

Distribution: All Base Maintenance

From: Greg Emerson, VP – Base Maintenance

Subject: Approved Initiatives for 2024

In Base Maintenance, our focus continues to be on the following strategic areas:

*Ensure the right work is performed at the right location, relentless focus on performance, engage the entire workforce, and create a culture of continuous improvement.*

We are making great progress in these areas, and I am pleased to share with you some exciting news on two recently approved initiatives that support these strategic areas.

### **AAERO**

Our Tulsa engine shop continues its industry leading performance on CFM56-5B & 7B heavy overhaul span times. In 2023, the AAERO team took on the challenge to further increase engine inductions to 10 per month to burn down the backlog of unserviceable engines at Tulsa. While this has been effective, the engine removals have increased and our dependance on leased engines have grown.

To clear the backlog and reduce our dependency on leased engines, we will begin ramping up resources, tooling, and inventory with the focus on achieving 15 heavy inductions per month.

### **PTO**

We adjusted the mission of our Pittsburgh team in 2023 to focus on 2 Airbus C-11 lines and 1 Special Visit. To achieve this, we onboarded new team members to support the increase in volume. The results have been exceptional. The PTO team has accomplished the C-11 within the expected span times and a high degree of predictability and reliability.

Due to PTO's performance, we have approved a plan to add a 3<sup>rd</sup> Airbus C-11 line, to replace the SV line. As a result, we will begin ramping up resources, tooling, and inventory in the coming weeks to prepare for the additional C-11.

These are exciting times for the organization and the investments we are making demonstrate that your commitment to our strategic focus areas is paying off.

I am proud of our team and have the utmost confidence that we will achieve the aggressive ramp up activities needed to successfully execute the increased demand in both AAERO and PTO as soon as practical.

More details and regular progress updates will be communicated as we progress.



Greg Emerson  
Vice President, Base Maintenance