

**SCHAEFFLER**

# **Logistics Guideline**

## **Schaeffler's Logistics Requirements for Suppliers**

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## **1. Introduction**

The integration of external Suppliers into the Schaeffler production system contributes significantly to meet the requirements of our customers in a sustainable manner. The focus here is on securing market supply and meeting cost and quality targets.

Achieving these goals requires a close cooperation with our Suppliers. The relevant specifications are described in the following chapters.

## **2. Scope of applicability**

The Logistics Guideline (LGL) serves as a basis for the structuring and implementation of logistics purchasing and procurement processes for the supply of companies of the Schaeffler Group (i.e. all companies in which Schaeffler AG directly or indirectly holds a majority interest) by external Suppliers. It is valid worldwide.

Insofar as a General Agreement (GA) has been concluded or the validity of a Quality Assurance Agreement (QAA) or Schaeffler's Terms and Conditions of Purchase has been agreed, these shall take precedence over the Logistics Guideline (LGL).

Any additional requirements of an individual Schaeffler production location can be specified by using the form "*Supply Agreement for Plants*" (SA) and shall then, unless otherwise agreed, take priority over the provisions of this LGL (see "14. Appendices").

An overview of all production locations is available on the Schaeffler website.

*www.schaeffler.com -> Investor Relations -> Service -> Locations Worldwide*

In order to take account of customer requirements, the LGL can be adapted in individual cases. These adjustments shall be made in coordination with the Supplier. The Supplier shall not unreasonably refuse these required or appropriate adjustments to the LGL.

## **3. General requirements for the Supplier and supplied products**

The Supplier is obligated to observe and comply with the statutory, official or other legally binding provisions and directives that apply to him and his products, in particular with respect to applicable foreign trade and customs laws. This applies irrespective of the level in the supply chain that the Supplier occupies.

## **4. Capacity and flexibility**

By providing adequate capacity (personnel, production facilities, raw materials, etc.), the Supplier will guarantee a secure supply of materials at all times, which also takes into consideration and compensates for fluctuations in requirements, including the supply of raw materials by sub-suppliers.

#### **4.1 Procedure**

In order to comply with the stated requirements, the Supplier is obligated to conduct capacity and resource planning on a regular basis and to provide evidence of same when necessary.

For this purpose, the Supplier shall provide a regular reconciliation of requirements (forecasts, delivery schedules and individual orders provided by Schaeffler) with the available capacities for the short, medium and long term.

In the event of identifiable critical deviations, the Supplier shall contact Schaeffler proactively and without delay (self-disclosure) and reach an agreement on suitable measures.

In the event the Supplier is facing impending or existing capacity or supply bottlenecks, Schaeffler may require notification and demonstration of capacity and supply related figures (e.g. capacity, inventories, shift models, etc.). Schaeffler reserves the right to examine the capacities and ability to supply at the Supplier's site.

#### **4.2 Flexibility in the volume production process**

The obligation of the supplier to supply defined quantities on the customer's request and to be able to react flexibly also to higher demands of the customer and to be able to supply these if necessary is to be agreed separately, as e.g. in

- Master Agreement (MA)
- Yearly Pricing and Supply Agreement (YPSA)
- Supply Agreement for Plants (SA)

#### **4.3 Changes in production**

The Supplier shall report changes in the production process (e.g. change of production facilities) and production relocations as well as significant changes to the production site itself, to Schaeffler proactively and promptly. The changes must not be carried out until Schaeffler has provided approval. This requirement is also valid for production ramp-ups and phase-outs.

Any plans for relocating production and/or for changes in the manufacturing process for spare parts requirements shall be informed at least six months in advance. For this purpose, the Supplier must submit detailed action plans that guarantee supply during the period of relocation and/or conversion. The Supplier must also inform the employee(s) responsible in the quality assurance department(s) as well as Schaeffler's central purchasing department of such plans.

In each of these cases, the Supplier must coordinate continuation and compliance with production and supply capacity with Schaeffler and ensure that the required resources are available.

#### **4.4 Volume production ramp-ups and phase-outs**

Prior to the cessation of production of a contractual product and/or before volume production phase-outs, Schaeffler shall be given the last opportunity to order the contractual product that will no longer be produced in the future in an appropriate scope. For this purpose, the Supplier

shall announce the cessation of production and/or the phase-out of a series in a timely manner, but at least six months before the respective termination date, in writing or electronically.

In case of volume production ramp-ups and phase-outs

- a higher flexibility might be required than in the mass production process (see “4.2 Flexibility in the volume production process”)
- Quantities for ramp-ups and phase-outs must be aligned on time
- A control system (including processes, systems and organization) has to be defined

The coordination of the last Supplier’s production lot is not equivalent to the delivery release for this quantity. In principle, deliveries continue to be made according to the transmitted customer requirements.

#### **4.5 Measures taken during disruptions**

In the event of disruptions with possible effects on the performance of the Supplier (delivery date and/or quantity, quality), the Supplier must immediately provide at least the following information:

- Cause of failure and corrective measures
- Maximum production capacity
- Comparison of target capacity and actual capacity
- Personnel requirements and availability (including shift model)
- Possible manufacturing alternatives (internal and external)
- Special freights to reduce delivery time
- Plans to reduce backlog
- All listed information must be submitted in writing; any formats specified by Schaeffler must be used

Regardless of the above notifications, the Supplier is also obliged to

- Present an emergency plan for correcting the disruption
- Inform every concerned Schaeffler plant and demonstrate the planned measures
- Realize the planned actions immediately

If Schaeffler deems the emergency plan to be inadequate, Schaeffler is entitled to propose measures for correcting the disruption, taking the Supplier's interests into account. The Supplier is obligated to implement these measures if these measures and the implementation of them are reasonable. If the Supplier has reservations about the measures proposed by Schaeffler, the Supplier is obliged, without affecting the obligation to implement them, to inform Schaeffler of these considerations without any delay.

If it is recognizable that agreements and promises cannot be observed or are at risk despite implementation of the agreed measures, the Supplier must inform Schaeffler immediately. The Supplier is also obliged to coordinate further steps (e.g. delivery of partial quantities, etc.) with Schaeffler.

The supplier cannot derive any claims against Schaeffler from the measures proposed by Schaeffler and their implementation insofar as nothing else has been explicitly agreed.

In particular, the obligation of the Supplier to deliver as agreed shall remain unaffected. A different regulation shall only apply if, after implementation of the measures, the concerns reported by the Supplier have been met.

#### **4.6 Obligations to provide information in special cases**

Schaeffler will generally charge the Supplier for all costs arising from disruptions in the logistics process which the Supplier is responsible for (see "7.2 Logistics Complaints").

The Supplier shall promptly report all information about circumstances which have or may have an adverse effect on its ability to fulfil its contractual obligations to Schaeffler.

In urgent cases, in particular if timely or orderly deliveries made to Schaeffler by the Supplier are at risk, the Supplier shall, without affecting the measures to be taken in case of disruptions (see 4.5), also ensure that a contact person appointed by the Supplier is available at any time (i.e. also outside of normal business hours and on weekends and holidays). This person must be authorized to initiate immediate measures or have access to decision-makers who are empowered to do so.

If supply obligations (e.g. delivery quantity and/or date) cannot be fulfilled, this must be reported to the respective Schaeffler employee responsible in a timely manner and without request.

#### **4.7 Risk and crisis management**

The Supplier is obliged to define and sustainably implement a process for risk and crisis management. The following topics must be covered:

- Escalation management
- Early Warning System
- Communication matrix with contact persons and telephone numbers
- 24/7 emergency number of contact person authorized to take decisions

#### **4.8 Special freights**

If a delivery date cannot be met with standard transports or if a delivery date has already been not met, the supplier is obliged to carry out special transports according to the following conditions.

The organization of special freights is based on the costs-by-cause principle or by arrangement. The Supplier must forward all relevant information regarding the realization of a special freight to Schaeffler.

Special freights arranged by the Supplier must be actively reported to Schaeffler. This also applies if

- Quantity and date deviations are avoided by the special transport
- Costs are carried by the Supplier

Costs are carried by the party who is responsible for the process disturbance that caused the special freight (costs-by-cause principle). If Schaeffler is responsible for the process problem, the Supplier must obtain Schaeffler's approval before carrying out a special freight.

## **5. Order Management**

### **5.1 Demand planning and forecast**

Long-term planning is required to ensure the Supplier has the capacity to supply. Schaeffler will provide the Supplier with a long-term, non-binding demand forecast on an item or a jointly coordinated aggregation level. In addition to the existing orders, this forecast is also based on a mid- and long-term demand estimate.

Binding production, material and supply approvals will be issued in accordance with the Framework Agreement and/or other agreements existing between Schaeffler and the Supplier.

### **5.2 Control and Call-off methods**

The standardized materials requirements planning procedure that is to be used will be established by Schaeffler based on the specific requirements of material and supplier with the objective of high supply security, reasonable stock-range, standardization of the procurement processes, etc.. The supplier is entitled to object to a specification by Schaeffler if the implementation of the disposition method selected by Schaeffler is unreasonable for the supplier. If the supplier does not raise an objection within a reasonable period of time, but not later than two weeks after notification of modification, the disposition method chosen by Schaeffler shall be deemed to be reasonable.

Schaeffler uses the following materials requirements planning methods.

#### **Scheduled agreement procedure**

For a period of up to 12 months the Supplier will regularly receive order information (quantities and delivery dates) in the form of scheduling agreements.

Schaeffler will regularly update the scheduling agreements on specified weekdays (defined in the logistics agreement), whereby the dates indicate the arrival date (all-day event) in the respective Schaeffler plant. This means, regardless of the Incoterm, the specified dates are always to be understood as dates of arrival at the ordering Schaeffler plant. If Schaeffler is responsible for transport, the provision date for the supplier shall be calculated from the arrival date minus the transport time notified by Schaeffler (provision date = arrival date at Schaeffler plant - transit time). The Supplier respects the aligned transit time (also considered by his system).

The last transmitted schedule agreement is relevant and replaces older delivery schedules.

Any deliveries deviating from this are only permitted if agreed by Schaeffler. The stated delivery dates are independent of the Incoterm.

Deliveries on dates other than the given delivery dates shall only be performed if coordinated with Schaeffler.



*Communication by Schaeffler*

- Forecast values on a rolling basis on weekdays specified in the Supply Agreement
- Maintenance of the planning parameters at item level, or at another agreed level of aggregation

*Duties of the Supplier*

- Delivery of the scheduled quantities on the required date
- Provision of the committed capacity and flexibility (see Supply Agreement)
- If delivery call-offs cannot be accepted, objections must be submitted in written form by the end of the next working day after transmission
- In the case of consignment processing, the obligations result from the consignment warehouse contract which must be agreed separately

The call-off process can be agreed between Schaeffler and the Supplier in conjunction with consignment processing. The general conditions in this regard are regulated in the consignment stock contract.

**Vendor-Managed-Inventory (VMI)**

The Supplier assumes full responsibility for material planning according to a defined range of items in a plant. For this purpose, he gets an insight into the relevant planning situation at Schaeffler.

VMI may be agreed on in conjunction with consignment processing between Schaeffler and the Supplier.

The framework conditions, that are required for this, shall be specified [in](#) the *Consignment Store Agreement*.

*Communication by Schaeffler*

- Provision of planning figures for the defined range of items
- Establishment and maintenance of minimum and maximum inventory limits

If the Supplier is responsible for defining these values, Schaeffler will enter the values specified by the Supplier into its planning system.

*Duties of the Supplier*

- Sole responsibility for materials supply of a plant's defined range of items
- Independent planning and control of the materials supply by processing the continuously provided planning figures

### **5.3 Order / scheduling agreement processing and tracking**

The Supplier is obliged

- To check an order / schedule agreement on receipt for correctness and plausibility (e.g. addressee, material number, quantity, date, etc.) and to report any irregularities immediately
- To carry out continuous internal order tracking
- To be able to provide information on the progress of production at any time. This also includes continuous and transparent order tracking with its sub-suppliers

### **5.4 Consignment**

In coordination with the Supplier consignment processing may be set up for the respective Schaeffler plants. Details of the consignment processing arrangement shall be specified in a separate *Consignment Store Agreement*.

Consignment processing may be combined with all supply methods listed in item “5.2. Control and Call-off methods”.

### **5.5 Subcontracting**

In the case of subcontracting, the withdrawal of provided components / parts must be done according to FIFO. The batch numbers of the components / parts must be indicated on the shipment notification.

Scrap quantities must be returned separately and marked as scrap for each batch number after subcontracting,

in case of

- Individual / complete deliveries: immediately
- Multiple deliveries: after complete consumption of the respective batch

## **6. Communication**

The basis for successful cooperation between the Supplier and Schaeffler is properly conducted communication. For this purpose, modern means of communication shall be used.

The Supplier must provide the supplied Schaeffler plant with the names of responsible contact persons. The following data must be transmitted.

- Name, position
- E-mail address, telephone and mobile phone number
- Representatives incl. contact details
- Emergency phone

The Supplier must notify immediately of all changes affecting communication (e.g. contact person, telephone number, e-mail address, etc.).

The communication shall be in English. In agreement with supplied Schaeffler plants, communication can also be made in the respective national language.

The Supplier is responsible for complying with any data protection regulations that may apply to the communication of the above-mentioned data.

### **6.1 Ongoing obligations to provide information**

On request, the supplier must provide the following information for each contracted product:

- Stock information and inventory results
- Any expiration of service life
- Replenishment lead time
- Tool data (initial quantity and/or period of tools in use, remaining quantity and/or period of tools in use)
- Status of aligned agreements and actions

### **6.2 Response time in special cases**

When Schaeffler has questions regarding the communication of information to be communicated in accordance with this Logistics Guideline (e.g. regarding inventories, production or delivery status, delivery schedule and changes) the Supplier must respond by the end of the next working day.

### **6.3 Data exchange**

In order to ensure a rapid data exchange between Schaeffler and the Supplier, data transfers shall normally be performed electronically via a variety of transfer procedures.

Schaeffler uses the Internet marketplace SupplyOn for bidirectional electronic message exchange. In this way, the Supplier can receive call offs, purchase orders, etc. via (indirect) EDI or retrieve this procurement-relevant information in WebEDI. The Supplier can use the same systems to send messages (order confirmation, shipping notification, invoice) to Schaeffler. Participation of the Supplier in the internet marketplace SupplyOn is therefore a prerequisite for supplying Schaeffler. The use of indirect EDI requires the signing of an EDI contract that regulates EDI-specific details.

Schaeffler currently uses EDIFACT standard formats for data transmission in accordance with the SupplyOn Guidelines (details in the EDI contract).

If the Supplier decides to use the WebEDI solution, data is accessed via the Internet-based web frontend provided by SupplyOn. Details and training are provided separately by SupplyOn. Further modules of the SupplyOn platform, such as the Empties Management System (EMS), should be used at Schaeffler's request.

Any expenses and costs associated with the data exchange or system connection shall be covered by the supplier.



#### 6.4.4 Data exchange in the VMI process

Pursuant to the agreed supply strategy the VMI process (Vendor Managed Inventory) may be used. VMI messages are provided by the SupplyOn-VMI solution. The information to be transmitted and the form of transmission has to be agreed in writing between the contracting parties in each individual case.

## 7. Logistics Supplier Evaluation

The complete description of supplier evaluation is archived on the homepage of Schaeffler.

*www.schaeffler.de* ⇒ Company ⇒ Purchasing & Supplier management  
 ⇒ Overview Purchasing & Supplier management ⇒ Quality  
 ⇒ Supplier Evaluation ⇒ Introduction & Calculation

The chapter includes the basics of supplier evaluation.

### 7.1 Delivery performance LKZ

Based on the following criteria delivery performance LKZ is calculated regularly.

Abbreviation	Criteria	Weighting
LKZ 1	Date Reliability	40 %
LKZ 2	Quantity Reliability	40 %
LKZ 3 *	Logistics Quality	20 %

\* Logistics complaints are the basics for calculation

Calculation formula for Delivery Performance LKZ

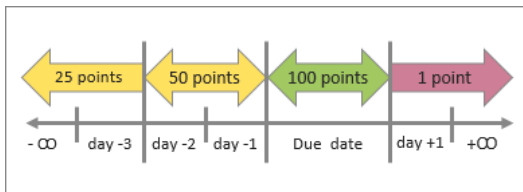
$$LKZ = \frac{0,4 \times LKZ\ 1 + 0,4 \times LKZ\ 2 + 0,2 \times LKZ\ 3}{0,4 + 0,4 + 0,2}$$

Calculation formula for Logistics Quality LKZ 3

$$LKZ\ 3 = 100 - 1000 \times \frac{\text{Number of quality defect notifications (number of cases) relating to logistics}}{\text{Number of goods inwards items logistics (max. 500)}}$$

To calculate the quantity and on-time delivery performance, the received quantity and the delivery date are compared with the target data of the purchasing document on which the delivery is based when the goods receipt is booked.

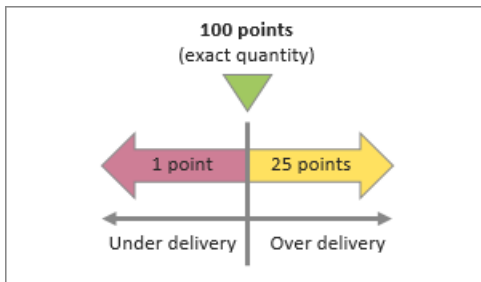
### Point scheme for date reliability



### Evaluation logic for date reliability

Delivery date = Due date	Delivery meets request	100 points
Delivery date to early	Not perfect, but production is assured	50 / 25 points
Delivery date to late	Production can't be realized as planned	1 point

### Point scheme for quantity reliability



### Evaluation logic for quantity reliability

Delivered quantity = Ordered quantity	Delivery meets request	100 points
Ordered quantity is exceeded	Not perfect, but production is assured	25 points
Ordered quantity is not fulfilled	Production can't be realized as planned	1 point

## 7.2 Logistics Complaints

A logistics complaint is triggered by disturbances in the logistics process caused by the Supplier. These can be, for example:

#### *Material*

- Deviation in date and quantity
- Incorrect delivery

#### *Information flow*

- Missing or incorrect shipping documents
- Incorrect or not executed transmission of delivery and transport data (ASN)
- Incorrect or missing labelling (master/single label)

#### *Packaging and transport*

- Non-compliance with the agreed packaging (incorrect or missing packaging)
- Incorrect, defective or damaged packing material / packaging
- Inadequate load securing
- Packing quantity deviates from labelling and documents
- Incorrect, dirty or damaged empties / packaging
- Quantity and / or date deviation empties (packaging management at the Supplier)
- etc.

In the event of non-compliance with the specifications described in this guideline, Schaeffler reserves the right to take measures to ensure compliance with the defined standards.

These measures can be, for example:

- Refusal to accept the shipment
- Repacking of the product
- Disposal costs for packaging that does not meet requirements
- Storage and handling costs (internal or with a logistics provider)
- etc.

The additional costs generated by the initiated measures are recorded and evaluated.

Schaeffler is entitled to check the supply chain maturity level at the Supplier itself or through third parties. This includes the execution of

- Process Audits
- a logistical self-assessment (e.g. Global Materials Management Operations Guideline / Logistics Evaluations -> MMOG/LE)

## **8. Terms of delivery (Incoterms)**

To define the terms of delivery of goods in international trade, Schaeffler uses the Incoterms (International Commercial Terms) compiled by the ICC (International Chamber of Commerce). They facilitate internationally consistent interpretations of standard delivery conditions.

Incoterms shall be agreed to contractually and documented (e.g. *(Purchasing) Framework Agreement, General Conditions of Purchase, Supply Agreement of Plant*, etc.). If no other agreement is reached, the designation of the terms of delivery refers to Incoterms 2020.

## **9. Packaging**

The Supplier is responsible for protecting his products and delivering them in compliance with the agreement. He shall use proper and suitable packaging. The packaging handbook for suppliers (see 9.2) valid for this purpose must be strictly followed. If no information is given in the manual, the packaging must meet the following requirements.

### **9.1 General requirements**

When selecting suitable packaging for delivery of the products the following points shall be primarily taken into account:

- Protection of the parts
- Costs of the packaging, handling and application
- Environmental compatibility
- Storability
- Ability to load and transport
- Integration into an existing packaging concept
- Compatibility (the material shall be incorporated into Schaeffler's production in the packaging in which it was delivered)

Packaging (including alternative packaging) must be agreed with Schaeffler and fixed in writing. Schaeffler will prepare a packaging data sheet for this purpose. The application of unauthorized packaging is not permitted.

## **9.2 Detailed information**

Additional information is provided in the packaging manual.

*www.schaeffler.de* ⇒ *Company* ⇒ *Purchasing & Supplier management*  
 ⇒ *Overview Purchasing & Supplier management* ⇒ *Logistics*  
 ⇒ *Sets of Rules*

- Packaging Handbook
- Overview of packaging materials
- Packaging Data Sheet
- Empties requisitions

## **10. Labeling**

In general, both the packaging and, if applicable, the products themselves must be marked in accordance with the agreements made with Schaeffler (e.g. Technical Terms of Delivery) and the applicable packaging and shipping regulations.

### **10.1 Labels**

Packaging must be labeled in accordance with the Schaeffler GTL standard, as per the internationally recognized Global Transport Label Standard (Version 3) of the Joint Automotive Industry Forum (JAIF). The exact specifications of the GTL can be found in the “Schaeffler GTL Implementation Guidelines”.

*www.schaeffler.de* ⇒ *Company* ⇒ *Purchasing & Supplier management*  
 ⇒ *Overview Purchasing & Supplier management* ⇒ *Logistics*  
 ⇒ *Sets of Rules*

New Suppliers must mark all consignments in accordance with this standard. Existing Suppliers must convert to this standard. The transition is coordinated between the parties.



## **10.2 Basic requirements for labeling**

When labeling packaging and products the following points shall be observed:

- The labeling must be legible and clear
- Old labels must be removed
- Labels must be applied in accordance with requirements
- Labels must be affixed so that they cannot be lost  
(e.g. by securing with a removable residue-free adhesion point)
- Empty small load carriers must be labeled accordingly
- Mixed pallets (different materials on one pallet) must be marked as such
- Only one Schaeffler GTL is allowed per material and package (the marking of different Supplier batches in a package with several GTLs is not permitted)

Also note:

- Existing labeling surfaces or insert pockets will be used if they do not contravene other requirements
- The affixing of returnable packaging materials is not permitted

All

- Cargo units
- Subpackaging (e.g. SLC, box)
- Primary packaging (e.g. bag in SLC, box)

must be labeled separately.

Gluing or labelling of customer labels (Schaeffler GTL) with additional labels of any kind (e. g. forwarding labels) is not permitted.

## **10.3 Requirements for labeling in exceptional cases**

In exceptional cases, with the approval of Schaeffler, the material will be labeled with information that cannot be included on the standard label.

The information to be provided in these cases includes:

- Copy of the permission to deviate from specification / special approval issued by Schaeffler  
(see Appendix 3 QAA / S 296001 Section 3 – Change Authorization / Special Approval)
- Note regarding partial or residual shipment
- Labeling initial volume production sample

## **10.4 Detailed information**

Additional information is provided in the packaging manual.

*www.schaeffler.de* ⇒ *Company* ⇒ *Purchasing & Supplier management*  
 ⇒ *Overview Purchasing & Supplier management* ⇒ *Logistics*  
 ⇒ *Sets of Rules*

- Packaging Handbook
- Overview of packaging materials
- Packaging Data Sheet
- Empties requisitions

## **11. Transport, delivery and documents**

### **11.1 General provisions**

Following points should be observed when delivering the materials:

- The shipments have to be handed over to the freight operator with properly prepared and complete shipping documents according to 11.2.
- When shipping through a forwarding company the delivery note must be handed over along with the bill of lading and must not be affixed to the goods.
- The Supplier must ensure that the delivery notes are handed over along with the bill of lading at the respective Schaeffler plant.
- Acceptance of shipments that do not have the correct shipping documents may be refused.
- Pallets or boxes must not be strapped together for loading.
- All cargo units have to be handed over to the forwarder/carrier in a logistically optimized way.
- Loading (and possibly unloading of the empty goods) must be carried out immediately at the agreed time, but not later than one hour. Delayed clearance and inappropriate loading and waiting times lead to additional costs and may be invoiced. Upon request, the Supplier is obliged to confirm the beginning and end of the vehicle provision on the consignment note.

#### *Incoterm FCA*

- With Incoterm FCA, the Supplier must inform the nominated forwarding company/carrier that the deliveries are ready for pick-up. A TMS specified by Schaeffler can also be used for this purpose. The supplier must plan the pick-up in such a way that the goods can be delivered to Schaeffler's incoming goods department on time. The transit time of the forwarding company/carrier must be taken into account for this.

### *DAP Receiving Plant*

- In order to manage deliveries to the plants better and avoid waiting times, some plants use an Internet-based time slot management system. The platform is operated by TRANSPOREON. If requested by the receiving plant Suppliers are obliged to instruct their forwarding agents/carriers to use the platform and to book time slots.
- If shipping labels have to be used, these must not be attached on the shipping labels (GTL) specified by Schaeffler. Suppliers are obliged to instruct their forwarding agents/carriers accordingly.
- In general, the use of trucks with box body (truck trailer) is not permitted.
- The calculation of transport and additional transport costs on the Supplier invoice as a separate item is not accepted.

## **11.2 Shipping documents**

The following documents must be handed over upon delivery:

- Bill of lading
- RDT (Remote Data Transmission) goods receipt note (or on demand delivery note in VDA / Odette standard format, if no EDI is agreed)
- If applicable, customs documents with customs invoice
- Other documents required in the order

### **11.2.1 Bill of lading**

In all cases, the terms of delivery agreed to with Schaeffler pursuant to Incoterms as amended shall be specified on the bill of lading and shipping order. The volume of bulky goods must also be indicated.

### **11.2.2 RDT goods receipt note and delivery note**

The delivery note must contain:

- Delivery note number
- Order number
- Supplier number
- Material number (Schaeffler number according to order / schedule agreement)
- Material abbreviation
- Change index (ECV index if available, otherwise drawing version)
- Total delivery quantity
- Number, type and quantity per package
- Gross and net weights
- Unloading point
- In the case of single-variety packages, a separate delivery note must be issued for each material number.
- For mixed pallets (different materials or different vendor batches), a collective delivery note must be created.
- Clear identification of initial samples and mixed pallets

- Separate listing of reusable packaging materials. The packaging material number, quantity and description must be specified for each delivery note. The corresponding data can be found in the packaging data sheet.
- Parts identification and delivery note include Supplier batch (only for batch-managed material)
- BBD (best before date only for parts subject to BBD)
- Serial number (only for parts requiring a serial number)
- The delivery note or collective delivery note numbers transmitted in the notification must be stated on the corresponding invoice

We recommend the use of the shipment document according to VDA 4939 or the SupplyOn delivery note.

### **11.2.3 Customs documents**

The Supplier, if he is an exporter, must promptly make all documents required for customs/import clearance available, in particular commercial invoices, packing lists, freight documents (bill of lading/AWB) origin/ and preferential documents.

Schaeffler may redebit the Supplier for import duties imposed due to missing customs documents (in particular origin/preferential documents).

The commercial invoices must contain all foreign trade related data, such as

- Customary description of goods
- Value of the goods
- Currency
- Customs tariff no.
- Country of origin
- Weight
- Quantity
- Term of delivery

### **11.3 Details of Information**

For Schaeffler additional information is provided in the packaging manual.

*www.schaeffler.de* ⇒ *Company* ⇒ *Purchasing & Supplier management*  
 ⇒ *Overview Purchasing & Supplier management* ⇒ *Logistics*  
 ⇒ *Sets of Rules*

- Packaging Handbook
- Overview of packaging materials
- Packaging Data Sheet
- Empties requisitions

## **12. Further improvement in the supply chain**

In order to ensure competitiveness and support the continuous improvement process, the Supplier is obliged to introduce future innovations

- by examining the feasibility and economic viability
- by implementing after consultation with Schaeffler

## **13. General provisions**

The Logistics Guideline shall be governed by the law agreed between Schaeffler and the Supplier for the contractual relationship, in the context of which this Logistics Guideline shall apply. If no such agreement exists or if no choice of law has been made, the law of the country in which the respective company of the Schaeffler Group has its registered seat shall apply to this Logistics Guideline. The place of jurisdiction shall be the registered seat of the respective company of the Schaeffler Group, subject to any different exclusive place of jurisdiction. However, Schaeffler shall also be entitled to bring an action against the Supplier at any other competent court.

Should any provision of this Logistics Guideline be or become invalid, the validity of the remaining provisions shall not be affected thereby. The Parties commit themselves, in good faith, to replace any invalid provision with a valid provision that has an economic result equivalent the original provision.

## **14. Appendices**

The document

- Implementation Guideline GTL

can be downloaded from the website or will be sent on demand.

*www.schaeffler.de* ⇒ *Company* ⇒ *Purchasing & Supplier management*  
 ⇒ *Overview Purchasing & Supplier management* ⇒ *Logistics*  
 ⇒ *Sets of Rules*

Shipping and transport instructions are available on the Internet under the following links:

*www.schaeffler.de* ⇒ *Company* ⇒ *Purchasing & Supplier management*  
 ⇒ *Overview Purchasing & Supplier management* ⇒ *Logistics*  
 ⇒ *Shipping and Transport Instructions*