

SUPPLIER MANUAL
EBM-PAPST LANDSHUT GMBH

Version 1

ebmpapst

engineering a better life

ebmpapst

A photograph of a modern industrial building with a dark grey facade and horizontal white stripes. The 'ebmpapst' logo is visible on the building's exterior. The building is partially framed by green trees in the foreground, and the sky is blue with some clouds.

Preface

ebm-papst is a leading global manufacturer of fans and motors with headquarters in Mulfingen, Germany. The company has more than 15,000 employees at over 25 production sites worldwide. ebm-papst Landshut GmbH specializes in the development and production of electronic motors, fans and drive systems. These products are used in a wide range of applications, including heating, ventilation and air conditioning systems, household appliances, automotive systems and industrial applications. Specific products manufactured by ebm-papst Landshut include EC-fans, centrifugal fans, axial fans and motors for various applications.

We appreciate your interest in working with us as a supplier and want to ensure that our partnership is based on clear expectations and transparent processes.

This manual serves as a binding document for all our suppliers and contains important information on our company guidelines, quality standards, ethical principles and other relevant topics. It is intended to help you understand our requirements and ensure that you can fulfil them.

As a supplier to ebm-papst Landshut, you play a crucial role in our supply chain. We attach great importance to a trusting and long-term cooperation. We strive to develop sustainable solutions together with our suppliers and to create added value for all parties involved.

We thank you for your commitment and your willingness to familiarize yourself with the contents of this manual. If you have any questions or queries, please do not hesitate to contact us.

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1. Introduction

1.1 Scope and validity

The only valid supplier manual of ebm-papst Landshut GmbH (hereinafter referred to as "ebm-papst") for the Landshut site is this supplier manual in its current digital version.

The scope of the ebm-papst Supplier Manual extends to all suppliers and service providers who enter into or maintain business relationships with the company. This includes all production sites and business units of ebm-papst Landshut worldwide.

This manual forms an integral part of every purchasing agreement between ebm-papst Landshut, the supplier and the legal requirements. Unless expressly agreed otherwise in a letter written by ebm-papst Landshut, the supplier is obliged to comply with the regulations laid down in this manual.

Mutual openness, honesty and loyalty play an important role in our business relationship. At the same time, strict confidentiality and secrecy are a prerequisite.

It is advisable to familiarize your affected employees with the contents and requirements of the supplier manual. This ensures that all employees involved in working with ebm-papst Landshut have a common understanding of our corporate principles and standards.

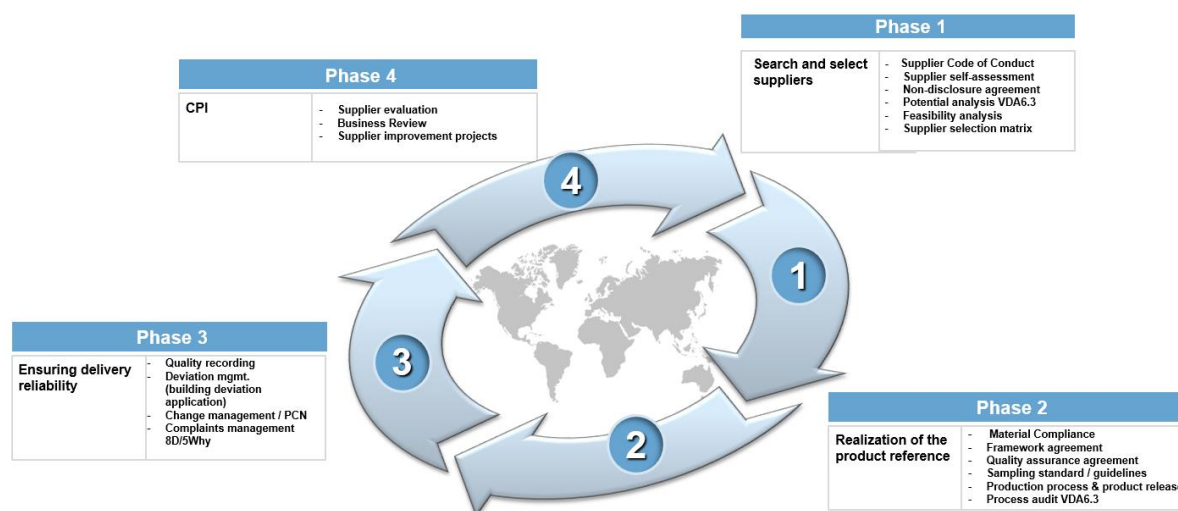


Figure1 : Sourcing Excellence Model

2. Supplier selection

Suppliers for production materials are selected by the Purchasing department in close coordination with the Quality Management, Logistics, Development and Production departments. In addition to technical, economic and logistical aspects, the supplier's quality capability is a decisive criterion in the selection process. Our supplier selection process is divided into five steps. Progression to the next stage requires successful completion of the previous stage. Suppliers who meet the requirements of our supplier handbook have priority in future procurement processes

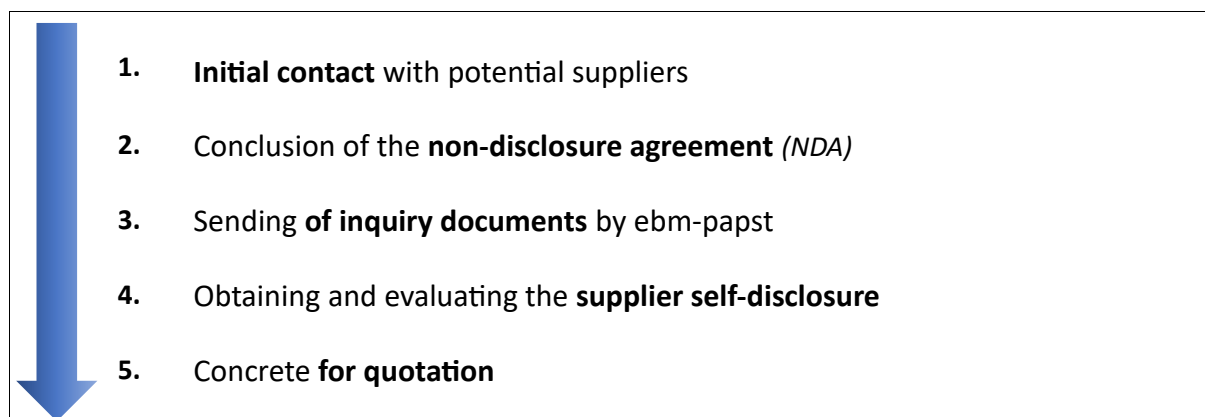


Figure 2 : Supplier selection process

Initial contact with potential suppliers

At the beginning of the supplier selection process, our strategic purchaser will contact you by phone or email to get to know you briefly. In this context, fundamental and trend-setting topics can already be discussed. If an agreement is reached between the supplier and ebm-papst, the process should be continued, a non-disclosure agreement is concluded in the next step.

2.1 Non-disclosure agreement (NDA)

We attach great importance to the security and confidentiality of our data and information. Based on the supply agreement, we always assume that our business partners have a comprehensive obligation to maintain the confidentiality of confidential information provided. However, it may also be necessary to conclude a non-disclosure agreement with our suppliers, especially before exchanging important data and key figures with a higher criticality. This agreement serves to ensure that sensitive information is protected and only used for the agreed purpose. We ask all suppliers to adhere to these provisions to ensure the confidentiality and integrity of our data.

2.2 Sending the request documents

Once the non-disclosure agreement has been successfully concluded, we will send you all the necessary drawings, specifications and other details from ebm-papst that you need as a supplier to be able to prepare and submit a concrete offer.

2.3 Obtaining supplier self-disclosure

To ensure efficient and transparent cooperation with our suppliers, we ask you to provide us with information about your company. The Supplier Self-Assessment in the currently valid version serves to provide us with a comprehensive overview of your organization, your services, established processes and standards, as well as business practices relevant to the business relationship.

Self-disclosure enables us to identify potential risks at an early stage, assess the quality of our suppliers and ensure that our business relationship is based on a solid foundation. We attach great importance to working with trustworthy and reliable partners who share our values and standards.

We therefore ask you to complete the supplier self-assessment carefully and provide all relevant information. As this is a fundamental prerequisite for the inclusion of your data record as a long-term business partner in our systems, we request that you provide us with feedback as soon as possible after you have received the supplier self-assessment from us.

2.4 General Terms and Conditions of Purchase

In order to ensure a smooth and transparent business relationship, we would like to ask you to familiarize yourself with our Terms and Conditions of Purchase. The following [terms and conditions of purchase](#) govern the contractual framework for the purchase of goods and services by our company or the provision of services or the delivery of goods by your company. It is very important to us that these conditions are applied comprehensively and exclusively and that they are adhered to in order to ensure a successful and long-term partnership.

2.5 Supplier Code of Conduct

As a responsible company, we attach great importance to ethical conduct and sustainability in our supply chain. Our [Supplier Code of Conduct \(SCoC\)](#), as amended, forms the basis for cooperation with our suppliers and contains guidelines and standards that we expect our suppliers to comply with. We would like to point out that compliance with our Supplier Code of Conduct is of great importance to us. We expect our suppliers to commit themselves to the principles set out in it and to implement them in their daily business activities.

The Supplier Code of Conduct covers topics such as human rights, working conditions, environmental protection, anti-corruption and fair competition. We are convinced that compliance with these standards not only helps to strengthen our business relationship, but also contributes to achieving a positive impact on society and the environment. We therefore ask you to familiarize yourself with our Supplier Code of Conduct and ensure that you respect and comply with it.

2.6 Requirements for the offer and documents

To ensure that we can review and evaluate your offers and documents efficiently, we would like to draw your attention to the following requirements. Compliance with these requirements is crucial for the smooth handling of the procurement process and successful cooperation with our company.

We attach great importance to the bids submitted being complete, precise and on time. This is the only way we can make an informed decision on awarding the contract and ensure that your services meet our requirements. Therefore, please note the following points when preparing your quotations and documents.

2.6.1 Tender documents required for tender evaluation

The following section lists the requirements for quotations that you must submit to us for review. The following requirements are broken down specifically by product group

Legend:

Document is required for offer evaluation

Raw material

Product group	Comment
Copper	<input checked="" type="checkbox"/> Base price and surcharges shown separately
Copper wire	
Shaft steel	
Tape material	
Aluminum rattles	
Other raw materials	

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Electronics and electromechanics

Product group	Cost Breakdown <i>(filled in)</i>	Requirements	Comment
EMS (printed circuit boards)	<input checked="" type="checkbox"/>	Bill of Material (BOM)	Itemized parts list with individual component prices and epL part number
		NRE -costs (Non-recurring engineering costs /costs for testing and testing equipment)	Separately disclosed and itemized
		Output quantity / capacity with NREs offered	
		Lot size	
		Quoted price based on DDP Landshut incl. packaging and payment term 30 days net	
		Exchange rate applied	in EUR/USD
		Production plant	
		Offered status of documents, deviations if applicable	Comprehensible calculation to determine the offer price
		Delivery time initial sample	Separately disclosed and itemized
		Delivery time series	
Electronic components	<input checked="" type="checkbox"/>	Offer price	Packaging unit (PU)
		Delivery time	Minimum order quantity (MOQ)
		Possibly available stock quantity	Terms of delivery and payment
		Offer validity	Exchange rate
		Delivery to EMS possible?	Readiness to create a safety stock
Plugs & cables	<input checked="" type="checkbox"/>	Minimum order quantity (MOQ) Glow wire test	Surcharges shown separately

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Mechanics

Product group	Cost Breakdown (CBD) <i>filled in</i>	MOQ Payment conditions Delivery time Terms of delivery	Material and labor costs Guaranteed output quantity Number of shots Number of cavities Insert weight	Other requirements
Die casting/ extrusion	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Assemblies	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Ball bearing		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Magnets	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Metal parts	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	if necessary, scrap content and work preparation, based on calculated batch size
C-parts	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Plastics	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Flammability, UL certificate
Rubber & Elastomers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Glow wire test
Packaging material	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	-	

2.7 Feasibility assessment

It is crucial that the supplier carries out a feasibility analysis to ensure that the requirements and specifications of the order can be met. This analysis identifies both the basic suitability of the supplier as well as potential risks and enables measures to minimize risks. The analysis also provides a realistic estimate of costs, schedule and resources. The supplier must check all technical requirements and documents and clarify any ambiguities immediately. Written approval is required for ancillary agreements. With the declaration of manufacturability, the supplier undertakes to be able to manufacture the products reliably. Should additional costs arise, the supplier undertakes to bear these costs. The feasibility analysis is carried out before the order is placed

2.8 Potential analysis based on VDA 6.3

Before placing an order, ebm-papst carries out a potential analysis based on [VDA 6.3](#) in order to evaluate the supplier's processes.

The results of the potential analysis are categorized **into three classifications:**

- **Green:** Requirements fully met. You are a preferred supplier, which leads to greater cooperation.
- **Yellow:** Requirements largely fulfilled. Improvement measures are agreed and monitored, reassessment required after implementation.
- **Red:** Requirements not met. Cooperation is suspended, no new orders. Significant improvements and renewed analysis required.

2.9 Requirements for suppliers' management systems

ebm-papst expects suppliers to have and maintain an effective management system to ensure the quality of the products and services offered by the supplier and to meet the requirements of ebm-papst and its customers. This section describes in detail the requirements for the supplier management system to ensure that all suppliers meet and continuously improve the required standards

2.9.1 Requirements for the quality management system

The Supplier shall set up, maintain and further develop a quality management system in accordance with the following guidelines:

The minimum requirement is a **quality management system** in accordance with **ISO 9001** or **IATF 16949** in the current version.

The supplier must submit all certificates relevant for the supply of ebm-papst with contractual items to the responsible ebm-papst purchasing department immediately, without being requested to do so and on his own responsibility. Certificates must include proof that they were issued by a recognized certification company (e.g. accreditation symbol or a registration number). Changes in the type/scope of certification, new revision statuses of the certificates or the loss of a certificate must also be reported to ebm-papst immediately and without being requested to do so.

Insofar as the supplier is provided by ebm-papst with materials, in particular production and testing equipment, for the manufacture of the contractual items, these must be included by the supplier in his QM system in the same way as his own production and testing equipment.

If agreed with ebm-papst, the supplier is obliged to procure products (components, semi-finished products and materials) and services from sources approved by ebm-papst. The use of these sources of supply does not release the supplier from the responsibility to ensure the quality of the procured products and services on its own responsibility.

2.9.2 Requirements for the environmental management system

ebm-papst expects the supplier to be committed to environmental protection. The supplier must install an environmental management system and consistently implement waste separation, recycling, air pollution control and water protection.

The supplier undertakes to comply with all applicable environmental protection regulations and to work to reduce the adverse effects of its activities on people and the environment. To take account of its special environmental responsibility, ebm-papst expects the supplier to apply and maintain an environmental management system in accordance with the international environmental standard ISO 14001 or EMAS or to continuously and efficiently improve its existing environmental management standards in line with these systems.

2.9.3 Expectations in the context of ebm-papst energy management in accordance with ISO 50001

The efficient use of energy throughout the entire supply chain is an essential factor in an economy geared towards sustainability. This is also the motivation behind the Energy Efficiency Act (EnEfG), according to which all companies – and thus also ebm-papst – with a total annual final energy consumption of more than 7.5 GWh are obliged to introduce an energy management system in accordance with ISO 50001 or an environmental management system in accordance with EMA and have it certified by 18 July 2025. As part of this, we are actively involving our suppliers in our efforts to reduce energy consumption.

We therefore recommend that our suppliers

- develop, monitor and report specific energy performance indicators (EnPIs),
- raise awareness of energy efficiency through regular employee training,
- procure energy-efficient products and services, taking into account life cycle costs,
- regularly conduct energy audits
- and take their results into account in the continuous improvement of their energy efficiency,

in order to achieve sustainable and economically significant improvements in energy consumption.

2.9.4 Environmental compatibility and hazardous substances

The supplier shall ensure that the contractual products are in conformity with the requirements of the relevant substance-related regulations, such as Directive 2011/65/EU on the restriction of the use of certain hazardous substances in electrical and electronic equipment (RoHS) at the place of performance. If the contractual products are to be used at another location and this is communicated to the supplier, the local regulations must also be complied with.

For contractual products that are delivered or imported in or into the European Union (hereinafter "EU"), it shall apply that these are in conformity with the provisions of Regulation (EC) No. 1907/2006 (hereinafter "REACH Regulation"). Supplier shall ensure that all substances, including those contained in contractual products, are pre-registered or registered, insofar as this is required under the REACH Regulation.

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In the event that the contractual products or parts thereof are to be regarded as articles within the meaning of the REACH Regulation, the supplier shall inform ebm-papst after appropriate investigations whether a release of substances contained in the articles is intended that requires registration under the REACH Regulation, or whether the articles or parts thereof contain SVHC according to the European Chemical Agency candidate list (hereinafter "ECHA candidate list") in a concentration of more than 0.1%. The supplier shall inform ebm-papst about the identity of these substances and, if applicable, their concentration in the articles. This obligation shall also apply to those articles for which the respective substances were included in the ECHA Candidate List at a time when the contractual products had already been delivered.

The supplier shall inform ebm-papst in good time of any additional restrictions contained in the REACH Regulation or issued by the competent authorities as part of the implementation of the REACH Regulation. This includes all restrictions on use or authorization obligations pursuant to Annex XIV of the REACH Regulation which actually or probably have an influence on the use, sale or disposal of substances contained in the delivered contractual products.

The supplier shall provide ebm-papst in good time with all necessary information relating to the contractual products supplied which the supplier or the party from whom the supplier purchases must pass on within the supply chain (this means downstream purchasers or users) in accordance with the REACH Regulation. Furthermore, the supplier shall provide all information that ebm-papst or the downstream actors in the supply chain require to fulfill their obligations under the REACH Regulation.

Conflict Materials according to Dodd Frank Act Section 1502: ebm-papst is obliged to provide information to its customers within the supply chain regarding the use of certain materials (so-called "Conflict Materials"). These include the minerals gold, tin, tantalum, tungsten and their derivatives in connection with their origin from the Democratic Republic of Congo. If the supplier uses these minerals in contractual items, he is obliged to inform ebm-papst of this in good time before the fulfillment of the contract and to answer a corresponding customer query annually and to provide corresponding evidence.

If the supplier performs work on the premises of ebm-papst, the supplier shall comply with the relevant applicable safety and accident prevention regulations of ebm-papst and observe the instructions of ebm-papst regarding conduct on the premises in accordance with the external company regulations.

3. Quality and product requirements

At ebm-papst, we attach great importance to the quality of our products and therefore also expect our suppliers to meet these high-quality standards. For this reason, the following sections must be complied with.

3.1 Material compliance

For the release of a component, it is necessary that ebm-papst has the signed [supplier declaration on material compliance and the design and purchasing guideline epL](#) in the currently valid version. This represents an approval criterion.

3.2 Framework agreement

It is very important for us to conclude a framework agreement to ensure long-term and comprehensive cooperation. This agreement will define the future cooperation and the legal framework and thus create a reliable basis for our partnership.

3.3 QAA - Quality Assurance Agreement

The quality assurance agreement (QAA) serves to ensure the quality of products and services between suppliers and customers. It defines the requirements, responsibilities and processes to ensure that the agreed quality standards are met. The conclusion of a QAA creates a binding basis for long-term and successful cooperation.

As part of supplier onboarding, the conclusion of a quality assurance agreement (QAA) is urgently required. This agreement is an important part of our cooperation and should therefore be concluded promptly during the supplier onboarding process.

3.4 Production process and product approval (PPF. or PPAP)

The supplier shall submit the required release documents in accordance with the requested submission stage including the initial samples conforming to the drawing/specification for release in accordance with the schedule agreed with ebm-papst.

Initial samples are to be taken from a representative production run from series production facilities. ebm-papst accepts PPF or alternatively PPAP (see [AIAG homepage](#)) as sampling standards in accordance with VDA Volume 2 (see [VDA homepage](#)). In our [sampling guideline](#) you can specifically recognize the scope of the documents to be supplied. To help you, we have also provided the [checklist Scope of samples](#).

3.4.1 Special features

Features that are classified by ebm-papst as safety-, function- or process-critical and therefore require special attention ("special features") are specified accordingly in the drawing.

If no significant characteristics are specified by ebm-papst, the supplier must define significant characteristics on his own responsibility based on his product/process experience.

These significant characteristics must be identified by the supplier and marked in all relevant product and process documents, e.g. own drawing, FMEA, risk analyses, work and test instructions as well as production control plans. These characteristics must be given special consideration in all relevant planning steps and must be regularly monitored and updated after creation.

3.4.2 Process capabilities

The supplier undertakes to comply 100% with all characteristics stated in the drawing and specification (zero-defect target). To this end, the supplier shall define suitable measures such as tests during production or proof of process capability.

The significant characteristics listed in the drawing are subject to testing and verification obligations, i.e. the characteristics must be permanently monitored and the measured values documented.

In the case of multiple nests, cavities, tracks, etc., this applies to each nest, cavity, track, etc., unless otherwise agreed in writing.

Unless otherwise agreed in writing on a project-specific basis, the following minimum requirements for significant characteristics apply:

	Special features	Safety-relevant features
Short-term/machine capability	cmk > 1.67	cmk > 2.0
provisional process capability	ppk > 1.67	ppk > 2.0
Long-term/process capability	cpk > 1.33	cpk > 1.67

Figure 3 : Process capabilities

If the ability required above is not achieved, a **100% test** must be carried out.

The machine and process capability certificates must be prepared and submitted to ebm-papst free of charge upon request. In the event of a complaint regarding the above-mentioned characteristics, the supplier shall also make these certificates available free of charge for a period requested by ebm-papst or enable the inspection of all relevant data and documents.

3.4.3 Test procedures

Test methods and the test equipment used must be agreed with ebm-papst if necessary. The test equipment must be procured by the supplier or be available and be subject to systematic test equipment monitoring; this also applies to the test and measuring equipment provided by ebm-papst. In addition to timely, recurring calibration, test equipment monitoring also includes ensuring linearity and long-term stability by means of a measurement system analysis (MSA), see e.g.: MSA 4 and MSA 5 in the AIAG Measurement Systems Analysis Manual, Bosch Booklet 10 or VDA Volume 5

Proof must be provided in accordance with the general requirements of VDA Volume 5 (test process suitability) or an MSA in accordance with AIAG (MSA 1 with $cgk \geq 1.33$ and subsequently an MSA 2 or MSA 3 (if test influence can be excluded) with $\%R\&R \leq 10\%$ for metric test characteristics). For categorical or qualitative test characteristics, an attributive measurement system analysis, preferably MSA 7 (kappa statistics) should be used (see e.g. ISO 22514-7 or VDA Volume 5)

3.5 Supplier audit based on VDA 6.3

A supplier audit in accordance with [VDA 6.3](#) is a standardized procedure for evaluating and monitoring suppliers. It is used to ensure quality assurance along the entire supply chain and to identify potential risks.

ebm-papst is entitled to enter the production site and other business premises of the supplier and his sub-suppliers, subcontractors and other vicarious agents together with the end customer after prior notice during normal business hours and to check compliance with the requirements for the contractual products and underlying management systems. In urgent cases, e.g. acute complaints, ebm-papst shall be entitled to access the premises on the day following the announcement

In doing so, ebm-papst will consider the legitimate interests of the supplier and its upstream suppliers, subcontractors and other vicarious agents, in particular confidentiality interests. ebm-papst is entitled to have such audits carried out by a third party obliged to maintain confidentiality. The supplier and its upstream suppliers, subcontractors and other vicarious agents shall provide ebm-papst or the third party commissioned by ebm-papst with reasonable support in the preparation and performance of such audits, by granting access to the relevant documents and providing a technically qualified employee. ebm-papst shall treat the information obtained during such an audit as confidential.

If, in ebm-papst's opinion, the requirements for the contractual products and the underlying management systems are not met by the supplier, the supplier is obliged to immediately draw up an action plan, implement it in due time and inform ebm-papst thereof.

The audit results are included in the supplier evaluation.

The performance of such an audit does not release the Supplier from its responsibility about the manufacture and delivery of contractually compliant contractual products or the provision of contractually compliant contractual services.

4. Ensuring delivery reliability in series production

4.1 Quality recording

The supplier shall keep records of the implementation of all quality assurance measures, in particular of measured values and test results, and shall keep these records and any samples of the products in a clearly organized manner. He shall grant ebm-papst access to the necessary extent and hand over copies of the records and any samples. The retention period for all quality records / summarized data of the final inspection of the delivered contractual products shall be 15 years from the last delivery, unless the parties have agreed otherwise. The documents and records must be stored and disposed of in such a way that they are not accessible to third parties.

4.2 Deviation request

If a supplier or an extended workbench (outsourcing of certain upstream and/or downstream work on a product to service providers) detects a deviation in vendor parts, it can request special approval from ebm-papst via a [deviation request](#). After approval by ebm-papst, the parts can be delivered separately marked. Costs arising from the processing of the deviation request will be invoiced to the supplier.

4.3 Change management/PCN (Product Change Notification)

Under certain circumstances, changes to parts can have unforeseeable consequences for the supplier. The special application of purchased parts in the ebm-papst product range means that features that are inconspicuous to laypersons can lead to risks to life and limb. For this reason, ebm-papst's change management is subject to a special duty of care.

For this reason, ebm-papst has specified which changes to parts or processes must be communicated or approved by ebm-papst. This also applies to subcontractors.

Changes not subject to notification

- Personnel changes in the operating area
- Changes to process parameters within a defined process window in accordance with the process release
- Modifications to machinery/equipment/production facilities, if influence on product quality can be excluded
- test equipment of the same type, performance etc. without influencing the product quality
- Maintenance-related changes (spare parts)
- Additional quality checks, e.g. process control (outgoing goods inspection)
- Additional visual inspections due to new errors (errors not yet listed in the error catalog)

Notifiable changes

- Replacement of machines with machines of a better and more efficient type, with no foreseeable impact on product quality

Changes requiring approval

- Changes to machines/ production facilities/ testing equipment/ production sites/ with a potential impact on product quality
- Changes to process parameters with a potential impact on product quality
- Modification of test parameters and test methods
- Change of (raw) material
- Change of material supplier/service provider
- Process sequence change (process flow) incl. test steps

Prior to the implementation of changes requiring approval, the written consent of ebm-papst must be obtained and the change must be documented in the product life cycle. The announcement of a planned change must be made in good time, but at least six months before the planned implementation, in writing and with all necessary data and facts.

If a supplier makes changes without the consent of ebm-papst, ebm-papst shall be entitled to extraordinary termination of the contract and all affected order(s) without notice. In addition, the supplier shall compensate ebm-papst for all damages incurred by ebm-papst due to the failure to notify the change. Further rights and claims of ebm-papst shall remain unaffected.

4.4 Complaints due to quality defects / notification of defects

Upon delivery, ebm-papst shall only inspect the products with regard to their identity, the quantity delivered and for any externally recognizable transport damage on the packaging. Any defects discovered during this inspection shall be reported to the supplier immediately upon discovery. Hidden defects shall also be reported immediately after their discovery. Any further statutory inspection obligations of ebm-papst are excluded. In this respect, the supplier waives the objection of delayed notification of defects. The supplier must gear its quality management system and its quality assurance measures to this reduced incoming goods inspection. As soon as the supplier learns of complaints in connection with delivered products that are used by other customers for comparable applications, he shall inform ebm-papst of this immediately. The supplier and ebm-papst shall agree on a direct and open exchange of information so that possible effects on the end customer can be excluded or at least minimized. This procedure serves to minimize damage in the interest of both partners. Therefore, both will cooperate fully in clarifying the causes and possible solutions in their area of responsibility, even if the cause of the complaint is disputed between the partners.

If defective products are discovered at ebm-papst or at the customer's premises, the supplier is obliged to take suitable corrective measures immediately and to carry out a problem-solving process in accordance with the 8D methodology on request. The [8D report form](#) can be used for implementation and evaluation. The status of the immediate measures (D3 in the 8D report) must be reported to ebm-papst within 24 hours and updated regularly. As part of the immediate measures, the supplier undertakes to

- immediately set up a Q-gate so that only OK goods reach ebm-papst (e.g. 100% inspection)
- to supply a replacement without delay
- to collect the suspect goods from ebm-papst
- immediately organize sorting or reworking at ebm-papst (e.g. by means of the external service providers specified by ebm-papst)

Cause analyses for the occurrence and non-detection must be carried out using suitable problem-solving methods and must be submitted to ebm-papst. In addition, detailed analyses (such as Ishikawa, 5-Why, fault simulations, etc.) must be carried out. ebm-papst is entitled to participate in the tests and findings carried out by the supplier and its sub-suppliers or to carry out such tests at the supplier's premises with the supplier itself. A detailed action plan (D5 in the 8D report) for effective problem solving of the cause, for the occurrence as well as the non-detection must be submitted to ebm-papst within 14 calendar days after receipt of the complaint. The complete 8D report must be submitted to ebm-papst in writing within 30 calendar days at the latest. If measures need to be corrected, the 8D report must be updated. If necessary, deviating deadlines can be agreed between the supplier and ebm-papst. The 8D process can only be completed with the consent of ebm-papst.

All costs incurred in connection with a complaint caused by the supplier shall be borne by the supplier. Flat rates may be agreed for individual defects.

5. Continuous improvement process

Continuous improvement plays a central role in our company and is crucial to maintaining competitiveness, adapting to dynamic market conditions and ensuring customer satisfaction. Continuous improvement can optimize processes, reduce costs, increase quality and promote innovation. In the following section, we present our methods and tools for supporting our suppliers in continuous improvement.

5.1 Supplier evaluation

Supplier evaluation is necessary to ensure that suppliers meet the company's requirements and standards. Regular evaluation enables potential risks to be identified and minimized at an early stage. In addition, supplier evaluation enables continuous improvement of supplier relationships by identifying weaknesses and jointly developing solutions.

Our suppliers are evaluated **twice a year at six-month** intervals. The **various departments** (strategic purchasing, quality and materials planning) carry out the evaluation of the individual sub-areas. The weighting of the criteria can be found in the supplier evaluation.

In addition to the ppm rating, the following criteria are evaluated:

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		Punkte points	Bewertungskriterium evaluation criteria
Material Management	1. Termintreue delivery reliability Rückstandsauswertung/ backlog evaluation	10	Termintreue / Timeliness >95%
		8	Termintreue / Timeliness 85% - 94%
		6	Termintreue / Timeliness 75% - 84%
		3	Termintreue / Timeliness 65% - 74%
		1	Termintreue / Timeliness <65%
	2. Softfacts - Verfügbarkeit der Ansprechpartner/ Availability of contact person - Einhaltung von Zusagen/ Compliance with commitments - Vorabinformation bei Störungen/Terminverschiebungen/ Advance information about disruption/postponements - Eskalationsmanagement bei Lieferproblemen/ Escalation management of supply problems - Flexibilität/ Flexibility	10	Zusammenarbeit und Flexibilität ist hervorragend/ cooperation and flexibility is excellent
		8	Zusammenarbeit und Flexibilität ist gut/ cooperation and flexibility is good
		5	Zusammenarbeit und Flexibilität ist durchschnittlich/ cooperation and flexibility is satisfying
		2	Zusammenarbeit und Flexibilität ist mangelhaft/ cooperation and flexibility is poor
		1	Zusammenarbeit und Flexibilität ist ungenügend/ cooperation and flexibility is insufficient

		Punkte points	Bewertungskriterium
Einkauf/ Purchase	1. Technische Ausstattung technical equipment	10	Produktionsanlagen sind Stand der Technik inkl. entsprechenden Prüfequipment/ production equipment and testing equipment is state of the art
		8	Produktionsanlagen ausreichend, Prüfequipment ausreichend vorhanden/ production equipment and testing equipment is sufficient
		5	Produktionsanlagen Prüfequipment veraltet, entsprechen Mind. anforderung/ production equipment and testing equipment is out of date, fulfill minimum requirement
	2. Technische Änderungen change management	10	Erfolgt TÄ termingerecht/ change management in time
		5	Erfolgt TÄ mit Verzögerung/ change management in delay
		1	Erfolgt TÄ nur auf Nachfrage bzw. Mahnung/ change management only on inquiry
	3. Kommunikation communication	10	Informationen werden regelmässig proaktiv im zeitlichen Rahmen übermittelt/ continuous proactive communication in time
		8	Informationen werden im zeitlichen Rahmen übermittelt/ communication in time
		5	Informationen werden auf Nachfrage umgehend übermittelt/ communication after request in short time
		2	Informationen werden auf Nachfrage mit Verzögerung übermittelt/ communication after request with time delay
		1	Informationen werden erst nach mehrmaligen Mahnen übermittelt/ communication only after repeated requests

Preis	1. Einkaufspreis price	10	best price
		9	bis + 2 %/ up to 2% Druckguss/ diecasting bis + 5 %/ up to 5%
		6	bis + 3 %/ up to 3% Druckguss/ diecasting bis +10 %/ up to 10%
		4	bis + 5 %/ up to 5% Druckguss/ diecasting bis + 15 %/ up to 15%
		2	bis + 10%/ up to 10% Druckguss/ diecasting bis + 20 %/ up to 20%
		1	ab > +10 %/ over 10% Druckguss/ diecasting ab > +20 %/ over 20%
	2. Preistransparenz price transparency	10	Beträge sind plausibel ; Vollständiger Cost Break Down liegt vor/ fees are plausible, complete cost break down
		7	Beträge sind plausibel ; Teil Cost Break Down liegt vor/ fees are plausible, no detailed cost break down available
		4	Beträge sind plausibel/ fees are plausible
		1	Beträge sind nicht plausibel/ fees are not plausible

		Punkte points	Bewertungskriterium	
Qualität / Quality	1. Reklamationsbearbeitung complaint management	10	Abarbeitung von Reklamationen innerhalb vereinbarter Frist; aussagekräftiger 8D-Bericht; keine Wiederholfehler/ feedback on complaints in time, 8D-report significant, no reoccurrence of failure	
		5	Rückmeldung auf Reklamationen erst auf Nachfrage/ feedback on complaints only on inquiry	
		1	Rückmeldung auf Reklamationen erst nach mehrmaligen Mahnen/ feedback on complaints only after warning	
	2. Qualität der Erstbemusterung quality of initial sampling	10	EMPB- Unterlagen und Muster vollständig, keine Nachfrage nötig/ first sample report and samples are available and complete, no request necessary	
		5	EMPB- Unterlagen erst auf Nachfrage; fehlende Informationen/ first sample report and samples only on request/ missing information in PPAP	
			1	keine/ unzureichende EMPB Unterlagen/ no/ unsatisfying first sample report
	3. Kommunikation communication	10	sehr gute Erreichbarkeit/ separater Q-Ansprechpartner communication is very good/ separte contact for quality available	
		5	Erreichbarkeit nur eingeschränkt availability and communication is satisfying	
		1	Erreichbarkeit und Kommunikation mangelhaft availability and communication is insufficient	

Figure4 : Criteria for supplier evaluation

Classification	Points Supplier evaluation
A	≥ 90
AB	≥ 80
B	≥ 60
C	< 60

Figure 5 : Classification criteria A/B/C

Based on the result, the **supplier is classified as an A, B or C supplier**. In the case of a B or C classification, the supplier undertakes to analyze the causes, draw up an action plan and inform the customer of the status. In the event of a C classification, the supplier is blocked from placing new orders. In the event of a repeated C classification, the supplier's continued suitability is reviewed and further steps are initiated if necessary.

5.2 Target agreement for controlling

5.2.1 Ppm - target agreement

The supplier's quality strategy must be geared towards the continuous improvement of its processes and services. In particular, the objectives are "zero defects", 100% delivery reliability and on-time delivery as well as cost reduction.

To approach a zero-defect target as quickly as possible, the parties shall agree specific, measurable quality targets. Unless otherwise agreed, 100 ppm applies.

The agreement of quality targets and measures, as well as intervention limits including special releases or deviation approvals do not release the supplier from his liability for material defects and claims for damages by ebm-papst due to defects in the delivery, unless these are explicitly excluded in the respective special release.

Unless otherwise agreed, all faulty units found up to delivery to ebm-papst and all customer complaints are included in the calculation.

Likewise, the agreement of quality targets shall not release the Supplier from its liability for any costs arising from special transportation, special promotions and any claims for damages.

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5.2.2 Ppm monitoring

The supplier must monitor compliance with the ppm targets so that he can recognize negative trends or epidemic disturbances at an early stage. Anomalies must be analyzed using standard analysis methods (e.g. Pareto, first level - second level ...), corrective measures must be initiated and the effectiveness of the measures taken must be demonstrated.

At the same time, ebm-papst carries out a monthly ppm calculation and nominates suppliers for a supplier development project in the event of anomalies (see chapter 5.3).

The ppm is calculated as follows:

$$ppm = \frac{\text{Number of defects in the reporting month}}{\text{Quantity delivered during the reporting month}} \times 1000000$$

5.3 Supplier development program (SQIP Supplier Quality Improvement Plan)

The aim of this project is to improve delivery quality, product quality and process quality using specific tools and methods.

Objectives of the supplier development project:

1. **Quality improvement:** Ensuring the consistently high quality of the products and services supplied.
2. **Cost efficiency:** Reduction of production and delivery costs through process optimization and efficiency improvements.
3. **Promoting innovation:** Supporting suppliers in the development of new technologies and products to meet market requirements.
4. **Sustainability:** Promotion of environmentally friendly and sustainable production methods.
5. **Risk minimization:** Identification and reduction of potential risks in the supply chain

Possible triggers for starting an SQIP are

- Negative, high ppm figures over several months
- Errors with a high safety risk (danger to life and limb)
- High error costs
- Risk minimization project (for identified risks)
- Supplier evaluation with B/C classification
- Individual triggers for fundamental problems (e.g. improvement of sampling process/ AWA process/ ...)
- Inadequate delivery performance (on time/on quantity)
- Possibilities for process optimization, possibly with high ratio potential
- Fundamental potential for improvement identified during audits, potential analyses and supplier evaluations

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A joint project agreement with a time frame is drawn up at the start of an SQIP. The basic procedure for an SQIP is as follows:

1. Carry out an **analysis of the current situation** (preferably using Pareto 1st level, 2nd level,...). Depending on the situation, a process assessment together with ebm-papst may also be helpful. However, the use of defect collection charts, time series analysis, quality control charts, measurement system analysis, process capability analyses.... are also suitable for recording the current status. The determination of key figures should start at the beginning of the project in order to visualize the "BEFORE-AFTER" effect.
2. **Identify development needs and set targets** (if necessary, initiate immediate measures/carry out a root cause analysis). If necessary, the time frame of the SQIP must be adjusted.
3. A **5Why** should preferably be used for a **root cause analysis**. If necessary, use the 6M-oriented 5Why / ∞ How form in advance; if several chains of causes are to be expected, it is also helpful to prepare an Ishikawa to visualize all potential causes in the 6M dimensions; in the case of complex, technical faults, an FTA Failure Tree Analysis / Fault Tree Aid can be very helpful.
4. **Continuous definition, coordination and tracking of the supplier's measures**
5. **Final evaluation** (comparison with project agreement) and presentation to the responsible purchaser and quality engineer (incl. lessons learned)

As a minimum requirement, the supplier must maintain an action plan with regular progress. The effectiveness of the measures must be monitored as part of the action plan.

6. Logistical requirements

The supplier manual defines the logistical requirements that suppliers must fulfill in order to ensure a smooth and efficient supply chain. It serves as a guideline for suppliers to ensure that all logistical processes meet the standards and expectations of ebm-papst. Compliance with these requirements is crucial for successful cooperation and on-time delivery of products

6.1 Ordering procedure

The ordering procedures serve to make the purchasing process efficient and transparent. Here are some of the common order types used in our company ebm-papst:

6.1.1 Individual orders

Individual orders contain the scheduled requirements and the previously agreed prices. They are usually sent to the supplier by e-mail, EDI or Supplier Portal. The supplier is obliged to inform ebm-papst Landshut GmbH immediately in the event of deviations from the schedule. The order must be objected to in writing if the specified conditions cannot be accepted by the supplier.

6.1.2 Sample order

A sample order is placed to test or check a product or service in advance. It is used to check the quality, functionality and suitability of the product before larger quantities are ordered.

6.1.3 Delivery schedule

This is agreed between ebm-papst and the supplier. The delivery schedule is an extension of the framework purchasing agreement. This part of the delivery schedule specifies which quantities are to be delivered in which period and at which price. In addition, LABs are regularly transmitted by the material planning department, which show the exact parts requirements at fixed dates from ebm-papst. These must be objected to in writing within 3 working days. If this is not the case, the LABs are directly binding for the supplier.

6.2 Settlement

6.2.1 Suspension, cancellation of orders

ebm-papst is entitled to change or cancel orders until receipt of the respective order confirmation from the supplier.

ebm-papst is entitled to suspend a confirmed order at any time. At ebm-papst's request, the supplier shall immediately suspend the execution of a confirmed order and, at ebm-papst's instruction, store the contractual products for a maximum period of six (6) months at his own expense and risk.

ebm-papst is entitled to cancel confirmed orders in whole or in part for good cause (e.g. customers of ebm-papst cancel their corresponding orders).

6.2.2 Delivery modalities, transfer of risk and ownership, manufacturer's clause

Orders from ebm-papst are processed via EDI, e-mail or the ebm-papst Supplier Portal.

Unless otherwise agreed, FCA (Incoterms as amended from time to time) shall apply to all deliveries. The place of performance for all deliveries is the destination specified by ebm-papst in the order. If such a place is not expressly stated in the order, the place of performance shall be the registered office of ebm-papst. Unless otherwise agreed, deliveries may only be made during business hours at the respective place of performance.

Supplier is generally prepared to carry out a delivery in Kanban or Vendor Managed Inventory (VMI) or consignment stock or supermarket procedure. The details are subject to a separate contract.

Deliveries must be carefully packed by the supplier to avoid damage. At ebm-papst's request, the supplier shall take back packaging material at its own expense. This shall not apply to returnable packaging, which shall be returned to the supplier by ebm-papst at its own expense.

All order confirmations, delivery bills and invoices must contain the order number, the order date, the article description, the delivery quantity, the delivery date and the delivery address. Delivery bills must also contain the parts list index. In the event of a delay in processing due to missing information, the payment terms shall be extended by the period of the delay.

Premature deliveries and/or partial deliveries may be rejected by ebm-papst. Return transportation shall be at the expense and risk of the supplier.

Title to the contractual products shall pass to ebm-papst in full, unconditionally and irrespective of payment of the purchase price upon handover to ebm-papst or to a third party designated by ebm-papst (not: carrier).

If ebm-papst processes, mixes, combines or transforms the contractual products, ebm-papst shall be deemed the manufacturer and shall acquire ownership of the end product at the latest upon such further processing.

6.2.3 Packaging instructions

The [Shipping & Packaging Instructions](#) in the Download Center, as amended, contain detailed instructions and guidelines for the correct packaging of products to ensure that they are optimally protected during transportation. This regulation specifies which materials should be used, how the products should be packed and which labeling is required. Compliance with this regulation is important to prevent damage to the products and to ensure smooth delivery. The labeling of the delivery items and the smallest delivery containers in accordance with VDA 4994 is necessary for clear identification and the basis for traceability in the event of a fault.

6.2.4 Delivery time, delay, contractual penalty

Any delivery time(s) specified in the order shall be binding for the supplier, taking into account any agreed lead times. If no delivery time(s) are specified in the order, delivery shall be made without delay, taking into account any agreed lead times. The supplier shall inform ebm-papst immediately if delivery time(s) cannot be met. The supplier shall inform ebm-papst of the reason and the expected duration of the delay.

In the event of doubts as to the supplier's ability to deliver, readiness to deliver or adherence to delivery dates, ebm-papst may set a deadline for the supplier to declare and submit proof of ability to deliver, readiness to deliver or adherence to delivery dates, together with the threat to withdraw from the respective order if the deadline expires without result.

If the supplier is in default with a delivery, ebm-papst is entitled to charge a contractual penalty of 0.2% of the net value of the delayed delivery for each working day or part thereof, but not more than 5% in total. The contractual penalty is in addition to the claim for performance and serves as a minimum amount of compensation. The contractual penalty may be demanded until the final payment is due. The assertion of further rights and claims by ebm-papst, in particular any further damages, remains reserved. Any contractual penalty paid shall be offset against any further claim for damages based on the same cause of damage.

In the event of delays that lead to production losses and additional costs, in particular consequential costs in connection with special freight to our customers, we reserve the right to charge these costs to the supplier. This includes all costs incurred as a result of the delay.

6.2.5 Prices, terms of payment

The prices of the contractual products shall be agreed separately between the parties. Unless otherwise agreed, all prices are in EUR and do not include any statutory value added tax.

Unless otherwise agreed, the agreed prices include all ancillary services (e.g. assembly/installation, assembly, installation, commissioning, setup/adjustment, preparation of any supplementary offers) as well as all ancillary costs (e.g. packaging, transportation, insurance of the goods), taxes, customs duties and other charges. Travel and waiting times as well as travel costs and expenses shall not be remunerated separately.

Unless otherwise agreed, the term of payment is **60 days net**. The term of payment shall commence upon receipt of a proper invoice, but not before complete delivery including all documents and acceptance (if acceptance is required). The date of receipt of the transfer order from ebm-papst at its bank shall count for compliance with the deadline.

Unconditional payment by ebm-papst does not imply acceptance of the delivery by the supplier as being in accordance with the contract.

ebm-papst shall not owe any interest on arrears. Unless a lower default interest rate is provided for by law, the default interest shall be five (5) percent per annum. The statutory provisions shall apply to the occurrence of a default in payment, whereby a reminder from the supplier shall be required in any case.

Unless expressly agreed otherwise, the agreed prices are fixed prices and apply for the term of this contract.

Over the course of the business relationship, experience has shown that rationalization opportunities arise, including in relation to the production process, material and material flow, quality and organization. The parties will therefore generally hold discussions on possible cost reduction potential once a calendar year. The supplier undertakes to identify cost reduction potential for the contractual products and to take up potential identified by ebm-papst and actively implement such potential in coordination with ebm-papst. The supplier also agrees to participate in value analysis procedures. At ebm-papst's request, the supplier shall carry out an open calculation with ebm-papst with the aim of jointly identifying potential cost savings. Measures based on rationalization or value analysis procedures must not impair the function and/or quality of the contractual products.

Furthermore, the supplier is obliged to negotiate price reductions with ebm-papst in partnership and taking into account the principle of good faith if ebm-papst has a comparable competing offer at a price that is at least 5% lower. Insofar as ebm-papst is permitted to do so, the supplier shall be given insight into the competing offer. Within a maximum of eight (8) weeks, the supplier shall submit to ebm-papst a plan of measures to restore its competitiveness, which shall, inter alia, show the cost-effectiveness of each individual measure separately. If ebm-papst accepts the action plan, the measures in the action plan shall be implemented by the supplier within the agreed schedule. If the parties are unable to agree on an action plan within six (6) months of ebm-papst's request, ebm-papst shall be entitled to terminate the contract and/or the respective order concerned with a notice period of six (6) months.

Unless otherwise agreed, the preparation of drafts and cost estimates as well as similar activities by the supplier in preparation for the order shall be free of charge.

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6.2.6 EDI connection

We offer our suppliers the option of transmitting information via EDI. The ebm-papst IT department provides the supplier with a standard for encrypted data transmission. We can offer two types of connection: AS2 or OFTP2 (preferred). If you consider an EDI connection to be useful for data transmission, please contact our IT department for more information on the standards and codes.

6.3 Ensuring production capacity

The exact quantities and requirements will be communicated to you approximately 12 months in advance as far as possible. This information is based on our forecasts and serves as an estimate for securing the production capacity required for our delivery quantities.

If you provide us with your capacities, please calculate them using the following assumptions: The capacities for **a material number** should be shown **per working day week with two shifts** using the required tools. We always assume a **5-day week**.

6.4 Suppliers in third countries

It is important that suppliers in third countries provide a corresponding notification to the logistics department when the goods are ready for dispatch for the carrier nominated by us (unless otherwise agreed). This notification must include all documents relevant to the shipment, such as commercial invoice, packing list and, for example, Bill of Lading (B/L) or Air Waybill (AWB).

This gives us an overview of the shipments in transit (including shipping or flight data) and allows us to prepare for the upcoming import customs clearance. The relevant documents must be available by this time at the latest.

Contact: Mr. Daniel Söll, daniel.soell@de.ebmpapst.com, +49 871 707-8802

6.5 Trade compliance and foreign trade

Export regulations and supplier information

Supplier shall point out if the export of the contractual products is excluded or subject to authorization under the relevant export and customs regulations of the Federal Republic of Germany, the European Union or the USA.

supplier must also provide ebm-papst with the following information:

- Indication of all relevant export list numbers;
- Indication of possible inclusion in the US Commerce Control List (CCL) and the relevant list number; indication of whether the contract products comply with the current version of the EU Dual-Use Regulation (EU) 2021/821
- are subject to export authorization and the relevant list item number;
- Statistical commodity code as defined by the commodity code for foreign trade statistics (WA) and the HS code (Harmonized System)
- Indication of origin (non-preferential origin) of the contract products;
- Supplier information on the preferential origin (if required by ebm-papst);
- Certificates of preference (if required by ebm-papst).

Supplier expressly warrants to comply with applicable export control regulations and embargo/sanction regulations of the Federal Republic of Germany, the European Union and the USA, including, but not limited to, prohibitions or licensing requirements with respect to the import or direct or indirect purchase and any related processing of products to be delivered.

If ebm-papst is required to obtain an export and/or import license, the validity of an order shall be subject to the condition precedent that the license is granted. The supplier shall be obliged to provide ebm-papst with all information and documents required for the granting of the license without delay.

7. Information technology

7.1 Cyber and information security

Suppliers must have systems and procedures in place to protect computers, servers, mobile devices, electronic systems, networks and data from malicious attacks of any kind.

In addition, suppliers must have procedures in place detailing the response to attempted or actual cyber-attacks. These procedures must include immediate notification to ebm-papst Landshut GmbH of any potential impact on ebm-papst Landshut GmbH data or business. In view of the growing dependence on electronic systems and electronic communication as well as the constantly increasing threats to the protection and security of information, it is recommended that suppliers implement an information security standard in accordance with a recognized standard. (e.g. ISO/IEC 27000, BSI - Basic Protection, etc.)

All identified confidential information, such as technical data, development and design data and other critical information, must be managed and maintained in a secure environment. Depending on the type and need for protection of information and data, suppliers must demonstrate appropriate security measures and a sufficient level of information security.

8. Sustainability

In a time characterized by global warming and scarcity of resources as well as a rapidly growing population, we at ebm-papst attach great importance to creating a balance between ecological, social and economic aspects through sustainable corporate management to meet the needs of today's generation without jeopardizing the opportunities of future generations.

However, this can only be achieved in full if our suppliers also integrate sustainable practices into their business processes. This enables the development of business relationships that are designed for the long term. This allows ebm-papst and its suppliers to benefit from the advantages of sustainable business together.

Topics relating to sustainability in the supply chain are also part of the annual sustainability report, which ebm-papst is obliged to produce in accordance with the Corporate Sustainability Reporting Directive (CSRD). This alone makes it necessary for ebm-papst's suppliers to increasingly implement sustainable practices and report the results to ebm-papst.

8.1 Recording and reducing greenhouse gas emissions (GHG)

Companies that commit to measurable greenhouse gas reduction targets benefit from increased investor confidence, innovation support, improved brand reputation and regulatory certainty. In line with its Science Based Targets initiative (SBTi) commitment, ebm-papst is therefore pursuing a wide range of projects to achieve the binding targets set for reducing greenhouse gas emissions. We see this as a contribution to mitigating climate change and the associated negative effects on humanity. At the same time, we expect this to bring economic benefits, as more efficient processes and products are usually associated with lower resource consumption and are therefore more cost-effective.

Greenhouse gas emissions (GHG) are recorded and reported at ebm-papst in accordance with the Greenhouse Gas Protocol in the three categories **Scope 1, 2 and 3**.

Scope 1 includes all direct emissions that originate from sources that the company owns or controls. This includes emissions from the combustion of fossil fuels in company-owned plants and vehicles

Scope 2 emissions arise indirectly from the consumption of purchased energy, such as electricity, steam, heating and cooling. Although the company does not generate this energy itself, it is responsible for the emissions that occur during the generation of this energy.

Scope 3 comprises all other indirect emissions that occur along a company's entire value chain. This includes emissions from the production of purchased raw materials, the use of products and services sold and business travel.

ebm-papst is working on reducing emissions in all areas with a bundle of measures. With regard to measures in the area of Scope 3, this means asking suppliers to take responsibility for actively quantifying and reporting greenhouse gas emissions and to plan and implement measures to reduce them.

8.2 Respect for human rights and the environment

Compliance with the German Supply Chain Sustainability Act (LkSG) is of great importance to us as a company, as it ensures that we act in a socially and environmentally responsible manner along our entire supply chain. By complying with this law, we can help to ensure that our products are manufactured under fair working conditions and that there are no human rights violations or environmental damage along the supply chain. We are aware of our responsibility within the global flow of goods. We are committed to reducing environmental and human rights risks along the value chain. This means that we review our own operations and our supply chain for potential environmental and human rights risks in order to prevent or mitigate violations or risks. This requires a joint effort and we therefore ask you to fulfill the requirements and expectations of a zero-harm value chain. We have therefore established a risk management system to meet these requirements.

The regular annual risk analysis of the supply chain as part of risk management is carried out in two major steps. In the first step, an abstract risk assessment of direct suppliers (Tier 1) is carried out. Suppliers are mapped according to country and sector risks. The potential risks of high-risk and high-risk suppliers are examined further. In a second step, specifically identified risks and/or violations are assessed on the basis of the legally established appropriateness criteria (type and scope of business activity, degree of influence, severity and probability, contribution) and then prioritized according to the assessment result. An event-driven risk analysis is also carried out in certain cases. The scope of the event-driven risk analysis goes beyond Tier 1 suppliers and also includes suppliers further down the supply chain (Tier n, n>1). For our own business division, the annual analysis of human rights and

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environmental risks is integrated into the regular central risk management system. More information on the legal requirements of the Supply Chain Duty of Care Act and their implementation at ebm-papst, please refer to our [policy statement](#) in the currently valid version. We would also like to take this opportunity to draw your attention to our reporting system. The web-based and certified whistleblower system BKMS® Incident Reporting is available to all employees and business partners of the ebm-papst Group as well as any other person around the clock and from any location to report compliance violations of legal requirements and internal organizational rules. Furthermore, this system makes it possible to point out human rights and environmental risks as well as violations of human rights or environmental obligations that have arisen as a result of ebm-papst's business activities in its own business area, our business partners or suppliers in the supply chains. The system is available around the clock and, if desired, anonymously at [BKMS®](#)

9. Appendix

9.1 Exceptions

Deviations from the guidelines laid down in the ebm-papst supplier manual require prior written agreement with ebm-papst. ebm-papst reserves the right to charge the supplier for any costs incurred as a result of violations of the requirements of the supplier manual.

9.2 Other applicable documents

Position	Document	Link
1	<i>ebm-papst download portal</i>	Download portal
2	<i>General purchasing documents</i>	Terms and conditions of purchase
3	<i>Supplier Code of Conduct (SCoC)</i>	Supplier Code of Conduct (SCoC)
4	<i>Supplier declaration on material compliance</i>	Supplier declaration on material compliance and design and purchasing guideline ePL
5	<i>Feasibility analysis</i>	In Progress
6	<i>Guideline for initial sampling</i>	Guideline for initial sampling
7	<i>Checklist for the scope of samples</i>	Checklist for the scope of samples
8	<i>Deviation request (AWA)</i>	Deviation request (AWA)
9	<i>Form 8D Report</i>	Form 8D Report
10	<i>Shipping and packaging instructions</i>	ShippingPacking instructions ebm-papst Landshut EN.pdf (ebmpapst.com)
11	<i>Policy statement on human rights and environmental due diligence</i>	Policy Statement/Declaration of principle
12	<i>Whistleblower system BKMS®</i>	BKMS®

9.3 Contact persons

Topic	Contact person	Department	Telephone number/e-mail
Strategic purchasing	The responsible specialist (Contact details will be provided during the onboarding process)		
Material planning			
Incoming goods			
Shipping			
Quality management			
Import/ Foreign trade	Daniel Soell	Administrative Logistics	+49 871 707-8802 daniel.soell@de.ebmpapst.com
Supplier manual General	Elias Hartl	Strategic purchasing	+49 871 707-181 Elias.hartl@de.ebmpapst.com
Division Manager Strategic purchasing	Hermann Obermeier	Strategic purchasing	+49 871 707-146 Hermann.obermeier@de.ebmpapst.com
Division Manager Quality & Environment	Dr. Thomas Hölzl	Quality & Environment	+49 871 707-337 Thomas.hoelzl@de.ebmpapst.com
Division Manager Operations & Supply Chain	Hanno Froese	Operations & Supply Chain	+49 871 707-491 hanno.froese@de.ebmpapst.com

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9.5 List of abbreviations

3D	<i>three-dimensional</i>
AIAG	<i>Automotive Industry Action Group</i>
AWA	<i>Deviation request</i>
AWB	<i>Air Waybill</i>
BOM	<i>Bill of Material</i>
BSI	<i>Federal Office for Information Security</i>
CBD	<i>Cost Break Down</i>
CO ₂	<i>Carbon dioxide</i>
CSR	<i>Corporate Social Responsibility</i>
DDP	<i>Delivered Duty Paid</i>
DGQ	<i>German Society for Quality</i>
ECHA	<i>European Chemicals Agency</i>
EC fans	<i>Electronically commutated fans</i>
EDI	<i>Electronic Data Interchange</i>
EMAS	<i>Community eco-management and audit scheme</i>
EMS	<i>Electronic Manufacturing Services</i>
FCA	<i>Free Carrier</i>
FMEA	<i>Failure mode and effects analysis</i>
IEC	<i>International Electrotechnical Commission</i>
ISO	<i>International Organization for Standardization</i>
LAB	<i>Delivery call-offs</i>
LEP	<i>Supplier Development Program</i>
PCB	<i>Printed circuit board</i>
LSA	<i>Supplier self-disclosure</i>
MOQ	<i>Minimum order quantity</i>
MSA	<i>Measurement system analysis</i>
NDA	<i>non-disclosure agreement/ non-disclosure agreement</i>
NRE	<i>non-recurring engineering costs (one-off costs)</i>
PCN	<i>Product Change Notification</i>
PPAP	<i>Production Part Approval Process</i>
PPF	<i>Production process and product release</i>
ppm	<i>Parts per million</i>
QM	<i>Quality Management</i>
QS	<i>Quality System Requirements</i>
QAA	<i>Quality Assurance Agreement</i>
REACH	<i>Registration, Evaluation, Authorization and Restriction of Chemicals</i>
RoHS	<i>Restriction of Certain Hazardous Substances</i>
SCoC	<i>Supplier Code of Conduct</i>
SPC	<i>Statistical Process Control</i>
SVHC	<i>Substance of Very High Concern</i>
TK	<i>Technical data sheet</i>
VDA	<i>German Association of the Automotive Industry</i>
VMI	<i>Vendor Managed Inventory</i>
PU	<i>packaging unit</i>

10. Change history

Revision	Date	Changes	Author
1	15.02.2025	Initial creation of supplier manual	Elias <i>In cooperation with specialist departments</i>