



PACKAGING INSTRUCTIONS

NONFOOD

Revision 2.0, August 2018

Revision control

Revisions version 1.3, April 2017:

- Netto part 4 replaced by Netto SRM manual
- Appendix A added with overview of Warehouse specific pallet requirements

Revisions version 1.4, August 2017:

- Danish label example exchanged by UK version (Pg. 15)
- Pallet requirements for Netto Køge updated (Pg. 61)

Revisions version 2.0, August 2018:

- Company name and contact emails has been changed from Dansk Supermarked to Salling Group
- Instruction is splitted into three individual instructions (Food,Non-food & Netto)
- Appendix B added with a general information overview of Warehouses
- Appendix C added with a complete handling fee overview (Pg. 16 in Part 1 General instructions)
- External warehouse, Coldstar (Føtex/Bilka) is added (Pg. 20 in food instruction)
- Warehouse, Skejby (Nonfood Føtex/Bilka) is added (Pg. 19 in Nonfood instruction)
- Delivery of wine to Ishøj in containers (Pg. 21 in food instruction)
- Description of *Labeling of cartons* has been modified (Pg. 8 in Part 1 – General instructions)
- External warehouse, Agri-Norcold (Frozen warehouse for Netto East) is added to appendix A+B (Netto)

INTRODUCTION	4
HOW TO USE THIS INSTRUCTION	4
PART 1 – GENERAL INSTRUCTIONS	5
CARTON SPECIFICATIONS	6
DELIVERY	13
CHEMICALS & FUMIGATION.....	14
GOODS RECEPTION CONTROL	16
PART 2 – FØTEX / BILKA NONFOOD INSTRUCTIONS	17
WAREHOUSES	18
DEFINITIONS	20
CARTON SIZE.....	21
DELIVERY ON PALLETS	24
DELIVERY IN CONTAINER	26
DELIVERY BY TRUCK	30
APPENDIX A – PALLET OVERVIEW PER WAREHOUSE	31
APPENDIX B – GENERAL WAREHOUSE INFORMATION	32
APPENDIX C – HANDLING FEE OVERVIEW	33

Introduction

How to use this instruction

Why is this packing instruction important for Salling Group?

Salling Group aims to keep a competitive position on all our markets. An important part of this objective is to give our customers the best possible value for money and our warehouse- and store staff the best possible working conditions in their everyday handling of the goods we sell in Bilka, Føtex, NETTO and on our E-commerce platforms.

In order to achieve this, we need a close cooperation with you as a supplier, as you on a daily basis supply Salling Group with the most vital part of our business: The products we sell!

In that regard the ideal export carton is the one that passes through our warehouse and stores with the least possible handling. Therefore we have set up some simple requirements, to which we expect you to adhere. Salling Group wishes that you aim to develop your export carton with the intention of:

- Protecting the product during transportation through the entire chain of supply.
- Improving the stability of the export cartons.
- Insuring the correct labelling.
- Optimizing the export carton to warehouse requirements.
- Reducing picking time in the warehouse.
- Optimizing the export carton size to shelf space.
- Improving presentation in stores to increase sales.
- Removing the need for knives to open the export carton.
- Removing shrink wrap and other unnecessary paper and plastic from the stores.
- Meeting the provisions of the country specific Packaging Directives.
- Complying with the requirements of the EC and the Danish authorities.

How to use this manual

You need to use this manual as a guideline in how to choose the right export carton, packing method and delivery method for the product, in close cooperation with the buyer. The manual is divided into 2 parts:

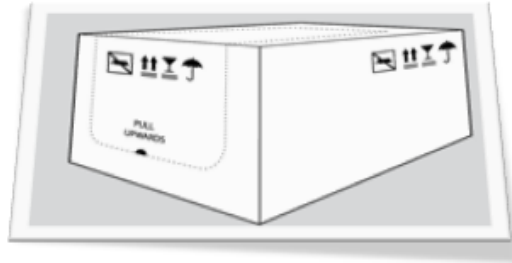
- Part 1 a general overview of requirements for all warehouses (Needs to be read by all suppliers)
- Part 2 an overview of requirements for Føtex / Bilka Nonfood warehouse in Årsløv

There are many details you have to take into consideration, so please read this guide thoroughly. This manual is a tool for both our buyers and our suppliers and is the basis of all packaging discussions.

This document is also available at www.sallinggroup.com. If you have any questions regarding this material, please get in touch with your contact person at Salling Group or send an email to logistics.dsn@sallinggroup.com

Our packaging struction will be reviewed twice a year (feb & aug)

Part 1 – General instructions



CARTON SPECIFICATIONS	6
EASY TO HANDLE PACKAGING.....	6
CARTON QUALITY	7
OUTER PACKAGING / RECEIVING UNIT	7
LABELING OF CARTONS	8
BARCODE AND LABEL TEST	9
HANDLING	10
PRODUCT REGISTRATION.....	12
PACKING OF PALLETS	12
DELIVERY	13
LOADING OF PALLETS ON TRUCK / CONTAINER	13
INFORMATION REQUIRED UPON SHIPMENT	13
CHEMICALS AND FUMIGATION	14
CHEMICALS	14
GOODS RECEPTION CONTROL.....	16

Carton specifications

Easy To Handle Packaging

In order to improve efficiency through the supply chain, Salling Group is working towards as Easy To Handle export cartons as possible. Easy to handle for the warehouse employees, as well as the employees in the stores. Salling Group has identified the following criteria in order to define what Easy to Handle Packaging is: **Easy to identify, Easy to open and access, Easy to carry and store and Easy to dispose.**

Easy to identify

- Employees must be able to identify the product even if the carton is not open
- Product description must fully reflect the product inside the carton
- Carton must have a label including;
 - DS order number, article number, product description, quantity, gross weight, purchasing department number and barcode
- Label must be printed on at least two opposite sides
- Carton must include handling symbols if applicable

Easy to open and access

- Improves the stocking of shelves in the stores
- The carton should be easy to open without the use of knife or other tools (ex. paper tape or perforation lid)
- Design of the carton should allow the employees to grasp the product inside with both hands when carton is opened
- There should be no sharp edges which can injure the employee
- Use as little cardboard, tape and plastic as possible, without compromising the durability and stability of the carton
- Use no unnecessary paper or plastic folded around the product inside the carton.

Easy to carry and store

- It is important for the working environment, that the cartons are easy to carry.
- The cartons must be able to withstand the automatic handling at our warehouse,
- The export cartons cannot weigh more than 12 kg. If a single carton exceeds 12 kg, it must be provided with grip holes and must be clearly labelled.
- The carton must be self-supported and stackable even when some products are taken out.

Easy to dispose

- The carton must be easy to fold and dispose of without the use of a knife or other tools.
- It is very time consuming having to sort cardboard and plastic when disposing of packaging, thus only use plastic when it is absolutely necessary.

The following pages will go into detail describing the good practice in carton specifications when delivering to Salling Group

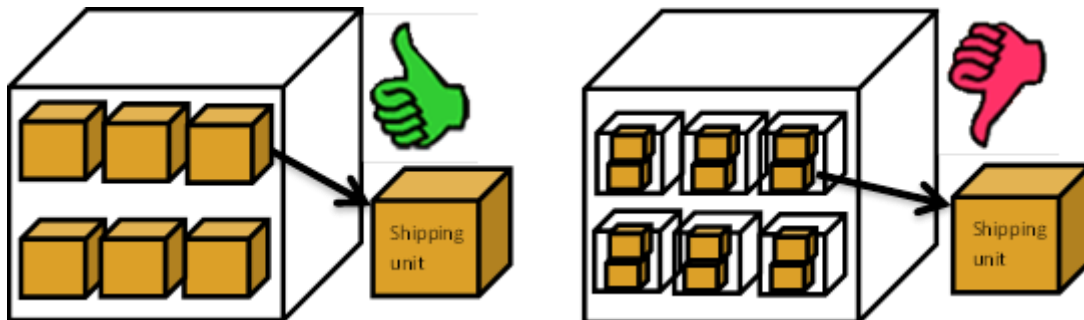
Carton quality

The carton quality must ensure:

- That the box remains stable during transportation
- That the box can be stacked in stores even when a number of products have been removed from the box
- That the box can support the weight of stacking the cartons up to a height of 2.4m during transport
- That lids / perforations of large cartons can withstand vacuum suction
- That the box fit the goods
- That boxes are never too full, thus creating round and unstable boxes.
- That no stacking pins, glue or wax is necessary (or used) to create a stable pallet

Outer packaging / Receiving unit

1. Should only be used for small export units to reduce handling time and shipping cost
2. Should only be used when the number of shipping units per export units exceeds 5
3. Only one items number per outer carton
4. Only one level of outer packaging is acceptable:



Please mark how many collis that are packed in each outer carton

5. Volume of the outer packaging should not exceed 70 L as this is the volume of our warehouse totes
6. Weight of the receiving unit must not exceed 12 kg

Scantainer as outer packaging

- Same as 1-4
- Can be used to fill more than one warehouse tote, and thus the volume be larger than 70L
- Weight of the scantainer can exceed 12 kg if delivered on EUR pallets



Labeling of cartons

When the consignment is delivered at the warehouse, it will be registered by means of barcode scanning or manual registration. To ensure that the barcodes and labels can be registered it is very important that the below mentioned requirements are met. **ALL retail units must have an EAN 13 for use in the stores and e-commerce. Please also notice Warehouse Skejby accepts only the use of EAN 13 barcodes.**

General requirements	
<ul style="list-style-type: none"> Label must be white Must be as big as possible Text must be dark Standard office fonts only No underlining text 	<ul style="list-style-type: none"> Only machine written text All text at least 8 mm high if possible Text must be aligned Characters must not touch each other
Placement	
Label must be placed in the center of the case; at least 30 mm away from the edge; on two opposite sides	

Salling Group accepts two types of barcodes on cartons; the preferred EAN 128 / GS1 128 and EAN 13.

Please notice Warehouse Skejby 9010 only uses EAN 13 barcodes.

EAN 128 / GS1 128		EAN 13
 (400) 4001234567 (97) 123456789012		 5 760932 903439
Application identifier	Always (400)	Must be the EAN of the ordering unit
DS order number (10 digits)	Ex. 4001234567	If the shipping unit contains 1 retail unit the Order EAN and the retail EAN are the same
Application identifier	Always (97)	If the shipping unit contains more than one retail unit the Order EAN will be different from the retail EAN
DS article number (6-12 digits)	Ex. 123456789012	

Besides the barcode the following information must also be marked on the case:

Information on the carton			
	Information	Description	Example
1	Order number	Salling Group order number (10 digits)	4001234567
2	Article number	Salling Group article number (6-12 digits)	123456789012
3	Product	Description of product	Jackets
4	Quantity	Number of sales units in case	12
5	Gross weight	Total weight of case + content	13 kg
Nonfood			
7	Color	Color of product	Green
8	Product range	If the case contains an assortment of different sizes or colors	S - M - L - Total 2 - 2 - 2 - 6
Food Products			
9	Prod. date	Production Date & Best before date	2014-12-02 (YEAR.MM.DD)
11	EAN number	EAN number of the product	5701050212850

Barcode and label test

In order to make sure our suppliers create good labeling and barcodes it is possible to verify the barcodes through the company Axicode. The supplier is of course not obligated to use this company to perform the check, it is also allowed to use any other company within the area.

If you want to use Axicode, you have to fill out this formula:

axicode DK | EN

Verifikation af etiketter for leverandører til Dansk Supermarked A/S

Ved fejl og mangler på koli- og pale etiketter, eller blot en godkendelse heraf, fremsendes disse til Axicode.

Ved fremsendelsen af etiketten, skal felterne i formularen være udfyldt. Når formularen er udfyldt og gemt, genereres et referencenummer, som skal påføres forsendelsen til Axicode.

Axicode foretager en ISO/IEC verifikation af den modtagne etiket. Etiketten verificeres efter ISO 15416 og GS1 standard, for at dokumentere hvorvidt strejkoderne er korrekte, læsbare og af god kvalitet. Strejkoderne verificeres og testes på Axicon eller LVS verifikationsudstyr, som er ISO 15425-1 og GS1 certificeret.

Axicode genererer en elektronisk rapport, samt en professionel udtredning af evt. problemer og løsningsforslag. Disse vil være på engelsk eller dansk sprog og afsendes via e-mail.

Etiketter der modtages inden kl. 10.00, verificeres samme dag som de er modtaget. Etiketter der modtages efter kl. 10.00, verificeres senest næste hverdag.

Verifikation af koli- eller paleetiket inkl. rapport og professionel udtredning.

Pris DKK. 595,-

Verificering faktureres uanset resultatet af verifikationen.

Drives etiketten re-verificeret efter fejtrætning/ulæsering, tilføjes denne til 50% af den normale pris.

For at opnå rabatten skal re-verificeringen være foretaget inden for maks. 5 hverdage efter den sidste verificering af samme kode. Re-verificering feltet skal krydnes af og det tidligere referencenummer skal i kommentarfeltet.

Bemærk, såfremt der ønskes yderligere support eller professionel rådgivning, faktureres dette særskilt.

Priserne er ekskl. moms.
Betalingsbetingelser er netto kontant 30 dage.
Priserne reguleres 1/1 – første gang 1/1 2016

Kontakt Axicode

Axicode A/S
Jernbanegade 5
3300 Hinnerup
Danmark

Tlf. +45 7020 8810
E-mail: info@axicode.dk
Web: www.axicode.dk

© Axicode A/S. All rights reserved. 2015

CVRnummer *
Indtast CVR nummer

Firmanavn *
Indtast firmanavn

Kontaktperson *
Indtast kontaktperson

E-mail *
Indtast e-mail

Telefonnummer *
Indtast telefonnummer

Fakturerings e-mail
Indtast fakturerings e-mail

Dansk Supermarked reference
Indtast Dansk Supermarked reference

Internt referencenummer
Indtast internt referencenummer

Re-verificering?
☐

Kommentar
Indtast kommentar

Tilføj verifikation

The formula can be found on AxICODES website (<http://verify.axicode.dk/>). After filling out the formula you will receive a reference number which you have to enclose when sending a label to Axicode. You should scan the document or send the original barcode.

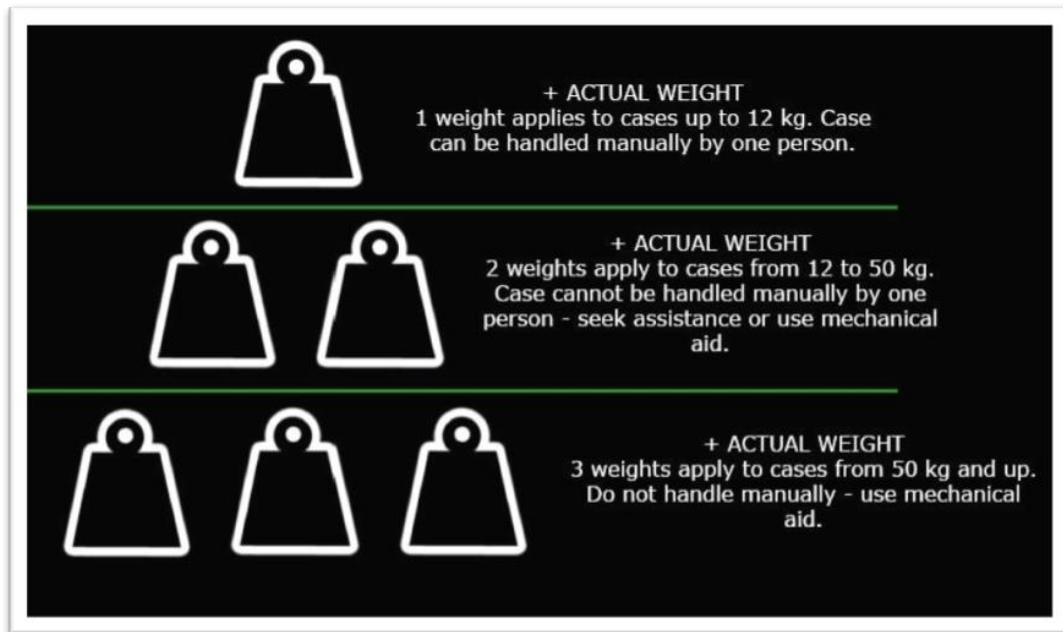
The price is 599 kr. for each label. If you make corrections in the label and wants to perform a new test, the price will be 50% of the original price, if you do it before 5 weekdays.

For further information contact Salling Group.

Handling

Carton weight limits

- Weight limits for cartons stipulated by Danish authorities, is a **gross weight of max 12 kg**
- Gross weight must be printed on the label to inform employees of the correct way to handle the box
- Salling Group introduces a special handling symbol, which is weight specific, and must be placed on each box (or the shipping mark):



Heavy or bulky products






- If the product itself is heavier than 12 kg or bulky (larger than 1 m³) grip holes should be added either on both sides / opposite ends (suggested size 30 x 100 mm)
- If the product weight exceeds 20 kg the box has to be handled by two people and thus grip holes must be added to the box to facilitate this.



- If grip holes are not possible to make due to packaging (ex. No air / room around articles) external handles must be applied (plastic handles) or packaging altered to meet the requirements.

Handling symbols

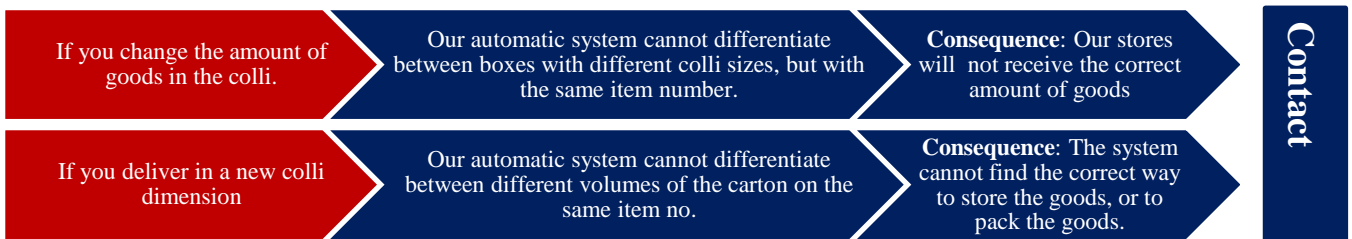
The following international handling symbols must be used if your products require special handling during transport, at the warehouse or in the stores. **Symbols may only be used when required.**

	<p>Maximum stack (here shown as “8”)</p> <p>Goods like video monitors and glassware have a stacking limit. If this limit is exceeded, the compression from excess weight of overlaying boxes may damage the goods underneath. Use this symbol if the product has a stacking limit.</p>
	<p>Fragile: handle with care</p> <p>Fragile: handle with care - glass</p>
	<p>This side up</p> <p>Symbol only to be used if: Important for transport stability. Direction has implication for stability due to directional reinforcement in cases. Important for product stability. If product can be damaged/broken when packed in wrong direction.</p>
	<p>Do not stack</p>
	<p>Chemicals</p> <p>Use symbols like this if the container is fumigated or contains chemicals.</p>

Product registration

When shipping to Salling Group, you must make sure that the correct master data is available to Salling Group. The procedure depends on the type of product you are delivering; textile, food or other nonfood products. Master data registration is only done for new item numbers and it is done because both our systems and warehouse are highly dependent of correct master data.

Changes to master data



If you change the articles so that the master data are no longer correct, you have to contact SALLING GROUP and deliver the articles on a new item number. SALLING GROUP will supply you with the new item number

Packing of pallets

- **Products must be kept within the pallet dimensions** – at the bottom as well as the top, so no carton hang outside the pallet.
- **Weight must be distributed evenly across the pallet** – horizontally and vertically
- **The total weight of the pallet may not exceed 1200 kg**
- **The items on the pallet must be wrapped in clear foil** to ensure stability during transport, as well as dust protection - **Foil cannot cover the pallet and cannot be colored**
- **No individual wrapping of single cartons** must be employed, and no part of the wrapping must get in touch with the pallet.
- **Pallets must not be foiled together with other pallets.**
- **Removing foil should not result in collapse** – of a single row or the entire pallet.
- **"slave pallets" are not accepted at all Warehouses** – Please refer to Appendix A for overview of warehouse specific pallet requirement.
- **One item number per pallet** - The pallets should be packed with only one item number if possible.
We want to receive clean units to avoid mixing of the articles. Further info please see page 13 paragraph 2.
- **The labels of all the boxes must be visible without splitting up the pallet.**

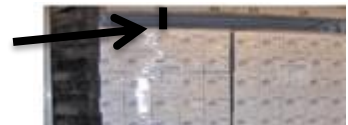


Delivery

Loading of pallets on truck / container

In order to prevent damaged cases and to facilitate the handling during receipt at our warehouse, it is important to arrange the packing of the truck / container according to the following instructions:

1. When articles are stacked in the truck, **it is important to have at least 150 mm free space between top of the goods and the ceiling** so the goods can be unloaded by means of a fork-lift truck or other handling equipment.
2. If your order comprises many different articles, you have to make multiple layers in order to avoid mixing of the articles, as we want to receive "clean" units. You can either do that by inserting an extra pallet or a slip-shee.
3. Optimize the packing of the truck / container by stacking in multiple layers. If the articles are large and heavy or light (crushable) one layer is recommended, otherwise you can stack pallets or slip-sheets on top of each other to fill the truck. You are allowed to use a combination of EUR pallets and slip-sheets, as long as the bottom layer consists of a EUR pallet.
4. Pay careful attention to the fact that if you are using a one way pallet, the opening of the pallets must be facing the rear end/opening of the truck / container (Only Nonfood).
5. 1/1 pallets shall be placed 3 and 3 at the vehicle e.g. the short side of the pallet must always be turned towards the loading platform, and if you deliver on slip-sheets the grip handle must always be turned towards the loading platform.
6. 1/4 pallets shall be in rows of three (600* 1200).
7. All components must be adequately secured and protected to prevent movement inside the master carton as well as in the truck / container.



If you deliver our goods by truck you should not use the type 'High-cube'. High-cubes have a low unloading level which we are not able to handle.

Information required upon shipment

When arriving to our warehouses the below requirements must be fulfilled:

- The Salling Group 10-digit order number must always appear from the driver's papers (freight bill and delivery note.) The order information must be available to the driver and therefore must not solely be attached to the products/pallets in the form of delivery notes or the like.
- Only papers covering products actually delivered may accompany the products.
- The driver must state the order number whether the products are delivered via central warehouses, warehouse hotel or have been transhipped to another carrier in transit.
- If the driver carries products for several order numbers, all order numbers must be advised.
- In case of part delivery, it must appear clearly from the papers which order number the delivery concerns. The order number must appear at both freight bill and delivery note.
- If the delivery note does not cover the entire order, it must be stamped "Part delivery". A copy of the delivery note must be attached to each freight bill. Further a clear indication of which products is being partly delivered and how many of each article is required.
- A freight bill indicating the precise part consignment delivered in EUR 1/4, 1/2 or full (1/1) pallets must be made out for each delivery.

Chemicals & Fumigation

Chemicals

This section should be read by all suppliers who produce our goods outside of Europe.

For suppliers inside of Europe you must comply with current legislation.

The use of chemicals in production, packaging and fumigating of containers should be avoided when possible. Suppliers to Salling Group need to read this packaging instruction as well as the trade agreement for Salling Group to keep updated on the requirements concerning chemicals and fumigates.

Avoid unnecessary use of fumigates in the container

Fumigation of containers to avoid damp, mould and pests can be avoided by packing the goods in a dry environment and in a dry container. The goods must always be dry when packed in the container. If you follow this procedure you will in most cases be able to avoid the use of fumigates.

Prevent moisture in the container.

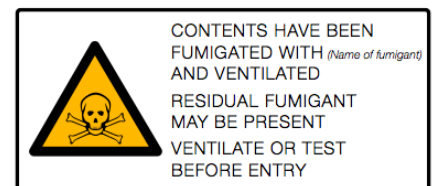
- The goods and container must be dry.
- Pack the container in a dry environment.
- If the humidity is high you can isolate the container inside with carton on the sides and on the top. The carton will absorb condensation.
- Use silica in the container to absorb humidity.

Fumigation of the containers must always be coordinated with your contact person at Salling Group.

If you use fumigates in the containers:

- You must send a certificate with the contents that have been used to fumigate the container to Salling Group at nflvm@sallinggroup.com
- You must send a certificate that the container has been ventilated and is now fumigant free to Salling Group at nflvm@sallinggroup.com
- Furthermore you must label your container with warning symbols,

so that we can take the necessary precautions at our warehouse. The containers should as a minimum be labeled with the following information: A warning symbol, Name of the fumigant; Date of fumigation; Information about ventilation (Yes/No); Date of ventilation.



At Salling Group we will test container shipments according to current legislation if we suspect that a container is contaminated. Contact Salling Group if you need to know for which fumigates and chemicals we test.

If you use chemicals in your production:

Products containing chemicals will evaporate after production, and some contamination can be avoided by not packing the goods immediately after production.

To avoid or minimize contamination in the packing, certain products should be delivered in perforated packing. This is especially important for suppliers of shoes and other products containing many chemicals.

You must keep updated with the ECHA list of **substances of very high concern** (SVHC). The SVHC list is the first step in the procedure for restriction of use of a chemical. You can find the list by following this link:

<http://echa.europa.eu/web/guest/candidate-list-table>

The SVHC list concerns substances in articles and substances in packing material.

Directly after a substance is included in the SVHC Candidate List, suppliers of articles which contain such a substance in a concentration above 0.1% (weight by weight) have to provide enough information to allow the safe use of the article to the recipients of the article.

If you need further help regarding how to avoid the use of chemicals and fumigates, or to find alternatives to forbidden chemicals or fumigates, Salling Group can support you in finding technical assistance.

Packaging & Cadmium Directive

All suppliers to Salling Group must meet the requirements of the Packaging Directive (A) as well as the requirements of the Cadmium Directive (B).

These Directives are important for you to follow as a supplier. If you do not follow these rules you are in reality breaking the Danish laws. For more information visit <http://europa.eu/>.

A) Packaging Directive

"Suppliers to Salling Group are requested to meet the requirements stipulated in the Packaging Directive, implemented in Danish law, from European Parliament and Council Directive 94/62/EC of 20 December 1994 on packaging and packaging waste and all international and national relevant standards (EN 13427, EN 13428, EN 13429, EN 13430, EN 13431, EN13432), as well as relevant underlying standards and other legislative requirements regarding packaging."

How to find the Packing Directive for elaborating details:

When entering the website go to 'official journal/ publication year and enter: 1994/official journal reference/ OJ Series: L/OJ Number 365/page number: 10/ on this side select 31994L0062.

An important requirement in the Packaging Directive is that packaging and packaging components may only be placed on the market in Denmark provided that the sum of concentration levels of lead, cadmium, mercury and hexavalent chromium does not exceed 100 ppm by weight.

B) The requirements of the Cadmium Directive

"Suppliers to Salling Group are requested to meet the requirements stipulated in the Cadmium Directive, implemented in Danish law, from Council Directive 91/338/EEC on the prohibition of sale, import and manufacture of cadmium-containing products, as well as relevant underlying standards and other legislative requirements regarding cadmium"

How to find the Cadmium Directive for elaborating details:

When entering the website go to ' official journal/ publication year and enter: 1991/official journal reference/ OJ Series: L/OJ Number 186/page number: 59/ on this side select 31991L0338.

An important requirement in the Cadmium Directive is that import, sale and manufacture of cadmium-containing products are prohibited. Cadmium-containing products mean products in which cadmium is used with more than 75 ppm in the homogeneous components of the product.

Goods reception control

In order to ensure the quality of the deliveries our “Goods In” department check every delivery and correct possible errors:

- Pallets foiled together
- Foil covering the pallet
- Foil loosely hanging from the pallet
- Pallet too tall
- One-way pallets from European suppliers
- Defective/ poor quality pallet
- Pallet too broad or unstable
- Pallet too heavy
- Item numbers mixed on pallet
- Colli errors
- Bad cardboard quality
- Breached units
- Missing product information on boxes
- No order number on consignment note
- Wrong delivery date
- Too late delivery
- No EAN label
- Errors in EAN number
- Wrinkled EAN number
- Non-fulfillment of freshness
- Wrong best before date
- Wrong placement of EAN label
- $\frac{1}{4}$ - $\frac{1}{2}$ pallets placed on 1/1 EUR
- $\frac{1}{4}$ - $\frac{1}{2}$ pallets wrapped together
- Multiple EAN labels on same pallet
- Wrong pallet type

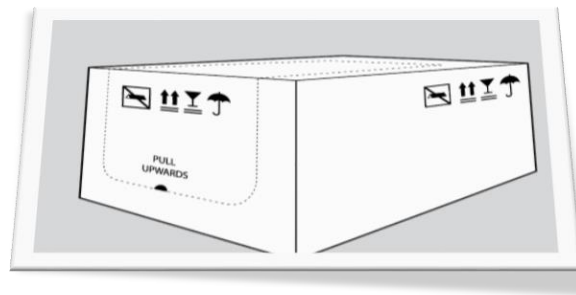


Note! Not all warehouses accept slave pallets or $\frac{1}{4}$ pallets - Please refer to appendix A for warehouse specific information on pallets.

Suppliers who do not comply with the delivery specifications stipulated in the packaging instruction will be charged a minimum handling fee per pallet of 100 DKK (per error) with a minimum handling fee of 2000 DKK no matter if one or ten errors has been made.

Please refer to appendix C for a complete handling fee overview.

Part 2 – Føtex / Bilka Nonfood Instructions



Bilka
føtex

WAREHOUSE	18
DEFENITIONS	20
CARTON SIZE	21
HANDLING TYPE AND DIMENSIONS	21
PREFERRED HANDLING DIMENSIONS	22
SPECIAL INSTRUCTIONS FOR TEXTILE SUPPLIERS	23
DELIVERY ON PALLETS.....	24
DELIVERY ON PALLETS	24
STACKING HEIGHT	25
DELIVERY IN CONTAINER	26
DELIVERY ON SLIP SHEETS	26
LOOSELY PACKED	28
INFORMATION REQUIRED UPON SHIPMENT	28
GENERAL REQUIREMENTS FOR CONTAINERS	29
DELIVERY BY TRUCK	30

Warehouses

Salling Group have 2 Nonfood warehouses. The warehouses are located in Aarslev and Skejby and handle goods for all our Føtex and Bilka stores in Denmark.

Aarslev is an automatized warehouse. The warehouse has replaced 5 other nonfood warehouses, and has 2 automatized highbay storage areas for pallets. In the warehouse we operate after the goods to man principle.

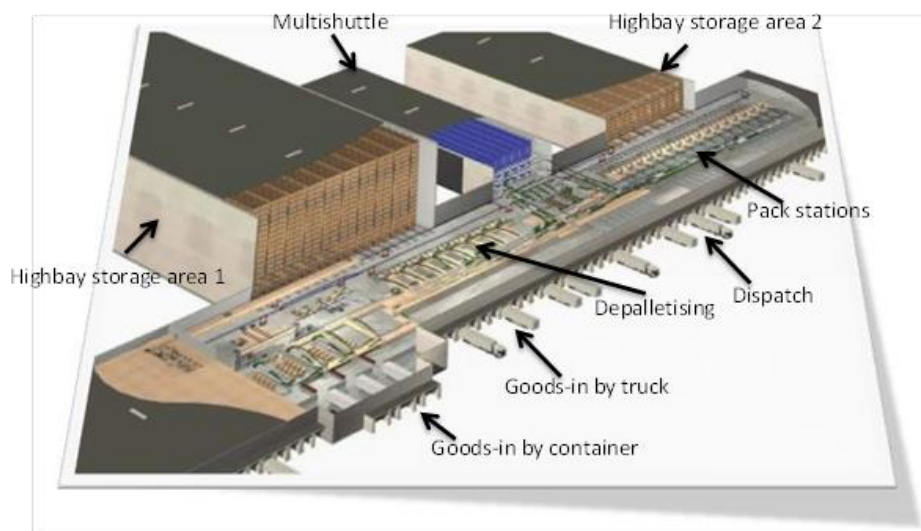
Due to the high degree of automation at our warehouse, we require that our suppliers deliver our goods in the correct carton dimensions, with correct labelling and more. It is therefore very important that you carefully read and follow the instructions in this document, so that we can avoid unnecessary and expensive manual handling.

Facts about our nonfood warehouse in Aarslev.

- Highbay 1 storage area is 80 m wide, 140 m deep and 42 m high
- 16 automatized cranes in the two highbay storage areas bring the goods to the positions where it is needed.
- The cranes move with a maximum speed of 15 km/h, and the biggest of them weighs approx. 23 tons
- The two highbay storage areas have room for more than 105,000 EUR pallets.

In the multishuttle cartons are handled individually but still automatically.

- The multishuttle is 33 m wide, 100 m deep and 21 m high
- It can store more than 108,000 cartons
- It has 180 fully automatized shuttles
- It can receive 6,000 cartons/hour, and at the same time it can find 6,000 cartons which are needed for other locations






Skejby is a manual Nonfood warehouse, receiving maxi items from purchasing groups such as Garden furniture, Bicycles, beds and furnitures. Skejby is divided in two buildings with a combined of three floors. It is very important that every truck goes through the reception, so it can be unloaded at the right place the first time.



Definitions

Packaging is very important in our stores and in our nonfood warehouse in Aarslev. Below is a short description of the different definitions of cartons.

Retail unit / Sales unit	
	<p><i>The unit that is sold to the customer in the shops.</i></p> <p>For large sized products (e.g. TV's, furniture and similar) the goods will be delivered to the warehouse as retail-unit</p>
Export / Shipping unit	
	<p><i>A box containing a specific number of retail / sales unit.</i></p> <p>This is the unit that is shipped to the shops from the warehouses.</p> <p><i>Usually this is also the unit in which the goods are delivered to the warehouse.</i></p>
Outer / Receiving unit	
	<p><i>A box containing a specific number of export /shipping units.</i></p> <p>The outer unit is only used for transport from the supplier to the warehouse and will be emptied at the warehouse. The receiving unit is used primarily when the export unit / inner carton has a small volume (3 litres or less).</p> <p><i>Only one level of outer packaging is allowed</i></p>

How your articles are to be delivered must always be agreed between you and your contact person from Salling Group.

Breached units

It is very important that you **do not deliver breached units**. A breached unit, is a unit that does not contain the same amount of goods as the other delivered units on the same item no.

Our goods-in department cannot receive the breached unit since it is not identical with the master data, and you therefore need to call your contact person at Salling Group before you ship the order if you see that the order from Salling Group does not match with the colli size.

Articles arriving on the same item-no should always arrive in the same colli size.

Carton size

Handling types and dimensions

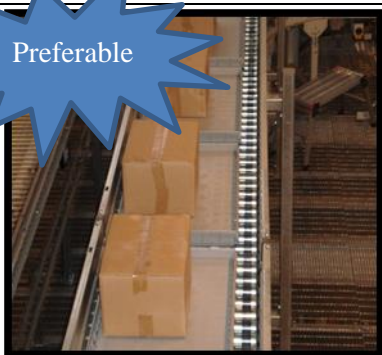
At our warehouse we operate with 4 handling types / shipping units; Small, Medium, Large and Maxi .
If you are in doubt about what dimensions the carton should have please call your SALLING GROUP contact person.



Small

Measurements (mm)		
Volume	Largest side	Volume outer packaging
3 L	520	70 L
Description		
Examples of small products are; sunglasses, underwear & kitchen utensils. These type of products normally arrive at the warehouse in outer packaging, which should not exceed a volume of 70L, as this is the maximum capacity of our warehouse totes.		

Preferable



Medium

Measurements (mm)		
Smallest	2 nd smallest	Largest
50-320	100-420	150-600
320-420	max: smallest * 1,3 (max 530)	max 600
Description		
Medium cartons are the most cost effective way of handling goods at our warehouse. These products are the ones that we can handle most automatically, and most of our products should be able to fit in this type of box. (Medium boxes should min. weigh 250 g)		



Large

Measurements (mm)		
Smallest	2 nd smallest	Largest
420 – 800	530 – 800	600 - 1200
Description		
Lids / perforation should be able to withstand vacuum suction		
<i>If you believe that your products could fit into a medium carton by making adjustment to packaging or changing the colli size, please contact your contact person at Salling Group</i>		



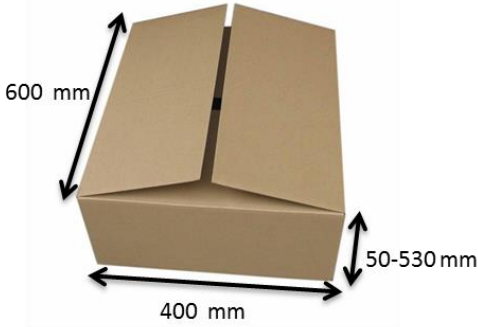

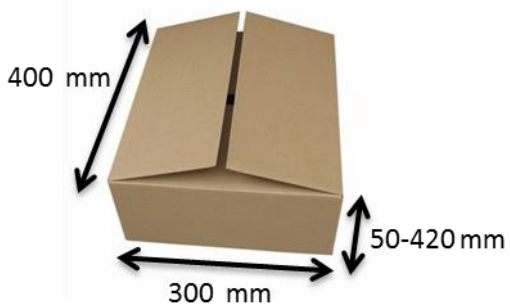
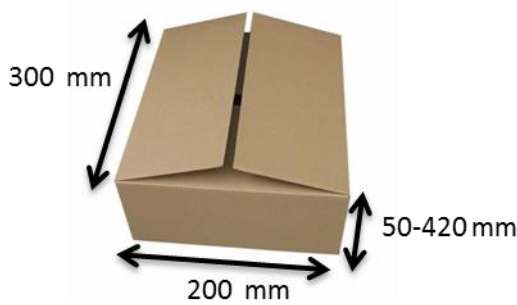
Maxi

Description
Maxi goods are larger than the dimensions of the large cartons on at least one side, and therefore cannot fit on a EUR pallet.

Preferred handling dimensions

Another important criteria for dimensions is that the boxes in combination with other boxes fit a EUR pallet. The dimensions of EUR pallets are 800 mm (width) x1200 mm (depth).

If you deliver in the following dimensions you will be sure that the cartons fit a EUR pallet, and fit the requirements of Salling Group.

Length 600 mm	Width 400 mm	Height 50-530 mm	Length 400 mm	Width 400 mm	Height 50-530 mm
 <p>A 3D perspective diagram of a brown cardboard box. The length is labeled as 600 mm, the width as 400 mm, and the height as 50-530 mm.</p>			 <p>A 3D perspective diagram of a brown cardboard box. The length is labeled as 400 mm, the width as 400 mm, and the height as 50-530 mm.</p>		
Length 400 mm	Width 300 mm	Height 50-420 mm	Length 300 mm	Width 200 mm	Height 50-420 mm
 <p>A 3D perspective diagram of a brown cardboard box. The length is labeled as 400 mm, the width as 300 mm, and the height as 50-420 mm.</p>			 <p>A 3D perspective diagram of a brown cardboard box. The length is labeled as 300 mm, the width as 200 mm, and the height as 50-420 mm.</p>		

If you have problems deciding the dimensions of the boxes, make sure that it always fits the goods, and that you do not deliver breached units (see p. 7) If the export case is larger than the goods, the export case will cave in and collapse during transport.

Most of the goods delivered to the nonfood warehouse in Aarslev should be able to fit into one of the above mentioned cartons.

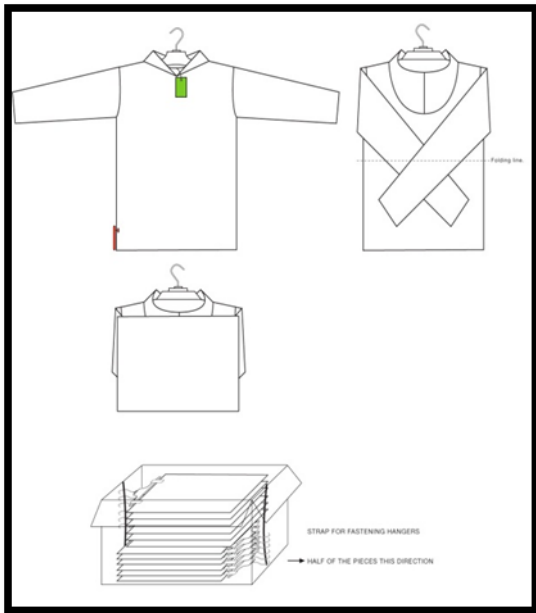
Special instructions for textile suppliers

Textile can be folded in different ways so that it can fit into a medium sized carton. Normally your contact person at Salling Group will send you instructions on how to fold the clothes if special folding is necessary.

If the clothes when folded cannot fit into a medium sized carton, you should call your contact person at Salling Group to find an individual solution for that specific product.

Here are two examples of issues we often see with textile products at our warehouse:

The shipping carton is slightly too big to be Medium



Example

We received some jackets in a carton with the dimensions 630x470x200 mm (LxWxH). The width of the carton is in this example defined by the width of the hanger. This carton is 3 cm too long and 5 cm too wide and is therefore classified as a large carton. (Large cartons are approximately 2 times more expensive to handle in our warehouse than medium cartons.)

Solution

If the jackets had been folded on the middle, the carton would have the following size 470x400x400 mm, and it would now be classified as medium. (The longest side is now equal to the side which was earlier the width because the jackets are now folded)

Products packed in polybags exceed the 3L limit

(Consequence: we have to handle the product as small even though the measurements indicates that it is medium)



Example

We receive 10 t-shirts in a plastic bag with the dimensions 400x300x200 mm (LxWxH). This product has a volume of 24 litres, and will therefore reduce the amount of articles in our shop totes, and increase the handling time in the warehouse and our stores.

Solution

This type of products should be delivered in a medium carton instead of a plastic bag

Delivery on pallets

Delivery on pallets

The carrying capacity of the pallet is very important. Make sure that the pallet is stable and strong enough to carry the goods. It is quite decisive that the pallets are made strong enough for the goods, no matter which material the pallet is made of. The pallet must endure the transportation, as well as the subsequent handling of the pallets¹.

EUR pallets

All European suppliers should deliver our goods on EUR pallets if the goods can fit on a EUR pallet.

Thus all deliveries made by truck should be done on 1/1 or 1/2 EUR pallets complying with the EN 13698-1:2003 standard if the product fit such a pallet. Pallets size is therefore 800x1200 (Width x Length) or 800x600 (Width x Length).

One-way pallets

One-way pallets must only be used by suppliers outside Europe, or for those goods that cannot fit onto a EUR pallet

When you are designing the one-way pallet, you have to make sure that the size of the pallet fits the goods, so that the goods will not be damaged during the transportation and during the handling at the warehouse.

For suppliers outside Europe, please make sure the dimensions of the one-way pallet when possible are below those of a standard EUR pallet (800x1200 mm), as we strive to slave these on to EUR-pallets. A good measure for a one-way pallet would be 760x1170 mm (Width x Length).



If there are lower boards crossing from side to side on the pallet, please make sure the open side is facing the opening of the truck. We have to be able to unload the truck with our forklifts.

The fork-lift pockets under the pallet must be at least 100 mm high (from floor to underside) and 200 mm wide (see the figure below). This ensures that the pallets can be handled automatically with lifting equipment at our warehouse.



¹ Be aware that EC authorities have *special* requirements as to the nature of the wood when imported from certain countries to Denmark. The import restrictions for wooden packing observe the international standard ISPM 15. This implies that any wooden packing must be heat-treated or fumigated, and the wood must be marked with an IPPC logo and indication of which kind of treatment being used. IPPC = International Plant Protection Convention. For more information please visit: WWW.IPPC.INT

If the pallet length exceeds 1200 mm, for instance for tables, the pallet must be accessible from both sides, and fork-lift pockets must consequently be placed at both sides of the pallet (all with minimum height of 100 mm/width of 200 mm).

Stacking height



A pallet must never be so high that it cannot support itself. This includes ensuring that the edge stiffness is sufficiently high. You should only use corner protection and similar when it is absolutely necessary. Straps or foil around any single box is not allowed.

Packaging must be of sufficient quality to support the weight of stacking the cartons up to a height of 2400 mm including an extra pallet in the middle, in order to double stack pallets during transportation.

The pallets must also be packed ensuring that no articles weighing from 12 kg and up are being stacked higher than 1400 mm.

The total weight of the pallet may not exceed 1200 kg

Even though that there is a maximum allowed height of the pallet, it is very important to pack the pallet as efficient as possible in order to use all space on the pallet.

EUR pallets		One-way pallets	
	<p>If you pack on EUR 1/1 the maximum allowed height of pallets is 1800 mm including the pallet.</p>		<p>If you pack on 1/1 one-way pallets the maximum allowed height of pallets is 1650 mm including the pallet.</p>
	<p>If you pack on 1/2 EUR pallets the maximum allowed height of pallets is 1000 mm including the pallet</p>		<p>If you pack on 1/2 one-way pallets the maximum allowed height of pallets is 850 mm including the pallet</p>

Delivery in container

Delivery on slip-sheets

Delivery on slip sheets is the preferable way to deliver our goods to Warehouse Aarslev when you deliver in a container. Please notice that warehouse Skejby can **not** handle deliveries on slip-sheets.

When you deliver on slip-sheets we can easily place the goods on an EUR pallet in our warehouse.

Slip-sheet specifications




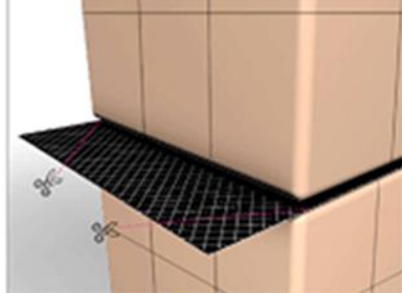
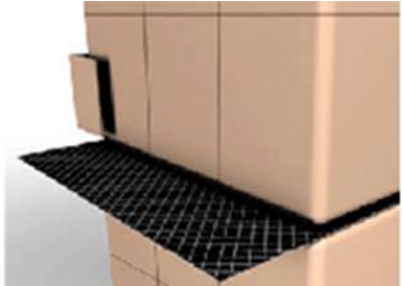


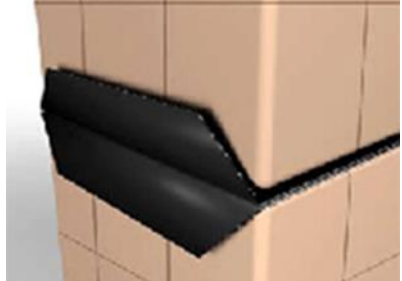
- **The slip-sheet must be stable enough to carry the goods** – For most products a slip-sheet made of coated carton can be used but for very heavy products (combined weight of goods on slip-sheet: 800 kg) a slip-sheet made of plastic must be used.
- **The slip-sheet must be stable enough to endure the transportation (and humidity), as well as being handled after the transportation.**
- **The slip-sheet must have a maximum dimension of 760 mm x 1170 mm.** This is to ensure, that when we unload a container or truck, each unit of goods will fit on an EUR-pallet.
- **The grip-edge of the slip-sheet, must be an additional 180 mm wide.** (the part where the mount, as shown below, grips and pulls the slip-sheet)



Packing slip-sheets

- **Each layer of slip-sheet may not exceed 1650 mm** (If the goods are larger than 1650 mm please make the slip-sheet fit the goods)
- **Heavy articles (12kg +) may not be placed higher than 1400 mm** – otherwise insert extra layer
- **Products must be kept inside the boundaries of the slip-sheet** – at the bottom as well as the top, so that no cartons exceeds the size of the slip-sheet / hangs outside the slip-sheet.
- **If possible the container must be loaded in two layers** – to optimize the filling of the container
- **Slip-sheets must be packed evenly** – so weight is distributed evenly across the slip-sheet both horizontally and vertically
- **The slip-sheet must be wrapped in foil** to ensure stability during transport, as well as dust protection. (No. individual wrapping of single cartons must be used)
- **The cartons on the slip-sheet should not collapse when removing foil**
- **All labels should be visible without splitting up the slip-sheet** if possible
- **If possible there must only be one product type per layer, and always different types must be clearly divided by cardboard.**

Using slip-sheets

<p>1. This is the empty slip-sheet. Please ensure that the chosen fabric and the dimensions fit the type of goods, you aim to pack on it.</p>	<p>2. The cases are placed on the slip-sheet like this. Two layers are needed when the height exceeds 1650 mm, or division is needed due to multiple different articles.</p>
	
<p>3. A perfect stacking of cases on a slip-sheet.</p>	<p>4. The corners of the slip-sheet are cut off, to ensure that two slip-sheets do not overlap.</p>
	
<p>5. Corner-protection must be added, only when the nature of the goods demands this.</p>	<p>6. The goods must be wrapped. Multiple loads must not be wrapped together, and foil must not get around the slip-sheets. Please remember to turn the adhesive side inwards, otherwise goods will stick together at arrival at our warehouse.</p>
	
<p>7. The edges must be folded either up or down, to ensure they will not be crushed by the next pallet .</p>	<p>8. The slip-sheet and the goods on it are now ready for loading.</p>
	

Loosely packed

If you cannot deliver our products on a slip-sheet, we prefer that you deliver the goods loosely packed in the container.

At our new warehouse in Aarslev we have installed boom-conveyors which we use when we empty loosely packed containers.

When we empty a container through this system the cartons will either go through a barcode scanner and directly into our high-bay storage area until we need to pack it, or it will be packed onto EUR pallets if the cartons are large. Hereafter it will go into the high-bay storage area until we need to pack it.



We empty loosely packed containers by using boom-conveyors.

Packing of a container

When the loose export cases are stacked in the container, it is important to do it carefully so that the goods will not tumble around during transportation.

Be sure not to place heavy articles (exceeding 12 kg) higher than 1400 mm. If you deliver heavy articles you should instead deliver on a slip-sheet or on a pallet.

Perfectly packed container



Example of how not to pack a container



If you intend to deliver a mix container comprising two or more articles, you should make sure to separate these articles from each other, and to make some kind of punctuation mark, which indicates where an article stops and a new one begins. This punctuation mark could for instance be a cardboard or something similar.

Information required upon shipment

To ensure efficient communication between the supplier and Salling Group, a complete shipping list must be faxed or sent as an email to the purchaser no later than on the day of shipment. The list must embed the following information:

- Salling Group Order Number	- Total volume of shipment (m3)
- Container number	- Total weight of shipment (kg)
- Bill of lading number	- Total number of export cases in shipment
- Name of vessel (if ship)	- Delivered on pallets or slip-sheet
- Date of departure	- ..If "yes" then number of pallets of sheets
- Consignor/Shipper	- Information about hazardous materials
- Consignor's/shipper's contact person	- Information about master data for goods

General requirements for containers

Dimensions of General Purpose containers

The table below gives a general guideline to the dimensions of a container, but keep in mind that the dimensions deviate within container series.

Sizes	Door openings		Internal dimensions			Max payload	Volume
	Width	Height	Length	Width	Height	In kg	In m3
20 std.	2,34 m	2,27 m	5,89 m	2,35 m	2,39 m	28200	33
P40 std.	2,34 m	2,27 m	12,03 m	2,35 m	2,39 m	28800	67
40 high	2,34 m	2,58 m	12,03 m	2,35 m	2,70 m	28620	76
45 high	2,34 m	2,58 m	13,56 m	2,35 m	2,70 m	27600	85

Moisture absorbing materials

The relative air humidity inside the container depends on the moisture from the cargo as well as the air during loading and the outside temperature during the transportation. Condensation might emerge when you move cargo from a warm zone to a colder zone. In order to avoid condensation during transportation, please use moisture absorbing materials e.g. silica. The condensed water not only causes damage to the goods, but can also moist the cardboard pallets during transportation, so they become damp and collapse before arrival. Please also remember to check that the ventilation holes are open, e.g. after fumigation, before the container is shipped.



Example of Silica product for shipping-containers

Maximum permissible weight of a container plus its contents

For some goods, e.g. heavy granite, steel etc. there is a limit to the maximum weight of a container. Please check with national authorities regarding this, as this limit varies in different countries. The supplier must not exceed these weight limits when stowing a container, even in case of excess space in the container.

Once there is space left in a container always apply absorbent/cushioning material to separate and protect the cargo from damage during transport - like foam, mats and fibreboard. Also the goods must be secured to prevent the cargo from crashing inside the container. When loading the container, ensure that the centre of gravity is in the middle of the container. If the container is loaded unevenly, the centre of gravity will shift during transportation, and damage will be inflicted on the goods.

Delivery by truck

Information upon arrival by truck

When arriving by truck you must always inform us prior to arrival, to facilitate planning at our warehouses.

When your truck pulls in at our Nonfood Warehouse, you will have to enter the site via the automated gatekeeper. This is a touch screen, placed conveniently outside the gate.

A series of simple screens will guide you through entering the information we need to receive, before opening the gates. If you arrive with a shipment which has not been booked in our systems you will have to use the automatic gatekeeper to call our planning department. **When this information has been given, three things can be decided by the system:**

1. Opening of entrance-gates, and a dock door assigned to driver. (This happens when the driver arrives at the correct time, and all details are correct)
2. Opening of entrance-gates, and a parking-space assigned to driver. (This happens when time of arrival is inconsistent compared to the booking details, or the warehouse is behind schedule)
3. Gates remain closed, and driver is told to park on outside parking space, and to return at a later specified time. (This happens when no prior agreements have been made, or when details need to be investigated before truck is allowed on-site)

At arrival by truck, Salling Group will check the delivery and sign the freight bill to acknowledge the delivered pallets/colli. Waiting time may occur.

How to find the warehouse in Aarslev

Due to the fact that Rosbjergvej was previously connected to Aarslev Kirkevej in the village of Aarslev we have experienced that truck drivers with older GPS systems have an issue finding the warehouse and end up on small closed road, where turning around has caused trucks to get stuck or to damage the property of our neighbors.

In order to avoid this please follow the instructions below instead of the GPS system when there is a chance it might lead your driver astray.

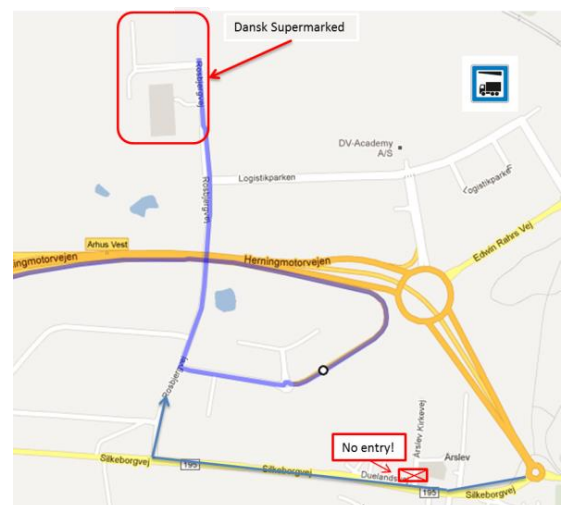
When exiting the highway follow the signs leading towards the industrial area in Årslev, then turn right on Rosbjergvej and follow the road to the warehouse.

If you by accident get to Silkeborgvej do under NO circumstances enter Aarslev Kirkevej but continue along the road and enter the warehouse through Rosbjergvej.

Opening hours: 7.00 – 14.30 Monday to Friday



Automated gatekeeper



Appendix A – Pallet Overview per warehouse

Format	Country	Warehouse	Automatic or manual	Type of pallets that can be handled												Special requirement for the use of 1/2 and 1/4 pallets				
				EURO type				CHEP (blue pallets)				LPR (Red pallets)					One way pallets			
				1/1 pallets 80 x 120	1/2 pallets 80 x 60	1/4 pallets 40 x 60	UK 100 x 120	1/1 pallets 80 x 120	1/2 pallets 80 x 60	1/4 pallets 40 x 60	UK 100 x 120	1/1 pallets 80 x 120	1/2 pallets 80 x 60	1/4 pallets 40 x 60	UK 100 x 120					
Blue	DK	Årslev	Automatic	180 cm	160 cm	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	1/2- pallets can be stacked on top of 1 EURO-sized pallet - Årslev does not accept 1/4 pallets				
Blue	DK	Skelby	Manual	180 cm	160 cm	140 cm	NA	180 cm	160 cm	140 cm	NA	180 cm	160 cm	140 cm	NA	1 EURO pallet. 2 1/2 pallets must be stacked on top of 1 EURO pallet				

Appendix B – General Warehouse information

Format	Country	Warehouse	Automatic or manual	Terminals addresses	Opening hours (deliveries)	Contact information
Blue	DK	Ishøj	Manual	Terminal Ishøj - Industrigrønen 4-6, 2635 Ishøj, Denmark	F&V: Every day of the week 06:00 - 11:00 Wine/Grocery: 06:15 - 13:00 Monday - Friday Wupti e-commerce: 07:00 - 13:00 Monday - Friday Return goods (Packaging department) Monday to Saturday 06:15 - 14:00	N/A
Blue	DK	Årslev	Automatic	Terminal nonfood Årslev - Rosbjergvej 35, 8220 Brabrand, Denmark	07:00 - 14:30 Monday - Friday	N/A
Blue	DK	Skejby	Manual	Terminal Skejby - Graham Bells Vej 22, 8200 Aarhus N, Denmark	07:00 - 14:30 Monday - Friday	N/A

Appendix C – Handling fee overview

Types of errors	Minimum handling fee	Handling fee per pallet, per error	Currency
Pallets foiled together	2.000	100	DKK
Foil covering the pallet	2.000	100	DKK
Foil loosely hanging from the pallet	2.000	100	DKK
Pallet too tall	2.000	100	DKK
One-way pallets from European suppliers	2.000	100	DKK
Strips on boxes	2.000	100	DKK
Defective/ poor quality pallet	2.000	100	DKK
Pallet too broad or unstable	2.000	100	DKK
Pallet too heavy	2.000	100	DKK
Item numbers mixed on pallet	2.000	100	DKK
Colli errors	2.000	100	DKK
Bad cardboard quality	2.000	100	DKK
Breached units	2.000	100	DKK
Missing product information on boxes	2.000	100	DKK
No order number on consignment note	2.000	100	DKK
Too late delivery	5.000	100	DKK
Wrong delivery date	5.000	100	DKK
No EAN label	2.000	100	DKK
Errors in EAN number	2.000	100	DKK
Wrinkled EAN number	2.000	100	DKK
Non-fulfillment of freshness	2.000	1000	DKK
Wrong best before date	2.000	1000	DKK
Wrong placement of EAN label	2.000	100	DKK
¼ - ½ pallets placed on 1/1 EUR	2.000	100	DKK
¼ - ½ pallets wrapped together	2.000	100	DKK
Multiple EAN labels on same pallet	2.000	100	DKK
Wrong pallet type	2.000	100	DKK