



A Boeing Company

Bulletin #AFS-SCM-25-001

9/4/2025

Dear Valued Supplier,

Aurora Flight Sciences is committed to partnering with our supply base to build a zero defect culture and requests your commitment to do the same. By embracing this commitment, we will collectively enhance product quality and strengthen our shared reputation for excellence within the aerospace industry

To support this goal, we ask our suppliers to implement robust manufacturing processes and quality controls aimed at:

- i) eliminating defects, and
- ii) meeting schedule and technical commitments.

Additionally, we expect shared accountability when commitments are not met.

Our highest priority is delivering on the quality and performance promises we make to our customers, and we trust you share this commitment. To further reduce defects, Aurora Flight Sciences is introducing a Supplier Nonconformance Debit (SND) initiative to recover costs associated with defects identified both before shipment and those that escape your quality management system.

Effective September 4, 2025, Aurora Flight Sciences will implement the SND process, requiring suppliers to share in the financial impact of defects, deficiencies, and nonconformances attributable to their products. Specifically, Aurora will recover \$500 per nonconformance where supplier responsibility is determined. This amount covers the costs incurred by our team in documenting, reviewing, and resolving the nonconformance.

Recovery will be processed as a debit against the supplier's next invoice. If no outstanding payments exist, payment will be requested via ACH. This requirement will be incorporated into all Purchase Orders issued on or after September 4, 2025, under SQR C146, Clause 55.

Please note, this initiative is not intended to generate revenue. Aurora Flight Sciences estimates the actual cost of managing nonconformances far exceeds \$500. Our objective is to eliminate nonconformances, which will yield significant cost savings and operational benefits for both our organizations in the short and long term.

We are committed to working collaboratively with you to identify, contain, and promptly resolve any issues. Should you have any questions, please contact your procurement representative.

Thank you for your continued partnership and commitment to advancing the future of flight.

Sincerely,

DocuSigned by:

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Stacy Francis

Director of Supply Chain Management
Aurora Flight Sciences