

Dear Valued Supplier:

Yanfeng Global Automotive Interiors (YFAI) will be implementing IQS, a new cloud based application, as a way to ensure a best in class Quality Management System. IQS will provide improved communication and collaboration with our supply base and is a significant upgrade from our legacy systems which included IRIS and Global Supplier Scorecard. The IQS application is free to our suppliers, will provide easy access to all quality/delivery issues, ensure timely online communication, will eliminate manual 8D forms, and will allow easy access to a broadened, real time Performance Scorecard.

#### **What is included in IQS?**

The following functionality is included in the initial phase and training of the application:

- SMRR - Supply Material Rejection Report to address quality issues and RTV authorizations.
- DMR - Discrepant Material Report to address delivery, logistics and packaging issues.
- SCB - Supplier Chargeback to address costs associated with nonconformances.
- Online submission and collaboration of corrective actions (8D's, Containment, etc.)
- Access the Performance Scorecard (all suppliers) and Commercial Scorecard (preferred suppliers).
- Online upload of Supplier Certificates, Environmental and Sustainability Surveys.
- Online upload and collaboration of the Supplier Assessment Survey (SAS) and follow-up actions.

#### **What are the next steps?**

YFAI plans to move our facilities and suppliers to the IQS application in waves starting with three pilot locations in 2018 and continuing throughout 2019. Our pilot plants will go live for the initial IQS deployment are:

- Grand Rapids, Michigan Plant – **October 29, 2018**
- Neustadt, Germany Plant – **November 19, 2018**
- Valencia, Spain Plant – **November 26, 2018**

Many weeks prior to start of each wave, the impacted suppliers will receive a Supplier Onboarding Welcome email for IQS with an embedded link to the dedicated **YFAI IQS Support Center**. Once received suppliers need to register for one of the training sessions offered and/or acknowledge the completion of self-study training. Suppliers should complete this at least one week prior to their go live date.

Your participation is essential for the successful implementation of this project. We thank you in advance for your support and look forward to your participation and feedback as we implement the IQS application.

Best Regards,

YFAI Procurement, Supplier Chain Management, Quality, IT, and Operations