



Day&Zimmermann

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Policy: Supplier Master Database, Management and Controls

Policy No.: 1331-10

Responsible Officer: Senior VP Finance and CFO

1.0 The Supplier Master Administrator owns the integrity of the supplier master process and must ensure that any data added to SAP on the supplier master screens are valid and accurate. The Company must only procure goods and/or services from suppliers who have been approved in Safety, Quality, and Financial categories and uploaded into the SAP Supplier Master Database.

2.0 New suppliers must only be entered into the SAP database by the Supply Chain organization's Supplier Master Administrator.

3.0 Establishing a new supplier in SAP is an activity requiring the supplier to provide confidential information related to their business. The majority of the Company's suppliers provide their company information via the Ariba SLP portal, while suppliers such as Independent Contractors must utilize a manual process. Information on what categories of supplier utilize which process can be found at: <https://www.mydayzim.com/resources/departments/purchasing/Pages/VendorMaster.s.aspx>

4.0 Suppliers must complete and sign the applicable W-9 or W-8 form, business classification form, and payment instructions. The Supplier Master Administrator conducts a Tax Identification match, an OFAC (Office of Foreign Assets Control) verification for foreign suppliers, and a SAM (System for Award Management) validation to check for debarment and suspension status of suppliers to ensure the supplier is approved to conduct business with the Company. All of these steps must be completed before the supplier's information can be uploaded into SAP.

5.0 Once a supplier is on-boarded and uploaded into SAP, the Supplier Master Administrator is responsible to ensure changes made to the supplier master data are accurate. Specifically, when banking information change requests are received, the Supplier Master Administrator will make a direct phone call to the supplier master contact of record in SAP, along with an e-mail confirmation from the supplier, documenting that the change is approved. This email confirmation will then be stored on the supplier master's record in SAP. A monthly report will be generated showing all

supplier banking changes in the last 30 days and forwarded to Corporate Treasury. This process is to ensure fraudulent activity does not occur before changes to banking information are processed.

6.0 Occasions will arise where it is necessary to deactivate a supplier from providing goods and/or services to the Company. All deactivation decisions must be reviewed and approved by the Director of Corporate Supply Chain.

7.0 Subject to including any required government contract terms and conditions, the Company will not discriminate against any prospective supplier, subcontractor or joint venture partner on account of their race, creed, color, religion, sex, age, national origin, handicap, marital status or veteran status of its ownership, management, staff or operating personnel, or on any other basis as protected by law. Qualification and approval will be based upon demonstrated ability to perform, not upon any of the characteristics listed above.

8.0 Annual reviews of suppliers will be conducted by the Director of Corporate Supply Chain. Suppliers who have not had any spend history within several years may be deactivated from SAP and new paperwork must be completed should the Company need to utilize the supplier in the future. Annual reviews are also conducted by the Director of Corporate Supply Chain to ensure valid W-8s and W-9s have been uploaded for all suppliers.