

Amazon

Supplier Quality Assurance Program Manual

"Supplier" is defined as any entity that accepts a purchase order (PO) from Amazon or otherwise performs services for or supplies product directly or through a supply chain to Amazon ("Sub-Supplier" is also used to refer to those Suppliers providing products or services indirectly to support Amazon).

The purpose of this Supplier Quality Assurance Program Manual is to communicate base level Amazon expectations for suppliers that would like to participate in the program. By agreeing to follow the guidelines set forth in this manual, suppliers will be establishing themselves as a strategic partner to Amazon as we work together to improve our collective customer experience. Participation in the program is a long-term expectation for preferred suppliers.

Our Supplier Code includes expectations for how you manage your facilities and supply chain. Adopting a management system that focuses on continuous improvement and worker communication will help you develop sustainable workplaces. We also expect you to cascade our standards to your own suppliers and subcontractors.

This manual is not intended to supersede or negate any laws or regulations applicable to the Supplier or Amazon, or the terms of any binding agreements which the Supplier and Amazon have entered, including relevant specifications and drawings. This manual is subject to change without notice. Please work with your local AMAZON team to learn how to obtain the latest revision.

Some sections define specific Amazon documentation, process, or approval mechanisms. Where the Supplier Quality Assurance Program Manual does not define documentation, process, or approval mechanisms, please work with your local AMAZON team to obtain any specific information pertaining to the sections outlined below. Where approvals are required, they must be documented.



Introduction

SQAPM Purpose

This SQAPM communicates the standard methodology for Amazon to assess and onboard a new Supplier, monitor existing Suppliers, conduct product qualifications, and set the minimum elements of a Supplier's Quality Management System to support production.

The SQAPM derives quality strategies from the ISO 9001:2015 Quality Management System Standard as applicable.

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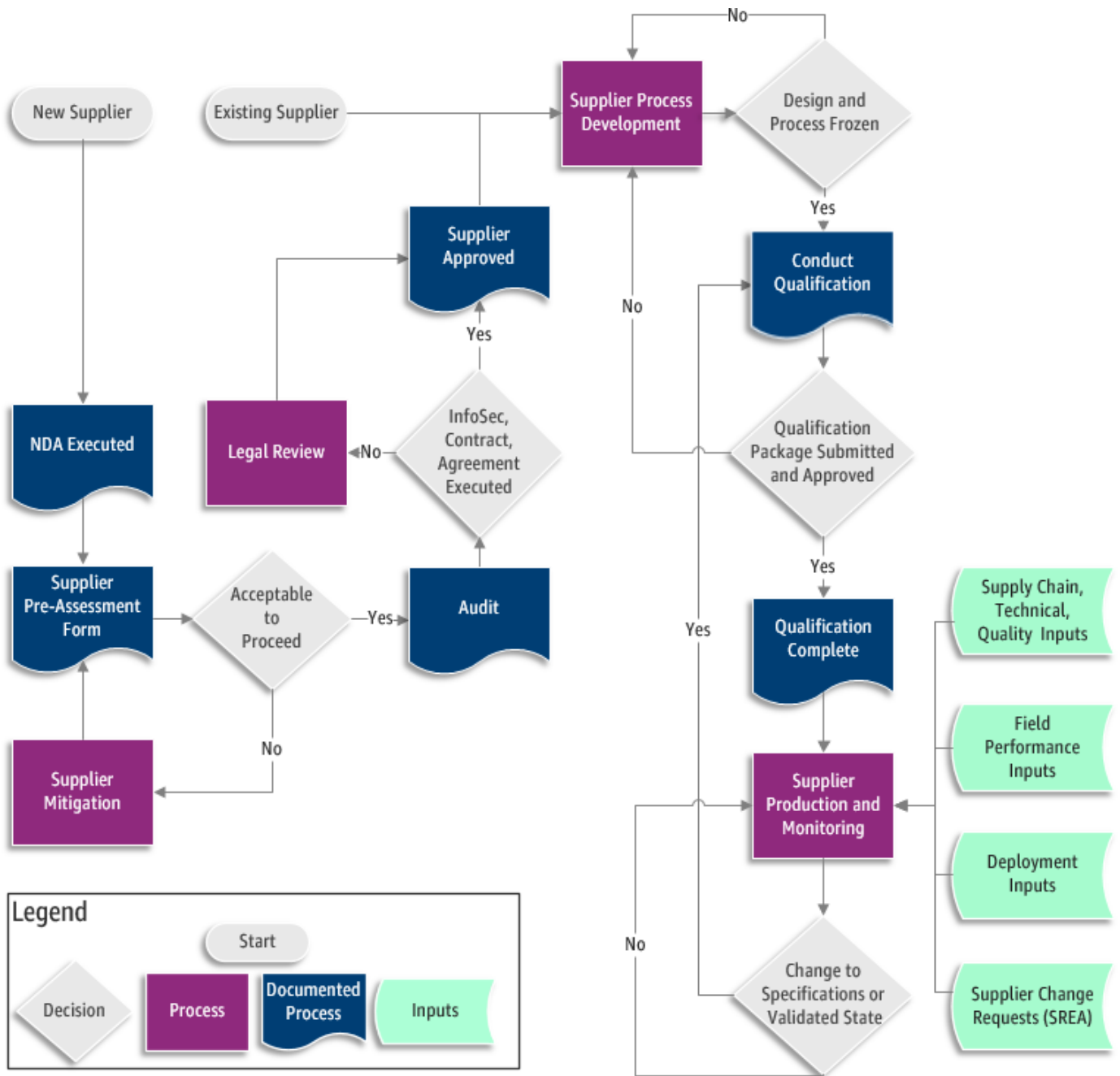
Definitions

- **3PA / Sub-Contractors:** Provide non-tangible service or labor. Does not include engineering design services unless they directly influence previously manufactured product or active deployments.
- **Amazon's Product & Process Design System (APDS):** Combines Amazon's best practices in Industrial/System Engineering Design and Lean Six Sigma tools to create a standard measure of success that guides teams from Prototype to Network Deployment
- **Approved Supplier List (ASL)** - A list of Suppliers or manufacturers whose goods and/or services are approved for production use. Where a list does not exist, all Suppliers used during the time of original qualification or purchase, in support of a technically and commercially accepted proposal, are considered approved suppliers.
- **Change Request/Change Order (CR/CO)** - A documented Supplier-initiated change request process, which requires Ops Engineering evaluation and approval prior to change implementation, or immediately upon identification.
- **Critical to System (CTS) Component:** A component that can halt the operation of a functioning system without notice or cause harm to an operator. Where a CTS component list does not exist, these components may be identified using a risk-based approach.
- **Fast Assessment System for Technology Readiness (FASTR):** A standard framework designed to properly vet Commercial Off-the-Shelf (COTS) technologies prior to deploying across the Amazon Fulfillment Center (FC) Network.
- **Installation and Operation Qualification (IOQ):** A process for Amazon to validate the quality of installation and functionality of MHE to meet Safety requirements, Design intent and Amazon standards, before releasing to Operations. This check is for Amazon validation purpose only and by no means eliminates or replaces Supplier Safety and QA check process and documentation.
- **Make to Spec (MTS)** - A term used for parts and/or assemblies that are fabricated to a specification.
- **Off the Shelf (OTS)** - A term used to describe parts and/or assemblies that are commercially available to purchase from one or multiple Suppliers.
- **Original Equipment Manufacturer (OEM)** - Supplies OTS product. Ops Engineering details do not exist beyond an envelope drawing or performance requirements. The Supplier owns the product design and intellectual property.
- **Post-qualification State** - A result from Qualification that ensures the Supplier manufactures conforming product within a defined set of variables used to manufacture material for Amazon. These variables include any of the following that were true or defined at the time of product qualification, by Ops Eng. or the Supplier; print specification, process parameter windows, acceptance criteria, manufacturing process, measurement systems, tooling, fixtures, Sub-Suppliers, materials, packaging, work instructions, Supplier managed software, manufacturing location, current capacity based on available assets, or change in business ownership.
- **Production Phase:** Also referred to as General Availability (GA). Production phase product or solutions are post-qualification and available for scaled manufacturing for Ops Engineering & Suppliers to integrate into a proven business solution.
- **Qualification / Qualified** - The ability to demonstrate a system is capable of repeatedly fulfilling the design intent and specifications. The qualification process is concurrent with VQ, IOQ, & TQ processes.
- **Solutions Providers** - Supplies tangible product that meets Supplier's design requirements or is co-designed by Ops Eng., but Ops Eng. details do not exist beyond an envelope drawing or performance requirements.
- **Sub-Supplier** - A Supplier of a direct Supplier, this can also include an installation sub-contractor.
- **Supplier Corrective Action Report (SCAR)** - A process to document root cause analysis and subsequent corrective and preventive actions as well as effectiveness of actions performed by the Supplier for mitigation of risks that have occurred.
- **Test Method Validation (TMV)** - A method used to confirm that any tests used for acceptance of machinery or equipment produces an intended output. TMV is used to ensure the methods created are accurate and repeatable in identifying any failures as defined in the Supplier/customer's requirements.
- **Throughput Qualification (TQ):** The purpose of TQ is for Ops Eng. to ensure that each component of the system, e.g., merges, sorters, accumulation, etc., operates according to design and will produce throughput rates according to as-sold design parameters. This is achieved through TQ Functional Checks and TQ Rate Tests.
- **Vendor Qualification (VQ):** The VQ process is a stage-gate process to qualify the Integrator system components meet both Installation and Operational requirements and is compliant with Integrator's and Amazon's MHE documented standards. It is performed by the Integrator utilizing the Amazon-provided virtual inspection platform. The purpose of VQ is to document system readiness and quality prior to Turnover, and it provides Amazon Engineering Services with common data points that can be used for evaluation and analysis.

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The Business Lifecycle of Amazon and Supply Partners

The flowchart below outlines the typical business lifecycle from Supplier identification through scaled production. The SQAPM expands upon each of these elements.



Supplier Assessment and Approval Process

The Supplier assessment, approval, and surveillance process ensures Amazon chooses and maintains the right Suppliers for a long-term successful partnership. These assessments focus on Supplier competencies including quality management, engineering, technology, and business support structures. Our suppliers, sub-suppliers, and subcontractors must comply with all applicable laws, as well as the requirements and principles outlined in our Supplier Code of Conduct, even if they exceed legal requirements. We reserve the right to assess facilities involved in the production of Amazon products, including facilities that obtain material or component parts, or that contribute to the production process (such as off-site ironing, laundry, embroidery, assembly). Amazon personnel, or auditors that conduct assessments on behalf of Amazon, may request to review relevant documentation to verify a facility's system for ensuring compliance among next-tier suppliers and subcontractors.

The full Supplier Code is available in multiple languages, and can be found online.

<https://sustainability.aboutamazon.com/society/supply-chain>

Pre-Assessment

The Pre-Assessment phase is part of the Supplier Connect Onboarding process and is the first opportunity for the Supplier to demonstrate operational details about the business to Amazon. Information such as Quality Management Systems, core competencies, global presence, revenue, and employee support structures, etc. are collected during this time. Amazon then determines the potential for success and advise next steps in the business relationship.

Supplier Qualification Assessment

After a successful Pre-Assessment, Amazon may schedule a Supplier Qualification Assessment to ensure that the relationship can be successful. The Supplier Management Team may lead Supplier Qualification Assessments, often with support from a cross-functional team. Amazon may also contract with a 3rd Party assessment group to lead the assessment. This assessment is a deep dive into various aspects of the business including the quality management systems, technical capabilities, safe and ethical working environments, as well as commercial and logistic opportunities. This assessment may result in actions for applicable parties, documented in a manner that provides the most value to the business. The lead assessor details the expectations and logistics around planning and any follow-up actions. Suppliers are expected to be transparent and provide assessors with access to facilities, records, and workers, including temporary and contingent workers. If an assessment uncovers issues, Amazon may conduct announced or unannounced on-site verifications of request additional documentation to track your remediation efforts.

Supplier New Product Introduction (NPI) and Qualification

Prior to shipping production product or systems, Amazon may require Suppliers to follow a NPI process which ensures necessary part and process due diligence is conducted between Amazon and the Supplier; an example of this would be a case where Amazon owns the design. Within this process, Amazon and the Supplier shall consider which of the two available processes are most appropriate. The Amazon Product and Process Design System (APDS) is a standard framework that guides project owners responsible for the design of products and processes at Amazon from Prototype to Network Deployment. The APDS framework ensures project owners understand the voice of the process, think at a value stream level, engage SMEs early to avoid rework, communicate project status by a set of standard risks, and deliver a robust product that is adopted by Operations. APDS combines Amazon's best practices in Industrial/System Engineering Design and Lean Six Sigma tools to create a standard measure of success.

Fast Assessment System of Technology Readiness (FASTR) was created to bring together cross-functional teams to assess and deploy existing hardware solutions for the Amazon Customer Fulfillment Network. Both of these frameworks use a "Phase Gate" Approach. APDS consists of 5 phases (Prototype, Alpha, Beta, Production, Deployment) each with a set number of elements designed to help the user answer the critical question and exit the phase, while FASTR consists of 3 phases (Design Review, Operations Readiness, and Operations Handoff). The goal of both processes is to mitigate applicable risk and allow for a smooth transition into production, with the ultimate goal of providing consistent and conforming product or systems to Amazon. The focus will be on issue prevention rather than detection.

As Amazon and the Supplier work through product and process qualifications, material may be required for periodic manufacturing testing to ensure product conformity to specifications, systems, and life expectancy based on the defined use case.

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Regardless of the NPI Framework chosen, the Process Team Shall consider the following elements:

- Define cross-functional team involvement between Amazon and Suppliers, including support team roles and responsibilities
- Understand customer requirements, end product use, expectations, design inputs, and outputs
- Define global manufacturing process and capacity strategies
- Plan inspection and test methodologies, identify subsequent gauge, fixture, test equipment elements
- Identify internal Supplier documentation requirements
- Ensure compliance to all timelines and cost targets
- Identify and communicate risks early and often

Supplier Qualification Documentation Elements

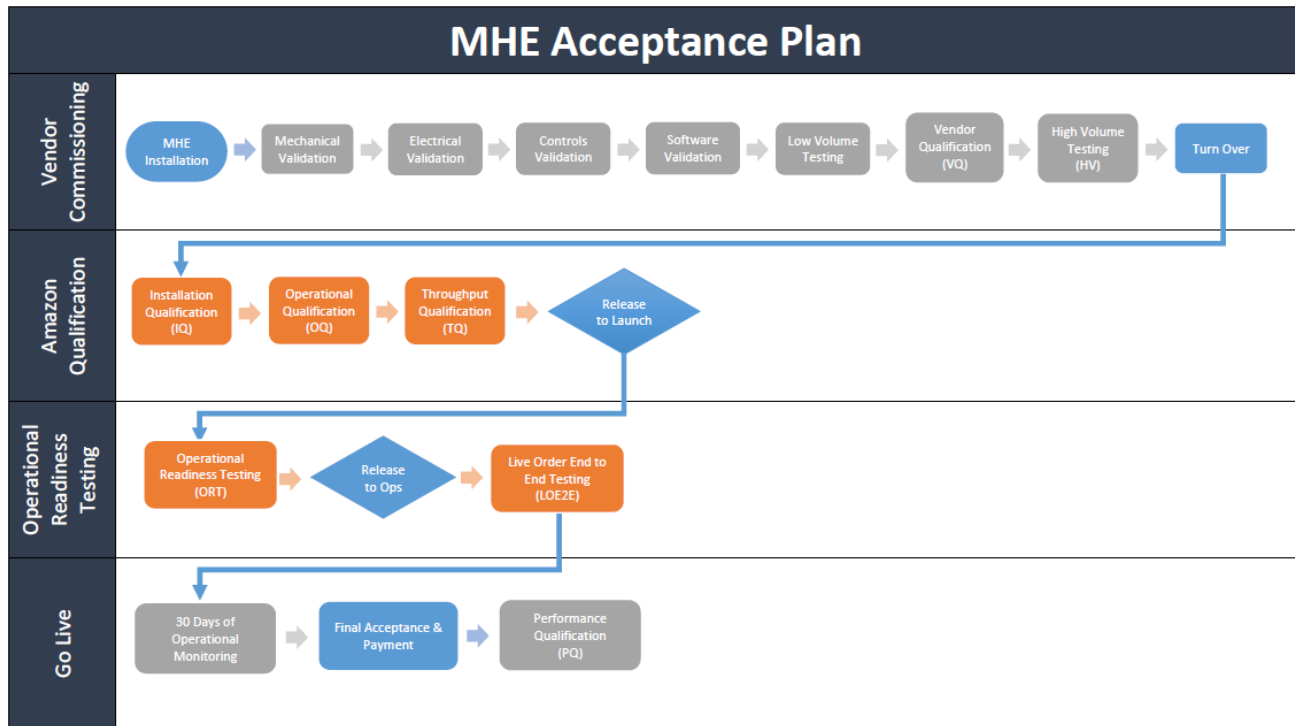
The Supplier will submit a qualification documentation package upon completion of product or process qualification activities. The Supplier will obtain specific submission requirements from Amazon before the qualification begins.

The below table summarizes some of the Elements for documentation, tooling/process used in manufacturing, deviations, and documentation deliverables to Amazon throughout the NPI or one of the identified Change Management processes. Note that Amazon has the discretion to determine the final submission requirements based on project needs and risks.

| Supplier Documentation submitted before shipping products | Tooling/Process | Deviation from Specification Elements |
|--|--|---------------------------------------|
| <ul style="list-style-type: none"> - Conforming First Article Inspections (FAI) - Conforming Dimensional Capability - Measurement Systems Analysis (MSA) - Operational Protocol - Certification (as applicable) - Test Method Validation (TMV) or Gage Repeatability & Reproducibility (GR&R) - Installation/Operation Qualifications | Production Intent (unless a change is warranted after products are manufactured) | Documented CR/CO |
| <ul style="list-style-type: none"> - Process Failure Modes and Effects Analysis - Control Plan - Process Flow Chart | Production | Documented CR/CO |

Supplier Equipment Qualification

The Supplier Shall successfully complete the Supplier, Installation, Operational and Throughput Qualification processes as outlined in the MHE System Testing Standards and Elements see overall process flow below. Performance will be evaluated and expected to remain within the defined tolerances.



Qualification Documentation Package Submission and Approval

Suppliers and Sub-Suppliers (where applicable) Shall submit documentation defined during the NPI and/or Change Management processes to Amazon as objective evidence that the Supplier has demonstrated the agreed upon capability and reliability of producing the intended product while mitigating significant risks.

Upon receipt of the qualification documentation, Amazon Shall review, approve, or advise of required revision prior to approval. Once approved, Amazon now considers the product in the Production phase and in Post-qualification State, defined below.

Production Phase: Refer to Amazon Definitions section. No shipment restrictions where demand and PO exists unless otherwise advised by Amazon.

Post-qualification State: Refer to Amazon Definitions section.

Where the Supplier or Sub-Supplier cannot meet specification during the qualification process or if there are any changes to Post-qualification State, refer to the CR/CO process.

Deviation from Post-qualification State

Amazon does not permit deviation from Post-qualification State unless otherwise approved. For Supplier-initiated changes, before making the change, the Supplier Shall submit a CR/CO request in compliance with the CR/CO Process section. For Amazon initiated changes, an Amazon approval is required; however, a CR/CO is not required unless requested.

CR/CO Process

A CR/CO is required from the Supplier for any planned changes deviating from Post-qualification State or if unplanned, immediately when found. A CR/CO is also required for deviation from Amazon specification identified during the qualification process.

The CR/CO submission prompts formal Amazon review. If rejected, the Supplier cannot make the change. If the change is allowable, Amazon then instructs the Supplier of required next steps, which may include elements of qualification, to approve the change. Refer to the aforementioned Change Management processes for more detail.

Work with your local Amazon team for acceptable methods of submission and approval.

All CR/CO references noted in the SQAPM Shall comply with this section.

Supplier Monitoring

Supplier Performance Monitoring and Review

Amazon expects Suppliers to embrace transparent, actionable, and frequent feedback to enable a successful business relationship. Amazon has numerous methods to provide feedback to critical Suppliers, most commonly communicated through Monthly Scorecards and Business Reviews (described below). The Key Performance Indicators (KPIs) generally revolve around the following Voice of the Customer (VOC) categories: Quality, Cost, Technology, Delivery, Commercial, Continuous Improvement, and anecdotal feedback.

Monthly Scorecards report on performance to plan. Specific KPIs are dependent on the services provided, however, commonly consist of elements such as; On-Time Delivery (OTD), On-Time Shipment (OTS), Advanced Shipping Notice (ASN) compliance, product yields, RCA/CI, qualification timing/performance, commercial opportunities, machine down time, machine maintenance, and technical feedback.

Amazon schedules Business Reviews on a regular cadence depending on the business services provided, and report on strategic elements, as well as deep dives on aggregate performance data reported on by Monthly Scorecards. Elements discussed during Business Reviews, in addition to Scorecard data, commonly consist of; cost reduction initiatives, continuous improvement activities, quality performance, resource planning/capacity, and future Plan of Record (POR) gap analysis.

Amazon recognizes supply chains are complex and difficult to monitor. We ask you to regularly monitor your own supply chain to identify and address risks. And we expect you to hold your won suppliers, subcontractors, and labor agents to the standards covered in this Supplier Quality Manual as well as our Supplier Code.

Please work with the Amazon team to determine relevant KPIs based on your specific business requirements

Supplier Relationships and Subcontractor Management

Amazon expects suppliers to disclose all relationships, including the use of subcontractors or labor agents, in advance of production and/or site installation.

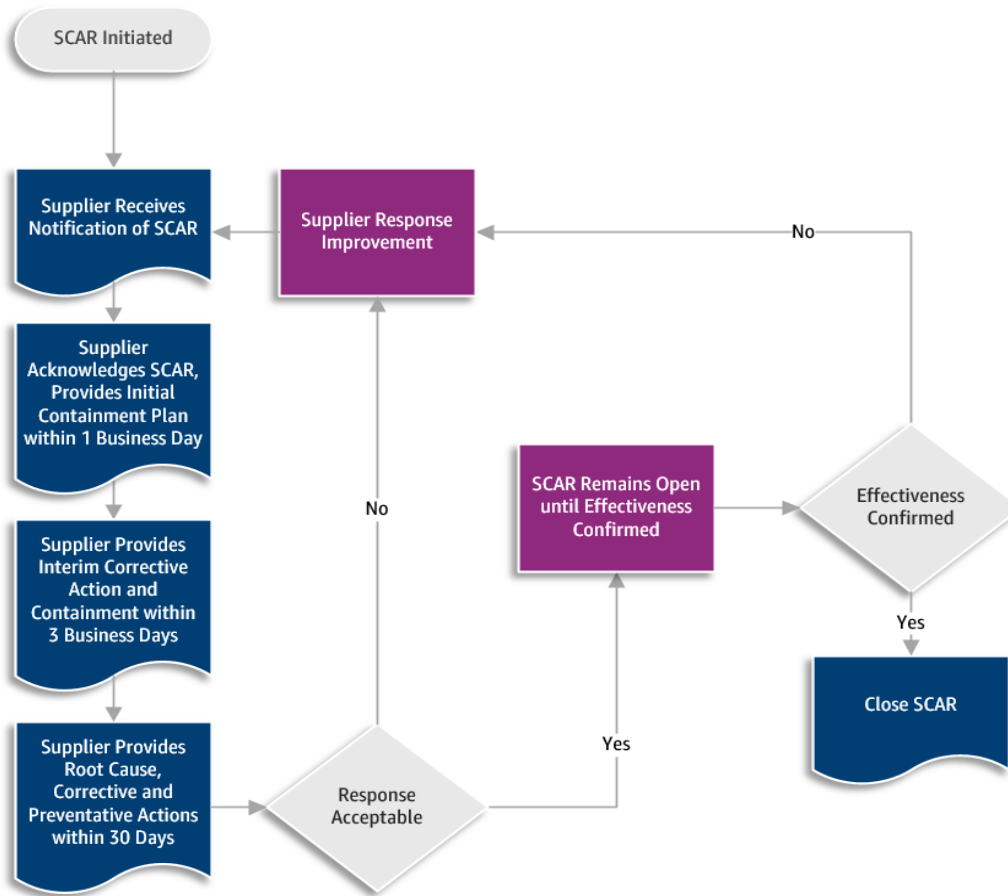
You must disclose relationships within your own supply chain where production or related processes are assigned to a party that is different from the site that Amazon has contracted. And you must confirm any sub-tier suppliers or subcontractors providing direct or indirect products or services for Amazon also comply with our Supplier Code.

Supplier Corrective Action Requests (SCAR)

Amazon may issue a SCAR to document Supplier corrective actions where evidence of non-conformance, negative performance trends, customer complaints, a safety concern, or other negative system impacts exists at any time. These issues can be identified anywhere throughout the product lifecycle after product shipment. Amazon may not issue a SCAR for proactively identified concerns internal to the Supplier manufacturing process that have not escaped, though Amazon expects the Supplier to utilize internal systems to remediate the problem and prevent future escape.

The final Supplier SCAR response Should address all elements of a structured problem-solving methodology. The following process flow outlines a SCAR Process including general timing guidelines.

Below outlines the standard SCAR process flow.



Surveillance Audits (Manufacturing Supplier Assessment)

Amazon may schedule and perform surveillance audits at Suppliers or Sub-Suppliers where product is outsourced. The Amazon will lead Surveillance Audits, often with support from Operations Engineering and/or a cross-functional team. Amazon may also contract with a 3rd Party auditing group to lead the audit. This audit often assesses product and manufacturing processes or Quality Management Systems. The frequency and need of performing a surveillance audit is determined based on the risk to Amazon and Supplier performance. This audit may result in actions for applicable parties, documented in a manner that provides the most value to the business. The lead auditor details the expectations and logistics around the audit planning and any follow-up actions.

For Cause Audits (Verification of Problem Solving for Critical Items)

If a high impact quality event occurs, regardless of fault, Amazon may conduct a For Cause Audit to deep dive into a specific problem. These audits require a focused cross-functional team to identify root cause as well as corrective and preventative actions to remediate the problem quickly and effectively. This audit may result in actions for applicable parties, documented in a manner that provides the most value to the business. The lead auditor details the expectations and logistics around the audit planning and any follow-up actions.

Quality Management System Supplier Elements

Amazon Suppliers, further categorized below, Shall implement, control, and maintain at a minimum the following Quality Management System elements within the manufacturing process. Refer to Amazon Definitions section for definitions of Suppliers and Sub-Suppliers.

| Quality Management System Element | Suppliers | Sub-Supplier | 3PA / Subcontractors (MHE Installers) |
|--|-----------|--------------|---------------------------------------|
| Calibration & Preventive Maintenance | √ | √ | |
| Change Management - Control and Notification | √ | √ | √ |
| Internal Supplier Changes that Do Not Affect Product Quality or Post-qualification State | √ | √ | √ |
| Internal Supplier Changes that Change Post-qualification State or Could Affect Product Quality | √ | √ | √ |
| Amazon Sub-Supplier Driven Changes | √ | √ | √ |
| Amazon Driven Changes to Product Specifications that Affect Suppliers | √ | √ | √ |
| Continuous Improvement | √ | √ | √ |
| Control of In-Process Non-Conforming Material & Rework | √ | √ | - |
| Control of As-Received Non-Conforming Material and Rework, including Receiving Inspection | - | - | √ |
| Structured Problem Solving | √ | √ | √ |
| Handling, Storage, Packaging, and Preservation of Product | √ | √ | √ |
| In-Process Material Identification | √ | √ | - |
| Amazon Sub-Supplier Management | √ | √ | √ |
| Process Controls & Monitoring | √ | √ | - |
| Product Acceptance | √ | √ | √ |
| Record Retention | √ | √ | √ |
| Traceability & Revision Changes | √ | √ | - |
| Training | √ | √ | √ |
| Verification of Purchased Product | √ | √ | - |

Calibration & Preventive Maintenance

The Supplier shall identify, produce a list of, and maintain equipment that requires periodic calibration and/or preventive maintenance. The Supplier shall record preventative maintenance and calibration results. The Supplier shall retain this information per a defined record retention schedule.

Customer Notification

Customer Notification of change is to provide clear direction and prompt two-way communication with Authorized Amazon Representative(s) regarding any planned changes to design, processes and/or site location(s). The intent of this process is to assure Amazon receives appropriate communications regarding changes to products we purchase, providing us with an opportunity to mitigate any detrimental or disruptive effect on their processes and/or products. This process will dictate the appropriate level of mitigation required.

Change Management - Control and Notification

The Supplier shall maintain a system to document significant changes of all business processes that contribute to product and process consistency, design, and conformance. All changes shall be traceable based on revision or timeline. The Supplier shall retain this information per a defined record retention schedule.

Internal Supplier Changes that Do Not Affect Product/Process Quality, Post-qualification State, and/or considered non-Critical

Internal Supplier changes that do not affect product quality or post-qualification state shall comply with the requirements stated under section Change Management - Control and Notification.

Internal Supplier Changes that Could Affect Product/Process Quality, change the Post-qualification State, and/or considered Critical, e.g., moving manufacturing locations

Prior to any change that could affect product quality/Post-qualification State, the Supplier shall submit a CR/CO for Amazon Review. If approved, the same requirements apply as stated under section Change Management - Control and Notification.

Amazon Sub-Supplier Driven Changes

The Supplier shall maintain a system for change control to retain and communicate notifications pertaining to OTS product. The Supplier shall make every attempt to collect all changes from OTS Suppliers and communicate them to Amazon. The Supplier shall send such communications to Amazon through the CR/CO process.

For change control related to MTS products not driven by Amazon, the Supplier shall submit the request prior to implementation through the CR/CO process. If approved, the same requirements apply as stated under section Change Management - Control and Notification.

Amazon Driven Changes to Product Specifications that Affect Suppliers

The Supplier shall maintain a system to review and approve Amazon specification updates. Where applicable, the Supplier shall convey these changes to Amazon Sub-Suppliers. After Supplier receipt and approval, the same requirements apply as stated under section Change Management - Control and Notification.

Continuous Improvement

Continuous improvement is an ongoing process of Supplier products, processes, and services through incremental and breakthrough initiatives. It is a method to make sure that the processes, methods, and practices are as efficient, accurate, and effective as possible. The Supplier should use data, past experience and lessons learned and work on continually improving its Quality Management System.

Control of In-Process Non-Conforming Material and Rework

The Supplier shall demonstrate an effective system for controlling in-process non-conforming material, inclusive of returned material. This system shall include identification, disposition, and isolation from product that conforms to specification to prevent unauthorized use. Amazon recommends the Supplier identify non-conforming material in the Supplier's inventory management system to not disrupt or confuse available inventory for shipment.

The Supplier shall identify product with an approved label, to be determined based on the situation. The Supplier Shall maintain records and traceability for all reworked and screened material in the event that there is an unanticipated quality event with the product associated with the material. The Supplier shall retain this information per a defined record retention schedule.

Control of As-Received Non-Conforming Material and Rework, including Receiving Inspection

The Supplier shall demonstrate an effective system for controlling of non-conforming material that is received into Amazon sites, inclusive of returned material. This system shall include identification, disposition, and isolation from product that conforms to specification to prevent unauthorized use. Amazon recommends the Supplier identify non-conforming material in the Supplier's inventory management system to not disrupt or confuse available inventory for shipment.

Amazon reserves the right to conduct receiving inspection activities, either for-cause or random in nature. If non-conformances are identified during this process, the Supplier shall react in such a way to avoid negative impact to the facility operations, and permanently correct the issue to avoid recurrence.

Structured Problem Solving

Suppliers shall demonstrate a Structured Problem Solving process to address systemic failures or negative quality trends and effectively remediate in a timely manner. The process shall address containment, short-term corrective actions, root cause, corrective action (including effectiveness) and preventative action/s. Note that this is not restricted to internal use, and that the Structured Problem-Solving process should be utilized for Sub-Suppliers as well. Reference the SCAR section for guidance. The Supplier shall retain this information per a defined record retention schedule.

Handling, Storage, Packaging, and Preservation of Product

The Supplier shall handle and store product in a way such that it is not susceptible to damage or deterioration.

The Supplier Shall package product to ensure adequate protection during transit and storage. Shipping containers shall be durable, sustainable, and meet all applicable guidelines and specifications. All products regardless of size, shape or weight shall arrive without damage and shall not affect form, fit, function, cosmetics, or design intent. Packaging performs a number of functions during transportation, storage and point of use, including:

- Containment of the product to ensure integrity and safety
- Protection of product from physical damage
- Convenience of use and ease of handling by users
- Communication of information (i.e. labeling, etc.)

In-Process Material Identification

The Supplier shall physically identify product throughout the manufacturing process (raw material receipt through product shipment) so that the part, quantity, status, and associated manufacturing job or work order is immediately recognizable.

Amazon Sub-Supplier Management

Unless otherwise agreed upon, Amazon expects Suppliers to maintain a system to select, assess, approve, monitor, maintain and develop their Suppliers (Amazon Sub-Suppliers). The Supplier shall ensure all Sub-Supplier materials, components, products, and services comply with Amazon and Supplier specifications. The Supplier shall directly manage and correct their Supplier's quality opportunities, and in isolated circumstances, Amazon may engage directly to mitigate customer impact.

ASL Elements – Make to Spec (MTS) Part Sourcing

The Supplier listed on the ASL shall manufacture all MTS parts. If the MTS part needs to be outsourced to a Sub-Supplier, the Supplier shall gain approval from Amazon before the initial qualification process or, if the part is already qualified, through the CR/CO process before moving critical equipment on production ready product. Note that the Supplier shall approve the Sub-Supplier per the Amazon Sub-Supplier Management Systems section. If approved by Amazon, the Supplier is responsible for the ongoing Sub-Supplier's performance and commercial activities associated with the relationship. If the Supplier cannot trace the supplied product to the Supplier specified on the ASL, the part is non-conforming.

Off the Shelf (OTS) Part Sourcing

The Supplier is allowed to purchase OTS parts through a trusted distributor or directly from a third-party manufacturer, however, the Supplier shall ensure all product is readily traceable to the original manufacturer and manufacturer part number on the ASL. Alternative OTS equivalents are non-conforming and shall be submitted through the CR/CO process and approved prior to use.

Amazon Directed Sourcing

Amazon may dictate that components be purchased from a specified Supplier. In this case, the company placing the PO with the directed source Supplier is responsible for all aspects of the Supplier/Sub-Supplier relationship.

Process Controls & Monitoring

Where machine or assembly process input settings and output variation affects part or service quality, the Supplier shall utilize process controls and monitoring. The Supplier shall have auditable records describing the process, controls, and monitoring criteria with applicable reaction plans. These records shall be traceable to individual parts or lots of material and be retained

Product Acceptance

The Supplier shall be able to demonstrate that product has undergone all process steps and passed all acceptance criteria prior to shipment. The Supplier shall retain this information

Record Retention

The Supplier shall retain all quality records as per a defined record retention schedule. Quality records include, but are not limited to, Supplier design and NPI documents, purchased material records, inspection, test, training, traceability, work orders, and process control records that represent proof of compliance to internal and Amazon specifications. The Supplier shall have a means of quickly accessing such data and providing it within a reasonable time, not exceeding 10 (ten) business days.

Traceability & Revision Changes

Suppliers shall be able to demonstrate both ascending and descending traceability throughout the Bill of Materials (BOM) tree on Critical to System (CTS) components, raw materials, and processes. The value in this system is to improve efficiency of containment where all affected product needs to be identified and located during an investigation, where problems can present themselves at both the buy level and component level product. If a quality event occurs, the Supplier shall be able to perform this activity in a time period agreed upon with Amazon based on the impact of the issue. The Supplier shall retain this information per a defined records retention schedule.

Descending Traceability: Buy-level serial numbers or lot codes that can trace down to consumed CTS components, raw materials, and processes.

Ascending Traceability: CTS components, raw materials, and processes can trace up to buy-level serial numbers or lot codes.

Training

The Supplier Shall maintain a training system, identifying who Shall be trained, what job functions employees Shall be trained to, how effectiveness is determined, the cadence of training ensuring employees are trained to the most relevant content, and record all training. The Supplier shall retain this information per a defined record retention schedule.

Verification of Purchased Product

The Supplier Shall implement a process to prevent the use of non-conforming, counterfeit, or suspect counterfeit purchased parts. A counterfeit or suspect counterfeit part is a part identified as a copy or substitute without the legal right or authority to do so, or a part who's Supplier knowingly misrepresents material, composition, performance, characteristics, or origin. Counterfeit and suspect counterfeit parts are non-conforming