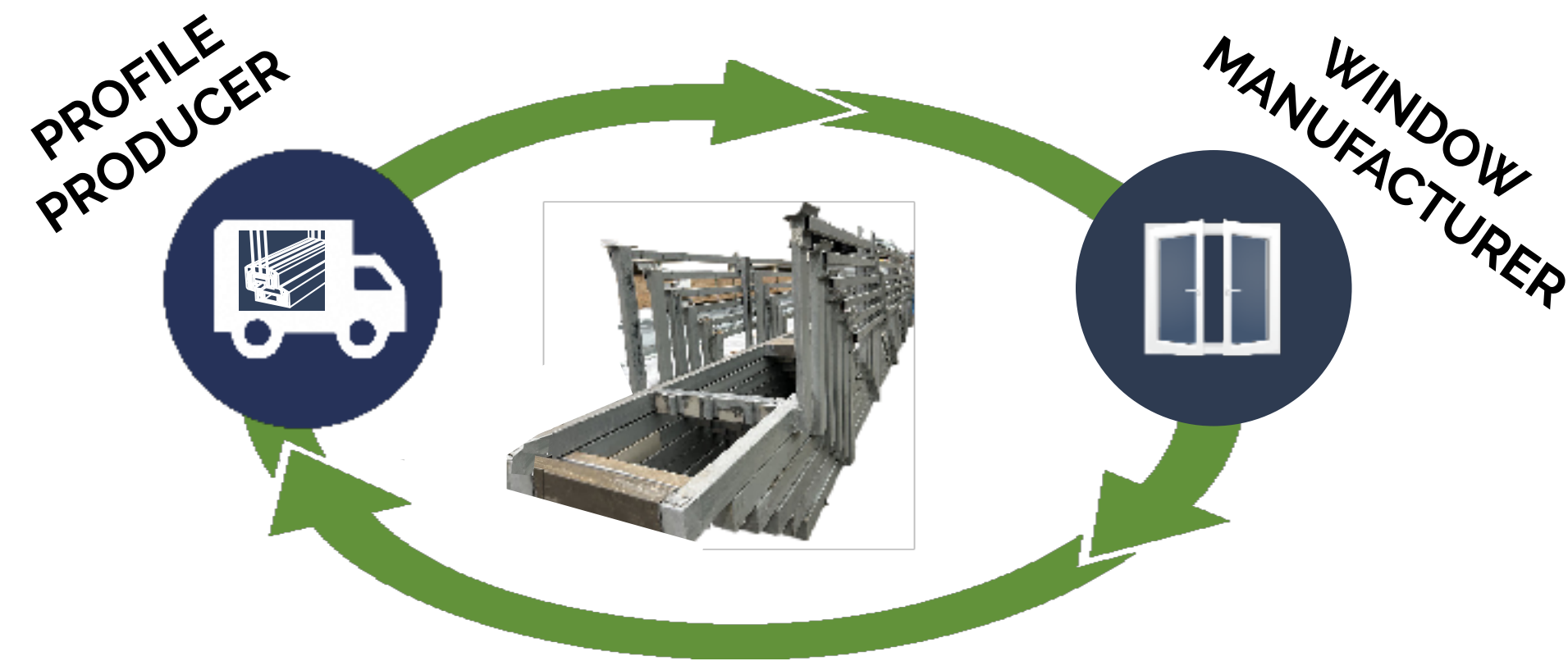


Service, availability, and safe transportation

The prompt return of stillages is vital to establish smooth and fast delivery processes. Rental and deposit systems have proven effective for meeting the requirements of the circular economy on the one hand and for preserving resources on the other hand.



DEPOSIT OR RENTAL SCHEME

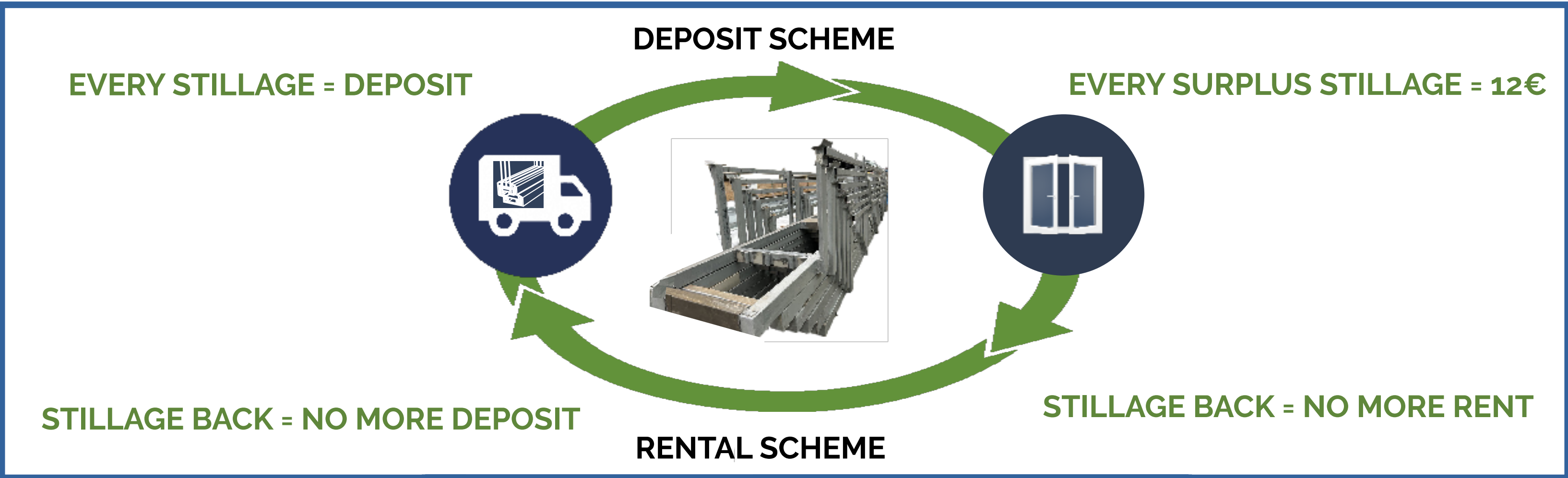
PVC Window Systems Suppliers chose to implement **a rental or a deposit scheme** to manage the return of empty stillages by window manufacturers. The conditions for both schemes have been defined within the European Association and are monitored regularly.

Participating profile manufacturers



How does it work?

Examples



Calculation example for the rental system

Free-of-charge stock

Sales figures for consecutive 3 months €150,000 giving a basic stock of 60 units (€2,500 = 1 stillage)
 + buffer of 50% 30 units
= stillages free-of-charge **90 units**

- Actual stock minus free-of-charge stock = overdue
- Overdue x min. €12/unit = rent per month

	<u>example 1</u>	<u>example 2</u>
Actual stock	120 units	85 units
Free-of-charge stock	90 units	90 units
Overdue	30 units	0 units
Rent (min. €12/unit)	€360	€0

Calculation example for the deposit scheme

- Outgoing stillages are charged, the reimbursement is made when they return to the agreed collection point

	<u>example 1</u>	<u>example 2</u>
Outgoing stillages	500 units	500 units
Incoming stillages	450 units	550 units
Fee per stillages	€190	€300
Debit note	€9,500	
Credit note		€15,000

Stillages return options

Deposit scheme

The deposit fee is based on the approximate initial purchase price of the stillage at the time the system is adopted by the company.

(a) out-going and incoming **stillages are monthly balanced and the delta is due in payment;**

or (b), every outgoing **stillage is charged and every incoming stillage has to be reimbursed.**

Rental scheme

For every minimum €2,500 of sales in three consecutive rolling months (three months on a cumulative basis) **window manufacturers receive 1 stillage free of charge (no rent).** In addition, 50% of this amount will be added as a "buffer".

A rental fee applies to each stillage exceeding the free-of-charge stock. **The rate amounts to at least €12 per month and per stillage.** The profile manufacturer must start invoicing after 1 to a maximum of 6 consecutive months of overstock (i.e. amount of stillages exceeding the free-of-charge-stock).

The customer of the profile manufacturer will always be responsible for the stillage until its return.