



For the services provided by our suppliers the following main-criteria are differentiated in the supplier performance rating. All or selected main-criteria are assessed individually every six months. All main- and sub-criteria are explained in detail on the next pages.

- **Range of services** (Quality)
- **Third party Authorization / Certification** for particular services (Quality)
- **Readiness / Flexibility / Cooperation** (Quality)
- **Work result** (Quality)
- **Adherence to schedules** (Logistic)
- **Commercial Performance** (Procurement)
- **Technological and Innovation Capability** (Technology & Innovation)
- **Sustainability** (Sustainability)

If applied, 1-100 points are awarded for the individual main-criteria. No overall average is calculated. We expect our suppliers to strive for the maximum number of points in all areas. The classification of the score achieved and our derived expectations, consequences and measures can be seen below:

<p><b>Excellent Performance</b> 100 - 81 points</p>	<ul style="list-style-type: none"> <li>▪ There is no need for an explanatory statement from the supplier.</li> <li>▪ The supplier will be given preference when placing orders.</li> </ul>
<p><b>Average Performance</b> 80 - 61 points</p>	<ul style="list-style-type: none"> <li>▪ An explanatory statement from the supplier is expected.</li> <li>▪ Improvements are expected from the supplier.</li> </ul>
<p><b>Just Adequate Performance</b> 60 - 41 points</p>	<ul style="list-style-type: none"> <li>▪ A written statement from the supplier is mandatory (within two weeks after receiving the rating results)</li> <li>▪ Improvement measures with deadlines for supplier development are to be agreed (within four weeks after receiving the rating results)</li> <li>▪ Limited order placement or status "new business on hold"</li> <li>▪ The takeover of additional effort in our company (inspection costs, sorting costs, etc.) has to be agreed with the supplier for future deliveries, possibly.</li> </ul>
<p><b>Inadequate Performance</b> 40 - 1 points</p>	<ul style="list-style-type: none"> <li>▪ A written statement from the supplier and a personal explanation are mandatory (within two weeks after receiving the rating results)</li> <li>▪ Improvement measures with deadlines for supplier development are to be agreed (within four weeks after receiving the rating results)</li> <li>▪ Status „new business on hold“ or „supplier blocked“ will be evaluated</li> <li>▪ A new PSM Audit of the supplier has to be carried out within six weeks</li> <li>▪ A new QAM System- and/or Process-Audit have to be carried out, possibly.</li> <li>▪ The takeover of additional effort in our company (inspection costs, sorting costs, etc.) has to be agreed with the supplier for future deliveries.</li> </ul>

## Supplier Performance Rating criterion: Range of services



The maximum achievable score is 100points in each sub-criterion. The sub-criteria are weighted in % to a main-criterion score.

Range of Services  
100%

An overall score of **maximum 100 points** is awarded for the criterion Range of services. This results from the assessment of the supplier's performance capability, performance potential and the qualification for the required performance. It is particularly positive in terms of rating, if a supplier is able to cover complete disciplines or service packages comprehensively, with overall responsibility and competence. This also applies in particular to the qualifications, efficiency and goal orientation of the deployed specialists and executive personnel.

## Supplier Performance Rating criterion: Third party Authorization / Certification



The maximum achievable score is 100points in each sub-criterion. The sub-criteria are weighted in % to a main-criterion score.

Third Party  
Authorization/  
Certification  
100%

Service providers, where a third party authorization/certification is highly relevant, will be rated with the criterion "authorization" by Quality Management department. The complete fulfillment of all requirements will be evaluated with **100 points** – a limited fulfillment of the requirements or a non –fulfillment will be rated with 1 point.

## Supplier Performance Rating criterion: Readiness / Flexibility / Cooperation



The maximum achievable score is 100points in each sub-criterion. The sub-criteria are weighted in % to a main-criterion score.

Readiness/  
Flexibility/  
Cooperation  
100%

The criterion Readiness/Flexibility/Cooperation is further subdivided into Responsiveness, Readiness for night, overtime and weekend work and Cooperation/business conduct. The ability to respond quickly to offers and orders required at short notice is assessed as particularly positive. A supplier's readiness to work even at times when our production is adversely affected as little as possible, for example at night or on weekends, also leads to a positive assessment. Fair and customer-oriented business conduct in a spirit of partnership and trust is also a prerequisite for an excellent assessment.

**50%** = Responsiveness

**30%** = Readiness for night, overtime and weekend work

**20%** = Cooperation/business conduct

# Supplier Performance Rating criterion:

## Work result



The maximum achievable score is 100points in each sub-criterion. The sub-criteria are weighted in % to a main-criterion score.

Work Result  
100%

An overall score of **maximum 100 points** is awarded for the criterion Work result. This results from the assessment of the extent to which a supplier's performance conforms to the respective specifications. Continuous monitoring by the supplier of the qualitative work status and close coordination with the thyssenkrupp rothe erde coordinator help ensure that subsequent complaints and reworking can be avoided, and lead to a particularly positive rating. Besides an inefficient way of working among the deployed personnel, necessary reworking or parts/functions not tested by the supplier prior to delivery have a particularly negative effect on the assessment.

# Supplier Performance Rating criterion:

## Adherence to schedules



The maximum achievable score is 100points in each sub-criterion. The sub-criteria are weighted in % to a main-criterion score.

Adherence to  
schedules  
100%

An overall score of maximum 100 points is awarded for the criterion Adherence to schedules using the following key:

points	deadline for delivery only [deviation in days]	execution time 1-5 days [deviation in days]	execution time 5-15 days [deviation in days]	execution time 15-30 days [deviation in days]	execution time >30 days [deviation in days]
100	0	0	0	0	0
98	1		1	1	2
96	2			2	
94	3	1	2		3
92	4			3	
90	5				4
70	10	2	3	4	8
40	14	3	5	10	15
1	>15	>5	>8	>15	>20

If delays are expected or have occurred, we expect immediate information about the delay and its cause. Failure to provide this notification gives rise to an overall deduction of 10 points from the above values.



The maximum achievable score is 100points in each sub-criterion. The sub-criteria are weighted in % to a main-criterion score.

## Price & Cost Performance 60%

This sub-criterion is formed from the following three weighted aspects in the evaluation period:

- **Price level (50%)**  
How high is the supplier's price level in relation to the market price level?  
(market price = average price of all released suppliers for the materials in scope)  
**100 points** = the price level is -12% or more below market price  
**50 points** = the price level is in the range of the market price  
**1 point** = the price level is +12% or more higher than the market price
- **Price development (30%)**  
How does the supplier's price develop in relation to the average market price development compared to the last rating period?  
**100 points** = the price development is -6% or more favorable than the market price development  
(price is decreasing while market price is stable or increasing)  
**50 points** = the price development is according to the market price development  
(price is stable while market price is increasing)  
**1 point** = the price development is +6% or more unfavorable than the market price development  
(price is increasing while market price is stable or decreasing)
- **Cost reduction initiatives (20%)**  
How active does the supplier initiate (joint) cost reduction measures/programs by himself?  
**100 points** = the supplier initiates and drives (joint) cost reduction measures on his own  
**50 points** = the supplier presents ideas for (joint) cost reduction  
**1 point** = no activity

## Cooperation 20%

This sub-criterion is formed from the following two weighted aspects in the evaluation period:

- **Contract Management (30%)**  
In how far does the supplier accept and close tkr standard contracts?  
**100 points** = all tkr standard clauses of the related contract type are accepted  
**50 points** = important tkr standard clauses of the related contract type are accepted  
**1 point** = the contract is mainly oriented on the supplier's standards
- **Participation on Digital Process Systems (70%)**  
How is the willingness of the supplier to collaborate in processes via tkr digital systems?  
**100 points** = supplier is registered and supports all processes via tkr Supplier Platform  
(or/and for service orders on the factory premises of tkr: mde Platform)  
**50 points** = supplier is registered and works occasionally as requested via tkr Supplier Platform  
**1 point** = supplier is not willing to participate on tkr Supplier Platform

## Communication 20%

This sub-criterion is formed from the following three weighted aspects in the evaluation period:

- **Reaction Time (40%)**  
How promptly does the supplier react on inquiries, checking of specifications, order confirmations, etc. within a given, typical timeframe?  
(order confirmation = 2 days, inquiries = 2-5 days, specification checks = 5-15 days)  
**100 points** = supplier gives feedback within time frame  
**50 points** = supplier gives feedback with small delays  
**1 point** = supplier feedback exceeds time frame significantly
- **Reliability and Explicitness (40%)**  
How reliable and explicit is the feedback or statement?  
**100 points** = supplier feedback is always reliable and explicit, supplier stands by his word  
**50 points** = supplier feedback is reliable, but sometimes unclear/unspecific  
**1 point** = it is unpredictable whether the supplier will stand by his statements
- **Usage of tkr forms in communication processes (20%)**  
Does the supplier use tkr forms for e.g. tenders, specification alignments, order confirmations?  
**100 points** = yes, always if requested  
**50 points** = yes, with exception of order confirmations (supplier individual)  
**1 point** = no, the supplier refuses to use tkr forms

# Supplier Performance Rating criterion: Technology & Innovation Capability



The maximum achievable score is 100points in each sub-criterion. The sub-criteria are weighted in % to a main-criterion score.

## Technology Road Map 20%

The extent to which the technology / innovation development process is planned, described and budgeted for relevant for tkre products is assessed.

- 100 points** = planned, described and budgeted
- 50 points** = planned and described
- 1 point** = inadequately described / not known

## Development & Trial Department 20%

It is assessed to what extent development capacities are available and relevant for us.

- 100 points** = separate development / testing department exists
- 50 points** = integrated order and test / development department available
- 1 point** = inadequate resources / not known

## Cooperation Behavior 20%

The extent to which the supplier is interested in open cooperation is assessed.

- 100 points** = cooperation agreement concluded
- 50 points** = willingness to cooperate exists / open communication / quick responsiveness / supplier does preparatory work
- 1 point** = inadequate behavior / not known

## Innovation Footprint 20%

The subjects of rating are the results of the supplier's innovative capability and technological development over the past ten years, also with regard to non tkre-relevant products.

- 100 points** = technology leader: publications, innovative products and processes, unique characteristics exist
- 50 points** = fast follower: technology / products / processes comparable to technology leader
- 1 point** = inadequate footprint / not known

## Implementation of Innovations 20%

The extent to which the supplier is in a position to integrate innovations promptly into the production process for products that are of relevance to us.

- 100 points** = prompt implementation/ supplier does preparatory work (bears risk)
- 50 points** = adequately prompt implementation
- 1 point** = inadequate implementation / not known

# Supplier Performance Rating criterion: Sustainability



The maximum achievable score is 100points in each sub-criterion. The sub-criteria are weighted in % to a main-criterion score.

## Occupational Safety 30%

- 100 points** = occupational safety management system according to ISO 45001 implemented and certified
- 80 points** = work safety rules are existing, plant safety is given, personal protective equipment is used, regulations are regularly checked by the supplier's coordinator and continuously improved, order and cleanliness are excellent
- 60 points** = work safety rules are existing, plant safety is given, personal protective equipment is used, regulations are regularly checked by the supplier's coordinator and continuously improved
- 40 points** = work safety rules are existing, plant safety is given, personal protective equipment is used
- 1 point** = no information on occupational safety

## Environmental Protection 20%

- 100 points** = environmental management system according to ISO 14001 implemented and certified
- 80 points** = regulations on environmental protection are existing, protective measures are implemented, regulations are regularly checked by the supplier's coordinator and continuously improved, order and cleanliness are excellent
- 60 points** = regulations on environmental protection are existing, protective measures are implemented, regulations are regularly checked by the supplier's coordinator and continuously improved
- 40 points** = regulations on environmental protection are existing, protective measures are implemented
- 1 point** = no information on environmental protection

## Energy 10%

- 100 points** = energy management system according to ISO 50001 introduced and certified
- 80 points** = regulations for energy-conscious actions are existing, regulations are regularly checked by the supplier's coordinator and continuously improved, energy-conscious behavior is taken into account
- 60 points** = regulations for energy-conscious actions are existing, regulations are regularly checked by the supplier's coordinator and continuously improved
- 40 points** = regulations for energy-conscious actions are existing
- 1 point** = no information on energy management

## Supplier Code of Conduct 40%

- 100 points** = By accepting the Supplier Code of Conduct
- 1 point** = Recognition Supplier Code of Conduct not confirmed