

SUPPLIER RELATIONSHIP MANAGEMENT



GTAA Supplier Relationship Management (SRM)

GTAA's Expectation of Key Suppliers

GTAA's desire is to align with Suppliers that **share our values.**

It is expected that there is **mutual engagement** between GTAA and our key Suppliers to add value, manage risk, achieve financial sustainability, innovate and drive our Strategic Objectives, including Commitments to our **Community and our Environment.**



What is Supplier Relationship Management?



Working collaboratively with those Suppliers who are vital to the success of the GTAA, to generate:



Innovation



Value



Best service and performance

SRM Segmentation & Governance

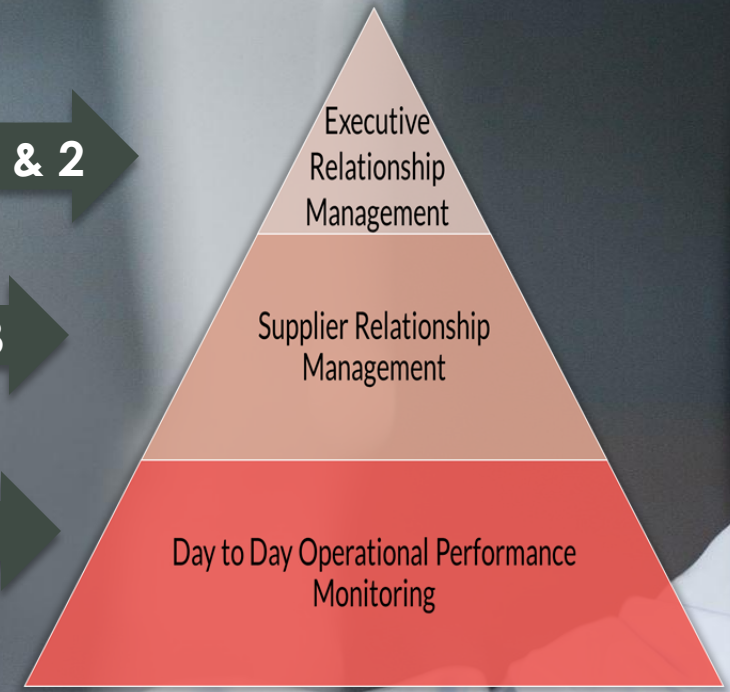
Segmentation

Business Impact	High	Tier 2 Leverage /Collaborative <ul style="list-style-type: none"> ❑ Build relationships with suppliers ❑ Open dialogue and cooperative ❑ Risk management ❑ Total Cost of ownership TCO 	Tier 1 Strategic/ Collaborative <ul style="list-style-type: none"> ❑ Long term business ❑ Mutual outcomes ❑ Joint efforts on innovation ❑ Continuous Improvement ❑ Risk management ❑ Total Cost of ownership TCO
	Low	Tier 4 Non-Critical/ Transactional <ul style="list-style-type: none"> ❑ Cost-focused ❑ Leverage market, supply and demand ❑ Simplify process, iProcurement ❑ Group items ❑ Benchmarking ❑ Specification standardization 	Tier 3 Bottleneck/ Collaborative <ul style="list-style-type: none"> ❑ Supply-focused ❑ Continuous Risk management ❑ Create substitution opportunities. ❑ Value engineering ❑ Secured safety stocks ❑ Continuous improvement
		Low	High
		Supply Market Complexity	

TIERS 1 & 2 →

TIER 3 →

TIER 4 →



SRM Benefits



Immediate Benefits

- ❑ Segmented supply base and greater visibility into supply relationship priorities and criticality
- ❑ Aligned corporate, functional and supplier objectives
- ❑ Streamlined governance activities
- ❑ Increased supplier performance visibility and accountability

Long-Term Benefits

- ❑ Stronger and more strategic supplier relationships, competitive costs and risk management
- ❑ Supplier agreements support business performance and extract maximum supplier value
- ❑ Realization of internal efficiencies
- ❑ Year over year continuous performance improvement