



Supply Manual



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1 Revision Control

Revision	Date	Description	Issued by	Approved by
00	11/09/2023	Initial issuance	Leandro Lopes	Carla Criscuolo

2 Purpose

Create innovative and sustainable technologies to electrify and connect the world!

3 Vision

Global vision for 2028

To be a reference company in the Defense, Aerospace and Tests and Measurements markets

DEFENSE

To be recognized as the most agile Brazilian company in the development and supply of electronic and telecommunications solutions for Command and Control systems

AEROSPACE

To be a national leader and world player in the development and supply of Aeronautical Batteries

TESTS AND MEASUREMENTS

To be a national leader and world player in the supply and development of Electromagnetic Shielded Environments

4 Values

PIONEERING - Opening paths to new horizons

OWNERSHIP - Act as leaders-entrepreneurs, taking responsibility and protagonism.

AGILITY - Deliver value in the shortest industry cycles.

ENTHUSIASM - Awaken energy to great achievements.

COLLABORATION - Unite our capabilities to be increasingly powerful.

5 Quality Policy

OCELLOTT is committed to the safety, quality and deadline of the products and services it delivers to the market.

We work committed to the continuous improvement of the Quality Management System and focus on the needs and expectations of customers, employees, shareholders and society, aiming for the sustainable growth of our organization.

6 Introduction

This manual was developed by OCELLOTT with the purpose of guiding all its Suppliers regarding the minimum Quality requirements necessary for the provision of services and products. As it is an important communication channel between OCELLOTT and its Suppliers, this manual should be used by all companies that wish to be or are already part of OCELLOTT's group of regular Suppliers. As a guide for fully meeting the expected Quality standards, this manual describes the general supply conditions, evaluation systems and methods used to monitor the performance of each supplier.

OCELLOTT's main Quality objective is to guarantee the permanent satisfaction of its customers, and for this reason we want our Suppliers to constantly seek continuous improvement of their processes to meet and exceed the expectations and requirements of this Manual.

7 Objective

The main objective of this Manual is to define and regulate the requirements for the provision of OCELLOTT's products and services.

To meet OCELLOTT's requirements, Suppliers must follow the rules defined below:

- Implement adequate systems and controls that guarantee 100% supply in a timely manner and in compliance with the established requirements.
- Manage its facilities, processes, quality systems and personnel, so that they can consistently and, at fair cost, provide products and services that meet the requirements of OCELLOTT and its customers.
- Develop and implement a Quality Management System appropriate to the type of product or service provided to OCELLOTT.
- Provide objective evidence that all items meet OCELLOTT's Engineering requirements and specifications.
- Maintain traceability of batches of items supplied to OCELLOTT for a period appropriate to the established guarantees and regulations.
- If applicable, use appropriate statistical techniques or any other techniques to control and continuously improve processes, reducing their variation and eliminating all losses.
- Conduct its operations to ensure that all products and processes supplied to OCELLOTT comply with the laws and regulations applicable to the jurisdictions in which the supplier carries out its business in accordance with these laws.
- Define and monitor implicit technical specifications of the supplied items that are not documented or not reported by OCELLOTT, in order to maintain the level of Quality of supply.

8 Suppliers' main responsibilities

It is expected from OCELLOTT's suppliers, not limited to:

- Provide only products as specified in drawings and standards, ensuring that they are always in the latest version in force.
- Consider the guidelines established in the "Supply Conditions" document, which is sent with the Purchase Order.
- Reduce and/or eliminate scrap and rework rates.
- Use appropriate packaging to guarantee the integrity of the products supplied.
- Make deliveries as determined by OCELLOTT's purchase orders.
- Correctly identify items delivered to OCELLOTT in order to guarantee traceability.
- Keep all raw material records and certificates duly protected and send them to OCELLOTT for each delivery made.
- Keep all information regarding the quality management system updated (quality certificates, licenses, evaluation questionnaires, etc.).
- Obtain prior approval from OCELLOTT for any changes to projects.
- Monitor and provide adequate support for quality audits requested by OCELLOTT.
- Develop corrective and preventive action plans to eliminate problems detected in products, processes or even delays in delivery.
- Provide technical assistance whenever necessary.
- Guarantee the confidentiality of information received from OCELLOTT such as, but not limited to: specifications, drawings, standards, etc.
- OCELLOTT prohibits the use of counterfeit or suspicious parts.

9 Terms and Definitions

The following terms and definitions are used in this Manual:

- **Supplier:** any person or organization that provides a product or service.
- **Qualification:** process of recognizing capabilities to meet requirements.
- **Counterfeit Part:** An unauthorized copy, imitation, substitute, or modified part (e.g., material, part, component) that is intentionally misrepresented as being a genuine, specified part from an original or authorized manufacturer.
- **Product safety:** state in which a product can perform its designed or intended purpose without causing an unacceptable risk of harm to people or property.
- **Special Requirements:** requirements identified by the client or determined by OCELLOTT, which have a high risk of not being met, therefore requiring their inclusion in the operational risk management process.
- **Critical Items:** items that have a significant effect on the supply and use of products and services, including safety, performance, form, fit, function, production ability, useful life, etc., that require specific actions to ensure they are properly managed.
- **Special Processes:** any production or service provision process where the resulting output cannot be verified by subsequent monitoring or measurement. This includes any processes where deficiencies only become apparent after the product is in use or the service has been delivered.

10 Types of Suppliers

Product Suppliers:

- Raw materials;
- Industrialized parts according to drawing;
- Items considered shelf/catalog items;
- Packaging and/or Items for identification.

Service Suppliers:

- Calibration;
- Machining;
- Transport - sending and receiving products;
- Heat treatment;
- Superficial treatment;
- Non-destructive testing;
- Destructive testing.

11 Suppliers Qualification

Product or Service	Certification	Audits
Raw Material	AS9100 / ISO 9001 or Evaluation Form	When required
Industrialized parts according to drawing	AS9100 / ISO 9001 or Evaluation Form	Applicable
Packaging and/or Identification Items	AS9100 / ISO 9001 or Evaluation Form	When required
Calibration	Acreditação ISO/IEC 17025	Not Applicable
Transport	AS9100 / ISO 9001 or Evaluation Form	Not Applicable
Superficial treatment	AS9100 / ISO 9001 or Evaluation Form	Applicable
Heat treatment		
Non-destructive testing		
Raw materials provided by Customers	Not Applicable	Not Applicable
Commercial Items, Catalog Items, Shelf Items		

11.1 Supplier's Development

I. Assessment and Selection:

OCELLOTT's suppliers are approved for each scope of supply, taking into account the criteria listed below:

- Financial data, including tax status.
- Certification: Certified/accredited Quality Management Systems will have Approved Status and a score of 10. For Quality Management Systems that have only been implemented (without certification), they will be evaluated according to OCELLOTT's questionnaire.
- Supply references.
- Commercial conditions (term and price).
- Audit, when applicable.

II. Classification Criteria

Points	Result
0 – 4,0	Not Approved
5,0 – 9,0	Approved with Restrictions * Present Action Plan
10	Approved

III. Performance Monitoring

Approved Suppliers are monitored for their performance as follows:

Below 69,9%	From 70,0 to 84,9%	From 85,0 to 94,9%	From 95,0 to 100%
Not Approved	Alert	Regular	Good

IV. Metrics composition:

Quality of the Product = 55%
On Time Delivery (OTD) = 35%
Quality Management System = 10%

V. Monitoring

Monitoring results are calculated monthly. The request for possible actions will be carried out based on a quarterly evaluation of the average results obtained, as follows:

Not Approved – Below 49,9%

Suppliers with “Not approved” status will be blocked from further supply.

Alert – From 50,0 to 82,9 %

Suppliers that reach the “Alert” status will have their results monitored in the following 3 (three) deliveries, where, if they do not show improvements, they will be blocked from further developments. Unblocking will only occur after Supplier’s Action Plan is defined to monitor the necessary activities.

Regular – From 83,0 to 94,9 %

Suppliers that reach the status “Good” will be monitored.

Good – From 95,0 to 100%

Suppliers that achieve “Excellent” status for 12 consecutive months will be considered Quality Assured and will have preferences regarding increased participation and priority in the development of new projects.

VI. Reevaluation

Suppliers will be reevaluated every 36 months or when necessary, based on the performance history presented.

The reassessment is carried out according to the criteria for Supplier classification mentioned above.

11.2 Non-Conformity

Whenever an item that does not comply with OCELLOTT's specifications, corrective actions will be requested from the Supplier.

The deadline for returning a duly completed report with completed cause analyzes and defined actions is 10 calendar days.

The Supplier will have to take appropriate measures to contain the non-conforming item, such as replacement, selection, rework, special work shift, urgent transportation, etc., aiming to reduce the impact of the problem on OCELLOTT's production line as much as possible.

If an outsourced company specializing in rework is necessary, in order to mitigate the impact of production downtime, the expenses inherent to containment will be covered by the supplier. If Supplier does not present a definitive solution to the non-conformity, it may be disqualified from supplying the item in question.

11.3 Continuous Improvement

The Supplier must monitor the performance of its manufacturing processes, using graphs and applicable indicators such as productivity, lead time, among others. This monitoring process may be verified during audits carried out by OCELLOTT, when necessary.

The supplier can use and improve failure prevention methods, such as Failure mode and effect analysis (FMEA), Statistical techniques (CEP); Methods for analyzing and solving problems (MASP), Analysis of risks and opportunities, etc.

12 Delivery

12.1 Quotation Request

OCELLOTT's purchasing department will make initial contact with the Suppliers chosen for a given supply via telephone or email and will forward all the necessary information so that it can begin the feasibility study of supplying the item to OCELLOTT, having complete freedom to accept or decline the proposal.

OCELLOTT will receive material:

From Monday thru Friday, from 8:00h thru 12:00h and from 13h thru 16h30.

Unscheduled deliveries or deliveries outside those hours require previous agreements.

IMPORTANT: The material will be rejected due to unscheduled deliveries, discrepancies in quantities (not communicated), quality problems, lack of purchase order number in the Invoice (XML Tag), among other possible problems.

13 Commercial Conduct

Gifts, commissions, advantages, and favors, the value and/or circumstances of which may rise to suspicion of any undue favoritism, should not be provided nor accepted, except courtesies that characterize a mere kindness in the relationship, such as business meals and institutional gifts impersonal items, such as pens, t-shirts, caps, key chains, etc. Influence on the choice of a process through improper favoritism that conflicts with quality and price criteria for products and services is not allowed at all times.

14 Compliance with the Law

Supplier represents and warrants that: it will remain in compliance with all applicable laws, statutes, rules, regulations, judgments, decrees, orders or authorizations, including but not limited to social, environmental and anti-corruption laws, to the extent they apply obligations and activities, including, but not limited to, the social and environmental laws applicable to its activities, and does not and will not employ child labor or forced labor in its activities, acting in accordance with the labor and occupational safety laws of its country.

Furthermore, the Product(s) supplied will not contain any prohibited substance(s) and are in compliance with all applicable environmental laws.