

2018 NISSAN REGIONAL MONOZUKURI SPIRIT AWARD WINNERS

Nissan North America recognizes suppliers who have shown an outstanding commitment embody the spirit of Monozukuri within their organizations. This year, Nissan recognizes the following companies for Monozukuri Spirit Awards:

Adient

Canadian National Railway

EFTEC North America, LLC.

Kotobukiya Treves North America, Inc.

North American Lighting Inc.

Sage Automotive Interiors

Yazaki North America Inc.

2018 NISSAN SUPPLIER DIVERSITY AWARD WINNERS

Nissan North America recognizes suppliers who exceeded or met Nissan objectives by successfully expanding opportunities for diverse businesses using certified suppliers.

ArcelorMittal USA

Autoliv Safety Technology

Flex-N-Gate Corporation

CB Richard Ellis

Kelly Services

Tweddle Group

Gentex Corporation

The Narmco Group

Yazaki North America

2018 REGIONAL SUPPLIER AWARD WINNERS

— 2018 —
REGIONAL SUPPLIER
QUALITY ACHIEVEMENT
CERTIFICATE

In the Category of Bulk/Raw Material

**NISSAN GROUP
OF NORTH AMERICA**



Presented to

ArcelorMittal USA

In recognition of the highest achievement among bulk and raw production supplier status based on quality evaluations throughout the 2017 fiscal year by Nissan North America Engineering, Manufacturing, Product Quality, Production Control and Purchasing divisions.

Bradley D. Thacker
Senior Director
Parts Quality Engineering
Nissan North America, Inc.

Emmanuel Boudon
Director
Supplier Quality Development
Nissan North America, Inc.
APO



**NISSAN GROUP
OF NORTH AMERICA**



SPECIAL EDITION
2018 Supplier Awards

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2018 Supplier Awards Recap

On August 21st, Nissan held its 2018 Annual Nissan Supplier Awards at the Country Music Hall of Fame and Museum in Nashville, TN. The ceremony seeks to recognize key suppliers in their commitment to excellence in achieving top level product quality, exemplifying the Monozukuri spirit, and Diversity.

Nissan Suppliers that exceeded expectations in the areas of Bulk/Raw Material, Quality Master, and Initial Quality were also recognized. Regional Supplier Quality Award Winners received accolades for standards such as exceeding PPM targets and having zero defects.

During the ceremony, Global Quality Award Winners were recognized for their outstanding contributions to Nissan's global business performance in fiscal year 2017. The Global Awards Ceremony was held on July 12, 2018 in Yokohama, Japan.

2018 Supplier Quality Award Winners

The companies below represent the best of Nissan North America supply base for the 2017 fiscal year:



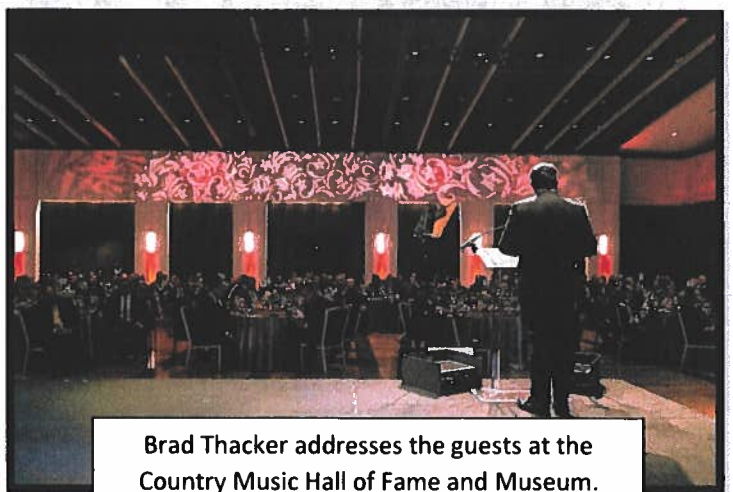
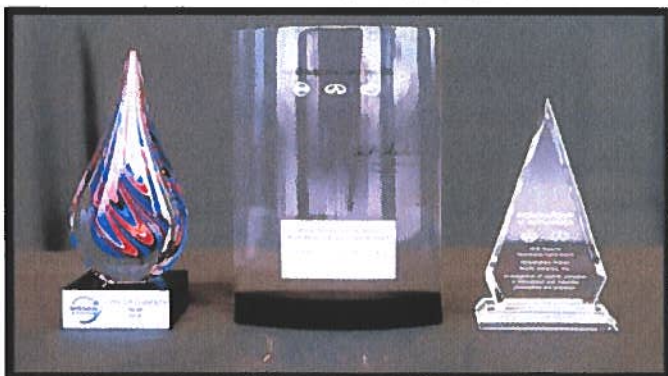
1. Mitsubishi Electric Automotive de Mexico, S.A. de C.V. (Electric Award Category)
2. NTN Manufacturing de Mexico, S.A. de C.V. (Chassis Award Category)
3. U.S. Tsubaki Automotive LLC. (Component Award Category)
4. Riken Mexico, S.A. de C.V. (Engine & Drive Award Category)
5. Topre America Corporation (Body Award Category)
6. SMR Automotive Vision Systems Mexico, S.A. de C.V. (Interior & Exterior Award Category)

2018 Monozukuri Spirit Award Winners

The companies below were recognized for their outstanding commitment to embody the spirit of Monozukuri within their organizations.



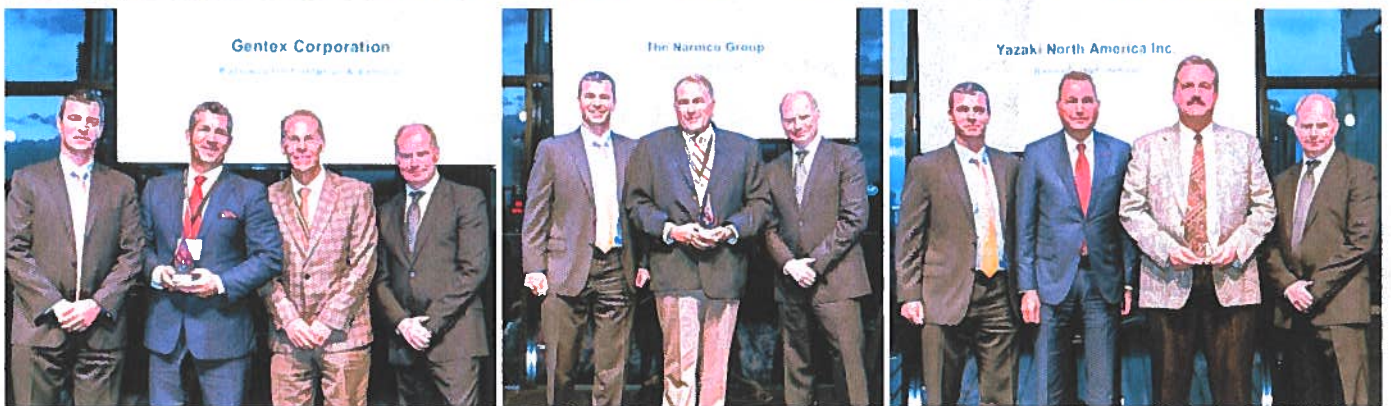
1. Adient
2. Canadian National Railway
3. EFTEC North America, LLC.
4. Kotobukiya Treves North America, Inc.
5. North American Lighting Inc.
6. Sage Automotive Interiors
7. Yazaki North America Inc.



Brad Thacker addresses the guests at the Country Music Hall of Fame and Museum.

2018 Supplier Diversity Award Winners

The companies listed below were awarded for exceeding Nissan's objectives by successfully expanding opportunities for diverse business using certified suppliers.



1. ArcelorMittal USA
2. Autoliv Safety Technology
3. Flex-N-Gate Corporation
4. CB Richard Ellis
5. Kelly Services
6. Tweddle Group
7. Gentex Corporation
8. The Narmco Group
9. Yazaki North America

2018 Supplier Bulk/Raw Material Quality Achievement Certificate Recipients

Nissan North America recognizes top bulk and raw materials production suppliers based on quality, cost, delivery, development, and management evaluations from Nissan's Engineering, Manufacturing, Supply Chain Management, Product Quality, Production Control and Purchasing divisions from April 1, 2017 to March 31, 2018. This year, Nissan recognizes the following companies for the Bulk/Raw Material Quality Achievement Certificate:

1. ArcelorMittal USA
2. JX Nippon

2018 Supplier Quality Master Certificate Recipients

Nissan North America recognizes top production suppliers based on quality evaluations from Nissan Engineering, Manufacturing, Product Quality, Production Control and Purchasing divisions. Supplier are rated on performance regarding parts per million defect rate, warranty, countermeasure lead-time, recalls and responsiveness from April 1, 2017 to March 31, 2018. This year, Nissan recognizes the following companies for Quality Master Certificates:

1. Applied Acoustics International (Body Award Category)
2. HAMSA, Division of Tower International (Body Award Category)
3. Hi-Lex Mexicana, S.A. de C.V. Queretaro (Body Award Category)
4. Thyssenkrupp Presta, North America LLC (Chassis Award Category)
5. Topre America Corporation Smyrna (Body Award Category)

2018 Supplier Initial Quality Certificate Recipients

Nissan North America recognizes production suppliers who achieve an overall defect rate of less than three PPM (parts per million) based on quality evaluations from April 1, 2017 to March 31, 2018. This year, Nissan recognizes the following companies for Initial Quality Certificates:

1. Gentex Corporation Zeeland, MI (Interior & Exterior Award Category)
2. Enkei America Inc. Columbus, IN (Chassis Award Category)
3. Superior Industries N.A. S de R.I. de C.V. (Chassis Award Category)
4. Topre America Corporation Cullman, AL (Body Award Category)

2018 Supplier Quality Award Finalists

Nissan North America recognizes the following suppliers for their contribution to Nissan quality during the 2017 fiscal year. This year, Nissan recognizes the following companies as Supplier Quality Award Finalists:

1. Arnecom (Yazaki) Mexico, S.A. de C.V., San Nicolas (Business Unit: Electric)
2. Arvin Sango Inc., Madison (Business Unit: Engine & Drive)
3. Robert Bosch Powertrain Systems, Mexico (Business Unit: Engine & Drive)
4. CKNA Electronics, Lewisburg (Business Unit: Electric)
5. Corporacion Mitsuba de Mexico, S.A. de C.V., Apodaca (Business Unit: Interior & Exterior)
6. Freudenberg-Nok (Business Unit: Component)
7. HAMSA, Division of Tower International (Business Unit: Body)
8. Hi-Lex Mexicana de Queretaro (Business Unit: Body)

9. IAC Mexico, Toluca (Business Unit: Interior & Exterior)
10. KiriU U.S., Bowling Green (Business Unit: Chassis)
11. Lunkomex Mexico, S. de R.L. de C.V., Puebla (Business Unit: Body)
12. Martinrea Mexico, Silao (Business Unit: Component)
13. Maxion Wheels de Mexico, S. de R.L. de C.V., Chihuahua (Business Unit: Component)
14. Mitsui Kinzoku ACT Mexicana S.A. de C.V., Guanajuato (Business Unit: Body)
15. Roki America Co., Findlay (Business Unit: Engine & Drive)
16. San Luis Metal Forming, Villa Rey (Business Unit: Body)
17. SKF de Mexico, S.A. de C.V., Puebla (Business Unit: Engine & Drive)
18. Toyota Gosei North America, Lebanon (Business Unit: Component)
19. Valeo North America Inc., Winchester (Business Unit: Electric)
20. Yorozu Mexicana, S.A. de C.V., Aguascalientes (Business Unit: Chassis)

Supplier Council Review



Since the council's introduction in February 2011, our approach has been to create a forum for key production Supplier executives to interact directly with Nissan executives in an environment that encourages transparency and fosters stronger working relationships. Supplier members are considered representatives for Nissan's supply base overall and are encouraged to be advocates for continuous improvement based on the "voice" of the supply base.

Through close collaboration, Nissan and Supplier members identify opportunity areas within the business relationship and develop practical solutions and tools that enhance supplier performance as well as Nissan's ability to deliver on corporate goals and objectives aimed at strengthening the Nissan brand.

We've all seen in Automotive News that Nissan didn't fare well in the recent Working Relations Index (WRI). Please be assured this is getting the appropriate attention it deserves. We recognize and desire the benefits that develop with having strong supplier relations. We want your **best technology**, your **best talent** on our account and your **most competitive pricing**, but we have work to do.

We are looking closely at the fundamentals in our approach to supplier relations and how we can change in our daily interaction to build more favorable partnerships going forward. The simplest action is for all of us to approach our relationship with **RESPECT, TRANSPARENCY & TRUST**.



August 2nd Supplier Council Meeting in Nashville, TN. Conducted a V-Up activity to address WRI concerns and create ideas for improvement.

In order to develop an environment that encourages transparency and fosters stronger working relationships, we would like to introduce to you members of the Supplier Council who will serve as advocates for continued improvement and be the "voice" of the larger supply base. We encourage you to reach out to these members and share your feedback.

1. Jim Tobin, Chief Marketing Officer & President, Magna International, JTobin@magna.com
2. Bethany Toldo, Vice President, MAHLE Industries, Bethany.Toldo@us.mahle.com
3. Brad Pepper, Vice President, Topre America Corporation, BPepper@topreamerica.com

After our investigations into the survey result, and after consulting with our Supplier Council and Purchasing Team members, we are working on action plans and beginning to implement identified improvement opportunities. We appreciate your patience and support as we address your concerns.

Supplier Webcast

Nissan's Supply Chain Management team hosts a Supplier Webcast on a monthly basis to cover a variety of important topics related to the Supply Chain for Smyrna, Canton and Decherd. These webcasts are typically held on the 2nd Thursday of each month, based on availability.

Each webcast covers the following topics:

- Forecasted volumes and work schedules (vehicles and engines)
- Capacity Analytics Studies/New Model Requirements
- Transportation
- International Logistics/Export Center Operations
- Service Requirements

There are three more Supplier Webcasts scheduled for 2018:

- October 11th
- November 15th
- December 13th

If you would like to attend one of these webcasts, or to be added to the monthly invitation, please complete the Survey Monkey sign-up at <https://www.surveymonkey.com/r/SCMWebcast>.

GTOP21 for Suppliers

For NMEX, not only is Supplier training important, it is vital that suppliers are trained in a variety of topics in order to gain maximum benefit.

Our NMEX Purchasing IS team is offering training on one of the most used systems in the day-to-day activities, "GTOP21".

This training is a fundamental piece for the daily work of each buyer and supplier, for this reason, we encourage everyone to receive the necessary tools to better perform their activities.



The objective of this session is to teach NMEX suppliers to use the GTOPI system, both basic and advanced topics, in 6 hours.

To participate, it is necessary to take into account the following:

- The training takes place at NISTEC Toluca, Mexico
- Registration is done through a format issued by NMEX IS Purchasing area
- The maximum capacity of each session is 8 people (2 people per supplier)
- Those suppliers who want to register, must have a **USER AND PASSWORD** of GTOPI system.

Since the scope of the training is solely on the use of the system, the assistance of the buyer is necessary.

FY18 "GTOPI Supplier" training dates are as follows:

- Monday, October 22nd, 2018
- Tuesday, November 13th, 2018

If you have any questions or comments, please contact Ramiro Deter Vasquez Lira at Ramiro.VasquezLira@nissan.com.mx.

CIAM 2018



On Friday September 7th 2018, Horacio Saldivar, NMEX Local Purchasing Head, attended an annual forum held by CIAM (International Congress of the Automotive Industry in Mexico), whose vision is to be the best international strategic forum and congress (hosted in Mexico) that communicates and integrates, for the automotive value chain development.






It was a unique event for high level executives where ideas, of all those present in the industry, about the subjects that affect our environment today and are dynamically integrated among the presenters.

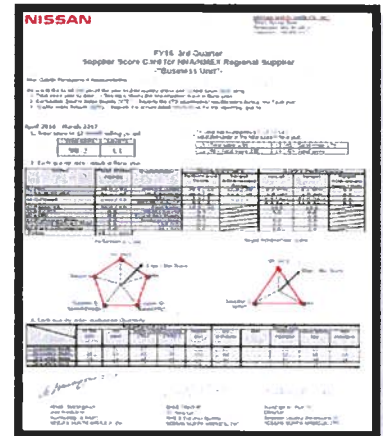
The main topics presented by Horacio were NISSAN IN MEXICO CY'17, NEW SHAPE OF THE ALLIANCE & NISSAN M.O.V.E. TO 2022.

Supplier Quality – New Supplier Scorecard

As many are already aware, Nissan had made changes to the supplier scorecard (SSC) introducing several revisions including the new KPI – Supplier Ranking. The changes are a result of Renault and Nissan’s continuous collaboration towards a common scorecard for their supply base.

Renault and Nissan will continue to align their scorecards where both companies will have one common set of criteria and one common scorecard. There will be 5 Revisions from the current SSC to the New SSC:

- Revision 1  **Re-aligned Business Units** to RNPO Commodity Groups
- Revision 2  Insertion of new KPI “Supplier **RANKING**”
- Revision 3  **Revised limits** for Performance Points & Target Achieve Points
- Revision 4  **Boundary** between L3/L4 changing from 70 to 60 points
- Revision 5  **Adjust targets** for Business Units and new for “Ranking” KPI



Look for changes on the next released Scorecard!!!

Specific details explaining the new revisions were rolled out in the recent Webinar: FY18 Nissan Supplier Scorecard Revisions. The webinar can be viewed through the ANX portal site where you can also receive latest news and information: <http://nscp.anx.com>.

Material information

1. Nissan Supplier Portal (Login Required)
<https://www.supply.nissan-ix.com/supplier-portal/secured-home/pur/news.html>



2. ANX Supplier Portal
<http://nscp.anx.com/login/index.php>

Supplier Quality – SQD to Launch New Supplier Quality Portal



SQD is developing a new Supplier Quality Portal to serve all suppliers within NNA & NMEX. The site will allow suppliers to:

- View their Quality Reports
- View their ASES/PESES evaluations
- View standards/procedures
- View training material/links
- View special bulletins and messages

Supplier Quality Training Opportunities

SQD is continually striving to develop our Supply Base. Nissan Internal/External Training Offerings are still on the move.

Internal (led by Subject Matter Experts):

- Supplier Scorecard Interpretation
- Nissan PCR/FSCR Submission Process
- Warranty Management System
- Supplier Warranty Claim Analysis Tool
- Warranty Parts Return Process Best Practices
- Warranty Liability Ratio Adjustment Process
- Understanding Nissan Warranty Claims Data
- Change Management/4M Requirements
- Critical Characteristics

External (through ITESM, UTCIS, & MS CAVS):

- ANPQP – Alliance New Product Quality Procedure (ITESM Only)
- PFMEA/Control Plan
- Problem Solving & 8D
- Firewall Containment

To sign up and view upcoming training events, visit:

- Nissan Supplier Portal – <http://www.supply.nissan-ix.com/>
- Nissan Supplier Communications Portal (NSCP) – <http://nscp.anx.com>
- ITESM – Tecnológico de Monterrey – www.itesm.mx
- University of Tennessee Center for Industrial Services – <https://www.cis.tennessee.edu/manufacturing-excellence-training/nissan-supplier-quality-development>
- Mississippi State Center for Advanced Vehicular Systems – <http://www.cavse.msstate.edu/workshops/>

Returnable Packaging Containers – *Returnable* being the key word

Issues relating to returnable packaging were raised to the Supplier Council on August 2nd, 2018. Most of you know that this is not a new issue but rather an ongoing matter that has resulted in additional costs to both Nissan and Suppliers. Collectively, this issue results in additional costs to Nissan and its suppliers due to increased waste, expendable packaging, additional warehouse space, compromised part quality, and countless man hours.

No doubt, this is a sizeable problem for all of us and one that we can work together to eliminate.

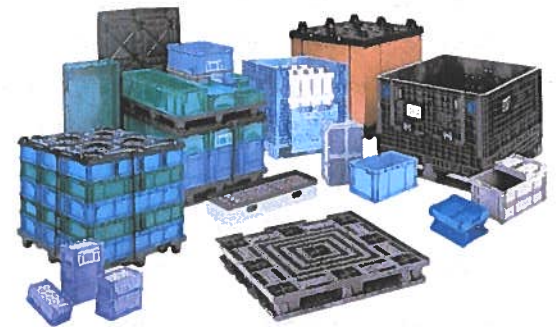
Nissan has taken some initial steps to understand how to improve and correct our returnable container issues:

- Establishment of a core cross-functional group between Nissan Supply Chain Management (SCM) and the Alliance Purchasing Organization (APO) to study and identify the root causes of lost returnables and take corrective action
- Purchase of GPS trackers to assist in root cause analysis regarding transportation loops and pinpointing gaps

So far, these actions have helped us to confirm the following areas of risk:

- Container theft for resale in the used container market
- Un-approved logistics routes
- Domestic container fleets used on Mexico routes

Specific to container theft and resale, we discovered several websites that offer a 'quick and convenient method to connect sellers and buyers of used containers'. However, in some cases, these businesses lack a robust mechanism for verification of ownership prior to transfer from seller to buyer through the website. We have also discovered instances where individuals and or businesses may knowingly obtain containers and remove property tags prior to resale.



With regard to un-approved logistics routes, while SCM is working to audit processes to help manage the supplier container fleets, compliance and diligence is necessary from the supplier base. Lastly, as a reminder, containers purchased for Domestic Tier 1 loops should not be used for Mexico logistics routes as the fleets cannot support this loop.

With regard to un-approved logistics routes, while SCM is working to audit processes to help manage the supplier container fleets, compliance and diligence is necessary from the supplier base. Lastly, as a reminder, containers purchased for Domestic Tier 1 loops should not be used for Mexico logistics routes as the fleets cannot support this loop.

Request to Suppliers: Please ensure that within your own facilities, you have a robust audit process to actively manage outgoing/inbound containers in order to mitigate issues stemming from the risk items noted above. Follow all packaging guidelines as provided by Nissan and confirm that you are following authorized routes only. The approved container fleet sizes are only for use from Nissan to Tier 1 suppliers; therefore, any deviation is considered out of process.

In addition to addressing supplier claims, Nissan SCM Packaging Team is validating container purchases and reviewing appropriateness of fleet sizes beginning with L42P and future models.

Nissan and the Supplier Council are continuing to study this matter, however, we also welcome input from the rest of our Suppliers. With your help, our goal is to develop a robust process within APO and SCM functions to ensure continued observation and controls are in place to reduce costs and better track our containers...saving us both money!

Please send comments or concerns to NNA Supplier Feedback: SupplierFeedback@nissan-usa.com.

Diversity Spotlight – NMSDC Conference

The NMSDC Conference and Business Opportunity Exchange is the nation's premier forum on minority supplier development. For four days, more than 6,000 corporate CEO's, procurement executives and supplier diversity professionals from the top multinational companies, as well as leading Asian, Black, Hispanic and Native American business owners and international organizations will convene in Austin, Texas to re-energize their collective efforts to **Certify > Develop > Connect > and Advocate** for solid minority firms in the global corporate supply chain.

A one-day Business Opportunity Exchange highlights the opening day of the conference. More than 700 exhibit booths provide the perfect backdrop for corporations and minority business enterprises to showcase their products, services and solutions. In the days that follow, thought leaders, chief procurement officers and seasoned minority business executives engage in panel discussions, plenary sessions and workshops to share best practices, current trends and issues, and next practices to bolster the value that minority suppliers deliver to its corporate customers.

The event culminates in a black-tie Awards Banquet to recognize outstanding achievements by corporate members, MBEs and affiliate regional councils in the NMSDC network. The event is expected to add approximately \$7.5 million to the Austin economy.

The one-of-a-kind events features:

- Thousands of corporate executives, procurement professionals and Asian, Black, Hispanic and Native American business owners
- More than 20 targeted sessions and workshops
- A one-day Business Opportunity Exchange with more than 700 exhibit booths
- Matchmakers (by appointment only)
- A black-tie Awards Banquet
- Endless opportunities to network, network, network!

NMSDC Conference Link: <http://www.nmsdc.org/pec-events/annual-2018-nmsdc-conference-business-opportunity-exchange/>

Make sure to stop by the Nissan Booth!

October 14 – 17, 2018

Share Your Thoughts

We hope you found the Nissan Supplier Newsletter to be informative. If you have items you would like us to include in the future, please send your ideas to: SupplierFeedback@Nissan-usa.com.