

Important Note:

Each supplier wishing to do business with Tenneco is required to meet the guidelines indicated in this Global Supply Chain Management Manual, as well as the respective region for which business transpires.

Appendix B European Region Specific Requirements

Last updated Aug 31, 2016

For general requirements, also consult:
"Global Supplier Manual"

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Click on sections above to follow link.



Section B	Introduction	Revision Date	Revision Letter
	<p>This appendix is part of our Tenneco Global Purchasing Management Manual and should be used in conjunction with all other relevant sections. We encourage suppliers to ensure all appropriate personnel in their organization have access to our web site as needed. These policies and procedures supersede and replace similar information previously issued in hard copy, or referred to, by Tenneco Europe. The term "Tenneco Europe" includes all relevant affiliates of Tenneco in Europe and South Africa.</p>	07-07-10	A



Section B.1.0	Organization	Revision Date	Revision Letter
B.1.1 European Original Equipment Locations	Reference to Global Supplier Manual	06-07-10	A
B.1.2 European Aftermarket Locations	Reference to Global Supplier Manual	06-07-10	A



Section B.2.0	Supplier Agreements	Revision Date	Revision Letter
B.2.1 Supply Agreements and Requirements Blanket Orders	<p>Blanket Orders or Framework supply agreements are issued to cover a fixed percentage of the Tenneco Europe requirements over the contract period (usually one year) and cover all Tenneco Europe locations to which item is shipped.</p> <p>In the Blanket Orders or Framework supply agreements the following is clearly defined :</p> <ul style="list-style-type: none"> Validity Period Payment Terms Inco Terms Part numbers and drawing release level Price per part number tasupplier.com; see below (Packaging Requirements) Indication of Volume Required for which supply to be ensured by Supplier during contract period <p>Reference to: http://www.tasupplier.com</p> <p>Purchase Orders covering items sourced on blank order or Framework Supply Agreements are issued to all suppliers on a daily/weekly/monthly basis. These "Purchase Orders" also include a longer term rolling forecast to cover the future anticipated usage.</p>	10-09-10	A
B.2.2 Payment Policy	Reference to Global Supplier Manual	08-07-10	A
B.2.3 Invoicing	<p>Europe original invoices must be mailed according to the Blank order or Framework Supply Agreement instructions.</p> <p>DO NOT mail original invoices to the attention of the buyer or party that requested the goods/services; this may delay processing/payment of your invoices.</p>	10-09-10	A
B.2.4 Company status	<p>Any change in the supplier company structure, the supplier is requested to update the Tenneco registration in TITAN within a reasonable time.</p> <p>In case of financial difficulties the supplier must inform the relevant Tenneco Europe commodity buyer/manager in order to enable a pro-active approach.</p>	10-09-10	A



Section B.3.0	Quality Requirements	Revision Date	Revision Letter												
<p>B.3.1 Quality Policy</p>	<p>It is the committed policy of Tenneco Europe to achieve the manufacture and supply of defect free products to our customers (zero ppm).</p> <p>To ensure we achieve and maintain Tenneco Europe’s goals, a vigorous policy of never ending improvement has been developed dedicated to creating the necessary attitude and environment throughout the company.</p> <p>Full compliance and approval to this appendix is mandatory for the supplier to be able to supply all Tenneco Europe plants.</p>	08-07-10	A												
<p>B.3.2 Supplier Requirements</p>	<p>Supplier quality system - exemption procedure It is possible in unavoidable circumstances that a supplier can be approved to supply parts or material to Tenneco Europe plants without an ISO Quality Management Standard. In order for this to happen a Tenneco supplier assessment must be completed and submitted by the commodity director for approval. The supplier should take the initiative to get a QM system according ISO installed.</p> <p>Supplier Performance Evaluation (Scorecard) Tenneco review the supplier performance periodically. The review is based on suppliers’ performance in quality, delivery, service, and cost. Scorecards will be emailed to suppliers that receive demerits for the period.</p> <p>Suppliers which do not fulfill the Tenneco requirements are requested to take immediately action to drive performance back to our expectation. Failure to meet Tenneco’s expectations may lead to business hold or further actions.</p> <p>Supplier Quality Performance Supplier Quality Performance will be measured and evaluated as per the Tenneco Supplier Performance Rating System.</p> <p>The philosophy of Tenneco is to achieve “O PPM” and we expect from our suppliers to have the same approach. If the supplier exceeds the PPM target, Tenneco expects a year over year PPM improvement.</p> <p>Supplier PPM Rules</p> <table border="0" data-bbox="368 1435 1206 1825"> <thead> <tr> <th><u>Quality Issue</u></th> <th><u>ppm count</u></th> </tr> </thead> <tbody> <tr> <td>Tenneco plant returns defective batch (can be adjusted to the real defective parts, If supplier reports results within reasonable time)</td> <td>100% of returned batch</td> </tr> <tr> <td>Tenneco plant sorts defective batch</td> <td># of defect parts</td> </tr> <tr> <td>Tenneco plant reworks defective batch</td> <td># of reworked parts</td> </tr> <tr> <td>Defective batch sorted by supplier</td> <td># of defect parts</td> </tr> <tr> <td>Supplier replace (24 h) defective batch (After 24h, the 10% of the returned quantity will be counted)</td> <td>1% of replaced batch</td> </tr> </tbody> </table> <p><u>Label issue</u></p> <p>Numbers of labeling mistakes are reported.</p>	<u>Quality Issue</u>	<u>ppm count</u>	Tenneco plant returns defective batch (can be adjusted to the real defective parts, If supplier reports results within reasonable time)	100% of returned batch	Tenneco plant sorts defective batch	# of defect parts	Tenneco plant reworks defective batch	# of reworked parts	Defective batch sorted by supplier	# of defect parts	Supplier replace (24 h) defective batch (After 24h, the 10% of the returned quantity will be counted)	1% of replaced batch	06-30-14	C
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Bulk items

Bought in liters / kilos / pounds: the reject is counted in liters / kilos / pounds

e.g. 2000 kg rod steel delivered some rods are defective => we use the weight for PPM calculation minimum amount is 1

Concerning Costs

Tenneco charges costs related to the nonconformance (sorting, rework, administration etc.) to the supplier.

Such charges may include, but are not limited to, the following:

Supplier Charge Back Cost Table		
Cost Type	Fee (EUR)	Description / Notes
Administrative Fee	€200.00	Per incident
Receiving Inspection Fee	€ 50	Per shipment for the inspection of supplier product for re-certification or if certified process is interrupted due to non-conforming material (minimum 1 hour charge)
Line Down Fee	€50.00	Tenneco Line Down Fee - €50.00 per hour per employee directly affected.
Change Over	€ 75	Per hour per employee directly affected.
Sorting Fee (including material handling)	€ 50	Per hour per employee directly affected. If supplier or supplier paid contractor does the sorting, (subject to Buyer prior approval) fee may be waived.
Investigation Fee	€ 75	Per hour per employee directly affected.
RE-PPAP Fee	\$1,000.00	Per part number and submission
Onsite visit fee	€ 1,500	Per employee; not valid for international trips -- actual cost will be calculated

Gauges and test equipment

If Tenneco provides the supplier with gauges or test equipment it is the responsibility of the supplier to maintain this equipment. It is recommended to include this equipment into the supplier monitoring system for test and measurement equipment

Material certificates

The supplier needs to be able to provide material certificates as requested by Tenneco within a reasonable time.



	<p>Prototype parts Prototypes should be clearly identified and supplied in accordance to the Tenneco expectation.</p> <p>Prototype parts should be manufactured wherever possible using final production process and stated on relevant paper work.</p> <p>Concessions and Deviations In certain instances nonconforming supplies maybe accepted under concession or deviation. This will depend on the nature of the nonconformance. Acceptance will be authorized in writing to the supplier by the relevant Tenneco Europe plant representative.</p> <p>Under no circumstances the supplier is allowed to ship nonconforming material without written approval of the relevant Tenneco Europe plant representative. All shipments must refer to the concession / deviation agreement.</p>		
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Section B.4.0	Engineering Requirements	Revision Date	Revision Letter
<p>B.4.1 Engineering Requirements</p>	<p>At start of each project, the supplier must comply with Tenneco design rules and CAD standards. If a question arises regarding these rules, suppliers are required to contact the Tenneco Design Engineers. Tenneco Norms and Standards mentioned on the relevant product drawing(s) are available on supplier request.</p> <p>Tenneco requires that all business relationships with its suppliers are conducted in a professional and confidential manner. All information given to our suppliers, including concerning product specification and design must be kept confidential by the Supplier. Any issues on "Design and Patent" ownership must be fully disclosed to and discussed with the Tenneco Supply Chain Management in advance of any actions.</p> <p>It is a mandatory requirement of Tenneco that its suppliers must have written authorization from Tenneco purchase department before they are allowed to pass any confidential Tenneco information to any third party.</p>	08-07-10	A



Section B.5.0	Logistics	Revision Date	Revision Letter
B.5.1 Freight Routing	<p><u>Freight routing</u></p> <p>If freight terms are negotiated FCA/EXW, compliance with Tenneco routing instructions is mandatory. Excess freight costs due to the use of unauthorized carriers will result in an automatic charge back of freight cost differential by debit to the supplier's account.</p> <p>If suppliers are responsible for transportation, suppliers must endeavor to avoid any disputes with carriers to be escalated to become disruptions, or threats of disruptions, by carriers for shipments to Tenneco. If there are such disruptions, or risks of disruptions, to Tenneco's delivery requirement, supplier must immediately inform the relevant Tenneco Plant of such potential disruptions. Tenneco reserves the right to mitigate such disruptions at supplier's costs; mitigation might involve Tenneco arranging own transportation, or authorizing releases of stranded shipments, or premium freights, or any reasonable arrangement that release the risks of disruptions.</p> <p>Suppliers shall route their deliveries to Tenneco plants via specific carriers for road transport, air freight, and sea freight.</p>	10-20-10	D
B.5.2 Logistic Guideline	<p><u>Logistic Guideline</u></p> <p>Germany - Plant Edenkoben:</p> <p>Link to English documentation.</p> <p>Link to Inbound Logistics Cost Breakdown Sheet.</p>	03-16-17	C

Section B.6.0	Electronic Data Interchange (EDI) or Supplier Network Collaboration (SNC)	Revision Date	Revision Letter
	<p>All Tenneco suppliers are required to be capable of exchanging electronic information with the appropriate Tenneco facility through the use of at least one of the two following options; Tenneco's SNC or Electronic Data Interchange (EDI).</p> <p>For suppliers who integrate material <u>Forecast Release</u> information, and create ASN's within their own internal systems, EDI is available (https://tspinfo.tenneco.com/TSP EDI setup.asp). If EDI is utilized as the primary communication tool by the Tenneco supplier, Tenneco requires the supplier to be effectively familiar with Tenneco's other communication offering, Tenneco SNC. SNC will be expected to be utilized as a secondary communication tool if the primary option becomes unavailable. Tenneco's SNC is a web-based application for suppliers to receive demand requirements and submit Advanced Shipment Notifications (ASN's) if EDI is not an available option. Each supplier should train at least a primary and back up operator for use of the SNC system.</p> <p>Training information is provided on the Tenneco supplier web site (https://elearning.tenneco.com/gm/cabinet-1.25.503).</p> <p>For any addition information, please contact the Tenneco Help Desk or your respective Commodity Buyer.</p>	08-31-16	B
<p>Section B.6.1 ASN Requirements</p>	<p>Tenneco requires that an electronic Advanced Shipment Notification (ASN) be submitted for shipments sent to a Tenneco facility.</p> <ul style="list-style-type: none"> • An ASN is required for EVERY shipment to Tenneco • ASN's MUST be submitted at the time of shipment • Only include items from one purchasing document per ASN (scheduling agreement and purchase order parts cannot be supplied on the same ASN) • PPAP sample parts must be submitted on their own ASN • Failure to submit a valid ASN will result in shipments being considered past due. • ASN numbers must be unique to your shipment and limited to 10 alpha-numeric characters. Tenneco recommends using the Invoice, Packing List or BOL number. <p>If you have any questions about Tenneco's ASN policy, please contact your Tenneco facility representative or your Tenneco Commodity buyer.</p>	08-31-16	B



Section B.7.0	Packaging	Revision Date	Revision Letter
B.7.1 Packaging	<p>Reference to Global Supplier Manual</p> <p>Packaging</p> <p>Please use the links below to download the documents:</p> <ul style="list-style-type: none"> • European Supplier Packaging Manual** • Packaging Proposal Form • Returnable Packaging Ordering & Release Form • Returnable Packaging Reconciliation Form • Exchange Criteria for used UIC standardized European Wire Mesh Boxes • Tauschkriter für gebrauchte UIC-genormte EUROGITTERBOXEN (Deutsch) <p>Tenneco has outlined uniform standards and common processes for the planning and review of packaging materials used. These standards are necessary to ensure general accountability for quality and maintain consistently high quality performance and continuous cost reduction. The attached Manual is effective for all production related parts that suppliers deliver to Tenneco Europe plants. The contents are guidelines to be used by all parties involved in the packaging process and describe Tenneco's packaging requirements concerning quality, safety, handling and labeling. These general requirements may be modified by additional requirements of the receiving Tenneco Europe plant, to be published individually, or by specific Tenneco policies.</p> <p>Available additional requirements: Germany: Plant Edenkoben (please look at chapter B.5.0 Logistics)</p>	04-30-13	C



Section B.8.0	Environmental Health and Safety (EH&S)	Revision Date	Revision Letter
B.8.1	<p>Environmental Management System</p> <p>Tenneco is committed to health and safety as a primary focus. It is expected that all suppliers to Tenneco Europe plants conduct business in the same manner and that goods and services provided to these locations be delivered in a safe, Ergonomic and environmentally friendly condition. Tenneco recommends that suppliers take the initiative to register to the latest version of ISO 14001 or an equivalent environmental management system.</p>	07-14-10	A
B.8.2 Material Safety Data Sheets	<p>Reference to Global Supplier Manual</p>	08-07-10	A
B.8.3 Material Safety Data Sheets and IMDS ID	<p>Submission of material data sheets (MDS) to Tenneco Europe</p> <p>All MDS must be submitted into the International Material Data System (IMDS) to the respective Tenneco business unit ID as mentioned below</p> <p>The company ID of Tenneco Europe Emission Control: 751 The company ID of Tenneco Europe Ride Control: 4076</p> <p>Suppliers are obliged to provide an evidence of accepted IMDS submission during Production Part Approval Process (PPAP). Any other way will lead to non-compliance and PPAP rejection.</p> <p>Submission guidelines</p> <p>Suppliers are obliged to follow all valid Recommendations published on IMDS website www.mdssystem.com</p> <p>Supplier must visit this website regularly to keep up with changes. It is also advisable to use MDS published by IMDS steering committee to create your own or sub-suppliers' MDS. Deviation from these guidelines will result in rejection of your submission.</p> <p>Tenneco Europe reserves the right to verify accuracy of suppliers' submissions by requiring certified and independent laboratory test reports on corresponding products.</p> <p>Submission due date</p> <p>Suppliers should comply to IMDS requirement at least 1 month prior to PPAP and by any other dates requested and agreed with Tenneco Europe. As the evidence of compliance to this requirement, suppliers' PPAP must include the IMDS entry number information.</p> <p>Submission non-compliance</p> <p>Supplier's non-compliance will be reflected in the suppliers' rating and can affect future business invites / nomination. Also any additional costs arising from missing IMDS submission will be passed down to non-compliant supplier.</p>	10-20-10	A

Section B.9.0	Disaster Recovery Program	Revision Date	Revision Letter
B.9.1 Disaster Recovery Program	Suppliers are required to develop a detailed documented recovery program to safeguard deliveries to Tenneco, if their production facilities and / or production equipment are damaged by fire / flooding or any other cause	08-07-10	A

