Piran Advanced Composites
Counterfeit Prevention Procedure

Piran Advanced Composites takes a pro-active approach to Counterfeit Prevention and is continually reviewing the risk of counterfeit material to the business.

Piran Ensures that the requirements to prevent Counterfeit Material entering the supply chain are flowed down to any suppliers via Contracts/Purchase Orders.

All new suppliers will be asked to demonstrate what measures they have in place for the avoidance of counterfeit material. If there are no measures in place, Piran Advanced composites will flow down their counterfeit prevention procedure, audit the supply chain as required based on risk and/or deliver counterfeit prevention training.

This Procedure will be done in accordance with the Piran Goods In Inspection Process (*Document ID 8.1.26*) and the Quarantine Process (*Document ID 8.15.3*). If an item is identified as potentially containing counterfeit material at the Goods in Inspection stage, it must be Quarantined and flagged to the Managing Director and Quality Manager.

The Quality Manager will then carry out a full inspection of the following criteria as a minimum:

- Does the packaging look genuine?
- Do the accompanying conformity documents look acceptable?
- Is there any evidence to suggest the use of correction fluid?
- Can it be verified that the results stated on the conformity documents (e.g. test reports) match the buyer's criteria?

If further testing is required then the Company will undertake this and it could potentially trigger a full supply chain audit to ascertain full material traceability.

The Company will continually monitor any material for obsolescence and any identified parts will be flagged in the ERP System and added to a checklist at the Goods In stage when identified.

If a supplier/customer informs Piran of potential counterfeit parts, the Quality Manager must be notified and a full investigation will be triggered to ensure material traceability to the point that it entered the supply chain.

Once this has been identified, a Non-Conformance (*Document ID 10.01*) will be raised and a block will be put on the supplier until all Corrective/Preventative actions have been fully implemented.

Any training requirements for counterfeit prevention will be continually reviewed within the training and competency matrix and reviewed annually.