Delivery Guideline for Spare Part Supplies and Retrofits

Third-party machines | Units
For deliveries of spare parts and retrofits to the plants
Neutraubling | Nittenau | Rosenheim | Flensburg | Freising (Steinecker)

Created by: CPL QA Suppliers
Date: 2016 / 08 / 05
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General requirements and information: Scope of application

– This guideline rules the delivery of goods in the plants
  - Neutraubling
  - Nittenau
  - Rosenheim
  - Flensburg
  - Freising (Steinecker)
  of the KRONES AG.

– The guideline applies to the delivery spare parts and retrofits for the following product groups:
  - Third-party machines
  - Units

– Further requirements for suppliers, the supply relationship design and the order process are defined in the supplier handbook, the supplier code, the general terms and conditions of the KRONES AG and the contract specific set of agreements.
General requirements and information: LCS purchase orders

- LCS purchase orders (Life Cycle Service – Orders for retrofits and spare parts) have a higher priority and must be given preferential treatment.
- LCS purchase orders can be identified by the postpositioned „/E“ following the purchase order number.

General requirements and information: Order processing

- Any goods have to be delivered as ordered with regard to their product structure on grounds of logistics and customs clearance. Parts ordered separately, must not be delivered in assembled condition. Vice versa an assembly must not be delivered in disassembled condition.
- In case of any deviation between confirmed order and delivery (e. g. concerning price, delivery date, delivery quantity, Incoterms, packaging, packaging costs, structure / condition of the order item, ...) consultation of the orderer is mandatory before the delivery of goods.
- The supplier has to inform freight carriers and parcel services about the exact delivery address of each separate order item in written form.
- Overdelivery and underdelivery for individual order items is not permitted for KANBAN deliveries.
Means of transport and packaging: General requirements – I

- All packages / containers must be suitable for handling and transport with forklifts.
- Overhang of the transported goods beyond the means of transport must be avoided as far as possible.
- Exceptions are only permitted for bulky goods which require an individual transport container.
- Transport containers must be numbered consecutively if several containers are necessary for one article.
  - Example: „Purchase order number 4512345678, Order item 20, Container 3 of 7“
- All goods must be protected against effects of weather, in particular humidity and if necessary direct sunlight / solar radiation.
- Besides an effective protection against any further damage during transport and storage must be ensured.
- Also the environment must be protected against the hazards arising from the goods
Means of transport and packaging: General requirements – II

- In case goods are delivered with wood packaging the packaging has to fulfill all requirements defined in the Regulations of Wood Packaging Material in International Trade (ISPM 15).
- **This applies not only to international deliveries but also to domestic trade deliveries** and includes the sole use of wood packaging marked with IPPC stamping.
- The IPPC stamping has to be clearly visible without disassembling or opening the packaging.
- Please also note our business letter on that matter from July 25, 2016.
Which information is provided in KRONES purchase orders?

<table>
<thead>
<tr>
<th>Item</th>
<th>Material</th>
<th>Unit</th>
<th>Description</th>
<th>Price per unit</th>
<th>Total price</th>
</tr>
</thead>
<tbody>
<tr>
<td>[9] 1 pieces</td>
<td>Price per unit</td>
<td>Total price</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Account Assignments: Sales Order 00519393284 Item 660010
Con-No. : KH20739
Project : S.D.V. BELGIUM
Building 859/E
1931 BRUCARGO
Belgique

Delivery date: 11.02.2016
Transfer date / time: 28.01.2016 13:14:37

Delivery terms: Ex Works Herfordshire, UK
Due date: within 14 days

Please return our signed Krones order confirmation for the following:

- We hereby order the items listed in the following according to our terms and conditions. Please find all necessary information in this order.
- Technical clarification, please revert to the contact person designated in the specifications.
- Please print the weight per part (package item) on the delivery note.
- XB20739

SARL Ecridor Bottling Company / Zone Industrielle de Betiz / BP0000
Betiz

Urgent spare parts order. Please pack separately and quote the complete purchase order reference on the delivery note.

Which information is provided in KRONES purchase orders?

[1] Your SAP vendor number / supplier number
[2] KRONES purchase order number
[3] Order item
[4] Delivery address | Attention: May vary depending on the specific order item!
[5] KRONES article number
[6] KRONES article description
[9] Order quantity and unit of quantity
[11] For articles with batch tracing or mandatory certification only: Requirements regarding inspection certificates or pressure equipment certification

Further information may be indicated depending on the specific order item:

- For order related goods: Customer order number | Customer order item | Commission number
- For purchase orders following a complaint: KRONES complaint number incl. affected KRONES order number and order item

Red text = Information given on all purchase orders
Orange text = Information which is only given on purchase orders in certain cases
Which data must be enclosed on your delivery note?

Example 1:
Redelivery following a complaint. The delivery note states the KRONES complaint number at position [16].

Example 2:
Article with batch tracing. The delivery note states the heat number of the raw material from which the article was made. In case of pressure equipment the serial number or fabrication number must be stated here. This delivery note further gives the number of the corresponding inspection certificate.

<table>
<thead>
<tr>
<th>Delivery note</th>
<th>Customer/PO-number</th>
<th>Quantity ordered</th>
<th>Quantity delivered</th>
<th>Total weight</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>4500000223/166</td>
<td>1</td>
<td>1</td>
<td>15.05 kg</td>
<td>[14]</td>
</tr>
<tr>
<td>2</td>
<td>09088279/20</td>
<td>10</td>
<td>10</td>
<td>0.9 kg</td>
<td>[13]</td>
</tr>
<tr>
<td>3</td>
<td>02020432/20</td>
<td>500</td>
<td>500</td>
<td>0.254 kg</td>
<td>[12]</td>
</tr>
<tr>
<td>4</td>
<td>02020432/20</td>
<td>100</td>
<td>100</td>
<td>1.83 kg</td>
<td>[11]</td>
</tr>
</tbody>
</table>
Which data must be enclosed on your delivery note?

[2] KRONES purchase order number
[3] Order item
[4] Delivery address
[5] KRONES article number
[6] KRONES article description
[9] Order quantity and unit of quantity

[11] For articles with batch tracing or mandatory certification only: Certificate number and heat number | Serial number or fabrication number
[12] Your delivery note number
[13] Indication of partial delivery and / or full delivery
[14] Weight per article

[16] For redelivery following a complaint only: KRONES complaint number incl. KRONES purchase order number and order item

- If necessary requested data must be listed for each order item separately.
- Agreements (e.g. special releases via supplier.request@krones.com) must be indicated on the delivery note for each affected order item.

Red text = Mandatory data on all delivery notes
Orange text = Data must only be given on delivery notes in certain cases
Labelling of articles

- All delivered articles must be clearly identifiable.
- Therefore the articles must be labelled with:

  [2] KRONES purchase order number
  [3] Order item
  [5] KRONES article number
  [9] Delivery quantity and unit of quantity
Goods receiving and delivery times

- The plant-specific delivery times shown on the right side are to be adhered to.
- Urgent consignments will be accepted outside the regular delivery times only with advance notice under naming of the affected KRONES order number and order item.
- Delivery destinations may vary from order item to order item.
- The supplier is responsible for unloading each item at the delivery destination given in the purchase order.
- Separation of goods while unloading on the KRONES factory premises is not possible.
- KRONES reserves the right to charge a handling fee for internal processing and forwarding of goods to the correct delivery destination in case of delivery to an incorrect goods receiving area.
**Articles with batch tracing or mandatory certification**

- In case of articles with batch tracing or any kind of mandatory certification the required type of certification or the extent of documentation required is given per order item in the corresponding purchase order.
- Unless otherwise specified in the purchase order the required certificates and / or documentation has to be submitted to a certificate mailbox via e-mail in digital form.
- There are several certificate mailboxes available. The correct certificate mailbox for submission of certificates and / or documentation has to be selected depending on the delivery address / destination given in the purchase order per order item.
- For delivery addresses / destinations and the e-mail addresses of the corresponding certificate mailboxes see the table on the next slide.
- All certificates must be submitted under specification of
  - the purchase order number
  - the order item
  - heat number / batch number / serial number / fabrication number
- In case of partial deliveries all certificates have to be submitted for each single partial delivery even if the certificates are the same as already submitted for prior partial shipments.
- To ensure traceability articles with batch tracing or mandatory certification are to be delivered homogeneously, which means that parts from different batches / lots must not be mixed within one container.
## Articles with batch tracing or mandatory certification

<table>
<thead>
<tr>
<th>Delivery address / destination</th>
<th>E-mail address of certificate mailbox</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plant Neutraubling – Incoming goods department 1</td>
<td><a href="mailto:certificates.gr1@krones.com">certificates.gr1@krones.com</a></td>
</tr>
<tr>
<td>Plant Neutraubling – Incoming goods department 2</td>
<td><a href="mailto:certificates.gr2@krones.com">certificates.gr2@krones.com</a></td>
</tr>
<tr>
<td>Plant Neutraubling – Incoming goods department 3</td>
<td><a href="mailto:certificates.gr2@krones.com">certificates.gr2@krones.com</a></td>
</tr>
<tr>
<td>Plant Neutraubling – Incoming goods department 4</td>
<td><a href="mailto:certificates.gr2@krones.com">certificates.gr2@krones.com</a></td>
</tr>
<tr>
<td>Plant Neutraubling – Pipe production center RPZ</td>
<td><a href="mailto:certificates.gr-rpz@krones.com">certificates.gr-rpz@krones.com</a></td>
</tr>
<tr>
<td>Plant Flensburg</td>
<td><a href="mailto:certificates.gr-fl@krones.com">certificates.gr-fl@krones.com</a></td>
</tr>
<tr>
<td>Plant Freising</td>
<td><a href="mailto:material.certificate@krones.com">material.certificate@krones.com</a></td>
</tr>
<tr>
<td>Logistics Hub Hamburg</td>
<td><a href="mailto:certificates.gr-hh@krones.com">certificates.gr-hh@krones.com</a></td>
</tr>
<tr>
<td>Plant Nittenau</td>
<td><a href="mailto:certificates.gr-ni@krones.com">certificates.gr-ni@krones.com</a></td>
</tr>
<tr>
<td>Plant Rosenheim</td>
<td><a href="mailto:certificates.gr-ro@krones.com">certificates.gr-ro@krones.com</a></td>
</tr>
</tbody>
</table>
Environment protection / Energy efficiency

We, the KRONES AG, acknowledge our responsibility for a clean environment and climate protection. Through the application of new technology and procedures as well as the consequent implementation of and compliance with environmental legislations at our locations we ensure an economical handling with resources and low pollution.

Therefore the KRONES AG sets itself extensive environmental and energy targets to reach a systematic and sustainable prosecution of the subject. These targets apply to our own production facilities and products as well as to the selection of our suppliers.

For these reasons, our suppliers commit to the implementation of the following points:

- According to the principle „As much as necessary, as little as possible“ the extent of packaging must be reduced to its minimum while at the same time ensuring the protection of goods against any impairment of their properties. Oversized packaging must be avoided.

- For hazardous goods the statutory provisions in their currently valid versions must be observed. The required warning signs must be attached to the packaging visibly.

- Liquid containers must be secured against leakage especially during unloading and transportation.

- Special agreements made between the supplier and KRONES AG must be observed.
Thank you for your attention!

We do more.