

February 19, 2021

Dear Valued Supplier,

Adient would like to express our sincere appreciation for your support and continued efforts in navigating today's Covid business environment. We recognize the extraordinary actions we have all had to take to operate safely, efficiently, and productively while ensuring the well-being of our collective teams.

With volumes increasing and several, significant upcoming launches, we would like to reemphasize the need for continued and dedicated focus on the areas of launch, quality, and warranty. Our OEM customers have reminded all of us that these critical areas of performance must remain at the forefront of our attention to ensure that the products we supply meet every expectation of our customers.

As you are aware, the Adient terms and conditions specifically address the fact that your warranty obligations extent to both Adient and to Adient's OEM customer and such OEM customer-required warranties are incorporated therein by reference. This means that any issues identified by either Adient or the customer, related to parts that you supply, will be subject to the warranty terms communicated by our customer.

As our customers continue to evolve their warranty programs, we would like to share some of these changes with you to ensure transparency of expectations.

Specifically, we need to concentrate on each of these items:

- Launch: We need to deliver operational excellence. One of the key drivers that will make us successful is supplier readiness. Your preparedness is essential to flawless launches.
- Quality: We need to ensure that we are delivering parts of the highest quality. This is not
  possible without quality parts from our supply base.
- Warranty and Supplier Cost Recovery: Adient takes customer warranty claims very seriously. We are active in our due diligence and communication with our customers and our impacted suppliers. We expect our suppliers to be aware that OEM cost recovery will flow through to our suppliers where warranty repairs were caused by non-conforming parts, consistent with our Global Terms and Conditions of Purchase.

I ask for your personal engagement to focus on and to address these items as we all work together to achieve our collective goals. As always, thank you for your continued support and partnership.

Sincerely,

Ler Wan

Dennis Warner Vice President, Purchasing & Supply Chain

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