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	PROVIDER EVALUATION PROCEDURE	

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1.0 Purpose

This procedure outlines how the Organization manages its suppliers.

Establishing clear procurement guidelines is essential to ensure that the Organization can acquire the necessary materials and services at the desired quality and price, thereby ensuring business continuity.

This process aligns with the requirements outlined in Clause 8.4 of ISO 9001:2015: "Control of Externally Provided Products and Services".

2.0 Scope

The provider evaluation procedure applies to all providers that are considered "critical", which means that they have the potential to impact the quality of the Organization's products and services.

This procedure encompasses various types of providers, such as providers of:

- Raw materials and consumable materials.
- Plant components
- Equipment.
- Laboratory instruments.
- Services (e.g., maintenance, consultancy, training, information systems, utilities, etc.).
- Safety equipment.

3.0 Terms and definitions

- N/A

4.0 Process

4.1 Market analysis

The contacts with suppliers and the commercial negotiations managed by the Procurement Department.

When needed, support of technical functions is provided. Example: regarding health and safety compliance, the Occupational Health and Safety Manager is responsible of collecting the needed information and perform the needed checks.

4.2 Qualification

Upon supplier selection, a thorough verification is undertaken to confirm that the product's characteristics align with the declared specifications.

When necessary, the organization conducts "due diligence" audits to providers, in order to evaluate associated risks before initiating a commercial relationship.

Supplier qualification is a one-time process.

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4.3 Order management

Orders are placed with qualified suppliers, with whom the organization may have active contracts or ongoing collaborations that define the types of products, materials, service levels, and corresponding prices (price lists).

The list of qualified suppliers is maintained in a controlled document. Purchase orders are initiated by the purchasing department using the ERP system and with the support of technical and management functions.

Department managers submit a purchase request in the ERP system.

For products that are already coded within the ERP system, the purchasing department has pre-selected suppliers and their price lists. In cases where products are not coded, specific quotations are requested via email. If an offer is unclear or imprecise, it is the responsibility of the Quality Specialist to contact the supplier for clarification.

The Procurement department reviews the written offers with the collaboration of the requestors. If the review outcome is positive, they generate the order in the ERP system.

The CEO then signs the order, and the order is sent to the supplier.

Upon receiving the order, the supplier sends an order confirmation.

The Quality Specialist maintains records of the signed order.

4.4 Periodic evaluation of providers

Regular inspections are conducted to ensure the consistency of provided goods/services over time.

Supplier evaluations occur at least annually, preceding the Management Review. During this review, the Organization reevaluates supplier performance to either confirm or adjust previous assessments. The evaluation is done using the "Provider evaluation template".

In cases of NonConformities, the Quality specialist assesses the need for an extraordinary re-evaluation.

5.0 Records

Annually Compiled Provider evaluations