UBIQUICOM | THE INNOVATION BEYOND LOCATION

Supplier quality book

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1 Document Control

1.1 Document information

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1.2 Summary of revisions

Revision	Date	Author	Notes
V 1.0	28/02/2025	Davide Alaimo	Initial release

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2 DOCUMENT OBJECTIVE

UBIQUICOM is a company of ZAPI GROUP (hereinafter called ZAPI) considers quality and reliability as key factors in terms of competitiveness and therefore for the success of the company business. In this context, ZAPI gives the quality of supplies great importance, both as regards their very close relationship with the quality of its finished products and as regards the strong disturbance that problems on components may cause on manufacturing flow. To meet the ever-increasing quality targets that the market demands, the supply relationship cannot be based on a system that filters incoming goods, but upon making Supplier responsible which must have availability of and use all the technologies and resources necessary to ensure excellent levels of quality and in any case of continuous improvement. Therefore, ZAPI demands for its Suppliers to adopt and maintain a quality management system to ensure zero defects (regardless of the levels of acceptance used by the Supplier). This system must prevent potential defects, assuring the quality and reliability of manufacturing processes and of the components supplied, but also include development of efficient and robust manufacturing processes, implementing appropriate verifications that keep under control deviations and operating costs. Suppliers should aim for Zero Defects and 100% On Time Delivery to ZAPI. Any established PPM target is not an accepted quality level but represents an intermediate continuous improvement step toward shipment of components/materials meeting the zero defects requirement. Health and Safety are an integral part of our business and are encouraged in all stages to ensure the wellbeing of people.

This document defines rules and procedures to be adopted in relationships between Suppliers and UBIQUICOM with the aim of ensuring suitable quality and reliability levels in the supplies. This document is defined according to the policies available at the company website. This specification is an integral part of all documents mentioned in the “References” table as well as any specific Supplier agreement. When a purchase order is accepted, including tacitly, the Supplier commits to comply with the rules laid out in this document. Supplier must check the availability for any document and version written on the purchase order. Respecting any local law or regulation is under Supplier responsibility. Supplier is responsible for the development of sub-Suppliers according to the requirements of this SQB.

The Supplier is fully responsible for sub-Suppliers, even if UBIQUICOM originally selected and/or qualified them. The Supplier can suggest sub-Supplier changes (see paragraphs 6 and 7).

2.1 ABBREVIATIONS AND REFERENCES

Naming conventions are used to effectively manage CIs for large projects with a highly granular and organized task structure. Following tables illustrates naming convention adopted for UBIQUICOM.

Table 1: Abbreviations & Nomenclature

Name	Description
Supplier selection process:	Process to select and qualify Suppliers with defined requirements
SQE:	Supplier Quality Engineer: it is the window person for the quality issues for the Supplier.
QDC:	Quality, delivery and cost performance.
FIFO:	First in first out approach for warehouse turnover
Certification Program:	Evaluation method to monitor Suppliers
CI:	Configuration Item
SQB:	Supplier Quality Book: This document

Table 2: References

References
GTC (General term and condition) – available on company website
Code of conduct – available company website
Product compliance - available company website
Integrated policy - available company website

3 SELECTION AND MONITORING OF THE SUPPLIER

- The following selection procedure is used to identify if the Supplier has met UBIQUICOM requirements (including finance, business continuity and management aspects). The selection and qualification index rating (see CERTIFICATIONS FACTOR
- QUALITY PERFORMANCE FACTOR
- ON TIME DELIVERIES FACTOR
- PRICE FACTOR
- PAYMENT TYPE FACTOR
- FLEXIBILITY FACTOR

The Supplier performance score is calculated as the sum of the scores in each factor in the observation period of one year, along with the results of audit reports into the same period (see 9).

Table 3 - Index rating) is based on a multidisciplinary approach. The qualification rating defines the status of the Supplier and if an action plan is requested.

It is UBIQUICOM's policy to give priority to and, if appropriate, to give exclusive admittance to Suppliers who have a quality system which complies with ISO 9001 and ISO 14001, and subsequent improvements. In all cases, it is a minimum requirement that a Supplier has a Quality System that has been certified by an accredited third party in compliance with ISO 9001 or at least a plan to implement it. The Supplier should have and maintain an adequate and standardized management system for environmental, safety, ESG and information security.

A risk evaluation of Suppliers is planned yearly to identify a list of top priority Suppliers. A monitoring scorecard system is implemented on these top Suppliers.

A scorecard is carried out once a year by calculating an index which summarizes the Supplier performance in terms of Quality and Service. The score is from 6 to 30.

This activity aims to inform the Supplier about the level of satisfaction in relation to the following factors:

- CERTIFICATIONS FACTOR
- QUALITY PERFORMANCE FACTOR
- ON TIME DELIVERIES FACTOR
- PRICE FACTOR
- PAYMENT TYPE FACTOR
- FLEXIBILITY FACTOR

The Supplier performance score is calculated as the sum of the scores in each factor in the observation period of one year, along with the results of audit reports into the same period (see 9).

Table 3 - Index rating

22 - 30	CERTIFIED	Supplier is performing according to the expectation
16 – 21	QUALIFIED	Action plan required and monitoring system (audit) activated according to evaluation;
< 15	CRITICAL	Action plan required and if the score is confirmed for 3 consecutive period, UBIQUICOM will evaluate an exit strategy or new business on hold.

4 ESCALATION PROCEDURE

In the event of repeated poor Supplier performance, an escalation procedure will be activated to ensure issue resolution and process control.

Procedure may include an inspection frequency increasing (firewall), Supplier Quality Engineer process inspection (Audit), the definition of dedicated action plans with effectiveness verification, the introduction of specific incoming inspections (whose costs will be charged to the Supplier), and the involvement of management to evaluate potential exit strategy.

5 NON-DISCLOSURE AGREEMENT (NDA)

Depending on the level of confidentiality of the information exchanged between the parties, the Supplier may be required to sign a Non-Disclosure Agreement (NDA) before accessing our company's confidential information. The NDA aims to protect intellectual property and sensitive information, ensuring that such data is not disclosed to third parties without our company's written consent. Adherence to this agreement is essential to maintain trust and collaboration between parties, ensuring that all shared information is treated with the utmost confidentiality and integrity.

6 PROCESS AND PRODUCT APPROVAL

The process and product approval shall ensure that purchased parts and components have been designed and manufactured without deviations in full compliance with specifications, with the present document and with UBIQUICOM requirements in terms of QDC. This process must be performed on:

- New part
- Engineering change(s)
- Durable Tooling: transfer, replacement, refurbishment, or additional
- Tooling inactive > one year
- Correction of discrepancy
- Change to optional construction or material
- Sub-Supplier or material source change
- Change in part processing
- Parts produced at a new or additional location
- Following a request from UBIQUICOM to suspend deliveries due to Quality problems.

6.1 PRODUCT DEVELOPMENT AND FEASIBILITY STUDY

Before any quotation, the Supplier, once having considered all the requirements and information provided by UBIQUICOM, must guarantee the full feasibility of requirements. In case of any deviation, the Supplier must inform UBIQUICOM immediately and provide alternative solution.

6.2 SAMPLE LEVEL

The status level of samples required is related to the design project management. During a new design, the samples request starts from R&D according to the development gates. The Supplier is required to deliver samples for specific approval in different steps. Samples must be clearly identified.

Prototype Level A (concept and verification units):	Size might be different. Connectors might change. Requirements may change.
Prototype Level B (validation units):	Final size of product. No change in external interfaces anticipated. Functions are operating. All requirements are defined. Design is frozen. Only tooling/process planned to change. Minor modification due to qualification fails might occur. Samples fully comply with all product requirements.
Pre – production / pre – series Level D (production units):	No change other than production line. Samples fully comply with all product and process requirements. Parts are coming from definitive process. Tools and production line are frozen.
Production Level P (production units):	No changes without customer approval.

6.3 PRODUCTION APPROVAL

The production approval process represents the development of the product and of the process to avoid any deviation during production. The below requirement list (recorded documents) must be implemented by the Supplier. Samples represent the development status and Supplier capacity. All samples (A, B, D) presented to UBIQUICOM must be accompanied by appropriate documentation which makes them identifiable and shows the characteristics for the Prototype level requested. Unless otherwise specified, each sample must be accompanied, at the moment of its delivery, by a "sample" label. Requested documents are defined in the samples order. A list of the documentation is detailed below:

Part submission warrant (PSW): This document shows general information that is useful for understanding the reasoning behind sampling, the type of component, the status of sampling and also shows a list of the documents required.

Functional validation Report of functional tests performed on the component: This request is applicable when reliability is the responsibility of the Supplier. For some types of products, tests can be requested to be performed by UBIQUICOM. These requests may be for any samples and repeated periodically.

Copy of requested part/product homologation (e.g. UL, CE, etc..): The Supplier will be asked for homologation certificates in cases of components that are homologated in the Supplier's name.

Dimensional report and drawings with measurements: This document summarizes the measurements taken by the Supplier of all the characteristics of the component for the number of samples requested by UBIQUICOM. In case of parts from a mold, the measurement must be taken on every cavity. The samples and measurements (drawing with measurements) must be identified to allow traceability and metrological comparison. All requirements must be measured. Any deviation must be justified and identified.

Raw material certificate of analysis/declaration of conformity: This document comes from the (main) involved raw material(s) supplied and is used to demonstrate conformity with technical specifications.

Raw Material Technical Data Sheet: Documents from the manufacturer of the raw materials to define the nature and characteristics involved.

Surface Treatment Information: Information to help understand the nature and characteristics of surface treatments (if present), including the measurement of thickness.

Aesthetic approval: For components requiring aesthetic conformity, the criteria for acceptability and acceptance must be shared and approved. Defect pictures are included into this criterion.

Process Flow: A Flow chart describes all the manufacturing phases of components starting from raw materials and ending with packaging. The same reference must be used for FMEA and control plan documents.

Control plan: This document shows the scheduled actions taken by the Supplier to keep full control of the manufacturing process. It should be available at the production plant.

Calibration certificate and maintenance record: these are the documents to proof that tools and equipment used in the production process are maintained and can perform repeatable measurements.

Information about Molds and/or Equipment: Information about molds and/or Equipment developed for manufacturing a component for sampling.

Information in this case means:

- Quantity and part number,
- Overall view drawings,
- Pictures,
- Raw materials used.

Description of Packaging and identification: This document describes the packaging that the Supplier intends to propose for the supply of sets of components.

Environmental requirements and substances of concern (ESG): UBIQUICOM aims to minimize its environmental impact by focusing on the material content of its products and CO2 emissions. In support of this aim, UBIQUICOM expects Suppliers, to:

- Understand how their businesses and products impact the environment.
- Know and comply with federal, state, and local regulatory requirements.
- Notify UBIQUICOM of any significant product/part compliance violations.
- Stay current with global classifications of hazardous substances.
- Understand the requirements for registration of substances and how these requirements apply to own parts/products.

6.4 PRODUCTION APPROVAL

Approval is required only on samples level D. Any necessary deviation must be managed. The requested documentation forms are an integral part of the approval process and even just one missing document will compromise the progress of the procedure. Once the measurements and sample tests have been completed, UBIQUICOM will assess the overall conformity of items with drawings and/or specifications, but also the submitted documentation in compliance with UBIQUICOM requirements.

APPROVAL

Approval for manufacturing indicates that the product meets requirements, and that the Supplier is authorized to deliver the quantities agreed in the delivery schedule or order.

INTERIM APPROVAL (TIME LIMITED)

Approval with a set time limit allows deliveries of batches for a limited period of time. Such approval with a set time limit is only permitted if:

- The causes of non-conformity which led to non-approval are clearly defined.
- It has been agreed and an action plan approved by UBIQUICOM is documented.
- A material which has been given temporary approval without the action plan being respected or which exceeds the time limit imposed in the exemption, will be rejected. Deliveries will not be authorized unless temporary authorization is extended.

REJECTED

Rejected means that the presentation, the manufacturing batch from which the product was taken, and/or the accompanying documentation, do not comply with requirements. The product and correct documentation shall be submitted again before manufacturing quantities can be delivered.

Production quantities shall not be delivered before UBIQUICOM Approval.

7 CHANGE CONTROL

The Supplier cannot change the product, its components, materials, manufacturing process, embedded software or the location of manufacturing compared to what has been approved by UBIQUICOM. If a change needs to be made to enable supply to be conducted correctly, the Supplier must timely inform the UBIQUICOM purchasing office in advance and provide a written explanation of the reasoning behind such change. The UBIQUICOM purchasing office will assign personnel to contact the Supplier offices to further investigate the proposed change and to assess whether to approve it. If UBIQUICOM authorizes the change all costs for activities for the approval of the component and/or the process will be charged to the Supplier (see 8.4). In the absence of this notification or authorization or in the presence of product or process conformity defects, the Supplier will be responsible for all damages, costs, and expenses and in general for any prejudices and UBIQUICOM will also have in any case the faculty to halt supplies without prior notice.

8 QUALITY ISSUES AND PROBLEM SOLVING

UBIQUICOM assumes supplied parts are without defects and suitable to use for production. Therefore, no systematic incoming inspection is performed. UBIQUICOM will inform the Supplier in case any problem occurs during part use. The Supplier should have an internal procedure for managing non-conformities encountered during every phase of its manufacturing process. The Supplier shall always refer to UBIQUICOM quality department for any problems involving supply quality issues. For nonconforming products supplied to UBIQUICOM, including those that reach a UBIQUICOM customer, the Supplier must cover all costs to correct the nonconformance.

8.1 REQUEST FOR TEMPORARY DEVIATION

A Supplier may, if absolutely needed, request an approval for temporary deviation from the specification by sending a well-motivated “Request for deviation” to the UBIQUICOM. A time-limited approval may be given if the customer is protected.

8.2 REWORKED AND REPAIRED PRODUCT

Rework is defined as additional operations that are not part of the basic production process flow, which will bring the product in full compliance with applicable drawings and specifications. Instructions for rework, including re-inspection requirements, shall be accessible to and utilized by the Suppliers’ appropriate personnel. All reworks shall be documented and accepted by UBIQUICOM if not previously agreed.

Repair is defined as using alternative manufacturing techniques, methods, materials, or processes that may not bring product into full compliance with applicable drawings and specifications. Repairs are not allowed without written approval from UBIQUICOM if not previously agreed.

8.3 QUALITY ISSUES

Any products deviation will be communicated to the Supplier by means of a non-conformity (claim) report that includes the description of the problem and all information supporting the Supplier identifying the root cause of the deviation. The Supplier shall provide a complete response within the time limit set by UBIQUICOM. For each non-conformity received by UBIQUICOM, the Supplier shall respond by providing the information requested, in as much detail as possible, to define the actions implemented to resolve the problem using an 8D report.

Form 8D has eight key sections and time limit:

- D1 IDENTIFICATION OF THE PROBLEM

- D2 DEFINING THE WORKING TEAM
- D3 CONTAINMENT ACTIONS up to D3 (Containment) within 24h after claim received
- D4 DEFINITION OF ROOT CAUSES
- D5 CORRECTIVE ACTIONS AND UPDATE OF PROCESS DOCUMENTS up to D5 (Root Cause + Corrective Actions Plan) within 5 working days after D3
- D6 ASSESSMENT ON SIMILAR COMPONENTS/PROCESSES (PREVENTIVE ACTIONS)
- D7 EFFECTIVENESS CHECK OF CORRECTIVE ACTIONS
- D8 CLOSURE 8D closed within target date defined in D5

The Supplier is required to provide immediate containment, sorting, and inspection activities on all suspect product(s) at the affected UBIQUICOM and/or UBIQUICOM customer facilities in an effort to segregate and eliminate all non-conforming products from the supply chain. This containment may be done by the Supplier with its own personnel or by a third-party company, approved by UBIQUICOM, and at Supplier's expense.

Notes:

- If Supplier decides to perform the containment action itself and requires assistance from a temporary labor firm, a representative from the Supplier could be requested to be on-site to manage all of the temporary firm's activities.
- Failure to provide certified product within the required 24 hr. timeframe may result in containment to be initiated by UBIQUICOM at Supplier expense.
- UBIQUICOM may initiate containment prior to 24 hours at the Supplier's expense in order to sustain immediate production needs
- Supplier must maintain extraordinary actions until corrective actions have been implemented.
- Reworked parts (also sorted) must be properly identified. UBIQUICOM must approve any interim action on the suspected parts and decide the rejecting quantity

Once the containment actions have been defined, the Supplier is required to conduct a thorough investigation into the problem and provide UBIQUICOM with information about the causes which led to the defect and as to why the defect was not detected in standard controls. This investigation into the causes shall be performed using a robust quality problem solving process. Only if the effectiveness is approved by UBIQUICOM is it possible to close the claim. In case of reoccurrence or risky situation, UBIQUICOM can ask the Supplier for any extra inspections to be performed by the Supplier itself or from a third party.

8.4 CHARGES TO SUPPLIERS

Any costs come from quality deviation (non-conformity) will be charged to the Suppliers according to GTC (available on our company website).

9 SUPPLIERS AUDITS

The SQE will carry out periodical audits at Suppliers' plant to monitor Suppliers' manufacturing processes or to evaluate potential Suppliers. The Supplier shall agree to provide the auditor with the highest availability, collaboration, and cooperation, whereas the auditor undertakes to ensure the maximum confidentiality in regard to the sharing of data and/or information that the auditor becomes aware of during the audit. Process audit will be performed according to a predefined checklist. The SQE is responsible for coordinating activities related to audits at Suppliers' premises, for preparing check lists, for performing audits and issuing reports of the visit(s). The check list could be shared prior to the audit in order to explain the different requirements. The SQE can apply a quality system audit or a process audit according to different needs. In case of any recorded deviation, Supplier must schedule a corrective action plan. The feedback time depends on the deviation severity. The Supplier shall write back with implementation action and time implementation. A follow up visit may be necessary in the case of Major Non-Conformity detected.

10 TOP MANAGEMENT MEETINGS

Top management meetings can be scheduled in order to develop mutually beneficial relationships, to create greater levels of innovation, and competitive advantage. It is useful for fostering collaboration and driving strategic initiatives with Suppliers.

This specific meeting aims to enhance overall quality by setting clear expectations, reviewing performance metrics, and identifying areas for improvement. Additionally, it serves as a platform to discuss and launch new projects, ensuring alignment with organizational goals and fostering innovation. By maintaining open communication and building strong partnerships, this meeting helps in achieving mutual growth and success.

During the meeting, all details are shared to create a common future strategic plan.

11 TRACEABILITY AND FIFO

The Supplier should use an inventory management system to optimize inventory turns over time and should assure stock rotation, such as "first-in-first-out" (FIFO). All Suppliers to UBIQUICOM shall have an effective batch definition and traceability procedure. The delivered product batch should be traced back to the raw material. Data for traceability and weight must be clearly indicated on each single box of parts. Unless otherwise approved by UBIQUICOM, a batch shall consist of the result of production using the same key factors in terms of people, machines,

method and material. If required Inspections Documents must be sent by email to the nominated person. For any different request see specific product/process documents.

12 SUB-CONTRACTOR (outsourcing process)

Suppliers of processes shall ensure an organizational structure that can keep the processing procedure under control. The Supplier shall comply with the product/process requirements unless otherwise specified in writing by UBIQUICOM. The Supplier is responsible for carrying out the activities required by the specifications detailed by UBIQUICOM or by its customers at the start of manufacturing and/or at subsequent visits. The components to be used in the above-mentioned activities will be forwarded to manufacturing sites as specified in the delivery schedule. The Supplier is responsible for accepting and identifying components as well as for carrying out controls on determined items to prevent defective components from being used. All materials belonging to UBIQUICOM shall be stored according to UBIQUICOM requirements, in any case in suitable packaging to prevent them from being damaged. The original packaging of materials on arrival can only be replaced if the above-mentioned conditions are met. If during the above-mentioned activities, materials (components) are encountered that are nonconforming or unsuitable for their intended use, these items shall be immediately segregated from other materials so that they are not used. The Supplier cannot use these components unless authorized by UBIQUICOM Quality Department. Non-conforming material can be returned to UBIQUICOM, when reworked or repaired, only if agreed with UBIQUICOM Quality department.