



AUO Mobility Solutions

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AUO Mobility Solutions Corporation

AUO Mobility Solutions' Quality Requirements for Suppliers

GWIKA-G1-015



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Introduction

In a world defined by rapidly evolving customer expectations and intense global competition, continuous improvement of products, services, business processes, and corporate procedures is essential. Delivering quality in every aspect is a critical success factor for AUO Mobility Solutions Corporation (hereafter referred to as AUO Mobility Solutions or AUO MSC), especially as a supplier of complex products to the international automotive industry.

Achieving customer satisfaction begins with uncompromising quality—from AUO Mobility Solutions as well as from you, our valued partner (hereafter referred to as SUPPLIER), whose products are integral components of AUO Mobility Solutions' assemblies.

Reaching zero-defect quality across all supplied products is a fundamental requirement. This level of excellence can only be reached and sustained through a shared commitment between AUO Mobility Solutions and its SUPPLIERS. Preventing defects—rather than simply detecting them—and fostering continuous improvement throughout the entire supply chain are indispensable. This includes every phase: customer inquiry, quotation, order processing, product development, start of production, mass production, and field operation. We rely on the active engagement and expertise of our SUPPLIERS to meet these expectations.

This guideline outlines AUO Mobility Solutions' core requirements for SUPPLIERS and references internationally recognized standards, methods, and implementation frameworks (e.g., VDA, AIAG). These standards support the achievement of our shared quality objectives. Additionally, customer-specific requirements may exceed AUO Mobility Solutions' base expectations and must also be adhered to in alignment with our commitment to customer satisfaction.



1. Area of Application

This guideline forms an integral part of the Framework Supply Agreement for the Procurement of Manufacturing Materials concluded between the SUPPLIER and AUO Mobility Solutions. Alternatively, it may enter into effect based on a separate individual agreement between the SUPPLIER and AUO Mobility Solutions and/ or any of its affiliated companies (as defined in Section 15 of the German Stock Corporation Act).

Any deviation from this guideline shall only be valid if expressly agreed upon in writing.

In cases where this guideline applies between the SUPPLIER and one of AUO Mobility Solutions' affiliated companies, it is additionally agreed that AUO Mobility Solutions, in its role as the holding company, is entitled to enforce any provision of this guideline directly against the SUPPLIER. If an affiliated company is involved and any uncertainty arises, it shall be assumed that AUO Mobility Solutions is acting on behalf of such affiliated company when dealing with the SUPPLIER.

2. AUO Mobility Solutions' Quality & Environmental Policies

The following extracts from AUO Mobility Solutions' quality and environmental policies are intended to provide the SUPPLIER with clear guidance on the priorities that must be considered in these areas. AUO Mobility Solutions' actions are driven by customer satisfaction, achieved through first-class quality in all products and services, as well as through cooperative collaboration and a high level of technical expertise.

Our commitment to zero-defect quality—across products, processes, and services—combined with innovation, professional excellence, and a global mindset, forms the foundation for long-term customer satisfaction. This approach ensures sustained competitiveness for AUO Mobility Solutions and its SUPPLIERS alike.

2.1 Quality Policy

Quality means the uncompromising fulfillment of all product characteristics and work processes agreed upon with our customers. Our objective is zero defects—both in delivered product quality throughout the entire product lifetime and in all services provided by AUO Mobility Solutions.

To achieve these goals and ensure consistently high quality in every respect, we incorporate thorough quality planning into the development of both products and manufacturing processes. Carefully selected methods ensure that quality is considered down to the last detail. This planning approach applies regardless of whether production subsequently takes place at AUO Mobility Solutions facilities or at the SUPPLIER's site, and it includes all substances, components, and materials used.

Following the start of serial production (SOP), the serial production quality of each product is maintained and continuously improved through ongoing quality monitoring and control activities. We expect our SUPPLIERS to apply the same disciplined approach. SUPPLIERS must therefore operate an effective and proven quality management system and be able to demonstrate its successful implementation.

2.2 Environmental Quality

AUO Mobility Solutions is committed to protecting the environment. To support this commitment, AUO Mobility Solutions has obtained ISO 14001 certification for its production sites (see [4] in Chapter 8). We expect our SUPPLIERS to comply with all applicable environmental laws and regulations in their respective regions.

Furthermore, we require SUPPLIERS to operate an effective environmental management system that ensures regulatory compliance and continuously improves the SUPPLIER’s environmental performance in a sustainable and efficient manner. Upon request, SUPPLIERS must be able to demonstrate appropriate concepts for waste avoidance, recycling, and disposal—covering both products and packaging. Evidence of these capabilities is best provided through third party certification of the SUPPLIER’s environmental management system.

3. Quality Management

A strong alignment between the SUPPLIER’s organizational and technical capabilities and AUO Mobility Solutions’ quality expectations is essential for a successful and sustainable business partnership. To ensure this alignment, AUO Mobility Solutions requires the following from its SUPPLIERS:

3.1 Quality Requirements as Condition for Delivery

In order to meet the high expectations of the automotive and other industries, AUO Mobility Solutions trusts the performance and commitment of its own employees to a large extent and expects the same attitude towards employees and partners from its SUPPLIERS. This is a major precondition for the quality capability the SUPPLIER must perform and deliver thru the life of the program.

Legend for the colors used in tables below:

Activity that shall be performed by SUPPLIER
Activity that shall be performed by AUO Mobility Solutions
Obligation of proof towards AUO Mobility Solutions

Quality Requirements Levels	Actions/ Pre-requisites	Methods/ Documents
Corporate culture	→ Cooperative, target-oriented management	→ Completion and follow up of division-related target agreements
	→ Promotion of initiative and creation of opportunities for personal development of the employees	→ Delegation of responsibility and competence
	→ Qualification of employees and promotion of quality consciousness	→ Training in tools, methods and standards → Support in solving quality problems → Requirement-based employee assignment
Management system	→ ISO 9001 → Implementation of a quality management system according to IATF 16949 requirements	→ Certification by third party

	→ IATF 16949	→ Training and application
	→ ISO 14001	→ Certification by a third party
	→ Further development of effective procedural organization → Creation of organizational and technical requirements for collecting and evaluating quality requirements	→ Management manual → CAQ (Computer-aided quality) system
Quality assurance	→ Avoiding faults → Systematic processing of faults → Avoiding repeat faults	→ Small Q-control loops → Problem-solving techniques → Cause-effect analysis → Feedback to development and engineering change process
Audits	→ Regular internal audits	→ System audits → Process audits → Product audits
Continuous improvement process	→ Introduction and maintenance for all products, processes and services	→ Employee training → Programs, targets and reviews
Supplier development	→ Cooperation on partnership basis → Joint project work	→ Exchange of information → Implementation of training sessions, providing methods → Performing cost improvement workshops

3.2 Quality Planning & Cooperation

Advanced quality planning, carefully structured to prevent defects during product and process development, ensures that only technically mature products are manufactured using capable production processes.

Quality Requirements Levels	Actions/ Pre-requisites	Methods/ Documents
Definition phase	→ Definition of requirements	→ Requirements specification → Schedule and cost frame → Preparation of inquiry
Inquiry phase	→ Selection of potential suppliers	→ Meeting minimum requirements → Perform potential analysis

		<ul style="list-style-type: none"> → System audit, if applicable → Evaluation of capability
	→ Inquiry	→ Inquiry documents
Concept preparation	→ Determination of AUO Mobility Solutions' expectations	→ Deep analysis of requirement specification
	→ Check of specifications, due dates, pricing and time schedules	<ul style="list-style-type: none"> → Revision of contract → Feasibility study (including tool concept, assembly concept, sub-supplier concept for tools & equipment and secondary processes) → QFD (Quality Function Deployment) → Benchmark analysis → Time schedule → Team chart → Capacity overview (staff, equipment, sub-suppliers)
Quotation phase	→ Selection of potential suppliers	→ Performance specifications (e.g., due dates, pricing, feasibility commitment)
Pricing orders	→ Analysis of quotation	→ Checklist
	→ Placing of orders with suitable suppliers	→ Binding order documents, specifications, due dates, prices
Implementation of concept	→ Integration in AUO Mobility Solutions project team	<ul style="list-style-type: none"> → Advanced quality planning → Control plan
	→ Estimation of quality risks	<ul style="list-style-type: none"> → Process audit → Capacity review (staff, equipment, sub-suppliers)
Development	→ Monitoring and evaluation of design drafts and prototypes	<ul style="list-style-type: none"> → Product/ Design FMEA → Fault tree analysis/ risks
	→ Checking manufacturability	<ul style="list-style-type: none"> → Design reviews → Robust design → Design for manufacturing/ assembly → Design for reliability → Packaging and logistics
Production preparation	→ Estimation of possible production risks	→ Trial planning
	→ Optimization of production methods	→ Process FMEA
		→ Operational test run

	and operating equipment, packaging	→ Trial planning
Pre-series	→ Checking and evaluating production reliability	→ Analysis and proof of capability for testing equipment, machines and processes → Full-Run Test (Run@Rate) and process audit → Cleanliness requirements according to specification
	→ Minimization of probability of faults	→ Action plans
Series production start-up phase	→ Series production approval at supplier	→ Measurement sequence and SPC
		→ Process release → Initial sample inspection report (PPAP, PPF) → Define limit samples
Release of supply phase	→ Supplier assessments → Release by AUO Mobility Solutions	→ Release report → Q-performance, flexibility, delivery reliability, cooperation

3.3 Quality Control in SUPPLIERS' Series Production & Conditions for Delivery

Quality assurance activities in series production are based on knowledge and expertise gained during the development phase, as well as on observations from comparable products in the field. These insights are used to stabilize and continuously enhance the achieved quality level.

Wherever technically feasible and economically reasonable, self-regulating processes and automated testing should be applied to ensure consistent and reliable product quality.

Furthermore, employee accountability for quality must continue to evolve in line with technological progress and rising customer expectations.

Quality Requirements Levels	Actions/ Pre-requisites	Methods/ Documents
Procurement	→ Securing delivery quality	→ Quality and performance evaluation
		→ Acceptance of material test certificates in compliance with DIN EN 10204 (Types of inspection documents) → Evaluation of supplier reliability
Production	→ Control of machine parameters	→ Process datasheets → Self-regulating processes



Tests	→ Continuous supervision of process capability	→ SPC/ Control chart technique → Annual requalification
	→ Rapid recognition and elimination of deviations	→ Operator self-control
	→ Recording and evaluating quality data	→ Results using suitable IT programs → Pareto analysis
	→ Securing machine availability	→ Preventive maintenance
	→ Ensuring proper packaging	→ Packaging plan
	→ Clear marking of all parts and packages	→ ERP system
Complaint management	→ Cause-effect analysis → Corrective and preventive measures → Avoiding repeating faults	→ Problem-solving techniques (e.g., DMAIC, 5 Why, Ishikawa, etc.) → 8D report
	→ Correct and fault-free handling, storage and transportation	→ Computer-supported forced workflows
Storage and transportation	→ Consideration of manufacturing data and expiry dates, where applicable	→ FIFO principle → 100% traceability of parts

4. Implementation of Basic Requirements

The key AUO Mobility Solutions requirements from the quality management process—requirements that the SUPPLIER must fulfill and document prior to the start of the business relationship and/ or throughout ongoing business—are outlined and described in detail below.

4.1 Quality Management System & Quality Capability

The SUPPLIER shall implement and maintain an effective Quality Management (QM) system and thereby demonstrate its quality capability. All products and services must be provided in accordance with a QM system that meets, at a minimum, the requirements of ISO 9001. The SUPPLIER further agrees to continuously enhance this system in line with state-of-the-art practices to achieve conformity with the version of IATF 16949 valid at the time of delivery. Where applicable, smaller suppliers to AUO Mobility Solutions may be approved if they comply with the IATF 16949 Minimum Automotive Quality Management System Requirements for Sub-Tier Suppliers.

The SUPPLIER's environmental management system shall comply with ISO 14001 or EMAS (as applicable in its valid version at the time of delivery). Certified evidence must be provided upon request from AUO Mobility Solutions.

Additional requirements may be defined in accordance with VDA Volume 6, Part 1 or relevant AIAG documents. Customer-specific requirements may also apply.

The effectiveness of the QM system shall be reflected in:

- Continuous and verifiable improvement of all business processes, manufacturing processes, and products

- Delivery quality
- Supply reliability
- Ongoing field monitoring of the SUPPLIER's products and timely provision of customer-requested information
- Efficiency and responsiveness in implementing corrective actions
- Clear communication at all organizational levels
- Professional and timely handling of new products and changes to series products

AUO Mobility Solutions must be notified at least three months before the expiry of any certificate if re-certification is not planned. New certificates must be submitted to the AUO Mobility Solutions Purchasing contact without the need for a separate request. In the event of certificate revocation, AUO Mobility Solutions must be informed immediately.

AUO Mobility Solutions reserves the right to conduct audits of QM systems, processes, and products at short notice, including joint audits with the customer where appropriate. Reasonable access must be granted to the auditor.

The SUPPLIER shall appoint a Product Safety and Conformity Representative (PSCR) responsible for all tasks defined in IATF 16949 section 4.4.1.2 (refer to [2] in chapter 8).

The SUPPLIER must also ensure that its sub-suppliers comply with all requirements stated above. As evidence, the SUPPLIER shall be able to present valid certificates issued by accredited certification bodies (3rd-party audits). If the SUPPLIER engages subcontractors, these parties must also meet the requirements of this guideline. AUO Mobility Solutions must be informed in advance of any intended use or change of subcontractor and must approve such changes. A production process and product release are required in these cases.

AUO Mobility Solutions reserves the right to audit any subcontractor at short notice, including jointly with the customer if necessary. This does not release the SUPPLIER from its full responsibility toward both the subcontractor and AUO Mobility Solutions.

4.2 Additional Basic Quality Principles

In addition to the standards referenced in Chapter 8, all AUO Mobility Solutions ordering documents are binding. These include, but are not limited to:

- Order drawings and all associated requirements, such as applicable DIN standards, AUO Mobility Solutions standards, technical delivery conditions, datasheets, and similar specifications
- Agreed test instructions and defined testing equipment
- Additional order-specific details, such as packaging regulations
- Applicable legal requirements
- Sustainability requirements (e.g., related to human rights, environmental protection and recycling, etc.)

4.3 Delivery Quality & Compliance

The SUPPLIER shall provide proof of the material composition for all materials and their constituents, as well as all relevant environmental aspects.

For every product submitted for sampling, a material data sheet (MDS) must be entered into the IMDS (International Material Data System) or, where required for specific markets, into alternative systems such as CAMDS (Chinese Automotive Material



Data System). Any changes affecting the IMDS entry require immediate resubmission of the updated MDS. Missing or incorrect MDS documentation may result in rejection of the products.

The SUPPLIER guarantees that all substances used in products supplied to AUO Mobility Solutions (including raw materials, process materials, components, and assemblies) that require registration under REACH (EC Directive 1907/2006: Registration, Evaluation and Authorization of Chemicals) have been pre-registered or registered by the SUPPLIER or its sub-suppliers within the prescribed REACH timelines. If this obligation cannot be fulfilled, AUO Mobility Solutions must be informed immediately.

Under REACH regulations, every SUPPLIER of a product (including packaging) is required to declare to AUO Mobility Solutions any SVHC (Substances of Very High Concern) present in concentrations greater than 0.1% by weight. SVHCs are listed in an EU-published candidate list that is continuously updated. The SUPPLIER must remain informed about the current status of this list at all times.

The SUPPLIER must also ensure full compliance with Directive 2011/65/EU (RoHS)—EU Directive on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment—including all applicable amendments. This includes guaranteeing that all supplied electrical and electronic components meet the RoHS maximum concentration values and associated documentation obligations.

In addition to legally prohibited substances and the automotive industry's standard material restrictions, further substance prohibitions and restrictions are defined in standard GWIKA-G1-016 Restrictions and Prohibitions of Substances (see [31] in Chapter 8), including those imposed for technical reasons.

A quality control report will be issued to inform SUPPLIERS of non-conforming deliveries. Any costs incurred by AUO Mobility Solutions related to such reports shall be borne by the SUPPLIER. Costs related to scrapping and reworking are recorded by AUO Mobility Solutions and will also be charged to the SUPPLIER.

Cost recovery, where applicable, will be communicated with each claim. The cost recovery process may include—without limitation—costs associated with contaminated stock at AUO Mobility Solutions' facilities, products in transit, OEM assembly plant impacts, non-conforming incoming goods, assembly line downtime due to delivery or quality issues, warranty returns, and costs of analyzing and correcting quality, warranty, launch, or delivery concerns. Inspection, analysis, rectification, transit, and corrective action implementation costs may also be included. The level of cost recovery may be considered in future sourcing decisions.

The QM system implemented by the SUPPLIER, together with the resulting quality assurance processes, forms the basis for achieving defect-free performance in all products and services delivered by the SUPPLIER or its sub-suppliers ("zero-defect quality").

The AUO Mobility Solutions part number, including the revision status from the current drawing, must be clearly indicated on the delivery note and on the smallest packaging unit. If no revision status appears on the drawing, the issue level from the delivery schedule or purchase order must be used.

4.4 Incident Procedure, 8D Report

The SUPPLIER must respond to every complaint using a complete and effective 8D process.

8D Timing Requirements

Within 24 hours (3D):

- Provide an immediate response with containment actions, including acceptance of associated costs, to AUO Mobility Solutions.

→ Fully implement containment actions and submit the completed 3D to AUO Mobility Solutions.

Within 5 working days (5D) after receiving the claimed parts:

- Perform a root cause analysis addressing both occurrence and non-detection.
- Define permanent corrective actions.

Within 20 working days (8D):

- Demonstrate the effectiveness of the permanent corrective actions and ensure recurrence prevention.
- Implement all permanent corrective actions.

Material Disposition and On-Site Support

Within 24 hours of notification, the SUPPLIER must authorize AUO Mobility Solutions to sort, scrap, rework, or return non-conforming materials (at the SUPPLIER's expense).

If the SUPPLIER does not respond within 24 hours, AUO Mobility Solutions may proceed with disposition at its own discretion and at the SUPPLIER's cost.

Upon request, the SUPPLIER shall send a decision-making representative to the affected assembly plant within 24 hours to coordinate and/or analyze the incident on site.

Interim Containment Measures

Immediate interim containment actions must be initiated and reported to:

- Ensure delivery of defect-free products, and
- Minimize costs for both the SUPPLIER and AUO Mobility Solutions.

Interim reports must be submitted on time upon request. AUO Mobility Solutions must be notified in writing in advance of any potential delays.

The SUPPLIER shall thoroughly analyze all complained products (defect-cause analysis). Results and corrective actions—including implementation deadlines—shall be summarized in an 8D report (using a form provided on the AUO Mobility Solutions) and submitted without delay. The effectiveness of all corrective actions must be demonstrated to AUO Mobility Solutions.

Root Cause Analysis Requirements

A root cause analysis must always be conducted using appropriate problem-solving methods. Detailed analyses must be provided (e.g., Ishikawa diagrams, 5 Why analysis, error simulation or equivalent analytical tools).

Requirements for Subsequent Deliveries

Deliveries following a non-conformance must be clearly marked until the fault has been verified as corrected. The marking method must be agreed with the receiving AUO Mobility Solutions plant.

A minimum of three consecutive standard deliveries must be defect-free following implementation of the permanent corrective action.

Audit & Controlled Shipping Levels

If problems are caused by the SUPPLIER and/ or reaction times are unacceptable, AUO Mobility Solutions reserves the right to conduct an audit at the SUPPLIER's premises (with prior notice) and to charge associated costs to the SUPPLIER.

In the case of insufficient immediate measures, AUO Mobility Solutions may require the SUPPLIER to enter CSL 1 or CSL 2 (see Section 6.2).

Sorting, Sub-Suppliers, and Rework

AUO Mobility Solutions will not manage SUPPLIER sorting activities. The SUPPLIER is fully responsible for all actions and instructions given to sub-suppliers and must make arrangements for transporting parts between the AUO Mobility Solutions plant and external locations as required.

The SUPPLIER is also responsible for:

- Inspecting and monitoring the quality of sorted parts, and
- Providing all necessary documentation.

Reworked parts must meet all agreed specifications. Rework is not permitted without prior written approval from AUO Mobility Solutions.

4.5 Sorting Activities

For sorting activities, SUPPLIERS have the following two options:

Option 1: Sorting at the SUPPLIER's Production Site

The SUPPLIER collects the non-conforming parts from the AUO Mobility Solutions site and performs the sorting (incident handling) at its own facility. The SUPPLIER is not permitted to use any third-party sorting company that has not been explicitly released by AUO Mobility Solutions.

Option 2: Sorting by an AUO Mobility Solutions Released Third Party

AUO Mobility Solutions approves and periodically audits selected third-party sorting companies to ensure high-quality execution of sorting activities at or near the AUO Mobility Solutions production plant.

The SUPPLIER may contact these AUO Mobility Solutions released sorting companies to perform sorting activities on the SUPPLIER's non-conforming parts.

The SUPPLIER remains fully responsible for the quality and adequacy of the sorting performed by the released service provider. The SUPPLIER is fully responsible for all sorting activities performed, including instruction, authorization, execution, documentation, reporting, and all associated costs. All SUPPLIERS must:

- Directly contact and instruct the released sorting company.
- Provide written authorization for the sorting activity.
- Bear all costs associated with the sorting, including any costs resulting from escalation processes.
- Take full responsibility for:
 - Instructions provided to the sorting company,
 - Analysis of the non-conformance,
 - Implementation of actions,
 - Documentation and reporting,
 - Disposal of material and parts, including associated disposal costs.

The SUPPLIER retains full accountability for the completeness, correctness, and quality of all sorting activities carried out on its behalf.

4.6 Quality Documentation

Suppliers to AUO Mobility Solutions shall establish, implement, and maintain a documented quality management system covering the product and process development phases as well as the production phase of delivered products.

All relevant documents and records shall be made available to AUO Mobility Solutions and/or AUO Mobility Solutions' customers upon request at any time. This includes, but is not limited to:

- Results of quality and process tests performed by the supplier and its sub-suppliers
- Audit results
- Planned and effectively implemented corrective actions

Any deviation from these documentation requirements requires prior written approval from AUO Mobility Solutions.

For parts with special characteristics and increased documentation requirements (as defined in VDA Volume 1 or IATF 16949), suppliers and their sub-suppliers shall retain all applicable quality records for a minimum of 30 years after end of production (EOP), unless longer retention periods are required by law or customer-specific regulations.

In accordance with AUO Mobility Solutions drawings and applicable specifications, the supplier shall incorporate all designated special characteristics into relevant documentation—such as Control Plans, FMEA, and work instructions—and ensure that this information is effectively communicated to all sub-suppliers.

For all other characteristics, suppliers shall establish and maintain appropriate documentation and evidence systems in accordance with VDA Volume 1 or IATF 16949. These standards do not replace applicable legal obligations. Longer retention periods are recommended in view of statutory product-liability limitation periods.

4.7 Quality Agreements & PPM Management

In the context of quality planning, the SUPPLIER's primary responsibility is to develop a Zero-Defects Strategy and implement all necessary measures to achieve the Zero-Defect quality objective.

Where required, AUO Mobility Solutions and the SUPPLIER may jointly agree on additional individual quality targets.

Supplier Quality Performance (ppm) is calculated by dividing the number of defective parts by the total number of delivered parts and multiplying the result by 1,000,000.

An Incident refers to the number of complaints opened against the SUPPLIER.

The quality-target results are recorded by AUO Mobility Solutions, communicated to the SUPPLIER, and incorporated into the SUPPLIER evaluation. These targets also form the basis for defining specific actions to support continuous quality improvement.

Agreement on ppm and incident targets does not imply acceptance of any quality level by AUO Mobility Solutions. All purchased parts identified as defective will be rejected and charged to the SUPPLIER.

The SUPPLIER must be aware that producing or delivering non-conforming parts may trigger the AUO Mobility Solutions Supplier Escalation Level Process described in Section 6.1. All costs resulting from this escalation process shall be borne by the SUPPLIER.

4.8 Engineering Change Management & Quality Problems

The SUPPLIER is required to immediately notify AUO Mobility Solutions in writing of any quality issues or product/ process stoppages—ideally before shipment—and must coordinate all necessary corrective actions with the Supplier Quality department of the relevant AUO Mobility Solutions production plant.

The SUPPLIER must not implement any planned changes to products or processes, either before or after SOP (Start of Production), without prior written approval from AUO Mobility Solutions. This applies in particular to:

- Changes in design, specifications, or materials
- Use of new, modified, or replacement tools
- Changes to manufacturing methods or production processes
- Relocation of production within the same site or to another site
- Changes in suppliers of products, components, materials, services, or software
- Restarting production equipment after more than 12 months of inactivity

For approved electronic or electromechanical products, the SUPPLIER shall inform AUO Mobility Solutions of any planned changes as early as possible, and no later than 15 months prior to implementation.

For mechanical products, notification must occur within a reasonable timeframe, and no later than 6 months before implementation.

In the event of unplanned changes (e.g., shutdowns, emergencies, breakdowns), the SUPPLIER must notify AUO Mobility Solutions immediately.

The SUPPLIER shall ensure the same obligations are met by any sub-suppliers involved.

If a change requires an update of the IMDS data sheet in accordance with the latest IMDS Recommendation 001 (or CAMDS/ other national systems), the updated data must be submitted immediately.

The SUPPLIER shall coordinate the scope of new approval tests (initial samples) with AUO Mobility Solutions. Serial deliveries may only begin after AUO Mobility Solutions has approved the initial samples (see Section 5.10). All changes must be documented in the part life cycle.

If products manufactured to the former revision level still exist when a change is implemented, the SUPPLIER must inform AUO Mobility Solutions immediately of all quantities still contractually obligated. The SUPPLIER shall also proactively provide estimated remaining quantities during change management to enable early planning.

After implementation of changes, the first deliveries must be clearly marked on the delivery note, packaging, and—where appropriate—the product itself. The marking requirements must be agreed in writing between AUO Mobility Solutions and the SUPPLIER prior to delivery.

4.9 Continuous Improvement Process

The SUPPLIER shall establish and maintain a structured process for continuous improvement covering all products, processes, workflows, and services within its organization. The SUPPLIER shall be able to demonstrate that this process is effectively applied to all products delivered to AUO Mobility Solutions and to all activities related to the business relationship.

The effectiveness of the continuous improvement process shall be reflected in measurable enhancements in quality performance, pricing, delivery performance, flexibility, and overall cooperation.



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Upon request, the SUPPLIER shall present its continuous improvement programs and related activities to AUO Mobility Solutions.

4.10 Preventive Maintenance

The SUPPLIER shall implement a defined system for planned total preventive maintenance. This system must ensure that replacement parts are available for all key manufacturing equipment. A documented maintenance plan shall be established, specifying the required maintenance intervals and the scope of maintenance activities.

4.11 Communication

English is the official language of AUO Mobility Solutions. Unless otherwise approved by both the AUO Mobility Solutions Supplier Quality and Supply Chain Management departments, all official communication with AUO Mobility Solutions shall be conducted in English. Documents may include the native language when accompanied by an English translation, however, the English version is the only legally valid version.

AUO Mobility Solutions expects SUPPLIERS to be available to provide technical support as required, including participation in discussions at customer locations, at their own facilities, or at AUO Mobility Solutions sites.

4.12 Supplier Evaluation

AUO Mobility Solutions will monitor supplier compliance with its requirements through regular performance evaluations. The results of these evaluations will be communicated to the SUPPLIER. If a SUPPLIER fails to meet AUO Mobility Solutions' requirements, the SUPPLIER must submit a root cause analysis together with an appropriate improvement plan, which will be closely monitored by AUO Mobility Solutions.

5. Quality in the Time-to-Market Process

AUO Mobility Solutions is committed to involving its SUPPLIERS in quality planning for new projects as early as possible. SUPPLIERS are required to conduct systematic quality planning as part of their project management activities. This planning must include both the SUPPLIER's own manufactured parts and any purchased parts used in the project.

The SUPPLIER shall identify and communicate the responsible project contact for AUO Mobility Solutions. For each part or project, the SUPPLIER must carry out at minimum all planning steps listed below.

5.1 Feasibility Study

Technical documents prepared by AUO Mobility Solutions (e.g., drawings, specifications, sustainability requirements, packaging regulations, customer specific requirements, etc.) must be reviewed and assessed by the SUPPLIER as part of the contractual evaluation process. This review allows the SUPPLIER to contribute its expertise and propose improvements that may benefit both parties.

A feasibility study shall be submitted to AUO Mobility Solutions Purchasing together with the quotation, and it is a mandatory prerequisite for order placement.

In addition, prior to SUPPLIER nomination, AUO Mobility Solutions may conduct a detailed Characteristic-Based Feasibility Confirmation (CBFC) together with the SUPPLIER, covering every characteristic specified in the drawings and associated documentation.

5.2 Advanced Quality Planning

To ensure zero-defect quality throughout all phases of cooperation, the SUPPLIER shall develop a binding advanced quality plan covering prototypes, pre-series samples, and series production deliveries. This plan shall be documented in the form of test sequence plans (Control Plans) and coordinated with AUO Mobility Solutions. The SUPPLIER also agrees to participate in supplier-related portals provided by AUO Mobility Solutions, including those used for APQP document management.

The Control Plan must comply with the requirements of IATF 16949, Annex A. It must be agreed in advance whether the advanced quality planning shall follow the requirements of VDA Volume 4, Part 3, or the AIAG APQP (Advanced Product Quality Planning) methodology.

The commitment to zero-defect quality, including defect prevention and continuous improvement, is an essential and non-negotiable obligation of the SUPPLIER.

5.3 Planning Contents

Scheduling

The SUPPLIER shall prepare a project-specific schedule based on the deadlines provided by AUO Mobility Solutions. This schedule must be regularly updated throughout the entire project phase and presented to AUO Mobility Solutions upon request. Any potential deviations from the agreed schedule must be reported to AUO Mobility Solutions within 2 working days.

Work / Production Flow Chart

The SUPPLIER shall create a production flow chart covering the entire process chain. Work plans must be prepared for all component parts and assemblies, containing complete information on:

- Process steps
- Internal and external transport
- Means of transport
- Machinery and equipment used

Manufacturing charts, drawings, and process descriptions shall be prepared as required to ensure full transparency of the production process.

Reliability Requirements

All reliability requirements defined in the requirement specifications and/ or drawings must be implemented using appropriate reliability management methods. Compliance must be validated through suitable reliability tests and evaluations.

5.4 Product & Process FMEA

Taking into account the application of its products at AUO Mobility Solutions and at AUO Mobility Solutions' customers, the SUPPLIER shall conduct preventive risk analyses (FMEA) for all products supplied to AUO Mobility Solutions as well as for all associated processes. The SUPPLIER shall update the FMEA whenever deviations in product and/or process quality occur, and whenever changes are implemented as described in Section 4.8. All parameters relevant to product safety must be included in the analysis.



Critical points identified in the FMEA must be addressed promptly through appropriate corrective and preventive actions to ensure compliance with specifications, required product characteristics, product safety, and capable manufacturing processes. For all actions, responsibilities and deadlines shall be clearly defined, documented, and provided upon request.

In addition to the product and process FMEAs carried out under its own responsibility, the SUPPLIER agrees to actively participate in any system or interface FMEAs initiated by AUO Mobility Solutions. The results of these joint analyses must be incorporated into the SUPPLIER's ongoing development activities.

Upon request, the SUPPLIER shall make Process FMEAs available for review by AUO Mobility Solutions. The requirements and methodology are defined in the AIAG & VDA FMEA Handbook. All results must be documented as described in Section 4.6.

5.5 Control Plan

Within the Control Plan, the SUPPLIER shall take into account the results of the Product FMEA and Process FMEA, experience gained from similar products and processes, and the application of continuous-improvement methods. Detailed guidance for preparing a Control Plan is provided in the relevant VDA publications and in the AIAG APQP documentation.

Based on the Control Plan, the SUPPLIER commits to performing all required routine tests, using the agreed measurement and inspection equipment and following the defined sampling schemes.

The Control Plan, along with all supporting documentation—including records of part and process approvals and inspection results—shall be provided to AUO Mobility Solutions upon request.

5.6 Serial Production Planning

Planning of Production Lines and Operating Equipment

The planning of production lines and operating equipment includes the design, procurement, and/ or manufacturing of all tools and equipment required to produce the component. The capability or suitability of each item of operating equipment must be demonstrated. Capability must be verified individually for jigs, molds, and other critical tools.

The SUPPLIER shall ensure that all required operating equipment—with sufficient capacity and functionality—is fully available no later than the start of off-tool part production at the sampling date. Internal and external transport methods, as well as packaging concepts, must also be taken into consideration.

Coordination of Series Monitoring

All product and process characteristics are important and must be controlled through robust and stable processes. Special characteristics require documented proof of process capability. To demonstrate this, the SUPPLIER shall use appropriate statistical methods, such as Statistical Process Control (SPC), to monitor and verify these characteristics.

If process capability cannot be demonstrated, a 100% inspection must be performed. Characteristics that cannot be measured—or can only be verified through destructive testing—must be monitored and documented using suitable alternative methods.

Limit Samples

Where necessary, limit samples must be mutually agreed upon between AUO Mobility Solutions and the SUPPLIER. For decorative parts, the agreement of limit samples is mandatory.

5.7 Capability of Test Equipment, Machines & Processes

The SUPPLIER shall use appropriate statistical methods to ensure that all machines, tools, measuring and test equipment, as well as the processes in which they are applied, are suitable and capable for manufacturing products supplied to AUO Mobility Solutions.

The characteristics for which capability studies must be provided will be agreed between AUO Mobility Solutions and the SUPPLIER. However, this does not release the SUPPLIER from its responsibility to identify and define additional characteristics relevant to its own processes or those of its sub-suppliers.

Capability of Testing Equipment

For all characteristics, the SUPPLIER shall define the testing method and select suitable testing equipment. The suitability of each measurement process must be demonstrated, taking into account both the measurement method and the tolerance of the characteristic being measured.

Proof of test-process suitability shall be provided in accordance with the requirements of VDA Volume 5 (Test Process Suitability) or the applicable AIAG guidelines.

Machine and Process Capability Requirements

Machine capability and process capability analyses shall be performed in accordance with VDA Volume 4, Part 1. The following capability indices may be required for special characteristics and critical process parameters:

→ Short-term / Machine Capability (Cmk): ≥ 2.0

Note: Large sample sizes are evaluated over a short time period.

→ Preliminary Process Capability (Ppk): ≥ 2.0

→ Long-term Process Capability (Cpk): ≥ 1.67

Note: Smaller sample sizes are evaluated over a longer time period.

For all other agreed characteristics, the following capability indices apply:

→ Short-term / Machine Capability (Cmk): ≥ 1.67

→ Preliminary Process Capability (Ppk): ≥ 1.67

→ Long-term Process Capability (Cpk): ≥ 1.33

If these minimum requirements are not met, 100% inspection must be performed until capability is achieved through corrective actions, unless otherwise agreed in writing by AUO Mobility Solutions.

The requirements for special characteristics are defined in ISNHG-G1-001 (see [32] in Chapter 8), Marking of Special Characteristics and Inspection Characteristics and Verification Requirements.

5.8 Sub-Suppliers Management

The SUPPLIER is responsible for ensuring that all sub-suppliers used for the project meet the required quality standards. In cases of insufficient performance, the SUPPLIER must establish and implement sub-supplier development programs. Full implementation must be ensured no later than the start of series deliveries.

The SUPPLIER shall regularly report the status of quality planning for all relevant products. The production process and product release for sub-supplier products must be completed before the production process and product release carried

out for AUO Mobility Solutions.

5.9 Audits

The SUPPLIER shall conduct planned internally audits—such as those in accordance with VDA Volume 6, Part 3 (see [14] in Chapter 8)—for all products delivered to AUO Mobility Solutions and for all related development and production processes. These audits must be performed at regular intervals and scheduled annually in advance. The audits shall be based on contractually defined product specifications, characteristics, and any additional requirements affecting deliveries, such as logistics and packaging. In the event of deviations, the SUPPLIER shall initiate all necessary corrective actions and ensure their effective and sustainable implementation.

In addition, AUO Mobility Solutions and its customers are authorized to perform process, product, or system audits—given with advance notice—to verify that the SUPPLIER's quality assurance and environmental processes meet AUO Mobility Solutions' requirements.

The SUPPLIER shall be aware that audit results deemed unacceptable by AUO Mobility Solutions or by AUO Mobility Solutions' customers will trigger post-audit actions. All costs associated with follow-up audits and activities resulting from these actions shall be borne by the SUPPLIER.

If quality issues arise due to the performance or deliveries of the SUPPLIER's sub-contractors, the SUPPLIER must, upon request by AUO Mobility Solutions, conduct an audit at the sub-contractor. AUO Mobility Solutions may participate in this audit where appropriate. Audit results shall be presented to AUO Mobility Solutions.

5.10 Product & Process Release

For product release, the SUPPLIER is required to submit initial samples to AUO Mobility Solutions prior to the start of series production. These samples must fully comply with all specified requirements and characteristics, including but not limited to:

- Dimensions
- Materials and processing
- Application and functional interfaces
- Limit samples

Unless otherwise agreed, evidence of conformity must be provided on at least five parts per cavity.

This process ensures that any deviations are identified and corrected in time to prevent systematic errors in serial production. Without part and process approval, series deliveries are strictly prohibited and will be rejected at the SUPPLIER's expense.

Initial samples—and all component parts and materials used to produce them—must be manufactured under full series-production conditions and using series equipment, without exception. Reference samples from initial sampling must be retained by the SUPPLIER for at least 15 years after EOP, unless otherwise agreed in writing.

The required content and complexity of documentation must be coordinated with the AUO Mobility Solutions Purchasing department for the specific project.

It must be agreed in advance whether the initial sample documentation will be based on VDA Volume 2 (see [9] in Chapter 8) or AIAG requirements. The sampling scope shall follow the specifications defined during the sampling discussion with the responsible SQE.

Alignment points specified in the drawing must always be followed. If the AUO Mobility Solutions drawing does not define alignment points, the SUPPLIER shall document the measurement alignment used in the Initial Sample Inspection Report (ISIR).

Process release at the SUPPLIER is granted once a VDA Volume 6, Part 3 process audit has been successfully passed with an A rating, and after successful completion of a full-run capacity test in accordance with AUO Mobility Solutions guidelines. A process release may also be granted with a B rating, considering that improvement plan is created and implemented for all open points.

AUO Mobility Solutions reserves the right to perform the process audit and full-run test itself, or to request the results of the SUPPLIER's process release. This may also apply to sub-suppliers if required.

Standardized products and raw materials are released within the PPF process of the corresponding higher-level product, as defined in VDA Volume 2.

5.11 Safe Launch Process

Following the release of the Production Part Approval Process (PPF/ PPAP) package—or at the latest with the start of serial production (SAP orders after R@R)—the SUPPLIER shall participate in Safe Launch Planning under the direction of the assigned SQE. All Safe Launch activities must reflect the final delivery condition of parts supplied to AUO Mobility Solutions, including any further processing carried out by sub-suppliers where applicable.

To ensure a high-quality level during the start-up phase after SOP, the following rules and processes apply:

Controlled Shipping Level (CSL) Process

CSL Requirements:

- ppm and Incident targets are to be agreed between AUO Mobility Solutions and the SUPPLIER.
- A minimum of 3 months of CSL1 must be implemented at the SUPPLIER's site.
- Target: 0 ppm at AUO Mobility Solutions and 0 Incidents.
- If no defective parts are discovered at AUO Mobility Solutions and CSL1/ CSL2 activities at the SUPPLIER have been effective, additional testing may be discontinued after approval by the SQE and after at least 3 defect-free months following SOP.

CSL Escalation Process:

- ppm and Incident targets must be agreed between AUO Mobility Solutions and the SUPPLIER.
- At least 3 months of CSL1 at the SUPPLIER's site are required.
- Target: 0 ppm at AUO Mobility Solutions and 0 Incidents.
- If a defect is detected under CSL1, AUO Mobility Solutions will require implementation of CSL2 using a third-party sorting provider authorized by AUO Mobility Solutions.
- After at least 4 consecutive weeks of defect-free production under CSL2, and verified by a sorting company report, the SUPPLIER may return to CSL1 (within the 3-month Safe Launch period).
- After 3 months and at least 4 weeks of defect-free performance under Control Shipping, CSL1/ CSL2 may be discontinued only with written approval from AUO Mobility Solutions.

Run at Rate (R@R) Process:

- After passing the official full-run capacity test according to AUO Mobility Solutions guidelines, the SUPPLIER shall perform internal R@R evaluations for each production lot and provide the resulting data at the agreed frequency.
- After three months of meeting the required output, the SUPPLIER may discontinue internal R@R self-evaluation upon agreement with AUO Mobility Solutions.
- AUO Mobility Solutions reserves the right to conduct R@R evaluations on-site during the ramp-up phase.

SPC Dimensions Process:

- After the full-run capacity test has been passed, the SUPPLIER shall submit SPC results for all P-Dimensions at the agreed reporting frequency as part of the Safe Launch documentation.
- After three months of achieving the required Cpk/ Cmk values, the SUPPLIER may discontinue submission of SPC documents, subject to AUO Mobility Solutions' approval.
- If capability results fall out of specification, the SUPPLIER must implement 100% inspection of the affected characteristics until capability is restored.

5.12 Traceability

All suppliers to AUO Mobility Solutions shall establish and maintain an effective lot-definition and traceability system that ensures complete traceability of products and components throughout all stages of production, inspection, testing, and shipment.

Delivered products shall be traceable back to, as applicable:

- Supplier manufacturing and assembly processes
- Production and inspection equipment
- Quality and process inspection/test data
- Raw materials, purchased components, and sub-supplier processes

The definition of a production lot shall be based on a documented supplier risk assessment that considers all factors influencing the manufacturing process and all relevant sub-components and materials.

Suppliers shall ensure the integrity and effectiveness of their traceability systems across all internal processes and throughout the extended supply chain, including sub-suppliers and subcontractors.

All traceability records shall be maintained in accordance with the production record retention requirements defined in this manual. Traceability documentation shall be controlled via a secure database system, and all related data must be retrievable within 24 hours for analysis or audit purposes.

Suppliers shall ensure full product traceability through appropriate product marking, labeling, or other suitable identification methods. In the event of a defect, the traceability system must allow for rapid identification and containment of all potentially affected products, pending further actions jointly agreed between the supplier and AUO Mobility Solutions. These traceability requirements must be cascaded throughout the entire supply chain.

Suppliers shall maintain a documented product-change history to ensure full traceability of all changes affecting products delivered to AUO Mobility Solutions.

Any product-specific traceability requirements defined in supplementary AUO Mobility Solutions documentation are binding and must be fully observed.

5.13 Requalification Test

The content, scope, and intervals of re-qualification tests shall be agreed between AUO Mobility Solutions and the SUPPLIER prior to the start of series production and documented in the Control Plan. Unless otherwise agreed in writing by AUO Mobility Solutions, re-qualification testing must be carried out at least once per year. Higher testing frequencies may be required in the event of target deviations (e.g., exceeding ppm action limits) that impact AUO Mobility Solutions or its end customers.

If re-qualification testing yields non-conforming results, the SUPPLIER must immediately determine the root cause, initiate corrective actions, and inform the Supplier Quality team in the Incoming Goods department of the affected AUO Mobility Solutions plant without delay.

Unless otherwise agreed, the applicable requirements of IATF 16949 or the AIAG guidelines apply. All products are subject to full dimensional and functional testing in accordance with the Control Plan and taking customer-specific material and functional requirements into account.

Upon request, the SUPPLIER shall provide the required re-qualification documentation to AUO Mobility Solutions within three working days. Where AUO Mobility Solutions provides a supplier portal, the SUPPLIER shall upload the annual re-qualification documentation accordingly.

Following prior agreement with AUO Mobility Solutions, re-qualification may be conducted by product family for parts with similar characteristics. Re-qualification tests may be witnessed by AUO Mobility Solutions employees or customer representatives when applicable.

The SUPPLIER is responsible for performing re-qualifications in accordance with all customers specific requirements throughout the entire supply chain.

5.14 Functional Safety (FuSa)

If the SUPPLIER's product development responsibilities for electronic components, assemblies, or complete devices include hardware and/or software development, the SUPPLIER shall fully comply with the requirements of Functional Safety (FuSa) according to ISO 26262 (see [5] in Chapter 8). All FuSa-relevant activities shall be performed on time, professionally, and by qualified personnel in accordance with applicable FuSa requirements.

The SUPPLIER's Functional Safety organization shall be continuously developed and adapted to current FuSa standards and shall be staffed with sufficient qualified personnel (e.g., Safety Managers). All releases required under FuSa must be issued in writing by appropriately authorized Functional Safety managers. Upon request, the SUPPLIER shall provide AUO Mobility Solutions with written evidence of its FuSa organization and qualifications in the applicable standard format.

AUO Mobility Solutions requires that at least one of the following conditions is fulfilled:

- The SUPPLIER performs and provides evidence of an internal FuSa self-assessment; and/or
- The SUPPLIER agrees to be audited by AUO Mobility Solutions assessors upon request; and/or
- Upon AUO Mobility Solutions' request, the SUPPLIER commissions a third-party FuSa assessment (conducted by a certified Automotive SPICE Assessor), at the SUPPLIER's expense.

If the SUPPLIER does not meet these requirements at the start of an awarded project, an improvement program must be established to achieve compliance with AUO Mobility Solutions' expectations before the start of serial production. Regular progress reports regarding this improvement program shall be submitted to AUO Mobility Solutions.

Further details are defined in the AUO Mobility Solutions GWIHC-G1-001-014 Software Supplier Process Requirement Specification (see [33] in Chapter 8).

5.15 Product Cybersecurity (CySec)

This chapter applies to electronic components, assemblies, complete devices, and/or software provided by the SUPPLIER that have been classified as cybersecurity-relevant by the responsible Cybersecurity function of AUO Mobility Solutions.

If cybersecurity relevance has not yet been determined at the time the scope of delivery is awarded, the SUPPLIER must actively request clarification. Until the final determination is made, the SUPPLIER shall assume that the scope of delivery is cybersecurity-relevant.

The SUPPLIER shall comply with the requirements of Automotive Cybersecurity in accordance with ISO 21434 (see [6] in Chapter 8).

All cybersecurity-related services shall be performed on time, professionally, and by qualified personnel in accordance with applicable CySec requirements. The SUPPLIER's Cybersecurity Organization shall be continuously developed and adapted to current CySec requirements and staffed with sufficient qualified personnel (e.g., Cybersecurity Managers).

Any approvals required under CySec must be issued in writing by authorized cybersecurity managers. Upon request, the SUPPLIER shall provide AUO Mobility Solutions with written documentation of its CySec organization and personnel qualifications in the applicable standard format.

6. Supplier Escalation

AUO Mobility Solutions reserves the right to initiate the Supplier Escalation Process (SEP) if the requirements established for AUO Mobility Solutions Supplier Management are not met.

To achieve the high-quality standards of AUO Mobility Solutions and the automotive industry—and to support the zero-defect objective—effective methods for error detection, elimination, and prevention must be applied throughout the supply chain. The Supplier Escalation Process is a central element of Supplier Management and supports suppliers in meeting expectations related to the project/ pre series phase, delivery quality, logistics performance during series production, and spare parts supply.

6.1 Supplier Escalation Process (SEP)

The goal of the escalation process is to ensure that measures, consequences, and responsibilities increase in proportion to the severity of the issue, alongside strengthened expectations for problem-solving methodology and resources. The SEP consists of four escalation levels, defined as follows:

→ **SEP Level 0: Notification Letter**

The SUPPLIER is informed of insufficient quality performance and warned of potential escalation.

→ **SEP Level 1: Improvement Action Plan**

The SUPPLIER is required to submit a root-cause analysis and an action plan to improve quality performance.

→ **SEP Level 2: Focus Supplier Program**

In addition to SEP Level 1, a task force must be established. Internal and/or external personnel must be deployed

at the SUPPLIER's expense.

→ **SEP Level 3: Not Sourceable**

In addition to SEP Level 2, the SUPPLIER is not eligible for sourcing in new projects.

An internal New Business Hold is applied within AUO Mobility Solutions' nomination process.

→ **SEP Level 4: New Business on Hold**

In addition to SEP Level 2, the SUPPLIER is officially blocked from sourcing in new projects (official New Business Hold). AUO Mobility Solutions may issue an IATF Performance Complaint based on the issues leading to this special status. The complaint process follows the IATF Certificate Decertification Process.

If AUO Mobility Solutions initiates escalation due to sub-supplier performance, the SUPPLIER is required to cascade the escalation appropriately to the involved sub-supplier.

6.2 Control Shipping Level

The Control Shipping Level (CSL) is an additional inspection process applied to purchased parts. Its purpose is to implement a quality filter that prevents defective parts resulting from inadequate SUPPLIER performance from reaching AUO Mobility Solutions' production lines.

CSL 1 Control Shipping Level 1

CSL 1 requires the SUPPLIER to perform an additional 100% inspection of the affected products. Key requirements:

- The inspection station must be physically separated from production by at least 10 meters.
- Inspection results must be documented daily at the inspection station.
- The marking method for approved parts must be mutually agreed between AUO Mobility Solutions and the SUPPLIER.
- The SUPPLIER must report inspection results to AUO Mobility Solutions at the defined reporting frequency.

CSL 2 Control Shipping Level 2

CSL 2 involves an additional inspection performed by an independent service provider representing AUO Mobility Solutions' interests. Key requirements:

- The SUPPLIER is responsible for all associated costs.
- The selection of the service provider must be agreed with AUO Mobility Solutions, taking into account OEM customer requirements.
- The service provider must submit inspection reports to AUO Mobility Solutions at the defined reporting frequency.

Revocation of CSL 1/ CSL 2

CSL 1 or CSL 2 may only be lifted when all the following conditions are met:

- Preventive measures have been implemented and their effectiveness verified.
- At least four weeks of defect-free 100% inspection,
- or a defect-free quantity equal to five delivery batches has been achieved.
- Written approval from AUO Mobility Solutions confirming revocation.



7. Specific Requirements for Electronic Components

7.1 Release of Electronic Components

For all new electronic components to be introduced at AUO Mobility Solutions, the SUPPLIER shall provide the following evidence:

- Successful completion of the release tests in accordance with the qualification guidelines of AEC-Q100/ AEC-Q101 / AEC-Q200 (additional or more detailed tests must be performed if required).
- Complete PPAP Level 3 documentation confirming product and process compliance.

In addition, all requirements specified in GWIKA-G1-008 AUO Mobility Solutions Requirements for Electronic Components and Assemblies (see [30] in Chapter 8) must be fully met.

7.2 Proof of Process Capability

Process capabilities, as defined in Chapter 5, must be demonstrated for all functional, safety-related, and quality-relevant processes associated with electronic components. In addition, the application of statistical methods—such as Part Average Testing (PAT) and Statistical Bin Analysis (SBA)—is mandatory to support the zero-defects strategy.

8. Applicable Standards & Legislation

Details on the standards and methods of Quality Management specified in this guideline may be found in the respectively latest version of the following documents:

- [1] ISO 9001: Quality Management Systems — Requirements
- [2] IATF 16949: Quality Management System Requirements for Automotive Production and Relevant Service Parts Organizations
- [3] IATF MAQMSR: Minimum Automotive Quality Management System Requirements for Sub-Tier Suppliers
- [4] ISO 14001: Environmental Management Systems — Requirements with Guidance for Use
- [5] ISO 26262: Road Vehicles — Functional Safety
- [6] ISO/SAE 21434: Road Vehicles — Cybersecurity Engineering
- [7] Automotive SPICE® – Automotive Software Process Improvement and Capability Determination

VDA source:

www.vda.de

- [8] VDA Volume 1: Documented Information and Retention — Guideline for the Documentation and Archiving of Quality Requirements and Quality Records
- [9] VDA Volume 2: Quality Assurance of Supplies — Production Process and Product Approval (PPA)
- [10] VDA Volume 3: Reliability Assurance of Car Manufacturers and Suppliers
- [11] VDA Volume 4: Quality Assurance in the Process Landscape
- [12] VDA Volume 5: Measurement and Inspection Processes — Capability, Planning and Management
- [13] VDA Volume 6, Part 1: QM System Audit – Serial Production
- [14] VDA Volume 6, Part 3: Process Audit (VDA 6.3) — Potential Analysis, Product and Production Process Development, Product and Production Process Implementation, Series Production
- [15] VDA Volume 6, Part 5: Product Audit
- [16] VDA MLA: Maturity Level Assurance
- [17] AIAG & VDA FMEA Handbook — Failure Mode and Effects Analysis (DESIGN FMEA, PROCESS FMEA, and Supplemental FMEA for Monitoring and System Response)
- [18] VDA Volume 8D – Problem Solving in 8 Disciplines
- [19] VDA – Field Failure Analysis & Audit Standard
- [20] VDA EOS – Electrical Overstress in the Automotive Industry
- [21] VDA Lessons Learned
- [22] VDA Product Integrity – Recommended action for organizations regarding product safety and conformity

[23] VDA Special Characteristics (SC): A Process Description Covering Special Characteristics

[24] VDA Volume 19.1: Inspection of Technical Cleanliness, Part 1: Particulate Contamination of Functionally Relevant Automotive Components

[25] VDA Volume 19.2: Technical Cleanliness in Assembly, Part 2: Environment, Logistics, Personnel and Assembly Equipment

AIAG source:

www.aiag.org

[26] AIAG PPAP – Production Part Approval Process

[27] AIAG APQP – Advanced Product Quality Planning

[28] AIAG SPC – Statistical Process Control

[29] AIAG MSA – Measurement Systems Analysis

Legislation:

2000/53/EC (ELV) – Directive 2000/53/EC of the European Parliament and of the Council on End-of-Life Vehicles

2011/65/EU (RoHS) – Directive 2011/65/EU of the European Parliament and of the Council on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment (RoHS)

(EC) No. 1907/2006 (REACH) – Regulation (EC) No 1907/2006 of the European Parliament and of the Council concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH)

AEC-Q100 – Failure Mechanism Based Stress Test Qualification for Integrated Circuits

AUO MSC Regulations:

[30] GWIKA-G1-008 – AUO MOBILITY SOLUTIONS Requirements for Electronic Components & Assemblies

[31] GWIKA-G1-016 – Restrictions and Prohibitions of Substances

[32] ISNHG-G1-001 – Marking of Special Characteristics and Inspection Characteristics and Verification Requirements

[33] GWIHC-G1-001-014 – Software Supplier Process Requirement Specification

Customer Specific Requirements:

[34] Customer Specific Requirements – International Automotive Task Force (www.iatfglobaloversight.org)

The before AUO Mobility Solutions documents referenced throughout this document will be provided upon explicit request by the SUPPLIER. In case the SUPPLIER did not ask for said AUO Mobility Solutions document(s) and/or did not submit its rejection by providing the justified reasons thereof within a period of four (4) weeks following the date the Framework Supply Agreement is concluded by and between SUPPLIER and AUO Mobility Solutions or date signature of this document, whatever is the earlier, said AUO Mobility Solutions Regulation(s) not requested and/or not rejected accordingly will be deemed to be accepted by the SUPPLIER in its respective current version.

9. Abbreviations

8D Report	Eight Disciplines Problem Solving
AIAG	Automotive Industry Action Group
APQP	Advanced Product Quality Planning
CAMDS	Chinese Automotive Material Data System
CAQ	Computer-Aided Quality
CBFS	Characteristic Based Feasibility Study
Cmk	Short-term machine capability
Cpk	Long-term machine capability
CSL	Control Shipping Level
CySec	Cybersecurity
DIN	Standards Deutsches Institut für Normung (German Institute for Standardization)
DMAIC	Define, Measure, Analyze, Improve and Control
EMAS	Eco-Management and Audit Scheme
EOP	End Of Production
ERP	Enterprise Resource Planning
FIFO	First-in, First-out
FMEA	Failure Modes Effects Analysis
FuSa	Functional Safety
HIS	Hersteller Initiative Software
IATF	International Automotive Task Force
IMDS	International Material Data System
ISIR	Initial Sample Inspection Report
ISO	International Organization for Standardization
MDS	Material Data System
OEM	Original Equipment Manufacturer
PAT	Part Average Test
PPAP	Production Part Approval Process
PPF	Production Process and Product Release (German: Produktionsprozess- und Produktfreigabe)
Ppk	Preliminary process capability
PPM	Parts-per-Million



PSCR	Product Safety and Conformity Representative
QM	Quality Management
R@R	Run at Rate
REACH	Registration, Evaluation, Authorization and Restriction of Chemicals
SBA	Statistical Bin Analysis
SEP	Supplier Escalation Process
SOP	Start of Production
SPC	Statistical Process Control
SQA	Supplier Quality Assurance
SVHC	Substance of Very High Concern
VDA	Verband der Automobilindustrie (German Automotive Industry Association)