

SMQ / SME

SUPPLY CHAIN PROCEDURE

REF. P-016

**Harsch Supply Chain Process as defined in
FIDI FAIM STANDARD 3.2 regulations.**



-> When we act as the booker of the move, we must control and guarantee a quality performance in our supply chain that we demonstrate in this SUPPLY CHAIN PROCEDURE.

SUPPLY CHAIN MANAGEMENT SYSTEM

REFERS TO

UPDATE: 19.03.2020 - HAG
VALIDATED 13.02.2018 - IHA CST
SMQ SME\Internal Policies\Supply Chain
Procedures P-016

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1. SERVICE PROVIDER MANAGEMENT

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We evaluate, select and approve our service providers.

Our Sales manager continuously maintains an up-to-date list of APPROVED SERVICE PROVIDERS (document ref. V-002) available to our staff in our IT system, so they can select and use appropriate providers for the handling of the client's belongings and their specificities.

Please refer to our documented **SERVICE PROVIDER PROCEDURE** (doc ref V-003) regarding our process for evaluating, selecting and approving our Service providers.



Service Provider = an individual or entity selected by Harsch to provide specific services necessary for the fulfilment of the contract between Harsch and their clients. Service Providers include origin and destination agents, trucking companies, air and ocean carriers, customer brokers and any Third party services (electricians, piano specialist, etc.).

The approved service providers are selected on:

1. **Quality level and performance**
2. **Specificities (Fine Art for example),**
3. **Price,**
4. **Business and commercial agreements / contracts,**
5. **Solvability of the providers.**



As per Harsch internal process:

- Our move coordinator must provide clear and complete written instructions to our Service Provider, within the time allowed and FAIM deadline, including billing instructions and/or evidence of an on-going contract and written agreements with the clients (private or corporate).
- If our move coordinator or/and our crew manager identify a service failure (on Quality performance or deadbeats), he must immediately advise his manager who will investigate on the case resolution and define an active action plan and/or implement corrective measures with involved parties.



The client must be aware of any service failure arising during his household goods shipment, by phone if urgent and by written confirmation/email notification.

The manager may call directly the client and/or our provider who fails in the service, if necessary.

In case of poor service level, deadbeats or unprofessional conduct, the provider will be "blacklisted" on our approved list of service providers to make sure that our staff will not use his services anymore until he can demonstrate that he has acted and implemented corrective measures.

2. QUALITY MANAGEMENT

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As described in our documented **QUALITY POLICY** (doc ref. P-014), our Quality performance emphasizes on main following elements:

- We aim at a total customer satisfaction in all steps of his move, from the beginning /pre-move survey, packing up to the delivery (incl. customer services /claim process, if any).
- We seek to build long-term customer relationships through listening to and anticipating customer needs and expectations, and constantly improving the quality of our service aligned with FAIM Standard 3.1 awareness.
- Our trained and qualified staff continuously develops their knowledge and their skills for the benefit of all: our customers, corporate accounts, providers, partners, agents, and Harsch management. We develop and improve our services through continuous learning and communication.
- Security and effectiveness are also our priorities at all steps of our operations. Our goal is to mitigate all risks for our clients and his household goods, for Harsch staff and outsourced parties.
- By always respecting our ethical values, we adapt our resources to ensure our growth and development and maintain a sound financial base.
- All our activities and internal processes are implemented in conformity with our certifications: ISO 9001 and 14001 norms and with FIDI FAIM Standard 3.1 for Intercontinental Moving Services scope.
- We work in an ethical, honest, sound and responsible manner, by fulfilling legal commitments and respecting the environment in a spirit of sustainable development.



The parties must ensure they meet FAIM minimum requirements:

- FAIM Standard awareness in our Supply Chain
- Communication: our Supply Chain procedure is communicated to external parties > included in our quote and/or shipping instructions document. This Supply Chain procedure is available to our staff in our It system and quality manual.
- Escalation process / corrective actions process: we control quality performance in our supply chain. We handle any issues that might arise in your Supply Chain by immediate corrective or preventive action plans that Harsch management decide to implement.

3. DATA PRIVACY PROTECTION MANAGEMENT

We ensure that Personal information is collected, used, retained, disclosed, and disposed of, in conformity with the commitments described in our documented **DATA PRIVACY PROTECTION PROCEDURE** (doc ref INF-013)

Harsch Data (Private) Protection Management Procedure includes the following FAIM privacy principles:

1. **Management:** We define, document, communicate, and assign accountability for our privacy policies and procedures.
2. **Notice:** We provide notice about our privacy policies and procedures and identify the purposes for which personal information is collected, used, retained, and disclosed.
3. **Choice and consent:** We describe the choices available to the individual (private customer or corporate accounts) and obtain implicit or explicit consent with respect to the collection, use, and disclosure of personal information.
4. **Collection:** We collect personal information only for the purposes identified in the notice.
5. **Use, retention, and disposal:** We limit the use of personal information to the purposes identified in the notice and for which the individual (private customer or corporate accounts) has provided implicit or explicit consent. We retain personal information for only as long as necessary to fulfil the stated purposes or as required by law or regulations and thereafter appropriately disposes of such information.
6. **Access:** We provide individuals (private customer or corporate accounts) with access to their personal information for review and update.
7. **Disclosure to third parties:** We disclose personal information to third parties only for the purposes identified in the notice and with the implicit or explicit consent of the individual.
8. **Security for privacy:** We protect personal information against unauthorized access (both physical and logical).
9. **Quality:** We maintain accurate, complete, and relevant personal information for the purposes identified in the notice.
10. **Monitoring and enforcement:** We monitor compliance with Harsch privacy policies and procedures and how our procedures address privacy related complaints and disputes (with escalation procedure).



4. ANTI-BRIBERY AND ANTI-CORRUPTION MANAGEMENT

Harsch Management mitigates the risk of bribery and corruption in our Supply Chain.

We demonstrate our commitment to a zero tolerance approach to bribery and corruption by signing the **FIDI ABC CHAPTER** that relates the following minimum topics:

- **Risks:** We perform risk assessment towards our Supply Chain to mitigate the risk of Bribery and Corruption. See below.
- **Due Diligence:** We take appropriate due diligence steps towards our Supply Chain to mitigate the risk of Bribery and Corruption. See below.
- **Communication:** We communicate our procedures to our Supply Chain to mitigate the risk of Bribery and Corruption, by a link in our quote and/or in our working/shipping instruction document.

What Is Bribery?

Bribery is the offering, promising, giving, accepting or soliciting of an advantage as an inducement for action. It is illegal, and it is a breach of trust. A bribe is an inducement or reward offered, promised or provided in order to gain a commercial, contractual, regulatory or personal advantage.



Harsch Management and FIDI will not tolerate Bribery

Corruption, bribery or attempted bribery is unacceptable. This applies whether offering a bribe, or accepting a bribe. It is against our core values of conducting business to the highest legal, moral and ethical standards.

Bribery and corruption are covered by various international laws and statutes. These laws often require companies, including FIDI Affiliates, to have rigorous, pro-active measures in place to detect and prevent corrupt practices.

ABC Charter Statement

We, as FIDI Affiliates, commit to legal and ethical behavior and refrain from doing anything that will harm the interests of Harsch HH SA, FIDI and its affiliates, clients or corporate accounts, supply providers. Harsch HH SA, FIDI and its Affiliates, will take steps to ensure they are fully aware of applicable regulations and will monitor their employees and business partners to ensure full and continual compliance.



4. ANTI-BRIBERY AND ANTI-CORRUPTION MANAGEMENT

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Legal compliance

Harsch HH SA and FIDI Affiliates will ensure that they are aware of all applicable laws countering bribery and corruption in all the jurisdictions in which they operate, and that they will obey and uphold those laws.

The laws that apply to particular international business activities include those of the countries in which the activities occur as well as others that - like the US Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act 2010 - govern the international operations of national companies and citizens in respect of their conduct both at home and abroad.



We, as a FIDI affiliated company, have to ensure that we are aware of, and are complying with, applicable laws.

Ethical behavior

As a demonstration of its commitment, FIDI and its Affiliates pledge to take a zero-tolerance approach to bribery and corruption. At all times, FIDI and its Affiliates will act professionally, fairly and with the utmost integrity in all business dealings and relationships. This will apply wherever they operate.

We, as a FIDI affiliated company, have to ensure that we are aware of, and are complying with a zero-tolerance approach to bribery and corruption.



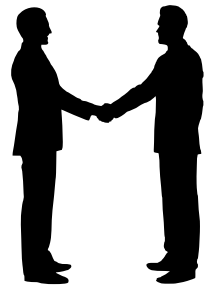
4. ANTI-BRIBERY AND ANTI-CORRUPTION MANAGEMENT

Commitment to the values of FIDI

This ABC Charter is formally integrated into the FAIM Quality Standard 3.1.

By agreeing and committing to this Charter, Harsch and all FIDI Affiliates, undertake to:

1. Never engage in any form of bribery, either directly or through any third party.
2. Never offer or make an improper payment, or authorize an improper payment (cash or otherwise) to any individual, including any local or foreign official anywhere in the world.
3. Never attempt to induce an individual, or a local or foreign official to act illegally or improperly.
4. Never offer, or accept, money or anything of value, such as gifts, kickbacks or commissions, in connection with the procurement of business or the award of a contract.
5. Never offer or give any gift or token of hospitality to any public employee or government official or representative if there is any expectation or implication for a return favor
6. Never accept any gift from any business partner if there is any suggestion that a return favor will be expected or implied.
7. Never facilitate payments to obtain a level of service that would not normally be entitled to.
8. Never disregard or fail to report any indication of improper payments to the appropriate authorities.
9. Never induce or assist another individual to break any applicable law or regulation.



This Supply Chain procedure is reviewed at least once a year by Harsch Management, updated when necessary, communicated to Harsch staff and available in our IT system as part of internal Harsch policies. This Supply Chain procedure also applies for our Affiliated Branch, Harsch Laufenburg.