

Supplier SpecificationsLabelling of logistics transport units

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1. Introduction

It is an objective of the HOFER Group to ensure the transparency of physical load carriers and to receive notification of them within the scope of the electronic supplier notification (ASN). For this reason, we recommend that suppliers affix transport labels and include the applicable SSCC1 information when submitting an ASN. The technical details and options for submitting the electronic supplier notification to HOFER are described in separate documents.

The creation of pallet labels by the supplier is subject to the GS1 Standard according to the Logistics Label Guideline², version dated September 2019. This HOFER documentation is based on the standards defined by GS1 and also includes chapters with additional, more detailed specifications for the logistics processes applied by the HOFER Group S/E. Pallet labels which are generated by the suppliers within the future HOFER Supplier Enablement Portal are already subject to the GS1 Logistics Label Guideline and the internal guidelines issued by HOFER KG.

The current version of the **"GS1 Logistics Label Guideline"** can be accessed here: https://www.gs1.org/docs/tl/GS1 Logistic Label Guideline.pdf.

This GS1 document is the basis for all supplier specifications and is also supplemented by HOFERspecific quidelines within this document.

These supplier specifications apply to HOFER KG in Austria and the following companies of the HOFER Group S/E:

- HOFER trgovina d.o.o.
- ALDI Magyarország Élelmiszer Bt.
- ALDI Suisse AG
- ALDI S.r.l.

2. General specifications for labelling

- The labelling is verified by each business partner responsible for putting the transport unit into circulation. [GS1 Logistics Label Guideline Chapter 3.2] This chapter applies to the supplier and also to the associated logistics provider (palletisation).
- Essentially, the label information needs to be easily identifiable and the data legible/barcode scannable.
- Every label must contain clear pallet identification in the form of an SSCC. [GS1 Logistics Label Guideline Chapter 6.4] Details on the SSCC are described later in the document.
- As described in [GS1 Logistics Label Guideline Chapter 7] regarding the specifications of the GS1 Standard, the full label is expected to be in DIN A5 format (148mm x 210 mm) to ensure that all necessary information is presented in a sufficient size. If a label is generated in DIN A6 format, the SSCC barcode must be displayed with the greatest possible width.
- To ensure optimum contrast and help simplify production processes, the labels are to be printed in black text on a white or yellow background.
- At least two identical transport labels need to be affixed to each pallet one on the narrow side and one on the broadside to the right. Furthermore, the label is to be placed on the upper

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¹ Serial Shipping Container Code

² https://www.gs1.org/docs/tl/GS1_Logistic_Label_Guideline.pdf

right corner of the palleted merchandise at a height of 400-800mm from the base. Should this height not be achievable due to the pallet being too low, it must be placed as high as possible. [GS1 Logistics Label Guideline - Chapter 8.1]

- The label also needs to be positioned so that the printed barcode is displayed horizontally on the stacked pallets. [GS1 Logistics Label Guideline Chapter 6.3]
- For deliveries to the HOFER distribution centres, it must be ensured that the date is displayed
 in the preferred format of the destination country (Austria = DD.MMM.YYY). Should this not be
 possible for the supplier, the date may also be displayed in a deviating format according to
 the format specified in the title. [GS1 Logistics Label Guideline Chapter 6.2.1]
- The information on the label (BBD, etc.) must be displayed in German but can also be specified additionally in English. [GS1 Logistics Label Guideline Chapter 6.2.1]

3. Information on the labels

Generally, information on the labels may vary according to the merchandise being transported and the types of business transactions.

3.1 Overview of data

As a minimum, the following details are expected to be displayed on pallet labels:

- 1) Supplier / sender
- 2) Pallet identification (NVE/SSCC)
- 3) GTIN of the items contained (CONTENT / INHALT (EAN/GTIN))
- 4) Quantity (QUANTITY / MENGE)
- 5) Shelf life (BEST BEFORE / MHD) if applicable
- 6) Batch number (BATCH / CHARGE) if applicable
- 7) Pallet identification as a barcode (NVE/SSCC)

The following information is not compulsory but does help to support logistics processes:

- 8) Recipient
- 9) HOFER order number
- 10) Delivery date
- 11) Item name and description
- 12) Weight
- 13) No. of pallets and numbering of current pallets (e.g. pallets 1-10)
- 14) GTIN of the item as a barcode

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3.2 Specifications

Ad 1) Supplier

The supplier details enable transparency concerning the exact origin of the merchandise and is expected to be entered in the free text box on the label. [GS1 Logistics Label Guideline - Chapter 5.3]

Ad 5) Shelf life

In the case that the merchandise contained in a transport unit displays different dates, the earliest date needs to be specified. [GS1 Logistics Label Guideline - Chapter 4.6]

Presentation in the form of a barcode is not required separately.

Ad 6) Batch number

In the case that the merchandise contained in one transport unit displays different batch numbers, it is not necessary to specify this information. [GS1 Logistics Label Guideline - Chapter 4.7]

If statutory regulations have been defined for tracing batches of the items contained in the country of the receiving HOFER distribution centre, it needs to be ensured that pallets are stacked according to batch and all labelling details are correct.

Presentation in the form of a barcode is not required separately.

Ad 7) Pallet barcode (SSCC)

The pallet barcode provides the decisive information for receiving and storing the merchandise. The related specifications are provided in chapter 4.

Ad 8) Recipient

The recipient can be defined as the relevant HOFER distribution centre. The Global Location Number (GLN) can also be provided but is not compulsory. [GS1 Logistics Label Guideline - Chapter 5.2]

In the case of cross-docking of pallets, the final destination of the merchandise (e.g. store number) also needs to be specified. [GS1 Logistics Label Guideline - Chapter 5.5] This means that the supplier putting the merchandise into circulation, the transshipment platform, and the final recipient are all displayed accordingly.

Ad 9) HOFER order number

In order to speed up the acceptance of merchandise in the warehouses, the HOFER order number should be specified in the free text box on the label. [GS1 Logistics Label Guideline - Chapter 5.8]

Ad 12) Weight

It is recommended to specify the exact weight and weight unit (kilogram) in the free text box. [GS1 Logistics Label Guideline - Chapter 5.9]

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4. Exact specifications for barcodes

- All data as contained in a barcode must also be specified below the relevant symbol in legible form. The data should be legibly printed at a minimum height of 3 milimetres. [GS1 Logistics Label Guideline - Chapter 6.3]
- As per the GS1-128 Standard, all information in the barcode is to be prefaced using an Application Identifier (AI). These 2-digit numerical prefixes identify the meaning and format of the subsequent information and are essential for further processing. [GS1 Logistics Label Guideline Chapter 6.3]

4.1 Serial Shipping Container Code (SSCC)

- HOFER KG defines that the pallet barcode must be displayed in the form of the GS1 Standard SSCC (Serial Shipping Container Code). [GS1 Logistics Label Guideline Chapter 3.1]
- For coding, the one-dimensional GS1-128 (Subset C) format with a minimum width of 105mm is defined.
- The SSCC needs to be displayed on the label as a separate barcode. A combination of the SSCC with other information in the form of a joint barcode, as described in [GS1 Logistics Label Guideline Chapter 6.3], is possible but should be avoided.
- In the case of multiple barcodes on one label, the SSCC must appear in the bottom barcode. [GS1 Logistics Label Guideline Chapter 6.3]

4.2 Layout

- The recommended height for the barcode of min. 32mm applies to all barcode symbols appearing on the label, in particular the SSCC.
- The X module defines the width of the most narrow element within a barcode symbol. The X module recommended for the GS1-128 standard is 0.495mm. [GS1 Logistics Label Guideline Chapter 6.3]
- Barcodes need to contain light coloured boxes (quiet zones) on all sides, which must correspond with the minimum X module width of 10X. [GS1 Logistics Label Guideline Chapter 6.3]

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5. Example

Sender: Recipient: Supplier Ltd HOFER KG Region: Rietz Logistics Lane 1 Hoferstraße 1 1020 Vienna 6421 Rietz Order: 1234567899 **Delivery:** 20/05/2020 Pallet: 1 of 10 Item: Breakfast cereal, 750G NVE / SSCC Information in plain 640885006666010613 CONTENT / INHALT (EAN / GTIN) **QUANTITY / MENGE** 4099200029511 48 BEST BEFORE / MHD (DD/MM/YYYY) BATCH / CHARGE 15/01/2021 1234567 **Barcodes with information in plain text**

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6. Approval of pallet labels

The supplier is obliged to obtain prior approval of pallet labelling by HOFER KG. Every layout generated by the supplier is initially checked and approved by HOFER KG, and all changes to the layout must also be communicated to and approved by HOFER KG. The supplier then receives an approval number which is only valid for that particular supplier and label, and which enables the supplier to use the pallet labelling for the delivery to the intended HOFER KG region. In the case of changes to the label, it is necessary to resubmit the layout to HOFER for renewed checking and approval.

The approval of pallet labels is issued via the HOFER KG group mailbox for our business partners: <u>businesspartner@hofer.at</u>

7. Final information

The current guidelines pursue the objective of achieving a joint step towards a transparent supply chain as well as the availability of logistics information for the optimum benefit of all business partners.

These specifications will apply equally for all business partners and all deliveries within Austria as of **15 February 2020**. We reserve the right to publish amended specifications with adequate lead time and to provide information on updated guidelines at any time. The validity in other countries of the HOFER Group S/E will be communicated separately.

If our employees have to prepare the pallet label due to the failure of the supplier or logistics service provider to supply a useable label, a service fee will be charged for every transport unit. The billing of additional effort will become effective for all deliveries as of **1 April 2020**. The period up until 1 April 2020 will be treated as a transition phase and will therefore not involve any billing of additional effort. Following the transition phase, we reserve the right to refuse unlabeled or incorrectly labeled pallets or to charge the additional expenses.

Contact person: <u>businesspartner@hofer.at</u>

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