European Delivery Requirements
of
Flint Group
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1. INTRODUCTION

This document relates to and embraces the entities of the Flint Group company group in Europe.

The intention is to ensure that our suppliers have an overview of our general service level requirements. On an individual basis, we will additionally close service level agreements to specify more in detail the adequate service level requirements.

Flint Group reviews the performance of its suppliers constantly and high quality as well as service level standards will be a major factor taken into consideration when Flint Group awards new business.

The delivery of goods sold to Flint Group shall be made in accordance with the relevant Framework Agreement, a contract or Purchase Order and Flint Group’s Standard Terms and Conditions. The terms of this document as well as of the service level requirements of the destination site shall be regarded as a supplement thereto.

Where anything in this European Delivery Requirements document is inconsistent with, or directly conflicts with terms of any written Framework Agreement or other agreed contract, any Purchase Order, Site Service Level Requirements or our Standard Conditions of Purchase of Goods or Services, then the order of precedence of such documents shall be as follows:

- Flint Framework Agreement (or other written, signed agreed contract);
- Flint Purchase Order;
- Flint Standard Conditions of Purchase of Goods or Services
- This European Delivery Requirements document;
- Flint Site Service Level Requirements of the destination site (if any);
- Applicable law.

For the avoidance of doubt, no supplier standard terms or statements, or acknowledgements or receipts of orders, or delivery documents shall impose any binding terms on Flint Group whatsoever, unless agreed in writing by the responsible Flint Group Buyer.

It is the responsibility of the Supplier to ensure that it has the most up to date version of this document and the relevant destination Flint Site Service Level Requirements. The Supplier can also obtain copies of the current version from his regular Flint Group contact or under the following link on the website: www.flintgrp.com/en/procurement-docs/procurement-index.php.

Supplier acknowledges that this document is confidential and proprietary to Flint Group and that it will not disclose it to third parties.
### 2. DEFINITIONS & ABBREVIATIONS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Definition</th>
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<tbody>
<tr>
<td>ADR</td>
<td>European Agreement concerning the International Carriage of Dangerous Goods by Road</td>
</tr>
<tr>
<td>CAS</td>
<td>Chemical Abstracts Service</td>
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<td>CLP</td>
<td></td>
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<tr>
<td>COA</td>
<td>Certificate of Analysis</td>
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<tr>
<td>COC</td>
<td>Certificate of Conformity</td>
</tr>
<tr>
<td>FIBC</td>
<td>Flexible Intermediate Bulk Container, Big Bag, Bulk Bag</td>
</tr>
<tr>
<td>IATA</td>
<td>International Air Transport Association</td>
</tr>
<tr>
<td>IMDG-code</td>
<td>International Maritime Dangerous Goods Code</td>
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<tr>
<td>IBC</td>
<td>Intermediate Bulk Container</td>
</tr>
<tr>
<td>IBAN</td>
<td>International Bank Account Number</td>
</tr>
<tr>
<td>IBC</td>
<td>Intermediate Bulk Container, tote</td>
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<tr>
<td>IMO</td>
<td>International Maritime Organisation</td>
</tr>
<tr>
<td>Incoterms</td>
<td>Internationally accepted commercial terms drawn up by the International Chamber of Commerce which define the respective roles and specific actions required of the buyer and seller in the arrangement of transportation, insurance and other such responsibilities. The latest set is Incoterms 2010.</td>
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<tr>
<td>RX- Code</td>
<td>The individual specific internal code given to each raw material purchased by Flint</td>
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<tr>
<td>CLP-SDS</td>
<td>Safety Data Sheet compliant with Regulation (EC) No. 1907/2006 (REACH)</td>
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<tr>
<td>REACH</td>
<td><strong>Registration, Evaluation, Authorisation and Restriction of Chemicals</strong> (REACH) is a European Union Regulation of 18 December 2006. REACH addresses the production and use of chemical substances, and their potential impacts on both human health and the environment.</td>
</tr>
<tr>
<td>RIS</td>
<td>Regulatory Information Sheet, Flint Group form for Regulatory affairs. Needs to be filled by supplier before product can be implement into Flint ERP systems</td>
</tr>
<tr>
<td>SHE</td>
<td>Safety, Health and Environment</td>
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3. Safety, Health & Environment (SHE)

The safety of employees, suppliers and contractors is one of the five guiding principles of Flint Group.

We believe that all workplace injuries can, and should be prevented; hence all safety training and work processes are designed with that premise.

We also recognize that the majority of incidents are caused by unsafe behaviour of an individual, or individuals. The primary reasons are due to rushing, lack of concentration on the task at hand, or trying to take a short cut. Flint Group expects its suppliers and contractors to fulfil the same SHE Policy then our own employees. This policy establishes standards to adhere to whether they are on Flint Group premises, other party’s premises on behalf of Flint Group or during Flint Group related business travel.

The essential elements of Flint Group’s Safety, Health and Environmental Policy include:

1. We expect every employee, supplier and contractor to be responsible for his or her own safety and behave in a safe manner. In addition, we request that employees advise their colleagues, suppliers and contractors immediately whenever they see anyone acting unsafely.

2. Zero workplace injuries is a fundamental Flint Group goal. All workplace activities will use this standard as a guiding principle when considering new or current work processes and product development and design.

3. Flint Group is committed to providing employees a safe workplace. We will provide the necessary tools and training to ensure our employees are able to do their job and conduct business in a safe manner. The same we expect from our suppliers and contractors when acting on behalf of Flint or on Flint premises.

4. We will comply with all local applicable rules, laws, regulations or the Flint Group standard, which ever is the higher. Proactive tools and techniques will be used for this purpose and to anticipate legislation that may result in new regulations.

5. Flint Group will use only material suppliers and contractors that have appropriate regulatory approvals. We expect our suppliers and contactors share our views relative to workplace safety and protection to the environment.

6. Flint Group will strive to reduce pollution from discharges and emissions. We will actively conserve energy throughout the life cycle of our products.

The Flint Group SHE Standards policy is available in several languages and can be requested through the responsible Leadbuyer.
4. ORDERING OF GOODS

1. Ordering of goods will only be made under a Flint Group Purchase Order which is generally based on a Framework Agreement agreed between Flint Group and a supplier.

2. A Purchase Order is subject to Flint Group’s Standard Conditions for the Purchase of Goods or Service which have been made available to the supplier. These can also be found under [www.flintgrp.com/en/procurement-docs/procurement-index.php](http://www.flintgrp.com/en/procurement-docs/procurement-index.php) or can be provided upon request.

3. Flint Group will issue Purchase Orders to suppliers with sufficient agreed lead times in the form of a fax transmission or by email containing the following main information:

- Purchase Order Number;
- Material; Flint Group material name and/or Flint Group material code (RX-code), and/or supplier code and/or description;
- Price, currency, payment terms and Incoterms 2010 mode required;
- Required delivery date, quantity and packaging type;
- Reference to relevant Flint Group contract number if appropriate;
- Reference to the fact that Flint Group Standard Conditions for the Purchase of Goods or Services apply;
- Any other special arrangements.

4. An order confirmation shall be issued by supplier, either by fax or e-mail, within 48 hours after receipt of the Purchase Order. Delivery has to be done according to the terms agreed upon. The products must be delivered in the agreed quantity and unit size (i.e. agreed tolerances in case of a bulk or other specific delivery) as ordered. Partial deliveries are not accepted unless agreed by Flint Group in writing.

5. From time to time Flint Group may need products delivered urgently. In such cases, Flint Group will contact the supplier to inform them of the short notice request and the supplier will use its best reasonable endeavours to comply with Flint Group’s short notice request. Once the supplier has agreed a delivery date with Flint Group, its performance will be measured against that delivery date.

6. In the exceptional case, where the supplier anticipates any delay in an agreed delivery or any other discrepancy in the agreed terms, the supplier must inform Flint Group immediately by phone, fax or email. Phone calls must be confirmed in writing as soon as possible. Flint Group may in its absolute discretion agree to a new delivery date but this shall not be regarded as a waiver of Flint Group’s rights in respect of the supplier’s late delivery of the products. The supplier shall be measured against the original agreed delivery date.
5. DELIVERY OF GOODS

1. The supplier must ensure that the products are delivered in accordance with the agreed delivery and quality requirements.

2. All goods must be provided in approved packaging, fit for purpose and safe to unload as well as in accordance with paragraph 6 of this document.

3. In addition, delivery should be in clean, covered vehicles which shall be free from foreign bodies, pesticides and any materials that may taint or contaminate the products ordered by Flint Group. In the case that products are purchased on an Ex-Works Incoterms 2010 basis, the supplier must provide clear instructions regarding the appropriate transportation style and safety precautions of the products.

Vehicles used for tank load deliveries must be washed in an approved manner so as to keep them clean and free from contamination or impurity. Tanks must be cleaned in such a way that any previous contents of the tank or lorry will not cause taste, odour or colour contamination.

A signed cleaning certificate must be available to Flint Group. The certificate must also indicate which product has been used to wash the tank and which product or product type was in the tank before the last cleaning. Deliveries made without such a certificate will be rejected without any liability on the part of Flint.

4. Where the products are of a dangerous type the transport must comply with the UN/ADR/IATA/IMO and any local safety regulations. In any event, all laws which apply in the country of production, the countries through which the products are transported and the country of destination shall be complied with by supplier. The vehicle must contain and be equipped with mandatory safety equipment and the driver must have all necessary licences and be able to demonstrate safety regulation awareness (e.g. ADR).

5. All drivers must wear on site, safety glasses, safety shoes and Hi-Vis jackets. Failure to have and wear these will mean that the vehicle will not be unloaded.

6. When relevant or unless specified otherwise, all products must be delivered on pallets in accordance with paragraph 6 of this document.

7. Supplier will be responsible for any third party hauliers or transporters it engages.

8. Mixed products and/or batches on one pallet will not be accepted unless specifically agreed by Flint Group in advance. In the event that Flint Group accepts a delivery on a mixed pallet, then the delivery must be clearly indicated as such and it must also be clearly indicated on the delivery documents.

9. Flint Group may ask for the delivery of pre-shipment samples. Deliveries are subject to the approval of that sample.
6. PACKAGING REQUIREMENTS*1

General

1. All products must be properly and appropriately packaged (and complying with law) so as to ensure they are delivered to the relevant Flint Group site without damage. Some examples of where Flint Group will in its absolute discretion consider the products to be improperly packaged or damaged include the following:
   - Illegible or no product label on the container (see Section 7)
   - Leaking, unclean, rusty, or wet containers;
   - Delivered in dirty vehicles (including, but not limited to, taste, odour or colour contamination, foreign bodies);
   - Broken seals, bags or cartons;
   - Sharp or severe dents;
   - Inappropriate or damaged drum;
   - Use of a wrong container type/BigBag type or IBC
   - Evidence of pest and/or foreign bodies;
   - Any other defect effecting product packaging and/or quality.

In the case of products improperly packaged or damaged, the supplier is obliged to, at his own cost, arrange for the timely collection, removal and replacement of the products. If the supplier is unable to arrange for timely collection, removal and replacement of the products, Flint will, at the Supplier’s cost, make the necessary arrangements itself.

2. All packaging, including but not limited to, IBCs, drums and pails, must be properly sealed, must not have been opened prior to delivery, and must be tamper evident to demonstrate that the packaging has not been opened.

3. The following items must not be used without the prior written consent of Flint Group: jute rope, fiber drums, staples, wooden lids or bottoms, special circumstances for nitrocellulose packaging materials and to be confirmed in consent with Flint Group.

4. If the supplier wishes to change the type or size of packaging, this can only be done after written approval of the new packaging type or size by Flint Group

5. If the supplier wishes Flint Group to return the packaging then this must be clearly marked on the outside of the packaging and this must form part of the contract with Flint Group.

6. All packaging must be of good quality, suitable for the products packed within them, free from any contamination, foreign bodies or dirt and must meet all local and international standards and legislation and regulation as well as standards and Flint Group requirements and, upon arrival must be undamaged, fit for purpose, safe to unload and in good condition.

*1 Only where supplier is responsible for packaging
Pallets

7. Pallets where required and used for delivery of goods to Flint must comply with the local legal regulations of the Flint destination site. Please also check the information provided in the Site Service Level Requirements of the relevant destination site.

8. Pallets made of wood must comply with the ISPM15-regulation (IPPC-Pallets) and/or DAFF Biosecurity Methyl Bromide Standards unless otherwise agreed by Flint.

9. Pallets must be new or in good condition and have 4-way entry with 7 bottom laths.

10. Pallets containing boxes and/or bags must be firmly stretch or shrink-wrapped (with top-cover). Where shrink-wrapping is used, the number of rounds of shrink-wrapping must be a minimum of three rounds to ensure that pallets travel well.

11. Pallets containing drums must be firmly stretched or shrink-wrapped, (three rounds) and secured to the pallets, preferably with plastic bands. Drums must be loaded and transported in an “upwards” position.

Bags

12. Jute bags or “Big bags” constructed out of paper are not acceptable and may not be used. For FIBC’s, only Type C Big Bags are acceptable, in specific cases Flint Group may, in its sole discretion, consider the usage of Type B Big Bags. This must be agreed in writing upon before delivery is shipped.

13. When goods are delivered in approved big-bags (non paper), the size of the big-bags should be according to the agreed dimension;

   • there should be no product visible on the outside, top and bottom of the big-bag;
   • bags should be properly and fully labeled;
   • bags should be stable or stabilized on the pallets;

Drums, Pails & Cans

14. All drums must contain two bungs or open head.

15. Pails and cans must be in line with the laws and regulations of the relevant countries but not heavier than 25 kilograms.

16. Pails and cans must be free from leaks and spills.
7. LABELLING

1. The labelling of each packaging must comply with local and international requirements if applicable. These are for example (but not restricted to): Dangerous Substance Directive (67/548/EEC), Dangerous Preparations Directive (1999/45/EC) or EU Regulation No. 1272/2008 for Classification, Labelling and Packaging Dangerous Goods Regulations (for example: ADR, IMDG, IATA) as well as REACH and GHS.

2. The labelling of the delivered products must be clean, dry, legible and written in the language of the receiving Flint Group Site and in English unless otherwise agreed.

3. The label must generally contain the following information on the side of each of a packaging unit:

   Per Unit:
   - Flint Purchase Order number;
   - Flint Product code;
   - Product description;
   - Supplier product code;
   - Original suppliers batch number;
   - Unit of measure;
   - Net/tare/gross weight;
   - Hazard symbols (or hazard pictograms), where required;
   - Material Hazard Phrases according to the related labeling regulation;
   - Product Handling Instructions (e.g. storage conditions, sampling-instructions);
   - Material Designation;
   - Recipient;
   - Recipient Building;
   - Type of Packaging (disposable/reusable);
   - Quantity of Packaging;

   Per Pallet:
   - Flint Purchase Order number;
   - Flint Product code;
   - Product description;
   - Safety symbols, where required;
   - Product Handling Instructions (e.g. storage conditions, sampling-instructions);
   - Material Designation;
   - Recipient;
   - Recipient Building;
• Type of Packaging (disposable/reusable);
• Quantity of Packaging

4. Additional information may need to be added depending on the products to be delivered.

5. An IBC must be labeled on two sides next to each other

6. Label fonts must be of adequate size to allow the forklift operator to read the label information i.e. 26 font or greater.

7. In certain destinations, specific label requirements may be required which shall then be observed additionally. These will be specified by the relevant site and information is available in the Flint Group Site Service Level Requirements.
8. QUALITY & Regulations (REACH, CLP and others)

1. For each product supplied a technical specification must be delivered and agreed with Flint prior to delivery. If a sample has been delivered in advance and Flint Group has accepted that sample, the products delivered shall comply in all aspects comply with the sample. If a technical specification has not been agreed, the products have to be fit for the intended purpose, be made in accordance with the state of the art, the generally recognized technical and industrial medical safety provisions and comply with the relevant legal provisions.

If machinery, apparatus or equipment is supplied, it must be in accordance with the requirements of the special safety provisions for machinery, apparatus and equipment in force on the date when the contract is performed and it must have a CE mark.

Supplier guarantees that the products correspond to the European regulations No 1907/2006 (REACH-Regulation) regarding the registration, evaluation, authorization and limitation of chemicals.

2. Before the first supply of each product, supplier is obliged to provide Regulatory information, including but not limited to the Regulatory Information Sheet (RIS) as well as dust forms and if requested additional information. The RIS or other forms can be requested from Flint Procurement. The supplier should always send the required forms together with the agreed specifications and the SDS in English as well as in the local language of the destination site in an electronic form (e.g. PDF via Email), to speed up the Flint Group internal approval process. The contact details for each Flint Group site is provided in the Flint Site Service Level Requirements of the destination site.

3. A COA must be sent to the Flint Group destination site prior to each delivery subject to the terms of the relevant site level requirements. The COA shall be made in English unless otherwise required.

4. The COA must contain;

- Supplier’s name and address;
- Product trade name/Flint product name and code;
- Production date;
- Shelf life and best before date of lot/batch;
- Lot/batch number;
- Number of units and quantity, delivered under the referred batch;
- Flint Group Purchase Order number;
- Contact details of supplier’s responsible quality manager;
- Analytical data of the lot/batch and specification ranges;
- Any specific additional requirements agreed between Flint Group and the supplier;

5. If the delivery comprises more than one manufacturing lot/batch, a separate COA or, where applicable, a COC for each lot or batch is required. Such documents shall be submitted to Flint Group automatically and unsolicited.

6. The analytical data must include the result and specification limits of each and every parameter that forms a part of the agreed specification with Flint.
7. All documentation must be clean, dry, legible and in English language. If a COA is required in a language other than English supplier will promptly provide one.

8. Unless otherwise agreed in writing, each lot/batch/product delivered must have minimum remaining shelf life of 12 months at the time the products arrive at the relevant Flint site. Flint Group is entitled to reject the delivery if the minimum shelf life does not correspond to these requirements. Where such requirement cannot be fulfilled due to technical reasons, supplier shall be obliged to inform Flint Group and a shelf life will then be mutually agreed upon.
Supplier guarantees that the products/lots/batches delivered correspond to the specifications during shelf life and that stability tests are fulfilled at any point in time during shelf life.

Flint Group reserves the right to raise a complaint document for issues outside these general criteria, where Flint judges the non conformance to be sufficiently severe to merit further investigation to prevent re-occurrence.

9. Supplier is obliged to keep production samples of at least 200 milliliters / 250 grams from every delivered batch for the duration of the shelf life of the product or for a period of 24 months after manufacture date, whichever is longer.

10. Flint Group has to be informed in writing about any change to raw materials, their or any part of the agreed specification or the analytical parameters or production processes in advance of such a change. No change whatsoever may be made without the prior written consent of Flint Group. This includes changes to the sourcing of raw materials or changes in production locations. Each batch of products delivered must be in conformity with the specifications agreed, in compliance with the Framework Agreement or contract, correspond to the previously approved deliveries and observe the requirements of this document and the Service Level Requirements of the relevant Flint Group site.

11. If the country of origin, material of origin, raw material composition, manufacturing process, production plant or site of manufacture is changed, the supplier must give written notice of such to Flint Group and such notice must be no less than 3 months in advance of any delivery of a product affected by the change. Flint will assess the information contained in such notice and reserves the right to demand a new audit of the production site and process. If Flint in its absolute discretion determines that the new process or production site does not meet Flint’s requirements, then Flint may terminate the contract immediately or require the supplier to honour the contract and deliver the goods from the original source for the original contract period.

12. Supplier shall conduct constantly quality testing before the products are send to Flint Group and shall arrange reasonable outgoing-control of each batch of products actually delivered to Flint Group and shall provide a signed and dated COA hereabout, thereby releasing Flint Group from doing any incoming control other than checks on transport damages. If the supplier becomes aware that the quality of a batch does not correspond to the agreed or expected requirements, or if any doubt exists with respect to subjective parameters, the supplier must obtain prior written approval from the responsible Flint Group Quality Manager before commencing movement of or delivery of the products. Such goods, in case they are already shipped to and received by Flint
Group site, are subject to the further final approval of the responsible Flint Group Quality Manager. Subsequent deliveries from the same batch or another batch require Flint Group's prior written approval. Flint Group shall be free to reject any non-conforming products, which do not receive the final approval from Flint Group Quality Manager. The acceptance of the goods does not imply a waiver of any of Flint Group’s contractual and statutory rights.

13. Without prejudice to any other rights Flint Group may have, if a delivery is rejected for quality reasons by Flint Group and Flint Group requires that the non-conforming products are replaced, the supplier will supply replacement goods as a matter of priority from a different production lot/batch that conforms to the Flint requirements. All additional costs, including the cost of the materials and express freight shall be at the supplier’s account.

14. Supplier is required to acknowledge receipt of each complaint document and to provide a written report within 10 days detailing the Root Cause, Corrective and Preventive Action to be taken.
9. SAMPLES

All samples submitted must be accompanied with a SDS, specifications, and COA. SDS must be supplied prior to the first delivery and the format and information to be in compliance with REACH and CLP. Safety data sheet must be supplied in the local language and English.

1. Paperwork accompanying Pre- or Co- Shipment Samples must include the following:
   - Flint Group Product Name;
   - Flint Group RX- Code;
   - Flint Group Purchase Order Number (if applicable)

2. If it has been agreed to send either a pre- or a co-shipment sample, all samples must be fully labelled with the appropriate hazard labels as required by all laws applicable to that samples manufacture, transportation and destination.

3. For samples, the commercial invoice must state “no commercial value and the listed price / value is for customs purposes only”.

December 2012
10. DOCUMENTATION

1. Delivery notes/Bills of Lading must contain the following information:

   • Number of units and/or pallets delivered;
   • Indication of supplier's batch number(s) per pallet;
   • Number of units and quantity per batch per pallet;
   • Manufacture date of all delivered batches + Best Before Date;
   • Flint Purchase Order-number;
   • Flint Product-code;
   • Product-description;
   • Country of Origin;
   • For sites where Printmedia, Liquid Packaging & Narrow Web and Flexographic operations exist, an indication on the delivery documents should be made whether it is meant for Flint Group Printmedia, Liquid Packaging & Narrow Web or Flexographic products. Such information is available on the relevant Flint Group Purchase Order.

2. If a delivery is accompanied by a co-shipment sample, this must be clearly indicated on the delivery note.

3. Every delivery must include the required documentation and information provided and must be complete and correct. Discrepancies are at the expense of the supplier, and entitle Flint Group to reject a delivery/batch/product.

4. In case of delivery of dangerous goods the relevant additional documents has to be submitted automatically.

5. Documents must comply with all local and international legal regulations in force from time to time for the countries of manufacture, transportation and destination site.

6. All accompanying documents must be in English or in the language of the receiving Flint Group destination Site if so required according to the site service requirements.

7. The Supplier must act in accordance with all applicable laws and regulation.

8. Safety Data Sheets must be immediately available in the local Member state language and English, which is an EU and Flint Group requirement.
11. INVOICES

1. Supplier’s invoices to Flint Group must contain the following information:

   • Flint Purchase Order number;
   • Flint material name;
   • Flint RX- Code;
   • Unit of measure;
   • Price per unit of measure;
   • Freight charges (if applicable)
   • Currency;
   • Incoterms 2010 mode;
   • Total value;
   • Payment terms;
   • Bank details, including IBAN;
   • VAT Registration Number;
   • Accounts department contact details;
   • A contact phone number to address invoice issues.

2. Invoices shall be sent to the invoicing address stated on the Purchase Order or agreed otherwise. Invoices shall be addressed to the correct Flint Group legal entity which is stated on the Purchase Order.

3. Where applicable, freight charges have to be stated as a separate line item.

4. A commercial invoice must be issued instead of pro forma invoice or customs invoice for either commercial product or for samples delivered.

5. Failure to comply with such requirements can result in delay of payment.
12. GENERAL

1. Flint Group shall be informed in writing about changes within the Suppliers’ organisation affecting the products or their delivery to Flint Group. This includes but is not limited to the following changes: contact persons, contact details, location, ownership, financial issues, production closures or changes.

2. Failure to conform to any criteria specified in these European Delivery Requirements will be recorded and reported and will influence supplier’s performance measurement. This shall be separate to and without prejudice to any terms of any written agreement between supplier and Flint Group and all Flint Group’s rights in respect shall not be affected.