



Date: February 22, 2021

Counterfeit Avoidance and Foreign Object Debris Avoidance Policy

KWG Industries conducts internal practices to avoid counterfeit/fraudulent items. The purpose is to validate material authenticity and to assure customer quality and satisfaction. KWG is also committed to prevent, detect, and remove foreign object debris from our products. To achieve this, we will:

1. KWG Industries only purchases material direct from producing mills and/or approved suppliers
2. Material and accompanying documentation is inspected during normal receiving procedures and is also examined for the possibility of counterfeit or fraudulent material
3. Identifying “suspect” material and/or documentation
 - a. Manufacturer’s name, logo, tags appear altered, missing data or tampered with
 - b. Unusual markings on materials or documentation
 - c. Material lot shows difference in configuration, dimensions fit, finish, color or any other inconsistency visually observed
 - d. Suspect material is quarantined
4. Promote awareness and provide employee training on Counterfeit and FOD prevention
5. Maintain appropriate processes to detect and remove Foreign Objects throughout Manufacturing, Packaging and Logistics
 - a. Including but not limited to clean and organized workspaces
6. Investigate Counterfeit and FOD incidents and ensure resolution and to prevent recurrence
7. Further actions are conducted, but not limited to
 - a. Report “suspect” material to supplier
 - b. Initiate Non-Conformance, where appropriate
 - c. Notify potential users and regulating bodies, where appropriate

KWG does not buy or re-sell fraudulent or substandard material. This policy applies to all of KWG’s manufacturing, logistics, and packaging areas.