TITOMIC QUALITY REQUIREMENTS FOR SUPPLIERS

SCM-013 V2.0

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CONTENTS

1. SCOPE

The purpose of this procedure is to communicate Titomic Quality Management System (QMS) requirements to Titomic suppliers. This document is an expression of expectation by Titomic on all suppliers (also called 'External Provider/s' or Seller/s'). These requirements also apply to the supplier's sub-tiers where applicable.

The Quality Management System requirements stated in this document are complementary to instated contractual, regulatory, and legal requirements, they are not optional. The supplier is required to effectively implement the following Titomic quality requirements unless otherwise specified by the purchase contract or unless otherwise agreed to in writing from Titomic Quality Department.

Please notify the Titomic Quality Department on a timely basis if your organisation is unable to comply with the requirements in this document. The Seller is contractually responsible to maintain an effective Quality Management System to ensure product and process integrity.

2. APPLICABILITY

TITOMIC ISO 9001 QMS

TITOMIC AS 9100 QMS

3. ABBREVIATIONS

CAR	Corrective Action Request/Report
COC	Certificate of Conformance
COP	Condition of Part
FAI	First Article Inspection
FOD	Foreign Object Damage/Debris
NCR	Non-Conformance Report
PO	Purchase Order
RCA	Root Cause Analysis
RCCA	Root Cause Corrective Action
SIP	Supplier Improvement Plan
SM	Supplier Management
SOP	Standard Operating Procedures
QA	Quality Assurance
QC	Quality Control
QMS	Quality Management System
WO	Work Order
WI	Work Instructions
DPD	Digital Product Definition
MBD	Model Based Definition

4. DEFINITIONS

Accountable Tooling – Accountable tools are those that are owned by Titomic or Titomic's customer used for manufacture or inspection of product.

Approved Titomic Supplier – A Seller who is listed on the Titomic Approved Supplier List (ASL) that has a Quality Management System that has been evaluated by Titomic and confirmed to be acceptable to Titomic requirements.

Batch/Lot - A quantity of some commodity of a single grade, class or composition produced under the conditions which are considered uniform and manufactured under the same conditions at essentially the same time.

Condition of Part – A definition of a Titomic product or service ordered that has a planned configuration listing specific requirement.

Corrective Action – A formal process to identify and eliminate root cause to prevent recurrence of an identified problem/issue.

Disapproved Supplier – A Titomic Supplier may be disapproved on the Titomic ASL due to major findings or unresponsive corrective action.

First Article Inspection – A planned, complete, independent, and documented inspection and verification process to validate conformance of product to customer requirements (PO, COP, Type Design, Engineering Drawings and Specifications and others.)

Non-Conformance – A failure of a product characteristic or test result which does not meet requirements specified on a PO, COP, Engineering Drawing, Specification, or other approved data.

Non-Compliance – Failure to adhere to a Quality Management System requirement on the basis of no objective evidence to support compliance.

> **Major NC** – The total breakdown of a quality management system process/ element that is detrimental to the integrity of product.
>
> **Minor NC** – A single Quality Management System failure or lapse. Note - multiple or repetitive minor non-conformities against one requirement can represent a total breakdown of system.

Probation – A Seller may be placed on Probation status when their performance fails to meet Titomic's expectations and/or if the Seller is unresponsive to corrective action requests. Probation status may result in a requested Supplier Improvement Plan (SIP) from the Seller. Probation status may affect the Sellers Scope of Approval, ability to bid on new work etc., at Titomic's discretion.

Purchase Order – A contractual Document that defines all elements and requirements for the supply of product to Titomic.

Supplier/Seller/External Providers – The entity supplying product or service to Titomic under terms of a contract.

Scope of Approval – The category or range of products, services, or special capabilities that a Seller has been evaluated to provide to Titomic.

5. REFERENCES

ISO 9001Quality Management System (QMS)

AS 9100 QMS for Aviation, Space, and Defence Organisation

6. QUALITY REQUIREMENTS

6.1. CUSTOMER APPROVALS

The Seller must ensure that, when applicable, sources compliance with end customer approvals or only end customer approved sources are used. If in doubt, please contact Titomic for clarification.

6.2. CHANGES IN COMPANY OWNERSHIP AND SENIOR REPRESENTATIVES

The Seller shall promptly notify Titomic in writing of any name change or ownership of the company. The Seller shall notify Titomic of any changes to their Senior Quality representative, including Quality Management Representative, in writing.

6.3. ACCESS TO SELLER FACILITIES (RIGHT OF ENTRY)

The Seller, Seller's Sub-Tier or Sub-Contractor shall provide reasonable access or assistance to Titomic, Titomic's customer and/or Regulatory representatives to perform QA activities such as audits, inspections or assessments related to agreed contracts.

6.4. LANGUAGE

The Seller shall maintain an English translation of its Quality Manual, Quality Procedures, Work Instructions, and other applicable documented information.

6.5. USE OF DISTRIBUTORS

The Seller shall review, evaluate, and select distributors as appropriate considering customer specific requirements and the distributors' Quality Management System certification.

6.6. SPECIAL PROCESS APPROVALS

The Seller must ensure that any Special Process / Customer approvals they or their Sub-tiers have is adequately maintained. Titomic shall be immediately informed if Seller or their Sub-Tier special process approval status changes (withdrawal, disapproval, or probation) or have an impact on Titomic procured products/services.

6.7. RISK MANAGEMENT PLAN OF SUB-TIER

Sellers are expected to utilise risk management techniques to prevent supply chain issues. Appropriate controls are required to be applied by the sellers on their direct or sub-tier external providers.

6.8. CORRECTIVE ACTION REQUESTS/REPORTS (CARS)

When requested by Titomic, Sellers are required to submit a CAR response including the following details:

1. immediate corrective action/correction (including direct cause and containment)

2. root cause analysis/definition (including RCA where applicable)
3. corrective actions to prevent recurrence.
4. verification of corrective actions
5. follow up on the effectiveness of corrective actions.

Objective evidence from the Seller is essential to support the CAR and progressive closure of actions up until CAR closure.

Titomic reserves the right to accept or reject a Sellers CAR response/evidence and request additional information or investigation as required.

6.9. DIGITAL DATA

Where applicable, seller to comply with digital data controls as per Titomic requirements. Digital data includes DPD/MBD.

6.10. SELLERS INSPECTION

Sellers shall perform effective inspection for, receiving, in-process and final inspections. Sellers shall verify that all products or services provided to Titomic, including those from Sub-Tiers, comply with all Titomic PO requirements prior to shipment to Titomic.

A copy of Inspection/Test Reports shall be provided to Titomic upon request.

6.11. VERIFICATION OF RAW MATERIALS

Test reports shall be checked 100% against the Sellers requirements and related specifications.

Sellers shall periodically validate test reports from raw material suppliers and consider historical performance to determine the validation test frequency.

The Seller shall retain test reports provided by raw material suppliers.

6.12. FIRST ARTICLE INSPECTION

FAI is not required for raw materials.

Where FAI is required for semi-finished or finished products, seller to comply with FAI as per Titomic requirements.

6.13. CONTRACT REVIEW

The Seller's stakeholders shall thoroughly review any new PO/Contract from Titomic including engineering drawings, specifications, condition of part or any other technical data provided. The Seller must consider their capabilities, capacity, equipment, resources, special processes, sub-tier work in meeting Titomic requirements.

The Seller shall maintain detailed objective evidence of all Titomic Contract Reviews.

6.14. DOCUMENT AND DATA CONTROL

The Seller shall maintain a master register for recording and controlling digital and hard copy documents including revision/issue status of all data supplied by Titomic.

Sellers are required to acknowledge any data received from Titomic and reply to Titomic with data acknowledgement within 14 days.

6.15. CONTROL OF NON-CONFORMING PRODUCT

All nonconforming parts must be segregated and identified. Requests for waiver/deviation may be lodged to Titomic for consideration via an NCR report.
Nonconforming parts must not be shipped without an approved NCR from Titomic.
The NCR must contain:

- Clear description of the non-conformance and requirement
- Reason on why the non-conformance has occurred.
- Justification for the acceptance of non-conformance
- Preventative and Corrective action(s) taken to avoid the reoccurrence of the non-conformance.

The Supplier is responsible to ensure that the time taken to process an NCR does not delay the delivery requirement.

6.16. NOTIFICATION OF ESCAPEMENT PROCESS

The Seller must ensure they provide prompt notification (3 business days) to Titomic of any non-conformance that exists on delivered product. Written notification shall be on the Seller's letterhead and contain the following information:

- Titomic Purchase Order number and line item
- The affected part numbers.
- Part name and description
- Serial/Batch/Lot number
- Manufacturing Date
- Delivery Date
- Quantity
- A clear and concise description of the non-conformance
- Any support data such as photos or inspection/test reports
- A detailed CAR that includes containment, direct cause, and others

6.17. PART MARKING AND TRACEABILITY

All products delivered to Titomic shall be traceable throughout the supply chain and manufacturing processes including all inspection points. Products will be part marked in accordance with customer requirements stated in Titomic PO, COP, Engineering Drawing or Specification. Parts/details in Kits shall be traceable to the prime part no, lot/batch no listed on the Sellers CoC.

6.18. GENERAL PACKAGING

Packaging shall be in accordance with Titomic contract.
On each individual package, whether part of a consolidated shipment or not, the following information shall be clearly shown:

- Titomic PO Number
- Titomic Part number
- Manufacturing Date or Shipment Date
- Quantity in package
- Gross mass of pack in kilograms
- Batch/Lot Number/Serial Number

6.19. DELIVERY/RELEASE CERTIFICATION

All products, parts, materials, tooling etc. shall be formally released by the Seller under a Conformity/Release Certificate declaring compliance of their product/service being in accordance with the applicable Titomic PO requirements.
The release document shall include;

- Seller's name and address
- A release document serial number
- Titomic PO Number, PO revision/issue, PO date and PO Line item #
- Part Number
- Part Quantity
- Specification and revision (where applicable)
- Sellers unique Serial/Batch/Lot number (where applicable)
- A statement certifying the conformity to the Titomic PO requirements
- Signed by the Sellers Management or Delegate
- Any applicable NCR's (open or closed)

Hand/manual amendments to release/test/inspection documents must be initialled/stamped and dated. Incomplete orders will require written authorisation from Titomic.

6.20. TRAINING AND CERTIFICATION OF PERSONNEL

The Seller shall ensure resources are adequately trained and certified when required by engineering drawing or specification to perform specific tasks. The Seller shall maintain a record of all training and certification required.

6.21. CONTROL OF TOOLING

The Seller shall maintain tooling in a good serviceable condition. Tooling provided by Titomic will be deemed to be received by the Seller in good order and condition unless the supplier notifies Titomic otherwise, in writing, prior to the use of the tooling.

Replacement or repair of tooling due to loss or abnormal wear shall be at the Sellers cost. Repair or modification to tooling must be requested in writing and accepted by Titomic prior

to the commencement of repair or modification(s). The acceptance of the components after repair or modification must go through FAI (First Article Inspection) process if the repair/modification affects dimensional features or part Fit/Form/Function as specified on the drawing and the requirements.

The Seller shall maintain a list of all Titomic tools used in their contract with Titomic. The Seller shall conduct a tool inventory audit every 2 years, and any worn, lost, or damaged tools shall be reported immediately. Tooling shall be properly identified.

6.22. FOREIGN OBJECT DAMAGE/DEBRIS (FOD) CONTROL

The Seller shall ensure all necessary steps have been taken to prevent foreign object damage/debris and contamination of parts, materials, and packaging. The Seller shall maintain a FOD prevention program that is appropriate for their business to prevent FOD contamination.

6.23. RETENTION OF RECORDS

All quality records shall be protected and maintained on file, be retrievable and traceable to the conformance or product/part numbers delivered to Titomic. Upon request from Titomic, Titomic's Customer or Regulatory Authority, Sellers Records shall be retrievable within 3 days. Sellers shall maintain their records for a period of 10 years from the date of shipment to Titomic.

6.24. ISO9001/AS9100 REQUIREMENTS – INFORMATION FLOW DOWN TO EXTERNAL PROVIDERS

In line with ISO9001/AS9100 Standards requirements on "Information for External Providers", Titomic is to communicate to our Sellers on our requirements for:

a. The processes, products, and services to be provided including the identification of relevant technical data;

   (e.g., COP, Specifications, Engineering Drawings, process requirements, work instructions and other approved data)

b. The approval of:

   1. Products and services
   2. Methods, processes, and equipment
   3. The release of products and services

   (e.g., criteria, requirements, acceptance, buy off, delegations, permissions, and authorizations)

c. Competence, including any required qualification of persons;

   (e.g., skills, training, assessment, evaluation, levels of qualification, periodic re-assessment and maintained competence)

d. The External Providers' interactions with Titomic;

   (e.g., engagement, communication, reviews, meetings, exchange of documented information, notices, directives, and feedback)

e. Control and monitoring of the External Providers' performance to be applied by Titomic;

   (e.g., data capture, measures, targets, KPIs, score cards, dashboards, ratings, and surveys)

f. Verification or validation activities that Titomic, or our customer, intends to perform at the external providers' premises;

g. Design and development control;

(e.g., requirements, statement of work, planning, controls such as review, verification, validation etc., delegations, maintained/retained documented information, design, and development changes)

h. Special requirements, critical items, or key characteristics;

(e.g., specifications, performance criteria, risk management, identification, traceability, enhanced production/process controls, monitoring and measurement arrangements, fixed process approvals, product qualification and change control)

i. Test, inspection, and verification, including production process verification;

(e.g., requirements, instructions, acceptance criteria, equipment, production process verification and retained documented information)

j. The use of statistical techniques for product acceptance and related instructions for acceptance by Titomic;

(e.g., application of; statistical process control (SPC), process monitoring, sampling activity and Titomic's acceptance of external provider arrangements (review, approval, buy off etc.)

k. The need to:

- Implement a quality management system;
- Use Titomic-designated or Titomic's customer-designated or approved external providers, including process sources (e.g., special processes);
- Notify Titomic of nonconforming processes, products, or services and obtain approval for their disposition.
- Prevent the use of counterfeit parts.
- Notify Titomic of changes to processes, products, or services, including changes of their external providers or location of manufacture, and obtain Titomic's approval;
- Flow down to external providers applicable requirements including Titomic and Titomic's customer requirements;
- Provide test specimens for design approval, inspection/verification investigation, or auditing;
- Retain documented information, including retention periods and disposition requirements.

l. The right of access by Titomic, Titomic's customer, and regulatory authorities to the applicable areas of facilities and to applicable documented information, at any level of the supply chain;

m. Ensuring that External Provider's persons are aware of:

- Their contribution to product or service conformity;

  (e.g., individual accountability, understanding requirements, compliance to process, the need to control changes and reporting of nonconformance)

- Their contribution to product safety;

  (e.g., individual accountability, compliance to process, attention to detail,

knowledge of product end usage and potential impact relating to product issues)

- The importance of ethical behaviour;

  (e.g., code of conduct, management/employee working relationships, fair treatment, employee work recognition, confidential reporting mechanisms, protecting anonymity and no blame culture)

7. APPENDICES

N/A

8. DOCUMENT REVISION HISTORY

Revision Date	Version No	Section/s	Description	Author	Approved By
			New Document: 27-Apr-2021	Angela McGinness	Angela McGinness
13-May-2021	1.0	All	Initial review and format applied	Angela McGinness	Angela McGinness
18-Jun-2021	2.0	All	Legal Counsel review and approved	Angela McGinness	Chris Healy