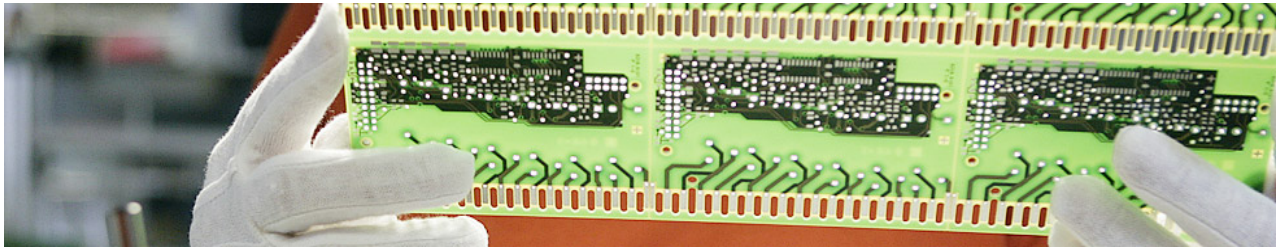

Guideline for supplier evaluation

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1 Guideline



About SCHWEIZER

Schweizer Electronic AG offers the latest, cutting-edge technology and consultancy expertise in the PCB industry. Thanks to its state-of-the-art production facilities in Schramberg, Germany and Jintan, China as well as close partnerships with other technology leaders, SCHWEIZER provides individual PCB & Embedding solutions. SCHWEIZER's innovative PCB technologies are used in the most demanding applications, for example, in the Automotive, Aviation, Industry & Medical and Communications & Computing sectors, and are characterised by their extremely high quality and energy-saving and environmentally-friendly features.

The company was founded by Christoph Schweizer in 1849 and is listed at the Stuttgart and Frankfurt Stock Exchanges (ticker symbol „SCE“, „ISIN DE 000515623“).

2 Basis of assessment

The suppliers of Schweizer Electronic are periodically assessed for their performance in quality, delivery, purchasing and other areas.

In order to ensure objectivity throughout the evaluation process, general assessment principles were defined. This includes framework conditions for the assessment, as well as the determination of the evaluation results:

- The valuation scheme consists of four main criteria, which are evaluated differently and add up in total to 100%
- The maximum number of point is 100
- A main criteria consists of various single criteria which are as well added up in total to 100%
- Only single criteria are evaluated which are capable of being rated
- If a single criteria can not be rated, the weighting of all remaining single criteria will be averaged

Deviations of the ideal state are punctured with point deduction as a function of the characteristic number

2.1 Structure of evaluation

Quality 50%	Goods receipt lot	10 %
	PLKZ (= Problem supplier quality indicator) (SE) / DPPM (=Defect Parts Per Million) (SEC)	20%
	Reaction time to complaint	20 %
	Quality 8D reports	20 %
	QM system quality	20 %
	Audit results	10 %
Delivery 30 %	Adherence to delivery dates	50 %
	Adherence to quantity stipulations	50 %
Purchasing 20%	Price development	50 %
	Flexibility	25 %
	Communication / Cooperation	20 %

3 Quality

3.1 Goods receipt lot

It is evaluated how many goods receipts were claimed. In accordance with the inspection plan, the incoming inspection is carried out by the quality departments or their service providers for the incoming materials.

Calculation of GCR:

$$GCR = \frac{\text{Inspected Lots} - \text{Rejected Lots}}{\text{Inspected Lots}}$$

Classes	Actual GCR Value	Score
1	GCR=100%	100
2	98.0%≤GCR<100%	80
3	96.0% ≤ GCR<98.0%	60
4	90.0%≤GCR < 96.0%	50
5	<90.0%	0

For the class B and C supplier LAR will be not in use.

3.2 Quality target

3.2.1 PLKZ target / PLKZ (Problem supplier quality indicator) (SE)

PLKZ (= Problem supplier quality indicator) evaluates the number of weighted complaints.

A distinction is made as to whether the complaint contains a notice of complaint (HW), a service complaint (RS), a product complaint (RP) or a complaint by the customer (FR).

$$\text{PLKZ absolute} = 1 \cdot \text{HW} + 2 \cdot \text{RS} + 3 \cdot \text{RP} + 4 \cdot \text{FR}$$

Classes	Actual PLKZ Value	Score
1	<3	100
2	3≤PLKZ<5	80
3	5≤PLKZ<10	60
4	10≤PLKZ<15	50
5	≥15	0

If there are no complaints, we will rate this category with 100 points.

3.3 Reaction time to complaints

Suppliers receive an 8D report with notification of the complaints by Schweizer Electronic. After receiving the complaint, the supplier should revise and send the 8D report back according to the timeline noted down in the supplier guideline. ([Schweizer: Terms](#))

Should this period be exceeded, without consultation of an extension with the relevant quality employee of Schweizer Electronic, the supplier receives the defined score as shown in the table chart below.

The arithmetic mean of the evaluated reaction times (ERT) then flows into the supplier evaluation.

$$\text{Reaction time to complaints} = \text{Defined end date 8D} - \text{date of completion 8D}$$

Classes	Evaluated Reaction Time	Score
1	0	100
2	0≤ERT<2	80
3	2≤ERT<4	60
4	4≤ERT<6	50
5	≥6	0

If there are no complaints, we will rate this category with 100 points.

3.4 Quality of 8D report

The quality score 8D report shows the results of the evaluation sheets of the 8D reports.

Classes	Quality of 8D	Score
1	>90%	100
2	>80%	80
5	<80%	0

If there are no complaints, we will rate this category with 100 points.

3.5 QM-System quality

With the partial criteria QM System quality, the efficacy of quality management is evaluated. The following management systems are involved in the valuation:

Management System	Scores
IATF 16949:2016	100
DIN EN 9100:2018 / AS 9100D	100
DIN EN ISO/IEC 17025:2005	100
DIN EN ISO 9001:2015	80

Should it not be possible for the supplier to reach IATF 16949 certification, (e.g. service provider) it will be considered appropriately.

The evaluation only takes into account certifications that are known to us at the time of the valuation.

We won't ask the supplier to hand us their valid certificates. The supplier has to provide valid and existing certificates.

3.6 Audit results

The partial criteria „audit results” is included in the evaluation. The audit results are assessed using the classification given in the audit. If several audits have taken place at different locations, the poorest rating will be included in the valuation

The assessment is based on the following scheme:

Classification	Scores
A	100
B	80
C	0

4 Delivery

4.1 Adherence to delivery dates/ adherence to quantity stipulations

According to the main criteria „delivery“, the sub criteria „adherence to delivery dates“ and „adherence to quantity stipulations“ are evaluated. To determine the key performance indicators „adherence to delivery dates“, the system checks whether the planned delivery date has been adhered to or whether there are deviations:

Absolute adherence to delivery dates = Goods receipt date – statistical delivery date

Finally, the system checks whether the minimum delivery quantity of 85% has been adhered to. If the minimum delivery quantity is not reached, a score won't be determined by the system. If the minimum delivery quantity and the delivery date are adhered to, the highest number of points is assigned. For system deviations, the system converts the absolute deviation into a percentage deviation.

In order to evaluate the quantity of the goods, the system automatically checks whether the order quantity matches the quantity of goods received. The gap is automatically converted into a percentage deviation using the formula below.

$$\text{Adherence to quantity stipulations} = \frac{\text{Goods receipt quantity} - \text{order quantity}}{\text{order quantity}} * 100$$

5 Purchasing

5.1 Soft facts evaluation Purchasing Department

- Price development is assessed using the following scheme:

Price development	Scores
Markdown	100
No markdown	50
Markup	0

- Flexibility and cooperation is assessed using the following scheme:

Flexibility and cooperation	Scores
The queries about current issues are generally handled very quickly	100
Inquiries on current topics are not always handled with the necessary speed and flexibility	50
The supplier does not react to any demand for current problems and actions	0

6 Result of evaluation

After the evaluation, the results are graded using a defined scale “A, B, and C suppliers”. Subsequently, the suppliers will receive an email about this overview.

Classification	Scores
A	100 - 85
B	84 - 60
C	59 - 0

7 Feedback to supplier evaluation B/C

If you receive classification B or C, please send us a corresponding action plan within 30 days after receipt of the evaluation, to improve your quality performance.

If it happens repeatedly (two times in succession) that the classification is C, Schweizer will internally check how to phase out the supplier.

8 History

Date	Comment
09.08.2025	Update new evaluation matrix