



# CHARTER FOR RELATIONS BASED ON PARTNERSHIP BETWEEN EGIDE AND ITS SUPPLIERS

## 1. FOREWORD

In order to develop between EGIDE and its suppliers a strong and real partnership, based on common goals and interests, within a balanced frame of mutual confidence and benefit, and with respect to the rights and duties of each company, Egide offers to its main suppliers to sign a charter defining respective commitments. This charter covers not only the formal conditions of the contracts but also all environment, social and ethical requirements.

## 2. JOINT RESPONSIBILITIES

Both parties will endeavour to implement the following recommendations :

### ***2.1 During Contract Negotiations***

EGIDE will define as precisely as possible the qualitative and quantitative requirements of its request.

EGIDE and its supplier will jointly implement a clear roadmap, which will define as far as possible the various steps in manufacturing and the schedules involved.

During negotiations, the supplier commits to replying with caution and will only take up the offer if its technical capabilities and level of quality are sufficient to meet the associated drawings and specifications.

During negotiations, the supplier commits to making all reasonable efforts to reach the lowest fair price without this impinging on product quality.

During negotiations, if required by EGIDE, the supplier commits to making all reasonable efforts to reduce lead time, without this impinging on product quality.

The supplier will provide the precise costs related to each step in production as defined by EGIDE.

The supplier will commit formally and contractually to a specific delivery date. Under no circumstances, even if EGIDE requests the shortest possible lead time, will the supplier state a delivery date that it cannot adhere to.

### ***2.2 Issue of the Purchase Order***

EGIDE commits to placing a purchase order in total accordance with the supplier's commitments as stated during the initial negotiations.

Accordingly, the Purchase Order issued by EGIDE will evoke precisely the references, schedules, prices and delivery dates committed to by the supplier during the initial negotiations.

The supplier will acknowledge receipt of a Purchase Order within 2 working days, and will forward any useful modifications, improvements or information which may have either been forgotten during the initial negotiations or which have occurred since these negotiations took place.

The combination of Purchase Order and Order Acknowledgement represents a formal commitment which must be respected without concession. No delay can be accepted unless it is declared within a reasonable time before the delivery date and can be fully justified.

No modification can be accepted without the agreement of both parties.

### **2.3 Contract Implementation**

At each step in the manufacturing cycle, the supplier will verify that work in progress is in accordance with the delivery date commitment given to EGIDE.

The supplier will inform EGIDE immediately it is aware of any problem or anomaly that could affect product quality, the delivery date or the number of parts supplied.

A partnership can exist only if based on regular and timely communication.

### **2.4. Ethic**

Egide will not work with suppliers that use either child labour or slave labour. By accepting an order from Egide, the supplier commits, without concession, to respecting this ethic and to ensuring in turn that it is respected by its own suppliers.

### **2.5. Environment commitment**

In respect of its commitment to ISO 14001 certification, Egide has decided to implement all necessary actions to reduce the environment impact of its activity. This approach concerns the reduction and where possible the elimination of discharges into the water system, the atmosphere and the ground. Meanwhile, Egide has committed to reduce its power consumption and basic resources as much as possible.

By accepting an order from Egide, the supplier commits to follow a similar approach. Also, the supplier must verify that its own suppliers (products, transport, products safety...) have the goal to follow the same approach.

## **3. VALUATION**

It is during the course of successive contracts that a relationship of confidence between EGIDE and its suppliers will develop. Each party must respect their commitments in all aspects.

If the supplier respects its commitments, it will be considered by EGIDE as a partner and will benefit from this position.

These benefits are the following :

Priority for requests :

The supplier-partner will be systematically informed of all new request for quotation.

Priority for orders :

EGIDE commits to maintain a representative level of orders with its Partners in relation to its order book. Naturally, this level of business will be superior to that granted to suppliers who do not respect the Charter.

Priority for information

EGIDE commits to inform its Partner, at the earliest time, about the potential for new business.



## **CHARTER : MUTUAL COMMITMENT BETWEEN EGIDE AND ITS PARTNERS**

This charter will be effective only if based upon a firm commitment from each party.

In order to consolidate the partnership between both companies and if the supplier has the desire and motivation to evolve toward this common goal, we request that you return this document to EGIDE in its entirety, dated and signed by an authorised representative of the company.

EGIDE and its PARTNER commit to respecting all the points defined in this charter.

EGIDE and its PARTNER will be fully involved in the Supply Chain, from the initial Egide's customer order to the delivery of the product to EGIDE's Customer. The PARTNER must respect its delivery date commitments without any exception, as EGIDE is obliged to in turn with its own Customers.

EGIDE and its PARTNER undertake to make all reasonable efforts to create, develop and consolidate, all the conditions which contribute to the fulfilment of the commitments, thereby achieving mutual confidence.

Date :

EGIDE

PARTNER