

## Quality Manual for Contractors of the Mattoni 1873 Group

### I Introductory Provisions

This Quality Manual treats the conditions of supplying Materials (raw Materials, packaging Materials, chemical agents, etc.) and services (production, storage, transport, etc.) (hereinafter the "Quality Manual"), which fundamentally affect the quality of the end product, i.e., beverages, or eventually other foods produced in any of the production plants belonging to the companies included in the Mattoni 1873 Group.

The purpose of this Quality Manual is to set the conditions for ensuring the high quality and safety of purchased Materials and services to achieve a successful cooperation.

This Quality Manual, including all attachments, is available at [www.mattoni1873.cz](http://www.mattoni1873.cz) and forms an integral part of any Obligation as defined by the General Terms of Purchase of the Mattoni 1873 Group.

The capitalised terms used in this Quality Manual are defined as follows for the purpose of this document:

A "**Contractor**" is a natural or legal person that is in the legal bond of Obligation with the Mattoni 1873 Group on part of the seller, provider of any type of service, supplier of any products, services, works, or any other goods or commodities.

An "**Obligation**" designates any sort of purchase contract, contract for work, procurement contract, or other contract, agreement, or provision that creates the legal bond of Obligation with the Mattoni 1873 Group on part of the Performance recipient and the payer of the costs and the Contractor as the Performance provider to the Mattoni 1873 Group based on the conclusion of the legal bond of Obligation. For the purposes of this Quality Manual, the legal bond of Obligation is understood to also be such contracts or agreements that are not treated as contractual types as the Parties have not sufficiently determined the subject matter of the bonds.

"**Performance**" designates any performance on part of the Contractor of any type or character according to the conditions negotiated by the Contractor and the Mattoni 1873 Group in the given legal bond of Obligation, no matter whether the performance is in kind or other type, either in tangible or intangible form, or any other sort of performance on part of the Contractor.

The "**Mattoni 1873 Group**" designates any company, organisational unit, or other entity that is part of the holding of the Mattoni 1873 a.s. Company, located anywhere in the world, which is in the legal bond of Obligation with the Contractor.

"**Raw Material**" designates any component that is a direct ingredient of the end product of the Mattoni 1873 Group. In the text of the Manual, it is generalised under the term Material.

"**Material**" means both the Material that is used as a direct ingredient of the product of the Mattoni 1873 Group, that is, the materials necessary to produce beverages, as well as the packaging Material, including labels and packaging film for bulk packaging, as well as other direct or even indirect consumables that can directly affect the quality or the sanitariness of the Mattoni 1873 Group's products.

### II Certification of the Contractor

The Contractor hereby commits that they meet the requirements of a Quality and Safety (Sanitariness) Management System, and that throughout the duration of the Obligation, they will be the holder of at least one of the following GFSI standards, or that they shall at least meet their requisites:

- FSSC 22000
- IFS
- BRC
- or eventually others according to the requirements of the brand owners (licensed & private)

In the pertinent variant of Food / Packaging / Logistics, according to the type of supplied Material or service.

For the remaining Contractors whose Performance pertains to Materials and services that are not directly associated with the process of food production, the Contractor must apply a Quality Management System according to ISO 9001, HACCP, or other standard corresponding with the given Material or service.

The Contractor must prove the fulfilment of these requisites on their part with an audit conducted by auditors or by proving their certification. The Contractor is required to provide a copy of said certification any time that the Mattoni 1873 Group requests it.

If they should not meet these requisites, a transitional period of 24 months to ensure that these requisites are met, beginning on the date that the Obligation commences, or from the date that the claim demanding that these requisites are met is made on part of the Mattoni 1873 Group.

The Contractor of externally ensured services, e.g., ensuring sections of the production process, can also be qualified through a documented audit by a competent party from the Mattoni 1873 Group in the period of once a year, consisting of requirements for quality and safety, legality, and authenticity of products.

### III Approval of the Contractor

Orders for purchase are given exclusively to approved Contractors.

The approval of the Contractor is based on their proven ability to ensure the supply of the Material or services according to:

- the requirements of the Mattoni 1873 Group
- the requirements of the brand owners,
- the current inspection of the Quality and Safety Management System,
- their submitted self-evaluation questionnaire,
- the attainment of one of the GFSI certificates (see above, Chapter II),
- or the exceptional approval based on previously proven abilities.

The approval method is based on the character of the purchased Materials or services.

If the Contractor uses the services of a subcontractor to meet the Obligation, the Contractor must ensure:

- full responsibility for meeting the given requirements by the subcontractor.
- notification of changes in the production sites of the subcontractor.
- full traceability of the Materials at the production site of the subcontractor.

### IV Approval of Initial Samples

Samples serve for the mutual approval of the design of the supplied Material. The verification of the initial sample prior to commencing the supplied Performance should provide proof that the set requirements for the parameters of the Material, of its quality and sanitariness (safety), or eventually other requirements of the brand owners have been met.

The Contractor is required to immediately inform in writing the Purchasing Department, and as the case may be, also other responsible departments (e.g.. research and development, production, quality) of the Mattoni 1873 Group, and per request present an initial sample of the Performance for approval to the Mattoni 1873 group in the following situations:

- commencing the supply of new Materials,
- change of the Material (change in contents, change in technical parameters),
- change in the technological process of producing the Material,
- change in the production site,
- change of Contractor or subcontractors,
- upon discontinuance of deliveries for a period of more than one year.

The approval of initial samples always takes place individually in the pertinent production plant of the Mattoni 1873 Group. To assess the Material, the Contractor must provide, based on the character of the Material, its technical documentation - specification of the Material, technical drawings, Declarations of Conformity, etc. The Contractor is obliged to provide said documentation also for their subcontractors. The Contractor cannot be approved, not even conditionally, without the provision of these technical documents.

If the technical worker of the Contractor does not personally take part of the Material testing, the Contractor is informed of the test results in writing by the Purchasing Department of the Mattoni 1873 Group.

The test results can be as follows:

- approved – the required criteria have been met, and the Contractor can be included on the list of approved Contractors. Any deviations from the requisites that were not discovered during the test can be subject to subsequent claims or complaints.
- conditionally approved – the Contractor may supply a verification batch according to the approved documentation and orders. At the same time, they must provide a realisation plan of corrective measures along with this verification batch for approval. Until the Contractor meets all the required criteria, the Contractor cannot supply goods.
- unapproved – the samples provided by the Contractor were not suitable for use. Incomplete reports and incomplete documents mean the automatic rejection of the test. The Contractor shall be informed of this and shall be requested to supply Materials for a new test.

#### **V Required Documentation for Performance**

The Contractor is obliged to present the Mattoni 1873 Group with all valid certificates of Quality and Food Safety Management Systems acknowledged on part of GFSI, or eventually of the other relevant Quality Management Systems, depending on the Material. The Contractor is obliged to inform the Mattoni 1873 Group of any sort of changes pertaining to the Quality Management System - e.g., attainment of certification, prolongation of validity, annulment, or revocation of certificates no later than within 14 days of said change.

The Contractor is obliged to submit the so-called **Self-evaluation Questionnaire** of the contractor to the Mattoni 1873 Group. The pertinent questionnaires are categorised according to Raw Materials, other Materials, and external services, and are found in the attachment of this Quality Manual. The Contractor hereby commits to update the Self-evaluation Questionnaire of the contractor at least once every three years, even without being prompted to do so.

**The Contractors of Materials characterised as Raw Materials**, e.g., sugar, glucose-fructose syrup, food additives (sweeteners, preservatives, acids, vitamins, etc.), fruit and vegetable concentrates, aromas, food grade gases (O<sub>2</sub>, N<sub>2</sub>, CO<sub>2</sub>), and others are required to provide the so-called Technical Specifications of the Raw Material.

**Technical Specifications of the Raw Material** must contain at least the following:

- name and code number of Raw Material,
- name of producer and Contractor,
- contents of used ingredients, including additives and auxiliary products,
- legislative label of Raw Material category,
- declaration of allergens and genetically modified Materials,
- Characteristic physical-chemical parameters,
- microbiological parameters,
- nutritional values,
- manner of use and processing (including manner of preparation and manipulation),
- storage requirements and minimum shelf-life, or eventually serviceability,
- rules for storage and processing after opening,
- country of origin,
- manner and size of packaging and manner of delivery,
- transport conditions if relevant,
- eventually other information, as required by the brand owners.

**The Contractors of Materials characterised as packaging Materials**, labels, glue, and other are required to provide the so-called Technical Specifications of the Material.

**The Technical Specifications of the Packaging Material** must contain at least the following:

- name and code number of the Material,
- name of producer and Contractor,
- the technical parameters of the Material, including drawings if relevant,

- characterisation of the Material in terms of contents (name and type of Material, type and % share of colourants, additives (e.g., Lubricants), % share of recycled materials, etc.),
- manner of packaging and delivery,
- storage conditions and shelf-life,
- eventually other information, as required by the brand owners.

**The Contractors of Materials characterised as Packaging Materials in Direct Contact with the Product** (i.e., food contact materials), i.e., PET preforms, beverage cartons, beverage glass, beverage bags (Bag in Box), straws, plastic caps, metal bottle caps, and others, are obliged to provide the so-called Declaration of Conformity, referring to the carried-out migration tests in accordance with the valid legislation of the EU and of the Czech Republic on Food Contact Materials. The Contractor must also provide the so-called Material Migration Test for all these packaging Materials, except for PET preforms.

**The Contractors of Materials characterised as Labels and Glues** are obliged to provide the so-called Declaration of Suitability for Use in Indirect Contact with Food.

Note: Printing inks

Printing inks used on the non-contact side of the packaging meant as food contact materials must be of a high purity, so that no migration of substances from the packaging into the food itself occurs. The Mattoni 1873 Group recommends the adherence to the EuPIA ([www.eupia.org](http://www.eupia.org)) instructions for printing inks meant for use in the production of the non-contact side of packaging meant as food contact material.

**The Contractors of Materials characterised as agents** – chemical sanitation, cleansing, and lubrication for water treatment rooms, boilers, and others are obliged to provide the so-called Technical Specifications of the Material. The Contractor of such Materials commits that these Materials shall not present a risk in terms of food allergens.

The **Technical Specifications of Agents** must contain at least:

- name and identification,
- name of producer and Contractor,
- ingredients of the agent (type and concentration of the active substance),
- suitability for use in food production plants,
- NSF classification (only lubricating agents)
- recommended manner of use (including manner of preparation and manipulation),
- manner and size of packaging and manner of delivery,
- recommended manner of verifying the concentration of the agents (before / after dilution),
- storage conditions and expiration date,
- eventually other information, as required by the brand owners.

In the case of all supplied Materials, including the basic production Raw Materials (e.g., alcohol essences) that meet the definitions for the handling of hazardous substances / mixtures, the Contractor must provide a **Safety Data Sheet in accordance with Regulation (EC) No. 1907/2006 (REACH), as amended**. In the case that the supplied Material is not classified as hazardous, the Contractor is obliged to explicitly list this fact in the Technical Specifications of the Material or agent.

The Contractor commits to, among others, also list the **manner of packaging and delivery** in the Technical Specifications of the Material as follows:

- specifications of the shipping container (pallet, canister, container...),
- list of packaging materials used,
- manner of placement of product in package (photograph, drawing...),
- model of identification sticker with explained meanings.

The Contractor commits to maintain all presented documentation up to date. The Contractor is obliged to provide the Purchasing Department of the Mattoni 1873 Group with confirmation of the currency of the documentation at least once a year, even without being prompted to do so. Changes in the decisive requirements for Materials must be made evident in the documentation, e.g., by highlighting in colour. All documentation provided to the Mattoni 1873 Group based on this Quality Manual must be dated and signed by the Contractor to ensure its authorisation. The confirmation of currency can be sent e.g., by e-mail.

## **VI Performance Conditions**

Each package of the Material, or eventually bulk package of the Material (small Material) must be visibly labelled with an identification sticker containing at least the following information:

- name of Material,
- Material number according to the Mattoni 1873 Group,
- name of Contractor,
- order number,
- production batch,
- date of expiration,
- storage conditions,
- rules for storage and processing after opening,
- country of origin,
- The Contractor must provide a valid Certificate of Analysis (COA) for every delivery of Materials characterised as Raw Materials or Food Contact Materials.

The Contractor must ensure the packaging of the Performance so that the supplied Materials' quality and safety is not depreciated or decreased during storage and shipment.

The Contractor hereby commits to provide the Mattoni 1873 Group only with such Material that has **at least two-thirds of its total shelf-life** left upon delivery. Not meeting this requisite entitles the Mattoni 1873 Group to refuse to accept the delivery and to withdraw from the legal bond of Obligation.

If the supplied Materials or services have any discrepancies in terms of quality or safety, or in their logistics, the Contractor shall be informed of this fact immediately in the form of a written claim.

If the Mattoni 1873 Group shall **file a claim** on the Performance, the Contractor must ensure the following without undue delay:

- Immediate measures - within 24 hours - serve for negotiating the rectification/removal of the discrepancies found - inspection, selecting out the supplied Material, including the Material on stock or on its way, delivery of a faultless substitute batch.
- Rectification measures - within five workdays - serve to remove the causes of the discrepancies and to prevent the repetition of the discrepancy in future batches.

Information about the immediate rectification measures and the ensuing measures of rectifying the claim must be sent back within the given deadlines to the Purchasing Department of the Mattoni 1873 Group.

The Contractor carries the responsibility for the supplied Materials or services that are used in the end product of the Mattoni 1873 Group, and that both in terms of quality and of its safety. The Contractor is obliged to compensate for any property or non-property damage caused by the breach of obligations on part of the Contractor.

## **VII Ensuring Quality and Safety in the Production Process of the Contractor**

The Contractor is fully responsible for meeting the parameters for quality and safety of the Performance, keeping in mind the fact that the Performance is to be used in the production of food products. The Contractor is obliged to prove that they meet the parameters for quality and food safety by keeping records. During production, the Contractor must conduct the pertinent tests and inspections in the given frequency so that the supplied products meet the expected levels of quality and sanitariness (safety). Unless otherwise requested, the procurement and system of test and inspection management is left to the experience of the Contractor.

The Contractor must have implemented all requirements for the good manufacturing practice and good hygiene practice (GMP/ GHP) based on the risk analysis and the evaluation of associated risks in terms of the produced Material and the production process. The Contractor must have implemented a HACCP plan for all Materials and services where such a system is appropriate to minimise the food safety risks.

For measuring and testing, the Contractor must use suitable measuring and testing apparatuses with a higher readability than the tolerance being measured. The Contractor must ensure the calibration or verification of the used

measuring and testing apparatuses in the specified intervals or prior to their use. The Contractor must prove the fitness of the measuring and testing apparatuses for the significant markers given by the documentation.

The Contractor is responsible for organising, maintaining, and archiving the documentation of the Quality Management System. The Contractor hereby commits to archive all documents and records for a period of at least two years after the supplied Material has expired or the services have ended. During the period of mandatory archival, the Contractor is obliged provide these documents and records per the request of the Mattoni 1873 Group and allow it to review them.

The Contractor is obliged to ensure that the supplied Materials are visibly designated with an identification sticker and are stored so that any exchange or mixing can be eliminated, and so that the traceability of the production batch is ensured.

If in their inspection activities the Contractor should discover any discrepancies in a product with a valid specification, they must inform the Purchasing Department (and send a copy to the Quality Department) of the Mattoni 1873 Group of this fact immediately.

The approval of exceptions for the delivery of Material that does not correspond to the specifications may only be realised after the submitted written request for the variation of the supplied Material is approved. As a rule, the Mattoni 1873 Group limits the number of approved variations for a certain amount of Material or for a certain period of deliveries. The Contractor must ensure the visible labelling of all realised deliveries within the given divergence according to the manner agreed upon in advance.

If the quality and safety of food is at stake, the Contractor must immediately inform the Quality Department (and send a copy to the Purchasing Department) of the Mattoni 1873 Group at least in the following cases:

- The discovery of the occurrence or potential occurrence of qualitative deviations, including the measures determined by the supervisory authority, which could lead to the voluntary or involuntary recall of the client's product from the market.
- Unintentional release of any blocked Material produced for the Mattoni 1873 Group.
- Discovery of discrepancies in the Material that has already been delivered to the production plant.
- Falsifying Materials or the threat of misuse.
- The occurrence of any occurrence or substance that could jeopardise the safety of the Mattoni 1873 Group's product.
- The discovery of the presence of undeclared allergens.
- The inability to supply Materials that meet the mutually approved Technical Specifications.
- The inability to supply Materials due to unforeseen circumstances.
- The discovery of pathogens in the supplied Material or in the production environment of the Contractor.

### **Attachments:**

- 1) Self-evaluation Questionnaire for Contractors of Packaging and Other Materials.
- 2) Self-evaluation Questionnaire for Contractors of Raw Materials
- 3) Self-evaluation Questionnaire for Contractors of External Services