INDICE

Revision History

Rev. N°	Date	Description of variations	Paragraph
0	06-07-2023	First issue	-

Elaborated by	Approved by
Quality Assurance Manager	**Executive Board**

Approvals

Company Overview

Since 1965, we have been the Italian reference in the supply and processing of materials and components for the electromechanical industry.

We respond to the needs of our customers with competence and responsiveness, thanks to stock management of over 13,000 references and an accurate sales service in more than 50 countries.

+10,000 m2 of factory, the vastness of our warehouse, and over 3,000 active customers, make us one of the main European players in the storage and production of materials intended for the construction and repair of static and rotating electric machines.

In the coming years, FAET wants to continue the path undertaken, completing the investment plan and increasingly developing the skills and professionalism of those who work in the company.

To guarantee the service, FAET cannot ignore the people who are part of it and who determine its identity. The economic results must be based on long-term sustainability, where the people who make up the organization are at the center of the process.

The company has therefore adopted an organizational logic oriented towards professional growth, respect for dignity and safeguarding the physical and mental integrity of those who work. For this reason, FAET constantly invests in protecting worker safety, through constant modernization and improvement of workplaces, training and information programs and rigorous compliance with laws and regulations.

Mission of the company

Faet Srl is committed to providing its customers with first-rate service. This means meeting the needs of our customers regarding product quality and on-time deliveries. It also means anticipating our customers' future needs and expectations regarding new products and services thanks to innovative processes and products. Faet Srl aims to achieve these objectives with strong leadership, highly qualified collaborators who are always up to the task, and the best suppliers in the sector.

The future development of Faet processes over the next 5/10 years aims to increase our presence in the automotive market as a partner in the creation of customer-designed parts in electrical insulating materials for EV motors and/or parts connected to them (e.g. batteries, charger etc.) and anything else that can be made with the aforementioned materials, respecting customer requests in terms of process/product quality.

Web Page For more information on Faet, visit the website www.faet.it

Introduction

Our suppliers At Faet Srl we recognize the fundamental role played by our suppliers in the added value we offer to our customers. In addition to our operational units we rely on suppliers to ensure material, products and services meet all Faet contract requirements, all relevant specifications and quality management needs outlined here.

Objective Faet supplies various market sectors, e.g. industrial, electromechanical and automotive. The objective of this manual is to inform Faet suppliers of our basic expectations regarding the quality management systems, project requirements and production process controls necessary for doing business with Faet. This manual describes what Faet expects from its suppliers in order to ensure compliance with all Faet requirements and expectations.

Recipients This manual is valid for all suppliers who supply Faet with materials, products, and associated services, including intra-company suppliers, and, as the case may be, subcontractors. The general requirements outlined here do not replace requirements otherwise expressed in the contract or project specifications, including relevant technical and process specifications, or applicable long-term agreement(s).

Requirements In this manual, the terms “shall” and “must/are required to” mean that the action described is mandatory; "should" means that the action described is necessary and required with some flexibility in the method of fulfillment; finally, “power” means that the action described is permissible or has a discretionary nature.

Requests Questions regarding this manual should be addressed to your Faet purchasing manager.

Supplier Code of Conduct

Suppliers must ensure that operations are carried out appropriately, invoking their ethical, legal, environmental and social responsibilities. Below is a list of key requirements:

- Compliance with local laws and regulations

Suppliers are required to comply with the laws and regulations where they reside. This includes all local, state and federal laws and regulations of the country of origin.

- Compliance with Environmental, Health and Safety Laws

Supplier is required to maintain and operate its facilities and manufacturing/production processes in accordance with local, state, federal laws/regulations of the country of origin.

No Faet manager should ever be exposed to hazardous materials or hazardous conditions as a result of supplier shipments to a Faet factory or during a visit to a supplier's factory. In the case of items with inherent risks, the relevant safety warnings must be clearly visible. As appropriate, documented information on safety management and protection must be provided.

- Product safety

In all cases where a product is manufactured according to a new project, or for a new system or a new application, it is important that the Supplier and Faet share responsibility for compliance with the requirements relating to performance, resistance, safety and warnings. It is preferable that this distribution is produced in written form.

- Equal rights

Suppliers will not discriminate on the basis of race, ethnicity, sex, religious beliefs, physical disability, political affiliation or other distinctive characteristics the discrimination of which is prohibited by local, state, federal laws/regulations.

- Child labor

Suppliers must employ workers of the minimum legal age in accordance with local, state, federal laws/regulations of the country of origin. Laws against child labor must be respected.

- Forced/coerced contract labor

Suppliers shall not use forced labor or bonded contract labor.

- Working hours/days

Suppliers shall not exceed the daily and weekly working hours permitted by local, state, federal laws/regulations of the country of origin.

- Salaries and allowances

Suppliers must compensate workers in accordance with local, state, federal laws/regulations of the country of origin. This includes the legal minimum wage, overtime pay and allowances (required by law).

- Ethics

Any evidence of corruption, bribery, abuse of power or any other form of illegal practice by the supplier or associated operations will result in the termination of any relationship with Faet. Suppliers must conduct business in compliance with the Faet Srl 'Code of ethical conduct'.

- Code of conduct and application of quality policy

The quality policy applies to all suppliers and their subcontractors. The supplier is responsible for verifying and monitoring compliance with this code in its production units and in the production units of subcontractors.

- Confidentiality

The supplier must guarantee the confidentiality of all products contracted by Faet and projects under development, as well as related product information and intellectual property shared as a result of the working relationship.

1 Quality system requirements

Suppliers will have to maintain a quality management system (QMS) that is suitable for the products and services supplied to Faet, certified by an accredited external body for the latest version of one or more of the following, as appropriate:

- ISO 9001 – Quality Management System Requirements
- IATF 16949 – Quality system requirements (automotive, trucks and heavy equipment)

1.1 Quality Manual

Upon request, the supplier must submit to Faet a copy of the supplier's Quality Management Manual, which must be effective and approved by the supplier's management, and must include or refer to the relevant documents. The quality management system documentation shall include the supplier's declarations regarding the quality policy and quality objectives. Top management will need to define quality objectives and types of measurement that should be relevant to customer expectations, and achievable within a given time period. The supplier must promptly inform the Faet purchasing manager of any substantial change with respect to the supplier's quality management system or personnel.

2 Supplier Approval Process

Faet requires that all suppliers have undergone approval before issuing contracts. All suppliers must be approved by Faet, regardless of approval by the customer or other bodies.

2.1 Verifica dei Fornitori

The supplier approval process may include the following:

a) Initial supplier evaluation

Faet may require the supplier to provide a copy of its quality management system certificate and/or complete a self-assessment of its business and capabilities and quality management system (e.g. continuous improvement objectives, quality, delivery, technology, costs).

b) Documentation audit

In cases where a supplier's quality management system has not been certified by an accredited certification body, Faet may request a copy of the supplier's Quality Manual and supporting procedures (and, possibly, also internal audit reports) to determine whether the supplier's quality management system meets FAET requirements.

c) Check on site

Generally, when a supplier holds a certification standard issued by an accredited certification body, Faet will not conduct on-site checks of the quality management system in relation to the same criteria. However, Faet and/or its customers, due to the complexity or criticality of the product/process, may decide to conduct on-site audits of the supplier's resources related to a product or process. The relevant results can be published below.

These checks could include:

■ Quality Management System (QMS) – if necessary, as a result of (or in combination with) product or process capability checks, to determine whether the supplier's quality management system meets one or more applicable standards and is effectively active.

■ Commercial and manufacturing operations – to determine whether the supplier has the financial resources, production capacity and other commercial resources to meet Faet's production volume needs and continuity of supply.

■ Continuous Improvement Initiative – to determine whether the supplier's culture, methods and skills are suited to actively pursue continuous improvement.

■ Technology verification – to determine whether the supplier has the necessary technical resources, including production and inspection equipment, facilities, and engineering resources.

■ Sub-supplier control – to evaluate the effectiveness of the management processes carried out by the sub-suppliers and to ensure that the products or services procured by sub-suppliers and delivered to Faet comply with all applicable Faet requirements.

3 General Requirements

The following set of general quality requirements applies to all suppliers.

3.1 Compliance with contract requirements

Upon acceptance of a Faet contract, the Supplier is responsible for complying with all contract requirements (e.g. technical drawings, specifications, purchase order). All documents, drawings and specifications, regardless of origin, are applicable to the supplier where specified in the contract or documents referred to in the contract, and must be used at all levels of the supply chain. Except where otherwise specified, the revision of the document in force on the date of issue of the contract itself is applied to the contract. Audits, surveillance, inspections or tests carried out by Faet, representatives of Faet or its customer(s) at the facilities of the supplier, of any sub-supplier or upon receipt at a Faet premises, do not relieve the supplier of the responsibility to provide products or services that are acceptable and comply with all contract requirements; this also does not preclude the possibility of subsequent refusal by Faet or its customers.

3.2 Control of Subcontractors

The Supplier, as the recipient of the contract, is responsible for compliance with all requirements, including work performed by the Supplier's subcontractors (also called subcontractors or subcontractors). When the Supplier uses subcontractors to carry out work relating to products and/or services intended for delivery to Faet, in the contracts with its subcontractors the Supplier must include (subcontracted) all the applicable technical and qualitative requirements foreseen by the Faet contract, including quality system requirements, regulatory requirements, use of Faet designated sources, documentation and control of “basic characteristics” and/or “key processes”, and provision of certification and test reports as required . Faet and its customers reserve the right to enter the subcontractor's facilities in compliance with proprietary considerations.

3.3 Electronic documents

The accuracy and authenticity of the electronic forms and documents transmitted to Faet are of fundamental importance. The following rules apply and may be subject to review by Faet at the supplier's facilities:

- The issuing of electronic documents and the affixing of electronic signatures must be controlled directly by the person whose name appears on the electronic document

- Electronic signatures can only be placed in the place of operation of the person responsible, and that person must have direct access to and responsibility for the products or services described in the electronic document

- Affixing the electronic signature certifies that the signature (person) indicates an authorized representative of the company.

3.4 Commercial continuity

The supplier should have a business continuity plan to ensure the safeguarding, preservation and recovery of technical drawings, electronic media, and production equipment to protect against the possibility of damage or loss. This plan should also include all contingency plans designed to meet Faet's requirements in the event of major utility outages, labor shortages, equipment failures and grid returns.

4 Product qualification

This section defines the generic requirements for the qualification and approval of parts for production. The objective is to determine whether all Faet design and specification requirements have been correctly understood by the supplier, and to ascertain that the production processes have the ability to uniformly satisfy these requirements.

In all cases where a product is manufactured according to a new project, or for a new system or a new application, it is important that the Supplier and Faet share responsibility for compliance with the requirements relating to performance, resistance, safety and warnings. It is preferable that this distribution is produced in written form.

4.1 Certificate of Analysis

With each delivery, the supplier is asked to send a certificate of analysis for each batch of raw material delivered, reporting the values found and the test method used.

4.2 Approval process for parts in production

When required by the Faet contract, the supplier shall submit to Faet a comprehensive Production Parts Approval Process (PPAP) qualification package. The supplier is responsible for obtaining the latest applicable revision of the reference manuals and modules of the AIAG fundamental instruments (to find out where to request this reference material, see the Applicable Documents section).

The AIAG Fundamental Tools Manuals are:

- Advanced Product Quality Planning (APQP) and Control Plan
- Production Parts Approval Process (PPAP)
- Analisi dei modi e degli effetti dei guasti (FMEA)
- Failure modes and effects analysis (FMEA)
- Statistical Process Control (SPC)

When the PPAP is specified on the Faet contract, the supplier will need to submit a “Level 2” PPAP package to the Faet purchasing manager, including the following items, except where otherwise specified.

A) Project registration, variation documents and customer approval

The supplier must have: the project register relating to the product/piece and components on sale; all authorized documents relating to technical variations for variations not yet registered in the project register, but integrated into the product, part or equipment; and proof of Faet's technical approval. See the AIAG PPAP Manual.

B) Process flowchart

The supplier will need to have a visual diagram of the proposed or current process. This diagram shall clearly describe the steps and sequence of the manufacturing process and meet Faet's specific needs, requirements and expectations. See the AIAG PPAP Manual.

C) Failure modes and effects Analysis

Suppliers with responsibility for the product design shall develop a design FMEA based on, and in accordance with, the requirements specified by Faet. A single design FMEA can be applied to an entire family of similar parts or materials if reviewed by the supplier to identify common elements. See the AIAG FMEA Manual.

D) Analysis of measurement systems

The supplier is responsible for developing or providing calibrations and standards to control the relevant processes and to determine the conformity of the products to the specifications. Variable calibrations and measurements are preferred. Faet may use alternative methods, calibrations or standards to verify the results of inspections carried out by the supplier. Faet may request that the supplier participate in a correlation study to compare the results of the supplier's measurements with the results obtained from the calibrations and methods used by Faet.

The supplier will need to carry out studies related to Measurement Systems Analysis (MSA), e.g. calibration repeatability and reproducibility, deviation, linearity, stability, with respect to all new or modified calibrations, measurements and test devices. See the MSA AIAG Manual.

E) Control plan

The supplier must have a Control Plan that takes into account the results coming from the FMEA and that defines all the methods used for monitoring the process and for controlling special product/process characteristics. The control plan covers three distinct phases: prototype, pre-launch and production. A single control plan can be applied to an entire group or family of products that were produced with the same process at the same source. See the AIAG APQP Manual.

F) Process capability study

The process capability index (Cpk) results from the comparison of the variability inherent in the results of a process at the limits of specifications in statistically stable conditions. Most methods for calculating capacity require that the characteristic in question has an approximately normal distribution and is statistically controllable. The distribution should be determined before calculating the capacity. If the process cannot be statistically controlled, all attributable causes must first be identified and eliminated. Special techniques are available to calculate capacity when there are inherent attributable causes, such as instrument wear.

The definitions and calculations of the Cpk and Ppk indices are present in the AIAG and SPC PPAP manuals. Except where otherwise approved by Faet, the supplier shall use the following criteria as acceptance criteria for evaluating the results of initial process studies relating to special characteristics for apparently stable processes:

Results	Interpretation
Index > 1,67	The process currently meets the acceptance criteria.
1,33 ≤ Index ≤ 1,67	The process has a limited degree of acceptance.
Index < 1,33	The process is not acceptable.

G) Certification and test reports

The supplier must provide evidence that the following checks required by the project register and control plan have been completed, and that the results demonstrate compliance with the specified requirements:

■ Dimensional results – for every single manufacturing process, e.g. cells, lines, molds, patterns, a record of the actual results of all characteristics.

■ Material and performance test results – for all product parts and materials with chemical, physical, metallurgical and functional performance requirements.

■ Compliance Record – copies of records showing compliance with all applicable requirements specific to Faet.

Please see the AIAG PPAP Manual for all relevant forms and instructions.

H) Confirmation of the presentation of details

Once all PPAP requirements have been completed, the supplier will need to complete the Confirmation of Particulars Submission (PSW). A separate PSW must be completed for each Faet part number, except where otherwise specified in the Faet contract. Upon receipt, Faet will review and approve, reject, or provide interim approval. Please refer to the AIAG PPAP Manual for all forms and instructions.

For a complete list of requirements for submitting each level of PPAP, see the AIAG PPAP Manual, Table 4.2. For guidelines on methodology and associated techniques relating to product and process design and development, see also the AIAG APQP Manual.

5 Process control

This section defines the basic needs for suppliers in controlling their production processes.

5.1 Special features

The supplier must demonstrate compliance with the special characteristics designated by Faet through suitable documentation and control methods. In addition to the special features identified by Faet, the supplier will also need to review, identify, document and control other product and process features critical to ensuring quality.

5.2 Check for errors

The supplier should use error checking devices and techniques as a form of process control, especially in the case of repetitive functions, difficult and particularly error-prone tasks or in any case where the cost of error is high.

5.3 Work instructions

The supplier shall prepare documented work instructions, as needed, for all employees with responsibility for the operation of processes that impact product quality. These instructions must be updated and accessible at the workstation.

5.4 Control of monitoring and measuring devices

The supplier shall define the monitoring and measurements to be performed, and the monitoring and measurement devices necessary to provide evidence of compliance of the product with certain requirements. As a minimum, where necessary to ensure valid results, measurement devices shall:

a) be calibrated or verified at fixed intervals or before use with measurement standards traceable to international or national measurement standards; in the absence of such standards, the basis used for calibration or verification must be recorded; And

b) be identifiable, in order to determine the status of the calibration.

5.5 Statistical process control

Where specified in the Control Plan, the supplier must apply valid statistical process controls. Suppliers should consult the Statistical Process Control (SPC) manual published by AIAG for guidelines, methods, examples and other reference information.

5.6 Preventive maintenance

The supplier should identify equipment critical to the process and provide resources for maintenance activities on the machine/equipment, and develop an effective scheduled total preventative maintenance system.

5.7 Source inspection

The supplier's products or services may be subject to source inspection by Faet or its representatives, or by government agencies designated for this purpose. The source inspection requirement will be included in the contract and may be applied to all operations performed by the supplier or its subcontractor, including the period prior to delivery of the products to Faet. The supplier must guarantee the access, equipment and resources necessary for the correct inspection of the sources.

5.8 Control of batches of raw materials

Traceability must be provided through the identification of the batch reported on the certificate of analysis which must accompany each delivery.

6 Variation control

The supplier is responsible for monitoring variations and providing notification to the Faet Purchasing Manager of all changes to the approved manufacturing process, part design or manufacturing site.

6.1 Variation control process

The supplier shall have a process to ensure that relevant versions of applicable documents provided by Faet (such as those specified as externally sourced) are available at the points of use.

The supplier is responsible for the timely review, distribution and implementation of all Faet technical standards, specifications and variations in accordance with the program required by Faet. A timely review should take place as quickly as possible, and should not exceed two working weeks. The supplier shall maintain a record of the date of implementation in the production of each variation. The implementation must include updating documents.

6.2 Requests for supplier changes

Suppliers shall not make changes to their processes, locations, facilities, equipment, material, product design (or any changes that may affect the function or design of the products) without written approval from the Faet purchasing manager in relation to:

- Correcting a discrepancy in a previously submitted piece;
- Product modified by technical change to design records, specifications or materials
- Any planned changes made by the supplier to the design, process or production location, for example:

a) Use of different material than that used in previously approved parts or products

b) Production from new, additional, replacement or modified tools, dies, molds, patterns, etc.

c) Production following updating and new arrangement of existing tooling or equipment

d) Production from tooling and equipment transferred to a facility located in a different location or from an additional facility

e) Change in subcontractor for non-equivalent parts, materials or services (e.g. heat treatment, plating, etc.)

f) Product manufactured after tooling has been idle for production for 12 months or more

g) Change in test/inspection method – new technique (no effect on acceptance criteria)

h) For bulky materials: new source of raw material from new or pre-existing supplier, or change in the aesthetic attributes of the products, etc.

i) Use of any non-conventional production methods, e.g. electro-erosive machining (EDM), electrochemical machining (ECM), abrasive waterjet or laser metal cutting, flame spray coatings, etc.

Before submitting to Faet a request for a permanent change to a supplier-controlled project, the supplier must review the FMEA and Control Plan, as applicable, to ensure that all process-related issues have been addressed and resolved. Before approving such permanent changes, Faet may require the supplier to submit an updated FMEA and Control Plan. Faet may also request the repetition, partial or total, of the relevant qualification process. In some cases, Faet may decide to review the permanent changes proposed by the supplier at the supplier's facility.

To request a permanent technical change, the supplier must use a Product/Process Change Notification form or other equivalent notification form acceptable to the Faet purchasing manager.

To request a one-time or temporary waiver, suppliers will need to submit a Faet Supplier Waiver Request or other equivalent form acceptable to the Faet Purchasing Manager.

7 Non-compliant product control

For non-compliant products supplied to Faet, including those destined for a Faet customer, the supplier must cover all costs necessary to correct the non-compliance.

7.1 Supplier's request for exemption from non-compliance

A supplier shall not knowingly ship a product that differs from the drawing, specification limits or design intent, without prior written authorization from the Faet purchasing manager. In the presence of this condition, the supplier can submit a request to the Faet purchasing manager, in written form, in order to allow the shipment of the product with a written exception to the non-conformity. The supplier must use the Faet Supplier Waiver Request or equivalent, except where otherwise indicated.

If requested by the Faet purchasing manager, the Supplier is required to send samples of such non-compliant items to Faet for evaluation. Shipping, inspection and testing costs to determine the potential acceptability of such product will be borne by the supplier.

Faet's approval of the exemption concerns the products for which it was presented and approved, and must not be interpreted as a permanent technical variation. The Supplier is required to initiate corrective action immediately. In any case, the Supplier must entirely retain all products suspected of being non-compliant. Furthermore, the non-compliant product may be returned to the supplier at the supplier's expense, or the Supplier may be asked to select all suspect products already shipped to Faet offices or to bear the costs of such selection if carried out by Faet. Any piece shipped to Faet for which the exemption has been approved must be clearly identified as such on the outside, on the box, container or other packaging and in the shipping documentation. A copy of the exemption document approved by Faet must be inserted inside each box.

7.2 Control of reworked product

Rework includes additional operations, which are not part of the basic production flow, and which will lead the product to fully comply with the relevant drawings and specifications. Rework instructions, including re-inspection requirements, shall be accessible and usable by relevant supplier personnel. Each rework must be documented and accepted by the quality department. On the other hand, the term repair implies the use of different techniques, methods, materials or manufacturing processes that may not bring the product into full compliance with its drawings and specifications. Repairs are not permitted without written approval from Faet.

7.3 Supplier containment measures

In relation to product quality problems reported by Faet to the supplier, until formal corrective actions have been undertaken and approved, the supplier must provide documented proof, with subsequent shipments, that this product has been inspected in relation to non-compliances. conformity detected and that meets all relevant requirements.

8 Packaging, labelling, delivery and record keeping

Storage, packaging, labeling and shipping methods must comply with common industry practices and Faet requirements specified in the contract.

8.1 Conservation

In order to detect any deterioration, it is necessary to check the condition of the product in the warehouse at scheduled intervals. The supplier should use an inventory management system to optimize inventory change over time and should ensure the rotation of goods, such as “first-in-first-out” (FIFO).

8.2 Packaging

The supplier is required to adequately plan the designated packaging in order to prevent contamination, deterioration or loss of products, and eliminate damage due to transportation. Suppliers should provide low-value packaging or returnable containers, as appropriate, which ensure sufficient density and protection from any possible damage. Low-value materials and packaging must meet local and national standards for safe disposal and/or recycling.

8.3 Labeling

The supplier is required to affix a label containing at least the references to the product, the batch, the quantity, any notes relating to the production of the material, the production date and everything that allows 100% recognition and traceability of the delivered product.

Faet reserves the right to evaluate the proposed labeling and request modification if it does not meet the minimum acceptance requirements listed above.

8.4 Delivery

The supplier should systematically inform Faet of any delay in the delivery of the products and provide a new date for shipment. The supplier is responsible for additional transportation costs resulting from delays.

Certificates of Conformity (CoC)

A CoC signed by the quality manager or a manager (or authorized delegate) of the supplier's company, certifying the conformity of all products and/or services delivered with all the requirements of the contract. All CoCs must be in Italian and/or English, and can be in electronic format with electronic signature. All signatures or footnotes must clearly show the signatory's title. The CoC must include:

a) supplier name

b) piece number

c) review of specifications/drawings

d) Faet contract number

e) line/distribution number (as appropriate)

f) quantity delivered

g) loading list/shipper number (as appropriate)

If additional test reports/certifications for raw materials, special processing, etc. are requested, these requirements will be indicated on the contract.

8.5 Records

The supplier shall maintain quality records for a period of time specified in the Faet contract or other relevant reference documents. Upon request, the supplier must be able to retrieve and deliver the requested records to Faet within forty-eight (48) hours from the time of the request by Faet.

9 Continuous improvement

Suppliers should establish a continuous improvement process. ISO 9004 is recommended, including Annex B. The supplier must send Faet a copy of the continuous improvement program, if requested.

9.1 Troubleshooting Process

Suppliers should use a closed-loop corrective action process whenever an issue is encountered internally or upon notification by Faet. For example:

Approach	Description
1 Describe the problem	State what "is," and "is not" the problem, with respect to what, where, when, who, how, and how many. Use quantitative terms.
2 Use a team approach	Consult and coordinate with respective stakeholders.
3 Apply containment measures	Immediately withhold any suspect product to protect Faet and its customers.
4 Root cause analysis	Identify potential causes, analyze causes of failure modes, validate underlying cause(s), and identify solutions.
5 Implement permanent corrective actions	Implement solutions. Update the relevant FMEA, control plan and work instructions.
6 Verify the effectiveness of the corrective action	Use check sheets, auditing, sampling, and/or control plans to monitor process performance for effectiveness and continuous improvement.
7 Implement preventive actions	Implement variations to avoid repeating the same type of error in similar products/processes. Update relevant documents.
8 Support from management	Review, approve and provide support. Provide resources and recognition for the team's work.

For additional guidance on resolution methods, tools, training, and related references, please see AIAG's CQI-10 document.

9.2 Corrective action report

Faet may submit a Corrective Action Report request to the supplier when non-compliant materials, components or units are detected. When requesting a formal response (on paper or in electronic format), the supplier should use the Corrective Action Report (form indicated in the FORMS AND ATTACHMENTS section of this manual) or other specific forms of equivalent content. In the underlying cause documentation, the supplier shall include the following underlying reasons:

a) why the specified condition or episode of non-compliance occurred,

b) because they were not detected by the supplier's quality controls e

c) because the relevant process (and potentially other similar processes) allowed the non-compliance to occur from a system point of view

The supplier should apply the following criteria to determine whether the intrinsic underlying cause has been identified:

1. Initiates and causes the event you are trying to explain.

2. It is directly controllable.

3. The elimination of this underlying cause will imply the elimination or reduction of the problem.

Solely statements by the supplier indicating that the corrective action is aimed at warning or re-training the operator, and/or increasing the level of inspection, are NOT acceptable as corrective actions. These types of actions would be considered insufficient and would not address the true underlying underlying cause(s) why the vendor's policy, instructions, process, procedure and/or system allowed the problem to evolve and occur , without being detected by quality controls.

Except where otherwise requested by Faet at the time of notification, the supplier shall respond to a corrective action request as follows:

Action required	Timing (starting from initial Faet notification)
The supplier must promptly report receipt of the notification and communicate to Faet the immediate containment actions to be taken.	Within 24 hours
The supplier will have to present an update of the containment action program to protect Faet during the transition period. The update must include: ■ Confirms that the supplier has identified all suspect products in process, in warehouse, in transit and potentially at each Faet location by lot number, Faet contract number and quantity. ■ Further specific containment actions that must be carried out by the supplier and/or Faet.	Within 72 hours
The supplier must present the complete report of corrective actions with an indication of the permanent actions undertaken or to be undertaken in order to avoid the recurrence of the same problem, the occurrence of similar problems and the relevant dates of entry into force	Within 10 working days

10 Supplier performance

Faet's rating system employs a number of factors, such as quality and delivery. This score is useful as an objective measurement to determine how well you are meeting Faet's expectations.

At Faet's discretion, the Faet Purchasing Manager may decide that to address deficiencies in a supplier's performance, a meeting with the supplier's management is necessary and that a documented corrective action and improvement plan is required from the supplier. supplier.

10.1 Performance Measures

Vendor Rating for Product Suppliers		
Criteri	**Valore**	**Peso max**
1- Generali		**30**
ISO9001		Minimo richiesto
IATF 16949		80
termini di pagamento (90 gg, 120 gg)		10
altre certificazioni		10
2 - Qualità		**40**
Prodotti non conformi rispetto al totale consegnato, individuati da Faet		20
Prodotti non conformi rispetto al totale consegnato, individuati da Cliente di Faet		30
efficacia risoluzione NC (recidiva), ossia N. NC ricorrenti rispetto al N. tot di non conformità		20
Tempo di risoluzione NC		30
3 - Consegna		**10**
rispetto dei tempi di consegna (media dei ritardi in gg annuale)		100
4 - Costi		**20**
costi indotti dal fornitore		50
costi legati alle spedizioni speciali		50
		100

Depending on the score achieved, suppliers are divided into 4 different classes (A, B, C, D).
Depending on the class, specific improvement actions are requested from the supplier and different levels of involvement are defined for future projects.

In detail:

A. Score between 90 and 100; The supplier has achieved the objective, no further specific improvement actions are required. Highest priority of involvement in case of new projects.

B. Score between 75 e 89; The supplier has an acceptable performance, however there are some aspects to improve, an improvement plan is suggested. Will be involved with medium priority in the case of new projects.

C. Score between 60 e 74; The supplier does not have an acceptable performance, the drafting of a written improvement plan is required to be delivered to Faet within one month of the evaluation. The involvement of new projects must be expressly authorized.

D. Score lower than 60; The supplier enters an escalation phase which involves an invitation to a meeting at Faet in which an improvement plan and a completion deadline are defined. In the event of failure to achieve the objectives, Faet reserves the right to define further actions up to and including exclusion from the List of Qualified Suppliers" (Form EFQ). The involvement of these suppliers for new projects is not possible.

Applicable documents

In this manual, reference is made to the following documents; they are applicable to the extent indicated by Faet in the contract and in the relevant reference documents. Copies can be requested from the indicated sources. The supplier is responsible for obtaining the applicable documents, ensuring that current revisions are complied with and that they are made available to its production units, as required.

ISO 9001:2015 Quality Management System Requirements (General)	www.iso.ch
IATF 16949:2016 Quality Management System Requirements	www.aiag.org
APQP Advanced Product Quality Planning and Control Plan Manual	www.aiag.org
PPAP Manual Production Parts Approval Process	www.aiag.org
SPC Statistical Process Control Manual	www.aiag.org
MSA Measurement Systems Analysis Handbook	www.aiag.org
FMEA Manual Analysis of failure modes and effects	www.aiag.org
CQI-10 Guidelines for Effective Troubleshooting	www.aiag.org

ISO 9004 Quality management systems - Guidelines for performance improvements www.iso.ch

Attached forms

Most of the rich moduli are not available in the manual of AIAG fundamentals and in other documents of the file. This is an exclusive moduli and its sound is included in this manual*. The version in electronic format of this item and of other Faet modules (including those considered equivalent to AIAG moduli) may be rich in your liability for acquiring Faet.

CFG-1001 Confirmation of details presentation	See PPAP Manual
THE-1001 Confirmation of detail presentation	See PPAP Manual
CFG-1003 PPAP Dimensional Results	See PPAP Manual
CFG-1004 PPAP Material Test Results	See PPAP Manual
CFG-1005 PPAP Performance Test Results	See PPAP Manual