

Metcash

Metcash Supply Standards



Welcome & Introduction



“ It is our great pleasure to introduce the updated **Metcash Supply Standards** document — and to invite you to share it with your teams and supply partners. ”

Our team has worked hard to distil and clarify the most essential requirements for interfacing safely and efficiently with the Metcash supply chain, and within the following pages you'll find valuable information on an array of important topics, presented in a way that we hope you'll find engaging, intuitive and user-friendly.

As the safety of our team, your drivers and other road users is of paramount importance to Metcash, we ask that you pay particular attention to the various safety and Chain of Responsibility-related requirements you will find within this document. We are passionate about reducing risk and helping to ensure that everyone is able to return home safely after their work day, and we know from our discussions that this passion is shared by many of you also.

One of our core business objectives at Metcash is “Partner of Choice”: we are committed to becoming the preferred, ‘go to’ business partner for our suppliers and our retail customers alike. We have put in place numerous initiatives across our organisation to support that goal and foster strong business relationships, and this document forms another another small-but-important component of those initiatives. We know that it can only strengthen our valued business partnerships when we are clear and consistent in outlining and advancing best practice within our joint supply chains.

We want to sincerely thank each of you for taking the time to read and share this document. Your ongoing support of the Metcash team is greatly appreciated, and we thank you for your valued partnership with us.

About Metcash Food

Metcash is Australia’s leading wholesaler to independent retailers nationwide, beginning operations from a single store in Sydney’s Woolloomooloo in 1924. Now servicing 1,400 wholesale customers and over 1,680 supermarket customers (our bannered stores include *IGA*, *Foodland*, *Friendly Grocer* and *Eziway*), the Metcash Food division offers a full range of wholesale grocery, fresh produce, meat, bakery and deli products across the widest retail network in Australia. In addition, Metcash provides independent retailers with merchandising, operational and marketing support.

Metcash Food is part of the wider Metcash Trading Limited group which also includes Liquor (e.g. *ALM*, *Cellarbrations*, *IGA Liquor*), Hardware (*Mitre 10*, *Home Timber & Hardware*, *Thrifty Link*, *True Value*) and Convenience brands (*Campbells*, *C-Store Distribution*), although **the scope of this Supply Standards document relates and applies only to the Food division.**

Our Vision and Key Pillars

The Metcash Food team is driven by several fundamental and inter-related core priorities or ‘pillars’. Our team is passionate about supporting independent, family-owned retailers, and about helping those independent retailers to operate the *Best Store In Town* within their thriving, local communities. As a *World Class Wholesaler* — one that employs world-class systems, is helmed by world-class people, and operates at a globally-competitive standard — our objective is to become the trusted *Business Partner of Choice* for our suppliers and our retail customers.

The significant investments we have made — *and continue to make* — in people, sites, systems and technology are all in service of driving stronger supplier and retailer collaboration, extending supply chain capability and capacity, and continuing to provide a truly world-class offer to our customers



About Metcash Logistics & Our Network

As Australia's leading wholesaler, Metcash is responsible for delivering quality service to a highly-diverse customer base, across multiple complex supply chains, with the flexibility to cater to wide-ranging needs and capabilities. Accordingly, the Metcash team manage a unique and dynamic supply operation, one that involves considerably-greater complexity than in a more traditional retail network where Retailer-managed DCs feed directly into Retailer-owned stores.

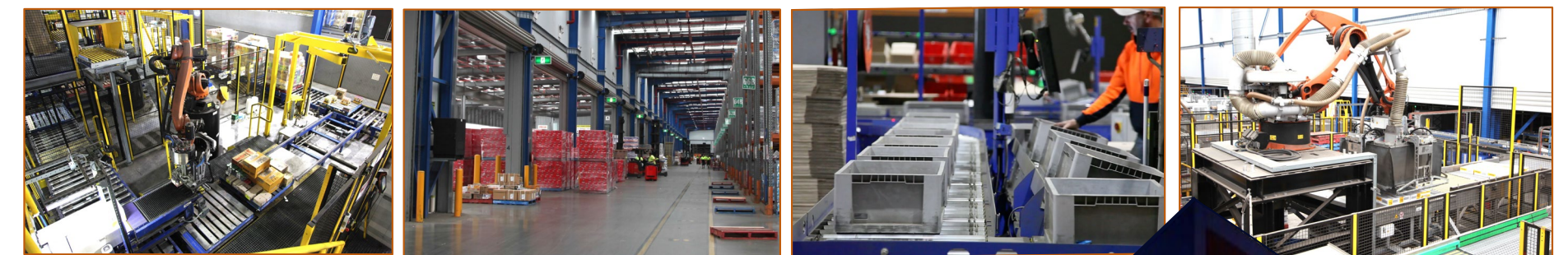
Metcash has the largest and widest retail distribution network in Australia, servicing Independent Retailers in all corners of Australia, from Cape York and Cooktown in the North East, Dampier and Broome in the North West, Albany and Denmark in the South West through to Tarwin Lower and Foster in the South East. We're proud to supply family businesses in some of Australia's most remote locations, including Halls Creek in WA, Coober Pedy in SA, Tennant Creek in NT and Cobar in NSW.

Metcash utilises a hybrid network of traditional and highly-automated distribution centres, employing a range of technologies — *ASNs, Express Receipt, automated storage and retrieval systems, robotic palletisation and depalletisation, laser-guided vehicles, goods-to-person selection and state-of-the-art materials handling* — to optimise efficiency, safety, speed and accuracy.

In an environment of fast-evolving consumer trends (*growth of Buy-As-You-Need; a greater consumer appetite for Fresh and shorter shelf-life ready-meal products; digital disruption; channel choice expansion etc*), Metcash has invested heavily to optimise and automate, to reduce lead times, to improve Fresh capacity, to reduce dwell times and to significantly expand our flexible fulfilment capabilities. Key to our operational excellence is our investment in DC automation, with the introduction of state of the art materials handling systems in a number of our distribution centres.

We know that an efficient, agile, reliable supply chain is perhaps the single biggest enabler to the future growth and mutual success of Metcash and our valued supplier partners. Through programs like 'Working Smarter', the Metcash team are continually looking to establish new capabilities and optimise existing operations to improve flexibility and responsiveness, foster stronger supplier collaboration, reduce cost-to-serve and ensure safe, reliable service delivery to our retail customers.

Our valued partnerships with suppliers are critically important to our mutual long term success and to day-to-day operational effectiveness across the network. We're exceptionally keen to ensure real understanding and genuine collaboration with our supplier community, and to eliminate the costly impacts of errors and misalignment. We're confident that this Metcash Supply Standards guide will help to establish and maintain clear, consistent and collaborative supply partnerships.

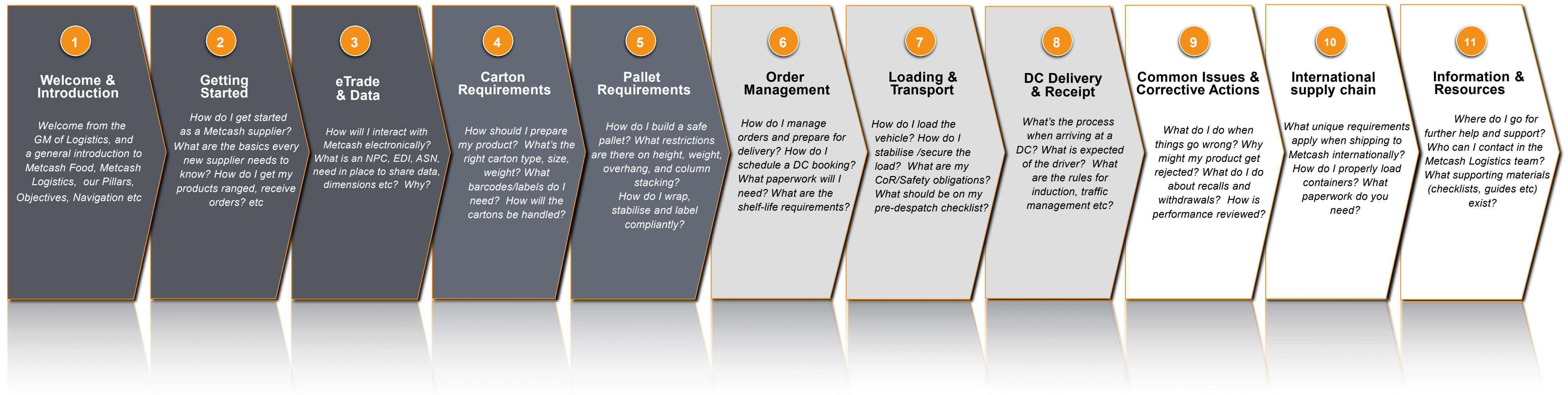


Objectives & Scope

Our primary objective in preparing this guide has been to create a clear, visual reference document that steps our supply partners through the most common Supply Chain and Logistics questions in an holistic, logical and user-friendly way. The core intent has been that the document should be capable of taking a new supply partner from a place of very-limited exposure to Metcash, to a place where they know and understand all of the core requirements for working effectively within our Food supply chain.

To help ensure that the learning is cohesive and easy-to-follow, each section is intended to build on the content of the previous, following a chronological sequence – i.e. *carton design leads to building pallets, which leads to load planning, which leads to loading and transport, which leads to DC arrival and so on* – as per the following sectional review:

Sectional Overview:



Out of Scope Areas

While this document is a comprehensive guide to the core Supply Chain requirements, it cannot cover every topic pertaining to Metcash and our Suppliers. More specifically, **the following topics are out of scope for this version:**

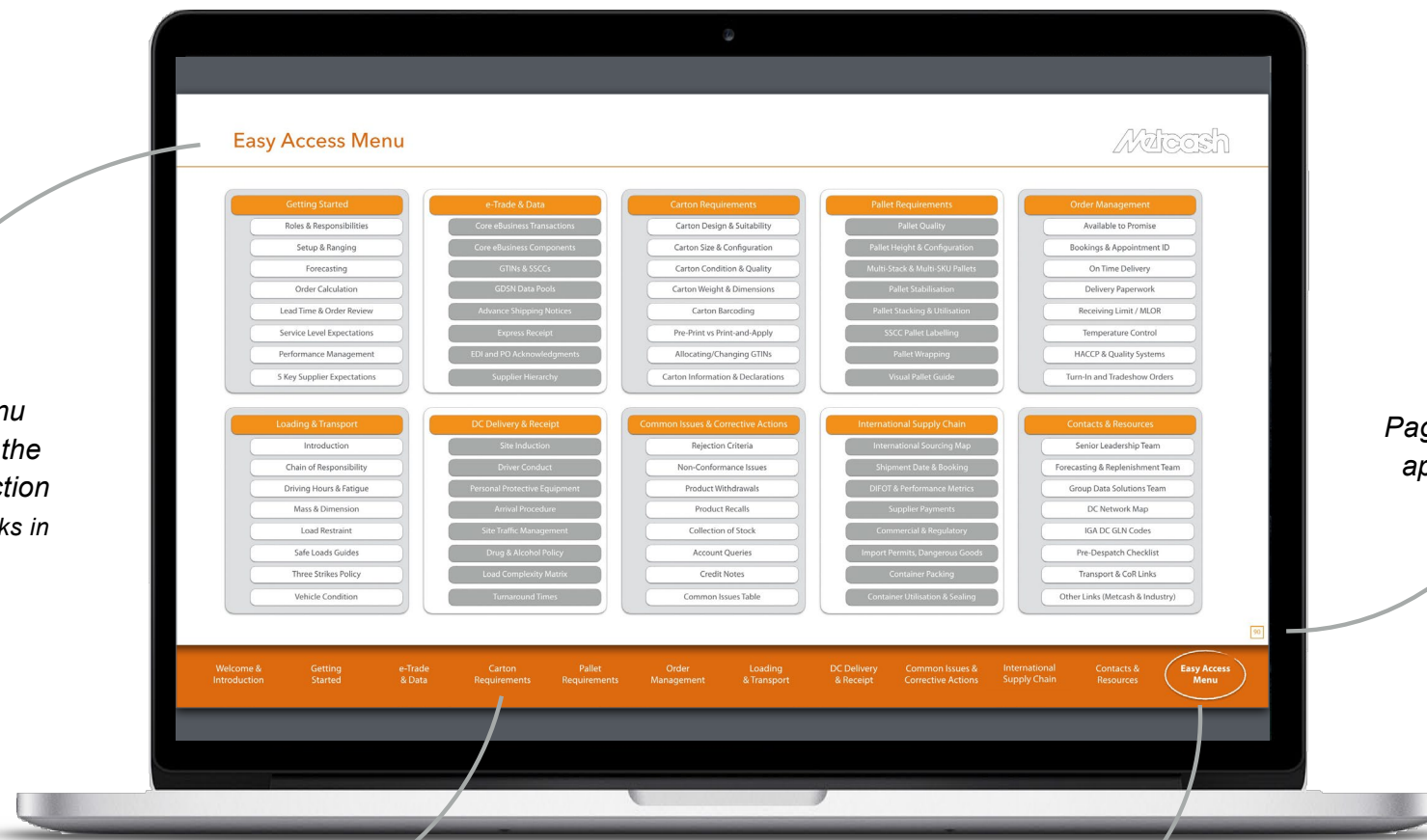
- *Product Quality, Product Technical Specifications, Ethical Sourcing, Audited Sourcing/Supply Chain;*
- *Category Management, Pricing & Promotions; Trading Terms;*
- *Retail Operations, Consumer-unit Retail Packaging (beyond DC Trade Units)*
- *Direct Store Delivery*

While these topics are not covered, links to information on some of these topics can be found in the [Information & Resources](#) section. Note also that this document relates only to Metcash Food (and supermarkets in particular); it does not cover other Metcash divisions such as Liquor or Hardware.

Navigation

We've worked to make navigating through this document a simple and intuitive process. The information is presented in a sectional, modular style, with visual tabs located in the lower portion of the page. The currently- open section is shown circled and highlighted with **bolded text**.

In the electronic PDF version, all section tabs are hyperlinked (*click to navigate to that section*), and numerous **text links** also appear within each section, mapping key words to related information contained elsewhere. A single-page [Easy Access Menu](#) lists the eight most central components of each section, providing a button link to each:



The Easy Access Menu provides quick links to the key content in each section (page numbers replace links in the printed version)

Tabs along the lower edge of the page provide direct links to each section (electronic version only)

The Easy Access Menu can be found at the bottom right of each page (electronic version only)

Page numbers appear here

Legal, Regulatory & Commercial Considerations

While this document has been created as a helpful central reference and provides valuable guidance on a wide range of important topics, it must be considered in conjunction with all applicable legal and statutory regulation, and any existing commercial agreements. This document is not intended to be used, and cannot be relied upon, as giving legal advice.

Should any aspect of this *Metcash Supply Standards* document:

- conflict or appear to conflict with a supplier's legal and/or statutory obligations; OR
- introduce any safety risk, or detrimentally impact upon Chain of Responsibility obligations; OR
- impact existing commercial agreements with Metcash; OR
- impact upon the ability to supply product

...please discuss ASAP with the relevant Metcash Trading Manager or Metcash Logistics team member. The relevant contact details can all be found in the [Information & Resources](#) section of this document (pages 78-84).

Feedback & Questions

We'd love to receive your feedback on this document, to help ensure we can continually improve this reference, and tailor it to meet specific needs. Should you have any feedback or recommendations for a future edition, or need clarification on any aspect of this content, please make contact via the below links:



Metcash Supply Standards Feedback: Supplier.Engagement@metcash.com

Getting Started

NEW TO METCASH?

This section is intended to help newer and less-experienced supply partners navigate the basics of working with Metcash - including supplier setup, new line submissions, how product will be forecast and ordered, and the essential details necessary to ensuring accuracy and alignment.
If you're already an established Metcash supplier and don't need this overview, skip to the next section

Introduction

At Metcash, we're proud of the many great relationships and strong partnerships we've developed with our supply partners.

If you're a *new* or *prospective* supplier to Metcash Food, we understand that it can sometimes be a challenge to quickly 'get up to speed' on the basics of working with us; understanding how to submit new lines, share data, receive and respond to purchase orders, how to interact with various teams and functions, and so on.

To provide for a more seamless 'orientation', this *Getting Started* section outlines many of the fundamental concepts that should be understood when first beginning to supply into our network, and provides answers to a number of the Frequently Asked Questions that we receive from newer supply partners. **Topics covered within this section include:**

- **Product Ranging**
- **Forecasting & Order Building**
- **Order Review Schedules**
- **Agreed Lead Times**
- **Service Level & Availability Expectations**
- **Reporting & Performance Management**
- **Management of Third Parties**
- **Buying/Logistics Responsibilities & Contacts**
- **Key Supplier Expectations + New Supplier Checklist**

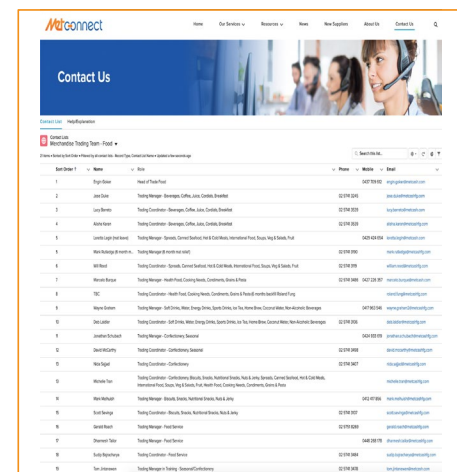
Contacts & Roles: Buying/Commercial v Supply Chain/Logistics

When starting as a new Metcash supplier, it may initially be difficult to know which teams and individuals to contact for specific questions and support. It is useful to understand that Metcash delineates the management of commercial, category issues from the day-to-day management of product supply — and that distinct teams can provide support in each area.

For discussions relating to commercial arrangements — *ranging/de-ranging of products, promotional opportunities, category strategy etc* — suppliers should interact with the relevant **Trading Manager**. For discussions or questions relating to purchase orders, forecasting, load compliance etc, suppliers should liaise with the relevant Supply Chain & Logistics teams whose contact details can be found on <https://metconnect.metcash.com/food/s/contact-us>

The below table highlights key areas of responsibility for each team, hence the best team to approach in those cases:

Team	Trading Manager	Forecasting & Replenishment Team	Supply Chain Solutions Team	Logistics Operations & Transport Teams
Core areas of responsibility	<ul style="list-style-type: none"> • Primary owner of supplier relationships • Category strategy • Product ranging/de-ranging • Pricing and trading terms • Promotional program 	<ul style="list-style-type: none"> • Baseline forecasting • Order management • Lead times, Order schedules • PO bookings • Stock control • VMI management 	All eBusiness including: <ul style="list-style-type: none"> • Item data management • National Product Catalogue • eTrade on-boarding and supplier testing/verification • ASN management/queries 	<ul style="list-style-type: none"> • DC Operations • Transport Operations • Safety



Getting in touch:

A directory of all Metcash National Buyers can be found by visiting the Metconnect site: <https://metconnect.metcash.com/food/s/contact-us>

A directory of all key Metcash Stock Control and National Replenishment Team members can be found by visiting the Metconnect site: <https://metconnect.metcash.com/food/s/contact-us>

DC contact numbers and DC Bookings contacts are located on [pages 80-81](#)

Setup & Ranging

Establishing a commercial relationship with Metcash involves working with the relevant Trading Manager (TM) for the prospective category, presenting product for ranging consideration, negotiating commercial terms, providing product data, and agreeing logistical and supply chain parameters.

The decision to range and de-range products rests with the TM as custodian of their respective product categories. Suppliers and prospective suppliers will need to present potential ranging opportunities to the relevant TM for consideration, at which point the TM will evaluate the product submission on a broad range of criteria including; customer value, innovation, quality, category saturation/potential, market trends, alignment with overall category objectives and the product's commercial strength.

Prospective suppliers should be mindful of the above criteria when submitting product, and must also ensure that any proposed product would adhere to the Supply Chain specifications outlined in the following pages of this Supply Standards document. **Submissions must clearly show how the product complies (or will comply, since some products may not be fully completed when submitted) with established requirements regarding packaging, labelling, weight and dimensions, palletisation and so on.**

In addition, all new line submissions need to include a valid, current GS1 Barcode Verification report for the GTIN barcode.

It's essential to remember that — *once ranged* — the product supplied into Metcash on an ongoing basis **must match the sample reviewed and approved by the TM**: no significant change can be made to the product (*i.e. dimension changes, barcode changes*) without prior approval (see ['Carton Requirements' module](#) for further details).



Forecasting and Order Calculation

The [Metcash Forecasting & Replenishment Team](#) has responsibility for managing and optimising the supply of product from supplier to shelf, avoiding the extremes of out-of-stocks and overstocks while maximising efficiency of product flow through the network.



The Forecasting team will establish (*and then periodically review and adjust*) a baseline forecast for each product, for each State/Distribution Centre combination. The baseline forecast reflects the expected daily/weekly store demand of a product in a normal, non-promotional period (*with adjustments made for demand spikes due to seasonality or protracted out of stocks, extended supply disruption etc*). This baseline daily demand will be used in combination with other inputs to establish the quantities that need to be ordered for each product into each DC on a given day. Those inputs include existing Stock On Hand (SOH), existing Stock On Order (SOO), agreed lead times, order review schedules, desired safety stock levels, any agreements regarding Minimum Order Quantities (MOQs) where they exist, and any promotional forecast overlay that may be in effect at the time of order placement. (Refer [next page](#) for further detail).

Like all modern retail supply chains, the Metcash system runs on Just In Time (JIT) principles, meaning that the system will not order product until necessary, and order quantities will be constrained to what will provide sufficient stock over until the next ordering/delivery opportunity (*excepting for any agreed Minimum Order Quantities — MOQs — and Economic Order Quantities — EOQs — which may be in place for specific products and/or suppliers*).

It is therefore **critical** that suppliers provide Metcash with accurate, timely information upon which to build effective purchase orders. If the Metcash team has accounted for existing Stock On Order of a product — *that the supplier knows cannot actually be supplied* — it is essential that that information is shared so that Metcash can adjust future ordering. Likewise, if a supplier's actual, real-world lead-times are longer than the lead-times loaded in Metcash's system (*see following point*), that information must also be tabled so that future orders will reflect achievable delivery dates. Further, if TixHI information does not align between what the Metcash system expects and what a supplier actually produces, this must be corrected ASAP to ensure that DC safety is not impacted and that orders don't need to be continually, individually adjusted.

Core Components of Order Calculation

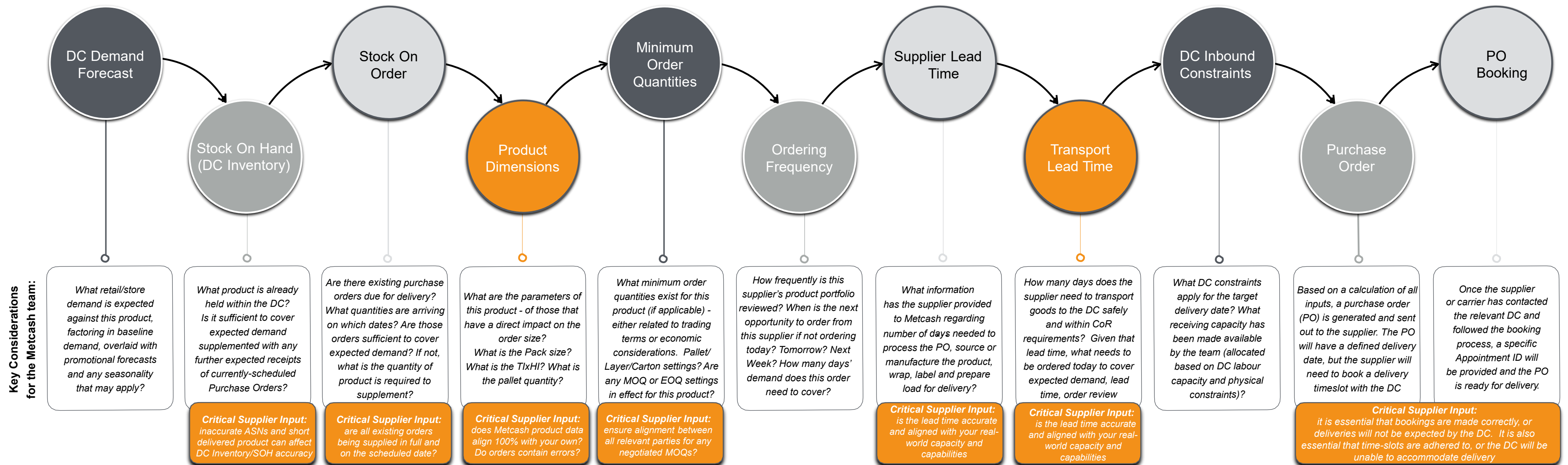
When the Metcash team evaluate whether a new purchase order is required (and if so, what quantity of product should be ordered for each SKU? what specific delivery date is needed?), they will refer to multiple sources of information to make those calculations. While some of those inputs are largely independent of the supplier (e.g. order frequency, DC constraints) there are multiple areas where the accuracy (and timeliness) of information provided by a supplier will have direct and significant impact on orders.

Some of the core inputs and considerations of order calculation are represented below, with critical supplier inputs highlighted:

It is critical that suppliers provide Metcash with sound information upon which to build effective purchase orders, and more specifically to advise Metcash whenever any circumstances such as the following apply:



- Existing orders that Metcash are relying upon cannot/will not be supplied (whether one product or every product on the PO)
- Actual lead-times are longer than the lead-times loaded in Metcash's system (i.e. delivery dates are continually unrealistic)
- Delivery dates and times will not be met, vehicles will be late etc (e.g. plant/truck breakdown, driver issues, C.o.R)
- Product information does not align between Metcash and the supplier (e.g. TixHi, GTIN, Pack Size etc)



Agreed Lead Times

As a new supplier, it is necessary to establish accurate and appropriate ordering lead times with the Metcash team. Lead times are captured as important parameters in the Metcash replenishment system (*reflected as a specific number of days e.g. "4"*), and these will inform the ordering algorithm of the *minimum* interval required between order placement and order delivery. Note that a lead time of four days would mean that an order placed by Metcash on a Monday could be expected for DC delivery from Friday of that same week (as the order date itself is excluded when calculating the lead time).

It is essential that this figure reflects the real-world capability of a supplier and their nominated carriers. Lead times need to incorporate sufficient time for purchase order processing, production/sourcing of all required product, pallet/load preparation (*e.g. wrapping, labelling*), ASN administration and transportation to the DC. **Critically, the transportation component of the lead time must allow full compliance with [Chain of Responsibility](#) and [Driver Fatigue regulation](#): there must always be sufficient time allocated to ensure transportation is safe and legal, without breaching speed limits or provisions on driver fatigue and rest breaks.**



The Forecasting & Replenishment team will engage with suppliers periodically to review and optimise lead times where appropriate, as this can deliver positive benefits in product life/freshness, stock holding, Dc dwell times and customer responsiveness. Lead times may also be extended by mutual agreement if poor inbound supply performance is directly correlated to inadequate lead time.

Order/Review Frequency

While the rate-of-sale or velocity of many products will require that they are ordered by Metcash on a daily basis, most products will be reviewed and ordered/replenished on a less-frequent schedule: as a new supplier, you are unlikely to receive an order from Metcash every day of the week — at least initially. The frequency of a supplier's order review will depend upon factors such as product velocity, shelf-life, total SKU count across the range, and typical order size. High velocity products and those with very short shelf-life will be reviewed and ordered daily (because deliveries need to flow into the DC every day) whereas products with lesser velocity and/or long shelf-life may be ordered on alternate days or

even weekly. These alternate review schedules improve efficiency and reduce transport costs, producing fewer-but-larger orders, rather than frequent- but-smaller orders.

As order review schedules have an impact on supplier operations and order sizes (and potentially, lead times), these parameters should form part of the discussions between suppliers and the Metcash Stock Controllers to achieve optimal frequency. The right order frequency will balance economic considerations (order size, pallet utilisation, transport costs) against retaining flexibility and capacity to respond quickly to changes in customer demand.

Service Level & Availability Expectations

It is a **core expectation of all Metcash suppliers that strong product availability will be maintained**, with minimal disruption to customer supply. Metcash requires that suppliers plan and produce effectively to ensure a reliable, consistently-high standard of inbound service: where orders are placed within agreed lead times, the expectation is that suppliers will deliver in full and on time, allowing our DC teams to fulfil demand from retail customers. The needs of the customer are paramount at Metcash, and strong product availability is a fundamental component in providing a positive customer experience.

Inbound service level is reflected primarily as *DIFOT* %, referring to the percentage of orders which are delivered in full and on time by the supplier. **Specifically, Metcash expects a DIFOT rate of 97%**, meaning that for every 100 cartons ordered, at least 97 of those cartons must be delivered on the date originally requested by Metcash, and within the timeslot scheduled with the DC by the supplier.

Where DIFOT is *not* maintained at a sufficiently-high level, Metcash will be unable to supply retail customers and — in most cases — store shelves will quickly empty for the affected products. Supply disruptions can have significant impacts to Metcash customers, but those impacts can potentially be softened or mitigated if sufficient *advance* communication has been received. Please *proactively* advise the Metcash F&R team if any supply disruption is anticipated or forecast.

On Time delivery is covered in more detail in [Section 6 - Order Management](#)

Reporting & Performance Management

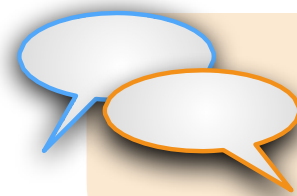
Metcash utilises performance reporting systems to help ensure *objective and data-based* assessment of inbound quality and compliance. These systems include both quantitative and qualitative measures, and are sourced from both automatically and manually captured DC inputs. In the first half of 2018, these systems were significantly enhanced to provide greater visibility and granularity, and to allow for improved dashboards and supplier scorecards.

The Metcash Forecasting and Replenishment team use these performance management systems to review and prioritise focus areas, and to manage performance concerns by exception. The team will raise compliance and performance concerns with suppliers as needed, and will seek investigation and corrective action plans from those supply partners.

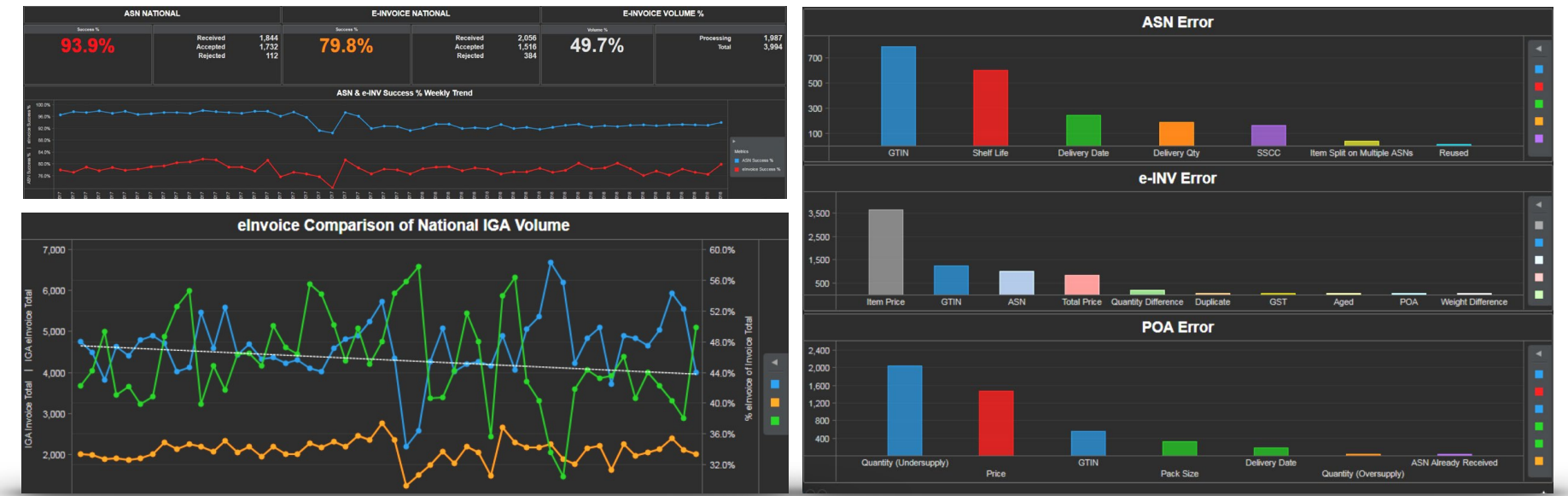
Supporting data is provided — *including dates, times, DC names, affected purchase orders, affected SKUs (where applicable) and of course the issue types identified* — to establish a solid basis for those collaborative discussions and to facilitate root cause investigations.

The Metcash team are happy to provide assistance in understanding and resolving key issues, and the team understand that not all issues can be completely resolved overnight. Accordingly, the team will seek a realistic corrective action plan and associated timeframe outlining when remedial actions will be implemented, what temporary mitigation is being put in place to lessen any impacts in the short term, and when the issues are expected to be resolved completely.

Non-compliant loads may be rejected, and repeated performance and/or compliance issues may result in escalation to the Trading team.



Suppliers are encouraged to proactively discuss performance and compliance difficulties with the Metcash team to ensure advance visibility of the issues, and joint discussion of potential mitigating actions.



Elements of the eData performance scorecard

Third Parties






Many suppliers elect to use the services of a third-party logistics provider (3PL) and/or transport carrier to augment or assist with aspects of their supply chain capabilities. While Metcash readily supports the use of qualified, professional, competent third parties, **it is absolutely essential that suppliers:**

- **Audit and verify the capabilities of their chosen third party to meet the requirements outlined in this Supply Standards document for any relevant work undertaken on behalf of the supplier;**
- **Understand that the principal relationship remains between Metcash and the Supplier, not Metcash and the third party.**

We have encountered examples where a third party employed to manage logistics operations for a supplier was unable to perform some of the essential functions for which they were responsible (e.g. unable to print and apply SSCC labels), resulting in non-compliant deliveries being rejected at the DC. Suppliers should note that — *if any compliance or performance issues should arise* — Metcash will raise these issues with the *Supplier* directly for resolution: Metcash does not manage third parties, and suppliers retain responsibility for auditing the conduct and competence of any third parties that they choose to engage.

Forecasting & Replenishment Team: 5 Key Expectations of Our Suppliers

To ensure that supply is not disrupted, that processes are efficient, and that our customers can continue to receive high standards of service, the Metcash Forecasting & Replenishment team ask all suppliers to support us in the following areas:

 <h3>Contact Information</h3> <p>Suppliers should provide Metcash with accurate, updated names and details for all key contacts - including National Account Manager, National Business Manager, National Logistics or Supply Chain Manager/Director, and Customer Service.</p> <p>Please include mobile phone numbers, fax numbers and email addresses, and ensure that the Metcash F&R team are advised if and when personnel changes occur in these roles.</p> <p><i>(Consider utilising team distribution lists and central contact numbers to mitigate against single-point sensitivity wherever possible.)</i></p>	 <h3>Ordering Parameters</h3> <p>Suppliers should work with their Metcash state counterparts to review, discuss and agree:</p> <ul style="list-style-type: none"> • Optimal order frequency and ordering patterns • Accurate lead times (ensuring system lead times reflect real-world capabilities of supplier and carrier, and support CoR and Safety commitments) • Pallet Configuration/TlxHI (+ EOQ as Applicable) • Contingency/Backup ordering plans <p><i>Investing time to ensure alignment and Understanding of ordering parameters across both parties will improve ordering efficiency, minimise errors and substantially reduce time spent amending/rescheduling future orders.</i></p>	 <h3>PO Review & Validation</h3> <p><i>Beginning with the very first 'Test Orders' sent through from Metcash, and continuing with all live orders, Suppliers should always review and validate purchase orders to confirm that the:</i></p> <ul style="list-style-type: none"> • Order details are correct and as expected: <ul style="list-style-type: none"> • Valid delivery date, expected delivery location, valid products, correct GTINs, correct pricing etc? • Order can be supplied on time and in full: <ul style="list-style-type: none"> • Is every product on order available to promise in the full quantity that Metcash has ordered? Can it physically be delivered by the expected date? <p>Should any errors be found – or if it is not possible to fulfil any order per expectations – advise your Metcash Stock Controller ASAP. <i>(Suppliers can also request a 'Critical Fields Report' containing all of their Metcash product data, to assist in identifying any systemic discrepancies.)</i></p>	 <h3>Contingency Planning</h3> <p><i>Metcash expects that all Suppliers will properly plan for — and proactively communicate — any event or major change that may cause supply disruption, including (but not limited to):</i></p> <ul style="list-style-type: none"> • Factory Shutdowns, Plant Maintenance • Systems Changes (WMS, ERP implementation etc) • Appointment of new 3PL or Transport Carrier • Personnel/ownership/management changes • Impending product shortages etc <p><i>Advance visibility of these issues allows the Metcash team to work through contingencies with the supplier (e.g. stock build activity, lead-time changes) to mitigate potential customer impacts, and is critical to successfully managing these events with minimal customer disruption.</i></p>	 <h3>Proactive Communication</h3> <p>Open, transparent communication between Suppliers and the Metcash team is invaluable, and is key to avoiding (or mitigating the impact of) supply disruptions, production issues, and compliance or safety concerns.</p> <p><i>The Metcash team encourage supply partners to make contact regarding issues or concerns. Where product supply disruptions are expected, it is essential that Suppliers communicate the:</i></p> <ul style="list-style-type: none"> • Extent/scale of the issue (products, states affected) • Reason for the disruption (and any corrective actions) • Expected duration of the issue, with clear guidance regarding availability dates for future orders
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Open, transparent communication is invaluable; Please contact Supplier.Engagement@metcash.com

e-Trade & Data

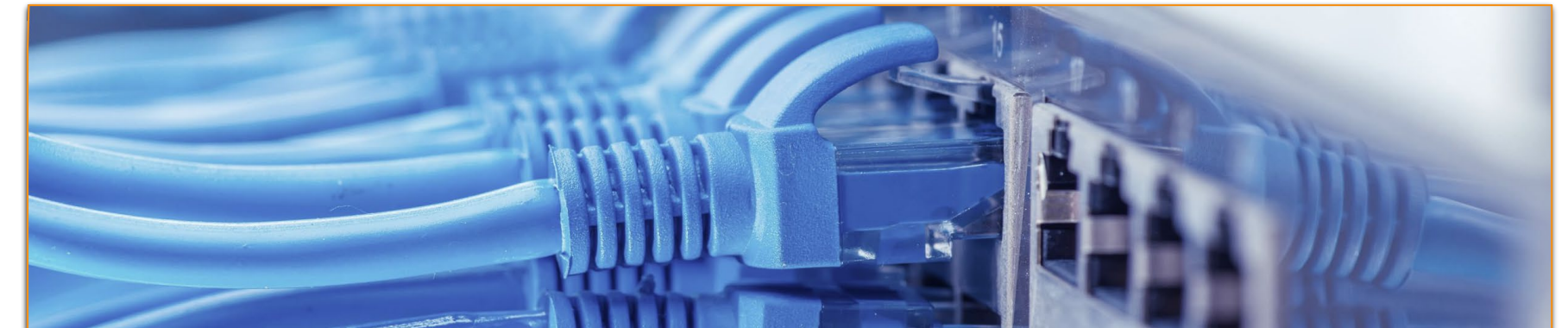
Introduction

Business-to-business electronic commerce and data synchronisation play a fundamental role in Metcash operations, and have long been central components of our transformation strategy. It is vital that we can trade seamlessly and efficiently with our supply partners by utilising the best technological tools available - all underpinned by the core components of GTIN barcoding, SSCC labelling, and the central alignment of product data through the Global Data Synchronisation Network (GDSN).

Electronic trading and data sharing provide clear and compelling advantages over traditional, paper-based, manual processes and interfaces. Electronic trading ensures greater accuracy, improves efficiency, avoids duplication of effort, allows for automation and improves the speed of information flow between supplier and retailer- which in turn drives practical benefits including expedited turnaround times and faster invoicing payments for supply partners.

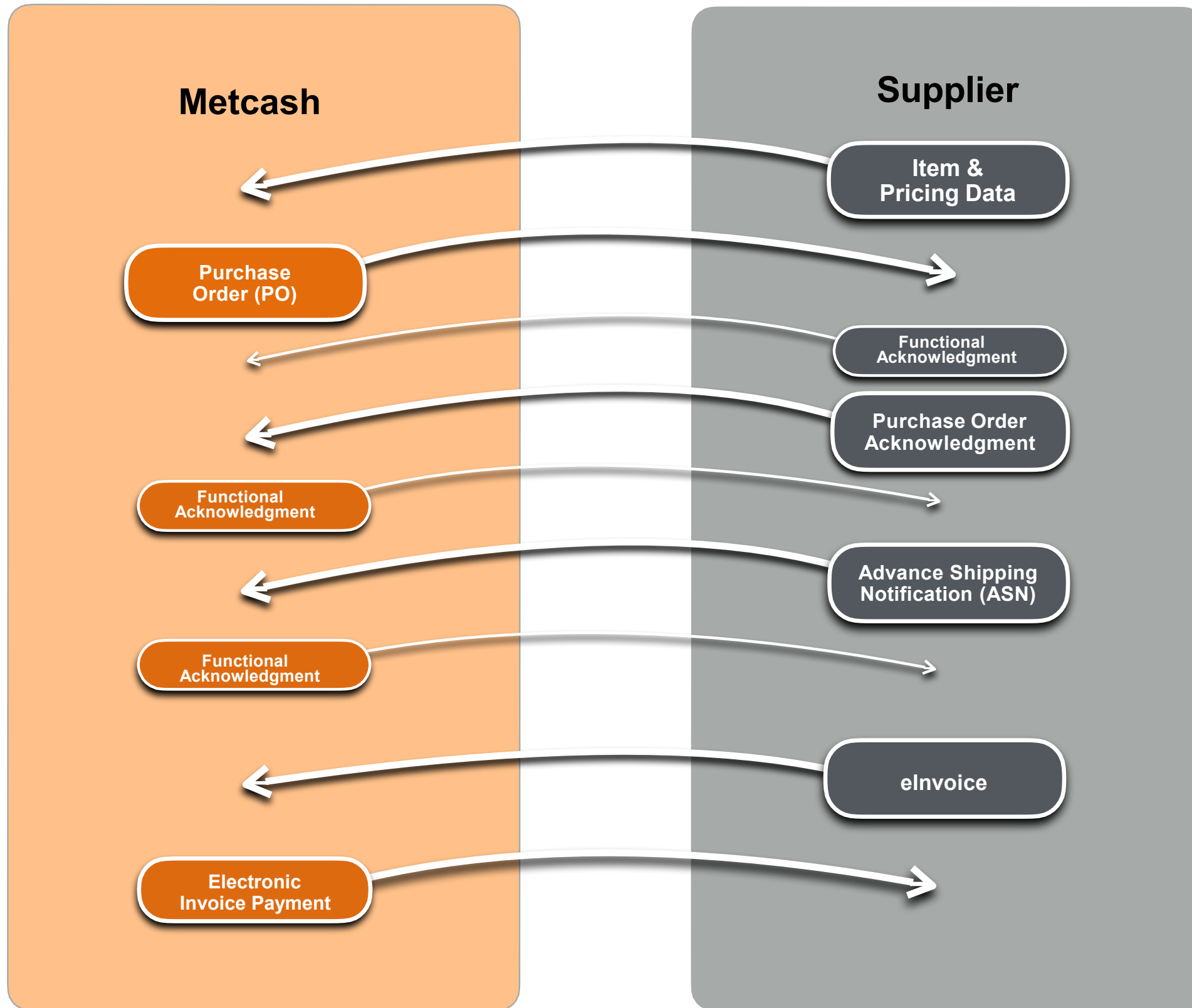
For Metcash, eBusiness is largely centred around the eTrade and eData platforms; eTrade encompasses all components of how Metcash transacts purchase orders, receipt, invoicing and payment with supply partners, while the eData platform ensures Metcash is aligned with our partners regarding accurate product attributes and pricing. The expansion of eBusiness has been transformative for both Metcash and our suppliers, and eBusiness 'basics' remain essential for our continued mutual success.

This module covers the key components and transactions comprising the eBusiness platform, outlining both the core, essential requirements for all suppliers (e.g. GTIN barcoding, SSCC pallet labelling, EDI messaging, scan receiving) and also the extended eBusiness opportunities available through GDSN Data Pools and Invoicing (and Express Receipt, where applicable).



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UNH+1+ORDERS:D:01B:UN:EAN010'
BGM+220+941613+9'
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Core eBusiness Transactions

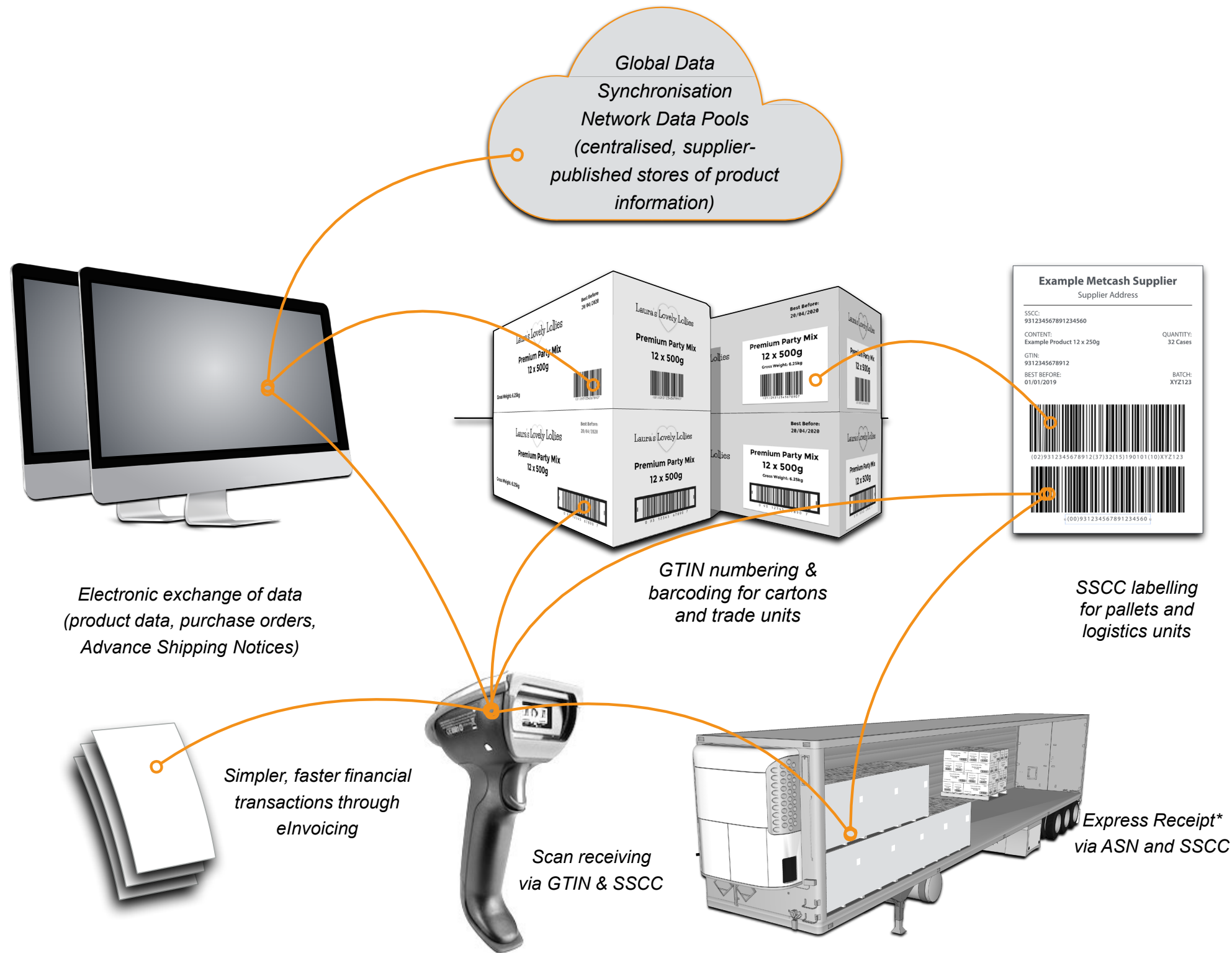
The Metcash eBusiness platform encompasses a wide range of complementary processes, tools and systems, and entails millions of electronic transactions with our supplier and retailer partners. The continual development and expansion of eBusiness capability - particularly around eTrade and eData - is driving significant improvement across our supply chain and wider business, enabling more efficient, accurate business transactions with our partners.

The eBusiness partnership with our suppliers is wide-ranging, and core transactions include:

- **Transmission to supply partners of Purchase Orders**
- **Receipt from supply partners of Purchase Order Acknowledgements (POAs)**
- **Receipt from supply partners (and transmission to DCs) of Advance Shipping Notes (ASNs)**
- **Receipt from supply partners (and electronic payment, confirmation) of Electronic Invoices (eInv)**
- **Transmission/receipt of Functional Acknowledgment messages with partners, confirming each transaction**
- **Generation/transmission of XML Turn-In orders from suppliers for specific stores**
- **Cross-dock order management between retailers and suppliers (and vice versa)**
- **ASN-and-SSCC-enabled Express Receipt*, where applicable**
- **Electronic synchronisation of product and pricing with supply partners, and more**

These millions of electronic transactions and automated messages are made possible through the extensive infrastructure of supporting tools and components; those core components are discussed in the next section.

* Express Receipt is conditional upon suppliers successfully and reliably meeting applicable criteria, as discussed further in [Section 3, page 21](#)



Core eBusiness Components

In order to unlock the many transformative benefits offered by eBusiness, it's integral that Metcash and our supply partners fully support the core components of globally-standardised, business-to-business (B2B) technology. Taken together, these complementary tools and processes form a cohesive, connected trading ecosystem:

- Global Trade Item Numbers (GTINs) allow for simple, reliable product identification, enabling traceability through the network and linking extensive product and pricing data;
- SSCC pallet labelling dramatically improves the efficiency of product receipt, storage, retrieval and despatch;
- Compliant and consistent barcoding reduces the risks of inaccurate receipt and product selection/ despatch, and enables automated handling by laser-guided vehicles, robotic de-palletisers, automated storage & retrieval systems, scan sortation and auto-palletisation systems;
- Global Data Synchronisation Network (GDSN) Data Pools allow for seamless, perpetual exchange of product and pricing information from our supply partners;
- Centralised, electronic recall systems greatly assist with management of product withdrawal/recall events;
- EDI-based electronic ordering, acknowledgments, and despatch advice messages fundamentally improve the speed and efficiency with which suppliers and Metcash transact ordering and supply;
- ASNs & SSCCs can also now enable frictionless Express Receipt*, where applicable; and
- eInvoicing systems eliminate significant legacy paperwork and manual effort, and help to ensure that our supply partners receive accurate payments faster than ever before.

These individual components – GTINS and GTIN barcoding, SSCC pallet labelling, GDSN Data Pools, Advance Shipping Notices, Scan Receiving and Express Receipt – are each discussed in detail over the next four pages.

* Express Receipt is conditional upon suppliers successfully and reliably meeting applicable criteria, as discussed further in

[Section 3, page 21](#)

Global Trade Item Number (GTIN) and GTIN Barcoding

GTINs and GTIN barcoding are among the most essential, basic components of trading with Metcash, and all suppliers must fully comply with GS1 GTIN standards. The Global Trade Item Number - and its typical representation as a GTIN barcode - allows Metcash to effectively transact with our suppliers electronically, and is our primary way of identifying product through the supply chain and at point of sale. Utilising the GTIN barcode helps eliminate the risks of incorrect receipt and invalid selection/sortation (i.e. “miss-picks”) that are prone to occur via manual identification (*for example, through misreading a product description on two similar cartons and mistaking one flavour/variant as another*).

GTINs are required at all levels of packaging (*the consumer unit, trade unit/carton, and logistics unit/pallet*) and within all product data records including GDSN Data Pools (*such as the National Product Catalogue*) and on submitted items through Metproducts (*for suppliers not yet live on a GDSN service*). It is a prerequisite to any trading with Metcash that all products have been assigned a valid, globally-unique GTIN reflecting the GS1 prefix of the relevant brand owner. Further, Metcash requires that a successful GS1 Barcode Verification Report accompanies all new line submissions.

Note on alternative data carriers: while most products in the Metcash supply chain use either a GTIN-13, GTIN-14, ITF-14 or GS1-128 barcode symbol as their data carrier, several alternatives exist. Newer, more advanced GS1 DataBar & DataMatrix symbologies are becoming more widely accepted (*for items such as fresh fruit and meat, where encoding additional information like Expiry Date into the barcode is desirable*) and can be decoded at point-of-sale by many of our retail customers, but please discuss with the Supply Chain Solutions team before proceeding with these options. Radio Frequency Identification (RFID) is an alternative to the barcode for carrying GTIN information, but is not currently supported by Metcash DCs or supermarkets.



GTIN barcoding is covered in detail in much greater detail within the “[Carton Requirements](#)” module of this document (pages 27-35)
That section covers GTIN allocation and GTIN change requirements, GTIN barcode symbology types, print quality and characteristics, correct barcode placement, and Print-and-Apply barcode labelling vs Pre-printed barcoding.

Serial Shipping Container Code (SSCC) Pallet Labelling

Identifying pallets through their SSCC pallet label improves both accuracy and efficiency in the supply chain, and addresses many of the potential risks of manual pallet identification. SSCC pallet labels are a kind of ‘license plate’ for every pallet within the network: providing a *completely unique*, easy to read, easy to decode summary of all pertinent details *specific* to that one pallet (*including the GTIN, quantity, batch and date code information of the product it contains*) that can then be tracked by various systems through the supply chain.

Metcash utilises SSCC-based scan-receiving and processing in all DCs to significantly streamline operations. SSCC pallet labelling dramatically increases the *efficiency* of product receipt, storage, retrieval and despatch as compared to a traditional, manual process; a receipt checker can scan 2-3 barcodes in seconds, capturing multiple sequences of information into the Metcash system, where that same information may have taken minutes to enter manually. Further, there is a clear benefit to receiving and inventory *accuracy* when scanning SSCC labels, compared against manually identifying and manually capturing product information into the warehouse management system.

Metcash requires that every pallet delivered into our DC network carries a pair of high quality, uniquely- numbered, compliantly-formatted SSCC labels (*with one label applied to each of the fork entry sides of the pallet*), accurately reflecting the full contents of the pallet in both human-readable and machine-readable forms.



SSCC pallet labelling is covered in much greater detail within the “[Pallet Requirements](#)” module of this document (pages 36-46).
That section covers SSCC label format and content, barcode encoding, Application Identifiers, SSCC label print quality, and correct positioning of the SSCC labels on the pallet.

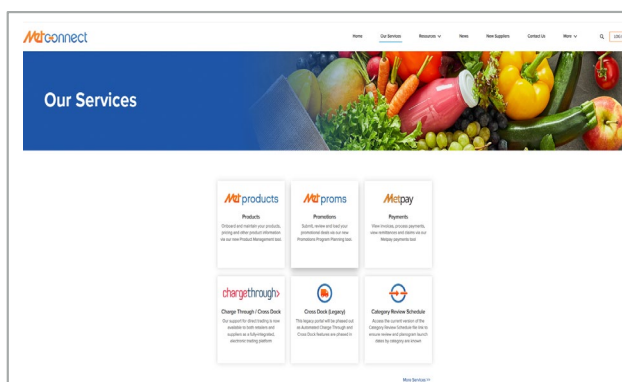
Global Data Synchronisation Network (GDSN) Data Pools

Global Data Synchronisation Network Data Pools (like GS1 Australia's [National Product Catalogue](#)) are an invaluable service for the publication and exchange of accurate, up-to-date product and pricing information, and Metcash relies heavily on information exchanged through the GDSN platform. Metcash has had a pioneering role in adopting and helping to advance product data synchronisation, recognising that this can provide enormous benefits for all parties.

GDSN Data Pools allow suppliers to load extensive product and pricing data into a central repository and feed that information electronically to Metcash and to all other trading partners. This data set extends beyond simple product attributes and also incorporates information relating to marketing, nutrition, allergens, Country of Origin and more.

As suppliers control this GDSN information - *and can readily publish changes as required* - the information in retailer or wholesaler systems can always remain in complete alignment with supplier data, largely eliminating time-consuming manual changes and notifications, while improving data integrity and responsiveness between trade partners.

Metcash is committed to working towards a paperless supply chain and minimising dependencies on outdated manually-processed forms, and we actively encourage supply partners to share in the benefits of adopting electronic data synchronisation. As all Data Pools must be GDSN-certified in order to be compatible with the Metcash system, suppliers should take care to engage an appropriate provider (*a list of GDSN-certified providers is [available here](#)*)



For suppliers who are not yet live on a certified GDSN platform (such as the [National Product Catalogue](#)), it remains necessary to submit product data for Item Submissions and Item Price Changes through our Metconnect Supplier Portal: <https://metconnect.metcash.com/food/s/>

Advance Shipping Notice (ASN)

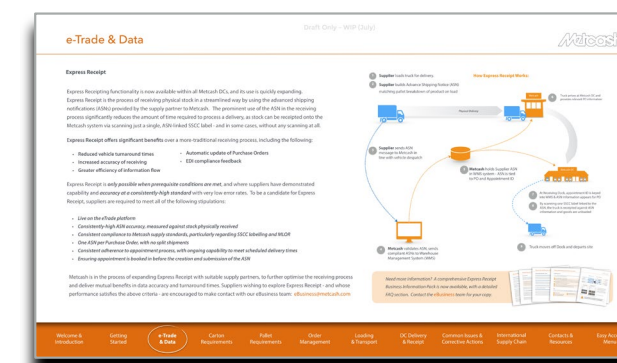
Metcash utilises Advance Shipping Notices (ASNs) to improve receiving operations, enabling communication between suppliers and our DCs regarding in-transit products, which in turn allows efficient receipt of goods as soon as loads arrive on dock. The ASN is an important electronic message exchanged between a supplier and Metcash (*ASNs can also be used between other stages of the supply chain*) that provides a complete list of all pallets on a load, detailing the products, carton quantities, date codes and SSCC numbers contained on each of those pallets.

ASNs should be sent to Metcash as the load departs (*or is prepared and ready to depart*) the supplier's site, and ASN messages must always be *received and validated by Metcash prior to the goods reaching the DC*. Where this step fails, the DC will be unable to receive the load unless remedial actions are taken, hence the load is likely to face rejection.

As ASN messages are sent to Metcash, *Functional Acknowledgment (FA)* messages are sent by Metcash in response: if any ASN *does not* receive an FA response from Metcash, the supplier should immediately contact Metcash to resolve.

Further, supply partners must ensure that all ASNs:

- are completely accurate to what is physically shipped (*consider scan-packing to create the ASN*)
- correspond to one delivery for a single PO (*an ASN must not span multiple vehicles or deliveries*)
- accurately reflect core logistics details such as Delivery Location/Global location Number (*GLN*)
- are in the required syntax and format for alignment (*minimum EANCOMM 2002 standard*)
- are prepared on a system that has been tested and validated with the Metcash eCommerce team during on-boarding



Subject to performance criteria- and where approved by Metcash – ASNs may also be used to enable [Express Receipt](#) of selected purchase orders (wherein an entire delivery can be received into a Metcash DC through the scanning of just one ASN-linked SSCC pallet label). Further details and pre-requisites are outlined on the following page...

Express Receipt

Express Receiving functionality is now available within all Metcash DCs, and its use is quickly expanding. Express Receipt is the process of receiving physical stock in a streamlined way by using the advanced shipping notifications (ASNs) provided by the supply partner to Metcash. The prominent use of the ASN in the receiving process significantly reduces the amount of time required to process a delivery, as stock can be receipted onto the Metcash system via scanning just a single, ASN-linked SSCC label - and in some cases, without any scanning at all.

Express Receipt offers significant benefits over a more-traditional receiving process, including the following:

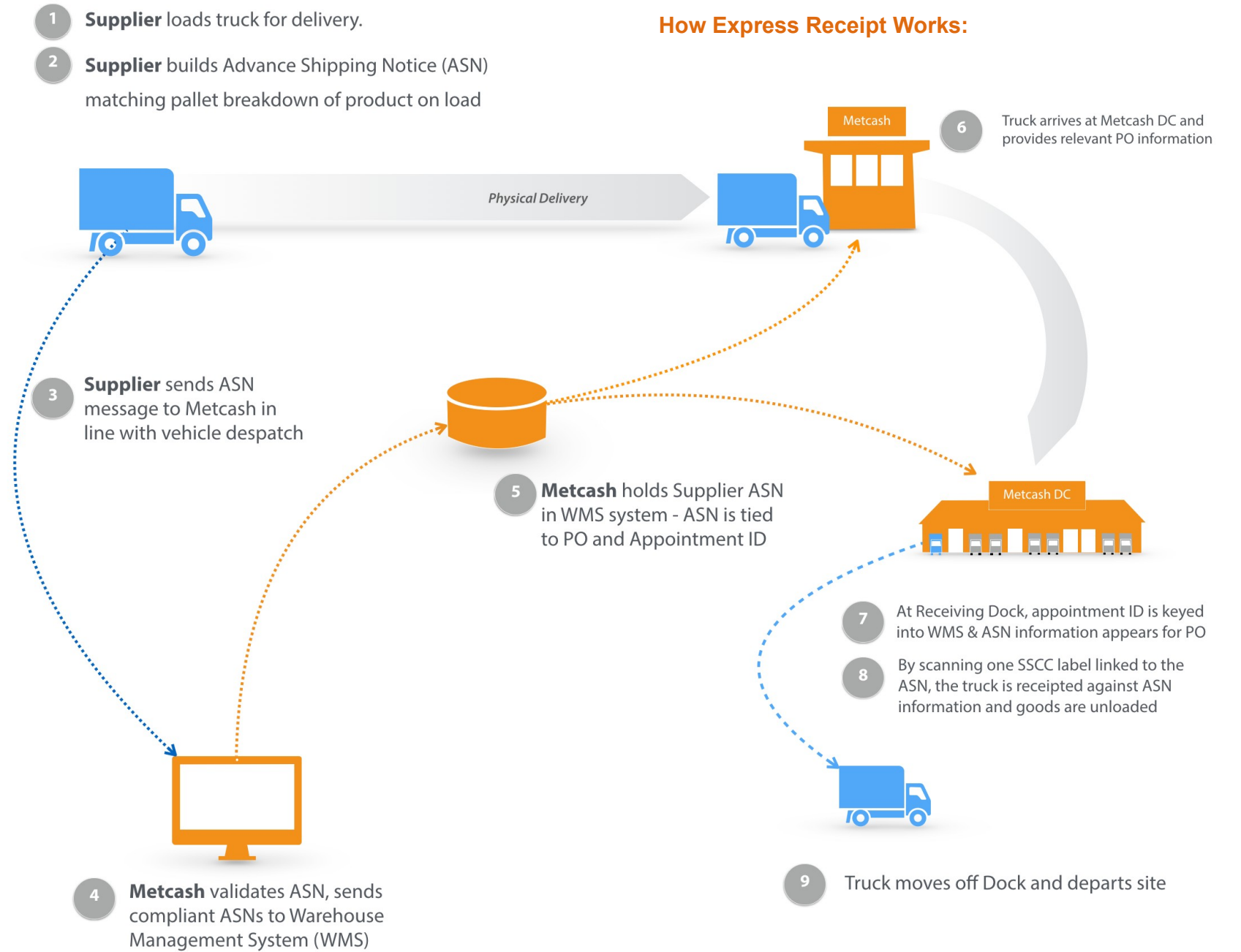
- **Reduced vehicle turnaround times**
- **Increased accuracy of receiving**
- **Greater efficiency of information flow**
- **Automatic update of Purchase Orders**
- **EDI compliance feedback**

Express Receipt is **only possible when prerequisite conditions are met**, and where suppliers have demonstrated capability and **accuracy at a consistently-high standard** with very low error rates. To be a candidate for Express Receipt, suppliers are required to meet all of the following stipulations:

- **Live on the eTrade platform**
- **Consistently-high ASN accuracy, measured against stock physically received**
- **Consistent compliance to Metcash supply standards, particularly regarding SSCC labelling and MLOR**
- **One ASN per Purchase Order, with no split shipments**
- **Consistent adherence to appointment process, with ongoing capability to meet scheduled delivery times**
- **Ensuring appointment is booked in before the creation and submission of the ASN**

Metcash is in the process of expanding Express Receipt with suitable supply partners, to further optimise the receiving process and deliver mutual benefits in data accuracy and turnaround times. Supplier wishing to explore Express Receipt – and whose performance satisfies the above criteria – are encouraged to make contact with our eBusiness team:

eBusiness@metcash.com



Need more information? A comprehensive Express Receipt Business Information Pack is now available, with a detailed FAQ section. Contact the [eBusiness team](#) for your copy.



Purchase Order Acknowledgment and Validation

Metcash suppliers receive orders predominantly via Electronic Data Exchange (EDI), with a smaller percentage of suppliers receiving orders via fax, email and webforms. Independent of the mechanism within which orders are received, it is important to **always verify and validate** that the order details are accurate and that the order can be supplied in full - **advising Metcash immediately of any erroneous PO details or inability to supply any ordered products in full.**

Timely notification allows the Metcash team to correct any errors (e.g. **incorrect TlxHIs, mismatched GTINs**) before they present logistical issues at the DC, and to amend orders to mitigate supply shortages for our customers.

Metcash Purchase Order Examples – Traditional/Email and EDI:

DATE: 14/12/2017 IGAD PURCHASE ORDER P.O. NUMBER- 941613
 PO01A5 SMITHJO PAGE- 1

ORDERED BY: HUNTINGWOOD - GROCERY DELIVER TO: HUNTINGWOOD GROCERY
 71 HUNTINGWOOD DRIVE 71 HUNTINGWOOD DRIVE
 EASTERN CREEK NSW EASTERN CREEK
 2766 NSW 2766
 ABN- 67 004 391 422

VENDOR / SUB: 11123456 / 1 NAME- ABC DRINKS PTY LTD ABN- 98076534219880 STOCK CONTROLLER: JOHN SMITH
 SPECIAL P.O. INSTRUCTIONS- PHONE NUMBER: 2 8822-3758
 FAX NUMBER: 2 8811-7431
 EMAIL: JOHN.SMITH@METCASH.COM
 PHONE- 9687-4783 EXPECTED DEL- 20122017

LINE	ITEM NUMBER	ITEM GTIN	ITEM DESCRIPTION	QTY ORDER	INN/ SHIP	PACK CTN	CTN PRICE	EXT PRICE	EST GST	TOTAL COST	TI	HI	MIN DAYS	
1	6789	19387654321028	ABC COLA CAN	192	1	3	20.44	3924.48	392.44	4316.92	16	12	182	
2	33446	19387654321033	ABC DIET COLA	400	1	24	66.66	26664.00	2666.40	29330.40	10	5	60	
3	6890	19387654321014	ABC ORANGE CAN	384	1	3	20.44	7848.96	784.89	8633.85	16	12	182	
4	54321	19387654321029	ABC LEMONADE 2L	480	1	8	33.00	15840.00	1584.00	17424.00	12	4	90	
TOTAL:											59705.18			

71 HUNTINGWOOD DRIVE
 EASTERN CREEK
 NSW 2766

DELIVERY APPOINTMENT WILL BE SCHEDULED AND AN EMAIL ADVICE CONFIRMING THE APPOINTMENT SCHEDULE WILL BE SENT
 GOODS MUST BE DELIVERED WITH INVOICE, USING TI HI SPECIFIED ON ORDER AND QUOTE PO NUMBER AND BOOKING APPOINTMENT NUMBER
 CARTON QUANTITIES ORDERED ARE SHIPPERS (INNERS PER SHIPPER QUANTITIES ARE SHOWN WHERE APPLICABLE). CONFIRM RECEIPT
 OF PO WITHIN 24 HOURS USING STOCK CONTROLLER EMAIL. ALL SHORT SUPPLIES MUST BE NOTIFIED USING STOCK CONTROLLER EMAIL.

CHECK DELIVERY DATE & LOCATION
 WITHIN THE PO HEADER SECTION....

- PO Number
- Purchase Order Date
- Expected Delivery Date
- Vendor Number
- 'Deliver To' DC (GLN)
- Stock Controller Details
- GTIN of the first item on order
- TlxHI Configuration (full pallet)
- Order Quantity (in cartons)
- Minimum Shelf Life on Delivery
- Carton Price (EDI is GST)

```

UNA:+.? '
UNB+UNOC:3+937777130737:ZZ:050+9981234567890:ZZ+171214:1059+1305++++1+1'
UNH+1+ORDERS:D:018:UN:EAN010'
BGM+220+941613+9'
DTM+137:20171214:102'
DTM+2:201712200001:203'
NAD+SU+111234567:92'
CTA+PD+JOHN SMITH'
COM+(2)88223758:TE'
COM+JOHN.SMITH@METCASH.COM:EM'
NAD+ST+9377779193723:9'
LOC+7+99:92'
LIN+1++19387654321028:SRV'
MEA+PD+ULY+NAR:16'
MEA+PD+LAY+NAR:12'
QTY+21:192'
DTM+364:20180615:102'
PRI+1E:22.48'
LIN+2++19387654321033:SRV'
MEA+PD+ULY+NAR:10'
MEA+PD+LAY+NAR:5'
QTY+21:400'
DTM+364:20180213:102'
PRI+1E:66.66'
LIN+3++19387654321014:SRV'
MEA+PD+ULY+NAR:16'
MEA+PD+LAY+NAR:12'
QTY+21:384'
DTM+364:20180615:102'
PRI+1E:22.48'
LIN+4++19387654321029:SRV'
MEA+PD+ULY+NAR:12'
MEA+PD+LAY+NAR:4'
QTY+21:480'
DTM+364:20180315:102'
PRI+1E:33.00'
UNS+S'
CNT+1:1456'
CNT+2:4'
UNT+38+1'
UNZ+1+1305'
    
```

...AND USE THE ITEM LEVEL DETAIL SECTION TO
 CONFIRM GTIN, TIXHI, QUANTITY, PRICE, AND
 MINIMUM SHELF-LIFE FOR EACH LINE ITEM ON THE
 ORDER

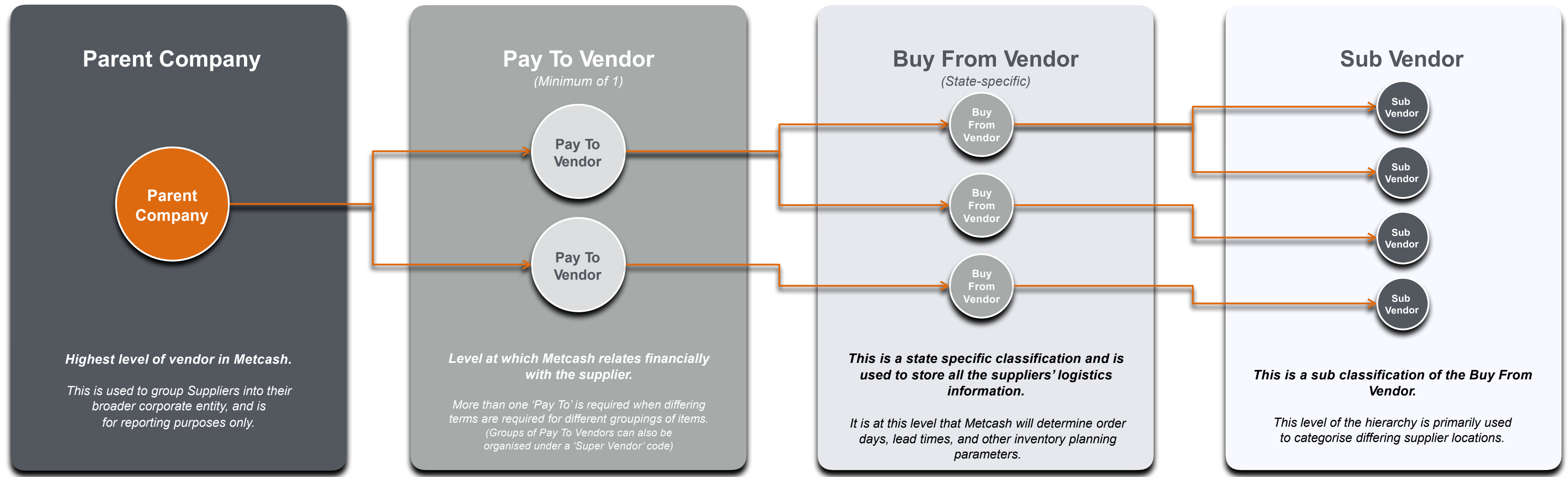
Traditional Email PO: A Purchase Order from Metcash will appear in this format if a supplier is not using the EDI system (i.e. receiving orders via Email or Fax)

EDI PO: A Purchase Order from Metcash will appear in this format if a supplier is using the EDI system

Supplier Hierarchy within Metcash Systems

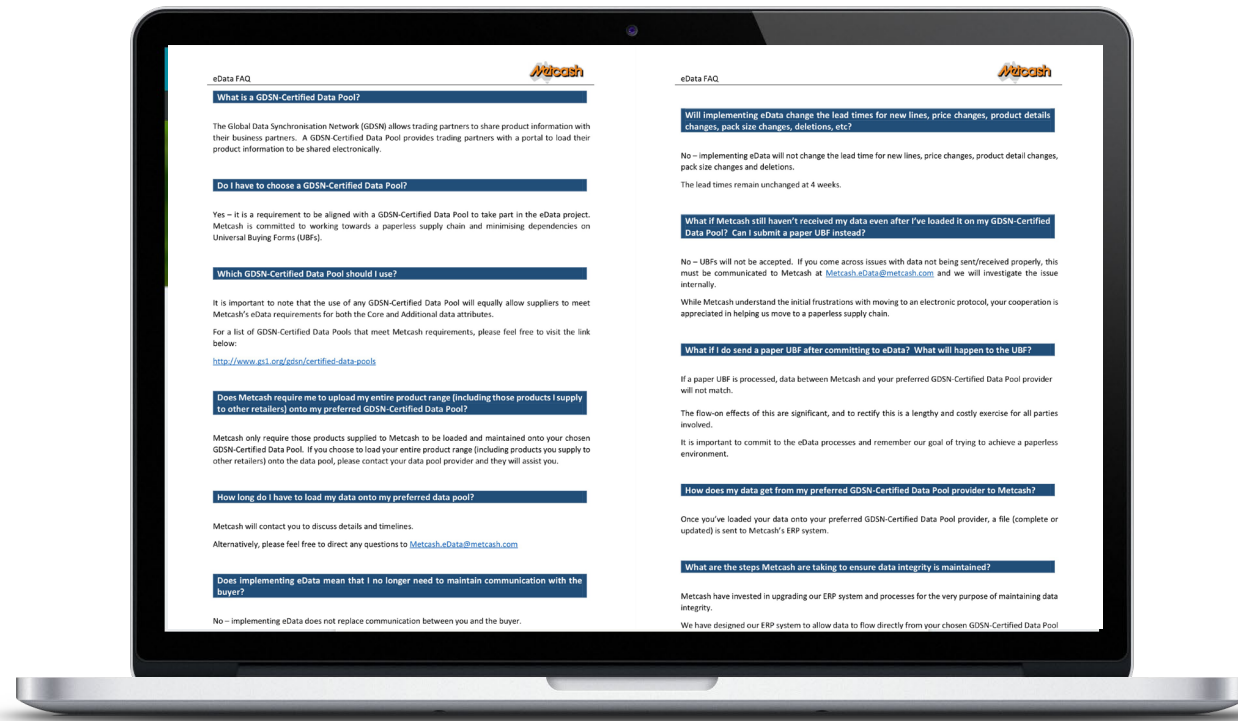
It is important to understand how the structure or hierarchy of Supplier information is organised/classified within the Metcash system. The Metcash Vendor (or Supplier) Hierarchy refers to the internal system categorisation that Metcash uses to delineate suppliers and properly reflect their operational structures.

To ensure maximised ordering efficiency, Metcash recommends that suppliers review this information to ensure alignment: if inconsistencies exist, please contact the [relevant Replenishment Team member](#) or Supplier.Engagement@Metcash.com for review.



Metcash Supplier Support

For supply partners looking to better understand how to exchange data and transact with Metcash electronically, extensive supporting materials have been made available regarding eBusiness generally, and eTrade and eData more specifically. These documents include detailed guides on all relevant tools and processes, such as:

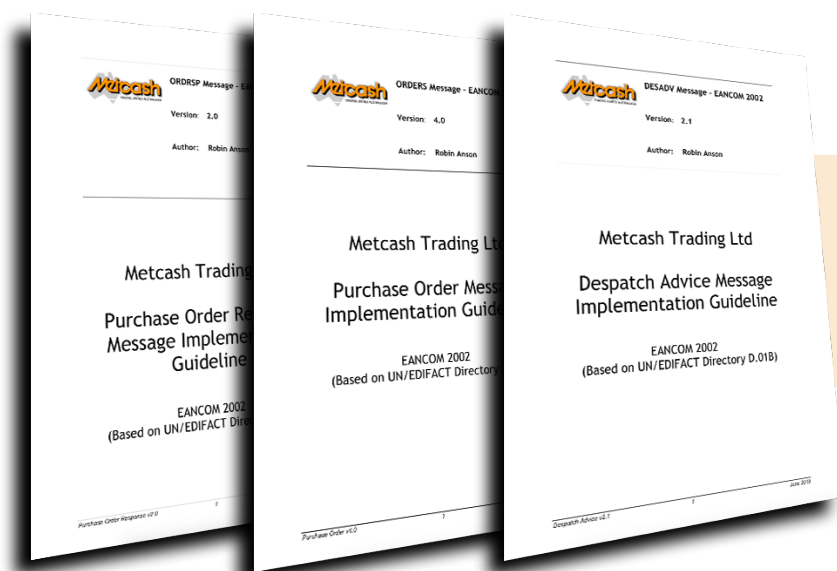


- An [Express Receiving Business Information Pack](#)
- [How to setup, implement and manage electronic Purchase Order messaging](#)
- [How to setup, implement and manage Purchase Order Acknowledgment \(POA\) messaging](#)
- [How to setup, implement and manage electronic Control \(CONTRL\) messaging](#)
- [How to setup, implement and manage electronic Despatch Advice/ASN messaging](#)
- [How to setup, implement and manage electronic Invoicing \(eInvoice\)](#)
- [Global Location Numbers \(GLNs\) for IGA DCs, for Campbells, and for ALM](#)
- [A Frequently Asked Questions document covering eTrade](#)
- [A Frequently Asked Questions document covering eData, and more...](#)

Further Support Materials

Beyond the Supply Standards pages, information and guidance is available from several external resources:

- [GDSN-certified Data Pool providers](#)
- [Barcode Check/Verification Service](#)
- [GS1 Barcodes & RFID](#)
- [Solution Providers Directory](#)
- [GS1 Help Centre](#)



The Metcash eBusiness Vendor Engagement Team are available to assist and answer queries via EBusiness@metcash.com and for eData and NPC queries please contact Metcash.eData@metcash.com.

Carton Requirements

Introduction

It's vitally important that every carton or trade unit received into a Metcash DC meets the requirements for safe and efficient handling through our supply chain. Where out-of-specification trade units enter the network, they can cause significant problems for the safety of Metcash team members, limit the efficiency and effectiveness of our processing operations (especially in our automated DCs), contribute to increased waste (through lost and damaged product) and detrimentally impact our ability to make product available for retail customers.

Conversely, good trade units and good cartons can:

- **Minimise/eliminate potential damage to the retail units, helping to maximise sales**
- **Minimise in-store handling when receiving stock and filling store shelves, helping to reduce costs**
- **Minimise health and safety risks for team members handling the product in DC and Store**
- **Minimise supply chain handling, supporting more 'one touch' replenishment aligned to capacity and rates of sale**
- **Support regulatory compliance, labelling requirements, health and safety objectives and more**

We ask that all Metcash suppliers closely examine these requirements when designing trade units. This should also extend to **involving all relevant teams** when designing artwork and pack characteristics, to ensure that - for example - barcodes and declarations are properly incorporated into the design (allowing sufficient space for quality barcodes at correct magnification). Metcash's requirements for cartons and carton barcoding align closely with industry best-practice, so meeting Metcash's requirements will also meet trade unit packaging requirements across major Australian retailers.



It can be costly to make errors and produce a large quantity of non-compliant packaging, to then have to correct those errors later, so the Metcash team are keen to work with suppliers and answer questions prior to going into production.

If unsure whether your proposed packaging meets the relevant specifications, please proactively seek assistance. Where product is delivered that is unsafe or fails to meet trade unit specifications, DC rejection is highly likely; issues may also lead to received product being returned and a trade unit redesign becoming necessary.

Carton Design & Suitability

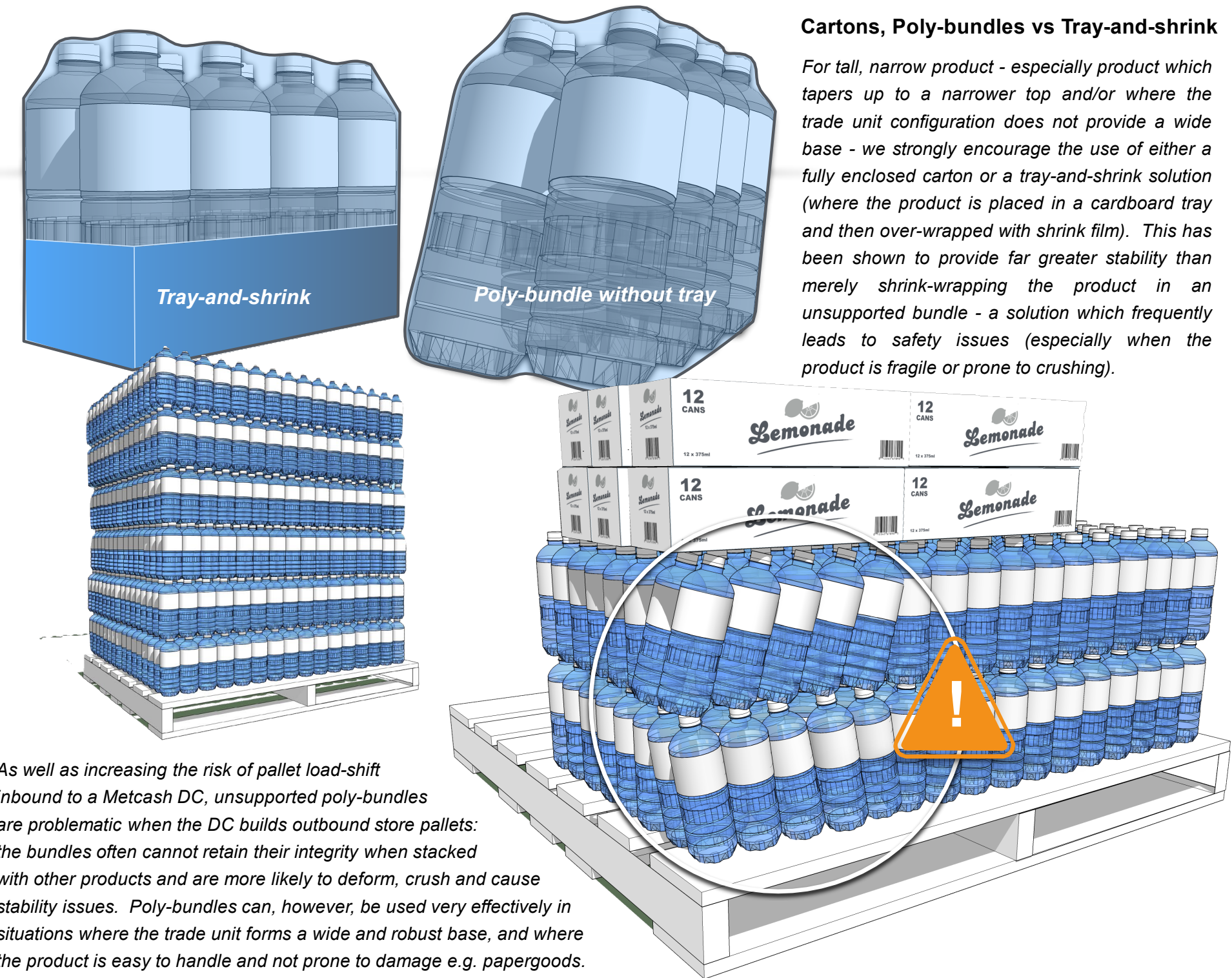
The primary consideration when designing trade unit packaging for a product must be the ability of each packaging option to convey the product safely and effectively through the supply chain. While the best or most-suitable packaging option will vary depending on the specific product type involved, the universal objective is always to create a robust, appropriately-sized pack that will securely contain and protect the consumer units, and withstand the typical impacts of the supply chain - as the product travels from manufacture through warehousing, transport and processing at store level.

Considerations regarding the packaging design must take into account multiple factors, including: the type of product, the fragility or crush-ability of the consumer unit, product settling, whether the pack contains sharp or potentially- hazardous material (e.g. glass jars/bottles, knives etc), the potential weight and dimensions of various pack configurations (keeping gross weight within Metcash safe-handling limits), pallet configuration, the rate of sale of the product, whether the outer pack will contain smaller inner packs, the degree to which the pack will be made 'shelf ready' with easy-open perforations, and so on.


Most centrally, the evaluation of suitable pack types must consider the likely impacts of a typical supply chain journey, with the pack designed and constructed to withstand those various impacts and interactions. Specifically, any trade units and cartons supplied into a Metcash DC will need to withstand:

- **Transportation over thousands of kilometres by road, rail, container**
- **Potential double-stacking of pallets (in supplier storage, on the carrier's vehicle, on the receiving dock etc)**
- **Forklift transportation of the pallet through the DC - including unloading, put-away, retrieval**
- **Automated depalletisation and conveyerised transport through DC**
- **Picking/selection by both manual and automated/robotic methods**
- **Integration with 60+ different cartons (potentially as a base layer) as the DC builds outbound pallets**
- **Automated palletisation for store despatch (with robotic arms lifting, reorienting and placing the cartons)**

Where carton and trade unit design proves unsuitable for the Metcash supply chain, the issues are most commonly observed as trade units breaking open or deforming under weight, flaps and/or perforations failing, products being exposed or jettisoned, products crushing and leaking inside the pack, and pallets subsequently collapsing due to one or more compromised cartons.



As well as increasing the risk of pallet load-shift inbound to a Metcash DC, unsupported poly-bundles are problematic when the DC builds outbound store pallets: the bundles often cannot retain their integrity when stacked with other products and are more likely to deform, crush and cause stability issues. Poly-bundles can, however, be used very effectively in situations where the trade unit forms a wide and robust base, and where the product is easy to handle and not prone to damage e.g. papergoods.

 **To ensure efficient handling and team member safety, trade units are highly likely to be rejected from Metcash DCs if they are deemed unsafe, unstable, unsaleable or are otherwise non-compliant.**

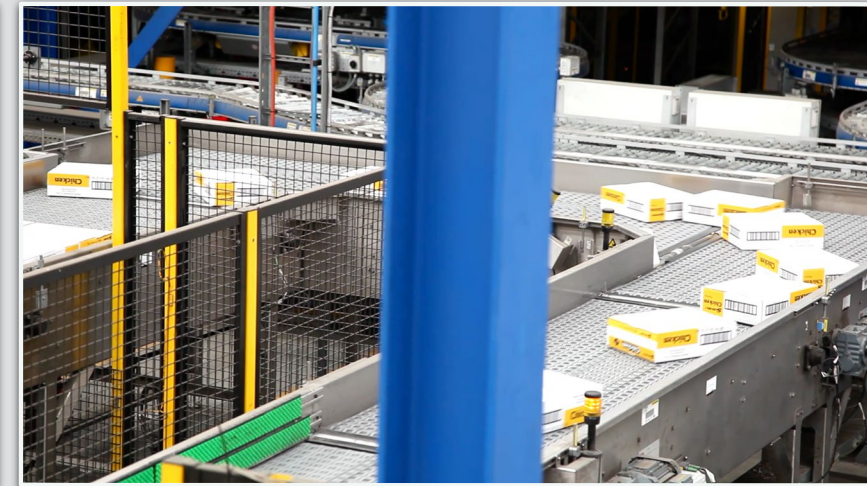
KEY CARTON SUITABILITY CONSIDERATIONS ARE:



- **Robotic, automated de-palletisation machines that lift and separate full layers from pallets**



- **Automated singulation, scanning and sortation**



- **Conveyorised transport, storage and retrieval**



- **Automated palletisation in which cartons are picked and placed by robotic arm to build robust store pallets**



Carton Size & Configuration

The size and configuration of cartons or trade units should be based on several considerations such as: *the optimal number of retail units to include; the best shape and profile of the trade unit to provide pallet stability and utilisation; rate of sale/replenishment; gross weight, ease of handling, ease of shelf fill, number of product facings and shelf capacity.* Carton sizes that contain too few consumer units (*and/or larger cartons containing many very small inner cartons*) risk creating excessive, unnecessary handling for limited benefit; conversely, pack sizes that are too large will create issues for safe handling. It is important to find the right balance of a pack size that is safe and easy to handle, but also large enough to facilitate efficient, 'one touch' replenishment.



Carton configuration should allow for safe and efficient handling of the trade unit: excessive, bulky, heavy pack sizes should be avoided. We also ask that square cartons be avoided where possible, to help ensure better pallet stability through cross-stacking.

Packaging Consistency

Across successive deliveries, it is crucial that product is delivered in packaging that is:

- **Consistent with the sample approved by Metcash when the line was ranged (unless change notified and approved by Metcash)**
- **Consistent with the previous deliveries of the same product (unless change notified and approved by Metcash)**

Unexpected changes to packaging (*where product is delivered in changed packaging without prior notification by the supplier and agreement by the Metcash team*) cause considerable disruption and safety issues for Metcash DC teams, as well as impacting automation systems.



Suppliers must notify the Metcash team well in advance of any planned packaging changes (including changes to dimensions, artwork, barcoding, wrap, perforations, sealing, carton declarations) and secure approval before despatching in the new format.

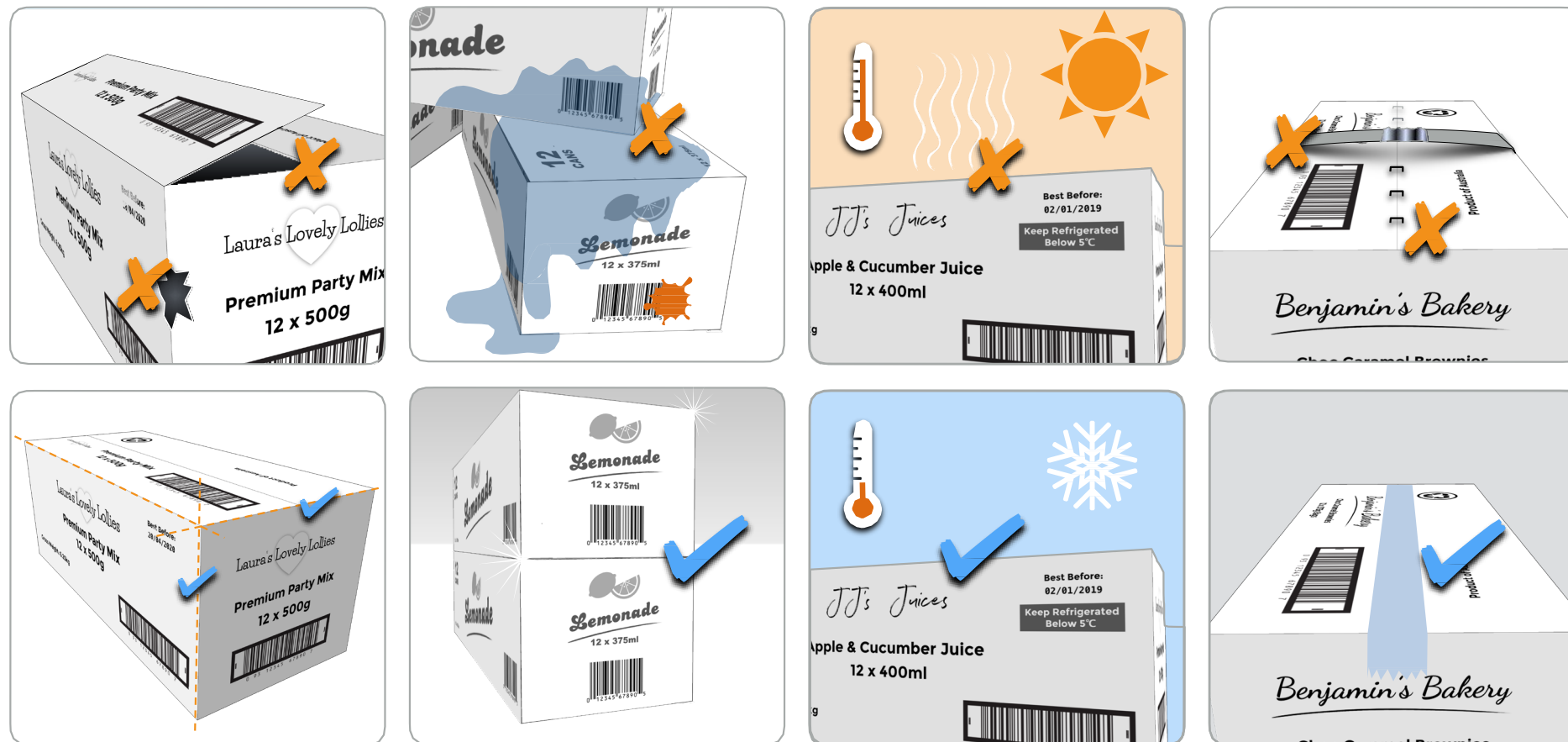
Suppliers can notify the [Forecasting & Replenishment Team](#) or Supplier.Engagement@metcash.com

If non-approved packaging changes are observed at the point of Receiving, the product is likely to be rejected by the DC.

Carton/Trade Unit Condition

As every carton or trade unit delivered into Metcash DCs must be fit for our retail customers, please ensure that cartons:

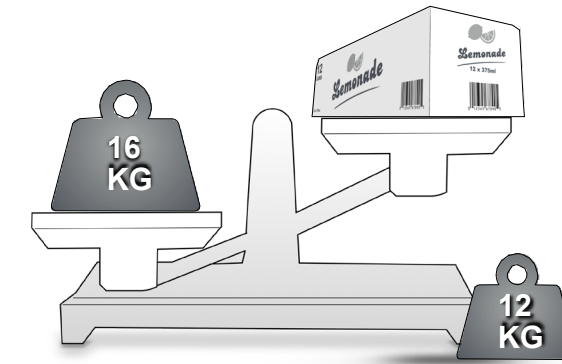
- are not damaged, crushed or leaking
- are not moisture-affected nor contaminated by dirt or foreign material
- have sufficient remaining shelf-life and meet or exceed Minimum Life On Receipt (MLOR)
- have been continuously maintained within the required temperature range, wherever applicable
- are fully sealed, with no open flaps or torn perforations (if using glue to seal carton flaps, use cold glue only)
- are safe to be handled - with no nails, staples, metal clasps, metal strapping (use glue or tape only)
- can be easily and efficiently identified, with accurate descriptions and compliant barcoding



Carton/Trade Unit Weight & Dimensions

To facilitate safe handling by team members, cartons and trade units into the Metcash network should **not exceed a maximum gross weight of 16kg.**

The gross weight of each carton must be clearly marked on two vertical surfaces, reflected as "Gross Weight: nn.n kg" to one decimal point e.g. "Gross Weight: 10.5 kg"



Importantly, **Metcash is moving toward a maximum trade unit gross weight of 12kg**, so all *new* product submissions should be targeting this <12kg range. If the new product will exceed 12kg gross weight, it is necessary to contact the Metcash Safety team to initiate a Risk Assessment and Approvals process:

safety@metcash.com or 0439 303 422

As Metcash utilises extensive automation for handling cartons/trade units within DC operations, it is important to understand optimal case characteristics and dimensions within these automated environments. The below table outlines minimum / maximum trade unit dimensions for de-palletising/palletising robots and conveyor systems:


		Length	Width	Height	Height/Width Ratio
 Depalletisation Robots & Singulation Conveyor	Maximum Dimension	600mm	400mm	452mm	1.7
	Minimum Dimension	150mm	150mm	45mm	
 Palletising Robots & Tray Conveyor System	Maximum Dimension	600mm	400mm	452mm	1.7
	Minimum Dimension	120mm	120mm	45mm	

Height/Width ratio is important as tall, narrow products (those with a high height/width ratio) are prone to instability when conveyed through the system. Metcash aims to always convey products in their original orientation (upright, as delivered) but where this height/weight ratio is exceeded, products may need to be placed onto one side for stability. Affected SKUs will be flagged and configured at 'teach-in' stations so that the pack pattern generator can calculate correct case orientation, and cases will then be conveyed and auto-palletised on their sides.

Carton Barcoding

It's critically important that all cartons and trade units delivered into the Metcash DC network carry the appropriate GTIN barcoding - *at the correct magnification, in the appropriate symbology, encoded with accurate information and presented at sufficient print quality.*

Barcodes are essential to the efficient and accurate processing of millions of trade units through the Metcash supply chain, and we utilise and interact with these barcodes in multiple ways, including:



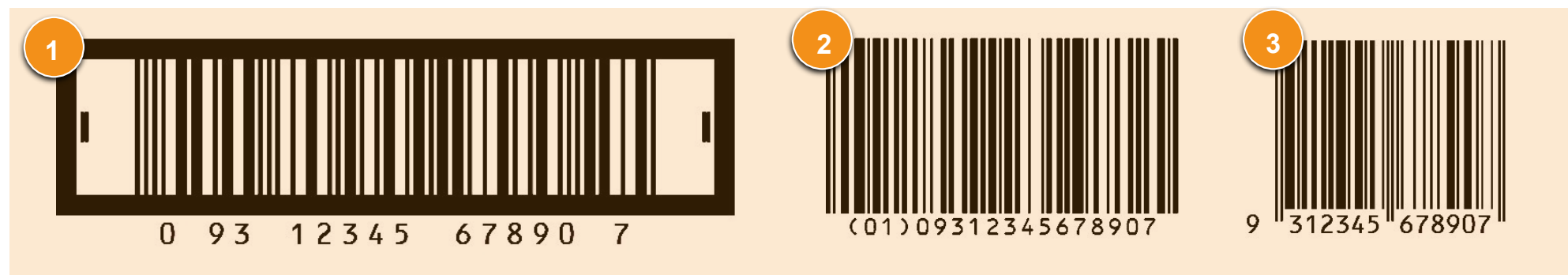
- Hand-held scanners
- Vehicle-mounted scanners
- Scanning of products during put-to-light sortation
- Scanning of products during voice sortation
- Scanning of product during routine inventory maintenance
- Scanning of products during the picking process
- Scanning of Products for automated Storage & Retrieval Systems (ASRS)

Barcodes ensure that we can quickly identify products with minimal manual intervention. Where the process of visual identification and manual data entry is laborious and prone to a degree of human error, barcode scanning enables far more efficient and more accurate receipt, and allows automation to sort and direct product as needed.

GTIN Barcoding - Suitable Symbology

Barcoding of trade units and cartons for Metcash needs to incorporate one of three accepted barcode types (as per below) and each symbology type has its advantages, disadvantages and optimal use cases:

- 1 **ITF-14** barcodes are comprised of only two different line widths, so they are typically very robust and less-prone to printing errors that can plague other barcode types (*where slight irregularities in print can significantly alter the representation of their finer barcode widths, rendering the information incomplete or invalid*). ITF-14's are well suited to direct printing on brown/kraft cardboard boxes, as the low contrast of this substrate will affect these bar widths to a lesser extent than the fine bars of other barcode types. These barcodes cannot be encoded with any additional information beyond a GTIN, however, so are not suitable for applications requiring a second field of data within the one barcode.
- 2 **GS1-128** barcodes are 'smarter' and more versatile than ITF-14 barcodes, in that they can be encoded with additional information beyond just the product GTIN. A GS1-128 barcode can be encoded with fields including GTIN, Quantity, Date Code, Batch, Nett Weight etc, which is also why they are used in SSCC pallet labels. While more versatile than ITF-14's, they are also less robust and more prone to print errors, especially where lots of information is encoded (the bars are very fine) and when printed directly onto a carton (rather than a label).
- 3 **GTIN-13** barcodes are used on the majority of retail packs and consumer units (smaller alternatives like GTIN-8's and DataBar are seen on very small product) and scan readily at Retail point of sale checkouts. They are not typically used for Trade Units unless that Trade Unit is also the Retail Unit (*where the customer buys the product in the same pack that moves through the DC*) in which case GTIN-13's are the appropriate type.



ITF-14 symbology

GS1-128 symbology

GTIN-13 symbology
(which must be used on all Dual Use trade units - those which will be sold at retail level)

GTIN Barcoding: Pre-printed & Print-and-Apply

Barcoding of cartons is typically approached in one of two ways; barcodes will either be directly incorporated into the artwork of the flat-packed carton (**pre-printed**) or added in a separate and secondary process through the later application of **print-and-apply** labels.

Pre-printed:

Where suppliers elect to incorporate barcodes into the pre-printed carton, this has the advantages of requiring no additional application step, and allowing barcodes to easily be incorporated into all sides of the carton at no additional cost (*some suppliers will even create a continuous barcode that wraps around their entire trade unit, for fail-safe scanning at distance within high-speed scan- sortation environments*).

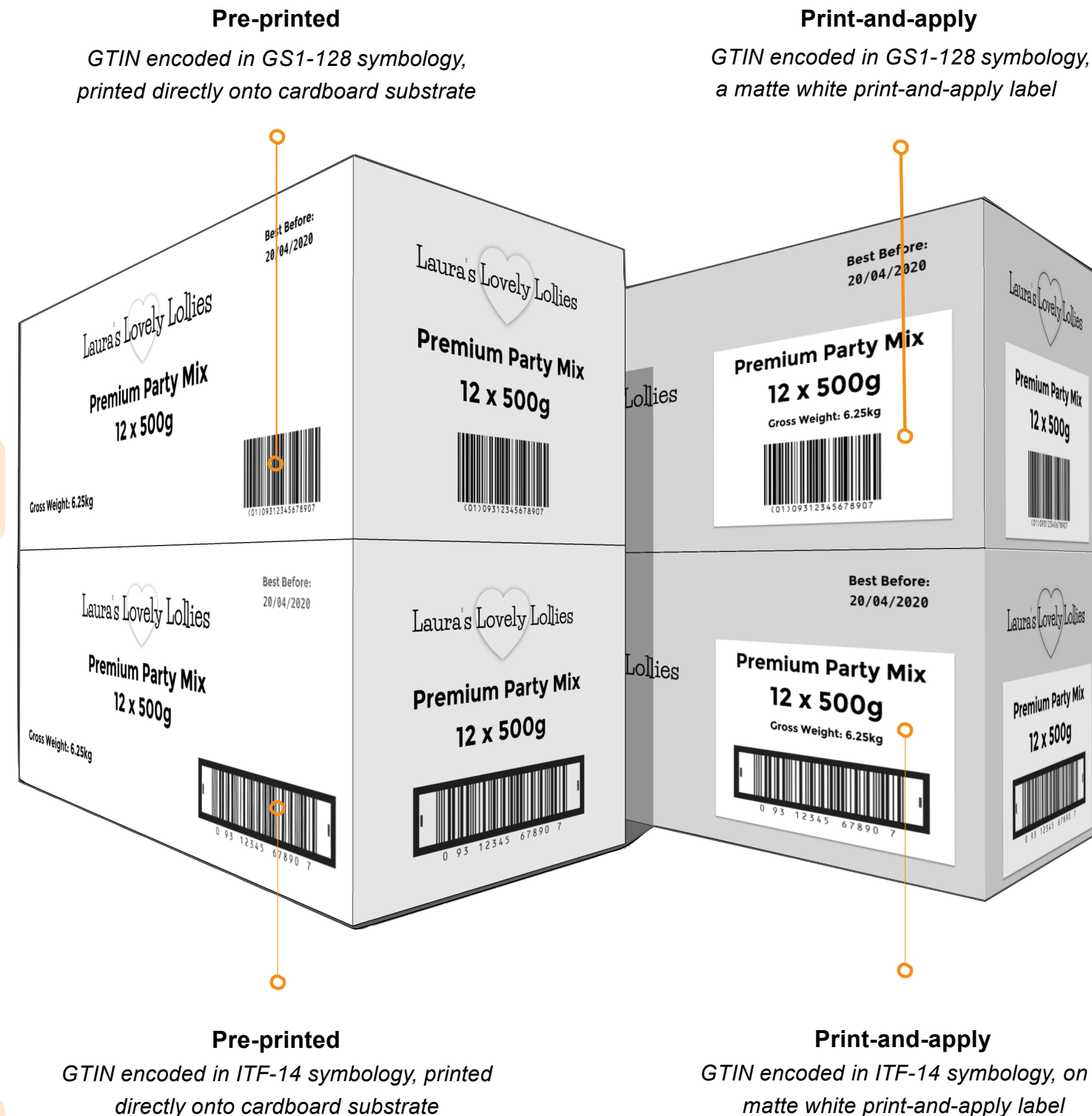
Metcash asks that preprinted barcodes be incorporated on 4-6 carton faces where possible, to allow scanning of the product in any orientation (at minimum, barcodes are required on 2 vertical sides).

Print-and-Apply:

Using labels to apply barcodes to cartons gives the advantage of an optimal print surface (*white label stock provides better contrast than brown/kraft cardboard, and allows for cleaner printing of barcodes without bleeding of the bars*), and allows suppliers to use a universal, SKU-agnostic carton across multiple products in their range — only reflecting specific product details on the label itself. They are ideal for variable weight product where weight is not known in advance, and labels can be printed during packing.

Two potential disadvantages of using print-and-apply labels are that they necessitate a second step in the carton forming/filling process, and that label printing is subject to the same print quality deterioration risks as SSCC pallet label printing (*label printers will need to be serviced regularly to ensure line breaks and other defects are not introduced*).

If using print-and apply labels, Metcash requires that there be two (2) barcoded labels applied to each trade unit – one barcoded label each on vertical sides (adjacent vertical slides wherever possible).



Print Quality & Characteristics

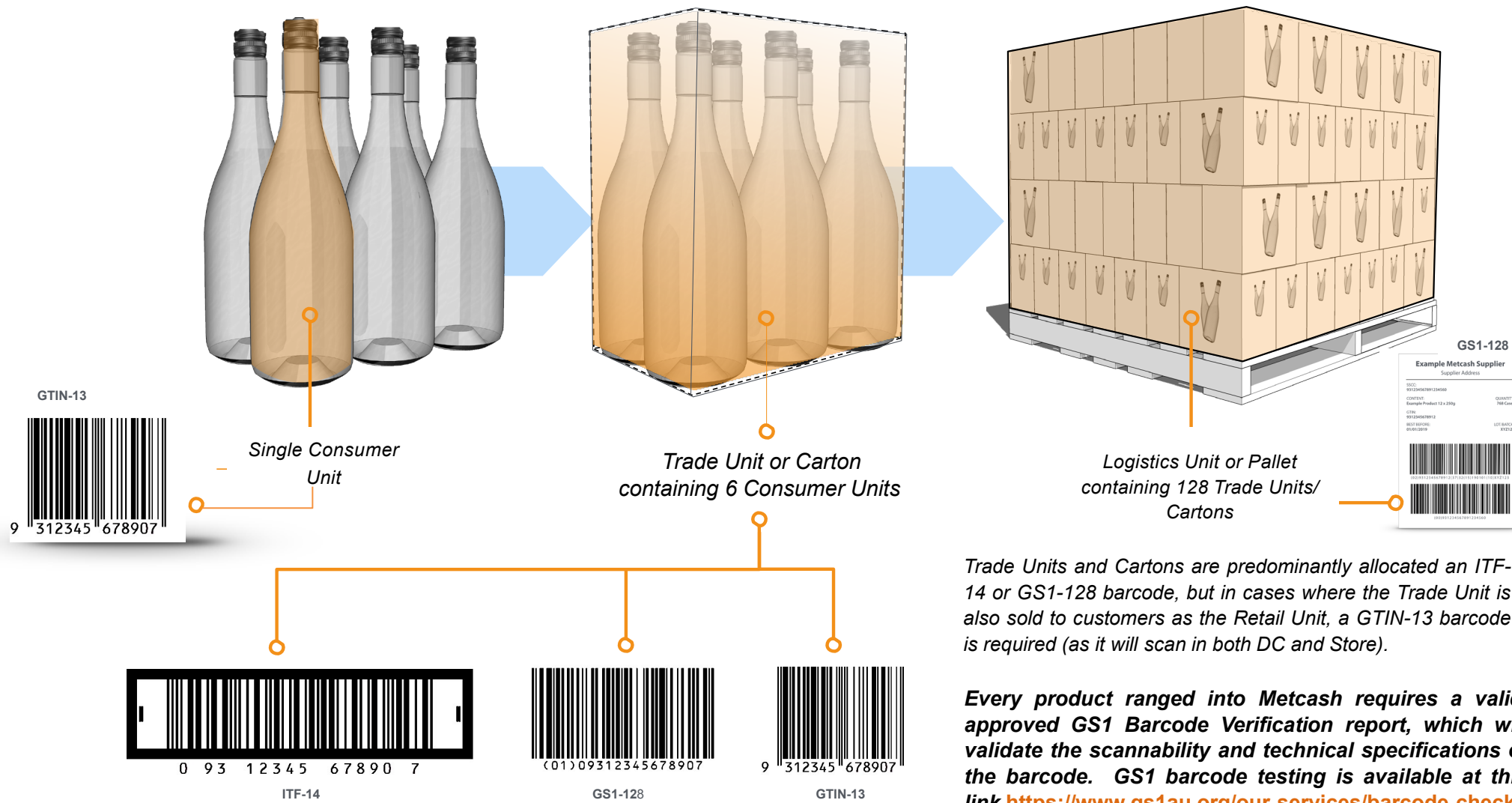
Whether barcodes are being pre-printed into artwork or post-printed onto labels, the importance of high print quality and decodability remains the same. It is essential to follow best practice for barcode printing:

- **Barcodes should be printed in dark colours (black or dark blue are preferred) on a light background for maximum contrast and decodability**
- **Barcodes must not be printed in red, as this colour will be rendered invisible to scanners**
- **Barcodes must not be truncated to save space: bars must be represented at full height to ensure scannability in a DC environment**
- **Barcodes should be checked for print defects at regular intervals, and printers serviced regularly. Look especially for line breaks 'splitting' the barcode, and for compression issues distorting the bars or causing the bars to bleed and deform.**
- **Consult [GS1 Australia](#) if unsure how to properly assign GTINs, or how to efficiently encode and print GTIN barcodes**

Allocating Trade Unit GTIN barcodes

Trade Units and Cartons exist in a hierarchy between Retail Units (*at the lower level*) and Logistics Units/Pallets (*at the higher level*). It is important to understand that a Retail Unit (*or Consumer Unit*) **must be numbered independently of the trade unit**, and the trade unit must be numbered independently of the Logistics Unit (*or pallet*). Trade Units cannot share the numbering of the consumer items within: they each must remain distinctly separate items within the supply chain.

Allocation of GTINs to Trade Units (*and Retail Units*) is linked to a unique, GS1-assigned company prefix, and follows a defined structure. For details on generating valid numbering for each product level, please visit the GS1 Australia guide at <https://www.gs1au.org/resources/frequently-asked-questions/membership-faqs>



Changing Trade Unit GTIN barcodes

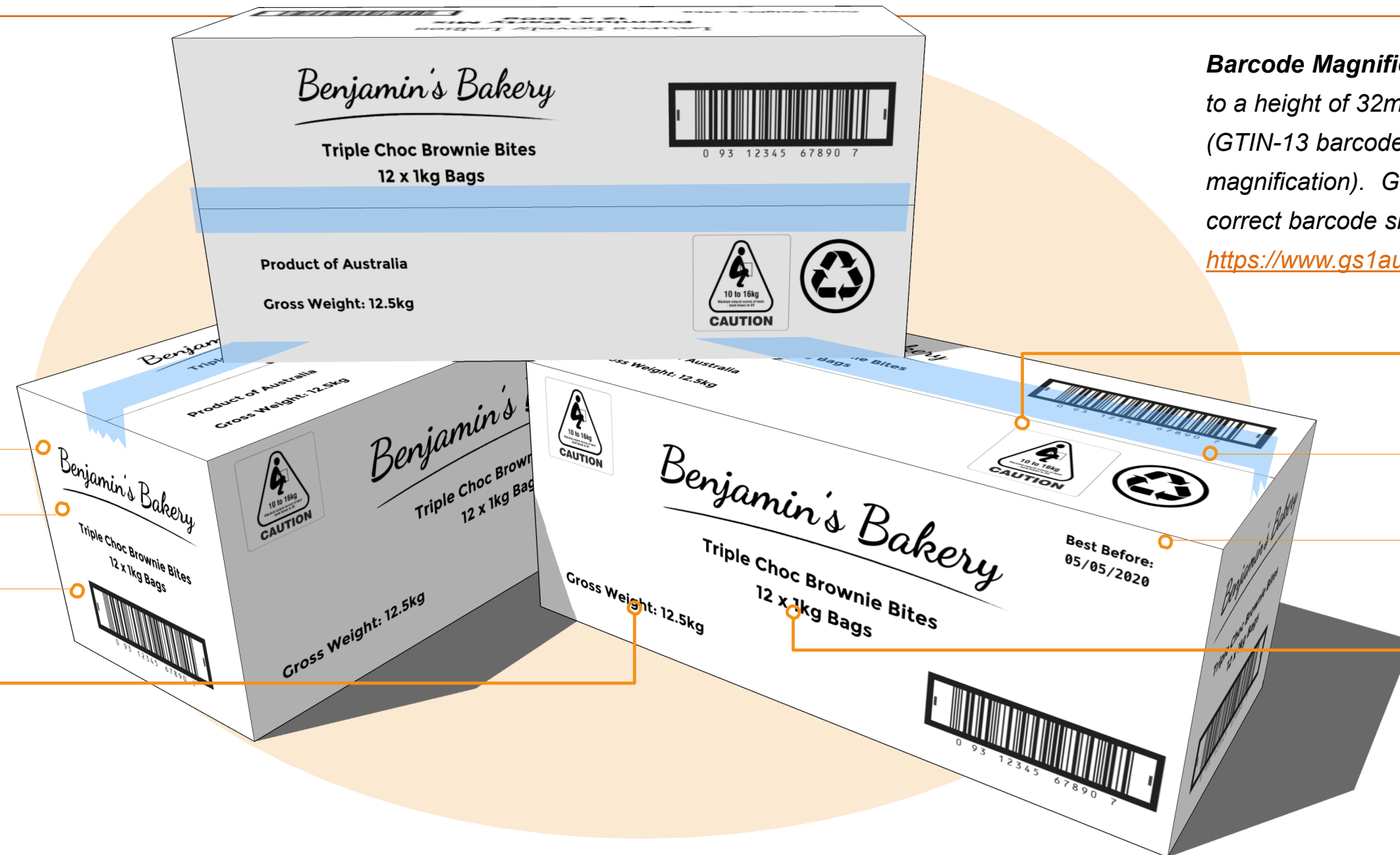
The GTIN (*and barcode*) of a Trade Unit will need to change if the GTIN of the enclosed Retail Unit changes, as a change at any lower level necessitates change at the higher levels. The Trade Unit GTIN and barcode will *also* need to change if the quantity of Retail Units within the Trade Unit is altered - despite the Retail Unit GTIN not changing in that circumstance. Metcash must be notified of all GTIN changes, and inventory levels of old/new GTIN need to be managed with the Metcash Stock Controllers.

The table below shows when a change is/is not required to the Retail Unit GTIN barcode and Trade Unit GTIN barcode:

When this change occurs...	...should the Retail Unit GTIN barcode change?	...should the Trade Unit GTIN barcode change?
Product changes in quantity/volume (including bonus)	Yes	Yes
Product feature changes that alter use or presentation	Yes	Yes
Product weight change (declared to consumers)	Yes	Yes
Product weight change (NOT declared to consumers)	No	No
Change to item name or brand	Yes	Yes
Significant item description change	Yes	Yes
New label for the same item	No	No
Ingredient change not impacting customer declaration	No	No
Greater than 20% change to packaging (esp. dimensions)	Yes	Yes
Promo: money back offer (not affecting retail price)	No	No
Promo: free gift attached - if impacting weight/ dimensions	Yes	Yes
Promo: free gift available (e.g. send barcode to redeem)	No	No
Promo: extra contents (e.g. "20% more")	Yes	Yes
Promo: promo item description differs from standard item	Yes	Yes
Promo: price change is specified on the pack itself	Yes	Yes
Change to number of Retail Units inside Trade Unit/ Carton	No	Yes

Carton Information & Declarations

All cartons and trade units delivered into the Metcash DC network require appropriate barcoding, symbology and declarations - as outlined in these examples:



Supplier Name/Brand on at least two (2) vertical sides

Product Description on at least two (2) vertical sides

GTIN Barcode on at least two (2) vertical sides, in either ITF-14, GS1-128 or GTIN-13 symbology

Gross Weight on minimum of two (2) vertical Sides (in format "Gross Weight: nn.nn kg")

Barcode Magnification: Barcodes should be printed at 100-150% nominal size, to a height of 32mm, to ensure high scannability in automated DC environments (GTIN-13 barcodes on dual use trade units should be printed at 150-200% magnification). GS1 Australia provides transparent guides to help assess the correct barcode size and magnification:

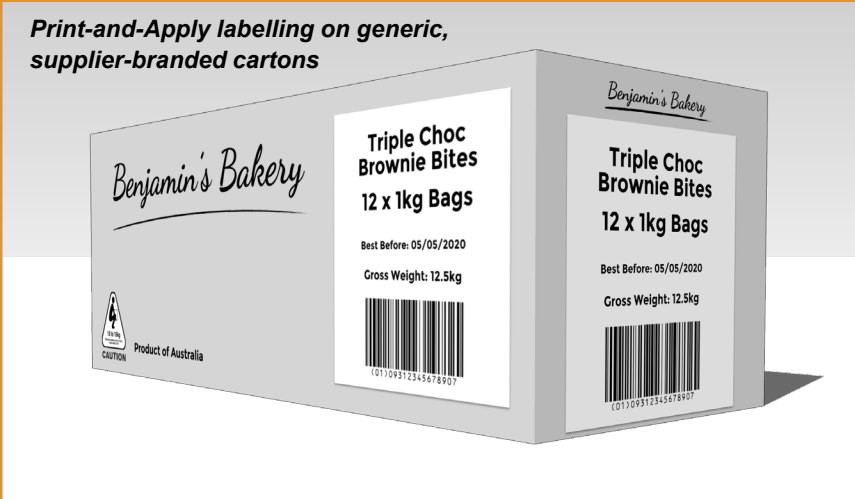
<https://www.gs1au.org/resources/frequently-asked-questions/membership-faqs>

Caution Lift symbol (for trade units between 10-16kg gross weight) on at least two (2) vertical sides — if applicable

Recycle Logo on at least one (1) side

Date Code information (Best Before/Use By) on at least one (1) side, where applicable to the product

Retail Unit/Consumer Unit size and quantity on at least two (2) vertical sides



As shown above, incorporating all required information into the carton artwork and **pre-printing** boxes allows barcodes and other important details to be repeated on up to six faces of the carton (at no additional cost), allowing easy identification and scanning regardless of the carton orientation.

Where suppliers elect to use **print-and-apply** labels on generic cartons (as shown at left), all of the variable information — including product description, gross weight, barcode etc – will need to be contained within the two labels, with any fixed, universal information (supplier/brand etc) being pre-printed on the carton itself.

Not shown but required wherever applicable:



Dangerous Goods Declarations i.e. DG Class diamond-required on minimum of one (1) vertical side, where applicable



Storage/Temperature markings — required on minimum of two (2) vertical sides, where applicable



Heavy Lift symbology — required on minimum of two (2) vertical sides, where applicable (note: product will also need to be risk assessed and approved by Metcash Logistics Operations/Safety team as it is outside 16kg gross weight limit)



Country of Origin Labelling — required on minimum one (1) side of applicable products sold at retail level (i.e. dual use pack)

Refer to **Section 10 – Information & Resources** for more information on Country of Origin Labelling

Pallet Requirements

Introduction

Once Suppliers have established the most appropriate trade unit or carton design for their product — *with robust construction, forming and sealing, appropriate weight and dimensions, compliant declarations and barcoding etc* — the next critical step is to **build those cartons into safe, stable, compliantly-wrapped and labelled pallets**. Poorly-prepared, poorly wrapped and poorly-labelled pallets account for a very significant percentage of the issues encountered within the Metcash Supply Chain, and it is imperative that the root causes of these issues are understood and addressed.

Where pallet issues are encountered in the supply chain, they invariably lead to safety risks (*collapsing pallets, falls from height*), product damage, equipment damage, costly receiving delays/errors, mismatched ASNs and failed Express Receipt processes, and the real risk of rejection of individual pallets and entire loads or vehicles. For these reasons, every pallet delivered into the Metcash network is inspected to ensure compliance to published standards.

Metcash's needs regarding pallets are closely aligned with major Australian retailers, and there has been broad consensus established recently through the Trading Partner Forum on most — but not all — key points. This means that suppliers can prepare pallets in a largely universal, retailer-agnostic manner — reducing complexity, cost and confusion.

This section covers the fundamental requirements for pallets entering the Metcash distribution network, including:

- **Pallet Quality**
- **Pallet Configuration & TlxHl**
- **Load shift, Overhang & Column Stacking**
- **Pallet Stabilisation**
- **Pallet Height & Weight**
- **Pallet Labelling**
- **Pallet Wrapping**
- **Multi-stack, Multi-SKU and Multi-coded pallets**
- **Compliant/Non-Compliant pallet comparison**



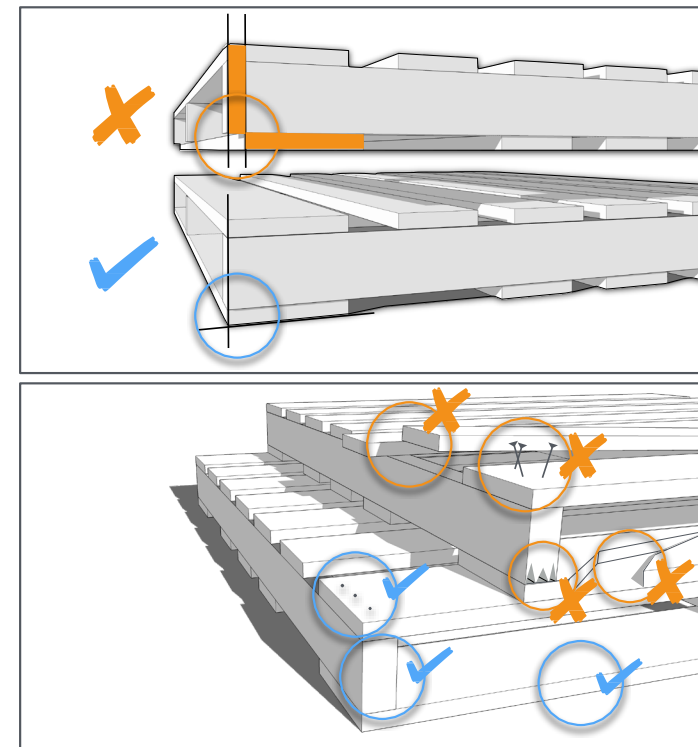
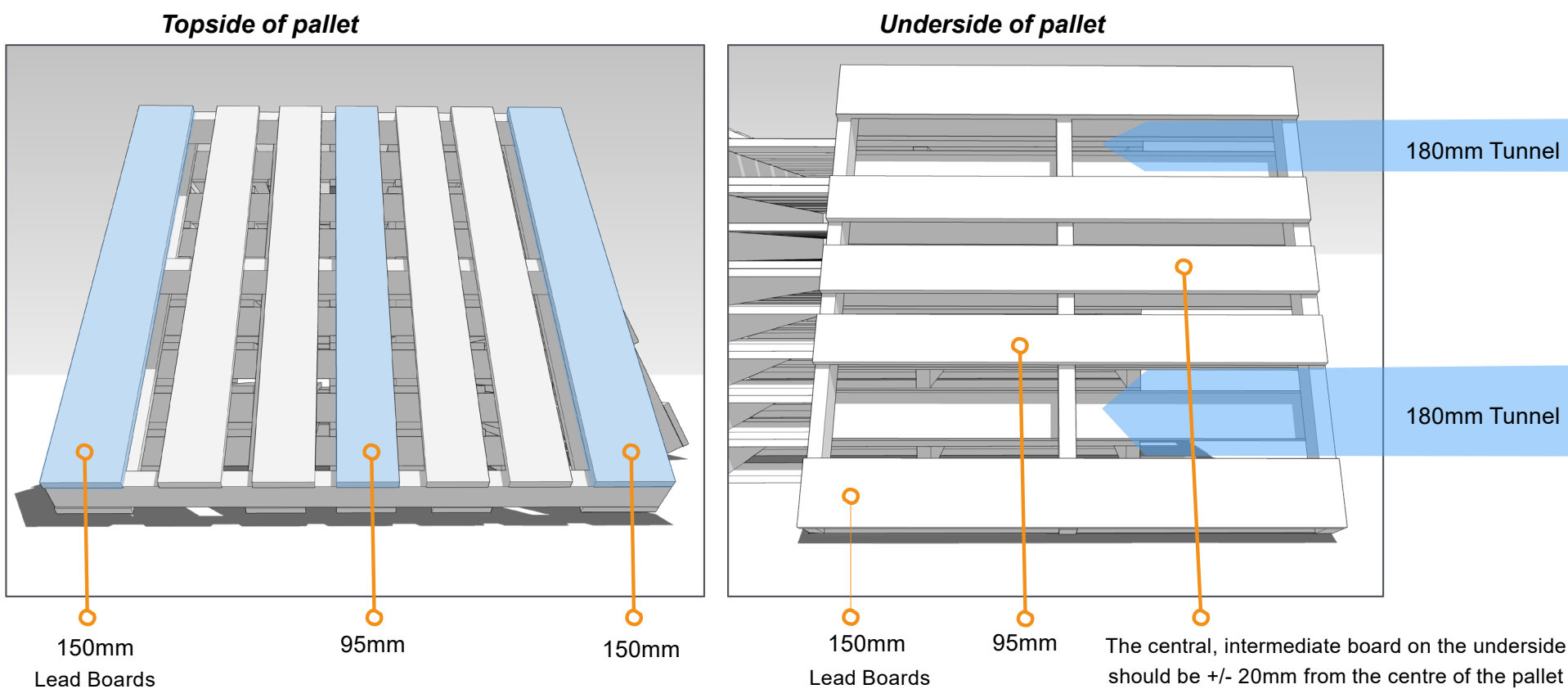
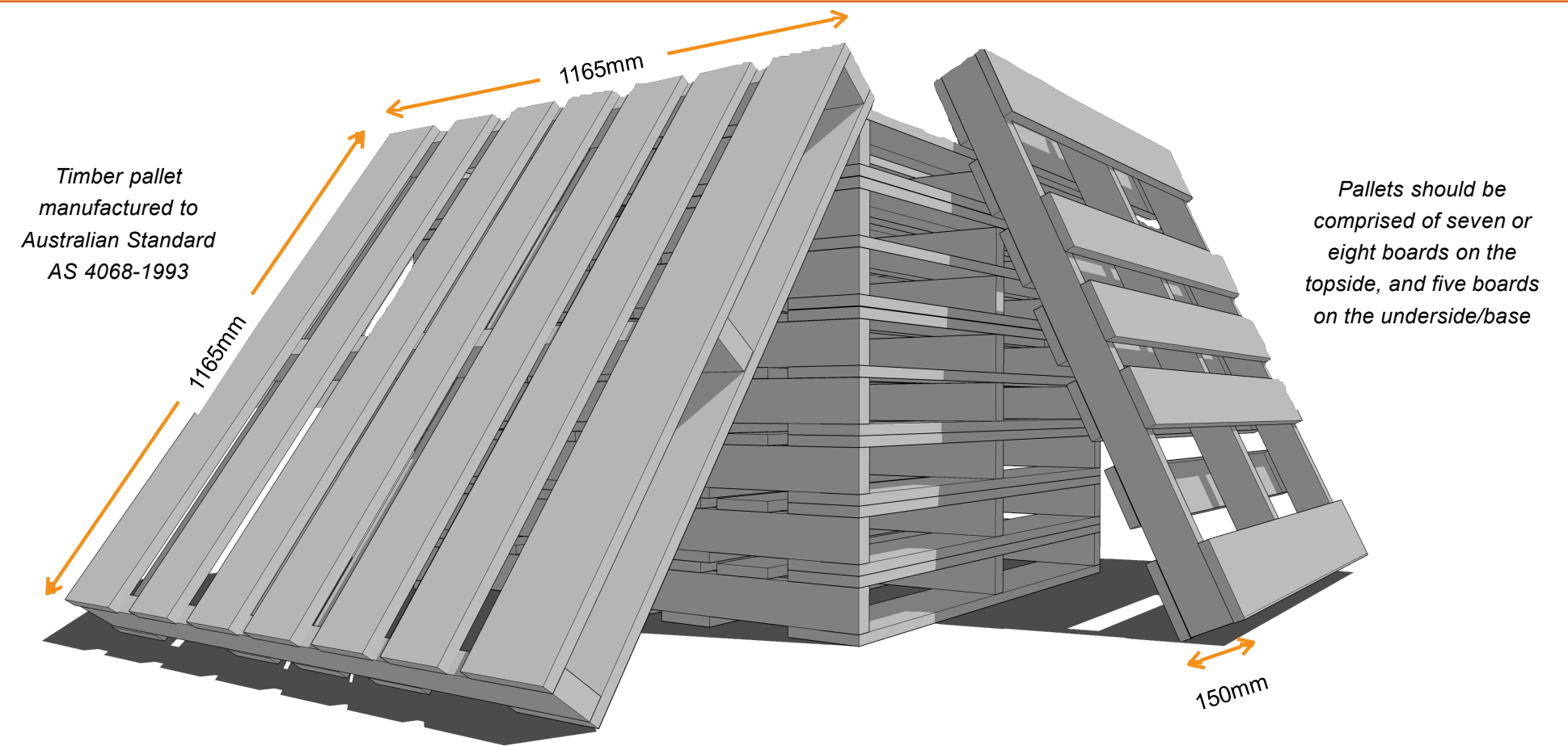
Pallet Requirements

Pallet Quality

Pallet Quality is a critical component of a safe, compliant pallet and should be a supplier's first consideration when beginning to prepare cartons for delivery: **if the physical wooden pallet is not of sufficiently-high standard, it must be set aside and replaced.** Significant safety risks are introduced to the Metcash supply chain when sub-standard pallets are not intercepted and removed.

Metcash requires that all pallets are manufactured to Australian Standard AS 4068-1993 (and repaired to the equivalent standard), with all boards secured and in good condition, boards flush against bearer ends, no protruding nails, and free of contamination (contamination may include debris, oils, dirt, chemicals, or other foreign matter). The pallet must conform to the dimensions of 1165mm x 1165mm x 150mm (no International format pallets can be accepted) and the boards must meet the specifications shown below: seven or eight boards on the topside, five boards on the underside, comprised of 150mm-wide lead boards and 95mm-wide intermediate boards, leaving two 180mm pallet tunnels on the underside of the pallet

Suppliers should work with their pallet provider to establish agreed standards, audit/grade pallets delivered into the supplier's sites, and implement an ongoing service review. *Note: Metcash currently has pallet hire/return facilities in place with CHEP and Loscam only.*



Leading boards (on both the top and underside of the pallet) will ideally be flush with the ends of the bearers, although a small degree of 'pushback' is allowable. Boards with a clean, straight edge may be set back (or indented) up to 15mm from the end of the bearer, but this allowance is reduced for leadboards with uneven or damaged leading edges.

Boards must be well secured to prevent dislodging (which can lead to boards falling from height when in DC racking), and must also be fully intact — with minimal splitting and cracking evident (bearers should also be inspected for damage/decay to ensure they continue to hold the will nails from the boards). Additionally, nail heads cannot protrude from the pallet beyond a 1mm tolerance.

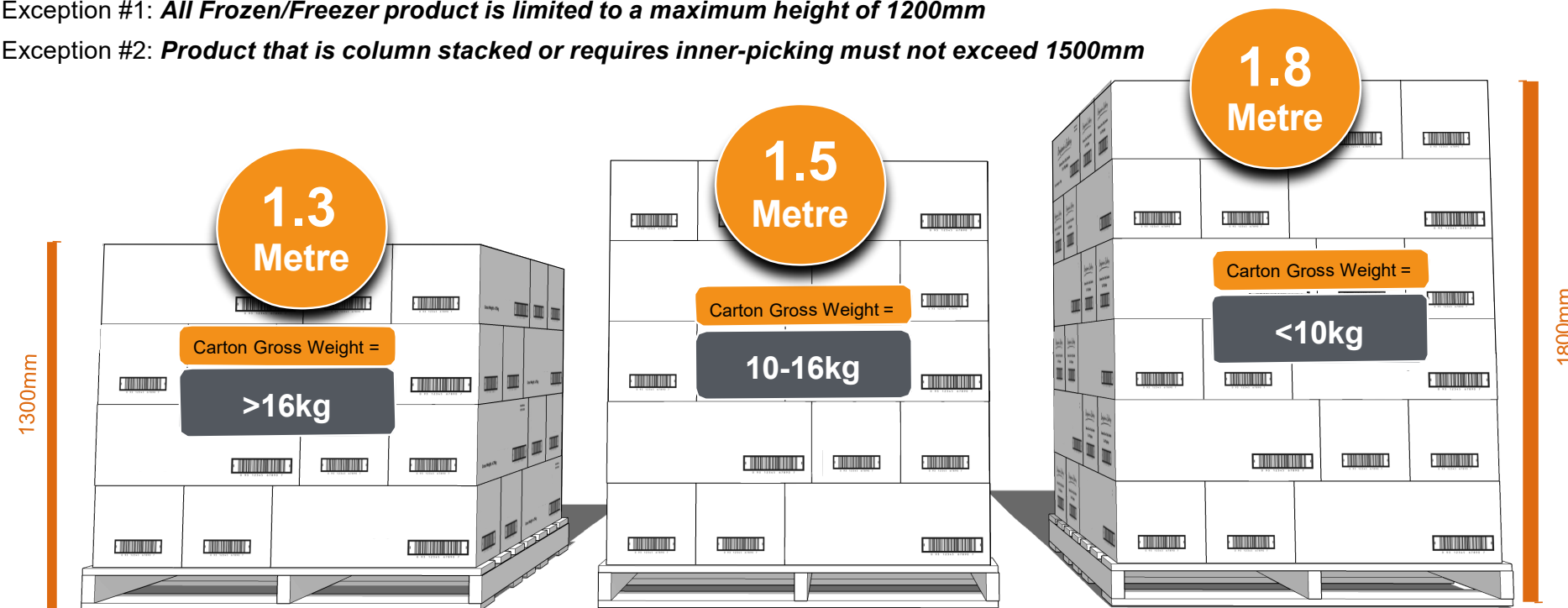
Pallet Height

The maximum permitted pallet height into Metcash is linked to the weight of the trade unit: to help ensure safe handling and minimise risks of team member strain and injury, heavier trade units and cartons cannot be stacked as high as lighter trade units.

- For trade units/cartons weighing **less than 10kg**, pallets can be built to a **maximum of 1800mm** (including the 150mm wooden pallet)
- For trade units weighing **between 10kg-16kg**, pallets can be built to a **maximum of 1500mm** (including the 150mm wooden pallet)
- For trade units weighing **more than 16kg**, pallet heights **must not exceed 1300mm** (including the 150mm wooden pallet)

Exception #1: **All Frozen/Freezer product is limited to a maximum height of 1200mm**

Exception #2: **Product that is column stacked or requires inner-picking must not exceed 1500mm**



Ambient & Chilled:
1300 KG
Maximum Weight

Frozen:
1000 KG
Maximum Weight

Pallet Weight

The maximum permitted pallet weight into the Metcash DC network is:

- **1300 kg gross weight** for all product into Ambient and Chilled sites
- **1000 kg gross weight** for all product into Frozen/Freezer sites

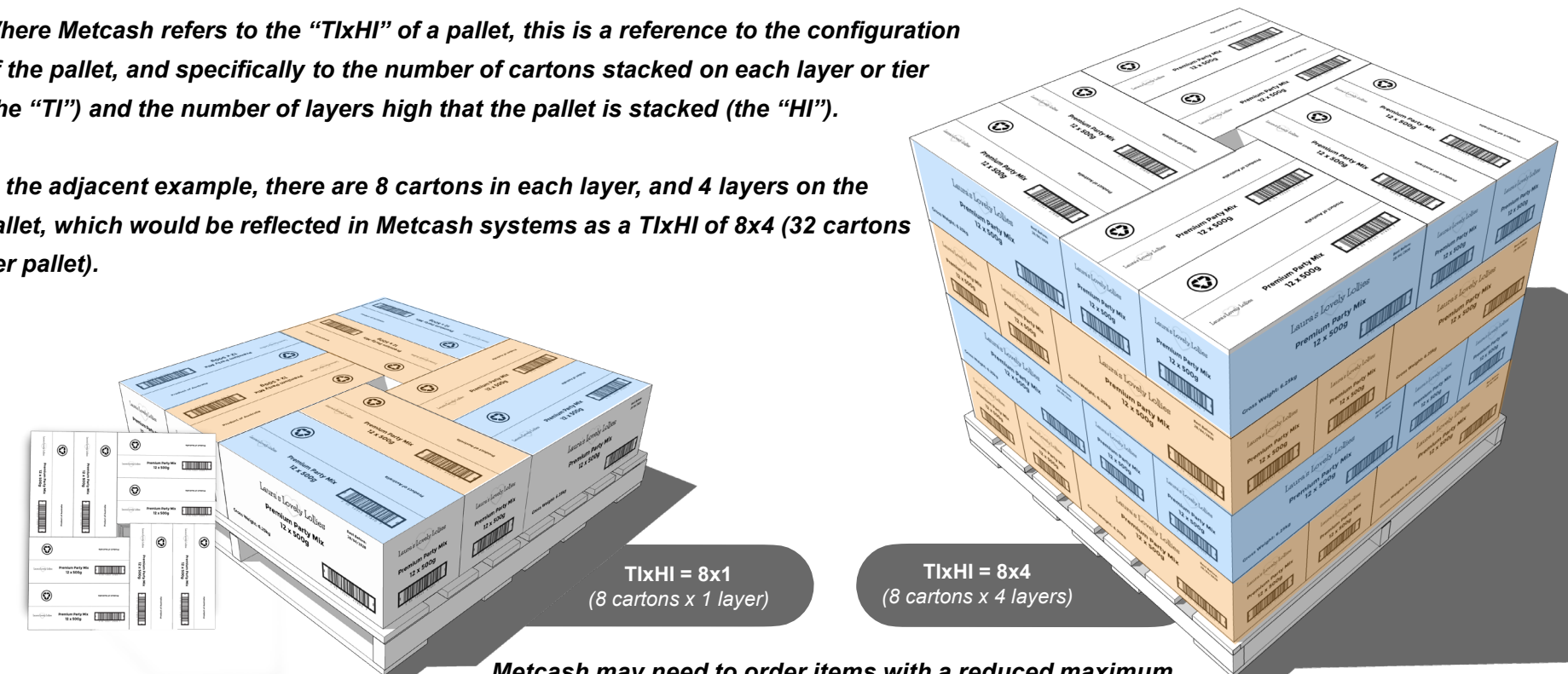
Note: As these are gross weight limits, they include the weight of the wooden pallet.

Pallet Configuration & TlxHI

Maintaining a consistent pallet configuration - *and delivering pallets exactly as they have been ordered by the Metcash team* - is crucial to maintaining safety within the supply chain. Unfortunately, it is common for pallets to be delivered in a different layout or configuration to that loaded in the Metcash systems, and in these cases the pallets need to be rejected by the DC. As Warehouse Management Systems use the TlxHI of each product (*in conjunction with the product's physical dimensions*) to assign appropriate reserve locations in pallet racking of varying size, a discrepancy between the delivered pallet height and the expected pallet height can easily result in a serious safety incident, as a team member is directed to put away a pallet (at considerable height) in a racking slot that will not actually accommodate the received pallet.

Where Metcash refers to the "TlxHI" of a pallet, this is a reference to the configuration of the pallet, and specifically to the number of cartons stacked on each layer or tier (the "TI") and the number of layers high that the pallet is stacked (the "HI").

In the adjacent example, there are 8 cartons in each layer, and 4 layers on the pallet, which would be reflected in Metcash systems as a TlxHI of 8x4 (32 cartons per pallet).



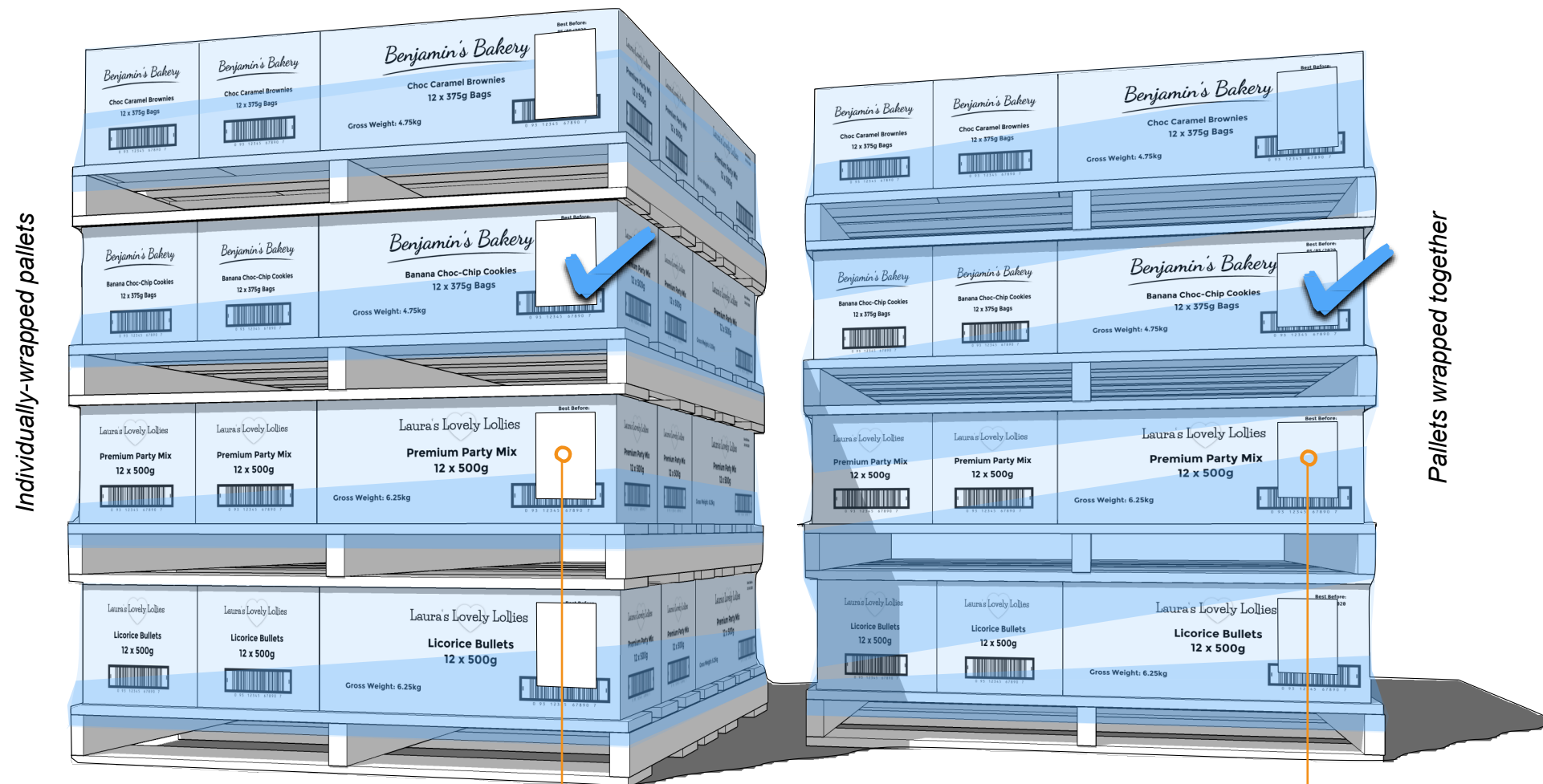
Metcash may need to order items with a reduced maximum height due to space constraints in our pick or reserve locations in the DC. These will only be changed if the frequency of ordering to the full supplier pallet is low.



It is critically important that the physical TlxHIs of inbound pallets consistently adhere to the TlxHI loaded into the Metcash system, and are not changed without prior consultation with the Metcash team AND submission of all relevant data changes. **Inconsistent TlxHIs pose a significant safety risk within Metcash DCs, impacting upon the safe storage and retrieval of pallets from racking.**

Multi-stack Pallets

Where multiple part pallets are delivered in a single stack or footprint, it's important to label the pallets appropriately to enable efficient DC receipt and put-away. Labelling requirements differ slightly depending on how the stack is wrapped:

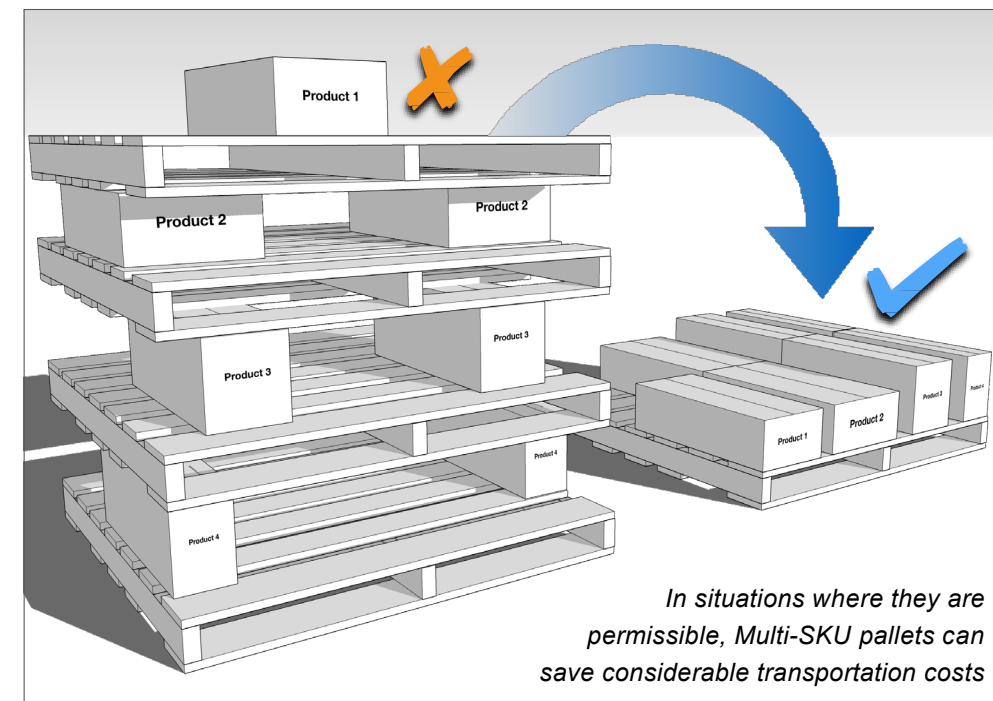


1 Scenario 1
Where each individual pallet is **wrapped independently**, the SSCC pallet labels should be **applied to the outside** of the stretch-wrap as per standard full pallet. DC teams will simply separate the individual pallets for put-away, and the pallets will retain their existing wrapping and labelling.

2 Scenario 2
Where the **entire stack is wrapped together as one block**, the SSCC pallet labels should be **applied directly to the relevant cartons**, prior to the wrap being applied. Having the labels underneath the wrap ensures that pallet labels are not lost when wrap is removed to process individual pallets.

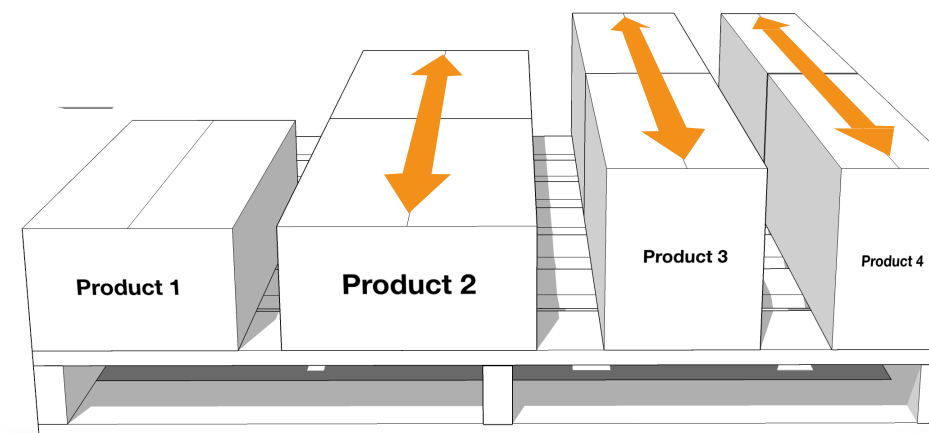
Multi-SKU Pallets

In circumstances where multiple, small quantities (less than a layer quantity of each) have been ordered across a range of SKUs on a single PO, Metcash permits limited consolidation to improve transport efficiency and reduce supplier costs.

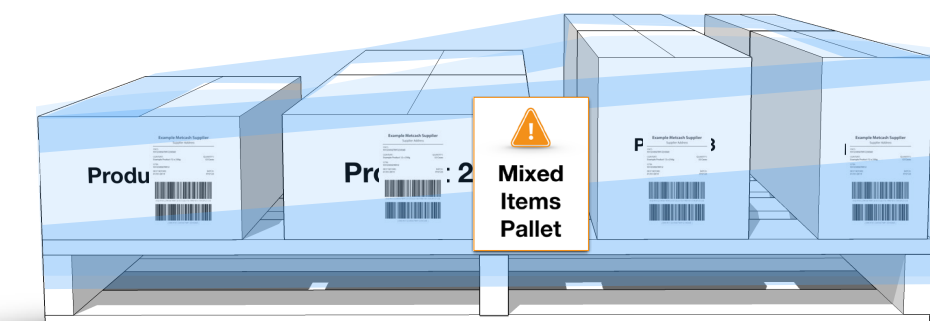


Multiple SKUs can be consolidated and delivered on one pallet only where all of the below criteria apply:

- All of the products appear on the same Purchase Order;
- No more than four products are being consolidated;
- None of the products to be consolidated have been ordered in a quantity of a full layer (or greater);
- Each item is clearly split to distinct rows (or sections) to facilitate quick identification and accurate counting of all cartons by Metcash DC Receiving staff;
- SSCC pallet labels are applied to the front and back of each product row/block, directly applied to the carton;
- The pallet is wrapped securely after labelling;
- A label is applied to the wrapped pallet clearly indicating that the pallet contains mixed items.



Cartons of each distinct product must be stacked in clearly defined rows or blocks (product must not be mixed) to allow Receiving staff to quickly and accurately identify and count all product.



Each row of product should have the relevant pair of SSCC pallet labels applied (one to the front of the row, one at the back), before wrapping the pallet and applying a label indicating that this is a "Mixed Items Pallet"

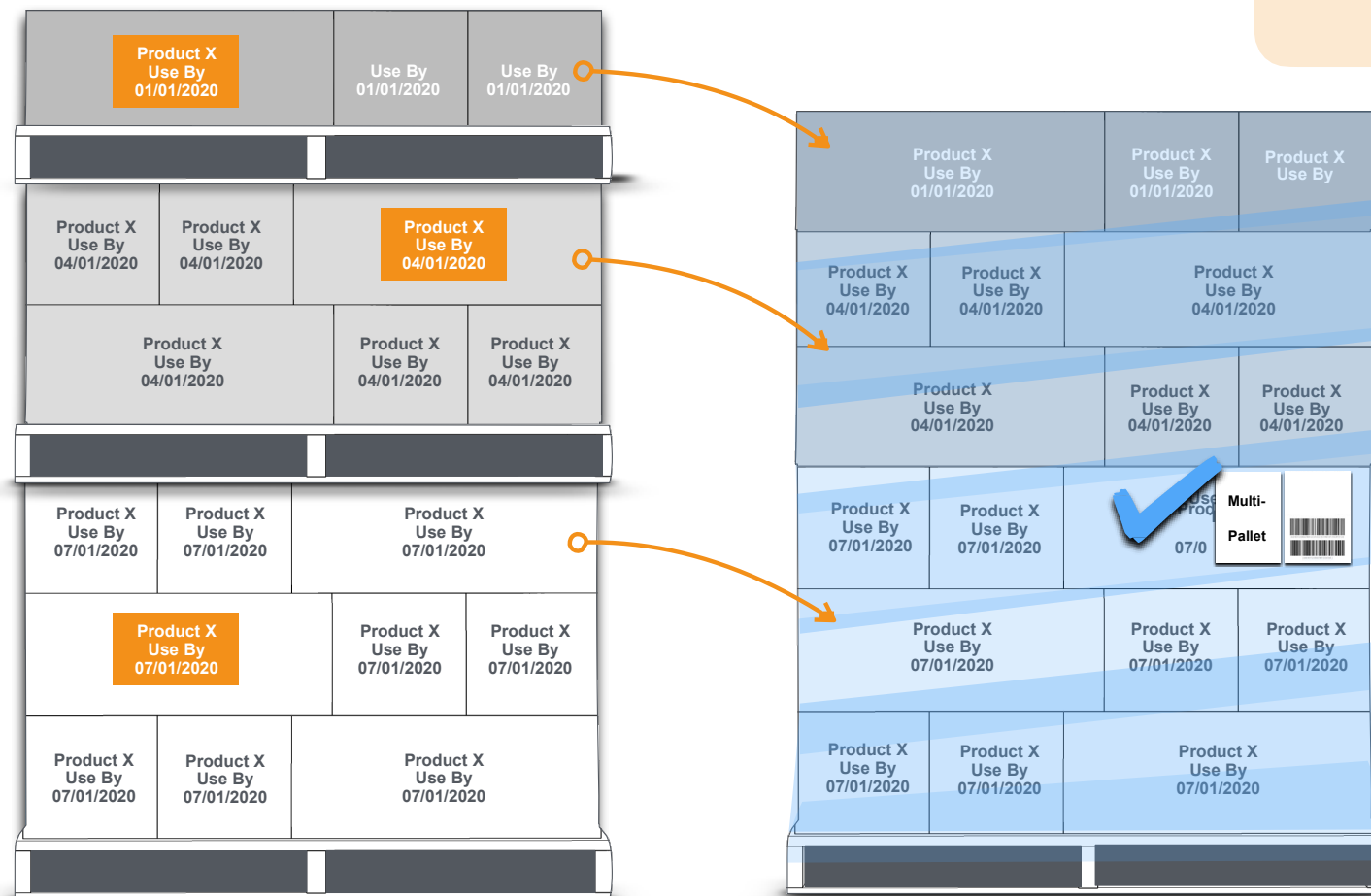
Multi-Coded Pallets (MCPs)

Where it is necessary to source cartons with differing date codes (or from different batches) to supply a full pallet quantity, Metcash permits and encourages the consolidation of these cartons to a single physical pallet.

As per the AFGC Trading Partner Forum guidelines on Multi-Coded Pallets, there are eight fundamental conditions regarding this consolidation process, and suppliers intending to prepare pallets in this way (avoiding the need to transport multiple part-pallets for each distinct date code or batch) must ensure that they consistently adhere to all eight conditions:

Conditions for using MCP consolidation:

- Longest shelf-life on base, shortest shelf-life on top
- All product must meet or exceed minimum shelf-life
- SSCC label must reflect the total quantity of cartons
- SSCC label must reflect shortest shelf-life on pallet
- Pallet cannot exceed TlxHI expected by Metcash
- "Multi Coded Pallet" label should be applied to pallet
- ASN messages must reflect consolidated information
- Suppliers are required to maintain a record of all date codes and batches of product supplied on a consolidated pallet, to ensure traceability in the event of product recall/withdrawals.



When consolidating a product with differing Date Codes, it is essential that the pallet is stacked with the **freshest, longest-shelf-life product at the base of the pallet, and the oldest, shortest-shelf-life product at the top**. This will help to ensure that shelf-life is maximised for customers and the risk of product waste is minimised.

Further, there must be only a single SSCC pallet label per fork-entry, reflecting the **total** quantity of cartons on the pallet. This SSCC pallet label must also reflect the shelf-life of the **oldest** product on the consolidated pallet (that is, the product with the **shortest** remaining shelf-life).

The Trading Partner Forum MCP document ("Multi-Coded Pallets Guidelines 2015") is available at the TPF website linked below:
<http://www.tradingpartnerforum.com.au/publications/2016/4/21/b2b.html>

Inter-layer Pallet Stabilisation

In addition to stretch-wrapping of pallets, it is possible (but certainly not essential) to use PVA-based stabilising glue between layers to provide further stabilisation. Importantly, cartons must not be bonded to other cartons within the same layer, as this cause a potential safety risk to team members (straining to lift multiple glued cartons) and will also negatively impact Metcash automation (including de-palletising robots).

If inter-layer glue is used, it must be used in a carefully controlled manner, taking care to limit glue application to the minimum effective amount. Cartons should be able to be separated with minimal effort, providing just enough adhesion to assist lateral stability in transit. If cartons are found to be glued excessively, Metcash will raise this as an issue requiring immediate corrective action by the supplier, and the picking of affected products may be put on hold for safety reasons in the interim.

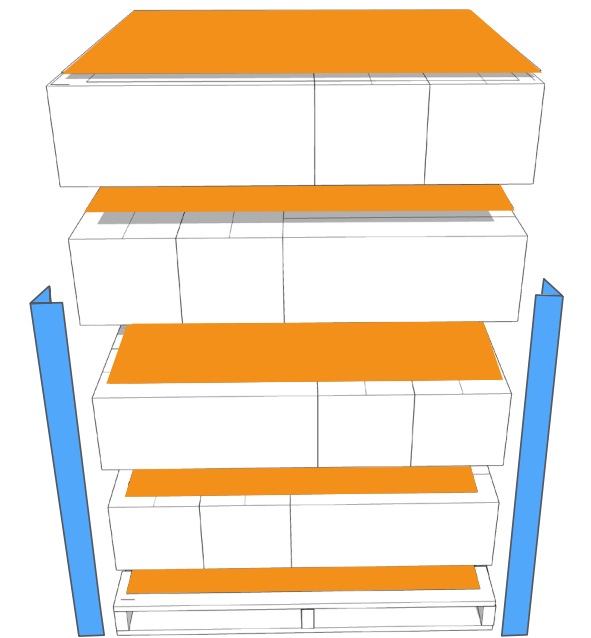
Slipsheets, Pallet pads/caps, Corner Posts

Where *necessary*, Metcash permits the use of cardboard slipsheets or pallet pads between the lowest layer of product and the pallet, between successive layers, or as a pallet 'cap' to protect the top layer.

Only cardboard sheets are permitted to be used in this manner: it is not acceptable to use any other type of slipsheet including (but not limited to) plastic, timber or masonite. **Sheets must also remain entirely within the confines of the pallet — no overhang is permitted, due to safety risks.**

Cardboard corner posts are also permitted to protect against damage *where necessary*: again, only cardboard is acceptable — no plastic or metal corner posts/angles are permitted anywhere within the Metcash network.

Please note: as these additional materials have an environmental impact and necessitate further waste removal and disposal within the DC, Metcash asks that suppliers look to use these only where strictly necessary.



Cardboard slipsheets, pallet pads, pallet caps and corner posts may be used where strictly necessary. Sheets/pads must remain entirely within the confines of the pallet footprint.

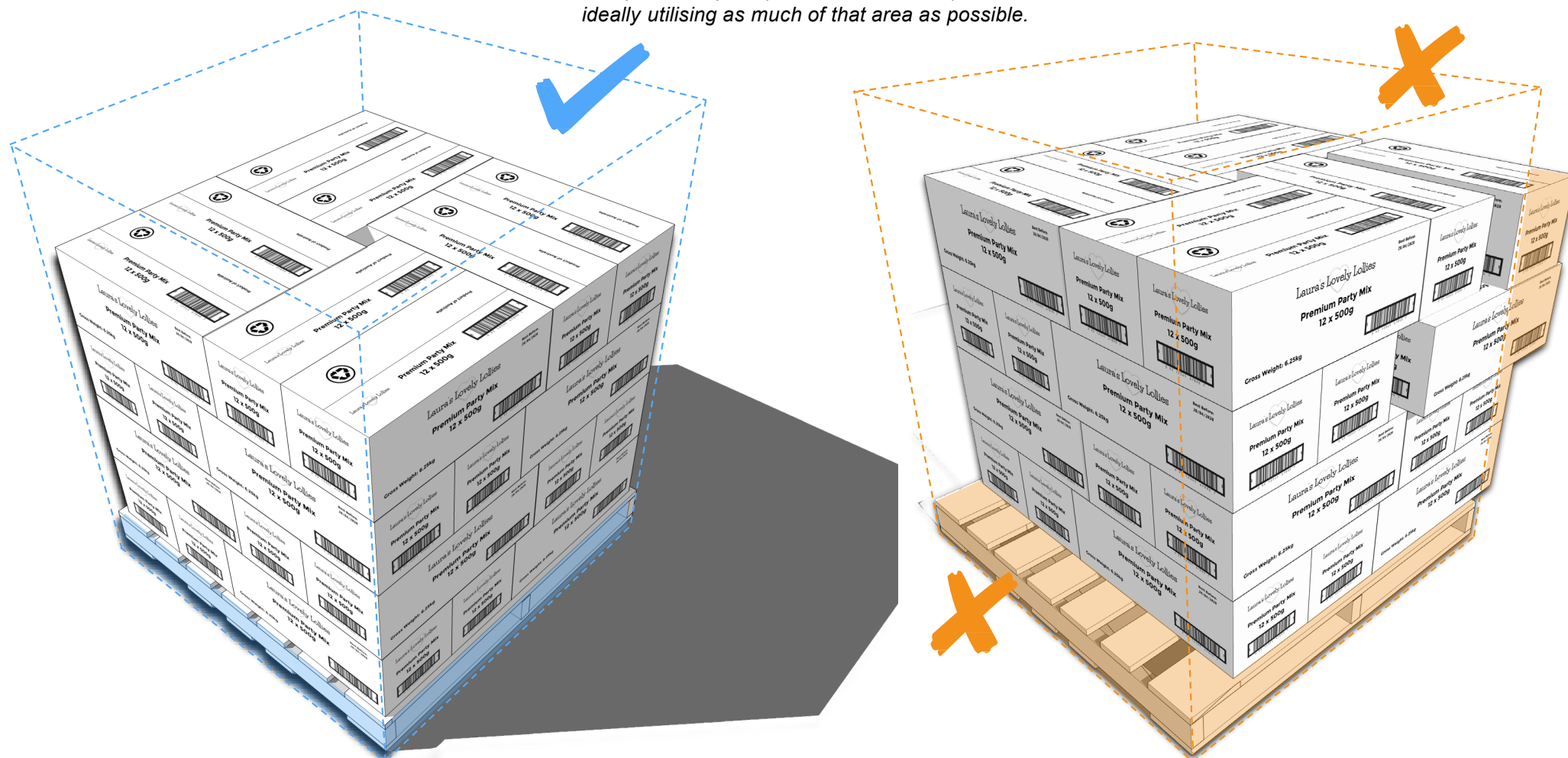
Pallet Requirements

Utilisation, Overhang & Load-shift

When designing the pallet pattern (*how cartons will be stacked on each successive layer*) it is important to **maximise the utilisation** of the pallet footprint **without breaching the outer perimeter**. Pallet patterns which fully utilise the available space are not only more economical, but are less prone to collapse while in transit; plywood boards and surrounding pallets can more effectively stabilise this type of pallet, as opposed to a pallet with a narrow block of product in its centre.

Metcash DCs cannot effectively (nor safely) receive and process inbound pallets which have product overhanging the pallet edge or which have been subject to significant load-shift during transit (i.e. pallets tipping during vehicle braking).

The product 'block' should remain entirely within the pallet footprint (1165mm x 1165mm), while ideally utilising as much of that area as possible.



Product cannot be allowed to verge outside the parameters of a virtual cube extended vertically from the the pallet base. Pallet building must adhere to the pallet footprint and the risk of lateral shift while in transit needs to be minimised through both pallet stabilisation and load stabilisation techniques.

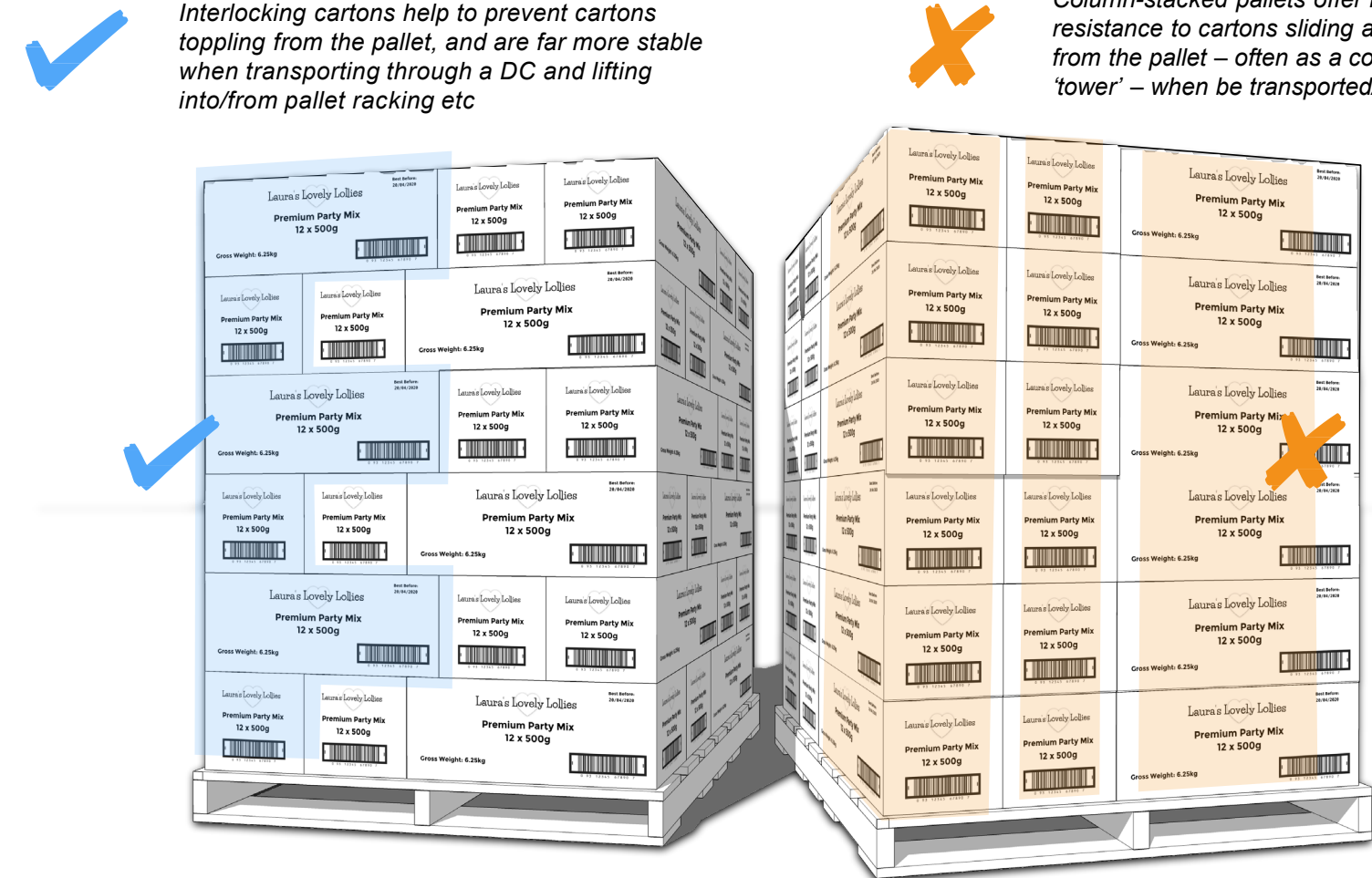
Column Stacking

Column-stacked pallets generally do not provide the same lateral stability as those with an interlocking pallet pattern, and column-stacking should be avoided unless the carton shape or product specifications require this carton orientation. Column-stacked pallets are those where each new layer of cartons is placed directly and exactly on top of the one below, creating a series of towers through the pallet. Interlocking pallets (or 'brick stack' pallets) alternate carton orientation on each successive layer, providing far greater resistance to lateral movement and collapse (as there are no 'towers').

Where column-stacking is found to be necessary and/or unavoidable, Metcash requires that pallets are stabilised with intermittent pallet pads and/or that at least the top 1-2 layers alternate direction with the lower layers. Please check with your relevant Stock Control contact for approval prior to any deliveries being made utilising this orientation.

Interlocking cartons help to prevent cartons toppling from the pallet, and are far more stable when transporting through a DC and lifting into/from pallet racking etc

Column-stacked pallets offer little resistance to cartons sliding and toppling from the pallet – often as a complete 'tower' – when be transported/lifted in a DC



Pallet Labelling: SSCC Format & Content

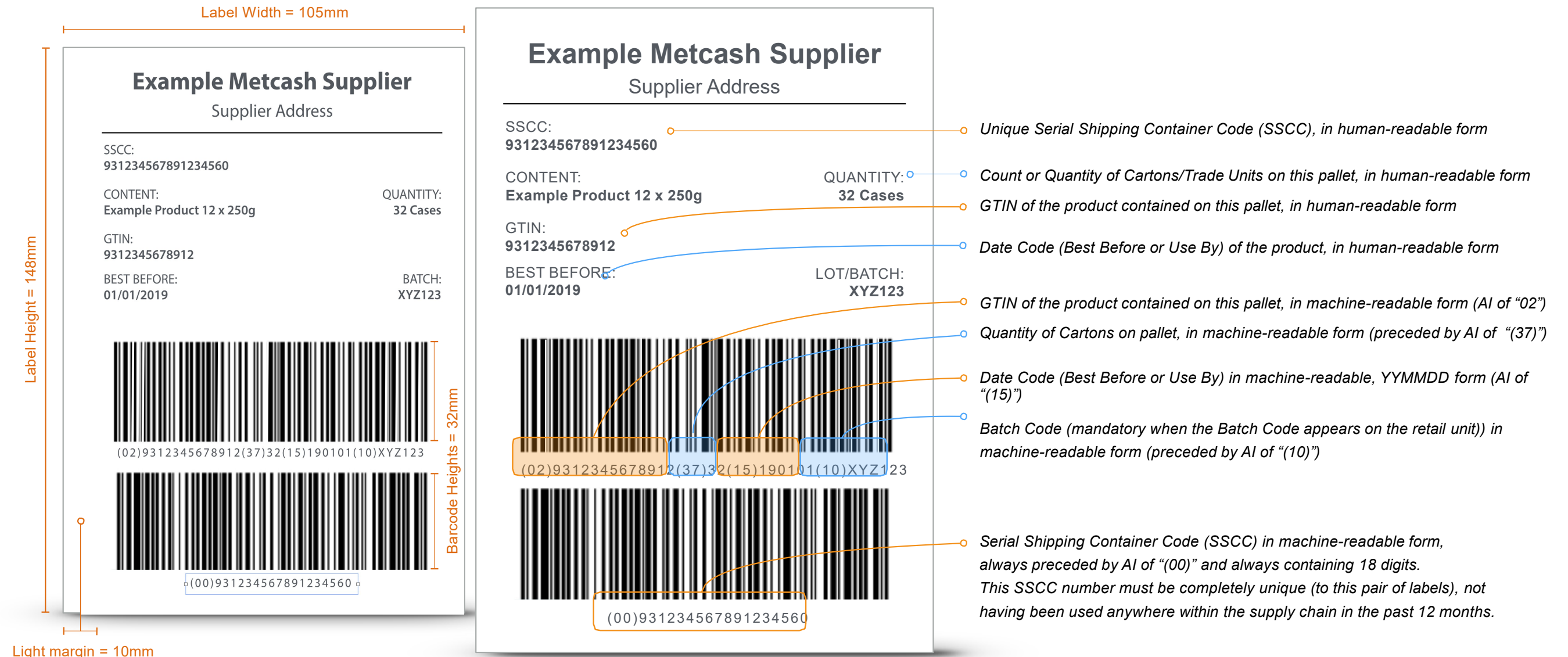
Format and content of the SSCC label is critical when supplying into Metcash, as SSCC scanning will fail if even ‘minor’ errors are introduced to the barcodes. It is very important that the right symbology, data and ‘application identifiers’ are encoded in each label, and that labels convey information fields as per the adjacent illustrations.

The upper section of an SSCC label is referred to as the human-readable section, where all the information encoded in the barcodes is also expressed as text. The lower half of the SSCC label is known as the machine-readable component, duplicating the human-readable data into symbols - *bars of very specific width that represent numbers and characters* - that scanning systems can interpret.

Application Identifiers (“AIs”) instruct a scanner what type of information follows, so using multiple AIs within a single GS1-128 barcode allows a scanner to capture multiple fields of information from a single scan (*in the adjacent example, the upper barcode contains the product GTIN, the carton quantity, the Best Before Date, and the Batch data – using AIs ‘02’, ‘37’, ‘15’ and ‘10’ respectively*).

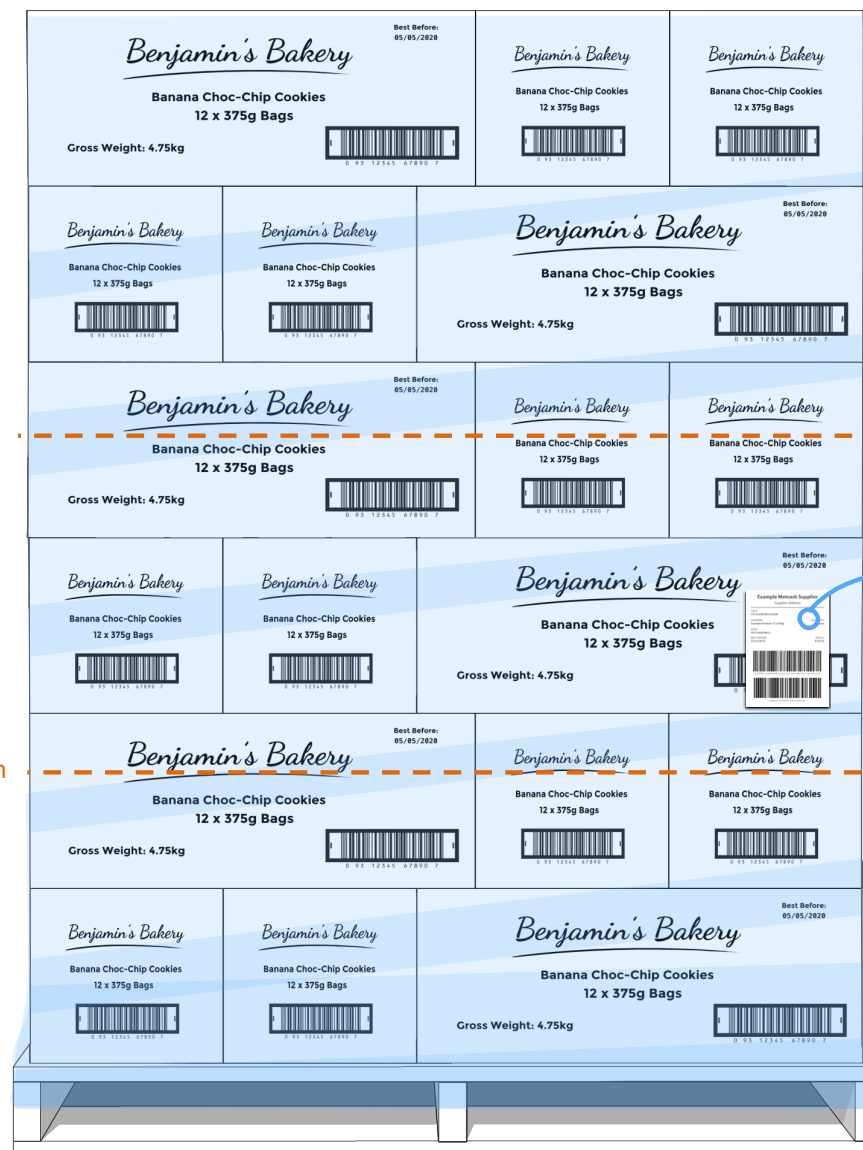
It’s essential that SSCC pallet labels are structured as follows:

- **Minimum A6 format (105mm x 148mm) matte label stock (white/yellow preferred)**
- **GS1-128 barcode symbology, AIs used to delineate information fields within barcode**
- **Reflect supplier name, product description, product GTIN, pallet carton quantity, date code, unique SSCC number — in both human-readable text and machine- readable barcode formats**
- **Barcodes at correct magnification and height (32mm), with 10mm light margin on either side (light margins or ‘quiet zones’ clearly define the beginning and end of a barcode for a scanner)**
- **For variable weight product, the AI of “(3102)” should be used to denote the net weight, with the corresponding value (expressed in 6 digits) providing the weight to two decimal places e.g. “(3102)052525” would reflect that the Net Weight was 525.25kg**



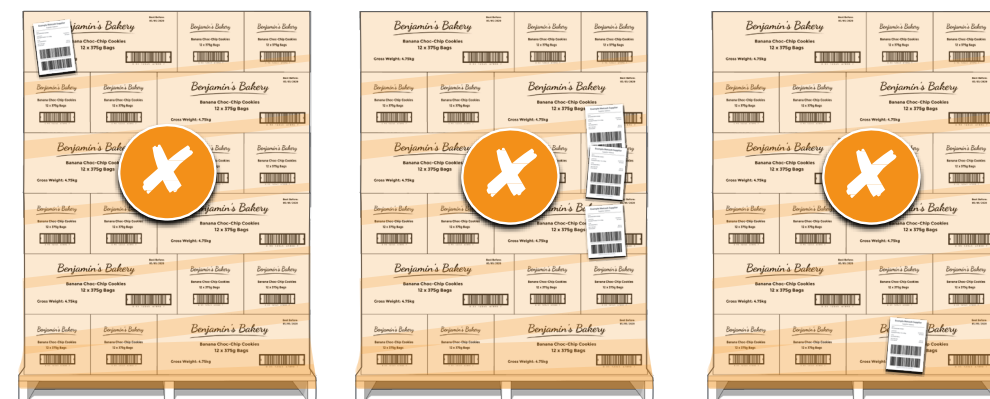
Pallet Labelling: Position

All pallets delivered into the Metcash supply chain are required to be labelled with two identical SSCC pallet labels - one applied to the front fork-entry side of the pallet and the other label applied to the opposite fork-entry side. This allows for scan identification of the pallet at receipt, and throughout the network. This pair of labels must be unique (*the SSCC number must not have been used anywhere within the previous 12 months*), identically matched (*there can be no differences between the label on each side*), and must correspond exactly to the product contained on the pallet (*same product, variant/flavour, quantity, date code etc*).



Labels should be positioned at a height of **400-800mm** from ground level, **indented 50-100mm** from the right hand edge. Labels should be applied above/outside of the stretch-wrap unless multiple part-pallets are being wrapped together as a single block (*in which case the labels should be applied directly to the carton*). **Only one SSCC label must appear on each fork-entry side**, and this must reflect the **total quantity** of cartons on the pallet (DCs cannot scan-receive multiple pallet labels for a single pallet).

At left, a perfectly positioned SSCC label.
Below, incorrectly-labelled pallets: wrong position (too high), multiple labels (we need one only per fork-entry side) and wrong position (too low)



Pallet Labelling: Quality

Maintaining good print quality and label quality is vital when labelling pallets destined for a Metcash DC: the entire value of pallet labelling is lost if even minor defects cause the label to be unscannable (*suppliers will have wasted time and effort applying useless labels, and the Metcash team will waste further time and effort manually keying information to compensate*).

Please remember to:

- **Service printers and print heads regularly:** grit and grime can cause print heads to burn out, resulting in fine line breaks through the print
- **Check print quality regularly:** look particularly for clean, well-defined bars in the barcodes, no faded print, no bleed or excess print compression etc
- **Incorporate a horizontal bearer bar:** this will make print defects easier to notice, as vertical line breaks can be hard to see among vertical barcodes
- **Use appropriate label stock:** chilled and frozen environments will require a higher-grade label stock than ambient environments
- **Apply labels carefully and smoothly:** avoid warping, folding or ripping the label, or placing across two surfaces (prone to damage during transit)

Example Metcash Supplier ✓

Supplier Address

SSCC:
931234567891234560

CONTENT:
Example Product 12 x 250g

QUANTITY:
32 Cases

GTIN:
9312345678912

BEST BEFORE:
01/01/2019

BATCH:
XYZ123

(02)9312345678912(37)32(15)190101(10)XYZ123

(00)931234567891234560

At left, a good quality SSCC pallet label with clear, legible print, crisp and well-defined lines, no print defects (note unbroken horizontal bearer bar under Supplier Address) etc

Below, poor quality pallet labels that will certainly fail to scan and could lead to rejection: broken/missing print with vertical line breaks (due to print head failures), ill-defined and bleeding bars (usually due to compression issues) and faded, illegible, unscannable print.

Example Metcash Supplier

Supplier Address

SSCC:
931234567891234560

CONTENT:
Example Product 12 x 250g

QUANTITY:
32 Cases

GTIN:
9312345678912

BEST BEFORE:
01/01/2019

BATCH:
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Example Metcash Supplier

Supplier Address

SSCC:
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Example Product 12 x 250g

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GTIN:
9312345678912

BEST BEFORE:
01/01/2019

BATCH:
XYZ123

(02)9312345678912(37)32(15)190101(10)XYZ123

(00)931234567891234560

Pallet Wrapping

Metcash requires that all pallets delivered into the network are safe and stable, and predominantly this will involve pallets being stretch-wrapped. Stretch-wrap is not essential for every pallet (if those pallets have been made stable through other, compliant methods) however it is essential that wherever stretch-wrap is used, it is applied consistent with Metcash requirements to ensure safe and efficient handling of pallets.

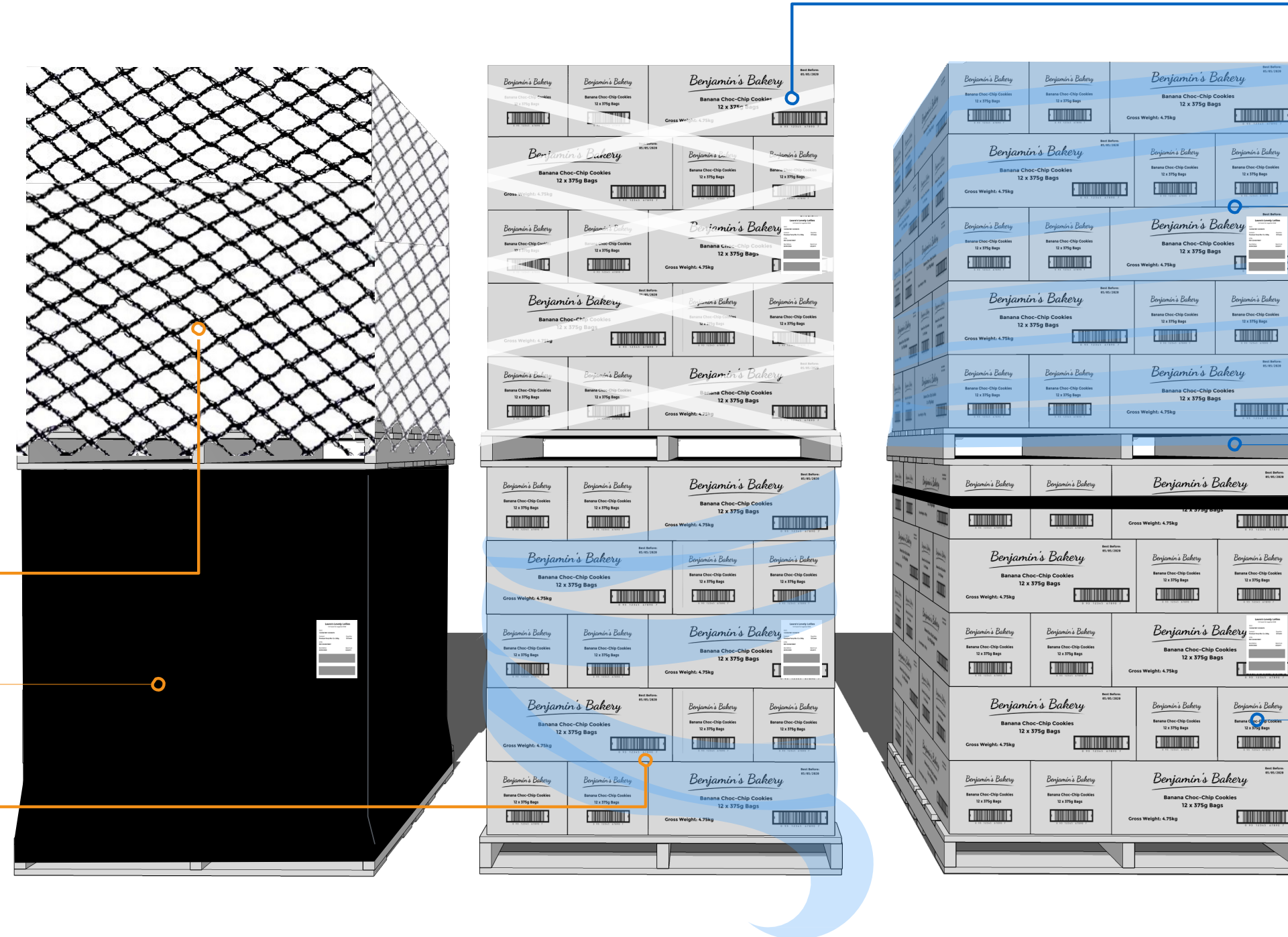
Please ensure that the following wrap requirements are adhered to:

- **Wrap must be firmly secured, in sufficient passes to support the product**
- **Wrap must have no trailing loose ends** (ends should be taped or heat welded)
- **Wrap must bind to the top 30-50% of the wooden pallet to anchor the product**
- **Wrap must be applied before pallet labels** (except where multiple part pallets are wrapped together as a single block - refer Multi-stack Pallet section, page 40)
- **For pallets requiring unimpeded airflow, perforated stretch-wrap or approved non-adhesive wrapping tape may be used in place of standard stretch-wrap**
- **No black/opaque wrap is permitted – product, labels must be clearly visible**
- **Shrink-film is not permitted to wrap pallets** (this is distinct from stretch-wrap)
- **Netting (of nylon or other materials) is not permitted to wrap pallets**

X Nylon (or other) netting is not permitted, as this presents significant safety issues, and introduces problems for removal and waste disposal in DCs.

X Metcash cannot permit black or opaque pallet wrapping, as this impairs proper visual inspection (of item, carton quantity, quantity, date codes etc)

X Loose wrap and unsecured tails/dags of the pallet wrap are not acceptable: the product is insufficiently supported whilst in transit/put-away, and the loose wrap presents safety issues as a trip hazard and potential catch point in racking/automation.



In situations where airflow must be unimpeded (where product is packed warm and needs to cool - e.g. eggs, pot-set yoghurts) standard stretch-wrap can create condensation and damage to cardboard boxes. In these cases, perforated stretch-wrap or approved, non-adhesive pallet-wrapping tape may be used. (Standard 'sticky-tape' is strictly not permitted)

Most pallets will be secured with standard stretch-wrap: wrap should be applied firmly, in a sufficient number of passes to contain the product and help prevent or mitigate load-shift or lateral movement. Wrap tails should be secured to avoid safety issues.

Note that stretch-wrap should bind to the wooden pallet, but should not obscure the forklift entry points. Stretch-wrap should bind to the top 30-50% of the wooden pallet only.

Not all pallets need to be stretch-wrapped: for products and pallets that are sturdy and not prone to lateral movement (e.g. some heavier pet foods, drinks, laundry powders etc) it may be sufficient to use a combination of inter-layer stabilisation adhesive and a low-adhesion tape securing the top layer. It is not acceptable to use standard 'sticky tape' for this purpose, nor to use metal strapping or clasps. Further, the pallet must be shown to be safe, stable and secure: if this method does not achieve those outcomes, standard stretch-wrapping will need to be implemented.

✓ Compliant Metcash Pallet

✗ Non-Compliant Metcash Pallet

Correct TlxHI (no additional cartons on top)

Robust, uniform, well-sealed cartons

Clear, well-printed, accurate and well-positioned SSCC pallet label

Clear, prominent GTINs visible

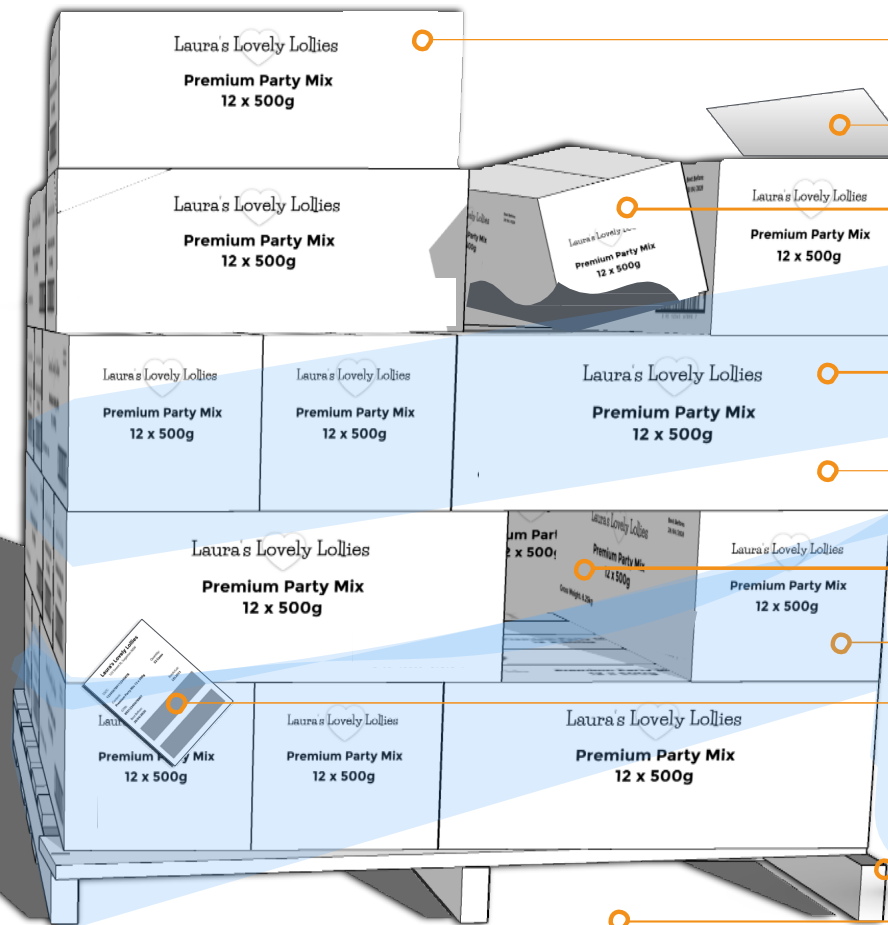
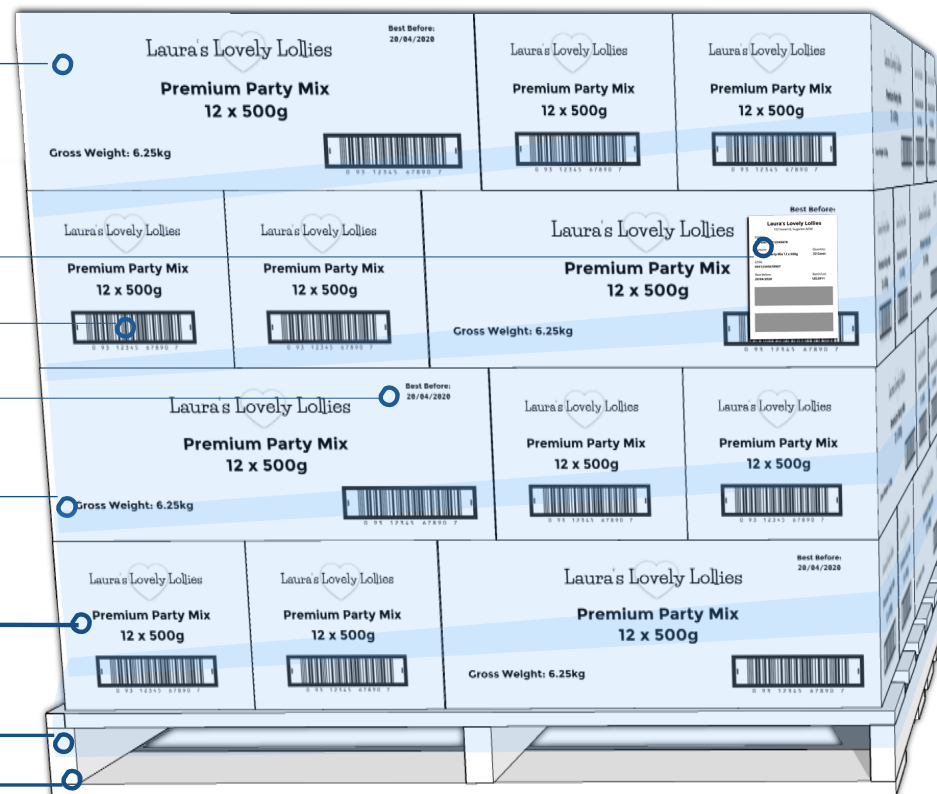
Clear date codes

Prominent gross weight

Well-applied, well fastened stretch-wrap

Stretch-wrap affixed to top 30-50% of wooden pallet, with no tails/dags

Lead boards and baseboards intact



Incorrect TlxHI and/or loose cartons on top

Open/unsealed carton flaps

Damaged, crushed, leaking carton

No Date Code (Best Before or Use By Date)

No GTIN barcodes visible on fork-entry side

Missing cartons

Poorly applied, loose, insufficient stretch-wrap

Incorrectly applied SSCC pallet label (incl. under wrap)

Unsecured stretch-wrap tails/dags

Displaced, loose pallet leadboard

Missing pallet baseboard

Identifying safe and compliant pallets is not difficult, and becomes increasingly simple once the fundamentals are well understood and formalised into a pre-despatch checking process. Knowing the key elements to look for allows a supplier (or their 3PL) to very quickly review all pallets staged for despatch into Metcash and determine areas where the pallets may fail to meet specifications. Once pallets can be assessed as either compliant or non-compliant (as per the above examples), suppliers can ensure non-compliant pallets are isolated, reworked and/or replaced - avoiding rejection at the Metcash DC.

We strongly recommend that suppliers implement training across their operational teams on identifying and remedying common issues, reinforcing that training with visual reminders (posters, one-page guides, checklists) posted in key areas. We have seen numerous suppliers take these steps and enjoy significant performance improvements as a direct result.

Order Management

Introduction

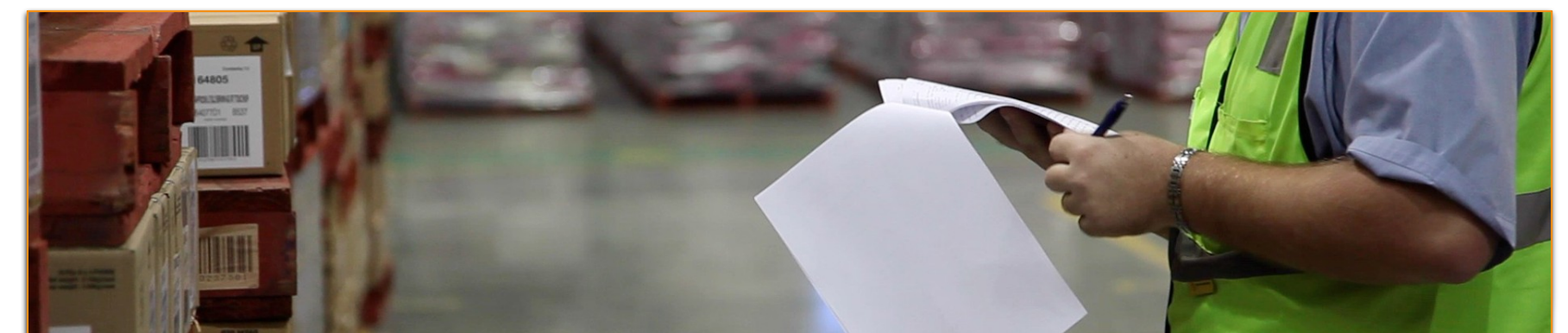
Once the product is contained properly within a robust, compliant trade unit, and those trade units are stacked, wrapped, and labelled correctly on compliant pallets, attention should then turn to management of the purchase orders themselves.

Proper order management is crucial for maintaining strong inbound service levels, and for ensuring that:

- product allocation is effectively managed within the supplier's ERP system;
- product characteristics (e.g. *minimum shelf life or DG classification and labelling*) will meet expected receiving standards;
- valid PO acknowledgments (and exceptions/changes) are shared back to the Metcash Replenishment team; orders are booked successfully (*with corresponding Appointment IDs*);
- collection/delivery times are managed to adhere to CoR requirements while ensuring On Time DC delivery.

This section covers the following components of Order Management:

- **Available to Promise and Purchase Order Acknowledgments**
- **Booking Process and Appointment IDs**
- **Timeslot Adherence and 'On Time' Delivery**
- **Minimum Life On Receipt**
- **Delivery Paperwork**
- **Temperature Control**
- **HACCP**
- **Dangerous Goods**



Available To Promise (ATP) & Purchase Order Acknowledgment (POA)

As purchase orders are received from Metcash, it is essential that Suppliers have the capability to properly process the PO information, validate the order against production/inventory reserves, respond to Metcash with confirmation (*or changes*) and initiate all internal activities required to ensure on time fulfilment. Metcash's continued ability to service customer demand is predicated on timely response to - *and full supply of* - all purchase orders within their specified timeframes.

Metcash expects that upon receipt of a Metcash Purchase Order, supply partners (supported by their Enterprise Resource Planning (ERP) system or suitable alternative*) will promptly take the following actions:

1. Send an EDI Functional Acknowledgement (FA) message to Metcash, confirming that the PO has been received into the supplier's system;
2. Internally validate that the key details on the Metcash PO are accurate and aligned with the supplier's master data (*regarding GTIN, TlxHI, price etc*);
3. Internally validate availability of the required products, in the required quantities, using an Available To Promise calculation/function (*based on the supplier's existing inventory and scheduled production/future receipts for each ordered product*);
4. Internally validate that available stock meets required conditions for Metcash (*does this specific batch have sufficient remaining shelf life to satisfy MLOR expectations? Is the product and packaging of sufficient quality? Is it compliantly labelled, wrapped etc? (or will it be, in the timeframe required?)*);
5. Internally allocate product to supply/fulfil against each line item (*critically, this allocation must 'lock' or isolate the relevant cartons and pallets from the supplier's general inventory, preventing them from being mistakenly assigned elsewhere*);
6. Internally identify any products on the Purchase Order that cannot be supplied, either in full or in part;
7. Internally confirm that the expected delivery date can be met, taking note of the delivery location and lead-time;
8. Send an EDI Purchase Order Acknowledgement (POA) back to Metcash, confirming full supply of product quantities on the expected delivery date, or advising exceptions and changes that are necessary to the order (*including changes to quantities, delivery date, data/ configuration etc*);
9. Begin the process of sourcing and preparing pallets for despatch (*including wrapping, labelling, staging, paperwork preparation*); and
10. Commence the scheduling/booking process (*including obtaining an Appointment ID*), scheduling vehicle and driver, collection time etc

* *It is not essential for supply partners to operate a full-scale ERP system, however those that do not must be able to similarly manage inventory and allocate product to Metcash orders from existing stock levels and scheduled production/receipts. The capability to properly manage purchase orders is vital to ensuring a high rate of order fulfilment while maintaining efficient lead-times and responsiveness*

Metcash expects an EDI Purchase Order Acknowledgement (POA) message to be sent back to the Metcash system within 3 hours of receiving an order. Importantly, the POA is different to an EDI Functional Acknowledgment: the latter merely confirms that an order has been received by the supplier, whereas the POA provides confirmation that the details on the PO are correct and that the ordered items can be fulfilled by the required date (*with any exceptions and changes advised*).

Booking Process & Appointment ID/Passport

All Metcash Purchase Orders specify the required delivery date (*based on the supplier's agreed lead-time*) but are not automatically allocated a delivery *timeslot* (with the exception of QLD orders). It is necessary for supply partners (*or their nominated 3PL or transport carrier*) to schedule delivery timeslots directly with the relevant Stock Controller. Every Purchase Order to be delivered into a Metcash DC must have an associated booking and "Appointment ID" or "Passport".

To schedule/book delivery of a Purchase Order:

- Contact the relevant [State Bookings email address](#) (*refer page 80 of this document*)
- Quote the Purchase Order number (*quote all POs that are being delivered together*)
- Confirm the total number of pallets and cartons to be physically delivered
- Request a preferred delivery timeslot (*within the delivery date specified on the PO*)
- Receive Appointment ID/Passport via email, and print copy for driver to carry with load
- Review key details on the Appointment ID/Passport, especially delivery date/time and site-specific information (offsite parking, curfews etc) outlined on accompanying pages



The Appointment ID/Passport generated from this process will need to be quoted upon arrival, and deliveries must only be linked to a single Appointment ID/Passport (*multiple POs on a vehicle should be consolidated to one Appointment ID for the load*). An appointment ID/Passport also cannot span multiple vehicles – one Appointment ID/Passport is required for each vehicle.

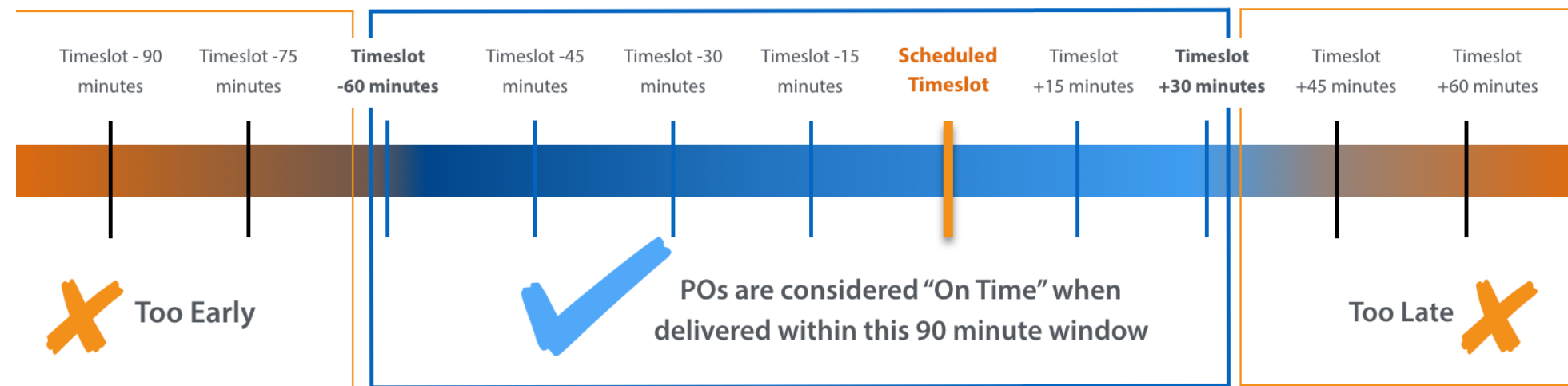


Suppliers must ensure that all bookings are made at least 24 hours prior to the Delivery Date stipulated on the Purchase Order. Failure to make a booking in advance will likely result in rejection of the order and vehicle upon arrival, as the DC will not be expecting the delivery

Timeslot Adherence (“On Time” Delivery)

It's critical that deliveries adhere to the timeslot given by the Bookings team and shown on the Appointment ID/ Passport. DC Operations can only be effective and efficient when inbound and outbound vehicle movements (*and product flow*) are closely regulated. Excessively-late or excessively-early deliveries can detrimentally impact the operation of the DC and - *by extension* -the DC's ability to turnaround vehicles in a safe and efficient manner. Accordingly, vehicles arriving outside of their agreed timeslot will generally not be accepted, except where advance permission has been granted by the DC.

To ensure efficient dock utilisation and labour allocation, avoid knock-on delays to other vehicles, and to ensure product is available in time to meet store demand, it is essential that purchase orders are delivered within the **“On Time” window**. Metcash DCs are consistent with the industry-standard definition of ‘On Time’ in allowing a combined 90 minute window around the scheduled timeslot, comprised of **60 minutes prior**, and **30 minutes**



During the Order Management stage, suppliers (and their 3PLs and transport carriers) must make appropriate provision to ensure that product will be despatched with sufficient time to arrive at the relevant Metcash DC within the scheduled timeslot window - while adhering to all relevant CoR obligations regarding management of driving hours and rest-breaks, and not exceeding speed limits.

Delivery Paperwork

Metcash DCs require several key items of paperwork with delivery, to help ensure efficient processing and the shortest possible vehicle turnaround. Please ensure that any POs delivered into a Metcash DC is accompanied by:

- The barcoded Appointment ID/Passport form (*one AID/Passport for all POs on the vehicle*)
- **For Non-invoicing Suppliers:**
 - an ASN and **either** of the following:
 - two (2) copies of the Invoice, reflecting: PO number, Ship-To Address, Vendor Name, Metcash Vendor Number, Item Descriptions (incl. Pack Size), Line Quantity of Items (number of cartons for each line on order), Total Number of Items (for all items on order) and Total Number of Pallets (for all items on order) **OR**
 - two (2) copies of paper Proof-of-Delivery (POD), which can be comprised of Delivery Advice, Delivery Note, Despatch Advice, Consignment Note or Delivery Docket
- **For invoicing Suppliers**
 - an ASN and two (2) copies of paper Proof-of-Delivery (POD), which can be comprised of Delivery Advice, Delivery Note, Despatch Advice, Consignment Note or Delivery Docket

It is not necessary to present secondary documents such as driver's run sheets; submitting superfluous, incomplete or disorganised delivery paperwork can contribute to slower processing, so please present only what is required, in a well-organised manner.

Purchase Orders & ASNs Per Vehicle

Metcash expects that Purchase Orders will be fully delivered within a single vehicle; **PO's should not be split over multiple trucks and deliveries**. Should a supplier receive purchase orders from Metcash where ordered quantities exceed the physical limitations of a single vehicle, this indicates that system parameters may be incomplete or inaccurate: suppliers should contact the Metcash Replenishment team to align and update vehicle information.

As with the Appointment ID/Passport, it is also essential that an Advance Shipping Notice (ASN) message **does not span multiple deliveries/vehicles: an ASN must refer only to product delivered within a single vehicle**. (*It is possible to have more than one ASN per vehicle- i.e where Pos are consolidated for delivery-but it is not possible to have one ASN across multiple vehicles.*)

Receiving Limit / Minimum Shelf-Life / Minimum Life On Receipt (MLOR)

A Supplier's Order Management process must ensure that any product inventory allocated to fulfilling a Metcash Purchase Order adheres to the Minimum Shelf-Life (*also commonly known as the Receiving Limit - RL - or Minimum Life On Receipt - MLOR*) expected as per the *Metcash Supplier Shelf-Life Management Policy*.

All applicable products ranged within Metcash have an associated Maximum Shelf Life (specified in days) provided by the Supplier - *reflecting the peak shelf-life at point of packing the product* - which in turn defines the shelf-life that Metcash can expect to receive at point of receipt. MLOR is calculated based on this Maximum Shelf Life, as per the following guide:

Goods with a Maximum Shelf Life of:

- **93 days or less** require at least **70%** Minimum Life On Receipt (*e.g. 90 days Maximum Shelf-life requires 63+ days MLOR*)
- **94-365 days** require at least **60%** Minimum Life On Receipt (*e.g. 365 days Maximum Shelf-life requires 219+ days MLOR*)
- **366-730 days** require at least **50%** Minimum Life On Receipt (*e.g. 500 days Maximum Shelf-life requires 250+ days MLOR*)
- **731+ days** require a Minimum Life On Receipt of 365 days.

Metcash DC teams will cross-check the residual shelf-life of product delivered against expected system minimums, and will need to reject any product delivered with insufficient shelf-life. This policy ensures that retail customers are always provided product which has ample life, quality and freshness - and that the potential for waste and spoilage is mitigated. Please ensure that all product despatched for a Metcash DC has sufficient shelf-life that it will arrive at the DC meeting or exceeding the minimum remaining life specified when submitting the product data to Metcash.

For products with less than 93 days Maximum Shelf Life, it is also essential that product is delivered to Metcash in correct date sequence and not out of rotation: that is, product received today must not have less shelf-life than product received previously - regardless of whether the shelf-life exceeds the MLOR/Receiving Limit. Out-of- rotation product can only be received following agreement with the Trading Manager and the State Stock Control Manager, prior to delivery.

Changes to Maximum Shelf Life must be submitted to the Trading Manager (via GDSN or Metproducts) for approval. Any requests for short-term amendments must also be directed to the Trading Manager.

In situations where product with differing date codes are being combined into one pallet to fulfil a Metcash order, it is essential that this is prepared in accordance with the [Multi-Coded Pallets](#) requirements outlined in [Section 5](#). Most importantly, all cartons within the consolidated pallet must still either meet or exceed the minimum shelf-life expected.

Temperature Control

Maintaining the Cold Chain is an essential component of ensuring food safety and quality - and of delivering the very best experience for our customers - and is therefore of vital importance to the Metcash Logistics team

At no point in the preparation, staging or transportation of an order for Metcash can any temperature-sensitive product be stored in an environment where product temperatures **exceed 5°C for any Chilled product** (*e.g. Milk, Cream, Yoghurt, Chilled Desserts, Cheese, Fresh Juice, Meat, Poultry*) or **exceed -18°C for any Frozen product** (*e.g. Ice Cream, Frozen Desserts, Frozen Vegetables*). Care must be taken to ensure that any load preparation occurs only in appropriate temperature-controlled environments, and that transport occurs only in appropriate vehicles with fully-functioning refrigeration units. Transport vehicles should only be required to *maintain* product temperature - *not to reduce it* - and product should already be chilled/frozen to the required temperature prior to loading.

To ensure food safety and quality, Metcash DC teams will verify the temperature of applicable products as they are delivered, and will necessarily reject any applicable products that arrive outside of the acceptable range. It is never acceptable to deliver product into Metcash DCs that has breached temperature requirements at any

Hazard Assessment and Critical Control Points (HACCP) audit and Quality Systems

As with maintaining the Cold Chain and ensuring proper temperature control throughout the supply chain, it is important that food suppliers servicing Metcash operate within a HACCP framework. Suppliers must develop, document, implement and verify a food safety and quality system that incorporates Codex HACCP and supporting programs (e.g. ISO9000).

These requirements extend beyond only the sourcing and manufacture of food products, and apply also to all aspects of Storage, Warehousing and Transport. Accordingly, thorough Order Management must take steps to ensure that orders will always be sourced, prepared, stored and transported consistent with these requirements.

Additional Food Safety information is available on the Metconnect site:

<https://metconnect.metcash.com/food/s/article/Food-Safety>

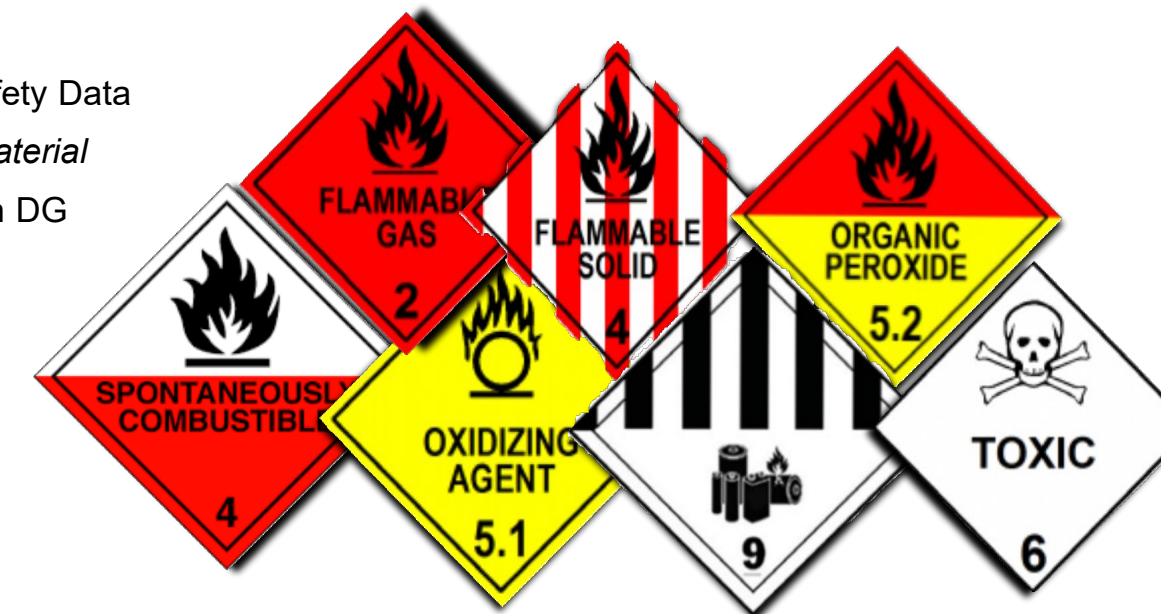


Dangerous Goods

It is essential that all deliveries of Dangerous Goods into the Metcash network are compliantly prepared and documented. Suppliers and their nominated carriers must compile and provide all required Dangerous Goods (DG) information and documentation for deliveries, and must ensure that loads are placarded with the relevant classification as applicable.

Only one class of Dangerous Good can be contained within each pallet; DG types must not be mixed.

Suppliers are required to provide the relevant Safety Data Sheet or SDS (also commonly referred to as a Material Safety Data Sheet or MSDS) accompanying each DG product. SDS are documents that provide critical information about hazardous chemicals.



SDS will include information regarding:

- the chemical's identity and ingredients
- health and physical hazards
- safe handling and storage procedures
- emergency procedures and
- disposal considerations

'Turn In' Ordering

In addition to the standard, centralised ordering system, Metcash also provides suppliers with the ability to directly generate their own retailer orders. These independent, decentralised orders are referred to as *Turn In Orders*.

Turn In Orders are created by supplier field teams in conjunction with the store team through a web portal: the Metcash Order Web service. Orders are transmitted in XML format for simple cross-system communication, and carry all relevant details including date, product information, GTIN or Metcash product code, units ordered, customer name, customer account and so on. Order summaries are sent back to the store system as confirmation.

The Metcash Order Web service can be accessed by both retailer customers and suppliers to:

- **Receive orders from customers and suppliers**
- **Collect invoices**
- **Download host files, product files, promotion files**
- **Upload retail sales data**
- **Download configuration files, handheld device updates etc.**

Turn In Orders can be invaluable for sourcing additional stock to support a particular store event, local activity, new layout, or special customer order. As there are specific protocols required to access and utilise the Metcash Order Web service and Turn In Orders, please contact the **Metcash Supplier Services Team** at supplier.support@chargethrough.com to receive an information pack.

'Trade Show' Ordering

For Seasonal and Event product, Metcash manages and distributes this product to stores through a process known internally as the *Trade Show* program. This process involves the Metcash team distributing a Seasonal/Event order book or catalogue to retailers, from which the retailers place their orders against Metcash well ahead of the event.

These individual store orders are then centrally collated by the State Stock Control teams, and communicated to participating suppliers at an agreed time before the event date.

As the supply of Seasonal and Event product can be especially time-sensitive, and allocations will be timed around the optimal date to hit stores in preparation for the event, it's critical that orders are supplied on time and in full.

As with orders placed for standard stock, any issues or concerns related to delivering the quantities ordered on the dates specified should be raised with the State Stock Control team as soon as possible, involving the responsible Category Team member as required.



Loading & Transport

Introduction

With orders arranged, and cartons and pallets prepared in line with Metcash requirements, it is critically important to give proper consideration to how the load will be assembled on the vehicle, and how the vehicle will transport the goods to the Metcash DC.

Proper loading and transportation practices are vital components of supplying into Metcash, and giving the right level of care and attention to these tasks directly correlates to improved safety across the network. On one level, proper loading and transportation helps ensure that product arrives at the DC in a stable and saleable condition, and that pallets can be unloaded in a safe manner (without in-transit load-shift causing pallets to collapse, affecting the ability of DC team members to process the load).

Beyond issues of load-shift and product damage within a vehicle, however, the greater risk of poor loading and transportation practices is that vehicles and drivers will be involved in an event causing significant harm to the driver and other road users. Where pallets are loaded unsafely, or are not adequately restrained, or gates are not engaged, or vehicles are overloaded beyond their weight/mass limits, or drivers have not been given all required rest breaks, or drivers feel compelled to exceed speed limits, the consequences can be catastrophic.

Metcash embraces Chain of Responsibility regulations, collaborates with industry stakeholders to advance transport safety objectives, and is completely supportive of Regulator activities to improve outcomes across the industry - both for heavy vehicle operators and the general public. It is our expectation that any supplier or transport operator working with Metcash will likewise place significant focus on transport safety and have all required safety protocols in place and under effective, active management.

This module covers essential Loading & Transport topics including:

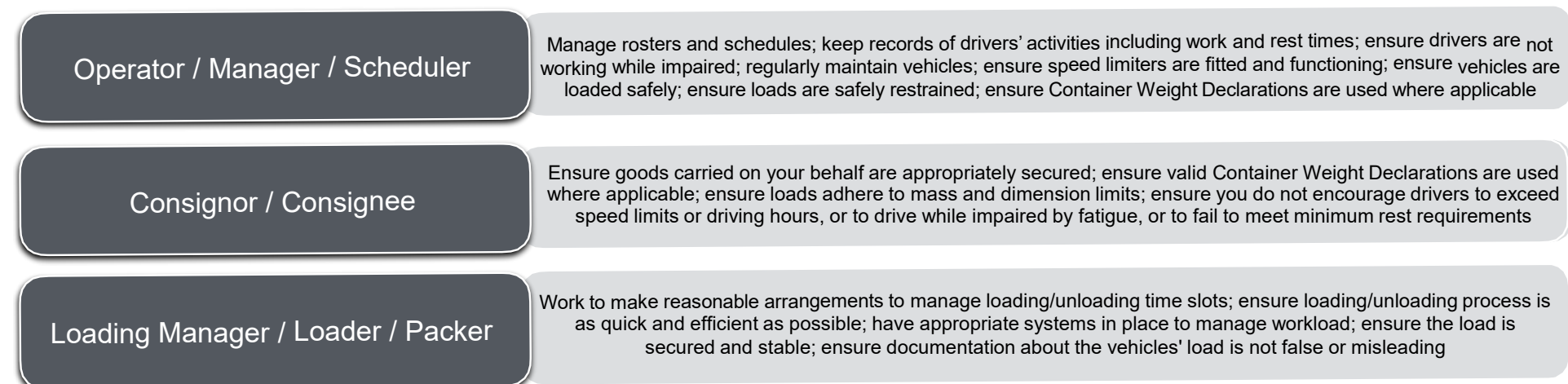
- ***Chain of Responsibility***
- ***Fatigue Management***
- ***Safe Loading & Load Restraint***
- ***Mass/Weight***
- ***Pre-Despatch Checklist***



Chain of Responsibility

Metcash is resolutely committed to transport safety, and is an ardent supporter of Chain of Responsibility regulations. Chain of Responsibility (CoR) identifies that all parties in the Supply Chain - *not simply drivers or transport operators* - have a *shared* responsibility and obligation to ensure safe transport, and that a breach of these obligations within any part of this chain can result in legal liability for the responsible party. This approach recognises the effects of the actions, inactions and demands of off-the-road parties in the transport chain.

Some of the key functions within the CoR framework are identified as:



Chain of Responsibility requires all parties to ensure that their actions, inactions, expectations and directions do not result in breaches of mass, dimension, loading, vehicle standards, maintenance, speed or fatigue laws. For example:

- **Lead-times and delivery expectations:** *consignors must ensure that delivery expectations are reasonable and must not encourage a driver to exceed speed limits, exceed working hours, fail to take designated rest breaks etc*
- **Vehicle Load limits:** *operators and loading parties must ensure that vehicles are safely loaded, within allowed limits for weight, mass and dimension - and are properly constrained*
- **Driver Fatigue:** *operators, managers and schedulers must assess driver fitness for duty, and not allow drivers to work while impaired by fatigue or while in breach of their work or rest hours*

Metcash takes our CoR responsibilities very seriously, and expect that all Suppliers and Carriers with which we interact will also take this same approach. CoR and Safety obligations form a fundamental component of all transport contracts in which Metcash is a party, and fulfilling CoR obligations is a prerequisite for all partners.

Metcash expects that all vehicles entering a Metcash site (*including DCs and retail premises*) or otherwise involved in Metcash transport operations will be of roadworthy and well-maintained condition, will be loaded safely and restrained in a compliant manner, and will be within applicable mass and weight limits. Likewise, drivers must have sufficient remaining driving hours to be unloaded at the Metcash site and return to their depot without exceeding driving limits.

2018 Changes: Please note that CoR obligations changed from mid-2018, and moved to a 'reasonable steps' model. This update also makes it clearer that all parties in the supply chain have a *duty* to ensure safe practices, rather than only being deemed liable for breaches detected. CoR requirements and legal responsibilities now also extend to heavy vehicle standards and maintenance.

To gain a fuller understanding of how Chain of Responsibility legislation operates, or to read through the requirements of each function within the chain, or to download guides and checklists to assist in achieving compliance, we encourage suppliers and 3PLs to visit the National Heavy Vehicle Regulator site: www.nhvr.gov.au
A CoR Responsibility matrix has also been prepared in support of the RLSC Code of Conduct and is available on the Metcash Supplier Portal.



Concerned? Unsure? Please Speak Up

Please let us know immediately if you become aware of any Chain of Responsibility breach, or a practice which may risk breaching these regulations. We take Transport Safety and CoR extremely seriously, and will investigate issues as a matter of priority. It is a core principle of the Chain of Responsibility regulations that concerns can be raised by individual stakeholders without penalty. Concerns, questions can be raised via safety@metcash.com

Driving Hours & Fatigue Management

As part of Metcash's commitment to endorse and champion transport safety in accordance with Chain of Responsibility and the Heavy Vehicle National Law (HVNL), we take Driver Fatigue Management very seriously. Under no circumstances can drivers be compelled or encouraged (explicitly via requests/directives, or implicitly through unreasonable expectations) to breach HVNL stipulations around fatigue management, safe driving hours and rest breaks.

It is essential that all drivers arriving on a Metcash site have sufficient driving hours remaining that they can fulfil delivery and return safely to their depot without breaching regulated driving limits. Further, drivers must be able to show that all required rest breaks have been taken and transport operators must have Fatigue Management Plans in a place (at the level and standard that applies for their organisation).

HVNL Driving Hours & Rest Breaks (Standard Hours + Basic Fatigue Management Plan):

Standard Hours			With Basic Fatigue Management Plan		
In any period of...	Work	Rest	In any period of...	Work	Rest
	A driver must not work for more than the maximum of...	And must have the rest of that period off work with a minimum rest break of...		A driver must not work for more than the maximum of...	And must have the rest of that period off work with a minimum rest break of...
5 ½ hours	5 ¼ hours work time	15 continuous minutes rest time	6 ¼ hours	6 hours work time	15 continuous minutes rest time
8 hours	7 ½ hours work time	30 minutes rest time in blocks of 15 continuous minutes	9 hours	8 1/2 hours work time	30 minutes rest time in blocks of 15 continuous minutes
11 hours	10 hours work time	60 minutes rest time in blocks of 15 continuous minutes	12 hours	11 hours work time	60 minutes rest time in blocks of 15 continuous minutes
24 hours	12 hours work time	7 continuous hours stationary rest time	24 hours	14 hours work time	7 continuous hours stationary rest time
7 days	72 hours work time	24 continuous hours stationary rest time	7 days	36 hrs long/night work time	No limit has been set
14 days	144 hours work time	2 x night rest breaks and 2 x night rest breaks taken on consecutive days	14 days	144 hours work time	24 continuous hours stationary rest time taken after no more than 84 hours work time and 24 continuous hours stationary rest time and 2 x night rest

For further details (including those related to Advanced Fatigue Management Plans) please visit the [National Heavy Vehicle Regulator \(NHVR\) website](#)

Vehicle Roadworthiness & Trailer Condition

Care must be taken to ensure that any vehicle transporting into a Metcash DC is of roadworthy standard, with all equipment in good working order. Further, trailers must be well maintained, clean, sound and appropriate for the safe carriage of grocery and food items. Vehicles found to be unsanitary or otherwise unfit for to the carrier and supplier involved for resolution.

Mass, Dimension & Container Weight Declarations

It is critically important that all deliveries into Metcash (*and/or on behalf of Metcash*) are loaded in full accordance with all relevant legal and regulatory obligations. Suppliers, carriers and individual drivers must ensure that:

- vehicles are not loaded in excess of safe and legal weight limits for the vehicle/trailer type; loads are balanced and axles are not overloaded;
- vehicles are not loaded in excess of the maximum mass or dimensions of the trailer;
- vehicle and trailer safety measures are fully functional (*e.g. certified/rated lock-in gates are in place*);
- loads are restrained adequately to ensure safe and stable transit;
- all paperwork pertaining to the weight of the load is accurate and not misleading;
- where applicable, accurate *Container Weight Declarations* are completed and carried;
- drivers are trained and competent to manage the specific load conditions; and
- weigh-bridges are used wherever directed/required



Loading & Load Restraint

All loads into a Metcash site (including DCs and retail customer premises) must be restrained securely to ensure load integrity is maintained and safety risks to all parties are mitigated. Specific requirements include the following:

- Loads must begin with product loaded against a headboard, front rack or other fixed restraint
- Product must be loaded in a manner that safely disperses weight and avoids overloading axles
- No product is permitted to extend horizontally beyond the vehicle's verge or footprint
- Pantechs and vans must have restraint systems and devices to prevent forward and rear movement
e.g. pantech with restraint poles or gates with plywood/coreflute barriers between pallets (at driver's discretion)
- All gates must meet OH&S requirements
- All gates must be at least two thirds of load height (where secondary restraint is used) or at full load height
- Every row of gates must be secured with at least one 50mm securing strap or approved alternative restraint

Monitoring Safe Load Compliance

Metcash DC teams monitor the condition of inbound deliveries to verify that safe loading practices are being followed, and to identify and communicate any observed breaches that undermine safe supply chain operation.

Should a breach be identified, the Distribution Manager or nominated Supervisor will advise the relevant individual and record the issue into the Metcash Non-Conformance Register (NCR), as either of the following:

- (i) *Minor non-conformance - short-term fix: remedial action taken (agreed closeout date)*
- (ii) *Major non-conformance - longer-term fix: preventative action taken (immediate action)*

Recorded Non-Conformances will then be further monitored to validate that the agreed corrective actions are put in place and are delivering the desired outcomes.

Accepted Vehicle & Equipment Types - By DC

As the Distribution Centres in each State vary in their physical configuration, available dock types and materials handling equipment (MHE), there is a degree of variation in the types of vehicles that can be accommodated at each site.

The adjacent matrix reflects vehicle types that are (or are not) accepted at each site, and whether they can accommodate/unload pallets stowed on bars:

		Metcash Distribution Centres										
		NSW		QLD		VIC		SA		WA		
		Grocery	Fresh	Grocery	Fresh	Grocery	Fresh	Grocery	Fresh	Grocery	Fresh	
Vehicle & Equipment Types		Rigid	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
		Tautliner / Drop-deck Tautliner	✓	✓	✓	✗	✓	✓	✓	✗	✓	✗
		B-Double / Drop-deck B-Double	✓	✓	✓	✗	✓	✓	✓	✓	✗	✗ <small>Drop-deck B-Doubles are NOT accepted</small> ✓ <small>Standard B-Doubles are accepted</small>
		Pantech	✗	✓	✓	✓	✓	✓	✗	✓	✗	✓
		Shipping Container	✓	✗	✓	✓	✗	✓	✓	✓	✓	✗
		Van	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓
		Ute or Car	✓	✓	✓	✗	✓	✓	✓	✓	✓	✗
		Can DC unload Pallets stowed on bars?	✗	✗	✗	✗	✗	✓	✗	✓	✓	✓

DC Delivery & Receipt

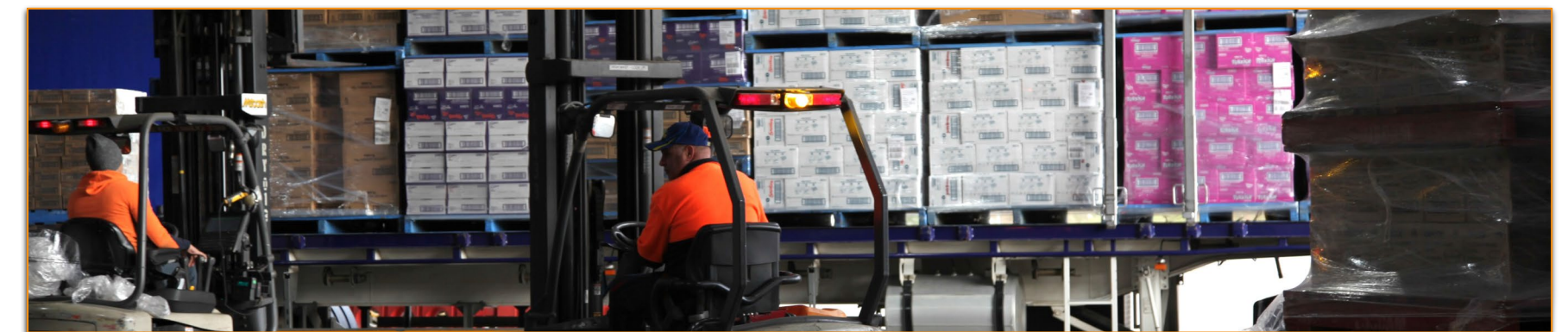
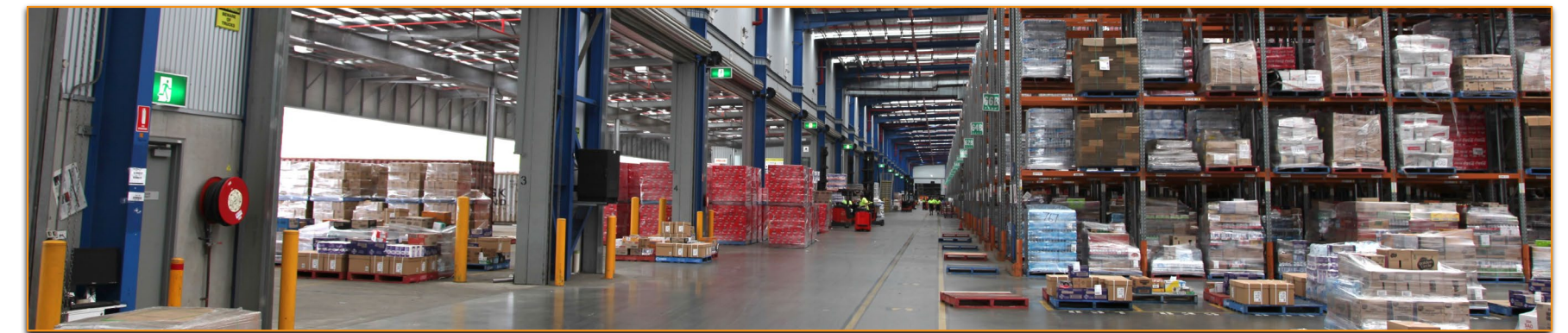
Introduction

Each week, Metcash DCs receive, process and despatch thousands of vehicles, tens of thousands of pallets, and millions of cartons. A Metcash DC is a fast-moving, complex facility in which huge volumes of product are moved at high speed to service the daily needs of a diverse customer base within the largest and widest retail network in Australia. To support this level of activity in a safe and efficient manner, a number of important DC policies and procedures are applicable to all inbound drivers and their vehicles.

Understanding the steps required when delivering into a Metcash DC - and ensuring that both vehicle and driver are prepared - can make a significant difference to how well the delivery and receipt process is performed. Considerable time and effort can be saved through properly optimising loads, arriving on time, planning ahead with PO paperwork and inductions, adhering to important driver requirements, and so on. Not only can this improve safety outcomes and mitigate many potential risks, it helps to ensure DC turnaround times are minimised, allowing drivers and vehicles to get back on the road in the shortest possible time.

This section outlines the key policies and procedures involved in the DC delivery/receipt process, to give a new driver or carrier an overview of what to expect when arriving at a Metcash site. The section covers:

- **Driver inductions**
- **Process when arriving on site**
- **Site traffic management**
- **Dock protocol**
- **Driver behaviour standard**
- **Drug & alcohol policy**
- **Receiving process**
- **Turnaround times & load complexity**
- **Process when exiting site**



Site Induction

For their own safety and the safety of all team members working on site, all drivers, contractors and visitors are required to successfully complete a Site Induction before being granted admission to each Metcash Distribution Centre. Drivers are required to maintain a current induction card and will be required to carry this card at all times whilst on site.

To save time, Site Inductions are available online and can be completed in advance of site arrival. Inductions cover:

- Conditions of Entry
- Accidents & First Aid
- CoR & Safe Loads
- Safe Working Practices
- Pedestrian/Traffic Management
- Speed Limits
- Emergency Evacuation Map
- Key Hazards
- Loading & Unloading
- Communications
- Advisory Signs
- Security
- Smoking, Drugs & Alcohol



ONLINE SITE INDUCTION (ALL SITES)

All site inductions are accessible via Metconnect:
<https://metconnect.metcash.com/food/s/our-services>

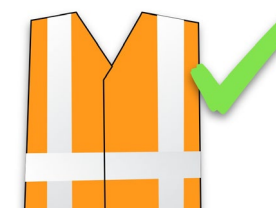
Driver Conduct On Site

All drivers on site at a Metcash DC are expected to conduct themselves professionally, safely, and in accordance both with site rules and with the lawful directions of Metcash staff. For example, drivers are expected to adhere to site traffic management plans and speed limits, wear all appropriate personal protective equipment (PPE), use mobile phones as per on road legislation, display required competency, cooperate with team members as needed, adhere to walkways and exclusion zones, notify a Metcash member of staff if any incident occurs or there is a safety hazard on site, and so on.

Where driver conduct is unacceptable, the driver will be directed to leave the site and may not be permitted to return; in these cases, the relevant transport company and supplier will be notified, to allow alternate arrangements to be made.

Personal Protective Equipment

At minimum, Personal Protective Equipment must include:



High-visibility safety vest (or jacket), fastened for 360° visibility



Flat-soled, fully-enclosed, steel-capped Safety shoes/boots within operational areas - including docks and all driver



Flat-soled, fully-enclosed, non-steel-capped shoes/boots

Arrival Procedure

As vehicles approach the Metcash Distribution Centre, drivers should follow the steps outlined below:

1. Arrive on site within the **'On Time'** window (up to 60 minutes before, or up to 30 minutes after, the scheduled timeslot)
2. Report to the security gatehouse with **Appointment ID/Passport** and all relevant Purchase Order **paperwork**
3. Present a current, valid **Site Induction** card (or complete a new Site Induction and competency test)
4. Confirm adequate remaining **driving/working hours** (DC will advise anticipated time on site)
5. Ensure all Personal Protective Equipment (**PPE**) - especially vests and steel-capped boots or shoes - are worn before entry
6. Gatehouse will issue driver with a pager, which will notify the specific dock to proceed to when called to Receiving Area
7. Gatehouse will direct driver to queuing or designated waiting bays, as appropriate
8. Follow all traffic management rules including speed limits and directional markers through site
9. When called, report to the Receiving Office with Appointment ID and all relevant paperwork (if you have not been paged in to a dock please contact your receiving area)
10. Follow instructions of the Receiving personnel (including removing keys from ignition and handing them to Receiving Office staff) and - once directed to a receiving dock - open curtains, remove gates and/or straps then wait in the driver exclusion zone for checker and forklift driver to process load. (During this process, pallets found to be non-compliant may be rejected; the driver will be notified if this is the case)
11. At completion of the Receiving process, once all applicable pallets have been removed from the vehicle, keys will be returned along with any paperwork e.g. pallet transfer authority
12. Driver should prepare the vehicle for departure (reinstalling gates and restraints, closing curtains etc)
13. Driver should move off dock when safe and cleared to do so, proceeding to security gatehouse
14. Report to the gatehouse with Appointment ID and pallet transfer authority and ensure vehicle is accessible for inspection
15. Return pager, await gatehouse clearance, and depart site

Site Induction Reminder: in order to streamline the process when arriving at a Metcash DC, it is recommended that drivers complete an online Site Induction in advance. Inductions are available on the [Metconnect Site](#).

Site Traffic Management & Dock Protocol

Site-specific traffic management is outlined in each DCs online Site Induction, but common requirements include:

1. Vehicle traffic is one way only
2. Vehicle speed limits are 15km unless otherwise stated
3. Vehicle hazard lights should be on for maximum visibility
4. Move onto (and off) dock only while dock lights are green (where applicable)
5. Once on dock and unloading, dock lights (where applicable) will remain red. Do not move the vehicle until the relevant dock light has changed to green or Receiving team have given specific clearance to move.
6. Once on dock, apply parking brake and turn-off truck, remove keys from ignition and hand them to Receiving Office staff with all the associated paperwork.
7. Between vehicle preparation tasks (e.g. attending to gates and curtains) remain within exclusion areas to help ensure protection of pedestrians from MHE/mobile plant.

Please note that if drivers leave their exclusion zones, loading/unloading will cease immediately.

Fit For Work / Drug & Alcohol Policy

Metcash is committed to ensuring a safe work environment, and we strive to achieve this through the provision of a workplace free from the influence of drugs and alcohol. Drugs and alcohol can impact individuals through impaired concentration and judgment, decreased performance capability, and increased risk of exposure to workplace incidents. The *Metcash Fit for Work Policy stipulates that* employees, contractors and visitors shall not be under the influence of drugs or alcohol, nor possess illegal drugs whilst at work, ensuring all are in a condition to safely carry out their duties.




For the safety of all personnel, it is strictly prohibited to consume, be under the influence of, or be in possession of alcohol or illicit drugs within any Metcash DC facility. In support of this policy, Metcash reserves the right to conduct randomised drug and alcohol testing of drivers, contractors and visitors within Metcash facilities.

Turnaround Times & Load Complexity

All Metcash DC teams endeavour to process vehicles as efficiently as possible - while maintaining safety as our paramount objective - and work to keep vehicle turnaround times to a minimum. Just as it is in the interests of drivers, carriers and supply partners, it is firmly in Metcash's interests to reduce turnaround time wherever possible, and we continually look to optimise the amount of time that a vehicle and driver spend on site at a Metcash DC between site arrival, check start, check finish and site departure.

Turnaround times are affected by numerous factors, and understanding these factors can help to minimise delay and disruption. Proper preparation of documentation can save significant time, as will ensuring that drivers complete online site inductions prior to arrival. Likewise, the condition in which vehicles are presented, the degree to which pallets are compliantly prepared, and the general complexity of the load can considerably alter the time required for the DC team to validate, receive and unload the vehicle.

The Logistics Operations team have prepared a matrix outlining potential checking and unloading timeframes, based upon the relative complexity and condition of a delivered load. The Turnaround Time & Load Complexity Matrix considers multiple factors that may contribute to checking and receipt complexity, a strong indicator of likely time on site for the driver and vehicle. **Optimising loads in these areas can streamline the DC process, allowing drivers to get back on the road in the shortest possible timeframe:**

Turnaround Time and Load Complexity Matrix		
Grade 1: Easy (Approximately 20 minutes-1 hour)	Grade 2: Moderate (Approximately 1-2 hours)	Grade 3: Difficult (Approximately 2-3 hours)
<ul style="list-style-type: none"> • Straight loads - usually all same product type/family • High volume pallet rate per hour • Can be validated immediately - freight can be checked on vehicle • No double handling required • Swift administration: documentation is well prepared, paperwork, scanning, load matching to order performed with minimal effort • Good load quality and accuracy i.e. stretch wrap fit well to pallet, good pallet condition, good labelling (number and position) and accurate barcodes Relies on very little management, can be put-away direct from vehicle e.g. full pallet loads, bulk solid products (canned food/beverage etc) • Driver Site induction is current • No security concerns, No or negligible damage • Goods delivered in appropriate vehicle type • Load restraint - requires little effort to remove • Very little exposure to incident/accident when handling • Requires no additional work area for processing • Dock accommodates vehicle/trailer with ease • No de-coupling of trailer(s) required • Express Receipt enabled, allowing seamless processing (refer Express Receipt section on page 21) 	<ul style="list-style-type: none"> • Mixed loads - some, but not all of same product type/family. • Intermediate volume pallet rate per hour • Delay in validation - Not all freight can be checked onboard vehicle, some freight is required to be released for examination • Slow administration: documentation is loosely prepared, paper work, scanning, load matching to order, temperature checking performed with moderate effort • Satisfactory load quality and accuracy • Some double handling required • Necessitates more verification and traffic movement i.e. multi-stack pallets • Relies on degree of management prior to put-away i.e. less delicate items (dry dog food etc) • Driver previously completed Site Induction, but requires refresher • Some security concerns • Damage is minor or of low significance • Goods delivered in satisfactory vehicle type • Load restraint- requires some effort to remove • Some exposure to incident/accident when handling • Requires additional work area for processing • Dock accommodates B-double • No de-coupling of trailer(s) required 	<ul style="list-style-type: none"> • Complex and consolidated loads - mostly not of same product type/family • Low volume pallet rate per hour • Extensive delay in validation - freight is required to be unloaded from vehicle to enable ease of • Lengthy administration: paperwork, scanning, load matching to order, temperature checking, load verification, minimum Use-By verification is laborious • Requires double handling of all items • Unsatisfactory load quality, documentation and paperwork unprepared, poor stretch wrap, bad faulty labels, inaccurate barcodes, missing pallet ID/ labels and vendor specific requirements • Requires high degree of management, usually necessitates freight to be dumped to the ground for and packaging or containment materials removed before put-away e.g. sensitive/crushable objects • Driver not Site inducted • Security concerns exist • Damage is significant • Goods delivered in unsuitable vehicle type • Load restraint- significant time required to remove • Extreme risk/exposure to incident/accident when handling • Requires large amount of additional work area for processing • Dock does not accommodate B-double, de-coupling required 

The specific times indicated in this guide are illustrative and actual turnaround times may vary based on operational conditions, but they provide a helpful starting point for understanding where delays are typically incurred, and for identifying areas of potential optimisation. As a guide to likely time on site for drivers, it is a useful Chain of Responsibility tool for estimating whether a driver's remaining working hours will be sufficient (remembering that the driver will also need time to return to a depot/transport facility after leaving the Metcash site).

Cross-Dock

In addition to our standard pick-and-pack channels, Metcash also operates a *Cross-Dock* channel for store-specific fulfilment from Suppliers. Cross-Dock provides an efficient and cost-effective logistics solution for our Suppliers to deliver to Retailers utilising Metcash's existing DC network & transport.

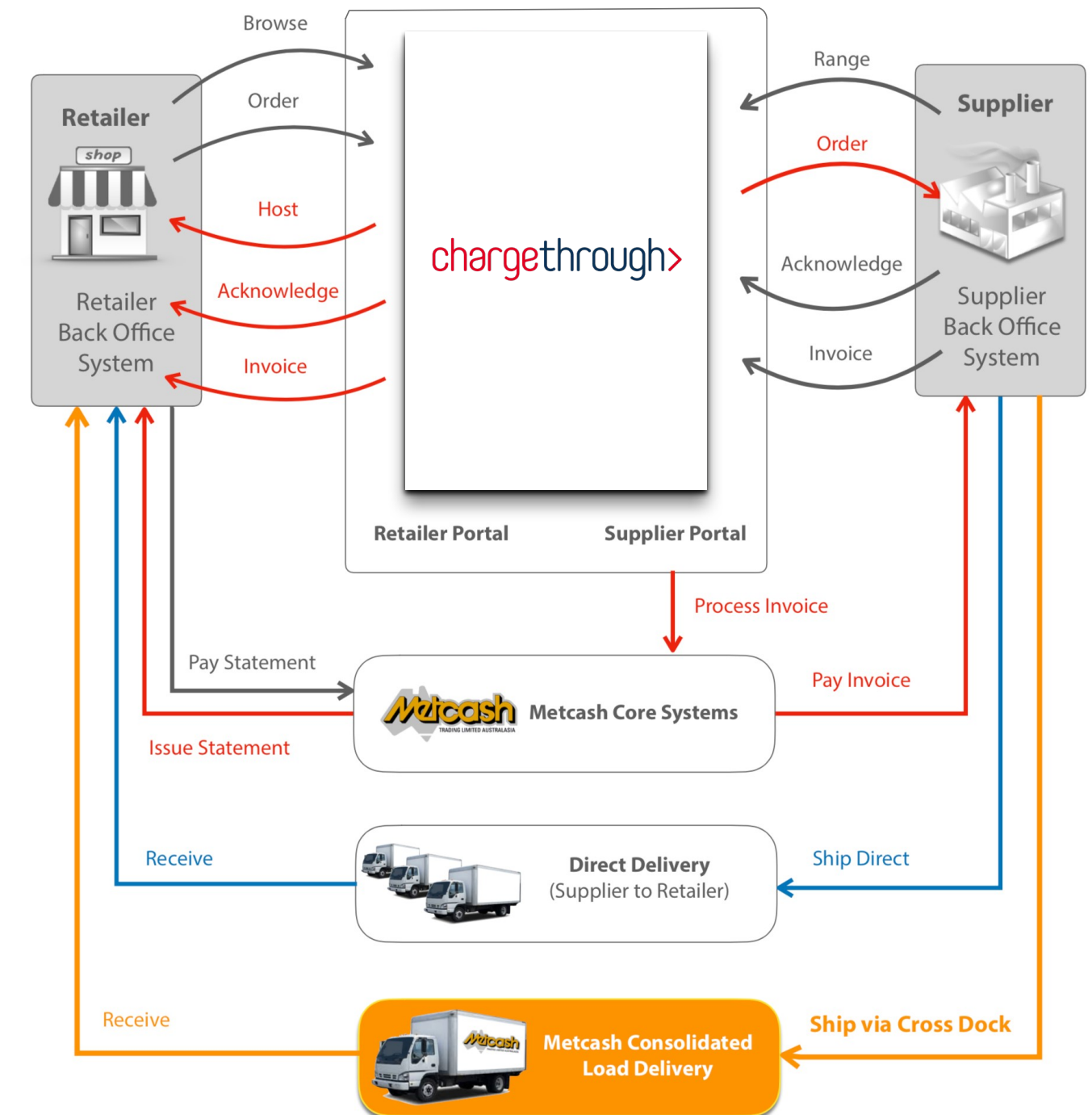
Just as Cross-Dock is beneficial for Retailers/Stores (*allowing for limited Track & Trace visibility of orders, and for consolidated store deliveries of cross-docked line along with other DC lines - meaning fewer trucks being managed at the store dock*) it offers considerable benefits for Suppliers, including:

- ✓ The ability to store-pick Direct Orders then make a single bulk delivery to Metcash DC
- ✓ Competitive cost-per-carton transport rates to all Independent Retailers
- ✓ Transport costs deducted from remittance
- ✓ Integrated Cross-dock portal – *removes manual administration for orders, with item information used to calculate load weights & dimensions.*

For those Suppliers utilising the Cross-dock portal integrated with Automated Charge Through, it is important to understand key logistics requirements to ensure safe and efficient processing , as per below:

- **Bookings:** All Cross-Dock deliveries must be booked in accordance with the Metcash booking process [outlined in Section 6 "Order Management" \(refer page 49\)](#).
- **Early/Late Delivery:** As with standard deliveries, any Cross-Dock deliveries which arrive outside of the [On-Time window](#) may be rejected by the DC [\(refer page 50\)](#).
- **Delivery Date vs Requested Delivery Date:** Suppliers must book deliveries of Retailer orders based on the *shortest* lead time for that DC and delivery window. Cross-Dock product should be delivered 'Just In Time' for the Requested Delivery Date (RDD) of the Retailer/Store, not to be stored in the Metcash DC. **Note: last receipt for same day despatch is 11am;** deliveries received after 11am will not make same day despatch.
- **Dangerous Goods:** As per standard cartons, all Cross-Dock cartons containing Dangerous Goods must have a Dangerous Goods label applied and the relevant Safety Data Sheet (SDS) documentation included at delivery [\(refer page 52\)](#). **Please note that Dangerous Goods cannot be accepted for Cross-Dock as yet but may be accepted in the future.**
- **Carton Breakdown:** Please note that the Metcash DC will not open any cartons — all cartons must be packaged 'Store specific'. Carton breakdown will not occur at DC.
- **Temperature Control & HACCP:** All Cross-Dock cartons are subject to Metcash's requirements regarding [Temperature Control](#) and [HACCP - refer pages 51-52](#).
- **Delivery Documentation:** Two delivery dockets must be produced from the Cross-Dock Portal.
- **Carton Labelling:** Cartons should only present with one Cross-Dock label: please remove or deface other labels to minimise the potential for scanning issues and confusion. Labels must fully comply with the Cross-Dock label format template, available from the online Portal. Cross-Dock Labels are to be applied to the carton with the label facing outward on the pallet build for scanning efficiency at DC. For full pallets labels please refer to your business manager.
- **Carton Quality:** Cross-Dock cartons must comply with the relevant requirements (e.g. regarding weight, dimensions, sealing, suitability) outlined in [Section 4 "Carton Requirements" \(refer pages 29-35\)](#) - with the exception of the format/composition and location of Cross-Dock labels outlined in the above bullet point.
- **Pallet Build:** Pallets should be built to collate 'Retailer/Store Specific' cartons together on the bulk pallets. 'Retailer/Store Specific' order consolidation in 'layers or stacks' on mixed pallet as required for pallet stability. Where a 'Retailer/Store' has 20 or more cartons on the Cross-Dock delivery, this will ideally be built as a Retailer-specific pallet for one Retailer, with no additional Retailer orders combined on this inbound pallet.
- **Pallet Quality & Stabilisation:** Cross-Dock pallets are subject to the same requirements for [pallet quality](#) and [stabilisation](#) (e.g. wrapping) as other pallets delivered into Metcash DCs. Please refer to [pages 38-46](#) for more information regarding these requirements.

Cross-Dock Overview:



Common Issues & Corrective Actions

Rejections & Rejection Criteria

Rejection of inbound vehicles, pallets or cartons can cause considerable disruption and unnecessary cost to both Metcash and the affected supply partner (and their carrier, where applicable). As considerable time and effort has been expended in forecasting, ordering, sourcing, wrapping, labelling and transporting the product — *and as the affected product is needed by our retail customers* — rejections are always an unwelcome outcome to the supply process. All steps should be taken to ensure that deliveries are fully compliant and that rejections are therefore increasingly unnecessary.

While Metcash does not take the decision to reject lightly, our DC teams must reject wherever it is deemed necessary to do so. Suppliers and carriers must be aware that rejections (of cartons, pallets, or vehicles) are likely in the following circumstances:

- The vehicle arrives without a valid Appointment ID (*and the DC cannot accommodate*)
- The vehicle arrives excessively early/late for the scheduled timeslot (*and the DC cannot accommodate*)
- The vehicle is of poor condition and not maintained to applicable CoR vehicle maintenance standards
- No ASN (where required) has been received for the load and the DC team are unable to process the delivery
- Product is found to be damaged, leaking, unsaleable, unsanitary or moisture-affected
- Product is found to have breached Receiving Limit/Minimum Life On Receipt shelf-life threshold
- Product is found to be unsafe, of poor quality and/or out of acceptable temperature range (*where applicable*)
- Driver does not have sufficient remaining driving/working hours for anticipated DC processing/turnaround time (*in which case transport carrier should arrange for driver to return to depot and/or be replaced by an alternate driver*)
- Driver fails to meet behavioural standards (*e.g. driver is abusive or uncooperative, is not wearing appropriate PPE, refuses to follow site traffic management rules etc*)

Full loads or pallets that have been rejected may return to a depot or hub for reworking/rewrapping/relabelling (if appropriate) and arrangement may be made for future redelivery: a new Appointment ID will need to be sourced for any new delivery into site.



It is not acceptable to attempt redelivery of product that has been rejected for temperature issues: product safety and quality will have been irreparably compromised – posing serious potential health risks to consumers – hence affected product must not be redelivered. Attempts to redeliver any potentially-unsafe product will be escalated.

Non-Conformance Issues: Reporting & Response

While a small percentage of inbound loads and pallets are rejected by Metcash DC teams, a greater percentage of loads that exhibit non-conformance issues will be accepted into the DC (with the issues recorded), on the understanding that the issues will be addressed and corrected for future deliveries. Metcash captures quantitative and qualitative information on the quality of inbound deliveries, and uses this data in ongoing performance reporting.

If a supply partner is advised of non-conformance or inbound performance issues, Metcash expects the supplier to:

- provide a prompt initial response recognising the issues reported;
- seek any/all necessary supporting data (*specific POs, dates, SKUs, issues recorded*) from the reporting detail;
- identify internal control points affected (*looking for potential patterns of product, source location, carrier etc*);
- begin investigation into potential root causes;
- confirm root causes and explore potential corrective actions;
- advise Metcash of the investigation outcome and the corrective actions taken;
- outline the timeframes in which corrective actions will be fully effective, so that DCs can be advised of the date from which the issues will have been resolved; and
- check back to ensure that the issue is fully resolved by target date.

Provided that investigations are genuine, corrective actions have been communicated back to Metcash DCs, and timeframes to resolution are reasonable, it is usually not necessary to reject product in the interim.

Where issues are persistent, however, and little or no corrective action appears to have been taken to remedy the issues in a reasonable timeframe, it becomes increasingly likely that subsequent loads will be rejected at the DC.

Suppliers should work with the Forecasting & Replenishment team to help identify and address non-conformance or performance issues: the [Supplier Engagement Manager](#) or [Supplier Services team](#) (where applicable) can also assist.

Product Withdrawals & Recalls

Metcash is committed to working with suppliers and manufacturers to ensure all products meet consumer health and safety requirements, removing from distribution and sale any food which may pose a health and safety risk to consumers. At all times, we aim to handle any recalls and withdrawals correctly and promptly to avoid placing consumers at risk.

If a product Recall or Product Withdrawal Submission is required:

Vendors are required to submit product notifications via the below 2 options.

- **GS1 Recallnet users:** please log onto recallnet.gs1au.org for recall or withdrawal submissions.
- **Others:** please manually complete the *Australian and New Zealand Recall/Withdrawal form* (available from the AFGC website <https://www.afgc.org.au/publications/crisis-management/>) and submit to the Metcash contacts below. After submitting this form, we ask that you contact the below people to confirm receipt of your email.

To avoid complexity, inconvenience and cost for all parties, Recall or Withdrawal notifications should be made during Business Hours (Mon-Fri, 8am to 5pm) whenever possible, and ideally well before 5.00pm on a Friday.



Contact Details

To advise Metcash of a Product Recall or Withdrawal, please contact the Food Safety Department as per below:

During Business Hours

(Mon–Fri, 8am–4pm)

Recalls & Withdrawals Team

Phone: **1800 119 920** or **1300 135 690**

Email: recalls@metcash.com

After Hours

Recalls & Withdrawals Team

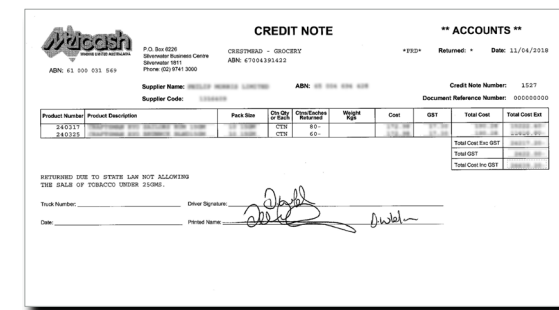
Phone: **1800 119 920**

Email: recalls@metcash.com

Collection of Stock from DC

At times it may become necessary for a supply partner to collect product/stock from a Metcash DC (reasons for the collection may include unintentional oversupply, incorrect product/variant supplied, withdrawal, faulty packaging etc). In these circumstances, the DC Inventory team will work with the Stock Controller regarding specific SKUs and quantities, and the Stock Controller will liaise with the supply partner to confirm collection and arrange suitable time. Suppliers can choose to collect product with their next delivery, or to arrange a separate collection.

At the point of pick-up, the DC team will generate a Credit Note in triplicate; one copy is given to the driver, one goes to Accounts, and another is retained for the DC's records. At the end of the month, all Credit Notes are reconciled with Finance



Accounts Administration & Enquiries

Every effort is made to ensure we make payments promptly for goods received and services rendered to us. To help ensure prompt and accurate processing, suppliers should adhere to all requirements regarding the necessary information to include prominently on purchase orders, delivery notification and invoices.

Invoice Requirements

Please refer to our Invoicing and Payment Policy for further detail.



If queries arise, please contact the Accounts Payable team:

Email: metpay@metcash.com

Phone: **1300 638 729**

Please include the following information where relevant:

- Supplier Number
- Purchase Order (PO) Number
- Proof of delivery
- Copy of invoice(s) / claims

Common Issues, Potential Causes and Corrective Actions

Issue Category	Issue Type	Potential Cause(s)	Potential Corrective Actions
Purchase Orders	Metcash Purchase Orders include incorrect information	<ul style="list-style-type: none"> One or more product parameters in the Metcash system require realignment 	<ul style="list-style-type: none"> Contact the Replenishment Team/Stock Controller listed on your PO to advise and amend relevant details
	Expected Delivery Date is frequently too early	<ul style="list-style-type: none"> Lead time is misaligned with Metcash replenishment system parameters 	<ul style="list-style-type: none"> Contact the Replenishment Team/Stock Controller listed on your PO to discuss review of lead times by
	Inbound Service Level is poor despite on time despatch	<ul style="list-style-type: none"> Deliveries may have been consolidated at a transport hub by 3PL/carrier OR Vehicle may be arriving too early/too late (outside 90 minute On Time window) 	<ul style="list-style-type: none"> Review PO-specific data with any applicable 3PL/carrier, review root causes Review On Time delivery section of Supply Standards
	POs not reflective of Supplier's source/despatch locations	<ul style="list-style-type: none"> Metcash vendor hierarchy setup is misaligned to actual structure 	<ul style="list-style-type: none"> Contact eBusiness team or Supplier Engagement Manager for potential Vendor Hierarchy change
	POs not reflective of Supplier's transport network, truck size	<ul style="list-style-type: none"> Supplier information incomplete or inaccurate 	<ul style="list-style-type: none"> Contact Replenishment Team/Stock Controller with correct data for Metcash system update
	POs not reflective of expected order quantities	<ul style="list-style-type: none"> Misaligned forecast and/or misaligned promotional program 	<ul style="list-style-type: none"> Review of current forecast / promotional program with Merch and Replenishment Team/Stock
Advance Shipping Notices (ASNs)	ASN messages are not getting through, or are delayed	<ul style="list-style-type: none"> EDI connection issue Submitted data misaligned or incorrect ASN being submitted after delivery receipted at DC 	<ul style="list-style-type: none"> Check EDI connection Review data submitted compared to PO Contact Supplier Services Team for further details
	ASN messages are being rejected by Metcash	<ul style="list-style-type: none"> Misaligned data on ASN compared to PO 	<ul style="list-style-type: none"> Review rejection email to understand cause of failure
	ASN covers more than one vehicle	<ul style="list-style-type: none"> ASN can only cover a single vehicle 	<ul style="list-style-type: none"> Review of ASN setup and submissions
eInvoice	eInvoice messages are not getting through, or are delayed	<ul style="list-style-type: none"> EDI connection issue Submitted data misaligned or incorrect 	<ul style="list-style-type: none"> Check EDI connection Review data submitted compared to PO Contact Supplier Services Team for further details
	eInvoice messages are being rejected by Metcash	<ul style="list-style-type: none"> Misaligned data on eInvoice compared to PO 	<ul style="list-style-type: none"> Review rejection email to understand cause of failure
XML Turn-in Orders	Order has been sent but not yet arrived at store	<ul style="list-style-type: none"> Issue with order details submitted - Customer Number, Item, etc Items not available for DC Items held until stock is available 	<ul style="list-style-type: none"> Review order data submitted Contact Supplier Services for further details
SSCC Pallet Label	Advised that SSCC pallet label does not scan	<ul style="list-style-type: none"> Print quality has deteriorated and/or subtle print defects have been introduced SSCC barcodes do not actually contain required information (or are missing AIs) 	<ul style="list-style-type: none"> Clean print heads of pallet label printer, replace print heads which have obstructed or burned-out elements Check information encoded with barcode verifier, especially checking all Application Identifiers are in
	Advised that SSCC numbers are mismatched	<ul style="list-style-type: none"> Pairs of SSCC labels intended for front/back of one pallet may be becoming inadvertently split across two pallets during application process 	<ul style="list-style-type: none"> Consider applying label pairs sequentially (one pallet at a time) rather than as a batch, to limit potential confusion
Carton/Trade Unit	Carton barcodes do not scan, or scan unreliable	<ul style="list-style-type: none"> Barcodes may be of insufficient magnification for DC environment, may be affected by seams/perforations/wrap on trade unit, or print quality may have deteriorated 	<ul style="list-style-type: none"> Review print output and check magnification level Redesign label and/or preprinted carton to incorporate larger and/or more-robust barcode type (e.g. ITF-14)
Pallet / Logistics Unit	Pallets are collapsing in transit	<ul style="list-style-type: none"> Insufficient stretch-wrapping of the pallet Insufficient load stabilisation on the vehicle Unstable pallet configuration - including column-stacking 	<ul style="list-style-type: none"> Reset stretch-wrapper settings for tension and number of passes/layers Ensure boards, angles, strapping and gates are employed when loading trailers Examine change to interlocking pallet configuration
Rejection at DC	Safety or Compliance rejection	<ul style="list-style-type: none"> Vehicle, pallets or driver have failed to meet Metcash operational standards 	<ul style="list-style-type: none"> Review information given by DC, consult relevant section of Supply Standards to address issues
	Rejection/deferment of POs as one-off unplanned event	<ul style="list-style-type: none"> Unplanned disruption/impact at Metcash site 	<ul style="list-style-type: none"> Await direction from Metcash Logistic team

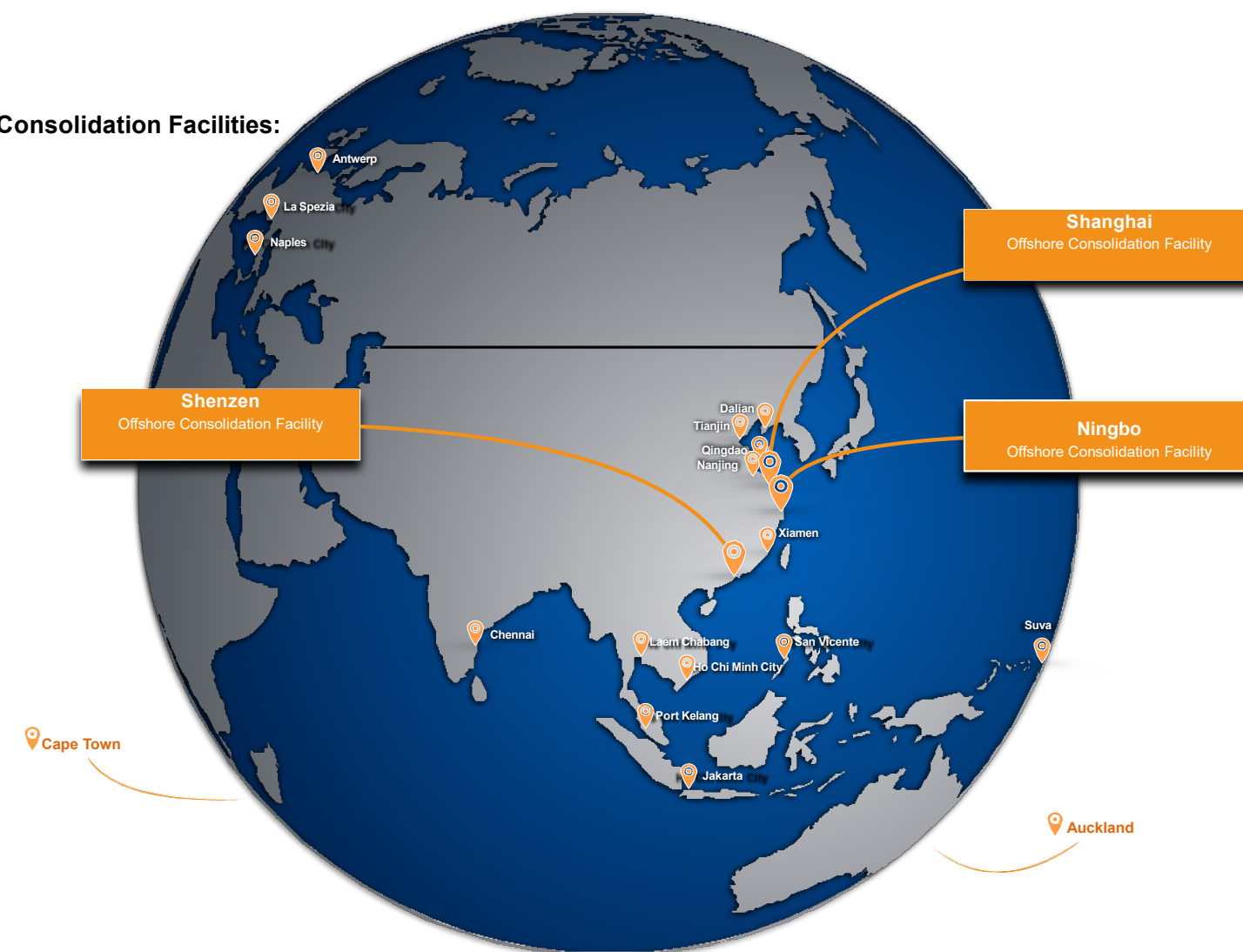
International Supply Chain

Introduction

The Metcash International Supply Chain team is responsible for managing all international supply for Metcash, including demand forecast, order planning, shipping, consolidation, customs clearance and delivery into our distribution centres.

Metcash is continuously developing its overseas network, shipping from over 20 ports including three dedicated offshore consolidation facilities across China in Shenzhen, Shanghai and Ningbo. These facilities do not handle high risk quarantine products, dangerous or hazardous goods, frozen or chilled products.

Top 20 Ports & Consolidation Facilities:

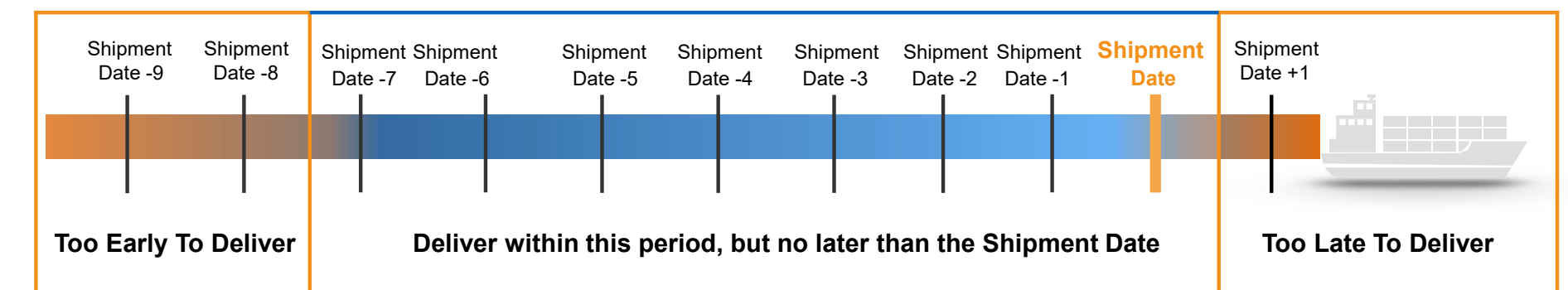


International Supply Chain Partner

All vessel bookings must be made with the relevant Metcash appointed freight forwarder or their nominated agent. All new suppliers will be contacted by the freight forwarder or their nominated agent regarding booking system access and training.

Important Definition: *Shipment Date*

Please Note: The Shipment Date on a Metcash order for is a **ship no later than** date. If your order is to be delivered into a Container Freight Station (CFS) for consolidation or pick and pack, **this is the last day of delivery** into the CFS. The **earliest** an order can be shipped in a container or delivered into the consolidation hub is **seven(7) days prior** to the shipment Date.



Booking On Time

Bookings must be made between twenty-one (21) and fourteen (14) days prior to the Shipment Date.

Please Note: Late bookings will not be accepted at point of origin.

Upon receipt of a booking request, the freight forwarder will perform a validation check to ensure that the booking request matches the Purchase Order (PO). If the validation check is passed, the supplier will receive a booking confirmation from the freight forwarder within 48 hours of the request being lodged.

If the validation check is not passed, the freight forwarder will not accept the booking request. For this reason, suppliers **must ensure that all information on the PO is correct prior to submitting the booking request to the freight forwarder:**

PO
INFORMATION
MUST
INCLUDE:

<ul style="list-style-type: none"> ● Purchase Order ● Item Number ● Product Description ● Total Number of Units per each Item Number ● Total Number of Cartons per each Item Number ● Total Cubic Metres per each Item Number ● Total Cubic Metres packed per CY/CY Container 	<ul style="list-style-type: none"> ● Total Weight in kg per each Item Number ● Cargo Ready Date ● Port of Loading and Port of Discharge ● Confirmation of type of packing used –e.g., slip-sheeted, pallets, loose cartons ● Total Number of containers and size of containers required for CY/CY shipment
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Delivering In Full

All orders must be delivered in full at origin, as per the initial Purchase Order raised by Metcash (i.e. the correct quantity of cartons delivered for each Item Number ordered). **Please note that partial shipment of orders will not be accepted.**

Delivering On Time

Metcash expects that all orders will be delivered on time, to ensure that supply to our customers is not disrupted.

Suppliers must contact the International team at Metcash before the close of the booking window if they:

- are unable to make a booking on time;
- need to amend the purchase order;
- are unable to deliver an order on time;
- are unable to deliver an order in full

Metcash International Team:
importorders@metcashfg.com

Origin Charges

The supplier is responsible for the payment of origin charges. These are invoiced directly by the freight forwarder to the supplier.

Please note that shipping documents cannot be released without payment of the origin charges. Should you require a listing of the origin charges, please contact the freight forwarder.

International Supplier Performance Metrics

Performance of Metcash's International Suppliers is measured against the initial Purchase Order raised, and includes the following criteria:

- **Booked On Time**
- **Delivered On Time**
- **Delivered In Full**

All International Suppliers are expected to meet a target of at least 97% compliance on all three of these metrics.

Metcash also expects that, where below-standard supply performance is sustained, the supplier will investigate root causes and implement actions to ensure improvement. Metcash will work closely with suppliers to help identify opportunities and assist in delivering better, more consistent performance.

Additional Services

Under FOB shipping terms (as defined by ICC *Incoterms 2010*) the supplier can use a 3PL of their choice to facilitate export clearance and inland transport.



Supplier Payments

Payments are initiated on the receipt of goods and submission of commercial documentation to the freight forwarder. Payment for goods delivered is made in accordance with the Payments Policy & Procedures outlined in the Trading Terms.

Any **payment queries** should be sent to the Metcash International team, accompanied with the following information:



- Vendor Name
- Vendor Number
- Invoice Number
- Purchase Order (PO) Number

Metcash International Team:
importorders@metcashfg.com



Document Submission

All documentation must be submitted within the timelines as specified in the following sections.

All Government Regulatory Documentation must be submitted to the freight forwarder's origin office.

Original documents are generally not required, unless specifically requested by the freight forwarder.

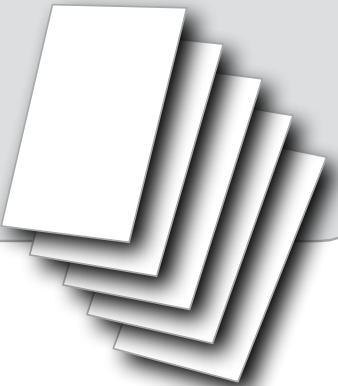
Please note that **Carton Quantity** for each Lot Code **must be shown separately in the Lot Code List**, even if the destination, PO and keycode are all identical.

Commercial Documentation

The following commercial documents are mandatory:

COMMERCIAL
DOCUMENTATION

- Commercial Invoice
- Packing List
- Lot Code List (applicable for food imports only)
- Packing Declaration*
- Express Bill of Lading or Freight Cargo Receipt (FCR)



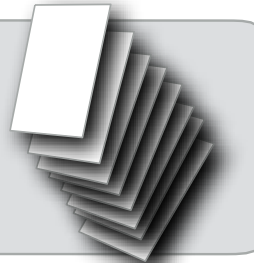
Government Regulatory Documentation

Following the submission of commercial documentation, all government regulatory documentation (for the purpose of import clearance in Australia) must be submitted within five (5) business days of vessel departure from the origin port, for shipments from all countries *except New Zealand*. For shipments from New Zealand, all government regulatory documentation must be submitted within two (2) business days of vessel departure from the origin port.

Subject to product type, country of origin and any existing Free Trade Agreements, the following documents may be mandatory for the import of goods into Australia:

GOVERNMENT
REGULATORY
DOCUMENTATION

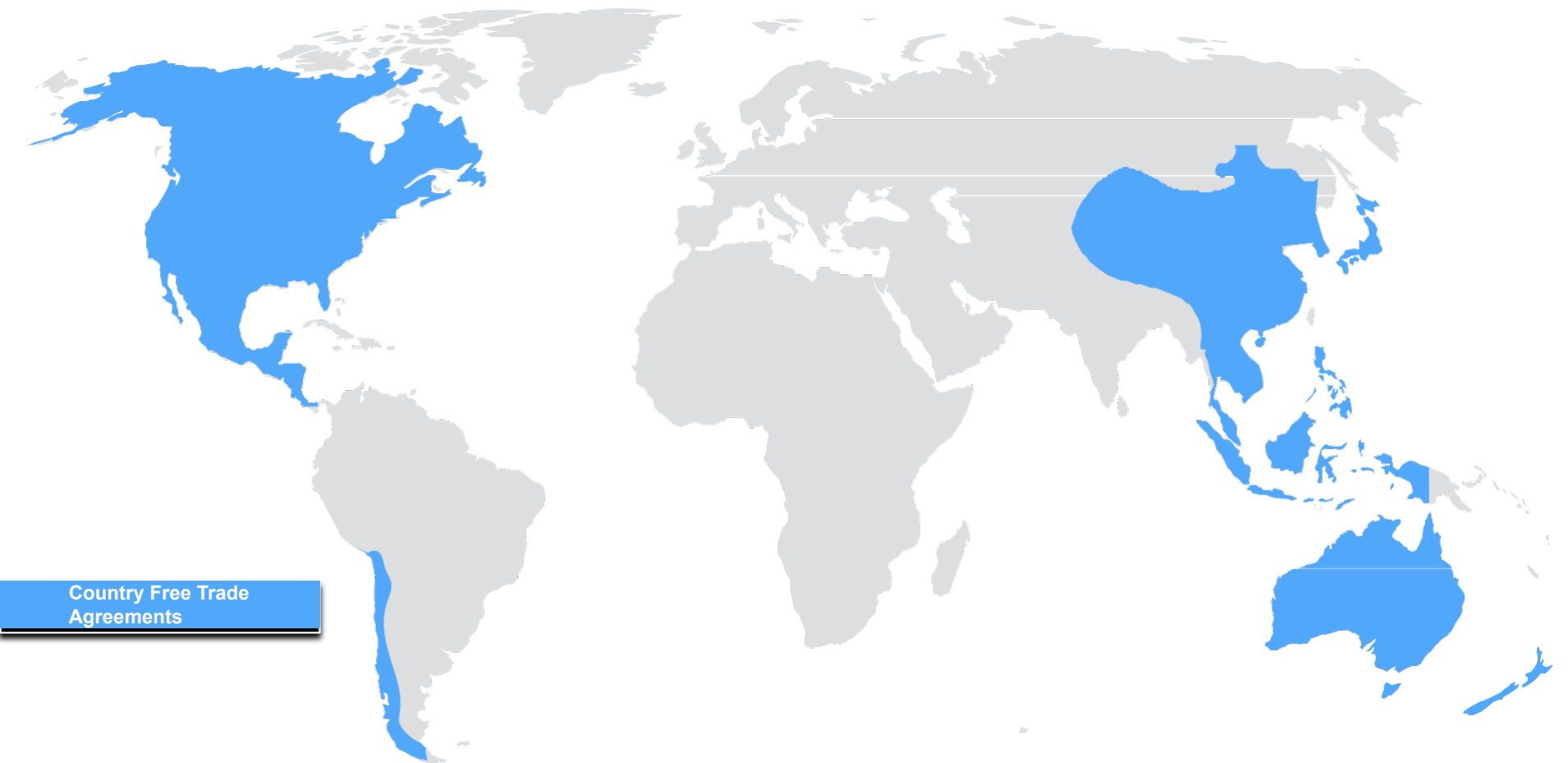
- Certificate of Origin
- Manufacturer's Declaration
- Ingredients Listing
- Health Certificate
- Phytosanitary Certificate
- Treatment Certificate (eg. Fumigation)
- Developing Country Declaration
- Veterinary Certificate



It is the supplier's responsibility to understand which documents are required for the import of products ordered by Metcash. If unsure of which documents must be provided, please contact the team on importorders@metcashfg.com

Country Free Trade Agreements

- **Cambodia** ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA)
- **Canada** Canada-Australia Trade Agreement (CANATA)
- **Chile** Australia-Chile Free Trade Agreement (ACI-FTA)
- **China** China-Australia Free Trade Agreement (CHAFTA)
- **Indonesia** ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA)
- **Japan** Japan-Australia Economic Partnership Agreement
- **Korea** Korea-Australia Free Trade Agreement (KAFTA)
- **Malaysia** Malaysia-Australia Free Trade Agreement (MAFTA)
- **Malaysia** ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA)
- **New Zealand** Australia-New Zealand Closer Economic Relations Trade Agreement (ANZCERTA)
- **Phillipines** ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA)
- **Singapore** Singapore-Australia Free Trade Agreement (SAFTA)
- **Singapore** ASEAN-Australia-New Zealand Free Trade Agreement



Import Permits

Certain products **require an Import Permit** to be imported into Australia, **including but not limited to:**

- Dairy
- Meat
- Pet Foods
- General biological products



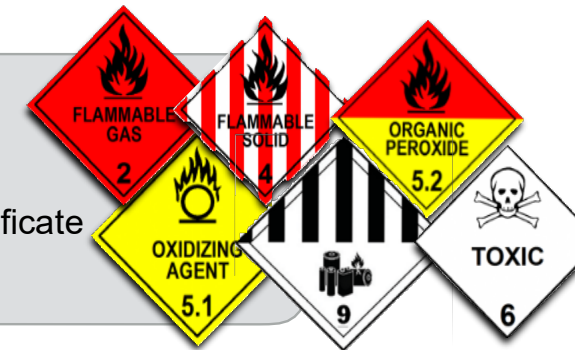
If an Import Permit is required, **goods will not be permitted to be exported from the country of origin** until the permit has been approved. Suppliers with goods requiring an Import Permit must ensure that all permit conditions are met before delivery at origin.

Dangerous Goods Documentation



For any dangerous or hazardous goods, the following documentation **must be provided to the freight forwarder at the time of booking at origin:**

- Material Safety Data Sheet (MSDS)
- International Maritime Organisation (IMO) Dangerous Goods Declaration
- Certification for the Safe Transport of Chemical Goods, or Dangerous Goods Certificate
- Dangerous Goods (DG) Code and four-digit UN Number




Late Documents

Failure to provide documentation within the specified times will result in delayed payment of supplier invoices. In the event that shipments cannot be cleared in Australia because of late documents, any related costs incurred will be claimed from the supplier.

Additional Information re: Documentation

All documents must be addressed to the following:



Metcash Trading Limited
Attention: Tony Lorenzo
1 Thomas Holt Drive
Macquarie Park
NSW 2113
Australia

If you have any questions or require further information regarding any documents, please contact the team:

Metcash International Team:
importorders@metcashfg.com



Container Weights


As of 1 July 2016, the *International Convention for the Safety of Life at Sea (SOLAS)* regulations require all packed containers to have a **Verified Gross Mass (VGM)** declared by the shipper prior to the container being received at the origin terminal.

Suppliers must ensure that their VGMs are accurate and submitted on time.

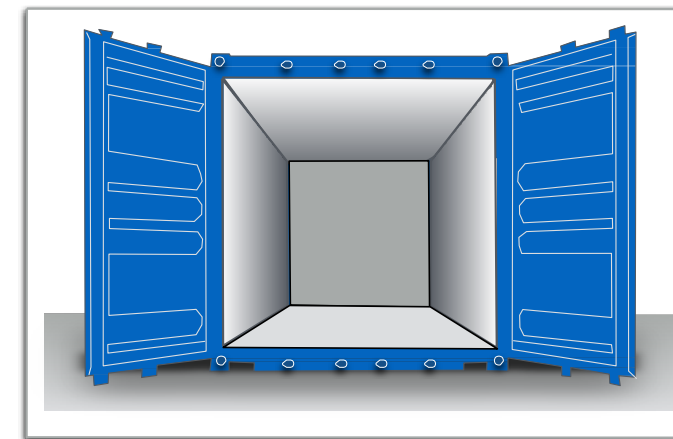
Container Packing

Suppliers are responsible for ensuring that containers are packed such that the contents are made safe, stable and secure - to ensure compliant transport, minimal product damage and safe unloading. In the event that stock has not been loaded correctly and is damaged in transit, **Metcash reserves the right to claim for the damaged stock.**

Suppliers must check the following before loading a container, and inform the freight forwarder immediately should any of the following arise:





- **Damage or Contamination:** damage, dirt, mud, sand, soil, leaf, tree litter, grain, insects, residues and contamination on the floor of the container or disfigurements to the container e.g. *dents, excess rust, locking mechanism problems, etc*
- **Leakage:** check for holes by closing the doors of the containers to observe if any light is coming through




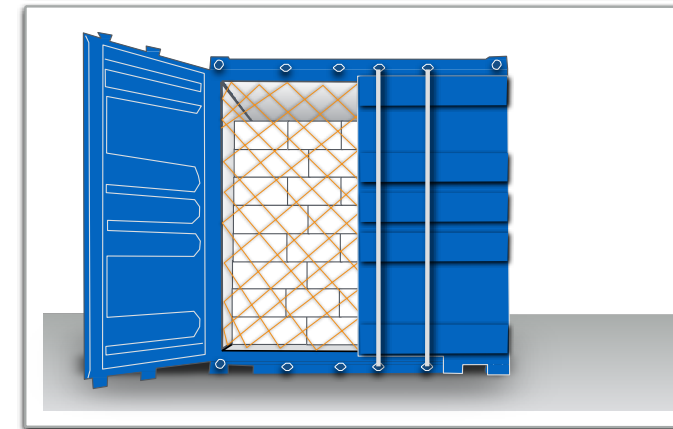
Note: deliveries into CFS facilities may be received as loose-load cartons, slip-sheeted loads or palletised loads.

For verification purposes:

 **A photo** must be taken of the inside of the empty container **prior to use** (before container stuffing), to record its cleanliness and suitability for use

 **A second photo** must be taken **after container stuffing** and following the closing of one container door

 **Both photos must be submitted** - along with *Container Manifest, Commercial Invoice, Packing List, Certificate of Origin, Export License and Dock Receipt* – **to the freight forwarder within TWO days of container stuffing.**



Container Utilisation, Load Balancing & Sealing

Please ensure the following requirements are met when loading cargo into containers:

- Heavy cargo must be loaded at the bottom of the container
- Light or fragile cargo must be loaded on top of other, heavier cargo

- Empty space between cartons and container doors should not exceed 6 inches, or airbags and a lashing net must be mounted at the door-end of the container to ensure cargo does not fall in transit and/or during devanning

- Cargo with arrows pointing upwards must not be loaded upside-down

- In the event that NOR containers are used, cargoes should be spread evenly so as to prevent the weight of the cargoes concentrating at any spot

- If cargo is insufficient to fully utilise a container (90% or less), shippers must attempt to load cartons at an even height between the front and back of the container (*stacking of cargo inside a container should be primarily horizontal rather than vertical*)

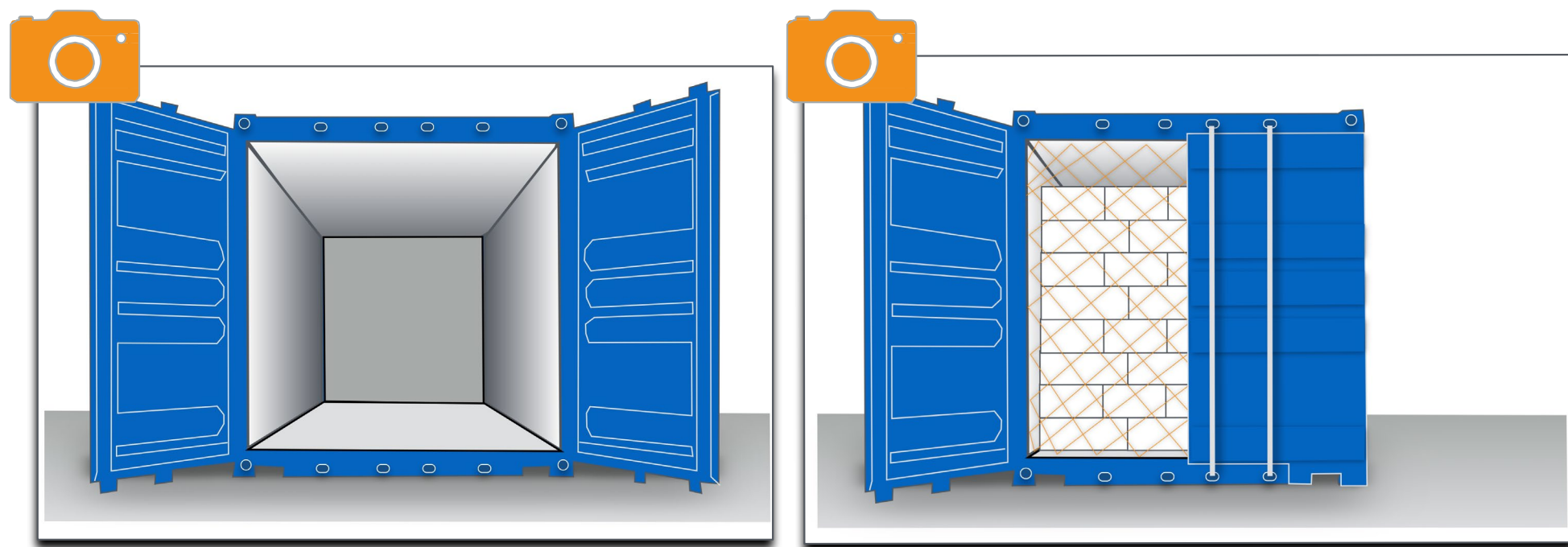
- Cargo must not be packed by any plant materials, including barks

- No packaging materials should be left in the container
- All containers must be sealed with a bullet seal (meeting the PAS ISO 17712 Standard)

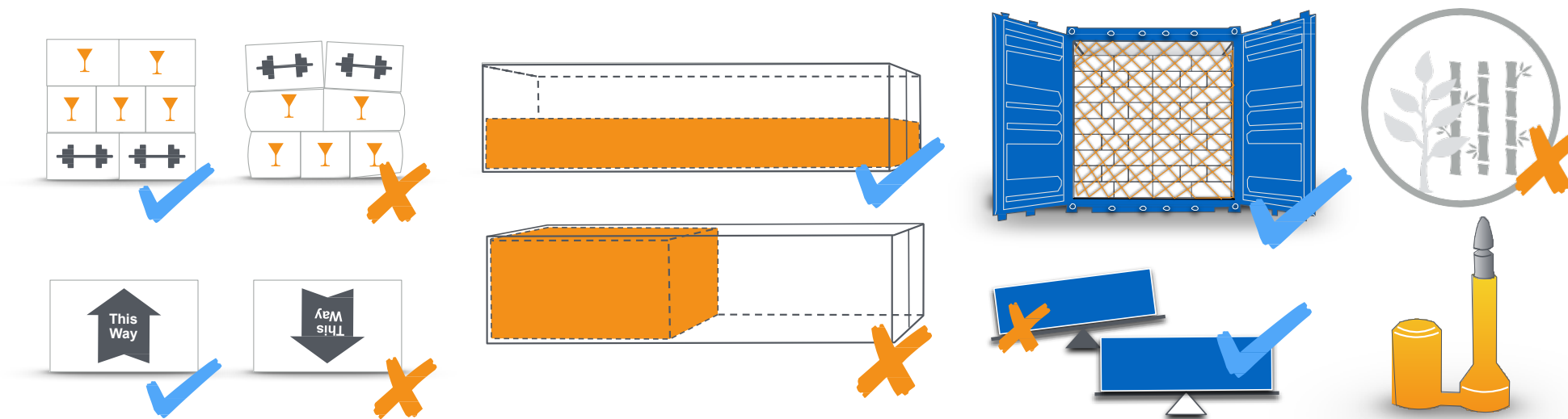
PAS ISO 17712 Standard Bullet Seal

Please note that all internationally-sourced cartons are also subject to the [Carton Requirements](#) outlined in [Section 4](#) of this Supply Standards

1. 进行装柜操作前应对货柜进行认真的检查，检查内容包括：
 - 1.1 货柜地板是否破损，是否有污垢、泥土、沙子、树叶、树枝、谷物、昆虫，污物和残渣等。货柜有无凹痕、过多的铁锈，关门机械故障等缺陷。
 - 1.2 关货柜门时可查看是否有漏光现象来检验货柜是否完好。如发现漏光，请立即安排换货柜，并通知嘉宏航运。
 - 1.3 打开货柜门装货前，拍一照片留底，用以证明装货时货柜是干净及处于适合装货状态。
 - 1.4 装货完毕，在关一边货柜门后，也拍一照片留底，以便客人在目的地仓库打开柜门时，用作参照。
 - 1.5 两张照片及装箱清单 (CONTAINER MANIFEST) / 合约发票 (COMMERCIAL INVOICE) / 装箱单 (PACKING LIST) / 产地来源证 (CERTIFICATE OF ORIGIN) / 出口证 (EXPORT LICENCE) / 收货收据 (DOCK RECEIPT) 一并在两天内送交嘉宏航运。



2. 货物堆放时，应注意下列点：
 - 2.1 采用上轻下重之原则，即每件重货摆底，轻货或易碎品应摆放在上面。
 - 2.2 如货物有箭咀指示，不得使其倒转。
3. 若装货物体积不满一个货柜时 (只有90% 或以下)，应注意货柜的实际装货体积，然后按货物体积平均分配，预留后面的适当空间，决不能有后高前低的情况，基本原则是货柜的长度要尽用，货物上面可留有空间，装完柜后整个货柜内的货物高度大致是一样的。如柜门与货物之间有超过六寸的空间，必需用气袋或绳网来进行加固，避免在运输途中发生倒箱现象。
4. 每票货物需预留一箱放至最后装柜，以方便目的港海关进行查柜检视。
5. 当用干冻柜时，必须把货物平均地安放，不可以把重量集中于货柜的某部份。
6. 货物包装不能采用任何植物的材料，包括树皮；而且不能遗留任何碎片或包装原料在货柜里。



Information & Resources

Additional Resources



National Transport Commission (NTC) Load Restraint Guide 2018

We recommend that suppliers, their transport carriers and 3PLs visit the National Transport Commission's [website](#) and familiarise themselves with the relevant guidelines and information — especially their comprehensive guide to Load Restraint. Other resources cover a broad range of topic areas including Driver Fatigue, Dangerous Goods, Mass Limits, Chain of Responsibility and more.

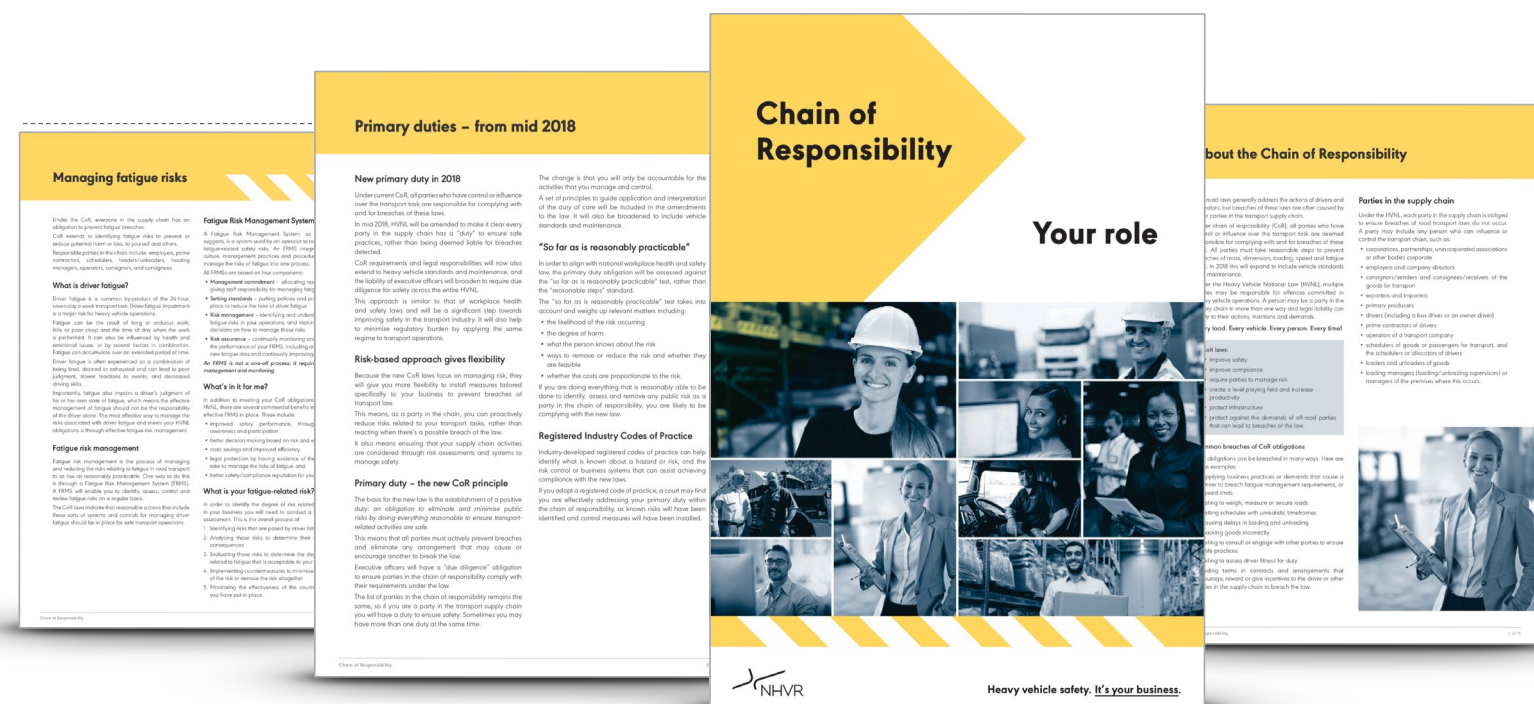
The NTC offer their comprehensive Load Restraint Guide (updated February 2018) for free [download on their website](#)



National Heavy Vehicle Regulator (NHVR) — Chain of Responsibility resources

As referenced in Section 7 (*Loading & Transport*), the National Heavy Vehicle Regulator provides excellent documentation to assist supply partners in understanding their Chain of Responsibility obligations, identifying potential gaps in compliance, and obtaining training to address those gaps. Metcash strongly encourages all Suppliers to visit the NHVR [site](#) and work through the documentation with their respective teams, carriers and 3PLs.

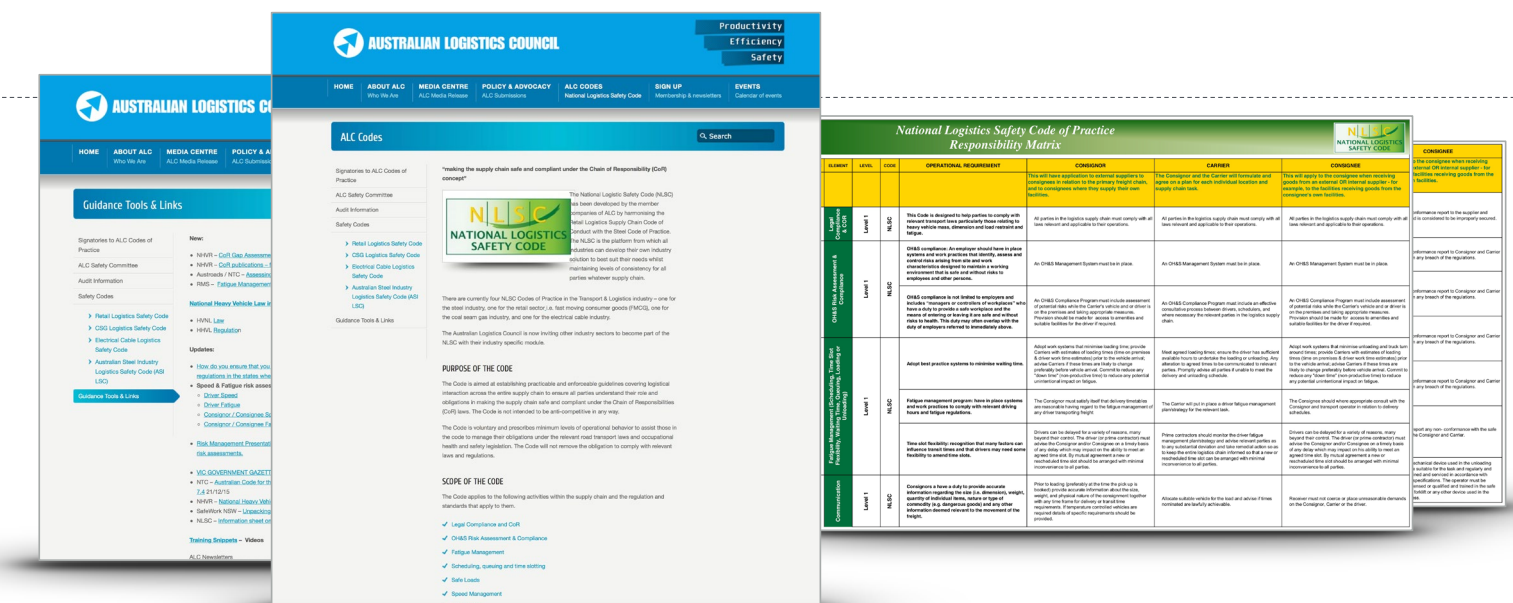
The NHVR offers extensive documentation regarding CoR, fatigue, risk, compliance, role checklists and so on for free [download on their website](#)



Australian Logistics Council (ALC) and the National Logistics Safety Code (NLSC)

The website of the Australian Logistics Council provides access to valuable material related to transport safety. In particular, the site includes useful supporting documents and a [Responsibility Matrix](#) related to the National Logistics Safety Code (NLSC), outlining key obligations of various roles within the supply chain. This matrix provides a helpful prompt to aid in evaluating current practices, and Metcash recommends that all parties related to product supply (consignors, loaders, schedulers, drivers, managers/owners) review the guide to ensure compliance within their operation.

The ALC provides documentation regarding transport safety — including an NLSC Responsibility Matrix — for free [download on their website](#).



**Western Australia
Bookings:**

IGAWABookings@metcash.com

**South Australia
Bookings:**

bookings.sa@metcashfg.com

**Victoria
Bookings:**

VIC.Bookings@metcashfg.com

**New South Wales
Bookings:**

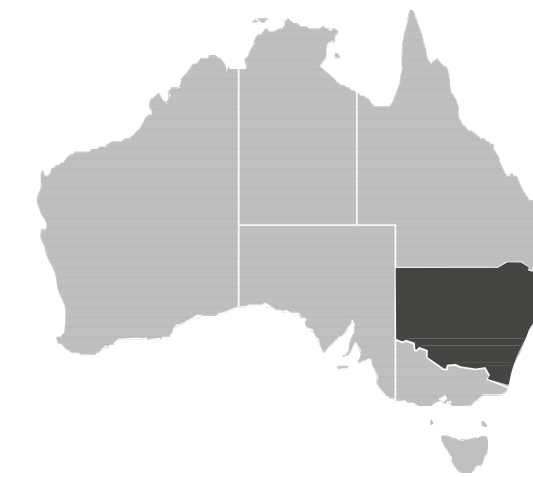
nswstockcontrolbookings@metcashfg.com

nswxdbookings@metcash.com

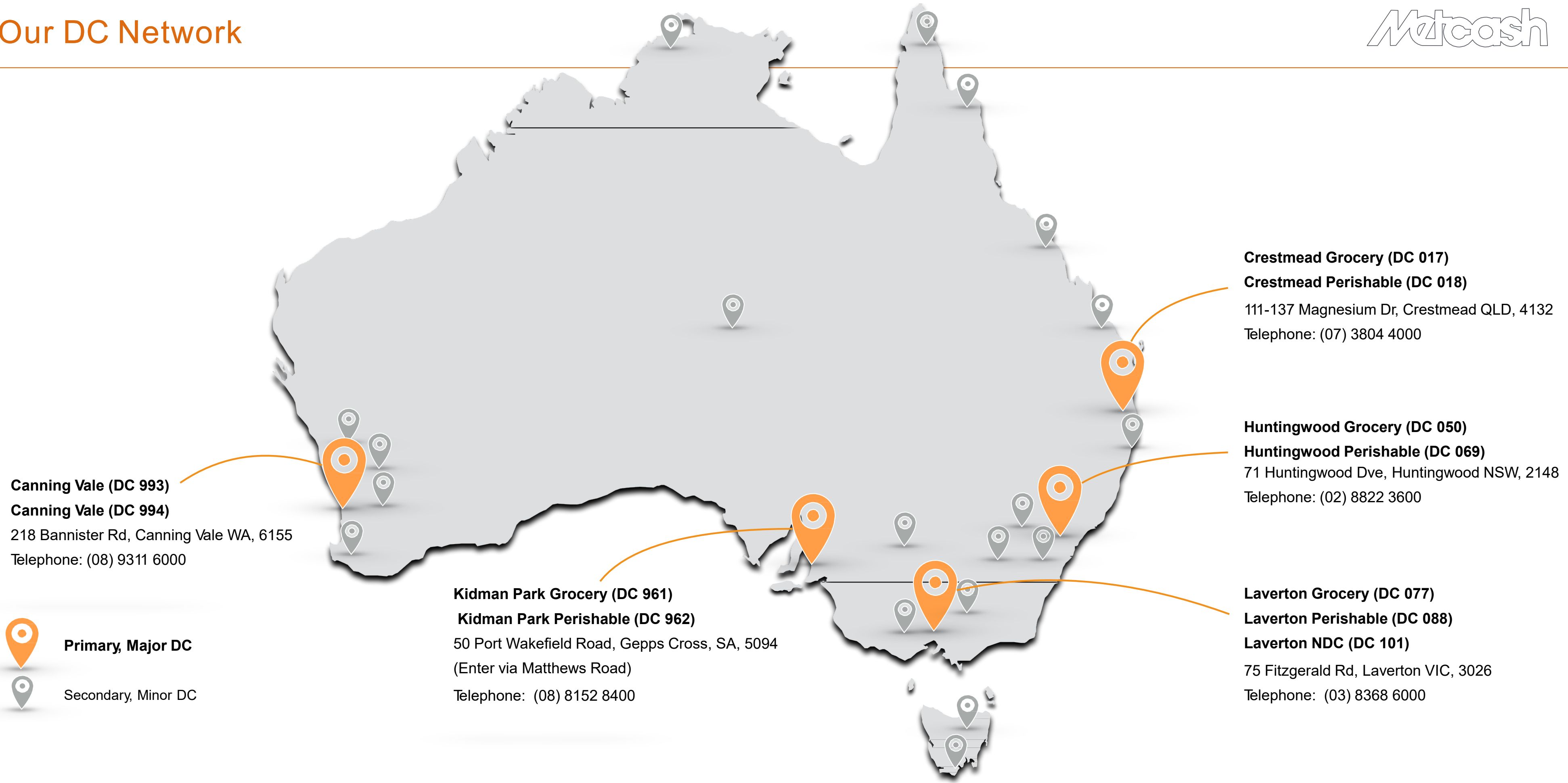
(Auto CT Cross Dock ONLY)

**Queensland
Bookings:**

QLD.Bookings@metcash.com



Our DC Network



eTrade Global Location Numbers (GLNs)

When trading electronically with Metcash, it is essential that a supplier's system is setup with correct Global Location Numbers (GLNs) to properly direct Purchase Order deliveries. The GLNs for Metcash IGADCs are as follows:

DC Code	GLN Code	Distribution Centre	State	Delivery Address
017	9377779193709	Crestmead Grocery	Queensland	111-137 Magnesium Dr, CRESTMEAD, 4132
018	9377779193716	Crestmead Perishable		
050	9377779193723	Huntingwood Grocery	New South Wales	71 Huntingwood Dr, HUNTINGWOOD , 2148
069	9377779193730	Huntingwood Perishable		
077	9377779193754	Laverton Grocery	Victoria	75 Fitzgerald Rd, LAVERTON NORTH, 3026
088	9377779193778	Laverton Perishable		
101	9377779193785	Laverton NDC		
961	9377779193792	Kidman Park Grocery	South Australia	50 Port Wakefield Rd, GEPPS CROSS, 5094 (Enter via Matthews Road)
962	9377779193808	Kidman Park Perishable		
993	9377779193815	Canning Vale Perishable	Western Australia	218 Bannister Rd, CANNING VALE, 6155
994	9377779193822	Canning Vale Grocery		

TPF Pallet Despatch Checklist & Guides

The Trading Partner Forum (TPF) has developed an array of simple, easy-to-use guides, posters and checklists covering the key inbound requirements common to the three major Australian grocery retailers - Metcash, Woolworths & Coles.

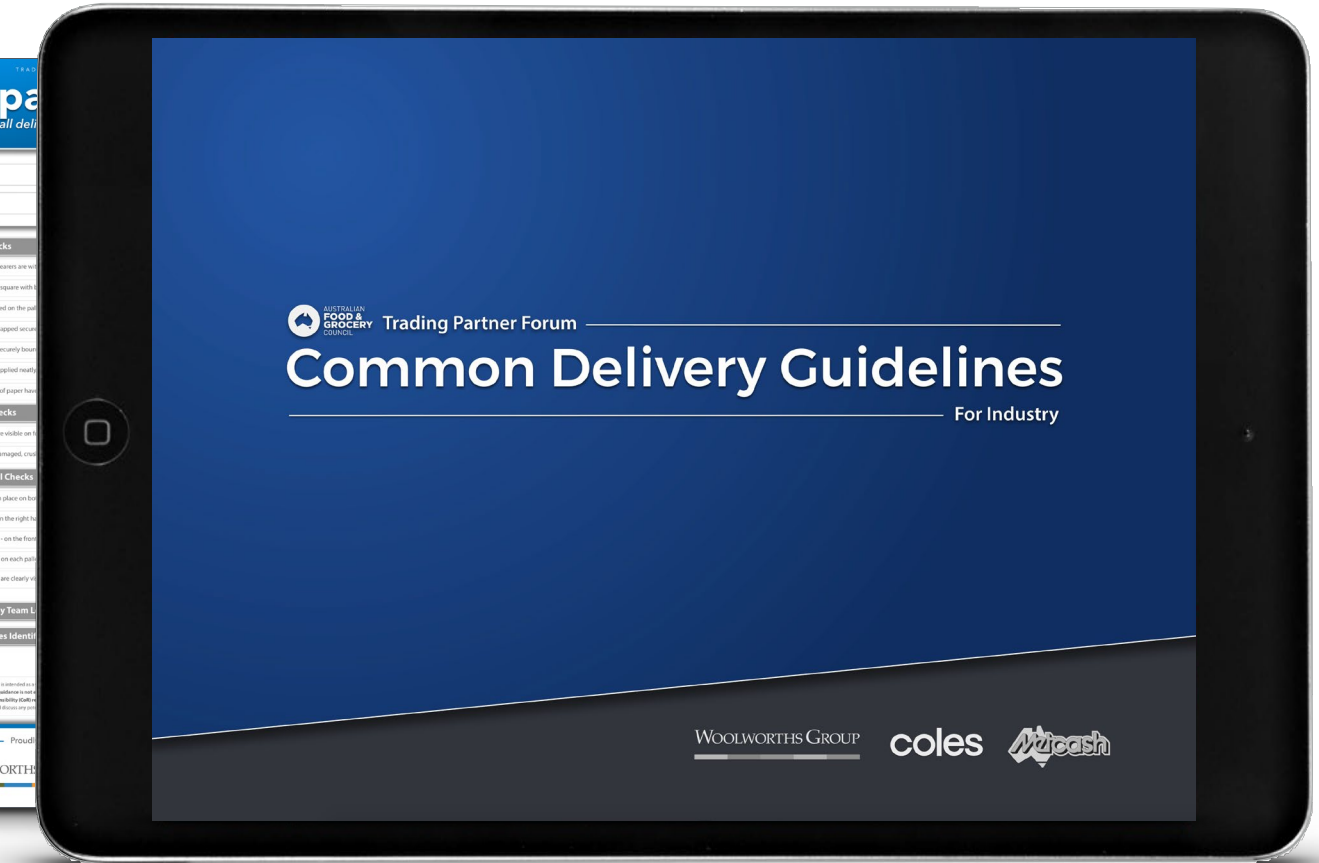
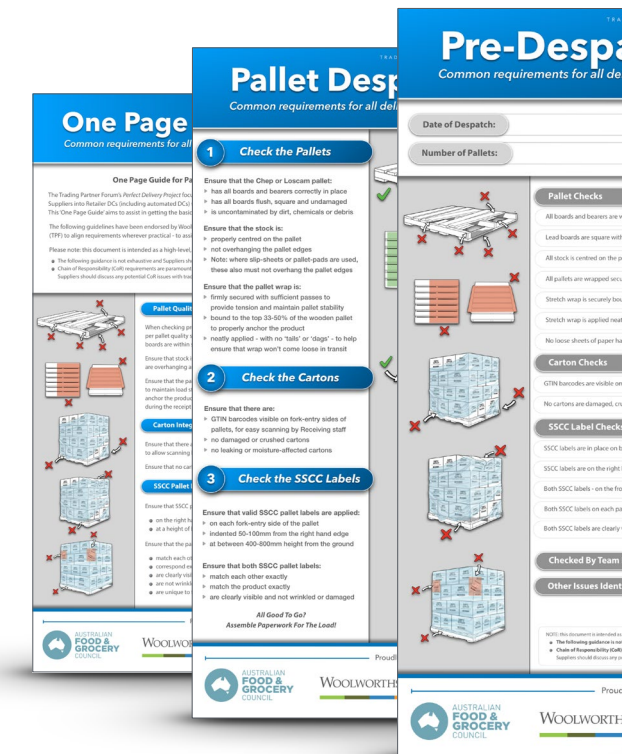
These documents have been developed through close collaboration between key retailers, suppliers and the Australian Food & Grocery Council (AFGC), and aim to *align standards* and make it *simpler for suppliers* to meet these obligations.

It is clearly in the interest of all parties that deliveries be made as seamless as possible, and that simple issues be avoided through clearly-communicated expectations and supporting guides and checklists.

These materials cover some of the essential and universal requirements that suppliers need to be aware of when preparing and despatching product into retailer DCs, and recap a number of the areas covered in sections three, four, five and six of this Metcash Supply Standards document, including:

- Carton and GTIN barcoding checks
- Pallet quality, pallet wrap, pallet stabilisation checks
- SSCC label application checks
- Advance Shipping Notices (ASNs) and DIFOT/On Time delivery

We actively encourage Metcash suppliers to download and print these documents to use as training and reference materials with their teams. Ideally, this would include distributing the Common Delivery Guidelines to key personnel, displaying the Poster and One Page Guide in operational areas to assist awareness, and incorporating the Pre-Despatch Checklist – with team leader review – as a part of outbound loading process.



The TPF Guides are a useful team resource, and have been endorsed by Metcash, Woolworths & Coles. Print-ready documents can be downloaded by clicking the individual document images above, or by visiting the TPF website:

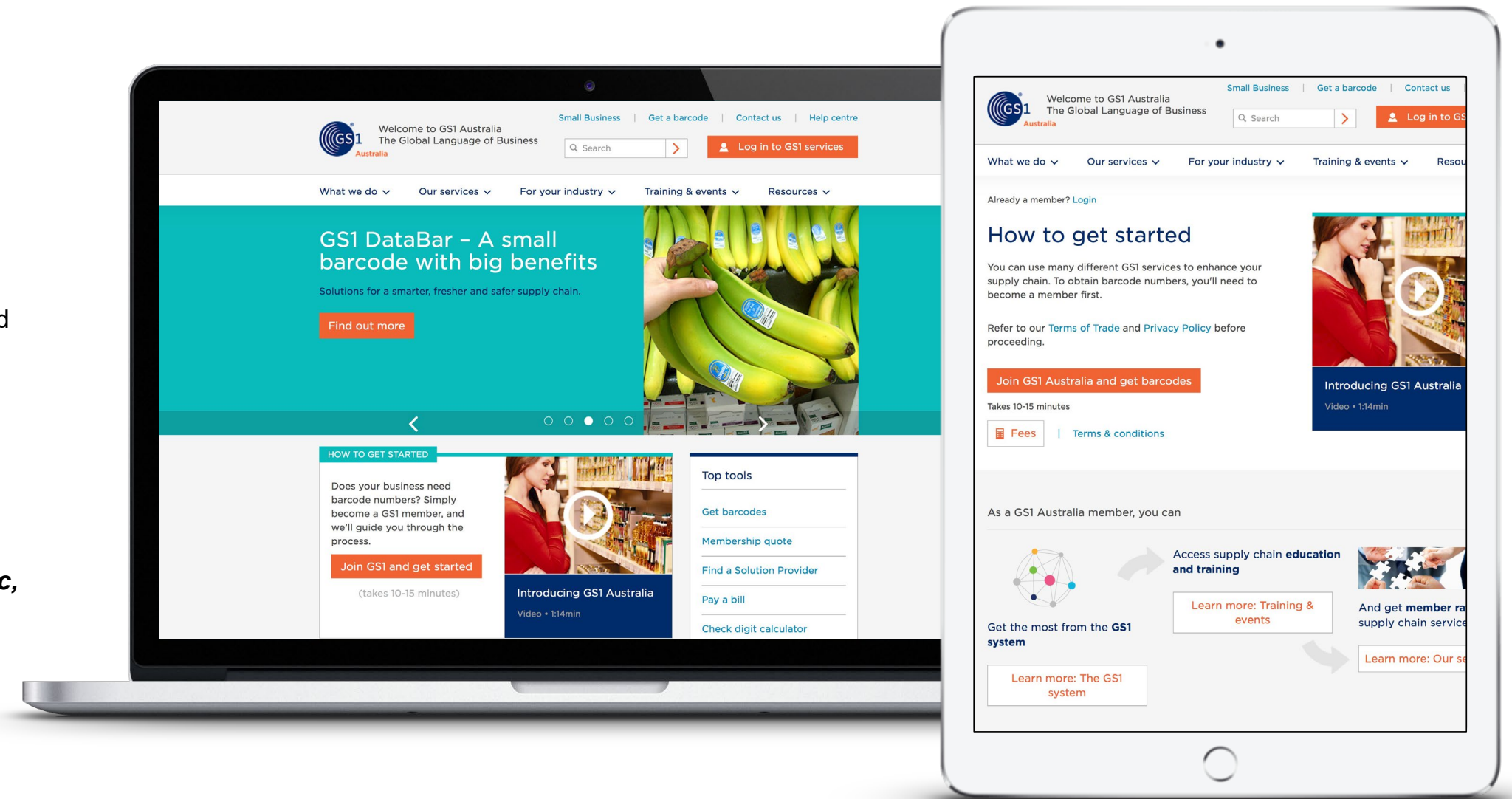
www.tradingpartnerforum.com.au/perfect-delivery

GS1 Australia

Metcash has a long-standing working relationship with GS1 Australia, and relies extensively on multiple GS1 standards. Our dependence on GS1 standards encompasses the GDSN framework for efficient and accurate data synchronisation, the integrity of GS1 prefixes and numbering to ensure unique product identification, robust GTIN & SSCC barcoding standards to enable automation, and GS1 Recall for management of multi-party notifications during withdrawal or recall events.

GS1 Australia is a not-for-profit organisation that locally administers the GS1 multi-industry system of identification and communication for products, services, assets and locations. GS1 Australia is a branch of the global GS1 organisation comprising 105 national member organisations and membership of more than a million companies across 155 countries.

Metcash suppliers or prospective suppliers who require assistance regarding the GS1 system, or want to better understand item numbering protocols, barcoding requirements, participation in a GDSN data pool etc, can consult the [GS1 Australia team](#) for support. GS1 Australia provides frequently-scheduled educational seminars and classroom training, barcode verification services, and more.



Contacting GS1 Australia:

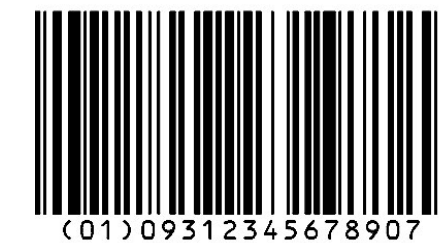
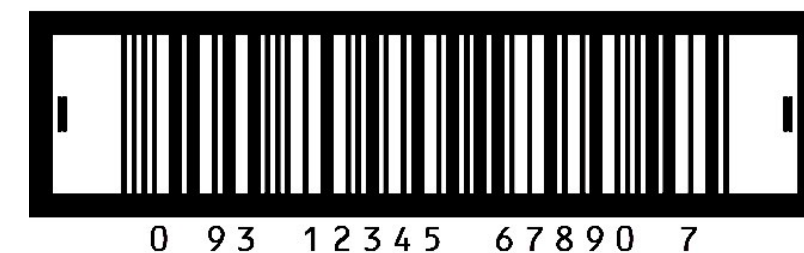
For Australian-based companies and brand owners:

- 1300 366 033
- www.gs1au.org



For companies and brand owners *outside Australia*,

please contact the GS1 office in your country, via www.gs1.org



Country of Origin Labelling (CoOL)

In March 2016, the Council of Australian Governments (COAG) agreed to a package of proposed reforms regarding Country of Origin Labelling for foods sold in Australia. These reforms resulted in changes to the Australian Consumer Law (ACL), and new Country of Origin Labelling law came into effect from 1 July 2016, with a two year transition period.

Following the expiry of this transition period, mandatory Country of Origin Labelling requirements have been in force since 1 July 2018 - replacing the labelling rules previously contained within the Food Standards Code - and compliance to the new laws is now being audited and enforced by the Australian Competition and Consumer Commission (ACCC).

While certain exceptions to the law exist (e.g. *it is not applicable for restaurants, cafes, bakeries, take-away stores, or to product exclusively sold outside Australia*) and has voluntary elements in some categories classed as 'non- priority' (e.g. *seasonings, confectionery, alcohol*), **the law applies to the majority of products sold through Metcash.**

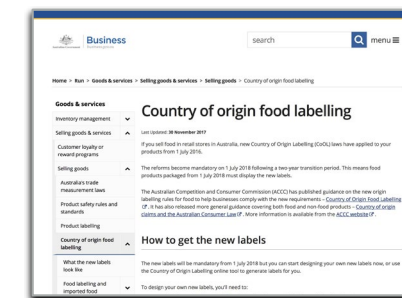


Accordingly, Metcash requires that all supply partners:

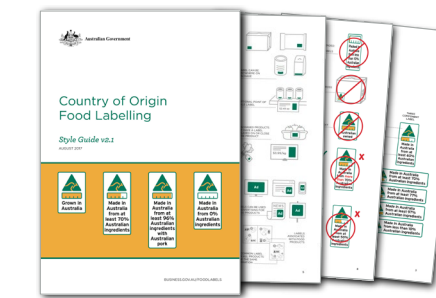
- understand the impact and applicability of CoOL legislation on their products;
- are in full compliance to the applicable requirements for their product type(s);
- update Metcash product information with the relevant origin details – either through GDSN data sync –e.g. [GS1 National Product Catalogue](#) – or via Metproducts in Metconnect;
- display the required origin 'Mark' (*the three elements of kangaroo logo, bar chart and accompanying text*) on all *applicable* products, at a Retail Unit/Consumer Unit level (*CoOL marks are not currently required on Trade Units unless the Trade Unit is also sold directly to consumers at Retail level – i.e. a 'Dual Use' pack*).



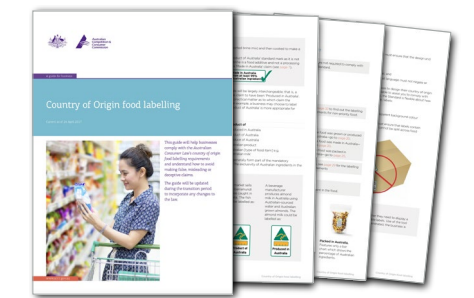
Extensive information guides are now available to support CoOL understanding, assessment and implementation:



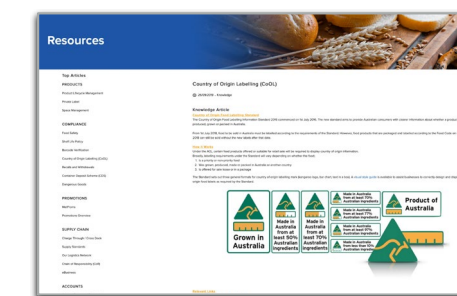
[Department of Industry CoOL](#)



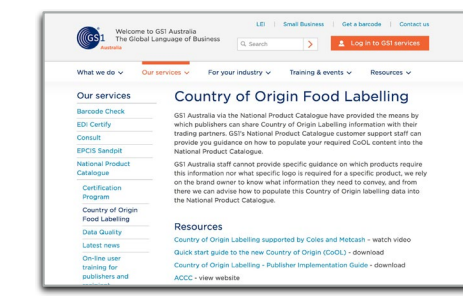
[CoOL Style Guide](#)



[ACCC CoOL Guide](#)



[Metcash CoOL Guide](#)



[GS1 Australia CoOL Guide](#)

Additional Resources



Important Metcash links

Account Administration
All the information you need on Metcash supplier accounts.

Account Administration

<https://metconnect.metcash.com/food/s/article/Account-Administration- Food>

Buyer Contacts
Contact our product specialists who can assist with your queries.

Buyer Contacts

<https://metconnect.metcash.com/food/s/contact-us>

Food Safety, Standards & Compliance
Procedures and policies for food safety, product recalls and withdrawals.

Food Safety, Standards & Compliance

<https://metconnect.metcash.com/food/s/article/Food-Safety>

Logistics & Cross Dock
Information on transporting goods to and from Metcash Distribution Centres.

Logistics & Cross Dock

<https://metconnect.metcash.com/food/s/article/Our-Logistics-Network- Food>

Site Induction
Distribution Centre Induction Portal

Site Induction

<https://metconnect.metcash.com/food/s/our-services>

Metcash Corporate Page

<https://metcash.com>

Important Links for further information and support

Australian Food & Grocery Council (AFGC)

www.afgc.org.au

Australian Logistics Council (ALC)

www.austlogistics.com.au

Food Standards Australia New Zealand (FSANZ)

www.foodstandards.gov.au

National Heavy Vehicle Regulator (NHVR)

www.nhvr.gov.au

National Transport Commission (NTC)

www.ntc.gov.au

Trading Partner Forum (TPF)

www.tradingpartnerforum.com.au

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Reviewed By	Chris Wilcox Ed Napiorkowski Chris Purcell David Tanner Will Cartwright	National Forecasting & Replenishment Manager Head of Workplace Health & Safety Head of Supply Chain Development Supplier Services Manager Business Solutions Manager
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End of document.

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