PURPOSE

The purpose of this procedure is to communicate, in a clear and consistent manner, the expectations, guidelines, and quality requirements of C.L.M. Costruzioni Lavorazioni Meccaniche S.r.l. (hereinafter, 'CLM') to its suppliers. It also outlines the tools and methods necessary for the development, production, and control of products in accordance with these requirements.

SCOPE

This procedure applies to suppliers of components and materials used for production, including raw materials, moulded parts, semi-finished products, castings, mechanical processing (individual or assembled), and special processes (such as welding, painting, and surface treatments).

1. GENERAL REQUIREMENTS

This section describes the requirements of the Supplier Quality Management System.

2. PLANNING

This section outlines the requirements for the production of raw materials, semi-finished products, or assembled groups. The objective of detailed planning is to ensure the start of production and identify potential delays.

3. PROCESS AND PRODUCT APPROVAL

This section defines the requirements for product and process approval according to the guidelines of Volume 4 / AIAG PPAP.

4. ADDITIONAL REQUIREMENTS

This section outlines the requirements that supplement the general rules and regulations.

5. SUPPLIER EVALUATION

This section describes the procedure for evaluating CLM suppliers.

6. REFERENCE DOCUMENTS

This section contains a list of relevant and available documents referenced throughout this manual.

SECTION 1 / GENERAL REQUIREMENTS

1.1 PURPOSE

This Supplier Quality Manual defines the requirements related to purchased products and materials for production. It follows the guidelines of ISO 9001 and IATF 16949 standards.
We expect all our suppliers to adopt a philosophy of continuous improvement.

1.2 QUALITY SYSTEM

An effective quality management system, established in accordance with the principles and provisions of ISO 9001, is a qualifying condition to become a supplier by CLM.
A quality management system compliant with IATF 16949 is recommended.
The effectiveness of the Quality Management System is reflected in:

- Continuous and verifiable improvement of processes, procedures, and products.
- Quality of supplies.
- Reliability of supplies.
- Timely and effective implementation of corrective actions.
- Communication at all levels.
- Proper and timely management of new and modified projects.

The purpose of this Quality Management System is to achieve the "Zero Defects" objective.
Certificate expiration without scheduled requalification must be communicated to CLM at least three months before the expiration date.
New certificates must be sent to CLM without explicit request. CLM must be immediately informed of any certificate withdrawal.
Certification must be issued by accredited bodies.
CLM reserves the right to conduct audits, inspections, and verifications of quality management systems, processes, and products, either independently or with its customers, upon prior notice. For this purpose, access must be granted to CLM representatives and customers.
Alternatively, a self-assessment may be requested from the supplier.
CLM has issued its own Code of Ethics and expects its suppliers to share and apply its principles within their organizations.

1.3 WORKING LANGUAGE

The official working language is Italian. Alternatively, German or English may be used.

1.4 QUALITY OBJECTIVES

The supplier must define internal and external quality objectives to quantify and assess the level of quality achieved, including:

- Defining internal and external defect rates, maintaining a percentage of non-conforming supplied parts below 4%.
- Keeping the number of complaints received throughout the year at no more than 3.
- Implementing corrective actions following complaints by CLM or regarding internal con-conformities with a resolving effect.
- Defining the costs of internal and external non-conformities.

1.5 ENVIRONMENT

An effective environmental management system that ensures compliance with environmental regulations and successfully improves the supplier's environmental conditions is essential for supply security.
Although CLM is not ISO 14001 certified, it is committed to environmental protection and expects its suppliers to demonstrate a proactive commitment to environmental sustainability through an adequate environmental management system.
Supplied materials must comply with environmental regulations and meet REACH and RoHS standards and directives. Suppliers are required to upload the Material Data Sheet (MDS) into the International Material Data System (IMDS) for each item, product, or good manufactured or imported into the EU. Upon request, suppliers must provide documentation proving appropriate recovery (recycling) and disposal solutions for their products.

1.6 PROJECT PLANNING

Project planning must be carried out according to Section 2 of this manual to ensure that projects are completed as planned and meet quality standards.

1.7 SPECIAL CHARACTERISTICS

Special characteristics require particular attention, as non-conformities may affect product safety, durability, assembly capability, functioning, subsequent production operations, and compliance with legal requirements.
They are specified by CLM and/or result from the supplier's risk analysis, such as product and/or process FMEA. In principle, all product and process characteristics are important and must be met.
Special characteristics are generally categorized as follows:

- Safety characteristics (requiring special verification management) → Marked with the symbol **"S"**
- Critical characteristics → Marked with the symbol **"C"**
- Important characteristics → Marked with the symbol **"+"**

1.8 VERIFICATION MANAGEMENT FOR PRODUCTS WITH CRITICAL (SAFETY) CHARACTERISTICS

Products whose characteristics significantly affect safety or compliance with legal provisions entail specific product liability risks.
These products and their characteristics will be marked by CLM in the relevant technical documentation.
Suppliers shall implement a verification management system for products with special characteristics.
The verification management must meet regulatory requirements and be designed to demonstrate diligence and accuracy in case of damage claims.
The adopted traceability system must ensure a unique correlation of supply data with production and testing batches.
A functioning traceability system must allow tracking back to the subcontractor.
Suppliers shall have documented processes for managing safety products and related production processes, including:

- Identification of binding product safety requirements.
- Identification of product safety characteristics.
- Special approval of control plans.

Additionally, they should include:

- Process FMEA.
- Reaction plans.
- Defined responsibilities, escalation process, and information flow, including senior management and customer notifications.
- Supplier-identified training for personnel involved in safety products and related production processes.

Product or process changes must be approved before implementation, including evaluating the potential effects of changes on product safety.

1.9 SUBCONTRACTORS – CHANGES IN SUBCONTRACTORS

The supplier is responsible for products manufactured and supplied by their subcontractors in compliance with the requirements outlined in previous sections. If the supplier relies on subcontractors, they must also comply with the requirements of this manual.
Any change in subcontractors must be notified in advance and approved by CLM.
A Production Part Approval Process (PPAP) must be carried out.
CLM reserves the right to perform an inspection at subcontractor site, if necessary, upon prior notice and possibly together with CLM customers. However, this does not exempt the supplier from its responsibilities towards the subcontractors and CLM.

1.10 PRODUCTION PART APPROVAL PROCESS (PPAP)

The Production Part Approval Process (PPAP) is based on VDA/AIAG standards.

1.11 PRODUCT OR PROCESS CHANGES

Suppliers must notify CLM in advance of any product or process changes, which must be approved by CLM.
Such changes must be managed and documented by the supplier in the product and process history.

1.12 COMPLAINT MANAGEMENT

Following a complaint from CLM, corrective actions must be implemented immediately, documented, and, if requested, promptly submitted.
Root cause analysis must always be performed using appropriate problem-solving methods (e.g., Ishikawa, 5 Whys, error simulations, etc.). If required, immediate actions must be reported in writing to CLM within 24 hours.

- CLM must be informed about the effectiveness of the corrective actions taken.
- CLM reserves the right to verify the complaint management process.

In the event of recurring or severe quality deviations, the supplier may be required to implement a detailed inspection process for material selection and a structured problem-resolution procedure.

Identification Following a Complaint

Material supplies from the warehouse and in-process products that have undergone 100% inspection due to a Non-Conformity must be clearly identified, indicating the inspection performed until the defect has been proven to be eliminated.

Field Complaints

In case of field complaints, the supplier must conduct methodical analyses, particularly for components or materials that did not show defects during the approval process.
If the quality of the supplied parts proves to be inadequate, CLM reserves the right to take measures according to the CLM escalation model.
The escalation process is applied in the following cases:

- Ineffective complaint management by the supplier.
- Prolonged and/or multiple cases of failure to meet agreed targets.
- Customer complaints related to defective purchased parts.
- Negative score/classification from periodic evaluations.

SECTION 2/ PLANNING

Our objective is to involve suppliers in quality planning from the early stages of a new project. Unless otherwise agreed, suppliers are required to carry out systematic planning within project management, following the VDA/AIAG Volume 4 guidelines.
This planning applies to both the parts produced by the supplier and the purchased or processed parts.
If required, the supplier must communicate the name of the Project Manager to CLM.

- In the event of any changes to the part or process, a corresponding procedure must be followed.
- For parts produced or purchased by the supplier (raw materials, external processing, subcontractors), a report must be prepared summarizing individual assessments and highlighting critical points.

Any project-specific requirements (CSR) beyond the content of this manual and/or reference specifications must be agreed upon between CLM and the supplier.

2.1 FEASIBILITY STUDY

Technical documents (e.g., drawings, specifications, environmental requirements, recycling regulations, work and packaging instructions, CSR, etc.) issued and transmitted by CLM must be reviewed and analysed by suppliers as part of a contract review.
This analysis includes both the feasibility assessment for the development plan and the evaluation of technical and commercial feasibility, serving as a tool for design and implementation.
This review allows the supplier to contribute to mutual success with their expertise and ideas.

The feasibility study, or an equivalent document signed by the supplier guaranteeing compliance with the required specifications, must be submitted with the offer to CLM's purchasing department. This is a mandatory requirement for contract assignment.

2.2 PLANNING CONTENT
CLM must be informed of the planning related to the implementation of the planned activities.

2.2.1 QUALITY PLANNING (APQP)
The supplier must develop a project schedule based on deadlines and specific requirements set by CLM.

2.2.2 PRODUCT SPECIFICATIONS DESCRIPTION
Suppliers must formally acknowledge and agree, by signing, to comply with customer requests in all necessary technical descriptions (e.g., technical specifications, drawings, internal standards, etc.).

2.2.3 QUALITY OBJECTIVES
To quantify and evaluate the achieved quality level, internal and external quality objectives related to the project and the product must be defined.

2.2.4 SPECIAL CHARACTERISTICS
Special characteristics have been previously defined.
The supplier shall identify and mark them on all relevant product and process documents, such as drawings, FMEA, risk analyses, work instructions, inspection, and control plans.
Special characteristics require particular attention and careful monitoring throughout all planning phases.
For managing the verification of critical characteristics, the content and retention period of the necessary documents shall be defined based on a risk analysis and the requirements outlined in the following sections.

2.2.5 PROCESS FLOW DIAGRAM
The supplier shall prepare a flow diagram for the entire process chain. Upon CLM's request, this diagram shall be submitted before the start of serial production for joint analysis.
The process flow diagram shall align with the process FMEA analysis and the control plan.
Work cycles shall be planned for each component and/or assembly, containing all relevant information regarding process phases, internal and external transportation, transportation means, machinery, and equipment, including alternative resources.

2.2.6 PRODUCT AND PROCESS FMEA
Failure Modes and Effects Analysis (FMEA) shall be conducted to examine and evaluate potential risks regarding severity, occurrence probability, and detectability. These risks shall be mitigated through appropriate corrective actions. FMEA is, therefore, an essential tool for failure prevention. It must be performed early enough to allow the incorporation of results and corrective actions into the planning phase.
An FMEA analysis must be completed for all product life cycle stages, such as design, production, assembly, packaging, transportation, customer use, and rework.
FMEA analyses must be developed and/or updated in the following cases:

- Development/production of new parts.
- Introduction of new manufacturing methods.
- Plant transfers.
- Drawing modifications.
- Process modifications.
- If anomalies occur.
- Process FMEA.

The results of the product FMEA analysis and special characteristics shall be given particular attention and integrated with an analysis of similar parts (mixing probability) and a default simulation.

Implementation of Corrective Actions
The risks identified through FMEA analysis shall be minimized by implementing appropriate corrective actions. The deadlines and responsibilities related to these actions must be established in such a way as to allow their implementation before the start of production. The effectiveness of the adopted measures must be verified. CLM must be immediately informed if any modifications are necessary.
In agreement with CLM, an alternative risk analysis method equivalent to FMEA may be used.

2.2.8 RELEASE OF PRODUCT AND PROCESS DEVELOPMENT

The supplier shall evaluate and document their release activities for each phase of product and process development.

2.2.9 CONTROL PLAN

The control plan is a planning tool to ensure preventive process security. It shall be developed by the team through a systematic analysis of production, assembly, or testing processes.
Control plans must consider the results of product and process FMEA analyses, past experiences with similar products, and the application of improvement methods.
As part of the product development process, the control plan shall be developed for the pre-production and mass production phases, while for the prototype phase, it shall be created only if requested by CLM.
Based on the control plan, the supplier must create an inspection plan detailing all characteristics to be verified, specifying the appropriate measurement tools for each activity.
Characteristics shall be classified according to their importance. Additionally, the inspection plan shall also define inspection frequency, result documentation type, responsibilities, and reaction plans.

2.2.10 PRODUCTION CONTROL COORDINATION

As a general principle, all product and process characteristics are important and must be met.
For special characteristics, process capability must be demonstrated. To this end, the supplier shall monitor such characteristics using appropriate methods.
If process capability cannot be verified, a 100% inspection shall be conducted.
Special characteristics that cannot be measured or can only be measured by destroying the product shall be monitored and documented using appropriate methods. Frequency of testing and sample sizes shall be defined and planned accordingly.

2.2.11 PLANNING AND PROCUREMENT OF TOOLS, PRODUCTION EQUIPMENT, AND FACILITIES

All tools, equipment, and facilities for component production shall be planned and procured to guarantee that they are available in adequate numbers by the date of the first sampling and, at the latest, when series parts are produced. All other equipment, internal and external transportation means shall also be considered.
The capability and/or suitability of the equipment shall be verified. In the case of multiple tools and/or moulds, etc., capability and suitability shall be verified individually.

2.2.12 PLANNING, PROCUREMENT, AND VALIDITY OF CONTROL EQUIPMENT (MSA)

The supplier shall define the inspection method using appropriate equipment based on the characteristics being evaluated. The procurement process must be planned to ensure that the necessary measuring equipment is available, and the suitability of the inspection process has been verified before the start of mass production. The verification shall be carried out in accordance with the current edition of the MSA guidelines.

2.2.13 CAPABILITY STUDIES

CLM may require the supplier to perform machine and process capability studies. Any deviations from the defined requirements shall be agreed upon with CLM.
CLM shall agree with the supplier on any additional requirements (e.g., based on customer requirements).

Machine Capability Study / Short-Term Capability

If required, machine capability studies shall be planned so that all verifications are completed by the PPAP submission date.

Preliminary Process Capability Study

If required, the evaluation of the preliminary process capability study shall be submitted for the first time when a significant number of samples is available, as agreed in the quotation phase with CLM.

Process Capability Study / Long-Term Process Capability

If required, the long-term process capability study shall be submitted to CLM as soon as it can be determined based on the above-mentioned rules.

2.2.14 MAINTENANCE PLANNING

To ensure delivery capability, a preventive maintenance system for production facilities and equipment shall be developed. A maintenance plan shall be established, including maintenance intervals and scope. Consistent execution of this plan shall be documented.

2.2.15 EMERGENCY PLAN – BUSINESS CONTINUITY

In addition to defining preventive maintenance intervals, an emergency strategy shall be established for all processes that may impact the ability to deliver or cause supply interruptions to CLM (e.g., machines or facilities with capacity limits, special tools, power outages, weather events, strikes, absenteeism, cyber-attacks, etc.).

2.2.16 STATUS OF SUBCONTRACTORS AND PURCHASED PARTS

In case of subcontracting, the subcontractor shall also be required to meet the requirements of the previous sections.
Upon request by CLM, the supplier shall provide a list of subcontractors used for specific parts and processes supply.
Unless otherwise agreed with CLM, the supplier shall ensure the use of qualified subcontractors.
If the required standards are not met, improvement plans shall be defined and implemented before the start of serial product supply.
External/commercial laboratories used by suppliers for inspection, testing, or calibration services shall be accredited to ISO/IEC 17025 or an equivalent national standard and shall include in the accreditation scope (certificate) the relevant inspections, tests, or calibration services. Alternatively, instruments may be sent for calibration, inspection, or testing to ISO 9001-certified laboratories, subject to CLM's approval. Calibration certificates or test reports must include the mark of the national accreditation body.

2.2.17 LOGISTICS

CLM must enter into a logistics contract with the supplier as a general rule.
In the absence of a logistics contract and specific agreements, the following minimum requirements shall be met:

- **Packaging Planning**

The supplier is responsible for the packaging of their products. During transportation, packaging shall protect the product from external agents, preventing damage or contamination.
If not defined in technical specifications or reference specifications, the type of packaging shall be agreed upon with CLM at the supplier's initiative well before the delivery of serial products.

- **Storage**

All products that could deteriorate due to environmental interaction shall be adequately protected.
The type of protection provided (if necessary) shall be coordinated in a timely manner with CLM before the delivery of serial products.

- **Transport Planning**

Suitable transportation means shall be provided to avoid damage during transportation.

- **Material Flow**

To prevent product mix-ups and ensure batch and raw material traceability, products purchased from subcontractors and in-house manufactured parts shall be processed and delivered according to the "First In – First Out" principle.
The supplier shall ensure traceability up to their subcontractors.
To this end, each package shall be labelled by the supplier with at least the following information:

- Supplier name
- Recipient
- Delivery location
- CLM product code and any revision index
- Product and specifications description
- Quantity per package
- Production date
- Batch or order identification number

Cleanliness

The supplier is responsible for the cleanliness of their products and packaging.

2.2.18 TRACEABILITY

The supplier must ensure at least batch traceability from the start of production to shipment to CLM. The extent of traceability shall be determined based on a risk analysis.
If applicable, CLM requirements shall be considered.

2.2.19 HUMAN RESOURCES

- **Capacity**

If required, the necessary workforce shall be planned in advance based on the project size.
The planning must ensure adequate production capacity before the start of mass production. For specific products, CLM may require designating a product safety representative.

- **Qualification**

If a new workstation or work area is set up, personnel must be properly trained for it. CLM may request verification of such training.

2.2.20 INTERNAL PRODUCT/PROCESS VALIDATION

The supplier must internally validate both the process and the product before production starts, ensuring the availability and suitability of the following:

- Capability studies (if required)
- Completed and documented default simulations (e.g., verification of automatic control equipment, if applicable)
- Complete and valid work documents (e.g., worksheets, process parameters, control plans, inspection plans, etc.)
- Materials
- Maintenance plans
- Control instruments
- Transportation means
- Packaging sheets

The inspection shall be carried out based on an appropriate checklist. All construction and assembly activities must be included. Any deviations detected must be documented.
Additionally, responsibilities for the implementation of corrective and improvement measures must be defined, and deadlines must be set.

2.2.21 PROTOTYPE MANUFACTURING

A test report must be submitted with the first delivery of prototypes. The report shall verify and document all design characteristics on a specified number of parts. In addition, the CLM quality representative will define the necessary documents on a case-by-case basis.

2.2.22 AUDIT ACTIVITY PLANNING

The supplier shall issue an audit plan defining the regular execution and scope of internal product and process audits according to VDA/AIAG standards.
Audits at subcontractor site must also be taken into consideration.

2.2.23 PRODUCTION CAPACITY

Upon CLM's request, the supplier shall demonstrate through a trial production that the required capacity in terms of volume can be met (Run@Rate).

2.2.24 PRODUCT AND PROCESS APPROVAL (PPAP)

Before starting the Product Part Approval Process (PPAP), it must be ensured that all process and quality planning activities have been completed.
The Product Part Approval Process (PPAP) shall be carried out according to Section 3.
If deemed necessary, CLM will conduct process/product approvals at the supplier’s site with prior notice.

2.2.25 CONTINUOUS IMPROVEMENT PROCESS

One of the most critical tasks before production begins and throughout mass production is the development and implementation of measures for continuous process improvement.
To achieve this, the following aspects must be considered:

- Increasing process capability by reducing deviations
- Enhancing productivity
- Process centring
- Reducing inspection frequency
- Preventing rework and waste
- Complaint analysis

2.3 PROJECT STATUS

Project progress reports form the basis for regular project evaluation.
CLM reserves the right to verify project progress.

SECTION 3 / PRODUCT AND PROCESS APPROVAL PROCESS

3.1 PRIMARY SAMPLES

Primary samples or the first supply of material must be produced and tested under mass production conditions (machinery, equipment, plants, testing devices, and working conditions).
The test results for all characteristics must be documented in a first sampling report in agreement with CLM. The samples must be delivered by the agreed date, accompanied by a first sampling report and the documents required by the approval level.
Primary samples must be clearly identified.
Unless otherwise required in the sample order, the documentation (PPAP) must be carried out following the VDA/AIAG PPAP guidelines.
For material characteristics and/or surface treatments, all certificates, tests performed, and those required in the sample order must be provided. CLM reserves the right to detect, at a later stage, defects in deviations from specifications that were not identified during the Production Part Approval Process (PPAP).

3.2 SAMPLING REQUEST

In accordance with the above-mentioned standards and regulations, sampling is required in the following cases:

- First-time orders.
- After a change of a subcontractor.
- After product modification, for all characteristics affected by the modification.
- After delivery suspension.
- Following a production interruption for more than one year.
- After production process modifications or in case of modification and/or new equipment.
- Following the transfer of the production plant or processing machines.
- Use of alternative materials and drawings.

Exceptions to the approach and scope of application will be allowed only in agreement with CLM Quality.

3.3 APPROVAL LEVELS

As a rule, approval level 3 is applied, unless otherwise indicated by CLM and/or written agreements.

3.4 FIRST SAMPLING ACCORDING TO CUSTOMER SPECIFICATIONS

Measurements must be carried out based on the drawings provided by CLM to its supplier.
Measurement details must be agreed upon with CLM Quality department.
The characteristics identified and defined in Section 2.2.2 must be documented with the first sampling.

3.5 MATERIAL DATA REGISTRATION (IMDS)

Registration of material data in the IMDS (International Material Data System, www.mdsystem) is a prerequisite according to the Production Part Approval Process (PPAP) for the automotive sector.

3.6 INITIAL SAMPLING DOCUMENTATION

First sampling documentation, according to the required approval level, must be provided along with the initial samples.
Incomplete or inadequate documentation will result in a negative supplier evaluation and potential complaints. Primary samples lacking complete documentation will not be used.

3.7 NON-CONFORMITY IN PRIMARY SAMPLES

Documents, records, and primary samples may only be submitted if all specifications have been met.
In the event of non-conformity, the supplier must first obtain CLM's approval by attaching an official exemption request to the documentation.

3.8 STORAGE OF REFERENCE SAMPLES

It is advisable for the supplier to archive reference samples from the first sampling.

SECTION 4 / ADDITIONAL REQUIREMENTS

4.1 DOCUMENT RETENTION

The supplier is required to define and maintain retention periods for documents, records, and reference samples in accordance with current regulations.

4.2 PRODUCT REQUALIFICATION

Unless otherwise agreed with CLM, all products must undergo dimensional checks and functional tests once a year. Requalification must be planned by the supplier and documented in the control plan.
Requalification is based on the valid customer specifications. Dimensional checks and functional tests typically include:

- Dimensions
- Material
- Function

Other verification elements must be agreed upon with CLM. The results must be documented and made available for customer evaluations.
In case of negative test results, the supplier must immediately contact CLM. Risks, causes of the defect, and corrective actions must be specified.

4.3 EXEMPTION APPROVAL

In the case of non-conformity with specifications, an exemption request must be submitted using CLM forms to obtain approval before delivery.
The exemption approval document must be clearly applied to each package subject to exemption.

4.4 COMMUNICATIONS

CLM expects suppliers to be available for technical support at their own premises, at CLM, and, in particularly critical situations, also at customers' site.
To ensure smooth correspondence, the supplier must clearly define the contact people and/or figures involved in the project/product realization (full company organisation chart or one related to the specific project: management, logistics, sales, quality, technical, purchasing departments, etc.).
Communication regarding CLM products between the supplier and CLM customers must take place exclusively in agreement with CLM.

SECTION 5 / SUPPLIER EVALUATION

Qualified suppliers are included in the list of approved suppliers. These are established suppliers that, based on periodic monitoring analyses, non-conformities, and the number of deliveries made within the same period, have demonstrated an acceptable level of reliability.
The Supplier Evaluation considers all aspects related to the ability to meet the following requirements:

- Economic conditions.
- Product and/or service quality.
- Completeness of technical documentation (inspection certificates, delivery notes, invoices, etc.).
- On-time delivery and/or fulfilment of agreed services.
- Professionalism of technical staff.
- Emergency management.

5.1 SUPPLIER EVALUATION OF RAW MATERIALS, SEMI-FINISHED PRODUCTS, FINISHED PRODUCTS, AND KEY SERVICES

The evaluation of the quality management system is a necessary condition for a supplier to be included in the list of CLM authorized suppliers.
The supplier must have a Quality Management System certified by an accredited third-party body, in accordance, at least, with the ISO EN 9001 standard. Certification in compliance with an Automotive standard (e.g., ISO/TS-IATF 16949) is strongly recommended and is a plus.
If the supplier does not yet have a third-party certification as prescribed above but is planning to achieve certification, CLM may accept second-party evaluations from nationally or internationally recognised Automotive-sector customers instead of third-party certification. Alternatively, the supplier will be subject to an audit conducted by CLM.
Acceptance of these evaluations does not exclude further specific requirements regarding quality systems or product development.
To ensure supply continuity, supplier evaluation must include an assessment of production/logistics capacity and of financial and environmental sustainability in compliance with all applicable legal requirements.

5.2 SUPPLY CONTROL AND EVALUATION

The evaluation of supply performance is based on four parameters:

- Product quality
- On-time delivery
- Compliance with supply conditions (e.g., submission of analysis certificates, MDS upload, etc.)
- Other organizational aspects

5.3 PRODUCT QUALITY

This parameter measures the supplier's ability to provide products and/or services that comply with the technical/quality requirements given (specifications, technical standards, regulations, drawings). This evaluation is conducted in coordination with the quality department when goods is received by the logistics team. If the above requirements are not met, CLM will issue an official complaint to the supplier.

5.4 ON-TIME DELIVERY

This parameter measures the supplier's ability to deliver parts within the timelines agreed in the order confirmation, using proper packaging and identification. CLM requires timely communication of any potential delays in the scheduled delivery date.

5.5 COMPLIANCE WITH SUPPLY CONDITIONS

CLM considers deliveries complete only when all quality-related and mandatory documentation required when placing the order is provided and received together with the goods.

5.6 OTHER ORGANIZATIONAL ASPECTS

This parameter also measures the supplier's ability to respond to "contingent needs" (flexibility) and provide technical support, both in terms of proactive improvements and problem-solving capabilities.

5.7 GENERAL CONDITIONS FOR ORDER CONFIRMATION

The above conditions shall be accepted upon order confirmation. Our General Terms and Conditions of Purchase, Privacy Policy, and Code of Ethics are available for download on our website www.clmbz.it.