



# **Guidelines for suppliers**

**of the HONSA Ltd**  
and all members of the Koller - Group

# Guidelines for suppliers – Honsa Ltd

## General terms

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## **General terms**

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# **Guidelines for suppliers – Honsa Ltd**

## **General terms**

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### **1 General terms**

As supplier of the automobile industry, we are interested to keep partnership and open communication with our own suppliers.

Mutual trust and commitments are the highest assumptions of partnerships of this kind.

These guidelines for suppliers serve as basic definition of expectations by the Honsa Ltd in the communication with its business partners and suppliers. This is the first step to achieve a successful relationship between supplier and customer, and it is furthermore the base of all further documents and agreements.

These guidelines are the base of future business relationship and of our orders.

# **Guidelines for suppliers – Honsa Ltd**

## **Purchase requirements**

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## **2 Purchase**

### **2.1 Prices**

Prices of offers have to be submitted as “ex factory” and “delivered free” prices.

“Ex factory” prices are prices of Free Carrier conditions according to the last version of Incoterms (including packaging costs but without freight costs);

“Delivered free” prices are prices on base of DDP of the receiving factory according to last version of Incoterms.

Unless a different agreement has been made, the standard payment conditions of Honsa Ltd are defined in Honsa’s valid GTC.

### **2.2 Cost reducing agreement**

Honsa Ltd expects from its suppliers to use process improvements and process optimization. Using devices such like these, may add up to cost reducing agreements, defining yearly reduction of the initially agreed prices.

Every cost reduction has to be fixed and confirmed. Unless differently agreed, the agreement time starts always on the 1<sup>st</sup> of January and ends on the 31<sup>st</sup> of December.

### **2.3 Further applicable agreements**

Further technical details and the definition of the packaging, included in the article price, are also fixed in the Technical Delivery Conditions, the VDA conditions or – if necessary – in the nomination letter.

Supplier guarantees that the products delivered by him are able for use in purchaser’s application field.

### **2.4 Parts supply**

As supplier of the automobile industry we are obliged to supply our customers for 15 years after discontinuation of the serial delivery. As supplier of us, you are obliged to do it, too. Part prices will be agreed particularly after EOP, but, normally, they have to comply with the prices of series delivery parts, including packaging costs, too.

### **2.5 Data sheets**

If you deliver products to us, which have safety and/or technical data sheets, we expect you to update any changes in PDF file, posted by E-mail to us.

### **2.6 Contingency plan**

For safety of series delivery obligation, supplier has to create a contingency plan, and he is obliged to agree it with Customer.

# Guidelines for suppliers – Honsa Ltd

## Logistic requirements

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### 3 Logistic requirements

Delivery conditions and logistic requirements describe all important criteria for delivery papers and ordering process. These criteria have to be respected both in pre-series and series orderings.

Regional specialities, such like EKAER, customs etc. have to be noted!

#### 3.1 Delivery documents

##### 3.1.1 Delivery not

Receiver:

- Company name
- Postal address
- Place of unloading, if necessary

Supplier, sender:

- Company name
- Postal address

Number of delivery note:

- Plain text

Delivery data:

- Incoterms (last version)
- weight (gross) [kg]
- weight (net) [kg]
- Packaging type

Additional data:

- Ordering number/position, including creation date, account assignment by Honsa
- Delivery plan number and delivery date, including creation date, account assignment by Honsa

Contact person:

- Name & Phone number

Delivery text:

- Material number of Honsa
- Material number of supplier
- Name of the article
- Quantity, including quantity unit in ordered and standard execution

Note: If delivery is realized in serial meter but the ordering was given in square meter, both of the quantity units have to be specified!

- Cargo types, including quantity of the cargos.

Additional information for incoming goods

- Explanatory notes

# **Guidelines for suppliers – Honsa Ltd**

## **Logistic requirements**

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### **3.1.2 Waybill/CMR**

No special regulations

### **3.1.3 Product transport label**

The product transport labels have to be fixed on every package item according to VDA 4902.

To fix the product transport label:

- Packages: The transport label has to be apparent and able for scanning.
- Pallets with packages: collective VDA label for all packages. For packages please note, for each of them has to be fixed one single label.
- Rolled goods: VDA label has to be fixed on the top part or on the side part of the roll.
- Delivery in pallet cages: VDA transport label has to be placed on the pallet cage. More diverse articles for one single pallet cage have to be coordinated with Honsa's disposition managers! Please use separate VDA transport labels.

### **3.1.4 EKAER (country-specific)**

Necessary documents have to possibly filled and coordinated with the delivery factory.

## **3.2 Necessary system information**

### **3.2.1 Ordering and logistic information from the supplier**

In the questionnaire there will be demanded diverse information about the company and the product. The questionnaire has to be filled, signed and sent back to its requester. The requirements described above have to be fulfilled by every suppliers of Honsa Ltd, or rather, every relevant information has to be given by supplier, before the series delivery starts!

# Guidelines for suppliers – Honsa Ltd

## Logistic requirements

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### 3.3 General delivery and ordering conditions

#### 3.3.1 FIFO

The fulfilling of the principle „first in – first out “ is a basic requirement of Honsa Ltd.

#### 3.3.2 Reception of incoming goods

Delivery of goods for Honsa Ltd is allowed only in the following time:

Mo – Thu.	7.00 – 16:30
Fr.	7:00 – 13:00

Different delivery times have to be agreed in advance always with the contact person!

#### 3.3.3 Confirmation of delivery plan or release order

Every delivery plan will be delivered automatically. No confirmation is necessary.

Orderings have to be confirmed within two working days after their reception. If there is no reply of modification, the ordering supposed to be accepted in its actual form.

If terms of delivery schedule cannot be fulfilled, Honsa’s dispatcher has to be informed about it within two working days after its reception, and supplier has to arrange a new delivery term, or rather, parties have to agree to take necessary measurements.

#### 3.3.4 Deviations from the delivery plan

Please note the following limits:

- Overdelivery: no overdelivery allowed, unless agreed before
- Underdelivery: no underdelivery allowed, unless agreed before
- Early delivery: not allowed. Timely consultation needed,
- Delayed delivery: not allowed: Supplier may be charged with process costs as consequence
- Delivery beyond goods incoming times: allowed only, if there is a written agreement with the dispatcher or the department for logistics of the factory, and if the agreement has been confirmed.
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#### 3.3.5 Packaging materials

Generally, the packaging material exchange will be processed always 1:1!

If the goods come with containers, supplier has to coordinate their return transport with Honsa’s dispatcher.

The return transport will be commissioned by supplier.



# **Guidelines for suppliers – Honsa Ltd**

## **Logistic requirements**

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### **3.3.6 Complaints**

Reclaimed goods will be returned at the expenses of the supplier. The reclaimed materials can be sorted or scrapped, expenses will be covered always by the supplier!

The dispatcher of Honsa Ltd needs to be informed about the complaint immediately after its reception. The original ordering has to be followed by an instant supplementary delivery. Exceptions are allowed only on base of agreements with Honsa's dispatcher!

Honsa Ltd reserves the right, to appoint an external supplier, if the sorting of goods has not been processed in a sufficient quality!

Supplier has to take over liability for any kind of consequential damages!

### **3.3.7 Price, delivery and payment conditions**

All conditions are described in the GTC and the nomination letter. In case of delivery plans they will be not printed. Any modifications or deviations have to be arranged with Honsa's department of purchase.

### **3.3.8 Extra tours**

In case of extra tours undertaken by Honsa Ltd, its expenses need to be clarified with the dispatcher before the tour starts. Honsa Ltd reserves the right, to arrange extra transport tours by himself.

Extra transport tours arranged by supplier on demand of Honsa Ltd can be processed only after written confirmation of Honsa's dispatcher.

Costs and expenses of extra transport tours have to be paid after the polluter pays principle!

Supplier is obliged to register all expenses of extra transport tours occurring in case of complaints, underdelivery situation of a particular delivery item. He is furthermore obliged, to submit it for Honsa Ltd, if required.

The same rule affects supplier's actual status in possible OEM portals, if this is important and indispensable due to product quality and providing the delivery obligation.

### **3.3.9 Additional expenses**

Every deviation from the defined limits of the delivery plan or of the ordering (underdelivery, overdelivery, delayed or early delivery) results additional expenses, which have to be regulated with consensus.

## **3.4 Safety stocks**

### **3.4.1 General issues**

Every supplier is obliged to provide supply for Honsa Ltd.

Losses of production or defective production have to be covered proportionally by own safety stocks.

### **3.4.2 Acceptance obligation of ordered goods**

Acceptance obligation of Honsa Ltd affects all orderings, having been confirmed within ten working days after supplier's notice about the serial discontinuation.

# **Guidelines for suppliers – Honsa Ltd**

## **Logistic requirements**

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### **3.4.3 Acceptance obligation of goods according to delivery plan**

#### **1) Production release:**

This is the scheduled date to release all produced materials from the production. Before this date, production costs of the delivery plan will be paid out after jointly clarifying.

The production release can be granted maximally for 10 working days.

#### **2) Material release:**

This is the release date for material orderings, which are dedicated to ensure production. Before this date, pre-materials of products will be paid after quantity data defined in the delivery plan.

The material release depends on necessary material flow for each particular product and it may take time from a couple of days up to few weeks. The process will be however restricted to maximally four weeks.

# **Guidelines for suppliers – Honsa Ltd**

## **Quality management system**

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### **4 Quality management system**

#### **4.1 Supplier's quality management system**

Supplier is obliged to apply a quality management system and to keep it continuously, which has to be certificated by EN ISO 9001:2015. Supplier is supposed to develop his quality management system with regard to the requirements of IATF 16.949:2016, ISO 14.001:2015 and ISO 45 001.

Supplier has to take specific measurements to improve and ensure his zero tolerance strategy.

If supplier does not own a quality management system certified as described above, he has to submit an agenda for achievement the certification!

Supplier accepts that he might be audited by Honsa Ltd, and for this purpose, in the form of a potential analysis or a full VDA6.3 audit, he grants access to all relevant areas.

#### **4.2 Subsupplier's quality management system**

Supplier informs his own subsuppliers about agenda, resulted from the present contract they have to take over, and obliges them to comply with them.

Honsa Ltd is entitled to request documentary proofs from supplier, which on the one hand attest that supplier has been convinced about the efficiency of his subsupplier's quality management system, and on the other hand – if necessary - thorough different applicable measurements testify the quality of his purchased parts.

#### **4.3 Specifications for suppliers**

Honsa Ltd reserves the right, to arrange technical delivery conditions or specifications with its suppliers, to fix valid quality attributes for each product and to specify quality liability.

The supplier must ensure to meet the requirements of the OEMs (CSR) in terms of production and product.

#### **4.4 Product safety officer**

In case of deliveries, supplier is obliged to name his product safety officer (PSO) for the delivery to Honsa Ltd. If it is not specified by your side, we automatically consider the company's managing director as the PSO.

#### **4.5 Documentation, Information**

The obligation, to store documents of valid prescriptions and proofs is described in diverse customer standards. Unless different agreement, the obligation of storage takes 15 years from the last delivery on. Supplier is obliged to grant on Customer's demand access to these documents.

In case, if it is foreseeable that agreements, such like quality attributes, scheduled terms cannot be adhered to, supplier is obliged to inform Honsa Ltd about it. According to quick corrective action initialization, supplier is obliged to grant access to data and facts.

Before changes of the delivery goods, supplier is obliged to inform Honsa Ltd in time, to make possible for Honsa to verify, whether modifications might be disadvantageous to it. Notifying obligation is regulated in the sampling provisions.

# Guidelines for suppliers – Honsa Ltd

## Quality management system

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All product changes and modifications of the process chain have to be documented (part life).

### 4.6 International Material Data System

International Material Data System, shortly called IMDS, is both a requirement and a tool of the automobile industry, to register, manage and to store materials applied for the production of all vehicles.

All material information of IMDS are on base of the “List of pure substances”. Substances from the VDA list for substances requiring declaration are part of IMDS, too. In case of substances requiring declaration, maximally allowed quantity has to be observed. Due to this circumstances, supplier is obliged to register them in IMDS even in the development phase of the production. If the registration has been not proceeded, the initial sampling will be marked as “released only conditionally”. Supplier will be charged with costs of re-sampling. (<http://www.mdssystem.de/index.isp>).

### 4.7 Environment protection and official regulations

In the production of the goods, materials needed to the production and production processes have to represent newest level of technical development to guarantee the most energy efficient way to produce. As well no pollution with hazardous materials & in general only minimum pollution or the reduction of it (ground, air, water, ...).

We expect from our suppliers, partners and their sub suppliers as well; to reduce their emissions, use renewable energy and \*\*recycled or renewable primary products; if possible. (\*\* previous Honsa confirmation is necessary before changing any raw material)

Beyond this, supplier provides to observe all valid national and international legal acts and provisions.

### 4.8 REACH (if necessary)

Supplier is furthermore obliged to follow the provisions of the EU directive 1907/2006 (REACH) about the registration of substances imported from non EU countries.

Supplier confirms:

- that no of his products delivered for Honsa Ltd contains substances, which are registered at the moment of the contract entering in the actual SVHC list;
- to check modifications of the SVHC list regularly;
- to inform Honsa Ltd immediately, if products to be delivered to Honsa might be affected by extension of the list.

### 4.9 Code of conduct

Supplier is obliged to observe human rights and to preserve ethic principles. All employees deserve protection from discrimination. Prohibition of child and forced labour is mandatory.

These provisions have to be followed both in the own company and the entire delivery chain. For further details please see the valid GTC.

In addition, the supplier must ensure that it complies with the following guidelines:

- Ethical Recruitment
- Diversity, equality and inclusion
- Rights of minorities and indigenous people
- Land, forest and water rights and eviction
- Use of private or public security forces
- Financial responsibility (with accurate records)
- Export controls and economic sanctions
- Decarbonization
- Animal protection
- Biodiversity
- Noise emissions

# Guidelines for suppliers – Honsa Ltd

## Quality management system

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### 4.10 Quality planning

#### 4.10.1 Development, planning

If the delivery contract includes development tasks to be fulfilled by supplier, the requirement specification will be fixed by parties in written form (for example.: TL). All specifications and data which supplier was given, have to be checked for integrity and accuracy from point of view of their application purpose. Honsa Ltd has to be informed about every recognized lacks.

Supplier is obliged to use project management and preventive measurements of quality panning (FMEA etc.) even in the phase of planning. If required by Honsa Otd, supplier has to grant access into single project steps.

Supplier creates a time schedule for the parts to be developed, with regard to the time schedule of customer.

#### 4.10.2 FMEA and inspection planning

A system FMEA (Ko-FMEA) has to be made for parts, whose design supplier himself is responsible for.

A system FMEA process has to be performed for all parts.

Supplier's FMEA has to be prepared after Honsa's notice transparently. The FMEA performance has to rely on the valid edition of VDA Vol. 4.

Furthermore, supplier has to create a product guidance plan for the part. It has to represent the entire process from the incoming goods up to the shipment.

#### 4.10.3 Process capability. series production - Traceability

Supplier defines an inspection concept at his own responsibility, to comply objectives and specifications agreed before.

The fulfilment of relevant features has to be proven with suitable proceedings (Cp, Cpk values).

Process capability for series production is reached, if short term capability is  $C_p > 1,33$  and the longterm capability is  $C_{pk} > 1,67$ .

The requirements will be consulted with supplier before the series production start, and the agreed values have to be documented for example in form of a Technical Delivery Condition. Supplier has to create an initial sample test report complying with Honsa's "VDA requirements of initial sample test reports".

Supplier is obliged to provide the traceability of the products delivered by him.

#### 4.10.4 Samplings

Supplier is principally obliged, to collect information from Honsa Ltd in time, and to perform on demand the initial sampling on schedule. The initial sampling has to comply with the provisions of VDA 2 (in exceptional cases of PPAP).

The delivery of the sample parts has to be proceeded in a packaging considered by supplier to be appropriate to protect the goods from damages. Initial samples have to be delivered free of charge and they are to be labelled as "initial sample".

# Guidelines for suppliers – Honsa Ltd

## Quality management system

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The initial sampling test has to testify the

- measurement
- material
- and functional

properties of the product.

If a purchased part consists of more components, this parts have to tested after the criteria above. The test results have to be documented for Honsa Ltd.

If supplier himself is unable to perform the sampling test, the test of diverse features has to be completed by external actors (for example material analyses).

Suppliers are principally obliged to perform an internal product release and the document it in a product life attached to the documents of the initial sampling.

The documentation has to be performed in initial sampling forms according to VDA (or rather AIAG - PPAP).

EMPB (PPAP) forms have to contain at least the following documents:

- EMPB/PSW cover sheet
- Data sheets of material test results
- Technical data sheet
- Safety data sheet if prescribed
- List of substances in purchased parts
- Part life
- Measurement report
- IMDS data
- Capacity analysis
- Process capability tests (Cp, Cpk)
- A complete legal statement filled out and sent back to Honsa Ltd, which gives supplier's statement about the compliance of his delivered products with all valid legal provisions..

EMPB (PPAP) forms will be accepted only, if they are completely filled.

In case, if the forms have not been filled, or an incomplete sampling has been performed, supplier is obliged to perform a re-sampling process.

### 4.10.5 Quality agreement

To reach the desired zero fault tolerance in delivery quality (it means: product and logistic quality) together with our suppliers, we rely on ppm intervention limits to be agreed and observed.

Ppm values are resulted from the quantity of defectively delivered parts (for example parts, which led to faults during production process due to violation of collateral obligations, such like logistic mistakes), which have to be registered in the production factories and to be published in form of a complaint investigation report.

Special agreements to particular parts/position numbers, defined for example in specification sheets, do not affect this contract and they need a separate agreement.

# Guidelines for suppliers – Honsa Ltd

## Quality management system

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The following target agreement is valid for early faults and delivery mistakes:

Points of supplier evaluation: 10	0-100 ppm
Points of supplier evaluation: 8	101-400 ppm
Points of supplier evaluation 6	401-2000 ppm
Points of supplier evaluation 4	2001-5000 ppm
Points of supplier evaluation 2	5001-10000 ppm
Points of supplier evaluation: 0	10001 ppm and higher

Generally, this target agreement is valid for all delivered materials. If new materials will be involved in the delivery, they have to be also integrated into this agreement.

Parties have to agree about any kind of modifications of this approach separately.

In case of exceeding of the agreed ppm values, supplier is obliged to take appropriate measurements and to inform Honsa Ltd about them.

Honsa Ltd evaluates the efficiency of his suppliers every year. The evaluation will be proceeded on base of the evaluation points published always at the beginning of each year, further with text extensions about the supplier achievements.

We expect our suppliers to study the benchmarks of the evaluation report, to perform an analysis and to take measurements to achieve a continuous enhancement of their activity. The measurements have to be submitted for Honsa Ltd. Supplier has furthermore to send an efficiency analysis to Honsa Ltd. After his evaluation, supplier is even unasked obliged to present an improvement plan extended with measurement and time schedule.

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### 4.10.6 Requalification

Supplier undertakes to perform the requalification process of products delivered by him once in a year.

During requalification process, customer-specific requirements have to be complied and proven.

At least once in a year, all parts of a product serial with their part components have to be inspected after their measurement, material and functionality. The inspection has to proof the compliance with the quality requirements.

It is possible to deviate from his volume, if for initial sampling, in supplier's production guidance plan there was a different volume defined and agreed.

The results have to be documented and to be made accessible for Honsa Ltd in time and unasked. Documents and proofs to be submitted are as follows: EMPB/PWS cover sheet, receipt form. If there are deviations to be processed, Honsa Ltd has to be notified about them immediately. The further procedure method has to be fixed.

Requalification costs have to be defined in the initial offer.



# Guidelines for suppliers – Honsa Ltd

## Quality management system

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### 4.11 Incoming goods inspection

If necessary, Honsa Ltd performs an inspection of incoming goods from supplier, to check their compliance with quantity and identity. Beyond this, Honsa has not to perform inspections and has no reclaim obligation.

Defective delivery will be notified to supplier immediately.

### 4.12 Delivery problems

If due to production faults or other events there are delivery time delays or the delivery quantity cannot be fulfilled, supplier has to notify Honsa Ltd about it immediately.

Furthermore, supplier has to take measurements to find a problem solution in time.

### 4.13 Quality problems

In case of defective material or part delivery, which supplier is undoubtedly liable for, supplier is obliged to take the necessary measurements to repair the fault.

Supplier has to react within one working day, not to endanger Honsa's production. If there is no reply, reaction within this time frame, Honsa – acting as supplier – will initialize improvement measurements, whose costs supplier will be charged with.

In case of defective deliveries, supplier is obliged to care for remedy (supplementary delivery, sorting and reworking).

Honsa Ltd expects his suppliers to refund or to satisfy costs and expenses of faults caused by defective supply products.

Unless differently agreed, supplier is obliged to produce 8D reports for audit report.

Hereby is the following time schedule (calendar days) above to observe for the processing:

D1-3	Response within 24 hours
D4	Response within 3 days
D5	Response within 7 days
D8	Response within 14 days

Requirements of the failure analysis:

- to create Ishikawa + 5 Why – analysis
- to verify the root cause.

The efficiency of the actions must be also validated.

# **Guidelines for suppliers – Honsa Ltd**

## **Quality management system**

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### **4.14 Supplier audits**

Supplier has to accept before the first delivery ordering that he might be audited by Honsa Ltd, and for this purpose he grants unrestricted access to all relevant area in form of a potential analysis or a complete VDA 6.3 audits.

If Supplier does own a certification of the IATF 16949:2016 standard, he hereby authorizes Honsa Ltd to let perform an internal system audit through SQA.

In case of quality problems during the series delivery, Honsa Ltd is any time entitled to perform a supplier audit at agreed time and date.

Supplier grants access for Honsa Ltd during the audit to any necessary product-specific production units, and he grants further access into all relevant documents. Honsa Ltd is obliged to keep all documents he became familiar with, completely secret from third persons.

If due to product quality and delivery obligation safety it is additionally necessary and unavoidable to be familiar with supplier's status at the actual OEM, after consultation with Honsa Ltd, supplier is obliged to disclose it.

# Guidelines for suppliers – Honsa Ltd

## Quality management system

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### 5 Value management

As medium-sized company of the automobile industry, we are aware of the fact that all of our suppliers and partner exert influence on our company and that our responsibility and liability affects beyond our activity our suppliers, too.

We, of course, try to keep and maintain an open, fair and transparent relationship with our suppliers and partners.

#### Requirements for our suppliers

Our future decisions, to select our partners and suppliers, will be in the future partially depend on their contributions for human rights, health, social responsibility, environment protection and safety and other areas of business responsibility.

Our goal is to make our suppliers familiar with these standards, which are supposed to be followed and exerted by them.

**Long termed we expect our most important suppliers and partners to apply the following standards and principles:**

- Payment of salary amount which are sufficient for livelihood, and restriction of obligatory working hours for all employees;
- Support and promotion of economical thinking and acting, fairness in communication with each other, customers and market competitors;
- Constructive and sinful development of safe products, complying with the newest technical conditions, produced with regard to environment protection;
- Use of necessary raw resources, additives and energy sources with regard to environment protection and resource saving;
- Compliance with moral concepts;
- Compliance with ethic values and the principle of equality, rejection of child and forced labour;
- Clean, safe workplaces and working conditions;
- Providing of safety at the workplace and guarantee of entrusted and produced data, compliance with the Conflict minerals reporting;
- Positive cooperation with authorities, institutions;
- Social competence and responsibility by contacting employees, customers, suppliers, authorities, municipal and national instances, family;
- Prohibition of corruption, bribery and blackmail, compliance with valid legal acts and provisions;
- Compliance with requirements for working safety and health protection;

All these kinds of information and documents has to be archive (chronicle). National or international rules following, but minimum for 5 years.

# Guidelines for suppliers – Honsa Ltd

## Quality management system

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### 6 Conflict Minerals Reporting

We hereby inform you about Conflict Minerals policy of the U.S. Securities & Exchange Commission („SEC“).

Producing factories have to declare, whether they use conflict minerals for their production process or function of the produced and delivered goods, which means direct or indirect support and financing of armed groups in the Democratic Republic of Congo and its neighbour countries. Minerals affected by this regulations (called also as 3TG) are as follows:

Columbit-Tantalit (Coltan) and the derivate Tantal, Cassiterit and its derivate: tin; Wolframit with the derivate Wolfram; and gold. Please find additional information to conflict minerals and their legal provisions under:

<http://conflictminerals.aiag.org/>.

To meet these requirements, both Honsa Ltd and all of its suppliers have to prepare information about use of conflict minerals in the entire delivery chain.

Reporting:

- The only accepted option of conflict mineral reporting are as follows:
  - o Filling and provision of data about the web based iPoint Conflict Minerals Plattform (iPCMP or CDX)
- iPCMP/CDX was taken over by automobile manufacturers widely, and this is one of the favoured reporting method. The iPCMP/CDX basic licence, fitted for reporting functions of suppliers, is free of charges. Thus we recommend you to apply this reporting method and to encourage your subsuppliers to do the same.
- All reports submitted in a different format than iPCMP/CDX or CMRT have to be rejected.
- If you have conflict minerals in your products, please report it under [info@honsa-kft.com](mailto:info@honsa-kft.com).

# **Guidelines for suppliers – Honsa Ltd**

## **Quality management system**

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### **Beyond this, we expect our suppliers and partners:**

to grant all relevant information for Honsa Ltd and its representatives properly, to cooperate with them and to make necessary efforts to provide that the own suppliers and partners do the same.

Suppliers and partners have to be informed and to proof that required standards described above will be applied by them.

Beyond this we expect from our suppliers and partners to support the Universal Declaration of Human Rights of the UNO, which gives the definition for “all common ideals of people and nations, which have to be reached” .

Further details of our expectations with regard to the points mentioned above, please find in the directives for respecting of human rights and for complying working conditions.

### **Principles for cooperation:**

We recognize the necessity of cooperation with our suppliers to achieve these standards and requirements. For this purpose, we intend to cooperate with our suppliers and partners as follows:

- We will openly and intensively cooperate with our suppliers and partners to reach these standards.
- We will support suppliers and partners, if they detect areas, in which these standards cannot be or cannot be yet reached. If they work on improving of conditions, if needed, we will support them in that.
- We will concentrate on parts of the supply chain, which may be the most sinfully realizable both for Honsa Ltd and the suppliers and partners, by regarding the compliance and providing of possible resources.
- We will take care by selecting our partners and suppliers about the principles described above, and we also will take into account existing circumstances.

Furthermore Honsa's GTC and Honsa's Code of conduct is mandatory for cooperation.

### **Whistleblowing/Compliance:**

All kind of grievance can be reported free of drawbacks via the following Hotline: (tel. +36 (72) 421 - 216).

Alternatively, via e-mail: [compliance@honsa-kft.com](mailto:compliance@honsa-kft.com).

Anonymous reporting is as well possible.