

Global Supplier Requirements Manual (SRM)

Regal Rexnord Corporation

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1. Purpose and Scope

This Supplier Requirements Manual (SRM) sets forth requirements and expectations applicable to any Supplier of Regal Rexnord Corporation (“Regal Rexnord”). A Supplier is any entity or party providing products and/or services to Regal Rexnord, including but not limited to materials, components, parts, production parts and assemblies, service parts and assemblies, heat treating services, painting services, other manufacturing operations or services, whether as a direct or indirect provider of such products or services (hereafter “Supplier”). References in this SRM to ‘Regal Rexnord’ means Regal Rexnord Corporation or its subsidiaries or affiliates, owned or controlled by any of its Regal Rexnord Corporation or any of its subsidiaries or affiliates, and its business segments and units, anywhere in the world, as reflected in the applicable purchase agreement or purchase order (the “Contract”).

1.1 Supplier Types: (Direct, Indirect and Service)

Direct: A Direct Material Supplier is one that supplies material and secondary process(es) (outsourced) that will be used as part of the product Regal Rexnord is manufacturing. Examples: Shafts, Commutators, Gears, End Frames, Nuts, Screws, Labels, etc.

Indirect: An Indirect Supplier is one that supplies material that will NOT be used as part of the product Regal Rexnord is manufacturing. Examples: Tooling, Office Supplies, Paper, etc.

Service: A Service Supplier is one that supplies a service. (Note: Not related to Direct Material) Examples: Copy machine service, air conditioning service, transportation service, consulting, etc.

1.2 Suppliers Responsibility Regarding this Manual

The manual is the responsibility of the Global Supplier Quality and Development Team. Questions concerning the requirements should be directed to team members of the Supplier Quality and Development within Regal Rexnord.

All Suppliers are required to read and fully understand the content within this manual. The Supplier will be expected to adhere to all the requirements as specified within Regal Rexnord’s Supplier Requirements Manual (SRM). Suppliers who engage in business with Regal Rexnord as a Direct Material Supplier, acknowledge and agree to abide by the requirements outlined in the Regal Rexnord SRM.

2. Quality Alignment

The Supplier Requirements in this Manual are fully aligned with manufacturing and customer quality assurance activities at Regal Rexnord. We expect the same quality from Suppliers that is expected from our own manufacturing operations. Therefore, this SRM represents an extension of Regal Rexnord’s Global Quality and Performance Excellence Strategy.

3. Supplier Relationship Management Responsibilities

Point of Contact: The Plant Buyer for Regal Rexnord is the primary point of contact for all purchasing and day-to-day commercial issues. The buyer must be informed proactively by the Supplier of any issue(s) that impacts quality, delivery, and or cost.

Commercial Items: Global Supply Chain Management and plant purchasing teams are responsible for maintenance and communication of the commercial portions mentioned in this document and other contractual documentation.

Technical Requirements: Global Supplier Quality and Development is the owner of this document and together with local quality teams are responsible for the communication of the quality requirements within this document.

4. Supplier Quality Philosophy and Expectations

Regal Rexnord **Supplier Quality and Development** expects **Total Customer Satisfaction** from all Suppliers. This is achieved through partnership and cooperation in order to have a positive impact on the performance and development of our Suppliers, delivering competitive products and services on time. The expectation and objectives are that Suppliers will establish and maintain high quality products, efficient processes, tools to deliver zero defects and [First Time Right \(FTR\)](#).

Regal Rexnord will provide Suppliers with data, information, and feedback to effectively develop, implement, and maintain a robust quality plan. The Supplier must accept ultimate responsibility for the quality of their products and services. Regal Rexnord will support the Supplier's efforts but will not be responsible for implementation of cost and quality improvement programs such as scrap reduction, Lean Manufacturing, etc. This manual shall provide the basis for establishing and maintaining a mutually beneficial relationship between Regal Rexnord and all material Suppliers.

4.1 Supplier Targets for Total Customer Satisfaction

- Quality products that fully meet specifications
- On-time delivery of product to our facilities
- Best in class costs
- Effective inventory management system
- Technical innovation
- High quality service
- Continuous improvement
- Shared goals, and commitment to the business relationship

All of the sections in this manual describe the specific requirements and minimum level of expectations for doing business with Regal Rexnord. Each Supplier is fully responsible for the performance of their organizations and their sub Suppliers.

4.2 Key Expectations for Achieving Quality – Delivery – Cost (QDC)

- Products and services shall comply with all Regal Rexnord specifications and process requirements.
- Suppliers shall review, understand, and communicate any questions concerning specification and process requirements to the appropriate Regal Rexnord point of contact ([see 3.0 Supplier Relationship Management Responsibilities](#)).
- Suppliers shall comply with all Regal Rexnord design, process control, and process capability requirements.
- Suppliers shall comply with all Supplier Corrective Action Requests and assist Regal Rexnord with efficient and effective problem resolution. ([see Section 17.2 Supplier Corrective Action](#))

- Suppliers shall control their sub tier Suppliers to ensure compliance with all Regal Rexnord specifications and process requirements ([see Section 15 Control of sub-Tier Suppliers](#)).
- Suppliers shall have a quality system in place and be able to demonstrate compliance with Regal Rexnord specification and process requirements. ([see Section 11 Quality Management System Requirements](#)).
- Suppliers shall have the ability to manage changes to Regal Rexnord specifications and process requirements ([see Section 14 Change Management](#)).
- Suppliers are required to communicate the proper use of their product(s) and/or service(s) to Regal Rexnord.
- Suppliers shall not implement changes to form/fit/function of their products or processes without written approval by Regal Rexnord. This also applies to changes relative to manufacturability or cost savings initiatives. ([see Section 14 Change Management](#)).
- Suppliers shall notify Regal Rexnord of any situation with a known or perceived negative impact to product quality, delivery, reliability and, or safety no less than 24 working hours prior to the expected outcome.
- Regal Rexnord reserves the right to audit both first-tier Suppliers and their second-tier Suppliers. ([see Section 10 Supplier Evaluation, Assessments and Audits](#))

5. Ethics – Global Supplier Code of Conduct

Regal Rexnord has nine core values: **Responsibility, Diversity Equity and Inclusion, Customer Success, Innovation with Purpose, Continuous Improvement, Performance, Passion to Win, Integrity and With a Sense of Urgency**. It is our commitment that by acting with these core values that we earn the trust of our customers, shareholders, associates, Suppliers, and the communities in which we live and work. Regal Rexnord Suppliers are critical to our success. For us to deliver real value to our customers in a responsible way, we require that you align with and meet our expectations.

We understand and expect that our Suppliers will have their own internal codes of conduct and policies. Suppliers are also responsible for ensuring that they and their directors, officers, employees, associates, representatives and business partners understand and comply with the expectations set forth in this SRM and Regal Rexnord's Global Supplier Code of Conduct.

6. Environmental, Health, Safety and Sustainability (EHSS)

6.1 Safety and Health

Supplier shall develop and enforce appropriate safety and health systems with the goal of ISO 45001 compliance. Supplier shall comply all applicable local, state (or provincial or the equivalent) and national safety and health laws and regulations.

The safety of Regal Rexnord's associates, customers, and Suppliers is paramount. The expectation for our Suppliers is to meet or exceed Regal Rexnord's requirements for safety regardless of local norms. These requirements include the availability of appropriate personal protective equipment

(PPE) such as safety glasses, earplugs, etc. for visitors as well as associates of the Supplier's organization.

At no time should any customer or person at a Regal Rexnord facility, be exposed to hazardous material. Residues, films, out-gassing products and packaging materials should comply with industry best practices and standards. For items with inherent hazards, safety notices must be clearly observable.

Business systems that are or will be, or where deemed "required", shall meet the requirements of the latest version of the standards listed below:

1. ISO 17025 - Competence of Testing and Calibration Laboratories
 - a. *Note A2LA accreditation is also acceptable*
2. ISO 45001: - Occupational Health and Safety Management Systems
3. ISO 14001: - Environmental Management System
4. ISO 27001: - Information Security Management

6.2 Material Compliance Documentation (Direct Material Only)

Requests for materials compliance documentation shall originate directly from Regal Rexnord or from a third-party agent acting on behalf of Regal Rexnord. Agents of Regal Rexnord are authorized to conduct Supplier outreach by deploying custom surveys and questionnaires relating to Regal Rexnord's material compliance initiatives described below. Suppliers are required to respond to all requests for material compliance documentation within the allotted time frame. Failure to respond shall lead to the Supplier entering into the escalation process within the Regal Rexnord Supply Chain organization with the ultimate outcome of non-response being potential no future business.

6.3 Restriction of Hazardous Substances

Supplier shall comply with all applicable local, state (or provincial or the equivalent) and national laws and regulations relative to hazardous substances including but not limited to RoHS (European Union Directive 2011/65/EU including the 4 new substances added via Commission Delegated Directive (EU) 2015/863), REACH (European Union Directive 1907/2006 including the latest list of Substances of Very High Concern (SVHC)) and TSCA (United States). Suppliers shall know and understand the contents of its products, including the products of its Suppliers.

When necessary Suppliers shall be prepared to provide Regal Rexnord or our designated third-party agent, Full Material Disclosure Statements (FMDS) on all products supplied to Regal Rexnord. FMDS documents must analyze products at the homogenous level, providing a full material breakdown and chemical composition (XML, IPC 1752 or equivalent format preferred) of each component part in a finished product. This will typically be product line or industry specific and does not apply to all Regal Rexnord Supplied product.

6.4 Conflict Materials (Direct Material Only)

Supplier shall meet or exceed all applicable local, state (provincial or the equivalent) and national laws along with regulations relative to conflict materials including but not limited to Section 1502, Dodd-Frank Wall Street Reform and Consumer Protection Act, 17 CFR Parts 240 and 249b. Supplier shall provide to Regal Rexnord or its designated third party agent, the written results of its Reasonable Country of Origin Inquiry (RCOI) and due diligence processes as prescribed by the various laws and regulations for conflict materials used in those products supplied to Regal Rexnord. For those laws and regulations with which Regal Rexnord must comply, Suppliers must provide the necessary documentation even if that Supplier is not bound by those same laws and regulations.

For conflict minerals, specifically, and consistency with the "**Regal Rexnord Conflict Minerals Policy**" Regal Rexnord Suppliers are required to procure the materials and products they supply to

Regal Rexnord from conflict-free sources. This means that all of the materials contained in all products must be obtained from smelters that have been validated as compliant in accordance with the Conflict Free Smelter (“CFS”) program and are so listed on the Compliant Smelter List <https://www.responsiblemineralsinitiative.org/smelters-refiners-lists>. The Supplier will be required upon request to provide to Regal Rexnord or its designated third-party agent the written results of their RCOI and due diligence processes via the Conflict Minerals Reporting Template offered by the Conflict Free Smelter Initiative (www.responsiblemineralsinitiative.org/reporting-templates).

6.5 Safety Data Sheet

Suppliers shall provide Regal Rexnord or Regal Rexnord’s designated third party agents a Safety Data Sheet for chemicals, articles or other materials when required by the United Nations Globally Harmonized System of Classification or the United States 29 Code of Federal Regulations 1910.1200es Hazard Communication Standard. The chemical manufacturer or importer preparing the safety data sheet shall ensure that it is in English and the local language for locations outside of the United States. The Supplier shall ensure that Regal Rexnord or designated third-party agents are provided an appropriate safety data sheet before the initial shipment to each site, and with the first shipment after a safety data sheet is updated.

6.6 Government Regulatory Compliance

Supplier’s manufacturing processes and products, including purchased products, shall conform to all applicable local, state (or provincial or the equivalent) and national laws and regulations. Applicable laws and regulations include those relating to health, safety, labor, employment, security, environment, toxic and hazardous materials. For purposes of this Manual, “applicable local, state (or provincial or the equivalent) laws and regulations” also include laws and regulations in the country(ies) where (a) the product is manufactured or a manufacturing process or other service is performed (b) where a product will be delivered and (c) where the product will be used.

6.7 Sustainability

Suppliers are expected to establish scope 1 and scope 2 emissions reduction goals and implement programs to achieve those goals. In addition, Suppliers are required to establish waste reduction goals and implement waste minimization and elimination programs. Regal Rexnord will collaborate with its supply base to reduce carbon emissions and landfill waste.

7. Trade Compliance Requirements

7.1 Country of Origin Documentation

Suppliers shall provide the U.S. – Mexico – Canada Agreement (USMCA) or other Free Trade Agreement certification covering all eligible goods sold to Regal Rexnord that have been determined by the Supplier to be eligible. If the goods do not qualify for USMCA or other Free Trade Agreement, a standard certificate of origin declaring the Harmonized Tariff System (HTS) classification and country of origin must be provided. Electronic requests for certifications are sent to Suppliers on an annual basis via our Trade Automation (TA) global trade management system. Any Suppliers that have not received a request during the calendar year or have not yet provided such documentation shall contact or send a response to our Regal Rexnord Trade Compliance team at FTA@RegalRexnord.com.

7.2 Supply Chain Security

Regal Rexnord is a Tier 3 Certified Partner of the Customs Trade Partnership Against Terrorism (CTPAT) program run by U.S. Customs and Border Protection. To comply with CTPAT Minimum Security Criteria, Regal Rexnord must ascertain whether its key Suppliers comply with CTPAT minimum security criteria on an annual basis. Suppliers are encouraged to obtain CTPAT or other security program certification. If Supplier maintains and provides proof of current CTPAT certification or other security program certification which has a Mutual Recognition Agreement with the CTPAT program, the Supplier will only be required to complete a section of the annual survey with the corresponding information. Additional proof to be sent to SupplierSCS@RegalRexnord.com.

If the Supplier is not certified through CTPAT or a mutually recognized program, Supplier must complete the entire survey about their Supply Chain Security (SCS) due diligence at Supplier's premises. Supplier must take the following steps in order to complete the survey and submit to Regal Rexnord:

1. Open the link to the Supply Chain Security survey at regalrexnord.com/suppliers under the Trade Compliance Section. If you are not the correct person (Regal Rexnord's Primary Supplier Contact/Representative) to manage the required data collection of information and sign off on behalf of your company, please forward the survey to the correct person.
2. Complete each one of the questions.
3. Submit the completed SCS Survey.
4. Send any additional information you want to share to support your responses to SuppliersCS@RegalRexnord.com.

If you are not able to access the survey through the link provided, please contact our Trade Compliance Department at SuppliersCS@RegalRexnord.com.

Each Supplier is expected to complete this SCS survey within 30 days of request.

7.3 Shipping Documentation

Supplier shall provide the data elements listed in the Supplier Instructions for Overseas Suppliers on documentation that accompanies any shipment to any Regal Rexnord location. Shipments from overseas must include customs broker contact information as stated in the Supplier Instructions for Overseas Shipments, are available at the following link: www.RegalRexnord.com/Suppliers/Trade-Compliance.

Any questions regarding the correct HTS (Harmonized Tariff System Classification, 6-digit or 10-digit code that identifies the commodity) classification or other information can be directed to global.trade@RegalRexnord.com.

8. eBusiness, Communication and Language

Supplier shall have email, internet access, and internet browser capabilities at a minimum. Supplier shall ensure that Regal Rexnord Leadership, Sourcing, Purchasing, Engineering and Quality organization contacts always have up-to-date Supplier contact information at all times. Supplier shall inform Regal Rexnord

promptly of any significant changes in its ownership, business health, management or organizational structure as well as significant changes in its facilities, including but not limited to changes in manufacturing locations. Additional information delivery requirements are specified in Contracts and/or Purchase Orders.

As Regal Rexnord and its affiliates comprise a global company with facilities across many continents, the use of a single business language is essential. **Communications between Regal Rexnord and Supplier shall be in English**, except where Regal Rexnord and Supplier specifically agree otherwise in writing. Supplier's quality-related documents shall be in English, except that Supplier may maintain quality-related records in forms displaying both English and the native language. Where a record is written in both English and the native language and a conflict exists between the English and native versions, the English version shall take precedence.

9. Becoming a Supplier to Regal Rexnord (Direct Material Suppliers)

To become an approved Supplier for Regal Rexnord a Supplier must meet our technical, financial and commitment targets. This is true for all Supplier types however the information below applies just to direct material Suppliers.

9.1 New Suppliers

New potential Suppliers are considered for improved quality, value and/or where technical advantages may be offered.

9.2 New Supplier Approval

The following are the technical requirements that must be executed to approve a new direct material Supplier to do business with Regal Rexnord.

1. Signed [Non-Disclosure Agreement \(NDA\)](#) to regulate the protection of business information before engaging in detailed discussions.
2. [Supplier Profile/Supplier Evaluation](#)
3. [Supplier Self-Assessment](#) (performed by Supplier)
4. [Supplier Assessment](#) (Formal On-Site Assessment, also referred to as Audit)
5. Acceptance of Regal Rexnord's [Supplier Requirements Manual \(SRM\)](#).

10. Supplier Evaluation, Assessment and Audits

Periodic Visitation: Regal Rexnord reserves the right, with reasonable prior notice, to visit a Supplier's premises to audit its processes, evaluate parts, tooling or documentation impacting or used to manufacture Regal Rexnord products.

General Business Evaluation: Regal Rexnord will request new Suppliers and may potentially request existing Suppliers to complete various Assessments or Audits to better understand the Suppliers General Business, Quality, Commercial and Financial status.

Supplier Assessment/Audit: Regal Rexnord will conduct an **On-Site Assessment** on:

- New Potential Suppliers
- Existing Suppliers (case by case during consideration for new business)
- On Strategic Suppliers due for re-evaluation

The purpose of the On-Site Assessment process is to determine the Supplier's readiness for doing business with Regal Rexnord from an overall manufacturing readiness perspective and the effectiveness of Supplier's Business and Quality Management System. Regal Rexnord may also conduct an on-site *process quality audit* if continued quality concerns or issues are deemed to be systemic in nature. We may establish and

assign action items based on either the on-site assessment and/or quality audit of the Supplier or Supplier's self-assessment. The Supplier shall complete assigned action items as agreed upon by Regal Rexnord and Supplier.

Regal Rexnord reserves the right to request a formal assessment or audit **at any time in the future**. Provided the results are acceptable and business is awarded purchase orders may be placed for sample parts.

Note: Regal Rexnord reserves the right to audit both first-tier Suppliers and their second-tier Suppliers.

11. Quality Management System Requirements

Suppliers providing **direct material** products to Regal Rexnord, are expected to establish, document and implement a robust [Quality Management System \(QMS\)](#) that promotes defect free products through prevention, monitoring, and continuous improvement. Suppliers are expected to maintain a formal Quality Management System (QMS) that is either registered to ISO 9001, or equivalent, or is compliant with this standard. Suppliers are required to provide a copy of their registration certificate(s) and to maintain registration once they are engaged in doing business as a Regal Rexnord Supplier.

It is expected and **preferred** that your business is registered to a formal Quality System Standard such as ISO 9001, IATF 16949 or AS 9100 or equivalent, in order to do business with Regal Rexnord.

It is **required** that your business is registered to one of these standards or equivalent standards in order to be considered a "Strategic" Supplier at Regal Rexnord.

Where deemed necessary, based on Regal Rexnord end-customers requirement, (s.a; Marine applications, Aerospace or other dedicated applications,) a Supplier shall provide its compliance documentation prior to engaging in business and in order to become an approved Supplier.

12. Advanced Product Quality Planning (APQP) (Direct Material Only)

Supplier shall adhere to the approach to support new, changed or transferred products or outside process in accordance with the [Advanced Product Quality Planning](#) (APQP) and Control Plan Manual published by the Automotive Industry Action Group ("AIAG") latest revision. Internally, Regal Rexnord utilizes derivatives of this process, named New Product Development ("NPD") for new product launches and product/process changes and transfers.

12.1 New Product Development (NPD)

In the case of NPD, Regal Rexnord, through its sourcing function and at its discretion, may monitor and manage Supplier from initial product development through the start of production. NPD includes implementation of new product launch readiness measures to ensure Supplier can produce a product that conforms to the product specifications and requirements as defined in the applicable purchase order.

12.2 Advanced Product Quality Planning (APQP) Documentation

To develop an adequate Quality Management System, Regal Rexnord requires Suppliers to establish and maintain Advanced Product Quality Planning Documents such as; Process Flow Diagram, [Process FMEA](#) (Failure Mode and Effects Analysis) and [Process Control Plan](#) for all stages of the manufacturing process at the Supplier site. Besides a solid gage calibration program, gages

that measure CTQ's are required to be evaluated for [Gage Repeatability and Reproducibility](#) ("Gage R&R") regardless if the gage provides variable or attribute data.

APQP documents such as PFMEA and Control Plan are considered 'living' documents. Continuous improvement activities driven by the PFMEA for Severity ranked at 9 or 10 and Occurrence 7-10 are required. A pareto approach to Occurrence reduction is acceptable. All APQP documentation shall be maintained and available for review and/or provided upon request from Regal Rexnord. Examples of PFMEA and Control plan are shown below and AIAG provides additional information on both of these concepts.

Example: PFMEA

Process Function Requirements	Potential Failure Mode	Potential Effect(s) of Failure	Severity	Cause(s) / Mechanism(s) of Failure	Occurrence	Current Process Controls Prevention	Current Process Controls Detection	Detection	Recommended Action(s)	Responsibility & Target Completion Date	Action Results				
											Action Taken	Severity	Occurrence	Prevention	
	Wrong Material / Material equivocado	Dimensional and visual defects / Defectos dimensionales y visuales	7	N/A	Mistake in supplier plant / Error en planta del proveedor	1	Certified supplier / Proveedor certificado	P5 8.2-1 Receiving inspection / P5 8.2-1 Inspeccion recibio / Certificado de material	8	56	None. Ninguna				

Example: Control Plan

PART / PROCESS NUMBER	PROCESS NAME / OPERATION DESCRIPTION	MACHINE DEVICES / JIG / TOOLS FOR MANUFACTURING	CHARACTERISTICS			SPECIAL CHARACTER CLASS	METHODS				CONTROL METHOD	REACTION PLAN
			NO.	PRODUCT	PROCESS		PRODUCT / PROCESS / SPECIFICATION / TOLERANCE	EVALUATION / MEASUREMENT TECHNIQUE	SAMPLE			
									SIZE	FREQ		
工序	工序名称/工序内容	加工设备, 刀具	编号	产品	过程	等级	生产/过程 规范, 公差	评价/测量方法	检测数量	频率	控制方法	反应计划
1	Incoming inspection Φ16mm钢材进料检查; double check material cert. 核对Φ16mm钢材材质报告, aspect inspection 检查钢材外观, dimension control测量钢材尺寸		1	ML08AL材质报告 material cert		ML08AL		1st piece 百件	1/批 batch	Pre-control Records 检测报告	退还供应商 reject to supplier	
			2	钢材外观 material aspect		无生锈, 翘曲变形等不良 no rust, no bending	1st piece 百件	1/批 batch				
			3	钢材直径 rod diameter		Φ16 +/-0.25mm	游标卡尺 caliper	1st piece 百件	1/批 batch			

12.3 Special Characteristics

Regal Rexnord may require Special Characteristics designations on product drawings or specifications. Engineering groups will refer to these characteristics differently such as CTQs (Critical-To-Quality (CTQ) characteristics or possibly "Critical Characteristics" but the meaning and intent is the same. These characteristics identify requirements that need **"additional care"** during the manufacturing of the product. The type of additional care must be addressed and documented by the Supplier in the Control Plan.

Suppliers shall monitor and manage Special Characteristics to ensure statistical capability (if specified), as well as stability and **additional care** unless otherwise agreed upon by Regal Rexnord and the Supplier. As an essential part of the Production Part Approval Process (PPAP) as described in section 15 below and throughout the product life cycle, Supplier shall demonstrate process capability when requested preferably with a sample size of 80-100 pieces or ongoing SPC sampling with a minimum Cpk of 1.33 unless otherwise stated. Minimum Capability study requirement for smaller quantity piece runs is 10 sub-groups of 3 based on a stable process.

Although several algorithms exist relative to Cpk calculation, the AIAG method referenced in both the PPAP and [Statistical Process Control \(SPC\)](#) manual takes precedence. For low volume production products where a PPAP run or a normal production batch run is less than 30 pieces,

Supplier shall conduct 100% inspection on CTQs. Over a period of time, conducting Cpk analysis with an aggregate sample size greater than 30 and with same sub-group sizes **is preferred** to demonstrate process capability.

Supplier shall document and reference all special Characteristics in its process control plans and work instructions. Supplier is required to implement monitoring and **additional care** to address identified CTQs. Additional Care can be addressed by various methods such as sampling plans, (SPC) process controls and 100% inspection accordingly. Capability data for CTQs will need to be maintained by Supplier and made available to Regal Rexnord upon request.

12.4 Safe Launch Planning

A Supplier shall create a Safe Launch Plan (SLP) if requested by Regal Rexnord with review and consultation by Supplier Quality and Development. Depending on criticality, the SLP can consist of increased QC sampling to a Supplier initiated firewall (Containment Plan). The use of an SLP provides protection against product defects and failures from start-up errors and operator lack of familiarity with the product. Safe Launch starts with the first production order and lasts for a period of 90 days or a specific number of parts (if low on small volume) to be determined by Regal Rexnord, unless otherwise provided in writing.

12.5 Capacity Verification

Regal Rexnord reserves the right to request capacity studies and perform capacity verifications with any of our Suppliers in the event of capacity concerns or during considerations for future business. There are several forms available for studying capacity and Suppliers can utilize Regal Rexnord's formats. Please contact your Global Supplier Quality representative for assistance with these forms.

12.6 Production Feasibility

During the last stages of quoting the Supplier will be asked to complete a production feasibility study which looks at all the requirements of a design in detail and requests the Supplier to confirm that each one of the requirements and potential tests can be achieved and accurately measured. At this time the Supplier **should raise any formal concerns** with requirements, tolerances or specifications that currently that are a concern in order to resolve such issues prior to business award. The feasibility study is the best approach for flushing out last minute problems before start of production.

12.7 Sample Parts Qualification

All **non-PPAP** approved samples shipped to Regal Rexnord, for testing and/or for other forms of validation, must include sample inspection data, and accompany sample parts. At the discretion of Regal Rexnord Product Engineering or Quality it may be required that ***additional supporting data*** in the form of specific tests or external lab requirements for the samples be included with the shipment of sample parts.

Note: All sample parts (PPAP or non-PPAP) are required to utilize the required “**Sample Parts Label Tag Format**” located in the APQP PPAP Forms Package. This document is available to all Suppliers as a stand-alone document or is also located in the RRX APQP/PPAP Forms Package and can be found at <https://www.regalrexnord.com/suppliers/Supplier-Development>.

		PO# _____
SPECIAL SHIPMENT IDENTIFICATION TAG		
NEW MODEL / NEW PART INDICATOR		
<input type="checkbox"/>	PPAP SAMPLES	<input type="checkbox"/> Parts individually marked
<input type="checkbox"/>	PILOT PRODUCTION BUILD	If 'NOT', clarify: _____
<input type="checkbox"/>	1ST SHIPMENT OF APPROVED MATERIAL	_____
<input type="checkbox"/>	ENGINEERING SAMPLE	_____
ATTN TO: _____ at Regal Site _____		
CHANGE PART INDICATOR		
Part Number _____		Rev Level _____
ECN# _____		
TEMP DEV# _____		
COMMENTS _____		

BOX _____ OF _____		
SHIP DATE _____		
SUPPLIER _____		
QC MANAGER _____		
LOCATION _____		

Required Label Tag Format – PPAP Samples and other “Unapproved’ (Non-Production) sample parts

13. Product Qualification - PPAP (Production Part Approval Process)

The purpose of the [PPAP \(Production Part Approval Process\)](#) submission is to demonstrate whether all designs and specification requirements are properly understood by the Supplier and that the Supplier’s process has both the capability and capacity to produce products meeting these requirements through a limited production run.

This PPAP run must be conducted using production parts, processes and tooling. In addition, the PPAP will be used to establish a high confidence level that Suppliers’ processes are capable of producing materials, components and finished products that meet requirements **on an on-going basis**. The Supplier should follow the PPAP process submission requirements of Regal Rexnord and work with Regal Rexnord’s Quality representative to obtain a full PPAP approval on time.

All Suppliers are responsible for completing the PPAP package provided by Regal Rexnord prior to shipping PPAP product. Suppliers are also expected to manage any sub-Supplier part approval process. Only after receipt of Regal Rexnord’s PPAP approval is a Supplier authorized to supply parts.

13.1 PPAP Requirements Communication

Specific PPAP qualification requirements for any part, component, or assembly will be communicated to the Supplier by Regal Rexnord. The requirements will be sent to the Supplier around the time of business award. Data submitted **MUST** be representative of the actual production process. The Supplier must strive to meet all conditions and specifications as set forth in the requirements.

If any condition or requirement cannot be met, the Supplier must notify their Regal Rexnord representative and initiate the Supplier Deviation Request form (SDR) as directed. All requirements including the PPAP submission level will be sent to Supplier to indicate which document should be submitted to Regal Rexnord. Upon receipt, Regal Rexnord will evaluate the package and determine if approval can be granted.

13.2 PPAP Charter

Regal Rexnord will utilize a document called a **PPAP Charter** which will outline all of the expected submission elements, testing and sample parts required by the Supplier for a specific PPAP submission including any unique details or requirements. The Supplier PPAP Charter will be prepared by Regal Rexnord and provided to the Supplier early in the procurement process. Suppliers should review the Supplier PPAP Charter to ensure that all specific requirements are understood (both part and process requirements). The Supplier PPAP Charter communicates all Regal Rexnord requirements for both part and process qualification. The Supplier must work with Regal Rexnord to provide all requested information so that production parts and processes can be verified. Unless specified by Regal Rexnord, all Supplier PPAP Charter requirements shall be met with production specific tooling, equipment, line, factory and sub-tier production processes.

13.3 APQP/PPAP Forms Package

Regal Rexnord provides a PPAP Forms Package in the form of an excel spreadsheet that can be utilized by the Supplier for PPAP submissions. This package contains the majority of documents required for any level PPAP submission in the event the Supplier does not have access to them or does not have the default AIAG forms. The AIAG compliant APQP/PPAP Forms Package can be found at <https://www.RegalRexnord.com/Suppliers/Supplier-Development>. Inside the **RRX APQP/PPAP Forms Package** are multiple tabs that include:

- A PPAP Level Matrix (Required vs Submit by Level)
- Additional Guidelines on Inspection, Sample Parts and Standard Process
- PPAP Checklist
- **PPAP ELEMENTS (listed in order below)**
 1. **[Part Submission Warrant \(PSW\)](#)**
 2. Design Records
 3. Engineering Change Documents
 4. Customer Engineering Approvals
 5. **[Design FMEA](#)**
 6. **[Process Flow Diagram](#)**
 7. Process PFMEA
 8. Control Plan
 9. Gage R&R
 10. Dimensional Results
 11. Materials and Performance Results
 12. Initial Process Capability
 13. Lab Documentation
 14. Appearance Approval Report
 15. PPAP Samples (With Labels)
 16. Master Sample
 17. Checking Aids
 18. **CUSTOMER SPECIFIC**
 - a. **Material Compliance Reports**
 - b. **Packaging Data Sheets**
 - c. **Safe Launch Plan**
 - d. **Tooling Data Sheet (Regal Rexnord owned tooling)**

Important: Regal Rexnord requires the following mandatory formats to be submitted from this package. Element 1: **PSW Cover Page**, Element 18b: **Production Packaging Data Sheet**, Element 18d: - **Tooling Data Sheet** when Regal Rexnord Tooling is involved. All other forms requested as part of the PPAP submission can be either from this forms package or your own internal format as long as they are AIAG compliant and provide the required information.

13.4 Part Qualification Approval

Regal Rexnord is responsible for communicating part qualification status to the Supplier. Part qualification status is defined as:

“Approved” Status:

The Supplier has been granted full production approval by receiving a signed Regal Rexnord PSW Cover Page (Element 1) and can begin shipping parts to Regal Rexnord upon receipt of a legal purchase order.

“Rejected” Status:

The PPAP package may be rejected for the following reasons:

- Documentation does not match requirements stated on the PPAP Charter
- Parts do not meet print specifications
- Dimensional and/or test failures with NO corrective/preventive action plan
- Material and/or performance test failures.

“Conditional Approval” Status:

The PPAP package may be approved until specific requirements can be updated or fulfilled by the Supplier.

Note: This approval is only granted in situations where there is either a temporary delay or where the product is still deemed saleable to a customer but may not meet all outlined specifications.

13.5 Release of Production Parts with PPAP Approval

Unless otherwise agreed by Regal Rexnord in writing, Supplier shall obtain PPAP approval from Regal Rexnord prior to the “release of production products” using Regal Rexnord’s Part Submission Warrant (PSW). “Release of Production Parts” **means that a supplier should not ship PPAP parts prior to receiving approval from Regal Rexnord unless specific arrangements have been made in advance.** Regal Rexnord will communicate the submission requirements to the Supplier via Email, PO or PPAP Charter. If no communication has taken place, Supplier will default to a level 3 submission.

IMPORTANT: All material must have the appropriate labeling for Non-production approved parts prior to release. A template of this label is in the in the Regal Rexnord APQP/PPAP Forms package. ([see section 12.7](#))

13.6 Product Launch (Direct Material Only)

In the case of a Regal Rexnord product launch, Regal Rexnord may direct Supplier to provide on-site representation at the Regal Rexnord manufacturing site. Supplier’s support representative shall be knowledgeable of the product and Supplier’s process and shall be empowered to make decisions on behalf of Supplier. **Note:** Please see section [14.4 Safe Launch Planning](#) which may be requested as a part of PPAP for specific submissions.

13.7 Ongoing Product Compliance

Supplier shall perform annual compliance certification on all Regal Rexnord parts, Supplier Annual Certification shall demonstrate product and process conformance to the previously approved PPAP. This Annual Certification data should be kept **on file at Supplier's location** and be available upon request.

IMPORTANT: Any change (product or process) as defined in the next section of Change Management requires that the Supplier shall obtain either a **Supplier Change Request Form Approval** or a **Temporary Deviation Form Approval** **before** product is shipped to a Regal Rexnord production facility. Failure to follow this policy will result in material rejection, corrective action and potential full cost recoveries.

14. Change Management (Direct Material Only)

Regal Rexnord is committed to continuous improvement of its product and process characteristic capability in order to remain an industry leader. Regal Rexnord requires all Suppliers to have a documented Change Management Policy in place and procedures that define what constitutes a change and what should be done for an unplanned and planned change and what approvals are required before a change is implemented. This Policy and procedure should be available for review or provide upon request by Regal Rexnord. Supplier shall work collaboratively with Regal Rexnord to identify and implement product and process changes aimed at continuously improving the value of its products and its product-related processes.

Supplier shall work collaboratively with Regal Rexnord to identify and implement product and process changes aimed at continuously improving the value of its products and its product-related processes. Upon determining that the need for a product and/or process change at your Supplier location please refer to sections 13.2 and 13.3 below.

14.1 Types of Changes

Supplier changes must be formally reviewed and approved by Regal Rexnord. Changes that are regulated by the change management process include, dimension, fit, form, and function, performance, process, raw material, location and sub-Supplier. Supplier Changes are classified as **Temporary, Permanent or Engineering Generated**.

14.2 Temporary Changes (require a Supplier Deviation Form "SDF")

Regal Rexnord will not accept, and Supplier shall not ship to our facilities products that do not conform to applicable specifications and quality requirements. On an exception's basis, Supplier may ship products that do not conform to applicable specifications and quality requirements. This is regarded as a **Temporary Change**. Only once an approved Supplier Deviation has been issued by the receiving manufacturing site back to a Supplier are such shipments considered acceptable.

Supplier changes for short intervals or that are temporary in nature that eventually return to current state do occur and therefore require a **"Supplier Deviation Form"** approved by the Regal Rexnord Manufacturing Site. A temporary deviation constitutes limited and/or temporary permission to supply materials, products or components that do not fully comply with the drawings, specifications or standards. Examples would include a temporary substitution of a different material that could be used in the absence of another, product that does not meet design intent, but Regal Rexnord still deems the product as "saleable" to the customer or when specific emergency supply conditions occur. Only upon reply and approval of Rexnord Regal Rexnord's Supplier Deviation Form can the product be used, and when accepted, the Supplier is given permission to supply the parts, clearly marked to the site approving the deviation. Regal Rexnord's **Supplier Deviation Form (SDF)** can be found at the Regal Rexnord Supplier Site: <https://www.RegalRexnord.com/Suppliers/Supplier-Development>

Important: Non-conforming material **must never knowingly be** shipped to Regal Rexnord WITHOUT prior approval via a Supplier Deviation.

14.3 Permanent Changes (require a Supplier Change Request form “SCR”)

When a change is permanent in nature the Supplier is required to submit a Supplier Change Request Form to Supplier Quality and Development or to Regal Rexnord Procurement. Regal Rexnord considers permanent change to be any of the changes types outlined in **Section 3 Table 3.1 on Page 13 of AIAG PPAP 4th edition (May 2006)**.

The following are the change types outlined in Section 3 of the AIAG PPAP Manual:

- Change to construction, material or components
- New, additional or modified tools
- Upgrade or rearrangement of existing tools
- Tooling, production or equipment transferred to different site
- Change of Supplier or non-equivalent materials/services
- Product when tooling has been inactive for 12 months
- Product/process changes on components of the product
- Change in test or inspection method
- Bulk Material: New source of raw material
- Change in product appearance attributes
- Change in production process or method
- Of Sub Supplier or material source

Note: Encompassed within these change types is **Any Outsourcing** of parts or material for any reason to external Suppliers that are not included as part of the approved Supplier relationship with Regal Rexnord.

The Supplier is required to submit the ***Supplier Change Request Form*** shown no less than 3 months prior to the planned change. This allows Regal Rexnord the proper time:

1. Review the request
2. Determine any required qualification
3. Approve the change
4. Communicate the change to Operations and the Supplier.

The **Supplier Change Request Form (SCR)** can be found at the Regal Rexnord Supplier Site <https://www.RegalRexnord.com/Suppliers/Supplier-Development>

Once approved the Supplier is expected to comply with any requests for documentation, qualification or logistics to make the change successful. The Supplier must also update in a timely manner standard document such as:

- PPAP Requirement documents
- Work instructions
- Inspection requirements
- Bills of material

The Supplier must be able to provide evidence of all related changes upon request from Regal Rexnord. Non-conforming products, components, or materials must not be shipped to any manufacturing site unless formally approved through either a Supplier Deviation Form or a Supplier Change Request Form. The Supplier is expected to isolate and contain non-conformances until such time as formal approval has been granted.

Note: Any change in product and/or process (as defined by AIAG-PPAP manual section 3) that is not communicated to Regal Rexnord prior to shipment by Supplier of the affected product to a Regal Rexnord facility will result in material rejection, corrective action and potential cost recovery.

14.4 Engineering Generated Changes

Regal Rexnord Engineering issues **ECRs or Engineering Change Requests** to Suppliers when designs are first released, updated or changed. This always originates directly from Regal Rexnord Engineering but can also be the result of discussions with Suppliers that request updates or changes to designs.

Regal Rexnord Supplier Quality, Category Management and Supply Change Management **do not manage design related changes**. ECRs and Engineering directed changes are managed only by Regal Rexnord Engineering. Forms such as Supplier Deviations or Supplier Change Requests are to be used specifically for the reasons outlined in the previous two sections 14.2 and 14.3

As a Supplier if you have a need to request changes to a design or are in the process of working on design changes, you must communicate directly with the appropriate Regal Rexnord engineering group to receive a formal engineering generated change. This will typically come in the form of an Engineering Change Request (ECR) and must be received directly from Engineering before any design changes can be implemented.

15. Control of Sub-Tier Suppliers

Suppliers are responsible for the quality of materials and components provided by their sub-tier Suppliers and sub-contractors. Regal Rexnord Suppliers must impose controls on their sub-tier Suppliers that provide quality results and documentation comparable to the controls applied to Suppliers by Regal Rexnord. The extent of the controls may vary, depending on the nature and complexity of the product and processes, but should normally include:

- Evaluation and qualification of sub-tier Supplier facilities.
- Control to ensure that raw materials used meet Regal Rexnord's requirements.
- Controls to ensure that the sub-tier Suppliers of components used are those approved by Regal Rexnord, where applicable.
- Sub-tier Suppliers have an ESD control program that meets or exceeds the needs of Regal Rexnord if the parts or materials are ESD sensitive.
- Part qualification, including first article inspection and process capability studies of as applicable.
- Control of drawings/revisions.
- Control of nonconforming material.
- Corrective action and preventive action programs.
- A continuous quality improvement program.
- Change of accreditation status and/or agencies

Where appropriate, Regal Rexnord may specify the sub-tier Suppliers that may be used, evaluate and qualify the sub-tier Supplier's facilities, and assist the Tier-1 Supplier in controlling the sub-tier Supplier. Typically, this occurs when the sub-tier Supplier is an essential component of the supply-chain process. Regal Rexnord reserves the prerogative to evaluate the quality system and records of such sub-tier Suppliers as necessary. In the event of Regal Rexnord's involvement, it does not absolve Tier-1 Suppliers of the ultimate responsibility for the quality performance of their sub-tier Suppliers.

16. Regal Rexnord Owned Tooling

It is the Supplier's responsibility and Regal Rexnord's expectation that the Supplier maintain Regal Rexnord owned [tooling/equipment](#) by ensuring proper identification, preferably engraved with "**Property of Regal Rexnord**" along with the month and year a tool was received. It must have an asset tag and asset lot number. The tool must always be maintained in dimensional specifications and operating order to maintain quality and delivery. Supplier shall perform annual dimensional layout on all Regal Rexnord parts that may be affected by tool wear, this is in line with approval PPAP recertification requirement. This data should be kept on file and be made available upon request. Note this also applies to sub-tier suppliers as well. In the event tooling becomes worn or damaged, Supplier must contact Regal Rexnord of required replacement and potential risk (damaged caused by the Supplier will not be paid by Regal Rexnord), warranty information should be provided in the initial quote from Supplier or upon request. Tooling should not be scrapped without written consent from Regal Rexnord. Suppliers are responsible for maintaining an accurate print of each tool with actual listing of all Engineering changes

17. Nonconforming Material, Containment, & Supplier Corrective Actions

Should a Regal Rexnord facility receive a defective product from a Supplier, Regal Rexnord will advise the Supplier of the defective product and will request authorization for disposition of the defective material. If the Supplier does not respond within ten (10) days, disposition and the appropriate charge backs will be assessed.

17.1 Non-conforming or Defective Material:

Regal Rexnord may give notice to a Supplier when [non-conforming material](#) is discovered and documented as a defective material "**incident**". The incident may also require a formal corrective action at Regal Rexnord's discretion. Containment **must take place**, unless otherwise stated in writing, within twenty-four (24) hours. For purposes of this section, "Containment" means the implementation of measures to prevent the shipment by Supplier of products containing the identified defect and measures to prevent the manufacture of additional products containing the defect. It is critical that all suspect material throughout the entire Supplier supply chain is purged and replacement of defective parts with conforming parts is planned and executed. This includes but not limited to parts in transit, in VMI warehouses, etc.

Non-conforming Material Incident:

- Supplier will be Notified of defective material Incident.
- Supplier will work actively with Regal Rexnord to ensure **containment**.
- Supplier will work with Regal Rexnord to determine proper disposition.
Examples: Return to Vendor, Use as Is, Rework, Repair
- Supplier is responsible for working with Purchasing to replace and credit product.

17.2 Supplier Corrective Action (SCA)

Where Regal Rexnord determines that corrective action is required an 8d Corrective Action will be required. Regal Rexnord will require the Supplier to either submit a formal 8d corrective action via email or to log into a database and complete a [Supplier Corrective Action \(SCA\)](#) online depending on the facility. Within ten (10) working days after release by Regal Rexnord of the SCA request, the Supplier shall provide a responsive corrective plan to Regal Rexnord. This includes at a minimum an initial root cause and a short-term action per the 8d problem solving process. Closure of the corrective action shall take place no longer than thirty (30) days after issuance of the SCA unless agreed to in writing from Regal Rexnord due the complexity of the issue.

Supplier Corrective Action

- **Request for 8d SCA**..... Notification of Rejected Material
- **Containment**..... Within 24 hours of Notification
- **RMA (Return material Authorization)**Within 48 hours (if required)
- **Responsive Plan (min Initial Root Cause)**Within 10 business days.
- **Close of SCA**..... Within 30 business days after issuance*.

17.3 Certification or Third-Party Containment

Depending upon the nature of the defect, number of incidences of the defect, and level of risk to Regal Rexnord and its customer, Regal Rexnord may request a Supplier to certify their products to meet applicable requirements and Supplier shall provide such certification. Such certification may be requested and shall be provided with respect to products in Supplier's facility, Regal Rexnord's inventory, and/or products released into the supply chain, including Regal Rexnord's customers' facilities. Additionally, where Regal Rexnord, in its sole discretion, determines that it is necessary to prevent the release of defective products to its facility(s) or customer(s), Supplier shall use third-party containment to inspect product for a specified length of time at the Supplier's cost. Regal Rexnord shall direct the use of third-party containment in writing by the Director Global Supplier Development. "In writing" may include email. Criteria for termination of third-party containment shall be subject to agreement of Regal Rexnord and Supplier.

Product certified by Supplier at Supplier's location shall bear a **certified product label** clearly reflecting the product's certification. Each container of certified products being shipped to Regal Rexnord shall bear a sign on two adjacent sides of the container clearly reflecting the products' certification. Supplier shall take prompt corrective actions to address its failures to meet delivery and/or quality performance requirements. If Supplier repeatedly fails to meet delivery and/or quality performance requirements, Regal Rexnord may require preparation and implementation of improvement plans.

17.4 Escape of non-conforming product.

Supplier shall have a documented procedure in place to notify Regal Rexnord immediately upon becoming aware of non-conforming product that has left their facility and is either in route or has been delivered to a Regal Rexnord facility. This procedure should align with their Quality Management System.

17.5 Cost Recovery

Supplier shall be responsible for costs, losses, expenses and other damages arising from Supplier's failure to meet the requirements of this Manual. Regal Rexnord will issue a debit or credit memorandum when one of our facilities or our Customers are negatively impacted. This can occur for a variety of reasons based on contractual or incurred costs that include but are not limited to areas such as labor, logistics and various Cost of Poor-Quality items incurred by Regal Rexnord.

Administrative and labor costs will be based on reasonable cost for the plant or region where the failure occurred. Should the need arise to return any purchased material, Regal Rexnord requires that the Supplier furnish the required [Return Material Authorization](#) (RMA) for such a return within three (3) days of the request.

Note: Suppliers providing product to facilities utilizing the 8d PRISM System: An administrative flat fee of \$150.00 for the preparation and administration of an 8D. An 8d may be requested for certain Nonconforming Material Incidents.

18. Supplier Performance Measurement (Direct Material Only)

Regal Rexnord actively monitors performance and may apply a rating system of it choosing to evaluate Supplier's performance. Criteria may include, at Regal Rexnord's discretion, such items as product quality, on-time delivery, cost, integrity, quantity of incidents, responsiveness, customer support, payment terms, lead-time and warranty. If Supplier does not receive a Supplier performance scorecard from Regal Rexnord, the Supplier may request a scorecard at any time via your primary Regal Rexnord contact. The primary metrics that Regal Rexnord Monitors for Quality Performance are as follows:

PPM	Parts Per Million based on quantities rejected at Regal Rexnord Facilities
OTD	On Time Delivery as a percentage (scheduled lines and lines on time.)
Incidents	The number of issues formally written up as a rejected material event at a facility.
COPQ	Cost of Poor Quality expressed in US dollars and summed monthly based on various costs incurred at Regal Rexnord facilities that can include but are not limited to, rework, sorting, repair, resources etc.

Supplier also shall implement procedures and processes to track and, where necessary, to improve product quality (not limited to product defects in parts per million ("PPM"), number and type of incidents, and frequency of incidents) and on-time delivery ("OTD") to Regal Rexnord. Regal Rexnord expects annual improvements of business operations, product quality and OTD performance of minimum twenty-five percent (25%) year-over-year, unless otherwise specified by Supplier Quality and Development or in the Contract. Regal Rexnord tracks Supplier performance by category (commodity group of similar Suppliers) and awards business based on performance within the applicable category. Unacceptable (below par) performance within a Supplier's respective category may result in loss of business.

19. Contingency Plans

Supplier shall have and maintain a contingency plan for potential catastrophes (e.g. utility interruptions, fire, flood, storm damage, temporary or limited data loss, chemical spills, air/water contamination, earthquakes, tornados, hurricanes, and storm surges, complete data loss) that may disrupt the flow of products to Regal Rexnord plants. Disaster Recovery Plans should not be confused with internal Health and Safety plans.

This plan shall include, but not be limited to, provisions for prompt and effective notice to Regal Rexnord of such catastrophes and their impact, provisions for restoration of disrupted manufacturing capabilities and resumption of the manufacture and shipment of products, and the making available to Regal Rexnord of Regal Rexnord's tools and/or their replacements. This plan must be shared / reviewed with Regal Rexnord

if requested. In addition, all electronic records (e.g. design file, manufacturing test measurements) need backup on site routinely and as well as 3rd party storage outside company property should be considered.

20. Lab Requirements

20.1 Internal Lab

The Supplier must have the facilities, equipment and qualified staff to perform tests, inspection and calibration as necessary to qualify and validate applicable product, process and equipment. It is preferred that the Supplier's lab is certified to the requirements defined with ISO/IEC 17025 or equivalent.

20.2 External Lab

Suppliers to Rexnord that utilize external labs for material evaluation, failure analysis, etc. must use labs that are compliant with ISO/IEC-17025, A2LA, or other appropriate standards.

Regal Rexnord reserves the right to secure evidence of proper lab certification and, in some cases, to specify an alternate external lab to provide material or other validations. Certified external labs are expected to provide initial PPAP validation. Appropriately certified internal labs are acceptable for on-going production validation outlined within the Supplier's control plan(s).

20.3 Material Certification/Test Reports

When requested, the Supplier must provide a material certification/test report, (refer to the PPAP charter). This report must include the specification number, specified material and/or physical requirements, and the inspection/test results. A simple statement that the material meets the requirements is not acceptable. Each report must be traceable to the Supplier's material and must be signed by the organization that performed the testing.

Mechanical Properties Report

This lab report summarizes the results of product or component testing such as impact, tensile, shear, flex, tear, force, temperature, ductility, etc. These requirements are defined in product/part specifications or other Regal Rexnord engineering standards.

Material Composition/Material Certification report

This document is provided from the certified lab of the material manufacturer or their certified external lab. It contains the results of chemical composition of a specified lot and should display the acceptance range and the specification stated on the Regal Rexnord print or engineering standard. It should a chemical breakdown of the material for every element contained within the material.

Material Environmental data certification report (IMDS, RohS, Reach)

This data or document is to be provided or entered into the relevant system where the material composition is indicated as per given procedure, and which results into a release of the product via the system. A copy of this release form is to be provided to Regal Rexnord when requested.

Note: These reports are required on specific Regal Rexnord products in PPAP Element 11 Material and Performance Data.

21. [Continuous Improvement](#)

Continuous improvement and lean principles are fundamental to our business and Regal Rexnord believes are fundamental to Suppliers' long-term success. We will expect our Suppliers to manage their quality systems to the same standards that guide our quality efforts, and to demonstrate continuous improvement in areas that benefit the customer with regards to quality, price, delivery, service and technology. To aid in fulfillment of this requirement the Supplier's organization shall establish, monitor, prioritize, and act upon key performance objectives and targets as defined in the Supplier Scorecard. Actions taken to regain previously sustained levels of performance are corrective actions, not continuous improvement. Regal Rexnord may visit any Supplier site to assess its continuous improvement programs and lean manufacturing practices and make recommendations for improvement. Some common examples of Continuous Improvement programs are:

- Cost reduction projects
- Waste reduction projects
- Variation reduction projects
- Factory reorganization projects
- Inventory reduction projects
- Yield improvement projects
- Non-manufacturing process Improvement

21.1 [Supplier Development Plan \(SDP\)](#)

A [Supplier Development Plan \(SDP\)](#) is a focused plan that concentrates on key Supplier gaps in an effort to address them and proactively put countermeasures in place. This is a cooperative effort between the Supplier and Regal Rexnord to work together on improving Supplier Readiness. It can be initiated to analyze and review the current performance status of a Supplier with the aim to achieve an improved outcome to any of the following criteria: Metrics such as quality, delivery, commercial agreement, technology or other discovered by either Regal Rexnord or the Supplier. Supplier accountability and commitment is the primary focus of the plan. Examples of reasons for SDPs would include:

- Gaps discovered during a recent audit in 5s techniques
- Product non-conformance including safety characteristics
- Recurring part shortages
- Sort or rework at Regal Rexnord sites and/or customer sites due to Supplier's product quality
- Repeat or Chronic quality issues

An SDP can also be suggested to assist with a Supplier's overall core competency in specific areas they are unfamiliar with. At Regal Rexnord we view Supplier relations as a partnership, and we are willing to invest our time when it adds value to the Supplier and the relationship. An SDP could also be the recommendation of an onsite assessment in order to ready a Supplier for future business.

Note: At any time, and when deemed necessary, a Process Audit or an On-Site Assessment may be carried out by Regal Rexnord as part of verification of the SDP activities.

22. [References](#)

[AIAG - Production Part Approval Process \(PPAP\)](#)

[AIAG - Advanced Product Quality Planning and Control Plan \(APQP\)](#)

[AIAG - Statistical Process Control \(SPC\)](#)

[AIAG - Measurement System Analysis \(MSA\)](#)

[AIAG - Potential Failure Mode & Effects Analysis Manual \(PFMEA\)](#)
[AIAG – Automotive Industry Action Group Website.](#)
[ISO 9001 Quality Management System Requirements, available from ANSI.org](#)
[ISO 9004 Quality Management Systems – Guidance to achieve sustained success](#)
[ASQ - American Society for Quality](#)
[ISO17025 - Lab Management System Requirements, available from ANSI.org](#)
[A2LA Accreditation](#)

23. Acronyms and Definitions

Note: Click on [definition to return](#) to where you found the reference in the manual.

23.1.a [Advanced Product Quality Planning \(APQP\)](#) - APQP is a structured approach to product and process design. This framework is a standardized set of quality requirements that enable Suppliers to design a product that satisfies the customer. Developed under the Automotive Industry Action Group APQP encompasses many tools such as FMEA, MSA, SPC and PPAP.

23.1.b [CI \(Continuous improvement\)](#) – an ongoing effort to improve products, services, processes. Processes are constantly evaluated and improved in the light of their efficiency, effectiveness and flexibility.

23.1.c [Cost of Poor Quality \(COPQ\)](#) – is a metric tracked by Regal Rexnord that captures costs associated with nonconforming material. This can include but is not limited to Rework, Repair, Sorting costs, warranty and replacement costs and other costs incurred such as resources as a direct result of defective material.

23.1.d [DFMEA \(DESIGN-Potential Failure Mode and Effects Analysis\)](#) - is the application of the Failure Mode and Effects Analysis (FMEA) method specifically to product/service design. Design FMEA is far less likely to be required unless you are designing a product for Regal Rexnord.

23.1.e [PFMEA \(PROCESS-Potential Failure Mode and Effects Analysis\)](#) - is the application of the Failure Mode and Effects Analysis (FMEA) method specifically to the process manufacturing the product. Regal Rexnord will expect Suppliers to have PFMEA on all of their critical processes.

23.1.f [FTR \(First Time Right\)](#) – a requirement to supply parts to the customer in accordance to/with the Lead time, costs, specification and Quality, correct at/from the First moment/time of arrival at the customer.

23.1.g [Incident](#) - A non-conforming or defective part or material that is documented at a manufacturing facility as an actual event. Regal Rexnord refers to this as an “incident”. An Incident can be for 1 part or multiple parts and Incidents are tracked as a key Supplier metric.

23.1.h [MSA \(Measurement System Analysis\)](#) – Measurement system analysis (MSA) is an experimental and mathematical method of determining how much the variation within the measurement process contributes to overall process variability. There are five parameters to investigate in an MSA: bias, linearity, stability, repeatability

and reproducibility. An example of MSA is a [Gage Repeatability and Reproducibility Study \(G, R&R\)](#). According to AIAG (2002), a general rule of thumb for measurement system acceptability is:

- Under 10 percent error is acceptable.
- 10 percent to 30 percent error suggests that the system is acceptable depending on the importance of application, cost of measurement device, cost of repair, and other factors.
- Over 30 percent error is considered unacceptable, and you should improve the measurement system. AIAG also states that the number of distinct categories the measurement systems divides a process into should be greater than or equal to 5.

In addition to percent error and the number of distinct categories, you should also review graphical analyses over time to decide on the acceptability of a measurement system.

23.1.i [NCM \(Non-conforming material\)](#) – A product, component, or raw material which deviates from the specification, standard, or expectation. Failure of the product, component, or raw material to meet intended state or fitness for use//normal usage requirements.

23.1.j [NDA Non-Disclosure Agreement](#) - A non-disclosure agreement is a legal contract used to protect information that must be shared by one party to another in order to do business, but which must be kept confidential or secret. The contract restricts one party involved from sharing the other party's information with outside parties without first having proper authorization.

23.1.k [On Time Delivery \(OTD\)](#) – Metric measured by Regal Rexnord that calculates the % of overall on time delivery lines on purchase orders. The calculation is (Lines received on Time/Total lines scheduled) x100 = % on time delivery.

23.1.l [PFD \(Process Flow Diagram\)](#) – A process flow is a way of visualizing and documenting the steps in a business process. Flow charts document inputs or requests for information, products or any other deliverable; the procedural steps to satisfy that request; and the output, or deliverable, that is generated by the input.

23.1.m [PPAP \(Production Part Approval Process\)](#) – PPAP defines the approval process for new or revised parts, or parts produced from new or significantly revised production methods. The PPAP process consists of 18 elements that may be required for approval of production level parts. Not all 18 elements may be required for every submission. There are five generally accepted PPAP submission levels. The resulting PPAP submission provides the evidence that the Supplier has met or exceeded the customer's requirements and the process is capable of consistently reproducing quality parts.

23.1.n [PPM](#) – Is another Supplier key metric. Supplier PPM is tracked monthly and annually and is measured for each Supplier, each manufacturing facility and for Regal Rexnord overall. The formula for Supplier PPM is ((The Quantity of Supplier Rejects) / (Quantity of Parts Received)) multiplied by 1,000,000 or 1 million.

23.1.o [Process Control Plan](#) – Relates to Advanced Product Quality Planning (APQP) by the Automotive Industry Action Group. APQP methodology along with PPAP is used throughout the Supplier Quality infrastructure. A process Control Plan outlines each step of a process and the required specifications and actions for each step including measurements and reactions when issues are discovered. Control Plans are arguably one of the most important documents for controlling any manufacturing process. Regal Rexnord's expectation is that all suppliers will develop and utilize control plans for optimum quality control.

23.1.p [PSW \(Part Submission Warrant\)](#) – This is the form that summarizes the whole PPAP package. This form shows the reason for submission (design change, annual revalidation, etc.) and the level of documents submitted to the customer. There is a section that asks for "results meeting all drawing and specification requirements: yes/no" refers to the whole package. If there are any deviations, the Supplier should note them on the warrant or inform Regal Rexnord that the PPAP cannot be submitted. Key element of the document is the signature from the submitter.

23.1.q [QMS \(Quality Management System\)](#) – A quality management system (QMS) is a formalized system that documents processes, procedures, and responsibilities for achieving quality policies and objectives. A QMS helps coordinate and direct an organization's activities to meet customer and regulatory requirements and improve its effectiveness and efficiency on a continuous basis.

23.1.r [Return Material Authorization \(RMA\)](#) – Sent by the Supplier when notified by a Regal Rexnord facility of nonconforming product. This authorizes the Regal Rexnord manufacturing facility to return rejected material to a Supplier. An RMA is required when requested within 3 days of notification of defective material.

23.1.s [SCA \(Supplier Corrective Action\)](#) – A Supplier Corrective Action Request (SCA) is sent to a Supplier where an item or process is in nonconformity and a remedy is required. This format is based on the 8D problem Solving methodology. The SCA will contain information to support the resolution of an issue including specific non-conformance that the customer experienced. The SCA process is intended to guide a team through the 8d Methodology and capture critical information including root cause, actions to correct the issue and plans for avoiding recurrences

23.1.t [SCR \(Supplier Change Request\)](#) – Request for permanent change to part, dimension, tolerance, material, process, method, or standard. This form is sent to Supplier Quality and Development for Approval.

23.1.u [SDF \(Supplier Deviation Form\)](#) – Request for temporary changes to part, dimension tolerance, material or process that is sent to the Regal Rexnord manufacturing facility for approval.

23.1.v [SDP \(Supplier Development Plan\)](#) - A structured approach to driving improvement in performance that includes escalation for leadership involvement supplemented by defined targets and follow-up activities.

23.1.w [SPC \(Statistical Process Control\)](#) – Statistical Process Control is a scientific visual method used to monitor, control and improve processes by eliminating

special cause variation from manufacturing, service and financial processes. SPC is a key continuous improvement tool.

23.1.x [Supplier Assessment](#) – A Supplier Assessment is a formal On-Site audit that is performed typically by a member of Supplier Quality or Plant Quality. The assessment reviews several areas of supplier manufacturing such as Quality Systems, Purchasing, Safety or New Product Development and scores each section eventually rolling up to a total overall score for supplier Qualification.

23.1.y [Supplier Profile/Supplier Evaluation](#) – A survey document that Suppliers fill out that provides general Regal Rexnord with information on the Suppliers business such as location, product manufactured, size of company etc.

23.1.z [Supplier Self-Assessment](#) – Is the exact same Assessment format used for a formal on-site assessment. The only difference is that prior to Regal Rexnord arriving on site, Suppliers are asked to score themselves on the Assessment so that it can be compared to Regal Rexnord results. This helps the Supplier to get familiar with format as well as prepare for the on-site portion of the assessment.

23.1.aa [SRM \(Supplier Requirements Manual\)](#) – Regal Rexnord document that details Supplier requirements for doing business with all Regal Rexnord Divisions.

23.1.bb [Tooling/Equipment](#) – Tooling and equipment generically refers to all Regal Rexnord equipment in the form of Molds, Tools, Patterns or any type of Industrial equipment paid for or provided by Regal Rexnord to a Supplier in order to produce production parts. This includes all inserts, cores and associated tooling that accompanies the primary tools.

24. [Additional Aerospace and Marine Specific Requirements](#)

Note 1 - Aerospace Suppliers: If you supply Regal Rexnord's Aerospace Facilities there are additional

Statutory and Quality Assurance Requirements for the purchase of products, services and processes. These requirements are often specific to the Aerospace industry and to comply with contractual, regulatory and Industry standards. Please contact your Regal Rexnord Aerospace-buyer you are doing business with to ensure you have a full understanding of these requirements.

Note 2 – Marine Suppliers: If you supply to any facilities providing product to our Marine customers please take note of the following:

Raw Materials: Only raw material of an approved manufacturer by the respective Ship Classification Society must be used. The list of approved manufacturers can be reviewed on the respective homepage of each ship classification society

Documentation: For parts requiring documentation, a distinction is made between documentation in accordance with 3.1 and 3.2 inspection certificates according to EN 10204.

- The Supplier must ensure that the typical material markings in the delivery condition and during the entire processing phase, always in form of a hard stamping or similar embossing, are entirely retained until they are handed over to Regal Rexnord.
- The Supplier must also ensure that the material markings on the parts / raw material match the documents to be provided. Material markings may only be transferred and / or re-stamped by authorized Suppliers or their employees.
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Note 2 – Marine Suppliers Continued:

- **In case of 3.1 material:** The Supplier must be authorized for a corresponding re-stamping permit either by one of the ship classification societies, the TÜV, or at least by Regal Rexnord.
- **In case of 3.2 materials:** Product must always be re-stamped by the ship classification societies themselves or by an authorized Regal Rexnord re-stamping agent.

Certifications: If required via the purchase order / technical drawing information, 3.1 or 3.2 inspection certificates must be sent to Regal Rexnord in digital form until the respective parts are delivered to Regal Rexnord.

- If the raw material is provided by Regal Rexnord, only this material can be used (including a possible re-stamping).

The original manufacturer's label must be on every delivered cardboard box. The original labels must contain at least the article description, the manufacturer's certificate, and the batch number.

Regal Rexnord SRM Revision History

Revision	Updates and Changes	Responsible	Date of Release
01	Initial Regal Rexnord Release Replaces RSQ002v5-MAN	Edyvean/Labba	12/20/2022
02	Document number updated	Doug E/Akash A	06/12/2023