



Supplier Certification Program

Recognition of Supplier Performance: Certification

Certification is the recognition earned by a supplier who consistently demonstrates excellent levels of quality, productivity, and delivery performance. In addition, the supplier has systems in place to assure continued quality, reliability, delivery and productivity.

Supplier Benefits:

- Systematic improvements, which potentially increase the suppliers overall competitiveness
- First consideration for new business at Carestream.
- Visible recognition by Carestream.

Carestream Health Benefits:

- Products/Services that consistently meet Carestream requirements
- Products/Services are received when needed
- Productivity improvements realized on a continual (year-over-year) basis

Certification and Re-Certification:

- Supplier Certification and Re-Certification are a “backwards” look at a supplier’s performance to give them credit for meeting Carestream expectations. Suppliers are certified for a one-year period. Supplier candidates for Re-Certification must demonstrate their ability to sustain their performance at or above Carestream Health’s Supplier Certification requirements.

To be Certified, a supplier must meet the following criteria:

- Evidence of a sound and effective quality management system.
- Product/Service quality levels meet or exceed Carestream requirements.
- Delivery performance levels meet or exceed Carestream requirements.
- Demonstrated Capability of producing year-over-year productivity improvements.

The criteria can be achieved by meeting the following conditions:

Quality Management System (QMS) Assessment

The assessment score for a supplier must be ≥ 80 with no individual areas less than a 3.5 out of 5 from an on-site or virtual assessment to be considered for the Certification recognition. For suppliers providing a low risk commodity to Carestream an ISO or similar registration or a sampling of QMS assessment topics may be acceptable. Some service suppliers may achieve these criteria via successful completion of training to a Carestream requirement, or via review of the supplier's expertise in the case of individual consultants.

Quality Performance

Where defective parts per million (DPPM) is an adequate measure, performance needs to be at a level determined from industry benchmark or an agreed goal with Carestream operations. Where DPPM does not provide an effective measure, the Commodity Manager should work with the respective Supplier Quality Manager or operations to define an alternative metric based on KPI's (key performance indicators) or industry benchmark.

Delivery and Lead Time

A level of 97% or higher if agreed by both operations and the supplier must be met for certification. A Certified Supplier may also be expected to maintain a lead time metric as agreed to between Carestream and the supplier.

Productivity

To achieve Certification recognition a supplier must deliver year-over-year productivity improvement. We expect suppliers to continually improve their efficiency, even though business and marketplace conditions may negatively impact actual productivity results. In cases where actual productivity is negative, certification can be achieved if the negative productivity is clearly better than marketplace pricing.