

August's Harvest Inc.

REVIEWED

By Reicza Ham at 1:32 pm, Jan 13, 2020

Standard Operating Procedure (SOP) | Section: Supplier Mgt.

Responsibility of: Quality Assurance Rep

Approved by: Management

Process: Supplier Approval

Frequency: Initial & Annual

SOP: Supplier Approval Procedure

1. Purpose:

- a. To ensure good Supplier Management practices which support and help us source compliant materials & minimize costs.

2. Procedure:

- a. Initial Evaluation: Staff to follow "Supplier Approval Procedure" before taking any new supplier on board. Below are the steps that have to be followed for all vendors.
- b. AHI Staff will forward Supplier form to supplier to complete in detail to submit back to August's Harvest prior to any business exchange.
- c. Once the required information has been submitted to AHI, Quality Assurance Team will review information and follow up as necessary.
- d. Once data collection required is complete, a signed report will be forwarded to all management departments within AHI.
- e. The prospect vendor will be determined compliant or non-compliant by QA AHI staff.
- f. The "Supplier Evaluation" is not required if the supplier is already Audited & approved by any GFSI certified Certification Body.
- g. **Annual/Ongoing Evaluation:** All existing/approved suppliers will be annually evaluated following the same audit procedure.
- h. **Supplier Performance Evaluation:** Suppliers each consignment will be assess against Quality, Quantity & On-Time Delivery. Supplier performance should be evaluated annually and the result will be communicated to the supplier.
- i. Letters of Assurance/Certificates: AHI Staff are to obtain and maintain all mandatory Conformity Certificates which ensure regulations and quality standards are being followed, from both new and existing suppliers.

3. Benefit:

- a. Strong follow-up of this Supplier Management Practice will help reduce receiving non-compliant goods while reducing costs and improving efficiency.



General Manager

Reicza Ham