

Principles of cooperation between suppliers and Brose Sitech sp. z o.o. – Handling procedures for purchase parts.

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1. Scope

This procedure applies to suppliers of Brose Sitech with respect to logistics and transport.

2. Purchase orders - Lieferabruf

SITECH agrees to issue Lieferabruf by Friday every week. Lieferabruf are sent via EDI on the agreed day of the week. In the case of companies which do not transmit data via EDI, Lieferabruf are sent by e-mail.

- QUANTITY – Lieferabruf specify the quantity of material to be delivered. Lieferabruf are based on a multiple of a single container. Daily forecasts cover the current week and the following week. Additional quantities are shown as a total weekly demand.
- DATE OF LIEFERABRUF – Date of the Lieferabruf means the date of loading at the supplier's site. Goods to be delivered should be available in the supplier's warehouse at 6:00 a.m. on the day of loading.
- If transport is organised by the supplier, the DATE OF LIEFERABRUF means the date of arrival of the goods at Brose Sitech's site.
- LIEFERABRUF contain supply forecasts for at least 12 weeks. The annual demand is specified in KP (corporate forecast) provided by Brose Sitech once a year at the supplier's request.
- Suppliers are required to check if the supply forecast has been received and if not, to notify a responsible administrator.
- PACKAGING – Packaging provided by the supplier must conform to the packing instructions provided by Brose Sitech and signed by the supplier. Goods to be delivered must be packed and labelled in accordance with VDA 4902/4 (its template may be provided by Brose Sitech on request).
- The most recent Lieferabruf is ALWAYS the binding Lieferabruf. This means that as soon as a new delivery schedule is sent, the previous Lieferabruf is no longer binding. If Brose Sitech fails to send a Lieferabruf for a given week, the Lieferabruf sent for the preceding week shall be the binding Lieferabruf.
- Goods sent by the supplier must be in accordance with the Lieferabruf. The supplier must comply both with the requested quantity and the date of loading.
- If the Lieferabruf is not accepted by the supplier, the supplier should notify Brose Sitech and explain reasons for such non-acceptance within one working day.

Non-delivered Lieferabruf:

- INCOMPLETE DELIVERY – If a Lieferabruf is not delivered or the delivery is incomplete, the supplier shall send the goods at its own expense, whatever INCOTERMS conditions are stipulated in the contract.
- EXCESSIVE DELIVERY – If the delivered quantity is greater than the quantity specified in the Lieferabruf, Brose Sitech shall not guarantee adequate space in the dedicated transport vehicle and reserves the right to send back the excessive goods at the supplier's expense.
- The supplier must immediately notify Brose Sitech of an incomplete / excessive delivery.

3. Loading and transport

Loading and transport procedures are regulated by specific transport regulations of Brose Sitech.

- The format of the packing list is agreed between Brose Sitech's administrator and the supplier.

- If transport is organised by the supplier, Brose Sitech must be notified in advance of vehicles to be unloaded.
- The supplier is required to issue any necessary transport documents: goods dispatch note (WZ), completed consignment note (CMR).
- Goods are loaded at the supplier's site in pre-agreed time windows. If the loading of goods at the supplier's site is delayed or takes longer than anticipated, Brose Sitech's administrator must be notified immediately.
- The place of loading at the supplier's site is the place specified by the supplier in the contract. Any changes to the place of loading must be agreed and accepted by Brose Sitech's Purchase Department.
- The need to issue an arrival notice and its format are agreed directly between the supplier and Brose Sitech's transport unit.
- The supplier shall comply with the driver's suggestions as to the distribution of goods on the semi-trailer so that the goods are transported safely and in accordance with the applicable road traffic regulations.
- If the semi-trailer provided by the carrier is in poor condition, the supplier shall refrain from performing the loading procedure and immediately notify Brose Sitech's administrator.
- The supplier shall appoint a contact person – a warehouseman. The supplier shall read and comply with Incoterms regulations as agreed with Brose Sitech (e.g. obligations of the shipper).

4. Container management

- The supplier shall provide information, on a weekly basis, about how many containers are needed to deliver Brose Sitech's Lieferabruf.
- Brose Sitech shall provide the supplier with empty containers in accordance with a specific delivery schedule.
- Containers shall be provided by Brose Sitech in quantities specified in the supplier's request for empty containers.
- Brose Sitech shall inform the supplier on a monthly basis about the number of available containers.
- The supplier shall perform an annual physical inventory of the containers when instructed to do so by Brose Sitech.
- The supplier shall send back documents confirming that the empty containers have been received.
- The price A supplier shall clean and remove any items and labels from the containers and deliver goods in clean packaging.

5. Cooperation and communication

- Brose Sitech's office hours: 7:30 a.m. – 3:30 p.m. Outside these hours the administrators shall be reachable at their business phone numbers.
- The supplier shall inform Brose Sitech about its office hours and warehouse opening hours. If the office hours are changed for any reason, the supplier shall immediately notify Brose Sitech.
- Information about non-working days at the supplier's site must be given to Brose Sitech with at least 4 weeks' notice.

- The supplier shall appoint a person who shall also be available by phone outside normal office hours of the company (e.g. in the afternoons, on weekends).
- The supplier shall immediately notify Brose Sitech of problems with deliveries, materials, loading, etc.
- At the end of each month the supplier shall receive a logistic evaluation report. The evaluation shall include 4 logistic criteria: punctuality, quantity compliance, operational logistics, communication and flexibility.
- At the supplier's request, Brose Sitech's administrator shall send a delivery acceptance note (Gelangensbestätigung).

6. Data transmission via EDI

Data are transmitted by electronic means. This is an exchange of structured business data between the supplier's and Brose Sitech's IT systems.

- Data exchange must be enabled on a 24/7 basis.
- The supplier shall receive Lieferabruf from Brose Sitech via EDI.
- Electronic consignment notes (MAT) are sent as soon as the loading procedure at the supplier's site is completed.

7. Financial penalties

- If more than 3 special shipments per week are received at Brose Sitech's site for reasons attributable to the supplier, Brose Sitech shall demand the supplier to pay the operating costs of 50 € per each special shipment.
- If the shipped goods are labelled not in accordance with VDA 4902, the supplier shall additionally pay 75 € per packaging unit/incorrect label.
- If the supplier fails to send electronic consignment notes (MAT) via EDI, the supplier shall pay 75 € per event.
- In the event of mistakenly shipped goods (logistic non-conformities, e.g. no shipping documents, quantity shown in the documents inconsistent with the actual quantity, etc.), the supplier shall pay 75 € per each inconsistent shipment.