arc welding of steels shall be in accordance with AWS D1.1
- Welding Aluminum - all arc welding of aluminum shall be in accordance with AWS D1.2
- DTNA strongly encourages all weld inspectors to be AWS certified.
- Welds must be visually inspected by a certified (or equivalent) welding inspector.

DTNA may request initial sampling parts for destructive verification of a supplier’s welding processes.

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3.0 Supplier Assessments

3.1 PPAP Requalification Process

The purpose of this section is to ensure that the production process remains stable and sustainable over time. This ensures that all product specifications and requirements are consistently met, and that the controls in place are robust, reliable, and capable of detecting and preventing any defects before components are shipped to DTNA.

This procedure applies to:

- Suppliers with historical quality issues, focusing on the validation of previously implemented corrective actions.
- When there are changes in design, material, process, tooling, or location.
Suppliers with original PPAP for more than 5+ years in regular production without reported changes.

Supplier Quality is responsible for executing this process and for contacting the suppliers deemed relevant at our discretion. Suppliers are required to participate and provide all necessary and updated information related to the ongoing production process.

3.2 Tooling Checking Fixtures and Gauges

All suppliers must provide DTNA with parts that meet DTNA engineering specifications, tests and drawing requirements. The supplier has responsibility for and shall measure the characteristics of the product to verify that the requirements have been met at appropriate stages of development. In general, non-Tooling “check fixtures and gauges” are to be part of supplier overhead, exceptions to be approved by DTNA Purchasing and Launch and Change Management. If checking fixtures and/or gauges are required by DTNA or the supplier to ensure conformance of parts, the supplier must submit quotes for checking fixtures during the initial quoting process. The request will be managed by DTNA’s Tooling Operations Group (TOG). DTNA expects the supplier to work closely with the TOG and Supplier Quality, as needed, during the development, to resolve tooling concerns impacting the quality of the part.

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Production check-fixtures, CMM holding fixtures and other tooling aids must meet the DTNA “Prototype - Sheet Metal - Checking Fixture/Gauges Construction Standards.”

- The fixture manufacturer is responsible for verifying and certifying that the checking fixture is constructed within tolerance, unless otherwise specified with a DTNA Engineering deviation, and for verifying that the checking fixture has been constructed to the same DTNA Engineering release and revision level as the part being inspected.
- DTNA requires a complete set of drawings prior to construction for each fixture/gauge. A Gauge R&R study is performed on all fixtures per DTNA specification by using digital hand tools or CMM with the Percent Measurement Variation (PMV). The requirement for all checking fixtures is to be less than 20% and should not exceed 30%.
- The certification and verification of all fixtures/gauges must be completed prior to PPAP and pre-series production, and on file ready to audit/review as determined by DTNA.

DTNA suppliers are expected to maintain tooling in good working condition and to contact the TOG regarding any DTNA-owned tools requiring replacement, relocation, or refurbishment. For details, see “Doing Business with Daimler Truck North America LLC.”

3.3 Parts Delivered Prior to Production Release

All prototypes and sample parts (A/B/C-samples) delivered to DTNA locations must conform and be verified to comply with the requirements established and approved by DTNA Engineering at that project phase.

Parts shipped to DTNA plants prior to production release must be, as a minimum, inspected against the DTNA drawings and specifications and shipped per the Exception Conditions to prevent quality defects. Any deviation(s) from the drawings/specifications needs to be approved and validated by DTNA Engineering ONLY, all deviations shall be properly documented including expiration date. If a deviation is approved by engineering, the supplier shall contact Supplier Quality for awareness and submit documentation upon request at the following email ppap_qe_support@daimlertruck.com

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3.4 Supplier Disapproval - Low Quality Performance

The following criteria may be used at Supplier Quality's discretion to determine the disapproval of suppliers:

- **Inconsistent Quality/Non-Compliance with DTNA Specifications**
 - Variability in product quality over time or inability to comply with DTNA expectations, such as technical specifications, inconsistent quality product delivery.
 - Suppliers lack robust quality control measures or processes resulting in frequent product defects or failures.
 - Non-compliance identifying/resolving quality spills coming from T2, T3 suppliers that are affecting the whole assembly of DTNA components. This includes directed buys with no exceptions.
- **Delayed responses to Quality Issues**
 - Slow or inadequate responses to reported quality concerns can signal a lack of commitment to Quality Management.
 - Fails to maintain updated Quality contacts (PPAP and Quality Rejections responsible).
- **Negative Customer Feedback**
 - Increased customer complaints and reluctance to adapt or enhance quality processes in response to customer feedback.
- **Failure to Implement Corrective Actions and Lack of Transparency**
 - The supplier fails to take appropriate corrective actions and unwillingness to share quality data or processes.
- **Non-Compliance with certifications and PPAP documentation**
 - Suppliers fail to maintain ISO 9001 or IATF16949 and ISO 14001 registration at all locations.
 - Lack of PPAP submission on time.

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4.0 Supplier Quality Processes

4.1 Production Part Approval Process (PPAP)

The purpose of PPAP is to ensure that all DTNA requirements are thoroughly understood and followed by suppliers and that the manufacturing processes in the production environment can produce parts that consistently meet DTNA-defined requirements. For production parts, product for PPAP shall be taken from a significant production run and shall be conducted at the production site, at the production rate, using the production tooling, production gaging, production process, production materials and production operators.

By submitting the required information for the PPAP, the supplier declares that all provided data is accurate, complete, and in compliance with all industry standards and DTNA specifications and legal requirements. This submission serves as a formal acknowledgment of the supplier's responsibility to meet all DTNA specification requirements, and the supplier accepts full accountability for the truthfulness and accuracy of the information representing current production conditions.

DTNA requires suppliers to perform the 18 PPAP elements for every part number delivered to DTNA plants in accordance with the latest AIAG standard and retain records on file.

DTNA Supplier Quality issues PPAP Level 4 requests via the PPAP Management System to validate compliance of the requested elements. PPAP approval is required for any requested part(s) prior to supplying parts to DTNA Truck Manufacturing Plants. Otherwise, parts must be shipped per the Exception Conditions.

Any change to what was previously approved requires a new PPAP approval to prevent any quality issue that has resulted from the implementation of an unapproved change.

Any changes made without DTNA's Engineering, Supplier Quality and Purchasing approval may result in supplier disapproval and all the costs associated with correcting the problem will be charged at the expense of the supplier.

DTNA does not issue PO's or extra payments for PPAP.

Late PPAPs will negatively affect the supplier's performance record, which affects Masters of Quality eligibility.

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4.1.1 PPAP Exception Conditions

DTNA allows suppliers to ship parts that have not received PPAP approval following the PPAP Exception Conditions. To avoid rejections suppliers must follow these requirements when either of the two following circumstances are true:

1. The 18 elements of PPAP have not been successfully completed and retained on the supplier's side.
2. PPAP approval status (Approved, Interim Approval or Waived Complete) has not been obtained for a requested status (Requested, Rejected or Waived).

Note: When PPAP approval has not been obtained for the requested (parent) part number, the supplier must follow the Exception Conditions for any associated child/children.

DO NOT SHIP UNTIL THE FOLLOWING STEPS ARE COMPLETED

1. All parts shipped to DTNA must be 100% inspected (all parts, all features, and notes); electronic components must be functionally tested.
2. Any deviation(s) from the drawings/specifications must be approved by DTNA Engineering and submitted through the PPAP System using a PPCN (AIAG form) to notify DTNA Supplier Quality.
3. Label the exterior of the package/container with a sheet of 8.5 X 11" heavy bond white paper, identifying the parts as conforming to the requirements of the Exception Conditions. "100% INSPECTED" in at least 1" black, bold lettering. This will indicate:
 - Parts that are submitted under the Exception Conditions shall be contained in their own shipment or in an entirely different package/container than other parts and shall be easily identifiable.
 - The label shall adhere very well to the package/container so that it is not lost during transportation. If the package is received with no label, the parts will be rejected.

If suppliers fail to comply with the previously established requirements, all received material will be subject to inspection and if the parts pass the inspection, they will be considered rejected under the category "used as-is" due to non-compliance to this process and this will negatively impact PPMs score. These records are critical to maintain traceability in case a quality defect arises during the life of the component.

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Note: If the part is also a sample part (not for production), please label the exterior of the package/container as “SAMPLE PART/NOT FOR PRODUCTION” and follow the instructions previously outlined in point 3 for the “100% INSPECTED” label including the contact that requested the sample. If the part is a PPAP or a Master Sample requested by Supplier Quality, please label the exterior of the package/container as “PPAP/MASTER SAMPLE FOR SUPPLIER QUALITY” respectively and add the contact of the Supplier Quality Engineer.

4. Records of the required inspection described above must be maintained by supplier and must be available to DTNA Supplier Quality upon request.
5. All parts must be 100% inspected, sampling is not allowed under this scheme.
6. All costs associated with the inspection of these parts shall be the responsibility of the supplier. Exception Conditions were created as a precaution to avoid quality problems related to non-compliance with the PPAP.

Supplier Quality is the only department authorized to address questions or concerns related to PPAP Exception Conditions.

Details and specific PPAP requirements can be found in the DTNA PPAP Manual located at: [Daimler Truck North America | Daimler Truck Supplier Portal](#)

- ➔ Procurement Tab
- ➔ Downloads & Documents

For further support please reach out to ppap_ge_support@daimlertruck.com

4.2 Nonconforming Material

DTNA is driven to continually improve the performance of its brands through a commitment to a zero-defect target. The following requirements are aimed at the rapid detection and correction of defects to achieve this objective.

T-1 shall immediately report to DTNA Supplier Quality any nonconformance (Parts out of specification).

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Any safety related issues require the highest level of attention and immediate containment actions followed by a high priority full analysis resolution in all entities affected (Field service, Truck Manufacturing Plants, Part Distribution Centers PDC ´s, inventory, etc.)

- Suppliers must notify product recall notices. Recall initiation shall include procedures, regulatory notifications, affected products and full investigation status until resolution.
- Notify any quality spill (including abnormal spikes on defects/scrap where parts may be suspected and were shipped to DTNA locations) and provide containment actions within 24 hours and actively engagement until full resolution (8D ´s) is completed following the timeline approved by DTNA.

This notification covers any knowledge of recalls or quality concerns related to subcomponents or parts supplied by T-2, T-3, etc.

To prevent nonconforming parts from being shipped to DTNA, suppliers are expected to deploy necessary controls in their manufacturing process to identify and address known and potential non-conformances, and the supplier must immediately contact DTNA at the following email corp_supplier_quality@daimlertruck.com to communicate the problem.

Quality Rejects and Field Campaigns (supplier responsibility) are considered for the eligibility of Masters of Quality award and will significantly impact the supplier’s standing.

4.2.1 Inspection / Reject Process at DTNA

Materials or products received from suppliers to be used at DTNA manufacturing plants are verified against the purchase order and DTNA drawing/specification. In addition to part features, rejection reasons may include part cleanliness, paint readiness, packaging, and part identification. Rejected parts will be documented on a Quality Reject Notification (QRN), which will automatically be emailed to the contact identified by the supplier. A Return Goods Authorization (RGA) response is required within 2 business days (48 hours) of the reject incident. Suspect parts can also be routed to Receiving Inspection by Plant QA. The parts will either be:

- Used as-is,
- Reworked, at the supplier’s expense,
- Returned to supplier (if requested by the supplier) or,

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- Scrapped with an appropriate Return Goods Authorization (RGA) this will be debited to the supplier. The final bill may vary depending on all associated costs and fees to complete the disposition.

Rejections classified as suspect material due to a quality spill or potential safety issue will not be removed or reversed once established by Plant Quality.

This policy applies regardless of subsequent inspection results indicating parts may be acceptable. Once a population of parts is identified as suspect, it shall remain rejected to ensure full containment, traceability, and risk prevention until formal disposition is approved by DTNA Supplier Quality.

DTNA highly recommends that suppliers take internal action on QRNs as they will impact on the supplier's score.

Requesting removal or reduction of quality rejects due to supplier responsibility defects is not considered a healthy practice; in case this occurs, all requests shall be escalated to Supplier Quality to be considered during Masters of Quality evaluation and could result in a negative outcome for the supplier. It is highly recommended to maintain constant communication with Plant QA to provide pertinent information to demonstrate a robust quality process or provide immediate support on quality spills.

4.2.2 Processing Fee

DTNA will charge the supplier a minimum processing fee of \$150 for each quality reject incident, which will be debited from the supplier in addition to the cost of the rejected/defective material.

Please refer to the QRN which accompanies each rejection for supporting details.

- Rejects with values less than \$100 US can be scrapped and debited to the supplier at the time the reject is issued.
- Rejects with values greater than or equal to \$100 US the components will be scrapped, and all associated cost will be debited to the supplier if a response is not received within 2 business days.

It is the supplier's responsibility to always provide DTNA Supplier Quality with valid contact information so Quality Reject Notifications may be properly distributed.

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4.2.3 DTNA Deviations

Deviations are used as a temporary modification to DTNA requirements and must be approved by DTNA Engineering. If DTNA Engineering has confirmed a drawing change and a timeframe, the supplier shall request an EWR number to avoid potential rejections at the plants. This deviation should be communicated to Supplier Quality through the PPAP System in a PPCN.

4.2.4 Corrective Action

If DTNA detects that a supplier's parts do not meet specifications DTNA will contact the supplier to request immediate containment actions and initiate the proper corrective actions implementation. Parts out of specification are considered a quality spill and depending on the nature of the problem can result in a FRACAS, Zeus, TMPs Escalation and will significantly impact on the supplier's standing and eligibility for the Masters of Quality.

All T1 suppliers are held responsible for any faults originating from their sub-suppliers, including those from directed-buy suppliers, without exception.

Expectations for T1 suppliers if parts are found to be out of specification:

- Suppliers must assign a sufficiently staffed cross-functional team to actively participate in recurring meetings until the issue is fully resolved.
- Suppliers are expected to meet all established deadlines and support immediate containment actions.
- Suppliers are responsible for providing all necessary support to alleviate the impact on manufacturing plants and field operations, including additional inspections or actions prior to clean points reaching the point of use. This includes covering all associated costs.
- Suppliers must conduct a comprehensive review of their processes and collaborate with Plant Quality Assurance and/or Corporate Supplier Quality to identify and eliminate the root cause using the 8D problem-solving methodology, ensuring prevention of recurrence.
- Suppliers are accountable for containment and corrective actions related to DTNA-owned tooling approaching end-of-life. It is the supplier's responsibility to proactively contact DTNA's Tooling team to initiate refurbishment or replacement.

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- If corrective actions result in changes to the product or process, the supplier must submit a Product/Process Change Notification (PPCN) through the Production Part Approval Process (PPAP) system within 10 business days including DTNA's change validation.

If a potential quality spill or suspect material is identified and was shipped to DTNA, the supplier must immediately contact DTNA at the following email corp_supplier_quality@daimlertruck.com to communicate the problem, affectation, suspect population and containment actions should be provided within the immediate 24 hours after the quality spill occur. Any nonconformance related to a safety issue requires the highest level of attention and prompt containment.

4.2.5 Quality Spill Closure Criteria and Reoccurrence Protocol

A quality spill is only considered fully closed once all required documentation has been submitted and approved by DTNA Supplier Quality, including evidence of the controls implemented, and all related formats and documents that must be properly updated. Included but not limited to documentation such as full PPAP or the requirement of specific elements of it like: PFMEA, Control Plan, SWI's, Inspection Process, etc.

If clean points are broken or the issue reoccurs in the future, it will be treated as a new quality spill, triggering a new investigation process and resulting in a new impact on the supplier's scorecard, as a consequence of non-effective prevention actions taken to solve the problem.

Any of these instances disqualify the supplier from the MOQ evaluation period(s) being evaluated at the time the incident occurs or is notified by Supplier Quality and until the problem has been closed.

4.2.6 Recall Process

Information concerning potential safety-related product defects, noncompliance recalls, or campaigns in which case the supplier is responsible must be forwarded immediately to DTNA Engineering and to Compliance and Regulatory Affairs (CRA) Departments with all supporting documentation and data. CRA will determine the need for an investigation.

For further assistance on this topic please contact product-compliance@daimlertruck.com

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4.3 Masters of Quality Award

The purpose of the Masters of Quality (MoQ) is to honor the outstanding performance of our suppliers and encourage them to pursue excellence not only to comply with DTNA standards but also to constantly look for continuous improvement prior, during and post-production.

Only suppliers that meet one hundred percent of the defined criteria across all categories will be eligible for the award. No exceptions will be made, as full compliance is essential to ensure program success.

The MoQ evaluation is considered from January 1st to December 31st of each year, and the winners are announced starting from the second quarter of the following year.

4.3.1 Criteria

Months of Consecutive Delivery	<ul style="list-style-type: none"> •12 Months
Receipt & contracted volume	<ul style="list-style-type: none"> •Series AVoB ≥ \$500,000
Quality & Environmental Certifications	<ul style="list-style-type: none"> •Valid ISO 9001 or IATF 16949 certificate for quality and ISO 14001 certificate for environmental, both approved in Certus
Quality Rejects	<ul style="list-style-type: none"> •PPMs ≤ 50
Delivery PPMs	<ul style="list-style-type: none"> •PPMs ≤ 50
PPAP Compliance	<ul style="list-style-type: none"> • 100% of parts in production with PPAP Approved
Supplier Quality Spills	<ul style="list-style-type: none"> •Zero Quality Spills* during the entire year being evaluated
Tooling	<ul style="list-style-type: none"> •100% Tooling audit- All tools located during the annual cycle count •100% On-time tools •100% Invoicing- No outstanding invoices per tooling milestones
Packaging	<ul style="list-style-type: none"> •PFEP Assignment rate >95% •Returnable ASN submitted >95% •Returnable ASN accuracy >95% •Returnable inventory compliance -100%
Field campaigns (Supplier responsible)	<ul style="list-style-type: none"> •Zero field issues/campaigns reported during the entire year being evaluated

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***What is a quality spill?**

A quality spill is defined as the unintentional release of non-conforming or out-of-specification components from supplier's facilities. These parts could be in transit, already received at any of DTNA locations or parts installed in our trucks in service (dealers or customers).

A quality spill can originate at any DTNA locations/departments, dealers or customers. Depending on its severity, it may be classified into the following categories, such as a Truck Plant escalation topic, quality rejections, field campaign, FRACAS, or any other relevant classifications. However, it is not limited to these and may include additional sources.

Any quality spill that occurs during the entire evaluation period will be considered when assessing performance.

While the minimum expectation is that the issue is resolved promptly according to DTNA requirements, it is important to note that the incident has already occurred and will negatively impact the MoQ score.

To verify compliance of quality spills or field campaigns please reach out to moq_supplierquality@daimlertruck.com

4.3.2 Categories

There are three different categories:

- **The Best of the Best** (One winner, the top scorer across the entire candidate portfolio for the MoQ)
- **The Most Improved** (One winner- the supplier with the highest percentage of MoQ performance improvement compared to the previous year)
- **General winners** (not limited, all suppliers that meet the defined criteria)

Current scores can be found in Supplier 360 (Quality tab) by vendor code, questions or concerns regarding a specific metric may be directed to the area responsible for that operation as follows:

- PPAP contact: ppap_qe_support@daimlertruck.com
- Tooling contact: DTNATooling@DaimlerTruck.com

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- Packaging contact: DTNAPackaging@Universallogistics.com
- Supplier Quality Spills, Field Campaigns and Certification contact: moq_supplierquality@daimlertruck.com

Supplier 360 Portal



<https://dtna.my.site.com/Supplier>

Questions regarding Masters of Quality award itself may be directed to the following email:
moq_supplierquality@daimlertruck.com

The scope of this award only considers DTNA suppliers.

5.0 DTNA Commitment

DTNA is committed to develop long-standing relationships with our suppliers and together achieve results that meet and exceed the customers´ needs.

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6.0 Addendum. Additional Requirements for Thomas Built Buses Suppliers

Dated Materials

For Thomas Built Buses to provide the best quality product to our customers, guidelines have been established for all dated materials.

- We will not accept any material that has more than 50 % of its shelf life expired.
- The expiration date is required on all packing lists by part number. Provide the oldest expiration date by part if shipping material with multiple expiration dates.
- The expiration date must also be noted/labeled on the material's container (each cartridge, drum, pail etc.). We will not accept manufactured date only.

Coated Metal Components Testing

Process Parameter Tracking

Effective on all coated parts the following process parameters are to be recorded at a minimum once for each lot or batch of TBB components run:

- Line speed
- Cleaning stage free / total alkalinity or free / total acid
- Cleaning stage and rinse stage(s) temperature
- Cleaning and pretreatment stage delivery parameters (E.g. psi)
- Rinse stage(s) total dissolved solids
- Rinse stage(s) temperature
- Pretreatment stage PH
- Pretreatment stage chemical concentration
- Curing oven temperature
- Film Thickness

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These parameters will serve as a minimum and all chemical and coating supplier recommendations for process parameters should be followed and recorded.

Batch Testing

Due to the nature of the product we build, additional quality control measures will also be implemented. In order to remain in good standing, monthly data shall be available upon request for all TBB coated parts to include:

- Lot or batch information including Lot or batch ID
 - Date/shift
 - Part #'s and quantity produced.
 - Significant lot or batch events (significant maintenance event, tank dump, temp drop, power loss, etc.)
 - Any out of tolerance conditions to process parameters

- Lot or batch testing for each lot including Solvent Wipe Test – ASTM D5402 or Coating Supplier Recommendation
 - Solvent Wipe Test – ASTM D5402 or Coating Supplier Recommendation
 - Pencil Hardness Test – ASTM 3363
 - Cross Hatch Adhesion Test – ASTM 3359

All lot or batch information shall be recorded on an appropriate data sheet and retained for a minimum of 7 years at the supplier.

Coated Parts in FMVSS 221 Joints

Components whose final state resides in an FMVSS joint will also require tensile test samples for each lot or batch. These will include:

- 4 Tensile Test Coupon Samples – as per TBB drawing 162273

Sample sets should be run during the production run of the coated parts they represent with no special preparation. Samples are to be assembled & tested by the supplier.

Test results, for each batch shipped, will be maintained by the supplier. Product cannot be shipped if test results do not pass the required test. Results must be available to Thomas Built Buses upon request.

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7.0 Record of Revisions

Rev	Date	Sections	Change
0	From creation until 2019	All	Original version of Supplier Quality Manual validity period.
1	Dec 2020	All	1. Document redesign release.
2	Dec 2021	All	1. Wording corrections and amendments.
3	Dec 2022	All	1. Wording corrections and amendments. 2. Use of "Truck" instead of "Trucks".
		2.1 Quality Contact Information	1. Introduction of Supplier 360 to update contacts.
		2.2 Certification	1. Update from ISO TS 16949 to IATF 16949. 2. PPAP Coordinator's contact was included.
		4.3 Masters of Quality Award	1. MOQ Criteria was updated.
4	Dec 2023	All	1. Wording corrections and amendments.
		2.1 Quality Contact Information	1. PPAP Coordinator's contact details.
		2.2 Certification	1. The scope of the certifications was specified. 2. The Info-ProQ contact was included to request access to Certus.
		3.2 Risk Mitigation	1. Merged with section 1.5 Quality Requirements and Expectations.
		3.4 Parts Delivered Prior Production Release	1. QE's contact was included.
		4.1 Production Part Approval Process	1. PPAP level clarification. 2. PPAP status table relocated. 3. Additional requirements for PPAP submission included. 4. Clarifications and updates on PPAP process. 5. Clarification for PPAP Exception Conditions. 6. Sub-chapter 4.1.2 was created to consolidate PPCN information.
		4.2 Non-conforming Material	1. Sub-chapter 4.2.4 was updated with detailed expectations when a part is out of specification.
		4.3 Masters of Quality	1. Criteria was updated.

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			2. Supplier 360 was included as the official source for supplier's indicators.
		5.0 Q: Help	1. Q: Help Process removed from this manual, available in Doing Business with Daimler.
		6.0 DTNA Commitment	1. Moved from section 6 to section 5 due to Q: Help removal.
5	Dec 2024	All	1. Wording corrections and amendments.
		2.1 Quality Contact Information	1. Link to Supplier 360 was included and a new process was introduced.
		2.2 Certification	1. Link to Certus was included.
		2.1 Sub-Supplier's Certification Requirements	1. New section.
		4.1 Production Part Approval Process	1. Creation of PPAP Manual, further details can be found in a separate manual.
6	May 2025	MoQ Criteria Update	1. Clarify the scores and definitions that conform Masters of Quality criteria
		Thomas Built Buses Addendum	1. Special requirements are included that are only applicable for Thomas Built Buses (TBB) suppliers
7	Jan 2026	All	1. Wording corrections and amendments.
		2.1 Quality Contact Information	1. PPAP Coordinator email was removed
		3.1 PPAP Requalification Process	1. Introduction of PPAP Requalification Process