

NOTICE TO SUPPLIERS

Date: 11/06/2018

In compliance with the requirement indicated in paragraph 8.4.3.f of the ISO9001:2015 standard, we inform our suppliers of the methodology used by Cerámicas Gala, S.A., for the *Control and monitoring of the performance of External Suppliers*.

This methodology is included in Procedure CO-2200 (“Evaluation, selection and control of Suppliers”) and consists of an initial previous evaluation and periodic monitoring (on an annual basis).

The previous evaluation is included in the *Survey for the selection of Suppliers* and is based on:

- Recognized brands and certificates
- Standardization by common client or supplier.
- Quality System.
- Previous tests, when necessary.
- Supply capacity.
- Price.

Once the Supplier has been standardized, an annual evaluation is carried out based on the following criteria:

- Purchase Quality: prices, proactivity, flexibility, stocks, etc.
- Delivery Quality: delivery dates and amounts.
- Product Quality: incidents.

Based on this evaluation, a “Supplier Index” (SI) from 0 to 100% is obtained, with the following classification:

<u>Index</u>	<u>Level</u>
$90 \leq IP \leq 100$	A
$80 \leq IP < 90$	B
$IP < 80$	C

1º.- Suppliers within levels B and C will be informed of the results of the evaluation (letter, fax, e-mail, etc.), requesting improvement actions with the aim of reaching level A.

2º.- Moreover, with the aim of verifying their improvement in the Quality Level, C Suppliers will undergo a quarterly cumulative evaluation (regardless of whether there have or have not been any entries), recording the result of the evaluation.

When a supplier remains in Level C for two consecutive evaluations, it may be removed from the Lists of Recognized Suppliers.