

Supplier Excellence Manual

Dessimate LLC
Excellence in Industrial Products

1. Introduction

Dessimate LLC is committed to delivering high-quality industrial products that meet or exceed customer and regulatory requirements. To achieve this, we depend on a strong, reliable, and ethical supplier base.

This Supplier Excellence Manual outlines the requirements and expectations for our supply partners. It is intended to foster a culture of continuous improvement, mutual trust, and world-class quality across the value chain.

2. Scope

This manual applies to all suppliers providing materials, components, assemblies, services, and logistics support to Dessimate LLC, both domestic and international.

3. Core Values

- Quality First – Zero defect mindset in every product shipped.
- Safety & Compliance – All supplied materials must adhere to safety, environmental, and industry standards.
- On-Time Delivery – Reliable scheduling and supply chain responsiveness.
- Sustainability – Commitment to ethical sourcing, RoHS/REACH compliance, and reduced environmental impact.
- Partnership – Open communication, transparency, and joint problem-solving.

4. Supplier Qualification & Approval

1. Pre-Assessment – Evaluation of technical capability, financial stability, and quality systems.
2. Certification Requirements – Preference for ISO 9001, ISO 14001, and ISO/IEC 17025 certified suppliers.
3. Initial Audit – Dessimate LLC reserves the right to audit supplier facilities prior to approval.
4. Trial Orders – Performance measured before full supplier approval.

5. Quality Expectations

- Documentation: Full traceability of supplied parts and materials.
- Incoming Quality Levels (AQL): $\leq 0.65\%$ defect rate target.
- Corrective Actions: Suppliers must respond to non-conformances within 48 hours with containment and 10 days with root cause analysis.
- Change Control: No material, process, or facility changes without Dessimate LLC's written approval.

6. Regulatory & Compliance Standards

Suppliers must comply with:

- Relevant UL, FM, NFPA, or industry-specific standards for industrial products.
- RoHS & REACH regulations.
- Conflict Minerals Reporting Template (CMRT) requirements.
- U.S. OSHA safety standards where applicable.
- Any local environmental and labor regulations in supplier's country of operation.

7. Packaging & Logistics

- Labeling: Part number, lot number, date code, quantity, and Dessimate PO reference must be visible.
- Packaging: Must prevent damage, contamination, and ESD risks (where applicable).
- On-Time Delivery: Delivery performance target is $\geq 95\%$ on-time.
- Advance Shipment Notices (ASN) required for critical components.

8. Continuous Improvement

Dessimate LLC expects suppliers to:

- Implement Lean Manufacturing or Six Sigma practices.
- Conduct regular process audits.
- Share cost-reduction and efficiency improvement ideas.
- Provide annual roadmaps for capacity and capability upgrades.

9. Performance Monitoring

Suppliers will be evaluated quarterly on:

1. Quality (40%) – Defect rate, corrective action response.
2. Delivery (30%) – On-time shipments vs. purchase order.
3. Cost Competitiveness (20%) – Pricing stability and value creation.
4. Service & Responsiveness (10%) – Communication, technical support, flexibility.

Suppliers achieving a Score $\geq 90\%$ will be recognized as Preferred Suppliers.

10. Ethics & Social Responsibility

- Prohibition of child labor, forced labor, and discriminatory practices.
- Compliance with fair wage and working hour standards.
- Anti-corruption and anti-bribery compliance.
- Environmental stewardship aligned with ISO 14001.

11. Communication Protocol

- Primary point of contact: Dessimate LLC Supply Chain Department.
- Suppliers must acknowledge purchase orders within 48 hours.
- Escalation procedures in case of delays, shortages, or quality issues.

12. Audits & Reviews

Dessimate LLC reserves the right to conduct:

- Scheduled audits (annual).
- Unannounced audits in cases of repeated quality/delivery issues.
- Supplier Business Reviews (SBRs) annually to review KPIs, capacity, and partnership roadmap.

13. Consequences of Non-Compliance

- Corrective action plans mandated for repeated non-conformance.
- Probationary status with closer monitoring.
- Removal from Approved Supplier List (ASL) for chronic underperformance.

14. Recognition Program

Suppliers meeting or exceeding expectations consistently will be recognized through:

- Preferred Supplier designation.
- Long-term agreements.
- Joint development and innovation projects.

15. Acknowledgment

All suppliers must sign and return the acknowledgment form to confirm receipt, understanding, and acceptance of this Supplier Excellence Manual.

 Prepared by:

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