

SUPPLIER QUALITY AND DELIVERY PERFORMANCE EXPECTATIONS



QUALITY EXPECTATIONS

Incorrect certifications will be charged an Administrative Fee per occurrence. Failure to supply a certification with each shipment will result in the shipment being refused at our dock and returned at supplier's expense.

An Administrative Fee will be assessed to each Non-Conforming Material Notice (NCMN). This fee will be waived if the rejection is determined to be a specification issue in which the supplied material meets specification but does not make the part for which it was purchased.

Suppliers shall have 10 business days to disposition a Non-Conforming Material Notice (NCMN). Failure to respond within the stated time limit will result in the shipment being returned and debited at the supplier's expense. Please note that Twist does not allow scrap value for any item rejected.

Suppliers will be issued quarterly a Supplier Performance Rating. Twist Inc. requires 100% quality and on-time delivery performance. Repeated poor quality ratings below 90% or delivery ratings below 95% may result in the supplier's removal from the Approved Supplier List (I-15) or request for formal corrective action. If a supplier's historical performance is not achieved, then the Supplier is subject to be removed from the Approved Supplier List and de-sourced.

Elements of the quarterly Supplier Performance Rating

- 1.0 Delivery
 - 1.1 Measures compliance to our expectations to receive shipments up to five (5) days early and zero (0) days late.

- 2.0 Service
 - 2.1 Measures the supplier response time for return authorizations to reject claims within ten (10) working days with an additional three (3) working days for sample delivery time.

- 3.0 Shipment accuracy
 - 3.1 Measures compliance to over and under shipments of stated purchased quantity as described below.
 - 3.2 For items ordered in pounds (lbs)
 - 3.2.1 1 – 50 +/- 10%
 - 3.2.2 51 – 100 +/- 7%
 - 3.2.3 101 – 500 +/- 5%
 - 3.2.4 501 and above +/- 3%

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3.3 For items ordered in sheets, bars, etc.

3.3.1 1 – 50 +/- 10%

3.3.2 51 – 100 +/- 7%

3.3.3 101 – 500 +/- 5%

3.3.4 501 and above +/- 3%

4.0 Corrective action

4.1 If corrective action is requested, suppliers have thirty (30) days to submit with an additional three (3) working days for sample delivery time. Corrective actions must be submitted to Pam Stoneburner in Twist Quality. pstoneburner@twistinc.com

5.0 Quality of material received

5.1 Measures supplier quality as a percentage based on quantity received verses quantity rejected.

Annual revalidations are required. Documentation to be made available upon request.

DELIVERY EXPECTATIONS

Shipments received more than five days early will be refused at our dock and any associated warehousing fees or freight charges will be the Supplier's obligation. Shipments received at Twist Inc. that are more than one day late are to be shipped with the freight prepaid by the Supplier. Supplier late shipments that are not shipped prepaid will be charged back to the Supplier and the amount deducted off the outstanding balance.

NOTE: The amount of the Administrative Fee will be communicated verbally by the Purchasing or Quality Department and is subject to change without notice.