

## 1. Area of application and objective

This process instruction concerns and is binding for the management and each employee of V-LINE EUROPE GmbH. Main objective of this process instruction is to define all relevant factors of a functioning export compliance and to document them for all interested parties.

## 2. Responsibilities

The Specialist Customs & Export Control is responsible for the completeness, the accuracy and the regular updating of this process instruction.

## 3. Terms and abbreviations

|               |   |  |
|---------------|---|--|
| V-LINE GROUP  | = | All companies affiliated with V-LINE EUROPE GmbH |
| V-LINE EUROPE | = | V-LINE EUROPE GmbH                               |
| JAM           | = | Intranet of V-LINE GROUP                         |

## 4. Realization

### 4.1. Responsibility of V-LINE GROUP and its management

The fundamental values of the whole V-LINE GROUP (Ownership, Innovation, Passion and Integrity) are the groundwork for our operational principles in the daily business and even for our long-term strategy. As a world leader in service and innovative solutions for the improvement of international supply chains and as a participant in international trade, compliance is a mandatory necessity.

To ensure that the V-LINE GROUP complies with all legal requirements, we have developed a Code of Conduct which obligates all employees and bodies of V-Line GROUP. Of course, this also applies to all members of the management. With their signature, all mentioned persons confirm that they have taken note of the contents and will act in accordance with them.

The Code of Conduct is available on our homepage:

[www.v-line.com](http://www.v-line.com) → Company, Compliance [\(Link\)](#)

To guarantee that violations of applicable law can be reported by employees, business partners and third parties, we have established an anonymous whistleblower system.

We express our special responsibility regarding international trade and export control in 4.10. of our Code of Conduct. Thus, it is emphasized that all companies of V-LINE GROUP and all their members (employees and management) are submitted to the respective rules and observe them.

### 4.2. Responsibilities

In our company-wide intranet, so-called JAM, we maintain a knowledge database, where a detailed contact list of all responsible persons of V-LINE EUROPE is internally available and accessible at any time.

The responsible persons for customs and export control have a commercial education and several years job experience.

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- Export Manager (one person, the CEO of V-LINE EUROPE)
- Team leader Logistics (two persons)
- Holder of the position customs and export control (one person)
- Contact persons for US Re-Export control (two persons)
- Locum of the position customs and export control - employees logistics team (two persons)
- Employees logistics team

### 4.3. Purpose of the business and regulations of V-LINE

The main line of business of V-LINE EUROPE is the export of goods. Therefore, the observance of the laws for export control is one of our important tasks.

### 4.4. Operation equipment and knowledge transfer

We are using officially licensed software (AEB Trade compliance management 4.0) for each part of customs and export control. The software is linked with our SAP system to ensure that all information is stored and available in both systems in a traceable manner.

In our knowledge data base in JAM several procedure instructions with supporting documents for the main tasks of customs and export control are available for all involved employees at any time.

Internal trainings are regularly held to ensure that all involved employees are aware of the actual regulations and any changes. If required, the internal trainings can be supplemented by external trainings. The responsible person for all training-related topics is the Specialist Customs & Export Control.

The rules of customs and export control are a mandatory part of the training for new employees and trainees.

### 4.5. Principle questions of any export

Before we could export a certain material, the following questions must be clarified:

- To which destination country should the goods be exported?
- Who is our direct business partner and the end-user?
- What kind of goods will be exported?
- What is the intended end use for this good?

#### 4.5.1 Check of destination and business partner

As a matter of principle, V-LINE has no business contact with countries, companies, organizations and persons which are affected by embargos or mentioned on any sanctions list.

For this purpose, we are using an officially certified software to check our existing business contacts against EU/US/UK/JP sanctions lists on a regular basis. New business contacts must be

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checked separately before business is started. Additionally, it is mandatory for business with trading companies to obtain information about the end user in order to verify them accordingly.

If the compliance program indicates a hit any business contact must be stopped immediately for further investigation. Confirmed hits must be blocked for any further commercial activities and all involved parties including the management must be informed.

#### 4.5.2 What kind of goods will be exported?

Each material position must be classified before export control according to the actual applicable customs regulations. Remarks regarding export regulations and customs tariff numbers on documents from our suppliers must be considered.

When the classification is completed the export control will take place. We must ensure that sufficient technical details of the material are available to proceed. In many cases additional information from manufacturer or data sheets are mandatory to finalize the export control.

The AEB Product Classification 4.0 software is available to assist and to empower the responsible person to record the findings related to the classified material.

The software provides all necessary information such as EU DUAL USE regulations, the national DUAL USE regulations, arms control list and further lists regarding prohibitions and restrictions.

For material affected by US Re-Export control a regulation list is also available.

Based on the customs tariff number and recipient country the program supports with the export control categories.

All findings regarding export control must be documented in the material data base accordingly for later traceability and examination.

After the export control has been carried out and saved the outcome is automatically transferred to our SAP system. If the material requires an export license, it must be flagged accordingly in the SAP material data base.

#### 4.5.3 What is the intended end use of the material?

V-LINE EUROPE has extensive information regarding the business of its customers.

Therefore, in most cases the intended end use is easily to identify.

Suspicious inquiries must be reported immediately to the responsible persons (position customs and export control) for further investigations. For example, an unknown material request which does not suit to the regular needs of the customer or if the customer provides no further information upon request.

This procedure is important for all kind of material even if it is not listed.

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The knowledge regarding the end use is an important fact to prevent violation against international law, human rights and avoid internal repression in destination countries. Unintentionally deliveries for military use, launch vehicle technology, nuclear use and ABC weapons must also be prevented.

In case of doubt we require an additional written confirmation regarding the intended end use (e.g. End Use Declaration).

#### 4.6. Goods requiring export licenses

Material which has been identified as subject to export license requires the following documentation before export:

- End Use Declaration from end user
- Export permission from German Authorities (BAFA)
- In certain cases, it is possible to use a general approval. This depends on the value, the country of end use and the characteristics of the material - The necessary procedural instructions and other documents are available to employees on the intranet.

#### 4.7. Issuing the export declaration

The final export declaration (MRN - Movement Reference Number) is also created with a certified software. Data is transferred from SAP system directly to the software to assist the responsible employee in issuing the necessary declarations. The corresponding workflow is available in our knowledge database. V-LINE EUROPE is not represented by service providers for export declarations.

#### 4.8. AEO - Authorised Economic Operator

V-LINE Europe is holder of AEO-C status since 26.08.2011. The last audit through Germany authorities has taken place on 27.07.2020.

### 5. Distribution list

The management, all employees of V-LINE EUROPE, on the website [www.v-line.com](http://www.v-line.com)

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