

**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

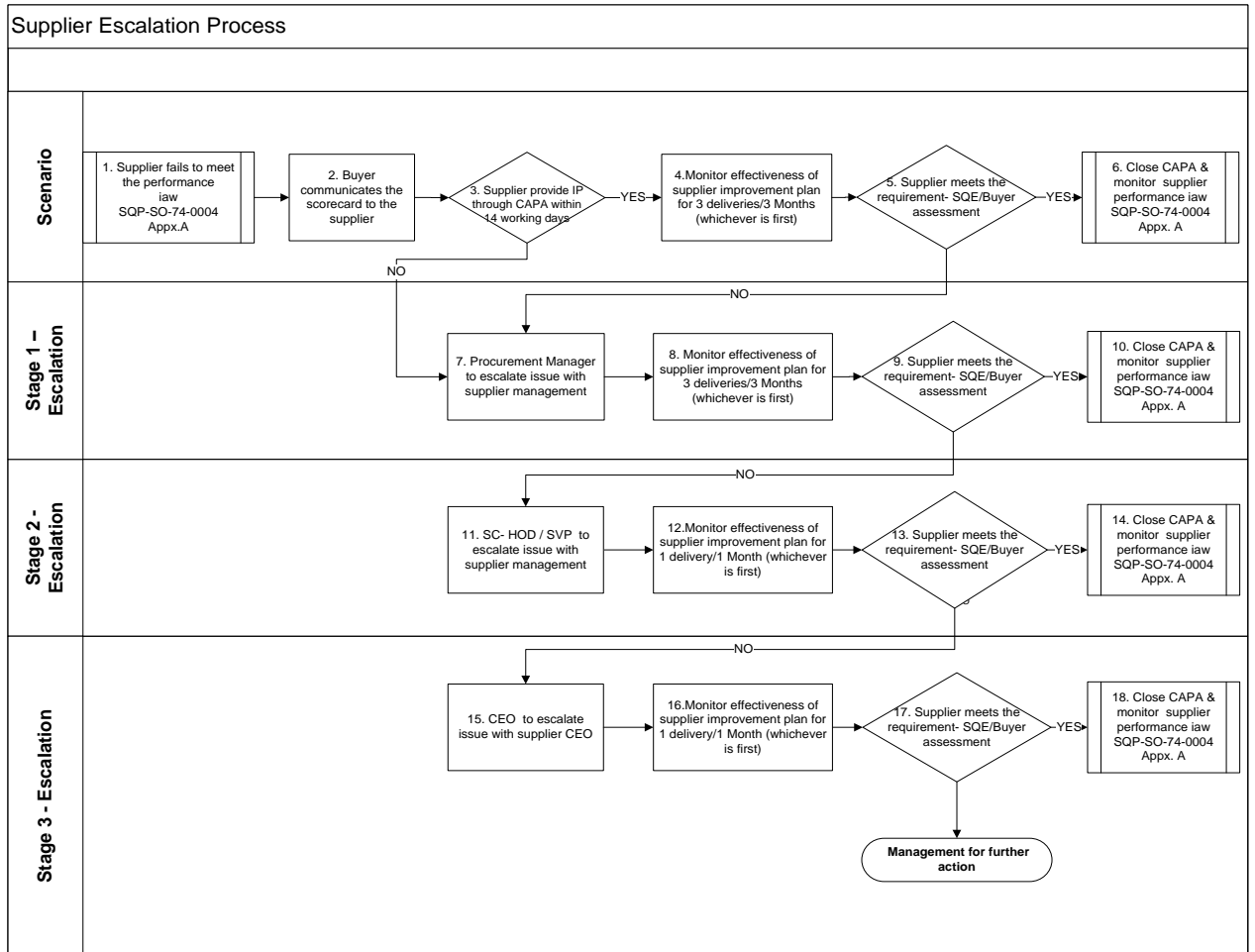
**5 DEFINITION / ABBREVIATIONS**

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

Prepared by: Ghubaisha Al Ameri	Checked by: Marcin Lesicki
Department: Supplier Quality Date: 01 April 2019	Department: Quality Date: 1.4.19
Checked by: Julian Jane	Approved by: Demetris Demetri
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                   |