

QMS/EMS System

Lapp Holding, N.A.

2020



Quality Team

Darlene McBride – Director of Quality Lapp Holding, N.A.

Responsible for QMS/EMS of LUSA, Canada, Atlanta Distribution Center with team:

Sudarshan Sekar – Quality Engineer, Lapp Holding, N.A.

Frank Rocco – Quality Engineer, Lapp Holding, N.A.

Eric Carlson – Director of Operations – Lapp Tannehill

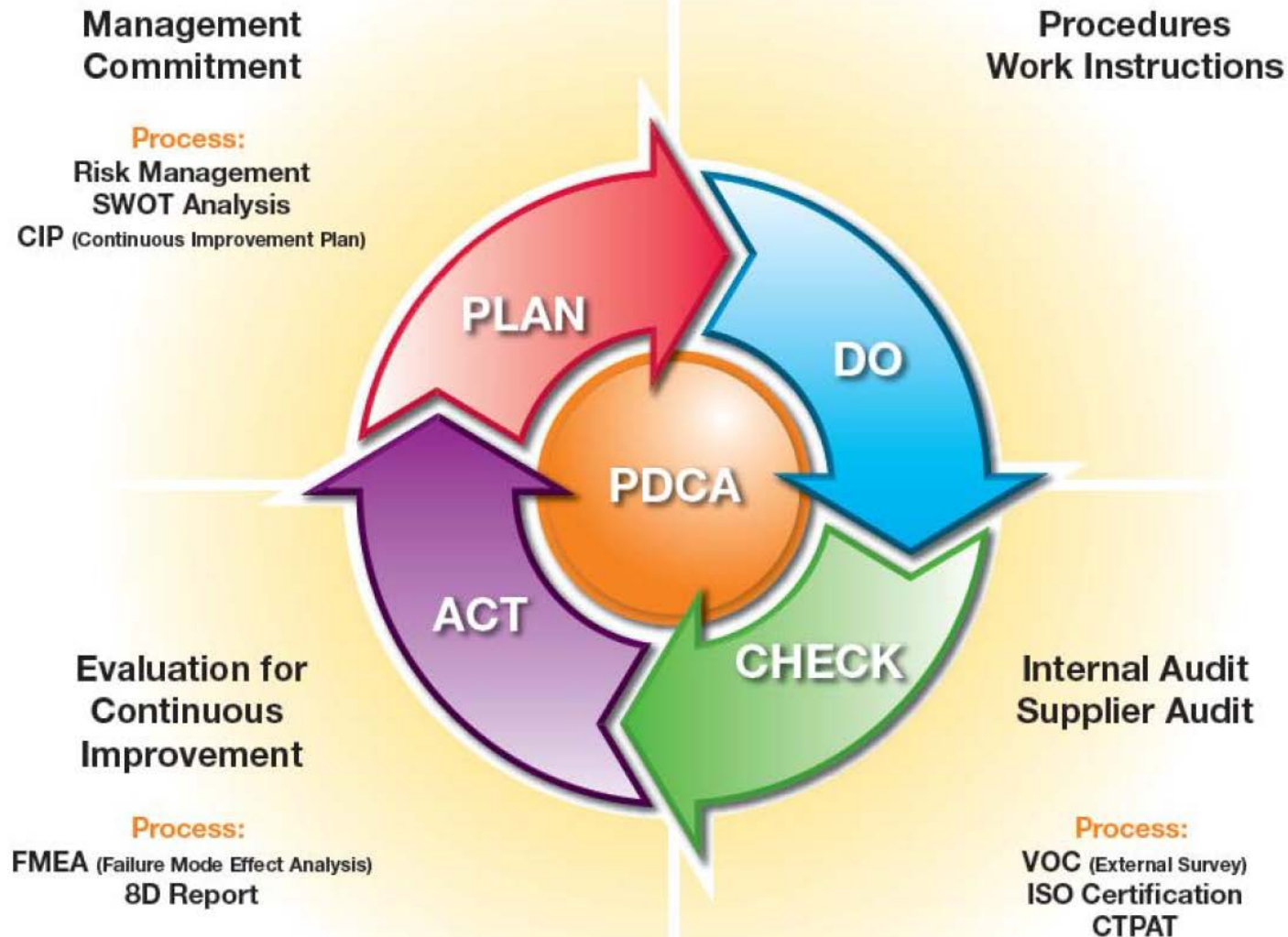
Chris Ayers - Quality Manager – LCW

Manuel Dominguez – Quality Manager – Lapp Mexico

**INTEGRATED SYSTEM – QUALITY MANAGEMENT CERTIFIED TO ISO9001:2015
And ENVIRONMENTAL MANAGEMENT CERTIFIED TO ISO14001:2015**



QMS/EMS Foundation based on PDCA Cycle – ISO 9001:2015 SINCE 1995 and ISO 14001 – Stage One March 2020 – Stage Two September 2020
Requirements/Corporate Directives/CTPAT Initiatives to Sustain Membership



INTEGRATION OF QMS with EMS



ISO14001 is an Environmental Management System that specifies requirements for the implementation of an EFFECTIVE environmental system.

ALL EMPLOYEES ARE INVOLVED WITH BOTH THE QMS AND EMS SYSTEMS

QMS – Corrective Action – LOTUS NOTES – Departmental Procedures and KPI

EMS – Reduction of WASTE – Energy (Lights Out)/Paper Usage

And Significant Aspect identified: SUPPLYING PRODUCTS FREE OF SVHC – Set-up Environmental Regulations Department

Operational Controls:



- Corporate Directives

INTERESTED PARTIES: Owners – Corporate UI Lapp Germany

-Directives are implemented into Procedures

Found on the Intranet – Lotus Notes

- Specifications – Work Instructions
- Design DFMEA
- Process FMEA

- CIP – Set by Corporate UI Lapp Germany
- KPI – Targets for Customer Complaints, Technical Complaints, Customer Service Rate, Supplier Quality Incidents, Supplier Service Rate
- Regulatory Compliance – UL/CSA EPA -- City/County Regulations
- Aspect and Impact Register - list regulations and controls for EMS

LAPP Holding N.A. will strive to meet 100% of our customer requirements.

Customer
Oriented



Family
Values

Lapp stands for

- Best People
- Manufacturing Excellence
- Strong Brands
- Lean Processes
- Continually Improving Our Customer Complaints, Customer Service Rate, Supplier Service Rate, and Cost of Quality
- Achieving Category 1A in Lapp's 2007 Audit

Innovative

Success
Oriented

Policy Statement, LAPP NA

LAPP NA will strive to meet 100% of our customer requirements through open communication, innovative ideas, and continual improvements. We will continually seek to improve environmental performance by reducing and preventing identified environmental aspects and their impacts on our operations and design of products. We are committed to:

- **DESIGN, MANUFACTURE AND DISTRIBUTE products that are safe and do not contain any substances that are harmful to health or the environment.**
- Improving KPI by reducing Customer Complaints, Improving CSR, Reducing Supplier incidents and maintaining objectives;
- Complying with all applicable environmental regulations;
- Preventing pollution and reducing consumption of resources through waste management;
- Adopt procurement procedures that monitor environmental impact of products and services;
- Communicate Environmental Policy and Objectives to Staff, Customers, and Community;
- Program of Continual Improvement to review EMS objectives and targets and setting goals to reduce impacts each year.

Certifications held by Lapp Holding, N.A.



Certificate of Approval

This is to certify that the Management System of:

LAPP Holding, N.A.

29 Hanover Road, Florham Park, NJ, 07932, United States

has been approved by LRQA to the following standards:

ISO 9001:2015

Chris Koci - President, LRQA Americas

Issued By: Lloyd's Register Quality Assurance, Inc.

This certificate is valid only in association with the certificate schedule bearing the same number on which the locations applicable to this approval are listed.

Current Issue Date: 22 February 2018

Expiry Date: 31 July 2019

Certificate Identity Number: 10058954

Original Approvals:

ISO 9001 – 6 July 1995

Approval Number(s): ISO 9001 – 0011149

The scope of this approval is applicable to:

Design, Development and Manufacture of Custom Cable, Cutting to Size of Wire and Cable and Tubing, Distribution of Wire Cable, Cable Accessories, Connectors and Tools, Value Added Services which include Stripping, Dyeing, Twisting and Printing of Wires.



Certificate Schedule

Certificate Identity Number: 10058954

Location	Activities
<p><u>Head Office:</u></p> <p>LAPP Holding, N.A. 29 Hanover Road, Florham Park, NJ, 07932, United States</p>	<p><u>Activities:</u></p> <p>ISO 9001:2015 Design, Development and Manufacture of Custom Cable, Cutting to Size of Wire and Cable and Tubing, Distribution of Wire Cable, Cable Accessories, Connectors and Tools, Value Added Services which include Stripping, Dyeing, Twisting and Printing of Wires.</p>
<p><u>Locations:</u></p> <p>LAPP USA 29 Hanover Road, Florham Park, NJ, 07932, United States</p>	<p><u>Activities:</u></p> <p>ISO 9001:2015 Design and Development of Custom Cable, Cutting to Size of Wire and Cable, Distribution of Wire, Cable, Cable Accessories, Connectors and Tools.</p>
<p>LAPP Cable Works 29 Hanover Road, Florham Park, NJ, 07932, United States</p>	<p>ISO 9001:2015 Development and Manufacture of Wire and Cable.</p>
<p>LAPP System 29 Hanover Road, Florham Park, NJ, 07932, United States</p>	<p>ISO 9001:2015 Development and Manufacture of Cable Assemblies and Harnesses.</p>



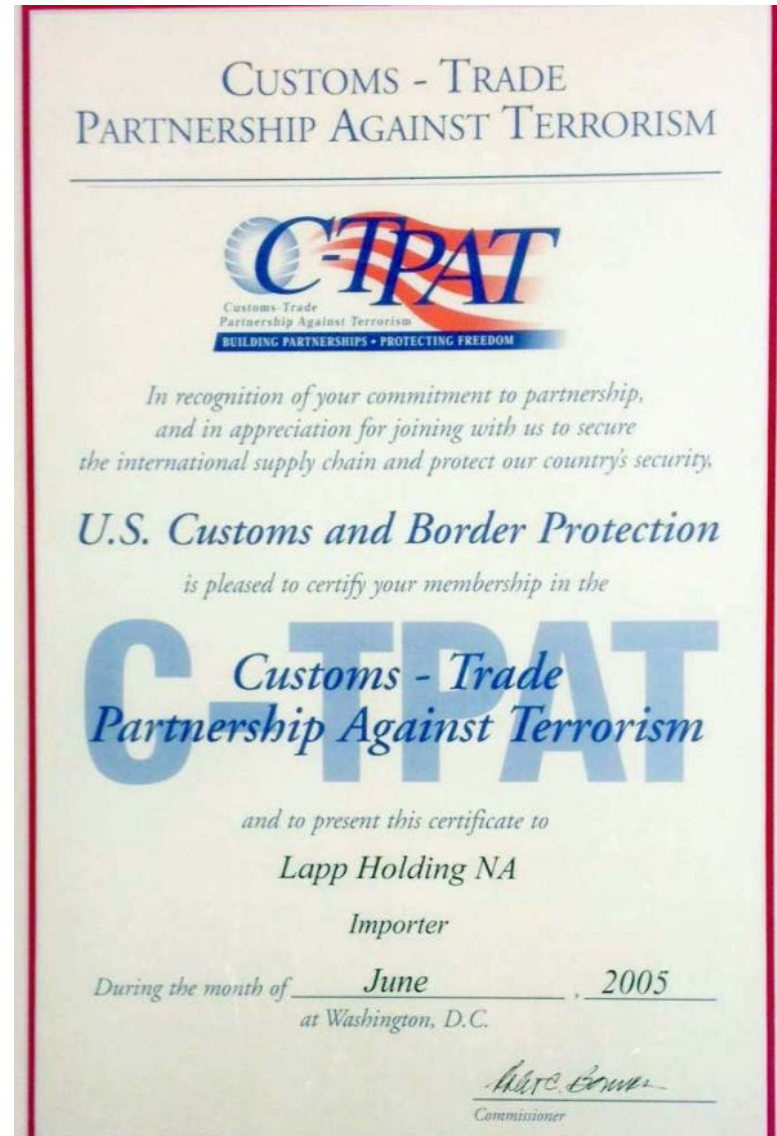
Certificate Schedule

Certificate Identity Number: 10058954

Location	Activities
LAPP Tannehill 8675 Eagle Creek Parkway, Suite 900, Savage, MN, 55378, United States	ISO 9001:2015 Distribution of Wire & Cable, Accessories and Tools, and Value Added Services including Stripping, Dyeing, Twisting, Printing of Wire, Respooling and Cutting of Wire to Length, and Cutting and Marking of Tubing.
Atlanta Distribution Center 2402 Tech Center Parkway, Suite 300, Lawrenceville, GA, 30043, United States	ISO 9001:2015 Cutting to Size of Wire and Cable, Distribution of Wire and Cable.
LAPP Canada 3505 Laird Road Unit 10, Mississauga, L5L 5Y7, Ontario, Canada	ISO 9001:2015 Sale of Custom Cable, Wire, Cable, Cable Accessories and Tools.
LAPP Mexico S. de R.L. de C.V., Del Bosque 1205-1, Las Pintas de Abajo, 45619 Tlaquepaque, Jalisco, Mexico	ISO 9001:2015 Sales and Distribution of Wire, Cable, Cable Accessories and Tools.

CTPAT Customs Trade Partnership Against Terrorism

- Joint Government Business Initiative to strengthen supply chain and secure border
- Internal audits and External audits at Supply Chain to sustain membership
- Active PORTAL participation

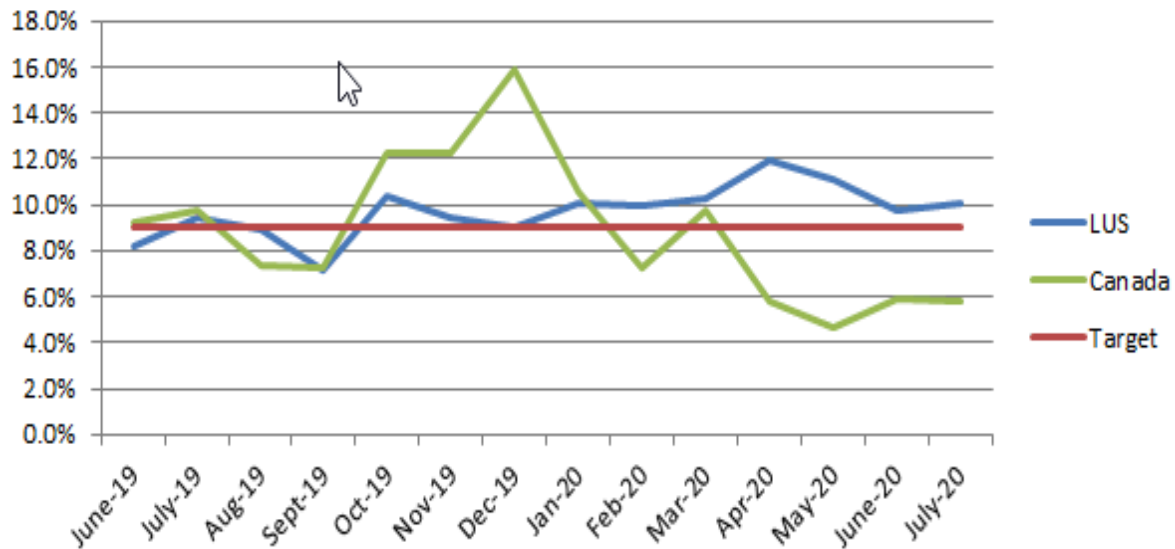




Employee Awareness - Training all Employees

EMS Targets

Consolidated Shipments

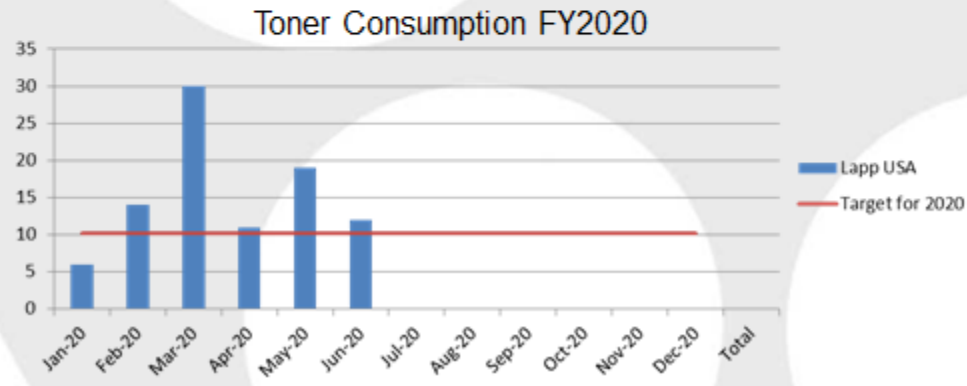
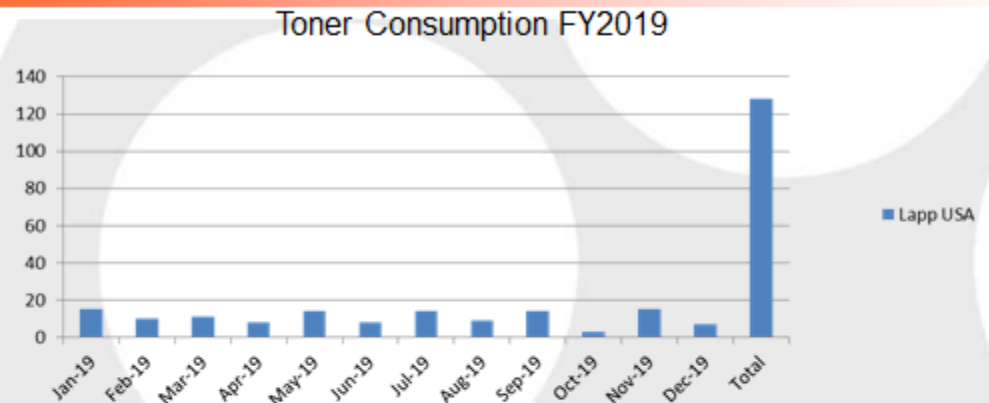


Consolidation of Orders

EMS – Recycling Efforts – Trash Recycle

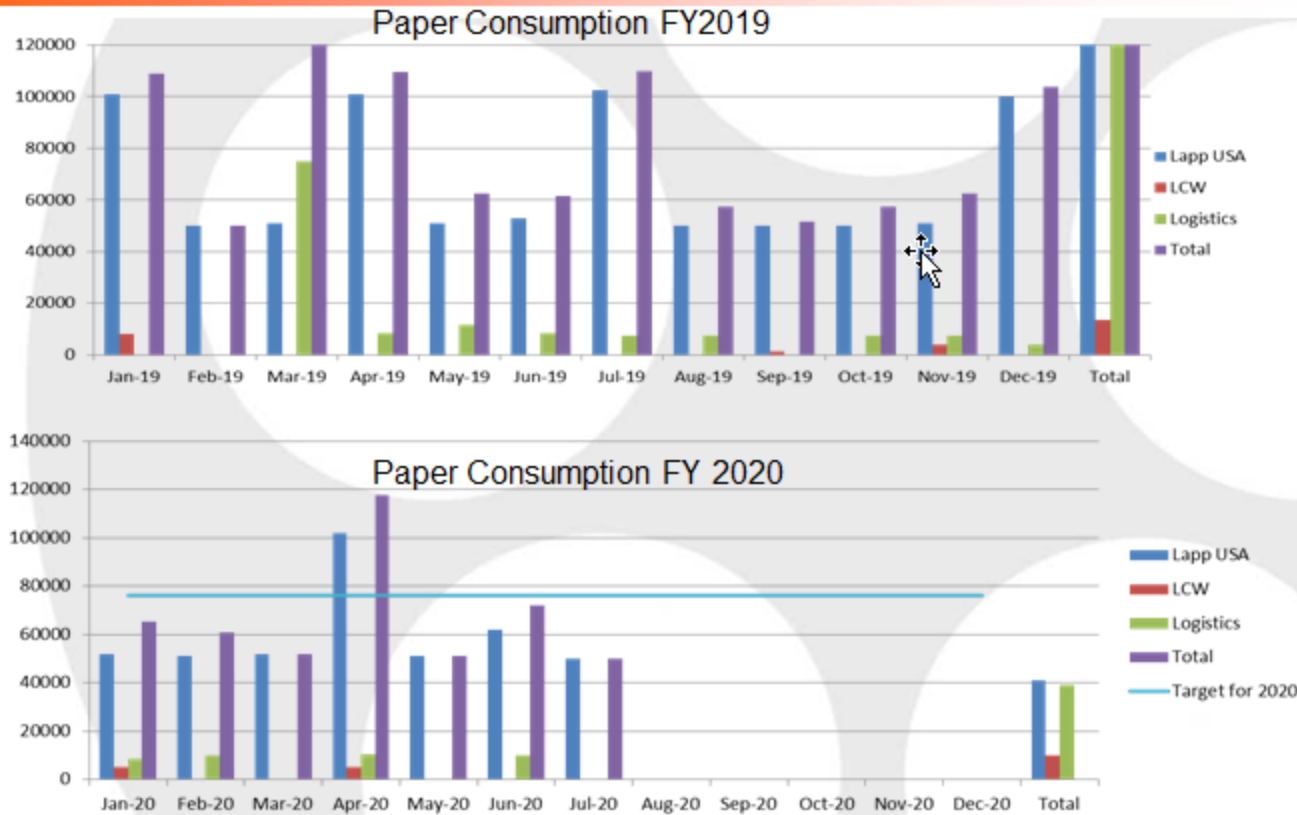
PAPER AND TONER USAGE

LAPP USA TONER CONSUMPTION





EMS – ALL EMPLOYEES AWARE OF PAPER CONSUMPTION


LAPP USA PAPER CONSUMPTION





Management Tools – Corrective/Preventive Actions 8D FMEA – DFMEA

 VENDOR RATING SYSTEM; PRODUCT QUALITY, DELIVERY, AND RESPONSIVENESS

 DESKTOP AUDITS: SURVEYS, QUESTIONNAIRES

 PERFORMANCE RATING – ONTIME DELIVERY

 DOCUMENT CONTROL - PROCEDURES AND WORK INSTRUCTIONS

 CONTROL DOCUMENTS - REVISIONS CONTROL - CATALOGUES,ETC.

 KPI: CUSTOMER COMPLAINTS / RETURNS


CUSTOMER SERVICE RATE

SUPPLIER SERVICE RATE

SUPPLIER INCIDENTS

COST OF QUALITY

CUSTOMER RETURNS (PPM)

 ON A MONTHLY BASIS, KPI (KEY PERFORMANCE INDICATORS) ARE REPORTED TO LAPP HOLDING AG. THESE INDICATORS ARE MONITORED TO INSURE GOALS ARE MET AND CONTINUAL IMPROVEMENT IS ACHIEVED.

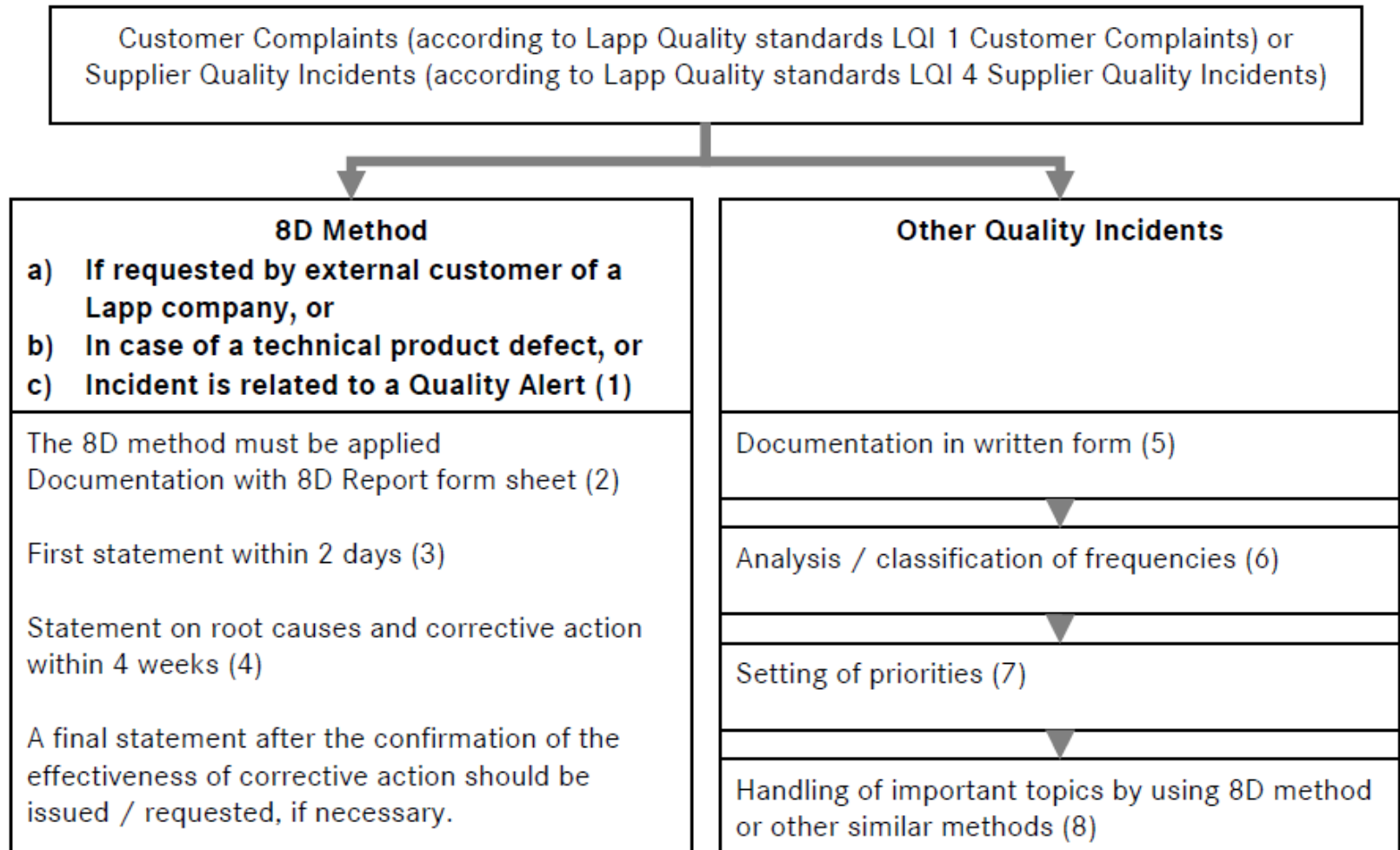
NUMBER	TITLE	Incorporated in Procedure	Responsibility
10-602-EN	Procedure of Purchase and Approval of Machines in Whse & Production		Logistics/Production
10-603-EN	Approval of Machines in Whse & Production		
10-603-EN	Business Traveling Procedure	NJSOP-0232 Travel & Entertainment Policy	Finance
10-605-EN	Approval of Supplier	NJSOP-0029 Selection & Approval of New Vendors	Purchasing
10-641-EN	Approval of Products	NJSOP-0132 Approval of Products	Purchasing
10-609-EN	Directory of Preevrable Records & Docs Archieve Forms	NJSOP-0235, NJSOP-0236	Finance
10-620-EN	Release Process of New Catlogs in the Lapp Group		Marketing
10-621-EN	Marking of Cable Jacket/Product Names & Marking of Cable		Marketing
10-623-EN	Product Owner in the Lapp Group		Engineering
10-635-EN	Traceability of Product		Logistics
10-643-EN	Problem Solving Mehtods of Quality Issues	NJSOP-0135 Problem Solving Methods	Quality
10-644-EN	Risk Minimisation in Cases of Product Liability with Supplier	NJSOP-0029 Selection & Approval of New Vendors	Purchasing
10-646-EN	Quality Alert	NJSOP-0057 Quality Alert	Quality
10-654-EN	Info Security Guidelines	NJSOP-0019 Protecting Documents	IT Department
10-656-EN	External IT Consultants	NJSOP-0015 Access & Use	IT Department
10-657-EN	Product Audit of Finished Product	NJSOP-0087 Engineering Design Review & Validation	Engineering
10-658-EN	Aprpoval Raw Material		Production/Engineering
10-660-EN	Cash in Hand		Finance
10-665-EN	Customer Master Data Management ECC6		Purchasing

VOICE OF THE EXTERNAL CUSTOMER - 2020



Directive 10-643-EN Problem Solving Methods for Quality Issues

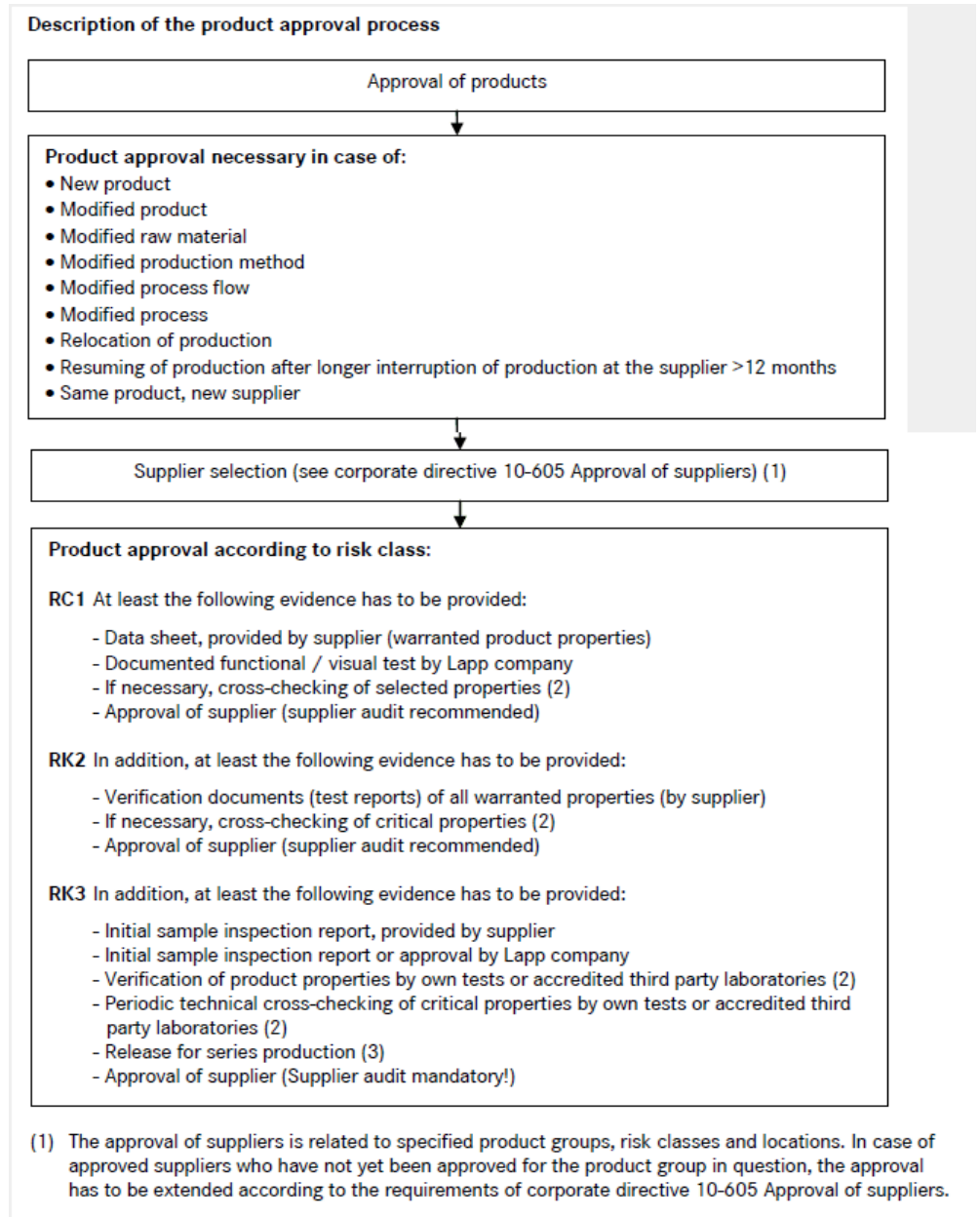
5.1 Handling of Quality Incidents



NJSOP-0132 Approval of Products ISIR – incorporates Directive EN10-641



- All directives **MUST** be incorporated in the QMS of the N.A. subsidiaries
- Directive compliance is verified at time of internal audits/2007P 2007S Audits/Revision (Financial Audits AG)





Create a Community

My Communities

Discover

Invited



Type to filter communities by name, description, or tag...

Recently Visited



Global: News

Visited May 28
2,588 members



LHI: Corporate Directives / Organisationsanweisungen >
LHI: Global Corporate Directives (...)

Visited May 19
11 members



Lapp N.A. Quality

Visited Apr 22
18 members



LHI: Corporate Directives / Organisationsanweisungen

Visited Mar 6
19 members



Global: IT

Updated 3 hr ago
1,753 members



Global: Quality

Updated 1 day ago
148 members



Global: We@Lapp

Updated Jun 19
2,248 members



Global: Lapp Cup - Football and Volleyball Tournament

Updated Mar 11
2,759 members | 33 groups



Global: Code of Conduct

Updated Jan 22
30 members



Lapp Management Program USA 20... >
Second Module October 2016

Updated Feb 25, 2019
19 members

Audits conducted at Lapp Holding, N.A.



- Product Audits – Compliance to Directives 2007P/S incorporated in internal audits
- Registrar Audits – LRQA – Scope ISO9001:2008 requirements Bi-annual Florham Park Facility
- CTPAT Audits – Compliance to requirements (Annual portal update)
- Internal Audits – Conducted internally by Certified Quality Auditors (all inter-departmental cross-functional disciplines)
- Regulatory Audits – Mfg UL/CSA – Compliance to UL/CSA Style
- Customer Audits – Conducted by Customers to verify QMS

What documents does Quality supply to Customers

- CofC – Certificate of Compliance – is a part of the packing slip and COMES WITH ALL PRODUCT THAT IS SHIPPED
- Test Report – Generic
- Test Report – Actual --Must be requested at time of order
- PPAP – Level 1 with Warranty dependent on Supplier

- ISO Certificate – Can be found on Website
- CTPAT – Can be found on Website

- 8D Report – Customer Complaint (Technical Report)

- Supplier Questionnaires – Questionnaires are completed and returned to customer within 48 hours!!

- NAFTA/CAFTA/KORUS – Free Trade Agreements (If product qualifies)

- Desktop Audit Documentation

Circle of Excellence in Quality – Reward Recognition Program (Quarterly)

„Circle of Excellence in Quality“



Date: _____

Name of Employee: _____

Subsidiary: _____

Accomplishment:

- Productivity/Superior Performance (Exceeds Measured Value)
Value Added/Feet per man hour _____
Lines Shipped per man hour _____
Cuts Processed per man hour _____
Order Entry (orders processed without errors) _____
Sales Quota _____
- Creativity – Implemented new process
- Product Excellence – Prevented a customer return
- Excellent Customer Service – Feedback internal/external customer
- Safety Achievement – Prevented an accident/implemented safety standard
- Respect for Product – Work Environment – 5S
- Environment – Energy savings/Reduce Carbon Footprint
- Other

Manager Signature: _____

"Circle of Excellence in Quality"



-- N. A. Subsidiaries

Fourth Quarter – FY2018



Employee Name **Company** **Department** **Accomplishment**

Lapp USA

Angelo Bovino	LUSA	Business Analyst	Built new process using Alteryx/Sales Quoting Tool; Cost Dashboard; Project Database reducing time, improving sales ability to quote.
Dan Ecke	LUSA	Sales	Commedable work with Project Role – Implemented Project Database which allows for his division of business to be better serviced.
Joey DiModica	LUSA	Warehouse	Completed successful cycle count audit
Penny Elam	LUSA	Accounting	End of the year project working nights and weekends with CSM to make sure Dunnings were cleared.
Michelle Martinez	LUSA	Sales	Gone above and beyond to assist with satisfying customer requests during absenteeism/Exemplifies the work ethic that is role model for Sales.
Linda McDonald	LUSA	Sales	Excellent job monitoring IEWC scorecards. Efficiently reconciles differences to improve and maintain accurate scoring.
Brandon Messam	LUSA	Warehouse	Safety Achievement – Prevented an accident.
Ben Missaggia	LUSA	Warehouse	Completed successful cycle count audit; identified mislabelled material which prevented a customer return
Thomas Petrozzo	LUSA	Sales	Powertech acknowledged that Thomas is doing a wonderful job in servicing and satisfying their order requirements.
Ashish Rama	LUSA	Warehouse	Caught mislabelled product that was

Lapp's Terms & Conditions of Sale supersede all other requirements – DO NOT sign any Acknowledgement Forms WITHOUT making sure they comply with our TERMS and CONDITIONS of SALE – If not sure, speak to your Manager, they will direct inquiries to our Legal Advisor

Description: Legal Consequences of Shipping Def
 1/21/2009 - Sean reviewed Legal Consequences no chang
 1/18/2010 - Sean reviewed Legal Consequences no chang
 1/08/2011 - Sean reviewed Legal Consequences no chang
 1/08/2011 - Sean reviewed Legal Consequences no chang
 8/21/2013 - Sean reviewed Terms and Conditions of Sale -
 8/24/2014 - Sean reviewed Terms and Conditions of Sales
 10/20/2015 - Sean Aylward Presented - Review of General
 product liability, express warranty, obligations and liability

Attached Certification

Employee Training received August 21, 2013 - Distributed



DOC110315.pdf Employee Training received October 20,

GENERAL TERMS AND CONDITIONS OF SALE

1. **ENTIRE AGREEMENT** - The terms and conditions of sale contained herein supersede all prior purchase orders, agreements, discussions, negotiations, proposals, or communications between the parties and constitute the entire final contract between the parties which may not be varied except by express written modification signed by Seller's duly authorized representative. Seller's acceptance of Buyer's order is expressly conditioned upon Buyer's agreement to and acceptance of the terms and conditions of sale contained herein together with any special terms set forth on the face hereof by Seller. Seller shall not be bound by any terms and conditions contained in Buyer's forms which in any way alter the terms and conditions imposed in Seller's forms. The receipt of these terms and conditions of sale by Buyer is notice to Buyer of objection by Seller to all other terms, warranties or conditions contained in Buyer's forms. Neither the failure by Seller to object to the purchase order or any other communication from Buyer, nor any research on, or development, manufacture, shipment or otherwise of, goods and/or services by Seller shall be deemed a waiver of the provisions hereof or an approval of any terms, warranties or conditions which are additional to, different from, or conflicting with the terms, warranties and conditions contained in these terms and conditions of sale. The Seller's terms and conditions of sale included herein or stated on any of Seller's forms or packages shall govern and control, regardless of whether the Buyer's purchase order or any other terms precede or succeed this document and regardless of whether the Buyer's terms indicate that the terms and conditions therein contained are controlling and cannot be varied.

2. **CREDIT APPROVAL, INFORMATION AND ACCEPTANCE** - All orders are subject to approval of Buyer's credit and acceptance by Seller. As a condition of sale, Buyer grants Seller the right to investigate Buyer's credit, to exchange credit information with others and to report to others about Buyer's account and relationship with Seller and Seller is released from any liability emanating therefrom.

3. **INCREASE IN PRICE** - Any prices quoted or charged to Buyer contemplate reasonable and normal production and delivery schedules, and standardized and uniform shipment lengths, and shall be valid for only 30 days from the date of quotation or the acknowledgment of order, whichever is earlier, and are subject to termination by notice within that period. In the event of a blanket order, or if Buyer requests expedited, staggered or delayed production or delivery dates, or non-standard or non-uniform shipment lengths, Seller retains the right to increase the price to compensate for additional production, transportation or other costs, which amount Buyer agrees to pay upon receipt of an invoice therefor.

4. **TERMS OF PAYMENT** - All invoices are due upon presentation and shall be paid without deductions to set off in lawful money of the United States of America. Terms of payment are 1% discount on principal if paid within 10 days, net payment due in 30 days of date of invoice. No discount shall be allowed on transportation or insurance charges or taxes. Buyers shall not deduct credits without a credit memo first being issued by Seller. Seller shall have the right to retain a lien on all unshipped goods and goods recovered in transit until all Buyer's indebtedness has been paid.

5. **SECURITY INTEREST** - Until the total purchase price for the goods sold hereunder is paid by Buyer, Seller shall be and is hereby granted by Buyer, a purchase money security interest in such as goods

merchandise sold by Seller and that Buyer, based solely on its own expertise, has selected the merchandise purchased from Seller and has determined that same is suitable for Buyer's intended purposes. Buyer hereby assumes all responsibility and risk of loss and damage if the merchandise purchased from Seller fails to meet Buyer's intended uses.

17. **EXPRESS WARRANTY** - Seller warrants its goods to be free from defects in material and/or workmanship under normal use and service for a period of one (1) year from the date of purchase, subject to the terms and conditions set forth below (the "Express Warranty"). Seller does not warrant its goods against any defect except as set forth above, and Seller is not responsible for, and it does not warrant against, any defect or damage caused by transportation, storage, improper installation, maintenance, internal or external hostile environment, misuse, abuse, negligence, accident, modification, tampering, the attachment of any unauthorized accessory, alteration to the goods, or any other conditions whatsoever that do not constitute a defect in material and/or workmanship. Seller's sole responsibility under this Express Warranty shall be, at its option, to either repair or replace any goods which fail during the warranty period, provided that Buyer has promptly reported same to Seller in writing, and complies with the provisions of this Express Warranty.

EXCEPT FOR THE EXPRESS WARRANTY DESCRIBED HEREIN, SELLER SPECIFICALLY DISCLAIMS AND EXCLUDES ANY AND ALL EXPRESS AND IMPLIED WARRANTIES WITH REGARD TO ITS GOODS, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR USE, AND FITNESS FOR A PARTICULAR PURPOSE; ALL IMPLIED WARRANTIES ARISING FROM TRADE USAGE, COURSE OF DEALING, COURSE OF PERFORMANCE OR ANY OTHER IMPLIED WARRANTIES; AND THE EXPRESS WARRANTY STATED HEREIN IS IN LIEU OF ALL OBLIGATIONS OR LIABILITIES ON THE PART OF SELLER FOR DAMAGES, INCLUDING BUT NOT LIMITED TO, INCIDENTAL OR CONSEQUENTIAL DAMAGES, ARISING OUT OF OR IN CONNECTION WITH THE USE OR PERFORMANCE OF THE GOODS PURCHASED BY BUYER.

NEITHER SELLER NOR ITS AFFILIATED COMPANIES SHALL BE LIABLE TO BUYER IN CONTRACT OR IN TORT (INCLUDING NEGLIGENCE) FOR DAMAGE TO OR LOSS OF OTHER PROPERTY OR EQUIPMENT, LOSS OF PROFITS, REVENUE OR GOOD WILL, LOSS OF USE OF EQUIPMENT, FACILITY OR DATA, EXPENSES INVOLVING COSTS OF CAPITAL, COST OF PURCHASED OR REPLACEMENT POWER OR TEMPORARY EQUIPMENT (INCLUDING ADDITIONAL EXPENSES INCURRED) IN USING EXISTING FACILITIES), CLAIMS OF CUSTOMERS, EMPLOYEES OR ANY OTHER PERSONS AFFILIATED, ASSOCIATED OR IN PRIVITY WITH BUYER, OR FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES BY REASON OF BREACH OF THE EXPRESS WARRANTY STATED HEREIN.

THE REMEDIES OF BUYER SET FORTH HEREIN ARE EXCLUSIVE WITH RESPECT TO BREACH OF THE EXPRESS WARRANTY STATED HEREIN, AND THE TOTAL LIABILITY OF SELLER FOR BREACH OF SAID EXPRESS WARRANTY FROM THE MANUFACTURE, SALE, DELIVERY, INSTALLATION OR TECHNICAL DIRECTION OF INSTALLATION, REPAIR OR USE OF ANY GOODS FURNISHED TO BUYER, WHETHER IN CONTRACT OR IN TORT (INCLUDING NEGLIGENCE), SHALL NOT EXCEED THE