Triumph Group Supply Chain Management Procedure

SCMP 9.2 Delivery Assurance

Revision Level: Rev A

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1. Process Owner

   1.1   Triumph Group Supply Chain Management

2. Applies To

   2.1   Triumph Group Supply Chain Management, Triumph Group Quality Management and Triumph Operating Companies.

3. Purpose

   3.1   Document Enterprise processes and procedures that allows TGI and our third-parties to validate and/or expedite delivery and quality issues from our suppliers. It is intended to address transient delivery and or quality issues. Systemic delivery and quality issues should utilize the Supplier Performance Improvement Program defined in SCMP 2.2.

4. Reference Documents

   4.1   Delivery Assurance Checklist
   4.2   Delivery Assurance Representative Approval Flowchart
   4.3   Supplier Escalation Matrix
   4.4   SCMP 2.0 Supplier Corrective Action and Supplier Improvement
   4.5   SCMP 2.2 Supplier Performance Improvement Program
   4.6   SCMP 9.1 Supplier Development

5. Definitions and Acronyms

   5.1   SCM - Supply Chain Management
   5.2   SDS - Supplier Development Specialist
   5.3   DA –   Delivery Assurance
   5.4   SDT – Supplier Development Team
   5.5   DAR – Delivery Assurance Representative-Third-party
   5.6   SDL – Supplier Development Lead
   5.7   OOR – Open Order Report
   5.8   OPCO – Operating Company
   5.9   LOB – Line of Balance
   5.10   QMR- Quality Management Representative
   5.11   SQR- (TGI) Supplier Quality Representative- From TGI site quality
   5.12   WIP – Work in Process
   5.13   Promise Date – Date supplier agrees to delivery part prior to due date
   5.14   DOB – Demand Order Book – Syteline generated Open PO report
   5.15   PO – Purchase Order
   5.16   Progress Tracking Document- May include any of the following; Open Order Reports (OOR), Work In Process trackers, Lines of Balance, Milestone Plans, Action item lists, Waterfall Charts and Quality Documentation-(eSCAR, NOE, SPIP, RCCA)

6. Responsibilities

6.1   Buyer

    6.1.1   Review Standard Work Guidelines and Expectations as noted in <u>Section 8.2</u> prior to escalation.

    6.1.2   Elevates unresolved issues to the appropriate Supply Chain Management (SCM) team member

    6.1.3   After approval from their management, initiates a request for Delivery Assurance (DA) support using the Supplier Development Request Form

    6.1.4   Provides the Delivery Assurance Representative (DAR/SDS) with all pertinent background information during the initial on-boarding meeting

    6.1.5   Informs the supplier that a DAR/SDS is being enlisted to act as TGI's agent to help manage the Open Order Report (OOR) or part specific LOB/WIP tracker.

    6.1.6   Coordinate the introductory meeting of DAR/SDS at the supplier's facility

    6.1.7   Supports interim requests from the DAR/SDS during their engagement

    6.1.8   Supports the recurring Delivery/Quality Assurance Meetings and provide updates with the DAR/SDS regarding recovery progress

    6.1.9   Notifies the supplier when the recovery is complete and the management of the Progress Tracking Document is returned to the supplier

6.2   SQR Responsibility

    6.2.1   Review Standard Work Guidelines and Expectations as noted in Section 8.2 prior to escalation.

    6.2.2   Elevates unresolved issues to the appropriate Supply Chain Management (SCM) team member and site Quality Management

    6.2.3   After approval from their management, initiates a request for Quality Assurance support using the Supplier Development Request Form

    6.2.4   Provides the Supplier Development Lead (SDL) with all pertinent background information during the initial on-boarding meeting

    6.2.5   Informs the supplier that a DAR/SDS is being enlisted to act as TGI's agent to help manage the Quality Part Non-Conformance issue

    6.2.6   Coordinate the introductory meeting of DAR/SDS at the supplier's facility or virtually

    6.2.7   Supports interim requests from the DAR/SDS during their engagement

    6.2.8   Supports the recurring Delivery/Quality Assurance Meetings and provide updates with the DAR/SDS regarding recovery progress

    6.2.9   Notifies the supplier when the recovery is complete and the management of the Quality Issue is returned to the supplier

6.3   Supplier Development Specialist (SDS)

    6.3.1   Supports the introduction of the DAR at the supplier's facility whenever practical/needed.

    6.3.2   Provides the DAR any historical background or insights not captured

during the buyer's on-boarding meeting

    6.3.3   Coordinates coverage schedules with the DAR to ensure adequate on-site presence without redundancy or over burdening of the supplier

    6.3.4   Performs the functions of the DAR as described in 6.6 as assigned.

6.4   Supply Chain Management (SCM)

    6.4.1   Ensures all buyer-level tasks have been taken to resolve the past due delivery issues.

    6.4.2   Completes the appropriate elevation tasks from the Delivery Assurance Escalation Checklist referencing the Engagement Escalation Accountability Matrix

    6.4.3   In conjunction with SDL, determines if a DAR/SDS needs to be deployed to a supplier

    6.4.4   Completes the tasks defined on the Delivery Assurance Approval Flowchart (Section 8.1)

    6.4.5   Defines DAR/SDS's scope and measure of success

    6.4.6   Directs the buyer to initiate a request for DA resources

    6.4.7   Supports the recurring Delivery/Quality Assurance Meetings for issue elevated to the SCM level

6.5   Supplier Development Lead (SDL)

    6.5.1   Responds to the Supplier Development Request within 1 business day.

    6.5.2   Verifies with the requestor that all escalation steps have been complete, the buyer has all the background necessary for the DAR/SDS to get started, and that all necessary project information (Revenue Impact Priority, Root Cause Code, etc.) has been captured on the DA Tracker

    6.5.3   Negotiates coverage using the available internal or external resources.

    6.5.4   Supports the recurring Delivery/Quality Assurance Meetings and ensure that the DA Tracker is updated

    6.5.5   Supports the recurring Senior Level – Delivery/Quality Assurance Review using metrics generated from the project tracker

    6.5.6   Ensures DAR/SDS's are notified of surveillance level changes once the measures of success are achieved

6.6   Delivery Assurance Representative/Supplier Development Specialist (DAR/SDS)

    6.6.1   Introduces themselves to the supplier after verifying the buyer has notified that they have been assigned as a TGI agent (per 6.1.5)

    6.6.2   Coordinates a download meeting with the buyer to review the pertinent background information and history regarding the supplier (see 6.1.4)

    6.6.3   Defines expectations, cadence, part priority, and reporting protocols with the buyer

    6.6.4   Coordinates an introductory meeting at the supplier's facility or virtually if this has not already been coordinated by the buyer (6.1.6) or SDS

assigned to the supplier (6.2.1).

    6.6.5   Establishes an agreed schedule to receive updates from the supplier using the Progress Tracking Documents.

    6.6.6   Coordinates an agreed schedule with the buyer to provide timely interim updates

    6.6.7   Supports the recurring Delivery/Quality Assurance Meetings

    6.6.8   Notifies the buyer and/or SDS of any systemic issues (bottlenecks, outside process management, etc.) identified for further analysis

6.7   Reviews the completed Progress Tracking Documents with the supplier, buyer and/or Quality Representative to ensure a seamless handoff upon completion of the assignment

6.8   Regional Office Team

    6.8.1   Assume the responsibilities of a DAR/SDS per 6.5 when functioning in that role

    6.8.2   Receive and review the DOB every other week when supporting TGI sites that have this Syteline functionality

7. Procedure

7.1   Delivery/Quality Issue Identified

    7.1.1   Completion of all Buyer and SCM Responsible tasks from the Delivery Assurance Escalation Checklist (Section 8.2)

    7.1.2   SCM decision to approve deploying DA assistance to a supplier with a defined measure of success

    7.1.3   Completion of the Delivery Assurance Approval Flowchart (Section 8.1)

7.2   Delivery Assurance Request

    7.2.1   The requesting Triumph site shall complete the Supplier Development Request Form located in SharePoint, Supplier Development Requests - New Item (sharepoint.com)**.**

    7.2.1.1   The request must include:
        i.   Title (brief description)
        ii.   Date Requested
        iii.   Operating Company
        iv.   Supplier TA# (or name if TA# is n/a)
        v.   Supplier Contact
        vi.   Supplier Contact Phone #
        vii.   Supplier Contact E-mail Address
        viii.   Issue Type (Delivery Delay, Sourcing Board Request, Commodity Strategy Request, Customer Request or SCMP 3.3 On-Site Audit Request, Capacity Review, Quality/Process Escalation)
        ix.   Triumph Contact Name
        x.   Triumph Contact Phone
        xi.   Description of Situation (potential project scope)

xii. Program Name

xiii. Description of Request; issues/impact to the business or a justification for Supplier Development engagement (i.e., Critical Component, Long Lead Time, High Volume, Directed Source Sole Source, etc.)

xiv. Deliverables/Expectations

7.2.2 The Request will be compiled into a database and an acknowledgement of the request will be provided to the originator within one business day

7.3 Delivery Delay/Quality Issue Request Response

7.3.1 The Supplier Development Lead shall:

7.3.1.1 Review the current resource deployment matrix to confirm that existing resources currently at the supplier, or resources at nearby suppliers, are unable to support the surveillance request

7.3.1.2 Verify the priority and frequency of the proposed on-site/virtual DAR/SDS presence

7.3.1.3 Verify initial Project Scope, Engagement Period, and Measure of Success

7.3.1.4 Coordinate the assignment of appropriate DAR/SDS resources

7.3.1.5 Notify buyer and SCM of the assigned DAR/SDS

7.4 Delivery Assurance Representative/Supplier Development Specialist (DAR/SDS) Deployment

7.4.1 The buyer will contact the supplier notifying them that a Delivery Assurance Representative (DAR/SDS) is being enlisted to act as TGI's agent to manage the Progress Tracking Document.

7.4.2 The DAR/SDS coordinates an on-boarding meeting with the buyer to review all the pertinent background information including part numbers, purchase order numbers, purchase order line quantities, need dates, the latest supplier commitment dates and containment/corrective actions.

7.4.3 Once the DAR/SDS has received all the background information and confirmed that the buyer has notified the supplier that TGI is assigning a DAR/SDS, the DAR/SDS will introduce themselves to the supplier. The communication should include a proposed date for an introductory meeting at the supplier's facility/virtually if this has not already been coordinated by the buyer.

7.5 Delivery Assurance On-Site/Virtual Operations

7.5.1 The DAR/SDS will establish an agreed schedule to receive updates from the supplier to the Progress Tracking Documentation

7.5.2 The DAR/SDS visits supplier's facility/conducts virtual meeting at the agreed schedule to verify the status of all parts on the open order report to ensure alignment with Progress Tracking Documentation.

7.5.3 The DAR/SDS coordinates an agreed schedule with the buyer and

provides timely interim updates and observations

7.6   Delivery Assurance/Quality Issue Oversight

    7.6.1   Interim updates from the DAR/SDS to the buyer are summarized and presented at the recurring Delivery/Quality Assurance Meeting by the assigned SCM lead

    7.6.2   Metrics from the project tracker used during the Delivery/Quality Assurance Meeting are used to support the Senior Level – Supplier Performance Review

7.7   Project Close Out

    7.7.1   The SDL monitors progress towards each project's measures of success discussed in the Delivery/Quality Assurance Meetings and notifies the DAR/SDS when the goal has been achieved. If the project's measures of success cannot be achieved in a timely manner due to systemic supplier performance issues, the buyer should initiate a Supplier Performance Improvement Program per SCMP 2.2.

    7.7.2   Upon completion of the assignment, the DAR/SDS reviews the Progress Tracking Document with the buyer and supplier to ensure a seamless handoff.

7.8   Stakeholder Quarterly Reviews

    7.8.1   The SDL shall meet with Sites/OPCO's and Enterprise Supply Chain Management at least once a quarter to review data, metrics & future activities/actions

    7.8.2   The SDL shall meet with any third-party contract labor providers at least once a quarter to review performance and provide feedback
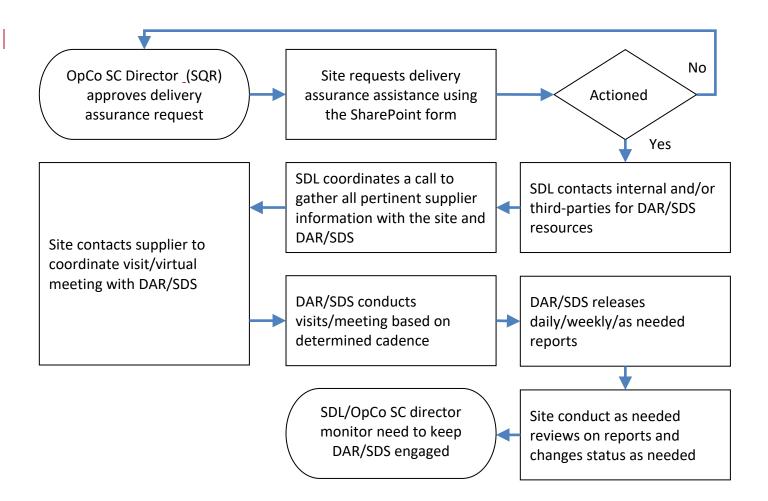
8.   **Reference Documents, Appendices and/or Flowcharts**

8.1   Delivery Assurance Representative/Supplier Development Specialist Approval Flowchart

8.2   Delivery Assurance Checklist

Ownership	Standard Work Guidelines & Expectations

Buyer	❑ PO has been issued and delivery date has been confirmed by the supplier
	❑ Distribute and review Open Order Report (OOR) with supplier
	❑ Recurring communication with supplier on OOR (confirm promise dates)
	❑ Perform PO Maintenance based on regular reviews with suppliers:
	  ❑ PO Acknowledgment/Confirmation
	  ❑ Lead-Time Confirmation – Update in System if Required
	  ❑ Split lot Opportunities
	  ❑ Expedite Opportunities
	❑ Provide Forecast to Supplier
	❑ Request Supplier Line of Balance (LOB) and/or WIP Plan

Supplier Quality Rep.	❑ Quality notification (QN/NOE, etc.) has been issued and discussed with SCM and Supplier ❑ Recurring communication with supplier on part non-conformance ❑ Create and send eSCAR, RCCA and/or SPIP
Regional Office	❑ Receive Syteline-generated Demand Order Board (DOB) report every 2 weeks. ❑ Review all open POs on the DOB with the assigned suppliers and negotiate commitment dates. ❑ Ensure suppliers input negotiated commitment dates for the buyer's review. ❑ Renegotiate commitment dates as required by the buyer
Supply Chain Manager	❑ Review and confirm Buyer completed their ownership tasks ❑ Request any missing information buyer was unable to obtain ❑ Implement/Engage Calls with Supplier's Management ❑ 5-Why action plan – Why is Delivery Late (Under Lead-time order, Supplier capacity issue, design/technical issue, quality, material) ❑ Determine if other TGI sites are utilizing this supplier and leverage any relationships to improve delivery schedule. ❑ Visit Supplier for On-Site/Virtual Meeting (if practical) ❑ Determine if Delivery Assurance Team engagement and oversite is required. If yes, ensure the Supplier Development Request Form has been submitted and fully populated with all required data.
OpCo Director	❑ Review and confirm Supply Chain Manager completed their ownership tasks ❑ Review Root Cause of Delay and Engage Supplier's Senior Management ❑ Conduct Business Review with Supplier ❑ Engage Customer when required ❑ Approve Delivery Assurance Team engagement and oversites ❑ Determine if supplier charge backs are warranted and amounts_
Supplier Development Team	❑ Review and confirm OpCo Director completed their ownership tasks ❑ Review Call Cadence, Progress Tracking Documentation provided by Supplier ❑ Supplier Scorecard Review; OTD, OTIF, Quality & Spend ❑ Determine if Capability Assessment on File ❑ Determine if Supplier Rate Readiness/Capacity Review is required ❑ Leverage other Facilities, Sites, Management ❑ Align Third-Party Delivery Assurance with priority ❑ Validate Root Cause Code during on-site/virtual visit ❑ Reference SQAM for root cause corrective action

VP Supply Chain	❑ Review and confirm SDT completed their ownership tasks ❑ Periodic/Regular Senior Management Reviews ❑ Performance Assurance Letter ❑ Program/Business Review (Deep Dive) ❑ Weekly Shortage Report & Inventory Review ❑ Approve supplier charge back amounts

8.3　　Engagement Escalation Accountability (EEA) Matrix

Any or all of these risks may be added to the Tracker as needed by the business.

Supplier Escalation Matrix	Delivery Risk	AND/OR	Revenue Impact
TGI VP Supply Chain (EVP or CEO by Request)	>181 days risk	and/or	> $5M
OPCO or Site and Supply VP Supply Chain	91 - 180 days risk	and/or	$1M - $5M
Opco Supply Chain Director	46 - 90 days risk	and/or	$251K - $1M
Opco Site Supply Chain Manager	16 -45 days risk	and/or	$101K - $250K
Opco Buyer	Anticipated Delivery Delay	and/or	< $100K
Supplier Escalation Matrix	**Quality Issue***	**AND/OR**	**Quality Yield**
TGI VP Supply Chain (EVP or CEO by Request)	Flight safety risk/NOE DOD Critical	and/or	<90%
OPCO or VP Supply Chain and Sr. Director Quality	Flight safety risk/NOE DOD Critical	and/or	<96%
OPCO Quality and Opco Supply Chain Director	Impact to the customer	and/or	<98%
Site Quality and OPCO/Site Supply Chain Manager	Impact to production	and/or	<99.5%
Supplier Quality or equivalent	1 or more with high risk of impact to production	and/or	<99.5%

*Quality Issue- Significant quality issue that requires recall from customer and/or impacts production.

9.　　Training Document

9.1　　SCMP 9-2 Supplier Development Training Presentation - located in the SharePoint, [MyTriumph]( ) > [Corporate Groups]( ) > [Enterprise Supply Chain]( ) > [Public Documents]( ) > [Supplier Development Documents]( ) > [Training and Skills Matrix]( )

10.　　Revision History

Revision Level	Description of Change	Effective Date
Original	New Document	01 April 2020
Rev A	Incorporation of Escalated Quality as a Root-Cause Code and all the relative actions required to address Escalated Quality issues.	01 December 2021

11.   Approvals (Authorizing Signatures on File)

/s/ Deb Trailor, Director Supply Chain, Triumph Group