



# **Supplier Handbook**



Automation by innovation.

## **Contact address**

KEBA AG Headquarters, Gewerbepark Urfahr, A-4041 Linz  
phone: +43 732 7090-0, fax: +43 732 730910, e-mail: [keba@keba.com](mailto:keba@keba.com),  
[www.keba.com](http://www.keba.com)

KEBA Group worldwide  
Austria • Germany • China • Italy • Japan •  
Netherlands • Romania • Taiwan • Czech Republic•  
Turkey • United States

© KEBA 2014

We reserve the right to make technical modifications. No liability accepted for information provided. All rights reserved.

## Contents

Contents .....	3
1 Introduction .....	4
2 Supplier / manufacturer categories .....	5
3 Contents of the Supplier Handbook .....	6
4 Supplier qualification process .....	8
4.1 Long List .....	8
4.2 Short List 1 .....	9
4.3 Short List 2 .....	9
4.4 Short List 3 .....	10
4.4.1 Contracts .....	10
4.4.2 Sample production .....	12
5 Supplier management .....	12
5.1 Monthly reporting .....	12
5.1.1 Quality .....	12
5.1.2 Delivery reliability .....	13
6 Supplier evaluation .....	15
7 Product qualification process .....	15
7.1 Request for Quotation .....	15
7.1.1 Documents and drawings .....	16
7.1.2 KEBA Norms .....	16
7.1.3 Open book calculation .....	16
7.1.4 First Article Inspection .....	17
8 Logistics .....	17
8.1 Order handling .....	17
8.1.1 Types of orders .....	17
8.2 Order confirmation .....	19
8.3 KLIP – KEBA Supplier Portal .....	19
8.4 Traceability .....	20
8.5 Changes / discontinuation of products .....	20
8.6 Packaging / labelling guidelines .....	20
9 Vendor quality management .....	21
9.1 Outgoing inspection at supplier .....	21
9.2 Incoming inspection .....	21
9.3 Complaints and 8D report .....	22
9.4 KEBA Quality Levels .....	22
10 Ethical, safety and environmental aspects .....	22
10.1 List of prohibited and declarable substances .....	23
11 List of abbreviations .....	24
12 List of pictures and tables .....	25
13 Accompanying documents .....	26

## 1 Introduction

KEBA is an international company with customers all around the world. Our main goal is to satisfy the continuously increasing needs and requirements of our customers today as well as in the future. To reach this goal, both our internal skills at KEBA, and the skills, knowledge and the enthusiasm of our suppliers are absolutely crucial.

Quality, costs and service are inseparable functions of the whole supply chain. To ensure the success of our customers, each organisation involved must focus on the fulfilment of ambitious targets, set by the supply chain or as an individual organisation.

This Supplier Handbook is intended to help all our existing and potential suppliers meet or even exceed the expectations of KEBA and reach a performance level which ensures business success and growth into the future.

Our business systems and processes are set up on the principles and standards of ISO 9001, ISO 14001 and OHSAS 18001. All the principles and requirements included must be followed every day, not only by KEBA, but also by each of our suppliers. In our intensely competitive sector there is no room for activities which do not comply with these standards. Deviating processes must be optimised to that effect.

Thus the futures of our companies are very closely connected. KEBA stands for success and we want you to be part of our success.

To read, understand and observe the expectations and requirements of this Supplier Handbook will help you to achieve your own goals more easily , and if we are striving for these goals together, we will be on a course for success.

Binding nature of the Supplier Handbook

**All contents of this Supplier Handbook are effective from the early stages of a potential cooperation. It forms part of our contractual framework and must be taken into account starting with the pre-contractual Request for Information (RFI) stage.**

## 2 Supplier / manufacturer categories

KEBA distinguishes primarily between three categories of suppliers to define the obligatory measures within a potential or existing business relationship.

Supplier / manufacturer category	Description
Suppliers / manufacturers for KEBA-specified parts	Parts are only produced according to KEBA specifications and/or potentially high purchasing volume
Suppliers / manufacturers for critical products	Complex products for mass market, with or without adaptations, only a few possible alternative products available and/or potentially high purchasing volume
Suppliers / manufacturers for standard products	Products for mass market, without any adaptations for KEBA, many alternative products available and/or low purchasing volume

Table 1: Supplier / manufacturer categories

### 3 Contents of the Supplier Handbook

The Supplier Handbook contains our expectations relating to the most important topics in a supplier / customer relationship.

An overview of the contents of this Supplier Handbook as well as the obligatory measures for the different categories can be seen in the following table.

Supplier / manufacturer category	Suppliers / manufacturers for KEBA-specified parts	Suppliers / manufacturers for critical products	Suppliers / manufacturers for standard products
<b>4. Supplier Qualification Process</b>	relevant	relevant	relevant
4.1 Supplier Information Sheet (SIS)	obligatory	obligatory	obligatory
4.3 Audit	obligatory	obligatory	possible
4.4.1 Contracts	obligatory	obligatory	general purchasing terms and conditions
4.4.2 Sample Production	obligatory	possible	no
<b>5. Supplier Management</b>	relevant	relevant	relevant
<b>6. Supplier Evaluation</b>	relevant	relevant	relevant
<b>7. Product Qualification Process</b>	relevant	possible	possible
7.1 Request for Quotation	relevant	relevant	relevant
7.1.1 Drawings and Specifications	relevant	possible	possible
7.1.3 Open Book Calculation	obligatory	possible	possible
7.1.4 First Article Inspection (FAI)	obligatory	not relevant	not relevant
<b>8. Logistics</b>	relevant	relevant	relevant

<b>Supplier / manufacturer category</b>	<b>Suppliers / manufacturers for KEBA-specified parts</b>	<b>Suppliers / manufacturers for critical products</b>	<b>Suppliers / manufacturers for standard products</b>
8.3 KEBA Supplier Portal (KLIP)	obligatory	obligatory	obligatory
8.6 Labelling and Packaging	obligatory	obligatory	obligatory
<b>9. Vendor Quality Management</b>	relevant	relevant	relevant
<b>10. Ethical, Environmental and Social Aspects</b>	obligatory	obligatory	obligatory

Table 2: Main contents of the Supplier Handbook

## 4 Supplier qualification process

KEBA is always in need of new, high-performance suppliers. This is related to the ongoing development of new, highly innovative products and to the continuous desire to optimise our existing supplier base. As long-term partnerships are the foundation for efficiency in reaching our goals and success in our business, KEBA invests a significant amount in finding suppliers with the best strategic fit; as a result, Supplier Qualification has the highest priority.

To obtain “Approved Supplier” status at KEBA, certain tasks have to be fulfilled by potential suppliers. Achieving these tasks during the sourcing process influence the final decision. Alongside technical and commercial capabilities, reliability, accuracy and cooperation will be considered in the decision.

The sourcing process is executed in various rounds beginning with a very broad base of potential suppliers to leave only two or three potential candidates. At the end of each round, the results are evaluated and the candidate list becomes shorter. The main rounds are described in the following chapters and demonstrate our typical procedure/process.



Picture 1: Supplier Qualification Process

### 4.1 Long List

After a market research process, potential suppliers (Long List Candidates) will be contacted by our purchasing department via email and will be asked to run through the Supplier Registration Process.

Of course, potential suppliers can run through the registration process proactive by starting the registration on <http://www.keba.com/en/corporate/contact/procurement/supplier-registration>.

This self-assessment allows KEBA to obtain an initial impression of the candidates and forms the basis of the capability review.

At this stage the Long List is cut down to create Short List 1.

## 4.2 Short List 1

All Short List 1 candidates will receive a RFQ. Where necessary, a Non-Disclosure Agreement (NDA) must be signed by both parties before receiving the RFQ.

The received quotations form the basis of a technical and commercial review of the Long List 1 candidates and allow KEBA to determine the Short List 2 candidates.

## 4.3 Short List 2

At this stage all potential suppliers are audited.

Qualification audits are mandatory for all potential suppliers / manufacturers of KEBA-specified parts and for critical products. KEBA audits are conducted as process audits roughly in line with VDA standards. Audit results are announced promptly with a formal agenda to ensure that all relevant persons at the supplier company are available.

The main goal of a qualification audit is to find out if the supplier is able to fulfil the expectations of KEBA and the requirements of at least DIN EN ISO 9001.

The audit results will be communicated to the supplier and further steps are taken depending on the results:

### Results:

Result	Status	Comment
over 80%	ok	supplier is able to fulfil the requirements of KEBA
between 60 and 80%	acceptable	supplier is able to fulfil the requirements of KEBA under certain obligations. Measurements for improvement have to be defined and implemented.
below 60%	not acceptable	supplier is not able to fulfil the requirements of KEBA and cannot be released.

Table 3: Audit results

After the audit KEBA will in all cases provide an audit report with comments and observations for potential improvements. The supplier is asked to define measurements relating to these observations and keep KEBA informed of progress proactively and promptly.

The audit results are a very important way of reducing the candidate list to create Short List 3.

## 4.4 Short List 3

At this stage contracts are negotiated and samples are produced if necessary.

### 4.4.1 Contracts

A very important part of the supplier qualification process is contract negotiation. KEBA provides standard contracts for the most important aspects of business. Our standard contracts provide a structure to discuss all these aspects and help to form a common concept for these aspects at a very early stage of cooperation.

The most important contracts are:

Contract	Supplier category / commodity	Business Case	Contents Overview
NDA	For all suppliers that will receive or hand out confidential information	---	<ul style="list-style-type: none"> <li>• Object of non-disclosure obligation</li> <li>• Limitation of use</li> <li>• Expectations of confidentiality</li> <li>• Handling of documents</li> <li>• Protective rights</li> <li>• Contractual penalty</li> </ul>
Purchasing terms and conditions	Supplier for standard products	Single orders, low purchasing value	<p>German:  <a href="http://www.keba.com/web/downloads/corporate/purchasing/Einkaufsbedingungen_KEBA_Juli2014.pdf">http://www.keba.com/web/downloads/corporate/purchasing/Einkaufsbedingungen_KEBA_Juli2014.pdf</a></p> <p>English:  <a href="http://www.keba.com/web/downloads/corporate/generaltermspurchasing_engl_Feb2014.pdf">http://www.keba.com/web/downloads/corporate/generaltermspurchasing_engl_Feb2014.pdf</a></p>
Supply contract	Supplier for critical products, Supplier for KEBA-specified parts	Long-term business, high purchasing value	<p>In addition to the Terms and Conditions of Purchase, the following aspects are evaluated as a minimum:</p> <ul style="list-style-type: none"> <li>• Right to purchase/obligation to supply</li> <li>• Specification of contractual product</li> <li>• Marking and packaging</li> <li>• Certificates, documents, foreign trade regulations</li> <li>• Contractual commitment</li> <li>• Delivery</li> <li>• Pricing, payment and delivery conditions</li> <li>• Warranty and liability</li> </ul>

<b>Contract</b>	<b>Supplier category / commodity</b>	<b>Business Case</b>	<b>Contents Overview</b>
			<ul style="list-style-type: none"> <li>• Intellectual property</li> <li>• Spare parts and repair</li> <li>• Right of emergency manufacturer</li> </ul>
Supply contract for distributors	Distributors, critical products such as electronic components	Long term business, high purchasing value	See supply contract, but without obligations for manufacturers
Quality Assurance Agreement	Suppliers of KEBA-specified parts	Long term business, high purchasing value	<ul style="list-style-type: none"> <li>• Specification of contractual product</li> <li>• Definitions and terminology</li> <li>• Quality assurance</li> <li>• Documentation</li> <li>• Marking and packaging</li> <li>• Foreign trade regulations</li> <li>• Non conformity/defects</li> <li>• Exchange of information</li> <li>• Product safety</li> <li>• Confidentiality</li> </ul>
Quality Assurance Agreement "light"	Suppliers with supply contract	Only in combination with supply contract	<ul style="list-style-type: none"> <li>• Product</li> <li>• Quality assurance</li> <li>• Documentation</li> <li>• Exchange of information</li> </ul>
Development contract	Development partners	Development of products / Methods including a first market ready prototype	<ul style="list-style-type: none"> <li>• Content and purpose of the contract</li> <li>• Additions and alterations</li> <li>• Performance of development work</li> <li>• Payment and remuneration</li> <li>• Timetable and default</li> <li>• Acceptance</li> <li>• Warranty</li> <li>• Damages and liability</li> <li>• Rights to intellectual property</li> <li>• Confidentiality</li> <li>• Development of software</li> <li>• Exclusivity</li> </ul>
Tooling contract	Suppliers for tools	For tools, which will be owned by KEBA, value over €5000	<ul style="list-style-type: none"> <li>• Specifications</li> <li>• Prices and payment terms</li> <li>• Dates and deadlines</li> <li>• Final inspection/acceptance</li> <li>• Warranty / liability</li> </ul>

Contract	Supplier category / commodity	Business Case	Contents Overview
			<ul style="list-style-type: none"> <li>• Industrial property rights</li> <li>• Provision for use</li> </ul>

Table 4: Contracts

**A cooperative approach from the supplier as well as prompt feedback on our contracts will impact the final decision.**

#### 4.4.2 Sample production

Where necessary KEBA requests that potential suppliers at this stage produce samples. Alongside the audit this is intended to allow suppliers to demonstrate their production and process capabilities. These samples will be inspected at KEBA and will also impact the final decision.

At the end of this stage, final commercial negotiations take place and the results of the various tasks will be considered in the final decision.

The result of this round is at least one released supplier for mass production.

## 5 Supplier management

In a current business partnership, a regular review of performance is very important for corporate success. KEBA provides monthly reporting on the most important key figures. In addition, an annual supplier evaluation is conducted to give suppliers structured feedback on the performance of the last twelve months.

It is very important for all KEBA suppliers to understand what is measured and how it is measured to establish the correct course of action should any deviations occur.

### 5.1 Monthly reporting

The main key figures for the monthly reporting are:

- Product quality
- Delivery reliability

#### 5.1.1 Quality

As KEBA stands for highest quality products in markets all over the world, it is absolutely essential to receive only products that meet the defined specifications.

For each commodity KEBA has defined quality levels which must be met by all of our suppliers (see KEBA Quality Level Chart).

Below ppm target	Green
Between ppm target and ppm limit	Yellow
Beyond ppm limit	Red

Any deviation will be communicated to the supplier (see Vendor Quality Management chapter).

Red ppm value in a commodity	Communication	Possible Measures
for one month	Supplier: quality Manager KEBA: Vendor Quality Manager	8D - Reports
up to three months	Meeting at KEBA  Supplier: management KEBA: senior manager purchasing, senior quality manager	Quality circles, FMEA, Six Sigma Project,
over 6 months	Meeting at KEBA  Supplier: Top Management KEBA: Head of Purchasing and Head of Vendor Quality Management	supplier is blocked for new products, requalification audit of supplier, initiation of second source

Table 5: Measurements in case of deviations concerning quality levels

The quality key figure is the supplier quality in ppm (parts per million). The calculation is carried out using the following formula:

$$\text{ppm value} = \text{confirmed}^{(*)} \text{ defective parts} / \text{received quantity} * 10^6$$

(\*) Only defective parts already confirmed by the supplier are included in the calculation of the ppm value.

### 5.1.2 Delivery reliability

Accuracy in shipping goods to KEBA has the highest priority because of the streamlined production flow at KEBA. As KEBA provides a huge variety of products which are mainly assembled to order with very short lead times, it is absolutely critical to receive shipments in time.

Delivery Reliability = Correspondence between the first confirmed delivery date by the supplier and date of goods receipt.

> 5 days early	Delivery Reliability 1
5 to 3 days early	Delivery Reliability 2
2 days early to 1 day t late	Delivery Reliability 3

2 to 4 days late	Delivery Reliability 4
>5 days late	Delivery Reliability 5

The target for all suppliers is 100% Delivery Reliability 3. Below 97.5% delivery reliability 1 to 3 the supplier will be contacted by KEBA and corrective actions must be implemented by the supplier.

## 6 Supplier evaluation

Supplier evaluation is a very important tool to provide structured feedback for our suppliers on a regular basis. It is conducted once a year and covers a period of twelve months.

In addition to quality and delivery reliability, technical/commercial support and pricing/costing will be evaluated.

The supplier evaluation is conducted by an interdisciplinary team (technicians, quality managers, purchasers) and will be communicated to the supplier by the responsible person in the purchasing department.

Each category is marked from 1 to 5 (Austrian grading system). With a grade 4 or 5 in one category the supplier is obliged to establish corrective actions to improve.

## 7 Product qualification process

Starting series production with products that are “ready for mass production” has a very high priority for KEBA. “Ready for mass production” in this context means that the purchased components are commercially and technically defined and that the supplier is able to provide stable quality and competitive pricing across the whole product life cycle. Understanding and considering the steps described in the following chapters help us achieve this status efficiently.

### 7.1 Request for Quotation

At the beginning of the product qualification process, the responsible person in the KEBA purchasing department sends an RFQ to the supplier.

RFQs from other KEBA departments have no binding character.

Basically there are two different ways for sending RFQs – via our supplier portal or via email. If the RFQ is sent to our supplier portal, the supplier must quote via the portal as well.

The RFQ contains all relevant information, such as

- part name and part number
- scale quantities
- lead times for prototypes and mass production
- delivery and payment terms
- documents and drawings

The supplier is obliged to check drawings and documents carefully without any delay and notify KEBA in writing of any defects or concerns relating to the product specification.

### 7.1.1 Documents and drawings

KEBA provides a set of information for all KEBA-specified parts. The set of information is packed in a zip file and the sub-folders and files are created with a logical structure such as a Bill of material (BOM).

Document Type	Description
Bill of documents	summary of specifications including all items, drawing numbers, data sheets and quantities like a BOM
Drawings	drawings are provided in the most common formats: <ul style="list-style-type: none"> <li>• .dxf</li> <li>• .jt</li> <li>• .pdf</li> <li>• .stp</li> </ul>
Data sheets	for standard parts, data sheets will be provided
Delivery Guidelines	provides additional information for design, colours, function and quality assurance

Table 6: Documents and drawings

### 7.1.2 KEBA Norms

For certain aspects of quality which cannot be regulated by standard norms in an adequate way, KEBA provides own standards called KEBA Norms.

If such a norm is mentioned in a drawing or any other document, it has the same binding character as any standard norm.

The most common KEBA norm is the KEN 40002 for the visual inspection of surface treated and visual parts.

### 7.1.3 Open book calculation

If required, the supplier is required to hand out an open book calculation to KEBA. If KEBA provides a template for the cost breakdown, the template must be used for the quotation.

If the quotation meets the expectations of KEBA, the supplier will receive acceptance. This acceptance has no binding effect for KEBA.

### 7.1.4 First Article Inspection

KEBA requests FAI reports from all suppliers for KEBA-specified parts. This means that a small general agreement relating to the procedure will be sent to the supplier by the KEBA quality department. To inform the supplier of the start of this process, KEBA sends a designated purchase order to the supplier.

If KEBA provides a template for the FAI report it must be used by all suppliers. The samples and the report will be inspected at KEBA as well. If the inspection is OK, the product will be released for mass production. If the inspection is not OK, the process starts again with a new order. Deviations will be handled via the standard process of the VQM department.

## 8 Logistics

Getting the right product in the right quantity at the right time in the right place is essential for the success in our business. Therefore it is necessary to know, understand and work according to the expectations of KEBA concerning logistics. In addition to Order Handling, the use of our Supplier Portal as well as our Packaging Guidelines helps conduct all logistic tasks in a very efficient way. Any deviations from these expectations will lead to additional efforts in the whole supply chain, which cannot be covered by KEBA.

### 8.1 Order handling

KEBA provides different types of orders, depending on the type of product or service purchased.

#### 8.1.1 Types of orders

The following list describes the various order documents:

Type of Orders	Description	Important contents
Purchase order	Standard order document for a single purchase	<ul style="list-style-type: none"> <li>• purchase order number</li> <li>• KEBA material number and short text</li> <li>• manufacturer part number</li> <li>• manufacturer</li> <li>• quantity</li> <li>• delivery date</li> <li>• price per unit</li> <li>• deliver and payment terms</li> <li>• delivery location</li> </ul>

Type of Orders	Description	Important contents
		<ul style="list-style-type: none"> <li>• drawing number</li> </ul>
Frame contract	<p>long-term buying arrangement. The contract is a binding commitment to procure a certain material or service from a vendor over a certain period of time. For every call-off, a separate purchase order with reference to the frame contract will be sent to the supplier</p>	<ul style="list-style-type: none"> <li>• frame contract number</li> <li>• KEBA material number and short text</li> <li>• manufacturer part number</li> <li>• manufacturer</li> <li>• validity start and validity end</li> <li>• target quantity</li> <li>• price per unit</li> <li>• deliver and payment terms</li> <li>• delivery location</li> </ul>

Type of Orders	Description	Important contents
	quantities represent the best guess and KEBA intends to order these quantities during the defined period.	

Table 7: Types of orders

## 8.2 Order confirmation

The order confirmation is an important part in the order process and in general a written order confirmation is expected within 3 working days.

Order confirmations are obligatory. Deviations must be clearly indicated.

Order confirmations can be sent to KEBA via the supplier portal (preferred method), email or fax.

## 8.3 KLIP – KEBA Supplier Portal

A very important component for communication with our suppliers is the KLIP. This portal is web-based software for EDI (Electronic Data Interchange) which supports different processes with the aim of increasing efficiency and transparency for repeating activities. If KEBA requires, the supplier will commit to use the portal for the defined processes. The use of the web-based solution is free of charge for all KEBA suppliers.

If the supplier requests an EDI interface to his own ERP system, it is up to him to set up this EDI interface with our partner for the Supplier Portal. Contact data for our partner will be provided by the relevant person in the purchasing department.

All costs for the implementation of this type of interface must be borne by the supplier.

If the supplier has to use the Supplier Portal, a small contract attached, including the rights and obligations for the EDI, must be signed.

Purchase Order Management (POM) and RFQ is currently conducted with this portal.

For the future, KEBA has the right to add further processes and functions to the KLIP. The supplier commits to work in the portal and to use the new functions when released by KEBA.

Naturally KEBA will provide training for every new supplier on the portal and every new function or additional process before the go-live. This means the supplier will be contacted by KEBA to arrange training for the nominated persons.

## 8.4 Traceability

Traceability is very important for KEBA in terms of locating defective parts very quickly and efficiently, avoiding any unnecessary costs for recalling products from customers all over the world.

All of our suppliers therefore have to ensure, whether by identification of the products, or, if this is impossible or impractical, by other suitable means that, in case of defects appearing in a product, the supplier can immediately establish which other products might be affected.

Further details on traceability can be found in the standard KEBA contracts.

## 8.5 Changes / discontinuation of products

Generally all end-of-life (EOL) notifications and product change notices have to be sent to the purchasing department.

Any changes to products must also be forwarded to the purchaser within a reasonable time frame. This also applies to products becoming obsolete.

Changes are any deliberate deviations of the supplier from the specifications of the product, the sample or the provisions concerning safety and environmental requirements. Changes also include changes in the method of manufacture, changes to the manufacturing processes and to the starting materials or supplies used as well as the use of equivalent or substitute parts.

The following information must be included in the information letter:

- manufacturer part number
- date of change
- reason for change
- description of change
- impact of change
- recognisability of change on the product

If products are discontinued, the supplier is obliged to inform KEBA in written form six months in advance. KEBA has the right to place a final order for this product without any quantity regulations.

## 8.6 Packaging / labelling guidelines

Part protection, quality and cost effectiveness are the most important aspects of packaging. These items should be kept in mind at all times during the design and maintenance of packaging. KEBA expects to receive high quality, damage-free parts. The supplier shall mark and package all products in accordance with the applicable logistics guidelines of KEBA.

The logistics guidelines also describe general and organisational issues as well as the procedure in cases of returns and deviations. The contents in detail:

- information on dispatch departments
- means of transport and cargo tools
- identification of deliveries, packaging, articles
- procedure and responsibility for returnable packaging
- return of material
- deviations, responsibility, rejection

## **9 Vendor quality management**

As quality is one of the most important aspects for success in our business, it is very important that all our suppliers comply with our quality standards and guidelines.

Basically KEBA provides a Quality Assurance Contract for all relevant aspects of quality. Depending on the supplier category this contract must be signed before starting mass production.

### **9.1 Outgoing inspection at supplier**

As part of the supplier's quality assurance system, the supplier shall examine the products prior to delivery for conformity with the contract and product safety ("Final Inspection/Pre-delivery Inspection").

KEBA examines products only with regard to their identity and the quantity delivered and will check them for any transport damage to the packaging that is clearly visible from the outside.

The typical incoming materials inspection will be replaced by the Final Inspection/Pre-delivery Inspection of the supplier, who shall thereby also assume all tasks and obligations otherwise associated with the buyer's incoming materials inspection.

### **9.2 Incoming inspection**

As the supplier is obliged to conduct an adequate outgoing inspection for all delivered products, KEBA does not conduct any incoming inspection on a regular basis.

For new products, KEBA conducts an incoming inspection for the first shipments. If these shipments pass the incoming inspection without any defects, the incoming inspection will be skipped as long as no defects appear.

### **9.3 Complaints and 8D report**

If any quality incidents occur during incoming inspections or in the production process, KEBA will inform the supplier via a standard document including all relevant information and if necessary pictures of the incident.

The supplier is committed to send an answer to the complaint promptly, and if requested by KEBA in an 8D-report.

If the supplier does not reply to the complaint in a timely manner or sends an incomplete 8D-report, KEBA has the right to add the whole potentially affected quantity to the ppm-value.

Additionally, KEBA is entitled to charge the supplier for every accepted incident with a service fee of €100 (one hundred) or \$150 (one hundred and fifty).

### **9.4 KEBA Quality Levels**

KEBA provides a table with Quality Levels for all purchased commodities. This chart forms part of the Quality Assurance Contract and forms the basis for the monthly quality reporting as well as the annual supplier evaluation.

## **10 Ethical, safety and environmental aspects**

Quality, health, safety and protection of our environment are of central concern to KEBA. These concerns affect our products, the entire supply chain and all employees working in these processes, their working conditions as well as the environmental friendly treatment of resources of all kinds.

Our basic principles are defined in the KEBA Code of Conduct, which can be found online on our website:

German:

[http://www.keba.com/web/downloads/corporate/purchasing/code\\_of\\_conduct\\_keba\\_suppliers\\_deutsch\\_04.pdf](http://www.keba.com/web/downloads/corporate/purchasing/code_of_conduct_keba_suppliers_deutsch_04.pdf)

English:

[http://www.keba.com/web/downloads/corporate/code\\_of\\_conduct\\_keba\\_suppliers\\_engl\\_04.pdf](http://www.keba.com/web/downloads/corporate/code_of_conduct_keba_suppliers_engl_04.pdf)

In addition to this Code of Conduct for the creation and ongoing further development of our management system, we are guided by the demands of our customers and the principles contained in the EN ISO 14001 and OHSAS 18001 standards.

We consider it self-evident that all legal requirements for safety and environmental protection must be fully respected – this is also a requirement of KEBA for all suppliers

of goods and services. The supplier must comply with national and international public, environmental and safety regulations in the version prevailing at the time of delivery.

KEBA expects all existing and also potential suppliers to accept and follow these guidelines, which form part of our standard contracts and audits.

## **10.1 List of prohibited and declarable substances**

The list of prohibited substances and declarable substances is intended to ensure the development and production of environmentally friendly products and services in all areas of business. Restrictions on the use of certain hazardous substances in the electrical and electronic industries must be taken into account for product development as well as for the procurement of materials, parts and externally produced components. It is the legal responsibility of our suppliers to ensure compliance with all relevant prohibitions, restrictions and declarations. Additionally we expect that our suppliers have a system in place to ensure compliance with these prohibitions, restrictions and declarations.

German:

[http://www.keba.com/web/downloads/corporate/purchasing/V\\_D\\_Liste\\_DEUTSCH\\_2.4.pdf](http://www.keba.com/web/downloads/corporate/purchasing/V_D_Liste_DEUTSCH_2.4.pdf)

English: [http://www.keba.com/web/downloads/corporate/P\\_D\\_Liste\\_ENGL\\_2.4.pdf](http://www.keba.com/web/downloads/corporate/P_D_Liste_ENGL_2.4.pdf)

More requirements on protective regulations and information are written down in the general terms and conditions of purchase of KEBA in capture 5. Protective regulations and information as well as in the standard KEBA contracts.

## 11 List of abbreviations

BOM	Bill of Material
EDI	Electronic Data Interchange
EOL	End-Of-Life
ERP	Enterprise Ressource Planing
FAI	First Article Inspection
KEN	KEBA Norm
KLIP	KEBA Supplier Portal
NDA	Non-Disclosure Agreement
POM	Purchase Order Management
RFQ	Request for Quotation
SIS	Supplier Information Sheet
VDA	German Association of the Automotive Industry
VQM	Vendor Quality Management

## 12 List of pictures and tables

Picture 1: Supplier Qualification Process ..... 8

Table 1: Supplier / manufacturer categories .....	5
Table 2: Main contents of the Supplier Handbook .....	7
Table 3: Audit results .....	9
Table 4: Contracts .....	12
Table 5: Measurements in case of deviations concerning quality levels.....	13
Table 6: Documents and drawings .....	16
Table 7: Types of orders.....	19

## 13 Accompanying documents

Code of Conduct

German: [Code of Conduct](#)

English: [Code Conduct](#)

First Article Inspection Report Template

German: [Template First Article Inspection](#)

English: [Template First Article Inspection](#)

Quality Levels Commodities

German: [KEBA Quality Levels](#)

English: [KEBA Quality Levels](#)

8D Report Template

German: [Template 8D-Report](#)

English: [Template 8D-Report](#)

KEN 40002