

Vendor Performance & Announcement December 2017

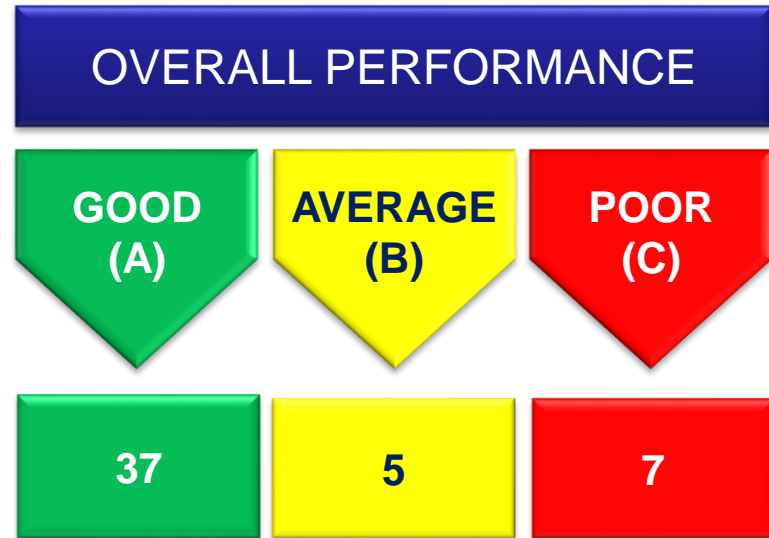
Mr. Sander Willems, Global Strategic Purchasing

Mrs. Sandra Voordeckers, Supplier Quality Assurance

Mr. Ted Witteveen, Logistics

Performance Dec 2017

Total component
Vendors (for production)
49

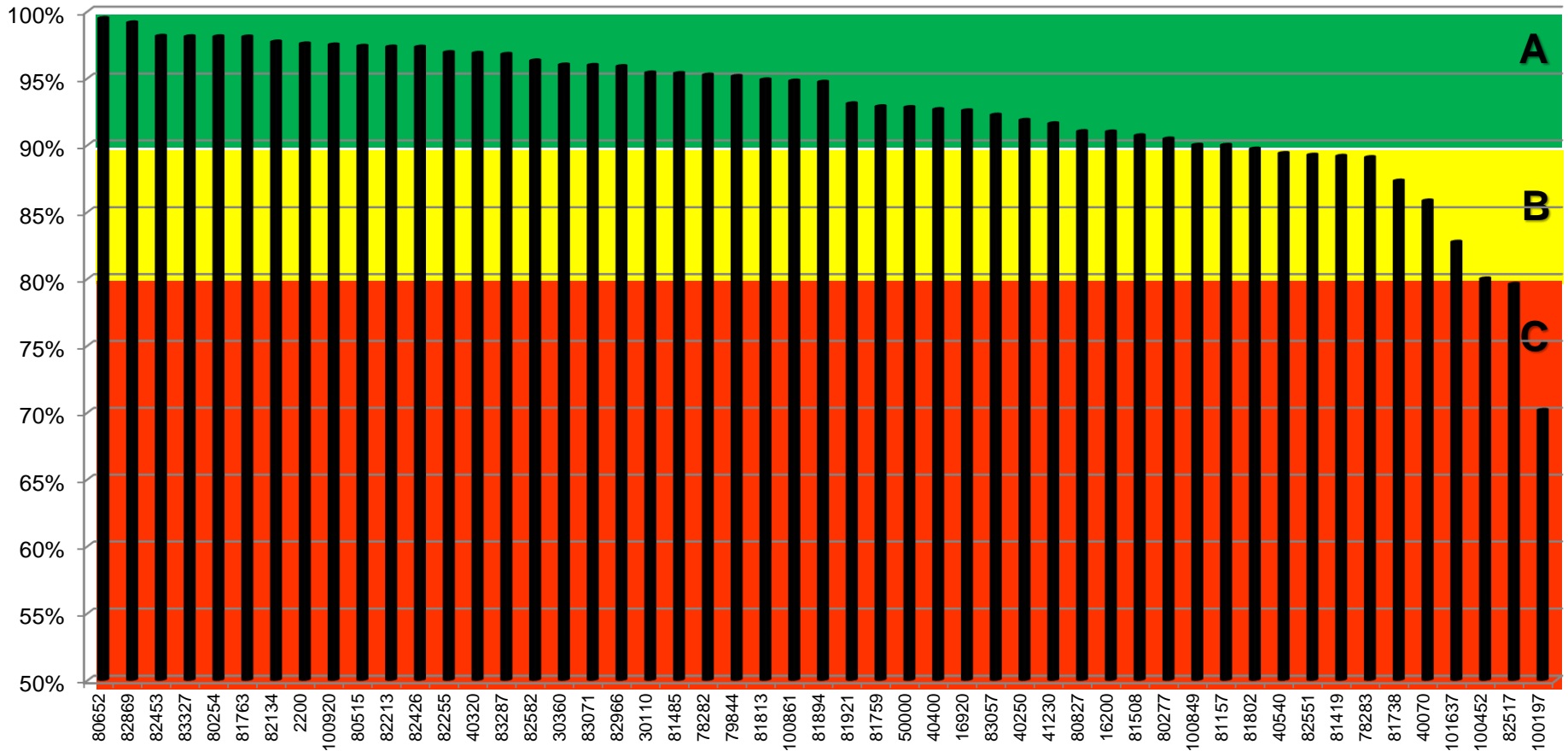


TOP 4 VENDORS	BOTTOM 4 VENDORS
2200	78283
82134	81419
80254	83287
50000	101637

Logistical Clip Measurement

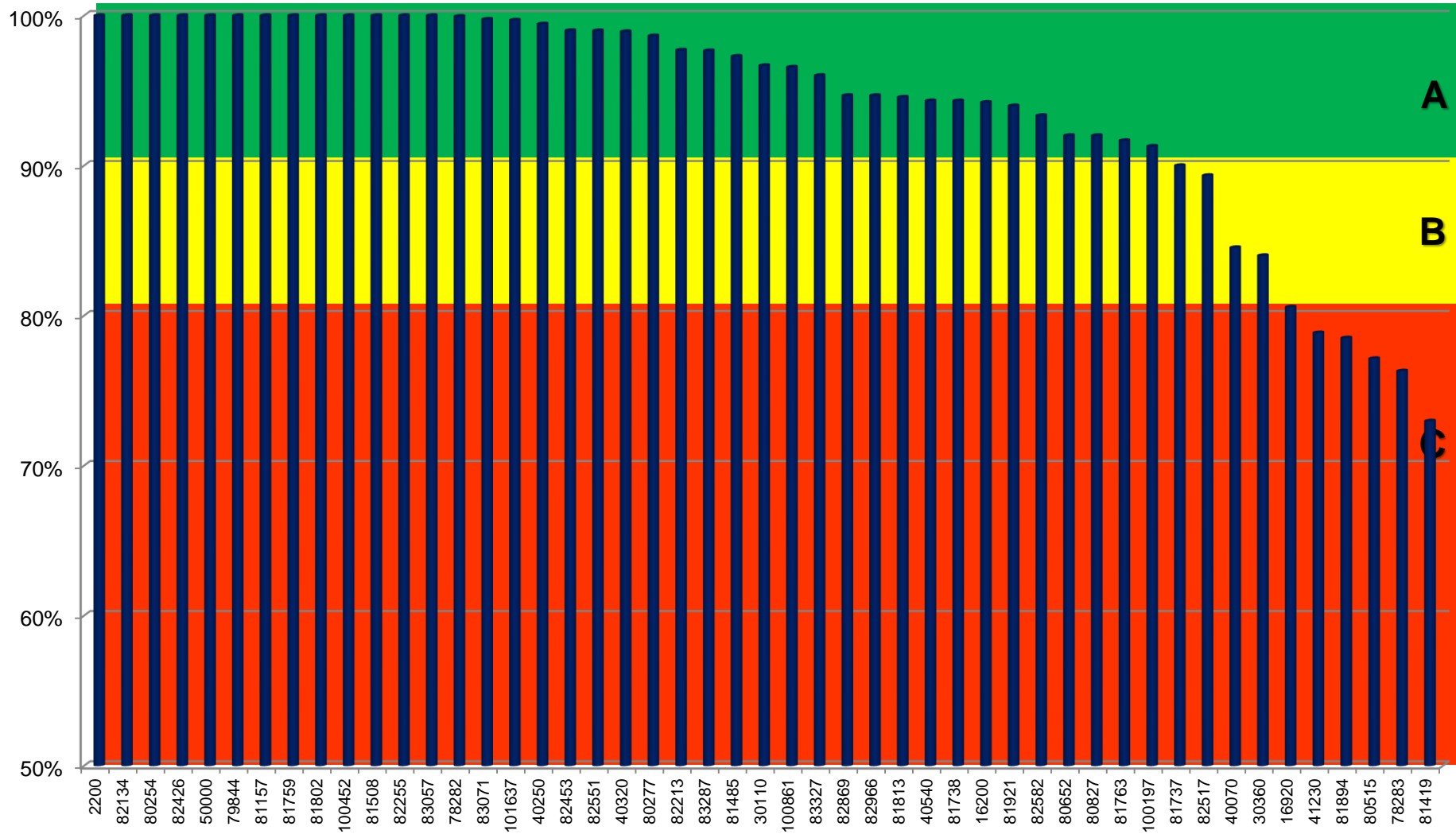
2017 cumulative total

%



Logistical Clip Measurement

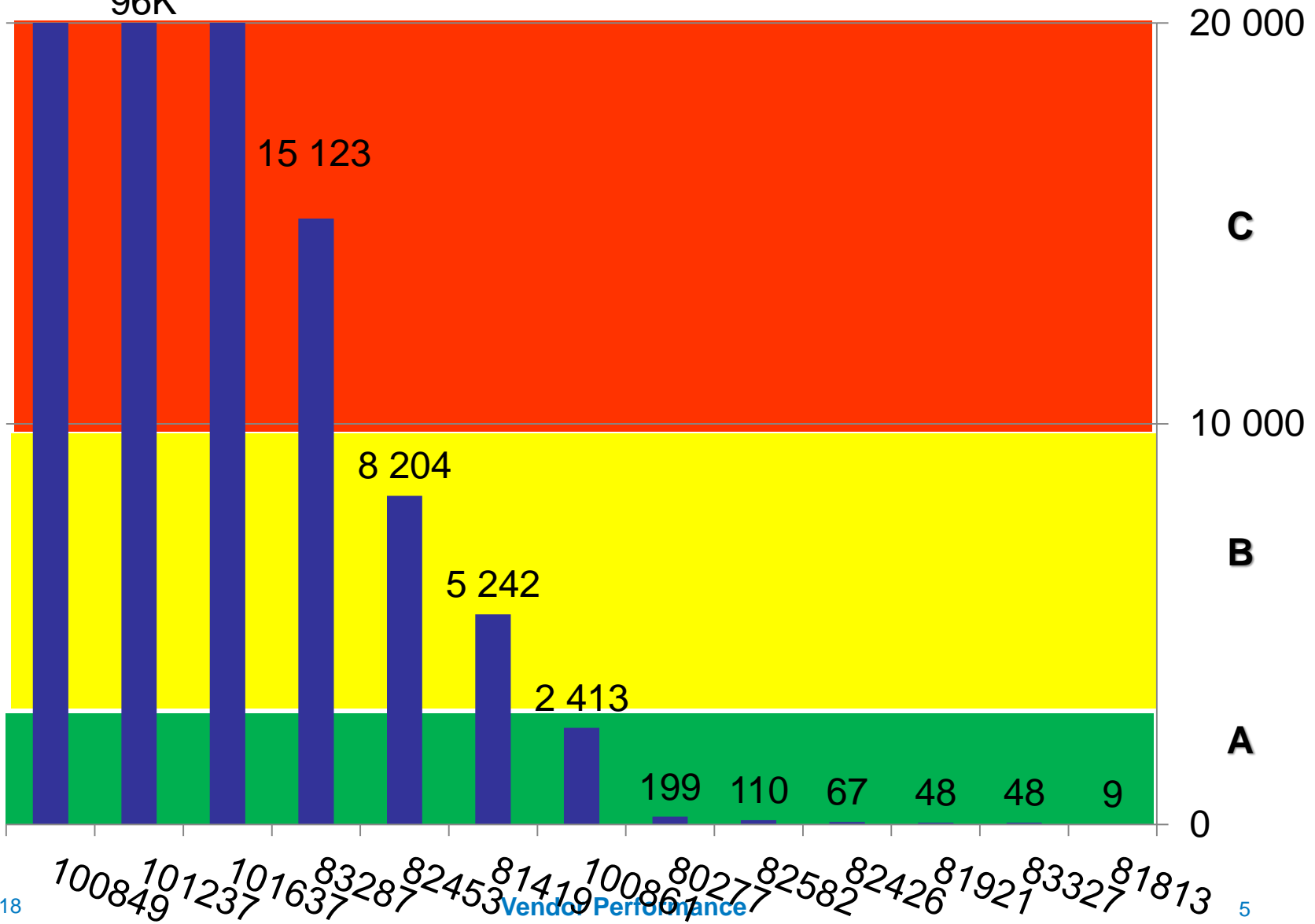
December 2017



Quality Measurement

Dec 2017

PPM 250K 96K 28K



Announcement : Red Vendors

- For Vendor 81419 Clip performance started- ongoing however no structural results yet
- For Vendor 78283 clip performance improvement project to be started
- Vendor supplier improvement programs to be continued in 2018
- For vendor 101637 the Quality Improvement needs to be continued for 2018
- For vendor 101237 a joint product launch is ongoing to improve/sustain performance
- Also for vendor 100849 a joint product launch is ongoing to improve/sustain performance

These Red Vendors will, together with Punch Powertrain Strategic Purchasing, investigate and present the **cause and counter measure report to Punch Powertrain Sint-Truiden**

Supplier Improvement Programs to be continued/started for CLIP performance

- 82517
 - 40070
 - 30360
 - 16920
 - 41230
 - 81894
 - 80515
 - 78283
 - 81419
- The following listed vendors need to have a close look at their CLIP performance over the last month(s). Delivery performance is extremely important for Punch Powertrain to secure productions and manage inventories. The bar for CLIP measurement and targets will be set higher for 2018. We expect listed companies to understand their delivery performance and start a CLIP improvement program. Our Logistics department can explain the way Punch Powertrain measures and what to improve.

Definition PPM

- PPM (Parts per million) is a measurement used by Punch Powertrain to measure quality performance.
- Definition: One PPM means one (defect) in a million or 1/1,000,000
- The Punch Powertrain rate for most automotive supplies is targeted at 25 PPM or 0.0025%. To calculate: For example, let's say you had 25 pieces defective in a shipment of 1,000 pieces. $25/1000 = .025$ or 2.5% defective. $.025 \times 1,000,000 = 25,000$ PPM.
- For 2018 the Quality definition and target will be sharpened. Communication to be followed in 2018.

Definition CLIP

- CLIP (Confirmed Line Item Performance) is a measurement used by Punch Powertrain to measure delivery performance between the supplier and Punch Powertrain Sint-Truiden.
- Definition: The KPI measurement considers all deliveries in a specific month versus delivery due date when:
 - The delivery arrives within a 3 day window + and - of the requested date ; And if the received quantities are +/- 10% of the requested quantity. The CLIP target is currently defined > 90%.
- Starting 1 January 2018 The CLIP KPI will be sharpened in such a way that Punch Powertrain only accepts too early deliveries in a 3 day window, but not anymore too late deliveries (+3 days). CLIP target for 2018 is > 95%.

Our new VT5 transmission in production!!

Landwind Xiaoyao



Punch Powertrain

