1. **Process Owner**

1.1 Triumph Group Quality Management and Triumph Group Supply Chain

Management.

1. **Applies To**

2.1 Triumph Group Supply Chain Management, Triumph Group Quality Management

and Triumph Group Companies as noted in the Triumph Group Supplier Quality Assurance Manual (SQAM001).

1. **Purpose**

3.1 The purpose of this document is to define methods used to address and process chronic

and/or severe performance issues associated with Triumph Group approved suppliers.

3.2 The Supplier Performance Improvement Program (SPIP) may be initiated by either Triumph

Group or Triumph Group Company. Triumph Group may invoke SPIP for enterprise level Supplier performance issues and Triumph Group Companies initiate SPIP for Triumph Group Company Level Supplier performance issues.

3.3 Triumph Group and Triumph Group Company personnel shall coordinate activities when

Suppliers are placed in SPIP.

1. **Reference Documents**
   1. 4.1 SCMP 2.1 – Supplier Corrective Action

4.2 SCMP 3.1 – Supplier Approvals and Applications

4.3 SCMP 4.1 - Delegated Product Release Verification Program

4.4 SCMP 7.1 – Supplier Quality Alerts

4.5 SCMP 8.2 - Supply Chain Source Surveillance

4.6 SQAM001 – Triumph Supplier Quality Assurance Manual

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| **5. Definitions and Acronyms** | | |
| 5.1 | Corrective Action | Actions planned and implemented to eliminate or reduce the causes of a nonconforming product, process or service in order to prevent recurrence. |
| 5.2 | Initiator | SPIP Initiator |
| 5.3 | SPIP | Supplier Performance Improvement Program |
| 5.4 | SQAM001 | Triumph Supplier Quality Assurance Manual |
| 5.5 | Supplier Appraisal | A formal documented activity performed at a Supplier’s facility by Triumph personnel or their delegate in order to assess compliance with targeted systems and measures of performance prior to addition to the Triumph Group Approved Supplier List. |
| 5.6 | Triumph Group ASL | Triumph Group Approved Supplier List |
| 5.7 | Triumph Group Company ASL | Triumph Group Company Approved Supplier List is a subset of the Triumph Group Approved Supplier List |
| 5.8 | Triumph Group Company | A Triumph Group Company Location |
| 5.10 | [triumphsupplysource.com](http://triumphsupplysource.com) | Triumph Supplier Portal. Website that houses the Triumph Group approved supplier list, supplier performance and supplier requirements. Often referred to as “the system” or “the portal”. |

**6. Responsibilities**

6.1 Triumph Group Quality Management and Triumph Group Company Quality

Management are responsible for managing the Quality portion of the SPIP process defined in this document and shall act as the communication medium to the Supplier during the SPIP process as defined in this document. No technical data is to be included in the SPIP unless the necessary Export Jurisdiction and Classification has been performed and all necessary licenses are in place.

6.2 Triumph Group Supply Chain Management and Triumph Group Company Procurement

Management are responsible for managing the Procurement portion of the SPIP.

* 1. Additional responsibilities are defined in the procedure body.

**7. Procedure**

7.1 Upon management discretion a formal notification will be issued to suppliers with

poor performance via Form SCMP 2.2 (b) Supplier Notification of Poor Performance. The notification may be sent out in leu of initiating the SPIP process.

7.2 SPIP Process Initiation

7.2.1 SPIP process can be initiated by the following Triumph entities when supplier performance issues occur:

7.2.1.1 Triumph Group Company,

7.2.1.2 Triumph Group Quality Management,

7.2.1.3 Triumph Group Supply Chain Management

7.2.2 The SPIP initiator shall consider initiating the SPIP process in the event of chronic quality or delivery performance issues.

7.2.2.1 Issues that may be out of the control of the supplier may relieve the supplier from being placed into SPIP. Such issues may include but are not limited to; defective or worn customer tooling, customer drawing errors, etc. If these issues are to occur, they are to be recorded in the supplier’s profile located within [triumphsupplysource.com](http://triumphsupplysource.com).

7.2.3 At the discretion of the initiator, supplier source surveillance may also be imposed and shall be managed in accordance with SCMP 8.2 - Supply Chain Source Surveillance.

7.2.4 If the supplier is approved in accordance with SCMP 4.1 - Delegated Product Release Verification Program appropriate actions shall be taken in accordance with SCMP 4.1

7.3 SPIP Notification

7.3.1 Internal Triumph Group notification of SPIP activities shall occur at least 5

business days prior to supplier notification of SPIP action.

7.3.1.1 Notification shall occur to Triumph Group Supply Chain Management, Triumph Group Companies utilizing the Supplier.

7.3.1.2 Notifications shall include, but are not limited to SCMP 7.1 – Supplier Quality Alerts

7.3.2 After the 5-day notification period, Triumph Group Quality (if Triumph Group initiated) or Triumph Group Company Quality (if Triumph Group Company initiated) will formally issue formal notifications via Form SCMP 2.2 (a) Supplier Performance Improvement Program Notification Letter to the Supplier.

7.3.3 The letter shall identify the issues that necessitated the need for initiating the SPIP process and provide a brief outline of the SPIP process.

7.3.4 During the SPIP process, the supplier may be placed on “Probationary Approval” status at the Triumph Group Company level on [triumphsupplysource.com](http://triumphsupplysource.com).

7.4 Problem Definition Meeting

7.4.1 The initiator shall schedule a Problem Definition Meeting with the supplier to define the problems.

7.4.1.1 Meetings can be held at the supplier’s business location, the Triumph Group Company or via electronic media. The method of communication is at the discretion of the SPIP initiator.

7.4.1.2 The SPIP initiator shall lead and document the meeting with the Supplier.

7.4.1.2.1 Triumph attendees may include affected Triumph Group Quality, Triumph Group Supply Chain and affected Triumph Group Company personnel.

7.4.1.2.2 Supplier attendees shall include the supplier’s management, including as appropriate leadership from the Operations and Quality functions.

7.4.1.3 Agenda items for the meeting include:

7.4.1.3.1 Overview of the SPIP process.

7.4.1.3.2 Review of past performance data, quality or delivery incidents, notification of escapes and/or supplier corrective actions that have been issued and prompted the initiation of the SPIP process

7.4.1.3.3 After the issues that triggered the SPIP are reviewed and agreed upon by both parties, the supplier shall provide a commitment to identify root causes(s) and discuss a preliminary recovery plan which identifies key deliverables for the recovery plan phase of the SPIP process. At that time, an E-SCAR shall be initiated to record the supplier activity per SCMP 2.1 – Supplier Corrective Action.

7.4.1.3.4 If the supplier refuses to accept responsible for performance shortfalls or participate in the SPIP process, they shall be considered for removal from the Triumph Group Approved Supplier Listing.

7.5 Recovery Plan

7.5.1 Within 14 business days of the Problem Definition Meeting and the initiation of the E-SCAR, the supplier is required to submit a detailed recovery plan to the initiator via the SCMP 2.1 – Supplier Corrective Action E-SCAR process for evaluation that includes but is not limited to the following:

7.5.1.1 Identification of root causes(s) or each issue identified in the Problem Definition Meeting,

7.5.1.2 Corrective action plan(s),

7.5.1.3 Specific task(s), schedule(s), responsibilities and deliverables,

7.5.1.4 Assignment of supplier resources,

7.5.1.5 Defined target implementation dates

7.5.2 The initiator shall inform the Triumph Group/Company Supplier Quality (Quality related) or Triumph Group/Company Supply Chain (Delivery related) of the supplier’s recovery plan and if required, notify the supplier on any necessary changes and set a date for the Progress Review Meeting.

7.6 Progress Review Meeting

7.6.1 The initiator shall convene a Progress Review meeting at an appropriate, agreed upon interval to review the supplier’s recovery plan performance and progress.

7.6.1.1 Meetings can be held at the supplier’s business location, Triumph Group Company location or via electronic media. The method of communication is at the discretion of the initiator.

7.6.1.2 The initiator shall lead and document the meeting.

7.6.1.2.1 Triumph attendees should include any affected Triumph Group or other Triumph Group Company personnel.

7.6.1.2.2 Supplier attendees shall include the supplier’s management, including as appropriately leadership from the Operations and Quality functions.

7.6.1.3 Agenda items for the meeting shall include:

7.6.1.3.1 The initiator shall provide supplier’s recovery plan, any or all submitted data from the supplier to all participants for review to determine compliance and evidence of improvement.

7.6.1.3.2 The supplier shall provide to all participants any or all data “not previously submitted” to the initiator for review that would support compliance and evidence of improvement.

7.6.2 Post Progress Review Meeting Actions

7.6.2.1 Upon completion of the evaluation, a determination shall be made if the supplier has effectively complied with the recovery plan and has shown improvement as follows:

7.6.2.1.1 At any time during the probationary period or at Triumph discretion, the initiator may recommend that the supplier be returned to “Approved” status or be “Terminated” if sufficient evidence can be provided in either case.

7.6.2.1.2 At the discretion of the initiator, on-site verification at the supplier’s facility may be performed to verify effectiveness of the corrective action as applicable

7.6.2.1.3 If at the end of the designated probationary period the supplier has demonstrated the ability to sustain an acceptable level of performance they, will have their Probationary status changed on [triumphsupplysource.com](http://triumphsupplysource.com) and returned to “Approved” status, if previously placed on probation.

7.6.2.1.4 When a decision is made to remove the supplier from SPIP, the initiator will notify the supplier in writing. The initiator shall continue to monitor the supplier’s on-going performance.

7.6.2.1.5 Triumph shall record the results of the SPIP and close the supplier E-SCAR.

7.6.2.2 If the supplier has not effectively executed the recovery plan and/or effectiveness cannot be verified via desktop then the initiator may:

7.6.2.2.1 Arrange for an on-site verification to be conducted to verify the implementation and effectiveness of the corrective action as applicable.

7.6.2.2.2 If on-site verification proves to be effective, then the initiator shall proceed in accordance with Para 7.6.2.1.

7.6.2.2.3 If the on-site verification proves that the supplier was not effective, then at the discretion of the initiator the supplier may remain in the “Probationary” status and a date shall be set for a for a subsequent Progress Review Meeting.

7.6.2.2.4 The supplier may be “Terminated” at the Triumph Group Company level or “Inactivated” at the Triumph Group level based upon insufficient objective evidence of improvement. Terminated or Inactive status shall be maintained in accordance with SCMP 3.1.

7.6.2.2.5 Triumph shall record the results of the SPIP and close the supplier E-SCAR.

1. **Appendices and/or Flowcharts**
   1. None

**9. Required Forms**

9.1 None

**10. Required Records**

* 1. Supplier E-SCAR

**11. Training Materials**

* 1. None

**12. Revision History**

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| --- | --- | --- |
| **Revision Level** | **Description of Change** | **Effective Date** |
| Original | New Document | 10 Sept 2007 |
| A | Added paragraph 6.12.5 to add requirements for customer directed and/or sole source suppliers | 15 July 2013 |
| B | Document wide changes too widespread to indicate via change bars | 01 April 2014 |
| C | Revised to remove reference to Business Unit and replace with Triumph Group Company(s) | 23 June 2017 |
| D | Revised para. 6.1, 6.2, 7.2.1.1, 7.2.2, 7.2.4, 7.4.2, 7.3.1.2.1, 7.5.2.1.3 | 14 Feb 2018 |
| F | Added paragraph 7.1 and required Form SCMP 2.2 (b) Supplier Notification of Poor Performance | 10 Aug 2018 |
| G | Removed reference to Supplier Quality, added requirement to submit Supplier Quality Alert | 20 Jan 2022 |

**13. Approvals (Authorizing Signatures on File)**

Director, Supplier Performance, Triumph Group Inc. 20 Jan 2022