

SUPPLIER SELECTION AND EVALUATION

Continuous improvement is one of the pillars of Pinto Brasil's Quality Management System. As one of the key points for this improvement is the partnership with our suppliers, we select and evaluate them according to the following criteria.

Selection

- Quality guarantee;
- Supply conditions;
- Price;
- Product range;
- Location.

Evaluation

- Suppliers are assessed on a scale of A to D points for each item:

A	95%
B+	90%
B	85%
C	50%
D	0%

- N° of Lines with Promised Date less than Lead Time;
- N° of Lines delivered by Promised Date;
- Timely Confirmation (within two working days);
- Recorded Lead Time of less than 14 days;
- N° of Lines Complained about x Severity Coefficient.

Bearing in mind that there are criteria that are seen as predominant/with greater weight compared to others, the weight that each criterion has in the evaluation of suppliers was then defined. This information is shown below.

N° of Lines with Promised Date less than LeadTime	20%
N° of Lines delivered by Promised Date	20%
Timely Confirmation (within two working days)	0%
Recorded Leadtime of less than 14 days	20%
N° of Lines Complained about x Severity coefficient	40%