



Annexure J
Powin Supplier Quality
Supplemental Purchase Order Conditions (SPOC)
Manual

TABLE OF CONTENTS

Section	Description	Page
	Cover Sheet	1
	Table of Contents	2
	Supplier Code of Conduct	3
1.0	Purpose	4
2.0	Scope	4
3.0	Definitions	4
4.0	General Requirements	4
5.0	Quality Management System	5
6.0	Quality Planning and Controls	5
7.0	Part Serialization and Traceability	6
8.0	Production Process Verification (First Article)	6
9.0	Temporary Engineering Deviation (TED)	7
10.0	Supplier Product Change Request	7
11.0	Critical Components (Frozen Planning)	7
12.0	Nonconforming Material	8
13.0	Supplier Performance Monitoring	8
14.0	Calibration of Measurement Tools and Equipment	8
15.0	Shelf-Life Controls	9
16.0	Document Control and Record Retention	9
17.0	Control of POWIN Supplied Product	9
18.0	Product Preservation and Packaging	9
19.0	Sub-Tier Flow Down Requirements	10
20.0	Corrective and Preventive Actions	10
	Revision History	11



SUPPLIER CODE OF CONDUCT

OUR MISSION: SAFE, RELIABLE, AND BUILT TO LAST

Powin, LLC's ("Powin") mission is to lead the sustainable transformation of the outdated electric grid through increased renewables penetration, non-wires alternatives, and power decentralization. Our safe and cost-effective energy storage solutions are revolutionizing the way energy is generated, transmitted, and distributed for utilities, IPPs, and energy consumers worldwide.

Purpose

Powin's Supplier Code of Conduct ("Code") defines the basic requirements Powin places on its suppliers for ensuring social and environmental responsibility and ethical conduct throughout our supply chain. The principles outlined below serve as the cornerstone of Powin's relationship with our supplier, customers, and partners.

Our Suppliers are selected and evaluated beyond just the basis of economic measure and Powin will only do business with organizations that conduct their business with principles that are consistent with the Code. We expect our Suppliers to fully comply with applicable laws and to adhere to internationally recognized environmental, social, and corporate governance standards. Our commitment to these business standards of excellence includes business ethics and regulatory compliance, human rights and labor practices, health and safety, environmental regulations and protection, responsible mineral sourcing, and confidential and proprietary information. Each Supplier is responsible for developing policies consistent with this Code, defining the operating principles for their own organizations and supply chains, and to share these in a transparent manner.

The expectations outlined in this Code do not replace specific requirements found in our contracts with Suppliers. Rather, this Code is intended to supplement the specific requirements in contracts. If a contractual term is stricter than the terms in this Code, the Supplier must meet the stricter contractual requirement.

Diversity and Inclusion

It is Powin's policy to provide contracting opportunities regardless of race, color, religion, gender, sexual orientation, gender identity or expression, pregnancy, marital status, national origin, citizenship, covered veteran status, ancestry, age, physical or mental disability, medical condition, genetic information, or any other legally protected status in accordance with local, state, and federal laws.

Business Ethics and Regulatory Compliance

All Powin Suppliers must conduct their business interactions and activities with integrity and must strictly comply with all laws and regulations related to bribery, corruption, money laundering and counterterrorism financing, and prohibited business practices

To see Powin's Supplier Code of Conduct in its entirety go to <https://Powin.com/supplier-code-of-conduct/>



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1. Purpose

The purpose of this document is to establish the Quality requirements expected by Powin, LLC, hereafter referred to as Powin, of its Supplier's and/ or Sub-Contractor's. The requirements defined in this document are mandatory and supplement any quality requirements, and terms and conditions of the purchase order (PO) and/or contract.

- Powin's intent is to forge a strategic relationship with capable suppliers based on mutual trust and performance. Performance includes total cost, innovation, delivered product quality, and on time delivery performance. There shall be a demonstrated commitment by both parties to support the success of each other during this relationship.
- This Supplier Quality document applies to all suppliers of Production Materials, Parts, Assembly's, Engineer designated special processes, for example welding, plating, and sub-contractor assembly field services.
- All POWIN suppliers are required to meet all POWIN Quality Requirements identified in this document when defined in the PO/Contract.
- Use of the words "shall" and "must" indicate the statement is a Requirement.

2. Scope

The Powin Purchase Order (PO) or Contract is an official binding contract. The supplier is to ensure compliance to all stated conditions herein, as applicable, within this SPOC manual. In the event of inconsistency between this document and the PO, the POWIN PO shall prevail, unless otherwise agreed upon, in writing, by POWIN Procurement and Quality Management.

3. Definitions

- ISO International Organization for Standardization
- AS Aerospace Standard
- IATF Automotive Standard

4. General

This QA-03 Supplemental Purchase Order Condition (SPOC) document shall be specified on the Powin Purchase Order (PO) and/or Contract.

- It is the responsibility of the Supplier to perform a review of all the PO, Terms and Conditions, and SPOC requirements, prior to acceptance of the PO.
 - 4..1. If an error or conflict is detected, the Supplier shall immediately notify the POWIN Buyer.
 - 4..2. The supplier shall stop all production activities until full acceptance of the PO is emailed to the POWIN Buyer.
- Powin suppliers shall ensure that all requirements stated in this SPOC manual are analyzed, fulfilled, flowed down internally, and to all sub-tier suppliers.
- The supplier is responsible for evaluating, selecting, and monitoring their sub-tier suppliers
- The supplier shall create and provide POWIN with an Approved Supplier List (ASL) upon request. The supplier cannot change sub-tier suppliers without written approval from Powin, this does not apply to Commercial of the Shelf items.



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5. Quality Management System (QMS)

Powin considers ISO 9001 (Latest Version) 3rd party certified accreditation to be the benchmark international standard for a suppliers Quality Management System. If a supplier is 3rd party accredited to AS 9100 or IATF 16949, AS9120 for COTS suppliers for example, these Quality Management System requirements will meet and exceed ISO9001 (Latest Version) and are acceptable.

Powin at its discretion may accept an unexpired 3rd Party Accredited Certificate in lieu of an Audit to establish a new Supplier.

- The supplier must maintain their QMS system in good standing and have positive supplier performance, to maintain their approved Powin status.
- If a 3rd party accredited supplier has poor performance, Powin will schedule the supplier for an onsite QMS audit.
- A Supplier shall maintain an effective Quality Management System that is “at minimum” self-compliant per ISO 9001 (Latest Version), unless otherwise approved “in writing” by Powin Quality Management, to a lesser or targeted ISO 9001 system requirement.
- All suppliers that provide Engineering configured products and are not ISO 9001 3rd party accredited, will be subject to a POWIN onsite audit, Initially and every 3 years thereafter;
 - 5..1. unless the duration is extended based upon positive supplier performance,
 - 5..2. and the extension is approved by Powin Quality Management.
 - 5..3. QMS approvals are site specific, any change in a Supplier’s manufacturing location needs to be reported to your Powin Buyer and Supplier Quality Management.
 - An audit may be required for the new location, as determined by Powin Supplier Quality Management.
 - 5..4. Written QMS approval is required before commencement of production.

6. Quality Planning and Controls

Advanced Product Quality Planning (APQP), Process Failure Mode Effects Analysis (PFMEA), Quality Control Plan

- The Supplier shall establish a structured approach to implement new processes. It is recommended that the Supplier utilize the Advanced Product Quality Planning approach. This structured approach to new product planning will enable the Supplier to effectively launch new products and ensure controls are established to achieve the highest levels of Quality.
- The supplier shall develop a Quality Control Plan prior to production. The plan shall provide for the monitoring and control of all supplier manufacturing processes and sub-tier activities, throughout the production cycle. This plan shall also provide for any initial Quality Control part verification, test, and in-process inspection activities, to ensure that all critical product characteristics meet Engineering specifications and drawings. This can also be in the form of the PFEMA and Control Plan.



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7. Product Serialization & Traceability

Where applicable, all raw materials and product obtained by the Supplier to manufacture Powin products must be traceable to the manufacturing source and identifiable to the manufactured item.

- The Supplier must ensure that in the event of a non-conformance, the suppliers traceability system will have the capability to ensure that any suspect product is identified, contained, and isolated from current production, while the investigation is ongoing.
 - 7..1. Traceability must be maintained throughout all stages of the Suppliers manufacturing process, including the maintenance of inspection and test records. These records must have the ability to trace all processes from procurement of raw materials to production, to shipment. This includes the disposal of products, through the non-conforming product process, see Section 12.
 - 7..2. For any Powin, LLC product, the supplier must maintain traceability to retrieve any record of its production, following Powin's record retention requirement, see Section 16.

8. Production Process Verification (also known as First Article Inspection)

- 8..1. The Supplier shall implement production process verification activities to ensure the production process is able to replicate products that meet Engineering requirements.
 - Commercial off the Shelf (COTS) items that are not modified to a POWIN engineering drawing do not require a documented First Article Inspection.
 - First Article Inspection is required on all incoming products that is built to a Powin engineering drawing.
- 8..2. The Supplier shall use a representative item from the first production run of a new part or assembly to verify that the production processes, production documentation, and tooling are able to produce parts and assemblies that meet requirements.
 - For incoming supplier manufactured product the same documentation verification requirement applies for Incoming Inspection acceptance.
- 8..3. This activity shall be repeated when changes occur that invalidate the original results (e.g., engineering changes, production process changes, tooling changes).
 - If fit, form, or function changes a First Article is required.
 - If no changes occur the current First Article remains in effect.
- 8..4. First Article Inspection Report (FAIR) or Production Part Approval Process documentation (PPAP) are acceptable forms of documents to record the part verification process.
 - Supplier First Article Inspection Report templates need to be submitted to Powin for approval.
- 8..5. The supplier shall submit the completed documentation to Powin for acceptance prior to product shipment.
- 8..6. The supplier shall retain the accepted documents following Powin records retention requirements, see Section 16.



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9. Temporary Engineering Deviation (TED)

There shall be no deviation from Powin drawings or specifications identified in the Powin PO or Contract, without documented approval. No verbal approval, Email acceptance, or redline changes, are allowed.

- When a discrepancy is discovered by the Supplier, the Supplier is to immediately notify the POWIN Buyer, requesting the Temporary Engineering Deviation (TED) template form FMQA-10.1. The supplier will fill out the TED form, and submit the completed form to the Powin Buyer, for Powin Engineering disposition, following the requirements of the POWIN TED procedure, PRO.QA-10.1
- Out of conformance products cannot be shipped without approved TED documentation.
- The TED is for (1) shipment only. Subsequent shipments will require a TED until the issue is resolved by the Supplier or POWIN Engineering has made a documented change to product definition, correcting the deviation issue.
- Only Powin Executive Management or its designee, can authorize shipment of non-conforming product, prior to the TED engineering disposition process being completed.

10. Supplier Product Change Request

Suppliers may propose design changes or modifications to help reduce costs, improve quality, and increase reliability and process capability of the product. ALL proposed design changes or modifications, whether permanent or temporary and including proprietary designs, MUST be approved in writing by Powin. Please ask your Buyer for direction and next steps to start the Product Change Request process.

11. Critical Components (Frozen Planning)

The product contained within any Constructional Data Form (CDF) for any part number that is contained within this approved Regulatory document, is considered a Critical Component, and the engineering and planning is **“frozen”** after approval by the Regulatory agency.

- If any change occurs to the Suppliers location, manufacturing processes, sub-tier suppliers, approved technical data, raw material, for example, on any detail or assembly listed within the CDF, the Supplier is to “stop all production activities”, and immediately inform the POWIN Buyer, providing details of the change to be considered for Powin’s Regulatory Compliance approval. Production may only commence upon documented approval, by the Regulatory Agency.
- The Powin Buyer is to inform Powin’s Compliance Engineer and Supplier Quality Assurance Management of this change, seeking documented Change Approval from the Regulatory body that provided the initial approval.



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12. Nonconforming Material

The Supplier shall establish and maintain documented procedures to ensure that suspected nonconforming products are prevented from unintended use or installation.

- The control procedures and activities will provide for identification, documentation, evaluation, segregation, and disposition. Engineering disposition will be coming from Powin
- A supplier has no MRB authority, without formal approval by Engineering and Supplier Quality Management.
- If any nonconforming material escapes the supplier's facility, it is the Suppliers responsibility to assist Powin in locating, evaluating, and correcting non-conforming the issue.
- If the supplier is monitoring their production performance utilizing Process Control, the supplier must have an Out-of-Control Action Plan (OCAP) process in place.
- Powin may, at its discretion, recover all costs from the supplier incurred by Powin, in taking action to recover, disposition, and rework this escaped non-conforming material.

13. Supplier Performance Monitoring

- The purpose of Supplier Performance Measurement is to identify the Supplier's conformance to Powin standards. Parts and services furnished to Powin are expected to meet quality requirements and provide timely delivery.
 - 13..1. Procurement and Supplier Quality Assurance will be establishing acceptable target performance measurement levels.
 - 13..2. A performance report will be sent to Suppliers on a schedule determined by Procurement.
- If the Supplier's performance does not meet the expectations of Powin, and Supplier Quality Engineering has documented a lack of correction, the Supplier could be placed on new business hold or removed from the Powin Approved Supplier List (ASL).

14. Calibration of Measurement Tools and Equipment

The supplier shall establish an inspection tool, gage, test equipment, calibration system for any equipment used for product acceptance activities. This system should include the ability monitor the status of the calibrated equipment with recall capability.

- Applicable inspection measuring, process instrumentation, and test equipment, including production tools and fixtures used as a medium of inspection, must themselves be inspected and calibrated at established intervals.
- The equipment's function, service conditions, use and maintenance, and recognized industry standards determine the frequency of calibration.
- Calibration shall be performed under controlled conditions of temperature, cleanliness and humidity based on the type of product provided. Service conditions should be similarly controlled to ensure accuracy of measurement.
- The supplier or their commercial calibration facility shall calibrate their test equipment in accordance with recognized measurement standards traceable to the National Institute of Standards and Technology (NIST), such as ISO 17025 or ANSI Z540.



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- Calibration performed by a commercial facility and/or in-plant shall be supported by reports or data sheets certifying the date and accuracy of each instrument. These reports must be maintained on file by the supplier/subcontractor and made available for review upon Powin's request. See retention of records Section 16.
- Measurement Traceability, the supplier's organization shall determine if the validity of previous measurement results has been adversely affected when measuring equipment is found to be unfit for its intended purpose and shall take appropriate action as necessary.
 - 14..1.Tools found to be out of tolerance at calibration intervals will require an analysis.
 - 14..2.If shipped product is negatively impacted, the supplier will notify the customer.
 - 14..3. Negatively impacted shipped product may possibly result in the recall of product.

15. Shelf-Life Controls

- Suppliers who provide shelf-life controlled products to Powin shall have a documented process within their business, for shelf-life control of their products.
- Any product shipped to Powin that is subject to shelf-life controls must be identified with the shelf-life date clearly on the product or packaging, as applicable.
 - 15..1.The supplier shall provide, at minimum, 75% of shelf life remaining, upon receipt of the shelf-life controlled product.
- The Certificate of Conformance must be provided that indicates the product name, date of manufacture, shelf-life and/or expiration date, as applicable.
- Any expired shelf-life controlled product shall be segregated, retested, or properly disposed of.

16. Document Control and Record Retention

The supplier shall provide documentation control, including document change management of process documentation, manufacturing records, and inspection / test records to prevent unauthorized changes and provide adequate verification of accuracy.

- All Suppliers and their Sub-tier suppliers shall retain all production and quality records associated with the Powin purchase order (PO) for a minimum of 7 years, unless specified otherwise in the Powin PO or Contract.

17. Control of Powin Supplied Product

If Powin provides product for its incorporation into the Supplier's product or related activities, the Supplier shall establish and maintain documented procedures for the control, verification, storage, and maintenance of Powin owned product. Any product that is lost, damaged, or is otherwise unsuitable for use, shall be recorded and reported to Powin Procurement, for inventory adjustment and/or supplier reimbursement.

- The supplier is to retain documented information on what has occurred
- Powin's property can include materials, components, tools and equipment, premises, intellectual property, and personal data.



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18. Product Preservation and Packaging Requirements

- The supplier is responsible for protecting the product from damage throughout the manufacturing process, and during shipment.
- Packaging must protect product and permit easy removal of the contents without damage.
- The supplier shall assure product is packaged to maintain product integrity. Packaging containers shall be appropriate to the product and prevent product damage during shipping.
- If damage to product is determined due to poor packaging, the supplier will be responsible for the cost of repair or replacement of the damaged product.
- See Powin's *Supplier Production Labeling and Packaging Guideline*, for further aid in proper packaging and labeling.

19. Sub-Tier Flow Down Requirements

The supplier, in all applicable purchasing documents to all their sub-tier suppliers and subcontractors, shall flow down the Powin purchase order requirements and the POWIN supplier quality requirements specified on the Powin purchase order or contract.

- This is applicable for all materials, outsourced processes, inspection and testing, packaging, and shipping, as well as documentation and records related to the Powin purchase order or contract.
- The direct supplier to Powin remains fully responsible to ensure all flow down requirements are communicated in the suppliers purchasing documentation ensuring all Powin requirements are satisfied in Sub-Tier products and services.

20. Corrective and Preventive Actions

The supplier's Quality System shall include a documented procedure that determines root causes, identifies, and implements corrective and preventive actions, and can validate preventive actions. It is the supplier's responsibility to document and maintain the Corrective and Preventive Actions activities. The supplier shall make these documents available upon Powin's request.

Corrective and Preventative Actions may be initiated from:

- Internal non-conforming reports
- Powin or Customer Inspections
- Customer complaints
- Customer quality and delivery rating reports
- Internal audits
- Customer audits
- Third party audits
- Failure Mode Effects Analysis Process



Revision History

Date	By	Description of Change	Revision
11Nov2020	Dean Nguyen	Initial release of document.	A
21Jul2021	Tariq Sheikh	Added §19.5, §16.2, §12.7, PRO.QA-06 reference. Removed 80% references from §7. Changed Document Number from QA-02 to QA-03. Removed approvals table and “Approvals on File...” added approvals section	B
01Nov2021	Dean Nguyen	Added §19.4. Changed ‘Powin Energy’ to ‘Powin Quality’ in §19.1 and 19.3. Added QA-03 to title.	C
	Lori Sunthonchart	Revised title and re-wrote document contents to reflect current practices.	D