

BECCHIS

OSIRIDE

SUPPLIER QUALITY MANUAL

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Notes updates	28.02.19- revised classification of approved SUPPLIERS; updated SUPPLIER evaluation criteria; addition of audit criteria
	12.01.23 – annex C updated

1. GENERAL

The SUPPLIER Quality Manual governs the relationship between BECCHIS OSIRIDE and the SUPPLIER. It is published on the BECCHIS OSIRIDE corporate website; the rules contained therein are contractually binding on the part of the SUPPLIER, are valid for all supplied products, and are valid until they are modified.

2. REFERENCES - Internal Procedures

Procedure- Issuance of Purchase Orders

Procedure- Evaluation of Suppliers

Procedure- Acceptance of Materials

3. RESPONSIBILITY

Responsible: Purchasing department

Participants: SUPPLIER

4. TECHNICAL INFORMATION AND INDUSTRIAL PROPERTY (DRAWINGS, OTHER TECHNICAL DOCUMENTS, SPECIFIC EQUIPMENT AND VARIOUS MATERIALS).

Drawings, specifications, standards and tables, and any other documentation and technical information, as well as models, samples and special equipment that BECCHIS OSIRIDE makes available to the SUPPLIER, shall remain the property of BECCHIS OSIRIDE and may be used only for the fulfillment of the order. The SUPPLIER is requester to register and mark the equipment as the property of BECCHIS OSIRIDE; The SUPPLIER is also required to adopt all necessary measures for the good maintenance and care of all drawings, specifications, standards and tables, and any other documentation and technical information, as well as models, samples and special equipment.

The SUPPLIER must provide, at their own expense, routine preventive maintenance. Where the project or the equipment is the property of BECCHIS OSIRIDE, the SUPPLIER shall not employ the equipment or the property of BECCHIS OSIRIDE to produce directly or indirectly for the market or for spare parts without prior authorization from BECCHIS OSIRIDE.

5. LIABILITY

The SUPPLIER shall be held responsible for the materials, equipment and machinery owned by BECCHIS OSIRIDE. In case of loss, destruction or total or partial damage to equipment or machinery owned by BECCHIS OSIRIDE, the SUPPLIER will be obligated to compensate BECCHIS OSIRIDE with an amount of money equal to the value of the damage.

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6. OPERATIONAL PROCEDURES

6.1 Types of order

BECCHIS OSIRIDE orders are all closed orders. They bear the code assigned to the SUPPLIER, its name, the item(s) being purchased (code, description, quantity, unit price) with date(s) of delivery, conditions of return of goods, and terms of payment. It is the right of BECCHIS OSIRIDE to issue closed orders for an agreed amount to cover a long period of supply (in which case the order should be understood as a commitment to purchase by BECCHIS OSIRIDE) with delivery on call (call off).

Purchase orders for direct materials may be issued only to qualified SUPPLIERS on the SUPPLIER list. Exceptions may be made due to the timing of updates to the SUPPLIER list (mainly due to production needs).

Purchase orders for indirect materials, services and equipment are issued preferably to registered SUPPLIERS. Orders may be issued to non-registered SUPPLIERS in the case of purchases that are sporadic/one-time purchases.

6.2 Confirmation of the purchase order

The SUPPLIER must give written notice by means of an order confirmation via the SUPPLIER's own forms or by signing Becchis Osiride's order for acceptance.

In the event that the order confirmation is not received within five days of sending the same, BECCHIS OSIRIDE will consider as valid all items listed on the issued order (material/service, quantity, price, delivery date, return, payment terms, etc.).

In case the SUPPLIER finds inaccuracies in the order, the SUPPLIER is requested to give timely notice so as to allow BECCHIS OSIRIDE to make any necessary changes. BECCHIS OSIRIDE reserves the right to cancel the order issued in case the change requested by the SUPPLIER is considered not economically advantageous.

7. Qualification of SUPPLIER

7.1 Qualification criteria and procedures

Prior to the start of the series supply, the SUPPLIER of BECCHIS OSIRIDE must be qualified and included in the list of Qualified Suppliers.

The Qualified SUPPLIER list is updated on a quarterly basis.

Suppliers are divided into three macro classes: Suppliers of products intended for customers in the automotive sector, Suppliers of products intended for other customers and Suppliers of services, equipment, and maintenance and indirect materials.

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A) SUPPLIERS of "Automotive" products:

SUPPLIER must ensure and maintain an active quality management system in accordance with the industry technical specifications IATF 16949 - latest edition and to any CSRs (Customer Specific Requirements) required, if applicable (see Annex C).

As an exception, SUPPLIERS with a management system in accordance with the current international UNI EN ISO 9001 – latest edition standards, with a commitment by the SUPPLIER to plan for the development and improvement of their quality management system with the ultimate goal of obtaining an IATF 16949 - latest edition certification.

Temporary exceptions can be made to accept SUPPLIERS if a second-party inspection audit is successfully carried out by BECCHIS OSIRIDE personnel or by certifying bodies recognized by BECCHIS OSIRIDE. Such SUPPLIERS are required to adopt a plan to obtain in a short timeframe at least the ISO 9001 – latest edition certification. In the case of a continued lack of certification, it is the right of BECCHIS OSIRIDE to remove the SUPPLIER from the list of qualified SUPPLIERS. All SUPPLIERS must strictly implement and manage any specific mandatory requirements requested by the Clients (CSRs) (see Annex C).

SUPPLIERS not in possession of IATF 16949 certification, ISO 9001 certification or who are not subject to audit may not be included in the SUPPLIER list unless authorized by the Automotive Customer

B) SUPPLIERS of products intended for other (non-Automotive) customers:

SUPPLIER must ensure and maintain an active quality management system (at least in accordance the current international standard UNI EN ISO 9001 - latest edition.

SUPPLIERS are also accepted as a temporary exception upon a successful inspection audit carried out by BECCHIS OSIRIDE personnel or by certifying bodies recognized by BECCHIS OSIRIDE. Such SUPPLIERS are required to adopt a plan to obtain in a short timeframe at least the ISO 9001 – latest edition certification.

In the case of a continued lack of certification, it is the right of BECCHIS OSIRIDE to remove the SUPPLIER from the list of qualified SUPPLIERS.

SUPPLIERS that do not have ISO 9001 certification or who are not subject to audits may not be included in the SUPPLIER list unless authorized by the Customer.

C) SUPPLIERS of services, equipment and maintenance and indirect materials:

SUPPLIER is included in the list following a request made by the BECCHIS OSIRIDE manager who intends to use the service.

SUPPLIERS such as external laboratories, certifying bodies must be in possession of the relevant certifications (ACCREDIA, IATF 16949, ISO 9001).

The achievement by the SUPPLIER of an ISO 14001 certification is evaluated positively.

8. Sample

8.1 Material approval

The shipping of samples from SUPPLIERS not yet on the qualified SUPPLIER list is authorized and is subject to prior arrangement with the BECCHIS OSIRIDE Purchasing Department, Technical Department, or Laboratory.

BECCHIS OSIRIDE's approval process for new materials involves two steps: an initial test in the laboratory and, if successful, a second test in a production environment.

The individual testing steps correspond to different requirements for quantities of the tested material which are communicated to the SUPPLIER depending on the nature of the product.

All samples must be accompanied by a PPAP which, in case of approval, will be signed and returned by BECCHIS OSIRIDE to the SUPPLIER as production approval.

In the event that the SUPPLIER does not have its own PPAP forms, it is possible to make a request to BECCHIS OSIRIDE which will send their own.

The SUPPLIER, on the occasion of the first supply of material to be approved by BECCHIS OSIRIDE, must provide the documentation listed below in computerized form:

- PPAP form
- Drawing (if required by the nature of the product)
- Data sheet
- Material Safety Data Sheet
- BECCHIS OSIRIDE purchase specification countersigned for acceptance (if provided) - this document shall indicate any specific mandatory requirements requested by the Customer (CSR's)
- Certificate of Quality and Conformity (C.Q.C.)

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- Packing slip
- Storage recommendations
- IMDS node
- Reach Statement
- Contingency Plan
- Production process flow chart (Product flow chart) (if required)
- Analysis of possible process failure modes (Process F.M.E.A.) (if required)
- Control plan (if required)
- Dimensional report (if required)
- Verification of Production Process Capability (if required)
- Production Potentiality Analysis (R@R - Run at Rate) (if required)
-

The submission of a single PPAP is accepted in case of homogeneous products that are made using the same production process - 4M (Material, Men, Method, Measurement) (e.g., different heights for the same type of fabric or adhesive).

In case the SUPPLIER has several production units or several business entities capable of supplying the products covered by the approval, it is necessary that sampling and documentation be prepared for each business unit/business entity.

All of the above documentation is mandatory for both new products and modified products, as well as in the case of changes in the SUPPLIER's production processes.

The SUPPLIER must also re-sample the product in case of displacement of the affected production lines. The displacement of the production must be communicated in advance by the SUPPLIER and shared with BECCHIS OSIRIDE.

In case the SUPPLIER has to rely on Sub-SUPPLIERS for the production of the product or part of it, it is imperative that the SUPPLIER notifies in writing BECCHIS OSIRIDE, which reserves the right to issue an authorization.

8.2 Sample outcome

BECCHIS OSIRIDE Purchasing entity will notify the SUPPLIER of the outcome of the sampling tests through the return of the PPAP form; the outcome of the sampling may be: Approved / NOT Approved / Approved with Waiver or Conditional approval.

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Approval with waiver/conditional approval occurs in the case of controls resulting in characteristics at the limit of acceptability with respect to specifications or for production requirements pending completion of the approval process.

The granting of a Positive Approval is a "sine qua non" condition for the permission to supply until its possible suspension/withdrawal in case of changes by the SUPPLIER to the product or the process of manufacture or relocation of production facilities.

The granting of the Approval with waiver/conditional approval allows atemporary supply.

9. Periodic material requalification

Periodic requalification of supplied products is required to the SUPPLIER according to the cadence established in the BECCHIS OSIRIDE Periodic Material Requalification Plan.

10. Product conformity / Certificate of Quality and Compliance

SUPPLIER shall establish and maintain documented procedures to ensure that the supplied product complies with the requirements.

To substantiate Product Conformance, the SUPPLIER agrees to submit/send together with each order and in telematic form the Certificate of Quality and Conformity (CQC).

The CQC shall state:

- Product name
- BECCHIS OSIRIDE product code
- Number and date of the accompanying P.D.T.
- Quantity delivered
- Production batch
- Max. and min. limits and indication of values measured for each characteristic agreed with BECCHIS OSIRIDE, together with the reference to the specifications and standard tests carried out.

With respect to all products supplied to BECCHIS OSIRIDE, the SUPPLIER must ensure traceability at every stage of its production process.

11. Recording and storage of the results of controls

SUPPLIER shall maintain an adequate system to record the results of the controls, in relation to the specific testing cycles, related to its own production and that of Sub-SUPPLIERS, if any.

These records must be available upon request from BECCHIS OSIRIDE, and kept for the prescribed time: 15 years for parts identified as "safety", 3 years for all other products.

12. Measurement equipment

The SUPPLIER must have adequate means to control and ensure the correct measurement of the characteristics stipulated in the technical reference documentation.

Such means must be periodically checked for efficiency and calibrated according to a documented calibration and maintenance program (in-house or at accredited Laboratories).

13. Supply of materials

All materials must be accompanied by a packing slip indicating:

- SUPPLIER code assigned by BECCHIS OSIRIDE
- BECCHIS OSIRIDE order number
- BECCHIS OSIRIDE code and product name
- Total quantities
- Quantities contained in each packaging unit
- Material lot, if any
- Any other indication given on the BECCHIS OSIRIDE purchase order (e.g., to the attention of, job number...).

Products with deviations from the defined technical specifications having critical characteristics or subject to legislative constraints cannot be supplied.

For other products, if the SUPPLIER finds deviations from the defined technical specifications at startup/after production of such magnitude such that the functionality of the Product is not affected, the SUPPLIER may request authorization to produce/supply as an exception to BECCHIS OSIRIDE's Quality Assurance.

With respect to all products supplied to BECCHIS OSIRIDE, the SUPPLIER shall ensure traceability at every stage of its production process.

Partial deliveries or deliveries in excess of what has been ordered will not be accepted unless authorized in advance by Becchis Purchasing.

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13.1 Ways of requesting a waiver

In the waiver request phase SUPPLIER must specify:

- product code and description of the subject of the waiver
- the nature and characteristic of the deviation
- the validity of the waiver (quantitative or temporal)

BECCHIS OSIRIDE will consider the request with possible involvement of the End Customer, and will transmit the authorization at delivery should it be authorized, highlighting any potential constraints and burdens on the SUPPLIER.

BECCHIS OSIRIDE reserves the right to request a sample of the material subject to waiver request for testing or process verification.

Identification of products delivered under waiver

Any container (boxes, pallets, etc.) that contains products delivered under derogation shall be clearly and conspicuously identified:

- that it is a product delivered under an exemption
- that it is material intended for the attention of the Quality Board
- the reference of the authorization issued by BECCHIS OSIRIDE
- the duration of the waiver (in time – expiration) or in quantity pieces delivered and authorized)

14. Incoming inspection

BECCHIS OSIRIDE, on the basis of the controls carried out on a statistical basis and with application of the defined Internal Control Plan, will, in the case it ascertains non-compliance, notify the SUPPLIER, evaluating treatment of the delivery (acceptance in derogation, selection, integration, return) with a request for analysis of the causes of the anomaly (using problem solving techniques) and the definition of corrective and preventive actions (Form 8D).

15. Complaints / non-conformity management

Following a product or process defect attributable to the SUPPLIER, the SUPPLIER is obligated to communicate within 24 hours the taking receipt of the issued report and to send Form 8D completed within the required timeframe.

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Deliveries following the complaint must be accompanied by a reinforced control report consistent with the reported defect until the effectiveness of the actions taken can be verified positively. The supplies with reinforced control shall be identified with additional signage bearing the words "reinforced control" and in a light blue color.

Form 8D is of particular importance in the relationship between BECCHIS OSIRIDE and the SUPPLIER and is an irreplaceable tool for improvement.

The identification of the Nonconformity generates a penalty during the SUPPLIER evaluation as well as financial penalties as described in Annex A.

In case of non-response to the Non-Compliance notice in the established timeframe, BECCHIS OSIRIDE will identify documentary Nonconformity (with consequent penalty in the SUPPLIER evaluation). In this case, BECCHIS OSIRIDE reserves the right to suspend the supply relationship and/or apply the financial penalties described in Annex B.

16. Packaging

SUPPLIER shall place products in suitable packaging to ensure the integrity and preservation of the product during transportation, handling and storage.

For this purpose, the issuance of packing slip slips (with terminology agreed upon between the SUPPLIER and BECCHIS OSIRIDE) is required.

Any exceptions to what has been agreed upon must be requested to and authorized by the Quality Department of BECCHIS OSIRIDE (the procedure is the same as that outlined above for materials).

17. Identification of delivered products

SUPPLIER must affix on each container the identification tag on which, at a minimum, must be shown the following indications:

- SUPPLIER name
- product name
- BECCHIS OSIRIDE product code
- quantity
- batch or alternative material tracking system
- material expiration date (if any)

18. Timing of delivery/supply preparation of materials

SUPPLIER shall adhere to the material delivery/preparation dates indicated in the order. It is the right of BECCHIS OSIRIDE to request changes to the delivery/material preparation dates in response to changes in its customers' schedules.

Any delay in delivery/material preparation shall be promptly communicated to BECCHIS OSIRIDE to enable it to assess the fallout.

In the event of a delay due to causes attributable to the SUPPLIER, BECCHIS OSIRIDE will issue an observation resulting in a penalty in the SUPPLIER evaluation. It also reserves the right to apply financial penalties as described in Appendix A.

SUPPLIER shall notify BECCHIS OSIRIDE of any special trips made to deliver the material on time or to reduce the delay in delivery.

19. Material yield

Orders are issued to SUPPLIERS with either FCA (ex-works SUPPLIER + load on vehicle) or DDP (ex-works our factory or our warehouse outside or SUPPLIER indicated by us), depending on what was agreed upon during commercial negotiations. Any variations in yield may be requested and evaluated jointly as necessary.

The transfer of risk from the SUPPLIER to BECCHIS OSIRIDE takes place only upon delivery of the goods at the BECCHIS OSIRIDE plant or at its external warehouse or its sub-SUPPLIERS.

20. Ancillary Legislative Requirements

All delivered materials must comply with all current safety and environmental laws and regulations. In the event that the particular item ordered is subject to Italian and/or foreign laws, decrees or regulations concerning safety, environment, etc., the SUPPLIER is required to prepare the specific documentation required, namely:

20.1 Directive 2000/53 / CE - IMDS Automotive parts

If the supply relationship relates to parts intended for the automotive sector, it is imperative that all SUPPLIERS comply with the Directive 2000/53/EC on end-of-life vehicles.

Following this, SUPPLIER must obtain registration with the IMDS International Database for the transmission of information on the composition and weight of the components supplied and must provide BECCHIS OSIRIDE with the relevant node's unique code for identification.

20.2 European Regulation - REACH

SUPPLIER must comply with the requirements of the European Regulation Reach regarding the use of registered chemical products and components.

SUPPLIER must then submit in writing a declaration to confirm that all products supplied to BECCHIS OSIRIDE do not contain highly hazardous substances as per the table of Substances of Very High Concern (SVHC) - latest update.

It is SUPPLIER's responsibility to promptly update and send the declaration whenever the regulation is changed.

In case certain products do not comply with the regulation or in case they became prohibited in the face of updates to the regulation, SUPPLIER shall promptly notify in writing BECCHIS OSIRIDE, who will take the necessary action.

20.3 Directive 2011/65 / EU (RoHSII) and subsequent amendments and additions

SUPPLIER must provide a written declaration, individual or cumulative, that the products to be supplied to BECCHIS OSIRIDE do not contain substances listed in the Table referred to in Directive 2011/65/EU and subsequent amendments and supplements in concentrations exceeding the prescribed maximum limits. It is SUPPLIER's responsibility to promptly update and send the declaration whenever the regulation is amended.

20.4 Declaration of Origin - EUR1 Certificate

SUPPLIER must provide a written statement annually addressing the preferential origin of the goods delivered to BECCHIS OSIRIDE. Cumulative declarations are accepted.

20.5 Machinery Directive 2006/42 / EC

Machines and Equipment must be CE marked by the Manufacturer the evidence that they are built in accordance to the essential safety requirements that Legislative Decree 81:2008 requires them to comply with and which are set out in Legislative Decree 17/2010, the Italian transposition of the new Machinery Directive 2006/42/EC. As protection against the purchase of Machines or Installations with CE marking that are not actually compliant with the essential safety requirements, BECCHIS OSIRIDE stipulates that by accepting these conditions of purchase, the SUPPLIER of the Machines and Equipment:

- Declares, under their own responsibility, the conformity of the Machine to the essential safety requirements provided by the EU directives in force and transposed in Italy for the marketing of products, applicable to the case (machinery directive, low voltage directive, directive electromagnetic compatibility, pressure vessel directive, etc.). The SUPPLIER is in charge of listing and describing, with due clarity, all the residual risks that the Machine presents;

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- Accepts the release of the balance instalment of the payment in case the Machine fails to meet the essential safety requirements during the testing performed by BECCHIS OSIRIDE technicians or verification by a Third Party Entity. BECCHIS OSIRIDE can present a competent body with a request for a Third Party audit at will. Should the audit be successful and the SUPPLIER found compliant with all requirements and regulations, the cost of such an assessment shall remain the responsibility of BECCHIS OSIRIDE, while in the case of serious nonconformities or non-compliance with the minimum safety requirements, the cost of such an assessment, as well as the cost of any retrofitting of the equipment if not paid for by the SUPPLIER according to the terms of the SUPPLIER agreement, may be deducted from the balance due.

20.6 Code of Conducts and Environmental Policy

SUPPLIER confirm that BECCHIS OSIRIDE Code of Conduct and Environmental Policy – available for download from website www.becchisosiride.it, are fully understood and accepted for the mutual business relationship. SUPPLIER confirms to fulfill and agree upon the above-mentioned policies.

21. Approval of SUPPLIERS - SUPPLIER classification

All Suppliers of products must be registered on the list of qualified Suppliers. This list is updated on a quarterly basis.

Approval criteria:

- VDA audit 6.3
- Possession of IATF 16949 certification
- Possession of ISO 9001 certification
- SUPPLIERS imposed by Customer

Suppliers are classified into five categories:

- class A (SUPPLIERS imposed by Customer; following outcome of Audit VDA 6.3)
- class B (following Audit VDA 6.3)
- class B1 (SUPPLIERS with IATF 16949 certification and in the absence of VDA Audit 6.3)
- class B2 (SUPPLIERS with ISO 9001 certification and in the absence of Audit VDA 6.3)
- class C (SUPPLIERS without certification and Audit VDA 6.3)

For the production of parts intended for the Automotive sector, only products supplied by SUPPLIERS classified in classes: A - B - B1 - B2, maybe used.

SUPPLIERS in class C may be used in the automotive field only and exclusively after the express authorization from the Customer.

The evaluation resulting from Audit 6.3 will prevail over the evaluations resulting from the mere possession of a certification.

In the event that the SUPPLIER of products intended for automotive customers receives a "C" rating as a result of Audit 6.3 it will be the responsibility of BECCHIS OSIRIDE to give immediate notification to the customers concerned.

22. Evaluation of SUPPLIERS - vendor rating

22.1 Evaluation of SUPPLIERS of automotive products or products intended for other customers

Vendor Rating is a tool designed to monitor the performance of each SUPPLIER over time.

It applies to all SUPPLIERS of products on the list of qualified SUPPLIERS.

The rating is updated on a quarterly basis with analysis of data related to the last 4 quarters.

Evaluation criteria: evaluation is marked in hundredths (with 100/100 being the maximum score) and is divided as follows (for the scores given to the individual points refer to Annex A):

- Submission of documentation: score reduced in case of delay or failure to submit PPAP forms, CQC certificates or 8D forms.
- Late delivery: score deducted for late delivery with impacts on BECCHIS OSIRIDE production and/or the End Customer. It also considers special transports for the delivery of SUPPLIER's material to BECCHIS OSIRIDE.
- Incidence of rejections: the score decreases as the incidence of non-conforming material compared to the total delivered increases.
- Customer waste: score decreased against the number of delays of delivery to the customer attributable to the SUPPLIER's tardiness in delivering to BECCHIS OSIRIDE and against the number of reports of waste by Customer attributable to the nonconforming material of the SUPPLIER.

From the sum of the points obtained, SUPPLIERS are classified into four categories (for the scores given to the individual classes refer to Annex A):

- class "a"
- class "b"
- class "c"
- class "d"

BECCHIS OSIRIDE will communicate the evaluation to the SUPPLIER indicatively with the following cadences:

- SUPPLIER class "a": no communication required

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- SUPPLIER class "b": communication in case of continuation of the situation
- SUPPLIER class "c": communication of the downgrade with request for action having as an objective the achievement of SUPPLIER class "a" or "b" status; reinforcement of controls in the arrival acceptance phase; possibility for BECCHIS OSIRIDE or its appointees to carry out SUPPLIER Audits
- SUPPLIER class "d": communication of the downgrade with request for immediate action; SUPPLIER audit performed by BECCHIS OSIRIDE or its appointees; suspension of supplies until the situation is restored; possibility of removing the SUPPLIER from the list of qualified SUPPLIERS if the situation persists over time. Involvement of the Customer to collaborate in defining an action plan.

22.2 Evaluation of SUPPLIERS of indirect services, equipment and materials for maintenance

Evaluation of SUPPLIERS of services, equipment and indirect and maintenance materials is carried out by the Becchis user contact person

by means of an evaluation form (MVF).

As for transporters, they will also be evaluated against any damage caused by them to the transported goods.

23. SUPPLIER risk analysis

The SUPPLIER risk analysis evaluates the following parameters:

- If the SUPPLIER is unique
- If the SUPPLIER only has one plant/line to produce the materials purchased by Becchis
- If the SUPPLIER only has one production site in which to produce the material(s) purchased by Becchis
- If the SUPPLIER is a historical SUPPLIER (over 5 years of relationship with BECCHIS OSIRIDE)
- The lead time for delivery from the order date
- The ability to change current orders (in terms of quantities or delivery dates)
- The travel days required to receive the material
- The possibility of receiving the material by different means of transportation (by road/rail/sea)
- The availability of material stock on the SUPPLIER's premises
- The SUPPLIER's possession of a plan for managing emergencies
- The SUPPLIER's financial evaluation

24. Audit Plan

SUPPLIER of products must allow BECCHIS OSIRIDE and/or its contracted consulting firms to conduct second degree Audits with or without Client representatives present. The Audits may be product/process or system Audits and may be conducted in accordance with VDA 6.3. The Audit plan arises from the vendor rating level, the class of the average vendor rating for the last three years and the analysis of the SUPPLIER risk and is cadenced over a five-year time frame.

25. PURCHASE OF EQUIPMENT

BECCHIS OSIRIDE may only purchase equipment intended for the production of parts (molds, dies, gauges etc.) from SUPPLIERS registered on the list of approved SUPPLIERS. Purchasing is done through closed orders and, where applicable, issuance of the equipment sheet (where, if necessary, the indications about the marking to be placed on the equipment will be reported). The SUPPLIER shall provide all information useful and necessary for the completion of the equipment file that Becchis must provide to its customer for payment of the above (photos, nature, dimensions, weight, mathematics, CTR). On the delivery note, in addition to the BECCHIS OSIRIDE order number, the SUPPLIER shall state the equipment code assigned by BECCHIS OSIRIDE when ordering as well as the job order number (if present on the order). The equipment shall be supplied with an identification plate as agreed. If requested, the equipment SUPPLIER shall provide the APQP (Advanced Product Quality Planning). Following a positive outcome during equipment testing, the equipment, as well as payment for the equipment, will be approved.

ANNEX A

Validity: as of October 01, 2018 and until updated.

Table of attribution of scores in the SUPPLIER evaluation phase

			Max score attainable		
Group	Subgroup	Range evaluation	Partial	Total	
Presentation of documentation				10	
	PSW presentation delay / lack	Delay / lack of 2 or + PSW presentation within the year	0		
		Delay / lack of 1 PSW presentation within the year	1		
		No delay / lack PSW presentation within the year	2		
	CQC certificates presentation delay / lack	Delay / lack of 4 or + CQC presentation within the year	0		
		Delay / lack of 3 CQC presentation within the year	1		
		Delay / lack of 2 CQC presentation within the year	2		
		Delay / lack of 1 CQC presentation within the year	1		
		No delay / lack CQC presentation within the year	4		
	8D modules presentation delay / lack	Delay / lack of 4 or + 8D presentation within the year	0		
		Delay / lack of 3 8D presentation within the year	3		
		Delay / lack of 2 8D presentation within the year	2		
		Delay / lack of 1 8D presentation within the year	1		
		No delay / lack 8D presentation within the year	0		
	Delivery delays				10
		2 or + deliveries delays within the year		0	
1 delivery delays within the year		5			
No delivery delays within the year		10			
Scrap incidence				40	
	PPM = 0 during last year		40		
	1 < PPM < 100 during last year		30		
	101 < PPM < 500 during last year		25		
	501 < PPM < 1000 during last year		20		
	1001 < PPM < 2000 during last year		15		
	2001 < PPM < 2500 during last year		10		
	2501 < PPM < 3000 during last year		5		
	PPM > 3001 during last year		0		

SUPPLIER QUALITY MANUAL

			Max score attainable	
Group	Subgroup	Range evaluation	Partial	Total
Customer's notifications				40
	Delivery delays due to SUPPLIER delays	2 o + notifications during the year	0	
		1 notification during the year	10	
		No notification during the year	20	
	Warnings referring to non-conforming SUPPLIER material	4 o + notifications during the year	0	
		3 notifications during the year	5	
		2 notifications during the year	10	
		1 notification during the year	15	
		No notification during the year	20	

SUPPLIERs rating classes:

Class	Rating
"a"	=>90/100
"b"	=>75/100 e <90/100
"c"	=>30/100 e <75/100
"d"	<30/100

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OSIRIDE

ANNEX B

Validity: as of 01 gennaio 2018 and until updated

Table of charges to SUPPLIERS

Charge items	Measure's unit	Amount euro
Non-compliance management	Per case	60,00€
Selection with internal staff	Per hour	
Selection with external staff	Per hour	Costs incurred by Supplier reversal
Selection at customer plant with internal staff		Incured costs reversal
Selection at customer plant with external staff		Costs incurred by Supplier reversal
Lamination line stop	Per hour	700,00€
Moulding line stop	Per hour	70,00€
Foaming line stop	Per hour	Amount euro

ANNEX C

Customer Specific Requirements (CSR's)

VW – Product Safety Officer PSB

VW - Self SUPPLIER assessment audit every year

VW – VDA 6.3

VW – VDA 6.5

VW – VDA 2

FCA – Product Demonstration Run (PDR), PA (8.4.1.2.a.)

FCA – IMDS (8.4.2.2.)

FCA – ISO 9001 minimum (8.4.2.3.)

Stellantis – Risk Management