



Update Letter

Subject: Update Letter for Supplier Manual

Dear,

In relation to the partnership established between our company, we inform you that we identified the need to make some updates to the Supplier Manual Revision 21 of 05/19/2023.

Below, we highlight the updates:

✓ **Inclusion of the item “Qualification of environmental suppliers”**

5.2 Qualification / Homologation of Suppliers.

Qualification for environmental suppliers.

Homologation for Environmental Suppliers is carried out through the approval of the Occupational Safety department together with Purchasing and the application of FGI 254 – Analysis, Development and Qualification of Suppliers. Considering the following questionnaire approval criteria:

Approved – All requirements met.


Conditional Approval – Accomplished by providing an action plan.

Disapproval – Failure to comply with items applicable to the supplier and without defining the action plan.

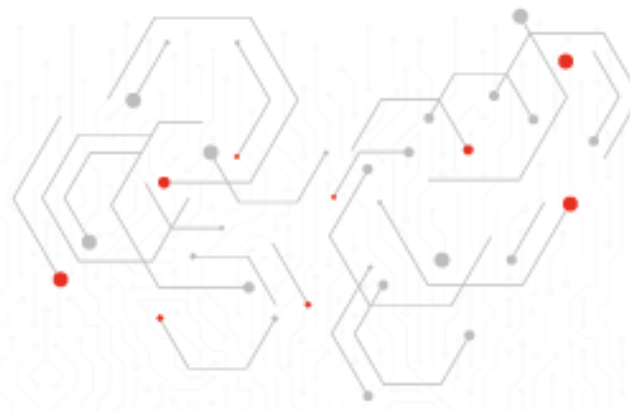
In case of disapproval, the area responsible for this type of supplier must evaluate and look for new suppliers. If there are no options for exchange, it must be discussed about qualifying the current supplier so that it becomes suitable or reevaluating the process and the need for the service.

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✓ **Rectification of item “6 Supply Approval”**

6.7 Productive Capacity Assessments.

Qualification for environmental suppliers..

The approval of Environmental Suppliers is carried out through the approval of the Occupational Safety department in conjunction with Purchasing and application of FGI 254 – Analysis, Development and Qualification of Suppliers. Considering the following questionnaire approval criteria:

✓ **Rectification of item 7 – Non-Conformity Dealing**

7.3 - Containment

It is up to the supplier to immediately respond to the containment request at the Metagal unit that consumes the complained component, being evaluated by Metagal regarding the return of failed/suspicious parts or availability of inspection methods.

In case of return of damaged/suspicious parts, the supplier must immediately send a new batch of controlled parts to Metagal.

If inspection is necessary, Metagal should be consulted about the availability of one of the following methods:

- Inspection carried out by the supplier itself.
- Inspection carried out by companies providing selection and rework services, hired by the supplier itself.
- Inspection carried out by Metagal's workforce, and subsequently, transfer of costs to the supplier.

For imported materials, Metagal will be responsible for defining the inspection method until the arrival of a new batch with identification of containment and/or validation of the effectiveness of the actions taken to deal with non-compliance, with the cost being passed on to the supplier.

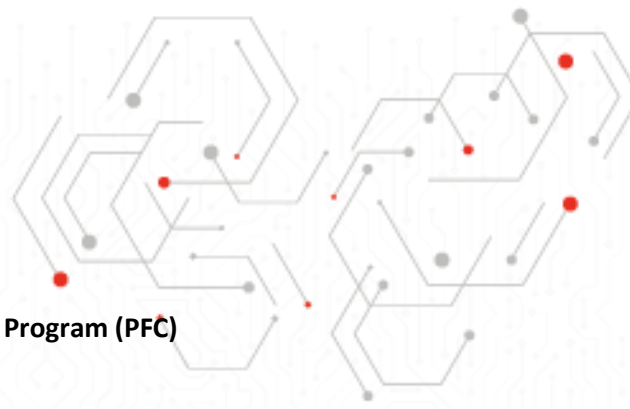
Employees who will perform selection and rework in our units must comply with the work safety procedures in force at Metagal, therefore, before the employee moves to our unit, the supplier must contact the responsible Receiving Inspection Department to assist him in this integration procedure.

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✓ **Addition of information from item 12 - Critical Suppliers Program (PFC)**

12 - Critical Suppliers Program (PFC)

The supplier's senior management must be notified and monitor the development of the Critical Supplier Program (PFC).

Suppliers that are part of the PFC are subject to process audits to be carried out by EQF Metagal, based on VDA Standard 6.3, after defining the implementation plan for the Controlled Ship, regardless of the last audit carried out.

✓ **Clarification on item "20.3 Environmental"**

We clarify that item 20.3 Environmental is strictly applicable to environmental suppliers, such as: suppliers of hazardous materials and waste transport and disposal.

20.3 Environmental.

Metagal recommends that its Environmental suppliers have ISO 14001 or equivalent certificates (e.g. ABIQUIM) and requires that they have Environmental protection definitions that establish and involve the company's activities in accordance with Municipal, State and Federal legislation.

These suppliers must provide a valid copy of the Operating License or a copy of the ISO 14001 Certificate. Whenever there is an update, the supplier must send a copy to keep Metagal always up to date.

Item applicable for suppliers of hazardous materials and waste transportation and disposal. This Qualification is carried out during Audits / Visits carried out by the corporate environment or occupational safety or Supplier Quality sector through FGI 193 - Assessment Questionnaire on Social Responsibility, Environment and Safety.

Best regards,

Gabrielle Oliveira

Quality Suppliers

Carolina Zacarias

Purchasing Supervisor

 (35) 3471-9100

 contato@metagal.com.br

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