**Instructions**

* The following pages of this Statement of Work (SOW) are designed based on contractual elements as agreed in the MSA
* User to provide input in cells marked Blue-Gray
* All body text should use font Calibri, font size 11, color black
* This version of template is effective from 01-Apr-2023
* The latest version of template is available in ARIS from April 2023
* Submit this along with Team Loading Sheet (TLS) using the following naming convention:

Partner Name\_SOW\_Project ID\_Program Name\_Release Name\_DD-MM-YY

* Supplier (Vendor) Performance Management (SPM) Team will maintain the overall ‘Group version’ and determine the look & feel that should be used
* Queries related to the template have to submitted to SPM Team at spm@philips.com
* Template version: Version\_1.0

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| **APPENDIX 2 - STATEMENT OF WORK (SOW)** | | |
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| This Statement of Work complies with all the Terms and Conditions of the MSA with effective date Month Day, Year including the amendments thereto “Agreement”. The Terms and Conditions of the Agreement applies by default. Inability to deliver on the commitments (including but not limited to meeting the Acceptance Criteria) in this SOW, will be deemed as non-performance and will be dealt with in accordance with the material breach principles set out in clause 8 of the Agreement. | | |
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| **APPENDIX 2 - PRO FORMA STATEMENT OF WORK** | | |
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| **Type of Engagement Model** | Choose from:   * T1: Input with Skin in The Game * O1: Output Based * SP: Story Point Based   Note: If the Engagement Model is Time Hire (Input Based only), there is no need of SOW. Follow Clarity On-Boarding process | |
| TBD | |
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| **Type of Delivery Methodology** | Choose from:   * DevSecOps/Agile/Waterfall | |
| TBD | |
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| **Partner fixed cost for the proposed Scope of Work as per Phoenix Rate Card** | To be supported with Team Loading Sheet (TLS) | |
| TBD | |
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| **Commercial deviations if any** | Attach the approval email obtained from IMS | |
| TBD. | |
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| **Payment milestones** | The below table applies for Output, Outcome Engagement Models   |  |  | | --- | --- | | **Tentative Thresholds (subject to agreement)** | **Threshold for "met"** | | Time (Should be 15% of SOW value) | On agreed release date | | Scope (Should be 70% of SOW value) | >=90% of agreed release scope delivered 1st time right | | Quality (Should be 15% of SOW value) | 0 P1 incidents in Production, maximum 5 P2 incidents in Production (to be measured after 06 weeks of release) | | |
| Indicative table as below:    Last payment milestone should always be after successful completion 0f 06 weeks  post production warranty | |
| TBD. | |
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| **Clarity / PMSG Project Name** | Include Project Name exactly as seen in PMSG | |
| TBD | |
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| **Description of Solution Delivery Services (please abstain from mentioning any assumptions)** | Include the details on:   * Scope Background * Business Capability to be delivered/Maintained * Key conditions for success | |
| TBD | |
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| **Start Date** | Start date of the SOW in DD-MMM-YYYY format | |
| TBD | |
|  | | |
| **End Date** | End of warranty period of SOW in DD-MMM-YYYY format | |
| TBD | |
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| **Applicable Service KPI (s) (Service Levels)** | All KPIs from Agreement are applicable | |
| TBD | |
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| **Deliverables** | Deliverables are the tangible items (working software, Non functional requirements, user stories, document, prototypes, etc.) that must be delivered by Partner to Philips at certain key points in the Projects. Often, but not always, a Milestone is associated with a particular Deliverable.  Describe Philips business requirements for each Deliverables.  For Agile specify what “requirements” are “mandatory” and what can be changed. Definition of Done can be a specification.  Include detailed Product backlog with identified Features and User Stories.  Attach Separate document if required.  Also, define what is considered as minimum viable product. Note that delivery minimum viable product does not relieve the Partner from SOW obligation. Full scope of the SOW has to be delivered even if Philips accepts minimum viable product for the release | |
| TBD | |
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| **Partner Standard Software** | Include the names and extent of usage of Partner software and tools used for this release/deployment (if any). Also specify if any pre-existing IP of Partner is being used | |
| TBD. | |
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| **Hardware Requirements** | Filled in only in case standard hardware configurations are not sufficient to deliver according to Proposal | |
| TBD | |
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| **Type of documentation & process re. registering Sprint backlog/Sprint planning and Sprint review (where applicable)** | Partner shall provide the Solution Delivery Documentation according to the Time Schedule in the format agreed with IT DevSecOps Manager and seek signoff from Philips IT DevSecOps Manager  Minutes/reports/Change Requests to be taken by who, signed by the DevSecOps Manager | |
| TBD | |
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| **Regulatory requirements (SRC) including Export Control & Privacy** | Include details on scoping for Philips regulatory requirements based on BIA (Business Impact Analysis) and PIA including but not limited to ICS, SOX and FDA, EUMDR | |
| TBD | |
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| **Project Schedule, Milestones, Time Schedule and Software Testing** | Milestones are the events the Parties use to measure whether (timely) progress is being made during the duration of the SOW (Proposal Execution).  Mark the beginning & end of each new phase of development during the Proposal Execution. For Agile, mention the different Sprints/features. | |
| TBD. | |
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| **Procedures** | Define Proposal Execution status tracking, reporting, testing procedures. Regarding testing, describe the requirements Partner shall perform before delivery of the Deliverables to assure that the Deliverable are conform to relevant Solution Delivery Specifications | |
| TBD. | |
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| **Instructions for Software Testing** | Include details of Test Strategy and Test Coverage (Example: What is test strategy for each Sprint? What will be the out of Sprint testing during SIT and rework Sprints? What will be out of Sprint testing during Validation Sprints?  Refer Testing Strategy in ARIS or ask Philips DevSecOps Manager | |
| TBD | |
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| **Acceptance Criteria** | Specific Software Quality Characteristics to be described + Solution Delivery Specifications to be referred as above. This may include defining, Definition of Done, Minimum viable product, UAT criteria]  [A sprint is deemed successful when the delivered functionality is demoed successfully to the product owner and meets the “Definition of Done”]  [Include the Definition of Done for a Sprint]  [Templates to define Acceptance Criteria and Definition of Done can be sourced from ARIS or ask Philips DevSecOps Manager  [If applicable, any other objective measure – and procedure for taking such measure – by which completion of each task, Milestones and Deliverables are evaluated by Philips | |
| TBD. | |
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| **Acceptance Readiness Date** | DD-MMM-YYYY format | |
| TBD. | |
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| **Release Date** | Release Start date in DD-MMM-YYYY format | |
| TBD. | |
| End of warranty period in DD-MMM-YYYY format | |
| TBD | |
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| **Warranty Period (from the Release Date)** | Start Date in DD-MMM-YYYY format | |
| TBD. | |
| End Date in DD-MMM-YYYY format  Note: Warranty is default 6 weeks | |
| TBD | |
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| **Applicable Service Level metric classification Warranty Period** | The Service Levels as communicated by Philips are applicable in Warranty Period. | |
| TBD. | |
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| **Partner’s classification (Full Stack Responsible or Not)** | “Full Stack Responsibility/Full Stack Responsible” means, end to end responsibility/end to end responsible as described in Annexure 2 of Schedule 1 including without limitation managing the retained Philips IT delivery organization and Managed Contract Parties | |
| TBD | |
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| **Managed Contract Parties and/or Other Partners for the Proposal** | List out the Managed contract party names and their roles.  Example: Test Factory – Independent Testing | |
| TBD. | |
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| **Key Personnel** | Roles and Names of Key Personnel from the Partner Delivery team | |
| TBD | |
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| **Philips’ Team & Required effort in hours** | Platform Analyst Name if from Philips | Required hours |
| TBD. | TBD |
| Add additional roles as necessary DevSecOps Manager | Required hours |
| TBD | TBD |
| Product Owner Name | TBD |
| Architect Name | Required hours |
| TBD | TBD |
| Any Other Name | Required hours |
| TBD | TBD |
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| **Number of scrum teams** | Identify the number of scrum teams and if required system team | |
| TBD | |
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| **Partners team - Scrum Team/Service Team and composition** | Integrator Name | TBD. |
| For the team composition, write down for both Philips and Partner (if applicable) | |
| Scrum Master Name | TBD |
| Configuration/Developer Name | TBD |
| Agile Coach Name | TBD |
| Philips Test Factory member name | TBD |
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| **Partner Designated Person** | Insert name and email ID of the Partner person responsible for delivering this SOW | |
| Shishir Agarwal <Shishir\_Agarwal@epam.com> | |
|  | | |
| **Any additional information pertaining to Project** | Only add if there is a specific need. Add elements which could not fit in any other categories above. Do not write any assumptions. Also note that MSA Terms and Conditions will prevail in case of conflicting terms mentioned in this SOW | |
| TBD | |
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| **SOW approved by** | Insert the name of Philips DevSecOps Manager | |
| TBD | |
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| **SOW approved on** | DD-MMM-YYYY format | |
| TBD | |