



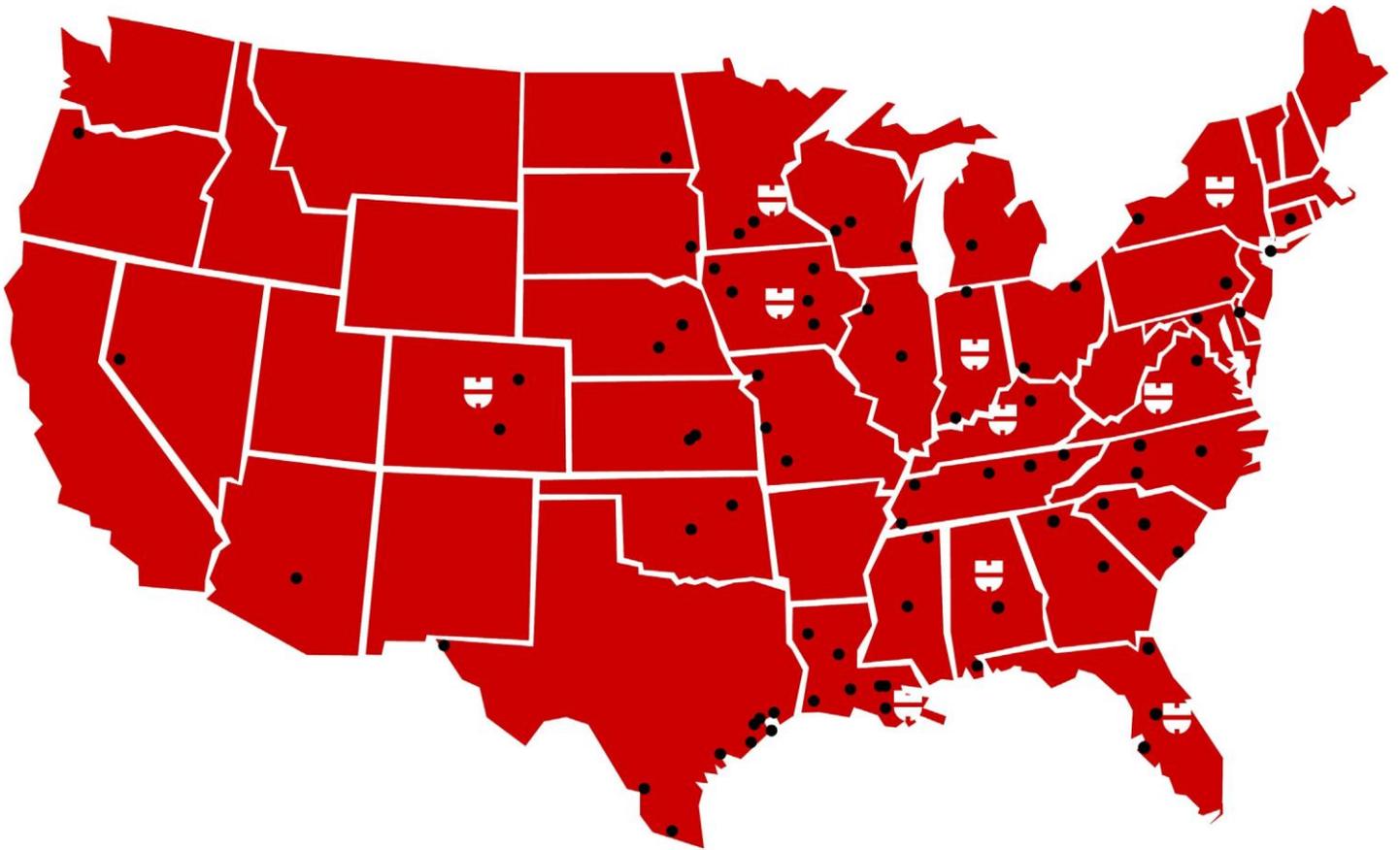
SUPPLIER HANDBOOK

WÜRTH INDUSTRY NORTH AMERICA

VERSION 2019.12.13

WÜRTH INDUSTRY NORTH AMERICA SUPPLIER HANDBOOK

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WINA LOCATIONS

- Würth Adams, 9485 Winnetka Avenue North, Brooklyn Park, MN 55445
- Würth Canada, 10 Abbott Court #203, Brantford, Ontario, Canada
- Würth Des Moines Bolt, 2300 Delaware Avenue, Des Moines, Iowa
- Würth House of Threads, 4150 Church Street Suite 1066, Sanford, Florida
- Northern Safety, 232 Industrial Park Dr., Frankfort, New York
- Oliver Van Horn, 4100 Euphrosine Street, New Orleans, Louisiana
- Würth Revcar, 3845 Thirlane Rd., Roanoke, Virginia
- Würth Timberline Fasteners, 6195 Clermont Street, Commerce City, Colorado
- Würth Snider, 11503 Champions Way, Louisville, Kentucky
- Würth Service Supply, 598 Chaney Ave., Greenwood, Indiana
- Weinstock Brothers, 140 E Mineola Ave., Valley Stream, New York



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1.0 INTRODUCTION

Würth Industry of North America (WINA) is part of the Würth Group, one of the world's largest distributors of fasteners and other related assembly components. WINA specializes in the supply of industrial fasteners and 'C' class components to the OEM (Original Equipment Manufacturers) market through an innovative modular system called C-Parts Solutions (CPS®).

Würth is a family business, founded by Adolf Würth in Germany in 1945. In 1954, at the age of 19, Prof. Dr. h.c. mult. Reinhold Würth took over the family business after his father passed away. Starting from the early years of the company in post-war Germany, he turned the former two-man business into a worldwide trading group. Today, WINA partners with many of the world's leading manufacturers through a network of locations, both in North America and also in the rest of the world (WINWORK). As a member of the Würth Group, WINA's customers benefit from supplier relationships throughout the world

Würth – the name stands for high product quality and excellent service. Nevertheless, the Würth Group is not just a fastener distributor. A very special corporate philosophy and good business partnerships are vital components of the company's longstanding success be it in Germany, the birthplace of the Würth Group, or in any of its roughly 80 countries all over the globe.

Our **visionary thinking** is a catalyst for our drive to go the extra mile and attain new milestones, guaranteeing the lasting development and growth of the family business. All employees are encouraged to contribute their ideas and creativity in support of our continual improvement environment. **Demanding growth and promoting performance** is firmly embedded in Würth's corporate culture. Working together in the spirit of **optimism, responsibility** and **mutual respect** are not just empty words, but principles fulfilled by the WINA team.

These values are not only important inside our organization, but also in our relationships with customers and suppliers. We feel that it is extremely important to communicate our expectations clearly in an effort to build lasting relationships with our business partners.

1.1 PURPOSE OF THIS MANUAL

The mission of the WINA Supplier Handbook is to:

1. Provide a clear expectation of WINA's Supplier Quality Requirements;
2. Define the WINA PQLIR performance evaluation criteria;
3. Communicate WINA's internal and external customer requirements;
4. Provide a clear understanding of WINA's commitment to strategic growth and development of all existing and potential suppliers;
5. Define WINA's compliance requirements and the expectations of our business partners;
6. Supplement WINA suppliers in meeting these requirements; and
7. Provide the path to a world-class supply chain.

WINA is committed to engaging suppliers who will adhere to the requirements outlined herein and who will strive for continuous improvement. Therefore, expectations must be understood and agreed, and any issues that are identified in the course of our business relationship must be resolved when a disruption may occur, or proactively identified and worked through as a team. This Supplier Manual is intended to provide the framework by which WINA and its suppliers will work. It is not intended to provide all requirements and where in conflict with specific requirements set forth by either Purchase Order or other Quality Agreements with any of the WINA companies.

This manual will detail WINA's supplier expectations to provide:

- Zero process and product quality mistakes;
- Lowest total cost;
- A fill-rate > 98.5%;
- Appropriate inventory levels;
- Service levels that eliminate the need, or occurrence, of expedited freight;

- Process excellence which reduces the potential for out-of-stock or line-down situations;
- Flexibility for demand fluctuations;
- Delivery in the correct pack size with the correct label;
- Standardized documentation and transportation;
- Consistent information and communication, ideally electronically;
- Dedication to business ethics; and
- 100% compliance with all import and export regulations in the United States, and those countries in which we do business.

As a supplier you are responsible for your actions. Each supplier is encouraged to work proactively with WINA to continuously improve business processes in an effort to eliminate waste and to develop further competitive advantage.

1.2 SCOPE OF THIS MANUAL

This manual defines the minimum requirements and expectations for doing business with WINA. This manual outlines processes to ensure that our supply base is providing top-level service while continually improving to prevent quality and delivery disruptions. It is the responsibility of the Supplier's leadership to ensure compliance with this manual. The transportation and packaging guidelines apply for all shipments of products which have been sold and shipped to a WINA company. Any questions of applicability should be directed to your appropriate WINA contact(s) for resolution.

1.3 REVIEW PROCESS

Suppliers shall have a defined review process to ensure that all technical, quality, compliance, and purchase order requirements can be achieved before committing to supply products or services to WINA. The review shall be coordinated with all applicable functions of the organization, including but not limited to Quality, Engineering, Manufacturing, International Trade Compliance and the Supply Chain. The supplier should obtain any listed reference documents to ensure full compliance with requirements. The review shall include evaluation of the following at a minimum:

- Blueprints/Drawings and all applicable specifications;
- Industry standards;
- Additional quality/technical requirements within the Purchase Order;
- All related commercial requirements;
- Forecast and delivery expectations;
- Product marking capabilities; and
- International trade documentation and necessary support to show all relevant requirements can be met (applicable when the supplier relationship is outside of the WINA company's border).

If some WINA requirements cannot be met or can only be partially met, Suppliers must notify WINA with the exception(s) prior to agreement to engage in a sale. In some circumstances, a Supplier's inability to meet a requirement stipulated in this handbook could result in a termination of the relationship with the Supplier. The results of a Supplier's review shall be documented and retained. In the event where changes to contract requirements are made, the Supplier shall ensure the relevant functions are made aware of the changes and the impact of the change(s) are re-evaluated to ensure the requirements can still be achieved. *Note that WINA will not sign off on a supplier drawing as it is the supplier's responsibility to ensure they are conforming to the purchase order, and the drawing and/or standard as applicable.*

1.4 SUPPLIER CODE OF CONDUCT

At WINA, we are committed to a standard of excellence in every aspect of our business. This includes conducting all of our operations with integrity; abiding by all import and export laws and regulations of the US, and the countries in which we do business; respecting the rights of all individuals; employing proper business ethics; and respecting the environment. The Würth Group has a Code of Compliance and we expect the suppliers (as well as subcontractors) who do business with WINA to share these same commitments. WINA and its subsidiaries strongly encourage each Supplier to meet the following standards in all activities that relate directly, or indirectly, to WINA. We will evaluate a Supplier's compliance with these standards in determining whether to grant, or continue a business partnership. Suppliers that do not conform to these standards may be disqualified from any preferred status and/or have their business relationship with WINA terminated.

Treatment of Employees

Suppliers must comply with all applicable labor and employment laws and regulations; including but not limited to the following:

Compensation

Supplier must comply with all applicable wage and hour laws and regulations, including those relating to minimum wage, overtime, and other elements of compensation, and must provide all legally mandated benefits.

Hours of Work

Supplier must maintain work hours in compliance with all applicable laws and regulations. Supplier will not require employees to work more than any limits on regular and overtime hours allowed under applicable law.

Forced Labor / Prison Labor

Supplier will not use forced or involuntary labor, including prison, bonded, or indentured labor, or engage in any form of human trafficking.

Child Labor

Supplier will not use child labor. "Child" means any person who is either (1) younger than 16, or (2) younger than the minimum age required for employment under applicable law. Supplier will comply with all applicable laws and regulations regarding the employment of minors.

Fair Treatment

Consistent with applicable employment and labor laws, Supplier will treat each employee with dignity and respect, and will not threaten workers with or subject them to harsh or inhumane treatment, including sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse.

Discrimination

Supplier will not unlawfully discriminate against any worker in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, religious beliefs, union membership or political affiliation.

Provision of Regular Employment

Work performed must be in compliance with the recognized employment relationship established through Local, State, and Federal Laws.

Intellectual Property Rights (IPR)

IPR are those rights given to persons to protect their creations and designs. The protection and safe-guarding of IPR is a priority trade issue for the US Government. Suppliers must respect IPR through the safeguarding and purposeful handling of proprietary information and technologies. The Supplier must have documented processes in place to ensure that it is able to protect those rights and uphold IPR controls. The use of Würth's name, logo or intellectual property is strictly forbidden in advertising, brochures or presentations without written authorization of WINA's executive management.

Anti-Bribery and Corruption

The Würth Group's Code of Conduct states that we reject any form of corruption and bribery. Therefore, the supplier must be committed to the highest standards of integrity in conducting its business - specifically when it comes to corruption, extortion, embezzlement, and improper advantage. The supplier will not engage in corruption, extortion, or embezzlement, in any form, to obtain an undue or improper advantage.

The supplier must comply with all applicable anti-corruption laws and regulations of the US, and the countries in which it operates including, but not limited to the U.S. Foreign Corrupt Practices Act, the UK Anti-Bribery Act, the OECD Anti-Bribery Convention, and all international anti-corruption conventions. The supplier must not bribe, provide kickbacks, or engage in activities related to any other improper payments or improper gifts in the course of any business dealings involving any officer, director, employee, representative, or agent of WINA, inclusive of any of its subsidiaries.

An exception can be made in the case of gifts that are offered for reasons of etiquette or politeness for a special occasion. The net value of such gifts cannot exceed \$50. In case of doubt, WINA employees will refuse the gift and inform the appropriate purchasing manager. It is important to ensure that such exceptions do not give rise to dependencies that obligate the employee in any way. Supplier must immediately report to WINA any circumstance where an officer, director, employee, representative, or agent of WINA, inclusive of any of its subsidiaries, has made any such improper request or demand of the Supplier. *(see the Reporting Violations section of this manual for information on how to report non-compliance).*

Additional information about US Anti-Bribery and Corruption law can be found at:
<https://www.justice.gov/criminal-fraud/foreign-corrupt-practices-act>

Accounting Records

Supplier's accounting records must be kept and presented according to the laws of each applicable jurisdiction, in reasonable detail, accurately and fairly reflect transactions, assets, liabilities, revenues and expenses, and not contain any false or misleading entries.

Conflict of Interest

Supplier must immediately report to WINA or the applicable WINA subsidiary any "conflict of interest" of which it becomes aware. A "conflict of interest" is any circumstance, transaction or relationship directly or indirectly involving the Supplier in which the private interest of any employee of WINA or any of its subsidiaries improperly interferes, or even appears to improperly interfere, with the interests of WINA and/or its subsidiaries.

Product Regulatory Compliance

Substance of Concern Certification (RoHS, REACH, IMDS, Proposition 65, Full Material Disclosure, etc.)

At a minimum, our suppliers are expected to provide a Certificate of Compliance that all material shipped meet the requirements of RoHS, REACH, and Proposition 65 for each shipment as applicable.

When required / requested, suppliers to WINA shall provide hazardous substance certification (i.e. RoHS, REACH) on homogenous components of parts supplied. It is expected that the suppliers shall update and re-submit certifications upon any changes to the RoHS and / or REACH directives. Suppliers are required to notify WINA of the presence of any elements from the Proposition 65 list. It should be noted that if any substance from REACH, RoHS, and/or Proposition 65 are present in the finished product, Full Material Disclosure is required and must accompany the shipment.

(IMDS (Automotive Use Only) – Full Material Disclosure)

(CDX (Non-Automotive Use) – Full Material Disclosure)

Laboratory certification test results should be made available upon request, and need to show the concentration level (typically weight percent) of the hazardous substance within the homogenous component. WINA may also require Supplier reporting of the weight percent of specified hazardous substances within databases including IMDS or other material databases as required by WINA or its Customers.

Conflict Minerals Declaration

The mineral trade has funded violence and armed conflict for decades. Despite international legislation aimed at cleaning up the trade, conflict minerals can still enter global markets and end up in products such as automobiles. Minerals affected include Tantalum; Tin; Tungsten and Gold.

WINA is taking steps to ensure the use of conflict-free Tin, Tungsten, Tantalum and Gold (3TG) minerals by our supply chain. In addition, although we are a private company, WINA is committed to facilitating our public company customers' compliance with the U.S. Conflict Minerals Rule. WINA has implemented a Conflict Minerals Policy and requires our Suppliers to:

- Adopt a Conflict Minerals Policy consistent with our Policy and require their direct and indirect suppliers to do the same.
- Exercise due diligence with relevant suppliers on the source and chain of custody of 3TG minerals.
- Identify to us the smelters / refiners associated with the 3TG mineral supply chain for our products.
- To the extent that they have not already done so, transition to certified conflict-free smelters / refiners.

In the event WINA determines that a Supplier has failed to develop and implement reasonable steps to comply with this Policy, WINA reserves the right to take appropriate actions, which may include discontinuing the business relationship with the Supplier. Suppliers must make their Conflict Minerals information available upon request via the current CMRT form or signed Acknowledgement letter.

More information regarding the law can be found at:
<http://www.conflictmineralslaw.com/>

Environmental Responsibilities:

WINA, like all organizations, operates in a larger community. As such, we all have a responsibility to safeguard and protect the Environment in which we live and work. Consequently, we must ensure that all products and services supplied to WINA comply with the local, state, federal and international regulations. Suppliers must not only comply with all applicable environmental laws and regulations, but be prepared to pass any government mandated audit and not disrupt the delivery of material to WINA.

In addition, our suppliers should also strive to implement the following:

- Work to reduce the environmental impacts of their operations including natural resource consumption, materials sourcing, waste generation, wastewater discharges and air emissions.
- Prevent accidental releases of hazardous materials into the environment and adverse environmental impacts on the local community.
- Implement programs to ensure products do not contain restricted or banned materials.
- Implement programs that recognize, respect and invest in the local community.
- Become ISO 14001 certified or equivalent.

International Trade Compliance

Import

Import regulations are in place to ensure the proper entry of goods into the United States. The WINA Group abides by all import regulations of the United States and requires its suppliers to be responsible for its role in ensuring that the proper documentation (see Documentation Section for complete details), valuation, duty payment, and entry information is provided to US Customs for the entry of goods.

Export

The WINA Group abides by all export regulations of the United States (i.e. the International Traffic in Arms Regulations and the Export Administration Regulations). WINA requires its suppliers to be aware of and abide by the requirements stipulated in these regulations for the control and licensing of goods found on the US Munitions List or the Commerce Control List. Supplier will not export, or re-export, any technology or products contrary to these US export regulations without obtaining all necessary export authorizations required for the export/re-export of technology and products controlled by US regulations.

Reporting Violations

The global Würth Group takes its compliance with the laws and regulations governing its business seriously and encourages open communication about compliance so that its employees, suppliers, customers, and any other business partners engaged in a relationship with the Würth Group are confident in their ability to report non-compliance, in a non-retaliatory environment. WINA mimics this sentiment in its daily operations at all of its companies.

As such, WINA and the Würth Group offer numerous avenues for reporting any perceived non-compliance. Each avenue guarantees the reporter confidentiality and an experience free of any risk of retaliation. Below are the avenues available for all WINA employees and business partners to report any potential or perceived non-compliance. All employees and business partners are encouraged and welcomed to report any concerns of inappropriate behaviors or actions.

WINA Reporting

The WINA Group has put in place a Compliance Officer that is tasked with confidentially managing any reports of concerns related to non-compliance. WINA has established two of its own mechanisms for such reporting. The WINA Compliance email and telephone number provides an avenue to engage directly with the WINA Compliance Officer. Both of these avenues are confidential and all reports made will be held in the strictest of confidence.

Email: compliance@wurthindustry.com

Phone: 651-425-1725

Würth Group Reporting

The Würth Group, globally, provides a way for its employees and business partners to report compliance concerns – either anonymously, or by name. This web-based tool is called BKMS (Business Keeper Monitoring System). You can submit a report through this system at:

<https://www.bkms-system.net/wuerth>.

BKMS reports are managed by a third-party service provider, so it does not go directly into the WINA, or Würth, Group.

Any report of non-compliance that is made through any of the above avenues will be confidentially documented and investigated. All findings related to the report will be analyzed and, as necessary, corrective actions will be put into place to ensure there is no further risk of a non-compliance to occur. Any employee or business partner filing a report which is not filed anonymously will have the findings, and any pertinent corrective actions, communicated back to close the report loop.

Supplier is expected to have a policy prohibiting unlawful and inappropriate conduct that provides employees, and other representatives of Supplier, a way to raise concerns and a process for investigating and resolving incidents. Supplier must not tolerate retaliation against any employee who makes a good faith report of abuse, intimidation, discrimination, harassment or any violation of law or of this Code, or who assists in the investigation of any report.

1.5 BUSINESS PRACTICES

WINA's goal is to award business based on strategic objectives and total cost, not based solely on lowest piece price. Strategic Partnerships are important to WINA. Our intent is to favor those relationships. To abide with fair and ethical practices, WINA considers discussions between our suppliers/prospective suppliers as a private matter between two parties and is kept confidential. We expect our suppliers to abide by the same principle. If a supplier needs to get involved with a customer to help resolve problems or participate in a customer seminar, WINA assumes non-circumvention a given.

Business Continuity Planning

Advance preparation for a security crisis or disaster could mean the difference between the survival and demise of a business. Suppliers must develop a plan that will help maintain or recover the business operations if adverse events occur.

This plan should be made available for review when requested by WINA.

Business Continuity Planning (BCP) is a living process that should be updated regularly. Every supplier is at risk from potential disasters which include, but is not limited to the following:

- Natural disasters such as tornadoes, floods, blizzards, earthquakes and fire
- Accidents
- Sabotage
- Power and energy disruptions
- Communications, transportation, safety and service sector failure
- Environmental disasters such as pollution and hazardous materials spills
- Cyber-attacks and hacker activity.

Suppliers must create and maintain a BCP to help ensure that you have the resources and information needed to deal with these emergencies mentioned above.

Liability Insurance

It is the responsibility of each Supplier to maintain Certificate of Liability Insurance of sufficient value to protect the supplier in the event of financial loss from natural disaster, personal injury, product liabilities, or similar losses.

Customs Trade Partnership against Terrorism (C-TPAT)

CTPAT is a voluntary partnership program where the US trade community works with US Customs and Border Protection to strengthen international supply chain security, and ultimately US border security.

(<https://www.cbp.gov/border-security/ports-entry/cargo-security/c-tpat-customs-trade-partnership-against-terrorism#>)

CTPAT calls upon principle stakeholders such as importers, carriers, consolidators, licensed customs brokers, and manufacturers to assist with ensuring that security measures are in place to promote security within the supply chain and at US borders. WINA is a business partner to many CTPAT certified entities. As such, WINA is required to assist its business partners with maintaining their certifications.

This assistance requires that WINA ensures the CTPAT security standards exist within itself, and within its supply chain. It also requires WINA to cooperate in any requests for information from its CTPAT certified business partners. Any supplier to WINA will make reasonable efforts to ensure that they meet CTPAT standards for the goods which are supplied to WINA, and further agrees to comply with any requests for information to support any CTPAT requirements.

1.6 BLOCKED SUPPLIERS

Suppliers not eligible for purchase due to legal/ethical/business issues and/or continued poor performance in quality, delivery, or business issues resolution will be blocked from receiving future purchase orders until further notice. Some examples include, but are not limited to: Poaching of business from WINA customers, sharing of confidential WINA information with unauthorized parties including competitors, misrepresentation/fraud on product certifications, and/or commercial documentation such as packing lists and invoices.

1.7 COMMITMENT TO QUALITY

WINA focuses on providing supply chain excellence to all the customers and markets we serve. The way we purchase product has a major impact on our ability to give our customers consistent, quality products, on time and at competitive prices. Our goal is to achieve operational excellence in all aspects of procurement, manufacturing and customer order fulfillment. This must be done through the use of new technologies, a dedicated and talented workforce, and a commitment to quality as well as the principles of continuous improvement.

- END SECTION 1 -

2.0 SUPPLIER BUSINESS SYSTEM REQUIREMENTS

There are several industry standards such as ISO/TS 16949 and ISO 9001 which define fundamental business system requirements that provide for continual improvement, an emphasis on defect prevention, and reduction of variation and waste in the supply chain.

WINA expects that all suppliers of production materials and services establish, document, and implement effective systems based on ISO/TS 16949, ISO 9001, or other applicable industry standards. While third party accreditation to ISO/TS 16949, ISO 9001, or other applicable industry standards is not specifically required for all suppliers, the expectation remains that all suppliers maintain a documented business system.

Certain commodities and products may require third party accreditation to applicable standards, and/or the use of selected quality planning and statistical tools. The supplier business system shall ensure that all applicable quality records and data are traceable to the appropriate drawing revision level.

Quality 'Right First Time'

Our Customers now demand more than ever before. Therefore, quality is no longer a desire, it is a pre-requisite. We must understand this and deliver this 'every time'. To achieve this, the quality of materials, goods, and services are a fundamental consideration in the drive to continually improve in the areas of product quality and customer service. Improvements will be achieved by focusing on risk and prevention based Quality Planning activities, the utilization of a recognized Business Management System (BMS) and the proper qualification/management of all suppliers.

Managing Cost

Customers increasingly expect more for less, consequently we are all under pressure to remove unnecessary costs from our operations and manage those that are 'Strategic Cost Drivers'. Given the nature of WINAs' business, our supplier selection and management of the supply chain are of utmost importance.

WINA is committed to cost reductions / assurance of 'Value for Money' with our major Customers and we will work closely with our Suppliers to remove all unnecessary costs from the supply chain. By controlling costs, we all become more competitive and provide essential growth for all concerned.

In order to maintain sustainable supply chain routes, it is important that our suppliers commit to adopting and embracing continual improvement activities and projects such as LEAN; 5S, VA/VE, and Six Sigma, to name a few, in order to improve the overall product and/or services being delivered.

2.1 SUPPLIER ASSESSMENT

The purpose of the WINA supplier assessment is to establish the methodology for evaluating the business system of a supplier and their ability to meet WINA requirements. This may or may not require an on-site audit of the supplier.

Potential New Supplier

When a new source has been identified as a potential supplier to WINA, the approval process is followed. WINA reserves the right to perform an on-site audit at the supplier as well as all sub-contractors.

Current Suppliers (New Business)

In the event that WINA brings on a significant amount of new business that will primarily be supplied by an existing supplier, WINA shall evaluate the supplier to ensure they have the capability of supplying the product as required. The evaluation may include:

- Business Management System
- Competent and trained work force
- Capacity
- Equipment
- International trade process

2.2 SUPPLIER SCORECARD AND KEY PERFORMANCE INDICATORS

WINA utilizes a Supplier Scorecard methodology to measure supplier performance and identify areas for recognition and risk. Supplier performance data is analyzed over a quarterly basis and is provided to the pool of suppliers who make up the top 80% of annual spend in U.S. dollars. The Supplier Scorecard results will be reviewed and discussed with the Supplier during a quarterly business review.

The Supplier Scorecard is the foundation for five key pillars of supplier performance – Price, Quality, Logistics, Innovation and Risk (PQLIR). The Supplier PQLIR score provides a measured approach to supplier preference, and high PQLIR scores will increase consideration for additional business opportunities. We work with our Suppliers to identify opportunities for improved efficiency and are focused on partnering with Suppliers who are aligned within the pillars of PQLIR.

The PQLIR score is a driving metric to establish Total Cost of Ownership and Risk Attenuation. The Supplier will make every effort to control cost, with improved quality, delivered on time, in a changing demand environment, with the ability to grow with WINA. The below chart illustrates how a Supplier can meet these expectations put forth.



The following criteria explains each element of the supplier scorecard:

Criteria	Explanation	Rating	Weight
PRICE			20%
Competitive - P1	<i>Is the Supplier's pricing in line with the competition and current market conditions? Be sure to consider payment terms in addition to net price.</i>		40%
Purchase Price Development - P2	<i>Is the Supplier keeping price levels down on a running basis? PPD uses a weighted average - consider how the prices have affected the company on a value basis.</i>	CY actual price vs. LY avg price	30%
Invoice Accuracy - P3	<i>Is the Supplier able to send invoices that comply with the signed business agreement? What percent of invoice line items are without errors?</i>	98%	15%
Cost Control Efforts - P4	<i>Does the Supplier manage cost control and reduction programs? Does it monitor performance, drive improvement, and engage cost efforts within its supply chain?</i>		15%
QUALITY			30%
NCM- Q1	<i>Are the supplied materials fit-for-use and meet the tolerances specified by Würth Is there a low number of defective products and product returns?</i>	Zero defects	20%
Corrective Action Response Time - Q2	<i>Is the Supplier quick to respond to quality complaints, questions and requests? Be sure to consider the completeness of its response, in addition to time.</i>	100% in 48 hours	20%
Corrective Action Response Closure - Q3	<i>Is the Supplier able to resolve an issue quickly and thoroughly? Does it operate a "root-cause-correction action" based system to improve customer satisfaction?</i>	100% in 2 weeks	20%
Defect Discovery Point - Q4	<i>Does the Supplier use state-of-the-art process control methods that uncover defects early in the process and with limited disruption to the business?</i>		20%
Verification of Effectiveness - Q5	<i>Does the Supplier use objective, factual evidence to remove the causes of the initial problem?</i>	100% in 60 Days	20%
LOGISTICS			30%
Delivery - L1	<i>Does the Supplier deliver according to its commitment and meet deadlines on an on-going basis? On Time means delivery -5/+0 days around commitment.</i>	98%	20%
Order Fill Rate - L2	<i>Does the Supplier deliver in full, and error-free? Any type of error associated with a line on the order makes that order line fail.</i>	98%	20%
Confirmation - L3	<i>Does the Supplier confirm a purchase order, both in quantity and in price, within 48 hours of it being placed?</i>	100% in 48 hours	20%
Delivery Adaptability - L4	<i>Is the Supplier capable of increasing or decreasing its capacity by 25% within a 30 days period? Can the Supplier satisfy Würth's fluctuating needs?</i>	25% +/- in 30 days	20%
General Service and Response Time - L5	<i>Is the Supplier customer-service oriented, responsive, proactive, and overall, a pleasure to do business with?</i>		20%
INNOVATION			10%
Continuous Improvement - I1	<i>What is the Supplier's commitment to continuous improvement? Does it strive to improve the quality of its processes, services and products?</i>		25%
Technology Competence - I2	<i>Does the Supplier strive to develop and improve its technology capabilities? Evaluate its overall technology competence and development of core competencies.</i>		25%
Participation in Strategy - I3	<i>Does the Supplier participate in the development of Würth's strategic plans? Determine the Supplier's level of technical competence and strategic value to Würth.</i>		25%
Product Innovation - I4	<i>Does the Supplier have a process that supports the successful introduction of new products? Consider number of opportunities presented and implemented.</i>		25%
RISK			10%
Business Continuity Preparedness - R1	<i>Does the Supplier provide documentation that details an effective prevention and recovery plan in the event of a disaster or other disruptive event? What is its exposure to internal and external threats that would disrupt business flow?</i>		20%
Financial Stability - R2	<i>Has the Supplier been in good financial standing for a number of years? Is it utilizing funds strategically and does it project a sound financial future?</i>		20%
Diversity of Customers - R3	<i>Do Würth sales represent an acceptable level of the Supplier's total sales? Is there too high a dependency on Würth, or the opposite, is Würth not important enough?</i>		20%
Compliance to Trade Regulations - R4	<i>Does the supplier provide the correct documentation and information to comply with trade regulatory controls? Has the supplier signed a compliance agreement?</i>		20%
Difficulty Switching Suppliers - R5	<i>How difficult would it be to switch suppliers completely? Does the Supplier own IP rights? Is there a high number of market players? Is there low technical complexity?</i>		20%

The following is an example of a Supplier Scorecard Report:

Supplier Name:		 <div style="border: 1px solid black; padding: 5px; display: inline-block;"> Overall Result 3.5 </div> 						
Supplier Contact:								
Q4 WINA Spend								
Reviewed By:								
Date of Evaluation:								
Area	Measure	1	2	3	4	5	Score	Remarks
Price	Competitive - P1						4	
	Purchase Price Development - P2						3	
	Invoice Accuracy - P3						5	
	Cost Control Efforts - P4						4	
Quality	NCM - Q1						5	
	Corrective Action Response Time - Q2						3	
	Corrective Action Response Closure - Q3						2	
	Defect Discovery Point - Q4						5	
	Verification of Effectiveness - Q5						2	
Logistics	Delivery - L1						3	
	Order Fill Rate - L2						3	
	Confirmation - L3						2	
	Delivery Adaptability - L4						3	
	General Service and Response Time - L5						3	
Innovation	Continuous Improvement - I1						4	
	Technology Competence - I2						4	
	Participation in Strategy - I3						1	
	Product Innovation - I4						4	
Risk	Business Continuity Preparedness - R1						5	
	Financial Stability - R2						5	
	Diversity of Customers - R3						3	
	Compliance to Trade Regulations - R4						3	
	Difficulty Switching Suppliers - R5						5	
Identified Risks or Areas of Concern								
1)				4)				
2)				5)				
3)				6)				

Supplier Score Definition	Percentage Rating
5 = Consistently exceeds expectations (preferred)	90-100%
4 = Consistently meets, occasionally exceeds expectations (very good)	71-89%
3 = Consistently meets expectations (good)	51-70%
2 = Occasionally meets expectations (marginal)	30-50%
1 = Consistently does not meet expectations (unacceptable)	Below 30%

2.3 INITIAL SAMPLE SUBMISSIONS AND APPROVAL

New products being supplied to WINA may undergo a qualification process between the Supplier and WINA. If this is needed, the requirements will be defined during the quotation process. Once the requirements have been finalized and set in place, the supplier must not deviate or the parts are subject to rejection. This is to include initial sample submission requirements, if necessary. If certifications are required on the PO, they must be included along with the packing slip. The initial sample submission may include the documentation of inspection results, material analysis, performance analysis, statistical data, etc. as established by WINA. The samples submitted are to be from production tooling and with the production process flow unless otherwise agreed to in writing by WINA.

Upon receipt of the submitted samples, WINA will verify that the product and documentation meets all the requirements set forth by the purchase order, blueprint, and any defined specifications. If the product meets all the requirements set forth, the supplier and/or the branch that requested the samples will be notified of the initial sample submission acceptance. In the event that a supplier does not meet the required quality standards set forth they will be expected to implement appropriate corrective action before further purchase orders are issued for additional product.

For certain import products the supplier may be required to submit samples to one of Würth's Labs in Asia for approval prior to the release of said product for shipment. This inspection is intended to be an additional evaluation of the product and in no way is to relieve the supplier of their quality responsibilities.

2.4 QUALITY PLANNING

Suppliers shall adopt a recognized Advanced Product Quality Planning (APQP) process that follows the Plan, Do Check, Act (PDCA) methodology. That allows for Quality Planning & Definition, Product & Process Design & Development, Product & Process Validation, Feedback Assessment and Corrective Action, the output of which shall consist of the following:

1. Feasibility Study
2. The Quality Plan (including Timing)
3. Bill of Materials / Suppliers
4. Supplier Validation & Approval
5. Process Flow
6. Design Failure Mode and Effect Analysis (DFMEA) (Where applicable)
7. Design Validation (Where applicable)

2.5 PRODUCTION PART APPROVAL PROCESS (PPAP)

In the event that a PPAP is requested from a supplier, the supplier will provide a PPAP per the latest edition of the AIAG Production Part Approval Process manual unless otherwise specified in writing. All PPAP sample parts will be labeled with the part number, drawing number, revision level, and supplier name and marked "PPAP SAMPLES".

All information will be evaluated for accuracy, completeness, and effectiveness. Upon completion of the evaluation, the supplier will be notified of the results. Successful completion and acceptance of the submitted PPAP will be required prior to receipt of production orders unless otherwise deviated in writing by a WINA Representative.

Suppliers must adhere to the requirements of the latest edition of the AIAG Production Part Approval Process manual including but not limited to supplier organization requirements governing customer notification of any changes to the part/item design, manufacturing process or sequence, or physical plant site.

Change Management

If a supplier is under contract via a PPAP the supplier is not allowed to make any changes without prior notice and approval. The supplier is expected to notify WINA in writing when changes to the product design, manufacturing process, sub-contractor change, material change, material source change, machinery location, or any other change that would affect the fit, form, or function of the product. WINA may elect to request a formal re-submission for approval.

Failure to notify WINA and obtain written approval prior to implementing changes and shipping product may result in:

- Issuance of Corrective Action
- New business placed on hold
- Supplier compensation for all associated consequential damages and expenses

2.6 NON-CONFORMING PRODUCT AND SUPPLIER CORRECTIVE ACTION REPORT (SCAR)

The supplier is expected to contact WINA immediately when they detect or suspect that nonconforming material has shipped to a WINA location in an effort to prevent this material from getting into inventory or delivered to the customer.

When WINA or their customer detects non-conforming material, they reserve the right to invoke a containment process which could include having material processed internally or using a certified sorting/rework provider. All cost associated with the logistics, sort/rework and administrative costs will be the responsibility of the supplier. The supplier will be furnished data from the sort, for the condition (mixed part, missing treatment, etc.), that warranted the sort/rework.

In addition, a SCAR must be completed by the supplier. If suspect material must be returned for root cause analysis, the supplier is responsible to provide a FedEx/UPS number to expedite the process.

Upon receipt of a SCAR, the initial response and containment is expected within 24 hours of notification. Future demand must be covered by certified material. Sorting of material at WINA may also be required and should be coordinated with the appropriate WINA Quality personnel.

Long term corrective action responses must be submitted in an 8D format and are due within 14 days of the issue occurrence. The corrective action responses must address what steps are being taken to prevent the issue from recurring as well as address what steps are being taken to ensure it is detected and does not show up at WINA or the WINA customer in the future. All permanent corrective actions must be implemented within 30 days unless an extension is given by WINA.

Recovery of Fees / Supplier Chargebacks

In the event of justifiably incurred costs for any issues resulting from supplier quality, delivery or other performance issues, there is an understanding that the supplier will participate in these costs. WINA is committed to maintaining a fair and responsible working relationship with suppliers while achieving justified reimbursement for supplier caused issues. Monetary penalties may be charged as follows:

- Shipping and documentation discrepancies may be debited at \$100.00 for first occurrence, \$200.00 for the second occurrence, and \$400.00 for each subsequent occurrence within a 6-month time frame.
- All reasonable costs incurred by WINA in an effort to resolve a product nonconformance issue caused by a supplier will be charged back to the supplier along with the supporting documentation for the chargeback.
- Sorting rates may be debited at a minimum of \$40.00 an hour. If 3rd Party sorting is required, it will be debited at cost plus a \$100 administrative fee.
- Any fines or fees that WINA's customer issues will be passed on to the supplier.
- Premium freight may be debited at cost plus a \$100 administrative fee.
- SCARS's may include a \$150 processing and administrative fee

2.7 REVISION LEVEL CONTROL AND ENGINEERING CHANGE NOTICE

Where the design requirement per print is specified, suppliers are to control and manage item revision levels where required as contained on WINA purchase orders. WINA attempts to provide timely notice of, and communicate any and all changes to item revision levels. If the item description on the P.O indicates that the part is per print, it is the supplier's responsibility to request a print from WINA if one is not provided with the P.O. Suppliers are required to acknowledge and provide confirmation of every change and are required to communicate any and all quality/delivery/cost issues/liabilities associated with the change in writing. If the part requires a PPAP, new samples will need to be supplied.

2.8 DEVIATION / PRINT CHANGE PROCESS

The purpose of this process is to provide the resources and the framework for requesting a deviation or a print change. This process applies to both temporary and permanent deviation requests for initial sample submissions or for shipment of existing product.

At the time of initial WINA request for quote, the supplier may request a print change. This may be for clarification of a callout on the print or for a change to a dimension the supplier cannot meet. In addition, during a production run, if a supplier detects product that does not meet the requirements as established by the blueprint or the purchase order, the supplier may elect to request a deviation. This may be for a temporary deviation or a permanent print change.

In either case, the supplier is to initiate this request in writing and submit to the WINA operating company's buyer who issued the purchase order. The submission will be documented on the Request for Deviation/Print Change Form which can be found online. Please refer to the following online location:

Request for Deviation or Print Change: http://www.wurthindustry.com/web/media/pictures/wurthus/suppliers/Request_for_Deviation_or_Print_Change__2017_12_05.pdf

The request will be reviewed and either approved or rejected as follows:

APPROVED: If WINA accepts the request, the changes will be allowed and the completed request form will be returned to the supplier for their records.

REJECTED: If WINA rejects the request, the supplier must adhere to the original specifications and the completed request form will be returned to the supplier for their records.

If approved as a temporary deviation, the product shall be kept separate and the entire lot must be shipped prior to the shipment of any additional lots. (A written deviation may be granted for a certain number of pieces or for a specified time period). Each package of approved deviated material must be labeled as such.

2.9 CATALOG / SUPPLIER DESIGNED PRODUCT REVISIONS

Suppliers of catalog product or product which they are design responsible are to notify WINA at the time of any revision changes to their products which may be supplied to any of the WINA Companies. Supplier is also to provide WINA with the estimated date of the implementation of the changes to the product in order that WINA may determine if the change will impact the application and communicate the change to our customer.

- END SECTION 2 -

3.0 QUOTING

Suppliers should respond to the requests for quote in the same format that is given. Individual WINA companies will commonly submit quotation requests utilizing Würth's online based software platform called the WINA Quotation System. In using this software, Suppliers will receive RFQs by email with a link inviting the supplier to quote per the below example:

Dear Supplier,

Welcome to WINA Quotation System.

You have been chosen as a potential source of supply on the following item/s. Please press the below link for further processing.

If you have any questions concerning this RFQ, please contact "Person Requesting" at "Phone Number".

RFQ #: RQ "Supplier Specific RFQ#"

CI #: CI "Customer Inquiry #"

[Click here to go directly to your RFQ.](#)

<http://www.winaportal.com/supplierqdb/index.html#UniversalID=X3M45ZG2VB&RFQNumber=520104171>

(Note: If the link does not work, please copy and paste the line above into your Internet browser).

When responding to a quote request, Würth requires the following information to be listed in order to be considered (Each of these requirements have a separate field in the database):

- Cost/Price per each
- Note any exceptions to the print/specifications
- Weight/each (lbs.)
- Country of Origin
- Minimum Order Quantity

Tooling, certification and quality costs should not be amortized into the piece parts price and must be itemized out separately.

Every request for quote will include a timeline which the supplier must adhere to. Quotes received past the noted deadline will not be considered in Würth's offering to the customer. Suppliers are required to respond with one of the following, quote exact part, quote part with exception(s), or no quote. No response from a supplier on a request for quote will be noted and addressed accordingly.

Lead time for parts should be clearly stated on the supplier's quotation. Transit time is to be considered when calculating total supplier lead time. Holidays and predicted plant closures must be communicated in advance at the earliest possible time.

3.1 PURCHASING

WINA will manage key relationships and set commodity/purchasing strategy on a national level. Business volumes will be combined to leverage the overall spend when negotiating and creating larger collaborative agreements. These plans are then implemented by region as purchase orders and material commitments are made by WINA on a company level.

Any quoting, negotiation, or serious discussions regarding the sales of product, goods or services should be made with authorized representatives of the WINA Strategic Sourcing Team. Contact your WINA operating company representative for any questions or concerns about a specification or requirement on purchase orders.

Ordering Method

WINA's commitment to the supplier is to balance orders to the best of our ability, allowing our demand schedule to mirror that of our customers. The delivery schedules that are provided to the suppliers are based on:

- WINA customers' firm orders and forecast
- WINA inventory levels and demand schedule
- Other minor adjustments

WINA issues discrete purchase orders:

- PO's will be issued on an as needed basis
- Purchase orders will not be mailed; consider the faxed or e-mailed copy as the original copy.
- Kanban and consignment programs are encouraged and utilized where applicable

NOTE: Suppliers are responsible to notify the buyer listed on the purchase order if there are exceptions.

Supplier Lead Times

All open orders must be confirmed in writing within two business days of receipt. Deviations or inconsistencies to what was quoted or what can be supplied must be reported immediately to the buyer in writing. WINA will make every effort to adhere to the supplier's quoted lead-time. It is the supplier's responsibility to notify the buyer of any change in lead-times prior to the change taking effect.

Delivery

Suppliers who are unable to ship materials to arrive on our dock on the PO due date, should advise best delivery or promise date. This new date will be reviewed, and if acceptable, will become the date used to track on-time delivery.

One hundred percent (100%) on-time delivery is required. On-time delivery is determined by company delivery date versus the date material arrives on our dock. Materials should be shipped in advance to allow appropriate transit time to the destination. On-time delivery is evaluated based on the materials arriving up to five (5) working days early and zero (0) days late. If the supplier expects the shipment to be received outside this delivery window, the supplier should communicate details to the appropriate WINA buyer in advance early as possible. If late shipments require expedited freight to meet customers production schedules, it is expected that suppliers will ship prepaid and absorb this cost.

In addition, please note the following:

- Partial and Over-shipments must receive approval from the WINA Materials Planner prior to making a shipment. This may result in short/delayed payment or return of product to the supplier at their expense.
- Where delivery is FOB, WINA will pay for the initial delivery charge. Subsequent partial deliveries are the suppliers' responsibility.
- The supplier shall prepare contingency plans to protect against interrupted supply of product in the event of an emergency interruption fire, flood, environmental incident, etc., labor shortage, key equipment failure, IT failure, utility supply interruptions and have these available upon request.

Purchase Order Terms and Conditions - Requirements of purchase order acceptance:

- Refer to WINA website, Supplier Information page for WINA Purchase Order Terms and Conditions
- It is important to note these terms and conditions, as they are NOT printed on the purchase order, faxed or mailed to the supplier
- Acceptance of any WINA purchase order indicates acceptance of said Terms and Conditions. The WINA Purchasing Department must approve any deviation to these Terms and Conditions.

Obsolescence Claims

Where applicable, WINA will communicate when parts are no longer needed. Suppliers will have 30 days from the date of notification within a calendar year (whichever is less) to file any claims with WINA Purchasing.

Price Changes

All price change requests must be submitted for approval 60 days prior to shipment of product and be submitted with supporting documentation that clearly substantiates any cost increase. No price increases will be accepted for any open orders with the supplier.

- END SECTION 3 -

4.0 QUANTITY AND PACKAGING

Partial shipments are not allowed unless authorized in advance by the WINA buyer. The shipment of partial shipments will trigger a late delivery hit if this has not been preapproved.

Product should always be packaged in a manner that maintains product quality, integrity and fitness for use. All packages must be clearly and indelibly labeled, and barcoded, with ordering company's purchase order number, part number, quantity, country of origin, and lot number. The country of origin is the country of manufacture or production of the goods – not, necessarily, the country from which the goods are shipping. The lot number is the supplier's tracking number for traceability of its goods. Co-mingling of various origin, or various lot numbers, of products in one box is not acceptable or permitted. Goods which are co-mingled will be refused and returned, at the supplier's expense.

Proper paperwork must also accompany each shipment and should detail complete supplier information including PO, WINA company part number, country of origin, a complete description of the product inclusive of dimensions and material, lot numbers, number of boxes and total quantities shipped. See Documentation Section for complete details.

Materials cannot be received without this data for EACH item and will be moved to a rejected status until this data is received. Each box cannot exceed 40 pounds and the pallet Skid size must be 36 inches x 36 inches (36"X36") unless otherwise specified in writing. Pallets must be of sufficient construction to survive transportation. The stacking of pallets/skids is not acceptable.

If small packaging is indicated on the PO, this can be purchased from:

National Carton & Coating Co.

1439 Lovelle Drive
Xenia, Ohio 45385
Telephone: (937) 372-8001
Fax: (937) 372-9809
E-Mail: sales@nationalcarton.com

4.1 TRACEABILITY AND COUNTRY OF ORIGIN (COO)

The supplier shall implement a system to ensure traceability and quality status of all products at all stages of manufacture from raw materials used to manufacture goods through the delivery to WINA. Supplier documents shall contain the following information as a minimum requirement:

- A unique ID (lot/heat number) that tracks components throughout the value stream, from raw material through shipment to a WINA company.
- Production data that confirms all process operations have been completed and their status.
- Contains appropriate cross references to other documents (e.g. Drawings, Specifications, Certifications, Purchase Order numbers, etc.).
- Product must be marked with the country of origin (i.e. the country of manufacture or production). This marking must appear in a conspicuous, legible, and permanent form on:
 - The outermost packaging (for example, the pallet);
 - The consumer packaging (i.e. the smallest packaging unit in which the item will arrive at the ultimate consumer); and
 - The product itself.

If the product is exempt from marking under applicable law, then its immediate container must be marked.

- Product supplied with multiple COOs must be segregated and separately scanned, so as to be represented on the commercial invoice as individual invoice line items with individual COOs.
- Kits which are assembled and sold to a WINA company must follow precise kitting marking and packaging which is dependent on the type of kit which is being sold by Supplier. Supplier should request a written confirmation from WINA company that details how the specific kit is to be marked and packaged – this must be determined as the type of kit and supplier requirement is defined.
- COO product markings or labels must always match the markings or labels on the packaging, the COO indicated on the commercial invoice, and the shipping confirmation signal. Suppliers must ensure that labels are checked for accuracy and audited against shipping documentation or data transmissions.
- If goods imported into the United States contain foreign content, they cannot be marked as having U.S. origin unless the statement is qualified. If the goods are of U.S. origin but contain foreign content, the proper mark, as dictated by ECN 137169, is "Product of the US (includes foreign content)".

4.2 DOCUMENTATION

Documents which are provided with every shipment must:

- Be in English – all notations, marking, and documentation must be in English
- Include the WINA part number
- Describe the product being shipped in full, industry nomenclature, inclusive of dimensions and materials (as applicable), and by the product's direct name (Note: The use of all-inclusive language such as "steel fasteners" is prohibited)

For goods which are purchased from a supplier within the same country as the WINA purchasing company (e.g. US supplier and US WINA company)– documentation which is sent with the shipment must include a packing list, invoice, and any required/requested product certifications.

For goods which are purchased from a supplier located in a different country than the WINA purchasing company (e.g. German supplier and US WINA company) the following documentation must accompany the shipment:

- Transportation documentation (e.g. bill of lading, airway bill, etc.)
- Customs Invoice (also referred to as a Commercial Invoice) containing the data elements provided for in the example document in Appendix B
- Packing list
- Certificate or affidavit of origin
- When products are affected by anti-dumping or countervailing duty orders – full mill/test/inspection certificates must be provided to enable the WINA company to prove the accuracy of the country of origin declared.

Where a supplier is providing product which is eligible for a Special Tariff Program allowing for free, or reduced, duty permissions, the documentation to support the product's eligibility in the program must also accompany the shipment. It is the supplier's responsibility to be knowledgeable about and abide by the regulatory requirements of the program before quoting the goods as eligible for the program. The supplier must also ensure that its recordkeeping practices are in alignment with US regulations in order to participate in any of these programs.

4.3 SHIPPING & FREIGHT SELECTION

WINA encourages the consolidation of business through prepaid freight programs. In some cases, regular shipment schedules have been set up with individual WINA companies to consolidate freight. Suppliers are asked to continue to honor these arrangements. If buyers place orders for delivery dates that are inconsistent with the preapproved shipping schedules, suppliers should provide a promise delivery date consistent with the agreed to shipping schedule.

Incoterms

Where WINA is paying for the freight of goods being received from a Supplier, WINA's preferred IncoTerm is "FCA - [Supplier Dock Location]" (Incoterms 2010). This allows WINA to control the movement of the freight it has ordered from its suppliers, while ensuring (when the purchase involves international movement) that the supplier is responsible for the international trade regulations and activities in its home country, and the WINA company is responsible for the international trade regulations of the destination country.

If a circumstance should arise where the Supplier would be paying for the freight, such shipment will be made in accordance with Incoterm "DAP - [Destination Facility]" (Incoterms 2010). This allows the supplier to cover the freight costs, while still ensuring that the supplier is responsible for the international trade regulations and activities in its home country, and the WINA company is responsible for the international trade regulations of the destination country.

Should any deviation from the WINA standard Incoterms described above, Incoterms 2010 FCA or DAP, be necessary, prior written agreement of the Incoterm must be obtained and agreed between the Supplier and the WINA company involved in the transaction.

All WINA companies utilize a freight auditing/LTL shipment-scheduling program called Ratelinx. WINA expects that all suppliers use this system for handling all WINA shipments. This system is easy to use and very cost effective. Failure to use this may result in charge backs to the supplier for the expense of higher freight costs. Details of this and all other shipping and freight requirements can be found online. Please refer to the following online documents:

International: https://www.wurthindustry.com/media/downloads/pdf/WINA_Shipping_Process_-_International.pdf

Domestic: https://www.wurthindustry.com/media/downloads/pdf/WINA_Shipping_Process_-_Domestic.pdf

Shipping & Labeling: https://www.wurthindustry.com/media/downloads/pdf/WINA_Shipping_Process_-_Packaging_and_Labeling.pdf

4.4 PALLETIZATION AND LADING

The US regulations stipulate that certain Wood Packaging Material treatment, stamping and certifications are required for goods which are shipping from non-US locations and being imported into the US. US enforcement efforts which identify wood packaging material that does not meet these regulations will result in fines and penalties issued to the importer. A Supplier whose products are affected by an enforcement effort of this type will be responsible for all costs associated with its remedy.

In addition, US importers must ensure that suppliers are aware of the requirement to ensure that goods loaded into shipping containers are loaded free of seeds, pests, and other contaminants. This requires that suppliers must store and load WINA product in a clean, contaminate free environment. Goods which are shipping from non-US suppliers and which are stopped by US Customs and found to contain contaminants will either be refused entry, or mandated to be cleaned at a certified location. The supplier of such product will be fully responsible for all costs associated with such activities - including, but not limited to, the costs of all inspections, cleanings, storage, re-routing, export and transportation fees, as well as any costs incurred due to late supply (which can include line-down expenses accrued by a WINA customer).

- END SECTION 4 -

APPENDIX A

Definitions and Acronyms: 3TG – Used in conjunction with Conflict Minerals and stands for Tin, Tungsten, Tantalum and Gold

5-S – A Lean manufacturing tool that improves workplace efficiency and eliminates waste.

AIAG – Automotive Industry Action Group

APQP – Advanced Product Quality Planning. Procedures and techniques used to develop products.

ASTM – American Society for Testing & Materials.

Business Continuity Planning (BCP) - is the creation of a strategy through the recognition of threats and risks facing a company, with an eye to ensure that personnel and assets are protected and able to function in the event of a disaster.

BUSINESS MANAGEMENT SYSTEM (BMS) - A set of interrelated or interacting elements used by organizations to direct and control how quality policies are implemented and quality objectives are achieved.

CARs – Corrective Action Responses

CMRT Form - Conflict Minerals Reporting Template

CONFLICT MINERALS - A mineral mined in an area of armed conflict and traded illicitly to finance the fighting.

CORRECTIVE ACTION - An action taken to eliminate the causes of an existing nonconformity, defect, or other undesirable situation to prevent recurrence.

C-TPAT - Customs Trade Partnership against Terrorism

IMDS – International Material Data System

ISO/TS 16949 – A technical specification aimed at the development of a quality management system that provides for continual improvement, emphasizing defect prevention and the reduction of variation and waste in the supply chain.

LEAN – Systematic method of waste minimization without sacrificing productivity

NAFTA – North American Free Trade Agreement

NON-CONFORMITY - A deviation from specified requirements related to the product or to the Department's certification and/or approval requirements.

OSHA – Occupational Safety and Health Act. Federal legislation protecting employees by assuring safe working conditions issued by the Occupational Safety and Health Administration.

PDCA - Plan-do-check-act or Plan-do-check-adjust. Which is a four-step management method used in business for the control and continual improvement of processes and products.

PFMEA - Process Failure Modes Effects Analysis. A team process that identifies and controls potential failures before the product goes into production.

PPAP - Production Part Approval Process. A defined process for the validation of new materials and subsequent process changes.

PROPOSITION 65 - California directive to require businesses to provide warnings for products which contain chemicals known to cause cancer, birth defects, or other reproductive harm.

REACH - European Union regulation of Chemicals. Registration, Evaluation, Authorization, and Restriction of Chemicals.

RoHS - Restriction of Hazardous Substances Directive

SCAR – Supplier Corrective Action Request

SDS – Sheets kept on file that describes chemicals and how to handle them.

SIX SIGMA – A disciplined, data driven approach and methodology for eliminating defects and waste.

SUPPLIER: A manufacturer or vendor of products requested by WINA. Company responsible for ensuring its quality management system and products meet or continue to meet the standards on which the certification and/or approval is based.

VA/VE – Value Analysis / Value Engineering



DOCUMENT: ACKNOWLEDGEMENT OF RECEIPT - Supplier Handbook

This document is to certify that the supplier has received the WINA Supplier Handbook as of this date and will review and communicate it to appropriate individuals within the organization.

Supplier Section

Printed Name: _____

Signature: _____

Title: _____

Company: _____

Date: _____

WINA Section

Received by (Printed Name): _____

Signature: _____

WINA Company: _____

Dated Entered into EQS: _____

Entered By: _____

SUPPLIER HANDBOOK

A comprehensive guide to communicate clearly and ensure quality throughout WINA operations.

598 Chaney Ave.
Greenwood, IN 46143
T +1 877 99 WURTH
F +1 763 493 0800
info@wurthindustry.com
www.wurthindustry.com

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