

FREQUENTLY ASKED QUESTIONS

How does a supplier do business with Cargotec?

- Suppliers should review each of the Cargotec business areas, Kalmar, Hiab, and MacGregor, websites to learn more about their products and services and to find the best fit for your solutions. Links to those websites are: <http://www.cargotec.com> and for each business area <http://www.hiab.com>, <http://kalmarglobal.com> and <http://macgregor.com>.
- Cargotec welcomes coordination of business across all business areas where the relationship benefits more than one business area and has an internal process to coordinate the supplier relationship. Therefore, the initial contact to do business can be initiated with any one of the Cargotec business area sourcing teams.
- The first step to contact the respective business area sourcing team is to send an email to the business area supplier email box on the business area supplier page. This email will allow Cargotec personnel across the enterprise to view your capabilities, but does not guarantee potential suppliers will receive a response or any receive any monetary or contractual benefit. Please review the commodity list below and note which Cargotec commodity and product your company may be interested in supporting.

How can we get on Cargotec preferred or approved supplier list?

- For Hiab and Kalmar business areas, please refer to Cargotec Supplier Requirements and the Cargotec Supplier Quality Manual posted in the Cargotec Supplier Portal posted on the business area supplier web page.
- After the initial email contact, the Sourcing team will assess your capabilities and how they fit our current needs or future opportunities; however Cargotec Sourcing does not guarantee a response to all emails submitted. You may be asked to complete a request for information or quote and will be required to participate in our supplier assessment process and resolve any identified action items if business is awarded.
- It is important to remember that all sourcing activities are conducted in accordance with Cargotec's environmental, risk management, health and safety and quality policy as well as the Cargotec Code-of-conduct and suppliers must demonstrate the ability to meet these requirements.

What does Cargotec purchase?

- Cargotec purchases a wide variety of goods and services. These goods and services include list commodities for all business areas. Please check each business area website to better understand their supply chain needs.
- Cargotec Indirect Material Commodities:
 - Facilities Management, IT & Telecom, Fleet & Logistics, Marketing & Sales, MRO & Investments, Personnel Services, Professional Services, Travel & Events, and Utilities.
- MacGregor Direct Material Commodities:
 - Hydraulics, Electrics-high voltage, transportation, raw steel, Cylinders, Market Intelligence.
- Hiab Direct Material Commodities:
 - Main steel structures, Light steel components, Steel plates, Aluminum Platforms, Hydraulics, Electronics, Hydraulic Cylinders, Castings and Forgings, Engines, Transportation, Fasteners and Accessories for Cranes.
- Kalmar Direct Material Commodities:
 - Powertrain: Engines, Transmission, Cooling, Cabins and Cabin accessories, Hydraulics, Electronics, both low and high voltage, Heavy steel structures, medium and light steel equipment and parts, such as booms and masts, Castings and Forgings, Axles and Tyres, Gears and Hoists, Transportation, Fasteners and Springs, and raw steel.

What does Cargotec look for in a supplier?

- Cargotec considers many factors when determining team composition or making purchasing decisions. These decisions may vary depending upon priorities and requirements, including:
 - Core capabilities, product or services offering resource availability and ability to recruit qualified candidates
 - Geographic location or customer proximity
 - Organizational conflicts of interest (OCI)
 - Past performance and reputation
 - Personnel experience
 - Dependability, responsiveness and teamwork
 - Market niche
 - Core capabilities

Additionally, we expect suppliers to demonstrate the following qualities (business areas may have additional special technical or quality requirements unique to their environment):

- Financial viability
- High ethical standards
- Competitive pricing with consideration to Total Cost of Ownership, TCO
- Appropriate industry quality procedures and processes, certifications and approvals from classifications associations
- Cost reduction program
- Cycle time reduction program
- Ability to offer a technological and/or service advantage over competitors
- Innovations in the delivery of goods or services (to include applying e-commerce, EDI, hubbing, etc.)
- Appropriate environmental principles, Including REACH