



Lear Corporation

Supplier Rating System (SRS)

Supplier User Manual

Version 2.0 - October 4, 2012
Version 2.1 - March 31, 2015
Version 2.2- April 10, 2018
Version 2.3 – March 1, 2021

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**SECTION 1 -
INTRODUCTION**

2015 Rating Scale Update

The Lear Supplier Rating System (SRS) and the SRS Monthly Scorecard meet the requirements of IATF 16949 section 8.4.2.4 and track the global performance of all production suppliers that ship to Lear and its affiliates.

This data is used to prioritize improvement objectives within the supply base and is also shared with the supply base to establish a foundation for improving supplier activity and to help suppliers understand the performance process.

The SRS Scorecard rating scale was updated to include the following 5 categories:

1. Quality – PPM	(30 Points Total)
2. Written Concerns	(25 Points Total)
3. Delivery	(20 Points Total)
4. Customer Satisfaction	(15 Points Total)
5. Warranty	(10 Points Total)
<hr/>	
Total Points	100

**Supplier Access to SRS
Supplier System Administrator Requirement**

All suppliers are required to register a supplier system administrator which will assign user IDs and passwords to users within its company for the purpose of accessing Supplier Bulletins, User Manuals and the Lear on-line Purchasing applications (access2.lear.com eSRM Portal), which include:

- Supplier Rating System (SRS)
- Supplier Quality Tracking System (SQTS)
- Profile – Supplier APQP
- Purchase Order Retrieval
- On-Line Quoting (RFQ & ECNs)

Access to Lear eSRM applications is grated by HQ entity – under which you ship to Lear Corporation.

To register, change or update a supplier system administrator (contact name & information), send a detailed email to supplieraccess@lear.com and include the first & last name, company name, phone, and email address of the new administrator.

It is the supplier’s responsibility to maintain current supplier contacts (minimum of 2) at each of the manufacturing locations that are shipping to Lear and its affiliates. **Supplier Administrator required at HQ/Corporate level – not plant level.**

The Supplier Administrator is responsible for adding users, resetting passwords, inactivating users, changing access, making changes to records, etc. for your entire company.

If that person is no longer employed, send the following information to set up a new ADMINISTRATOR:

Supplier Legal Name:
Lear Supplier HQ Code:
First Name:
Last Name:
Job Title:
E-Mail:
Phone:

Once you have this information, please email supplieraccess@lear.com in order to set up the new administrator for your company.

Fyi - Supplier requirements manual can be found on our website – www.lear.com.

Supplier Review of Monthly Scorecards

SRS Monthly Scorecards are available for download at www.lear.com. The previous months' scorecard is available on the 12th day of the following month.

Example: June scorecards are available on July 12th

Suppliers are expected to download and review their monthly SRS scorecard data for each of their manufacturing locations that are shipping to Lear and its affiliates.

The supplier must report any scorecard errors or discrepancies to the issuing Lear plant for review and discussion.

Important Note:

The Supplier Rating System is for "Production Parts/Materials" and does not include service parts/materials or non-production items.

Corporate & Common SRS Scorecards

The SRS Scorecard has two (2) levels:

- 1. Corporate** – Summary of the monthly and YTD SRS ratings for all manufacturing locations assigned to the selected supplier Headquarter
- 2. Common** – Summary of the monthly and YTD SRS ratings for a selected supplier's manufacturing location

The YTD Summary (Score) for Written Complaints, Delivery, Customer Satisfaction & Warranty **is an averaged score.** All data for each of these categories is generated by the Lear plants and its affiliates.

The YTD Summary (Score) for Quality-PPM is based on the actual number of pieces rejected / pieces received x 1,000,000 and the YTD Score is based on the PPM rating scale by points. **The total PPM score is not averaged – it is an actual YTD score** based on total receipts received year to date.

IMPORTANT NOTES:

Supplier data is now shown in 12 month “rolling” format (i.e. from March 2019 to February 2020)

Suppliers are required to review their scorecard on a monthly basis. Failure to do so may potentially jeopardize future business opportunities with Lear.

Questions & Support

All questions or disputes regarding SRS ratings should be directed to the issuing Lear Plant or its affiliate that provided the ratings.

Any issues regarding the Supplier Rating System (SRS) that are not covered in this manual should be submitted in detail and include the Lear Supplier Corporate and Common Vendor Number and contact information to:

SupplierAccess@lear.com

**SECTION 2 -
SRS CATEGORIES & MONTHLY SCORES**

Quality - PPM Rating Scale

Quality—Parts Per Million (PPM) category is calculated by the system and is based on:

$(total\ number\ of\ pieces\ rejected / total\ pieces\ received) \times 1,000,000$

The Actual PPM is then matched to the table below to determine the PPM Score

Actual PPM	Rating
0	G
0.1-25	Y
>25	R

Written Concerns Rating Scale

The **Written Concerns category** is calculated by the system, on the 5 Sub-Types and the sum of the number of occurrences within each of the three Severity Levels (Minor, Plant Disruption & Customer Incident).

Sub-Type	Severity Level	Points
Engineering Issues	Minor	0.2
Minor Issues	Minor	0.2
Repeat Minors	Minor	0.2
Plant Disruptions	Lear Plant Disruption	0.5
Customer Incidents	Customer Incident	1.5

Definitions of Sub-Types:

- Level 0 Engineering Issues**
The concern may be due to a design error, wrong material specified, incorrect dimensions, etc.
- Level 1 Minor Issues**
These are concerns that do not affect build or the quality of an assembly. Examples could be burrs, flash, scratches or other flaws, unless the part is an appearance item.
- Level 2 Repeat Minor Issues**
These are minor concerns that are repeated month after month. The supplier is taking too long to make corrections or is not taking any correction action to prevent re-occurrence.
- Level 3 Plant Disruption**
This includes all quality issues that affect production at the Lear plant (sorting, re-work & downtime). This category can also include any Safety/FMVSS and Critical Parts.
- Level 4 Customer Incident**
This is used to identify any quality issue that is reported at Lear’s Customer’s location(s).

Written Concerns – Rating Scale / Score

Sum of Written Concerns / Points	Score
0.00 - 0.19	G
0.20 -1.49	Y
>1.50	R

Delivery Rating Scale

The **Delivery Rating category** is calculated by the system and is based on the sub-type and the sum of the number of occurrences within the following 3 Severity levels (minor, major-plant disruption and customer delivery incident):

Delivery – Rating Scale / Score

QN Sub-Type	SEVERITY LEVELS	Points
Damaged (Minor)	MINOR	0.2
Early / Overship (Minor)	MINOR	0.2
Missed / Short Shipment (Minor)	MINOR	0.2
Missed / Short Shipment (Plant Disruption)	MAJOR (Lear Plant Disruption)	0.5
Missed / Short Shipment (Customer Incident)	MAJOR (Customer Delivery Incident)	1.5

Delivery Occurrence Points	Score
0.00	20
0.20 - 0.60	18
> 0.61	0

Customer Satisfaction Rating Scale

The **Customer Satisfaction rating category** is calculated by the system and is based on the sum of the number of occurrences for the month in the following 5 categories:

CATEGORY	DESCRIPTION
DOCUMENTATION	On time and accurate documentation, as required by each location (including but not limited to missing certificates of origin, packing slips, SPC data, invoices, packing slips or labels)
INTERNATIONAL MATERIAL DATA SYSTEM (IMDS)	On-time and accurate IMDS Data Submissions
PPAP	On-time and accurate PPAP Submissions (Production Part Approval Process)
QUALITY	On time and accurate response to Quality Notices (QNs), including plant visits as requested by Lear
QUALITY SYSTEMS	Missing or Expired Quality/Environmental certifications or if a nonconformity is issued during a 2nd Part Quality Audit at the supplier's manufacturing location

Total Number of Occurrences per Month	Score
0	15
1	9
2	7
3	5
4	3
> 5	0

Warranty Rating Scale

The **Warranty category** is calculated by the system and is based on the occurrence of warranty issue, which is defined as:

“Field Return from End User” – a warranty claim received from Lear’s Customer.

Occurrence	Points / Score
No QN or Occurrence Reported	10.00
1 or More	0.00

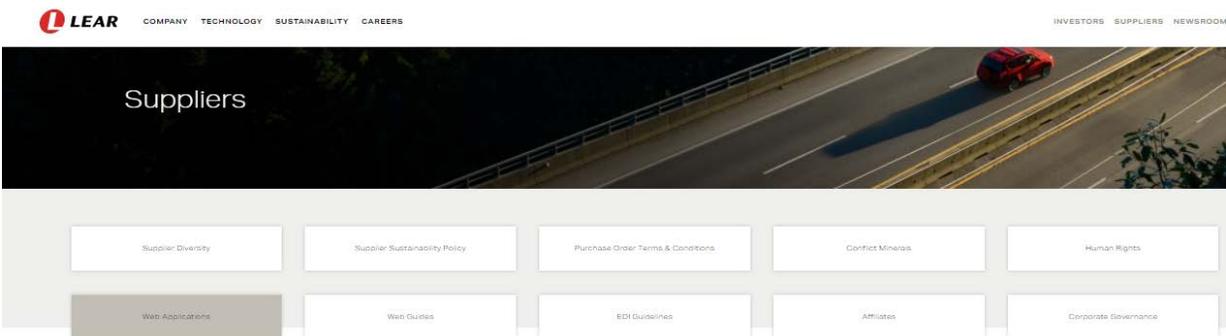
SECTION 3 - NAVIGATING & USING THE SYSTEM

Accessing the Supplier Rating System

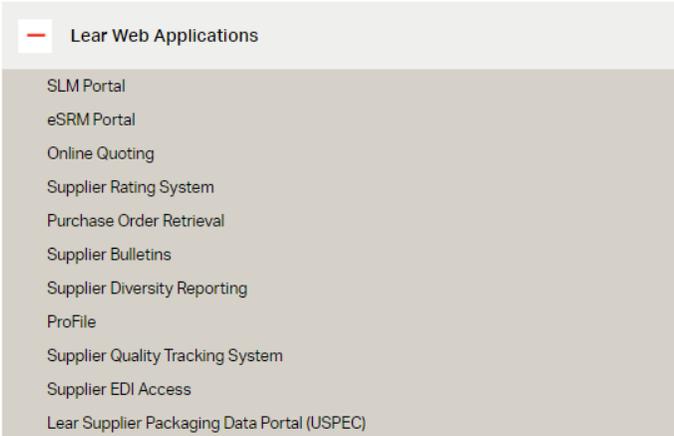
Once you are assigned a user ID and password by your company’s supplier administrator, you are ready to access the Supplier Rating System. Complete the following steps to access the system:

You need to have Adobe Reader v8.0 installed on your workstation to view the scorecards. If you do not have this software installed, you can download the freeware software from www.adobe.com or contact your local help desk for installation assistance.

1. Log into <http://www.lear.com>
2. Click on “Suppliers” (top right)



3. Click on “ONLINE” (center)
4. Click on “Web Applications” (left)
5. Scroll down and choose Application: Supplier Rating System moved to Supplier Quality Tracking System (SQTs)



Next, “Click Here to Enter” box appears

“Enter Network” password screen appears - enter your assigned User ID and Password & click OK.

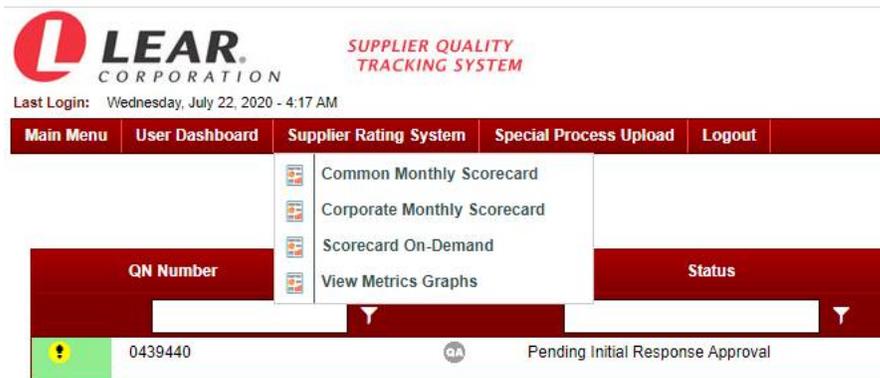


Important Note: Report any problems with your User ID or Password or requests for password resets to your company’s supplier system administrator.

Viewing SRS Corporate Supplier Scorecards

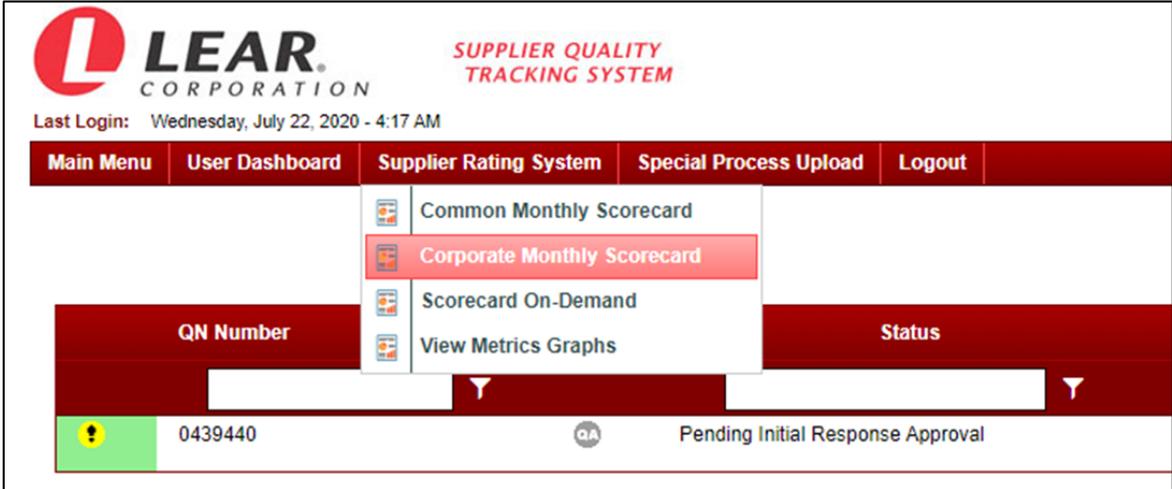
The SRS scorecards are displayed in PDF format and Adobe Reader is required.

Navigate to SQTS application



NOTE: if you cannot access SQTS from eSRM, go directly to <https://sqts.lear.com>

- 1. From the Supplier Rating Options Menu, go to Reports & **select View Corporate Scorecard**



The following screen will be displayed and can be saved or printed using the “file save as” or print options from the menu.

LEAR CORPORATION SUPPLIER RATING SYSTEM (SRS) CORPORATE SUPPLIER SCORECARD

GROUP: 09 GLOBAL DATE: 12/11/2019 PAGE: 1 TIME: 18:11:02

ROLLING 12 MONTH SUMMARY							
RATINGS MONTH	QUALITY (RPPM)	WRITTEN CONCERNS	DELIVERY	WARRANTY	CUSTOMER SATISFACTION	TOTAL	
NOVEMBER	0	G	G	G	G	G	G
OCTOBER	0	G	G	G	G	G	G
SEPTEMBER	0	G	G	G	G	G	G
AUGUST	0	G	G	G	G	G	G
JULY	0	G	G	G	G	G	G
JUNE	0	G	G	G	G	G	G
MAY	0	G	G	G	G	G	G
APRIL	0	G	G	G	G	G	G
MARCH	0	G	G	G	G	G	G
FEBRUARY	0	G	G	G	G	G	G
JANUARY	1	Y	G	G	G	G	G
DECEMBER	0	G	G	G	G	G	G
12 MONTH TOTAL	0	G	G	G	G	G	G

QUALITY (Maximum score = 30) GOAL = 0 RPPM				
SUPPLIER NUMBER	PIECES REJECTED	PIECES RECEIVED	ACTUAL RPPM	SCORE
		83,350	0	G
		85,750	0	G
		4,000	0	G
		217,300	0	G
		564,475	0	G
0 - 0 ● 1 - 25 ● 26 & HIGHER ● 934,875 ● G				

WRITTEN CONCERNS (QNs) (Maximum score = 25)						
#CS II CONTAIN	ENG'G	MINOR	REPEAT MINOR	PLANT DISRUPT	CUSTOMER INCIDENT	SCORE
0	0	0	0	0	0	G
0	0	0	0	0	0	G
0	0	0	0	0	0	G
0	0	0	0	0	0	G
0	0	0	0	0	0	G
0 = TOTAL CONTAINMENTS: Current Month Score						G

DELIVERY (Maximum score = 20)					
SUPPLIER NUMBER	MINOR	PLANT DISRUPTION	CUSTOMER INCIDENT	SCORE	
	0	0	0	G	
	0	0	0	G	
	0	0	0	G	
	0	0	0	G	
	0	0	0	G	
Current Month Score					G

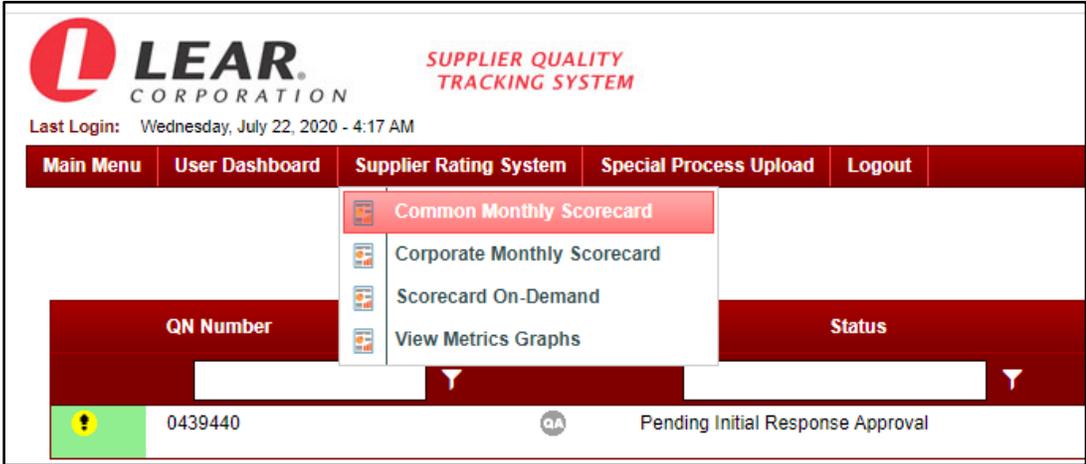
CUSTOMER SATISFACTION (Maximum score = 15)				
PPAP	QUALITY	DOCUMENTATION	SCORE	
0	0	0	G	
0	0	0	G	
0	0	0	G	
0	0	0	G	
0	0	0	G	
Current Month Score				G

Viewing the Common Monthly Scorecard

The View Common Monthly Scorecard option on the *Supplier Rating System* main menu enables you to view a supplier scorecard for the common supplier associated with your user ID.

Complete the following steps to view a common monthly scorecard:

1. On the *Supplier Rating System* main menu, click **View Common Monthly Scorecard**.



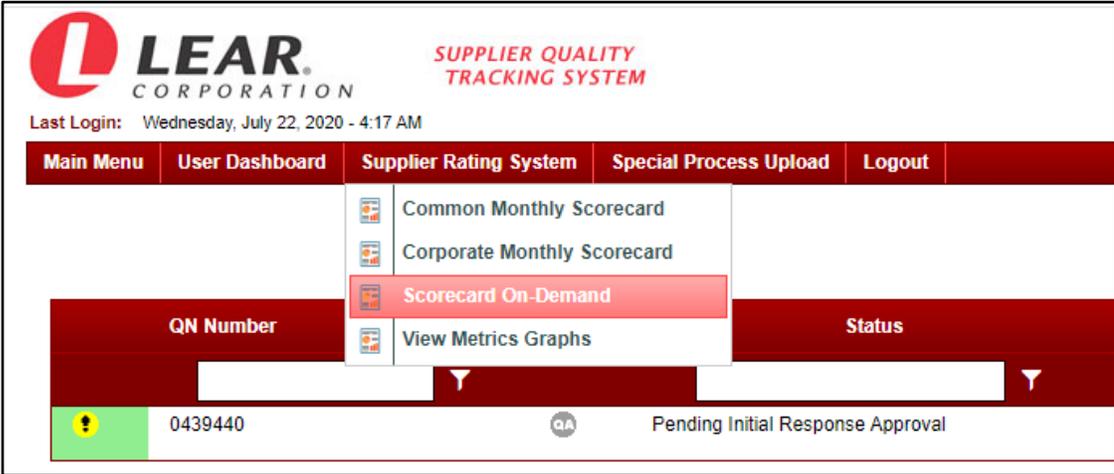
Adobe Acrobat Reader opens and displays the following screen within your web browser.

		SUPPLIER RATING SYSTEM (SRS) COMMON SUPPLIER SCORECARD				PAGE: 1			
		GROUP: 09 GLOBAL				DATE: 12/11/2019 TIME: 18:11:03			
CERTIFICATION STATUS:		QUALITY CERTIFIED: Y TYPE: EXPIRES: 2018-09-14 ENVY CERT: N							
ROLLING 12 MONTH SUMMARY									
RATINGS MONTH	QUALITY (RPPM)		WRITTEN CONCERNS	DELIVERY	WARRANTY	CUSTOMER SATISFACTION		TOTAL	
NOVEMBER	0	G	G	G	G	G	G	G	
OCTOBER	0	G	G	G	G	G	G	G	
SEPTEMBER	0	G	G	G	G	G	G	G	
AUGUST	0	G	G	G	G	G	G	G	
JULY	0	G	G	G	G	G	G	G	
JUNE	0	G	G	G	G	G	G	G	
MAY	0	G	G	G	G	G	G	G	
APRIL	0	G	G	G	Y	G	G	G	
MARCH	0	G	G	G	G	G	G	G	
FEBRUARY	0	G	G	G	G	G	G	G	
JANUARY	0	G	G	G	G	G	G	G	
DECEMBER	0	G	G	G	G	G	G	G	
12 MONTH TOTAL	0	G	G	G	G	G	G	G	
QUALITY (Maximum score = 30)				GOAL = 0 RPPM					
PLANT NAME	PIECES REJECTED	PIECES RECEIVED	ACTUAL RPPM	SCORE	WRITTEN CONCERNS (QNs) (Maximum score = 25)				
		56,100	0	G	#CS II CONTAIN	ENG'G MINOR	REPEAT PLANT DISRUPT	CUSTOMER INCIDENT	SCORE
		7,250	0	G	0	0	0	0	G
		63,350		G	0	0	0	0	G
0 - 0 ● 1 - 25 ● 26 & HIGHER ●					0 = TOTAL CONTAINMENTS Current Month Score G				
DELIVERY (Maximum score = 20)				CUSTOMER SATISFACTION (Maximum score = 15)					
LOCATION	MINOR DISRUPTION	PLANT DISRUPTION	CUSTOMER INCIDENT	SCORE	PPAP	QUALITY	DOCUMENTATION	SCORE	
	0	0	0	G	0	0	0	G	
	0	0	0	G	0	0	0	G	
					Current Month Score G				

Printing a Corporate Scorecard —On-Demand

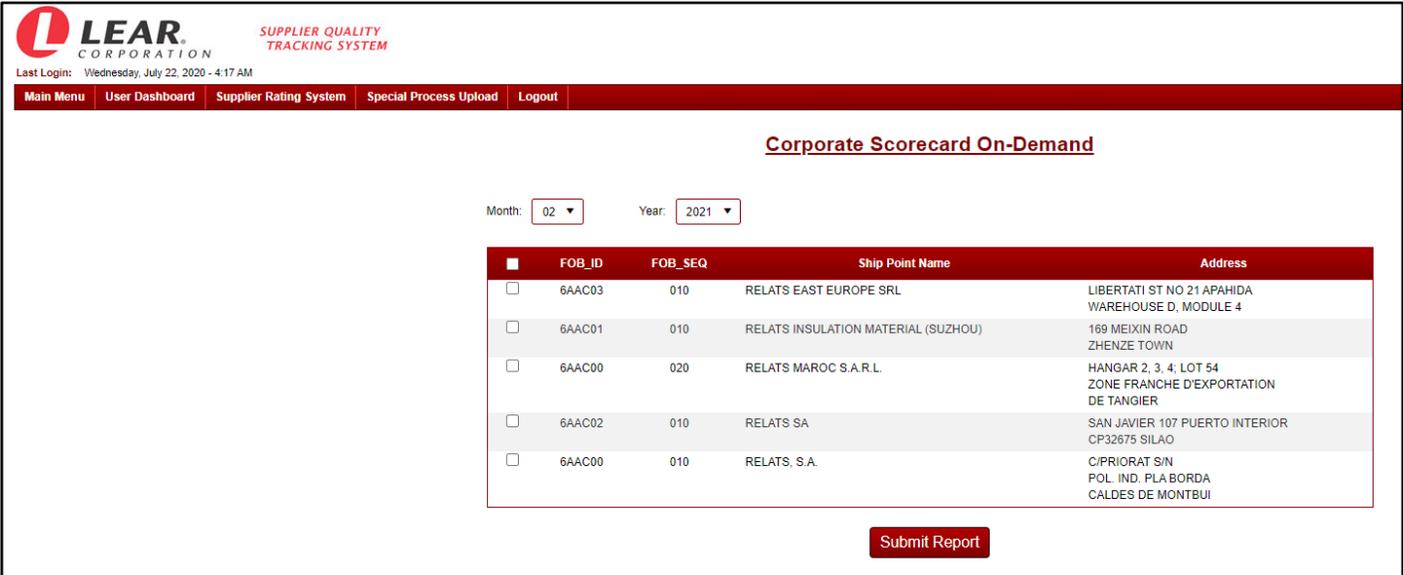
The Corporate “Scorecard On Demand” option on the *Supplier Rating System* main menu enables you to print a corporate scorecard whenever you need one.

- **Corporate Scorecard On Demand**



- The Corporate Scorecard Supplier Scorecards Report Selection Criteria screen displays.

If more than one manufacturing location is listed, click “**CHECK ALL**” to select all suppliers or click “**UNCHECK ALL**” to deselect all suppliers for the scorecard



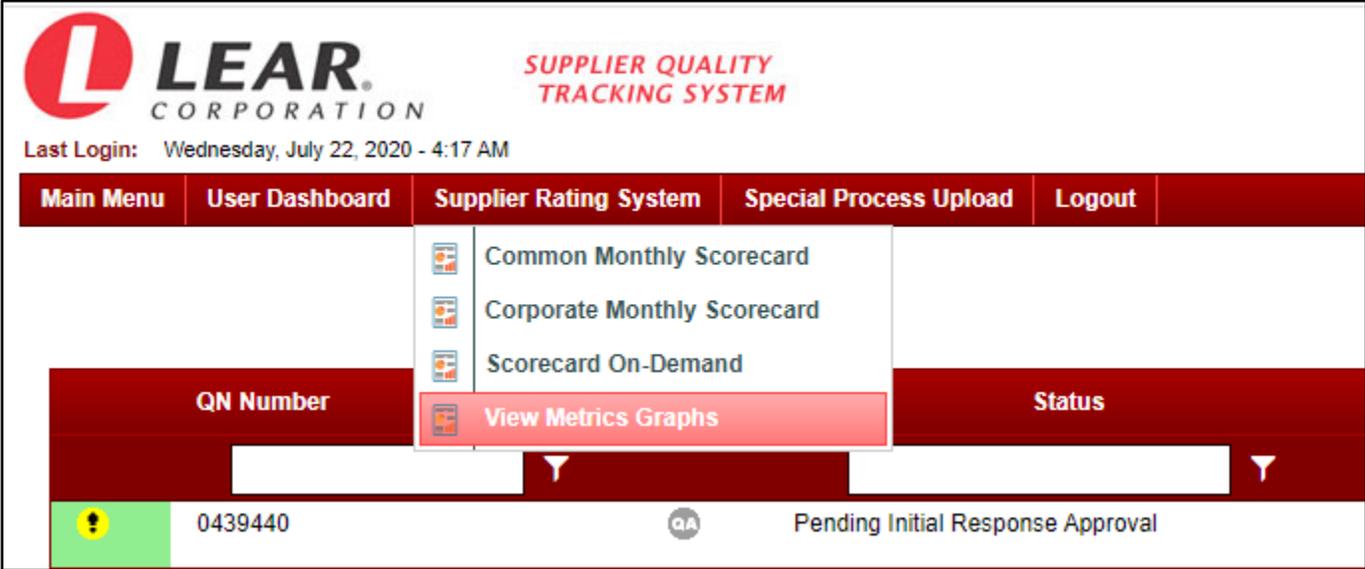
- In the **Enter Date Field**, select the **Month/Year Combination** for the scorecard desired.
- The scorecard data contained in the “On-Demand” reports is updated monthly.
- In the Supplier field, select one or more manufacturing location(s)
- Click **Submit Report**
- The system immediately processes the request and sends the reports to you as an e-mail attachment(s).
- If you do not receive your scorecards within one hour after you submit the request, verify the accuracy of the e-mail address associated with your user ID.

Viewing SRS Metrics Graphs

“View Metrics Graphs” allows the user to generate graphs displaying the manufacturing locations that have been rated by the Lear and its affiliate plants. These reports are updated weekly.

To access the View Metrics Graphs:

- 1. Select Reports | **View Metrics Graphs** from the Supplier Rating Options:



SRS Metrics Graphs chart is updated weekly and displayed as a PDF document, which can be printed utilizing the default print settings.

