



Supplier Escalation Process

Oetiker Sweden AB

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1. GENERAL

To ensure that we only use sub-contractors that administer their facilities, processes, people and systems in a way that meets our expectations on cost, quality and delivery we continuously monitor our supplier's performance based on the parameters we consider essential to our business.

These are presented and communicated to our strategic suppliers in our Supplier Scorecard

2. ESCALATION PROCESS

The process is used to ensure that the parameters we consider as important are highlighted in time to prevent unwanted effects. It is also important to ensure that the parties concerned are informed and given the option to perform quick actions.

SQA along with manager of Purchasing is responsible for monitoring and controlling the escalation process. Responsibility for each escalation level can be seen in Escalation Matrix.

Regardless of the criteria in the escalation matrix the escalation process can be manually started in the event of:

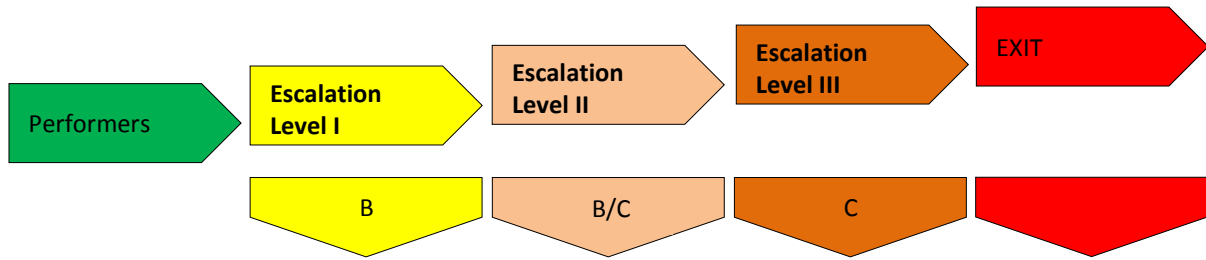
- Repeating deviations
- Delay of 8D actions
- Field quality issues

3. ACTIONS

In cases where the supplier are under escalating due to delivery and / or result from an audit a separate action plan is created.

All action plans linked to quality outcomes (PPM/ QAD) are handled in the normal deviation process. No additional requirements beyond those normally handled through 8D will be sent to the supplier.

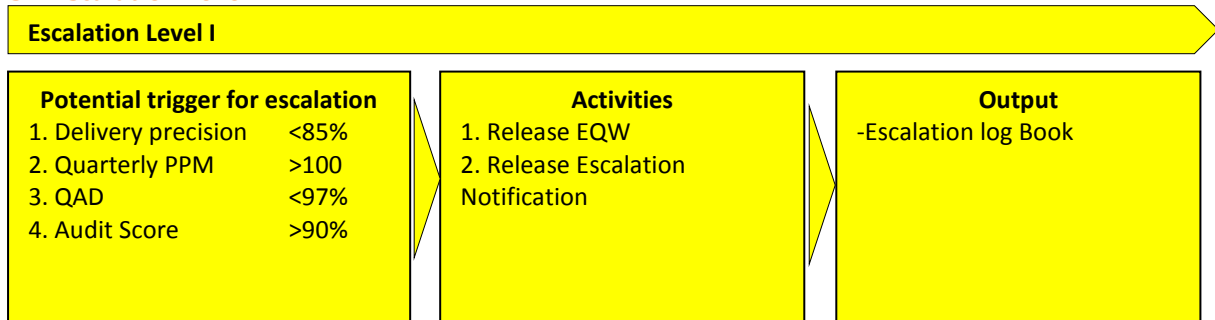
4. Escalation Matrix



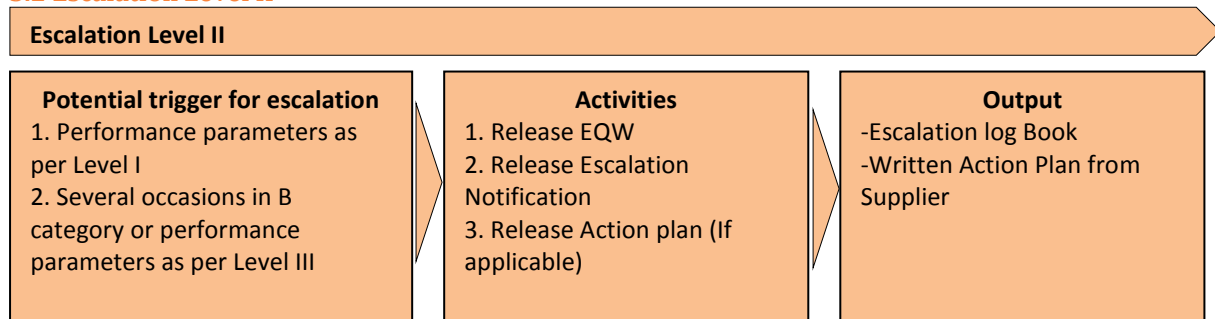
Escalation Level		Supplier performance problem identified	Major supplier performance problem identified	Continuously major supplier performance problem identified	Supplier is not adequate for OSW quality level
Responsible		SQA	SQA	SQA Purchasing Man.	SQA Purchasing Man.
Action		1. Early Quality Warning 2. Monthly Scorecard review	1. Monthly Scorecard review 2. Escalation notification released 3. Action Plan (if applicable)	1. Monthly Scorecard review 2. Action Plan (if applicable) 3. Escalation notification released.	-Close supplier
Consequences			-Complete action form	-New business on hold	-Supplier change
B- CATEGORY	Q1	●			
	Q2	●			
	Q3		●		
	Q4		●		
	Q5			●	
C- CATEGORY	Q1		●		
	Q2			●	
	Q3			●	
	Q4			●	
	Q5			●	
	Q6				●

5. ESCALATION LEVELS

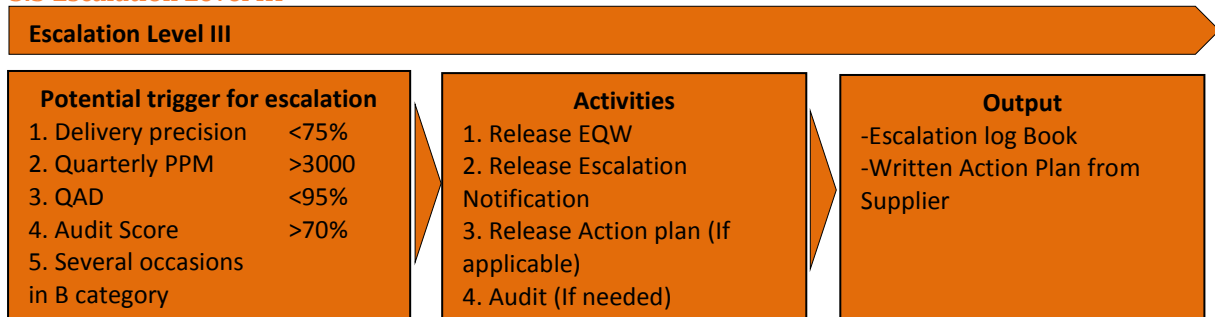
5.1 Escalation Level I



5.2 Escalation Level II



5.3 Escalation Level III



6. CRITERIA FOR DE- ESCALATION

De-escalation is conducted by SQA when approved performance has been achieved.

Changes from previous issue

First release