



PURCHASING & APPROVED SUPPLIER MANAGEMENT PROCEDURE

Quality Procedure

Al Khobar Stockist Warehouse & Distribution Facility

DTE-QMS-PRO-05 | Revision 00 | Effective 01 January 2026



Document No.	DTE-QMS-PRO-05	Revision	00
Document Title	Purchasing & Approved Supplier Management Procedure	Effective Date	01 January 2026
Issued By	HSE & Compliance Function	Approved By	General Manager
Applicable To	Al Khobar Warehouse & Distribution Facility	Classification	Internal / Controlled

Purchasing & Approved Supplier Management Procedure

Diode maintains an Approved Supplier List covering its production partners (UAE and Qatar facilities) and other material or service suppliers. Only approved suppliers are used for the procurement of stock intended for customer supply.

Supplier Approval

- New suppliers are evaluated prior to first order against criteria including product/material conformance, delivery reliability, and documentation capability (e.g., ability to provide COC/COA).
- Approval is recorded before the supplier is added to the Approved Supplier List, and includes basic verification of the supplier's legal registration and, where relevant, quality certification status.

Ongoing Supplier Evaluation

- Approved suppliers are evaluated periodically based on delivery performance, quality of goods supplied (non-conformance rate), and responsiveness to corrective action requests.
- Evaluation records are retained against each supplier and reviewed at least annually; a supplier falling persistently below acceptable performance is placed on a watch list or removed from the Approved Supplier List.

Purchase Orders

Purchase orders issued to suppliers clearly specify product, quantity, specification/standard, packaging, and any certification requirements, to ensure requirements are understood before the order is accepted by the supplier. Any discrepancy identified by the supplier is resolved and documented prior to order confirmation.

Stock Rotation (FIFO)

Raw and finished stock is managed on a First-In-First-Out (FIFO) basis wherever product shelf-life, batch, or specification currency is relevant, to ensure older stock is issued to customers ahead of newer stock of the same specification. Location labelling and putaway sequencing support this rotation in practice.

Sub-Contracted Work

Where any element of order fulfilment is sub-contracted (e.g., specialist logistics, cutting-to-size services), the sub-contractor is selected from the Approved Supplier List where practicable, and the work is verified against requirement before the product is released to the customer.



Legal & Regulatory References

This procedure has been developed with regard to the following legal, regulatory, and industry reference points applicable to Diode's operations in the Kingdom of Saudi Arabia. Diode does not represent certification against any external standard referenced below unless separately stated; references are used to inform internal practice.

Reference	Relevance
ISO 9001, Clause 8.4 (Control of Externally Provided Processes, Products & Services)	Reference point for the supplier approval and ongoing evaluation approach applied here.

Records Retained

The following records evidence the operation of this procedure and are retained for a minimum of five (5) years unless a longer period is required by contract or law, and are made available to customers, principals, and appointed auditors upon reasonable request:

- Approved Supplier List
- Supplier evaluation records
- Purchase orders and any documented discrepancy resolution

Related Documents

- DTE-QMS-PRO-06 Receiving Inspection Procedure
- DTE-HSE-PRO-10 Contractor & Visitor HSE Management Procedure

AUTHORIZATION

Prepared By	Reviewed By	Approved By (General Manager)
Name: Anfal Ahmed Signature: _____ Date: _____	Name: Raaed Mohammed Signature: _____ Date: _____	Name: Mohammed Faisal Signature: _____ Date: _____

Company Stamp:

