

DAIMLER TRUCK

Daimler Truck  
Special Terms  
12/2021

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# Introduction

## 1. Definition

The Daimler Truck **Special Terms**, hereinafter referred to as “DTST”, are provisions regulating the flow of information and smooth operation of processes between Daimler Truck AG, Leinfelden-Echterdingen, or between one of its affiliated companies (§15 of the German Stock Corporation Act (AktG)), hereinafter referred to as “DTAG”, and its suppliers (hereinafter referred to as “Partner”).

In addition to DTAG’s “**General Purchase Conditions Production Material and Spare Parts for Motor Vehicles**”, the DTST form part of the contract and are mentioned separately in the purchasing contract along with other provisions.

## 2. Business Areas

The DTST apply in principle for the business areas Daimler Trucks and Daimler Buses and therefore for the entities active in these business areas, unless it is pointed out in individual regulations of the DTST that those only apply to certain business areas.

## 3. Publication

The relevant most recent version of the DTSTs is published centrally on the DTAG Supplier Portal under <https://supplier.daimlertruck.com> prior to the start of contractual negotiations. In the event of significant legal or corporate changes/innovations, individual DTSTs may also be reissued during the year. The Partners will be informed accordingly by DTAG. Internal duplication is permitted and required for individual departments within the supplier companies.

## 4. Communication

Communication between DTAG and the Partner will take place in German or English unless otherwise agreed. The Partner is obliged to protect data/information and access to DTAG systems in accordance with the current best practice in technology standards.

## 5. Validity of the German Version

The DTSTs are published in both German and English. In the event of discrepancies, only the German version is binding.

DTST 31/01 Tools for Series Production Parts and Spare Parts Delivery

DTST 34/01 Supply of Spare Parts for DTAG Products

# Purchasing

# Tools for Series Production Parts and Spare Parts Delivery

## 1. General

Tools under the terms of this DTST are original, forming and separating tools<sup>1</sup> in accordance with the definitions of DIN 8580/8582/8588. No other production equipment is to be regarded as tools.

All regulations of this DTST are applied accordingly to tools at the premises of sub-suppliers or other third parties. The Partner is obligated to ensure that its sub-suppliers or third parties, at whose premises the tools are located, behave in accordance with this DTST and grant DTAG the rights formulated in this DTST. This particularly applies to the identification of the tools as the property of DTAG. Regardless of ownership, the Partner must treat all tools and other production equipment with the degree of care necessary to ensure appropriate supply of DTAG.

In terms of tools, a distinction must be made between tools, which are or become the property of DTAG (DTAG-owned Tools) and tools, which are not or do not become the property of DTAG (Non-DTAG-owned Tools).

DTAG is entitled to check adherence to this DTST **at the Partner's premises during its applicable hours of work and following prior coordination**. The Partner will support DTAG accordingly and will, in particular, keep the documents pertaining to the tools ready for inspection.

## 2. DTAG-owned Tools

The following provisions regulate the rights and obligations of the Partner and DTAG regarding **the Partner's use of tools, which are the property of DTAG**.

### 2.1. Transfer of Tools

The Partner is authorized and obligated to use the tools within the scope of the supply contract concluded with DTAG concerning the part to be manufactured with the tools.

The Partner is prohibited from any deviating use of DTAG-owned Tools, particularly from production of parts for supply of third parties or the transfer of usage to third parties without **DTAG's prior written consent**.

### 2.2. Servicing and Tool Maintenance

The Partner is responsible for ensuring the defect-free functional capability of the tools during their use in the contractual undertaking to supply DTAG. The Partner must ensure constant, defect-free functional readiness of the tools for the purpose of defect-free delivery to DTAG through continuous maintenance and repairs at its own expense. The maintenance and repairs shall, in particular, encompass all expenditures required to preserve the operating condition and the alleviation of all defects and damage, as well as those arising from modifications and deterioration attributable to the use of the tools.<sup>2</sup> In return, DTAG makes the tools available to the Partner free of charge.

<sup>1</sup>Forging tools are the exception.

<sup>2</sup>If a yield volume has been agreed, this applies only to the agreed yield volume.

### 2.3. Tool Changes

In the event that modifications to the tools are required due to changes in DTAG's technical specifications, the Partner must first provide DTAG with a written offer for modification of the tools with the least possible expenditure.

Modifications to the tools may be carried out by the Partner only after DTAG has commissioned the Partner in writing. Any expenditure in excess of these specifications shall not be remunerated by DTAG.

### 2.4. Identification and Stock Taking

The Partner must clearly and permanently identify those tools which are the property of DTAG as DTAG property. During the year-end stock-take, the Partner shall transfer the necessary information on the tools in its possession to DTAG. **DTAG's prior approval is required for any change in the tool's usage site.**

In the event that the property of DTAG is endangered by enforcement measures, in particular by attachment, seizure or insolvency proceedings, the Partner shall inform DTAG accordingly without undue delay. In any case, the enforcement agency shall be informed of DTAG's **right of ownership** without undue delay. At the same time, the Partner shall forward copies of the enforcement documents to DTAG.

### 2.5. Liability

The Partner bears liability for all tool defects, damage, changes or deterioration<sup>3</sup> to or of the tool. The Partner is not held liable if these tool defects, damage, changes or deterioration are attributable to force majeure.

The Partner must ensure that no personal injury or property damage is caused by the tools and shall indemnify DTAG from and against such damage claims.

### 2.6. Duty of Return

At the end of delivery, the Partner shall return the tools to DTAG in the condition existing after **proper fulfillment of the Partner's duties arising from this DTST**. All liens and rights of retention of the Partner in respect of the tools are excluded.

<sup>3</sup>Liability for deterioration of the tools only applies to the agreed yield volume, if such yield volume has been agreed.

### 3. Non-DTAG-owned Tools

Insofar as DTAG is not the owner of the tools, DTAG shall obtain ownership of the tools and subsequent tools by way of security in order to ensure delivery.

DTAG may demand the surrender of tools only in the event of a delivery interruption. In this case, DTAG is **additionally entitled to reimburse the percentage of the tools' unamortized cost** to the Partner. In this case, DTAG obtains unlimited ownership of the tools upon reimbursement of the costs.

**The Partner's entitlement to scrap tools which it uses or has used to manufacture parts for DTAG requires prior written approval by DTAG.** If DTAG does not approve scrapping, mutual regulation of the costs must be agreed.

### 4. Handling of jigs, fixtures and gages

In terms of all jigs, fixtures and gages, DTAG shall obtain ownership of said jigs, fixtures and gages and all subsequent jigs, fixtures and gages by way of security in order to ensure delivery. DTAG may demand that jigs, fixtures and gages be surrendered in the event of an interruption in delivery only. In this case, DTAG is additionally entitled to reimburse the percentage of the jig, fixture and gage costs which has not yet been amortized to the Partner. Upon reimbursement of the costs, DTAG obtains ownership of the jigs, fixtures and gages.

# Supply of Spare Parts for DTAG Products

## 1. General

The high performance level of spare parts supply is a significant purchasing factor for DTAG customers and as such a significant competitive feature of DTAG products. Consequently, with respect to pricing, quality and observance of delivery deadlines, spare parts supply has the same significance to DTAG as the supply of production.

## 2. Definition of Spare Parts

Spare parts are required to meet replacement needs arising from the exchange of parts of the vehicle. Spare parts also include parts delivered in a condition deviating from the series in respect to surface or packaging. Such deviations are specially noted.

For products/systems/assemblies, the particular spare parts are mutually specified by DTAG and the Partner.

## 3. Parallel Sales

If DTAG develops the product itself or DTAG has paid the Partner for development, or the product is manufactured on tools which are the property of DTAG, the Partner is obligated to supply spare parts only to DTAG. DTAG shall charge the Partner for damages amounting to 10 % of the DTAG gross list price per part in each case of culpable violation. In the event of a violation of the obligation arising from sentence 1 of this section 3, the Partner is additionally obligated to notify DTAG about the quantity of the parts delivered in parallel and the commercial customers. To check the quantity, a suitable measurement device shall be attached to the tool. DTAG is entitled to have the notification checked by a certified accountant appointed by DTAG at Partner's cost.

The same applies if the Partner delivers parts labeled with a DTAG brand or the DTAG part number to third parties. If the brand is used unlawfully and the Partner is at fault, an additional penalty of 5 % of the DTAG gross list price shall be paid per part.

In order to avoid damaging the image of DTAG brands, the parallel sale of parts by Partner is not permitted where the DTAG brand has visibly been rubbed out, scratched off or otherwise removed by an external influence. Furthermore, the covering of DTAG brands or part numbers with stickers or paint is not permitted.

The above contractual obligations shall not affect possible other statutory rights and claims of DTAG. This shall apply in particular with regard to statutory claims based on the infringement of intellectual property rights.



#### 4. Brands

The Partner is obligated to label the spare part in accordance with the labeling regulations. As a general rule, a DTAG trademark must be affixed to all parts. The parts must be labeled in accordance with MBN 10435<sup>1</sup>. This includes all visible labels (stamped, shaped, lasered, etc.) **as well as all affixed adhesive labels. A manufacturer's trademark may be affixed if desired, whereby the manufacturer's trademark may not be larger than the DTAG trademark.** Further other manufacturer's information, in particular the article number of the manufacturer, is not permitted. Questions must be clarified with the After-Sales Product Management of the respective division, any possible deviations of the labeling (e.g. for reason of technical necessities) require DTAG's prior written approval.

#### 5. Supply Period and Purchase Right

The Partner undertakes to supply DTAG with spare parts for the product for a period of at least 15 years after the discontinuation of series production. Delivery shall be made at the request of DTAG.

Parts-specific production equipment of the platform or part may only be scrapped after DTAG's written consent regardless of ownership status.

#### 6. Pricing

For spare parts delivered during the series delivery period, the series price current during the series lifetime generally applies.

In the case of parts for systems/assemblies, the price of the spare part is determined by breakdown, deducting assembly cost from the price.

In the case of parts for systems/assemblies or spare component parts for series assemblies, the price of the spare part is determined by breakdown/cost orientation during the series lifetime. The price for series components determined thus is also the applicable spare part price. This price constitutes the maximum price for the spare component part, apart from any necessary packaging expenses or not-incurring assembly costs. The price of spare component parts is even then agreed on this basis if the component was not created as a separate part number before series start-up.

## 7. Documentation of Spare Parts

The cost of preparing spare parts documentation (including single-part drawings) and maintenance of all modification statuses, forms part of the price of the overall delivery.

The scope of the documentation (NX 3D drawings or successor systems, parts lists etc.) and the deadline for its completion will be agreed between DTAG (spare parts) and the Partner.

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<sup>1</sup>Or the norm applicable to labeling of parts with DTAG trademark designation and identification features, which is valid as of the sourcing date.

DTST 13/01 Production Process and Product Approval (PPA)

DTST 14/01 Quality Assurance. Implementation of a Quality Management System

DTST 18/01 Handling of Defective Deliveries Following Dispatch from the Production Plant

DTST 27/01 Failure mode and effects analysis (FMEA)

# Quality

# Production Process and Product Approval (PPA)

## 1. Introduction

The Partner shall carry out a PPA Process for series production approval. Unless otherwise specified in the following, the requirements made on this process are based on the current issue of VDA Volume 2. In individual cases, another procedure can be agreed upon for the PPA Process with the corresponding DTAG contact person.

## 2. Scope of Application

In addition to the scope specified in VDA Volume 2, the PPA Process shall also be carried out for software and standard parts unless otherwise agreed (the respective applicable version of VDA material specification 235-204 shall be taken into consideration for high-strength fasteners for the automotive industry).

If delivery conditions are described through several item numbers, the corresponding processes and generated/amended product features of the delivery condition shall be described in sampling in addition to the component features.

DTAG can request a PPA report for the single components with DTAG item numbers within a delivery scope.

## 3. Basics of the PPA

### 3.1. Series Production Approvals of other DTAG Locations

If the Partner has already received a series production approval from a DTAG location and there is no trigger for a new PPA Process (see Section 4), a new PPA Process does not have to be performed before supplying other DTAG locations. The Partner shall submit the sampling subject to the planning applicable to the new DTAG location together with the existing series production approval to the new DTAG location in order to receive series production approval for the specific plant.

In case of application of the global release proceedings, the release issued by DTAG applies to every DTAG plant, with which the Partner holds a delivery contract. DTAG plant-specific release is not applicable.

### 3.2. Identification of Parts

Parts for advanced tests (split sampling), which have not yet been produced completely under series conditions, shall be submitted as “Other samples” in consultation with the respective DTAG contact person for the PPA Process. No series production approval shall be issued for “Other samples”. Unless otherwise agreed, a red sticker specifying the state of development (Exx) shall be used for this.

Separate labeling of parts for sampling and parts for production tests can be demanded by the respective DTAG contact person for the PPA Process.

#### 4. Obligation of Disclosure and Triggers for the PPA Process

All modifications in the production process and product must be notified by the Partner to the respective DTAG contact person for the PPA Process. Unless otherwise agreed, the Partner must proceed according to the following table.

Trigger	DTAG specialist department for the PPA Process	DTAG operative procurement	DTAG logistics
New parts	D		
Product modification* (approved by Development)	D	A	
Production relocation	D	A	A
Production process modification**	D		A
Test process modification	A		
Production stoppage for more than 12 months	D		
Use of new, modified or replacement tools (not applicable to metal cutting tools)	D	A	
Change in 2nd-tier suppliers (DTAG 2nd-tier). In the case of parts with special characteristics (DS, DZ), the above obligation exists up to the supplier responsible for the characteristic.	D	A	
Change in 2nd-tier supplier locations (DTAG 2nd-tier) for deliveries with DS/DZ features.	D	A	
Change in 2nd-tier supplier locations (DTAG 2nd-tier).	A	A	
<b>Modifications in the Partner’s purchased parts/primary material/stock</b>	D		
No unconditional series production approval	D		
Failed requalification	D		

\*Includes modifications of material as well

\*\* Also includes modifications to the logistical value chain

D = Execution of the PPA Process by the Partner

A = Obligation of disclosure in written form by the Partner to the DTAG specialist department.

Implementation and scope of the PPA Process is decided by the DTAG specialist department.

Within the scope of sampling of new and of modified parts, the Partner is obliged to configure the material data sheets in IMDS. The ID-number for the IMDS data record shall be specified in the initial sample cover sheet and the corresponding “Materials data sheet/IMDS” annex. The regulations of the DTST 36, especially regarding the confirmation of/adherence to prohibitions on substances, have to be observed by the Partner. If any new substances, which are already included in deliveries to Daimler Trucks and Buses and for which no IMDS data record exists yet, are added to the “list of candidates” of the REACH directive, subsequent sampling shall be carried out by transmitting the material data in IMDS.

## 5. Execution of the PPA Process

If a PPA Process trigger caused by the Partner arises, the Partner shall provide notification of this trigger at least six months prior to planned implementation. In justified, exceptional cases, deviating regulations will be agreed with the DTAG department responsible for series production approval. Relocation shall not be permitted in the start-up phase. Notification of relocation shall be issued six months in advance and shall require approval from DTAG.

DTAG shall specify a sampling date to the Partner. The number of sample parts must be agreed upon with the respective DTAG contact person for the PPA Process and the sample parts must be delivered free of charge.

The following themes are defined as part of the sampling planning before the PPA Process:

- » The documents specific for the sampling scope taking into account table 1,
- » Possible part bundles and
- » the required number of samples.

In addition to technical sampling (O-status), variant sampling (F-status) shall also take place for parts distinguished by supplementary code 2 (colors, languages, etc.).

The Partner shall coordinate the method and format of the sampling document transfer with the respective DTAG contact person for the PPA Process.

For parts into whose tools the surface structure is integrated in a separate production step, the PPA Process shall be carried out on the basis of “Other samples”. The approval for integrating the surface structure shall be issued by the respective DTAG contact person for the PPA Process.

In the event of deviations, the Partner must obtain written approval (deviation approval) from the responsible DTAG contact person for the PPA Process in advance and submit this for sampling. The corrected status must be presented within the scope of subsequent sampling.

Product and process characteristics for which capability studies shall be performed shall be coordinated with DTAG. Until process capability has been verified, the characteristics shall be tested 100 % by the Partner.

In deviation from the industrial standard, the following requirements apply to the measurable DS/DZ characteristics specified in the specification documents (e.g. drawings, CAD data records):

- » **Process performance index/machine performance index Ppk/Pmk  $\geq 2.0$**
- » **Stable processes- process capability Cpk  $\geq 1.67$**

The procedure for special processes shall be as described in DTST14.

Performance tests shall be performed by the Partner in the case of new launches and model refinements, and the respective DTAG contact person for PPA procedure shall be notified within good time so that participation by DTAG is possible.

For selected scopes, a number of parts which at least corresponds to the yield of one DTAG shift under full capacity production conditions shall be produced in coordination with DTAG in the final performance test. These parts shall be produced under DTAG full capacity production conditions.

The Partner must, if necessary, carry out an analogous performance test with his sub-suppliers, taking into account the risk classification, in cooperation with DTAG and provide corresponding evidence.

## 6. Verifications for the PPA Process

As part of the sampling planning, the required verifications are agreed upon as per table 1, unless otherwise agreed in writing between the department responsible for the series production approval and the Partner. The verifications denoted with “V” in table 1 shall be submitted generally, the ones denoted with “A” must be agreed upon individually.

Table 1: PPA documented evidence

No.	Verifications if applicable for process and product	Sampling planning
1	Cover sheet for the PPA report*	V
2	Self-assessment of product, process and, if applicable, software	V
No.	Verifications for the production process and product engineering	Sampling planning
3	Technical Specifications	A
4	Approved design modifications	A
5	Design and development approvals	A
6	The ID no. of the accepted IMDS material data sheet on the current design engineering status shall be specified in the PPA report	V
7	Design FMEA	A
8	Process flow chart	A
9	Process FMEA	A
10	Production control plan (PCP)	A
11	Geometry, dimension	A
12	Material	A
13	Function	A
14	Haptics	A
15	acoustics	A
16	Odor	A
17	Appearance	A
18	Surface requirement	A
19	Technical cleanliness	A
20	Reliability	A
21	Resistance to Electrostatic Discharge (ESD)	A
22	Electrical safety / high voltage safety	A
23	Electromagnetic compatibility (EMC)	A
24	Protection of special features as per technical specifications and agreed features (e.g. Poka Yoke, 100 % testing, process capabilities...)	A
25	Laboratory qualification	A
26	Number of samples and reference samples	A
27	Achievement of serial cycle time	A
28	Tools list (with unit nos./number of nests and statement on tool quality)	A
29	Compliance with legal requirements	V
30	<b>Overview of the Partner's supplier and in-house parts with part and process release status</b>	A
31	Inspection and Test Equipment List	A
32	Verification of test equipment capability	A
33	Parts history (see Annex 1)**	V
34	Suitability of the used charge carriers incl. their storage	A
35	Requalification agreement	A

No.	Verifications regarding software	Sampling planning
36	SW Application release ("Software Test Report" annex)	V
37	Determination of the context ("Scope") of the software product to be delivered	V
38	Reference to contractually determined quality requirements (e.g. Coding guidelines, code metrics, test coverage)	V
39	Documentation of technical SW specifications (functional and non-functional)	A
40	Verification of the implementation of the requirements from 38 and 39, especially the special features (e.g. safety)	A
41	Documentation about FOSS (Free-and-open-source-software)	V
42	List of known errors	V
43	Documentation of the development tools applied during the entire project duration	A
44	Documentation of the testing tools applied during the entire project duration	A
45	Documentation of the version management (baseline, configurations, change history)	A
46	Verification of a process assessment (e.g. VDA Automotive Spice)	A

\*Submission of the document in case of samplings, which do not take place via an IT system (i.e. documentation only in paper form).

\*\*No submission of the associated document by the Partner if the relevant documentation is covered by the DTAG-internal IT system.

V = Submission to DTAG

D = Where applicable: Execution, documentation and archiving of the organization (if necessary, for inspection by DTAG)

A = All the submission points going beyond the minimum scope must be agreed upon during the sampling planning between the Partner and DTAG.

The Partner shall document the procurement structure of its suppliers and provide the documentation to the DTAG contact person responsible for the PPA Process.

If responsibility for sampling and approval of parts purchased by the Partner lies with DTAG (directed parts), the Partner shall list these separately along with the following information in the overview of the purchased parts releases:

- » Part number
- » Supplier with the DTAG supplier number
- » ZGS
- » Q/A status
- » Approval status
- » DTAG plant and number of the release test report



## 7. Storage Periods

The storage periods shall be based on VDA Volume 1.

## 8. Approval Status

The Partner shall be informed of series production approval in the form of a test report.

## 9. Preparatory Activities

Prior to and/or parallel to the PPA Process, activities such as design stage workshops or color in-camera meetings are carried out by DTAG together with the Partners for selected parts scopes. The parts for the color in-camera meetings must be manufactured under full series production conditions. Insofar as parts with the specified surface structure are not already ordered for the first color in-camera meeting, these must be supplied with the specified surface structure by the following color in-camera meeting at the very latest.

## 10. Non-Compliance

If the agreed sampling per part status does not lead to success, the Partner shall bear all additional costs incurred by DTAG which are directly related to the sampling process if the Partner is responsible for the negative result.

Applicable documents:

(see the Supplier Portal under <https://supplier.daimlertruck.com>)

Annex 1	Part Life Record
Annex 2	Assessment Matrix for Approval Status of Product and Process
Annex 3	Material BOM
Annex 4	Software Test Report

# Quality Assurance. Implementation of a Quality Management System

## 1. Selection and Application of the QM System

In order to ensure flawless and constant product quality, the Partner shall establish a quality management, henceforth referred to as "QM". The QM system must be set up in accordance with the currently valid version of IATF 16949 (including any successor regulations of IATF 16949). Verification must be supplied in the form of certification via an IATF (International Automotive Task Force) recognized certification body. It is necessary to comply with the regulations of IATF 16949 in case of an absence of a certification according to IATF 16949 and the application of these regulations requires a separate approval by DTAG. Suppliers of software as product or part of a product must additionally provide evidence of a DIN EN ISO/IEC 27001 certification in the respective valid version.

The Partner will set up its QM system in such a way that its suppliers and their sub-suppliers will also be required to comply with the requirements of this DTST.

## 2. Legal and regulatory requirements for certifications

The Partner is obliged to meet all legal or regulatory requirements and to take the necessary measures for acquiring and maintaining the necessary product-related and/or location-related certifications in good time (e.g. application of auditing of production sites/technical tests of parts). The aforementioned requirements are dependent on the market or the markets, for which the deliveries are destined.

The Partner must ensure independently and on his own responsibility, that the related documents (certificates, type approvals etc.) are up to date and valid. The Partner must transfer those documents to DTAG on time, without the need of a request by DTAG.

The Partner must ensure delivery of parts, which meet all legal or regulatory requirements, over the whole life cycle, i.e. even after the end-of-production (EOP) of the vehicle during the period of spare parts supply – until revoked (incl. recertification).

Upon becoming aware of any change of the production process and/or of the company name and/or of the address of a production site, also with regard to sub-suppliers, that may have any effect on the validity of the certifications (e.g. relocating production facilities, tools or entire production sites, a change of address, decommissioning of production sites, end-of-life inventories at suppliers or name changes), the Partner must immediately notify DTAG of said change.

### 3. Auditing

DTAG is entitled to audit and evaluate the Partner's QM system and quality assurance measures or to have these audited and evaluated by a third party commissioned by DTAG. This can take place as part of a review (e.g. Process audits according to VDA 6.3) after prior notification. As part of its deliveries, the Partner must also enable the auditing of its suppliers and their sub-suppliers by DTAG or a third party commissioned by DTAG. The Partner consents to assist DTAG in identifying weaknesses in the sub-supplier structure. Optimization of the weaknesses which are ascertained is the responsibility of the Partner. DTAG can stipulate quality assurance measures.

Partners that develop and/or supply software, also in combination with hardware, must observe the relevant valid version of the ISO/IEC 330xx standards or Automotive SPICE®.

The maturity level evaluation of the software development process must be verified by the Partner through an assessment in accordance with ISO/IEC 330xx or Automotive SPICE®. At the request of DTAG, the Partner must provide a results protocol of the assessment according to Automotive SPICE® in the current version in accordance with ISO/IEC 330xx.

The Partner must verify at least one continuous process evaluation with Level 1 in all processes of the VDA scope in a comparable project along with a result protocol, according to Automotive SPICE® during the tendering phase, without being requested. The underlying assessment must not be older than 12 months.

The Partner must verify a continuous process evaluation with Level 1 in all processes of the VDA scope by means of Automotive SPICE® Assessment according to ISO/IEC 330xx in the specified project, at the latest 9 months after awarding.

The Partner must verify a continuous process evaluation with Level 2 in all processes of the VDA scope by means of Automotive SPICE® Assessment according to ISO/IEC 330xx in the specified project, at the latest 18 months after awarding.

Prerequisite for the participation in a tendering procedure for subsequent projects is to verify a continuous process evaluation with Level 3 in all processes of the VDA scope by means of Automotive SPICE® Assessment according to ISO/IEC 330xx. With regard to services the Partner must verify a continuous ASPIEC Level 3 to ensure the supply from the Start of Production (SOP).

The execution and scope of the assessment and qualification of the assessors must meet the requirements of the ISO/IEC 330xx and the VDA Blue Gold Volume (Blau-Gold-Band) Automotive SPICE® guideline in the current version.

ISO/IEC 330xx compliant audits can be conducted by independent assessors of the Partner with valid intacs certification or by an external company recognized by DTAG. Assessment results shall be recognized by DTAG only if they have been carried out and documented in accordance with the DTAG Assessment Guideline Automotive SPICE®. DTAG has the right to carry out an assessment itself according to ISO/IEC 330xx or Automotive SPICE®.

In the event of significant deviations from these requirements, the assessment will not be recognized by DTAG. In this case, a reassessment shall be carried out by an independent third party who did not take part in the original, invalid assessment. The costs of this reassessment must be borne by the Partner. DTAG has the right to carry out such a reassessment itself according to ISO/IEC 330xx or Automotive SPICE®.

On request, DTAG must be informed by the Partner of measuring variables (the so-called metrics) in the software development process (e.g. number of errors per lines of code, error distribution over development phases, efficiency measurement in various phases of software development, test coverage such as C1 or equivalent measuring variables). The Partner must define these metrics analogous to the current MISRA Guidelines and the VDA metrics and coordinate them with DTAG.

**4. Scientific and Technical State-of-the-art**

According to the requirements of the Product Liability Act, the Partner shall ensure that its deliveries and services correspond to the scientific and technical state-of-the-art.

**5. Quality Planning and Assurance**

The Partner actively supports the preventive series preparation through a cooperation model specified by DTAG, **for example, according to the VDA Standard “Maturity level validation” (VDA-RGA)**, and shall provide the necessary resources for this.

The Partner proves the faultless product realization. The Partner documents its quality assurance measures with proof of quality assurance.

The Partner informs DTAG immediately as soon as violations of the zero-defect obligation are foreseeable.

The Partner is responsible for determining and properly defining the special features (e.g. relevant to safety, certification, function and process) in accordance with the specifications, requirement specifications or other DTAG data, as well as for the suitable optimization of production systems, processes and test methods. If, in the case of a product defect, it is not possible to exclude risk to life or health during use of the product, the Partner must do everything within its power to exclude the possibility of defective deliveries.

Machine and process capability is examined and evaluated on the basis of VDA Volume 4, Ensuring quality in the process landscape. The Partner must ensure and document production process stability over the entire production period by means of suitable process regulation. A 100 % audit of product and process features must be performed if capabilities are not met. If a product feature cannot be demonstrated with process capability figures, e.g. for specific processes (e.g. welding, heat treatment, casting), proof must be provided by way of secondary features and/or a 100 % test must be employed.

In such cases DTAG can demand that the Partner apply other suitable methods of providing evidence for process security specific to components in series production.

If the Partner is (jointly) responsible for the development of the supplied products and/or services supplied, the Partner must assess the relevance of the said products and/or services supplied in terms of safety or certification, and note the results of such assessments on all technical documentation, drawings and other documentary material. The Partner is additionally obligated to use DTAG designations in its technical documents, drawings and other documentation, which are made available to DTAG. This designation must be continued in an adequate manner in all further documentation. The Partner is obliged to implement the measures to be derived from the designation in current production and to store the related verification.

The Partner must comply with the VDI Guideline 2862 for the safety-relevant fastening systems.

DTAG specifications for the designation are:

DS/RA:	Documentation of relevance to safety	Components or systems whose malfunction or failure may lead to a direct risk to the life and limb of other road traffic users are safety-relevant.
DZ:	Documentation of relevance to certification	Components or systems whose data, verifications, construction permits are used in certificates or country-specific registration documents or which are checked on type approval are certification-relevant.

For the purpose of traceability, the Partner, at the request of DTAG, shall identify the components with a unique serial number, the structure of which will be defined by DTAG.

The Partner is obliged to check annually whether its deliveries meet DTAG's **specifications** (including dimensions, material, reliability, legal specifications, environmental and production control plan) (requalification). The Partner evaluates, documents and archives the results. These must be made available to DTAG on request. Any deviation from this paragraph must be agreed in writing between the Partner and DTAG.

#### Cooperation/escalation model

The model is used in response to serious, repeated or long-standing quality and logistics problems of the Partner.

**The Partner's performance is continuously measured by means of KPIs and the findings are made available.** If KPIs are exceeded, the model of the respective division takes effect, e.g. Q-H:ELP "**Quality Challenges: REcognition, SoLution and PRevention**".

Depending on the respective classification, additional measures are stipulated by DTAG. If DTAG supports the Partner by means of the above measures, the Partner reimburses DTAG for the costs that accrue and that are generated by said support.

#### 6. Inspections by DTAG

**Under consideration of the inspections carried out at the Partner's premises in accordance with this DTST,** the inspection carried out at DTAG is restricted to the comparison of delivery note data with the goods labels, checking the number of load units and inspecting external transportation damage which is clearly visible on the packaging.

There are no more far-reaching examination obligations for DTAG

DTAG is entitled to participate in inspections, appraisals, reviews or tests carried out by the Partner and its suppliers and their sub-suppliers; to have these observed by third parties authorized by DTAG or, following prior coordination, to conduct such inspections itself on the premises of the Partner and its suppliers and their sub-suppliers or to have these carried out by authorized third parties.

DTAG has the right to inspect all development documents (software incl. source code for the purpose of analysis, e.g. ascertainment of metrics) and documentation which accompanies production, relating to DTAG.

# Handling of Defective Deliveries Following Dispatch from the Production Plant

## 1. Subject Matter of the Agreement

### 1.1. Scope

These regulations apply to the handling of claims by DTAG vis-à-vis suppliers owing to delivery of defective production material or defective spare parts to the extent that these defects have been identified after the vehicles leave the respective production plant or the spare parts have been fitted or sold to customers.

### 1.2. Purchasing Terms

The purchasing terms agreed between DTAG and the Partner shall in principle remain unaffected.

## 2. Ascertaining Defects

Defects are ascertained by the DTAG sales organization and then fed into the DTAG systems for processing of quality defects. The damaged parts are provisionally identified as defective by DTAG.

## 3. Handling of Procedures for Standard Recourse

The settlement regulations for standard recourse apply to defective deliveries if these have not led to a recall, series damage, or damage to other components.

### 3.1. Definition of a Parts Family

The “parts family” tool is used to determine the acceptance rate. A parts family consists of parts with the same function and properties.

### 3.2. Forming a Parts Family

As a rule, parts families are formed specific to divisions by arrangement between DTAG and the Partner. If damaged parts with new item numbers are presented during the year or new spare parts numbers arise within the warranty system, new families are agreed during the year by arrangement between DTAG and the Partner or existing parts families are augmented.

In particular, the following parts are pooled in a parts family:

- » Parts that can be substituted interchangeably in a workshop repair
- » Series production parts and spare parts (e.g. new, improved successor parts that replace an older version)
- » different country variants if there are no serious technical deviations
- » across model series for similar and technically comparable components

### 3.3. Return of Parts

#### 3.3.1 Random Sample for the Analysis of Damaged Parts

To reduce the cost of returning and analyzing parts, the inspection to determine defects and the associated cost allocation to Partners are performed using a random sample of removed damaged parts for which defects have arisen within the applicable period of limitation for warranty claims (referred to herein below as a “Warranty Random Sample”). These damaged parts are made available to the Partner by the DTAG inspection stations for purposes of analysis; they are recognizable to Partners in the IT inspection systems (e.g. QEC-Tool/eSEP++) as “warranty goods” and serve as the basis for establishing the acceptance rate.

Unless otherwise agreed upon, the Warranty Random Sample as a rule comprises 10 % to 30 % of the damaged parts within a parts family from Germany (referred to herein below as the “Reference Market”) within a settlement period. Random parts from defined European operations are submitted for Evobus.

The Partner is to notify DTAG in advance of any modifications of the scope of the random samples and the markets from which such samples are selected for specific parts families, provided such modifications are feasible and economically viable, provided that the modifications can be expected to deliver further insights and to improve the quality work in each individual case. DTAG will review the notification made by the Partner and may adjust the mechanism for selecting parts in the sample if required.

Should the scope of the random sampling performed as part of the Warranty Random Sample be lower than 10 % of the damaged parts in the Reference Market, then the parties may agree by mutual consent to adjust the acceptance rate determined in this way, unless this shortfall had been coordinated with the Partner.

At the instruction of DTAG or on request by the Partner, specifically targeted damaged parts that do not form part of the Warranty Random Sample – e.g. from certain countries, produced in specific periods of time, or subject to certain fault symptoms – can be returned and forwarded to the Partner for analysis. These damaged parts are identified for the Partner in the IT inspection systems (e.g. QEC tool / eSEP++) as “goods subject to inspection”/“Prüfware” and will not influence the acceptance rate.

#### 3.3.2 Procedure in the Event the Number of Damaged Parts is Not Representative

Should there be indications that the damaged parts from Germany do not reflect the global failures in a representative way, or that no damaged parts originate in Germany, DTAG may also include damaged parts from other countries in the Warranty Random Sample. Such an expansion of the Reference Market will follow the following sequence in principle:

- » the sequence will follow the turnover figures in descending order of the DTAG vehicles that are equipped with parts from the affected parts family.

DTAG shall notify the Partner in advance of the intended expansion of the Reference Market in each specific case. The Partner may object to such expansion of the Reference Market, observing a period of fourteen (14) days following the notice, doing so in writing and providing objective grounds for its objection. Should the Partner not object to the expansion of the Reference Market, or should the Partner fail to provide objective grounds for such objection within fourteen (14) days, the expansion of the Reference Market will be deemed as having been confirmed by the Partner; DTAG is to indicate this consequence to the Partner in its notice. Should the Partner object to the expansion of the Reference Market within this period, DTAG and the Partner shall agree on a provision governing the Reference Market.

**3.3.3** Compilation of a Random Sample of Fifty (50) Parts in One Settlement Period  
Once fifty (50) damaged parts of a parts family originating from the Reference Market within one settlement period have been submitted for inspection, it is to be assumed that this random sample is representative. DTAG may filter out the warranty parts for the corresponding settlement period. DTAG shall notify the Partner about this. The acceptance rate shall be agreed on this basis. Should the Partner not object to this procedure, or should the Partner fail to provide objective grounds for such objection within fourteen (14) days, the procedure shall be deemed as having been confirmed by the Partner. DTAG is to indicate this consequence to the Partner in its notice. Should the Partner object to the procedure in writing within fourteen (14) days of the written notice, citing objective grounds for such objection, shipping shall recommence.

In order to identify new damage patterns or potential long-term defects, the Partner shall continue to be under obligation, also in the event the shipping of parts is discontinued, to analyze individual parts that DTAG has made available to it as goods subject to inspection.

**3.3.4** Early Compilation of a Representative Sample from Specific Production Periods  
If, in an individual case, it is not to be expected that continuing the analysis of damaged parts will deliver further insights, it is possible to mutually agree an acceptance rate early with the Partner for certain parts from a parts family originating in specific production periods (e.g. by a "Gala"-Agreement). From the time of notification by DTAG to coordinate an acceptance rate, no further parts from this parts family will be sent from the production period concerned. If the Partner objects in writing and provides objective grounds for determining an acceptance rate, the shipping of parts will be resumed. Any parts for which an acceptance rate was agreed early shall be filtered out from their parts family.

For example, in order to be able to identify new damage patterns or potential long-term defects, the Partner shall continue to be under obligation, also in the event an acceptance rate has been agreed early, to analyze individual parts that DTAG has made available to it as goods subject to inspection.

#### **3.4. Performance of Damage Analysis and Determination of Acceptance Rate (AQ)**

The guideline by the Verband der Automobilindustrie e.V. (VDA) applies to damaged part analysis. "Shared quality management in the delivery chain - Marketing and customer care - Damaged part analysis field" and the respective "MB Standard 10 448 Damaged part analysis field;" the latter can be accessed via the DTAG Supplier Portal.

##### **3.4.1** Deadlines in Damaged Part Analysis

In the analysis of damaged parts by Partner, the Partner shall confirm receipt of parts using the IT systems provided by DTAG for processing the analysis (e.g. OEC-Tool/eSEP++) within five (5) calendar days of receipt and shall send DTAG a status response with its initial test findings and measures that can be implemented immediately, and shall do so within fourteen (14) calendar days of receiving the parts.

The Partner shall notify DTAG of its conclusive findings (see VDA volume "Damaged part analysis field" Section 2.2 "Test status and test strategy in damaged part analysis") no later than twenty-eight (28) calendar days after it has received the parts. The result of the inspection must include statements on the causes of the failure and implementable measures serving the final and conclusive remedy of the defect, in the form of an 8D Report compliant with the VDA guideline.

In the case of "priority parts"/"Prioritäts-Teile", the Partner is to provide feedback to DTAG within seven (7) calendar days of receiving the parts, with its initial test findings and measures that can be implemented immediately. Furthermore, a reduced period of fourteen (14) calendar days shall apply for the notice regarding the conclusive inspection result. Priority parts must be identified accordingly in the system; they are e.g., start-up parts (vehicle, component, system), parts from immobility cases, or safety-relevant parts.

If the Partner does not meet the deadlines for its conclusive findings, the parts concerned will be considered accepted; DTAG shall notify the Partner of this consequence in the system.



Parts rejected by the Partner shall remain the property of DTAG. Should these parts have been marked in the IT inspection system (e.g. QEC Tool/eSEP++) as “relevant for returns”/ “rücklieferrelevant”, the Partner must return them to DTAG within fourteen (14) calendar days (with the date of receipt by DTAG governing the timeliness of the return) after conclusive findings have been notified in delivery condition (in appropriate condition if subjected to destructive testing agreed with DTAG). Where rejected parts are not marked as “relevant for returns”, the parts are to be held by the Partner in a quarantine store for ten (10) weeks after conclusive findings have been notified and are to be made available to DTAG at the latter’s request. Following expiry of this period, the Partner is to scrap the parts. Should the Partner fail to comply with these obligations to return and store the parts, the corresponding parts shall be deemed accepted; DTAG shall notify the Partner of this consequence in the system.

Parts accepted by the Partner are exempt from any duty to return or store them.

The deadlines set out in the present Section 3.4.1 may be modified by the parties’ mutual consent if such modification is justified.

In case the Partner wants to extend deadlines, the Partner shall ask the responsible inspection station in writing and shall document the current status of the analysis result and the reasons and the target date in the IT inspection system.

**3.4.2 Calculating Acceptance Rates (AQ)**

DTAG and the Partner calculate the acceptance rate on the basis of the results of the damaged part analysis. All acceptance rates usually relate to a specific parts family and a defined incidence period. The acceptance rates identified shall be applied to global damage claims.

The acceptance rate is calculated as the number of damaged parts accepted by the Partner out of all damaged parts submitted as “warranty goods”.

The DTAG inspection station reserves the right to audit the damaged part analysis process with the Partner at any time after providing suitable notice in line with the VDA standard “Damaged part analysis field – Audit standard.” This audit also assesses the implementation of all sections of “MB Standard 10448 Damaged part analysis field”. In addition, DTAG reserves the right at any time to monitor the analysis performance of its Partners through appropriate performance parameters.

A score of less than 90 % according to the VDA “Damaged part analysis field – Audit standard” and/or a score of less than 80 % based on the NTF process and thus a blatant deviation, with regard to the quality requirements defined in these DTST, indicates that the Partner’s analysis of damaged parts is unviable or only partially viable. This means that the actual acceptance rate must be greater than shown by the Partner’s results. To establish a realistic acceptance rate, DTAG will claim an acceptance rate surcharge (AZ), of at least 5 % on the acceptance rate based on its score.

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$$AQ[\%] = \frac{[(\text{Total of accepted damaged parts}) + (0,5 \times (\text{Total of NTF-cases}^*)) + (\text{Total of damaged parts not analyzed on time}) + (\text{Total of damaged parts not returned on time})]}{(\text{Number of damaged parts analyzed})} \times 100 + AZ[\%]$$


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AQ[%] can be a maximum of 100 %

\*see section 3.4.5

**3.4.3. Product and Process Changes and Production Relocations**

In the event of product changes, process changes, or production relocations not advised by the Partner in line with DTST 13 or not confirmed by DTAG, the acceptance rate shall be 100 %, unless the Partner proves that there is no causal connection with the defect. In the case of assemblies or multi-part deliveries, this shall include the parts procured by the Partner from Sub-contractors or Sub-suppliers.

**3.4.4. Cost Settlement as Part of Damaged Part Analysis**

The costs incurred in connection with the damaged part analysis shall be borne by the Partner and DTAG each respectively. Transportation and logistics costs incurred shall be paid by the respective recipient. If the Partner demands additional returns of parts other than the Warranty Random Sample, the Partner shall bear the transportation and logistics costs incurred.

**3.4.5. No Trouble Found (NTF) Process**

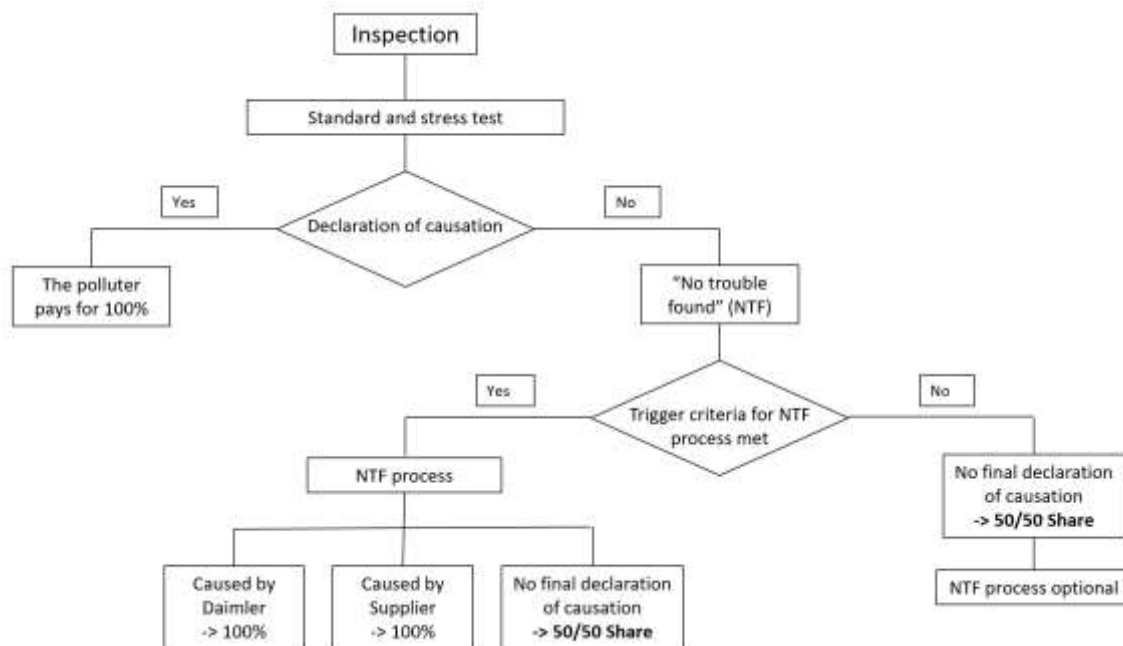
The NTF process is used to find the cause of a problem that could not be identified in the damaged part analysis. If no fault or cause of failure can be determined after the damaged part analysis has been carried out, so that a customer complaint cannot be traced back to the Partner through the damaged part analysis (“No trouble found”), an NTF process is carried out in accordance with the triggering criteria of "MB Norm 10448 Schadteilanalyse Feld".

This is started by the Partner and carried out together with DTAG based on the VDA-Band „Schadteilanalyse Feld“ and the "MB Norm 10448 Schadteilanalyse Feld". If the NTF process does not make sense in individual cases for economic reasons, DTAG and the Partner will coordinate this individually.

If there is no NTF process or if a declaration of causation is not possible after an NTF process has been carried out, the damaged parts are taken into account at 0.5 when calculating the acceptance rate in terms of joint responsibility for product quality. DTAG remains entitled to provide evidence of a higher acceptance rate and the Partner to provide evidence of a lower acceptance rate.

If an NTF process is carried out, the result of the NTF process is taken into account in the acceptance rate. Accordingly, a damaged part with an identified defect is included in the acceptance rate as a recognized damaged part at the expense of the Partner.

If the Partner does not provide suitable test instructions for the workshop and / or if these test instructions lead to NTF disassemblies, the Partner can be held responsible for up to 100% of the NTF costs.



\* The diagram relates to a single damage, the percentage (50 or 100%) refers to the respective components, but not to the overall acceptance rate.

### 3.5. Processing of Warranty Claims

#### 3.5.1 Warranty Cost Determination

The Partner shall reimburse DTAG the following costs per claim in the event of standard recourse if these are due to defective performance (warranty costs):

- » DTAG purchase price of the spare part in the year the damage occurred
- » 40 % of the purchase price of the spare part **in the year it was incurred (“handling costs”)** as compensation for expenses in central spare parts operations, for the transportation costs of spare parts from receipt of goods at DTAG to the place of subsequent performance, for service workshop expenses, for parts procurement, storage, and other ancillary costs; the Partner may provide evidence that these costs have not been incurred or were incurred at significantly less than 40 % of the purchase price of the relevant spare part
- » all labor costs (removal and installation costs including diagnosis and analysis costs) as the average wage cost in line with the actual wage costs incurred in service workshops worldwide in connection with the defect

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$$\text{Warranty costs} = \text{DTAG purchase price} + \text{Handling costs} + \text{Labor costs}$$

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#### 3.5.2 Calculation of Recovery Volume

The recovery volume is calculated by multiplying the acceptance rate (AQ) by the sum of warranty costs worldwide.

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$$\text{Recovery volume} = \text{AQ} \times \text{warranty costs of the Partner worldwide}$$

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### 3.5.3 Invoicing in Standard Recourse

The warranty costs are determined for each calendar year ("year incurred", this being the year in which the damage occurred). The Partner usually receives an annual debit memo from DTAG for the recovery volume recorded in the past calendar year in DTAG systems worldwide and the claims assigned to the Partner.

## 4. Handling of Procedures for Special Recourse

Special recourse shall be given for defective deliveries if these have led to a recall, series damage, or damage to other components.

### 4.1. Recall

A recall within the meaning of these regulations occurs if, on account of a defective product and the resulting violation of statutory or official regulations, particularly safety or environmental regulations, actions to remedy the defects in vehicles ("field measure") are ordered by the responsible authorities or performed voluntarily by DTAG in compliance with provisions. Furthermore, all field measures performed on account of a defective product are considered recalls if they serve to defend against risk to life and limb.

### 4.2. Damage to Other Components

Damage to other components occurs if, as a result of defective delivery or performance by the Partner, vehicle components other than the defective one are damaged or if other parts have to be exchanged or replaced in the course of repairs to the defective part delivered.

### 4.3. Series Damage

Series damage occurs in the event of every defect that, based on goods of the same type delivered in one production month (calendar month) leads to a defect rate in vehicles of more than 3 % (defective vehicles/total vehicles produced, which were produced with the delivery goods of the same type). In the event of a defect rate of less than 3 %, it will be coordinated with the Partner whether this damage will also be treated as series damage.

### 4.4. Processing of Warranty Claims

Individual agreements will be concluded with Partner on the processing of DTAG warranty claims for special recourse. The processing regulations for standard recourse (Section 3 of these regulations) do not apply; however, the provisions made in Section 3.4.3 (Product and Process Changes and Production Relocations) will be applied accordingly in cases of special recourse.

## 5. Claims Despite Acceptance

The acceptance or approval of submitted samples by DTAG and compliance with the test specifications shall not affect the claims of DTAG.

## 6. Deliveries/Performance by Third Parties

The Partner shall generally manufacture the parts itself. In case the Partner procures deliveries **and/or services for the manufacturing of the parts from third parties (“Sub-contractors”)** or in case the Partner procures the parts from third parties (**“Sub-suppliers”**), **the Partner shall** continuously monitor that these deliveries and/or services are free from defects.

In case DTAG raises claims against the Partner due to defective parts and should these claims be subject to a fault [Verschulden] of the Partner, the Partner shall also be liable for faults [Verschulden] of Sub-contractors and Sub-suppliers to the same extent as own faults [Verschulden].

## 7. Arbitration Expert

If the Partner and DTAG (**together: “Parties”**) are in dispute, **whether thr Partner’s deliveries or services are free of defects**, the Parties will, on request of one Party, agree within three months on an arbitration expert who will be jointly mandated by both Parties. If the Parties fail to agree on an arbitration expert and to mandate him within the above mentioned time limit, DTAG is entitled to make a request to the President of the Chamber of Commerce and Industry, Stuttgart Region, that he may appoint an arbitration expert. After appointment of the arbitration expert, DTAG and the Partner shall jointly mandate the arbitration expert. If the Parties fail to jointly mandate the arbitration expert within three months after appointment of the arbitration expert, DTAG as well as the Partner are entitled to unilaterally mandate the arbitration expert.

In his examination, the arbitration expert examines and decides on the matter in dispute with binding effect for both Parties. The arbitration expert shall hear both Parties to an appropriate extent. The arbitration expert shall – except as otherwise mutually provided by the Parties – **answer the question, whether the Partner’s deliveries or services are free of defects. The Partner** will provide to the arbitration expert all information necessary for the examination.

DTAG is entitled to withdraw the request to the President of the Chamber of Commerce and Industry, Stuttgart Region, if the arbitration expert fails to submit his examination within appropriate time. By such a withdrawal, the proceedings of the arbitration expert are terminated. In this case, DTAG is also entitled to terminate the mandate of the arbitration expert, irrespec- tive of whether the arbitration expert was mandated jointly or solely by one Party.

The Parties will equally share the costs of the arbitration expertise. § 317 to § 319 of the German Civil Code (Bürgerliches Gesetzbuch, BGB) shall apply.

## 8. Other Rights

Other statutory or contractual rights of DTAG remain unaffected by these regulations.

## 9. Information Relevant to Recourse for the Partner and Contact Persons

The Partner may obtain information relevant to recourse from the IT recourse system maintained by DTAG via the DTAG Supplier Portal, or also by receiving a notification from EvoBus. It is in the interest of the Partner to regularly review this information as it will provide the Partner with an overview, for example of defects of its parts.

In order to ensure smooth communications in cases of recourse, the return of damaged parts, and their analysis, the Partner shall identify to DTAG at least one responsible contact person and shall inform the Daimler Trucks and Daimler Buses business areas to which it makes deliveries without undue delay of any changes of contact persons and/or modifications of their contact information. Disadvantages incurred by the Partner as a result of failure to update contact data in the agreed IT system shall be borne by the Partner.

# Failure mode and effects analysis (FMEA)

The Partner shall create and maintain a Design and Process FMEA for the system and/or component (component part) which is to be developed/supplied in a timely manner using a suitable system. The procedure thereby must comply with the AIAG/VDA FMEA manual for Design FMEA, Process FMEA, FMEA amendment to the Monitoring & System Response of engine friction torque control. The Partner is solely responsible for his FMEA scope.

The interfaces of the FMEA shall be coordinated with the responsible DTAG department prior to the creation of the FMEA. If necessary, the assessment of the error severity level of the error consequences (“B”) must be agreed upon between the Partner and the DTAG department.

If the product (system) to be developed/to be supplied includes software scope, the system architecture/structure should preferably be presented in a function-oriented manner. The structure can be derived from a function analysis that describes the interactions between a **system’s functions and sub-functions**. The key software functions shall be analyzed analogous to hardware functions and must be taken into account the system architecture/structure.

Further requirements can be defined by DTAG in the requirement specifications or other specifications and guidelines.

The documentation of the method and the evidence of the execution of the FMEA incl. documents shall be provided to DTAG for inspection upon request.

All documents associated with this procedure must be stored by the Partner in accordance with VDA Volume 1.

DTST 17/01 Delivery Call-off

DTST 28/01 General Packaging Regulation and Handling of Containers

DTST 29/01 Shipment of Goods

DTST 35/01 Communication with DTAG via Electronic Data Transmission (EDI)  
and Supplier Portal

# Logistics

# Delivery Call-off

## 1. General Section

### 1.1. The Delivery Call-off

The binding quantities to be delivered by the Partner and the delivery dates are set out in the individual DTAG delivery call-offs. The delivery call-off is created by DTAG for each object number<sup>1</sup> and sent to the Partner by way of RDT (remote data transmission). The transmission is carried out by DTAG in a valid standard format. The formats available for selection conform to generally applicable standards and may contain minor deviations owing to DTAG's internal organizational processes. Should a certain standard format be necessary due to procedural deliverables, the same must be specified and utilized by DTAG.

Upon the request of the Partner, in exceptional cases and with the explicit consent of DTAG, delivery call-offs may be transmitted by EDI (electronic data interchange) web, e-mail or fax instead of RDT.

DTAG can send the delivery call-offs **directly to the Partner's production plants upon any such request** by the Partner; in such cases, the Partner shoulders the responsibility of proper fulfillment of the delivery call-offs.

The released quantity in the delivery call-offs is assigned to exact delivery days over a short-term period (up to 4 months). The delivery days are defined as arrival dates [i.e. sameday delivery] (goods receiving section at DTAG) and must be adhered to by the Partner.

The respective delivery must always be made on the basis of the last transmission, i.e. on the basis of the latest delivery call-off.

### 1.2. Purchase Commitment

In the event of full or partial cancellation of delivery call-off quantities by DTAG, the purchase commitment specifies periods for which DTAG is obligated to accept parts or feed stock. DTAG is obligated to accept parts and feed stock as follows:

DTAG's **purchase commitment results from each delivery call-off per object number from the fields "Production release" and "Material release"**. The **period of production release regulates** the released quantity, for which DTAG is obligated to accept parts produced. The material release period governs the released quantity for which DTAG is obligated to accept feed stock.

The period of production release or material release always begins on the date the delivery call-off is created and applies with daily progression for the stated period as long as no new delivery call-off is issued.

<sup>1</sup>The materials/parts used at DTAG are well-defined according to object numbers/groups. The explanations and design/structure of this are documented in the "Manual of DTAG Object Numbers" in the DTAG Supplier Portal at <https://supplier.daimlertruck.com>.



The production and material release periods of “2 + 2” months applies: The production release and the material release each refer to a period of two months.

There may be different regulations in case of special range of parts.

There is no purchase commitment for quantities outside the production and material release period.

### 1.3. Communication with DTAG regarding the delivery call-off

The released quantities and delivery dates specified by DTAG in the delivery call-offs must be adhered to by the Partner. Confirmation of the delivery call-offs by the Partner is not necessary.

If delivery quantities and/or delivery data cannot be fulfilled or complied with by the Partner, the Partner is obligated to communicate this in the SMB (Supplier Management Base) – module BBM (Demand and inventory management) to DTAG for approval by means of corresponding entries. In such cases, the Partner must enter concrete delivery quantities and delivery data with arrival times (time of the day) in the BBM.

If necessary, the Partner will also immediately contact and coordinate with the responsible material scheduler (Materialdisponenten) at DTAG.

In addition, the Partner undertakes to enter his capacity specifications in the SMB – module BKM (Demand and capacity management). The technically possible output quantity using a normal shift model (normal capacity), the output quantity using a maximum shift model (maximum capacity) and the current delivery capacity of the respective object numbers or part families must be entered in the BKM for a specific period of time.

Changes to capacity specifications are to be mapped promptly, plausibly and completely by the Partner.

The Partner must ensure the production capacities of its suppliers. To secure the feed stock demand, the Partner shall inform its suppliers of the necessary requirements.

## 2. Pick-Up-Sheet

### 2.1. Pick-Up-Sheet as supplementary delivery call-off type

The pick-up sheet (PUS) can be used as a supplementary delivery call-off type. The delivery call-off is used by the PUS as a framework delivery call-off for purposes of preview and capacity planning; the purchase commitment is also based on the delivery call-off (cf. No. 1.1).

Upon receipt of the PUS, the shipment/delivery control is transferred from the delivery call-off to the PUS. The specification of the pick-up day is an essential feature in the pick-up sheet process. The Partner must make the materials/parts available well in time to be collected on the pick-up day.

The PUS is transmitted in the standard format VDA 4985. Alternatively, and only with the prior consent of DTAG, the PUS can be made available by DTAG on the IBL platform (Inbound Logistics) in exceptional cases.

## 22. Communication with DTAG regarding the Pick-Up-Sheet

If release quantities cannot be fulfilled in the pick-up sheet process on the respective pick-up day, the Partner must create a special pick-up sheet (SPUS) for the delta quantity. The system automatically forwards the information from PUS and SPUS to the SMB-BBM platform and displays it there (see also No. 1.3.). The regulations on delivery call-offs in No. 1.1. apply accordingly.

Over-deliveries are not possible in the pick-up sheet process.

Further details are described in the “Guideline for Pick-Up-Sheet Suppliers of DTAG<sup>2</sup>”.

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<sup>2</sup>The guide can be downloaded from the DTAG Supplier Portal at <https://supplier.daimlertruck.com>.

# General Packaging Regulation and Handling of Containers

## 1. General Regulations

DTAG uses reusable packaging known as pool or special containers in the delivery of parts by Partners. Information on container management processes is exchanged between DTAG and its Partners **exclusively via the internet application “electronic Container Management” (eCon)**, which is available on the DTAG Supplier Portal (<https://supplier.daimlertruck.com>). The claim process in case of logistical failure of the Partner takes place via the application REKLA which is also available on the DTAG Supplier Portal.

## 2. Handling of Containers

When using the containers required for parts deliveries, the Partner will comply with the regulations of the Process Manual European Container Management. If, in addition, specific packaging requirements necessitate deviations from the regulations of the process manual, a jointly coordinated solution must be agreed between the affected Partners:

- » for production material with the responsible packaging planner at the recipient plant (see eCon),
- » for Mercedes-Benz original parts with the responsible Global Logistics Center packaging planner,
- » for raw materials and supplies with the respective buyer.

If several plants are affected by the exception, the Partner undertakes coordination for all of the affected recipient plants.

### 2.1. Member Plants in the European DTAG Container Pool

The Partner may only supply those plants affiliated to the European DTAG container pool (see eCon for current listing) with containers made available by the European DTAG container pool. In the event that non-affiliated plants or companies are supplied, any resulting loss of containers will be invoiced to the Partner (see also Section 2.10).

### 2.2. Packaging Definition

**The packaging is defined by the recipient plant’s responsible packaging planner in coordination with the packaging planner of the Partner authorized in eCon.** The packaging data sheets are available in eCon. Different packaging can be defined for identical parts. **Deviating packaging may only be used in exceptions and in coordination with the recipient plant’s responsible packaging planner.**

If the Partner fails to adhere to the defined container, DTAG reserves the right to invoice the Partner for the additional costs which are incurred by the recipient plant (e.g. repackaging costs and administrative expenses, see also Section 3.).

### 2.3. Requirement Planning and Requirement Determination

In the case of pool containers, a supply requirement determination is performed by DTAG for each container type. The major influencing variables thereby are the current packaging plans, parts requirements filling capacities and the container circulation factors.

In the case of special containers, requirement determination is carried out jointly by the Partner and the recipient plant based on the planned production figures, the container filling capacities and the container circulation factors.

**The supplier circulation factor forms the basis for the Partner's supply with containers.**

By default, the Partner receives a base range of 5 workdays from DTAG for all container types. For specific delivery types (e.g. JIS, JIT), the base range is reduced. Upon consultation, additional container volumes to the base range can be agreed which, however, should only exceed 10 workdays in justified exceptions. Such additional container volumes can only be provided if containers are available.

The range for pool containers has to be aligned with the central container management at DTAG. In exceptional cases, DTAG is entitled to temporarily reduce the additional container volumes granted for pool containers by a maximum of 2 days, but not more than down to the base range of 5 workdays. This reduction takes place after prior coordination with the Partner.

Additional volume requirements for special containers as well as plant-specific additional volume requirements for pool containers (e.g. stock subject to time limit) are to be coordinated with the recipient plant.

The responsible container planner must be informed of changes to the form of delivery and relocations immediately when these become known.

### 2.4. Procurement of Containers Built to DTAG Designs

Containers according to DTAG designs are usually procured by DTAG or an affiliated company of DTAG according to § 15 AktG. The containers procured by DTAG or by an affiliated company of DTAG according to § 15 AktG are the property of the procuring entity respectively. Containers built to DTAG designs as well as copies of DTAG designs must not be procured and/or brought into circulation by the Partner. If such containers are still brought into circulation, they may be separated out or – provided a clear allocation is possible – be returned at the expense of the culpable Partner.

### 2.5. Procurement of Multi-manufacturer Designs (e.g. VDA Containers, EWPS)

As a rule, VDA containers are procured by DTAG or an affiliated company of DTAG according to § 15 AktG. Additional container volumes can be requested from the central container management at DTAG or procured by Partners themselves. All parties involved are responsible for the functional capability of the container pool.

Multi-manufacturer special containers (e.g. EWPS) are generally procured by the Partner. In this case, the Partner bears the corresponding responsibility (replacement, repairs etc.). The Partner is obliged to identify these containers with an official DTAG container number and manage them under this number. The DTAG container number must be requested from the responsible container planner.

## 2.6. Supplier Designs

The Partner may design and procure special containers subject to its own responsibility following prior coordination with DTAG. The Partner is obliged to identify these special containers with an official DTAG container number and manage them under this number. The DTAG container number must be requested from the responsible container planner. The Partner is the owner and bears corresponding responsibility (repair, provision on schedule and as required).

## 2.7. Usage Charge

If containers are provided by DTAG, DTAG will collect a usage charge for use of the containers by the Partner. If the containers are provided by the Partner, no invoicing by DTAG is carried out.

The usage charge distinguishes between a stock-oriented and a requirement-oriented rental system.

In case of pool containers, invoicing is performed centrally by means of a stock-oriented rental process. The containers of relevance to the rental system and their rental prices per calendar day are stored in eCon. DTAG creates quarterly rental bills and provides the annexes to the rental bills in eCon.

In case of special containers, invoicing is performed centrally by means of a requirement-oriented rental process. The containers of relevance to the rental system and their rental prices per calendar day are stored in eCon per supplier location. DTAG creates quarterly rental bills and provides the annexes to the rental bills in eCon.

The significant characteristics of these two processes are described in the Process Manual European Container Management. In individual cases, special agreements can be made with the Partner on the use of special containers for individual plants.

## 2.8. Control of Supplies

The supply of empties is performed actively by the DTAG respective plant or by an empties shipping plant located at an optimized distance, based on account management and requirement planning. If DTAG is the freight payer for parts deliveries, DTAG will also assume the freight costs for the delivery of empties. If the Partner is the freight payer for parts deliveries, the costs for the delivery of empties will also be borne by the Partner.

To optimize freight and handling costs, empties are generally delivered in complete containers and transport units.

The Partners shall support steering by constantly checking the stock of empties and booked **stocks. In the event of imminent container bottlenecks, the plants' empties dispatch departments** shall be informed in good time with due regard to the empties provision time. The **Partner's** obligation to deliver remains in force without limitation even in the event of empties bottlenecks. Unless otherwise agreed, the Partner will usually be provided with series production containers for the first production test (e.g. PRO 1, try out 1) in the event of series production launches.

## 2.9. Account Management

Accounts for pool containers are managed centrally. Accounts for special containers are either managed by the plant or are not subject to account management. Accounts for DTAG containers are managed by DTAG. The data quality of delivery notes and shipping documents directly influences needs-driven container supply and the level of the usage charge.

For centrally account managed containers, DTAG creates monthly container account statements and makes these available to the Partner for checking in eCon. These form the basis for clarification of discrepancies as well as for rental price invoices concerning pool containers.

The deadline for objections is 6 weeks after the publication of the account statements in eCon. If the Partner does not enter any complaint in eCon within these 6 weeks, the published balances are considered as accepted by the Partner. DTAG reserves the right to invoice the Partner for expenses resulting from processing unwarranted complaints (see Section 3.). Complaints of a large number of documents, which are in majority rejected on a case-by-case review, are deemed unjustified.

DTAG reserves the right to compare the Partner's container volume requirements with booked stocks. If excess stocks are detected in the process, they can be claimed back from the Partner. If the containers are not returned, DTAG is entitled to procure replacements and invoice the Partner for the replacement at standard prices.

## 2.10. Inventory/Stock Taking

For all pool containers and defined special containers with accounts managed by the plants, the Partner shall perform an inventory annually by December 31. The Partner must record the counting results in an electronic stock taking list in eCon. The Partner is responsible for the correctness of the transferred counting results.

In exceptional cases (e.g. in the event of container supply bottlenecks) additional stock taking during the year may be necessary.

DTAG reserves the right to validate the transferred stock taking results by means of an on-site audit. The Partner ensures free access to DTAG containers to authorized inspectors and supports them during the inventory.

If stock discrepancies are detected, DTAG will procure replacements, which will be invoiced to the Partner unless the Partner is not culpable. If during the clearing process the Partner subsequently corrects its original inventory report and DTAG has already procured the reported quantity of missing containers, the Partner shall recompense 10 % of the procurement value.

DTAG will collect a processing fee for the processing of stock discrepancies.

Should the partner fail to comply with its obligations to count the container stocks and report these figures to DTAG in good time despite repeated notifications and reminders, a total loss of the containers is assumed. DTAG is entitled to procure replacements and invoice them to the Partner at the standard prices. The charges levied cannot be offset in inventory reports in subsequent years.

## 3. Logistical Failure of the Partner

DTAG reserves the right to complain about logistical failures of the Partner via the REKLA module on the IBL platform and to charge any additional expenses incurred. These include, in particular, deviations from the packaging agreement in the goods receipt process (see also DTST 35 Section 4).

# Shipment of Goods

## 1. General

The following provisions apply to the shipment of goods, including the requirements pertaining to the creation of delivery notes and goods labels as well as other documents.

### 1.1. Declaration of Origin of Goods (in Terms of Commercial Laws)

The Partner must indicate the non-preferential origin (commercial law) in accordance with Art. 59 et seq. of Regulation (EU) Nr. 952/2447 in the respectively valid version.

### 1.2. Declaration of the Preferential Origin of Goods

If the Partner's place of business and/or production plant is located in the European Union, in accordance with the valid regulations concerning the preferential origin of goods, the Partner must issue a declaration pursuant to Art. 61 – 66 Implementing Regulation (EU) Nr. 2015/2447 in the respectively valid version (individual or long-term declaration). In this case, the indication of commercial origin must be taken together with the issuing of the (long-term) supplier declaration on the preferential origin. As a general principle, with the order or – in the case of an ongoing business relationship – annually, the Partner shall receive the following from DTAG:

- a) a request for the submission of a (long-term) supplier declaration including a description of the binding procedural approach to be observed, or
- b) a corresponding letter with the (long-term) supplier declaration form to be used.

The Partner shall submit the signed (long-term) supplier declaration to DTAG within a period of four weeks following the receipt of the request/letter, but not later than the time of delivery.

As a general rule, each (long-term) supplier declaration must be signed by hand. The responsible individuals must be identified by name and their position in the company must be disclosed. In the event of electronic preparation, a handwritten signature can be omitted. In such a case, DTAG must be provided with a written declaration of commitment at the latest with the transmission of the first declaration (see also Art. 63 Section 3 DVO (EU) 2015/2447). The declaration of commitment must be sent to DTAG (DGS-Berlin GmbH, LE-Management DTAG, HPC HC 23 10875 Berlin Germany or via Mail to: mbox-495-dtag-le-management@daimlertruck.com). The Partner is obliged to use only the form sent by DTAG.

The Partner must notify DTAG (DGS-Berlin GmbH, LE-Management DTAG, HPC HC 23 10875 Berlin Germany or via Mail to: mbox-495-dtag-le-management@daimlertruck.com) without delay if the disclosures provided in connection with a (long term) supplier declaration no longer apply. The Partner needs to issue a (long-term) supplier declaration even if it is certified herewith that the delivered goods do not have a preferential EU origin within the scope of the respective agreement. It is then presented on the basis of a price breakdown in the form of the LOP (long term supplier declaration for goods without preferential origin status) **indication of "parts number", "parts declaration", HS position and value of non-originating materials** used to identify what proportion of the product is non-originating, so that it can be determined to what extent – in compliance with the list rules – the allowable threshold has been exceeded. This procedure allows DTAG to take into account the preferential EU origin as part of its own calculation process. Accordingly, a (long-term) supplier declaration must be submitted for each delivered product, irrespective of its actual origin.

In addition, the Partner must also notify DTAG (DGS-Berlin GmbH, LE-Management DTAG, HPC HC 23 10875 Berlin Germany or via Mail to: mbox-495-dtag-le-management@daimlertruck.com) without delay if it turns out that declarations issued in the past concerning the preferential and non-preferential origin of goods (supplier declaration/long term supplier declaration/movement certificate/declaration on the invoice) were issued wrongly.

If the Partner's place of business and/or production plant is located in a country with which an EU free trade agreement is in existence, the Partner shall issue documentary proof of preference (movement certificate/declaration of origin on the invoice) for each delivery. The provisions of the respective free trade agreements must be observed.

In the run-up to the conclusion of an agreement on a serial delivery, DTAG requests a so-called **"Tender Supplier Declaration" from potential Partners. He hereby declares, in case of a serial delivery, EU-origin goods with corresponding proof of origin in accordance with Regulation (EU) No. 2015/2447 within the meaning of the preferential agreements concluded by the EU, will be supplied. This declaration serves as a basis for DTAG to make forecasts of the preferential originating status of the goods manufactured using these materials and, at the same time, provides the basis for awarding the serial delivery order.**

For the declaration to be submitted, the **"Tender Supplier Declaration"** is requested from the Partner in the context of the previous series together with a corresponding letter and a form specification. The **"Tender Supplier Declaration"** expressly does not constitute a (long-term) supplier declaration within the meaning of Regulation (EU) No. 2015/2447.

### 1.3. Notification Obligations for Goods Subject to Export Control

The Partner is obligated to notify DTAG if the goods supplied (including software and technology) are recorded in export control lists of goods required under German, EU or US Export Control Law and the national export control law of the goods' country of origin (e.g. Common Military List, Annex I of the EU-Dual-Use-VO Nr. 2021/821, US- Commerce Control List). If the supplied goods represent **"US goods"**<sup>1</sup> as defined in US Export Control Law (= items subject to the EAR or subject to the ITAR), the Partner must notify DTAG accordingly. If the supplied goods contain US portions, the Partner is also obligated to declare the total value (standard purchase price or current market price) of the US portion and the applicable export control classification (ECCN XXXXX or EAR99), if this information is available to the Partner. For the fulfillment of the aforementioned notification obligations, the Partner must report the relevant export list numbers (e.g. item number on the German export control list and/or Annex I of the EU-Dual-Use-VO Nr. 2021/821, Export Control Classification Number [ECCN], U.S. Munitions List [USML] etc.) and, where applicable, the value of the corresponding portion of US goods contained in the respective goods item with disclosure of the DTAG part number (if available) to the DTAG Central Export Control Department (mail to: [mbox-096-exportkontrolle@daimlertruck.com](mailto:mbox-096-exportkontrolle@daimlertruck.com)).

Moreover, the Partner is obligated to inform DTAG without delay of all changes in terms of classification with data of delivered goods that is relevant for purposes of export control. Any questions in this regard must be addressed to the above mentioned email address.

<sup>1</sup>US goods = all goods produced in the USA as well as all goods produced outside in the USA with a US value share of > 10 %; all goods produced on the basis of controlled US technology; all military US goods (ITAR), even when they are incorporated in civilian goods.



#### 14. Deliveries in Accordance with Incoterms 2020/Groups E and F

In case of deliveries “FCA (...specified location)” or other terms of delivery in accordance with Incoterms 2020/Groups E (EXW) and F (FCA, FAS or FOB), the Partner shall only transfer the goods to the freight forwarder commissioned by DTAG (see Section 1.17). Intermediate use of a shipping company by the Partner is not permitted. If, contrary to the agreed terms of delivery, the Partner delivers the goods to DTAG itself, the Partner bears the freight costs and risk up to the takeover by DTAG.

#### 15. Deliveries in Accordance with Incoterms 2020/Group D (DAT, DAP or DDP)

If the Partner commissions the freight forwarder, the freight forwarder to be commissioned and the vehicle configuration to be used must be coordinated with the transport logistics or incoming goods department of the receiving plant of DTAG.

#### 16. General customs duties

In case of deliveries of goods requiring customs treatment, the delivery note or the invoice shall include all customs relevant information and payments according to the applicable Incoterms 2020 (e.g. place of delivery, freight and insurance costs).

All costs not directly related to the goods shall be itemized separately on the delivery note or the invoice (e.g. costs for construction and training in case of supplies of machines and tools). In the case of deliveries which are not part of a sale of goods transaction, e.g. deliveries made free of charge, leasing or rent of goods, a pro-forma invoice declaring the commercial value of the goods is still required. In the case of deliveries made free of charge the pro-forma invoice shall state the reason why the delivery is made free of charge (e.g. sample deliveries or returning goods etc.).

Unless otherwise agreed, the Partner shall be responsible for the compliant export of the goods from his customs territory, which includes the fulfillment of all applicable obligations imposed on the Partner as exporter (Exporter of Record) by law. Unless otherwise agreed, DTAG shall be responsible for the compliant import of the goods in the country of destination, which includes the fulfillment of all applicable obligations imposed on DTAG as importer (Importer of Record) by law. If the Partner assumes responsibility for customs clearance in connection with the import of goods in the country of destination without DTAG's **prior explicit approval in written form**, the Partner shall bear all customs duties and other import charges, fees and costs in connection with such import, which incur for DTAG due to the possible loss of advantageous customs procedures (e.g. customs procedures of commercial relevance, customs warehousing, Customs Free Zones etc.).

The Partner shall provide or make available upon DTAG's **request all documents, certificates or the like**, which are necessary for the import of the goods by DTAG (e.g. preferential and non-preferential origin certificates, conformity certificates etc.).

If the Partner supplies goods from a customs territory, with which the country of destination has concluded a free trade agreement/preferential agreement (FTA), the Partner shall provide the certificate of origin/preference declaration for such goods required by the relevant FTA to DTAG, provided the goods meet the applicable Local Content criteria.

Commercial benefits from special customs procedures (e.g. inward processing), which have been implemented by the Partner, shall be transferred to DTAG via parts price.

### 1.7. Scheduled Goods

Scheduled goods are all timed and/or dated shipments which are scheduled outside the regular shipping runs. In this case the Partner must coordinate the shipment type with transport logistics of the receiving plant and the order planning department. This must be recorded in written form.

### 1.8. Shipping/Transport Sequence Disturbances

Any disturbances in the specified sequence, including disturbances caused by second tier suppliers, must be immediately reported by the Partner both to the freight forwarder and to the responsible order planning department of the relevant DTAG plant, orally or in written form with exact disclosure of the reason and type of the disturbance. Disturbances must be promptly remedied. If there is a disruption to the previously advised transportation, any resulting costs to freight forwarder must be borne by the Partner.

### 1.9. Excess/Advance Deliveries

The Partner is only authorized to make partial deliveries, deliveries prior to the issue of a delivery call-off and additional deliveries with the prior written consent of DTAG. If, counter to this stipulation, the Partner transfers the goods to a freight forwarder or carrier etc. commissioned by DTAG, the Partner bears the risk up to transfer in the DTAG recipient plant. Logistical costs for warehousing or return of unauthorized excess/advance deliveries are borne by the Partner.

The required quantities called-off in accordance with DTST 17 and delivery dates must be observed by the Partner.

If, contrary to these agreements, required quantities and delivery dates are not complied with, DTAG can charge proven resulting costs (e.g. additional work, rental cars) to the Partner in accordance with statutory provisions.

### 1.10. Weight Determination

The Partner is responsible for proper determination of the gross weight and tare weight of the shipment. In the event that DTAG commissions the Partner via pick-up sheet, the Partner is, without undue delay, obliged to inform DTAG about weight differences concerning the self-determined weight and the weight set by DTAG. If weights are improperly stated, DTAG passes on the added freight charges, plus processing fee, to the Partner.

### 1.11. Information Obligation

Planned changes to the shipping or receiving location, e.g. due to the relocation of production to a different plant of the Partner or the establishment of a shipping warehouse in a different location, must be reported to materials purchasing department and the responsible material manager. In cooperation with the plants involved, an economic viability analysis will be created, the results of which might have an impact on pricing for parts. A physical change of the location may only take place after a corresponding amendment to purchase agreement and the associated approval of DTAG. In this case the Partner needs to request for issuing a separate supplier number or adding an index to the existing supplier number. If a location change is effected without DTAG's approval, the Partner shall bear all arising costs and damages.

#### 1.12. Shipment of Hazardous Goods

In the context of the agreed services that are assumed by the Partner, activities relevant to hazardous goods as per section 2 of German Hazardous Goods Transportation Act (GGBefG) (packaging, loading, transportation, unloading, receiving, classifying dangerous goods and waste...) may be necessary.

The Partner is obligated to submit the shipment for forwarding in accordance with the regulations governing the transport of hazardous goods. The Partner's assigned duties and responsibilities as commissioner of the sender, sender, packer, shipper, filler, unloader, and recipient arise from sections 17-30 and 35 of the German Regulation Concerning the Transport of Dangerous Goods by Road, Rail and Inland Waterways (GGVSEB) in conjunction with Section 1.4 ADR/RID/ADN, from sections 17-26 Transport of Dangerous Goods by Sea Ordinance (GGVSee) in conjunction with section 1.3 IMDG Code and/or as per ICAO-TI/IATA-DGR. The Partner shall be responsible for all damages incurred as a result of non-compliance with the legal provisions.

#### 1.13. Driving Bans

In the event DTAG commissions the Partner via pick-up sheet and in the event that statutory driving bans or driving bans by the authorities are imposed on the pick-up date mentioned in the pick-up sheet, the Partner shall inform DTAG without undue delay. In the event DTAG does not commission the Partner via pick-up sheet, for all delivery terms in accordance with Incoterms 2020, the Partner shall make sure that delivery of the goods is ensured by the delivery date specified in the call-off even in the event that driving bans are imposed.

#### 1.14. Return Goods

Return shipment of goods arising through the fault of the Partner will be organized by DTAG. DTAG will calculate and charge the arising additional costs in accordance with the principle of causation.

#### 1.15. Stock Taking on Integration into Stock

In the event of a delivery in accordance with group D of Incoterms 2020, with respect to deliveries which are made at the time of stock taking in the DTAG plants, all goods in the possession of the freight forwarder (after the last acceptance day announced by the plants) will be inventoried by the Partner and insured against "loss of goods".

#### 1.16. DTAG Supplier Portal

All other transport-related information such as transit times or the freight forwarders commissioned by DTAG can be viewed in the DTAG Supplier Portal at <https://supplier.daimlertruck.com> in the download area under the tab "Worldwide Transportation". The documents provided there must be reviewed by the Partner on a regular basis for any changes.

#### 1.17. Production Supply

In the event of complaints about the goods or disruptions during the shipping, the Partner must ensure that replacement deliveries for the receiving plant and the commissioned freight forwarder are possible at all times.

### 1.18. Security in the Supply Chain

For securing the supply chain, the business Partner is obligated to provide protection from third party access for goods which are produced, on stock, handled and processed by order of DTAG, are delivered to DTAG, or are taken over from DTAG

- » in secure operating facilities and secure trans-shipment locations
- » during the production, warehousing, handling or processing, loading and forwarding of the goods.

The business Partner warrants that the personnel assigned for the production, warehousing, handling or processing, and loading of the goods, as well as for the forwarding and takeover of said goods, is reliable.

Subcontractors of the business Partner of DTAG who are acting on its behalf must be informed that they also have to implement measures to secure the supply chain.

## 2. Modes of Transport and Shipping Methods

The mode of transport and shipping method to be used are generally defined by DTAG in case F-Incoterms (FCA, FAS or FOB) are agreed in the specific delivery contract. In this context, a distinction is made between the following:

### 2.1. Parcel Shipment

All parcel shipments with a weight up to 32 kg (Total weight per plant and shipping day) must be handed over to the parcel service defined and commissioned by DTAG. The service level **“Standard” must be selected.** Ordering of a higher service level (**“Express”**) is only possible with the prior written consent of transport logistics of the receiving plant and the order planning department. Additional costs resulting from an unapproved order must be borne by the Partner.

Hazardous goods shipments must not be sent as parcel shipments and must be handed over to the responsible regional freight forwarder.

Further information on the shipping processing is provided in the shipping instruction for parcel shipments in the DTAG Supplier Portal (see Section 1.16) and must be observed in a binding manner.

### 2.2. Truck Shipment

A distinction is made between two truck shipping concepts:

#### 2.2.1. Regional freight forwarding

The regional freight forwarding network is used for processing of partial loads, piece goods and sporadic full loads. The responsible regional freight forwarder depends on the outgoing delivery location of the Partner, and can be looked up on the DTAG Supplier Portal (see Section 1.16).

#### 2.2.2. Direct Transport

The receiving plants regularly define recurrent full truck loads as direct deliveries or milk runs. These are subject to a separate shipping instruction.

### 2.3. Rail Shipment

Rail shipment is only permissible if expressly requested by DTAG and the processing modalities have been agreed in writing in advance in individual cases.

## 2.4. Special Tours

Special tours relate exclusively to time-controlled road transport of goods for ensuring production supply, which can otherwise not be ensured via the aforementioned types of shipping. For example, there is a risk to the production supply if the ordered goods are not ready for loading in the specified quantity and time.

In the order for a special tour by DTAG, the respective receiving plant determines the special tour operator and authorizes the appropriate charge for the costs as required.

In cases where the Partner causes and assumes the costs, it determines the special tour operator.

As with regular transports, the EDI messages required by the recipient (e.G. Delivery note dial-up) must be send also for special tours

## 3. Shipment Processing

### 3.1. Delivery call-off and transit time

The scheduled dates for goods receiving listed in the DTAG delivery call-offs (or pick-up sheet see DTST 17) apply for a delivery at the affected DTAG plants within the regular goods acceptance times. The transit times from the supply plant to the DTAG receiving plant must be taken into consideration in the notification time. The Partner is responsible for adherence to the scheduled arrival dates of the shipments at DTAG and must therefore announce and provide the shipments to the freight forwarder for transportation within good time.

The respective currently valid transit times are provided in the DTAG Supplier Portal (see Section 1.16). In the event that DTAG commissions the Partner via pick-up sheet, DTAG is responsible for the compliance with the arrival date, taking into account the timely notification of the goods at the freight forwarder.

### 3.2. Notification

The shipping quantity of the current call-off must be notified to the freight forwarder for transportation in writing by 12:00 p.m. (noon) at the latest on the day prior to provision. If a web-based notification portal is provided by DTAG or by the freight forwarder, it must be used as a mandatory requirement. In any other case, written notification (text form sufficient) in accordance with the specifications of the freight forwarder is required. In the event that the freight forwarder is commissioned by DTAG, the notification to the freight forwarder is omitted after consultation and approval by DTAG.

The dispatch notice must contain the following information:

- » Weight, number and type of load carriers and number of load meters (poss. disposable pallets, crates, boxes and their stackability)
- » Receiving plant/shipping address with precise specification of the unloading station(s)
- » Scheduled arrival date/arrival time
- » Hazardous goods classification
- » Declaration of customs status (EU community goods yes/no)
- » **Agreed vehicle provision time at the Partners's premises**
- » Loading sequence (exclusively for the direct shipping concept)

Notices sent after 12:00 p.m. (noon) and subsequent notification changes (bigger or smaller quantity) in excess of 10 % per receiving plant of the notified tonnage may lead to additional costs. The Partner is obligated to bear the incurring additional costs with respect to the freight forwarder. The Partner agrees that the freight forwarder will invoice these additional costs directly to the Partner.

### 3.3. Provision Time and Shipping Quantity

The Partner and the freight forwarder must sign a joint written agreement (text form sufficient) about the pick-up time as Partners. Unilateral determination is not allowed. Cost assumption for the booking of time windows by the freight forwarder is also not intended.

Unless otherwise agreed or if no viable solution can be found by both parties, the goods must be provided for collection, ready for shipping, on the shipping date from 6:00 a.m. Collection by the freight forwarder must be enabled until 6:00 p.m. This provision obligation applies from Monday up to and including Friday. In exceptional cases, DTAG is entitled to request a Saturday pick-up. The shipping mode must be coordinated with the respective receiving plant. If shipments are not provided on time, the costs of any required special measures must be borne by the Partner.

In the event of a difference between the quantity that has been notified and the quantity that is actually provided, which is greater than the range specified under 3.2, the following rules apply:

Lesser quantities: The freight forwarder is entitled to bill the Partner for the tonnage in excess of the specified fluctuation range as a freight loss. The currently valid cost rates are provided on the DTAG Supplier Portal (see Section 1.16). In case the freight forwarder is commissioned by DTAG, lesser quantities are settled by DTAG. DTAG reserves the right to allocate costs according to respective share of causation.

Additional quantities are not permitted. In special cases any deviation must be discussed with DTAG.

The required written consent by DTAG pursuant to No. 1.9 remains unaffected.

### 3.4. Loading

The loading and dispatch must be effected without delay once the vehicle has been made available or at the latest as of the start of the agreed time window. If the Partner carries out the loading, he must load the goods in such a way that they will be safe for transportation and **must follow the instructions of the shipping agent's drivers in respect of safe loading. Care must** be taken to ensure that in case of small load carriers or cardboard boxes, only load units that can be put on pallets and stacked can be loaded. Refer to DTAG Guideline 9.5 for further details on load securing of DTAG load carriers.

Under the prerequisites of timely loading which is safe for transportation purposes, sorting according to the sense of unloading zones and unloading points must also be ensured.

When shipping partial loads which are not transferred at a shipping terminal (clarification of this procedure immediately on notification of the shipment), the goods must be loaded separately on the truck according to unloading zones in accordance with the specifications of the receiving plant.

Combinable package freight and partial loads from several sub-plants are to be dispatched centrally at one shipping location. Full truck loads from several sub-plants can be dispatched via a decentralized shipping location at any time. In the case of full loads, the possibly reduced transport time to the receiving plant must be taken into account. For example, the pick-up by the freight forwarder at the Partner takes place one day later than for general cargo shipments due to the elimination of the envelope in the forwarding hub.

Within the scope of the performance for DTAG, the Partner must ensure that only driving personnel which is appropriately employed in accordance with §§ 7b and c GüKG is deployed. DTAG reserves the right to control and document the conformity with this obligation in the framework of the legal possibilities. To the extent it is responsible for non-compliance with this obligation, the Partner will indemnify DTAG from claims of third parties.

### 3.5. Processing Time

The delivery of empties must also be possible at the time as of collection. Unloading of empties for the Partner and loading including the administrative processing must be carried out promptly when the truck is provided or in the agreed window within the following times:

- |   |                 |
|---|-----------------|
| » Package freight up to 2.5 t or up to 10 cbm | max. 30 minutes |
| » Partial loads up to 10 t or up to 40 cbm    | max. 45 minutes |
| » Full truck loads                            | max. 60 minutes |

At the request of the freight forwarder, the Partner is obligated to confirm the start and end of vehicle provision on a docket. Late processing times lead to additional costs and must be borne by the Partner.

Different bilateral agreements between the Partner and the freight forwarder are possible at any time. The Partner is obligated to bear the customary additional costs with respect to the freight forwarder. The Partner agrees that the freight forwarder will invoice these additional costs directly to the Partner.

### 3.6. Shipping Order/Waybill

The handover of shipments to the freight forwarder may only take place with the fully completed shipping order according to the VDA version currently valid at DTAG or with a waybill. It must be ensured that the gross weights in the VDA version currently valid at DTAG are consistent with the waybill. The information regarding the load carrier type and number must be provided separately for each unloading station. In addition, it must be possible to record the additional information described in the valid VDA version at DTAG point 7 (bar code fields) on the freight document.

For full truck loads, which are not handled in a shipping terminal, the Partner must transmit the freight documents electronically to the assigned freight forwarder in line with the instructions of the latter.

### 3.7. Customs Documents

All documents and information relevant to customs, e.g. preference papers (EUR. 1, UZ Form A and commercial invoice in triplicate), must be supplied to the freight forwarder.

### 3.8. Goods Labels

All packages and load carriers (in case of a load unit each individual load carrier/small load carrier/special load carrier) must be provided with a goods label with barcode (code 39) in accordance with the relevant, currently valid version of VDA at DTAG. The field contents and any deviations from the VDA recommendation arise from the manual on electronic data interchange (EDI manual).

### 3.9. Delivery Note

The following applies to the combination variants for EDI and delivery documents:  
Variant 1 must be used. Variant 2 is intended only for emergency processing (EDI failure).

Variant	Electronic data interchange	Delivery note
1	EDI according to VDA version currently valid at DTAG	EDI delivery note according to VDA version currently valid at DTAG
2	without (only for emergency processing)	Delivery note according to DIN version currently valid at DTAG

Further information on delivery note creation and on shipping processing can be found in the EDI manual. A separate set of delivery notes must be created for each unloading station, MDI or MEI and initial samples. Delivery note creation is carried out according to the DIN version currently valid at DTAG. Deviations must be observed in the case of fields 6 and 8, which have to be completed as obligatory fields. Refer to the EDI manual for further details.

### 3.10. Delivery Receipt

If any damage to the goods or discrepancies in the delivery is notified by DTAG, DTAG can demand a written declaration from the Partner certifying the undamaged and complete hand-over of the delivery to the freight forwarder commissioned by DTAG within a period of two days.

## 4. Logistical Errors of the Partner

DTAG reserves the right to complain about logistical failures of the Partner via the REKLA module on the IBL platform and to charge any additional expenses incurred. These include, in particular, deviations from the packaging agreement in the goods receipt process (see DTST 35 Section 4).



# Communication with DTAG via Electronic Data Transmission (EDI) and Supplier Portal

## 1. General Section

### 1.1. Communication via EDI

To ensure a continuous, error-free and real-time flow of information, optimization of the exchange of data required in connection with the delivery process is an important objective for the global automotive industry.

EDI messages are transmitted in line with the messaging standards developed.

Further information can be found in the current version of the EDI manual (see below Section 1.5).

In view of this, the Partner is obligated to create and use the prerequisites required for communication with DTAG via EDI. The costs arising in this respect are covered by the price paid by DTAG for the deliveries.

Correspondence between the physical scope of the shipment, the content of the EDI message and the content of the documents accompanying the goods is vital to safeguard the logistical processes. In this regard, the Partner ensures that all of the necessary data and information are transmitted in full, in good time and without errors in the EDI transmissions.

For the avoidance of doubt it is noted that also regarding samples and empties supplies the communication has to be carried out by EDI.

### 1.2. Use of the Data Quality Management (DQM) System

To improve the quality of data during EDI transmissions and avoid costs incurred for reworking incomplete or incorrect EDI data from the very start, DTAG provides its suppliers with an Internet-based DQM System. This enables the Partner to check independently the completeness and correctness of their EDI transmissions in advance. Use of the DQM System is obligatory for the Partner.

Further information on the DQM system is contained in the EDI manual.

### 1.3. Delivery Note Recording via DQM as an Alternative to Standard EDI

As an alternative to standard EDI, Partners which do not use their own data communication software can create and transmit delivery note data free of charge in the DQM application.

Further information on delivery note recording can be found in the EDI manual.

#### 14. Additional Expenses due to Process Disruptions

In the event of incorrect or incomplete data communication transmissions, the Partner must bear the resulting costs, insofar as it has caused these. The level of the costs in this case is oriented towards the prime costs incurred by DTAG for subsequent processing:

A breakdown of costs is currently available from DQM.

#### 15. EDI Manual

The EDI manual can be accessed via the DTAG Supplier Portal <https://supplier.daimlertruck.com>

### 2. Additional regulation for the transmission of change status information and MTC deliveries

In order to optimize the processing of design stage-critical scopes and to improve the quality of logistics processes, a few additional, DTAG-specific formats are required for specifying design and change statuses in the corresponding fields in the VDA recommendations currently valid for DTAG.

To achieve this, the requirements of the EDI manual and the applicable requirements of “labeling” must be observed (e.g. container management process manual and VDA recommendations).

### 3. Use of the Systems via DTAG Supplier Portal

The Partner commits itself to follow all necessary information on the DTAG Supplier Portal (<https://supplier.daimlertruck.com>) relating to him regularly (e.g. dealing with compliance and sustainability, alerts, relevant documents, ...), as well as applications such as e.g. eDocs, CERTUS, ctime, SMB, IBL/-DQM/-TM and -REKLA, ESEP ++, etc. upon request for use, at any time in good time.

### 4. Deviations in the Goods Receipt Process/Logistical Failures

DTAG reserves the right to complain about any deviation from this agreement in the goods receipt process via the REKLA module on the IBL platform and to invoice any additional expenses incurred. In order to process such complaints, DTAG shall make these available to the Partner through the module. The Partner undertakes to process complaints in the application within the specified deadlines. The Partner can inspect the complaints there and submit a statement. If the complaint is not processed in due time, then it shall be deemed to have been accepted and, attendant thereto, a charge shall also be deemed to have been accepted. The expense incurred from creating a justified complaint shall be calculated by means of a temporal basic time flat rate. All further information about the REKLA module can be found on the IBL platform in the DTAG Supplier Portal (<https://supplier.daimlertruck.com>).

DTST 01/01 Regulation Concerning the Provision, Testing and Exchange of Digital Product Data in the Development Process.

# Product Creation Process

# Regulation Concerning the Provision, Testing and Exchange of Digital Product Data in the Development Process.

## 1. General

DTAG usually develops component parts, systems/modules and complete functions together with the Partner. Close communication and validation on the basis of a digital product description are required to structure the development process in an efficient, reliable and binding manner. To achieve this, continuous use of CAx tools such as Computer Aided Design (CAD), Engineering Data Management (EDM), electronic data transmission (EDI) and clear regulations for both parties are necessary. In the development department, early digital validation particularly involves packaging (digital mock-up of a full vehicle), constructability, calculation, kinematics plus production planning incl. production and ordering logistics.

The after sales department uses the digital product description to support the process for spare part documentation, workshop equipment and special tools, workshop literature, initial sampling of spare parts and special tools, function and system descriptions, technical graphics, repair technology and literature, parts technology and service, retrofitting technology and literature, operating instructions, EE software test, packaging planning.

## 2. Subject Matter

With regard to CAD data, the following provisions regulate the CAx/EDM process, i.e. project preparation, installation and generation, testing and exchange; the scope to be provided by the Partner as well as the EDI. With regard to E/E data<sup>1</sup>, the following provisions regulate the EDI.

<sup>1</sup>E/E data include software (e.g. hex, telematics files), software sources (ODX-F) plus relevant delivery notes and checksums (for hex file, ODX-F and Security Definition).

### 3. CAD Data Exchange

VDA recommendations VDA 4961/3, VDA 4950, VDA 4951 and VDA 4955 are therefore defined as binding for processing communication and validation processes between the Partner and DTAG. The EDI link must basically be used to exchange CAD and E/E data.

#### 3.1. Standard Regulation (Minimum CAx/EDI Standard)

Based on the VDA recommendations, more precise, DTAG-specific terms and additions in the CAD handbook for product-describing data from DTAG (CAD handbook)<sup>2</sup> will be defined via the relevant, current version. Changes to the CAD handbook are checked and immediately implemented by the Partner; if this is impossible, the Partner must immediately contact DTAG for clarification.

The minimum CAx/EDI standard (so-called “standard regulation”) is defined in the CAD handbook, module CS048.

This standard regulation is binding unless there are other provisions in requirement specifications. In each case, the basis of such other regulations is the CAD manual, which contains all relevant methods and standards.

#### 3.2. Affected Scopes

##### 3.2.1. Development

This affects all new, process-relevant CAD data or E/E data to be created or amended and any modifications to such data.

##### 3.2.2. After Sales

This affects all data for:

- a) spare parts defined and documented in mutual coordination by the after sales and development departments and the Partner.
- b) the processes for workshop equipment and special tools, workshop literature, initial sampling of spare parts and special tools, function and system descriptions, technical graphics, repair technology and literature, parts technology and service, retrofitting technology and literature, operating instructions, EE software test and for packaging planning, which are exchanged by the after sales department with their external Partners. This can also be product description data derived from 3D-CAD, e.g. in JT, Cinema4D or JPEG (2D images) format.

#### 3.3. Use of Software

Data must be created, amended, forwarded and used with software that meets the agreed requirements, carries a license for commercial use and which allows the processing of data for commercial purposes (e.g. no university or test license). The Partner will ensure that its sub-suppliers are subject to the same requirements.

<sup>2</sup>See under <https://supplier.daimlertruck.com>; Engineering Service application, CAD manual section

### 3.4. Procedure in Case of Non-compliance

If certain elements of the standard regulation (e.g. data quality requirements, EDI standards) are not met or only partially met, this impacts directly on supplier evaluation. Information regarding the affected elements and the CAx/EDM profiles is published in the engineering service<sup>3</sup>.

If the CAD 3D and CAD 2D data provided by the Partner should not meet the agreements or requirements, the recipient's department which is responsible for design or the department responsible for the process decides on the further procedure:

- » Following consultation, generation of the missing scopes or reworking of CAD data by the Partner or by a service provider commissioned by the latter at the Partner's expense.
- » Following consultation, generation of the missing scopes or reworking of CAD data by a service provider commissioned by DTAG and at the Partner's expense.

If DTAG incurs damages because the Partner fails to meet its specified contractual obligations, or fails to do so within good time, the Partner is liable to DTAG for resulting damages insofar as it is responsible for such damages.

### 3.5. Sources of Procurement

The standard regulation refers to the necessary installation environment (CAD supplier packages, STEP Assembly Manager SAM). The CAD supplier packages are available as free downloads from the Engineering Service.<sup>4</sup>

<sup>3</sup>See under <https://supplier.daimlertruck.com>; Engineering Service application, Partner integration section.

<sup>4</sup>See under <https://supplier.daimlertruck.com>; Engineering Service application, heading NX or following systems.

DTST 36/01 Sustainability and Environmental Protection

# Sustainability and Environmental Protection

# Sustainability and Environmental Protection

The following provisions regarding sustainability define the standards and criteria that DTAG's Partners must meet: adherence to internationally recognized human and employee rights, the prohibition of child labor and forced labor, observing and promoting ethical business conduct and adherence to legal standards and environmental rules, as well as preventive environmental protection as well as adherence to animal protection regulations. The sustainability rules are based on the DTAG "Supplier Sustainability Standards" and on our "Corporate Social Responsibility Principles" applicable throughout the company. Moreover, they are based on the internationally accepted principles of the United Nations Global Compact (<http://www.unglobalcompact.org>) and the established minimum standards of the International Labor Organization of the UN (<http://www.ilo.org>).

The Partner hereby enters into obligation to comply with the following standards:

## I. Working Conditions/Labor Standards

### 1. Wages and Benefits, Working Hours

Compensation and benefits are to be remunerated in accordance with the fundamental principles relating to minimum wages, overtime hours and statutory benefits. Working hours shall comply with all applicable laws, or – as far as those ensure a higher level of protection –, with the industry standards, but at least shall comply with the relevant ILO conventions. Overtime should be voluntary and employees must be granted at least one day off following six (6) consecutive working days.

### 2. Child Labor Prevention

For its enterprise, the Partner warrants that no exploitative child labor within the meaning of ILO Convention no. 182 is or was involved in producing or processing the products to be delivered, as well as that these products do not violate any obligations resulting from the implementation of this Convention or of any other applicable, domestic or international regulations on combating exploitative child labor. Moreover, the Partner warrants that its enterprise, its suppliers and their sub-suppliers have proactively taken targeted measures conducive to ensuring that exploitative child labor in the sense of ILO Convention no. 182 is ruled out where the production or processing of their products is concerned. The Partner will place its sub-suppliers and their sub-suppliers under a corresponding obligation and will perform controls and checks in this regard. DTAG will review the content of this undertaking and the Partner will submit proof of the measures taken upon request from DTAG. If there are suspicious facts regarding any non-compliance of these standards in the supply chain, if any, the Partner is obligated to keep track of these and to inform DTAG about it.

### 3. Freely Chosen Employment

The Partner will not employ anyone against their will or force them to work. Employees must be free to leave employment with reasonable notice. Employees must not be required to hand over government-issued identification, passports or work permits as a condition of employment. The Partner is particularly obligated to observe the requirements of the ILO Convention no. 29. The Partner shall place its suppliers and their sub-suppliers under a corresponding obligation and shall carry out control measures in this regard.



#### 4. Freedom of Association, Right to collective bargaining

Workers must be able to communicate openly with management regarding working conditions without fear of reprisals of any type. Workers shall have the right, but not the duty, to associate **freely, join labor unions, seek representation and join works' councils**. The ILO Convention no. 87 and 98 are relevant in this regard.

#### 5. Non-Discrimination

Harassment or discrimination against employees in any form is not allowed. In particular discrimination based on gender, race, caste, color, disability, union membership, political beliefs, origin, religion, age, pregnancy or sexual orientation is not allowed. The Partner is obligated to at least take measures to avoid discriminations within the meaning of the ILO Conventions no. 111 and 100.

#### 6. Health and Safety

In its role as employer, the Partner ensures occupational health and safety in keeping with domestic standards and will promote continuous improvement of the workplace environment.

### II. Business Ethics Standards

#### 1. Anti-Corruption and Compliance

The Partner is obliged to desist from all practices which may lead to penal liability due to fraud or embezzlement, insolvency crimes, crimes in violation of competition, guaranteeing advantages, bribery, acceptance of bribes or other corruption crimes on the part of persons employed by the Partner or other third parties. In the event of violation of the above, DTAG has the right to immediately withdraw from or terminate all legal transactions existing with the Partner and the right to cancel all negotiations.

The above notwithstanding, the Partner is obliged to adhere to all laws and regulations applicable to both itself and the commercial relationship with DTAG.

#### 2. Safety & Quality

All products and services will be delivered to meet the contractually specified quality and safety criteria, and will be safe to use for their intended purpose.

#### 3. Technical compliance

The Partner has to comply with all technical regulations, which according to the contractual agreements with the Partner, apply to the Partner's products (e.g. applicable regulations, policies, laws and technical standards), taking into account the fundamental spirit of the respective regulation.

Further, the Partner has to establish adequate structures within his organization to ensure the adherence to all these technical regulations within the product creation phase. Such a system **should provide orientation and guidance for the Partners' employees and consider appropriate ethical, integrity and technical compliance standards**.

The Partner shall comply with and implement the requirements of the VDA Volume Produkt-integrität (Product Integrity). However, it is left to the Partner to decide, if the Partner implements a Product Safety and Conformity Representative (PSCR) or not.

If the Partner gains knowledge of facts that substantiate suspicions of a violation of legal requirements or regulations regarding certification, emission and product safety with implications for DTAG, the Partner must immediately notify DTAG in text form, according to the tCMS escalation model, and, if the Partner may be responsible for such a violation,

immediately investigate the facts. The Partner shall undertake reasonable best efforts to include comparable requirements in its contracts with Sub-contractors and/or Sub-suppliers for certification, emission or product safety-related parts, whereby the corresponding notifications of suspicion must be made by Sub-contractors and/or Sub-suppliers to the Partner.

### III. Duty to take due care in the context of human rights

#### 1. Implementation of precautionary measures in the context of human rights

The Partner is obligated to establish processes for his duty to take due care of the human rights in his company, provided Partner delivers products or provides services, where potential negative effects on human rights are to be feared in the value-added chain (e.g. risk management system), and to take systematic and adequate precautionary measures in the context of human rights based on this process. Relevant in this regard are the specifications of the UN Guiding Principles on Business and Human Rights (hereinafter referred to as “UN Guiding Principles”) as well as the respective relevant OECD Guiding principles & Concepts. In accordance with the UN Guiding Principles, the Partner shall design adequacy and scope of these measures according to the size and sales of its company, the nature of the product or service as well as according to the origin of the product or service and the raw materials contained in it, and particularly according to the associated risks.

The Partner must inform DTAG unsolicited, about the identified risks and/or mitigating measures and must additionally transfer a documentation of its precautionary measures to DTAG upon request.

DTAG is entitled to inspect and audit the processes established by the Partner for his duty to take due care of the human rights, the processes to create transparency as well as the precautionary measures taken by the Partner in the context of human rights or to have them inspected or audited by a third party commissioned by DTAG. DTAG may use the information and knowledge from these inspections, audits and measures to fulfill statutory obligations, as they exist, for example, in the context of reporting obligations.

#### 2. Creating transparency

As a prerequisite for the implementation of precautionary measures in the context of human rights, specified in section III.1 above, the Partner establishes transparency in its supply chain using internal processes in order to identify risks related to human rights and to be able to initiate corresponding counter measures and control measures if necessary. The Partner must follow the specifications of the respective relevant OECD Guiding principles & Concepts.

As part of supplying the products or providing the services, the Partner must in case of a risk-based necessity facilitate the inspection and auditing of its suppliers and their sub-suppliers by DTAG or by a third party commissioned by DTAG.

The Partner must identify “nodes” critical for human rights (such as mines, smelting plants and refineries). The Partner must inform DTAG upon request about such “nodes” critical for human rights (company and production location of the “node”). DTAG is obligated to the UN Guiding Principles for Business and Human Rights and strives to publish such “nodes” of the DTAG supply chain critical for human rights; the Partner consents to support this objective.

#### IV. General Environmental Standards and Environmental Sustainability

##### 1. General Environmental Responsibility, Environmental Performance of Production Activities and of Products

DTAG is committed to a system of integrated environmental protection, which addresses causes at the root, assesses the environmental impact of production processes and products in advance and integrates these into corporate decisions. In this context, production processes and products are designed using holistic principles to make them environmentally compatible and to use resources as sparingly as possible.

The MBN 10183 Verwertungsgerechte Fahrzeugentwicklung (Design for Automobile Recovery) must be taken into account.

With regard to environmental protection, the Partner will act in accordance with precautionary principles, will take the initiative to ensure the promotion of greater environmental responsibility and will sponsor the development and dissemination of environmentally friendly technologies. In all stages of manufacturing, the Partner will ensure a high degree of environmental protection. This includes proactively preventing or minimizing the impact of accidents which may adversely affect the environment. Particular emphasis is given to the application and continuing development of resource-conserving technologies that are characterized by strategies which ensure the reduction of emissions, the saving of water and energy, the use of recycled materials and renewable raw materials as well as reuse and recycling.

All products manufactured within the supply chain must meet the environmental standards applicable to their respective market segment. This includes all materials and substances used in production. Chemicals and other materials posing a hazard if released into the environment are to be identified. A hazardous material management system is to be instituted by Partner for them, which ensures appropriate processes for their safe handling, movement, storage, recycling or reuse and disposal.

With regard to the delivery of plastic components, Partner is obligated to document the use of the recycled material in IMDS. The exact portion of recycled material [% masses] must be specified in the tab "Recycled material". Further information can be found in the IMDS FAQ – DTAG IMDS supplier information: [www.mdssystem.com](http://www.mdssystem.com)

Suppliers of production materials are obliged to implement a certified environmental management system according to ISO 14001, EMAS or comparable standards no later than two years after conclusion of the purchasing contract. This above mentioned certified environmental system has to be operated during the entire term of the business relationship with DTAG. Partner is obliged to provide a corresponding certificate. Verification shall be supplied in the form of certification via an accredited certification body. In due time before the expiry of the duration of validity, a new certificate has to be provided to DTAG.

Also suppliers of non-production material have to fulfill the above mentioned obligations regarding an environmental management system at the request of DTAG.

## 2. Preparation of recycling and disposal concepts for delivered products.

In connection with the EU Directive on End-Of-Life Vehicles, the Partner is obligated to ensure the following:

- » Creation and transfer of a component-related concept for drainage and pollutant removal.
- » Compliance with labeling standards for materials and components according to VDA 260 and MB Standard 33035.
- » Provision of a recycling concept for selected, supplied parts in coordination with DTAG.

## 3. Confirmation of/Adherence to Substance Bans

Substances that are subject to legal restrictions or bans may only be contained in the delivered materials or parts or in the articles contained therein in accordance with these regulations (e.g. **chemicals ban directive**, German “End-Of-Life Vehicles Ordinance” (**Altfahrzeug-Verordnung**), REACH Regulation (EC) no. 1907/2006). DTAG requires its Partners to be aware of the obligations from these regulations and to comply with them. The Partner must therefore ensure the following:

- » The provision of correct and complete IMDS (International Material Data System) material data sheets (since 2003) is to be ensured free of charge for every new part and for the adjusted parts as well as for all substructure parts and/or contained operating materials characterized as spare parts in the spare parts area, and has to be implemented, in the course of initial sample inspections of new or modified products, at the latest two (2) months following a blank release (QG D). Any flawed material data sheets (MDS) will not be accepted and must be corrected at the latest three (3) months following blank release. For more information on the basic release principles, see IMDS FAQ – DTAG IMDS supplier information on reviewing material data sheets: [www.mdsystem.com](http://www.mdsystem.com). A retroactive requirement may be issued for material data sheets not submitted thus far. Although as a general rule no sample inspection is performed for carry-over parts, standard parts and parts serving small parts optimization as used in a new model series, material data sheets will have to be submitted also regarding these parts or regarding the articles contained therein, should this be subsequently required.
- » Registration/Non-approval and notification of substances: The Partner must ensure that substances, substances in preparations and substances in products requiring registration are only delivered to DTAG if they are registered in accordance with Article 5 and Article 6 or Article 7 (1) of Regulation 1907/2006/EC for use by DTAG. The Partner similarly ensures that for substances in products delivered that are subject to duty of notification in accordance with Article 7 (2), notification is performed by Partner or – if the product is not manufactured by Partner or was imported – by a supplier or sub-supplier, or alternatively the substance is registered for its intended use (Article 7 (6)).

If substances subject to registration are not registered or substances stated in Annex XIV of the Regulation 1907/2006/EC are not permitted at the time of delivery for their contractually intended uses or the necessary notification in accordance with Article 7 (2) has not been issued, the Partner is required to contact its REACH Partner at DTAG without delay: [reach-kontakt@daimlertruck.com](mailto:reach-kontakt@daimlertruck.com).

- » Regulation for substances that are listed in Annex XIV of REACH-Regulation  
In case of developing a new component, substances listed in Annex XIV of the regulation 1907/2006/EG (REACH) must be waived in general.

If the use of such substances is unavoidable, these substances only may be used after prior approval by the responsible person for the components (Bauteilverantwortlicher, BTV) (where applicable in coordination with the special material department at DTAG) either in written or in text form. The Partner must provide evidence to the BTV that the Partner or one of its suppliers or their sub-suppliers has submitted an application for approval for the required usage no later than upon reaching the “latest application date” (18 months before “sunset date”). Otherwise the Partner has to take further measures to ensure compliance with the requirements of the REACH-regulation.

If there are alternatives under technical and economic constraints, substances included on the candidates list must also be waived preventively in case of developing a new component. If there is no alternative, it has to be aligned with DTAG.

The current overviews of the substances included on the candidates list and of the Annex XIV can be accessed on ECHA's homepage:

- » <http://echa.europa.eu/web/guest/candidate-list-table> and
- » [http://echa.europa.eu/reach/authorisation\\_under\\_reach/authorisation\\_list\\_en.asp](http://echa.europa.eu/reach/authorisation_under_reach/authorisation_list_en.asp).

If a component contains a substance listed in Annex XIV of the Regulation 1907/2006/EG, the Partner has to inform the BTV/contact person of the supplier management immediately, so that measures for substitution or, if necessary, for other activities regarding the compliance with the REACH regulations (e.g. approval for the relevant substances) can be initiated. Suppliers of spare parts shall refer to the contact person of the after sales department on this matter.

- » Substances of Very High Concern (SVHC) in components, spare parts, miscellaneous items, accessories and packaging: If parts delivered or the articles contained therein contain a portion of substances of very high concern (SVHC) specified on the candidate list in accordance with Article 59 (1) of Regulation 1907/2006/EC amounting to more than 0.1 % of their weight, the Partner is required to automatically provide all information in accordance with Article 33 (1) of Regulation 1907/2006/EC on delivery. This also applies if such substance is only added to the candidate list during an ongoing supply relationship. The information must be provided in written form, preferably by IMDS.
- » Confirmation and observance of the substance bans according to the EU End-of-life-vehicle Directive (e.g. free of chrome (VI)) in accordance with the agreed changeover scenarios.
- » Compliance with the Negative Substance List for the Selection of Materials according to DBL 8585.
- » Recommendations for a further reduction of interior emissions.
- » Allergenic and sensitizing substances (H317 und H334) must be avoided.
- » Minimization of interior emissions, especially compliance with the listed limits of DBL 5430.

#### 4. Life Cycle Assessment for Continuous Improvement of Products and Production

DTAG carries out environmental audits on the basis of ISO 14040 et seq. in order to determine and improve its overall environmental profile.

On request, the Partner shall therefore provide DTAG with information on the relevant products, materials and processes. DTAG assures the Partner that this information is kept strictly confidential and will only be used for the purpose of holistic Life Cycle Assessment.

The Partner will strive towards getting such information from its suppliers and their sub-suppliers also (manufacturers of raw materials and semi-finished products, energy providers, residue recyclers, etc.) as far as possible. Confidentiality will be treated as indicated above.

In order to guarantee a standardized, methodically validated flow of information, DTAG offers an introduction to the technique of holistic Life Cycle Assessment in order to carry out joint analyses as required.

The data must be provided in the specified documentation format (VDA data collection format for life cycle assessments). The period of time and data quality must be agreed between DTAG and the Partner.

The "Environmentally Friendly Product Development" (QM/RZU) department is available to answer any questions and to address any problems.

**V.** Animal protection

The Partner is obligated to comply with the applicable laws and regulations for animal protection as a part of its business relationship with DTAG.

**VI.** Forwarding of Standards I-V in the Supply Chain

The Partner will forward the content of these sustainability standards (see section I-V) to its suppliers, placing them under the corresponding obligations, and will monitor and check compliance with sustainability standards in the supply chain.

