Minerals Division

Supplier Quality Manual

WMD-POL-17-02



TABLE OF CONTENTS

1 OVERVIEW 3
1.1 Introduction 3
1.2 Scope 4
2 SUPPLIER REQUIREMENTS 6
2.1 Supplier Selection Process 6
2.2 General Requirements 6
2.3 Product Verification & Inspections 6
2.4 Drawing Revision Level Control 6
2.5 Concession Request 6
2.6 Customer Property 6
2.7 Product Identification and Traceability 7
2.8 Packaging, Shipping and Labelling 7
2.8.1 Shipping Traceability 7
2.8.2 Consignment requirements 7
2.8.3 Bundling of loose items 8
2.8.4 Hazardous goods 9
2.9 Supplier Continuous Improvement / Innovation Program 9
3 PART APPROVAL PROCESS 10
3.1 Introduction 10
3.2 Purpose 10
3.3 Confidentiality 10
3.4 Applicability 11
3.5 First Article Inspection Requirements 11
3.6 FAI Report Levels 11
3.7 FAI Submission levels 11
3.8 First Article Inspection Submission 11
3.9 FAI Approval Status 12
3.10 Concessions 12
3.11 Authorization to Ship Parts for Production 12
3.12 First Article Inspection Process Flow Chart 12
4 SUPPLIER MANAGEMENT 14
4.1 Supplier Order Management 14
4.2 Supplier Monitoring and Evaluation 14
4.3 Supplier Performance Rating System 15
4.3.1 Supplier Quality Performance: DPPM 15
4.3.2 Supplier Delivery Performance: OTD 16
4.3.3 Supplier Cost Savings Performance 16
4.3.4 Other Local Factors 17
4.4 Supplier “A”, “B”, “C” Classification 17
4.5 Supplier Corrective Action 18
5 DEFINITIONS 19
6 ABBREVIATIONS 21
7 REFERENCES 22
8 REVISION HISTORY 23

1 OVERVIEW

1.1 INTRODUCTION

Founded in 1871, The Weir Group PLC is a global leader in engineering solutions, dedicated to making mining and infrastructure operations more sustainable and efficient. Our advanced technologies enable the production of critical resources with reduced energy, water, and waste, ultimately lowering the total cost of ownership for our customers.

With approximately 12,000 employees operating in over 50 countries, Weir is strategically positioned to meet the growing demand for essential metals that support economic development and the transition to a low-carbon economy. Our presence spans every major mining region worldwide, ensuring we are at the forefront of industry advancements.

Our suppliers are integral to our success. We build relationships based on total quality practices and principles, striving for excellence in performance, product quality, delivery, service, and total cost. Weir expects all suppliers to adhere to the highest standards, including the prohibition of modern slavery, forced labour, and child labour, in compliance with the UK Modern Slavery Act 2015 and the United Nations Convention on the Rights of the Child.

We are equally committed to upholding human rights and promoting sustainability across our supply chain. We expect our suppliers to respect the dignity and rights of all individuals, ensure safe and fair working conditions, and actively minimize their environmental impact. This includes responsible sourcing of materials, reducing carbon emissions, and supporting circular economy principles. Together, we aim to build a resilient, ethical, and sustainable value chain that contributes positively to people and the planet.

Weir is committed to sharing knowledge and expertise with our suppliers, investing significantly in their development to achieve the highest product standards for our customers. We seek maximum partnership participation and global performance standards from all our suppliers, ensuring a collaborative effort towards continuous improvement and innovation.

1.2 SCOPE

This Supplier Quality Manual applies to all direct material suppliers, including components, products, and systems, as well as strategic sub-contract suppliers as defined by the local business. Throughout the supply chain, suppliers must ensure that their own suppliers adhere to similar compliance standards.

The purpose of this manual is to define and establish the expected quality requirements for suppliers of goods and services to Weir. It provides a foundational framework for an effective supplier quality assurance system, which includes the key elements on the process flow in Figure 1 below:

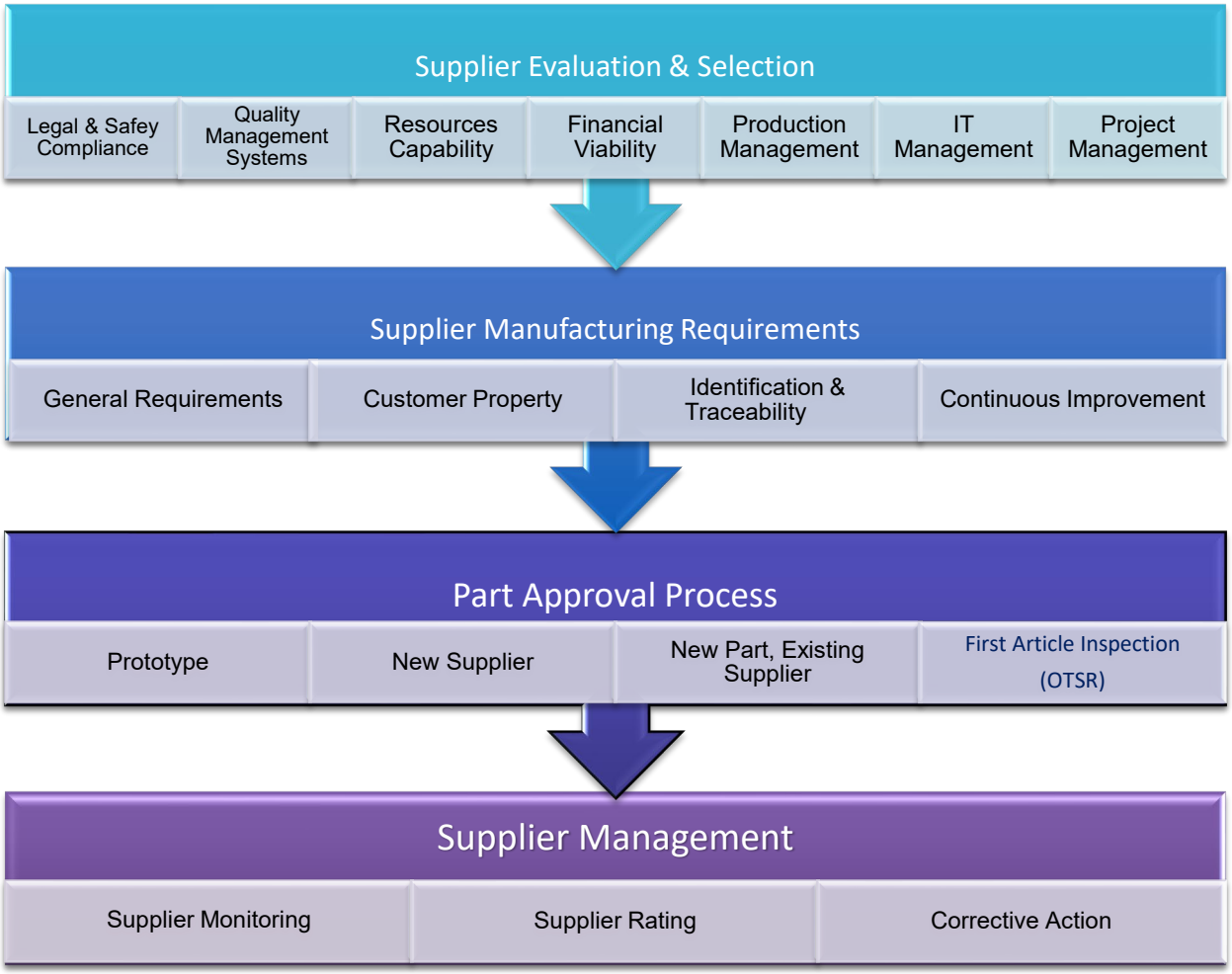

Figure 1 Supplier Quality Manual Process

This manual also outlines the process for supplier selection, assessing the capability and performance of each supplier, part approval process, and overall supplier management in terms of evaluating, rating, and controlling non-conforming products.

The intent of the supplier quality management process is to foster a cooperative effort between Weir and its suppliers, ensuring and maintaining high quality and timely deliveries throughout the supply chain. This is achieved by helping suppliers develop and maintain internally controlled processes that address Weir's requirements and minimize quality costs for both Weir and its suppliers.

In addition to these quality requirements, Weir expects direct material suppliers to have a quality management system equivalent to ISO 9001. While third-party registration to ISO 9001 is not

compulsory, suppliers must endeavour to meet all the requirements of the standard and demonstrate compliance through business process activities.

Weir is also committed to high standards of environmental management, controlling the impact of its activities on employees, the community, and the environment. Commitment includes achieving and maintaining an injury-free work environment that minimizes health risks. During the supplier assessment process, Weir will favour suppliers who have implemented ISO 14001 or equivalent systems for environmental management, as well as occupational health and safety management systems like ISO 45001.

The table below includes the roles referenced within this procedure and the overall responsibilities of each role.

Role	**Responsibility**
Divisional Quality	Development, maintenance, and implementation of the supplier quality manual.
Minerals Division Global Supply Chain	Development, maintenance, and implementation of the supplier quality manual.
Plant Quality	Implementation of the manual's requirements in their operations and with suppliers.
Supplier	Implementation of the manual's requirements in their operations and with suppliers.

2 SUPPLIER REQUIREMENTS

2.1 SUPPLIER SELECTION PROCESS

Weir is committed to maintaining high standards of quality from our suppliers, ensuring that products and services are delivered on time and at competitive prices, resulting in the lowest total cost of ownership. Suppliers are selected based on their ability to meet specified requirements and their capability to serve as partners in supply chain improvement. Before issuing a purchase order, suppliers must be evaluated through the supplier selection and evaluation process (WMD-PRO-17-01) and approved as Weir Vendors for the specific product or product category.

2.2 GENERAL REQUIREMENTS

Suppliers must maintain their manufacturing areas to ensure that Weir products are produced to the highest quality standards. Regular evaluations and improvements in working conditions and housekeeping are essential. Suppliers are encouraged to implement Lean manufacturing principles to enhance production efficiency and reduce costs. Weir representatives may request participation in improvement activities such as Lean, Kaizen, 5S, and VA/VE at the supplier's facility.

2.3 PRODUCT VERIFICATION & INSPECTIONS

Suppliers must conduct product verification or inspections at specified intervals to ensure ongoing conformance to Weir quality requirements. Records of actual measurements and any other required documents must be submitted upon request.

2.4 DRAWING REVISION LEVEL CONTROL

Suppliers are responsible for ensuring that the drawing number and revision level on the issued drawing match those on the Weir purchase order. Any discrepancies must be reported immediately to the relevant Weir representative for correction. Products manufactured to incorrect revision levels will not be accepted

2.5 CONCESSION REQUEST

If a supplier identifies any deviations from Weir specifications during the manufacturing process, they must submit a Request for Concession Form (WMD-F-15-02) to the relevant Weir representative for approval before continuing production. Approved concessions are temporary and must not be considered permanent. If a concession request is rejected, the supplier will receive further instructions from the authorized Weir representative.

Note: *The concessions process is applied during both the FAI process and normal production*

2.6 CUSTOMER PROPERTY

Suppliers must clearly identify, store, and maintain all customer-owned property, such as moulds, patterns, tooling, test equipment, intellectual property, or any other data or information. In case of damage, loss, or unsuitability for use, suppliers must notify Weir immediately. Suppliers must also have a preventative maintenance system in place to optimize the performance of customer property. All Weir owned assets must have a controlled assets register or certificate of tooling ownership (like WMD-F-17-05).

2.7 PRODUCT IDENTIFICATION AND TRACEABILITY

Suppliers must ensure all products and materials supplied to Weir are adequately identified and fully traceable to the source of origin This includes physical traceability and significant characteristic records:

- **Physical Traceability**: Part number, origin code, date code, material code, branding, and trademarks. Detailed in the Product Identification & Traceability Policy (WMD-POL-15-01).
- **Significant Characteristics**: Material test records and performance test reports.

2.8 PACKAGING, SHIPPING AND LABELLING

All products or components shipped to Weir must be packaged in accordance with local regulations and Weir requirements. Packaging must provide sufficient protection against adverse conditions during transport, storage, and unpacking. Specific guidelines include:

- **Shipping traceability**: Items must be marked with part numbers and identifiable to the purchase order and line-item number.
- **Consignment Requirements**: Packaging must be of good quality and manageable weight, with specific requirements for cardboard cartons, wooden crates, and pallets.
- **Bundling of Loose Items**: Loose items must be segregated by length and size, securely strapped, and glutted for forklift access.
- **Hazardous Goods**: Markings and packaging must comply with the International Maritime Dangerous Goods (IMDG) regulations, accompanied by a Material Safety Data Sheet (MSDS).

2.8.1 SHIPPING TRACEABILITY

Items are to be marked with Part number & Identifiable to Purchase Order and line-item number, Weir purchase orders are not to be mixed as one piece. If items are consolidated as loose cartons (shrink-wrapped pallets only) each purchase order must be identifiable and be labelled correctly as per purchase order with the word “mixed pallet” on the outside accompanied by an invoice for each purchase order within. Loose cartons are not to be packed into cases, crates or skids or any other item(s) that cannot be easily cut open and separated.

2.8.2 CONSIGNMENT REQUIREMENTS

CARDBOARD CARTONS:

To be of good quality to withstand road transport with a new content of a manageable weight (industry standard recognizes 20kg as a safe lifting load per item). All cartons must be securely taped crossways, top and bottom. Items outside this realm must be packed in a wooden crate or the carton placed and secured onto a wooden skid. Cartons alone must not exceed 20kg.



Picture 1: Cardboard carton

WOODEN CRATES/BOXES – LIGHT DUTY:

To be of good quality pine timber with a sturdy base and strengthening bands. Net content weight not to exceed 200kg.

WOODEN CRATES/BOXES – HEAVY DUTY:

To be of good quality pine timber with a hardwood base and strengthening bands. Net content weight not to exceed 400kg.

WOODEN OPEN CRATES – HEAVY DUTY:

To be of good quality pine timber with a hardwood base and strengthening bands. Net content weight not to exceed 600kg.

WOODEN PALLET CRATES – EXTREME DUTY:

To be of good quality pine timber with a hardwood base and strengthening bands. The overall quality of this crate must be commensurate with the weight of the contents to ensure safe handling and protection of the cargo during transit.



Picture 2: Wooden Crate

Note: *All international shipments containing wood packaging shall confirm to ISPM 15*

2.8.3 BUNDLING OF LOOSE ITEMS

Loose items such as steel pipe, steel shapes, timber etc. are to be segregated by length and size in packs not exceeding 2,000kg each. Each pack to contain a single purchase order number and be made

up of one product type bundles with 25mm wide heavy-duty poly strapping spaced at a maximum of 1,50mm intervals and have a minimum to two lengths of timber with a minimum dimension of 100mm x 50mm to form an integral base. All items are to be glutted with a minimum space of 150mm for forklift tine access. All bundles to be strapped securely for transit and shall not exceed 4,000kg.



Picture 3: Bundled loose items

GLUTS:
For items up to 3,000kg, gluts are to be at least 50mm thick. For items up to 7,000kg gluts are to be at least 100mm thick. For items over 7,000kg gluts are to be at least 120mm thick.

PALLETISING
Pallets are to be non-returnable and of export quality. They are to be of suitable construction to withstand 2,000kg horizontal breaking force. Pallets are to be no greater than 1,170mm x 1,170mm in size.

CARTONS PACKED ON PALLETS
Must be shrink-wrapped and a 6mm piece of ply placed on top prior to shrink-wrapping.

PLASTIC BUCKETS AND TINS
Must have a piece of 6mm ply placed in between each layer plus a 6mm top ply and then shrink wrapped.

2.8.4 HAZARDOUS GOODS

All markings on the outside of the containers and packing shall be in accordance with the International Maritime Dangerous Goods (IMDG), if applicable, and accompanied by a Material Safety Data Sheet (MSDS).

2.9 SUPPLIER CONTINUOUS IMPROVEMENT / INNOVATION PROGRAM

Weir supports and encourages supplier-initiated product or process innovation, cost reduction, and process improvement ideas. Suppliers can use the Supplier Improvement Suggestion Form (SISF) (WMD-F-17-04) to propose improvements. The process includes:

- **Seeking Improvements**: Suppliers identify opportunities to eliminate or reduce costs and describe proposed changes on the SISF.
- **Submitting the SISF**: Suppliers submit the form to the Weir Supplier Quality representative for investigation.
- **Weir Investigation**: Weir investigates the proposed change and notifies the supplier of the status, potentially visiting the supplier's facility to verify improvements.

Examples of supplier improvement opportunities to consider:

- Component Design: Simplifying the component.
- Dimensions / Shape: Modifying the shape to improve processing.
- Tolerances: Adjusting tolerances to achievable specifications.
- Commonality: Using industry-standard parts.
- Raw Material: Identifying less expensive substitutes.
- Process Changes: Reducing process and handling steps.

Note: *The supplier continuous improvement program forms part of the Weir supplier management program, as described in section 4. Weir suppliers' efforts and contributions to continuous improvement initiatives will be awarded as described in section* ***Error! Reference source not found.****.*

3 PART APPROVAL PROCESS

3.1 INTRODUCTION

The part approval process used by Weir is called the First Article Inspection (FAI) Report (formerly called Off Tool Sample Report (OTSR)) and uses a standard format (WMD-17-F-01).

Capital equipment and project orders are approved and released via the APQP process and uses stage gate release.

All suppliers must prepare and submit an FAI report to Weir prior to shipping production intended products. Suppliers are also responsible for managing their subcontractors in the part approval process, and Weir reserves the right to evaluate such subcontractors.



Figure 2: Part Approval Process

3.2 PURPOSE

The purpose of the part approval process is to ensure that suppliers understand Weir's requirements and verify that their manufacturing processes can consistently produce products that meet Weir's specifications and requirements at the quoted production rate and achieve on-time delivery.

3.3 CONFIDENTIALITY

Suppliers must treat all Weir drawings, materials, products, specifications, or any other information provided by Weir as strictly confidential. This information must not be disclosed to any other party unless directed by Weir or with written approval from Weir. Suppliers may be required to sign a non-disclosure confidentiality agreement prior to doing business with Weir.

3.4 APPLICABILITY

First Article Inspection Reports applies to all existing and newly approved suppliers to Weir, both external and intercompany, supplying new or changed parts, components, or materials. For standard catalogue parts or OEM products where specifications are not specified by Weir, FAI is not required unless requested by an authorized Weir representative.

Note:
For bulk (raw) materials, FAI is not required unless specified by an authorized Weir representative.

3.5 FIRST ARTICLE INSPECTION REQUIREMENTS

Submission of an FAI report is required for any of the following:

- **Change to Material**: Any changes made to material supplied to Weir.
- **Correction of Discrepancy**: Correction of any discrepancy on a previous submission.
- **Engineering Drawing Changes**: Any changes to component level drawings that impact the design.
- **Initial Submission**: First time production of a components at a supplier
- **Manufacturing Changes**: Any change in process that may influence the fit, form, or function of the product.
- **Prototype**: Production of an original type, form, or instance serving as a standard for other things of the same category.
- **Tooling Changes**: Any change in manufacturing location, tooling transfer, replacement, or refurbishment.
- **Other**: Any other change that may affect the form, fit, or function of the product.

Note: *Any question regarding the need for FAI submission, the supplier shall contact the Weir Quality representative.*

3.6 FAI REPORT LEVELS

Level 1 Submission:
Includes only documentation without an actual product sample. Required documents: report cover page, marked drawing, dimensional report, material report, identification and traceability report.

Level 2 Submission:
Includes Level 1 requirements plus actual product sample(s). Total amount of samples specified by Weir. Total amount of samples to be submitted will be specified by Weir, depending on the importance of the product or component.

Level 3 Submission:
Includes Level 2 requirements plus any other specified requirements by Weir.

3.7 FAI SUBMISSION LEVELS

Default submission levels for First Article Inspection from external Suppliers is Level 2

Note: *Weir reserves the right to adjust submission level up or down, based on individual supplier performance.*

3.8 FIRST ARTICLE INSPECTION SUBMISSION

Document Requirements:

- **Drawing**: Submit the specified drawing with marked dimensions.
- **FAI Report Cover Page**: Record relevant information and sign as a declaration of accuracy.
- **Dimensional Report**: Check all drawing dimensions and record actual results. Measuring equipment used for each dimension must specified on the provided column.
- **Material Report**: Provide evidence of compliance with material specifications.
- **Product identification & traceability pictures**: Provide clear pictures showing the product from different sides and show all the Identification and traceability markings used

Sample Submission
All samples required must be sent with identification stating that it is a sample for FAI purposes and delivered to the Quality Department directly.

3.9 FAI APPROVAL STATUS

Approved
Indicates the report package meets Weir specifications. The signed cover page will be sent back to the supplier.

Rejected
Indicates the report package does not meet Weir specifications. The supplier must promptly resubmit with corrections.

Conditionally approved
Permits shipment of the one-off FAI sample under agreed conditions. Resubmission required for the next production run

Revoked
Indicates the FAI status of a previously approved for material has been cancelled due to non-compliance to Weir requirement and Specification. All FAI revokes will be communicated in writing to the supplier with Weir Procurement on copy. This communication will include the reason for the revoke.

3.10 CONCESSIONS

Prior to FAI submission, the supplier shall notify Weir Supplier Quality of any deviations, using the request for concession form identified in section 2.5, to specification identified during the manufacturing of the FAI sample and / or during the inspection process thereof.

Failure to notify Weir of the above will result in a non-conformance report raised and issued to the supplier. If concession approval is given by the Weir Quality Manager, it will include time and / or quantity and / or dimensional limits and / or may impose extended production time.

3.11 AUTHORIZATION TO SHIP PARTS FOR PRODUCTION

Suppliers are authorized to ship products only upon receipt of the approved and signed copy of the FAI report cover page from Weir.

Unauthorized shipments will not be accepted.

3.12 FIRST ARTICLE INSPECTION PROCESS FLOW CHART

Refer to the process flow chart below for the detailed FAI submission and approval process:

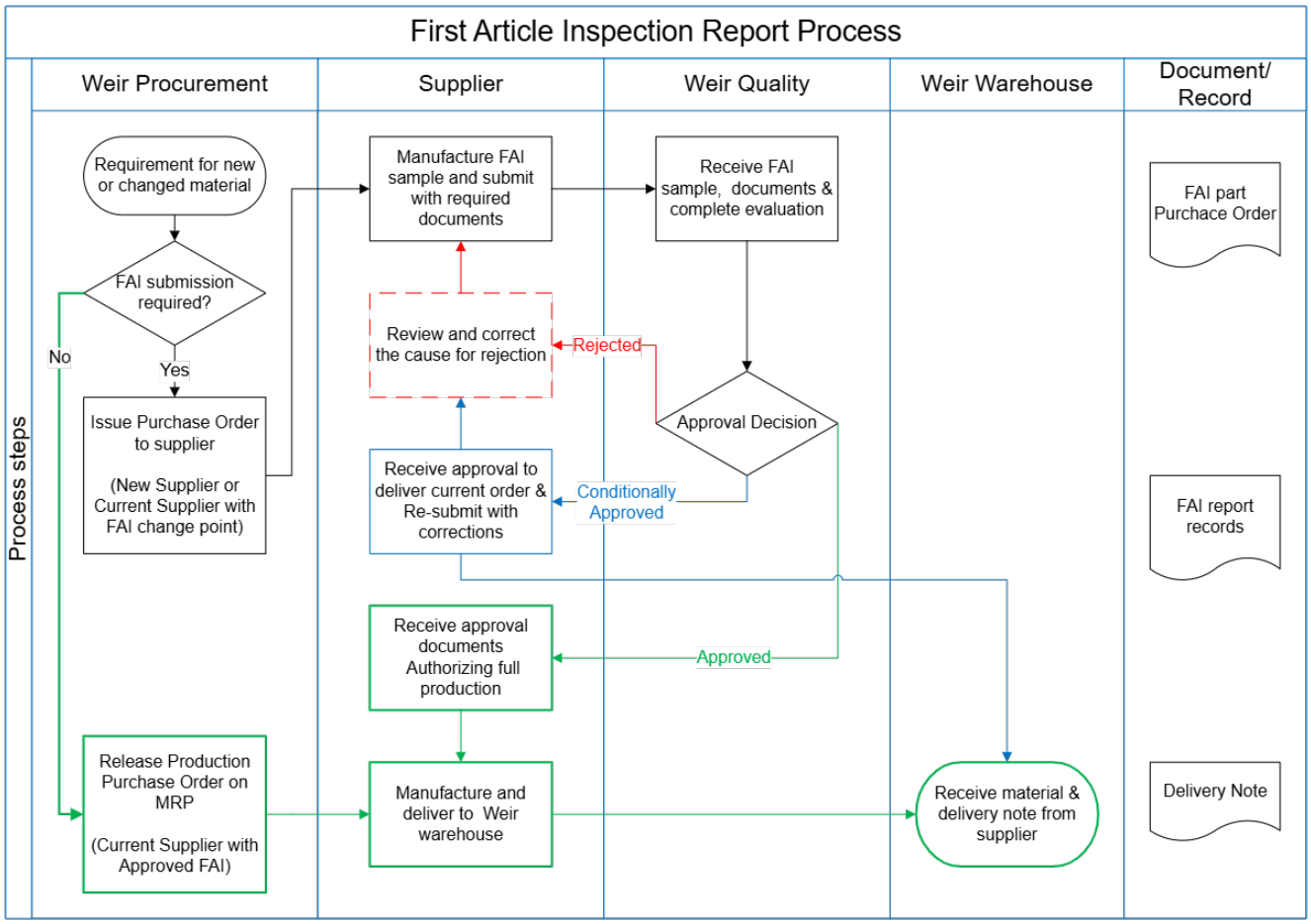

Figure 3: Part First Article Inspection Approval Process Flow

4 SUPPLIER MANAGEMENT

4.1 SUPPLIER ORDER MANAGEMENT

Weir utilizes a Digital Supplier Portal as the primary tool for communicating and sharing information with suppliers. It is recommended for suppliers to register on this platform to ensure effective and real-time communication while doing business with Weir.

Supplier Registration and Onboarding

- **Registration**: Suppliers must register on the Supplier Portal platform to be onboarded to Weir's Vendor list.
- **Record Maintenance**: Supplier records, including quotations, purchase orders, delivery dates, and requirements, are maintained in Coupa.

Communication and Information Sharing

- **Quotations**: Suppliers submit quotations through the Supplier Portal
- **Purchase Orders**: Weir issues purchase orders via Supplier Portal, detailing delivery dates and requirements.
- **Advanced Shipping Notices**: Suppliers provide advanced shipping notices through Supplier Portal to inform Weir of upcoming deliveries.
- **Invoices**: Suppliers submit invoices through Supplier Portal for payment processing.

Order Management Process

- **Order Placement**: Weir places orders through the Supplier Portal, specifying product details, quantities, and delivery requirements.
- **Order Confirmation**: Suppliers confirm receipt of the order and provide estimated delivery dates.
- **Shipping and Delivery**: Suppliers ship products according to the specified requirements and provide advanced shipping notices.
- **Invoice Submission**: Suppliers submit invoices through Supplier Portal for the delivered products.
- **Payment Processing**: Weir processes payments based on the submitted invoice.

Benefits of Using the Supplier Portal

- **Efficiency**: Streamlines communication and order management processes, reducing manual errors and delays.
- **Transparency**: Provides real-time visibility into order status, delivery schedules, and payment processing.
- **Compliance**: Ensures adherence to Weir's quality and delivery standards through standardized processes.

4.2 SUPPLIER MONITORING AND EVALUATION

Weir reserves the right to conduct an onsite evaluation, at the supplier's premises, at periodic intervals to monitor and evaluate the Supplier's quality systems, procedures and on-going process performance.

The supplier evaluation is intended to help further the supplier's continuous production of good quality product or components as required and Weir reserves the right to identify any continuous improvement opportunities arising from the evaluation.

The supplier evaluation is to be conducted by personnel for and on behalf of Weir (i.e. SQD personnel or Weir contractors) using the 'supplier evaluation' sheet (WMD-F-17-02). Opportunities for improvement will be addressed with the supplier in a feedback session after the onsite supplier evaluation.

All open issues / opportunities for improvements must be addressed by the supplier and sent back with corrective action, deadline date and responsibility within the specified time frame as defined by Weir SQD departments. Failure to adequately address opportunities for improvement may result in disqualification and/or modify supply arrangements.

Potential suppliers will be evaluated, if deemed necessary, as part of the initial sourcing process. All current suppliers will be evaluated at Weir SQD department's discretion and may include reasons such as on-going quality issues, any other poor supplier performance indicator or a quarterly visit.
Weir is committed to help suppliers maintain and improve their overall quality systems. Assistance shall be provided to suppliers when needed to ensure effective quality system development and continuous process improvement. Other supplier improvement initiatives may include the following:

- Training on quality management systems (ISO 9001)
- Training on problem solving techniques.
- Assist suppliers with any improvement activities.
- Assist suppliers with developing EHS improvement plans as may be deemed necessary by Weir, this may include training awareness actions / materials.

4.3 SUPPLIER PERFORMANCE RATING SYSTEM

Weir is committed to continued customer satisfaction and exceeding their expectations. The overall performance of our suppliers directly impacts on our ability to support our customers' requirements.

Weir supplier performance rating system is a consistent process to measure supplier performance that is critical to our success. The process is designed to capture specific data, measure on a regular basis and provide feedback to our suppliers.

Weir's supplier performance rating system is designed to measure and improve supplier performance, which is critical to our success. The system categorizes suppliers into "A," "B," and "C" categories based on weighted averages of key performance indicators (KPIs).

KPIs and Weightings:

- **Quality (35%)**: Measured by Defective Parts Per Million (DPPM).
- **Delivery (30%)**: Measured by On-Time Delivery (OTD).
- **Cost (15%)**: Measured by Purchase Price Variance (PPV).
- **Other Local Factors (20%)**: Including, but not limited to EHS, continuous improvement support, responsiveness, flexibility, and innovation.

4.3.1 SUPPLIER QUALITY PERFORMANCE: DPPM

Quality performance of direct suppliers is measured using Defective Parts Per Million (DPPM). Points are awarded based on DPPM ranges as shown in the table below.

$$\text{Defective Parts Per Million Calculation} = \frac{\text{Total Defective Units}}{\text{Total Units Delivered to Weir}} \times 1{,}000{,}000$$

DPPM Score	Points
DPPM ≤ 100	35
100 < DPPM ≤ 500	30
500 < DPPM ≤ 1,000	27
1,000 < DPPM ≤ 5,000	25
5,000 < DPPM ≤ 10,000	20
10,000 < DPPM ≤ 50,000	15
50,000 < DPPM ≤ 100,000	7
100,000 < DPPM ≤ 200,000	3
DPPM > 200,000	0

Table 1: DPPM Scores

Supplier can be placed on a Quality Improvement plan based on a combination of DPPM score and high business impact. The improvement plan will be for a period up to 6 months with period progress reviews.

4.3.2 SUPPLIER DELIVERY PERFORMANCE: OTD

Delivery performance is measured using On Time Delivery (OTD). Points are awarded based on OTD percentages as shown in the table below.

$$\text{On Time Delivery Calculation} = \frac{\text{Sum (Order Lines Delivered on Time)}}{\text{Sum (Order Lines Delivered)}} \times 100\%$$

OTD	Points
OTD ≥ 95%	30
90% ≤ OTD < 95%	25
80% ≤ OTD < 90%	15
70% < OTD < 80%	5
OTD ≤ 70%	0

Table 2: OTD Scores

For suppliers of indirect goods OTD will be measured under the same principles as direct materials. For indirect services the assessment of OTD will be measured on the timely delivery of the specific services offered by the supplier.

4.3.3 SUPPLIER COST SAVINGS PERFORMANCE

A supplier can receive positive cost savings by providing continuous annual reductions in cost as they become more familiar with our product. Since positive cost savings is desirable, partnering with suppliers that will work to improve their processes and pass the savings along to Weir is the goal. Points are awarded based on cost savings percentages as shown in the table below.

$$\text{Cost Savings \% Calculation} = \frac{\text{Cost Savings}}{\text{Original Cost}} \times 100\%$$

Cost Savings %	Points
≥ 5%	15
≥ 3% < 5%	10
> 0% < 3%	5
≤ 0% (i.e. on cost)	0

Table 3: Cost Savings Scores

4.3.4 OTHER LOCAL FACTORS

Points are also awarded for issues of local importance. These can be, but are not limited to, any of the following: EHS, Continuous improvement support, e.g. Lean, Kaizen, VA/VE, Kanban/Consignment implementation, CAPA response or responsiveness as well as demonstration of industry-leading technology and continual presentation of innovative solutions to improve both, service and cost.

4.4 SUPPLIER "A", "B", "C" CLASSIFICATION

Suppliers will be rated according to the outcome of the above weighted averages and will be categorized as follows:

Rating		Score	Status
AAA Rated Supplier	Preferred	≥ 80 Points	Normal delivery with continuous improvement actions
A Rated Supplier	Approved	≥ 65 Points	Normal delivery with actions on missed targets and open NCRs
B Rated Supplier	Conditionally Approved	≥50 Points	Development and corrective action required, subject to on-going review
C Rated Supplier	Probationary	< 50 Points	Place supplier on a 6-month improvement plan to get to B rating. Failure to improve after 6 months, will result in being marked for disqualification process

Table 4: Supplier Rating System

The ratings are based on a twelve-month window of data which is provided monthly through Supplier Performance Report extracted directly from the Weir ERP system.

The supplier performance rating score will be used as the basis for future sourcing decisions and for annual awards and recognition.

Preferred: Overall score of 80 or more points meets the required standard.

Approved: Minimum of 65 points with missed targets and open NCRs for DPPM and OTD

Conditionally Approved: Minimum of 50 points. These suppliers are allowed to supply while placed on an improvement plan.

Probationary: Once a supplier is rated as a "C" (probationary) for more than three consecutive months or any three months in a 12-month period, they will be placed on an improvement plan. The supplier has six months to improve its performance and reach "B" rating (conditionally approved).

Disqualified Supplier: Probationary suppliers that fail to improve performance within six-months of starting the improvement plan will be marked for disqualification. Disqualification may be warranted by consensus of the purchasing and quality department and subsequent removal from the approved supplier list.

4.5 SUPPLIER CORRECTIVE ACTION

Suppliers are responsible to provide defect free products and components to Weir. If a non-conforming product is received, the supplier will be notified immediately and required to take appropriate corrective action.

Nonconforming material, product or component can be detected either during an audit, incoming inspection, assembly or upon any warranty returns.

The supplier shall acknowledge receipt of corrective action request within 8 business hours. Immediate containment action is required within 24 hours to prevent any additional non-conformances to Weir.

The supplier shall complete a corrective action report within 30 calendar days. Root cause and corrective action plan shall be documented and returned to Weir within the above-mentioned period. Suppliers may make use of their own document, unless requested by Weir to use the Weir problem solving 8D format.. This document shall include the following:

Problem Statement

- Define problem(s) symptoms as experienced by the customer
- Identify when the problem started
- List manufacturing dates of defective material

Interim containment action – Expected within 24 hours

- Define all containment actions required
- Describe method of sorting
- Validate effectiveness of containment action

Root cause analysis – Expected within 5 calendar days

- Define detailed root cause
- Verify root cause identified
- Use of quality tools such as 5 why approach or fishbone diagram

Permanent corrective action - Expected within 30 calendar days

- Root cause must be addressed
- Detailed action plan with responsibility and deadline dates
- Verify and validate corrective action taken

Suppliers shall be responsible for all costs incurred by Weir because of non-conformance received or supplier's failure to meet specification. Approval and closure of non-conformance report will be at the discretion of Weir quality department and will remain open until problem solving requirements have been met.

5 DEFINITIONS

The following table includes the definitions of terms and acronyms used throughout this policy.

Term/ Acronym	Definition
Approved Supplier	A supplier who is approved to supply particular/nominated/specific components, materials, products, systems or services to Weir.
articles	Use of the term articles is extended to mean materials, products, processes or services.
Bulk (Raw) Material	A substance (e.g. non-dimensional solid, liquid, gas), such as adhesives, sealants, chemicals, coatings, fabrics, lubricants, etc. A bulk material may become production material if issued a production part number
Concession	Permission to use or release a product that does not conform to specified requirements
Corrective Action	Action to eliminate the cause of a detected nonconformity or other undesirable situation
Corrective Action Preventive Action (CAPA)	Action taken to correct and prevent the reoccurrence of a defect
Defective Parts Per Million (DPPM)	The ratio of defective parts over the total number of parts being considered multiplied by a million. These defective units includes both parts that will be scrapped or to be reworked
Design Centre of Origin (DCO)	Weir Engineering centre responsible for design and maintenance of Weir Design information and specification for a specific product line or material
Direct Supplier	Supplier of product that form direct parts of the saleable item
First Article Inspection Report	Inspection report verifying the conformance to product specification on a First Article manufactured by a supplier on a new or changed product.
First Pass Yield (FPY)	The number of units coming out of a process divided by the number of units going into that process over a specified period
G8D Report	Weir's preferred method of problem solving when a corrective action request has been initiated. 8D refers to the eight disciplines or steps involved in identifying and correcting the problem's root cause
Gauge R&R	Or else referred to as ANOVA gauge repeatability and reproducibility, measures the amount of variability induced in measurements by the measurement system itself, and compares it to the total variability observed to determine the viability of the measurement system. The evaluation of a measurement system is not limited to gauges but to all types of measuring instruments, test methods, and other measurement systems
Indirect Supplier	Supplier of product that is not a direct part of the saleable item
Intercompany Supplier	Supplier that is fully or partially owner the Weir PLC
Kaizen	Refers to philosophy or practices that focus upon continuous improvement of processes in manufacturing, engineering, and business management

Lean	Is a production practice that considers the expenditure of resources for any goal other than the creation of value for the end customer to be wasteful, and thus a target for elimination
Marked Up Drawing	Drawing provided by the customer, Weir, indicating dimensions to be checked through allocation of sequential numbering. Dimensions are to be reported against the sequential numbers
Measuring Equipment	Measuring instrument, software, measurement standard, reference material or auxiliary apparatus or combination thereof necessary to realize a measurement process
Nonconformance Report (NCR)	the record of the nonconforming article
Nonconformity	Non-fulfilment of a specified requirement" In other words, an occurrence of a condition that does not conform to the specifications of the prescribed standards
Original Equipment Manufacturer (OEM)	An original equipment manufacturer, or OEM, manufactures products or components that are purchased by another company and retailed under that purchasing company's brand name. OEM refers to the company that originally manufactured the product
Off Tool Sample Report (OTSR)	Older terminology which is now referred to as First Article Inspection (FAI) report.
Preventative Action	Action to eliminate the cause of a potential nonconformity or other undesirable potential situation
Process Flow Chart	A scientific flowcharting technique that identifies the value adding activities and the non-value adding activities in a process
Prototype	Production of an original type, form or instance of something serving as a typical example, basis or standard for other things of the same category
PTC	Pump Technology Centre
PTG - Product Technology Group	Product Engineering function responsible for a specific product group within Weir
Purchase Order (PO)	A formal request to a vendor to supply certain goods or services with stated conditions
Purchase Price Variance (PPV)	The difference in price between the amounts paid to the supplier and the planned or standard cost of that item
Rework	Action on a nonconforming product to make it conform to the requirements
Scrap	Action on nonconforming product to preclude its originally intended use, for example the destruction thereof
Traceability	Ability to trace the history, application or location of that which is under consideration
Value Analysis (Purchasing environment)	The study or examination to ascertain its total cost of acquisition, maintenance, and usage over its useful life, wherever feasible, to replace it with a more cost-effective substitute
Value Engineering	Is a systematic method to improve the "value" of goods or products and services by using an examination of function. Value, as defined, is the ratio of function to cost. Value can therefore be increased by either improving the function or reducing the cost.

6 ABBREVIATIONS

The following table includes the definitions of the abbreviations used throughout this policy.

Abbreviation	Meaning
ANOVA	Analysis of Variance
CAPA	Corrective Action Preventative Action
DCO	Design Centre of Origin
DPPM	Defective Parts Per Million
EDR	Engineering / Drawing Request
EHS	Environmental Health and Safety
EMS	Environmental Management Systems
FAI	First Article Inspection
FPY	First Pass Yield
ISO	International Organization for Standardization
ITP	Inspection and Test Plan
MDR	Manufacturing Data Report
MSA	Modern Slavery Act (UK) in 2016
MSDS	Material Safety Data Sheet
NCR	Non-Conformance Report
OEM	Original Equipment Manufacturer
OTD	On Time Delivery
OTSR	Off Tool Sample Report
PPR	Product Performance Report
PPV	Purchase Price Variance
PTC	Pump Technology Centre
QA	Quality Assurance
QMS	Quality Management System
RDR	Research & Development Request
SDS	Safety Data Sheet
SQD	Supplier Quality Development
VAVE	Value Analysis and Value Engineering

7 REFERENCES

The following table includes referenced documentation information.
All documents are assumed to reference the latest released version.

Reference Doc #	Title/Description
ISO 9001	International Organization for Standardization, Quality Management System Requirements
ISO 14001	International Organisation for Standardization for Environmental Management
ISO 45001	International Standard for Occupational Health and Safety (OH&S) Management Systems
ISPM 15	International Standard for Phytosanitary Measures No. 15
Weir Global	Supplier Code of Conduct
Weir Global	Weir Minerals Terms and Conditions
WMD-POL-15-01	Product Identification and Traceability Policy
WMD-PRO-17-01	Supplier Selection and Evaluation Process
WMD-F-17-01	Initial Supplier Survey
WMD-F-17-02	Supplier Quality Evaluation
WMD-F-17-04	Supplier Improvement Suggestion Form
WMD-F-17-05	Certificate of tooling ownership
WMD-F-17-07	Non-Disclosure Agreement, NDA
WMD-F-17-08	Supplier Acknowledgement
WMD-F-15-01	First Article Inspection Report
WMD-F-15-02	Request for Concession Form

8 REVISION HISTORY

Rev.	Date	Author / Reviewer	Comments
1.0	8-Sept-2025	Mziyanda Nkunkuma Philip Firth Ping Maltbie Jennifer Marsh	Refresh of document to replace all previous versions (identified as WMD-SQM_002 & Weir Group PLC-Supplier Quality Manual).