



Working with Us

A supplier's guide and supply chain
code of practice – Nominated Lines

Contents

Page

i)	Parties in Document	
ii)	Terms in Document	
iii)	Nominating Customer Addendums/ Amendments	
1	CSER	3
1.1	Safeguarding the future through continuous improvement	
1.2	Ethical Trading Code of Conduct	
1.3	Fareshare	
2	DISTRIBUTION NETWORK	6
2.1	Route to Market	
2.2	Backhaul Disciplines	
2.3	Depot Map	
2.4	Brakes Depot/Branch/Factory Addresses/Telephone Numbers	
3	PACKAGING	8
3.1	Product Packaging	
3.2	Environmental Criteria	
4	PRODUCT STANDARDS	10
4.1	Delivery	
4.2	Minimum Acceptable Life	
4.3	Temperature	
4.4	Product Labelling	
4.5	Quality	
4.6	Emergency Contact Procedure	
5	PRODUCT DELIVERY	13
5.0	iSupply!	
5.1	Purchase Ordering	
5.2	Booking in Deliveries	
5.3	Load Palletisation	
5.4	Palletisation Rules	
5.5	Pallet Exchange Procedures (UK)	
5.5.1	Pallet Exchange Procedures (European Consolidation)	
5.6	Delivery Vehicle Standards	
5.7	Delivery Documentation	
5.8	Intake Procedures	
5.9	Product Rejections or Returns	
5.10	Safety & Security	
5.11	Nominated Product Management	
5.12	Just In Time (JIT) Supply	
6	E-COMMERCE	22
7	SUPPLIER INVOICING	24
7.1	Suppliers Delivering Direct to Brakes Invoicing Requirements	
7.2	Invoicing Discrepancies	
7.3	Suppliers Within Primary Consolidation Operations	
8	NON-CONFORMANCE CHARGES	25
9	KEY PERFORMANCE INDICATORS	26
	APPENDIX A – New Nominated Supplier Check List	26

i) **Parties referred to in this document**

1. **Distributor or Brakes:** Sysco GB Ltd and all of its divisions and affiliate companies
2. **Nominated Supplier:** The company nominated by the Nominating Customer as the supplier for a Nominated Product
3. **Nominating Customer:** The customer of the Distributor who nominates the Nominated Supplier
4. **Consolidator:** One of Brakes' third party partner consolidators with which the Nominated Supplier will hold a separate commercial and contractual relationship. This is The Lineage and/or Conhexa (European Supply).

ii) **Terms referred to in this document**

1. **Nominated Product:** Either a Nominated (Where nominating Customer specifies the Supplier and/or the Product) or a Sourced Product (where the nominating Customer specifies a Product requirement)

iii) **Nominating Customer Addendums**

The Nominating Customer may wish to have addendums or make amendments to clauses within this Working With Us agreement in order to better suit their business needs.

Any such changes require written approval from the Brakes' National Account Manager and Brakes' Supply Chain Manager associated to the nominating customer's account. Unless specifically detailed within written approval, all clauses within this Working With Us document will prevail.

1 **CSER**

1.1 **Safeguarding the future through continuous improvement**

Whether driving down food miles, responsible sourcing, or reducing our carbon footprint, you can have total confidence in the Brakes Group. We provide what our customers need today, while delivering a responsible and sustainable tomorrow.

We are committed to minimising our impact on the environment and respecting the communities we serve, ensuring the business practices we adopt today will not harm future generations. Our progress with regard to environmental issues is particularly striking when taking into consideration the significant growth of our business both organically and through acquisitions over the last years. As the business grows we continue to reduce our energy consumption and through economies of scale and improvements in systems and processes we limit our fuel and packaging consumption.

We are confident that our total commitment to corporate, social and environmental responsibility, together with our business strategy of continuous improvement, will push the boundaries of social responsibility and environmental management within the Brakes Group and the foodservice industry generally.

1.2 **Brakes' Ethical Trading Code of Conduct**

Overall Standard

The business of Brakes, including its subsidiaries and divisions has been built upon the values of honesty, integrity and quality relationships with our suppliers and customers. In order to meet this standard, Brakes requires each of its suppliers and their respective sub-contractors and supply chain providers that ultimately supply goods to Brakes to operate and act in full compliance with Sysco's Supplier Code of Conduct found under "Supplier Code of Conduct" on <https://sysco.com/Suppliers/Supplier-Partnerships/Supplier-Resources.html>. ("Code of Conduct").

Specific Requirements

- 1.2.1 **Legal requirements:** Suppliers must comply with all applicable laws in the countries in which they operate, as well as the requirements set out in the Working with Us document. Brakes requires its suppliers to undertake full due diligence on all of its upstream suppliers, to ensure that they are fully compliant with all Applicable Laws, but in particular to ensure its supply chain is free from any human rights concerns. Suppliers shall be

required to share such diligence with Brakes on request. In particular, but without limitation, suppliers must comply with the following:

- a. **Anti-bribery and corruption:** Not offer or pay bribes or kickbacks of any kind, whether in dealings with individuals in the private sector or public officials. Brakes is committed to observing the standards of conduct set out in anti-corruption and anti-money laundering laws of the countries in which Brakes operates. Suppliers must comply with all applicable anti-corruption and anti-money laundering laws, as well as laws governing gifts, hospitality, payments to public officials and other related regulations.
- b. **Competition laws:** Conduct business in full compliance with anti-trust and competition laws in the UK and the jurisdiction in which suppliers operate.
- c. **Modern slavery laws:** Brakes will not tolerate the practice by any supplier of using forced, bonded, indentured, or slave labour nor will Brakes tolerate the use of physical or mental coercion or corporal punishment. If foreign or migrant workers are engaged, they are to be employed in full compliance with the labour and immigration laws of the host country. Prior to hiring, the basic terms under which foreign contract or migrant workers are employed are to be provided to the workers and written in the language the workers understand. Passports and other forms of personal identification shall remain in the workers' possession at all times and never be withheld by the suppliers or any third party.
- d. **Trade:** Comply with all applicable trade controls, as well as all applicable export and import laws and regulations.

1.2.2 **Confidentiality:** Suppliers must keep all supply agreements and arrangements with Brakes and Brakes' customer information confidential, including pricing, terms and marketing allowances and all Brake brand product specifications. Such information will not be released to third parties without the prior written consent of Brakes, unless compelled by a court of competent jurisdiction.

1.2.3 **Ethics Requirements:**

1.2.4 **Limitations on Gifts and Gratuities:** To maintain high ethical standards and to avoid the appearance of impropriety, Brakes directors, officers and employees will not give or receive payments or gifts in exchange for business opportunities with customers, suppliers or governmental entities.

1.2.5 **No Retaliation:** Suppliers will employ a no retaliation policy that permits workers to speak with any Brakes employee without fear of retaliation by supplier's management.

1.2.6 **Conflict of interest:** Suppliers will disclose all actual and potential conflicts of interest due to either business or personal relationships with customers, suppliers, business associates, employees, or competitors of Brakes. If a supplier discovers a potential conflict of interest involving any Brakes employee or another third party, the supplier must inform its Brakes point of contact.

1.2.7 **Labour Requirements:**

a. **Human rights:** Brakes will only initiate and renew contractual relationships with suppliers that do not violate basic human rights, as defined in the United Nation Declaration of Human Rights ("UNDHR"), the Core Conventions of the International Labour Organisation ("ILO"), and the ILO Declaration on Fundamental Principles and Rights at Work.

b. **Child Labour:** The ILO Core Conventions do not permit children to work in any occupation. Brakes requires its suppliers not to use child labour. All of the suppliers' employees shall be of legal age established by local law. If the local law does not set a minimum age, such employees must be at least 14 years old. Suppliers must maintain official and verifiable documentation of each of its employees' dates of birth. The use of legitimate workplace apprenticeship programmes, which comply with all laws

and regulations, are permitted. Except where local law provides otherwise, workers under the age of 18 should not perform hazardous work and may be restricted from night work, with consideration given to educational requirements.

- c. **Freedom of association:** Brakes will only work with suppliers whose workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- d. **Forced labour:** Brakes will not tolerate the practice by any supplier of using forced, bonded, indentured or slave labour, nor will Brakes tolerate the use of physical or mental coercion or corporal punishment.
- e. **Foreign or Migrant Workers:** If foreign or migrant workers are engaged, they are to be employed in full compliance with the labour and immigration laws of the host country. Prior to hiring, the basic terms under which foreign contract or migrant workers are employed are to be provided to the workers and written in the language the workers understand. Passports and other forms of personal identification shall remain in the workers' possession at all times and are never to be withheld by the suppliers or any third party
- f. **Wages and Benefits:** Suppliers will comply with all employment and labour legal requirements, including those relating to minimum wage and overtime. In countries that set a maximum working week, suppliers will comply with such requirements.
- g. **Discrimination:** In accordance with the ILO Core Conventions, suppliers to Brakes must not discriminate on the basis of race, gender, religion, ethnicity, nationality, age, disability, gender, marital status, sexual orientation, union membership or political beliefs, or on any other basis prohibited by Applicable Law.

1.2.8 **Health, Safety and Environmental:**

- a. **Health and Safety:** Brakes requires that all facilities where goods are produced for Brakes must provide a safe and healthy work environment for all employees or workers, in accordance with Applicable Laws, the prevailing industry standards and to take account of any specific hazards.
- b. **Environment:** Brakes has a commitment to the communities in which it operates and a responsibility for the environments we impact. Brakes expects to work with suppliers that share this commitment.
- c. **Monitoring and Enforcement:** Brakes commits to independent third party monitoring of suppliers. As a condition of doing business with Brakes, suppliers must allow Brakes and/or its representatives or agents unrestricted access to each of its facilities and to all relevant records at all times, without advance notice, for the purpose of monitoring compliance with the Code of Conduct. Brakes and/or its representatives or agents will comply with supplier's reasonable safety rules applicable at supplier's facilities. If a supplier violates the Code of Conduct, either generally or with respect to a particular supplier facility, Brakes may (in its sole discretion) either terminate its business relationship, generally or with the affected facility, or may require the affected facility to implement a corrective action plan.

1.3 **FareShare**

FareShare is a national charity working to relieve food poverty; in partnership with the food industry FareShare works to ensure that surplus food is put to good use.

FareShare redistributes quality, fit-for-purpose food to small charities and local community organisations that support disadvantaged people. Working with FareShare provides Brakes and the food industry the opportunity to prevent quality food with limited shelf life, or without a commercial value from entering the waste stream to be redistributed to people who need it.

FareShare is one of the secure routes Brakes endorses as an outlet for surplus product, and we are ourselves committed to working with FareShare to minimise the amount of product from our depots entering the waste stream.

We do not require Brakes-Branded/Sysco-branded products to be stripped of Brakes/Sysco GB packaging, when going to FareShare. We encourage all our Suppliers to consider working with FareShare if you have surplus 'fit for purpose' product to the benefit of the environment and the community.

2 DISTRIBUTION NETWORK

2.1 Route to Market

Brakes have developed a network of Primary Consolidation Centres for the movement of frozen and ambient product into its network at optimum cost. Brakes may refer to supply into any one of its third party consolidation centres as Vendor Manager Inventory (V.M.I) or consignment. Requirements where Brakes operate a V.M.I or Consignment stock operation are;

- All nominated products move through this route to market.
- Minimum requirement of two weeks stock holding
- Break bulk, storage, picking, and redelivery to the required depots within the Brakes network.

In the case of chilled and produce, or where Brakes do not currently have a V.M.I or Consignment operation, or if the nominated supplier is able to achieve the requirements below and Brakes is able to accommodate a direct to depot delivery (to be determined and agreed by Brakes), deliveries can be made by the nominated supplier directly into Brakes specified depots. Requirements where Brakes do not operate a V.M.I or consignment stock operation;

- Delivery profile of Order Day 1 for delivery on Day 3
- Minimum of 3 deliveries per week.
- No set Minimum Order Quantity or Minimum Order Value

In both instances above, the nominated supplier is expected to maintain a minimum of two weeks stock holding to cover Brakes purchase order requirements.

2.2 Backhaul disciplines

In certain cases, Brakes may be able to offer competitive rates to collect product from a supplier's premises for delivery to a local NDC/RDC or satellite

Should you wish to discuss using one of the facilities, contact should be made initially through the relevant Brakes Supply Chain Manager.

If this is a supplier's preferred method of distribution, all aspects of delivery as detailed herein, remain the responsibility of the supplier.

If the nominated supplier uses a 3rd party contractor then it is the nominated supplier's responsibility to share this document with any 3rd party contractor.

2.3 Depot Map

Note: to view a map and address directory of Brakes Primary Consolidation Centres please see following pages 7 & 8.



2.3 Brakes Depot/Branch/Factory Addresses/Telephone Numbers

Depot / Office Name	Address	Postcode
Ashford– Enterprise House	Enterprise House, Eureka Business Park, Ashford, Kent	TN25 4AG
Aylesford	Unit 1, Riverside Business Park, New Hythe Lane, Aylesford, Kent	ME20 6SW
Bodelwyddan	Royal Welch Avenue, Bodelwyddan, Denbighshire	LL18 5TY
Bodmin	Victoria Business Park, Roche, Cornwall	PL26 8LX
Bridgend	Tower Close, Bridgend, Mid Glamorgan	CF31 3TH
Brighton	Crowhurst Rd, Hollingbury Ind Estate, Brighton, East Sussex	BN1 8AF
Corby	Sondes Road, Willowbrook East, Corby, Northants	NN17 5XP
Deeside	Beech House, Sixth Avenue, Deeside Industrial Park, Deeside, Flintshire	CH5 2LB
Dundee	Riverside Distribution Centre, Riverside Avenue, Dundee	DD2 1UD
Durham	Bowburn North Ind Estate, Bowburn, Durham	DH6 5PF
Eastleigh	Parham Drive, Boyatt Wood Ind Estate, Eastleigh, Hampshire	SO50 4NU
Grantham	Palmer Rd, A1 Triangle, Gonerby Moor, Grantham	NG32 2BW
Harlow	Flex Meadow, Pinnacles West, Harlow, Essex	CM19 5TJ
Hemel Hempstead	465 Boundary Way, Hemel Hempstead	HP2 7HZ
Hemsworth	Hoyle Mill Rd, Kinsley, Nr Pontefract, West Yorkshire	WF9 5JB
Inverness	17 Seafield Road, Inverness	IV1 1SG
Leeds (Catering Equipment)	3 Gloucester Court, Gloucester Terrace, Armley Road, Leeds	LS12 2ER
London (Covent Garden)	Tower House, 2nd Floor, 10 Southampton Street, London	WC2E 7HA
Newark	Belle Eau Park, Bilsthorpe, Newark, Nottinghamshire	NG22 8TX
Newhouse	403 Edinburgh Road, Newhouse, Motherwell	ML1 5GH
Orpington (Country Choice)	Swan House, New Mill Road, St Paul's Cray, Orpington, Kent	BR5 3QD
Peterlee	5 Burdon Drive, North West Industrial Estate, Peterlee, Co Durham	SR8 2JH
Portbury	Portbury Way, Royal Portbury Dock, Bristol	BS20 7XN
Premier Park	Premier Park, Abbey Road, Park Royal, London	NW10 7NZ
Reading	Unit 24, Suttons Business Park, Earley, Reading	RG6 1AZ
Tamworth	Fresh Fields Centre, Bitterscote, Tamworth, Staffordshire	B78 3HJ
Thetford	Units 1-4 Baird Way, Fison Way Industrial Estate, Thetford, Norfolk	IP24 1JA
Warrington	Unit 3, Lockheed Road, Burtonwood & Westbrook, Warrington	WA5 4AH

3 PACKAGING

3.1 Product Packaging

This document provides a summarised overview of our product packaging requirements. For more detail please refer to the attached Appendix A and Brakes Product Standards & Supply Requirements below.

Effective outer packaging will provide security and protect the contents against damage.

Packaging faults may only become evident during manual handling. Suppliers must carry out pre delivery product handling trials and must provide samples of traded units for approval by the nominating customer before goods are delivered into Brakes. Failure to gain this approval may result in the distribution centre refusing products with unacceptable packaging.

Brakes will notify the nominating customer of all commodities where product damage arises as a direct result of inadequate outer packaging. Brakes will also notify the nominating customer of all delivery rejections related to goods discovered to be damaged on arrival at distribution centres.

In some instances, the nominating customer may ask suppliers to provide compensation for any cost incurred as a result of damage to goods caused during routine distribution centre handling.

Packaging must be able to withstand manual assembly onto pallets or roll cages, which may involve the assembly of mixed goods for a customer order. This means that packaging must be suitable for stacking into mixed loads.

Packaging and labels intended for use at chilled or frozen temperatures must be suitable for the conditions.

3.1.1 Bags

Bags must be made from food grade durable polythene blends that will withstand frozen or chilled temperatures as appropriate for the shelf life of the product. The bag must be fully heat sealed and of sufficient strength to prevent damage to the product in the Brakes distribution network.

If the bag is the saleable unit, it should be clearly and legibly printed in accordance with all relevant UK/EU legislation. Please note bags will not be deemed satisfactory as a saleable unit if the product is of a high risk nature e.g. raw meat or poultry products due to the potential risk of cross contamination during distribution.

3.1.2 Cases

Each case/saleable unit must be carefully designed to ensure it protects the product throughout the normal rigours of storage and of the end to end supply chain from product supplier to final customer. All cases must be constructed with the minimum of headspace to prevent crushing and product damage. They should be typically constructed from a 65% recycled content where possible having a regard for adequate product protection.

A minimum of a blue tinted polythene liner must be used to prevent product contact with the inner test liner.

The size of the case must be such that it protects the product without crushing it but restricts product movement within the case.

3.1.3 Sealing Tape / Glue

Cases must be sealed with clear adhesive tape or glue, which is suitable for long term frozen or chilled storage as appropriate. The tape or glue must be applied in such a manner as to provide 'tamper proof' security to the saleable unit.

3.1.4 Labels

Labels that are applied to frozen/chilled product packaging must be produced using freezer stable adhesive that will remain fully effective during long term storage at -18°C and below.

3.1.5 Outer Cases

Outer cases must describe the product in the same terms as it is set up on the Brakes system and clearly identify the production/lot manufacturing code and the appropriate shelf life.

The use of Brakes codes on the outer case labels should be added.

3.1.5 UK & EU Nutrition Labelling

Suppliers shall supply any data to the nominating customer that is necessary to ensure UK and EC nutrition labelling requirements are met, and shall be responsible for any costs Brakes or the nominating customer incurs in carrying out any analysis necessary to establish or confirm such data.

3.2 Environmental Criteria

Having a regard for necessary product protection, shelf life and supply chain considerations, packaging must be developed for minimal environmental impact.

Brakes subscribe to the principle of DEFRA's Waste Hierarchy for pack development and innovation:

- Prevention
- Preparing for re-use
- Recycling

- Other recovery
- Disposal

To support the above, board for outer cases and boxes should typically contain a minimum of 65% recycled content where practical or ideally 100% where functional performance permits.

Where virgin material is used, the raw material must be sourced from renewable and responsibly managed forests.

Subject to required shelf life, plastic materials should be manufactured from a mono substrate and to minimum thickness.

Material identification and symbology should be employed to facilitate customer identification and recycling by authorities and the industry.

All materials used should comply with relevant EU directives and UK legislation.

4 PRODUCT STANDARDS

4.1 Delivery

All products must satisfy the expected standards in the following areas:

- Safety
- Legality
- Quality
- Brakes Terms and Conditions as set out in this document
- Contractual agreement with Nominating Customer

All deliveries will be monitored and evaluated using the following criteria:

- Minimum acceptable life
- Product temperature
- Labelling
- Quantities relating to Purchase Order
- Mixed pallet conformity

4.1.2 Delivery Rejection

Where product is rejected on, or subsequently after delivery, it will be the Nominated supplier's responsibility to ensure that the product is uplifted within 48 hours of notification.

Failure to do so may result in storage charges being applied or the product being disposed of at the supplier's expense.

Details of associated charges are shown in Section 8 and reasons for rejection in section 5.9.2.

4.2 Minimum Acceptable Life

Prior to the first deliveries, each product purchased by Brakes will have a minimum shelf life threshold agreed.

All Nominated Products delivered to the distributor must have a minimum of 85% of production shelf life, as indicated by the 'Best Before or 'Use by date' unless previously agreed otherwise.

On arrival at the depot, the Distribution team will crosscheck the best before end date/shelf life of each product against that held on our inventory system. Product could be rejected if the agreed minimum acceptable life is not achieved and charges may be applied as under Section 8.

Brakes may agree to accept stock below the published minimum acceptable life in order to maintain availability to the Nominating customer, however in such instances Brakes reserve the right to cross charge Nominated suppliers for any stock that becomes unsaleable due to shelf life expiry. Should the shelf life expire, the nominated products may be charged to the Nominating customer or the Nominated supplier at the full sales price.

All stock within the Brakes depot network is controlled on a FIFO basis (first in, first out). It is therefore imperative that finished goods stock is rotated in a similar fashion prior to delivery into our network. Brakes reserve the right to reject product delivered outside of strict date code rotation.

4.3 Product receipt temperatures into Brakes Network Product Min (°C) Max (°C)

Product	Min (°C)	Max (°C)
Frozen products	No Limit	-18
Chilled products (excluding fresh meat / poultry, bacon, fish & seafood)	0	+5
Fresh meat products	-1	+4
Bacon products	-5	+4
Chilled mince & offal	-2	+2
Non-prepared fruit and veg*	+2	+12
Prepared produce	+2	+8 (Target <5)
Bananas	+12	+18

* Varies according to type, please see individual product specifications for details.

In order to comply with legislation, the temperature of all products must be monitored either continuously or at critical points within the supply cycle. Records of these temperatures must be made available to Brakes upon request.

In instances where inbound temperature tolerances agreed between nominating customer and nominated supplier, a separate schedule should form an addendum to this document.

4.4 Product Labelling

Responsibility for ensuring that all labelling of nominated products complies with current legislation shall rest with the nominated supplier and the nominating customer.

Labelling shall be clear and prominent to ease identification and ensure accurate and effective distribution

All saleable units throughout the supply chain must be clearly marked (where relevant), allowing for clear identification in English of:

- Quantity declaration
- Name of product
- Product description
- Brakes allocated product code
- Country of origin – where appropriate
- Storage instructions
- Nutrition data
- EC Health Mark/Factory Approval Number
- Name and address of manufacturer / packer or seller within EU
- Cooking/usage instructions – where appropriate
- Fragile (if relevant)
- Durability life
- Batch code/supplier identity mark
- Emphasised-Allergenic material
- Labelling of genetically modified ingredients
- Any other requirements as specified by nominating customer

All products should be clearly labelled with the Brakes allocated product code visible on a built pallet.

All labelling of cases must be legible, clear, concise and indelible and shall be of adequate size to facilitate visual scanning and good handling practices.

Administrative and operational charges may be levied against the supplier if nominated products do not fully comply with the labelling legal requirements

Nominated products will be delivered/invoiced as per the description on the packaging.

4.4.1 Product Identification

The following information must be clearly visible on all outer cases:

- The product name (in English) to be printed/labelled onto a minimum of two adjacent side/end panels – NB: This is a legal requirement.
- The Brakes allocated product code - to be printed/labelled onto a minimum of two adjacent side/end panels and should also be printed onto top flap.
- The contents (size/volume) of unit (e.g. 4 x 2.5kg).
- The 'best before' or 'use by date' (as appropriate).

4.4.2 Handling

Where there is a need to maintain correct orientation of a product, this must be noted on the outer case (i.e. 'This Way Up', 'Store Upright' or by the use of arrows). Where there is a requirement to ensure correct storage of the product to prevent quality deterioration or contamination, appropriate instructions must be supplied (e.g.. 'Store away from strong odours').

4.4.3 Case and Split Labelling Requirements

Where a lowest saleable unit is delivered to Brakes (or associated consolidators) as part of a larger (outer) case, it is the nominated supplier's responsibility to ensure that the (inner) case holds all required labelling and other requirements as set out in section 4 of this document.

Otherwise put, it is the Nominated supplier's responsibility to ensure that all lowest saleable units adhere to section 4 of this document.

Brakes reserve the right to levy 're-working' charges as set out in Section 8 of this document if this is not adhered to.

4.4.4 Barcode Requirements

All saleable units delivered into Brakes must carry a unique and scannable GS1 compliant bar code to support our warehouse management system and distribution requirements. Brakes will only accept EAN-13, ITF-14 or GS1-128 barcodes covering traded and consumer units.

Refer to the GS1 website www.gs1uk.org for additional information (support information can be found at: <https://www.gs1uk.org/support-and-training/how-to-guides/barcoding-getting-it-right>)

The supplier is responsible for ensuring that the printed bar code is accurate, scans properly and complies with GS1 standards for all production runs. Barcodes or symbols that are found to be inaccurate according to Brakes and GS1 guidelines must be corrected at the supplier's expense.

Plain (unprinted) outer corrugate boxes or partially printed boxes utilising labels or ink jet printing require brand specific product labels with a GS1 compliant bar code applied to at least two adjacent sides of the case with a GS1 compliant GTIN (Global Trade Item Number). Fully printed cases should ideally carry the barcode on four sides.

In accordance with the GS1 principles, a new bar code is required when there have been significant changes to the product eg formulation, allergens, pack size. The supplier must notify the Brakes Merchandising contact or the Brakes Central Data Team for Nominated products at least 30 days prior to any new GTIN change.

Barcodes must be printed to accepted GS1 standards (eg size, colour etc) and tested using a verifier for each packaging/production batch to confirm that they are readable and meet the requirements set out in the general GS1 specifications. All barcodes repeated on the same package (ie case or unit) must be identical.

4.5 Quality

4.5.1 Damaged Product

In order to minimise damage of product during storage and/or transit, suppliers should ensure that product is properly stacked and wrapped in accordance with the guidelines laid out under the product delivery section of this document. Attention should be given to the pallet specification on which the product is delivered and how multi product pallets are presented for receipt.

4.5.2 Product Quality Checks

Nominating customers and nominated suppliers are responsible for;

- Product quality
- Ensuring production and storage on site meet the requirement of all applicable legislation and regulations.
- All nominated products, packaging and labelling comply with all applicable legislation and regulations.

Brakes shall have no liability for such issues relating to nominated products.

Brakes will perform initial temperature checks and external visual inspection for damage which is apparent to the naked eye, on receipt of nominated products.

Notwithstanding the above checks, Brakes shall be entitled to reject nominated products subsequent to initial acceptance into store.

Brakes shall be entitled to levy appropriate charges for such rejections as detailed in Section 8.

Where nominated products do not comply with the requirements of this document, it is the responsibility of the nominating customer's unit to refer any complaint to the nominating customer's head office, to ensure the matter is taken up directly with the nominated supplier concerned. This shall include any foreign body reports, for which the nominating supplier shall be required to take full responsibility.

The nominated supplier shall fully indemnify Brakes in respect of any liabilities, costs or expenses incurred by Brakes as a result of any complaints relating to nominated products. This could include, but not limited to, customer services or telesales staff costs and costs associated to the movements of stock e.g. consolidation of stock to single depot or any claims made by the end consumer in relation to a nominated product.

4.6 Emergency Contact Procedure

In the event of a serious incident requiring immediate action by Brakes, your first point of contact should be the Nominating Customer who will then instruct Brakes of required action(s).

If for any reason you do need contact Brakes directly out of normal working hours, the emergency contact number listed below should be used.

Brakes Emergency Contact number: 0844 800 0619

Please note that the use of this number must be restricted to **EMERGENCY** contact only (e.g. serious food contamination issue) and not non-critical issues.

5 PRODUCT DELIVERY

5.0 iSupply!

Brakes iSupply! is an industry-leading web-based tool available to all suppliers. It can help you improve your cash flow, plan more effectively and be more responsive and efficient.

iSupply! provides suppliers with:

- Live purchase order information that can be extracted in whatever format best suits your business.
- Live visibility of goods receipts and returns by SKU and depot.
- Sales history and forecast for all of your products.

- Depot level stock holding information at product, batch and shelf life level.
- Access to consignment self billing documents and movements to download.
- Live product orders for JIT suppliers to help you manage production through out the day and avoid an end of day rush.
- KPI service dashboard.

This tool will aid potential administration reduction at your end and drive service excellence across the total supply chain. It will also help to reduce your carbon foot print by eliminating the paper fax as all PO information is available online. Complete visibility of purchase orders have aided in resolving issues as they occur, our specialised support team has allowed for speedier resolutions of any good-receipting issues.

The goods receipt publication will also allow all suppliers to 'clean invoice' and therefore positively aid cash flow. Prior to iSupply!, payments could have been potentially put on hold, resulting in payments not being made in the correct accounting period.

Using iSupply! and the process for signing up will be discussed with you by with a member of Brakes' Supply Chain and also the Nominating Customer.

However, should you require any further information, please contact your respective Brakes Supply Chain Manager.

5.1 Purchase Order Requirements

5.1.1 Purchase Ordering

Purchase orders are generated by our inventory system either daily or on set days across the week, dependent on stock requirements at the individual Distribution Centre. They are calculated by taking into account projected stock levels, sales, lead-time, order rounding units and safety stocks.

Brakes ordering quantities will be based upon the customer demand profile. Brakes reserve the right to return or dispose of any product that becomes unsalable due to shelf life expiry.

Once an order is created, it will be transmitted to the supplier via iSupply!

If a supplier uses one of our Primary Consolidation operations, a copy of the order will also be transmitted to the third party consolidator. A stock withdrawal request will be transmitted to the consolidator who will pick and dispatch stock on the supplier's behalf. Once confirmed by the consolidator, a self-billing document showing the stock withdrawal and its value will be generated and automatically sent to the supplier. For more details on the self billing process see section 7.3.

Vendor-managed inventory (V.M.I) suppliers are expected to manage their own stock levels within the consolidation centre, holding a minimum of a rolling two weeks stock to meet Brakes purchase order requirements.

5.1.2 Purchase Order Discrepancies (Communication)

Suppliers are required to meet the order in full on the delivery date specified on the Purchase Order. Any anticipated discrepancy to the delivery criteria must be communicated to the Brakes Supply Planner, at least 24 hours prior to delivery, on the number shown at the top of the Purchase Order. At this point, it is the supplier's responsibility to give details of both the reasons and resolution timescales.

5.1.3 Purchase Order Discrepancies (Excess)

Brakes retain the right to refuse product delivered in excess of the quantity on Brakes Purchase Order and charges may be applied under Section 8.

5.1.4 Purchase Order Deliveries

Brakes expect suppliers to adhere to the minimum lead times to suit business needs. Where the nominated supplier goes direct to a Brakes depot and unless otherwise specifically agreed, deliveries to Brakes shall be within two working days of order, with a minimum of 3 delivery opportunities per week.

5.1.5 Supplier Stock Holding

Unless otherwise specifically agreed with nominating customer and/or Brakes, suppliers will be expected to maintain within their internal supply chain's stock levels of two weeks on all frozen and ambient products. This two weeks stock cover should be in line with forecasts provided by nominating customer.

For those suppliers utilising a Brakes Primary Consolidation Centre the stock therein is assumed as being within the supplies network. Therefore the need for additional stock is negated.

5.1.6 Supplier Stock Holding (chilled product)

Chilled stock management policy will be agreed on an individual product/supplier basis.

5.2 Booking in Deliveries

All Distribution Centres operate a booking in schedule, detailing suppliers' booking times and references on a first come first serve basis, to which all suppliers must adhere. Booking lines at our locations are generally open between the hours of 08:30 and 14:00.

5.2.1 Non-standard Booking Slots

On receipt of the Purchase Order from the Supply Planner, suppliers should contact the respective Brakes depot/ Consolidator and obtain:

- A booking date (on or before delivery due date). Consignment vendors must allow 4 - 5 days before date of consignment is due.
- A delivery time.
- A booking reference number.

The Brakes Purchase Order number must be quoted in all instances, so that Brakes Supply teams are able to confirm the correct delivery details. The supplier will also be asked to confirm the number of full and split pallets being delivered.

Once the supplier has been given the booking reference, this should be noted on all delivery paperwork and quoted by the driver on arrival at the Distribution Centre.

All purchase orders must be booked in by 14:00hrs on the day prior to delivery. Failure to meet these timescales will result in charges being levied in line with Section 8 of this document.

5.2.2 Standard or Pre-agreed Booking Slots

Where a supplier has agreed in advance standard delivery slots at the Distribution Centres, there is still a requirement for the supplier to confirm their ability to meet the pre agreed slot. The supplier will need to obtain a booking reference from Brakes team and should telephone the relevant Brakes depot/ Consolidator to receive the booking reference.

5.2.3 Booking Times

Vehicles will be unloaded at the Distribution Centre according to pre agreed booking slots. Drivers should be instructed to arrive on site at least 15 minutes, but no more than 30 minutes prior to their allocated booking time. If a driver arrives more than 30 minutes prior to the booking slot, he/she may not be allowed on site and may be asked to return at their allocated time.

Late supplier deliveries will enter a queuing process, which the depot will then review at their earliest convenience. They could also be liable for rejection unless prior notification is given, and may also be subject to charges as detailed in Section 8 of this document.

5.2.4 Unloading Timescale

When a supplier contacts the depot to obtain a booking slot, they will be asked to provide a breakdown of the load detailing full and mixed pallets. From this detail, Brakes will be able to allocate a booking slot suitable for the specific load. This timescale should be communicated by the supplier to the haulier.

5.2.5 Failed Deliveries

If a supplier is unable to meet the booking time on a specified day, Brakes expect the supplier to make good the shortage during the same sales day when needed or at the discretion of the Supply Planner. If a delivery cannot be made to a depot in time to meet the Brakes internal trucking operations, the supplier may be requested to deliver to a number of depots requiring the product prior to the commencement of customer delivery schedules.

If the above cannot be met, Brakes may move stock from another location using emergency courier service and charge the cost back to the supplier, in line with Section 8 of this document.

5.3 Load Palletisation

All pallets must conform to BS2629. The specific requirements of this are that they must be nailed soft/hard wood, four way entry, non reversible close boarded deck (nominal gap 25mm), mitred perimeter base and be in good condition so as to provide good support for the product.



Specifications:

Dimensions

Width: 1200mm

Depth: 1000mm

Height: 162mm

1000mm side: 1200mm side

Window Height: 120mm 95mm

Window Width: 357mm 390mm

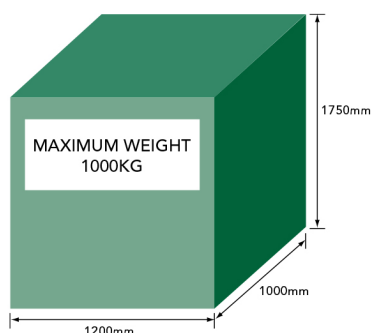
Material: Wood

Nails: Either standard or stiffstock wire and complies with the European legislation on heavy metal content

Weight Average 28kg

5.4 Palletisation Rules

Consideration should be given to the pallet configuration. The stacking pattern shall be such as to minimise product and packaging damage and to provide a stable pallet. Product identification, including Brakes product code, should be clearly visible on all four sides of stacked products. The case dimensions should allow optimum use of the pallet footprint. Square cases should not be palletised without first packing two cases into a collation sleeve or outer case to provide a rectangular package, or by utilisation of a layer pad within the pallet layers.



Maximum Pallet Height

1750mm for frozen and chilled

1700mm for ambient and non food

Pallets to be delivered into Brakes depots must not exceed the dimensions 1200mm x 1000mm x 1750mm for frozen and 1200mm x 1000mm x 1700 for ambient, chill and non food (unless by prior agreement in writing). This includes the pallet base height of 162mm. Pallet overhang is not acceptable and pallets delivered in excess of the above dimensions will be rejected at Brakes depots. The maximum pallet load accepted is 1000kg (inclusive of pallet).

5.4.1 Pallet Height Restrictions

Suppliers should note that pallet height restrictions exist at most of Brakes Distribution Centres. Unless previously agreed in writing with the Supply Chain Management team, pallets must not exceed the overall heights indicated above. Any pallets exceeding these specifications will be rejected or re-stacked at the suppliers cost, in line with Section 8 of this document.

5.4.2 Pallet Stacking Requirements

When palletising products, suppliers must ensure the following:

- Products are stacked to the perimeter of the pallet board, any overhang will lead to the pallet being rejected or re stacked at the supplier's cost.
- Products are stacked to the prescribed pallet configuration as laid down in the product specification.
- All pallets should be built in such a way that product code/label and SLED are clearly visible on the outer facing side of the case.
- At no time should products be delivered with a shorter total shelf life expiry date than product on a previous delivery (FIFO rules).

5.4.3 Mixed Pallets

Where previously agreed with the Brakes Supply Chain Manager, certain products may be ordered in quantities less than a full pallet. In the main, Brakes will place orders in multiples of full layers, and it is imperative that these pallets are presented at the Distribution Centre in a manner that optimises product identification and vehicle turnaround times.

Mixed products or date codes on a single pallet will only be accepted if:

- The pallet is clearly marked with a label.
- Suitable separation is used to clearly define the breaks between products and/or date codes. Unless by prior agreement in writing this should take the form of wooden pallets (where product stability/ packaging allows).
- There are no mixed date codes/or products on any single layer.
- Case picked product is presented at the uppermost point of any pallet.
- Ideally, the maximum number of individual products or date codes on an individual base pallet should be limited to two.

5.4.4 All pallets to be stretch wrapped.

Care must be taken that stretch wrap is not 'over tensioned' so as to cause damage to palletised product.

5.5 Pallet Exchange Procedures (UK)

All pallets are deemed as one way trip only. In the event of Brakes personnel having to be involved in the management of any pallet discrepancies, Brakes reserve the right to charge an administration fee as detailed in Section 8 of this document.

This pallet procedure is applicable to all Brakes sites and their consolidation partners across all temperature ranges. There are no pallet exchanges of any pallet type.

Any non-conforming pallets may be rejected or inverted and made good where the product allows and the cost of inversion and pallet provision will be levied in accordance with Section 8 of this document.

5.5.1 Pallet Exchange Procedures (European Consolidation)

No pallet exchange will be offered at our European Consolidation Site. All products will be supplied on Brakes specified pallets and should be included in the product price.

5.6 Delivery Vehicle Standards

The following vehicle standards apply to all vehicles delivering goods to Distribution Centres.

5.6.1 The delivery vehicles must be clean, structurally and mechanically sound and fit for the purpose, conforming to the applicable Road Traffic, and Construction and Use regulations relating to safe condition and operation.

5.6.2 Where vehicles are used to transport various product types, specific care must be taken to avoid cross-contamination or taint.

Suppliers should also ensure that when loading delivery vehicles, sufficient space is left between pallets to ensure safe unloading via the rear doors.

Vehicles not conforming to the delivery specification will be rejected unless otherwise agreed with the

Distribution Centre Management, who will have the final decision. In such instances, the supplier will be liable for charges under Section 8 of this document.

5.6.3 Product temperatures on all temperature controlled deliveries will be checked before unloading is authorised.

5.6.4 Vehicle doors must not be opened until authorised by a Brakes member of staff.

5.6.5 Vehicles will be rejected if mechanical loading equipment cannot be used.

5.6.6 All vehicles should be fitted with rear doors/shutters to facilitate unloading through doors directly into the warehouse.

5.7 Delivery Documentation

5.7.1 Suppliers must ensure that every delivery to Distribution Centres is accompanied by a legible and accurate delivery note. A pre-advice document should also be presented in advance of the delivery, which helps to streamline the delivery and minimise vehicle delays.

5.7.2 If the total purchase order quantity is in excess of a single vehicle, the supplier must contact their regular Supply Planner who will raise a new purchase order for the balance order. Both purchase orders will be required to be booked in at the depot. The Documentation must specify the content of each vehicle. Failure to comply will give rise to the risk of rejection and/or the application of relevant charges as defined in Section 8.

5.7.3 The delivery note should include the following information:

- Supplier name and address
- Date of delivery
- Booking reference numbers
- Delivery note reference number
- Units ordered
- Units delivered
- Total saleable unit quantity of each item
- Item descriptions including pack sizes and Brakes allocated product codes
- Use by or BBE date per item

5.8 Intake Procedures

The following general guidelines apply to all Distribution Centres. Suppliers must ensure that their hauliers deliver product in the sequence agreed with the Distribution Centre.

5.8.1 All delivery vehicles must be registered on arrival at the depot, where they will be issued with security procedures for that site.

5.8.2 It is important that drivers adhere to their booking times, as vehicles will be unloaded according to the daily booking schedule. Any deviations from this will give rise to the risk of rejection or delays to vehicle turnaround.

5.8.3 Every commodity delivered will be checked by item description, pack size and quantity, and the details reconciled with the purchase order through the stock management system.

5.8.4 Perishable products may be sampled upon arrival and the date codes, temperature and weights will be checked and recorded onto Brakes stock management system.

5.8.5 The Distribution Centre may refuse any part of a load if the product being delivered is out of condition or damaged. The Brakes proof of delivery (GR) document will record this.

5.8.6 In circumstances where there is a discrepancy between the delivery details and Brakes purchase order, the driver will be given the opportunity to verify this. Discrepancies will be recorded on the Proof of Delivery (GR).

- 5.8.7** Upon completion of unloading and checking at a Brakes depot, the driver will be issued with a Goods Inwards Note signed by an authorised member of staff in the goods receiving area. This will record all delivery details including any discrepancies (i.e. under/over deliveries or rejected goods). This is the only acceptable proof of receipt for invoicing purposes; supplier delivery documentation will not be signed.
- 5.8.8** Authorisation to leave the site will be completed and signed by the authorised member of staff in the goods receiving area.
- 5.9 Product Rejections or Returns**
- 5.9.1** Product quality checks by Brakes Technical/ QC representatives may be undertaken at a Distribution Centre before and after receipt. Brakes reserve the right to visually check the quality of product to ensure its integrity. Examples of check may be for product damages, shelf life of product and visual deformities. Non conformance charges will be applied in accordance with Section 8 of this document, in all instances of rejection.
- 5.9.2** At point of delivery, Brakes QC may reject product. In such cases:
- It will be rejected by the goods in system and noted on the supplier's GR.
 - The haulier will be required to uplift the product immediately. The QC representative will liaise with the supplier via QC rejection notification. Refer to 5.9.4 for examples of rejections reasons.
- 5.9.3** Where product is rejected by a QC representative after delivery (e.g. blown packaging):
- The QC representative will inform the supplier via the QC rejection notification. The supplier must arrange for the immediate collection of the goods. Failure to collect within 48 hours will result in storage charges being levied in accordance with Section 8 of this document.
- 5.9.4** Depots may also reject product during the normal receiving operation due to:
- Late arrival
 - Unstable/unpalletised loads
 - Mixed pallets improperly stacked
 - Product outside of temperature range
 - Damaged packaging
 - Wrong product/goods not ordered
 - Short coded/mis rotation of dates
 - Quantity in excess of order
 - Poor/ incorrect labelling (outside of requirements set out in section 4.4)
 - Immediate visible Product Quality (e.g. blown packaging, leakage)
 - Poor quality pallets
 - Pallet height/weight
- During office hours:**
- The Distribution Centre will inform Brakes Supply Chain.
 - Brakes Supply Chain will liaise with the Nominated supplier and instruct the depot on the appropriate action to be taken.
- Outside office hours:**
- The product will be rejected by the goods in system and noted on the supplier's POD.
 - Supply Chain will be notified of rejections via email
- 5.9.6** Goods authorised by Brakes for return to a supplier, post delivery, will only be released on presentation of an authorised supplier collection note. A standard delivery note document may be amended and used as authorisation to collect goods.

- 5.9.7 The supplier and Supply Planner must agree quantities and a date/time for uplift at each location at least 48 hours in advance of collection. Once this is agreed the supplier should then contact the respective depot to obtain a booking date, delivery time, booking reference number, stating the product to be uplifted and number of pallets.
- 5.9.8 Goods for collection must be uplifted within 48 hours of the date on the uplift letter communication by Brakes. Failure to do so will result in storage charges being levied and may result in disposal of the stock by Brakes and a further charge being raised against the supplier as laid out in Section 8.

5.10 Safety & Security

The safety and security of our personnel and visitors to our Distribution Centres is of paramount importance. Procedures are in place to ensure that risks are minimised. It is vital that these procedures are observed at all times. Local arrangements may apply at specific locations and suppliers will be notified of these.

- 5.10.1 The wearing of safety footwear and high visibility clothing is mandatory. Drivers arriving at Distribution Centres with footwear deemed unsuitable may be refused entry based on Brakes sole discretion.
- 5.10.2 In the event of emergency, drivers will be required to leave their vehicles immediately and proceed to nominated assembly points as directed by the Distribution Centre personnel.
- 5.10.3 Any injuries or damage to property or vehicles occurring whilst on site must be reported to a member of the Brakes management team before leaving the Distribution Centre.
- 5.10.4 Brakes reserve the right to refuse entry to any vehicle or driver who is deemed a risk to safety.
- 5.10.5 All vehicles may be subject to checking or search at any time before leaving the Distribution Centre. In any case of theft or suspicion of theft, the police will be called immediately.
- 5.10.6 All vehicles must be sealed when arriving at or departing from a Brakes Distribution Centre and the driver will be expected to be able to produce official documentation proving that the vehicle seal has not been tampered with.
- 5.10.7 In certain instances, drivers will be asked to surrender their vehicle key, whilst unloading takes place.

5.11 Nominated Product Management

5.11.1 *Product Returns*

When Brakes determine that a product will not sell across the Brakegroup supply chain, these products will be returned to the supplier (Return To Vendor (RTV)).

The supplier will be notified by email, and provided with the product description, depot location and a 30-day period for pickup from the depot.

Should the product not be picked up from the depot within the 30-day window charges will apply in accordance with Section 8 of this document.

This RTV agreement also forms part of Brakes' new line process and supports supplier acceptance of liability of stock on all nominated lines.

5.11.2 *Discontinuation of a Nominated Product*

It is the responsibility of the nominating customer to notify Brakes of any nominated product to be discontinued. This requires 8 weeks notice to the point of discontinuation. It is expected that the prevailing rate of sale will continue for the duration of the notice period. This includes any Brakes manufactured product to ensure all raw materials, packaging and finished goods are utilised. Should the nominating customer and Brakes have a pre agreed commitment to hold more stock, then this will be reflected in the notice period given. E.g., if Brakes is required to hold 3 months stock this will be the length of notice time required. If this notice is not given Brakes reserve the right to charge for the disposal of any residual stock, packaging or raw materials.

5.11.3 Returns of Discontinued Lines

When product lines have been discontinued (e.g. Nominating Customer Discontinuation) the nominated supplier will be required to pick up the stock from the depot (return to vendor (RTV)). The supplier will be notified by email, and provided with the product description, depot location and a 30-day period for pickup from the depot.

Should the product not be picked up from the depot within the 30-day window charges will apply in accordance with Section 8 of this document.

This RTV agreement also forms part of Brakes' new line process and supplier acceptance of liability on listing of all nominated lines.

5.11.4 Slow Selling Lines

All nominated products are handled on the understanding of the forecasted quantity provided by the nominating customer – usually during a new line process.

All products will be subject to a monthly review and if sales do not meet 20 full cases weekly on a national basis after 12 weeks, then Brakes will invoke its 'poor performing' strategy. This process involves notifying the customer/product manager in week 4 to introduce an action plan to improve performance.

If sales still do not perform by week 8 the customer will be contacted with a proposed discontinuation of the product. During week 8 – 11, a customer clearance programme for the residual stock will commence. At week 12 stock clearance will be undertaken. Stock will either be collected by supplier or via a customer clearance programme, any remaining stock at Brakes sites will be disposed of locally with charges set out in Section 8 being levied.

The Supplier will be responsible for any product write off costs as a result of items not selling as outlined above, or as a direct result of the shelf life expiring. The nominated supplier will also be responsible for all disposal costs; this could include costs of disposing and rendering where applicable. If any health and safety official or regulator has cause to become involved, appropriate charges will be made.

5.11.5 Product Recalls

There will be occasions where Brakes has to recall products from its customer base, e.g., where non conforming products have been supplied.

Any costs arising to Brakes as a result of nominated product recalls will be charged to the nominated supplier. This would include, but not limited to, customer services or telesales staff costs and costs associated to the movements of stock e.g. consolidation of it.

5.11.6 Price Alterations

Any variation to the cost price of nominated products will only be accepted and implemented on the agreed price change form from the nominating customer, and subject to a minimum 14 days' notice from the nominating customer. Should this change result in a stock devaluation on the Brakes inventory system it will be the nominating customer's responsibility to reimburse Brakes for any losses incurred.

5.11.7 Product Set Up Process

New Nominated Products will be live and available to order within 28 days from notification on Distributor's form (subject to supplier product availability), signed by both Nominating Customer and Nominating Supplier, provided all information is given and agreed.

If the nominated product is a Just In Time (JIT) one then product set up times will reduce to 14 days from notification on Distributor's form, signed by both Nominating Customer and Nominating Supplier, provided all information is given and agreed.

In addition to the guidelines outlined in the main body of this booklet, there are a number of specific details relating to Customer Nominated Product

5.11.8 *Saleable Unit Overview*

To ensure correct completion of the Brakes nominated line product request form, the following pages contain example diagrams of how saleable units and layers could be configured, building to a pallet. Incorrect completion of these areas within the form could result in the product data being incorrectly created on Brakes systems and ultimately with incorrect quantities of product being brought into our network. Should this situation arise, any excess stock over and above the correct forecasted requirement will be the responsibility of the nominating customer. Similarly if any under stocking occurs Brakes will not be responsible for reduced service levels or recovery (see illustration on page 23).

5.12 **Just In Time (JIT) Supply**

On request from the nominating customer and after agreement with Brakes, the nominated supplier may be asked to supply their products into Brakes' network on a Just In Time (JIT) basis.

Whilst JIT operations may vary depending upon specific requirements, below is an overview of the characteristics for JIT supply into Brakes' network.

1. Shorter times between order placement and delivery (often same day or next day)
2. More frequent deliveries (often 6 days a week)
3. Pre-agreed delivery windows with Brakes depots
4. Same-day recovery requirements for shorted, damaged or unacceptable (e.g. quality) products

Brakes will discuss all JIT operations directly with nominated supplier in advance of their implementation.

Where a JIT route to market is required, specific conversations and agreement will be drawn between the nominating customer and Brakes.

Unless otherwise stated in this separate agreement, all sections of the Working With Us document prevail.

6 **E-COMMERCE**

6.1

The Supplier shall be a member of a recognised Datapool system, and any and all data interchange between the Supplier and Brakes (including, without limitation, in relation to any new listing or amendments to existing Goods) will be transmitted by such datapool, unless agreed otherwise in writing by the Buyer.

All communications between the Supplier and Brakes, and/or any nominated service providers, will require the use of GTINs. The Supplier acknowledges that their internal product codes will not be recognised by Brakes.

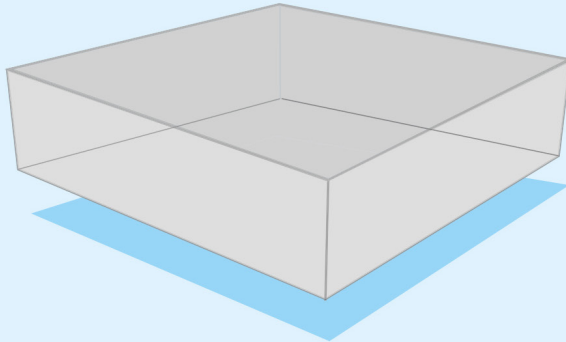
The Supplier shall be fully liable for any and all subscription monies (and associated charges) payable in connection with the requirements of this Clause (including, without limitation, any iSupply!, Assure or datapool subscription charges).

6.2

It is Brake's intention to continue to develop its e-commerce systems and programmes and the Supplier shall ensure that its systems are fully compatible with the Brakes systems.

Example of saleable unit counts in layers and pallets

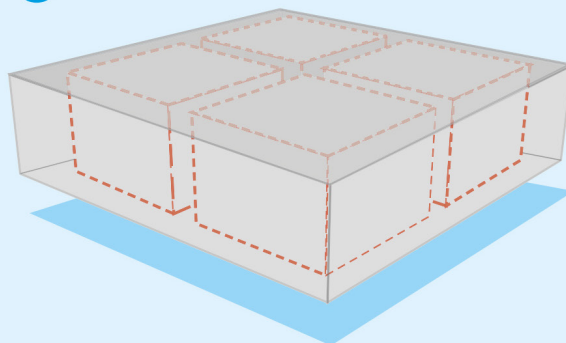
A Saleable units = 1 X 1



A



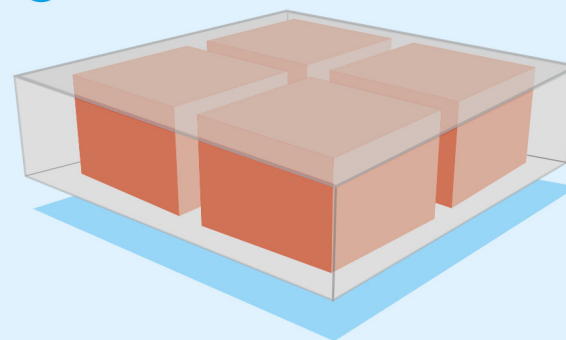
B Saleable unit = 1 X 4 (not to be split)



B



C Saleable units = 1 X 1 or 4 Individual units



C



A 1 Layer = 4 saleable units



B 1 Layer = 4 saleable units



C 1 Layer = 16 saleable units



7 SUPPLIER INVOICING

7.1 Suppliers Delivering Direct to Brakes Invoicing Requirements

Supplier invoices/credit notes should satisfy the following requirements to ensure 100% automated matching via our Vendor Invoice Management system tool (VIM) and facilitate payment, to contract terms:

- All invoices/credit notes must be in a pdf format and should be sent to apinvoices@brake.co.uk (1 pdf invoice per attachment). This is a no response email and should be used for invoice submission only.
- All invoices/credit notes sent via email should be as an attachment to the email (embedded attachments, password protected or authenticated emails/documents are not accepted).
- All pdf invoices/credit notes must quote the correct Brakes Purchase Order number which is a 10 digit code either starting with either 450xxxxxxx or 630xxxxxxx
- Invoices must match the delivery note signed by the Brakes depot on delivery and invoices should not be issued to Brakes until delivery has been met.
- To assist in the Proof of Delivery (Goods Receipting), information is available via the Brakes i-supply! portal. This is an important part of the Brakes supply chain strategic development programme and allows a supplier to clean invoice matching both quantity and price to aid invoice matching via automation.
- Supplier statements and any supplier account or payment queries should be sent to purchase.ledger@brake.co.uk
- Your account handler can be contacted on 0344 873 8516; open Mon – Fri 8.30am – 5.00pm.

7.2 Invoicing Discrepancies

7.2.1 Price issues:

Where invoices are found to have price differences, where the invoice price is higher than the Brakes file price, the invoice will be parked until the price has been agreed between the Brakes Buyer (core products)/Nominated Customer (nominated products) and the Supplier. In the event that the Brakes price is correct, a credit note should be supplied by the Supplier and the price amended in the supplier system.

In the event that the Supplier price is correct, the invoice will be processed and settled in line with payment terms, the price being subsequently updated in the Brakes system.

7.2.2 Quantity issues:

Should the Supplier invoice not match the Brakes Purchase Order Goods Receipt document (GR), a request for a credit note for the difference will be sent to the supplier. Once the credit note is received, this will be matched against the invoice and both documents will be settled in line with payment terms. If there is a dispute, a signed delivery note should be sent to purchase.ledger@brake.co.uk quoting the purchase order number to support the reported discrepancy. This will be passed to the relevant depot for investigation.

In the event of a subsequent RTV (return to vendor of stock), where the original invoice has already been matched to the purchase order, a debit note will be raised by Brakes and a copy of this debit note will be sent to the Supplier.

If the Supplier agrees with the debit note, please process the debit note and clear from your records. (A copy of the document raised in the supplier system does not need to be issued to Brakes). Any disputes of debit notes should be raised via email to purchase.ledger@brake.co.uk.

7.3 Suppliers Within Primary Consolidation Operations

Invoicing requirements for third party deliveries are the same as above. However, the following must be noted:

- Suppliers on consignment stock will not issue invoices at all. The Brakes self-billing system will take

care of all payments and any corrections for stock withdrawn. Self-billing invoices can be retrieved from the i-supply! portal.

- No invoices are to be raised/dated prior to the agreed delivery date and should not be issued to apinvoices@brake.co.uk prior to the day two, midday, deadline for reporting of quantity discrepancies.
- Invoices must be corrected for any discrepancies prior to issue to Brakes .
- All pallet distribution from Consolidation Centres are managed by Brakes and charged based on an agreed National Pallet Rate (NPR). Charges for distribution are applied at point of delivery into the Consolidation Centres and invoiced based on the weekly activity. Any increase/decreases to the rates will be communicated directly to Suppliers, with a minimum of four weeks notice.
- Outbound Distribution charges for Consignment stock in Brakes Consolidation Centres are charged weekly based on the number of pallets received in that week.

8 NON-CONFORMANCE CHARGES

Brakes has a standard schedule of non-conformance charges which it may implement if the terms outlined in the document are not adhered too by the nominated supplier. However, enforcement of these charges can be restricted or amended at the request of the nominating customer and agreement from Brakes. The charges schedule is as below;

Supplier Charging Summary

Charge Title	Description	Value	Responsibility
Short Delivery of Product	If you fail to deliver to an order fulfilment of 99.80% or if a VMI / Consignment Supplier fall below two weeks stock holding you may e subject to commercial discussions with your buyer		
Failure to cancel unused booking slot	If you are unable to deliver for whatever reason, and you have not cancelled your booking slot at least 24 hours in advance with the depot then you may be charged a non-conformance charge of £100. This non-conformance charge is charged per missed booking slot	£100	Product Supply
Quality Rejection at depot	First incident per product/pallet or part thereof	£100.00	Technical
	First repeat incident per product/pallet or part thereof	£200.00	Technical
	Subsequent repeat incidents per product/pallet or part thereof	£300.00	Technical
Justified customer complaint	Charge plus associated costs	£55.00	Technical
Product Recalls	Per customer contact.	£5.00	Technical
	Per customer contact where collection is required and credit issued	£55	Technical
	Management charge also applied based on recall size and management required	Variable	Technical
	Charge per white pallet board supplied	£13.00	Depot
	Admin charge	£63.00	Depot
Storage of uncollected rejections	Per pallet / week or part thereof	£13.00	Depot
Destruction of uncollected rejections	Per pallet or part thereof	£315.00	Depot
	Additional cost of skip, including rendering where applicable	Full Cost	Depot

Destruction of uncollected branded stock	Per pallet or part thereof	£315	Depot
	Additional cost of skip, including rendering where applicable	Full Cost	Depot

The charges shown in the table above are subject to amendment from time to time on reasonable written notice to the supplier. Due to the revised legislation regarding the disposal of animal by products each instance will be charged on an individual basis. The charges shown above are therefore included as a guide only.

9 KEY PERFORMANCE INDICATORS

Suppliers are expected to achieve the delivery of key performance indicators as set out in Brakes Terms and Conditions, or as agreed with Brakes or nominating customer.

KPI Supply Chain	Reference
99.8% Order Fill	Section 2.1
Order Profile Is At Least Day 1 Day 3 (unless JIT)	Section 2.1
Have 3 Deliveries Per Week Or Is Available If Needed	Section 2.1
Have And Use iSupply!	Section 5.0
KPI Depot and Deliveries	
Book In Delivery 100%	Section 5.2.1
Delivery Arrives For Booking And On Time 30 mins -/+	Section 5.2.3
Delivery Matches PO 100%	Section 5.1.2
Products Have The Correct SLED 100%	Section 4.1
Quality/Damage, Labelling, Temperature Are Correct 100%	Section 4.1
Palletisation Must Conform To Specified Requirements 100%	Section 5.3 and 5.4

APPENDIX A

New Vendor Check List

Action #	Action	Complete
1	Complete and return Brakes' 'New Vendor Application Pack'	
2	Sign and return Brakes' Self Billing Documentation	
3	Provide Brakes with confirmation of company bank details on letter headed paper	
4	Complete and return Consolidator's Pro-forma and Terms and Conditions	
5	Complete and return Brakes' Logistics Pro-forma	
6	Discuss Backhaul options with Brakes' Supply Chain Manager	
7	Complete any required New Line Forms supplied by Brakes	
8	Book in First Delivery with Brakes' depot/Consolidator	

03/2025 (NOM LINES)



Enterprise House, Eureka Business Park,
Ashford, Kent TN25 4AG • 01233 206000

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Registered office: Enterprise House, Eureka Business Park, Ashford, Kent TN25 4AG



