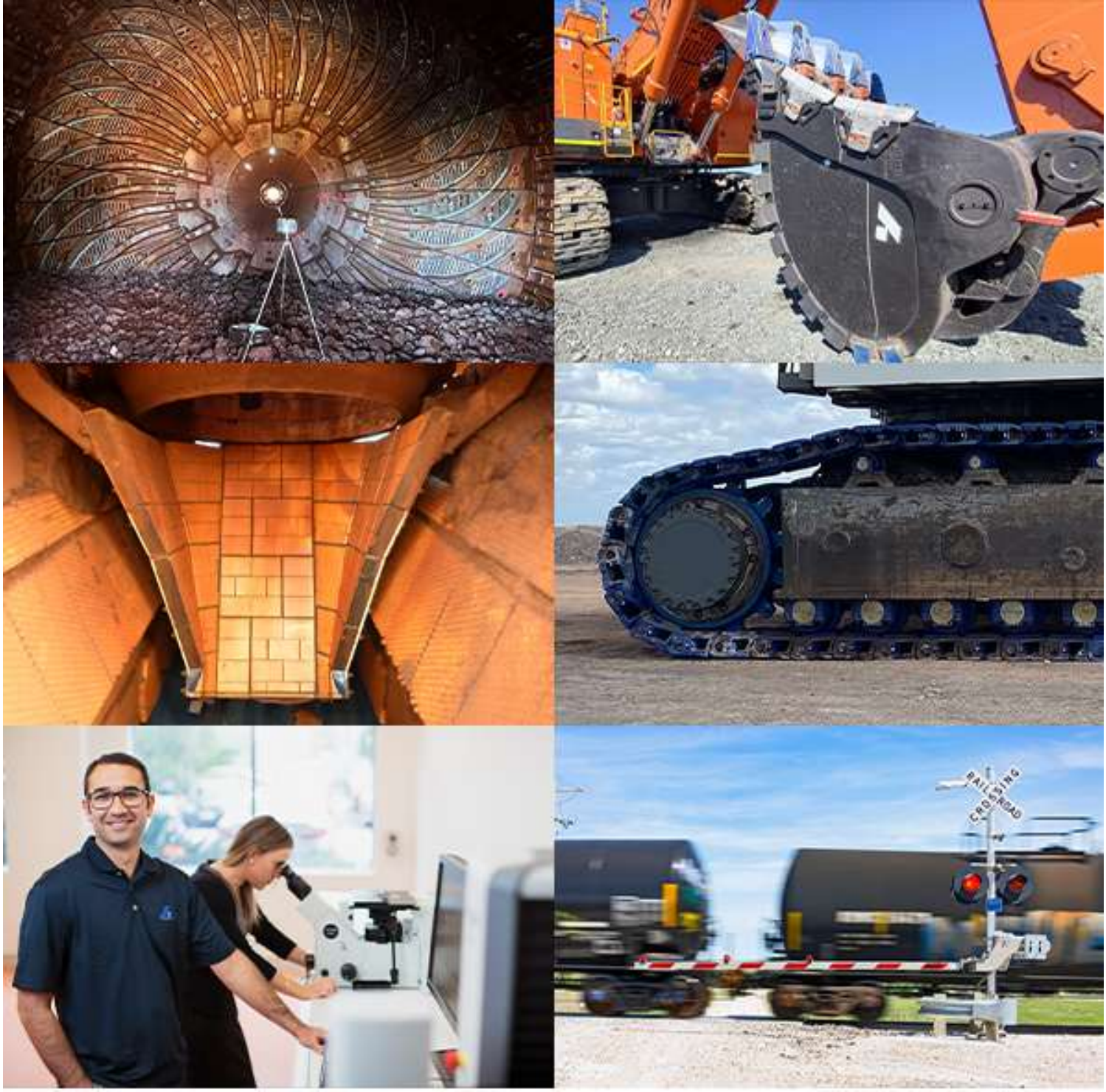


Supplier Quality Assurance Manual

Product Sourcing

DELIVERING AN OPTIMISED FUTURE

Our Innovation. Your Advantage.

BRADKEN

1 Contents

2 Welcome to Bradken – Our Partnership Begins with Quality


Steve Hall - Global Head of Product Sourcing

At Bradken, it's a privilege to welcome you as our valued business partner. Your expertise and commitment play a vital role in supporting our journey to deliver innovative, high-quality solutions to industries across the globe. Quality is at the heart of everything we do. It's not just a benchmark—it's a mindset. Every day at Bradken, we challenge ourselves to improve our processes, our products, and our relationships, continuously raising the standard to better serve our customers and communities. Our shared success depends on a seamless, resilient, and forward-thinking supply network. That's why we view our relationship with you not just as a transaction, but as a long-term partnership built on trust, transparency, and excellence. We are proud to work alongside suppliers who are equally committed to achieving the highest standards in quality, safety, sustainability, and innovation.

This manual outlines the principles, expectations, and updated requirements that guide our shared efforts in delivering zero-defect products and services.

We encourage you to take ownership of your supply network, identify risks proactively, and collaborate with us to resolve them. Together, let's ensure that every product, process, and partnership within the Bradken supply chain contributes to exceptional outcomes.

Welcome to Bradken. Let's build something remarkable—together.

3 Quality Policy

At Bradken, we strive to consistently supply products and services that not only conform to statutory and regulatory requirements but also enhance customer satisfaction. We are committed to driving continuous improvement across all areas of our business. In particular, we are committed to:

- **Customer focus:** We strive to understand customer requirements and business objectives so we can provide products, services and solutions which are best-in-class or comparably fit-for-purpose, We use clear communication channels to ensure our customers are provided with a prompt response to enquiries and support requests.
- **Leadership:** Bradken's strategic business plan is developed by its Executive Leadership Team whose leadership sets the framework for achieving the company's goals and objectives. Effective control is maintained through the use of documented procedures and processes, which describe the responsibilities of all employees who have the authority to intervene in the performance of work.
- **Engagement of people:** Every employee involved in the design, manufacture, distribution and provision of support functions for our products has a responsibility for maintaining quality, reliability and safety. Creating value for our customers requires competent, empowered and engaged people at all levels of our business. Our Kenkijin Spirit and corporate values of Customer, Communication and Challenge reflect an understanding of the importance of working as a cohesive and responsive team.
- **Process approach:** Treating activities as processes that link together and function as a holistic system helps achieve more consistent and predictable results. People, teams and processes do not exist in isolation and ensuring everyone is familiar with Bradken's business activities, promotes cooperation.

- **Improvement:** A company-wide focus on continuous improvement enables Bradken to offer customers differentiated products and services designed to provide tangible benefits. Pre-empting, managing and reacting to changes in the internal and external environment is necessary for us to continue delivering value to our customers. This is of paramount importance today as conditions evolve rapidly and we must be able to adapt.
- **Evidence based decision making:** Making appropriate decisions under changing conditions is not an exact science and involves a degree of uncertainty. Ensuring our decisions are based on the analysis and evaluation of all available data means we are more likely to produce a result that achieves a favourable outcome while aligning with our business goals and objectives.
- **Relationship management:** Today's businesses and organisations do not work in isolation. Identifying the important relationships, we have with interested parties such as our suppliers and setting out a plan to manage them effectively drives our continued growth as a well-respected organisation.

4 Purpose

This manual defines the requirements for supplier quality assurance systems and performance. All products supplied to Bradken will be in conformance with the Bradken product specifications, which include, but are not limited to, Supplier Quality Assurance Manual (SQAM), International standards and Production Part Approval Process (PPAP) guidelines as described in AIAG rules (https://www.aiag.org/). All products must satisfy Bradken's test and quality standards, meet applicable industry quality and performance standards, comply with all applicable legal and regulatory requirements, and be merchantable and fit for the purpose intended by Bradken. The Supplier agrees to support and adhere to Bradken-required quality processes on an ongoing basis, with the aspiration of delivering zero (0) defects for all products.

5 Scope

This Supplier Quality Manual defines the quality expectations and requirements for external suppliers engaged in providing products and services that are directly incorporated into Bradken's final assemblies and Bradken customer-deliverable goods. It applies to all cases where Bradken sources products, services, supplier-designed products, Bradken-branded finished goods.

The scope covers, but is not limited to:

- Products and services used in manufacturing processes or assembly activities at Bradken facilities.
- Deliverable services that contribute to the functionality, compliance, or performance of Bradken products, including inspections, testing, finishing, packaging tied directly to product fulfillment.
- Supplier-designed and manufactured components that are integrated into Bradken's engineered solutions, including those requiring co-development or qualification based on performance, safety, or regulatory requirements.
- Bradken-branded finished goods, where the external party is responsible for the complete or partial manufacturing of products sold under the Bradken name.
- Sourced materials or goods that are either processed, transformed, or delivered as-is to Bradken customers as part of the finished product offering.

This manual applies across the full lifecycle of supplier engagement—from initial qualification and

onboarding to ongoing performance monitoring, quality assurance, change control, and continuous improvement initiatives.

6 Ownership and Approval

The Global Head of Product Sourcing, Bradken, is the owner of this manual. Any interpretation or modification of this manual must be approved in advance by the owner. For questions or clarifications, please reach out to the Product Sourcing Quality Manager or the Sourcing Quality Engineer.

7 Product Sourcing Structure

Bradken's Global Product Sourcing is structured into 4 strategic areas to cover Bradken business needs.

7.1 Sourcing & Category Management

This function is responsible for identifying global, regional, and local suppliers, conducting commercial due diligence, managing RFx processes, performing economic assessments, and maintaining relationships with all external supplier performance. Additionally, this role ensures that all business activities are conducted fairly and ethically, with respect to human rights—including issues such as modern slavery and conflict minerals—and in adherence to our Code of Conduct.

The Sourcing Specialist is the primary point of contact for a supplier

7.2 Product Sourcing Quality Management

The purpose of the Product Sourcing Quality Team is to understand and optimise supplier quality performance, linking that to Bradken product quality. This is accomplished by assessing quality in suppliers and implementing quality assurance and control processes within the Product Sourcing environment, ensuring that products sourced from external suppliers meet Bradken's expectations and industry standards.

The Quality Team creates and implements quality strategies, monitors production processes, conducts audits, analysing quality data, resolving quality issues, ensuring compliance with regulatory requirements and collaborates with cross-functional teams to maintain high-quality standards, and foster a culture of continuous improvement and quality awareness with our external suppliers.

The Sourcing Quality Engineer is the primary quality liaison for suppliers.

7.3 Product Sourcing Technical Management

The purpose of this team is to understand and optimise external supplier technical capability and link that to Bradken product quality.

This team supports the integration of products into supplier manufacturing technologies, optimising processes, implements innovative technologies, supporting complex troubleshooting of technical issues, including non-conformances, customer claims, deviations and concessions, and collaborates with various departments to drive continuous improvement and operational excellence for all expectations.

7.4 Program Management Office

The Program Management Office (PMO) is responsible for coordinating and guiding teams throughout the sourcing of new products and/or the onboarding of new suppliers. This team manages end-to-end sourcing projects, from initiation and stakeholder engagement through planning, execution, and final handover to production. The PMO ensures that all sourcing activities are delivered on time, within scope, and aligned with Bradken's strategic and operational goals.

8 Communications

To ensure effective communication and accountability across all stages of supplier engagement—from initial sourcing and qualification through to ongoing operations—the following points of contact must be observed:

8.1 Primary Commercial Contact

For all matters related to supply chain, procurement, sourcing activities, or contractual discussions, the designated Sourcing Specialist is the supplier's primary point of contact. This includes supplier onboarding, pricing, terms and conditions, lead times, and commercial negotiations.

8.2 Product Quality Support

For all issues concerning product quality, technical specifications, product safety, regulatory compliance, or non-conformance investigations, suppliers must contact the Product Sourcing Quality Engineer (SQE). The SQE is responsible for ensuring that all sourced materials and services meet Bradken's technical and quality standards and remains the lead interface for technical collaboration or issue resolution.

8.3 Project Contact

Where deemed necessary, specific communication requirements and pathways will be defined at a project kick-off. For matters relating to delivery commitments, scheduling of project deliverables, project appraisals, and certain escalations, Project Managers will be engaged directly.

8.4 Post-Handover Operations

Once sourcing transitions to business-as-usual (BAU), the same points of contact remain in place to maintain continuity and support. The Sourcing Specialist will continue to manage commercial aspects, while the SQE will oversee quality performance, audit responses, product changes, and continuous improvement efforts in collaboration with operational teams.

8.5 Ethics and Compliance

Bradken is committed to upholding the highest standards of ethical conduct. Under the Bradken Whistleblower Policy, any individual acting in good faith can report concerns related to:

- Dishonest, fraudulent, or corrupt behaviour
- Legal or regulatory violations
- Unethical conduct or breaches of Bradken's Code of Conduct
- Unsafe work practices or serious misconduct

Reports can be made confidentially by emailing whistleblower@bradken.com or by telephone at +61 1800 272 3536.

9 Supplier Expectations

Suppliers are required to:

- Fully comply with the Bradken Code of Ethics and Supplier Code of Conduct.
- Notify Bradken within 8 hours of any condition or change that affects its regulatory obligations, or involves a safety or environmental incident requiring notification.
- Demonstrate and maintain compliance to all documented requirements, including design performance, reliability, process control, and capability.

- Provide resources to participate in product quality planning.
- Have a change control system that reacts to changes in a timely and accurate fashion. In all cases, acquire written approval prior to implementing any change that may impact form, fit, function, interchangeability, or reliability. This shall include manufacturing processes, quality standards for product acceptance, and testing requirements.
- Have a documented quality system in place which addresses all stages of product/process development, manufacturing, and delivery. Suppliers must agree to on-site quality system assessments and validation as requested.
- Maintain process, product, and service documentation and retain records for a min period of seven years.
- Deploy expectations and controls equivalent to those presented in this document to sub-tier supply chain.
- Be accountable for quality of all sub-tier suppliers including “directed-buy” sources.
- Maintain the expertise and resources to perform effective root cause analysis and implement timely corrective and preventive action.
- Provide notification of all situations that may negatively impact the supplied product’s quality, reliability, and safety; design and/ or production; or any other matter described in this manual.
- Inform Bradken of any notifiable incident to local regulators or government bodies.
- Be accountable for the impact of poor quality on Bradken and its customers.
- Maintain a self-audit system which ensures compliance of all the above.
- If requested, supplier shall provide additional data (i.e. Pareto Analysis, Root Cause Analysis, Corrective Action Plan or any other applicable data).
- Provide access to Sourcing Quality Engineers (SQEs) and Sourcing Technical Engineers (STEs) for on-site audits, validations, and verifications of manufacturing processes and quality management systems. This includes access to production areas, relevant documentation, personnel, equipment, and quality records. Suppliers are expected to support SQE activities by providing accurate, timely information and cooperating fully to facilitate process understanding and continuous improvement.
- Acknowledge and commit to adhering to the Bradken Supplier Quality Assurance Manual (SQAM), including signing the agreement on page 23 to confirm acceptance and compliance with Bradken Supplier Quality requirements.
- Must not share Bradken intellectual property.

10 Supplier Qualification Requirements

Suppliers shall establish and maintain a Quality Management System that ensures production meets all quality requirements and expectations.

10.1 Quality System

All suppliers shall maintain an effective documented quality system that communicates, identifies, coordinates, and controls all key activities necessary to design, develop, produce, deliver, and support the quality of products or services.

Bradken preference is to work with suppliers certified/registered to one of the following international quality management standards with a recognized independent, 3rd party registrar.

- ISO 9001 – Quality Management Systems (QMS) – Requirements.
- IATF 16949 – Quality Systems.
- AS9100 - Quality Management Systems – Aerospace Requirements.

The supplier shall provide a copy of the registration to one of the above standards.

If a supplier does not have a 3rd party QMS certification, Bradken Supplier Quality Systems Audit will be performed to assess the existing quality system at supplier site(s). A separate Technical Capability Assessment is also performed depending on the Product complexity and Supplier risks. This audit is usually performed on-site by Bradken Sourcing Quality Staff and technical experts. The supplier must achieve the minimum pass mark of 80% in Quality Systems Assessment and satisfy the Capability Analysis audit from Bradken technical team.

Note: Suppliers must notify Bradken immediately if their third-party registration expires or is revoked.

Bradken reserves the right to:

- Verify Supplier quality systems with an on-site audit
- Verify a supplier's compliance to an applicable quality standard
- Conduct a Bradken Quality System audit in lieu of, and/ or in addition to, third party certification
- Disqualify, suspend and/or terminate suppliers based on substandard performance. In such cases, full requalification will be required prior to resuming business.

10.2 Bradken Supplier Quality Systems (BSQS) and Technical Capabilities Audits

To ensure all suppliers meet Bradken's quality and performance expectations, a three-stage evaluation process is conducted. This approach provides a consistent, risk-based framework for assessing both certified and non-certified suppliers across quality systems and technical capabilities.

10.2.1 Stage 1 – Initial Desktop Self Assessment

All suppliers—regardless of their QMS certification status—undergo a preliminary desktop assessment as the first step in the qualification process. This review is designed to:

- Examine the supplier's submitted documentation (e.g., certifications, quality manual, procedures, past performance records).
- Evaluate the adequacy of quality system structure and technical scope.
- Determine audit requirements, focus areas, and risk level prior to any on-site activity.

This stage helps Bradken prioritize resources and tailor the follow-up on-site audit based on supplier criticality, certification status, and complexity of supplied products.

10.2.2 Stage 2 – Onsite Evaluation Process

Following the desktop review, Bradken conducts two complementary on-site audits to validate the supplier's quality framework and technical fit:

Bradken Supplier Quality Systems (BSQS) Audit

- Performed by Bradken Sourcing Quality personnel using the official Supplier Audit form
- Evaluates key quality system elements including process control, corrective action, traceability, training, and quality planning
- Assesses the supplier's ability to maintain consistent quality performance
- Produces a quantitative score used in determining supplier status

Technical Capability Assessment

- Conducted by Bradken Sourcing Quality Engineers, Technical Sourcing Engineers and other

Subject Matter Experts

- Assesses supplier's facilities, equipment and process capabilities against specific product and engineering requirements
- Often includes a joint technical review of Bradken's procurement specifications with the supplier
- Ensures supplier alignment with required standards for design, manufacturing, and inspection

10.2.3 Stage 3 – Initial Sample Inspection Report on Critical Bradken Part

Following the successful completion of Stage 2, which encompasses a thorough assessment of the supplier's quality systems, technical capabilities, and process readiness, Stage 3 focuses on the practical validation of the supplier's ability to manufacture a Bradken-specific product to the required standards.

This stage involves the production and evaluation of a Initial Sample Inspection Report —a representative sample of a critical Bradken part—fabricated under real production conditions. The objective is to confirm that the supplier can consistently meet Bradken's technical specifications, quality requirements, and performance expectations.

Key Components of Stage 3:

- **Purchase Order Issuance**: Bradken issues a formal purchase order authorizing the supplier to manufacture a Initial Sample Inspection unit of a designated critical part.
- **Controlled Production Trial**: The supplier produces the Initial Sample Inspection Report using approved processes, materials, and equipment, simulating full-scale production conditions.
- **Specification Compliance Testing**: The Initial Sample Inspection is submitted to Bradken for comprehensive dimensional, material, and functional testing in accordance with the applicable Bradken Product Specification.
- **Joint Review and Feedback Loop**: Bradken and the supplier collaboratively review the results of the Initial Sample Inspection evaluation. Any deviations, improvement opportunities, or specification clarifications are addressed through open dialogue and technical alignment. This stage fosters mutual learning and continuous improvement, strengthening the supplier's understanding of Bradken's expectations.

Purpose and Outcomes:

- **Validation of Manufacturing Capability**: Confirms that the supplier can reliably produce Bradken parts to specification under real-world conditions.
- **Collaborative Development**: Encourages early engagement between Bradken and the supplier to refine product characteristics, resolve ambiguities, and optimize manufacturability.
- **Risk Mitigation**: Identifies and addresses potential production or quality issues before full-scale manufacturing begins.
- **Readiness for Production**: Serves as the final gate before the supplier is approved for serial production of Bradken components.

10.2.4 Certification Status and Audit Requirements

Bradken's audit thresholds differ depending on whether the supplier is certified by an independent QMS certification body:

Supplier Status	BSQS Pass Score	Technical Capability Review	Evaluation Notes
ISO 9001 or IATF 16949 or AS9100 Certified	60%	Required	QMS certification reduces audit scope but does not exempt evaluation.
Non-Certified	80%	Required (Enhanced Review)	Higher threshold ensures system robustness in absence of external validation.

Suppliers without valid third-party QMS certification are **subject to a more stringent assessment**, with a higher BSQS pass mark of **80%**, ensuring their internal systems demonstrate equivalent rigor and maturity.

10.2.5 Supplier Partnership & Continuous Quality Improvement

Bradken views supplier audits not just as compliance checkpoints, but as opportunities to foster long-term partnerships centred on quality excellence. Our audit process is designed to support suppliers in aligning with Bradken's stringent quality expectations while building internal capability and system maturity.To that end, Bradken may apply the following partnership-focused safeguards and governance practices:

- **Joint Audit Reviews**
  Observations and non-conformances identified during desktop or on-site audits will be transparently communicated and reviewed collaboratively with the supplier. The goal is to promote shared understanding and encourage proactive quality ownership.
- **Corrective Action Planning & Mentorship**
  Where improvement areas are found, Bradken will support the supplier in developing targeted corrective actions. This may include technical guidance, examples of best practices, or scheduled follow-ups to monitor progress.
- **Capability-Building Support**
  For suppliers not yet certified to ISO 9001 or equivalent standards, Bradken may offer support resources such as self-assessment tools, documentation templates, or referral to external consultants to accelerate QMS maturity.
- **Continuous Improvement Tracking**
  All audit findings are logged within Bradken's internal quality systems, not only for compliance monitoring, but also to identify systemic improvement opportunities and measure supplier development over time.
- **Progress-Based Qualification**
  Rather than disqualifying suppliers immediately due to initial gaps, Bradken allows for phased qualification—enabling promising suppliers to work toward full approval through demonstrated improvement, interim milestones, and incremental audits where applicable.
- **Requalification & Recognition**
  Suppliers who undergo successful improvement cycles and meet or exceed performance expectations may be requalified and recognized as preferred partners in Bradken's supply network.
- **Third Party Quality Systems Audits**
  To support supplier quality development, Bradken may engage independent third-party audit bodies to conduct objective evaluations of supplier quality management systems. These audits are designed to benchmark supplier practices against international standards and

Bradken's expectations. Findings will be shared transparently, and suppliers are encouraged to treat these engagements as opportunities for learning and continuous improvement.

Bradken reserves the right to escalate audit rigor or limit supplier engagement in cases of repeated non-conformance or failure to address major risks. However, our primary focus is to develop, not disqualify, helping capable suppliers rise to the level of quality our customers expect and our brand demands.

11 Production Part and Process Qualification Expectations

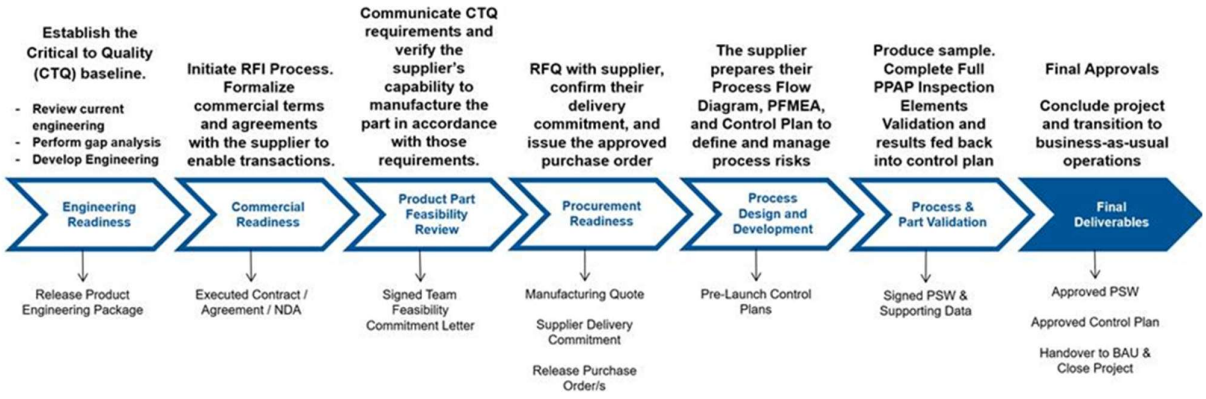
11.1 Production Part and Process Requirements

Bradken's product development framework aligns with the Advanced Product Quality Planning (APQP) and PPAP principles outlined by the Automotive Industry Action Group (AIAG, www.aiag.org).

Bradken employs the Production Part Approval Process (PPAP) as a standardized methodology to verify that suppliers can consistently manufacture components that fulfill Bradken's quality and performance requirements. This process forms a critical part of Bradken's supplier quality system.

All new or modified parts must undergo part development and qualification to ensure they meet the specified technical and functional criteria. Additionally, the PPAP process encompasses product and process qualification activities that confirm the supplier's production processes are capable of consistently delivering parts that conform to Bradken's specifications.

Suppliers are expected to maintain control of their manufacturing processes and demonstrate compliance through submission of PPAP documentation, as defined by Bradken and aligned with industry standards. The overarching APQP methodology at Bradken is represented by the project management flow process illustrated below:



11.2 PPAP Submission Requirements

All production part sample submissions must align with AIAG–PPAP guidelines. Suppliers are required to use Bradken's designated PPAP forms and online systems as the primary platform for submitting documentation, uploading deliverables, and receiving approvals.

Bradken determines the appropriate Production Part Approval Process (PPAP) level (1–5) based on several factors, including the submission's purpose, part complexity, product sourcing risk, supplier capability, and historical quality performance. Unless otherwise specified, **PPAP Level 3** serves as the default submission level.

PPAP level requirements at Bradken follow these guiding principles:

- **PPAP Level 3 (Default) – Bradken Design Parts:** Applies to components fully designed and specified by Bradken. These parts require full validation to confirm technical and

performance compliance.

- **PPAP Level 4 – Bradken Design Critical Parts:** Targets high-risk parts with elevated safety or performance implications. These submissions demand enhanced qualification to ensure robustness and long-term reliability.
- **PPAP Level 1 – Bradken Transaction Parts:** Reserved for standard or commercially available components used in Bradken's operations. These parts follow a simplified approval process based on predefined standards.

Bradken's Product Sourcing Quality team reserves the right to reassess and adjust the PPAP level based on risk evaluations, which include factors such as supplier performance trends, system stability, production volumes, and end-customer demands.

The PPAP level will be defined and agreed upon during the Request for Quotation (RFQ) process and Product Part Feasibility Review—prior to the commencement of product development.

Regardless of the designated level, suppliers are expected to complete all PPAP steps internally to ensure thorough validation and traceability.

Suppliers must ensure that all submissions are completed well ahead of planned production launch and in accordance with mutually agreed schedules in collaboration with the relevant Bradken Product Sourcing Quality Representative.

Bradken's PPAP forms package is available through approved supplier portals or upon request via your Bradken Sourcing Quality Engineer. For any questions regarding submission levels or timing, suppliers should consult with their designated Bradken Product Sourcing Quality Engineer.

12 Concessions/Deviations

12.1 Concession

Under Bradken rules, a Concession is a formal request to accept product or material that has already been manufactured or delivered but found to be non-conforming to specification. It applies to a specific quantity or batch and is typically:

- Retrospective (initiated after the issue is discovered).
- Temporary and exception-based.
- Supported by containment, inspection results, and justification for its safe use.

A concession is typically used:

- When material already produced/deployed doesn't meet a requirement.
- When the issue is deemed minor and fit-for-purpose validation confirms usability.
- When no safety, legal, or regulatory risks are involved.
- To prevent supply interruption while corrective/preventive measures are underway.

12.2 Deviation

Under Bradken rules, a Deviation is a pre-emptive, formal request to manufacture or supply a part that will not meet the agreed specification due to temporary limitations in materials, process, tooling, or other conditions. Deviation requests must be recognized as an unfortunate necessity in situations that do not offer other alternatives. This type of change will have the affected quantity of parts, batch number, or serial number range declared on the SCDR form and will expire after such quantity, batch, or serial number is reached.

A deviation is typically used:

- During new product development or project launch (PPAP pending).

- In Business-As-Usual (BAU) when temporary non-compliance is expected.
- To accommodate tooling breakdowns, supply chain disruption, or late-stage engineering changes.
- Limited to a defined batch, time period, or serial number range.
- Must be clearly marked, controlled, and monitored until resolution.

12.3 Concession/Deviation Request

A Concession or Deviation Request represents a formal application to obtain approval from a designated Bradken authoriser, based on the professional judgment of a qualified Bradken technical representative, to accept goods that deviate from standard specifications but are still deemed fit for purpose and suitable for sale.

All Deviation and Concession Requests must be submitted directly to the assigned Sourcing Quality Engineer (SQE) for review and formal approval.

To ensure transparency, traceability, and risk control, each request must:

- Be submitted using the official Supplier Change/Deviation Request (SCDR) form.
- Include a clear and detailed justification, supported by relevant technical data, a risk assessment, and evidence of containment or corrective actions.
- When applicable be linked to a recorded non-conformance within the Bradken Quality Management System (QMS) for traceability.
- Receive formal review and approval from Bradken prior to use, shipment, or further processing of affected product.

Deviations and concessions are to be treated as exceptions—not workarounds.

Bradken considers the excessive or habitual use of SCDR submissions for nonconforming materials as a warning sign of systemic quality issues. Such patterns may trigger:

- Escalated audits or performance reviews
- Temporary disqualification or suspension
- Requirement for formal corrective action and requalification

Bradken reserves the right to accept, reject, or request additional verification measures before approving any Deviation or Concession Request. Our goal is to ensure all non-standard conditions are managed through robust processes that uphold customer safety, product reliability, and operational excellence.

13 Product and Process Change Notification (PPCN)

Bradken requires that all suppliers maintain strict control over changes to any product, material, process, equipment, or facility associated with supplied goods and services. Consistency and stability are critical in ensuring that Bradken delivers safe, compliant, and high-performing products to its customers. Therefore, suppliers must engage in proactive communication regarding any intended changes that could impact fit, form, function, performance, or regulatory compliance of supplied materials.

A formal Product and Process Change Notification (PPCN) must be submitted by the supplier in advance of any proposed change. This allows Bradken to assess the potential impact and provide documented feedback or approval prior to implementation. Unauthorized changes may result in rejection of parts, stoppage of supply, or removal from the approved supplier list.

Changes requiring a PPCN include, but are not limited to:

- Alterations to raw materials, components, or specifications.
- Changes to production process parameters or equipment.
- Manufacturing location shifts or plant relocations.
- Modifications to inspection, testing, or packaging methods.
- Implementation of new tooling, gauges or major equipment replacements.
- Design changes initiated by the supplier or its subcontractors.
- Ownership, legal entity, or facility structural changes that may impact quality or traceability.

Suppliers must formally submit all PPCN (Product and Process Change Notification) requests using the Bradken PPCN form, along with supporting documents such as updated drawings, FMEA, revised control plan, validation test results, and risk assessments. Standard changes must be submitted at least 12 weeks before the proposed implementation date, while changes affecting critical product features or safety require a minimum of 26 weeks' notice. In cases of unforeseen or emergency changes—such as those caused by natural disasters, supply disruptions, or equipment failures—suppliers are still required to follow the PPCN process. Bradken may expedite the review and approval based on the level of risk and operational impact.

Bradken's cross-functional team, including the Sourcing Quality Engineer (SQE) and Sourcing Technical Engineer (STE), will review each PPCN submission in coordination with the Supplier Relationship Manager (SRM). Suppliers will be formally notified in writing of the approval status. Under no circumstances may changes proceed without documented approval from Bradken.

Following approval of a change, Bradken may request updated PPAP documentation and issue a new Part Submission Warrant (PSW). Shipment of altered products must not occur until the required documentation is completed and formal approval is received.

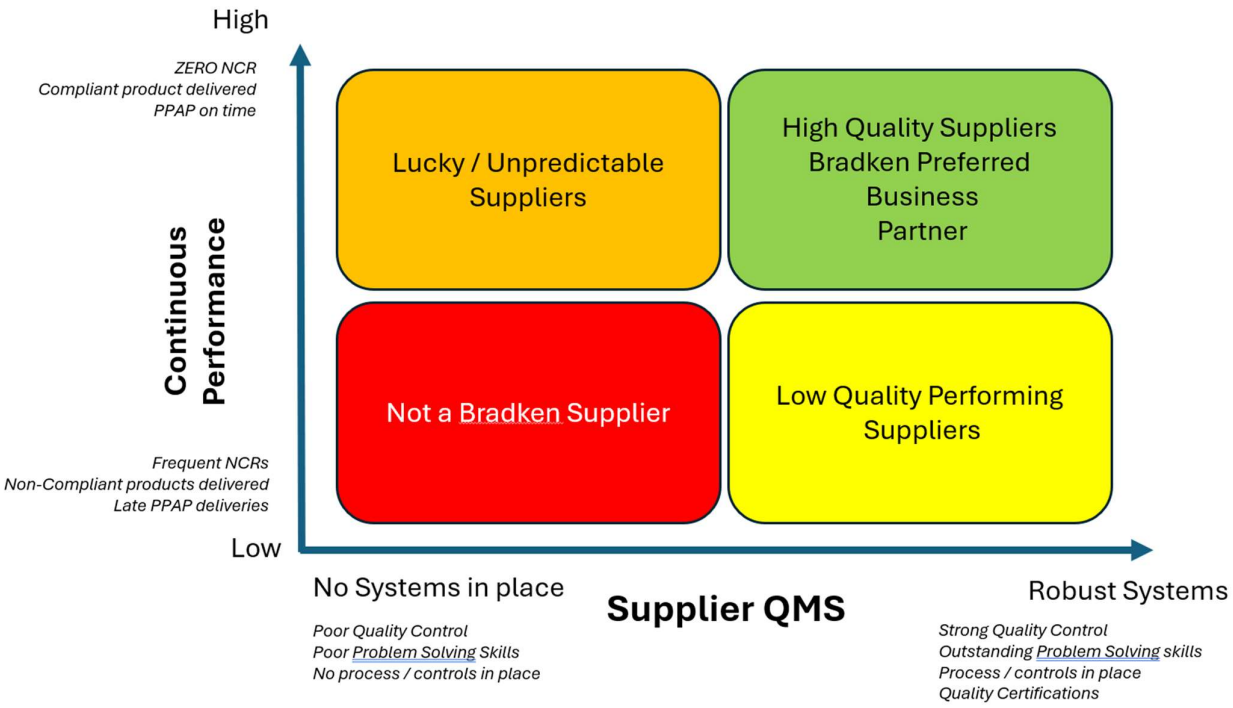
Bradken expects suppliers to adhere to this notification process as an integral component of quality and risk management. It is a key element of maintaining a trusted and collaborative business relationship, protecting end-user safety, and ensuring continued compliance with industry and customer requirements.

14 Supplier Quality Categories and Quality Management Strategies

Once a supplier has successfully completed onboarding, achieved qualification, and their parts have passed the Production Part Approval Process (PPAP) phase, Bradken establishes an ongoing, collaborative relationship supported by tailored quality management strategies. These strategies are not one-size-fits-all—they are designed to align with supplier performance, product criticality, and business impact, and are implemented to drive mutual growth, continuous improvement, and shared value. These strategies are designed to align with the specific Supplier Quality Categories, ensuring that quality oversight and support are appropriately tailored to each supplier's classification.

14.1 Supplier Quality Categories

In supplier quality management, suppliers can be broadly categorized into four quadrants based on their quality continuous performance and supplier quality management systems: High-Quality, Low-Performing, Lucky/Unpredictable, and not a Bradken business. These categories help in understanding and managing supplier relationships effectively.



14.1.1 High-Quality Suppliers – Bradken preferred business

These suppliers consistently deliver products or services that meet or exceed expectations, with minimal defects or issues. They are reliable, efficient, and contribute positively to the overall supply chain performance. This category of supplier has outstanding and robust quality management systems including strong quality control processes, preventive quality approach on developing products, quick response on corrective action, robust problem solving, certifications, and a proven track record of on-time delivery.

14.1.2 Low Quality Performing Suppliers:

Suppliers in this category generally meet the quality systems requirements but may occasionally experience issues or deviations. They have occasional quality control problems and experience significant delivery delays, or have communication issues. Their performance can disrupt the supply chain, leading to increased costs, delays, and potential customer dissatisfaction.

14.1.3 Lucky/Unpredictable Suppliers:

This category includes suppliers whose performance is not captured within the performance records but possess poor quality controls or lack of robust quality management systems. This category of supplier presents the greatest risk for Bradken as the lack of quality control may result on end customer disruption in their operation.

14.1.4 Not a Bradken supplier

This category includes suppliers whose performance low and possess no quality controls and management system at the same time. This category of supplier is not suitable to embark on a journey with Bradken as supplier in the long term.

14.2 Supplier Quality Management Strategies

By understanding the characteristics of each supplier quality categories, Bradken tailor the quality supplier management strategies to maximize the benefits from high-quality suppliers, address issues with underperforming suppliers, and mitigate the risks associated with lucky/unpredictable suppliers.

The Strategies includes Supplier site audits (systems and process audits), Problem Solving Audits, desktop audits, supplier relationship management and low performing supplier management:

- **Desktop Audits:** Is a pre-quick self-assessment from the supplier managed by the SQE to ensure supplier has the adequate quality systems in place. Is expected supplier to conduct also their owner process audits as required in the quality management systems (i.e. ISO 9001, IATF 16949 etc)
- **Supplier quality systems Audits:** The supplier quality systems audits are in site audits and are performed by the SQE to ensure adequate system has been applied in supplier quality processes and systems. Occasionally this audit will involve a Bradken expert to evaluate technical capability on delivery critical Bradken parts.
- **Supplier PPAP/Process Audits:** Those audits are performed by SQE and have the objective to ensure supplier has a proper adherence to the PPAP. This audit includes in site observation of processes against PPAP. This include and is not limited to Control Plan, PFMEA, Process Flow, ITP, MSA, Gauge validation and maintenance, Process capabilities etc
- **Product Audit** – Those audits are performed by SQE, Bradken experts or third-party inspection companies, This audit is based on a systematic evaluation of a product to ensure it meets quality standards, specifications, and regulatory requirements. It involves inspecting raw materials, production processes, and finished products to identify any defects or discrepancies, ensuring that the final product is of high quality, compliant and fit for purpose.
- **Third-Party Inspection:** This activity is managed by the Supplier Quality Engineer (SQE) and executed by an accredited third-party inspection agency. Its purpose is to verify that products prepared for dispatch meet Bradken's technical specifications and align with the applicable Inspection Test Plan (ITP). The scope of inspection includes non-destructive testing (NDT), dimensional verification, visual examination, and, when required, destructive testing to confirm mechanical properties such as tensile strength and impact resistance. The supplier may be responsible for third-party inspection costs, subject to the terms of the contract and specific conditions
- **Problem Solving Audits:** This audit is regularly conduct for critical Non-Conformances that affect Bradken parts and customers and is managed by the SQE. This audit has the objective to confirm the root cause of critical NCR has been identified and the proper corrective and preventive actions are in place. This audit may also incorporate the expertise of Bradken's technical specialists to ensure accurate identification and effective resolution of the underlying causes of any non-conformities.
- **Bradken Onsite Presence:** In support of a collaborative partnership, Bradken may request an onsite presence at supplier facilities when deemed necessary to support quality assurance, production readiness, or project execution. This may include the assignment of Bradken personnel to work directly with the supplier.

15 Non-Conforming Material, NCR Process

Non-conforming product is product that doesn't meet or fulfill its specified or defined requirements. A non-conformance can occur in both product and process. Under no circumstances shall a supplier ship non-conforming product without first receiving written authorization from Bradken.

At Bradken, Quality Events are a significant supplier quality related issue(s) that cause downtime or rework of finished goods. The responsible Bradken Sourcing Quality Engineer must be aware of all Quality Events and a full investigation must be initiated for each Quality Event.

15.1 Supplier Response to Non-Conformance (guideline)

It is in the mutual interest of both Bradken and its Supply Partners to immediately identify, contain, and resolve all cases of non-conforming materials shipped to Bradken sites (including production sites, warehouses, and distribution centres).

It is Bradken's preference that suppliers follow the response timeline outlined below. Adhering to this timeline supports operational efficiency.

Response Stage	Action Required	Deadline
Acknowledge Receipt	Confirm receipt of Bradken's notification and initiate internal review	Immediately
Containment Plan	Submit documented containment plan (including sorting, quarantine, impacted batch/heat, stop-ship)	Within 48 hours
Root Cause & Corrective Action	Submit 8D or equivalent format with root cause and corrective action defined	Within 7 calendar days
Preventive Action	Provide long-term preventive measures + review of other parts/processes at risk	Within 15 calendar days
To support efficient resolution and avoid delays in root cause analysis, Bradken recommends that suppliers adhere to the response timelines outlined below. Timely action helps ensure that investigations remain focused and effective, and contributes positively to overall supplier performance.		

15.2 Containment & Support Expectations

Suppliers are responsible for:

- Implementing immediate containment activities at **Bradken**, in-transit locations, and own facilities.
- Identifying and assessing risk to other Bradken locations or affected product batches.
- Providing third-party sorting services (if needed) — approved by Bradken in advance.

15.3 Problem-Solving Process

Bradken expects suppliers to apply structured problem-solving tools such as the **8 Disciplines (8D)** methodology. Submissions should include:

- Problem definition and containment actions.
- Verified root cause(s) for both occurrence and non-detection.
- Permanent corrective actions and system updates.
- Updated control plans or work instructions.
- Preventive actions across product families or similar parts.

A robust **Root Cause Analysis (RCA)** must extend beyond the defect and assess process or system-level failures within the supplier's organization.

15.4 Disposition of Non-Conforming Material

Disposition options include:

- Return to Supplier.
- Scrap at Bradken (with supplier authorization).
- Rework or adjustment (subject to prior approval).

In urgent cases, Bradken may proceed with rework without prior approval to maintain production continuity for purposes of supporting end customer needs.

15.5 Bradken Identified Non-Conforming Product

In the event non-conforming products or materials are discovered by Bradken prior to release to Bradken's customer(s), the parts/ components in question will be identified and segregated to prevent further use. Contingent on any applicable Commercial Contract specifics, Bradken will rework defects and charge the supplier for rework costs and/or 3rd party containment activities; or Contingent on any applicable Commercial Contract specifics, Bradken will scrap or dispose of the non-conforming product or material and receive full credit or refund from the supplier.

15.6 Non-Conformance/Corrective Action Reports (CAR)

Bradken requires suppliers to submit a formal written corrective action plan to address specific non-conformances identified at either a plant or in the field using the electronic Global 8D Corrective Action Reporting system. The supplier is responsible for keeping the appropriate contact information up to date within the Global 8D Corrective Action Reporting system. When Bradken issues a request for corrective action, the supplier will be notified via an e-mail link from our host server. The need for a formal CAR will be evaluated in terms of potential impact upon production costs, quality costs, performance, reliability, safety, and customer satisfaction.

Supplier's response to corrective action requests must include root cause determination, containment action (short-term corrective action), and permanent (long-term) corrective action. As part of the corrective action, a defined implementation plan with implementation dates must be included, as well as disposition of suspect material.

NOTE: it is expected that suppliers shall consider implementing mistake-proof solutions in all corrective actions Containment action (steps D1-D3) shall be communicated to Bradken within 48 hours of receipt of corrective action request. Failure analysis, leading to the root cause determination, shall be completed through 8D within 7 calendar days agreed to with the Bradken Sourcing Quality Engineer. The 8D will not be considered complete until proposed permanent (long-term) corrective action has been approved by Bradken.

15.7 Problem Resolution

In the event of a non-conformance, the supplier will have a period of forty-eight (48) hours from the date of notice by Bradken to take containment action and a period of fifteen (15) days from the date of notice by Bradken to take permanent corrective action. If the quality reports during the corrective fifteen (15) day period indicate that the defect rates have not been reduced to an acceptable level, then, in addition to the other remedies provided in the Commercial Contract, Bradken may, at its option, reject shipments of the affected product and reschedule or cancel all open orders for the affected product without further liability.

When a containment action is triggered, Bradken shall have the right at supplier's expense to secure replacements of the affected product (including any engineering expense to identify and obtain PPAP approval of a suitable replacement) and/or have a third party inspect the supplier's products for non-conformance and/or defects. Supplier will engage in continuous improvement quality performance including but not limited to adherence to the following items:

- Delivery of zero (0) product defects improvement plan.
- Document and improve 8D corrective action response and closure time, current target is 20 days for closure.
- Implement process or product capabilities with Statistical Process Control (SPC).
- New Product Introduction - 100% PPAP on time (at or prior to pilot).
- Timely closure of any open actions resulting from a supplier quality audit.
- Risk identification & mitigate potential issues using proactive quality tools & initiatives.

15.8 Notes

Specific warranty obligations of suppliers are provided in the applicable commercial Contract agreed between the supplier and Bradken.

All supplier inquiries regarding NCR scope, rejected quantities, or impact on performance scores should be directed to the **Issuer** listed in the NCR.

Bradken reserves the right to update this procedure to align with quality objectives and sourcing strategy.

16 Safety, Sustainability and Compliance

Bradken maintains a strong and proactive commitment to safety, which is deeply embedded in our supplier relationships. Safety is not only a priority within our own operations but also a key focus during supplier engagements. Through audits, site visits, and regular interactions, Bradken personnel observe and assess safety practices to ensure alignment with our standards and expectations. These safety interactions are documented, and any observations are followed up to support continuous improvement and foster a culture of shared responsibility. This approach helps build trust and ensures that safety remains a collaborative effort between Bradken and its suppliers.

In addition to safety, Bradken recognizes the importance of sustainability and compliance in maintaining responsible and ethical supply chains. These areas are addressed through our commercial contracts with suppliers, which outline general expectations around legal compliance, ethical conduct, and social responsibility. While specific requirements may vary, Bradken encourages suppliers to uphold high standards and contribute positively to their local communities. This includes supporting local initiatives, maintaining fair labor practices, and operating in a way that reflects a commitment to long-term sustainability and corporate responsibility.

17 Bradken Definitions

8D - The name “8D” originates from the fact there are eight disciplines associated with this problem-solving format. Bradken has adopted the 8D format to be used for both internal and external problem-solving activities including root cause assessments.

PMO – Program Management Office: Coordinates sourcing projects and manages timelines, scope, and stakeholder engagement

Capability - The ability of a process to produce output within specified limits. “Improving process capability” involves taking steps to limit the amount of variation to defined acceptable limits.

Cpk - The capability index, which accounts for process centering and is defined as the minimum of CP Upper (Cpu) or CP Lower (Cpl). It relates the scaled distance between the process mean and the closest specification limit to half the process spread.

Cpl - Measures how close the process mean is running to the lower specification limit.

Cpu - Measures how close the process mean is running to the upper specification limit.

Commercial Contract – The supply agreement in force between Bradken and the supplier governing the purchase and sale of Products subject to such agreement. Unless there is a Commercial Contract in place that expressly excludes their application, *Bradken’s Standard Term & Conditions of Purchase* located at _____ shall apply to all suppliers. If no Commercial Contract exists Bradken’s Standard Terms & Conditions of Purchase in effect on the date of the applicable purchase order or release shall be considered the “Commercial Contract” for purposes of the SQM.

Corrective Action Report (CAR) - A formal request by Bradken to take action to eliminate the cause(s) of an existing nonconformity or other undesirable situation to prevent recurrence.

Control Plan (CP) - Methodology for controlling parts and processes to ensure all process outputs remain in a state of control. The plan is used and maintained throughout the product life cycle and is responsive to changing process conditions via written descriptions of the actions that are required at each phase of the process from receiving through shipping.

Critical Bradken Part - Any component, material, assembly, or complete system which is selected for production and field traceability to satisfy safety and compliance requirements or to support reliability analysis of high cost / high interest items.

Directed-buy source - Any sub-tier supplier providing product, material, components, or services which has been designated to be used by Bradken.

Failure Mode and Effects Analysis (FMEA) - A preventive analytical technique to methodically study the cause and effects of potential failures in a product or a process. The product or process is examined for all the ways in which a failure can occur. For each potential failure, an assessment is made of its effect on the system and its seriousness, and a review is made of the action being taken (or planned) to minimize the probability of failure or to minimize the effects of the failure.

Gauge Validation - The evaluation of a gauging instrument’s accuracy by determining whether the measurements taken with it are repeatable and reproducible.

Process Audits - A system of manufacturing process audits performed by Sourcing Quality Engineer or an Subject Matter Expert verify conformance to processing standards and assure performance output is to expected Bradken standards.

Non-conforming product: Non-fulfillment of an intended requirement for reasonable expectation for use, including safety considerations.

Part Submission Warrant (PSW) - The warrant contains supplier, part information, required documentation, the supplier application warrant and Bradken disposition. Bradken’s approval of the PSW authorizes the supplier to start production.

Production Part Approval Process (PPAP) - A process which defines the generic requirements for production part approval. The purpose of PPAP is to determine if all customer engineering design record

and specification requirements are properly understood by the supplier and that the process has the potential to produce product consistently meeting these requirements during an actual production run at the quoted production rate.

Quality Event - A significant supplier quality related issue that causes downtime or rework of finished goods. The site Quality Manager and Supply Chain Management must be aware of all Quality Events and a full 8D must be initiated for each Quality Event.

Bradken Supplier Quality Systems (BSQS) Audit - A quality management standard whereby suppliers are rated different levels of compliance.

Supplier Deviation Request – Bradken internal quality management app will provide the workflow for completing an SDR with suppliers during deviation process.

18 References

Number	Name
0	
C00532	Bradken Supplier Code of Conduct
C00486	Quality Policy Statement

19 Appendicies

-

20 Revision Summary

Revision	Date Released	Clause/Section Revised	List of Changes	Revision By:	Approved By:
0	Jul-2025	Original Release		gjackson	shall

Supplier Quality Commitment Statement

We, the undersigned, hereby acknowledge that we have received, reviewed, and understood the contents of the Bradken Supplier Quality Assurance Manual (SQAM).

By signing this document, we confirm our commitment to:

- Complying with all quality system requirements as outlined in the SQAM
- Supporting and maintaining effective controls to ensure compliance with applicable customer, regulatory, and Bradken specifications
- Collaborating openly with Bradken in continuous improvement efforts and root cause investigations when quality issues arise
- Maintaining transparency in all quality-related matters, including prompt reporting of deviations, concessions, or certification changes
- Participating in relevant audits, assessments, and quality reviews as requested by Bradken
- Upholding Bradken's values of safety, reliability, and excellence throughout our operations

We understand that adherence to Bradken's quality standards is essential to maintaining approved supplier status and sustaining a trusted business relationship.

Supplier Name	
Authorized Representative	
Title/Position	
Signature	
Date	

Note: The Supplier Quality Assurance Manual Agreement does not override or replace the existing Supply Agreement. It serves as an additional document to define and reinforce Bradken's quality expectations and standards.