

	<b>GENERAL PURCHASING CONDITIONS</b>	<b>SFRG-GPC</b>
		<i>Rev. 7 dated 22/04/2024</i>

**REVISIONS HISTORY**

REVISION NO.	DATE	MODIFIED §	MODIFICATION DESCRIPTION
1	24/03/2018	3.2.1	Updated OTD target
2	14/08/2019	7	Added clauses for calibration laboratories
3	10/10/2019	3.9	Non-conforming products management
4	16/03/2020	9	Added reference to the Code of Ethics.
5	01/07/2023	2, 3, 5	Added § 2, 3 and modified § 5
6	01/11/2023	5 , 10	Added § 5.4, § 5.5, § 10
7	22/04/2024	10	Modified § 10

SOURCING & PROCUREMENT	QA	LEGAL	CEO
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## GENERAL PURCHASING CONDITIONS

SFRG-GPC

Rev. 7 dated  
22/04/2023

### 1 SCOPE AND APPLICABILITY

The present document includes the general purchasing conditions of the Siderforgerossi Group SPA (hereafter "SFRG") and shall be deemed as an integral part of all the SFRG purchase orders.

Any general conditions of sale or any clause or provision in any manner inserted and/or specified in the supplier's e-mails or forms shall not apply unless expressly approved in writing by SFRG.

### 2 SUPPLIER OBLIGATIONS

Supplier shall supply the products ordered by SFRG in accordance with the terms, conditions and prices agreed by the parties and in compliance with the laws in force at the time of delivery, including those concerning the environment and occupational health, safety and hygiene.

The supply shall also be carried out in accordance with the technical requirements indicated in SFRG order, including any technical or safety data sheets or, if unavailable, in accordance with the most recent state-of-the-art technology and, in any case, with utmost care and diligence.

All the products supplied shall be made with due skill and care, with good workmanship, using the proper materials and in compliance with all the applicable laws as well as with the specifications, descriptions, technical documents, designs, drawings or samples, if any, provided by SFRG and/or agreed upon by the parties. Supplier is responsible for the quality and functionality of the Products and materials used to manufacture the same and for their compliance with all applicable contractual and legal requirements.

Where applicable, the CE marking shall be affixed to the supplier's products, either on individual products or on each lot; products shall also be accompanied by a user and maintenance manual and a declaration of conformity.

### 3 MODIFICATIONS TO SUPPLIES AND ORDER CHANGES

SFRG shall at any time be entitled to request to supplier changes to the order(s) submitted and in such a case supplier shall confirm the request of changes within the subsequent 10 (ten) days. Should the requested changes affect the delivery times and/or the price of the ordered products, supplier shall specify in writing within the above-mentioned term:

- the content of the requested modification and its technical impact;
- any extra costs and their breakdown as well as the updated price;
- any postponement of delivery deadlines.

SFRG shall than be free to accept or refuse the supplier's new proposal within the subsequent 10 (ten) days. In case of non-acceptance SFRG shall be entitled to withdraw from the relevant purchase agreement, without being obliged to anyhow indemnify the supplier, who shall only be entitled to the costs actually borne and documented related to the works, if any, meanwhile begun.

Supplier shall have no right to suspend or delay its performance hereunder while SFRG is reviewing supplier's request for cost extra to the purchase price and/or extension to the completion schedule, or if SFRG fails to approve any such requests. Supplier agrees that suspension of performance or delay by supplier under such circumstances shall be considered a material breach of the relevant sale contract.

### 4 PRICE, PAYMENT AND DELIVERY

The quoted price is firm and not subject to any cost extras or escalation. No additional charges of any kind by supplier are authorized, including, but not limited to, additional charges for overages, acceleration and overtime, delay, loss of efficiencies, increased material costs, etc., will be allowed.

Unless otherwise stated in the purchase orders, all prices shall be considered:

- a) Incoterms® 2020 Delivered Duty Paid (DDP) ;
- b) net amount (applicable taxes and/or duties excluded);
- c) shipping and dispatch costs included.

Time is of the essence with respect to the delivery of the products by supplier. Strict compliance with the agreed delivery dates shall be considered a material obligation of supplier. SFRG shall therefore be entitled to terminate the relevant purchase contract in case of non-compliance with delivery date and well as in case, after inspection as per paragraph 5.5. hereunder, it will be clear that delivery date shall not be met.

In case of delays in the deliveries, unless otherwise agreed in writing by the parties, SFRG shall be entitled to genuine pre-estimated liquidated damages in the amount of 0,5% of order price for each calendar week of delay, without prejudice to SFRG's right to claim further damages suffered as a consequence thereof, including any penalty or liquidated damages which SFRG may be obliged to pay to its client due to said delay. In case of delays

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exceeding 5(five) weeks, the first part of this section shall apply and SFRG shall also be entitled to forthwith terminate all or part of the supply agreement related to the delayed deliveries, to get the restitution of any down payment and to be kept harmless from any further damage incurred or suffered as a result of such a delay  
In case of changes to the terms of the supply requested by the supplier for orders already confirmed, SFRG reserves the right to assess their feasibility and, in case of acceptance, charge back all possible costs related to the modification and/or amendment.

The products and materials referred to in the order shall be delivered to the site mentioned in the purchase order, together with any document obtained or produced as well as with a transport document quoting the purchase order details and exactly describing the product with the same coding or description indicated therein (see specific clauses and requirements for different types of purchase in the following §§).

## **5 GENERAL CLAUSES AND REQUIREMENTS FOR ALL TYPES OF PURCHASE**

### **5.1 Supplier performance evaluation**

#### **5.1.1 Raw materials suppliers**

At least once a year, the suppliers' performance relating to conformity of the products/services supplied and of punctuality in deliveries is evaluated by the SFRG QA area in terms of compliance with the clauses expressed in the present document as well as in other agreements in force between the parties, if any. Such evaluations are used to assess the supplier risk level with regard to SFRG customers and to decide whether or not to reconfirm the supplier for the following financial year. Results and targets will be determined both in terms of on-quality (e.g. NC rate) and on-time (e.g. OTD). Unless otherwise notified in writing by SFRG to supplier, the expected target for these two indicators are the followings:

**Non Conformity rate  $\leq$  1 wt.%;  
OTD (On Time Delivery)  $\geq$  94 wt.%;**

In the case a qualified supplier has several production sites, it shall only supply products/services from the site(s) qualified by SFRG.

Moreover, the supplier is expected to promptly notify SFRG about any relevant changes or modifications to its own quality system, to its third-party certifications, as well as any renewals of validations or certifications of products, processes and personnel. In addition, the supplier shall promptly notify SFRG about any modifications that may have a significant impact in the organization/administration structure and any changes in the corporate name.

In case of supplier's deviations from the applicable targets and requirements, SFRG reserves the right to exclude the supplier from the SFRG approved vendors list.

#### **5.2.2 Non-raw materials suppliers**

The suppliers' performances related to the conformity of the products/services supplied and punctuality in deliveries are continuously monitored by the SFRG QA area in terms of compliance with the clauses expressed in this document as well as in other agreements in force between the parties, if any. In the case where a qualified supplier has several production sites, it shall only supply products/services from the site (or sites) qualified by SFRG.

Moreover, the supplier is expected to promptly notify SFRG about any relevant changes or modifications to its own quality system, to its third-party certifications, as well as any renewals of validations or certifications of products, processes and personnel. In addition, the supplier undertakes to promptly notify SFRG about any modifications that may have a significant impact in the organization/administration structure and any changes in the corporate name.

In case of supplier's deviations from the above mentioned requirements, SFRG reserves the right to exclude the supplier from the SFRG approved vendors list.

### **5.3 Order and order confirmation**

For each order (or frame contract) received, the supplier is expected to send SFRG prompt regular order confirmation. The SFRG order shall quote these general purchasing conditions. If no supplier's order confirmation is received by SFRG within 14 calendar days as of the date of issuance of the order, order shall be deemed as accepted, likewise should the supplier begins the manufacturing of the products subject matter of the order, then the contract shall be deemed formed according to the terms set forth in the order and in these general conditions. In case of deviations between the purchase order and the order confirmation, the order confirmation shall be deemed a counterproposal which SFRG shall be free to accept or refuse .

The supplier is expected to fully comply with whatever is explicitly stated in the SFRG purchase orders and, in

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case of material supplied on account of manufacture, in the transport documents; in particular concerning the quantity, delivery times and dates, and any necessary documents/certifications pertaining to the supply. Such documents/certifications shall be delivered at the same time as the purchased goods and materials.

If the purchase order contemplates any preliminary samples, such samples shall be delivered separately by means of a dedicated transport document specifying the particular type of delivery. The supply is only to be deemed authorised after documented and explicit written approval is issued by the SFRG quality department. Reference to such samples shall be made with appropriate internal documentation. The sample procedure shall be repeated after each modification made to the product as requested by SFRG.

All the supply of materials and services shall be checked at the incoming stage by SFRG according to SFRG Procedures QA120a and QA121. Special focus will be paid to prevent the use of counterfeit parts.

#### **5.4 Management of the documentation supplied by SFRG and reference standard**

Unless otherwise specified in the purchase order, the documentation supplied with the order is exclusively valid for the order referred to the supply. The supplier is expected to ensure confidentiality when managing the documentation and data supplied by SFRG. The supplier undertakes not to use the results for any purpose other than the performance of the order. Should the purchase order or the pertaining documents (drawings, transport documents and similar) quote any technical standards issued by standardisation bodies or by SFRG customers, the supplier is expected to be provided with (or, alternatively, to obtain from SFRG) the latest editions of such documents, and to check their validity in official sites or by contacting the SFRG quality department

#### **5.5 Packaging and wrapping**

Should the purchase order not specify any detailed requirements for product packing/wrapping, or for any type of purchase applicable, the packing or wrapping characteristics shall be such as to ensure that the product is protected from any damage due to impact or atmospheric agents, and that it can be lifted and transported under the safest conditions for the operators in charge.

#### **5.6 Supply of chemical substances and products**

As far as applicable, the products and substances supplied shall be provided with technical toxicological-safety sheets, declaring that the product or substance supplied conforms to the current European community directives (REACH regulations).

The supplier guarantees full compliance of the supply with the regulations and standards in force in the country where the product or service, subject of the supply, is delivered or rendered to SFRG and in any other country where the supplier has been informed that the supply will be used. For this purpose, the supplier shall hand over upon delivery, or undertake to hand over at first demand by SFRG, the certificates required by the applicable regulations and relating to the supply.

In addition, the supplier shall:

put in place all necessary measures for the implementation of its supply systems relating to the following minerals:

- 1) tantalum;
- 2) tin;
- 3) tungsten;
- 4) gold;

so as to ensure that such minerals originate from conflict free sources, and provide, upon request, information regarding said supply systems on a platform determined by the final customer.

Irrespective of the place in which the supply is produced or rendered, the supplier also warrants that the supply will comply with applicable legal provisions and regulations relating to quality requirements and standards, including health, hygiene, safety, traceability of products and protection of the environment.

#### **5.7 Acceptance inspections and management of cases of non-conformity**

SFRG reserves the right to conduct inspections on the incoming products and services, aimed to assess the conformity of the product and/or service provided. In the case where these inspections should reveal any non-conformity compared to what was ordered, either in the course of use or following any SFRG customer complaint, SFRG shall issue a formal documented notification and the supplier shall reply within 24 hours from receiving said formal notification to confirm that the complaint is being analysed and shall provide evidence with regard to:

- a) the methods used to deal with the non-conformity (such as replacement, repair, reworking and similar) and respective times needed;
- b) the causes that originated the claimed non-conformity;
- c) the corrective actions that have been issued to eliminate the cause of the actual non-conformity and the timeframe for the verification of effectiveness.

In the most relevant cases, SFRG reserves the right to carry out extraordinary audits with the purpose of renewing or suspending the qualification previously assigned to the supplier. The qualification scope may be reconsidered

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also audit-less, as immediate or permanent corrective action.

### 5.8 Traceability and records retaining period

The supplier shall provide documentary evidence of all the inspections carried out during the manufacture of products or the supply of services, and if necessary, or when requested, any FAI reports.

The certificates of the tests and examinations carried out, as well as any certifications from subordinate suppliers, shall be related to the product/service referred to in the order and shall be retained according to the table below and submitted to SFRG, or to its customers, if and as required before or with the supplied product/service.

All hard records (i.e. non electronic) shall be written in ink (preferably black or blue) or other permanent method. Corrections to these records shall be dated, signed in ink and with the original data still clearly readable, use of correction fluid is not admitted. All electronic records shall be controlled, maintained and traceable, respecting the same requirements specified for paper records.

The minimum records retaining period is stated in the following table. This period may be increased pursuant to the indications stated in the SFRG order.

Document	Minimum retention period (if not otherwise stated in the order)
Product configuration docs (e.g. contract review, drawings, specifications)	13 years
Product manufacturing documents (manufacturing cycles, jobsheets, work orders and information related to the jobsheets) and documents containing the results of every type of controls, traceability, test and inspection carried out at reception, during manufacturing and at the final acceptance, request of change, laboratory tests	13 years
Material test pin	2 years

### 5.9 Controls, Checks and Final Testing and Inspection

Supplier undertakes to carry out the controls, checks and final testing requested by SFRG, ensuring that all envisaged tests are duly carried out, whereby SFRG shall be entitled to request access to the documentation and results of the tests performed at any moment in time.

SFRG is entitled to check at any time the correct completion of the supply, both during processing and after the preparation of the goods. To this end, supplier shall guarantee free access to its premises and facilities, as well as to those of any third parties involved in the supply, at any moment in time and with due notice. Supplier shall also provide reasonable facilities and assistance for safety and convenience of SFRG inspection personnel.

If SFRG ascertains that the supply is not being implemented in accordance with the terms agreed, SFRG may fix a term of no less than 10 (ten) calendar days within which supplier is required to comply with the aforementioned terms.

Once that aforementioned deadline has elapsed without supplier implementing the required correction measures, SFRG has the right to request immediate delivery of the products as they are and intervene directly or by way of third parties, charging the respective costs to supplier or, at SFRG sole discretion, to terminate the supply agreement in full or in part, notwithstanding the right of SFRG to compensation for further damages.

In such cases, SFRG shall also be entitled to suspend the payments in accordance with Art. 1460 of the Italian Civil Code.

### 5.10 Deviations

Supplier may request deviations to the agreed terms of supply (e.g. postponement of the terms of delivery or specific concession regarding the purchase order) to the SFRG competent purchasing department, which shall be free to accept or refuse the request. In case of acceptance of the supplier's request of amendment, the positive feedback shall be sent in writing to supplier through the order updating or by a formal email.

The supplier is in no case allowed to deliver non-conforming products without SFRG prior written authorisation.

### 5.11 Warranty

Supplier guarantees that its supplies or services will: (i) be in compliance with the technical specifications provided by SFRG, (ii) comply with all applicable Italian and EU laws, rules and technical regulations, (iii) be free from defects in workmanship and material, (iv) be fit for their intended use, (v) be accompanied by all information, instruction, certifications and required documents. Without prejudice to the compulsory product's liability law,

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should any defect or non-compliance of the products be discovered, SFRG shall give notice in writing by email to the supplier within 30 (thirty) days from their discovery and it shall be entitled: (i) to claim a full refund of any amount already paid, (ii) to suspend any payment, also in connection with other contractual relationships with the supplier, (iii) to set-off any amount paid for the non- conforming products against any invoices of the supplier, (iv) to obtain a proportional reduction of the price due (v) to demand delivery of faultness products or (vi) to demand the repair or replace of the defective products. The limitation period for defect claims shall begin with the full supply or performance of the scope of supply or service; the limitation period ends 36 months after the delivery to SFRG customer of products involving the supplies.

The supplier shall bear all costs of repair, replacement, transportation of the defective or non-accepted products and shall keep SFRG harmless from all costs and expenses (including, without limitation, inspection, handing, storage costs, rework, labour, material costs, cost for disassembling the defective products, transportation cost for the return of the defective products, recall actions, etc.) reasonably incurred by SFRG in connection therewith. It is understood that in case SFRG has sold, used or transformed any nonconforming products to third parties, the supplier shall indemnify SFRG for any and all expenses that SFRG may incur for removing and recollecting said products, without prejudice to any right of SFRG to claim further damages.

The supplier shall also indemnify and hold SFRG harmless from and against all suits, actions, legal or administrative proceedings, claims, demands, damages, judgments, liabilities, interest, attorney’s fees, costs and expenses of whatsoever kind or nature, whether arising before or after completion of the delivery of the products, in any manner caused or claimed to be caused by act, omissions, faults, breach of express or implied warranty, breach of any of the provisions of these general conditions or negligence of Supplier in connection with the products furnished by the supplier to SFRG.

The supplier shall be liable for all the damages due to faulty equipment and for machine downtimes. SFRG reserves the right to charge such costs to the equipment manufacturer.

**5.12 Delivery/refusal of supplies**

Delivery of the products shall be carried out in the terms and within the delivery deadlines indicated in the SFRG order which are deemed binding.

The supply shall be delivered to the location indicated in the SFRG order and in such a way as to prevent damage to the Products.

In the event of delay in deliveries, section 4 shall apply.

The delivery shall be accompanied by all the documents, certificates, statements and/or certifications required by the Italian and the EU laws as well as by the transport documents required by the laws in force at the time of delivery; in addition to the mandatory details required by law, they shall also bear the order number.

SFRG shall have the right to refuse, at the expense of supplier, supplies which are damaged, partly or in whole, or do not comply with the terms agreed by the parties, including these General Purchase Conditions, with Italian and EU laws and technical regulations and with the technical specifications set forth or attached to the order. In such case, section 5.9 shall apply.

**5.13 Intellectual property rights**

Supplier shall provide the supply/service in a way that the supply/service itself, or its use by SFRG or its customers, does not infringe any intellectual property rights or copyrights of third parties.

Supplier shall transfer all rights of use needed for the use of the supplies/service by SFRG or third parties taking into consideration patents, supplementary protection certificates, brands, registered designs, etc.

**5.14 Prices**

The agreed price includes any and all payments due by SFRG to supplier for the supply indicated in SFRG order or regulated by the supply contract. Unless otherwise agreed in writing by the parties, the prices of the products set forth in SFRG order or agreed in the supply contract shall be deemed fixed and invariable, expressly waiving the application of articles 1467 and 1664 of the Italian Civil Code.

**5.15 Invoicing**

Invoices issued by supplier to SFRG shall include the details of the SFRG order, in addition to the details required by the laws in force. Invoices shall be issued in accordance with existing regulations.

**5.16 Confidentiality**

Supplier undertakes to treat any non-public data, details and business or technical information concerning SFRG and acknowledged in the performance of the works for the supply , as strictly confidential.

Disclosure shall be permitted only with SFRG’s prior written authorization.



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#### **5.17 Personnel**

Supplier shall directly manufacture the products and carry out the supply using its own personnel, suitable in terms of number and professional skills, in compliance with social security and welfare regulations, and regularly registered and remunerated according to the relative category CCNL (National Collective Bargaining Agreement). Where applicable, Supplier undertakes to ensure that its personnel fully complies with the access control procedure in force at SFRG's facilities.

Supplier shall not be entitled to subcontract all or part of the supply without SFRG's prior written authorization.

#### **5.18 Insurance**

Supplier undertakes to indemnify and hold SFRG harmless against any claims received by the latter in relation to damage to any person or property, belonging to itself and/or other third parties, caused by means, personnel or third parties appointed by supplier.

Supplier shall keep appropriate Third Party Liability insurance policies to cover its employees and/or third parties against any accident and/or damage to persons or property, belonging to itself and/or third parties, however related to or in consequence of the activities carried out within the supply

#### **5.19 Termination**

Without prejudice to the general rules of the governing law concerning cancellation, or any other set forth herein, any agreement shall be deemed as automatically terminated if Supplier is subject to any bankruptcy or insolvency proceedings.

Unless otherwise agreed in writing, SFRG shall be entitled to terminate, in whole or in part, any supply agreed with the supplier without giving rise to any indemnity or damages of any kind whatsoever, by sending written notice thereof with 10-day notice period to the supplier. In such a case SFRG shall pay the supplier all works made, up to the date of termination, while supplier shall have the obligation to provide SFRG with all the technical documentation (projects, drawings, etc.) produced by the same, and in relation to which no form of compensation or remuneration is envisaged whatsoever.

#### **5.20 Sole venue -Applicable Law**

The courts of Vicenza, Italy, have exclusive jurisdiction to settle any dispute arising from or connected with any supply .

The supplies regulated by these general conditions as well as these general conditions shall be governed by and construed in accordance with the Italian law. Should supplier not be a company registered under the Italian law, these general conditions and the relevant supplies shall be governed by and construed in accordance with the U.N. Convention on the International Sale of Goods (Wien Convention - 11<sup>th</sup> April 1980).

### **6 SPECIFIC CLAUSES AND REQUIREMENTS FOR RAW MATERIAL PURCHASES**

The supplier is expected to:

- a) purchase all the necessary raw materials and services for the performance of the order from sources certified by the SFRG customer or by SFRG or by the supplier following approval by SFRG of the supplier's certification procedure. The supplier shall make available to SFRG all documents certifying the quantity, origin, quality, the controls and the backup measures it has made or which have been made by certified organizations upon its request in connection with such stock. Approval by SFRG in no way exonerates the supplier from abiding by its obligations under the contractual documents;
- b) provide original conformity, analysis or tests certificates at the time when the material is delivered, enclosed with the delivery document and/or previously sent by email;
- c) avoid mixing the heats; in the case of different heats, the material shall be clearly and unmistakably marked for each of the heats;
- d) identify each billet/bar/ingot and package clearly and with markings not subject to deterioration within the scope of supply;
- e) indicate in the transport document SFRG reference order number, and the material grade, type, dimension and heat number;
- f) avoid forwarding partial deliveries and/or delivering the material before the date indicated in the order without prior written authorisation from the SFRG raw material purchase department. Deliveries shall be completed according to the order schedule.

Purchasing related to Aviation, Space and Defence projects shall apply §10.

### **7 SPECIFIC CLAUSES AND REQUIREMENTS FOR MACHINING AND HEAT TREATMENT PURCHASES**

- a) No sub-suppliers can be involved, unless explicitly authorised by SFRG in the order;
- b) The supplier is expected to:

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- 1) carry out the machining or treatment operations requested, without making any type of modification or alteration which has not been expressly authorised or notified in writing by SFRG;
- 2) promptly notify the SFRG quality control department (or the reference contact) about any damage/ defects found on the parts during the material receiving stage (i.e. before carrying out any required working operations);
- 3) promptly notify the SFRG quality control department (or the reference contact) about any damage or loss caused to the materials received for working; following any non-conformity due to working, and once liability has been proved, the supplier undertakes to indemnify SFRG for any damage caused;
- 4) identify and manage with care any other SFRG properties supplied as account of manufacture or loan for use;
- 5) qualify any of the special processes used, qualify the respective personnel and entrust qualified personnel with appropriate individual stamps under supervision;
- 6) with each delivery, supply any inspection reports (e.g.: dimensional, hardness test etc.) and any final inspection certificates requested; all the required documents (e.g. certificates, diagrams) shall be supplied at the time when the worked material is returned.

Purchasing related to Aviation, Space and Defence projects shall apply §10.

## **8 SPECIFIC CLAUSES AND REQUIREMENTS FOR MATERIAL TESTING AND NON-DESTRUCTIVE TESTING PURCHASES**

- a) No sub-suppliers may be involved, unless explicitly authorised in writing by SFRG in the order;
- b) The supplier is expected to:
  - 1) conduct the tests requested in observance of the applicable standards quoted in the purchase order or outline contract or in the transport document enclosed;
  - 2) promptly notify the SFRG quality control department about any damage or loss caused to the materials received for conducting the tests required;
  - 3) validate or have any of the special processes in use qualified, furthermore qualify the respective personnel and entrust qualified personnel with appropriate individual stamps under supervision;
  - 4) on returning the material, submit the original note with which the material to be tested was delivered and always enclose all the documents provided at the time;
  - 5) deliver the test and analysis reports drawn up on standard formats and approved during the qualification.

Purchasing related to Aviation, Space and Defence projects shall apply §10.

## **9 SPECIFIC CLAUSES AND REQUIREMENTS FOR INSTRUMENT CALIBRATION PURCHASES**

- a) No sub-suppliers may be involved, unless explicitly authorised in writing by SFRG in the order;
- b) The supplier is expected to:
  - 1) carry out the requested calibration operations in observance of the applicable standards quoted in the purchase order or outline contract or in the transport document enclosed;
  - 2) promptly notify the SFRG quality control department about any damage or loss caused to the instruments received for carrying out the calibration operations requested;
  - 3) validate or have any of the calibration processes in use qualified, and qualify the respective personnel;
  - 4) on returning the material, submit the original note with which the instrument was delivered and always enclose all the documents provided at the time;
  - 5) deliver the test and analysis reports drawn up on standard formats and approved during the qualification.
- c) If not otherwise agreed in writing, the laboratory shall be accredited ISO/IEC 17025:2005. In this case, the following additional clauses apply:
  - 1) the service must be provided in accordance with the accredited ISO/IEC 17025:2005 program and scope of accreditation;
  - 2) the calibration certificate/report shall include identification of the laboratory equipment /standards used;
  - 3) the calibration certificate/report shall include as-found calibration data when calibrated items are to be found out-of-tolerance;
  - 4) SFRG must be promptly notified in writing of any condition that adversely impacts the laboratory's ability to maintain the scope of accreditation.

Purchasing related to Aviation, Space and Defence projects shall apply §10.

## **10 SPECIFIC CLAUSES FOR AVIATION, SPACE AND DEFEND PROJECTS**

### **References**



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- a) AS9100 rev. D Quality Management Systems - Requirements for Aviation, Space, and Defense Organizations;
- b) General purchasing conditions. aeronautical supplies. SAFRAN group;
- c) QRS-01 Quality Requirements for Suppliers
- d) QRS-130 Flow-down of LH Requirements to Sub-Tier Suppliers
- e) QRS-107 Management of Non-Conforming Articles
- f) GRP-0087 Safran Requirements for External Providers
- g) GRM-0123 Provider HANDBOOK
- a) DQF01 Applicable Quality Requirements to Safran Aero Boosters suppliers
- b) S01-09 FIGEAC-AERO SUPPLIERS AND SUB-CONTRACTORS REQUIREMENTS
- c) LIS-017 List of records and storage periods from provider

**Right of access**

SFRG Suppliers involved with Aerospace Articles shall grant the right of access to SFRG and to SFRG final customer, where requested by the final customer itself, as specified by AS/EN 9100 Aerospace Quality Management System, Regulatory Agencies (FAA, TCCA, EASA), Military Authorities and Customers.

**Notification Of Escape**

The Supplier must communicate to SFRG any Quality Alert or Notification Of Escape respecting the following time limits: Maximum 24 hours. Where applicable, the Supplier shall clearly flow down to his Sub-tiers all the above requirements to ensure that he is promptly notified of any Sub-tier Escapes.


**Traceability and records retaining period**

The supplier is expected to provide documentary evidence of all the inspections carried out during the manufacture of products or the supply of services, and if necessary any FAI reports, and also adequately manage the configuration relating to the manufacture and inspection of the product referred to the supply.

The certificates of the tests and examinations carried out, as well as any certifications from subordinate suppliers, shall be related to the product/service referred to the order and shall be kept according the table here below and submitted to SFRG, or to its customers, in case it will be required before or with the supplied product/service. All the hard records (i.e. not electronic) shall be written by ink (preferably black or blue) or other permanent method. Corrections to these records shall be dated, signed by in ink and with the original data still clearly readable, whitebait is not admitted. All electronic records shall be controlled, maintained and traceable, respecting the same requirements specified for paper records.

The minimum records retaining period is stated in the following table. SFRG final customer requirements are to be considered prevalent.

Document	Minimum retention period (if not otherwise stated in the order)	Note
Quality management system definition	6 years	Any changing to certificates scope and validity shall be notified to SFRG within 48 hours
Quality system management review	6 years	
HR general training (for special processes see below)	From the training date till 3 years after the person has ceased employment with the organization	
Product configuration docs (e.g. contract review, drawings, specifications)	Permanent	
Purchasing docs from sub-suppliers (request for purchasing, purchasing orders, certificates of conformity, EASA Form 1, Form 8130-3, approved vendors list, specifications and testing docs provided by the sub-suppliers, incoming verification records)	Permanent	

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Product manufacturing documents (manufacturing cycles, jobsheets, work orders and information related to the jobsheets) and documents containing the results of every type of controls, traceability, test and inspection carried out at the reception during the manufacturing and at the final acceptance, request of changing, laboratory tests	Permanent		
Documents relating to the type approval tests / product qualification and the documents relating to the technical validation and process validation	Permanent		
Remelted material analysis pin	Permanent		
Laboratory test metallographic sections, macrographic plates	Permanent		
Magnetic particle inspection bar for ferromagnetic alloys	Permanent		
Documents relating to the qualification of special processes for the non-destructive testing, operators training, approval of sources of supply, calibration and verification of means equipment, measuring and testing, result of analysis of the deviations identified by PRI Nadcap	Permanent		Any changing to special processes approvals validity shall be notified to SFRG within 48 hours
Documents relating to non-compliance detected at the supplier and its sub-suppliers	Permanent		
Documents relating to non-compliance reported by SFRG, through observations of testing and problem reports, the reports of the investigation carried out by the supplier in relation to such non-compliance and information on the corrective and preventive actions	Permanent		
System and Product Quality Assurance Plan	Permanent		
Records regarding first/second part audit carried out by the supplier on its premises/sub-suppliers and corrective and preventive actions taken as a result of noncompliance	15 years + 5 years from the date of cancellation/ deletion/ superseded		

#### **Additional note §7 SPECIFIC CLAUSES AND REQUIREMENTS FOR MACHINING AND HEAT TREATMENT PURCHASES**

In case of Heat Treatment, the supplier is required to submit to SFRG an Heat Treatment Sheet for approval (STT). The Heat Treatment Operation must begin only after SFRG approval of the Heat Treatment Sheet.

#### **11 GPC UPDATING AND SHARING**

Any deviation, without SFRG written authorisation, from even one of the present clauses may entails SFRG refusal of the supply and regular payment. Any derogations may only be authorised in writing by the SFRG quality control department personnel or purchasing department.

The present document is issued by the SFRG QA, which keeps it updated in case of any modifications, changes or integrations.

The purchase order issued by SFRG shall always quote the details of the present document, which is made available to all suppliers in its latest edition on the SFRG web page [www.siderforgerossi.com](http://www.siderforgerossi.com).

#### **12 CODE OF ETHICS AND CONDUCT**

The supplier must adopt a Code of Ethics and Conduct, which aims to confirm and establish the principles of

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correctness, loyalty, integrity, transparency of conduct, the way of operating and conducting relationships internally and towards to third parties. On this regard, supplier shall comply with the principles set forth in SFRG Group Code of Ethics and Conduct available at [www.siderforgerossi.com](http://www.siderforgerossi.com)