



Manual for Suppliers of Merchandise Goods

Operational Specifications and Guidelines

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1. Introduction

This manual contains the specifications and information on operational procedures for suppliers of HOFER KG merchandise. HOFER KG is currently in the phase of a multi-stage system changeover, which will result in process adjustments in various corporate divisions.

The corporate offices and the first region were the initial entities to be connected to the new systems during live operation on 21 September 2020. The remaining regions will follow step by step.

2. Scope of Validity

The policies set forth in this document are valid for those branches and locations that have undergone the system changeover. The following periods of validity are specified in this respect:

- **Region Rietz (AD01)**, Hofer Straße 1, 6421 Rietz
 - All purchase orders from **21 September 2020** - [Chapter 3](#)
 - All returns from **21 September 2020** - [Chapter 4](#)
 - All deliveries from **20 September 2020** - [Chapter 5](#)
 - All Invoices & credit notes **1 July 2020** - [Chapter 6](#)

- **Region Sattledt (AD02)**, Hofer Straße 1, 4642 Sattledt
 - All purchase orders from **31 May 2021** - [Chapter 3](#)
 - All returns from **31 May 2021** - [Chapter 4](#)
 - All deliveries from **30 May 2021** - [Chapter 5](#)
 - All Invoices & credit notes **31 May 2021** - [Chapter 6](#)

- **Region Stockerau (AD04)**, Rudolf-Hirsch-Straße 2, 2000 Stockerau
 - All purchase orders from **18 October 2021** - [Chapter 3](#)
 - All returns from **18 October 2021** - [Chapter 4](#)
 - All deliveries from **17 October 2021** - [Chapter 5](#)
 - All Invoices & credit notes **18 October 2021** - [Chapter 6](#)

- **Region Trumau (AD06)**, Hofer Straße 1, 2521 Trumau
 - All purchase orders from **17 January 2022** - [Chapter 3](#)
 - All returns from **17 January 2022** - [Chapter 4](#)
 - All deliveries from **16 January 2022** - [Chapter 5](#)
 - All Invoices & credit notes **17 January 2022** - [Chapter 6](#)

- HOFER Chocolate Factory
 - All Invoices & credit notes **1 July 2020** - [Chapter 6](#)

- All of HOFER Austria
 - Entire handling of „HOFER liefert“ from **21 September 2020** - [Chapter 3 & 4](#)
 - Specials with incoterm “FOB” from **21 September 2020** - [Chapter 3](#)

Further dates regarding the system transition of the remaining Austrian warehouses and companies of the HOFER Group S/E will be added once they are known and communicated to the business partners with sufficient lead time.

The gradual procedure of the system change means that during the transition phase, the specifications apply to individual warehouses and not yet for distribution centres that will be migrated at a later stage. During the transition phase, both the old and the new systems must be used in parallel. After the complete conversion of the HOFER S/E Group, the specifications will be valid throughout the whole country.

3. Purchasing Process

3.1 Purchase Orders of Merchandise Goods

As soon as a region has been switched over to the new systems, it will send purchase orders via EDI or e-mail. The format of e-mail orders have changed as a result of the transition. You can find sample order forms on our website for suppliers <https://businesspartner.hofer.at>.

The following features must be considered in the order form:

- The delivery date printed on the purchase order corresponds to the actual day of delivery. This also applies to night-time deliveries.*
- The purchase order contains the Global Trade Item Number (GTIN) instead of a HOFER product code.
- Orders are transmitted in the respective purchase unit (e.g. carton, layers).
- Delivery dates are specified on line item level instead of header level.
- The order form contains no free-text fields.
- Purchase order items are numbered in increments of 10 (item 10, 20, 30, etc.).

*This means that for a night-time delivery, which takes place, for example, in the night of SUN, 16 January 2022, to MON, 17 January 2022, the delivery date on the purchase order is now 16 January 2022.

For all regions that have transitioned to the new systems, purchase orders are sent from SAP S/4 via e-mail and/or EDI. The order contains important order information such as the PO number, Order GTIN, quantity, delivery or pickup date. The purchase order is the basis for all follow-up processes, especially for the advanced shipping notice (ASN) and the receiving and invoicing processes.

The system logic can mean that not just one, but several purchase orders for the same delivery date are sent. This results from the fact that a separate order is created for each purchasing group. In case of an ExWorks (EXW) pickup, and should the ordered quantity exceed 1 truck per pickup address and pickup date, the logistics service provider is required to inform the supplier in advance which goods have to be transported in which composition on which truck. Based on this information, the optimal supply of goods must be ensured.

3.2 Specials

In addition to the core range, the purchase orders for specials are also sent to suppliers via e-mail and/or EDI for those regions that have already been migrated to the new system landscape.

Depending on the relevant Incoterm, the orders are placed 4 weeks (EXW, DDP) and/or 17 weeks (FOB) before the on-sale date. These purchase orders and the information they contain (PO number, quantity, order GTIN) are necessary for follow-up processes, especially the advanced shipping notice (ASN) and receiving and invoicing processes.

Purchase orders with the "FOB" Incoterm (Free On Board) are sent for the **whole of Austria** and not only for regions that have been migrated to the new system. Also in the area of invoicing, a total invoice for Austria must be created for FOB items (no individual invoices per Region).

3.3 Direct Delivery to Stores

When delivering products directly to stores, please note the following:

For specials, one purchase order for each store is generated. This means that several purchase orders are sent when supplying several stores via direct delivery. If also some goods are delivered to the regional distribution center, a separate purchase order is sent for the distribution center.

Subsequently, an advanced shipping notice (ASN) for each of the purchase orders has to be created and transmitted via EDI.

The same procedure applies to core range and seasonal products. One order for each store is sent and an advanced shipping notice (ASN) has to be transmitted via EDI.

In summary, this means that an advanced shipping notice (ASN) will be required for each order irrespective of its type. Goods cannot be accepted without an advanced shipping notice. Therefore, please also read [Chapter 5.1](#) on how to create advanced shipping notices (ASN).

Please also bear this in mind when issuing invoices and always specify the PO number. Please refer to the [Chapter 6](#).

3.4 Direct delivery to customers (Dropship) - HOFER liefert

The new process for handling direct deliveries (“HOFER liefert / Dropship”) is **valid for all of Austria** starting from 21 September 2020 and is independent of the transition of single regions. The remaining HOFER S/E countries will continue to work with the current systems.

The migration to Electronic Data Interchange (EDI) is a mandatory prerequisite for the “HOFER liefert” process for all “HOFER liefert” articles.

4. Management of Returns

There are three reasons for returns of products to the supplier.

- Returns by the customer at a store
- Product Lock/Product Recall
- Quality problems after receiving the goods in a HOFER KG warehouse

4.1 Management of Returns in a HOFER KG Warehouse

After the transition of a region, returns will be processed by the new systems. The supplier receives a pick-up notification via e-mail for goods to be picked up at the warehouse. It contains information about the article to be picked up, the quantity and the valid pick-up date. The affected goods have to be picked up from the warehouse according to the sent information.

4.2 Customer Repair

The supplier or the supplier's service partner receives an announcement about the repair from the Customer Service Center via e-mail. If an article cannot be repaired or replaced, the supplier is requested to inform the HOFER KG Customer Service Center (kundenservice@hofer.at / +43 57 030 3550-0). Subsequently, a possible return of money to the customer can be clarified by HOFER KG.

4.3 Dropship / "HOFER liefert" Returns

For items that were originally delivered directly to the customer via "HOFER liefert", the customer creates a "return request" in the "HOFER liefert" portal. The supplier then receives a return notification from our system so that the supplier can contact the customer to collect the goods. After the goods have been picked up, the HOFER KG Customer Service Center (kundenservice@hofer.at / +43 57 030 3550-0) must be informed („proof of return“).

For regions that did not yet undergo the system transition the return process remains unchanged.

In summary, this means that regardless of the type of return, a pick-up or return notice will always be sent for the respective return. Without these notifications the system cannot handle the return process completely.

5. Logistics

5.1 ASN Creation

One goal of the HOFER S/E Group is to guarantee transparency throughout the individual stations of the supply chain and to obtain logistics information from electronic supplier notifications (advanced shipping notices, ASN). We therefore ask suppliers to affix transport labels and transmit load carrier information by submitting an ASN.

This policy aims to establish the use of ASN for announcing deliveries to our company's distribution centres as a uniformly mandatory action for all suppliers and logistics providers, and provide information about the technical possibilities.

5.1.1 General Information

The advanced shipping notice (ASN) has become the foundation of every delivery of merchandise goods as part of the software update in HOFER KG's distribution centres. Receiving goods without prior transfer of an ASN is only possible with a great deal of extra effort. It is therefore necessary that these electronic documents are forwarded in advance to our warehouses in complete and correct form before the goods are received. HOFER KG offers various technical possibilities for this, which are described in this document.

The details of the ASN provide the basic information for receiving goods in warehouses, as well as other factors such as the physical condition of the goods or the delivery temperature. As part of the future process for receiving goods, the data from the ASN (load carrier, quantities, BBDs, batches, etc.) will be compared with the physically delivered goods and confirmed and/or corrected in our system and then finally adopted. For a fast processing of the received goods, it is essential that the ASN contains all necessary information. This will reduce the levels of efforts and waiting times for the affected logistics providers.

As an important piece of information, the ASN must specify the transported load carriers, which can be identified according to the GS1 standard using a physical label and unique number (SSCC¹). Information and requirements regarding the content and layout of the labels have been made available in a separate document. In general, HOFER KG follows the applicable GS1 standard.

The announcement of goods via ASN is required for those regions that have undergone the associated software changeover.

5.1.2 Organisational Requirements

- 1) According to best-practice processes, the ASN is to be created and forwarded by the sender once the goods have been loaded.
- 2) The notification is to provide an exact picture of the expected delivery. **Particularly in cases where orders are handled via multiple deliveries, e.g. by several trucks or partial deliveries, separate ASNs must be created (1 truck = 1 ASN).** In case the order is divided into two trucks, two ASNs with the respective amount must be created. Please be aware that the correct load carriers are assigned to the respective ASN. If only one ASN has been transmitted for several partial deliveries, it is necessary to generate a new purchase order for the remaining partial deliveries. The purchase order is automatically sent to the supplier and must be ignored and never be delivered.

¹ Serial Shipping Container Code
<https://www.gs1.at/identifikationsnummern/transporteinheitenidentifikation-sscc.html>

- 3) The delivery dates specified by the business partner on the ASN must be adhered to. In the standard product range with the delivery condition EXW, the delivery date can be found in the order. For specials with delivery condition EXW the earliest possible delivery date must be announced.
- 4) The delivery note must match the data transmitted in the ASN and the goods actually delivered. The explicit assignment to the purchase order must be ensured by affixing the PO number to the delivery note. In addition, the ASN number and the Order GTIN must be visible on the delivery note. The supplier has to create the delivery note and deliver it with the goods.

5.1.3 Content Specifications

Irrespective of the method of transmission, the advanced shipping notice must contain the following information:

- 1) Delivery date
- 2) Load carrier
 - a. Identification (SSCC)
 - b. Product code (Order GTIN)
 - c. Number of cases per pallet

If applicable to the products in question:

- d. Best-before date (BBD)
- e. Batch

1) Delivery date

The date provided must correspond to the date of the physical delivery of the goods to the target location, e.g. the warehouse of HOFER KG, taking into account our local warehouse opening times. We expect the delivery date specified in the order to be adhered to. Changes may be arranged provided that these are discussed in advance with our Corporate Buying department.

2) Load carrier

The load carrier delivered to HOFER distribution centres is normally a pallet (Euro or Düsseldorf pallet), but may differ from this (plant containers etc.). The composition and related qualities of the transported goods on these load carriers are a part of goods receiving and the actual quantity and condition of the goods need to be entered. The build of each pallet must be systemically and physically consistent. Thus, 10 delivered Düsseldorf pallets need to be announced as 10 LPNs in the ASN.

a. Identification (SSCC)

The unique identification number of the pallet must be entered by the business partner according to the GS1 standard. Details on the display of the SSCC code and printing of the related barcode are described in the separate pallet labelling specifications and/or in the GS1 standard². Please note that the SSCC must be unique for each load carrier delivered and must not be repeated.

b. Product code (Order GTIN)

During the software transition, the Order GTIN will replace the ALDI product number that was used in the previous supplier communication (e.g. the purchase order). Therefore, the Order GTIN must be stated on the ASN for us to be able to allocate the transmitted data. It must be

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

ensured that the correct Order GTIN is used. The Order GTIN can be taken from the related purchase order and added to the ASN.

If the Order GTIN is changed, for example due to a change to the pack size or case mix, it must be ensured that the ASN contains the correct information and matches the goods being delivered. Deviations from the purchase order are not permitted and must be discussed in advance with the HOFER KG's Corporate Buying department.

c. Number of cases

The ASN must specify the exact amount of goods ordered and physically transported on the individual load carriers. This normally corresponds to the number of cases on the delivered pallets.

d. Best-before date (BBD)

The correct BBD must be specified for each load carrier for all food products. If products with varying dates are loaded onto one load carrier as a result of case mixes or palletisation, the earliest date must be used for the labelling.

e. Batch

To ensure transparency within the supply chain from production up to the store, batches will be maintained and tracked in our system. Several batch numbers may be entered per load carrier in accordance with technical restrictions (character length, etc.).

For products that have a legal basis of mandatory batch tracking in the target country, the sender must ensure batch-specific palletisation.

Example – For a delivery notification of two food products that will be delivered in 100 cases each on six Euro pallets in total, the following data are to be entered:

Delivery date = actual delivery date

Load carrier (SSCC)	GTIN	Cases	BBD	Batch
123450000010000011	Produc 1	30	31 December	
123450000010000028	Produc 1	30	31 December	
123450000010000035	Produc 1	20	15 December	
123450000010000042	Produc 1	20	15 December	
123450000010000059	Produc 2	50	24 December	H012345
123450000010000066	Produc 2	50	24 December	H012345

5.1.4 Ways of transmitting the ASN

The following two technical possibilities are to be used for the creation and transmission of the ASN and are described in more detail below:

1. Electronic Data Interchange (EDI) or
2. Online portal (Manhattan SE/AS Portal)

5.1.5 Electronic Data Interchange (EDI)

The integration of EDI will enable business partners to quickly exchange notifications between systems via technical interfaces without the need to manually switch between media. This will reduce the effort for manually receiving and forwarding data in the relevant programs.

Electronic transmission via the EDI standard has been offered by the HOFER S/E Group since 2016 for some types of notifications (purchase order, invoice) and has been further upgraded and adapted as part of the software transition. The possibility of transmitting the ASN (technical notification type in the context of EDI = DESADV) offers the basis for a new and valuable milestone in the creation of an integrated supply chain and the exchange of electronic documents.

The advantage of the EDI connection is that the process of creating and sending notifications on your side can be integrated and possibly automated within your systems. This depends on the possibilities of the software that you use and the related infrastructure.

Technical Setup and Content

The exact details for the transmission of the ASN data will be prepared, documented in the Message Implementation Guidelines (MIG) and made available by the responsible technical team of the HOFER S/E Group. The implementation of these guidelines is the responsibility of the business partner and/or the EDI service provider that the business partner has commissioned.

The content of an ASN that was mentioned in the previous chapter can be communicated in an EDI notification.

Important: The use of EDI notifications makes it possible to use the Serial Shipping Container Codes (SSCC) generated by the business partner to identify the pallets. When using the alternative transfer in the online portal (please see Chapter 4.2), the SSCC, which you will also need to physically attach to the load carrier, will be predefined. In this case, you cannot use your own identifications in the ASN.

Connection between the Supplier and HOFER

For the technical connection between the business partner and HOFER, we will use the EDI service provider OpenText, with whom we already have a business relationship. Their task as part of the onboarding phase is to make it possible to exchange standardised messages. This requires active support from suppliers who may use different technical possibilities or have different standards of communications (X.400, AS2, etc.).

The costs for setting up the technical connection will be borne by HOFER KG. In turn, we kindly ask for your cooperation in the collaboration with OpenText.

Contact the HOFER EDI team: edi@hofer.at

5.1.6 Online portal (Manhattan SE/AS Portal)

The standard software of the company Manhattan Associates will become a permanent part of the future software structure of the HOFER S/E Group. Manhattan offers an online portal that can be used by our business partners for various processes, including to create an ASN. This document describes the basic options provided by the portal. More detailed training material can be found on the training portal Assima.

Access to the online Portal

The Manhattan SE/AS Portal is available via the Internet browser by calling up the HOFER-Portal (www.hoferportal.com) and entering the EmpowerID login data. In this scenario, it is not necessary to implement your own solution and connect it via EDI.

The access is activated for all suppliers with active contracts at the time of the software migration. This will happen independently of whether you wish to establish a connection via EDI or not. New suppliers

will be technically integrated by the Corporate Buying department by providing a relevant supplier contact.

No additional costs occur for the business partner for the set-up of the supplier access to the portal.

Creating the ASN

The online portal enables two different types of electronic delivery notifications, which are both based on purchase orders from the HOFER S/E Group:

ASN at pallet level (LPN-level ASN)	ASN at product level (item-level ASN)
ASN 12345678 <ul style="list-style-type: none"> • Pallet/SSCC 12345 <ul style="list-style-type: none"> ○ Product 67890, quantity 10 • Pallet/SSCC 12346 <ul style="list-style-type: none"> ○ Product 67890, quantity 20 • Pallet/SSCC 12347 <ul style="list-style-type: none"> ○ Product 72000, quantity 15 	ASN 12345678 <ul style="list-style-type: none"> • Product 67890, quantity 30 • Product 72000, quantity 15

ASN at Pallet Level (LPN Level ASN)

This type of ASN is preferred by HOFER and should always be created if a connection via EDI is not possible.

The “LPN” (License Plate Number) ensures the unique description of a physical load carrier and normally represents a sent pallet and its composition in this context, as described in [Chapter 5.2](#).

The creation in the Manhattan SE/AS portal offers the suppliers various possibilities to allocate goods and assign of best-before dates, etc. to load carriers and to transmit the advanced shipping notice to the HOFER distribution centres without delay.

Important: The LPN Level ASN via the Manhattan SE/AS portal specifies the SSCC numbers that should be used when creating this notification. These numbers must then be physically attached to the pallets to be loaded. The business partner must ensure in this case that the specified SSCC codes – in accordance with our requirements for labelling on load carriers – must be added to the pallets before the delivery to the distribution centres of the HOFER S/E Group. Providing the LPNs together with the shipping documents is not permitted.

ASN at Product Level (Item Level ASN)

This form of ASN creation is exclusively possible in exceptional cases and following written permission from HOFER. Without written approval for an exception, the general guidelines apply. All extra effort that arises due to incomplete ASNs is charged since 21 September 2020.

This reduced form of supplier notification exclusively reflects which quantities of originally ordered products have been transferred to the distribution centres of HOFER KG. No information is included about the sent load carriers and their exact composition of goods including the BBD and batch information.

As the supplier has not transmitted this information in advance in this scenario, the logistics employees of HOFER KG will ultimately be responsible for allocating the actually delivered load carriers and the goods contained as part of the receiving goods process. This will therefore require extra resources and lead to waiting times for the logistics providers delivering their goods.

5.1.7 Special Issues

Storage and Delivery via external Service Providers

If the supplier outsources storage and delivery of goods to an external service provider, the supplier remains responsible for providing the ASN using the options mentioned above.

5.1.8 Final information

This policy pursues the objective of achieving a joint step towards a transparent supply chain as well as make logistics information available to all business partners for their optimum benefit.

These specifications apply equally for all business partners with reference to the scope of validity stated in Chapter 2. We reserve the right to publish amended specifications with adequate lead times and to provide information on updated policies at any time.

If our employees have to create the ASN due to the failure of the supplier or logistics service provider commissioned by the supplier to supply a useable ASN, a service fee applies or we reserve the right to reject the delivery respectively.

Contact: businesspartner@hofer.at

5.2 Labelling of logistic Transport Units

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 SSCC³ 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 Guideline⁴, version dated July 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 Manhattan SE/AS 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 HOFER specific guidelines within this document.

Validity of this Policy

iLPN labels are only to be created by the supplier if the ASN is transmitted via EDI or if HOFER KG has given its approval for the transmission of an Item Level ASN in the Manhattan SE/AS Portal. If the Manhattan SE/AS Portal is used for the transmission of an LPN Level ASN, the label from the Manhattan SE/AS Portal must be attached to the goods. For deliveries via HUB-constructions such as FOB, the logistics service provider takes over the application of the pallet labels as well as the ASN transmission according to the communicated specifications.

The iLPN is required for those distribution centers that have undergone the associated software changeover.

5.2.1 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).
- Each load carrier must be marked with its own label. Düsseldorf pallets, which are grouped together on one Euro pallet, must each be provided with a separate label and accordingly announced in the ASN.
- Essentially, the label information needs to be easily identifiable and the data legible/barcode scannable. Pallet labels are to be attached on top of the wrapping film to ensure legibility. Crumpling of the label - especially the barcode - must be avoided.
- If partial pallets are stacked, a separate label must be attached for each article or for each intermediate pallet. Mixed pallets are not permitted. Partial pallets are also to be transmitted in the ASN with the correct quantity per iLPN.

³ Serial Shipping Container Code

⁴ https://www.gs1.org/docs/tl/GS1_Logistic_Label_Guideline.pdf

- 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 at least 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 as high as possible but at least 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]

5.2.2 Information on the Labels

Basically, the information on the label varies according to the transported goods and business cases.

Overview of Information

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

- 1) Supplier / sender
- 2) Pallet identification (NVE/SSCC)
- 3) Order 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 and it therefore recommended to be provided on the label:

- 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) Order GTIN of the item as a barcode

In case of processing via a HUB, in addition to the specifications of HOFER KG, the HUB operator must be consulted with regard to further necessary details on the label.

5.2.3 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]*

5.2.4 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 millimetres. *[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]*

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]*, 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]*

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]*

5.2.6 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 business partners: businesspartner@hofer.at

5.2.7 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 apply equally for all business partners and all deliveries within Austria with reference to the scope of validity stated in section 1. 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, the additional efforts will be charged for every transport unit. We reserve the right to refuse unlabeled or incorrectly labeled pallets or to charge the additional expenses.

Contact: businesspartner@hofer.at

6. Invoicing

Since September 2020 HOFER KG has deployed a new software in several business areas that enables automated invoice processing. Invoice details are scanned using Optical Character Recognition (OCR) and automatically transmitted to our accounting system. We therefore ask to note the guidelines below and to use the following e-mail inboxes when sending invoices, credits, reminders, balance confirmations, etc.

Merchandise (merchandise goods)

Receiving site	Document	E-mail address
Regions <ul style="list-style-type: none"> • Rietz • Sattledt • Stockerau • Trumau 	Invoices & credit notes	invoice.merch@hofer.at
	Reminders, balance confirmations, various correspondence	zahlungsverkehr.waren@hofer.at
Regions <ul style="list-style-type: none"> • Hausmannstätten • Weißenbach 	Invoices & credit notes, reminders, balance confirmations, various correspondence	By post or recently used e-mail address
	Invoices & credit notes, reminders, balance confirmations, various correspondence	schoko-invoice@hofer.at
Chocolate Factory	Invoices & credit notes, reminders, balance confirmations, various correspondence	schoko-invoice@hofer.at

Non-Merchandise (all services except merchandise)

Receiving site	Document	E-mail address
Corporate office Sattledt (Hofer Straße 1, 2, 4 - 6) und Eberstalzell Regions <ul style="list-style-type: none"> • Rietz • Sattledt • Trumau • Stockerau • Hausmannstätten • Weißenbach 	Invoices & credit notes	invoice.non-merch@hofer.at
	Reminders, balance confirmations, various correspondence	zahlungsverkehr@hofer.at
	Real Estate Department	As before by post
Chocolate Factory	Invoices & credit notes	invoice.non-merch@hofer.at
	Reminders, balance confirmations, various correspondence	schoko-invoice@hofer.at
International Management Holding, Hofer Cash Management, Hofer Financial Services, Salzburg	Invoices & credit notes	invoice.szg@hofer.at
	Reminders, balance confirmations, various correspondence	IFA-Accounts@hofer.at

For the remaining countries of the HOFER S/E group and for EDI invoices, please send the invoices/credit notes to the respective regional unit as before.

Excluded from the aforementioned instructions are:

- All documents, such as invoice concepts, partial invoices, final invoices etc. that arise in connection with projects of the **real estate department** (e.g. new building, renovation, extension and facelift constructions, expert's reports, framework agreements, fees etc.). Projects concerning the HOFER KG Chocolate Factory are also excluded.
- This also applies to all matters (tenders, framework agreements, renovations, Facility Management etc.), which are processed with the **support of a specialist planner** (e.g. architect, electrical planner etc.).
- Invoices from **landlords, property managers, lawyers and brokers**, which relate to rental and building law and purchase agreements (incidental cost calculations, rent and index changes etc.).

These must also continue to be processed using existing procedures.

The **objective** is to receive as **many invoices/credit notes** in the above mentioned regions **via EDI or alternatively via e-mail** as possible in order to process these automatically using the new scan software. Should you not have the option to send invoices/credit notes electronically, please contact the contact person in our company you know.

6.1 Support for electronic Accounts Processing

In order to facilitate the scanning of invoices by the software and therefore enable quick processing, we kindly request that you observe the following points: Failure to comply with these points may result in unwanted delays in payment.

Invoice attachment:

- Business partners who do already send invoices or credit notes via EDI should continue to communicate with HOFER KG via EDI.
- Submission of invoices via e-mail as a **pdf attachment** and not as a link. The software does **not** support other attachment formats, such as DOCX, XLSX, TXT, MSG or zip-files.
- Each pdf attachment may only contain a single invoice/credit note. The collation of multiple invoices/credit notes to form one pdf attachment impedes all further processing. Multiple pdf attachments per e-mail are permitted. If a pdf document cannot be created in accordance with HOFER KG requirements, we kindly request that the pdf attachments be sent to the group e-mail account zahlungsverkehr.waren@hofer.at for merchandise invoices.
- Additional invoice attachments which are deemed to be absolutely necessary (e.g. delivery notes) are to be included in the e-mail as a separate attachment.
- If possible, convert and save files to pdf format directly using the original application instead of first printing the files out and then scanning them into digital form again. This increases file quality and therefore the degree of automation, and essentially facilitates invoice processing for all parties involved.
- The above mentioned e-mail accounts may only be used for transmitting invoices/credit notes. We therefore kindly request that no other e-mail types are sent to these accounts. The scan software only extracts the e-mail attachments. For this reason, please be aware that any comments contained in the e-mail will not be regarded. In order to communicate relevant comments please call/e-mail your nominated contact person directly.

Invoice properties and compulsory characteristics:

- All quantities and prices specified on the invoice should correspond with the actual order (e.g. if 100 cases at EUR 10 each are ordered, these values also needed to be specified on the invoice). **Attention:** It is **not possible to bill in piece units**. In addition, please avoid unnecessary additional units such as container or layer on the invoice.
- Furthermore, the invoice should only specify one bank account for transferring payment. If an invoice specifies multiple bank accounts, it impedes the scanning of invoice details by the scan software.
- Orders are processed via a system-supported solution. For this reason, please ensure that the **order number** is also specified on the invoice/credit note, as otherwise the invoice cannot be processed automatically. The 10-digit order number always starts with 45*.
- For deliveries with the Incoterm Free On Board (**FOB**) and Delivered at Terminal (**DAT**), please submit a collective invoice per order (order number beginning with 45*) to the above mentioned e-mail address.
- In particular for invoices which do not concern merchandise, we kindly request that the **name of the ordering party** (or their contact person) is stated on each invoice to ensure that we can clearly allocate the invoice to the correct party and therefore process invoices quickly.
- Invoices must fulfil all legal requirements. In this respect, we would also like to advise that it is compulsory for all invoices to specify the date of service/supply, as invoice amendments often need to be requested in connection with this requirement.
- All tax-related information needs to be clearly specified on the invoice, such as “(e.g. intra-community supply and reverse charge)”.
- Please specify the **HOFER KG tax ID number on every invoice (ATU 24963706)**.
- Invoices issued in multiple currencies cannot be processed. Please only use one currency per invoice.
- All documents need to be clearly identifiable as either an invoice or a credit note. For this reason, we kindly request that each document be clearly labelled with the term “Invoice” or “Credit Note”.
- In future, all questions, non-pdf files (xlsx, docx etc.), payment reminders, etc. are to be sent to the shared e-mail account for merchandise invoices (zahlungsverkehr.waren@hofer.at).
- Please avoid using illegible or low-contrast fonts, forms completed using a typewriter or a dot matrix printer, and light-coloured text on a dark background.
- In the case of multiple tax rates, please specify the tax rate to be used for each invoice line. If the same tax rate is to be applied to every invoice line, it is sufficient to enter that tax rate once in the invoice footer.
- In future, credit notes and invoices concerning HOFER KG/Chocolate Factory will be offset upon payment.
- For the China export process, so-called HUBs are used to show the flow of goods to/from China. In this way, we map in the system that HOFER KG goods are in an external warehouse. When invoicing, care must be taken to determine which HUB was used for processing:
 - The HUB can be identified in the Purchase Order:
 - For the Austrian HUB AX02 (Bruck a.d. Leitha), the Austrian UID number (ATU24963706) of HOFER KG must be mentioned on the invoice.
 - For the German HUB AX03 (Duisburg / CM Eurologistics) the German UID number (DE316356036) of HOFER KG must be mentioned on the invoice.

- Inbound transports (from the supplier to the HUB) have an FO number (=freight order number) and must be transmitted to invoice.merch@hofer.at. One invoice per FO shall be submitted.
- Outbound transports (from the HUB to China including export and warehouse handling, etc.) are to be sent to invoice.non-merch@hofer.at. Please provide the invoice recipient with Helena Schaffrath / CN Export Non Merch.

7. Contact

Your HOFER KG contact person will be happy to answer any questions you may have.

General info: businesspartner@hofer.at

EDI: edi@hofer.at