

ABACORP Supplier Diversity Program

Applies to: Direct materials (machined components, castings/forgings, fasteners, raw stock), indirect goods/services (MRO, packaging, logistics), and subcontracted processing (heat treat, plating, anodizing, grinding, EDM, inspection).

Owner: Supply Chain / Procurement

Effective date: 08/01/2021

Version: 1.0

1) Program Purpose

ABACORP's Supplier Diversity Program expands access to qualified suppliers and strengthens our supply chain by intentionally including businesses that are small and/or certified diverse. The program supports:

- Resilience: multi-source options and reduced supply risk
- Innovation: broader supplier networks and specialized capabilities
- Competitiveness: cost, lead-time, and quality improvements through expanded sourcing
- Customer alignment: meeting customer expectations and reporting needs

2) Program Statement

ABACORP is committed to providing fair, open, and competitive opportunities for qualified suppliers. Supplier diversity is integrated into sourcing and supplier management practices without compromising quality, delivery, safety, compliance, or total cost of ownership.

Compliance note: ABACORP does not select suppliers solely based on ownership classification. All sourcing decisions follow objective, role-relevant criteria (capability, quality systems, capacity, financial stability, EHS, cybersecurity where applicable, and performance).

3) Definitions and Eligibility

A “diverse supplier” is a business that is at least 51% owned, operated, and controlled by members of a recognized group and holds current third-party certification where applicable.

Recognized categories (as applicable to customer requirements):

- Small Business (SB) / Small Disadvantaged Business (SDB)
- Minority-owned (MBE)
- Women-owned (WBE)
- Veteran-owned (VBE) / Service-disabled veteran-owned (SDVBE)
- LGBTQ+ owned (LGBTBE)
- Disability-owned (DOBE)
- Historically Underutilized Business (HUB) or similar local/state classifications

Accepted certifications (examples):

- SBA (including SB/8(a)/HUBZone/SDVOSB as applicable)
- NMSDC (MBE), WBENC (WBE), WEConnect (WBE), NVBDC (veteran), NGLCC (LGBTQ+)
- State/local government certification programs (where relevant)

If certification is not available in a supplier’s region, ABACORP may accept equivalent documentation and/or customer-approved alternatives.

4) Scope for CNC Machine Parts

The program covers opportunities across ABACORPs CNC value chain, including:

- Raw materials: aluminum, steel, stainless, titanium, brass, plastics
- Machining: turning, milling, Swiss, multi-axis, production machining
- Secondary processing: heat treat, passivation, plating, anodizing, coating, marking
- Tooling & fixtures: jigs, gauges, work holding

- Quality services: metrology, CMM services, calibration
- Packaging & logistics: custom packaging, freight, warehousing
- MRO & indirect: cutting tools, coolant, safety supplies, maintenance services

5) Program Objectives

ABACORP will:

1. Increase inclusion of certified diverse and small suppliers in RFQs and sourcing events
2. Expand qualified supplier pool for key commodity groups (machining, finishing, materials)

6) Governance and Responsibilities

- Sets program priority, reviews performance quarterly
- Coordinates with Quality, Engineering, and Finance
- Ensure diverse suppliers are considered in sourcing events when qualified

7) Fair Evaluation

Suppliers are evaluated on objective criteria, such as:

- Technical capability and process controls
- Quality system maturity (e.g., ISO 9001; AS9100/IATF if required by the job)
- Capacity and lead-time reliability
- Cost competitiveness and terms
- EHS and regulatory compliance
- Traceability and documentation (material certs, CoC, FAI, PPAP where required)
- Past performance and responsiveness