Notice to Suppliers



Zero Concession Policy

Originator: Uzam Khan **Job Title:** Supplier Quality Executive **Business Unit:** Civil Aerospace NTS Number: 552 Issue: 1 Date: 24/03/2022

For the attention of Managing Director and Quality Manager

Scope/Applicability:

All suppliers of products for Rolls-Royce plc Civil Aerospace engine programmes.

Dear Supply Partner,

Introduction:

This NTS is to formally communicate the Rolls-Royce Civil Aerospace Zero Concession Policy.

As part of our drive to Zero Defects, a key step on this journey is to deliver our products concession free. The Zero Concession Policy requires that by the end of 2024 all products on Civil Aerospace programmes are delivered concession free.

For those suppliers that aren't already actively working towards this target, your Rolls-Royce supplier management teams will be engaging with you to identify part numbers that are within scope of this policy and to ensure plans are in place to achieve this requirement.

In support of this policy Rolls-Royce will be reviewing its purchasing policies and this will be subject to future communications.

Background:

In 2021, suppliers to Civil Aerospace raised ~18,000 concessions. Each of these presents a risk to product safety and generates significant amounts of waste through the supply chain. This level of concessions is also unsustainable if we are to collectively meet the delivery and quality requirements of current and future engine programmes.

This policy is undoubtedly challenging, but suppliers and our internal facilities have already proved that this is possible. If you were able to attend our 2021 Zero Defect EXPO events you will have seen the benefits that have been generated from this focus on the removal of non-conformance. This will also be reinforced in the 2022 Zero Defect EXPO.

The timescale allows the necessary plans and resources to be put in place for us to collectively achieve this requirement. The expectation is that there will be a steady increase in the number of concession free parts as we move towards 2024, with parts demonstrating zero concession performance for the duration of Q4 2024.

For further details, please refer to the Zero Concession FAQs contained within the Drive for Zero Defects section of the Global Supplier Portal.

Action Required:

Please begin to create or continue to progress your plans for delivering Zero Concession parts by the end of 2024 in readiness for review with your Rolls-Royce Supplier Management Teams.

NTS Category:

SABRe

Authorised by:

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