



**Terms of Delivery for EDEKA, Netto MD and BUDNI
warehouse locations and minimum requirements for
disposable transport packaging**

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1 Terms of Delivery for EDEKA, Netto MD and BUDNI warehouse locations

1.1 Cargo load security

- a) Tight stretch wrap film must ensure the bond between goods and charge carrier.
- b) The use of non-transparent film is prohibited. The possibility of visual inspection of goods must not be restricted.
- c) The upper edge of the pallet may be included in the stretch wrap film; free room for the forklift must compulsorily be ensured.
- d) $\frac{1}{2}$ and $\frac{1}{4}$ pallets must be secured both individually and as a group (e.g. by the use of wrap film or board wrapping with security strap).
- e) The use of adhesive tape is not permissible.
- f) Film hoods and dust protection must be put on tightly.

1.2 Layer pattern

- a) Single-variety and single-article delivery (only one article per coaching unit; no mixed pallets, if possible).
- b) Flush-mounted, complete layer pattern (if possible).
- c) Voids and hollow spaces within the layers must be avoided (using GS1 module dimensions).
- d) All of the parcels on a single-article pallet must be the same height.
- e) The bonding of layers should be avoided (if this is not possible, an automatic layer-by-layer depalletizing that does not damage the disposable transport packaging must be ensured).
- f) Bonded stacking is preferable to column stacking because of its higher stability.
- g) Lateral pallet overhangs up to the full height of the pallet are not permitted.

1.3 Intermediate layers / slip sheets

- a) Intermediate layers should be avoided.
- b) If intermediate layers cannot be avoided, the following rules apply:
 - Only use one-piece slip sheets
 - If a slip sheet is used, it must be used between each layer; also between the bottom layer and the pallet
 - Intermediate layers must be sufficiently firm/ stiff (solid board > 225 g/m² or corrugated board at least flute type D)
 - Intermediate layers made of paper and film are not permitted
 - No holes between the intermediate layers
 - No raised-lip or overhanging intermediate layers
- c) Slip sheets as an alternative to load carriers are not permitted.

1.4 Displays

- a) The displays have to be assembled on ½ or ¼ pallets; the use of ½ or ¼ disposal pallets is not permitted.
- b) The packaging, the stability and the focus of individual, non-connected displays must ensure the requirements of a conveyor technology or an automatic order picking.
- c) ½ or ¼ displays must be delivered on europallets (see article 1.5). Exception: For goods deliveries to Netto MD locations, ½ pallets without a europallet are to be delivered as a carrier pallet.
- d) Board wrappings with security straps / film hoods / stretch films must not cover the forklift slot of the ½ or ¼ pallets.
- e) To secure the individual displays, only use stretch films that are adhesive on the inside and smooth on the outside.
- f) Delivered display pallets must be labelled with a GS1 transport label analogously to level 2 (viz. 1 display = 1 parcel); in addition, content and sorting must be indicated on the outside of the packaging.
- g) The construction must ensure safe handling from the warehouse entrance to the market.
- h) The same GTIN should be used per pallet.

1.5 Pallet types and quality levels

- a) Goods deliveries to automated warehouses are made with machine-compatible, conveyor-safe and highly shelf-bearing pallets (at least GS1 quality class B).
- b) Deliveries to conventional warehouses are made with europallets and correspond to at least the GS1 quality class C.
- c) Pallets from pool suppliers or other specified charge carriers must comply with the common norms and industry standards; the pallets have to be in equivalent and exchangeable condition. Table 1 lists the pool providers accepted by EDEKA and Netto MD.

| Pallet type | EPAL | Düsseldorf | Chep | LPR | IPP (previously Paki) | Arpack |
|-------------|------|------------|------|-----|--------------------------|----------------|
| Euro Pallet | x | | x | x | x | |
| ½ - Pallet | | x | x | x | x | |
| ¼ - Pallet | | | x | x | x | x ¹ |

Table 1: Accepted pool suppliers per pallet type

¹ Arpack will be accepted until 30.09.2020

1.6 SSCC labels

- a) Pallets must be labelled with the GS1 transport label (GTIN 128/SSCC).
- b) According to GS1 standards, only level 2 SSCC labels may be used (GTIN carton and number of cartons). Detailed information can be found in the EDEKA Guideline to GS1 logistics label in its current version.
- c) The SSCC label must be placed in accordance with the GS1 recommendation (front side and long side); the barcode symbols must be placed at a height of 40 to 80cm above the ground (stationary scanners).
- d) In the case of full single-variety pallets, the GS1 transport label must be affixed to the film; in the case of sandwich pallets it must be affixed under the film enveloping the batch.
- e) The detailed specification of the transport label must comply with the GS1 standards.
- f) In the case of missing or incorrect GS1 labels, a fixed compensation amounting to EUR 2.50 is charged for each pallet (costs of producing a replacement label).

1.7 General information about deliveries

- a) For complete traceability, it is necessary to have deliveries/receipt of goods with only one best before date and/or no changeover of batches on a full range. As a result, each pallet must be delivered strictly with no change of best before date and/or changeover of batches.
- b) The maximum weight of a pallet must not exceed 1,000 kg (including load carriers).
- c) Sandwich pallets must be separated by the supplier.
- d) The system specified by the warehouse site for managing delivery dates and times must be used; in the case of time slot bookings, the indication of all order numbers and the quantity of pallets on the vehicle is compulsory.
- e) Accident prevention regulations and other relevant regulations must be complied with (safety footwear, warning vest, etc.).
- f) The house rules of the site (which can be read at the respective site's entrance point, e.g. the gatekeeper or the incoming goods point) must be observed.

1.8 Special features relating to medicines

When medicines are delivered, the goods at the ramp must comply with the manufacturer's specifications for storage and transport, particularly with regard to temperature (generally 25 °C maximum). If a manufacturer's certificate is present with the delivery, at the latest, indicating that the deviation observed on delivery represents no cause for concern and that the goods may nevertheless be stored for a further 96 hours in this different manner without any adverse effects, a deviation such as this is permissible. If such a certificate is not submitted on time and if the manufacturer's specifications are not observed during delivery, we are entitled to refuse acceptance.

1.9 Severability clause

If any individual provisions of these Terms of Delivery become invalid, ineffective or unenforceable in whole or in part, the effectiveness or validity of the other regulations remains unaffected. The same applies in the case of a gap. This shall be without prejudice to Section 313, German Civil Code (BGB).

2 EDEKA's / Netto MD's minimum requirements for disposable transport packaging

1. The disposable transport packaging must ensure that no goods can fall out and/or be damaged during transport, handling, storage and/or picking throughout the entire delivery chain from the supplier, via the wholesalers, to the retailers' shelves.
2. The disposable transport packaging should be easy and self-explanatory to open (without cutting and tearing, with clearly recognisable upper and lower sides and with simple opening mechanisms) and to stow away.
3. Two-part outer packaging units (consisting of a board covering with lid) should be bonded firmly with one another (e.g. by glueing, locking, interleaving, frictional connection).
4. Adequate dimensioning and stable construction of the disposable transport packaging (e.g. module measurements, board thickness, glue droplets, stacking lugs) must be guaranteed for every product.
5. The disposable transport packaging should ensure that the goods are as visible as possible.
6. The design shall basically be governed by the contractually determined specification and the agreed quality. If there is no contractual regulation in this area, the design (e.g. white inside / printed outside, painted or coated) should comply with standards prevailing on the market.
7. The close stacking and/or compact cohesion of the products within the disposable transport packaging should be guaranteed by the said packaging, e.g. for safe individual transportation on conveying equipment.
8. Stacking lugs should be limited to a height of 10mm.
9. Basically, there should be no additional shrink-wrapping of the outer packaging using film (exception: critical exceptional cases such as glassware).
10. Tray supports must be operated at a sufficient height. 1/3 of the product height has proven to be a suitable minimum height for revolving tray supports.
11. For under-packaged goods, the requirements referred to above shall generally apply for both the parcel packaging and the outer packaging.
12. In the design and execution of disposable transport packaging, sustainability aspects must be accorded equal consideration. The basic principle is that avoidance of / economising with packaging is to be preferred. If this is not possible, recycled paper should be used. If the use of recycled paper is impossible because the use of fresh fibre is mandatory, the latter must have an FSC certificate.
13. The labelling of the disposable transport packaging to identify the goods must be carried out in accordance with GS1 standards. In the case of goods with a special labelling requirement (e.g. hazardous materials, organic products), all relevant information must be present on the outside of the disposable transport packaging in accordance with the statutory provisions.
14. The quality of the packaging must be checked permanently by the supplier. New or altered packaging types that can have an effect on the aforementioned requirements must always be approved by EDEKA before every listing.
15. The properties of the packaging (functionality, stability, ease of opening) shall be among the contractually agreed properties for the goods.
16. A makeover of packaging (e.g. change of dimensions) can have a direct impact on the processes at our warehouses. As a result, every change of packaging must be announced in advance and must be coordinated with EDEKA. Furthermore, in the case of a new article or changes of the

transport packaging a filled sample must be presented at the automated warehouses two weeks before the first delivery.

17. In addition to the above, the following standards prevailing on the market must be complied with: GS1 Efficient Unit Load, ECR Handelsgerechte Regalverpackung (Shelf Ready Packaging) and GS1 Shelf Ready Packaging.