

COGEME ITALIA SRL
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Subject: 2024 Supplier Quality Expectations

Dear Sirs, We would like to take the opportunity within this letter to update yourselves on 2024 Cogeme Italia expectations in terms of Quality Systems and Practices, as well as to provide you with Quality targets to be achieved in your Business.

COGEME Supplier Quality System Expectations:

- ✓ Suppliers are required to be IATF16949 Third Party certified; Valid Quality Management System Certificate covering Cogeme Italia products shall be available – and transmitted to Cogeme Italia Supplier Quality Team with registration purpose.
- ✓ If the Supplier is not IATF 16949 certified, they shall at least be ISO 9001 certified.

Current Production Quality Targets:

Suppliers approach has to be oriented to "zero scrap".

The evaluation of the performance is based on following indices, see the Performance Evaluation sheet for the specific targets.

- ✓ Quality System Index
- ✓ Deliveries Punctuality Index
- ✓ Supply Quality Index
- ✓ Reaction time to claim and audit
- ✓ Cost reduction
- ✓ Serious Discontinuity

New Production Introduction – Quality Practices:

- ✓ The standard requirement for all new products is the submission of a complete PPAP (as specified in "PPAP 4th Edition" Manual) to Cogeme Italia.

Current Production Quality Practices:

- ✓ Any change (product or process) will be subject to a PPAP submission to Cogeme Italia, prior to start of production in the new configuration; PPAP level is 3, except if otherwise specified by Cogeme Italia.
- ✓ All incidents reported by Cogeme Italia plants to Supplier will need 24 hours reaction for implementation of Containment Actions, 3 working days for planning of corrective Actions and 40 days for 100% closure.

Costs due to incidents:

- ✓ for every Quality or Logistic complaint, will be applied debiting for all direct and indirect costs caused by the reported problem.
- ✓

Sustainability and Social Responsibility:

- ✓ Adherence to the principles listed in the General Purchase Specification and to the compilation of a specific questionnaire.
- ✓

In detail:

Selection Costs at Cogeme Italia plants (if necessary)	30,00 €/hour
Rework Costs	to evaluated case by case
Debits notes from Customer	What debited from Customer
Administration / Management fee	200,00 €
Delay in Containment Action – 24 hours	100,00 €
Delay in Corrective Action – 3 working days	100,00 €
Delay in Closure – 40 days	100,00 €
Notification for missing Answers	100,00 € for each reminder

Please, confirm receipt of this communication and acceptance of your Performance Targets within February 2023.

Yours sincerely,

Alessandro Crescenzi – Claudia Foglietta
Quality Manager Purchasing

Roberto Iacovissi
Group Quality Manager

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Soggetta a direzione e coordinamento di TCH S.r.l.

Signature Supplier	Date