



# Supplier Quality Manual

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*Together we are inspired to enable best in class value-chain partnerships to the delight of our domestic appliances' customers*

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## Introduction

The first section of this handbook details the internal set up, roles and responsibilities and Philips way of collaboration with suppliers. The second section then provides guidance on how the supplier should to operate to fulfill their obligation of supply.

We recognize that Philips Domestic Appliances has a wide variety of suppliers and technologies; the expectations stated in this manual may apply in different ways, depending on the product or service supplied.

The information provided in this Supplier Quality Manual is intended and shall be considered as supporting material used in customer supervision by Philips Domestic Appliances on its suppliers without prejudice to any existing agreement, purchase order, drawings specifications exchanged between Philips Domestic Appliances and suppliers.

## SECTION 1

### Purpose and Scope

The purpose of this Supplier Quality Manual is to communicate and elaborate on Philips Domestic Appliances' expectations and requirements to all potential and existing external suppliers to Philips Domestic Appliances with a focus on quality and product reliability. This includes, without limitation, suppliers of raw materials, components, Original Equipment Manufacturers (OEM), contract manufactures of finished devices, software, distributors, assemblies, and services suppliers associated with our products and services.

These expectations and requirements are influenced by Philips Domestic Appliances' quality, regulatory, product, process and customer requirements to ensure quality products. Suppliers are critical to Philips Domestic Appliances' success in delivering quality products through their supply of materials, products, parts and services. This Supplier Quality Manual delivers an overview of those expectations and requirements.

This Supplier Quality Manual provides further explanation and guidance on requirements as set forth in existing agreements, purchase orders, drawings and specifications between Philips Domestic Appliances and existing suppliers. It does not replace or alter any existing contracts, purchase orders, drawings or specifications.



### Philips Domestic Appliances Mission

Philips has driven meaningful innovations to improve the quality of life for millions for over 125 years, creating strong and trusted Philips brand with market access all over the world.

Philips is committed to improving the quality of people's lives. Improving the lives of 3 billion people, a year by 2025 drives Philips Domestic Appliances in the development and manufacturing of our products. Promoting acceptable working conditions, environmentally responsible management and ethical behavior is all part of this commitment.

Philips Domestic Appliances' Mission and General Business Principles (GBP) reflect Philips Domestic Appliances' commitment to responsible corporate citizenship and the pursuit of a sustainable future – in economic, social and environmental terms. The Philips Domestic Appliances GBP set out guiding principles on integrity and ethics in business conduct, including those that help create a sustainable supply chain.

In short, Philips Domestic Appliances pursues mutually beneficial partnerships with its Suppliers and seeks to award business to those Suppliers who are committed to developing the highest quality, best-in-class products, to acting fairly, with integrity towards their stakeholders, and to observing the applicable rules of law and to supporting and respecting internationally proclaimed human rights.

## Philips Domestic Appliances Supplier Quality Mission

“Together we are **inspired** to enable best in class value chain partnerships to the delight of our Customers” in order to achieve this we need to:

Responding to changing environments, **improving** and implementing new **capabilities**

Implementing **Single ways of working** to build clarity both within Philips Domestic Appliances and towards suppliers, including the **definition and communication** of Critical product features

Ensuring purchased part quality expectations are **clear and risk based**, and that Supplier capabilities and performance are **measured, tracked and visible**,

Driving a “**Right first time, every time**” culture



Our quality policy:

With our hearts and minds we:

- delight our customers and deliver our brand promise
- design and deliver safe, reliable, and effective products and services
- drive a culture of continuous improvement
- comply with applicable internal and external regulatory and compliance requirements
- maintain an effective and efficient quality management system.

## Environmental Policy

Philips Domestic Appliances establishes technically and economically viable objectives to optimize the environmental performance of the organization's products, services and activities:

- Our product development objectives include evaluating the environmental impact over the total life cycle of a product, taking steps toward more efficient use of materials, including packaging; reducing or eliminating hazardous substances; reducing energy consumption; and contributing to improving recycling and disposal.
- Our manufacturing objectives include environmentally related activities such as emissions into air and water; use of energy and water; and waste disposal while preventing pollution within our community.
- We establish and maintain an environmental management system and audit by means of a systematic, documented verification process to ensure continuous improvement.
- We are committed to compliance and harmonization with all applicable laws and regulations, are prepared to enter into voluntary agreements.

## Philips Domestic Appliances Business Groups

1. Kitchen appliances
2. Home Care
  - 2.1 Air Care
  - 2.2 Floor Care
3. Coffee
4. Garment Care

## Domestic Appliances

Domestic Appliances aims to bring meaningful innovation to the home, enabling families and individuals to lead healthier and happier lives, every day. The business group, which was part of Personal Health, accounted for 11% of Philips Domestic Appliances' health technology global sales (2017) and employs approximately 4,000 people. We make Philips Domestic appliances the:

- world #1 brand in home cooking and food preparation devices
- world #1 brand in ironing
- #1 brand for air purification in China.



## Key Roles and Responsibilities

Philips Domestic Appliances builds strong partnerships with suppliers in many functional areas in an effort to ensure and maintain a focus on Quality. Philips Domestic Appliances understand our business segments are different in nature and, in some cases, have unique roles and responsibilities based on the business or market they represent. Within a partnership. It is important that the roles and responsibilities within Philips Domestic Appliances be defined. Key interfacing roles are:

### Supplier

As a Philips Domestic Appliances supplier, your organization is responsible for developing and maintaining a quality management system to ensure consistent performance in order to deliver quality parts, products and services. This includes the suppliers' responsibility for ensuring compliance to the contract and compliance to Philips Domestic Appliances specifications for the part, product or service provided. This includes compliance to Local and National regulations/Law.

### Procurement

Procurement is the primary integration point linking sourcing with technology, aligning Philips Domestic Appliances Product and Supplier Technology Roadmaps, and managing sourced components. Procurement coordinates parts specifications with R&D Engineering, and the selection of potential suppliers according to predefined criteria. The selected suppliers must meet stringent quality requirements set by Philips Domestic Appliances.

### Supplier Quality

Supplier Quality assures that the suppliers' Quality Management System (QMS) meets the applicable Philips Domestic Appliances' quality and regulatory requirement. There are processes in place to assure initial selection, evaluation, approval and monitoring of Suppliers. Philips Domestic Appliances utilizes PPQM (Purchase Parts Quality Management) to define these steps. Supplier Quality utilize APQP (Advanced Product Quality planning) to ensure the right level of risk mitigation is in place within the Supply chain. Supplier quality leverages both Supplier Quality Improvement Programs & Supplier Improvement Process (SQIP & SIP) are in place

to drive continuous improvement within Philips Domestic Appliances Supply chain). All these approaches are supported by the relevant IT infrastructure.



## Supplier Requirements

Philips Domestic Appliances strives to provide products and services of the highest quality whilst establishing world-class processes and procedures for all purchased materials, products and services. We are committed to developing and fostering supplier partnerships that will deliver industry-leading innovation, quality, reliability, and value to our customers.

## Purchased Parts Quality Management (PPQM)

In pursuit of this mission, we have developed a comprehensive Supplier Management Approach Program called Purchased Parts Quality Management (PPQM). PPQM is used for the Quality Management processes related to purchasing controls: There are 5 bubbles :- supplier planning, classification and selection/ supplier audits/ Advanced Product Quality Planning (APQP, Receiving inspection, change control/Supplier Corrective Action Request (SCAR) and supplier performance monitoring; it is the systematic approach to support purchasing control both at a supplier and a at the product level.

Philips Domestic Appliances utilizes PDLM (Product Development Launch and maintenance) as an infrastructure for the APQP process.

### PPQM Approach



### 1. Supplier Panning, Classification and Selection

This procedure is about Supplier Selection, Classification, and Qualification and applies to all Philips Domestic Appliances organizations.

The process of selecting suppliers for materials, components, finished devices or services is an integral part of Philips Domestic Appliances commitment to the highest quality products and services to our customers. When Purchasing is pre-selecting the supplier, Supplier Quality will make a technical and/or a QMS assessment to ensure Suppliers have the correct capability

Therefore, each supplier must be qualified according to the Philips Domestic Appliances Selection, Classification, and Approval process before being added to the Philips Domestic Appliances Approved Supplier List (ASL). The process includes an audit, risk classification, and official approval by Philips Domestic Appliances. Suppliers are considered qualified once placed on the ASL. Recognizing this and the degree of oversight and management within these industries. Philips Domestic Appliances has established a modified assessment process used to evaluate these companies for inclusion within our ASL. \*\*

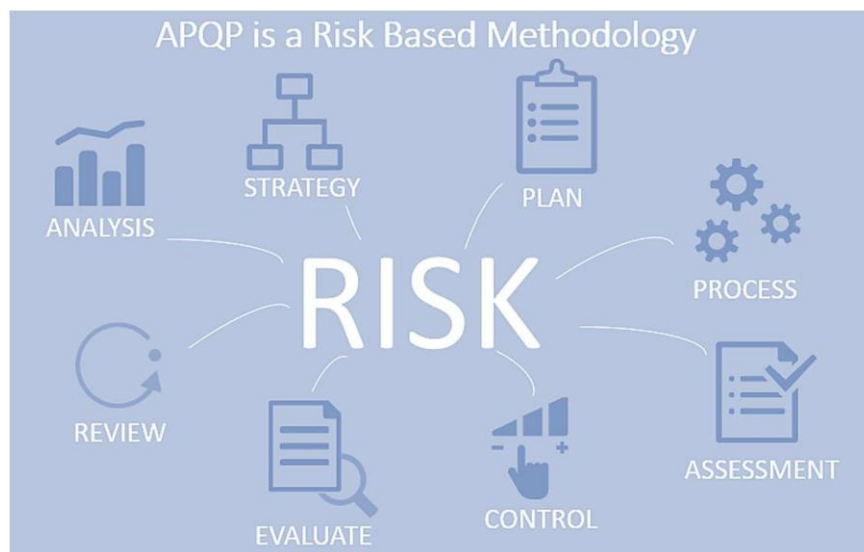
\*\*Out of scope of this procedure are: Suppliers of products purchased by R&D or other functional groups that will not be used in the manufacturing of Philips Domestic Appliances finished product or finished product qualification (including design verification). This includes prototype parts, tools, equipment (manufacturing aids), non-production test equipment and supplies. Part Risk classification, because it is a function of the Research and Development process.

## 2. Supplier Audits and Certification

Philips Domestic Appliances have a global audit process in place and executes Quality Management System, Manufacturing Processes and Product Audits. An audit can be triggered by supplier qualification, surveillance, or for cause. Philips Domestic Appliances manage their audit schedule globally in order to leverage resource for both Philips Domestic Appliances and suppliers.

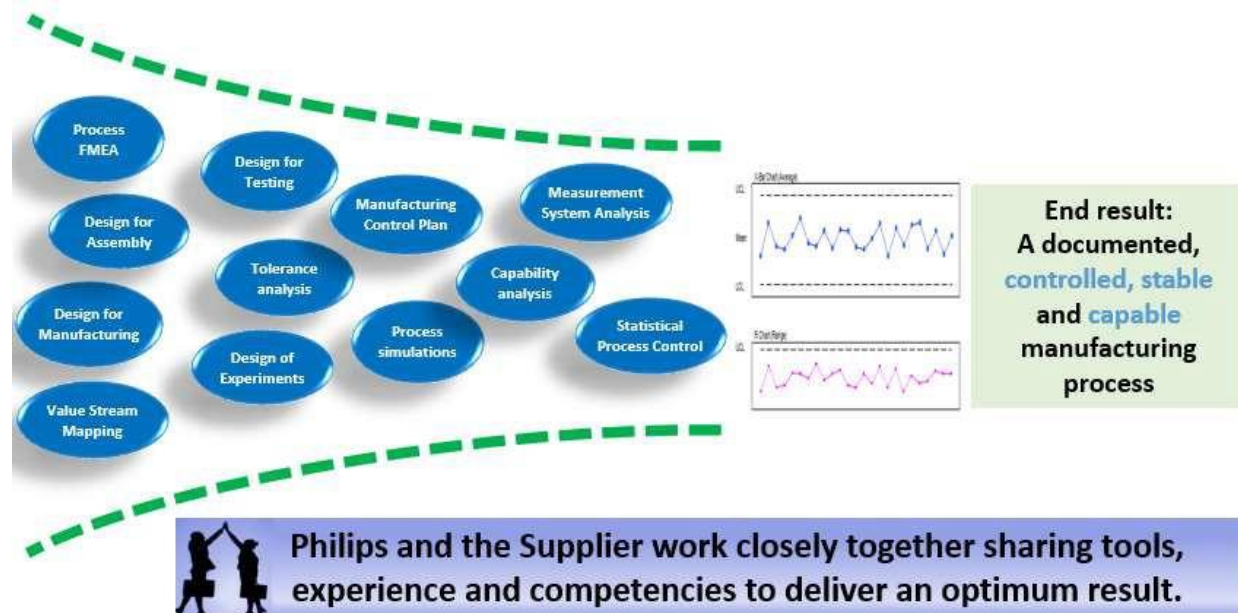
## 3. Component Specification and Qualification

Philips Domestic Appliances utilizes the Advanced Product Quality Planning (APQP) methodology to proactively provide visibility and improve communication between stakeholders during product development. This is a risk-based approach to ensure consistent product quality from the first production batches.



The scope of APQP applies to all Philips Domestic Appliances entities engaged in Product Development, Launch and Maintenance (PDLM) and all our suppliers of components and products intended to be used with, in, or as a Philips Domestic Appliances finished product.

The purpose of this process is to provide a clear and robust framework to control industrialization of new products and changes to existing products, within the supply base. It defines the activities, deliverables, acceptance criteria and responsibilities for both Philips Domestic Appliances and our suppliers (including identification of any documentation needed that support the process). The result is a product quality plan for manufacturing products, which consistently meet customer requirements.



The structured approach of APQP ensures our suppliers implement process controls and provide objective evidence to demonstrate that purchased parts consistently meet all Philips Domestic Appliances engineering design requirements and specifications. Early supplier involvement is a key enabler.

Through the correct application of APQP, we can ensure our products are **right first time, every time**.



#### 4. Non Conformance and Corrective and Preventive Action

The following requirements Non Conformance and Supplier Corrective Action Reports applies to all Philips Domestic Appliances organizations.

Philips Domestic Appliances have methods in place to detect problems at an early stage, when prevention has failed. Philips Domestic Appliances will work closely together with our supplier to correct any problems and to minimize the impact on our customers. The use of 8D problem solving is mandatory for suppliers in these cases.

This is applicable for all suppliers listed on the Approved Supplier List (ASL)

The web based Philips Domestic Appliances SCAR IT tool provides access to the supplier so that they can update the status of their investigation and corrective action directly in the system, enabling the teams from Philips Domestic Appliances and the suppliers to focus on the effectivity of the activity.

#### 5. Performance Monitoring and Reporting

Philips Domestic Appliances continuously monitors and reviews performance of the supplier through various methods, including PPM and other running metrics.

Suppliers to Philips Domestic Appliances are required to have a comprehensive corrective and preventive action program in place and is required to allow Philips Domestic Appliances or third parties to perform an audit or inspection when indicated at any time (for Cause). Philips Domestic Appliances Audit Program audits suppliers based on their risk classification indicated on the Philips Domestic Appliances Approved Supplier List (ASL). Philips Domestic Appliances suppliers must be fully committed to maintain their Approved Supplier status by continuously demonstrating excellent quality performance.

This is applicable for all suppliers listed on the Approved Supplier List (ASL)

Philips Domestic Appliances will communicate the results of Supplier Oversight Monitoring activities like quality performance; individual performance and correlation between DPPM, Supplier QA, Philips Domestic Appliances source Inspection, ORT (on going reliability and testing), CTX-CpK capability results, and SCAR responsiveness on a regular basis with the supplier.

Philips Domestic Appliances recognized the need and highly appreciates the use of statistical data analysis in driving continuous quality improvement

The Supplier Quality Improvement Program (SQIP) is a structured program offered to suppliers to boost their Quality Management System performance and drive consistency - it is aimed at augmenting a supplier QMS to ensure robust and sustainable quality management activities are undertaken .

The Supplier Improvement Process (SIP) is a structured process that helps suppliers get back on track with their operational Quality KPI's. DPPM/Internal yields/ SCAR's / OEE and Customer pass through' s typically the focus of this kind of partnering activity.

Both SQIP and SIP are intended as a partnership between Philips Domestic Appliances and our supplier partners to ensure we can deliver the best quality, efficiently and effectively on a consistent basis.

## Supplier Change

Supplier shall not change, substitute or modify products, nor make any changes that may affect the specifications. Any changes proposed or intended to be made by Suppliers, or changes by Sub-tier Suppliers shall be submitted to Philips Domestic Appliances in writing for review and approval prior to implementing any such changes on Philips Domestic Appliances specified format. Further detailed information you will find in the Philips Domestic Appliances Quality agreement

Philips Domestic Appliances personnel shall review and approve changes that may affect the Product(s), including and without limitation:

### Process:

- Process method or technology
- Contamination Control
- Control Plan and / or Product incoming, in-process or final acceptance test
- Product performance
- Process Validation
- Temporary process change (Process deviation)
- Test Software which affects the product (e.g. programming MAC address change)
- Increased risk identified in Process Failure Modes & Effects Analysis (PFMEA)
- Supplier Manufacturing site transfers
- Sub-tier Supplier changes
- Transportation method

Any change in the Quality Control Plan including incoming, In-process and final acceptance test changes related to:

- Test specification
- Test acceptance requirements
- Test method Validation
- Products reviewed by Supplier MRB for “Use As Is” disposition
- Outgoing Inspection Plan
- Reduction in either 100% testing or sampling plans

### Material:

- Changes to materials (including raw materials) and/or Components (BOM)
- Change in a supplier of a material or Component

#### **Change to Manufacturing, test, or inspection equipment:**

- New or alternative equipment
- Equipment Qualification or Validation
- Change from manual to automated process

#### **Facility Changes:**

- Relocation of Manufacturing equipment within the same Manufacturing facility
- Facility to facility transfer of Manufacturing processes or technology.
- Altering environment specs or conditions in areas used for Manufacturing, storage, or test (i.e. microbial/endotoxin/particulate monitor)
- Change in clean room

#### **Change in Component or Product requiring:**

- Updated Component Specification
- Updated Product Specification
- New or alternate Sub-tier supplier

#### **Change in Product design:**

- Product
- Product Software
- Product Labeling
- Packaging

#### **Change in Supplier name and/or address:**

- Name
- Address
- Change to Product part number





## Sustainability and Environmental Compliance

The Supplier Sustainability Declaration (SSD) & Regulated Substances List (RSL) are legal agreements between Philips Domestic Appliances and the supplier via which the suppliers are informed about and in which the supplier commits to adhere to.

## Sub-Tier Supplier Controls

Suppliers are responsible to manage their sub-tier suppliers and any supply chains to ensure that raw materials and components used in the manufacture of Philips Domestic Appliances products, parts or provision of services meet Philips Domestic Appliances specifications and comply with Philips Domestic Appliances General Business Principles. As such, suppliers shall apply appropriate controls to ensure that their suppliers comply and are capable of meeting specified requirements. Suppliers are required to manage both directed and non-directed sub-tier suppliers and to maintain part qualification and quality for products purchased through them.

Suppliers are expected to manage sub-tier Suppliers with controls commensurate with risk. Suppliers are responsible to ensure that product(s) manufactured utilize only authentic, conforming and specified material as stipulated in the specification.

Philips Domestic Appliances' expectation is that the supplier has in place a formal purchasing and supplier control processes to manage sub- tiers. These controls are expected to include:

- Supplier planning, classification and Selection
- Supplier Audits and Certification
- Component Specification and Qualification
- Non Conformance and Corrective and Preventive Action
- Performance Monitoring and Reporting, including sub tier auditing programs
- Change control

Suppliers are responsible for ensuring and controlling the quality of all purchased components and raw materials to manufacture product for Philips Domestic Appliances.

Please Note: Prior to implementing sub-tier Supplier changes, Suppliers are expected to seek Philips Domestic Appliances consent

### Business Contingency Planning

Philips Domestic Appliances expect our Suppliers to complete a formal business Disaster Recovery Plan to ensure no interruption in supply. While contingency plans cannot cover all potential scenarios, we expect our Suppliers to maintain robust plans to facilitate rapid response and recovery in the event of disruptions.

Philips Domestic Appliances expect their Suppliers to have a comprehensive crisis management approach to deal with potential disruptions. This approach should include a plan of action, communication plans, escalation procedures, and roles and responsibilities. This plan is there to address the recovery time needed for a variety of business interruptions, contact information for key locations, supply chain assessment of risk for equipment, material, supplied components and labor, etc. and be specific to Philips Domestic Appliances Products and/or Services provided.

### Supplier Quality Agreements

Philips Domestic Appliances will determine if a Quality Agreement is needed. Once the need is determined, it is our expectation that the Supplier will work with Philips Domestic Appliances to put this agreement in place and abide by it at all times. There is a Change Notice Agreement, which is used in lieu of the Quality Agreement when Philips Domestic Appliances deems appropriate.

### Purchasing Terms and Conditions

All purchases shall be covered at a minimum by the Philips Domestic Appliances General Conditions of Purchase. You can access the above via the following link:

[www.domesticappliances.philips.com/general-conditions-of-purchase](http://www.domesticappliances.philips.com/general-conditions-of-purchase)

However, in most cases, Philips Domestic Appliances enters into a formal Master Purchase Agreement with its suppliers. All purchases shall be covered at minimum by Philips Domestic Appliances Purchasing Terms and Conditions.

## SECTION 2

### Management Responsibilities

A Philips Domestic Appliances' Supplier should demonstrate commitment by their senior management to continuous improvement. Documented evidence of Management's commitment to the development and improvement of the Quality Management System includes:

- Supplier senior management should ensure that the appropriate communication is established with Philips Domestic Appliances in order to be effective within the suppliers Quality Management System.
- The senior management within the supplier should be actively involved in their Quality Management System and to ensure their QMS addresses the managerial process of quality planning, quality control and quality improvement processes.
- Supplier Management to ensure adequate team with the appropriate competencies and succession for critical position deployed for operation sustenance and continuous improvements.

Philips Steam & Go +10371-rgb.jpeg



## General Expectations

Suppliers should establish, document, implement and maintain an effective Quality Management System, which is required for the product and/or service provided to Philips Domestic Appliances. The purpose of a QMS is to provide a high degree of confidence that the material and services conforms to contract requirements and should be of the highest quality and free from defects. The Supplier's management should ensure

that the Quality Requirements in their Quality Manual, including and without limit to, are thoroughly distributed, understood, and managed, and that adequate levels of authority have been established to ensure the continuous improvement of the Quality System.

Suppliers shall have a Quality Management System in place that fulfills Philips Domestic Appliances requirements; these are established according to applicable governing standards and regulations. (e.g., ISO 9001, ISO 13485, ISO 27001, EUMDR and others.) For suppliers who are not yet certified to the specified ISO standards, it is preferred that they have a plan in place to become certified. Philips Domestic Appliances has a rigorous Supplier Quality Improvement program that can establish equivalence to certification standards. In addition, Philips Domestic Appliances may specify industry or performance standards to be achieved by its suppliers. For suppliers who are certified, Philips Domestic Appliances requires that they maintain standard certification status. Should certification be suspended, or expired, or any change in status, Philips Domestic Appliances should be notified.

## Documentation Expectations

Quality Management System documentation should include:

- Documented statements of a Quality Policy and quality objectives
- Documented procedures as required by the Quality Management System
- Documents needed by the organization to ensure the effective planning, operation and control of its processes
- Records required by the Quality Management System

## Document Control

The supplier should establish, maintain and document procedures to control all Quality Management System documentation and all data generated under the Quality Management System. The supplier should have current revisions of documents available at all appropriate locations.

## Control of Records

The supplier should use Good Documentation Practices (GDP) when creating and maintaining records to ensure clear, complete and accurate information is recorded. Upon request, documents, which provide evidence that product, parts or services, conform to requirements. Specifications should be retrievable for review by Philips Domestic Appliances or any regulatory body within a reasonable timeframe.

## Retention

A record retention policy should also be in place to ensure records are maintained in accordance with standards, regulations and agreements. Record retention should abide all applicable laws, regulations, standards and agreements.

## Product Identification

Supplier should have a system in place to identify product during all stages of receipt, production, and distribution where specified. This system should also ensure that product in different stages of the manufacturing process is properly identified to avoid mix-ups.

## Traceability

Suppliers should be responsible for setting up and maintaining controlled documentation of product traceability during all stages of receipt, product, and distribution, where required.

Philips Domestic Appliances may specify for bar coding or other certifiers (e.g., unique device identifiers) where applicable for product and/or packaging.

## Production and Process Controls

Each supplier should develop, conduct, control and monitor production processes to ensure parts are manufactured in conformance to Philips Domestic Appliances specifications. This includes documented instructions that define the production activities, approval of processes, and equipment validation, where specified.

Documented instructions should also include any changes to critical-to-quality processes and equipment. Control and validation of critical Quality process parameters and component or device characteristics during production should be maintained.

Philips Domestic Appliances expects Suppliers to develop and maintain highly capable processes to produce quality Products and Services. Use of Statistical Process Control (SPC) for special part and process characteristics is recommended. SPC is expected for all Critical to Safety and Quality Characteristics. SPC data may be required with each shipment at the discretion of the receiving facility. Suppliers are expected to utilize indices such as Cp / Cpk / Pp / Ppk.

## Acceptance Activities

The supplier should establish procedures for acceptance activities. These procedures should include inspections, tests and verification activities for raw material acceptance (incoming product), in-process

acceptance activities, and release of finished product as required (Software is included in this). In addition, procedures should ensure in-process product is controlled until required tests or approvals are performed demonstrating compliance to Philips Domestic Appliances specifications. These activities should be documented and available upon request for review. This also included design verification as well as process and process validation where applicable.

### Unexpected or Unannounced Auditing

Supplier should ensure that the periodic reviews of the effectiveness of the Quality Management System are performed and documented. Suppliers should allow external audits, including unexpected audits from Philips Domestic Appliances or third party agencies ensuring compliance with industry standards.

### Recalls

As part of a trusting partnership, if either party determines recall or other action involving a product or products, they will immediately notify the other party. Should any action such as a recall or other action be required per a regulatory requirement, Philips Domestic Appliances shall be notified and included in the final determination. The supplier should cooperate with Philips Domestic Appliances to implement the recall once a determination has been made. Supplier warrants may apply and this will be business unit dependent. In applicable cases, please follow the quality agreement guidelines.

### SCAR and Corrective Action and Preventive Action (CAPA)

The Supplier should establish and maintain procedures for implementing a CAPA system in compliance with the industry standards and Quality Management System requirements. Philips Domestic Appliances may issue a Supplier Corrective Action Request (SCAR) to the supplier quality defects. The supplier should collaborate with Philips Domestic Appliances to determine the division of responsibility for implementation of the CAPA systems depending upon the nature of the quality problem and resolution.

### Escalation Process

Philips Domestic Appliances and the Supplier shall hold each other mutually accountable to the highest quality standards and business practices. To that end, Philips Domestic Appliances has established an escalation process whereby we can assure such compliance. Escalation may include higher levels of action up to and including disqualification.

### Training

Suppliers should have a documented training program in place to ensure staff have the necessary education, skills and knowledge to implement the requirements of their role. Training should include training to the Quality Management System as it applies to the individual roles of the employees, and systems to ensure training effectiveness. All training records must be documented and maintained. All employees should be aware of key processes and any defects, which may occur from the improper performance of their roles.



## Resource Management

### Qualified Resources

A supplier needs to have adequate resources, including the assignment of trained personnel to manage and perform activities and internal quality audits to meet the requirements of the company QMS.

Employees need to have equipment, facilities, training, and work environment conducive to producing high quality products that consistently meet the product specifications as required by Philips Domestic Appliances.



### Talent Management

The Supplier should have sufficient personnel with the necessary education, background, training and experience to assure that all activities are correctly performed and knowledge and skills are sustained. In addition, procedures should be established to identify training needs. Training programs should be established to ensure all personnel are trained to adequately perform their assigned responsibilities. Personnel should be aware of device defects that may occur due to improper performance. All training must be documented and maintained as part of the employees' personnel record. In order to ensure that products are developed according to Philips Domestic Appliances requirements.

## Working Environment

The Supplier should ensure that the work environment conditions are properly maintained to not adversely affect product quality and compliance to applicable laws and regulations. All requirements for working procedures and environmental requirements should be documented and monitored. Personnel should be trained on environmental requirements. Please refer back to our sustainability policy (Environmental Policy section).

## Terms, abbreviations and definitions

Term	Definition
<b>AOP</b>	Annual Operational Planning
<b>APQP</b>	Advanced Product Quality Planning
<b>Approved Supplier</b>	A supplier who has been successfully evaluated and whose approval has been documented in the Approve Supplier List for the purpose of supplying specific good and services.
<b>Approved Supplier List</b>	A list of supplier who have been evaluated and approved to deliver devices, components or services.
<b>CAPA</b>	Corrective and preventive action: Corrective Action - Action taken to eliminate the cause of an existing nonconformity, defect or other undesirable situation in order to prevent recurrence Preventive Action - Action taken to eliminate the cause of a potential nonconformity, defect or other undesirable situation in order to prevent occurrence.
<b>cGMP</b>	Current Good Manufacturing Practice
<b>Commodity</b>	A term used to describe a category of inventory items or services.
<b>Control Plan</b>	A document that identifies key manufacturing or service process steps or inputs and how those items will be sustained.
<b>Cpk</b>	Cpk is a snap shot or a series of snap shots of a process at specific points in time and is used to assess the “local and timely” capability of a process
<b>Corrective Action</b>	Action taken to eliminate the cause(s) of non-conformities/failures in order to prevent recurrence
<b>CTX</b>	An abbreviation for Critical to Process (CTP), Critical to Safety (CTS) & Critical to Quality (CTQ)
<b>EUMDR</b>	European Medical Device Regulation
<b>FDA/DfX</b>	The United States Food and Drug Administration, authorized to conduct inspections on behalf of the United States government.Design for Excellence - The X in DfX stands for Value, Costs, Quality, Manufacturing, Logistics, Risk Management, Reliability and Sustainability
<b>General Business Principles FDA</b>	Philips Domestic Appliances is committed to ensuring the highest standards of business conduct and has incorporated this commitment in its General Business Principles and underlying policies. General Business Principles set the standard for acting with integrity.The United States Food and Drug Administration, authorized to conduct inspections on behalf of the United States government.
<b>GDP General Business Principles</b>	Good Documentation Practice. Philips Domestic Appliances is committed to ensuring the highest standards of business conduct and has incorporated this commitment in its General Business Principles and underlying policies. General Business Principles set the standard for acting with integrity.
<b>GMP</b>	Good Manufacturing Practice
<b>NPI/GDP</b>	New Product Innovation. Good Documentation Practice

<b>OEM/NPI</b>	Original Equipment Manufacturer: Finished devices, drug, or biologics used or sold by an organization or establishment, in which the external supplier to an organization holds legal title, design, manufacturing, and regulatory responsibility. New Product Innovation
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<b>PDLM</b>	Product Development, Launch and Maintenance
<b>PEPFOEM</b>	Philips Excellence Process Framework Original Equipment Manufacturer: Finished devices, drug, or biologics used or sold by an organization or establishment, in which the external supplier to an organization holds legal title, design, manufacturing, and regulatory responsibility.
<b>Ppk/PEPF</b>	Ppk is a short term analysis (mostly done with 50 or 100 samples measured). Ppk stands for Process Potential Capability. Philips Excellence Process Framework
<b>PPM/Ppk</b>	Parts Per Million - Ppk is a short term analysis (mostly done with 50 or 100 samples measured). Ppk stands for Process Potential Capability.
<b>PPQM</b>	Purchased Parts Quality Management
<b>Product PPM</b>	A product is a raw material, component, assembly, software or service. Parts Per Million
<b>Preventative Action Product</b>	Action taken to eliminate the cause(s) of potential non-conformities/failures in order to prevent their occurrence. A product is a raw material, component, assembly, software or service.
<b>Quality Agreement Preventative Action</b>	A document that defines the general relationship for quality activities between two entities. Action taken to eliminate the cause(s) of potential non-conformities/failures in order to prevent their occurrence.
<b>Quality Risk Quality Agreement</b>	The potential for use or patient injury if a finished device contained or was manufactured using a supplier's nonconforming item, or if a service did not conform to Philips Domestic Appliances requirements. A document that defines the general relationship for quality activities between two entities.
<b>SCAR Quality Risk</b>	Supplier Corrective Action Request made to a supplier as a result of an identified quality issue. The potential for use or patient injury if a finished device contained or was manufactured using a supplier's nonconforming item, or if a service did not conform to Philips Domestic Appliances requirements.
<b>Services SCAR</b>	Service Suppliers are Consultants, Contract Manufacturers, Distributors, R&D, Calibration, etc. Supplier Corrective Action Request made to a supplier as a result of an identified quality issue.
<b>SIP</b>	Supplier Improvement Process
<b>SQIP</b>	Supplier Quality Improvement Program
<b>Sub-Tier Supplier Services</b>	An organization or business entity that provides products or services to a Supplier. Service Suppliers are Consultants, Contract Manufacturers, Distributors, R&D, Calibration, etc.
<b>Sub-Tier Supplier</b>	An organization or business entity that provides products or services to a Supplier.