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# *Supplier Code of Conduct* **OMCAP**

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## 1. Purpose and Scope

Set the quality standard requirements required for supplies to O.M.C.A.P. of any type of product. Describe how the relationship with the Supplier develops by identifying and distributing internal/external operational competences.

Clarify what is required of the Supplier to develop the tools needed to manage, plan, verify, and document product control, including through process control.

In all cases, O.M.C.A.P. reserves the right to request that its Suppliers comply with specific requests that may come from the customers.

## 2. Code of Ethics and Conduct

O.M.C.A.P. carries out its business according to the provisions of its Code of Ethics, based on principles of respecting current laws, loyalty, fairness, and professionalism with the goal of maintaining the integrity of the company's assets and protecting its reputation and image, while maintaining clear, transparent relationships with its shareholders.

O.M.C.A.P. does not maintain business relations with those whose businesses do not follow the principles at the basis of this Code; all suppliers are therefore required to commit to conduct that complies with the provisions herein. Its violation is cause for O.M.C.A.P. to not establish or interrupt business relations.

O.M.C.A.P.'S Code of Ethics can be consulted on the website <https://www.omcapsrl.it>, as well as its Ethics Policy.

## 3. Requirements and Mandatory Compliance

As O.M.C.A.P. exports or may export its products worldwide, it is the express obligation of the supplier to ensure that the products, processes, and services purchased comply with the current applicable mandatory requirements, and that any special controls required are applied in full. The supplier is responsible for verifying that their supply chain complies with this code. Any restrictions must be communicated promptly before delivery.

## 4. Feasibility Studies

The Supplier must review all documentation and plans provided by O.M.C.A.P. before committing to supply a new or modified product. This review is aimed at ensuring the supplier's ability to supply the products respecting the technical requirements, volumes, and manufacturing capacity of the processes requested by O.M.C.A.P. In this review, the supplier must also ensure that it is able to implement product and process quality planning.

## 5. Sub-Supplier Management

The supplier is directly responsible for the quality of the products purchased through its suppliers, including if the suppliers are set by O.M.C.A.P. For this purpose, it must supply formal operating procedures to check the product's conformity with the set requirements.

The supplier must apply the criteria of this document to its Sub-Suppliers as well.

With O.M.C.A.P.'s explicit consent, the supplier is responsible for disseminating the relevant technical documentation throughout its supply chain.

## 6. Record Storage

Unless otherwise indicated by contractual specifications or legal/ regulatory requirements, records must be stored by the supplier as follows:

- All product and process control records: 10 years from their processing.
- The certificates of quality and conformity (CQC) of raw materials: 3 years from the last production batch.

Longer periods may be required if requested by O.M.C.A.P.'s end customer.

## 7. Packaging and Shipping

The supplier must provide packaging suitable for internal and external handling regardless of the carriers used.

The supplier is responsible for the delivery of the material to the correct destination and on the agreed date.

All individual packaging must be identified with a specific label including:

- O.M.C.A.P.'s end customer;
- Item name;
- Quantity;
- Address;
- Plan number and code;
- Traceability code (e.g. transport document number, order no., etc.);
- Date.

This information must be included on the transport document with the order number and whether the delivery is made against payment of the order or on account. The product must absolutely fit within the container volume to avoid damage to the parts during handling or during stacking of the packaging units.

## 8. Audit

O.M.C.A.P. may make process and product audits with planned regularity following its methods shared with and accepted by the supplier in order to better qualify and maintain this quality over time. O.M.C.A.P. reserves the right to perform audits (after prior agreement) at the suppliers' facilities. These audits must be performed in accordance with the provisions of the documents "Mod-69-Rev-000 Supplier Qualification Questionnaire" and "Mod-70-Rev-000 Supplier Audit." The purpose of such audits may be:

- To verify the application of the OMCAP procedures/instructions and their validity and compliance with control plans;
- To evaluate processing and control process (process audit);
- To verify the progress of work;
- To check the effectiveness of corrective measures if there are serious flaws;
- To evaluate general aspects of the company organization if it does not have a system certification by a third party;
- To perform production capacity studies.

## 9. Exceptional Authorization for the Supply of Non-conforming Products

The supplier may not deliver any product on which it detects non-conformities with respect to the specified requirements without having obtained formal authorization from O.M.C.A.P.'s Quality Department. Any costs incurred as a result of non-conformity will be charged to the supplier.

If the supplier foresees and/or verifies that there are non-conformities that are deemed not serious, it may request a waiver / concession from O.M.C.A.P.

Products with safety features or subject to legislative, homologation or mandatory constraints for which no exception can be made may under no circumstances be supplied to O.M.C.A.P.

O.M.C.A.P. must be informed of:

- The drawing number and name of the item;
- The nature and characteristics of the non-conformity;
- Number of pieces affected by the non-conformity.

O.M.C.A.P.'s competent departments will evaluate the request and the decision taken will be communicated to the supplier.

The supplier must implement actions that ensure the problem's resolution including if exceptions were made. O.M.C.A.P. may request evidence of such action from the supplier.

## 10. Non-conformity Management and Recovery of Costs Incurred Due to Non-conformity Caused by Suppliers

O.M.C.A.P. reserves the right to perform conformity checks on the products supplied, both upon delivery and during the production process in the production plants. Based on the results of checks performed on the product received or after a non-conformity by its customer and attributable to the supplier, O.M.C.A.P. will notify the supplier of any anomalies detected or reported that led to the non-conformity.

For the management of a non-conformity, it is essential the supplier support O.M.C.A.P. both in the phase of containing the problem and in preventing its recurrence in the future. O.M.C.A.P.'s primary need is to manage the problem with the supplier.

Unless there are commercial agreements signed by both parties stating otherwise, the supplier will be charged for the costs arising from:

- Production stoppage and/or slowdown;
- Labor hours for selections/recoveries;
- Materials and processes paid for;
- Tests/checks performed internally and/or at external laboratories;
- Additional transport;
- Warranty costs;
- Costs of materials that may be damaged due to non-conforming products;
- Any costs charged by O.M.C.A.P.'s customers to manage the non-conformity, including but not limited to selections, tests, reprocessing, disassembly, assembly, movement, and transport.

The supplier must implement internal methods of analysis of causes of non-conformity in order to define actions to resolve the causes themselves, whether or not the problem has come from O.M.C.A.P.

## 11. Operational Continuity

The supplier must have an operational continuity plan that includes emergency plans to meet the production and quality requirements of O.M.C.A.P. in the event of:

- Risks based on events: natural disasters, chemical spills, terrorist threats, medical emergencies (e.g. pandemics), human resource problems (e.g. strikes, labor shortage);
- Prolonged or repeated interruptions of public services;
- Recovery from IT disasters and IT security, general equipment failures;
- Operational disruptions due to financial and regulatory non-conformity.

The plan shall also provide for forms of safeguarding, archiving and retrieval of documentation concerning all contracts, including but not limited to design drawings, electronic media, and production equipment in the event of damage or loss of products. The supplier's operational continuity plan shall be periodically reviewed, updated, and shared with O.M.C.A.P. at its request.

## 12.O.M.C.A.P. Property

O.M.C.A.P. property made available to the supplier to be used or incorporated in its products must be:

- recorded so as to have an updated list at all times;
- properly identified (tools, equipment and production, and testing equipment must be permanently marked to allow the ownership of each item to be visible and easily determined);
- carefully stored, protected, safeguarded, and verified;
- included in the calibration and maintenance programs, when applicable.

Routine maintenance and partial or total refurbishment of O.M.C.A.P property due to problems attributable to suppliers will be the responsibility of the suppliers themselves.

If the O.M.C.A.P. property requires extraordinary maintenance due to deterioration or wear, the supplier is required to promptly notify O.M.C.A.P.'s purchasing department in writing and may start performing maintenance only after receiving formal authorization.

The use of O.M.C.A.P. property does not relieve the supplier of responsibility for the quality of the products supplied.

## 13.Quality, Safety, Environment, Sustainability, Ethics

O.M.C.A.P. asks its suppliers to commit to carry out production in accordance with laws, rules, and regulations regarding:

- production quality;
- public health and safety;
- workplace health and safety;
- environmental protection in both the country of production and the country of sale.

At the time of first qualification and when there are updates, the supplier is required to send a copy of its certificate(s) in accordance with ISO 9001, ISO 14001, ISO 45001.

## 14.Continuous Improvement Program

The supplier must implement a continuous improvement program aimed at improving its performance in terms of quality, costs, and service over time. The supplier's continuous improvement program must be made available to O.M.C.A.P. upon request.

For example, the supplier is required to:

- Have an appropriate employee training plan;
- Undertake to eliminate performance issues;
- Engage in early identification and failure prevention;
- Improve performance in delivery punctuality;

- Reduce the number of NCs;
- Eliminate waste and reprocessing;
- Minimize process variability;
- Improve productivity.

O.M.C.A.P. considers it important to work with suppliers within the framework of a strong culture of continuous improvement and reserves the right to request the implementation of joint continuous improvement projects aimed, for example, at reducing execution times, improving efficiencies, and eliminating defects.

Management  
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