

**AGREEMENT ON THE  
PRINCIPLES OF COOPERATION**

**dated (dd/mm/yyyy).....**

between

**Pepperl + Fuchs** (please choose right destination)(“P+F”)

and

..... (“Supplier”)

(supplier’s registration no. XXXXXX)

**WHEREAS**

P+F is known by customers around the world as a pioneer and an innovator in electrical explosion protection and sensor technology and develops, produces and distributes electronic special products for factory and process automation. Aiming to make a sustainable and ongoing contribution to the success of P+F, its procurement department’s goal is to work with suppliers who meet the technical, cost, quality, timing and reliability requirements and to establish a long-term partnership. The following principles are intended to show the expectations of P+F on suppliers and form the basis for the delivery relationship. These principles apply in addition to the other contractual agreements between P+F and the Supplier. In case of discrepancies between these principles and any purchase order or sales contract, the terms of the purchase order or sales contract shall take precedence. This Agreement and Annexes shall also apply to all affiliated companies of P+F within the meaning of §§ 15 et seq. AktG (German Stock Corporation Act).

**1. Delivery**

P+F expects that the Supplier delivers the products within the agreed terms, in the agreed quantity, to the agreed price and specification.

The Supplier shall notify immediately the responsible person in the procurement department at P+F by written notice about any deviation from the order conformation concerning the agreed delivery date or agreed delivery quantity. The right of P+F to assert claims against the Supplier arising from the delayed delivery is expressly reserved.

**2. Index of drawings**

It is the responsibility of the Supplier to ensure that each production or delivery of parts to P+F corresponds with the current index of drawings of the purchase order. If the current drawing revision is not available, it has to be requested by the supplier from the responsible person in the procurement department.

Deliveries which do not correspond with the current index of drawings of the purchase order will be rejected.

### **3. Changes to products**

Most end products of P+F have special approvals, which determine components of a certain specification. These specifications are binding and, if changes occur, this will lead to a termination of the approval.

This means that the information regarding changes to the product have to be forwarded to the Component Manager at P+F at the earliest possible time, at least 6 months before planned changes to the following address:

[puf-pcn-info@de.pepperl-fuchs.com](mailto:puf-pcn-info@de.pepperl-fuchs.com)

### **4. Delivery of sample parts for approval (P+F customized parts)**

Because of quality and economic reason, a series production shall start in a smooth manner. Therefore, P+F orders approved first samples before series delivery starts. Conditions and requirements of providing first samples are described in the guideline TDPPF-A040109xEN latest revision (see **Annex 1**).

### **5. Discontinuation of products/components/raw materials**

In case of discontinued products, components or raw materials the Supplier shall notify immediately the Component Manager under the following address:

[puf-pcn-info@de.pepperl-fuchs.com](mailto:puf-pcn-info@de.pepperl-fuchs.com).

The note of discontinuation has to include the following information:

- Last date of orders
- Last date of delivery
- Possible alternatives with data sheets

### **6. Change of materials or manufacturing processes (for drawing-based articles according to P+F drawing)**

It is the Suppliers' responsibility to assure that any changes to the materials that affect form, fit, function or performance, in any way, shall not be initiated without prior approval from the responsible person in the procurement department. The use of re-cycled materials is strictly prohibited.

### **7. Quality management**

The Supplier is fully responsible for the quality of all the products. The Supplier must set up and maintain an effective Quality Management System, implement the relevant processes, review the effectiveness and ensure that delivered products comply with the specifications. On request of P+F the Supplier shall deliver information about the Quality Management System.

## 8. Identification, Packing material, packing and shipping

The delivered products must be provided with the necessary documents including but not limited to the information required by the specifications or requested in in the purchase order.

The delivered products must be packaged as is standard in the industry and in such a way as to preserve their integrity and conformity during handling, storage and transportation; waste management goals of environment legislation must be observed by Supplier.

Depending on the product P+F expects Supplier to observe certain packing specifications to be defined by P+F.

The identification/label on each article batch should include the following, if this is feasible or was requested by P+F (e.g. in the delivery guidelines).

- Name of seller/supplier or trademark
- Description of the parts
- P+F Part number
- Manufacturer's Part number, if applicable
- P+F Drawing number
- Quantity or weight
- Date of manufacture, if applicable
- Shelf-life expiry date, if applicable
- Safety or handling precaution sign, if applicable

Please also take care for the requirements according to our delivery guideline (see **Annex 5**).

## 9. Handling of quality complaints

The Supplier shall ensure to deliver only new and manufacturer's original products which comply with the specifications and requirements according to the purchase order. In case of a delivery with complaints P+F expects a feedback in form of a 4D-report to be addressed by e-mail to the complaining location within 5 working days to introduce immediate actions and corrective action report.

This corrective action report is to prevent similar discrepant product from being produced and/or delivered to P+F. It must be understood that further deliveries will be suspended if no positive response is received.

The Supplier shall provide an 8D-report latest 4 weeks after receiving the complaint note to be addressed by e-mail to the complaining location.

Expectations on handling a complaint is described in P+F document TDPPF-A040406x\_EN (see **Annex 2**) latest revision.

## 10. Indication of change from operational manufacturing plants and sub-suppliers

If products for P+F are affected Suppliers are to inform P+F's procurement department by e-mail if there are any changes in the manufacturing location, process, changes in equipment or sub-suppliers.

**11. Compliance with regulations for substances and material, in particular, but without limitation to EU Directive 2011/65/EU (ROHS2) and EC Regulation EC No 1907/2006 (REACH)**

The Supplier undertakes and warrants, that the delivered products comply with all legal requirements, including but not limited to EU Directive 2011/65/EU (ROHS2) and EC Regulation EC No 1907/2006 (REACH) in their respective valid version; this also applies if the Supplier is a legal entity from outside the European Community.

The Supplier shall send to P+F for each delivered product the Supplier`s declaration according to **Annex 3** fully and truthfully completed; in cases of amendments of legal requirements or modifications to the products the supplier is obliged to send the Supplier`s declaration again without request to [materialcompliance@de.pepperl-fuchs.com](mailto:materialcompliance@de.pepperl-fuchs.com)

**12. Code of Conduct**

P+F is committed to the Code of Conduct of the German Electrical and Electronics Manufacturers` Association (ZVEI) and the social responsibility that arises from it. For this reason, P+F adopted the ZVEI Code in its original version, see **Annex 4**. Our system of value also encompasses guidelines for behavior by which we measure our daily actions. P+F expects the Supplier to comply with a comprehensive Code of Conduct and the Supplier will proactively work to ensure that the values mentioned in **Annex 4** are put into practice and adhered.

..... [company name	..... [place / date]
..... [Name] [Position]	..... [Name] [Position]
..... [company name	..... [place / date]
..... [Name] [Position]	..... [Name] [Position]

Following Annexes shall form an integral part of this Agreement

- Annex 1**     Guideline TDPPF-A040109xEN (Directive on First Sample Requirement)
- Annex 2**     Document TDPPF-A040406x\_EN (Guideline for the treatment complaints and preparation of 8D-Reports)
- Annex 3**     Supplier`s declaration ROHS / REACH
- Annex 4**     Supplier Code of Conduct
- Annex 5**     P+F Packaging Guideline