

clas ohlson

Supplier's Manual Europe

Clas Ohlson is a retail trading company with retail sales in Sweden, Norway, Finland and the UK.

Our main office and distribution centre is located in Insjön, Sweden.

We collaborate with a vast number of suppliers mainly in Europe and Asia.

In order for our operation to work in a smooth and cost effective manner, it is important for our suppliers to follow our supply and packaging guidelines described in our supplier's manual.

Contents

Clas Ohlson

Supplier's manual EU

version 4.9

Date: 2014-04-24

| | |
|-----------|---------------------------------|
| 01 | Purchasing |
| 1.1 | Purchase orders |
| 1.2 | Order confirmation |
| 1.3 | Invoicing |
| 1.4 | Payment terms |
| 1.5 | CSR information |
| 02 | Delivery |
| 2.1 | Shipping |
| 2.2 | Delivery procedures |
| 2.3 | Restriction for containers |
| 2.4 | Package labelling |
| 2.5 | Weight symbols |
| 2.6 | Palletted goods |
| 2.7 | Delivery time booking |
| 03 | Packaging |
| 3.1 | Sales pack |
| 3.2 | Multipack / Inner box |
| 3.3 | Stock pack / Outer box |
| 3.4 | Packaging material |
| 3.5 | Barcode |
| 3.6 | Instruction manual |
| 04 | Debiting |
| 4.1 | Debiting for incorrect delivery |
| 05 | Product information |
| 5.1 | Essential product information |
| 5.2 | Product safety |
| 5.3 | Dangerous goods |
| 5.4 | Safety data sheets |
| 5.5 | Environment and Health |
| 06 | Returned products |
| 6.1 | Returns/claims |
| 07 | Appendices |
| 7.1 | Packaging |
| 7.2 | Necessary item information |
| 7.3 | Palletised goods |

Clas Ohlson

Supplier's manual EU

version 4.9

Date: 2014-04-24

1.1 Purchase orders

For every order we send, we also send a purchase order.

The purchase order includes:

- Clas Ohlson AB order number
- Clas Ohlson AB article number
- Description
- Price
- Amount
- Shipping date
- Payment terms
- Delivery terms
- Method of transport
- Number of multipacks/stock packs/pallets
- Possible product specific requirements

1.2 Order confirmation

An order confirmation is attached to every purchase order. This should be completed and returned to your contact person at Clas Ohlson AB within seven days.

If there are any changes on the purchase order they should be clearly marked in the order confirmation.

The delivery date and supplier order number should always be included.

1.3 Invoicing

Every purchase order from us must be invoiced separately.

An invoice must contain the following information:

- Clas Ohlson AB order number
- Clas Ohlson AB article number
- Quantity
- Unit price
- Any environmental taxes should be specified separately
- Payment terms
- Delivery terms
- Name of contact person at Clas Ohlson AB
- Country of origin for all items

Exceptions are allowed and agreed on, for example single summary invoices, every PO number must be separated and clearly state each belonging item numbers on the invoice.

Invoicing options:

- **E-invoice**
Svefaktura
Externt bolag Inexchange factorum AB
Customer service 0500-466360
E-mail: info@inexchange.se
- **E-mail**
invoice@clasohlson.se
- **Invoice address**
Clas Ohlson AB
Ekonomiavdelningen
S-793 85 Insjön

1.4 Payment terms

Payment 60 days after invoice date.

1.5 CSR information

Clas Ohlson has a Code of Conduct which specifies the demands we place on ourselves, our suppliers and contractors regarding working conditions and terms of employment.

Clas Ohlson's suppliers must respect the principles laid out in Clas Ohlson's Code of Conduct and act in accordance with them.

Before Clas Ohlson can purchase products or services from a supplier, the supplier must read the Code of Conduct and sign a declaration stating that the supplier will fulfil the demands in the Code of Conduct.

If the supplier employs a manufacturer for the production of products/services which Clas Ohlson purchases:

- the supplier must, if requested by Clas Ohlson, divulge which manufacturer is employed
- the supplier is responsible for ensuring that the manufacturer also complies with the Code of Conduct

If a supplier does not sign the Code of Conduct, Clas Ohlson will not purchase products or services from the supplier.

Clas Ohlson

Supplier's manual EU

version 4.9

Date: 2014-04-24

2.1 Shipping

Every delivery must be accompanied by a waybill (CMR) or an air waybill which must contain:

- Waybill number for the current delivery
- Shipping date
- Supplier's name and address
- Clas Ohlson AB order number
- Contact person at Clas Ohlson AB
- Number of products listed in pieces, metres, etc.
- Gross weight delivered
- Number of packages
- Number of pallets
- Number of approved EUR pallets

When the delivery term is FCA, Free Carrier seller's premises, in accordance with Incoterms®2010, the delivery must be according to the purchase order using the indicated forwarder and as per the routing instruction.

Dangerous goods should be clearly marked on the waybill in accordance with section 5.3.

Delivery address:
Clas Ohlson AB
Distribution Centre
Vabäcksvägen 14
S-793 41 Insjön

When shipping FOB (free on board) in accordance with Incoterms®2010 by sea from Asia please see instructions in the manual "Supplier Manual Asia".

Containers should always be announced to the import department at Clas Ohlson prior to delivery to our warehouse: import@clasohlson.se

2.2 Delivery documents

Every delivery must be accompanied by a packing slip/shipping list. The packing slip should be attached to the waybill and must include the following:

- Packing slip number of the current delivery
- Supplier's name and address
- Clas Ohlson AB order number
- Clas Ohlson AB article number
- Name of contact person at Clas Ohlson AB
- Number of items in pieces, metres, etc.
- Information about the number of ordered/delivered items.

2.3 Restrictions for shipping containers

Clas Ohlson AB does not approve of containers delivered to us which have been processed with toxic substances to prevent mould, fungus or insects.

Fumigation of cargo containers

Clas Ohlson forbids the fumigation of cargo containers for the control of insect pests. When transporting high risk materials, cockroach traps shall be placed inside the doors of the containers

- Wood (susceptible to infestation if the product has not been heat treated or processed)
- Natural fabrics, e.g. cotton, linen, wool (likely to harbour/feed insects)
- Other natural materials e.g. pig bristles, horse hair, jute (likely to harbour/feed insects).

If the supplier advocates fumigation nevertheless, the matter must be discussed with Clas Ohlson's Chemical Safety Coordinator or contact person in the purchasing department. In such cases that fumigation has been deemed necessary and has been approved, the gas used must be Sulphuryl fluoride (Vikane/Profume), CAS 2699-79-8. The fumigation process shall be performed on site by the shipper (20-24 hours). After fumigation the container must be ventilated until the fumigant can no longer be detected before the container is sealed.

If a container has been fumigated all certification and details pertaining to the fumigation must be sent to Clas Ohlson along with the other shipping documentation. Fumigation documentation must contain:

- Name of fumigant
- Date of fumigation
- Duration of fumigation
- Temperature during fumigation
- Dosage concentration
- Amount of fumigant in container after half of the fumigation period
- Container number
- Article number

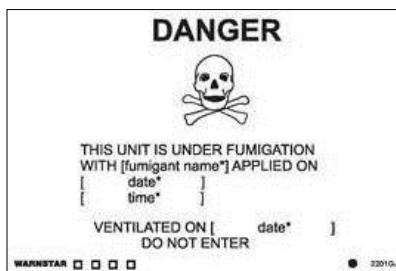
The container must be shipped within 21 days of fumigation.

Marking and labelling of fumigated shipping containers

If fumigation has been agreed for a shipping container, restrictions for transport of dangerous goods according to valid version of ADR and IMDG-code shall apply (see chapter 5.5).

- Only cargo transport units that guarantee a minimum of gas escape shall be used.
- Warning mark according to 5.5.2.3.2 shall be affixed at each access point, where it will be easily seen by person opening or entering the cargo transport unit. Marking shall remain on the cargo transport unit until it has been unloaded.
- Marking shall be at least 300 x 250 mm. Black letters to white paper. Letters shall be at least 25mm of height.
- On the marking, fumigant, date and time for fumigation, and date for ventilation shall be stated.

Figure 2.3



Example of labelling.

2.4 Package labelling

Every individual package delivered to Clas Ohlson AB should be clearly marked with the following information:

- Clas Ohlson AB
- Clas Ohlson AB order number
- Clas Ohlson AB product number
If a Clas Ohlson AB product number begins with the number 18, the entire article number should be coloured red.
- Approved weight symbol, see point 2.5
- Number of products
- Quantity in “Multipacks“ / Inner box and in “Stock pack” / Outer box
- Dangerous goods shall be clearly labeled in accordance with the latest version of ADR/ADR-S and IMDG code. Both the Inner box and the Outer box must be labeled.
- Packages containing glass/porcelain must be clearly labeled.

No barcodes of type EAN-13 are allowed on the package.

2.5 Weight symbol

Every item delivered to Clas Ohlson AB shall be labelled with a weight symbol in order to comply with the Swedish Work Environment Authority regulations. Information is available at www.tya.se

2.6 Palletized goods

Remember to take into consideration the maximum dimensions we can accommodate in our automated warehouse.
The goods must fit on a 1200 x 800 mm pallet.

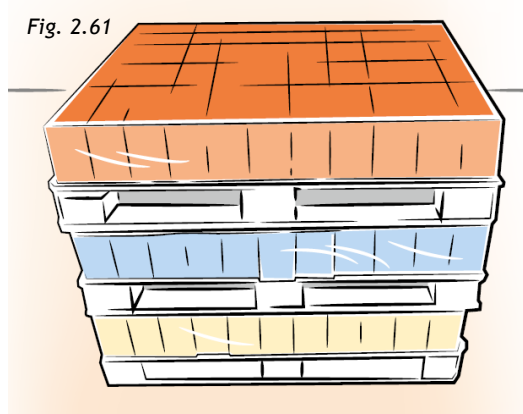
Note the following size and weight limits for a fully laden pallet:

- 1300 mm in height inclusive of pallet
- The maximum weight per pallet is 500 kg
- 3 pallet collars per pallet

Exceptions to the stated restrictions regarding the weight, height or number of pallet collars per pallet must first be approved by your contact person at Clas Ohlson.

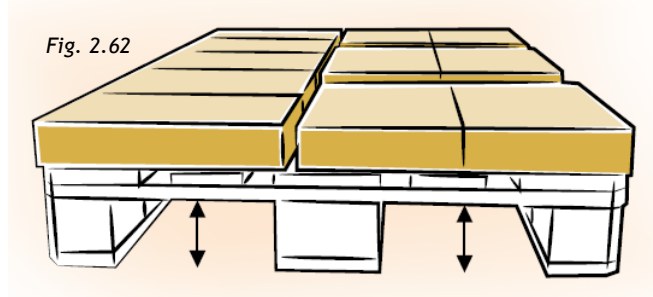
Palletized goods should be shipped using approved EUR pallets, see appendix 7.3.

The pallet should be kept homogeneous, i.e. every outer box is loaded with products having the same article number; alternatively it should be rainbow-mixed, i.e. stacked with layers of homogeneous articles separated by load carriers, see figure 2.61.



Mixed pallets consisting of layers comprising products with different article numbers may only be used in exceptional circumstances and with the approval of your contact person at Clas Ohlson.

From an environmental standpoint, the load must be securely fastened together with straps, plastic stretch wrap, etc. Stretch wrap must not cover the openings, see figure 2.62.



2.7 Delivery time booking

All deliveries to the Clas Ohlson Distribution Centre (DC) must be booked in advance by the supplier/carrier. The notification of all deliveries should be made by e-mailing tidsbokning@clasohlson.se by no later than 12.00 noon for delivery to the DC on the following day.

The delivery notification must contain the following information:

- Supplier
- CO order number (all order numbers belonging to the delivery)
- Number of pallet places (floor space)

Clas Ohlson will then confirm this notification (by e-mail) and send you the following information:

- Date for unloading
- Time for unloading

In case of schedule deviations, call: 0046 247 264221

Goods reception opening hours:

Monday-Friday 06.30-14.00

Clas Ohlson AB will not pay any extra costs that "Delivery time booking" may cause.

Clas Ohlson

Supplier's manual EU

version 4.9

Date: 2014-04-24

3.1 Sales pack

A sales pack is a pack that is consumer ready, see appendix 7.1.

Sales packs should meet the following requirements:

- Be well sealed in an appealing sellable design
- Well protected
- Prepared for rack hanging. Hole size min. 32x7 mm.
- Clearly marked with name, quantity and CO art.no.
- Labelled with an approved barcode, see section 3.5
- Batch number

Important instructions/warnings should be written in Swedish, Norwegian, Finnish, English and German.

Inform your contact person at Clas Ohlson AB immediately if there are changes made to the sales packaging or if the product has been discontinued.

3.2 Multipack / Inner box

A multipack is a stock handling unit. It consists of a certain number of sales packages of the same article. The correct number of sales packs per multipack is determined with respect to store deliveries and the replenishment of our manual warehouse, see appendix 7.1.

The suitable number of sales packs per multipack can be obtained from your contact person at Clas Ohlson AB.

Inform your contact person at Clas Ohlson AB immediately if any changes are to be made to a multipack.

If the product is classified as dangerous goods, the multipack must fulfil packaging and labelling requirements in accordance with the current version of the ADR/ADR-S and IMDG codes.

3.3 Stock pack / Outer box

Stock pack is a stock handling unit. It contains a certain quantity of both sales packs and multipacks. These should be formed so that they are stackable and the pallet is used to its maximum efficiency, see appendix 7.1.

Every stock pack should be marked with the following information:

- Clas Ohlson AB article number
- Clas Ohlson AB order number
- Total product quantity
- Approved weight symbol
- If the product is classified as dangerous goods, the multipack must fulfil packaging and labelling requirements in accordance with the current version of the ADR/ADR-S and IMDG codes.

Inform your contact person at Clas Ohlson AB immediately if any changes are to be made to a stock pack.

3.4 Packaging Material

The material used for the packaging of goods must be of such quality that the products are not damaged during transportation, handling or storage. The packages must be able to be stacked on top of one another.

The packages must be sealed so that they do not open or collapse when handled.

Any unnecessary extra or double packaging such as plastic tape and straps on outer boxes or plastic bags and blocking/filling paper round the inner sales packs must be avoided.

The size of the packaging should be proportionate to the size of the contents wherever possible, to minimize waste and save space.

The packaging materials which are approved at the present time are:

- Strapping made of polypropylene (PP)
- Adhesive tape made of polypropylene (PP) without further reinforcement
- Boxes made of corrugated fibreboard without further reinforcement
- Clear and transparent plastic film/wrap made of low-density polyethylene (LDPE)
- The blocking and filling inside the package must be of cardboard, paper or white polystyrene (PS) foam

We expect that all the packaging used to send goods to us is designed to be as cost-effective as possible with regards to the size and material used and also that you, as a supplier, do your utmost to keep our transportation and handling cost as well as environmental impact to a minimum.

3.5 Barcodes

We recommend using EAN 13. These barcodes are compatible with our system:

- EAN 13
- EAN 8
- UPC-A
- UPC-E

The quality of the barcode should be up to the Overall Symbol Grade B according to the ISO-standard 15416.

Each barcode is checked for readability during receiving. Each barcode that does not meet the required standard is re-marked. This cost will be debited according to the Cost Table. See section 4.1.

3.6 Instruction manual

Instruction manuals in Swedish, Norwegian, Finnish, English and German shall be included with or printed on each sales pack.

04

Debiting

Clas Ohlson

Supplier's manual EU

version 4.9

Date: 2014-04-24

4.1 Debiting for incorrect delivery/packaging

In every case where the products delivered to Clas Ohlson AB do not meet the standards reached in our agreement with you, will all such costs be debit to your account for each such an occurrence.

Debiting occurs at the following rate:

- SEK 3000 initial charge
- SEK 500/hour for internal administration processes

Clas Ohlson

Supplier's manual EU

version 4.9

Date: 2014-04-24

5.1 Necessary Item Information

In order to simplify handling of those articles delivered to Clas Ohlson AB will we kindly request that you fill in the *Necessary Item Information* form when asked to do so. See appendix 7.2.

5.2 Product safety

The basic requirements for all products delivered to Clas Ohlson AB are that they meet all related EU directives and the 2001/95/EC general product safety directive.

The requirements in these directives vary according the type of product. We assume that you as supplier have the requisite knowledge regarding which requirements pertain to the respective product you deliver to us.

We expect that you can supply us with a declaration of conformity (DoC) to any such directives for the relevant product with three days notice.

5.3 Dangerous goods

If the product is classified as dangerous goods, information should be given to the contact person at Clas Ohlson along with other information regarding the product.

Dangerous goods should be packed and labelled in accordance with current versions of the ADR and IMDG codes. Both multipack, stock pack, and in some cases sales pack should be available to ship individually. Questions regarding this should be directed to Clas Ohlson's Dangerous Goods Safety Advisor.

5.4 Safety data sheets

Safety data sheets compiled in accordance with regulation EC1907/2006 REACH, Annex II, and EC/435/2010 must be sent as a PDF file to your contact person at Clas Ohlson. The safety data sheet shall be translated to Swedish, Norwegian, Finnish, English and German.

When a safety data sheet has been updated, a new version must be sent to Clas Ohlson at once.

5.5 Environment and Health

Clas Ohlson cares about the environment and health. We are working continuously with the mapping of chemical substances in products and the phasing out of dangerous chemicals. To gather information about chemical content in our products and make sure that the products comply with relevant legislation, we use declaration documents to be signed by the supplier.

REACH_declaration is to state compliance with the REACH legislation. It also contains Clas Ohlson requirements about PAH and phthalates in material with skin contact during use. The declaration is to be signed for all articles.

RoHS_declaration certifies compliance with the RoHS legislation, which regulate the content of certain hazardous substances in electrical and electronic products. The declaration is to be signed for all electrical and electronic products.

Toys_declaration covers the Toy Safety Directives requirements about physical and chemical safety assessment for toys. The declaration is also an EC declaration of conformity according to annex III, EC/2009/48. The declaration apply to toys.

Food_declaration is an assurance of about conformity with the EU-legislation covering material and products intended for food contact. The document apply to food contact products.

Textile_leather_declaration is to inform about the content of certain chemical substances that can occur in textile and leather products, and which are not regulated by legislation. Clas Ohlson complies with the requirements of the Textile Importers. The declaration applies to all products made of textile or leather.

We assume that you, the supplier, know about and comply with the European legislation about chemical content in products, and that you adapt to new requirements without our reminder. Beside legislations mentioned in the documents, the product shall also comply with other relevant legislations. The declarations relevant to your product will be sent to you by our purchase department. They must be signed and returned before orders for the product can be made.

More information about our product requirements is to be found at <http://om.clasohlson.com/en/Supplier/>

06

Returned products

Clas Ohlson

Supplier's manual EU

version 4.9

Date: 2014-04-24

6.1 Returns/Claims

Returns/claims shall be dealt with in co-operation with your contact person at Clas Ohlson AB.

07

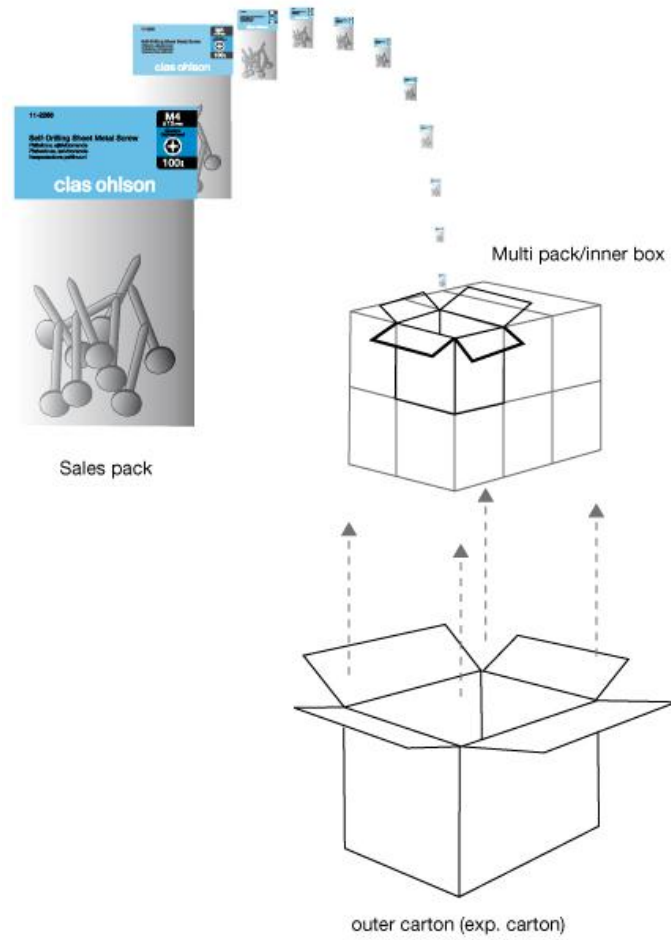
7.1 Packaging

Clas Ohlson

Supplier's manual EU

version 4.9


Date: 2014-04-24



07

7.2 Necessary item information

Clas Ohlson
 Supplier's manual EU
 version 4.9
 Date: 2014-04-24



v.1.5
 3/22/2010 3:50:00 PM

NECESSARY ITEM INFORMATION

| BASIC INFORMATION | | | | | | | |
|---------------------------|---------|-------------------------------|--|--|--|--|--|
| CO item No. | | Your item No. | | | | | |
| Description | | Custom TARIC No. ¹ | | | | | |
| Supplier | | Price excluding tax | | | | | |
| Manufacturer ² | Address | Telephone | | | | | |
| Country of origin | | | | | | | |

| REGISTRATION INFORMATION | | | | | | | |
|---|-----------------|--|-----------------|--|--------|--|--|
| Size on sales pack (mm) | Length | | Width | | Height | | |
| Weight (g) | Incl. packaging | | Excl. packaging | | | | |
| Quantity of sales pack / package ³ | MP | | LP | | Pallet | | |

| PRODUCT/PACKAGING INFORMATION | | | | | | | | |
|---|------------------------------|--------------------------------------|-------------------------------------|-----------------------------|-----------------------------|------------------------------------|------------------------------|------------------------------|
| Trademark ⁴ | | | | | | | | |
| Packaging | Type ⁵ | Select packaging type, click here >> | | Language | <input type="checkbox"/> Sv | <input type="checkbox"/> No | <input type="checkbox"/> Fi | <input type="checkbox"/> Eng |
| Other type of packaging | | | | | | | | |
| Instruction Manual ⁶ | <input type="checkbox"/> Yes | <input type="checkbox"/> No | Language | <input type="checkbox"/> Sv | <input type="checkbox"/> No | <input type="checkbox"/> Fi | <input type="checkbox"/> Eng | |
| EAN Barcode | No. | | | | | | | |
| Material Safety Data Sheet ⁷ | <input type="checkbox"/> Yes | <input type="checkbox"/> No | UN-No./Hazardous goods ⁸ | | | | | |
| Batteries included | <input type="checkbox"/> Yes | <input type="checkbox"/> No | If Yes, continue below... | | | | | |
| Quantity | Type | Select battery type, click here >> | | Weight / battery (g) | Size | Select battery size, click here >> | | |

Please complete the form with the requested information, email it back to your contact person at our Purchasing Department. The file name of this document should be our item number (e.g. 38-1531.doc).

For more information please read the supplier instruction manual.

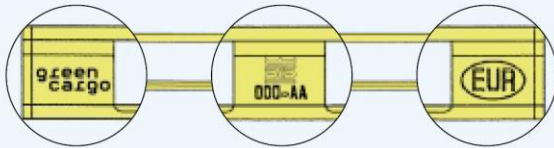
¹ Ten digit item code for customs and statistics registration.
² Manufacturer's name and address.
³ Quantity of sales pack per MP (multi pack/inner box) and LP (supplier pack/export box).
⁴ Any trademark that can be connected to the product?
⁵ To select packaging type click to choose suitable alternative from list. Packaging types: print on product, label, hang tag, header label, plastic packaging, half blister, double blister, cardboard tube, carton, window carton, export carton or back card.
⁶ Does the product require a user manual? Check language on possible existing manual.
⁷ Does the product require a 16 point material safety data sheet? If required, the product need required in Swedish, Norwegian, Finnish and English.
⁸ If the product is classified as hazardous goods should a UN number be stated.

| Address | Telefon | Telefax | Bank | Bankgiro | Postgiro | Organisationsnummer | Momsregistr |
|-----------------------|----------------|----------------|---------|-----------------------|----------------|----------------------------------|--|
| Address | Telephone | Fax | Bankers | Bank transfer service | Postal account | Organization registration number | VAT no |
| Clas Ohlson AB (publ) | | | | | | 556035-8672 | SE556035867201 |
| S-793 85 Insjön | + 46 247 44400 | + 46 247 44425 | Svenska | Handelsbanken | 795-9752 | E-mail: order@clasohlson.se | Styrelsens site / Seat of the Board: Leksand |
| Sweden | | | | | 9257-7 | | |

7.3 Palletised goods

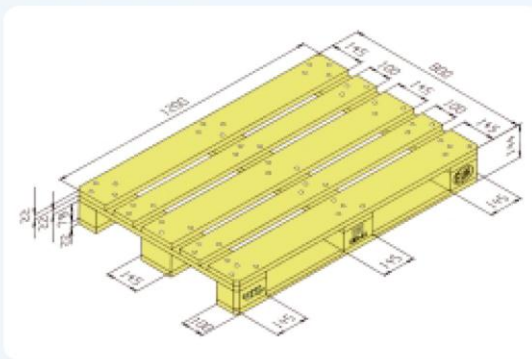
GUIDE TO EUR PALLETS

UNDERSTANDING THE PALLET'S LABELLING



- EUR pallets are always marked on the three blocks on both long sides.
- EUR pallets from countries other than Sweden have the national railway company logo on the left block. E.g. DB on pallets from Germany.
- EUR pallets from other countries than Sweden usually have only the pallet manufacturer's identity and date code on the central block. 000 is the manufacturer's identity. AA denotes the year of production. On EUR pallets from other countries the label may be A-BB instead of AA, where A = year and BB = month.
- In Sweden the central block also has the SIS label. Other Nordic countries use their corresponding standardisation labels.
- The central block may also have the EPAL label. EPAL is an organisation that issues labelling licences to manufacturers of EUR pallets.
- The labelling on the corner blocks and at least one central block must be legible. If not, the pallet must be repaired.
- The Green Cargo label does not appear on older EUR pallets which instead are provided with SJ's symbol (Swedish passenger rail company).

APPROVED DIMENSIONS



| DESCRIPTION OF PARTS | NOMINAL DIMENSIONS | QUANTITY |
|----------------------|--------------------|----------|
| Side panel | 1200 x 145 x 22 | 2 |
| Central panel | 1200 x 145 x 22 | 1 |
| Intermediate panel | 1200 x 100 x 22 | 2 |
| Cross piece | 800 x 145 x 22 | 3 |
| Side bottom board | 1200 x 100 x 22 | 2 |
| Central bottom board | 1200 x 145 x 22 | 1 |

| TOLERANCE | mm |
|------------------------------|------------|
| Length, pallet | 1200 -0/+3 |
| Width, pallet | 800 -0/+3 |
| Thickness, panels and boards | 22 -0/+2 |
| Width, panels and boards | 145 -3/+5 |
| Width, panels and boards | 100 -3/+3 |
| Height, blocks | 78 -0/+1 |

REQUIREMENTS AND DIMENSIONS FOR APPROVED EUR PALLETS

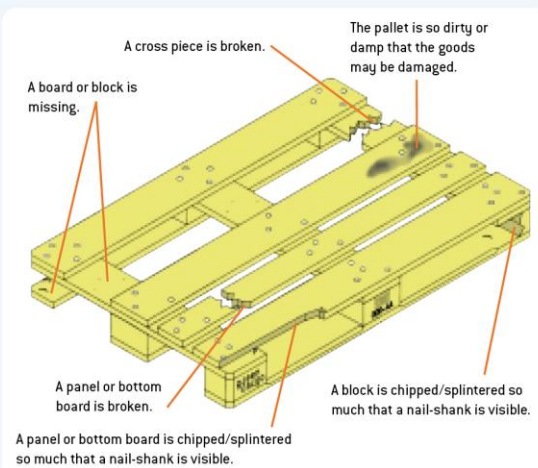
EUR pallets must be produced in accordance with UIC Code 435-2, Swedish standard SS 84 20 07 or the equivalent national standard. Some of these requirements are outlined below:

- EUR pallets may only be produced and labelled by companies with the relevant licence.
 - The timber must be healthy. It must be free from bark and bark constituents, rot, dry rot, mould and mildew.
 - Discoloration of the timber due to poor drying and storage conditions is not permitted. Slight discoloration and discoloration due to weather exposure is permitted.
 - EUR pallets may only be repaired by companies with the relevant licence for repairs, and the repairs must be carried out in accordance with the requirements stipulated in SS 84 20 08.
- A pallet must be removed if:**
- a board, cross piece or block is missing.
 - a panel, bottom board or cross piece is broken.
 - a block, panel or bottom board is chipped/splintered so that a nail-shank is visible.
 - a panel or bottom board has some type of indentation.
 - a nail or screw has become loose or sticks out from panels or bottom boards.
 - the corner blocks (rail company logo and EUR label) or any central block does not have legible labelling.
 - the pallet is so dirty or damp that the goods may get damaged.
 - the pallet is damaged or deviates from the stipulated requirements on dimensions, timber quality or durability to such an extent, that using the pallet poses a risk to people or goods.
 - the labelling on the block(s) has been sprayed with paint or covered with paint.
 - the pallet is not cleared of attached plastic, paper or similar.

Checking and sorting EUR pallets

EUR pallets do not last for ever, and it is important that users check the pallets on a continuous basis. Damaged pallets must be removed.

AN EUR PALLET IS NOT APPROVED IF IT HAS ANY OF THESE FAULTS



FURTHERMORE

When assessing EUR pallets, the dispatcher/recipient must decide whether the pallet is approved or should be repaired or scrapped.

