

SUPPLIER QUALITY
DO IT RIGHT THE FIRST TIME

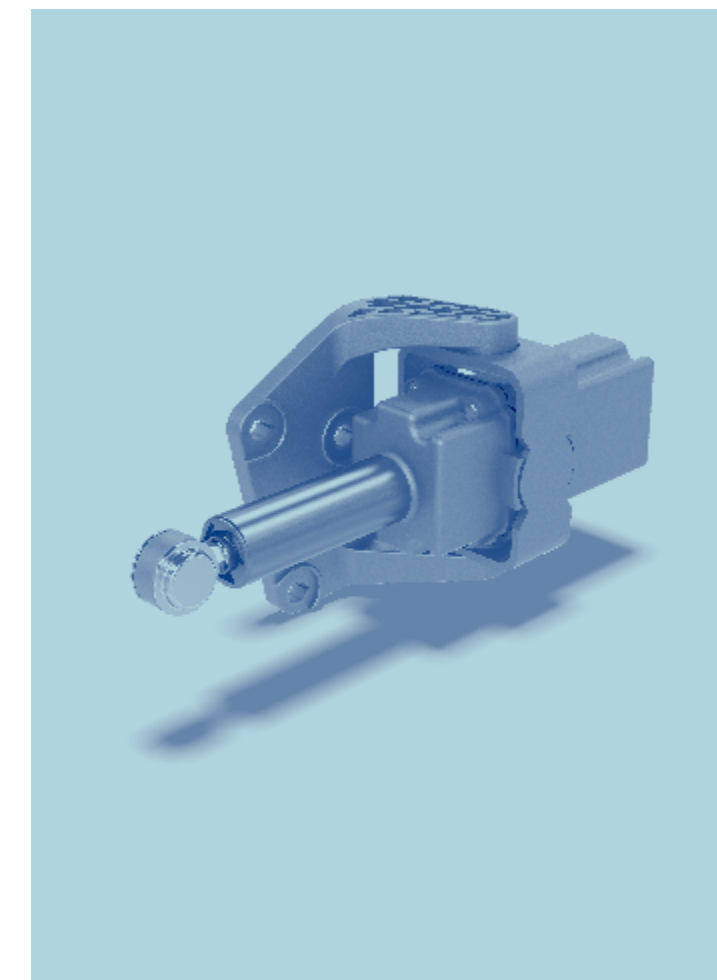


KONGSBERG
AUTOMOTIVE

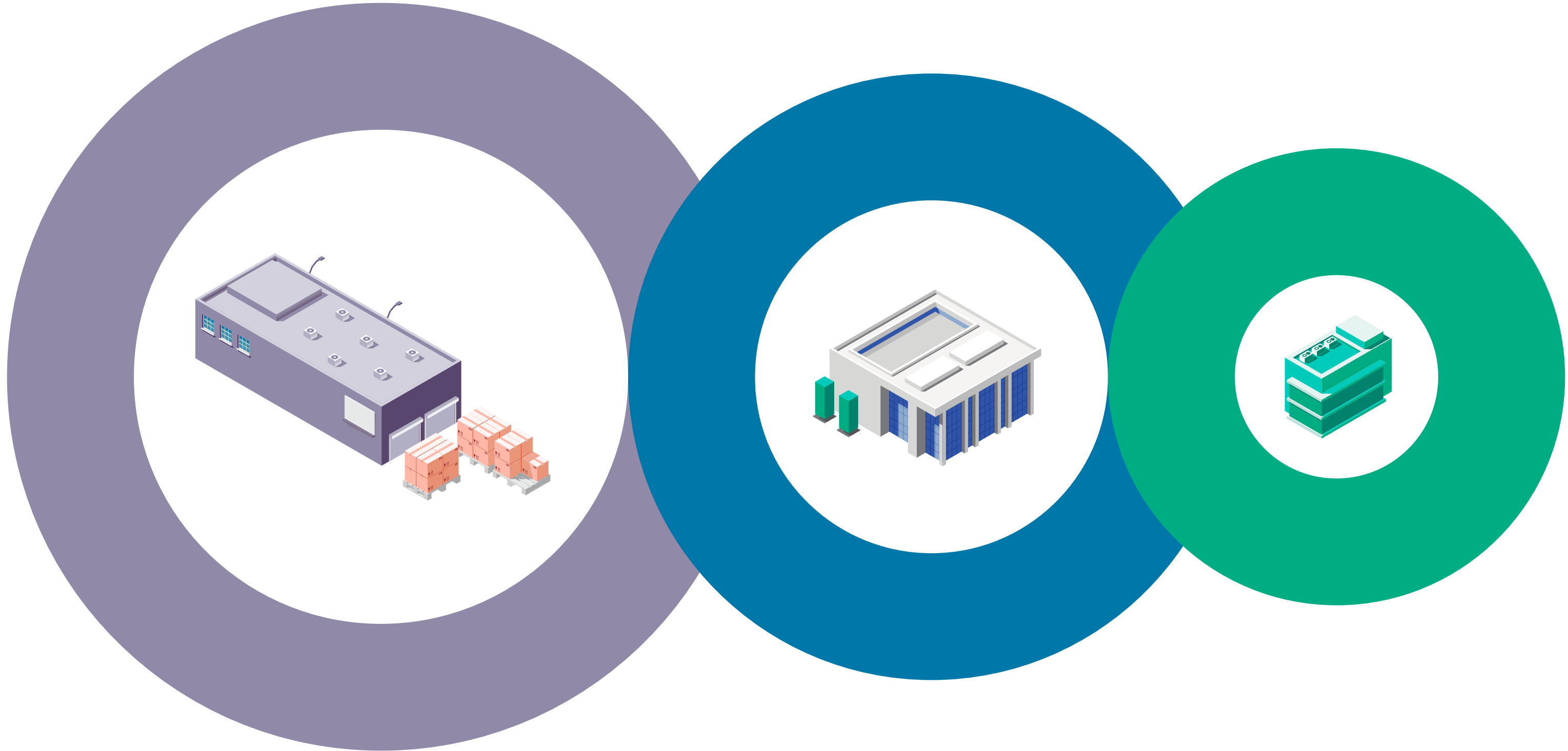
KONGSBERG AUTOMOTIVE

**A GLOBAL PARTNER OF CHOICE FOR OUR CUSTOMERS,
EMPLOYEES AND STAKEHOLDERS, PROVIDING ADVANTAGEOUS
SOLUTIONS THAT ENHANCE THE DRIVING EXPERIENCE.**

- Quality is essential to success, and today it is no longer a differentiating factor, it is a basic requirement.
- For our stakeholders, quality means **failure free** output, satisfied end customers, content suppliers, no recalls, and thus a strong corporate identity.
- KA commits to deliver safe, reliable and zero defect products and services through anticipation and prevention of risks, having a **holistic approach** to quality through the entire supply chain, and with **data accuracy** for continuous improvement and **factual decision based**.



VALUE CHAIN



SUPPLIER

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OEM

SUPPLIER QUALITY OBJECTIVES

- Preventing supplier nonconformities from impacting our customers
- Reducing costs of poor quality by ensuring high supplier performance
- Ensuring product safety and compliance



DO IT RIGHT THE FIRST TIME: ZERO DEFECT STRATEGY

ASSURING AND IMPROVING QUALITY IN ALL DEVELOPMENT AND MANUFACTURING PROCESSES, BOTH AT SUPPLIERS AND INTERNALLY

A holistic approach or the practice of Total Quality, including driving supplier quality activities, is key in enhancing KA product safety and compliance towards the end customers.

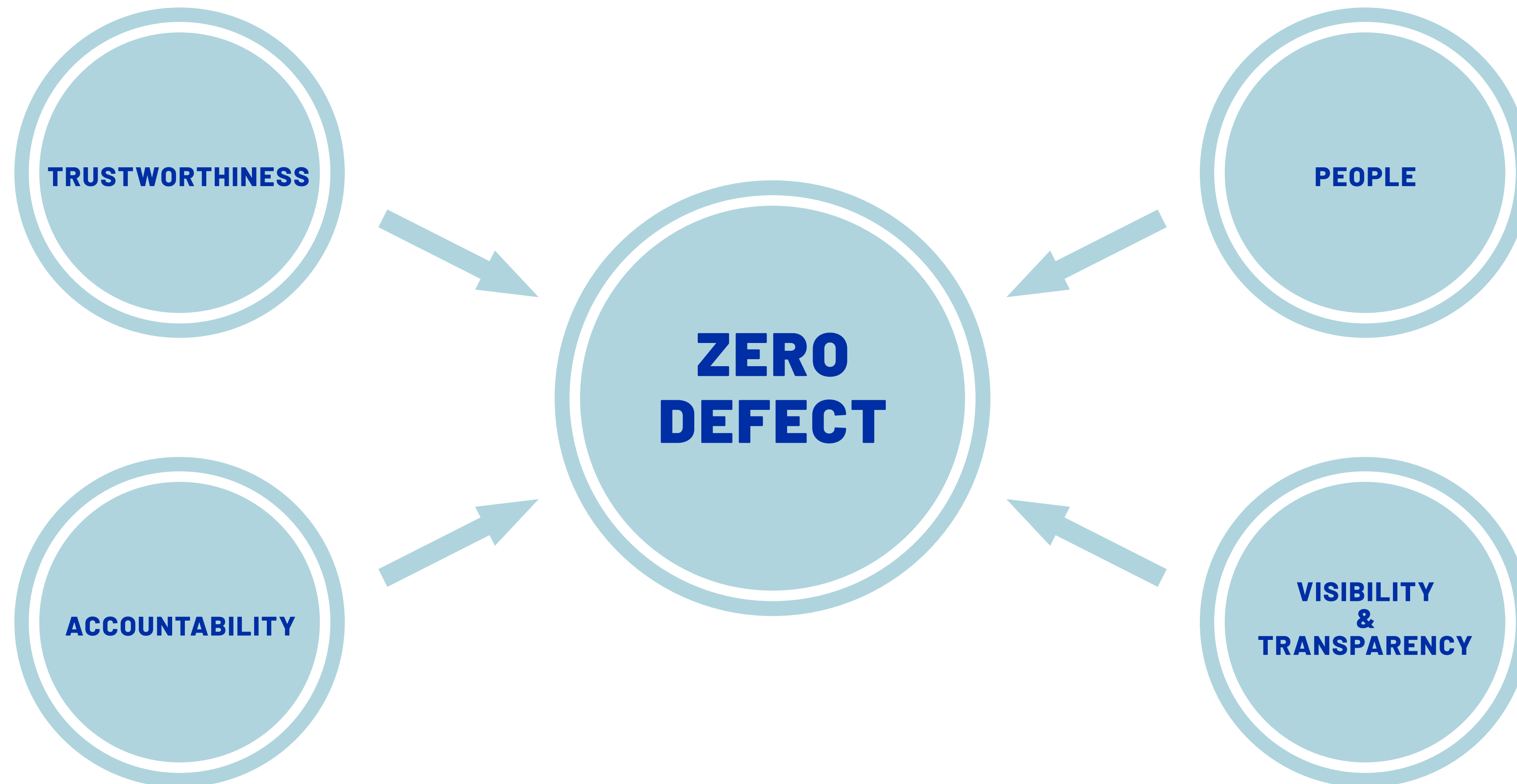
Any product defects are identified and addressed early in the development and production phases, thereby avoiding customer disruption.

Early failure modes discovery and prevention contribute to the:

- decrease of parts' costs of poor quality
- monitoring or development of low performance suppliers



A HOLISTIC APPROACH TO ZERO DEFECT



A HOLISTIC APPROACH TO ZERO DEFECT

Rely on:

TRUSTWORTHINESS

Assurance that all agreements are respected and purchased products perform according to KA internal requirements and customer specifications

PEOPLE

Dedicated and highly qualified

ACCOUNTABILITY

Ensured by Kongsberg Automotive values, code of conduct, processes and procedures

VISIBILITY & TRANSPARENCY

Ensured through an effective and integrated KA management system with manufacturing control systems*, offering amidst the entire product lifecycle, **full awareness sharing** among all stakeholders; that is with:

- suppliers to secure its integration and development
- KA Research & Development to support Design For X
- KA Purchasing, Logistics, Plant Quality

* Manufacturing control systems: MES = Manufacturing Execution Systems, ERP=Enterprise Resource Planning, Customer Relationship Management, PLM=Product Lifecycle Management

SUSTAINING SUPPLIER QUALITY

SUPPLIER SELECTION

- › Choose from a premium quality level supplier base, continuously subject to **KA QMS performance rating**, which assets include: highly skilled teams, well proven processes, and that can participate in product development and innovation.

SUPPLIER INTEGRATION

Engage in:

- › **Development activities** - partner with our suppliers and be proactive in their progress
- › The deployment of **Build-In quality processes** to ensure safe project launches and reinforce the partnership with our suppliers
- › **Supplier days** at KA plants, where selected suppliers are coached for a better understanding of KA procedures and efficiency in applying problem solving methodology
- › **Information sharing tools** to enhance:
 - » Supplier quality monitoring (audit reports, certifications, performance level evaluation with corresponding implementation of improvement plans, advanced reporting, etc.)
 - » Supplier loyalty through a close and organized relationship





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