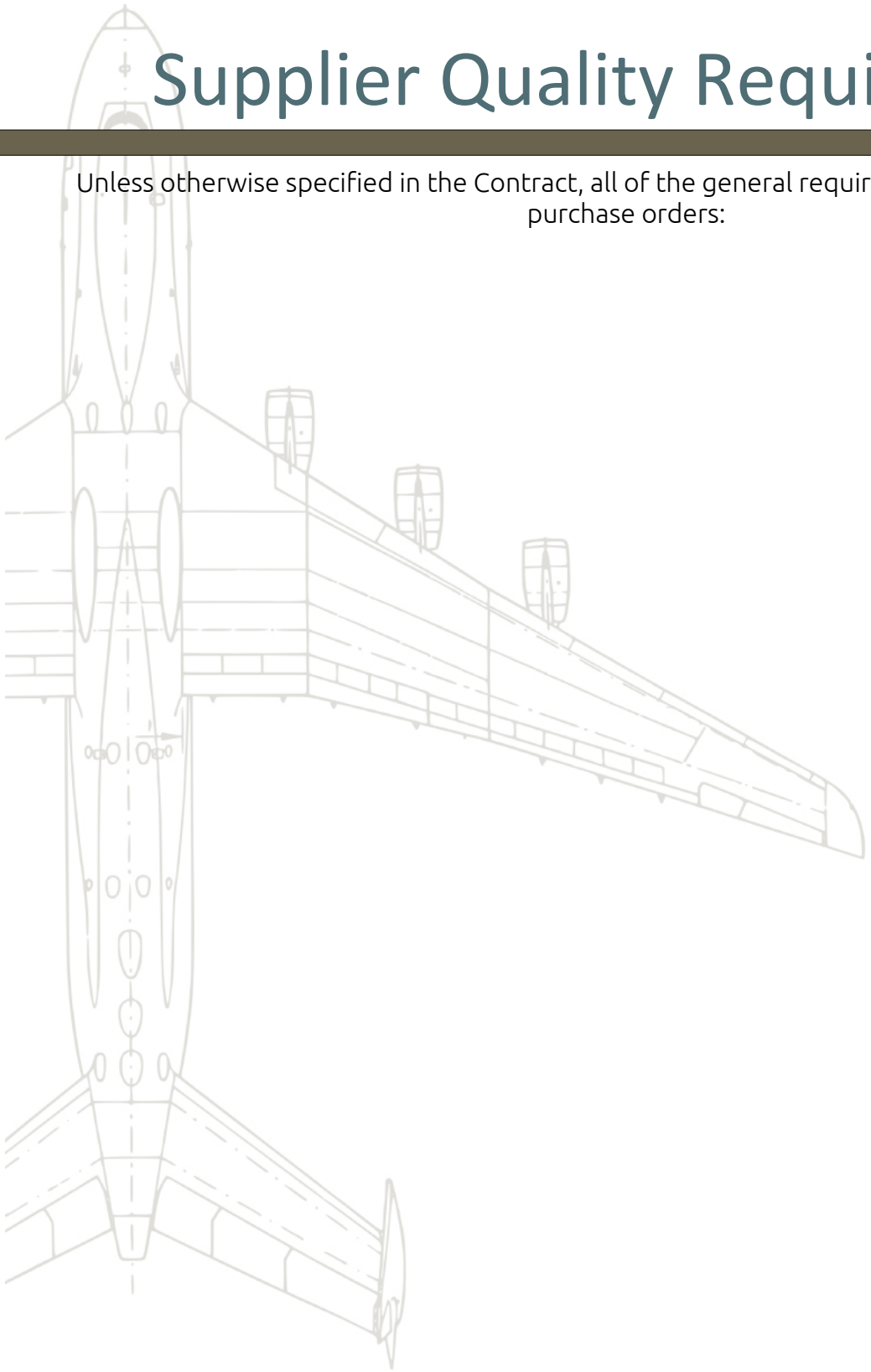
ELIX Systems SA • Route de Chavannes 9 • 1007 Lausanne • Switzerland • www.elix.swiss • tel: +41 21 510 24 80

Supplier Quality Requirement

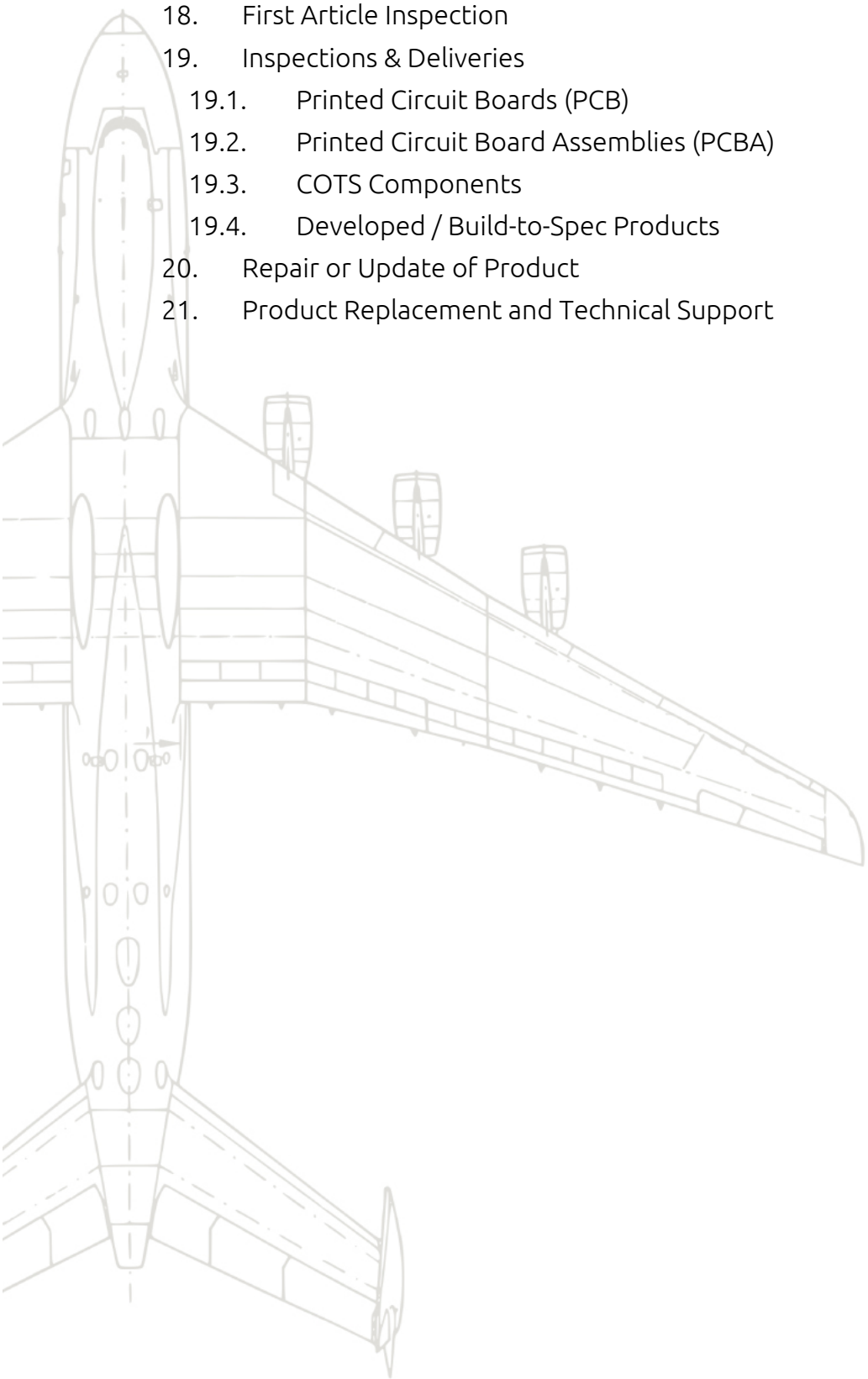
Unless otherwise specified in the Contract, all of the general requirements below apply to all purchase orders:



Contents

SCOPE 4
GENERAL REQUIREMENTS 4
1. Quality Management System 4
2. Personnel Competence & Awareness 4
3. Environmental Sustainability & Corporate Social Responsibility (CRS) 4
4. Information Security Management 5
5. Risk & Opportunity 5
6. Subcontractors Management 5
6.1. Flow-down Requirements 5
7. Change Request and Concession 5
7.1. Change Request/Notification 5
7.2. Concession / Deviation 6
8. Product Identification and traceability 6
9. Product Safety & Counterfeit parts 7
9.1. Foreign Object Damage (FOD) prevention program 7
9.2. Counterfeit part 7
9.3. ESD control program 7
10. Calibration 7
11. Export Controls 7
12. Non-conformities and quality claims 7
13. Audit 8
14. Supplier Evaluation 8
15. Continuous Improvement 8
ADDITIONAL REQUIREMENTS 8
16. Product development 8
16.1. Key characteristics (KC) 8
16.2. Electronic Component Management 9
16.3. Verification and Validation (V&V) 9
16.4. Configuration Management 9
17. Production and Service Provision 9
17.1. Special Process 9
17.2. Acceptance test procedure 9

17.3. Production Process Verification 9
18. First Article Inspection 9
19. Inspections & Deliveries 10
19.1. Printed Circuit Boards (PCB) 10
19.2. Printed Circuit Board Assemblies (PCBA) 10
19.3. COTS Components 11
19.4. Developed / Build-to-Spec Products 11
20. Repair or Update of Product 11
21. Product Replacement and Technical Support 11



SCOPE

These Supplier Quality Requirements (SQR) form an integral part of every ELIX Purchase Order. The SUPPLIER shall comply with all applicable requirements of this SQR unless otherwise specified in the Purchase Order or Contract

GENERAL REQUIREMENTS

Applicable to all Suppliers unless otherwise specified in the Purchase Order or Contract

1. Quality Management System

The SUPPLIER shall maintain a Quality Management System compliant with ISO 9001. Suppliers providing aerospace products, processes or services shall be certified to EN9100 unless otherwise approved by ELIX

2. Personnel Competence & Awareness

Personnel performing activities affecting product quality shall be competent, qualified and appropriately trained. The SUPPLIER shall maintain records of qualifications and training and make them available to ELIX upon request.

Personnel shall be aware of their contribution to product conformity, product safety and the importance of ethical behaviour.

3. Environmental Sustainability & Corporate Social Responsibility (CRS)

The SUPPLIER shall establish, maintain, and enhance an environmental protection to ensure compliance with applicable environmental regulations, such as the European Directives (i.e. RoHS, REACH and WEEE)

The SUPPLIER shall consider all internal and external climate change issues that can impact the effectiveness of their quality management system and implement measures to mitigate climate-related risks, such as diversifying suppliers, improving logistics to Recycle Properly, use less plastic…etc.)

The SUPPLIER shall ensure ethical practices comply with international labor conventions, such as forced labor, union freedom, discrimination at work and child labor and conduct business with uncompromising integrity in accordance with applicable anti-bribery and anti-corruption legislation.

The SUPPLIER shall ensure sustainable practices aimed at reducing the environmental impact

Upon request, the Supplier shall also complete the Conflict Minerals Reporting Template (CMRT) to collect sourcing information on tin, tantalum, tungsten and gold potentially used in the supplied products.

4. Information Security Management

The SUPPLIER shall be committed to secure all information it receives from the Purchaser by protecting the confidentiality, integrity and availability of information - Compliance to ISO/IEC 27001 would be an asset.

The SUPPLIER shall securely record, store, archive and maintain all records related to the delivered products for a minimum of **ten (10) years**, unless otherwise specified by contract. Records shall remain retrievable throughout the retention period.

The SUPPLIER shall implement appropriate backup and recovery measures to ensure the integrity, availability and retrievability of quality records and digital data throughout the retention period.

The Supplier shall sign a Non-Disclosure Agreement (NDA) with the Purchaser.

5. Risk & Opportunity

The Supplier shall identify, assess and manage risks and opportunities that may affect product quality, conformity, delivery or business continuity. Significant risks shall be communicated to ELIX.

6. Subcontractors Management

The SUPPLIER shall select and evaluate their own subcontractors based on their capability to deliver products in conformance with this Quality Requirement. The subcontractors also agree to pursue a zero- defects strategy and continuously improve their services.

6.1. Flow-down Requirements

The Supplier shall flow down all applicable contractual, technical and quality requirements contained in this SQR to its own suppliers and subcontractors.
The Supplier remains fully responsible for the conformity of products and services supplied by its subcontractors.

7. Change Request and Concession

7.1. Change Request/Notification

The Supplier shall establish and maintain a documented process to control and manage any change that may impact product conformity, performance, reliability, safety, or compliance with customer requirements.

Post First Article Inspection (FAI), any proposed change shall be evaluated, classified, and documented prior to implementation.

Changes include, but are not limited to:

- Product changes (form, fit, function, hardware, software, safety, AEH)
- Manufacturing changes (process, materials, equipment, special processes)
- Industrial and organizational changes (production transfer, subcontractor change, ERP or system changes, key personnel or organizational changes)

All changes shall be classified as Major or Minor:

- Major Change: any change potentially impacting product conformity, performance, safety, certification, industrial organization, or supply chain.
  → Shall be formally submitted to the Purchaser for approval prior to implementation.
- Minor Change: changes with no impact on form, fit, function, safety, or product conformity.
  → Shall be controlled internally and made available upon request.

In case of doubt, the change shall be classified as Major.

For Major Changes, the Supplier shall submit a documented Change Request including:

- Product identification
- Description and justification of the change
- Impact analysis (quality, safety, performance, compliance)
- Risk assessment and mitigation actions
- Implementation plan and schedule
- Point of embodiment (traceability of application)

No Major Change shall be implemented without formal approval from the Purchaser.

The Supplier shall ensure full traceability of all changes and update all affected documentation accordingly.

7.2. Concession / Deviation

In case a Product to be delivered is not fully compliant to the specifications (having a minor deviation (aspect / test result /…) a Concession Request shall be sent to the Purchaser to ask for a possible acceptance. The Product shall not be delivered prior the reception of the Concession form accepted and signed by the Purchaser.

8. Product Identification and traceability

The Product shall be identified by a Label including the Part number, serial number and revision.

An individual Test-Report and a Certificate of Conformity shall be joined to each delivered product.

- The Certificate of Conformity (CoC) shall mention:
  - The purchaser PO number
  - The product part number and serial number
  - The CoC Number (individual number)
- The Test Report shall mention, apart from the test results, the manufacturing/test Process/Procedure(s) numbers with his issue number.
- Traceability shall be maintained throughout the manufacturing process.

9. Product Safety & Counterfeit parts

Product safety means ensuring that products are manufactured, inspected and delivered in a manner that prevents defects, manufacturing errors, counterfeit parts, FOD and unauthorized changes that could affect product performance, reliability or safe operation.

9.1. Foreign Object Damage (FOD) prevention program

The supplier shall implement a program for the prevention of Foreign Object Damage (FOD) to supplied products.

9.2. Counterfeit part

The Supplier shall prevent the use of counterfeit and suspect counterfeit parts in products supplied to ELIX.

9.3. ESD control program

The supplier shall implement an Electrostatic Discharge (ESD) control program for monitoring and maintaining an environment that reduces the probability of ESD damage to all products handled at the supplier and shipped to the purchaser.

10. Calibration

The supplier shall ensure that all Measuring and Test Equipment (MTE) are registered and subject to periodic verification / calibration in accordance with the manufacturer's specifications and/or recognized standards and, where applicable, calibrated by laboratories accredited to ISO/IEC 17025 or equivalent.

11. Export Controls

The supplier must comply with all registration and licensing requirements applicable to the exporting of goods, services, technology and data.

The Supplier shall inform ELIX of any export control restrictions applicable to the supplied products or related technical data and shall provide the applicable export classification (e.g. EAR, ECCN, ITAR or equivalent), when requested.

12. Non-conformities and quality claims

The Purchaser will write a Non-conformity report for each received product that does not comply with the Purchase Order and associated contract and/or Requirement Specifications.

The Supplier shall make the failure analysis following the NC Criticality criteria (Minor, Major or critical). All actions and final results shall be transmitted to the Purchaser using the Elix Non-conformity report "TE0001" completed by following the report steps requested by Elix.

The Supplier shall immediately notify ELIX whenever a nonconforming product has been delivered or is suspected to have been delivered.

13. Audit

The supplier shall give right of access by the purchaser, their customer and regulatory authorities to the applicable areas of all facilities, at any level of the supply chain, involved in the order and to all applicable records.

An audit means an independent examination to determine whether the quality activities and related result comply with the planned arrangement of this document.

14. Supplier Evaluation

The Purchaser will transmit periodically to the Supplier evaluation results (Supplier Rating) based on quality and on time delivery of delivered products and services.

15. Continuous Improvement

Uniform quality performance can be achieved only by a stable, statistically viable process. The SUPPLIER agrees to maintain a continuous improvement process and involve all employees therein. Quality relevant information shall be visualized, and short control loops implemented.

ADDITIONAL REQUIREMENTS

Applicable only when required by the Purchase Order, Statement of Work, Requirement Specification, Drawing or other Contractual Documents.

16. Product development

For each new product development or modification, the Purchaser shall provide to the supplier a “Statement of Work” (SoW) and/or a “Requirement Specification” that shall be the document of reference for the Supplier’s product quotation and qualification.

Depending on the product, the development project will be controlled and monitored together with the Purchaser by means of an approved project plan, including joint milestones with deliverable lists.

16.1. Key characteristics (KC)

According to the definitions of Special Requirements, Critical Items and Key Characteristics from EN9100/9103, The Supplier may identify, following the analysis of Special Requirements or critical items, some “key characteristics” on drawings, specifications and/or on other documents (i.e. DFEA / PFEA) that belongs to the product “Requirement Specification”.

The Supplier shall control and monitor these “key characteristics” during the development and manufacturing processes.

16.2. Electronic Component Management

Any subcontractors performing design or manufacturing activities are required to be compliant with the Elix Electronic Component Management Plan (ECMP) Ref. TE0061.
This ECMP includes component selection, procurement, inspection, storage and **obsolescence** management.

16.3. Verification and Validation (V&V)

The products shall be validated to ensure compliance with the Purchaser's Statement of Work (SoW) and/or Requirement Specification (RS). The results shall be gathered in a Qualification Report or other evidence in case it is defined in a project plan. This report shall be transmitted to Purchaser upon request or as defined in the plan.

16.4. Configuration Management

The Supplier shall establish and maintain a configuration management process to ensure the integrity, identification and traceability of the product configuration throughout development, production and product changes. All configuration changes shall be documented, controlled and traceable.

Compliance with ISO 10007 is recommended as guidance for configuration management.

17. Production and Service Provision

17.1. Special Process

The "special process" is a process where the results cannot be fully verified by subsequent monitoring or measurement (inspection).

According to the definition of special process from EN9100, all special processes must be validated and re-validated (periodically tested) and report shall be available on request.

17.2. Acceptance test procedure

The Supplier shall submit the Acceptance test procedure (ATP) to the Purchaser for review and approval.

The Supplier shall provide upon request to the purchaser all data related to the tests performed on the first delivered item.

Each product shall be tested and/or inspected before delivery following an ATP.

17.3. Production Process Verification

The Supplier shall ensure that production processes consistently produce products conforming to the applicable design, specification and contractual requirements.

18. First Article Inspection

The Supplier shall perform a First Article Inspection (FAI) for each sub-item related to the Item delivered to the Purchaser and collect the EN9102 FAI form for each of them.

A full or partial FAI shall also be performed in case of:

- engineering definition changes

- manufacturing changes (manufacturing source, process, inspection method, tooling, materials, manufacturing location or CNC program)
- corrective actions affecting product conformity
- events affecting the manufacturing process
- production interruption of two (2) years or more.

19. Inspections & Deliveries

The SUPPLIER shall deliver the products in suitable transportation containers – if agreed, exclusively those approved by ELIX – to avoid damage and impaired quality (e.g. contamination, corrosion or chemical reactions).

The incoming goods inspection at ELIX is limited to detecting external transportation damage and determining whether the quantity and identity of the products ordered conform to the shipping documents. Discrepancies noted hereby shall be reported immediately.

The Supplier shall maintain manufacturing and inspection records demonstrating conformity with the applicable design, manufacturing and inspection requirements. Such records shall be made available to ELIX upon request.

The SUPPLIER shall align its quality management system and quality assurance activities with this reduced incoming goods inspection.

19.1. Printed Circuit Boards (PCB)

The printed circuit boards (PCB) shall comply with IPC-A-600 Class 3 – Acceptability of Printed Boards, unless otherwise specified.

The Supplier shall provide:

- Certificate of Conformity (CoC)
- Product identification and lot/batch traceability

Inspection records demonstrating conformity with the applicable manufacturing and inspection requirements shall be maintained and made available to ELIX upon request.

19.2. Printed Circuit Board Assemblies (PCBA)

Printed Circuit Board Assemblies (PCBA) shall comply with IPC-A-610 Class 3 – Acceptability of Electronic Assemblies, unless otherwise specified.

The Supplier shall provide:

- Certificate of Conformity (CoC)
- Product identification and lot/batch traceability
- Counterfeit parts prevention in accordance with this SQR.

Manufacturing and inspection records demonstrating conformity with the applicable manufacturing and inspection requirements shall be maintained and made available to ELIX upon request.

19.3. COTS Components

COTS components shall be supplied with:

- Certificate of Conformity (CoC)
- Product identification and lot/batch traceability
- Counterfeit parts prevention in accordance with this SQR.

19.4. Developed / Build-to-Spec Products

When specified by the Purchase Order or technical documentation, the Supplier shall additionally comply with:

- Product Development requirements
- Verification & Validation (V&V)
- Acceptance Test Procedure (ATP)
- First Article Inspection (FAI) according to EN9102 (or equivalent)
- Configuration Management
- Manufacturing and inspection records demonstrating conformity with the applicable design, manufacturing and inspection requirements. Such records shall be made available to ELIX upon request or as specified in the Purchase Order or Technical Documentation.
- Special Process qualification, when applicable.

20. Repair or Update of Product

When repair, retrofit or product update services are provided, the Supplier shall maintain a documented process including the applicable production acceptance tests and/or inspections. The repaired or updated product shall be delivered with:

- Certificate of Conformity (CoC);
- Applicable production acceptance test/inspection report;
- Repair / Update Report.

The Repair / Update Report shall include, as applicable:

- Product part number, serial number and revision (old and new, if applicable)
- Reason for return (repair, retrofit or update)
- Failure analysis, including the identified root cause
- Repaired, replaced and/or updated parts
- Type of resolution (NFF*, repaired, fault fixed or retrofit)
- Corrective actions and recommendations, where applicable
- Production acceptance test(s) performed and final inspection.

NFF = No Fault Found.

21. Product Replacement and Technical Support

The Supplier shall maintain the capability to provide replacement products for defective, failed or non-repairable products, when applicable.

Replacement products shall be supplied within the lead time agreed with ELIX or as specified in the Purchase Order.

The Supplier shall notify ELIX at least **twelve (12)** months in advance of any product discontinuation, obsolescence or supply constraint that may affect product availability.

Upon request, the Supplier shall provide timely technical support related to product failures, non-conformities, troubleshooting, replacement activities and product updates.

