

LOGISTICS- POLICY

voestalpine Automotive Components

 <small>ONE STEP AHEAD.</small> BU AC Standard	<h1>Logistics Policy</h1>	Document name: GDP_040_Logistics_Policy_legal_en Version: 01 Responsible: Integration Manager BU AC
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1 Foreword

These logistics regulations define the principles according to which the smooth handling of logistics processes and information flows between voestalpine and its supply partners must be designed. The logistics regulation is valid independently of other delivery conditions and is an integral part of the contract, unless otherwise agreed in individual cases or on a plant-specific basis. In case of non-observance of this logistic regulation, the supplier may be charged with additional costs incurred or be held liable for losses of any kind occurring.

voestalpine uses computer-controlled automated means of transport and correspondingly controlled warehouses for the storage of delivered material. In order to ensure proper handling of incoming goods, transport and warehousing, as well as traceability, a number of requirements must be met by suppliers with regard to the packaging and labeling of delivered goods, as well as the use of loading aids. The reduction of packaging materials should be aimed at for economic and ecological reasons.

This guideline describes the requirements for incoming deliveries and packaging with regard to quality, ecology, economy and occupational safety. It must be observed in the development, design and planning of packaging. The supplier is responsible for packaging that is suitable for transport and manageable and ensures damage-free delivery to the place of consumption.

The supplier must continue to advise voestalpine of optimum batch sizes (filling quantity per packaging unit, number of pieces per layer, number of pieces per pallet).

Deviations from these logistics regulations require written approval by voestalpine.

Incoming deliveries are checked at voestalpine's incoming goods department for compliance with the logistics regulation.

The partners undertake to treat this document and the stipulations made confidentially.

2 Sustainability

For all scopes of supply, the supply partner must define, demonstrate and implement measures for determining an optimal process and for process assurance before the start of series production and update them as required. Proof with clear regulation of responsibilities must be provided upon request by voestalpine. The logistics process chain and an emergency concept for the material flow must be coordinated with voestalpine's local logistics department at an early stage, i.e. at least three months before SOP.

The supply partner is responsible for the continuity of the entire logistics chain, i.e. the planning, implementation and operational development of the logistics processes, including those of its subcontractors, so the specifications, obligations and recommendations of these logistics regulations must be passed on by the contractor to its subcontractors.

voestalpine reserves the right to conduct regular process FMEA and process audits in accordance with VDA 6.3 (German Association of the Automotive Industry, hereinafter referred to as VDA for short) to ensure the ability to deliver at suppliers and critical sub-suppliers.

The supplier actively cooperates in cost reduction measures, including workshops with the aim of continuously improving logistics processes, which are to be carried out together with voestalpine.

3 Deliveries

Deliveries of goods for which the shipping instructions exw or FCA shipping point Incoterms 2020 have been agreed with our purchasing department are subject to our routing order (shipping instructions). The selection of the forwarding agents is defined in the routing order.

In case of disregard of the routing order, the client of the transport is liable for the incurred freight costs. The current version is available in our download center at

<https://www.voestalpine.com/automotivecomponents/Downloadcenter-Automotive-Components/Downloadcenter-Dettingen>.

Notifications for these cases for suppliers from Germany are made on day A, pickup on day B, and delivery on day C or D (consider transit time). The supplier is responsible for notifying the forwarding agents in time (day A until 12.00 o'clock), so that the goods arrive at the time of order.

It is also to be ensured that the order quantities are notified. Additional costs due to incorrect notifications, delivery delays or other breaches of contract will be charged to the supplier.

Regardless of the agreed franking, the transports must be included in the supplier's QM system. Means of transport and packaging must have been approved by voestalpine. The supplier must ensure that the quality of the deliveries is not impaired by proper transport to the recipient and by processing in production. If damage cannot be ruled out by the prescribed packaging, this must be reported by the supplier and suitable alternative packaging must be presented.

4 Identification marking

4.1 Delivery note

Each incoming consignment must contain a delivery note, which shows the following contents:

- Delivery note number
- Sender information
- Automotive Components - Part number (6 or 10 digits)
- Automotive Components – Order number
- Product name
- Quantity per delivered carrier
- Clear batch assignment per goods/load carrier
- Best before date (BBD, if available)
- Weight
- Number and type of all loading aids used

We recommend the use of the delivery note DIN 4991/4994 or content according to VDA 4913.

For shipments ex plant, the delivery note must be attached directly and captively to the goods in delivery note pockets. In the case of shipments free plant or DAP place of receipt (Incoterms 2020), the supplier is obliged to instruct his service provider to also hand over the papers with the delivery of the goods. In case of doubt, the delivery note must be attached directly to the goods in delivery note pockets for these deliveries as well.

4.2 Labeling of the transport units and packaging units

Each transport unit / packaging unit must be labeled as follows:

- Pallet identification number
- Delivery note number
- Automotive Components – Part number
- Product description
- Quantity per transport unit / packaging unit
- Clear batch assignment per transport unit / packaging unit
- Best before date (BBD, if available)
- Goods recipient
- Supplier

- Weight
- Date of delivery note

We recommend the use of labels according to VDA 4902.

The labels must be attached in the card pockets or clips provided for this purpose. In the case of mesh boxes, the labels must be attached on the narrow side.

Other labeling must be attached to the load units with fabric adhesive dots so that they cannot be lost. The labels should always be attached to the boxes on the left side of the truck in the direction of travel.

5 Packaging

Basically, each packaging has to correspond to the goods to be transported and the stress during transport. Packaging should be selected with consideration of economic and environmental aspects of recyclability and/or reusability. In general, we prefer to use wood from responsible forestry to avoid the use of tropical wood. Where logistically sensible and possible, the use of reusable packaging should be aimed for. In general, separate invoicing of packaging materials and packaging expenses is not permitted.

In the case of overseas shipments, the packaging must be specially agreed with the respective plant logistics. The supplier shall ensure that, in accordance with the Packaging Ordinance of 21.08.1998 (BMU – Bundesministerium für Umwelt, Natur und Reaktorsicherheit, aktuelle Fassung) cumulative limit value of 100 milligrams per kilogram for heavy metals such as lead, cadmium, mercury and chromium VI in packaging and packaging components is complied with.

Wood used for the production of pallets shall be treated according to a method recognized by the IPPC standard in compliance with ISPM No. 15 (Guidelines for regulating wood packaging material in international trade) and shall be verified by means of proper marking on the packaging. If, in the case of disposable packaging, the disposal costs have already been paid by the supplier, this must be made known.

Fragile goods must be clearly marked with the customary symbols. In principle, only one Automotive Components part number is to be packed per transport unit. Each transport unit must be batch clean. If this is not practical for reasons of cost or volume, the transport unit must be sorted per Automotive Components part number AND batch in separate packaging units in the vertical direction and the transport unit must be marked as a



mixed pallet. Any residual quantities that deviate from our filling quantity specifications must also be clearly marked as "residual container".

Defective loading equipment will generally not be accepted or exchanged. Additional expenses such as repacking operations and disposal of disposable packaging resulting from non-compliance with this shipping instruction will be charged to the supplier.

Filling level of the packaging:

- Large load carriers such as skeleton containers, etc.: max. 10 cm below top edge
- Small load carriers: to max. stacking edge

Cleanliness of the packaging:

Only containers that are free of dust, oil and grease may be used. If the cleanliness of the containers does not meet the quality requirements for the material to be transported in them, the supplier must carry out further cleaning measures at his own expense. E.g. washing of containers.

6 General

Weights:

The maximum weight of a transport unit corresponds to the designated payload weight of the corresponding load carrier. The maximum weight of cardboard boxes / KLT's: 15 Kg

Contours:

Weighing flags or loose documents attached to the transport unit for goods labeling, as well as foreign barcodes from old labels, etc. are not permitted, as they lead to system malfunctions in the automatic transport and storage systems.

Load securing:

The complete pallet shall be lidded and strapped. If there are no lids, or the characteristic of the packaging is not suitable for lids, use edge protectors for strapping.

Batch purity:

- In general, all deliveries to voestalpine are subject to batch management.
- Each incoming shipment must contain a delivery note with batch per load carrier.

- Deviating side-agreements must be agreed in writing.
- In principle, each transport unit must be batch clean. Different supplier batches for filling up a container are only permitted after prior written approval by voestalpine.
- The supplier is responsible for documenting which batches are contained in a delivery.

Minimum durability:

Purchased parts with a limited shelf life must be marked accordingly with regard to production date and minimum shelf life, and the relevant data must be listed on the delivery documents.

Corrosion protection:

The supplier must take suitable measures to protect purchased parts at risk of corrosion from corrosion. The purchased product shall be protected from corrosion unless it is already protected from corrosion by its nature or condition. This must be ensured in a suitable manner by the supplier. The corrosion protection measures must not influence the subsequent processes in further processing. Unless otherwise agreed, our goods shall be protected against corrosion by suitable measures for at least 1 year from delivery.

The usual climatic influences during transport (to the recipient plant) and storage must be taken into account in the design of the corrosion protection, assuming standard industry boundary conditions. The relevant customer requirements and specifications must be observed.

Consignment:

Consignment is the preferred method of transferring ownership and is to be used when local laws allow and there is no additional physical work in the supply chain.

If consignment is used, the delivery partner remains the legal and economic owner of the consignment goods until they are removed from the consignment warehouse.

The consignment warehouse can be located at voestalpine or at an external service provider commissioned by voestalpine.

Consignment must be set up correctly according to local tax law. This requires a contract between the legal entities concerned of voestalpine and the supply partner.

Our supply partner shall comply with the tax obligations resulting from the operation of the consignment warehouse (e.g. sales tax registration) in accordance with the applicable law and provide voestalpine with the necessary information.

The control of the consignment stock must be regulated in an accompanying manner. If legally possible and not otherwise agreed, a credit advice procedure should be aimed for. The regular exchange of inventory information must be ensured.

7 Deliveries

The unloading point is to be taken from the framework agreement/call-off/order/EDI data sheet and is to be forwarded by the supply partner to the haulier.

When delivering via ramp, it is not permitted to position other third-party goods on the loading area in front of the voestalpine goods, which must first be unloaded before the voestalpine goods can be unloaded. If damage or destruction of the third-party goods occurs as a result of the reloading activities, voestalpine shall be liable for this only in cases of intent.

Delivering vehicles must be roadworthy and suitable for the intended use in accordance with the applicable legal regulations.

Load securing facilities must be available, taking into account VDI 2700ff, in accordance with the intended use.

Deliveries can only be accepted at some voestalpine locations after prior booking of a time slot in the goods receiving department. Parcel shipments (UPS, GLS, DHL, etc.) are excluded from this. The delivering forwarders must register site-specifically (portal, Internet, etc.).

7.1 Lattice boxes

The quality of the DB lattice boxes used must comply with EPal standards (www.epal-pallet.org). DB lattice boxes used must comply with DIN 15155 and freight standard UIC 435-3. Repairs of lattice boxes must be carried out professionally in accordance with the freight standard UIC435-4. Lattice boxes are exchanged if possible, or led by account. Defective lattice boxes will not be accepted and will not be exchanged. For protection against injury and to protect the goods, the supplier is obliged to line each lattice box with hard cardboard.

7.2 Europaletts

When delivered on Euro pallets, the packaged goods must not protrude beyond the dimensions of the pallet. The quality of the Euro pallets used must comply with the EPal standards (www.epal-pallet.org). Used Euro pallets must comply with DIN EN 13698-1 and goods standard UIC 435-2.

Defective Euro pallets will not be accepted and will not be exchanged. Euro pallets are exchanged when possible, or managed through an account.

7.3 Small load carriers

Deliveries in small load carriers are always made on instruction (packing instruction or other contractual component). These can be delivered on Euro pallets as well as on industrial pallets. Maximum stacking height incl. pallet: 980 mm.

The specified container formats, container filling quantities, as well as the type of packaging can be found in the respective packaging instructions. If no packing instructions are available at the time of shipment, the goods to be transported shall be packed by the supplier in a cost-neutral manner in accordance with the stress during transport. There can only be one residual container per Automotive Components part number, which is located at the very top and marked with residual quantity on the package.

The supplier must ensure the cleanliness of the small load carriers. If necessary, the supplier shall clean the small load carriers at his own expense. Under no circumstances may deliveries be made in dirty containers.



Timely notification of empties at the known contact addresses is the responsibility of the supplier.

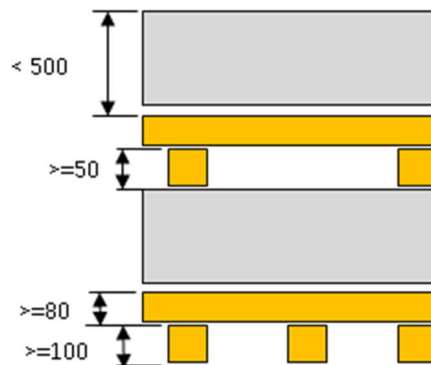
7.4 General packing instruction coils

- Subject to an individual agreement, the following "General packing instruction coils", respectively valid status, shall apply. Individual agreements (including maximum weights and dimensions) are stored, among other things, in the "master list" (annual RFO steel, aluminum and stainless steel), in the delivery schedules and purchase orders (purchase order text) and are therefore known.
- We ask you to pay attention to and actively influence the fact that the max. permissible coil weight is always aimed for <<coil - plant - press/workplace>>. The workplace is part of the purchase order text and/or to be taken from the "master list".
- 1 package = 1 coil - each coil must be declared and weighed as an individual package on the delivery documents. The delivery of "rest coils" and small coil outside diameters is generally prohibited, exceptions must be notified and require the written approval of voestalpine, otherwise the coil will be returned to the supplier at the supplier's expense or, if customer supply

requires it, the additional costs due to the increased setup effort (depending on the workplace - average value approx. € 280) will be invoiced to the supplier.

- Welding seams are not allowed.
- For safety reasons, only hardwood is allowed for coil packaging.
- Between the rings inside the pallet must be used distance timbers >5 cm.
- Coils with a width of less than 500 mm must always be delivered horizontally on a pallet.
- Coils with a width of 500 mm or more are to be delivered upright on a trough.
- Horizontal coils are to be delivered on 2-3 squared timbers, followed by 2 crushing timbers.

See sketch for dimensions.



- Do not pack and transport standing coils as a group, only individually.
- Depending on the location, coils are unloaded either by forklift or by crane. The delivering vehicles are to be selected according to these conditions or specified in the delivery notification.
- Deviations from these packaging/shipping instructions only after written approval by the respective plant logistics and/or quality assurance, if applicable.
- Exception: Packaging instructions in the order have priority

7.5 General packing instruction blanks and cuttings

Subject to an individual agreement, the following "General packaging instructions for blanks and cuttings" respectively valid status, shall apply. The pallet constructions or load carriers as well as the packaging are to be adapted to the requirements of the product – see pictures

- Only sheet metal or plastic angles are permitted as edge protectors
- Bindings via steel or plastic straps
- Blanks must be protected against contamination by means of a plastic film or coated paper
- In the case of blanks for exterior components, the top and bottom blanks per stack must be removed and provided in the delivery.



8 Planning and optimization

Our supply partners must design, manage and further develop their logistics processes in such a way as to ensure quality and on-time delivery of the specified quantities to the location specified by voestalpine at the specified time at standard market and competitive prices.

In cooperation with our local logistics and scheduling department, our delivery partner must develop a logistics plan that fulfills the following points:

- Minimal complexity in logistics business processes
- Maximum flexibility to respond to last-minute changes in order quantities or delivery deadlines
- Minimum inventories along the supply chain
- Packaging fulfill all requirements in terms of handling and loading
- Delivery according to the specified delivery deadlines
- Focus on continuous improvement
- Rechtzeitige Kommunikation aller potenziellen Lieferunterbrechungen
- Timely communication of all potential supply disruptions

Based on the complexity of the manufacturing process, each plant has its own requirements for material planning. Logistics and scheduling are plant-specific, so the supplier must contact the local departments directly with any questions in this regard.

The supplier is responsible for contacting the responsible plant immediately if he cannot meet all requirements regarding delivery date, deadline, quantity or quality.

Our supply partners must have sufficient safety stock and inventory of parts to ensure timely delivery. Short deliveries must be reported to voestalpine immediately together with a corrective measure and an emergency plan.

It is important that our supply partners know all transportation and delivery requirements, because these form one of the performance metrics for assessing their performance. Inventory minimization measures are to be applied prudently with a view to careful and timely delivery to voestalpine.

The supply partner shall worry about and be liable for ensuring that there are no interruptions in the customer's production. We expect our suppliers to always deliver to our sites on time according to call-offs and/or purchase orders. All costs incurred due to missed or late deliveries by the supplier shall be borne by the supplier.

9 Delivery reliability

The Supplier undertakes generally and without exception to deliver on time and in the correct quantity. In the event of disruptions in the supply, a written explanation of the reasons for the supply bottleneck shall be provided by the supply partner without request and without delay.

Within 24 hours, the supply partner submits a corresponding action plan on how the supply bottleneck can be handled while safeguarding customer requirements. This requires intensive coordination with the responsible dispatcher.

Additional costs due to special freight and special expenses (including handling, storage costs, packaging and production downtime) resulting from unjustified over-delivery, advance delivery, incorrect delivery or under-delivery shall be borne by the supplier.

If a bottleneck is created by faulty or incomplete empties processing, the supplier must fulfill his delivery obligation in any case. The delivery shall be made in alternative packaging, which shall be coordinated in advance with voestalpine's scheduling department. The supplier is obligated to provide a corresponding alternative concept. Any anticipated delivery bottleneck which has an impact on deadlines or quantities, as well as the use of alternative packaging, must be reported immediately and in good time to the responsible voestalpine dispatcher.

In the event of a recurrence, voestalpine reserves the right to form a "task force" to investigate the causes. The supplier is generally obliged to bear the costs incurred himself. In parallel, sustainable effects are examined by Central Purchasing and the escalation process can be started within the framework of voestalpine's supplier management.

10 Delivery quality

Any consignment delivered that does not comply with voestalpine's requirements with regard to compliance with packaging regulations, marking of goods and completeness and factual correctness of the accompanying documents shall be recorded as a logistical complaint.

These logistical quality defects (e.g. wrong delivery, missing, faulty or incomplete accompanying documents, damaged packaging and damaged goods) exist without any claim to completeness, in addition to any other defect claims voestalpine may have and are also reflected in the supplier rating.

11 Emergency concept

As a matter of principle, supply-relevant processes must be safeguarded by appropriate emergency concepts so that disruptions can be immediately compensated for by appropriate measures. In the event of insufficient delivery performance, it is at voestalpine's discretion to agree on remedial measures with the supplier and to demand their implementation.

12 Safety stock

The supplier is generally obliged to maintain a sufficient safety stock for each component at his own expense and risk. This is independent of the delivery frequency and is used for short-term compensation of program fluctuations in a defined period. Concrete agreements in this regard must be set out in writing in the supply contracts. The requirement is compliance with the FIFO rule. voestalpine reserves the right to check compliance with the safety stock by means of spot checks. Deviations are only permissible if an ancillary written agreement has been made with voestalpine. If the agreed safety stock is fallen short of, the supplier is obliged to notify the responsible disposition immediately and to initiate special measures to replenish the safety stock.

13 Foreign trade

voestalpine is committed to consistent compliance with foreign trade regulations and laws. Therefore, we request you to provide us with the customs and export control data for the products delivered to us as a matter of principle.

We require the following information on your delivery documents (invoices or delivery bills) alternatively as a separate statement on separate form (annual declaration).

- Customs tariff number (8 digits)
- Country of origin (according to the union customs code) alternatively according to preferential law
- Export control (dual use/US law)
- Preferential right (individual supplier declaration on the invoice or annual declaration)
- Reach/UN classification for chemical products
- AALA (origin of the automotive industry) if available

You or your pre-supplier, the one who knows the technical parameters of the products and therefore is able to give information whether a product is included in the export list or dual use regulation or not; requires a written statement. This statement must be made in writing as a direct contractual partner to the customer voestalpine. If the goods are recorded there, the export from the EU is subject to authorization. A dual use classification marking within the EU is also required if the movement of goods takes place within the EU). Please name a contact person in your company for clarification of any queries.

Upon our request, we shall ask the supplier to provide us in writing with all further foreign trade data relating to its goods and their components, and to inform us in writing without delay (prior to delivery of the goods affected by this) including all changes to the data already provided.

14 Plant-specific guidelines:

Unless otherwise agreed individually, the data of the current "master list" or other possible order specification lists and the order text from the supply contract or the individual order shall apply.

DELIVERY PLANT 1000 DETTINGEN (D - PLZ: 72581)

Max. Unloading weight:	23.500 Kg Crane unloading
	5.000 Kg Stacker unloading
Loading:	upright and horizontal
	Coils $\geq 5,5$ to upright, Coils $< 5,5$ to horizontal
Ramps/loading bridges:	Loading platform height from 800 to 1400mm
Coil makeup:	see 7.4
RID:	508mm
RAD min:	1.300mm
RAD max:	2.000mm
Coil width max.:	1.500mm

DELIVERY PLANT 1020/1100 SCHMÖLLN (D - PLZ: 04626)

Max. Unloading weight:	25.000 Kg Crane unloading
	6.000 Kg Stacker unloading
Loading:	upright
Ramps/loading bridges:	Loading platform height from 800 to 1400mm
Coil makeup:	see 7.4
	upright in trough, for narrow coils -> with intermediate lumbers
RID:	508mm
RAD min:	1.500mm
RAD max:	2.000mm
Coil width max.:	1.500mm

DELIVERY PLANT 4000 BÖHMENKIRCH (D – PLZ: 89558)

Max. Unloading weight: 5.000 kg (horizontal on pallet for stacker unloading)

Loading: backwards and sideways

Ramps/loading bridges: not available

Coil makeup: see 7.4

Coils horizontal

RID: 508mm

RAD min: 1.400mm

RAD max: 2.000mm

Coil width max.: 1.500mm

DELIVERY PLANT 5000 SCHWÄBISCH GMÜND (D - PLZ: 73529)

Max. Unloading weight: 32.000 Kg Crane unloading

4.500 Kg Stacker unloading

Coil makeup: Coil delivery not possible

DELIVERY PLANT 5100 BUNSCHOTEN (NL- PLZ: 3751LJ)

Max. Unloading weight: 27.500 Kg

Loading: upright and horizontal

Ramps/loading bridges: not available

Coil makeup: see 7.4

RID: 610mm

RAD min: 1.450mm

RAD max: 2.500mm

Coil width max.: 2.500mm

DELIVERY PLANT 6000 NAGOLD (D - PLZ: 72202)

Max. Unloading weight: 14.000 Kg Crane unloading
5.000 Kg Stacker unloading

Loading: horizontal

Ramps/loading bridges: Loading platform height from 800 to 1400mm

Coil makeup: see 7.4

RID: 508mm

RAD min: 1.300mm

RAD max: 1.800mm

Coil width max.: 1.500mm

DELIVERY PLANT 7000 BIRKENFELD (D - PLZ: 55765)

Max. Unloading weight: 15.000 Kg Crane unloading
4.500 Kg Stacker unloading

Loading: <= 4.500 Kg horizontal on pallet eye to sky (Stacker unloading)
> 4.500 Kg upright (Coil trough) eye to wall (Crane unloading)

Ramps/loading bridges: not available

RID: 508mm

RAD min: 1.050mm

RAD max: horizontal 1.600mm; upright max. 2.000mm

Coil width max.:

DELIVERY PLANT LINZ (A - PLZ: 4020)

Max. Unloading weight:	32.000 Kg Crane unloading
	8.000 Kg Stacker unloading
Loading:	<= 8.000 Kg horizontal on pallet (stacker unloading – no coils)
	> 8.000 Kg upright (coil trough) eye to wall (crane unloading)
Ramps/loading bridges:	not available
Coil makeup:	see 7.4
RID:	508mm / 610mm
RAD min:	not defined
RAD max:	2.200mm
Coil width max.:	2.000mm