

**SQP-SO-74-0004 – Supplier Quality Requirement**

**Appendix E – Supplier Escalation Procedure**

**Rev No: E**

**Issue Date: 01-Apr-2019**

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**1 SCOPE AND PURPOSE**

This process is applicable if the Supplier fails to meet Strata Minimum Expectation of Grade “B” according to **SQP-SO-74-0004 Appendix A** for consecutive three months / three deliveries.

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**3 LIST OF CHANGES**

Rev.	Issue Date	Page	Report
A	10-Nov-2015	All	Initial release
B	01-May-2018	All	Updated entire document
C	09-Dec-2018	All	CAPA escalation process defined and Escalation stages redefined
D	10-Jan-2019	2, 3, 4	Removed reference to SQF-SO-74-0016 and correction of IP lead times
E	01-Apr-2019	All	Escalation stages revised and timelines clarified

**4 INPUTS**

Supplier Monthly Performance Rating

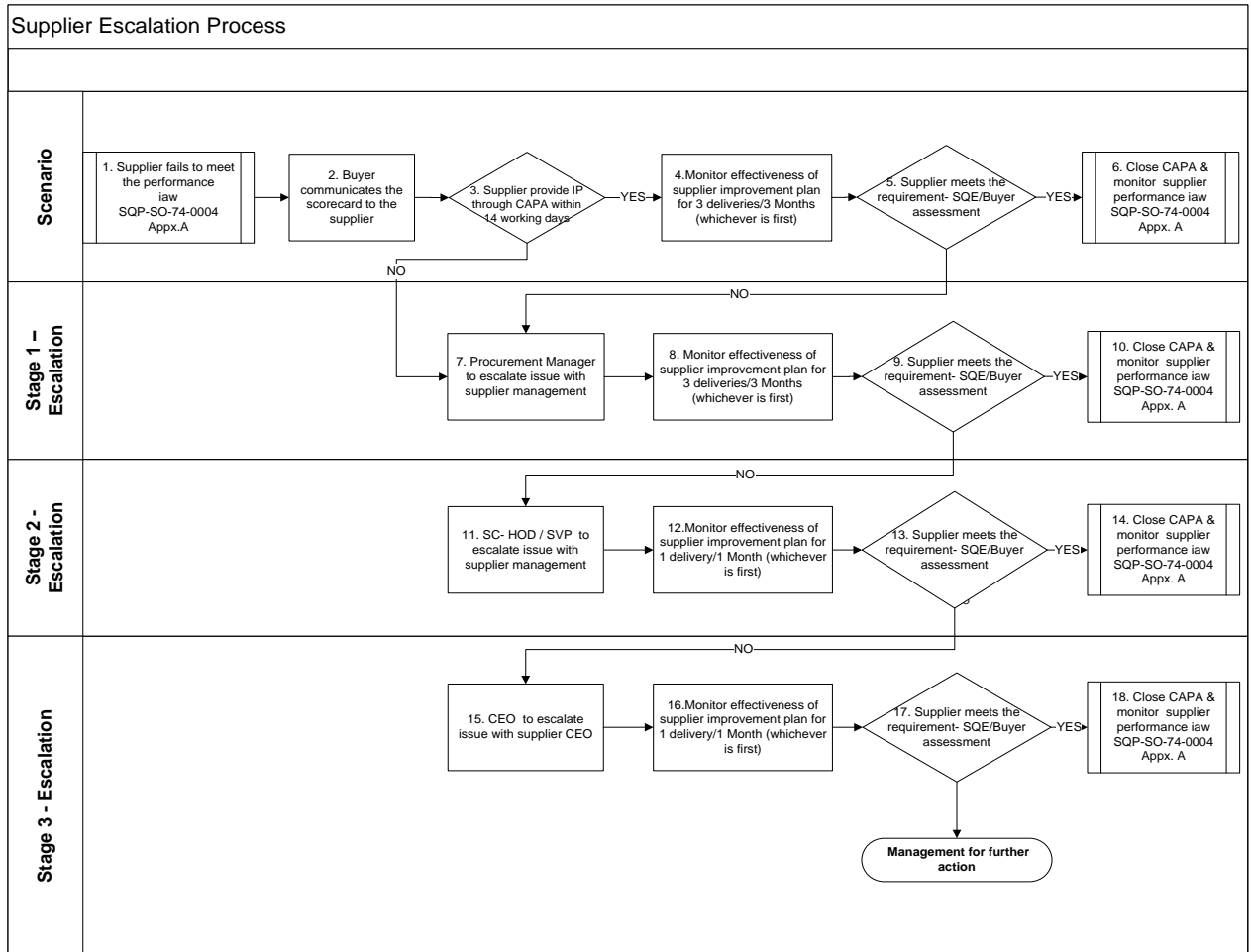
**5 DEFINITION / ABBREVIATIONS**

8D	8 Discipline
CAPA	Corrective Action and Preventative Action
HOD	Head Of Department
IP	Improvement Plan
OEM	Original Equipment Manufacturer
SC	Supply Chain
SQA	Supplier Quality Assurance
SVP	Senior Vice President

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Department: Supplier Quality Date: 01 April 2019	Department: Quality Date: 1.4.19
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Department: Supply Chain Date: 01 April 2019	Department: Quality Date: 02 Apr. 2019

## 6 PROCESS ACTIVITIES AND DETAILS

### 6.1 PROCESS FLOW CHART



### 6.2 PROCESS STEPS

Below steps are followed.

#### 6.2.1 Scenario

1. In case the Supplier fails to meet the performance in accordance with SQP-SO-74-0004 the relevant communication shall be sent to the Supplier by the responsible Buyer/ procurement team via Supplier Scorecard seeking for their CAPA to improve / resolve the gaps / issues identified.
2. Supplier shall provide the below Improvement Plan (IP) to:
  - Buyer for Recovery plan, LOB for delivery issues
  - SQA for 8D related Quality issues
 within 14 working days. Failure to meet this requirement shall result in Escalation to the Stage 1.

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3. Internal stakeholders (Procurement / SQA) will review the Supplier IP. Effectiveness of the IP will be monitored for three consecutive deliveries / months, whichever comes first.
4. If the IP is effective then the identified gap / issue shall be closed and supplier shall be monitored further in accordance with SQP-SO-74-0004 Appendix A. If the supplier does not meet the requirements in scenario defined, the issue will be escalated to **Stage 1**.

**6.2.2 Stage 1**

5. The **Strata Procurement Manager** shall escalate the issue to the **Supplier Management**, to ensure the supplier commitment to resolve the gaps/ Issue.
6. Monitor effectiveness of supplier IP for 3 deliveries / 3 months (whichever is first) after **Stage 1** escalation.
7. If the Supplier response/action to Strata Escalation is effective then the issues / gaps will be closed and supplier will be monitored in accordance with SQP-SO-74-0004 Appendix A. If the supplier does not meet the requirements in **Stage 1**, the issue will be escalated to **Stage 2**. In addition Strata may enforce the below;
  - a) Increased containment activities (i.e. 100% or 3<sup>rd</sup> party sorting)
  - b) Supplier visits and onsite audits
  - c) Weekly and/or daily phone conversations to resolve issues
  - d) Monthly follow-up and reporting activity.

**6.2.3 Stage 2**

8. The **Strata SC HOD/SVP** shall escalate the issue to the **Supplier Senior Management (CEO/Managing Director)**, to ensure the supplier commitment to resolve the gaps/ Issue.
9. Monitor effectiveness of supplier IP for 1 delivery / 1 month (whichever is first) after **Stage 2** escalation.
10. If the Supplier response/action to Strata Escalation Letter is effective then the issues / gaps will be closed and supplier will be monitored in accordance with SQP-SO-74-0004 Appendix A. If the supplier does not meet the requirements in **Stage 2**, the issue will be escalated to **Stage 3**. In addition Strata may enforce the below;
  - a) Re-evaluation of the Supplier / Scope of work.
  - b) Put current business on hold
  - c) Block the Supplier in accordance with SQF-SO-74-0020
  - d) Escalate to OEM (Ex: - Airbus, Boeing etc.).

#### **6.2.4 Stage 3**

11. The **Strata CEO** shall escalate the issue to the **Supplier Senior Management (CEO)**, to ensure the supplier commitment to resolve the gaps/ Issue.
12. Monitor effectiveness of supplier IP for 1 delivery / 1 month (whichever is first) after **Stage 3** escalation.
13. If the Supplier response/action to Strata Escalation Letter is effective then the issues / gaps will be closed and supplier will be monitored in accordance with SQP-SO-74-0004 Appendix A. In case the issue is not resolved Strata Management may reinforce any of the below actions on the Supplier;
  - e) Re-evaluation of the Supplier / Scope of work.
  - f) Put current business on hold
  - g) Block the Supplier in accordance with SQF-SO-74-0020
  - h) Escalate to OEM (Ex: - Airbus, Boeing etc.)

## **7 RELATED DOCUMENTS**

- |                |  |
|----------------|--|
| SQP-SO-74-0004 | Appendix A – Supplier Rating and Monitoring System |
| SQF-SO-74-0020 | STRATA Supplier Removal Document                   |