

GA Supplier Day 2024

Supplier Performance Program

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Supplier Performance Program

Agenda

- Introductions
- Session Overview
- Program Primer
- Measuring Performance
- Growth & Maturation
- Supplier Performance Corrective Action Board
- Program Utilization
- Program Enhancements
- Customer Resources
- Questions

Introductions

Welcome to General Atomics (GA) Supplier Day 2024.

The session presenter is Brian Garcia.

This session is moderated by Andrew Salceda and Vanessa Weber.

A short question and answer period will follow the presentation.

Introductions (cont.)



Brian Garcia has over 26 years experience as a strategic sourcing and supply chain leader in multiple industries and companies, such as Racal Pelagos, Thales, Callaway Golf, and Pentair. He holds a B.S. (Cellular & Molecular Biology) and M.B.A. (Information Systems Specialization) from San Diego State University and is a certified Six Sigma Black Belt (Breakthrough Management Group) and Supply Chain Professional certification (Association for Supply Chain Management). Brian has been with GA for over 11 years leading the GA Supplier Performance Program (SPP). In this capacity he has significantly increased participation in the SPP, upgraded the platform to the latest best practices and is continuously driving related supply chain improvement initiatives.

Introductions (cont.)



Natalie Garcia is a Supplier Performance Program Administrator supporting GA's Supplier Performance Program (SPP). Natalie brings four years of focused aerospace and supply chain operations experience to GA. Natalie has earned a B.A. in English from San Diego State University and is currently earning an advanced graduate certificate in Contracts Management through San Diego State University.

Supplier Performance Program

Session Overview

Supplier Performance Program

Session Overview

This session will provide a comprehensive overview of GA's Supplier Performance Program (SPP). Session attendees will learn about the SPP, its purpose, development, and future opportunities. Key to this session will be explanations on performance metrics currently in use, how supplier performance is transparently measured and communicated via Performance Scorecards, and current customer resources. Highlights will also include an overview of GA's Supplier Performance Corrective Action Board (SPCAB) and recent Supplier award recognitions.

Supplier Performance Program

Program Primer

Supplier Performance Program

What is the GA Supplier Performance Program?

The objective of the Supplier Performance Program (SPP) is to transparently measure and report performance against GA Purchase Order (Order) requirements, including quality requirements, to assist GA Purchasing Representatives in identifying and selecting the most qualified Suppliers. Launched in 2008, the SPP serves as a key determinant in both competitive and non-competitive procurement decisions and continues to expand its membership to serve a growing and diverse supply base.

Supplier Performance Program

Measuring Performance

Supplier Performance Program

Program Parameters

- Driven by objective data and is GA's recognized performance program
- The GA SPP is benchmarked against industry peers & aligned with GA-ASI

Considerations

- Score calculations remain consistent regardless of timeframe
- All metrics and resultant scores are standalone, no weighting/averaging/blending
- GA Purchasing Agents are a Supplier's primary contact for performance issues
- Delivery Tolerance; within means "On Time":
 - -15/+5 working days on either side of the Statistical Delivery Date
- Performance Classifications:
 - "Exceptional": $\geq 98\%$
 - "Outstanding": $\geq 95\% - < 98\%$
 - "Satisfactory": $\geq 85\% - < 95\%$
 - "Unsatisfactory": $< 85\%$

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Objective Metrics

Calculations are straightforward and consistently applied to any performance timeframe.

- On Time Delivery

$$\frac{\text{Parts Received On Time}}{\text{Total Parts Received}} * 100\%$$

- Fulfillment Delivery Score

$$\frac{\text{Count of PO Schedule Lines Fully Received On Time}}{\text{Count of PO Schedule Lines Fully Received}} * 100\%$$

- Quality Score

$$\frac{(\text{\# Receipts in Period} - \text{Sum of Weights for Opened QNs})}{\text{\# Receipts in Periods}} * 100\%$$

Supplier Performance Program

Scorecard Attributes

- Any metric scoring transaction activity for a Supplier on the SPP triggers the distribution of Monthly and Quarterly Performance Scorecards
- Both Monthly and Quarterly Performance Scorecards share and include common key elements

- | | | |
|---|--|---|
| <ul style="list-style-type: none">• Performance Period• Supplier Information• Recipient Contact Details | <ul style="list-style-type: none">• Metric Formulas• Metric Explanations• Performance Scores | <ul style="list-style-type: none">• Performance Classifications• Report Run/Refresh Date• Non-conformance Details |
|---|--|---|

Monthly Inclusions

All Delivery & Quality transaction details for any month with scoring activity.

- All material Goods Receipts
 - Part & Line-Item Delivery status
 - Full purchasing details
- Aging PO Items
 - Deemed "Late" had they been received
- Quality Notification Details

Quarterly Inclusions

Only non-conformance transactions during any given quarter.

- Monthly & Quarterly scores/graphics
- Quarterly transaction totals (e.g., # Deliveries, QNs)
- Expanded Delivery analysis (e.g., Average Days Early/Late)
- Rolling 12-month scores/graphics

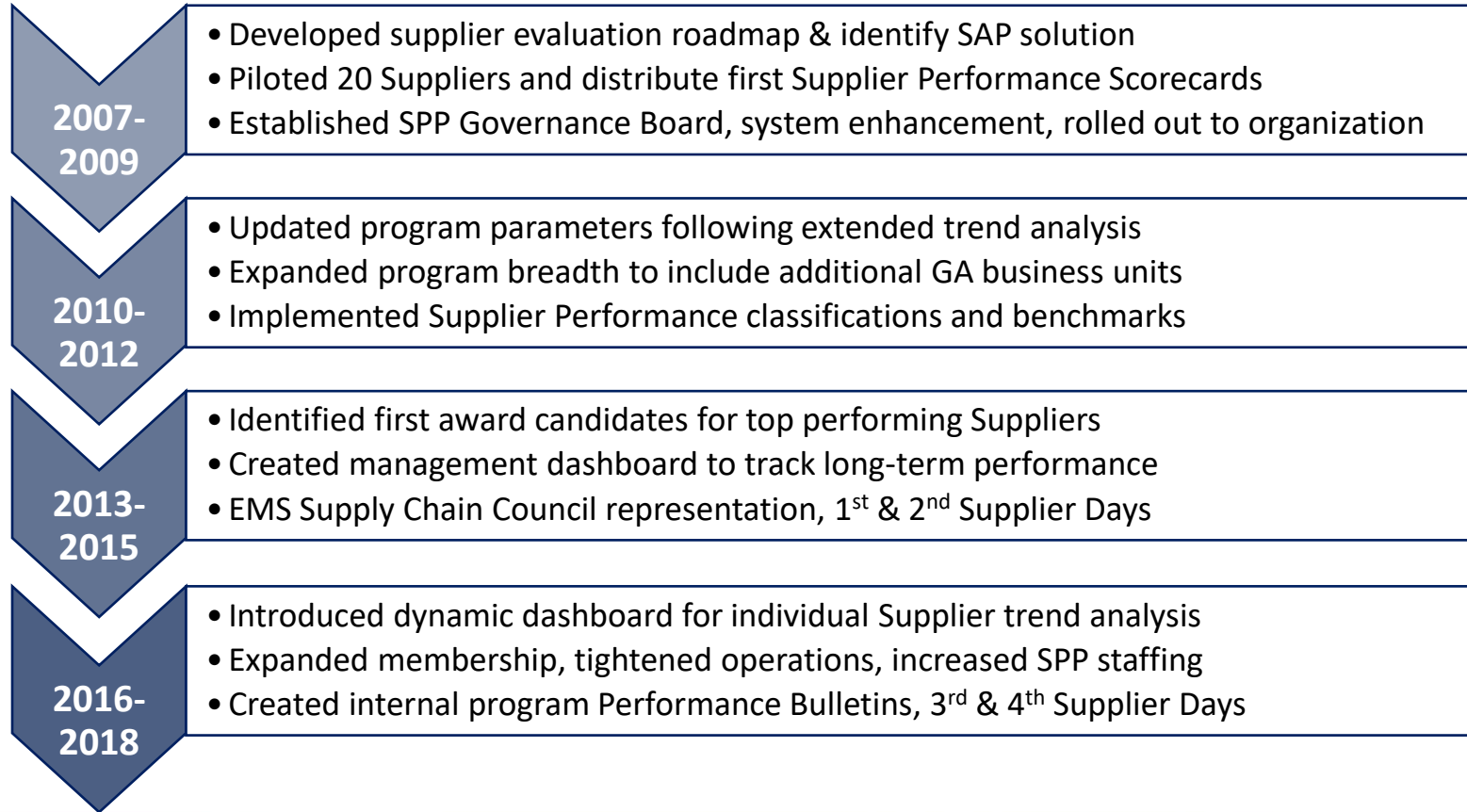
Supplier Performance Program

Growth & Maturation

Supplier Performance Program

Significant Milestones

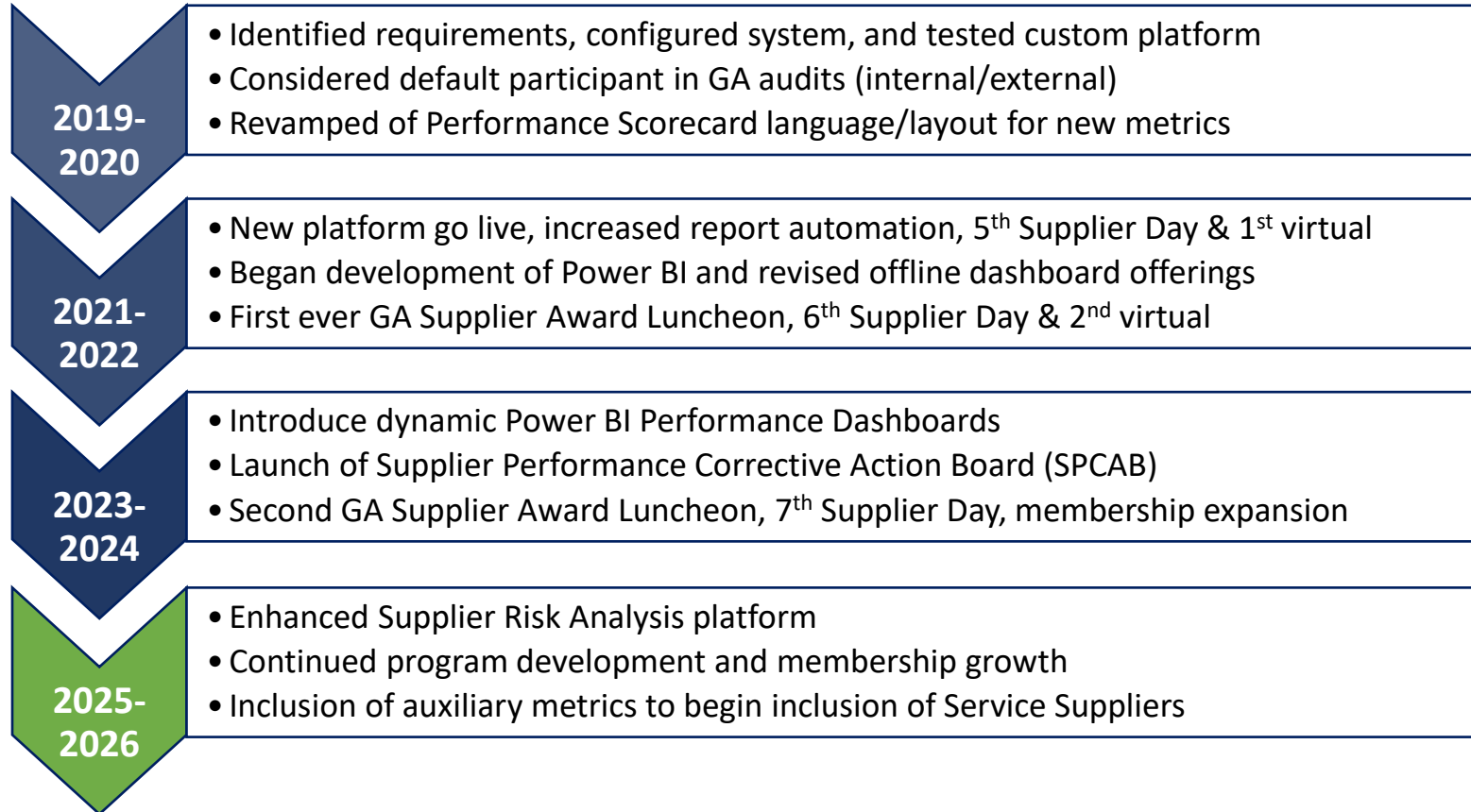
After a successful pilot, the SPP expanded both scope and structure.



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Significant Milestones

The SPP has steadily matured to become a core GA program.



Supplier Performance Program

Program Expansion

The SPP continues to grow its coverage, contributions, and impact.



Supplier Performance Program

Supplier Performance Corrective Action Board

Supplier Performance Program

- **SPCAB Overview**

- Mission: Address supply chain pressures, customer concerns, and affordability concerns by providing infrastructure and valuable data for stakeholders to effectively manage supplier performance
- Vision: Mitigate risk within the supply base by monitoring performance assessments and developing risk mitigation strategies to support excellent supply base performance

Supplier Performance Program

- **SPCAB Process**

- The SPP extracts data monthly for selected key suppliers and provides it for the Governance Board's review
- Orders that have low performance classifications are highlighted and reviewed for corrective action
- The SPCAB will investigate root cause, create and lead an action plan, and measure the progress
- The action plans and their progress are reviewed during the SPCAB meetings

Supplier Performance Program

Program Utilization

Supplier Performance Program

Over time the SPP has evolved to become an increasingly integral component of GA's business and growth:

- Supports Supply Chain Program Management and Strategic Supplier Management
- Partners with GA and Suppliers to address performance issues through SPCAB
- Crucial participant in both internal & external audits
- Provides Supplier support and, as needed, advocacy
- Core contributor for Supplier recognition and Supplier Day/Award events
- Now completing its 16th year of operations

Supplier Performance Program

2024 Supplier Award Luncheon

GA was honored to host its 7th Supplier Award event recognizing multiple organizations for their consistently high performance and outstanding customer service. Congratulations to the awardees:

- Sierra Circuits
- Everson Tesla
- Weber Metals
- New England Wire Technologies
- Beartech Alloys
- Thomson Lamination
- Morris South
- Electrolock, Inc.
- Scot Forge
- Plastifab
- Parsons
- Sodern
- Glenair



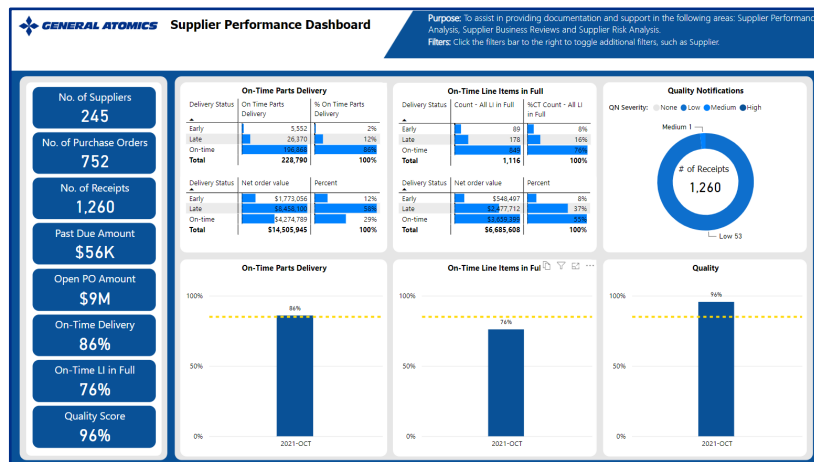
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Program Enhancements

Supplier Performance Program

On The Horizon

Program enhancements for 2024-2025 largely established and on schedule.



- Inclusion of virtually all Material Suppliers
- Increase performance dashboard offerings
- More granulated trend analyses
- Identify internal improvement opportunities

GENERAL ATOMICS Supplier Performance Risk

Purpose: Purpose
Filters: Filters

| Supplier Name | Supplier No. | Open PO \$ Amount | Invoice Amount | Past Due Amount | On Time Parts | On Time Line Items in Full | Quality | Lot Acceptance Rate | Part Acceptance Rate | Financials |
|---------------|--------------|-------------------|----------------|-----------------|---------------|----------------------------|---------|---------------------|----------------------|------------|
| | 104920 | (\$1,405) | \$136,216 | \$6,375 | 100% | 100% | 88% | 100% | 100% | |
| | 113061 | \$5,665 | \$83,211 | \$0 | 0% | 0% | 100% | 100% | 100% | |
| | 130062 | \$0 | \$105,910 | \$0 | 0% | 0% | 100% | 100% | 100% | |
| | 1119386 | \$68,023 | \$81,849 | \$0 | 91% | 72% | 100% | 99% | 100% | |
| | 112068 | (\$23) | \$2,295 | \$0 | 100% | 100% | 100% | 100% | 100% | |
| | 108184 | \$0 | \$35,826 | \$0 | 100% | 100% | 100% | 100% | 100% | |
| | 116761 | \$0 | \$116,525 | \$0 | 0% | 0% | 100% | 100% | 100% | |
| | 119053 | \$0 | \$1,419 | \$0 | 100% | 100% | 100% | 100% | 100% | |
| | 113410 | (\$213) | \$2,558 | \$0 | 58% | 67% | 33% | 50% | 47% | |
| | 106306 | | | | | | | | | |
| | 104789 | (\$803) | \$9,053 | \$0 | 0% | 0% | 100% | 0% | 0% | |
| | 104257 | \$0 | \$522 | \$0 | 72% | 0% | 0% | 0% | 0% | |
| | 113411 | (\$36) | \$11,270 | \$0 | 100% | 100% | 100% | 100% | 100% | |
| | 133632 | \$122,740 | \$197,968 | \$0 | 100% | 100% | 100% | 100% | 100% | |
| | 135948 | \$0 | \$149,990 | \$0 | 100% | 100% | 100% | 100% | 100% | |
| | 120561 | (\$17) | \$3,688 | \$0 | 50% | 60% | 100% | 92% | 98% | |
| | 133875 | (\$6,964) | \$84,346 | \$0 | 100% | 100% | 100% | 100% | 100% | |
| | 122938 | \$0 | \$1,556,000 | \$0 | 50% | 100% | 75% | 100% | 100% | |
| | 130737 | \$10,000 | \$526,000 | \$0 | 95% | 89% | 100% | 100% | 100% | |
| | 120898 | \$91,115 | \$210,564 | \$0 | 65% | 82% | 37% | 75% | 74% | |
| | 121007 | \$0 | \$6,800 | \$0 | 100% | 100% | 100% | 100% | 100% | |
| | 129214 | \$0 | \$54,027 | \$0 | 45% | 59% | 100% | 95% | 99% | |
| | 134925 | (\$1,019) | \$12,019 | \$0 | 100% | 100% | 100% | 100% | 100% | |
| | 103147 | (\$74) | \$448 | \$0 | 100% | 100% | 100% | 100% | 100% | |
| | 120375 | \$14,611 | \$9,738 | \$14,611 | 100% | 100% | 100% | 100% | 100% | |

- Improve Supplier communications & involvement
- Develop relevant metrics for Service Suppliers
- Elevate the SPP role as business determinant
- Improve Supplier recognition and promotion

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Customer Resources

Supplier Performance Program

Customer Resources

The SPP coverage spans all of GA Corporate and associated GA business units, save GA-ASI.

- Multiple tools and resources are at the SPP's disposal to assist as needed
- Internal stakeholders and our valued Suppliers comprise our customer base; as such the SPP Team is always available:
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Supplier Performance Program

Thank you

Questions?