



Sub Contractors Code of Practice

The following terms and conditions shall apply to all agreements relating to the carriage of goods made between NR Evans & Son Limited and any of its subsidiaries, (hereinafter called "the Company") and any person, firm, company or employee thereof, (hereinafter referred to interchangeably as either "the Sub Contractor", the "Driver" or "Haulier") who enters into an agreement with the Company to carry goods. No agent or employee of the Sub Contractor is permitted to alter or vary these conditions in any way. Within this Code of Practice document, any references to "the Company" shall be taken to mean NR Evans & Son Limited unless otherwise stated. This document supersedes all previous operating agreements between the Company and Sub Contractors.

1 STATUTORY REQUIREMENTS

- i)* It is the responsibility of a Sub Contractor to ensure that they, their drivers and vehicles fully comply with the law appertaining to a Commercial Road Transport Operation. Sub Contractors must ensure that their drivers have read and understand the systems operated by the Company. (Sub Contractors must hold current Goods in Transit insurance, and must ensure that a valid copy is submitted to the company).
- ii)* Current Health and Safety regulations and individual site rules and procedures must be adhered to at all times. These include the requirement of high visibility clothing and safety footwear being worn. Hats must be worn in warehouse areas. No smoking, eating or drinking outside of designated areas. Vehicle engines must be switched off during loading and unloading. Passengers are not allowed on site without authorisation. Powered handling equipment is to be operated by authorised users only.

2 CONDITION OF VEHICLES AND TRAILERS / COMPANY OWNED EQUIPMENT

- i)* It is Company policy to always operate vehicles and trailers that are fit for the purpose required of them. All Sub Contractors must ensure that vehicles and trailers are clean both inside and out at all times, and are in a safe and usable mechanical condition. All Sub Contractors are to abide by the 'General Food Hygiene' regulations of 1995 and the 'Food Hygiene (England) Regulations 2005'. Where different foodstuffs are transported, it is the Sub Contractor's responsibility to ensure that cross contamination does not occur when trailers are changed in

their use from raw foods such as meat carcasses to fresh produce. This may mean that drivers are required to have their trailers steam cleaned inside and out before arriving at one of the Company depots. *Please note that certain contracts prohibit the use of certain types of equipment, eg meat railers. Please refer to the specific details of your on Sub-contractors agreement for further information.*

- ii)** Equipment belonging to the Company may only be used for loads as instructed by the Company traffic offices.
- iii)** Whilst Company owned equipment is in use by a Sub Contractor they shall:
 - Complete the work for which the equipment is provided and return it to the location as instructed by the Company.
 - Indemnify the Company against all liability arising from the unlawful or unauthorised use of the equipment.
 - Indemnify the Company and insure against loss or damage arising from the death or injury to any person and / or damage to the property of any third party as a result of the presence, use or condition of the Company's equipment.
 - Not modify or repair any part of the Company's equipment without the consent of the Company.

If any repairs or modifications are carried out without the consent of the Company and are not to the satisfaction of the Company then the Sub Contractor shall indemnify the Company against the cost of making good the Equipment to the satisfaction of the Company.

3 USING REFRIGERATION EQUIPMENT

When a Sub Contractor is required to use refrigeration equipment whilst undertaking work for the Company:

- i)** The Company requires that all Sub Contractors' drivers are trained and fully competent in the use of a trailer refrigeration unit and any other temperature control apparatus that may be used.
- ii)** All Sub Contractors' drivers are required to be able to operate all equipment supplied by their employer to carry out work on behalf of the Company.
- iii)** In the case of a Sub Contractor using Company owned equipment, misuse of such equipment or damage to this or other property may result in the Sub Contractor being removed from the Company's approved Sub Contractors list. Further action may also be taken by the Company to redeem any losses caused by a Sub Contractor.
- iv)** It is the responsibility of the Sub Contractor to ensure that the refrigeration unit is running at the required temperature before loading, during transportation and at

delivery.

- v) It is the responsibility of the Sub Contractor to ensure the refrigeration unit always has enough fuel, oil and water to complete its tasks and it is filled up with relevant diesel on its return – unless specifically instructed otherwise.
- vi) When a Sub Contractor's own trailer is used on Company business it must have a facility to download temperature data, which is to be submitted to Company traffic office as and when required.

4 COLLECTING, COUPLING & UNCOUPLING COMPANY OWNED TRAILERS

- i) In the event of a Sub Contractor's driver using a Company owned trailer, the fleet number and location of the trailer will be given by the Company's traffic office.
- ii) Before using any trailer the Sub Contractor's driver must make the appropriate safety checks to ensure it satisfies all legal road worthiness requirements and is in full working condition, including tyres, brakes, wheels, hoses and electrical connections. All relevant documentation must be completed and handed into the traffic office.
- iii) The cleanliness of the trailer must be checked including making sure it is free of odours.
- iv) If there is a defect, damage or other operational problems with the trailer or vehicle, the relevant Company traffic office must be informed immediately where a defect sheet must be obtained and completed in full. If off site, any defects must be reported immediately to the relevant Company traffic office.
- v) If damage is not reported before departure, the Company reserves the right to hold the Sub Contractor responsible.
- vi) Under no circumstances should a split coupling be used. Always ensure coupling and uncoupling is carried out in accordance with current HSE guidelines.
- vii) Trailers may only be uncoupled in a position authorised by the Company's traffic office.
- viii) At the time of uncoupling it is essential that the required safety checks are carried out, e.g. the parking brake is fully applied and landing legs are lowered.
- ix) Following uncoupling, the trailer should be checked for defects and damage. Any that are found should be communicated immediately to the Company's traffic office.

5. LOADING AND UNLOADING

All Sub Contractors will be required to adhere to the following procedures for loading and unloading:

- i)* All drivers must report to the Company traffic office on arrival and confirm the name of the Sub Contractor that they are working for before loading from any Company premises and/or customer site. They must obtain a bay number or designated location for their vehicle to be parked in. Drivers have the responsibility to confirm with the transport office, the full details of their load and any other collection points from which they may be required to load and establish the delivery deadlines and operating temperatures.
- ii)* When drivers have their vehicles on a loading bay at any Company depot they must in the first instance hand their keys to the appropriate warehouse operative. **Under no circumstances will they be permitted to move their vehicle until keys have been returned and a green bay light is given. No light is a red light.**
- iii)* All drivers will be given the opportunity to check their load.
- iv)* On completion of loading and when the driver has been given the green light, they should report back to the designated office without delay for trip brief. The driver should clarify at this stage if there are any other collection / loading points and the carrying temperature. The driver will be required to sign to accept responsibility for any load collected.
- v)* Where product has been loaded in front of the dividing door, it is the driver's responsibility to ensure the door is raised to allow the entire load to be delivered and is stowed safely.

Drivers must ensure that details of their registration number, trailer number and mobile phone number are given to the traffic office before leaving.

6 DOCUMENTATION

A Sub Contractor's driver must take all due care in handling and completing all relevant documentation. This includes delivery notes, consignment notes, and pallet exchange notes etc.

- i)* The driver must check that all of the paperwork required for the load has been handed to him before leaving each collection site. If the paperwork is found to be incomplete, the driver must make this fact clear to the person responsible for issuing the documentation. Any discrepancies must be resolved before the driver departs the site so that correct paperwork accompanies the load.
- ii)* All delivery notes must be acted on as instructed. Care must be taken that where more than one delivery note accompanies a load, all are signed. Any query by

the recipient concerning quantity or condition of the load must be reported at the time of delivery and the driver must be prepared to stay at the delivery location until the query is resolved. All Sub Contractors must immediately inform the relevant retail desk of any query and obtain an incident number if required.

7 COLLECTION OF GOODS

i) On arrival at a loading point, at the time stated by the Company, the contents of the load to be collected should be checked against the supplier's documentation (see 6 (i) above). The following points should be checked:

- Quantity
- Suitability of transit packaging
- Adequate marking / identification
- Damage to individual packs / pallets
- The load conforms with its documentation
- Temperature

When a driver is satisfied that the load and documents conform to requirements, he/she must sign the documents for receipt of the load. If it is totally impossible to check the contents of the load against the supplier's documentation, the driver must sign for the load with a suitable disclaimer (e.g. 'STC' (said to contain) or 'unchecked') and the appropriate Company office notified. If a driver is not satisfied with any aspect of their load on documentation he/she should notify the appropriate traffic office before continuing their journey.

8 LOAD SECURITY

i) The Haulier is responsible for the safety and security of the customers' products, including all packaging of such products ("the Goods") at all times whilst in the Haulier's care. This includes but is not limited to theft, product tampering, cross-contamination, loss or mis-delivery of, or damage to the Goods; Sub Contractors shall be liable to the Company and shall indemnify the Company for all claims arising as a result. The Haulier is responsible for pallet stability and the use of load restraining straps etc. Shippers, both full and empty, must be loaded in a configuration that restricts wheel movement in transit. Details of configurations should be requested from Operations desks.

ii) Care must be taken not to damage goods in the process of securing the load.

iii) It is Company policy that all loads on all vehicles are secured and doors closed at all times no matter how short the transportation period.

iv) The condition and temperature of the load must be monitored at suitable intervals during the journey.

9 MAPS AND ROUTES

If there is any doubt regarding the delivery address/location, the Company's traffic office should be contacted for assistance. A map of major delivery points can be obtained from the traffic office.

10 DEADLINES

The driver must be sure of the delivery deadline for their load before leaving the depot and where necessary obtain booking reference number.

11 COMMUNICATIONS

- i)* All Sub Contractors' vehicles must be fitted with a mobile (or equivalent) phone. This is to remain ***switched on*** at all times that the vehicle is on duty with the Company. The phone must be able to receive incoming and make out-going calls. All mobile telephones must be used safely and in accordance with all legal requirements, e.g. hands free.
- ii)* The vehicle's phone number must be given to the Company's traffic office at the time that the load documentation is handed to the driver. At the same time the driver must obtain the Company's contact number. In this way, the driver and the traffic office staff can make contact at any time. The telephone number of the Sub Contractor's operating centre must be given to the Company's traffic office.
- iii)* If there is a potential delay at the loading point, the driver must contact the Company's traffic office as soon as they are aware that they are unlikely to leave on time. Failure to inform the relevant retail desk of a delay may render the Sub Contractor liable to any claims resulting from late delivery.
- iv)* Having informed the Company traffic office of a potential delay at loading, the driver is required to make another call ten minutes later to obtain further instruction. Under no circumstances should instructions be taken from the supplier.
- v)* The Company's traffic office must be advised of any delays en route, immediately as they occur.
- vi)* On entering the delivery depot, a Sub Contractor's driver must contact the Company's traffic office to report their arrival.

12 DELIVERY

- i)* After confirmation of arrival has been telephoned to the Company's traffic office, a driver should attend wherever possible and assist when required in the unloading process. This is to ensure that no damage occurs to the load or vehicle during the unloading process.

- ii)* A signed “Proof Of Delivery” (POD) indicating that the goods carried were delivered in the same condition and quantity as when collected must be obtained. All Sub Contractor drivers are required to hand in POD’s and other relevant documentation to the Debrief office upon return to depot. The driver must inform the Debrief office of any missing tickets or discrepancies, and must obtain a stamped copy of the load summary. If this is not possible, all POD’s must be returned to the company within **48 hours** from the time of delivery. Any Sub Contractor failing to comply may incur a delay in their payment

Please remember that it is the Sub Contractor’s responsibility to provide signed POD’s and appropriate supermarket receipt notes for all goods delivered. Failure to do so could result in the cost of the product being passed onto the Sub Contractor. If for any reason the driver does not obtain a POD for any item on their load, this may result in delayed or non payment to the Sub Contractor, in addition to being liable for the value of the goods that relate to the missing POD.

1 SHORTAGES / OVER DELIVERIES / REJECTIONS – WRONG COMMODITY /
3 DAMAGED GOODS

- i)* If during off-loading the driver is advised that there is a discrepancy between the delivery documentation and the goods being delivered in the way of shortages, extras or damaged goods, the driver must establish and verify the nature of the discrepancy.

- ii)* The driver must notify the Company’s Debrief office of the nature of the discrepancy **before leaving the delivery point** and request further instructions as follows:

Discrepancies

- iii)* The customer may accept ‘overs’ / returns if they feel they can use it but in most cases it is returned to the supplier (consignor). When goods have to be returned, the Company’s Debrief office must be contacted for further instructions. The returns will be noted and an incident number issued which must be quoted during the Debrief process.

Please note that all rejected goods remain the responsibility of the Sub Contractor until returned to the Company or a designated Company customer.

- iv)* All returns must be returned to the relevant depot with a correct incident number. Whenever any goods are returned directly to the supplier from a delivery point a receipt should be obtained from their representative and a copy forwarded to the Company’s Debrief office.

- v) All drivers must contact the Company's appropriate Debrief office before accepting any returns from previous deliveries.

PALLET CONTROL

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It is a requirement that all Sub Contractors are aware of the number of Chep blue pallets being loaded onto their vehicles and the quantity that they will be asked to sign for when leaving the depot or loading point.

Once the pallets have been signed for, they will become the responsibility of the Sub Contractor until such time as either the pallets or a P.C.V. is returned to the Company. The Sub Contractor will be held solely responsible for the pallets until such time as empties or PCVs are returned and signed by an authorised representative of the Company.

- i) At the delivery point, pallets must be exchanged on a one for one basis.
- ii) If pallets are not available for exchange a pallet control voucher (PCV) must be obtained. This cannot be made at "driver's request".
- iii) In all cases, pallets should only be exchanged for those of the same type and quality. Under no circumstances should damaged exchange pallets be accepted.
- iv) Exchange pallets may be returned to the depot or to the supplier. Sub Contractors must accept responsibility for obtaining receipts for all empty Chep blue pallets left at a Company depot or customer's location.

Note: It may be a requirement for trays, shippers etc. to be collected on behalf of suppliers. Instructions for this will be issued at the time of collecting delivery instructions from the Company's traffic office. All documentation must be receipted and returned to the Debrief office.

15 OVERLOADING

- i) Sub Contractor's drivers are legally responsible for loading their vehicles and securing their load. The driver should ensure that the vehicle is not overloaded on any axle weight limitation or exceeds its maximum train weight. The Haulier will indemnify the Company for any fines incurred by the Haulier as a result of a vehicle being overweight.
- ii) If in any doubt about the weight of a load, a driver must contact the Company's traffic office or their employer and take further instructions.
- iii) Sub Contractor's drivers should be aware of the effect a multiple pick-up and multiple-drop operation can have on load distribution within a vehicle. It is the responsibility of the driver to ensure that the weight distribution is corrected and

therefore legal after each collection / delivery.

16 SUPPLIER / CUSTOMER / COMPANY PREMISES

- i)* NR Evans Logistics is conscious of its role in presenting the right image to its customers and the public, as the Hauliers drivers may have the most frequent contact with the Company's customers. Therefore the Sub Contractor's drivers must be aware that their attitude, actions, and appearance are factors in how the Company itself is perceived. Any proven misconduct or irresponsible behaviour, both on the road and on other companies' premises may result in the Sub Contractor being removed from the Company's approved Sub Contractor list.
- ii)* Driver's must observe all site Health and Safety and fire evacuation procedures. When at supplier's, customer's or Company premises all site speed limits must be obeyed, and pedestrians on painted walkways must be given priority at all times
- iii)* The Company reserves the right to search vehicles at any time whilst it is under the control of the Company. Customers of the Company may request the right to search, this request must be accepted.

17 NIGHTS OUT

All Sub Contractors are used on the basis that they will spend nights out working as and when required by the Company.

18 CUSTOMER / SUPPLIER COMPLAINTS

If the customer or supplier lodges a complaint about the Sub Contractor, either of a general or specific nature, the driver must inform the Company's traffic office immediately.

19 SECONDARY SUB-CONTRACTING

Secondary sub-contracting is not allowed without permission from the Company. Where secondary sub-contracting is permitted the responsibilities within the Code of Practice rest solely with the Sub Contractor employed by the Company as the primary haulier.

20 ACCOUNTS

Invoicing:

The Sub-contractor should present their invoice to the Company's Purchase Ledger Department with a valid NRE job number for each load undertaken. Job Numbers will be issued by the NR Evans Logistics depot that has engaged the

sub-contractor.

The Company reserves the right to withhold all or part of payments to Sub Contractors who have outstanding paperwork issues or claims relating to vehicles, trailers or product.

Sub Contractors agree to notify NR Evans Logistics immediately if they:

- change their VAT number;
- cease to be VAT registered; or
- sell their business, or part of their business.

In addition it is the Sub Contractor's responsibility to ensure that any changes in circumstances or details (e.g. change of bank details, address etc) are communicated to the Company's accounts department.

Any Sub Contractor who uses a factor company for payments relating to work carried out on behalf of NR Evans Logistics must inform the Company's Accounts Department immediately, providing all details as required.

Claims:

NR Evans Logistics reserves the right to recharge claims to Sub Contractors. If claims issues have not been resolved by the Sub Contractor's insurers within three months, the Company will deduct any outstanding balances in resolution of the claim from any payments due to the Sub Contractor.

Notes:

The Company reserves the right to financially penalise Sub Contractors who refuse to conform to the procedures and requirements set out in this Code of Practice.

The Company shall be entitled to amend this Code of Practice at any time. The Company reserves the right to terminate this Code of Practice with immediate effect at any time and without cause.

Words denoting the masculine gender shall be deemed to include the feminine, and words written in the singular will include the plural.