

Quality and supplier evaluation policy

A framework for selection, monitoring and continuous improvement to ensure a reliable, competitive supply chain aligned with TERBAL’s requirements.

QUALITY	RELIABILITY	COMPLIANCE	CONTINUOUS IMPROVEMENT
---------	-------------	------------	------------------------

Our commitment

At TERBAL, we consider suppliers an essential part of our quality system. We therefore select, approve and evaluate them using objective criteria that enable us to monitor their performance and drive improvement.

Our aim is to ensure that purchased products and services meet the required specifications and help us fulfil our commitments to our customers.

Scope

Key suppliers Annual turnover exceeding €30,000.	Production suppliers Directly involved in the production process.	New suppliers Provisional approval until sufficient data is available.
--	---	--

Policy principles

Our relationships with suppliers are based on transparent criteria, verifiable data, periodic monitoring and communication of areas requiring improvement. TERBAL promotes stable relationships with suppliers who demonstrate technical capability, commitment and sustained progress.

Select with sound judgement. Evaluate with data. Improve together.

How we evaluate suppliers

Suppliers are evaluated annually using a scoring matrix. The sum of the scores for each criterion determines the supplier’s overall evaluation.

01 QUALITY Defect-free products or services, inspection results and non-conformities.	02 DELIVERY TIMES Percentage of deliveries made within the agreed timeframe.	03 PRICE Value for money, competitiveness and cost stability.
04 REGULATORY COMPLIANCE Compliance with applicable requirements and available certifications.	05 SUSTAINABILITY Commitment demonstrated through certifications and information collected.	

Evaluation outcome

85 - 100 points	APPROVED SUPPLIER Approval is automatically maintained.
50 - 84 points	IMPROVEMENT REQUIRED The result is communicated and measures to improve performance are required.
Below 50 points	UNSATISFACTORY RESULT An alternative supplier is sought. If this result persists for two consecutive years, the supplier is no longer eligible to work with TERBAL.

Monitoring and continuous improvement

Evaluation results are used to maintain supplier approval, communicate improvement needs and make decisions about continuing the business relationship. This process helps strengthen quality, on-time delivery and supply chain reliability.

Reference document PG 4-2 - Procedure for supplier evaluation and approval	Edition 11	Date 17/07/2024
--	----------------------------------	---------------------------------------