

Duties of the product safety representative (PSB)

Dear Sir or Madam,

Please find attached the document “**Duties of the product safety representative (PSB)**”, which describes the specific requirements and duties of the VOLKSWAGEN Group to the supplier’s product safety representatives.

The current version of this document is available to the supplier in electronic format only, and can be accessed via www.vwgroupsupply.com on the VOLKSWAGEN Group’s B2B platform.

The current document is contractually binding following the date of publication, and must be implemented by the 3rd quarter at the latest.

Wolfsburg, 16 October 2012

(Signed in the German Version)

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Duties of the supplier-based product safety representative (PSB)

In this document, which accompanies Formula Q-Concrete and Formula Q-Capability, the Volkswagen Group's Quality Assurance division describes the role of the supplier-based PSB.

1. **Knowledge:**

- 1.1 Of the product manufactured: its mode of operation, a detailed understanding of the on-site production process, and its intended purpose for customers
- 1.2 Of the German Product Safety Act and the German Product Liability Act
- 1.3 Of risk assessments from a methodological perspective

2. **Duties**

- 2.1 Helping to define, develop and set priorities for the elimination and/or prevention of defects related to product safety during the product development phase (fault prevention)
- 2.2 Collaborating on, initiating and verifying construction/process failure mode and influence analyses (FMEAs) of safety-related issues
- 2.3 Collaborating on the launch of new products as part of “lessons learned” in order to prevent safety-related faults from occurring during the production, assembly and testing processes
- 2.4 Formulating “lessons learned” check lists for the qualified inspection of designs and processes with regard to product safety
- 2.5 Independently implementing and/or arranging regular production and product checks of the current series in order to validate the product’s safety for the use (including foreseeable misuse), introduction and subsequent monitoring of (immediate) measures in case of relevant deviations

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- 2.6 Assessing the probability/frequency of failure of the relevant product in the event of a fault
- 2.7 Verifying the rapid implementation and sustainable effectiveness of planned corrective measures in the event of a complaint. The effectiveness of the measures must be confirmed in writing by the PSB for suppliers
- 2.8 Communication (including voluntary disclosure) takes place via the Quality Assurance person responsible for the respective component among customers (Quality Assurance, Purchased Parts Organisation or Quality Assurance, Product Technology). This includes the conveyance of all details.

In doing so, the PSB ensures the quality of information (clearly specifying the characteristics of the defect, its definition, the probability of failure, etc.) and the confidentiality of communication.

3. **Responsibilities**

- 3.1 The PSB reports directly to management, the factory manager and/or the Head of Quality Assurance
- 3.2 Ability to suspend components for the current series, e.g. in case of safety or image-related complaints (even if these issues put series production at risk for reasons of safety). This includes authority over resources with regard to bench tests, validation, etc.
- 3.3 One PSB per production site must be designated for every stage in the supply chain. The 1st tier PSB must be entered in the supplier database (LDB) in a similar manner to that of Formula Q-Concrete 4.2.

Signed in the German Version

F. Tuch

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Date: August 2012