

Logistic Policy for Suppliers

Updated 07 - 2020



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For the latest version of the Logistic Policy, please refer to:
www.kurtzrsa.de

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Preamble

Definition

The Logistic Policy for Suppliers is a written definition of the generally applicable logistic requirements demanded by the Kurtz Ersä Group of its suppliers.

Targets / Benefit

- Improvement of the cooperation between suppliers and Kurtz Ersä
- Basis for communication between suppliers and Kurtz Ersä
- Applies to all suppliers

Key items for suppliers' shipping employees

- Use of standardized returnable load carriers both under economic and ecological aspects.
 - improved environmental balance
 - effective materials handling
 - enhanced safety at work
 - far-reaching quality assurance
- On principle, materials are not allowed to protrude beyond the load carriers.
- Comply with weight limitations of load carriers.
- Materials of different material numbers must be separated physically.
- VDA labels must be used to identify materials.
- In case of different unloading locations, separate transportation orders must be issued and the materials packed on different load carriers.
- Correct load securing according to the applicable laws and standards must be ensured.

Complaint management

The Logistic Policy is mandatory for all suppliers. In case of non-compliance, Kurtz Ersä reserves the right to document infringement in terms of complaints and to request the suppliers to take corrective action. Complaints will be considered in the supplier rating.

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1. General

1.1 Objective

This policy includes the requirements governing the logistic processes between all factories of the Kurtz Ersä Group located in Germany (hereinafter referred to “Kurtz Ersä”) and its suppliers. It is envisaged to have the correct quantities of the required material at the proper time (adherence to schedules), at the correct destination and to transport it in the planned order on the right route in the correct quality and at optimum costs.

Material availability

- Flexibility in case of changed requisitions
- Constant availability of the product
- Correct delivery processing

Inventories

- Precise inventory management
- High turnover ratio
- Low inventory rating

Energy and environmental efficiency

- Avoiding waste
- Optimum utilization of resources

Low costs

- Avoiding extra tours
- Avoidance of costs due to production disruptions and special actions
- Minimization of costs along the supply chain
- Optimum utilization of resources

1.2 Terminology

Suppliers:	Within this policy, the term “supplier” designates the companies which provide materials for Kurtz Ersä or which deliver purchased materials to Kurtz Ersä.
Packing unit:	Smallest logistic handling unit formed by the consignor for direct receipt of the goods, which is not dissolved during transport (for ex.: cardboard box, small load carrier (KLT), etc.).
Load carriers:	Load carriers are materials which carry the packing units during transport (for ex.: pallets, lattice boxes etc.).
Loading unit:	Several packing units can be combined by means of appropriate load carriers to form larger logistic units, the “loading units” (for ex.: pallet + KLTs + cover).
Disposable packaging:	Disposable packaging is intended for a single transport only, is neither returned, nor exchanged nor managed via container accounts.
Returnable packaging:	Contrary to disposable packaging, returnable packaging is intended for several circulations. After use, it can be returned to the packaging cycle and managed via mutual container accounts.

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1.3 Validity

The logistic requirements defined in these guidelines are an integral part of the business relationship and must be complied with and implemented by the supplier. Should deviations occur within the ongoing process, this requires the written acknowledgement by Kurtz Ersa. The supplier or customer ensures distribution of this policy to all persons of his company who must be informed thereof, which also includes any subcontractor who is commissioned if necessary.

For the applicable, current status of the Logistic Guidelines, please refer to the homepage <http://www.kurtzera.de>

2. Process requirement demanded of the supplier

2.1 Responsibilities

The supplier shall be responsible for compliance with and implementation of the previously coordinated and agreed delivery concept from his production site incl. integration of all subcontractors, until the agreed delivery to Kurtz Ersa.

2.2 Chargeback of expenses

In the cases specified below, Kurtz Ersa reserves the right to refuse to accept any goods, to return the goods on a freight not prepaid basis or to pass any costs incurred and follow-up costs on to the supplier:

- over / underdeliveries
- early / late delivery and any costs resulting therefrom for special tours / storage / handling
- incorrectly issued, late or missing documents / documentations
- wrong, missing or illegible identification / labelling
- removal of old labels
- wrong, damaged or soiled packaging / parts
- incorrect filling volume of containers / deviation from packaging specification supplier/customer
- incorrect delivery

3. Documents and product labelling

3.1 Transport documents

Preparation of the delivery documents and material tags according to the applicable standards is the supplier's responsibility. This includes correct determination of the gross weight and the weight of the loading equipment of the consignment. Extra costs resulting from faulty weight data are passed on to the supplier.

The supplier ensures that the shipping documents are complete and free of errors.

All documents must be issued in German or English.

On delivery, the freight carrier submits the accompanying documents together with the transportation order and, if applicable, necessary export or hazardous goods documents. To this effect, the legal regulations shall apply.

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3.1.1 Transportation order

Unless otherwise agreed, the transportation order must comply with the recommendations acc. to VDA 4922. A CMR consignment note must be issued in case of international overland transports.

The carrier countersigns the consignment note on taking over the goods. This is considered as transfer document for the loading units.

3.1.2 Delivery note

For receipt of the materials in the Incoming Goods department, Kurtz Ersä needs a delivery note which describes the consignment clearly. The delivery note must be issued on principle in accordance with DIN 4991. Attachment of the delivery note to the packages in a way immediately recognizable on the outside is mandatory. The delivery note must include the following data:

- Consignor
- Delivery address
- Number of supplier's delivery note with barcode (Code 128) or QR Code
- Kurtz Ersä order number with barcode (Code 128) or QR Code
- Kurtz Ersä material number
- Kurtz Ersä material description
- Quantity (delivery volume)
- Gross weight and net weight per item delivered
- Unloading location (if known)

3.2 Label

Each loading unit must be labelled in an unambiguously identifiable manner by means of a VDA label 4902 showing a barcode (Code 39). The packages must be placed on the load carrier so that the VDA labels are visible from outside and not covered by packing tapes. The labels must withstand both environmental influences and strain during transport, and remain computer- and visually readable.

Hand-written changes or additions on the VDA labels are not admissible.



To the extent that nothing to the contrary has been stipulated in writing with Kurtz Ersä, an order-specific VDA Single Label must be attached to each package. Selected suppliers may be allowed to use so-called anonymous Single Labels.

Identification of mixed consignments

In case of delivery of several packaged goods within one packaging means, this must be identified clearly on the loading unit with the wording "MIXED CONSIGNMENT". As an alternative, a label reading "MIXED PALLET" may also be used. Mixed consignments are not identified with a VDA Master Label.

Identification of initial sample parts

It is mandatory to identify initial sample parts with an additional label "INITIAL SAMPLE PARTS" directly next to the master label.



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3.2.1. VDA 4902 Master Label

(1) Warenempfänger Ersa GmbH Leonhard-Karl-Straße 24 97877 Wertheim		(2) Abladestelle - Lagerort - Verwendungsschlüssel Kurtz Ersa Logistik GmbH Frankenstraße 14 97892 Kreuzwertheim		
(3) Lieferschein-Nr (N) 908146943 		(4) Lieferantenanschrift (Kurzname, Werk, PLZ, Ort) Musterlieferant		
		(5) Gewicht netto 400	(6) Gewicht brutto 450	(7) Anzahl Packstücke 2
(8) Auftragsnummer Kunde 4500892335 				
(9) Füllmenge (Q) 560 ST 		(10) Bezeichnung Lieferung, Leistung Zylinder mit Kolben		
		(11) Auftragsnummer Lieferant 123456789 		
(12) Lieferanten-Nr (V) 57349611 		(13) Datum 01.04.2018		(14) Änderungsstand Konstruktion
(15) Packstück-Nr (S) 440010300010340 		(16) Chargen-Nr (H) 1481781001 		
(17) Musterlieferant		Warenanhang VDA 4902, Version 4		

3.2.2 VDA 4902 Single Label

(1) Warenempfänger Ersa GmbH Leonhard-Karl-Straße 24 97877 Wertheim		(2) Abladestelle - Lagerort - Verbrauchsstelle Kurtz Ersa Logistik GmbH Frankenstraße 14 97892 Kreuzwertheim		(3) Lieferschein-Nr. (N) 908146943 	
(8) Auftragsnummer Kunde 4500892335 					
(9) Füllmenge (Q) 40 ST 		(10) Bezeichnung Lieferung, Leistung Zylinder mit Kolben			
		(11) Auftragsnummer Lieferant 123456789 			
(12) Lieferanten-Nr (V) 90033759 		(13) Versanddatum 01.04.2018		(14) Änderungsstand Konstruktion	
(15) Packstücknummer (S,M,G) S123456789 		(16) Chargen-Nr. (H) 1234567 			

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Contents of the VDA tag

Box number	Box description
1	Material recipient
2	Unloading location - Storage location - Usage code
3	Delivery note number
4	Supplier's address
5	Weight of package without load carrier in [kg]
6	Weight of package with load carrier in [kg]
7	Number of packages for this consignment
8	Customer order number
9	Actual filling quantity
10	Description, delivery, service (description of the goods)
11	Supplier order number
12	Kurtz Ersä item number
13	Date
14	Design revision status
15	Package number
16	Batch number

3.3 Labelling of the loading unit

The labelling of the loading unit serves for unambiguous identification of the goods in the internal flow of material and on the transport route between supplier, carrier and recipient of the goods. Thus, the supplier must ensure that all items of loading equipment are provided with an up-to-date, carefully completed and barcoded label according to the VDA recommendation 4902 (current version). It must be ensured especially that the data on the material tags correspond to the contents of the loading equipment. To ensure unambiguous identification, the supplier is required to remove old labels and labelling on the loading equipment completely before filling them.

All labels must be attached so that they can be read and scanned at the outside of the loading unit.



3.4 Hazardous substances and hazardous materials

Materials to be used as hazardous substances and / or hazardous goods are subject to the specified legal provisions of the Law on Hazardous Substances and the Law on Hazardous Goods.

Kurtz Ersä reserves the right to agree with suppliers on special agreements in addition to the legal provisions.

- **Packaging / Transport**

Hazardous substances must be packed in standing position in an approved receptacle. Frost-

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Sensitive hazardous substances must be protected against frost damage by suitable packaging. Frost-sensitive hazardous substances must not be exposed to atmospheric influences during transport.

- **Identification**

The identification must comply with the Law on Hazardous Substances. All materials and packaging units (e. g. cardboard box) must be labelled, in addition to the applicable symbols for hazardous substances, with the Kurtz Ersa material number. The provisions of Chapter 3.2 apply.

- **Safety Data Sheet**

According to TRGS220, the supplier must submit to Kurtz Ersa the Safety Data Sheets for hazardous substances prior to the first delivery and after every modification of the substance concerned. It is mandatory that the Safety Data Sheet is sent once to the responsible buyer via email and that it satisfies the current formal requirements.

3.5 Types of packaging

3.5.1 Returnable packaging

Contrary to disposable packaging, returnable packaging is provided for several circulations within the logistics chain. It can be returned to the packaging cycle after use.

In case of returnable packaging, it must be ensured that old, invalid material tags are removed and that the load carriers can be returned to the cycle in a well-swept, dust-free, dry and non-damaged condition. Soiled packages must be cleaned by the supplier before reuse. Damaged load carriers must be repaired or removed from the container recycling system.

Kurtz Ersa checks the condition of the load carriers on receipt of goods. In case load carriers are damaged or loaded incorrectly, Kurtz Ersa reserves the right to refuse acceptance.

All returnable packages must be in an exchangeable condition



3.5.2 Disposable packaging

Disposable packages are intended for a single transport and have fulfilled their specific function at the end of the transport process. The development and quality of the disposable packaging is the supplier's responsibility.

When purchasing disposable packaging, it has to be ensured that the packaging is recyclable.

During the planning phase, the following must be taken into account:

- The packaging must be designed so that the components arrive at the recipient free of damage.
- A strap must be used to secure a loading unit.
- Disposable packaging shall be provided on principle by the supplier and shall be at his costs.
- The components must be packed so that they are able to resist an extended storage period in the packaging.

3.5.3 Packaging aids

Packaging aids are materials which are used to secure and/or stabilize the packing units on the loading unit or in the packing unit as such (e. g. stretch film, strap, PE bags etc.).

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- Packaging chips as packaging aids (filling material) should always be avoided. If they still must be used for reasons of transport security, the materials must be recyclable.
- Intermediate layers of carton must not be coated.

In case of infringement, Kurtz Ersa reserves the right to return the packaging to the supplier on a freight not prepaid basis, or to arrange for disposal thereof at the supplier's costs.

The following applies for formation of the loading unit:

- Straps must be made of plastic and be used at least in double arrangement for each loading unit. When straps are used for cardboard packaging, it must be protected by edge protection profiles.
- The use of stretch film for load securing is to be minimized.

3.6 Packaging planning

Packaging is on principle determined by the supplier, based on the requirements of this Logistic Policy, in consultation with Kurtz Ersa.

In individual cases, in the case of special packaging and in case of changes to packaging, these must be discussed with Kurtz Ersa in advance.

3.7 Examples of correct delivery



Exchangeable europallet



Non-exchangeable europallet



Consignment with recognizable delivery note



Consignment without delivery note

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Pallet secured with strap



Non-secured pallet with loose cardboard boxes

3.7.1 Pallet sizes

For delivery to Kurtz Ersa, it is urgently recommended to comply with the following pallet sizes:

- 1200 x 800 mm
- max. 1000 kg
- total height incl. load carrier max. 1900 mm



If material dimensions exceed the admissible maximum dimensions, suitable load carriers must be used. This must be coordinated with Kurtz Ersa.

3.7.2 Collective load unit (mixed pallet)

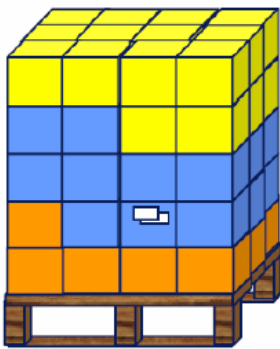
If the formation of complete loading units is not possible due to small released quantities, different packages may be combined to form a collective load unit, a so-called mixed pallet. To this effect, the packages must be packed so that packages belonging together are arranged in groups and not mixed on the pallet. The load carrier must be labelled clearly "MIXED PALLET" to identify it as a collective load unit.

It is prohibited to mix the contents of the individual packages.



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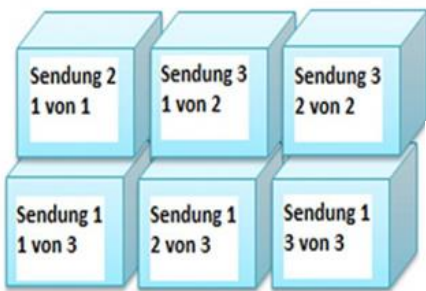
Grouped pallet



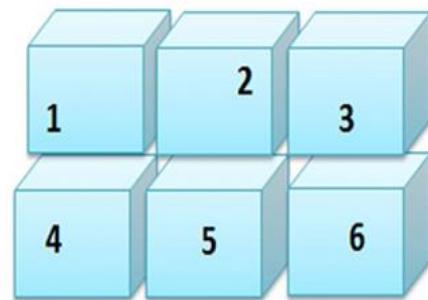
Mixed pallet

3.7.3 Consignments with several packages

Consignments / deliveries consisting of several packages must be labelled unambiguously as belonging together, and be provided with an appropriate number.



Unambiguous labelling of packages



No unambiguous labelling of packages

3.7.4 Load securing

In accordance with §22 StVO (German Road Traffic Regulations) and §412 HGB (German Commercial Code), all groups of persons directly or indirectly involved in loading (e. g. drivers, loaders, consignors, freight carries) are responsible for securing the load correctly. In addition to the legal requirements, the VDI Directive 2700 with instructions for handling loads on road vehicles in a way that is safe for traffic and operation must be complied with.



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4. Delivery at Kurtz Ersä

4.1 Delivery window

Company	Monday to Thursday	Friday
Kurtz Ersä Logistik GmbH Frankenstrasse 14 D-97892 Kreuzwertheim	7:00 – 17:00 h	7:00 – 15:00 h
Ersä GmbH Leonhard-Karl-Strasse 24 D-97877 Wertheim	7:00 – 14:00 h	7:00 – 11:30 h
Kurtz GmbH Frankenstrasse 2 D-97892 Kreuzwertheim	7:00 – 15:30 h	7:00 – 12:30 h
Kurtz Ersä Automation GmbH Gyula-Horn-Strasse 21 D-97877 Wertheim	7:00 – 16:00 h	7:00 – 13:00 h
Kurtz Eisenguss GmbH & Co. KG Eisenhammer D-97907 Hasloch	7:00 – 15:00 h	7:00 – 15:00 h
Kurtz Holding GmbH & Co. Beteiligungs KG Frankenstrasse 2 D-97892 Kreuzwertheim	7:00 – 15:30 h	7:00 – 12:30 h
globalPoint ICS GmbH & Co. KG Otto-Schott-Strasse 1 D-97877 Wertheim	7:00 – 15:30 h	7:00 – 11:30 h

4.2 Self-deliverer

The following applies to deliveries at Kurtz Ersä Logistik GmbH, Frankenstrasse 14, D-97892 Kreuzwertheim: From 10:00 to 14:00 h, consignments from self-deliverers cannot be accepted. Special cases must be coordinated in advance with Kurtz Ersä.

