



GENERAL PURCHASE REQUIREMENTS

PURCHASING

1. SCOPE OF THIS REQUIREMENTS

- a. CPI expects No Major defects for every quoted contract-product and no major environmental impacts for every services/ transportation provided. CPI assumes that the suppliers consider in their quotes all appropriate measures without additional costs.
- b. CPI does not accept to any Tolerance Disruptions in the DELIVERY for any product and assumes that appropriate measures have been taken to ensure consistent delivery by the suppliers. All suppliers have to work to achieve a delivery attainment of 100% and to ensure on time delivery.
- c. All non-conformity within the contract period shall have a performance and financial impact to the suppliers.
- d. This REQUIREMENTS describes the rules that the suppliers and CPI have to apply in order to develop a successful partnership.

2. AREA OF APPLICATION

The supplier also expressly warrants that all contract products and work shall conform to and satisfy the drawings, specifications and samples or other descriptions furnished, specify or authorized by CPI as well as applicable safety and environmental rules or regulations from time to time. In the event of special conditions, these have to be fixed and documented mutually.

3. PRICES

The prices agreed upon in the respective individual contract are binding for products delivered within the contract period. However, in the event of substantial increases in the purchase volume, CPI reserves the right to re-negotiate prices.

4. COMPETITIVENESS / COST REDUCTION

Supplier will take all necessary actions to maintain the competitiveness of Products in terms of technology, quality, price and delivery and agrees to identify cost reduction potentials for Products as well as take up such potentials identified by CPI and to actively implement them.

5. CANCELLATION

CPI may cancel any scheduled order without compensation that within the cancellation window prior to the delivery date. Any cancellation shall be made in writing and agreed by both parties.

6. PARTS RECEIVING TIME (CUT-OFF)

Monday to Friday	-	0830am – 1200pm, 1300pm – 1600pm
Schedule Saturday	-	0830am – 1200pm

All suppliers are required to strictly follow this schedule. Any goods deliver/ services/ transportation beyond the above times will be rejected unless with prior approval or special arrangement been made with Purchasing.

7. CONSEQUENCES COST

In the event a product liability claim is asserted against CPI, the supplier is obliged to hold CPI harmless from such claims if and to the extent the damage was caused by a defect in the Product supplied by the supplier. In cases of liability based on fault, this only applies, however, if the supplier is at fault. Insofar as the cause of the damage falls within the area of responsibility of the supplier, the supplier must prove that it is not at fault.

In the cases of above, the supplier assumes all costs and expenses for problems related to the non-complying of the material to the agreed specifications, including the costs of any legal action.

Services/ transportation provider is obliged to hold CPI harmless from any claims or fines resulting from environmental impact and safety issue, which caused by job scope performed by supplier and proven to be faulty or violating rules and regulations stated by CPI.

8. LEGAL & OTHER REQUIREMENTS

a. RoHS

The product shall adhere to the requirements of the Directive 2011/65/EU of The European Parliament and of The Council and its amendment Directive 2015/863/EU for the restriction of the use of dangerous materials. The supplier shall submit RoHS Analytical Testing Report / ICP Data / Letter of Warranty as evidence of RoHS compliance. Report shall include 100% of all homogeneous materials that are in the part or assembly. A re-submission is required annually.

b. REACH

The product shall adhere to the requirements of the Regulation (EC) of the European Parliament and of the Council in accordance with the "Candidate List" defined in ECHA website (<http://echa.europa.eu/web/guest/candidate-list-table>). Supplier is expected to support CPI in our ongoing efforts to comply with any change in this directive.

c. Conflict Minerals

The supplier shall report the presence of conflict minerals (tin, tungsten, tantalum and gold) originating in the Democratic Republic of the Congo or adjoining countries by submitting the latest version of declaration using the Conflict Minerals Reporting Template (CMRT) formerly known as the EICC-GeSI Conflict Mineral Reporting Template.

Complete mine and smelter location address shall be filled up for any smelter that is not included in the dropdown menus in the template.

Note:-

Only ".xlsx" or ".xls" versions of the completed reporting template shall be accepted.

d. Underwriters Laboratory (UL)

If applicable, where requirement is included as drawing note or specified in customer's UL File, COC or UL compliant labeling shall be provided. The supplier shall also provide the UL assigned code designation number and UL File.

e. Responsible Business Alliance (RBA) formerly the Electronic Industry Citizenship Coalition (EICC)

Suppliers shall commit to comply with the Code of Conduct established by EICC which is retrievable from <http://www.responsiblebusiness.org/standards/code-of-conduct/>

The RBA Code of Conduct established standards to ensure that working conditions in electronics industry supply chain are safe, that workers are treated with respect and dignity and that business operations are environmentally responsible. The following five main sections in Code of Conduct as below shall be respected:

- Labor
- Health and Safety
- Environmental
- Ethics
- Management System

f. Counterfeit Material

Supplier is prohibited to supply counterfeit part or material to CPI. Failure to comply shall subject to legal action. The supplier shall acquire externally provided product from original or authorized manufacturers, authorized distributors, or other approved sources (if specified by CPI). Supplier shall retain the necessary records to ensure traceability of parts and components to their original or authorized manufacturers.

9. ENVIRONMENTAL MANAGEMENT CONTROL (applicable for services/ transportation provider)**

a. ACTIONS/ DOCUMENT REQUIRED

- i. CPI expects any person (s) performing tasks at CPI that may consider the environmental performance and safety aspects and maintain the compliance obligations related to environmental aspects.
- ii. Supplier ensure that any person (s) performing tasks at CPI is (are) competent on the basis of appropriate education, training or experience and well known of their job scope regarding the environmental aspects.
- iii. Where applicable, the monitoring and measurement equipment shall be calibrated and maintained with relevant calibration records.
- iv. Supplier shall forward a copy of **calibration certificate (if applicable)** and **employee (s) Competency/ Training/ Awareness Record** before providing the services to CPI.

b. EMS DO & DON'T (WITHIN THE COMPANY PREMISES)

EMS DO

- i. Approach the security/guardhouse and be directed the next step.
- ii. Any chemicals shall be declared at guard house upon entering.
- iii. For contractors performing work onsite, request officer to brief on EMS procedures applicable.
- iv. For vehicles calling on the premises, they shall not cause pollution in any form. The engine shall be switched off if remain idling exceeding 3 minutes.
- v. Strictly follow all warning signs in the premise.
- vi. PPE shall be worn at all time when performing work.

EMS DON'T

- i. Do not litter in or around the factory premises.
- ii. Do not release any waste or hazardous materials into any drain or onto soil.
- iii. Do not practice any open burning within the premises.
- iv. Do not smoke in any undesignated areas.
- v. Do not wonder around the premises without approvals.

10. Supplier Acceptance: mark in the box which applies

	Accepted	Accepted By:
		Job Position:
		Date:
		Company Stamp:
	Accepted with Requested Exclusions / Amendments	Requested By:
		Job Position:
		Date:
		Direct Contact:
		Direct Email:
		Company Stamp:

CPI Manager/Authorize name/signed by:	
Position:	
Date:	

- a. **CPI General Purchase Requirements only required when exclusions or amendments are requested by a supplier. CPI sign-off must be by a CPI Manager or above with authority to agree to changes.**
- b. Where the supplier has "Accepted with Requested Exclusions or Amendments" these should be listed below. The supplier shall not make changes to the main body of text within this General Purchase Requirements as this will be deemed to make the document invalid. CPI General Purchase Requirements to exceptions will be dealt with on a case by case basis. Formal notification of our decision shall be given.
- c. Requested Exclusions / Amendments for General Purchase Requirements.

Requested Exclusions / Amendments for General Purchase Requirements

Clause:	Supplier Comments on requested exclusion or amendment (add extra tables as necessary)