

**Advantech's policy is to provide our Customer Flow Down Requirements to our suppliers:**

- Advantech reserves the right to perform source inspection at a supplier facility
  - ✓ Advantech reserves the right of access to supplier facilities for its customer and authorities for verification of products and processes to ensure conformity to specified requirements
  - ✓ Supplier notification of product/ process readiness (target: 48 hours) shall be made by Advantech Purchasing, who will make arrangements with customers for verification
  - ✓ The supplier shall make available the resources, facilities, and equipment to facilitate any such inspections required
  - ✓ This right extends to our customers, applicable regulatory agencies, and any sub-tier suppliers used to fulfill a purchase order.
- Advantech suppliers are required to ensure that persons are aware of their contribution to product or service conformity, their contribution to product safety, and the importance of ethical behavior.
- Certificates of Conformance are required as identified on an Advantech Purchase Order (PO).
- The Quality Plan referenced on the Purchase Order must be followed - no exceptions
- Documents and records associated with a PO are to be retained for a minimum of 7 years
- Advantech Suppliers must maintain conformance and traceability records regarding the product or service provided.
- When utilizing sampling inspection, the method must be following a statistically valid standard (i.e., ANSI Z1.4 or equivalent)
- **Shipments with known nonconformities will not be accepted without prior authorization**
- All "special processes" required by this PO must be performed by qualified personnel, and the processes require validation periodically to ensure output meets requirements. Process validation records must be available upon request.
- Any differences between product requirements and what the provided by the supplier must be identified, communicated, and approved before shipping.
- Suppliers are not, under any circumstance, granted authority to alter the product design and characteristics
- Supplier detection of a nonconforming product must be communicated in writing to the Advantech quality department for a risk assessment
- Outsourcing of an Advantech PO to your suppliers requires communication of all applicable requirements and specifications to your sub-tier supplier
- If providing calibration services, all certificates must identify standards used and must be traceable to NIST Standards
- Source Inspection/ Surveillance may be used by Advantech's quality personnel to evaluate the following:
  - ✓ Supplier capability assessment
  - ✓ The review of the Supplier Quality Management System
  - ✓ Supplier / Subcontractor conformance to Advantech and customer requirements.
- Advantech will accommodate customers' requests for source inspection. If required, Advantech will inform the supplier of the customer visit. The supplier will provide all the necessary facilities, equipment, documentation, etc. needed by Advantech's customer.
  - **FAR Requirements**
    - FAR 52.203-11- Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions
    - FAR 52.203-12- Limitation on Payments to Influence Certain Federal Transactions
    - FAR 52.203-17- (this one only applies to PO's over \$250k)- Contractor Employee Whistleblower Rights and Requirement To Inform Employees of Whistleblower Rights

- FAR 52.203-19- Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements
- FAR 52.204-21- Security Requirements
- FAR 52.204-23- Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities
- FAR 52.204-24- Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment
- FAR 52.204-25- Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment
- FAR 52.204-26- Covered Telecommunications Equipment or Services-Representation
- FAR 52.209-6- Protecting the Government’s Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment
- FAR 52.211-15- Defense Priority and Allocation Requirements
- FAR 52.222-21- Prohibition of Segregated Facilities
- FAR 52.222-26- Equal Opportunity
- FAR 52.222-50- (this one only applies to PO’s over \$550k)- Combating Trafficking in Persons
- FAR 52.225-1- Buy American-Supplies
- FAR 52.225-13- Restrictions on Certain Foreign Purchases
- FAR 52.244-6- Subcontracts for Commercial Products and Commercial Services

**DFAR Requirements**

- DFARS 252.204-7000- Disclosure of Information
- DFARS 252.204-7008- Compliance with safeguarding covered defense information controls
- DFARS 525.204-7012- Safeguarding of Unclassified Controlled Technical Information
- DFARS 252.204-7018- Prohibition on the Acquisition of Covered Defense Telecommunications Equipment or Services
- DFARS 252.204-7019- Notice of NIST SP 800-171 DoD Assessment Requirements
- DFARS 252.204-7020- NIST SP 800-171 DoD Assessment Requirements
- DFARS 252.223-7008- Prohibition of Hexavalent Chromium
- DFARS 252.225-7007- Prohibition on Acquisition of Certain Items from Communist Chinese Military Companies
- DFARS 252.225-7008- Restriction on Acquisition of Specialty Metals
- DFARS 252.225-7009- Restriction on Acquisition of Certain Articles Containing Specialty Metals
- DFAR 252.225-7030 –Restriction on Acquisition of Carbon, Alloy, and Armor Steel Plate
- DFARS 252.225-7048- Export-Controlled Items
- DFARS 252.225-7050- Disclosure of Ownership or Control by the Government of a Country that is a State Sponsor of Terrorism
- DFARS 252.244-7000- Subcontracts for Commercial Items
- DFARS 252.246-7003- Notification of Potential Safety Issues

Rev.	Change(s)	Date	Authorized By
A	New	09/28/2020	J. Anderson
B	Re-formatted 1 <sup>st</sup> paragraph. Rephrased sampling inspection section. Added last section.	10/16/2020	J. Anderson
C	Added FAR and DFARS information	04/20/2022	M. Allen