



ocado

Grocery Supplier Manual

CFC Hatfield, CFC Dordon & CFC Erith

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Overview

Welcome to the 2019 Ocado Supplier Manual. We strive to deliver excellent customer service and high quality products direct to the homes of our customers. Suppliers play a key part in our ability to deliver this, and as such, we work closely with our suppliers and treat them as part of the Ocado team.

As our technology advances, we want to bring suppliers on the journey with us, looking at new, more efficient ways to deliver into our Customer Fulfilment Centres, which we believe will help not only us and our suppliers, but most importantly our customers.

The aim of this Manual is to provide an effective and easily understandable working guide to supplying goods to all Ocado Customer Fulfilment Centres, and to highlight the factors which have the greatest impact on our operation. Suppliers should familiarise themselves with this Manual and ensure that all relevant parties in their organisations are aware of the details. In accordance with our Conditions of Purchase and to enable us to provide excellent levels of service to our customers, you are expected to adhere to the stipulations of this Manual. Any dispensations must be specifically agreed by us in writing, and any failures to adhere to this Manual may result in charges being raised.

Ocado became subject to the Grocery Supply Code of Practice (the "Code" or "GSCOP") from 1st November 2018, contained within the Groceries (Supply Chain Practices) Market Investigation Order 2009 (the "Order"). If you have any feedback on your experience working with the Ocado buying team or our compliance with the Code or the Order please send it to your Senior Buyer by email, or the Code Compliance Officer by email at GSCOP@ocado.com or in writing to the Code Compliance Officer, Buildings One & Two, Trident Place, Mosquito Way, Hatfield, Hertfordshire, AL10 9UL . The Groceries Code Adjudicator is Christine Tacon. She can be contacted by writing to Groceries Code Adjudicator, Room 2.17, Victoria House, Southampton Row, London, WC1B 4DA or by email at Enquiries@GroceriesCode.gov.uk.

We would like to thank you for your continued support, and we look forward to working together and focussing on our customers to ensure they receive an excellent service.



Contact Details & Addresses

Ocado Head Office

Ocado Retail Ltd, Apollo Court, 2 Bishop Square, Hatfield Business Park, Hatfield, Hertfordshire, AL10 9EX

Telephone - 01707 228080

Product Technical

Contact Product Technical and Compliance to discuss quality issues, product recalls, complaints, specifications, back of pack changes or life issues.

There is cover at Head Office Mon-Fri 9am – 5pm. Outside of these hours, please use the emergency numbers if necessary.

Product Technical and Compliance on call – 07919 013728

Email – product.technical@ocadoretail.com for recalls and technical support

Supply Chain

Contact Supply Chain to discuss delivery issues, purchase order queries, forecast orders, known shortages and other supply issues.

Grocery Supply Chain (office hours: Mon – Sun)

Email: demandmanagers@ocado.com

Primary Network Team (office hours: Mon – Fri)

Email: primarynetwork@ocado.com

Supplier Performance (office hours: Mon – Fri)

Email: suppliercompliance@ocado.com

Accounts Payable

Contact accounts payable for all invoice queries, credit limits and payments.



General Contact Number - 01707 227854 Email: payables@ocado.com

Manual invoices must be sent to our head office address:

Ocado Retail Ltd Accounts Payable, Apollo Court, 2 Bishop Square, Hatfield Business Park, Hatfield, Hertfordshire, AL10 9EX

Ocado CFCs (Customer Fulfilment Centres)

When to contact the CFCs directly?

The CFCs are extremely busy so should only be contacted directly in certain circumstances.

- **Late running deliveries**
- **Collections**

For all other delivery issues, please contact the Supply Chain team. If you do deliver to a third party, please ensure you adhere to their site guidelines.

CFC Hatfield

Inbound Office, Gypsy Moth Avenue, Hatfield Business Park, Hatfield, Hertfordshire, AL10 9BD

CFC Inbound Office– 01707 228137

Email: cfc1inboundadmin@ocado.com

CFC Dordon

Inbound Office, Birch Coppice Business Park, Danny Morson Way, Dordon, North Warwickshire, B78 1SE

CFC Inbound Office– 01707 228392

Email: cfc2-inbound-office@ocado.com

CFC Erith

Church Manorway, Erith, Kent, DA8 1DL

CFC Inbound office– 01707 227839

Email: goodsin.erith@ocado.com



Ocado Locations

We only require suppliers to deliver into our CFCs (Customer Fulfilment Centres), we then pick the customers' orders and trunk them to spoke sites before loading the vans and delivering to the homes of our customers.



Yearsley

Lineage Group

Holmewood Cold Store

Tupton Way, Holmewood Park Ind Est, Holmewood, Chesterfield, Derbyshire. S42 5BX

Peterborough Cold Store

Alwalton Hill Business Park, Off Fletton Parkway, Peterborough, Cambridgeshire, PE7 3AG

Belle Eau Park Cold Store (Ambient products only)

Belle Eau Park, Bilsthorpe, Newark, Notts, NG22 8TX

Supplier & Product Set Up

Ocado CFCs are highly automated, so it is **vital** to our operation your products are set up correctly before they arrive at our CFCs. This section outlines the rules and regulations suppliers must abide by when ranging new products with Ocado.

Ocado reserve the right to pass on the cost and/or charge a fee for non conformance onto the supplier (See appendix C).

Supplier Basics

All suppliers are required to be approved by undergoing a technical risk assessment before supply and then at regular intervals on request. Ocado technical approval can be withdrawn if technical criteria is not met before or post commencement of supply.

As part of the risk assessment process all suppliers, including agents and intermediaries to Ocado must be registered to legally trade in the UK. Food and other regulated products will require suppliers to hold and maintain the appropriate safety accreditation from a recognised accreditation body such as the BRC or SALSA which is relevant to the range of supplied products. Accreditation is required for all manufacturing sites and additionally upon request for all other sites and hauliers in direct control of the supplier to Ocado. A change of audit provider, status or grade must be immediately communicated to the Ocado technical team on product.technical@ocadoretail.com.

Suppliers must provide copies of such accreditation prior to commencing supply to Ocado and then provide evidence of annual renewal. It is the supplier's responsibility to ensure it keeps its



accreditation status up to date with Ocado. Suppliers should also be aware that Ocado may liaise with accreditation bodies about their accreditation status; by trading with Ocado you authorise any accreditation body which you deal with to discuss your status with and disclose information to us.

Suppliers must ensure they are able to conform to the basic ordering and delivery requirements before proceeding. Suppliers must provide sufficient contact details for Ocado Technical team to liaise directly with a technically competent person and setup a generic email address, e.g. ocado@supplier.com, to facilitate communication, which will be checked frequently.

Olive - The Ocado Supplier Portal

Suppliers are expected to sign up to Olive in order to communicate efficiently with the Ocado team. Olive is an online space for you, our suppliers, to communicate with Ocado easily and keep us up to date on product information, submit new products & update delivery fulfilment and schedules.

Ocado CFCs are highly automated, so it is vital to our operation your products are set up correctly before they arrive at our CFCs.

Please feel free to share any thoughts or suggestions with us as we aim to continually develop the portal as required. Contact us on olive@ocado.com

When setting up an Ocado account, you will be granted access to this portal and your login details will be communicated to you. You will also be provided with further details on how to use Olive and the functionality that it offers.

What should I use Olive for?

- Review Purchase Orders, delivery forecasts and schedules
- Give Ocado advance warning of PO shortages
- Induct new products to the Ocado range

Please refer to the Olive manual for further details and explanations or contact olive@ocado.com if you need a copy of the manual.

productDNA - a new Industry Approach to Product Induction

Ocado is excited to be working in collaboration with leading suppliers and grocery retailers under the stewardship of GS1 UK on a new solution for product data sharing among the



industry. We see many advantages in a harmonised approach to suit all parties, not least the consumer. We began setting up new products using data submitted via productDNA in the summer of 2018 and we are actively encouraging our supplier network to engage with GS1 and join the revolution. Please visit our productDNA landing site at the address below, where you can find out more about the project and sign up for a demo and register your interest:

<https://productdna.gs1uk.org/ocado>

You will be able to continue using Ocado's Olive portal to submit new lines for the foreseeable future, however partners already subscribed to productDNA can take advantage of its simplified induction process straight away.

Product Basics

Suppliers must accurately complete master data information for each new product using the Ocado Pro-Forma, which can be found on Olive or provided electronically by a Buying Manager. All retail items must adhere to the following basic rules:

- Retail items should display a barcode clearly.
- Product storage requirements, e.g. chilled
- Packaging should be adequate to protect the contents throughout its transition from supplier to end user.
- All fresh meat and fish items must be fully heat-sealed as to prevent leaks and cross-contamination.
- The physical size of the saleable item should fit within the dimensions of an Ocado delivery tote (534mm x 340mm x 334mm).
- All items should abide by and comply with all applicable laws and requirements relating to food labelling, safety and date coding should be clearly legible.
- All Ocado branded products should adhere to all relevant specifications as agreed with your Buying Manager, Ocado Product Technical and Compliance Team or notified to you.

Any proposed changes to product details, including barcodes, case size and packaging, must be agreed with the relevant Buying Manager and the Supply Chain team in advance of its arrival at a CFC.

We ask for any amendments to case sizes to be proposed at least three weeks in advance of the change taking place. This is to ensure a smooth changeover and minimal disruption with receiving and invoice payments.



Weights and Measures

ALL new products must complete a process of weights and measures before they will be accepted into the CFCs. Samples must be sent to Aquarius House, Bessemer Road, Welwyn Garden City, AL7 1HH. Samples should include:

- A retail each
- A delivery case

For any queries please contact your Ocado Buying Manager. Please note we cannot receive a product into the CFCs unless weights and measures has been carried out. We require a sample to be sent before the first order. Ocado reserve the right to pass on the costs and/or charge a fee for non conformance onto the supplier (See appendix C).

Labelling

Ocado relies on supplier labelling for the purpose of providing the most accurate information to customers on our website. It is therefore essential that suppliers notify Ocado by email of any proposed changes to labelling, e.g. image or ingredient changes, allergen information etc. Any proposed change must comply with all applicable laws and requirements in force.

Labelling must be of consistent good quality, be legible, concise and of adequate size in order for products to be identified with ease and promote good handling practices.

Ocado branded goods must also comply with Ocado labelling requirements as amended from time to time.

All labelling should be able to be substantiated by the supplier. Misrepresentation (including the mislabelling of a product) is taken seriously and may result in the product being withdrawn and recalled (see recall/withdrawal section) and may also be treated as a breach of contract. All over-labelling of product information must be approved in advance by Ocado Product Technical and Compliance Team.

Outer Case

All outer cases must be clearly labelled and must identify:

- Product description
- Date code (Best Before/ Best Before End/ Use By where applicable)
- Pack size
- Retail units per case
- Barcode (outer case NOT retail)



- Storage conditions
- Handling requirements
- Any hazard warnings

It is vital that outer cases are easy to distinguish. Inbound is a fast-moving, space-constrained area within the CFC, if the outer cases are not clearly visually different, this may lead to cross receiving and an invoice matching query. We ask suppliers to use simple methods such as a different coloured label/sticker, a cardboard divider or thin plastic wrap to enable Ocado to easily distinguish between SKUs. Please see below examples of good and bad differentiation between very similar-looking products.



Retail Pack

Pack labelling (selling unit) must identify the following information:

- Name of product
- Description
- Date codes
- Product batch coding (where applicable)
- Storage and handling requirements
- Name and address of the manufacturer
- Barcode (retail)
- All relevant information should be written in English and comply with all applicable laws including the requirements of the European Food Information to Consumers Regulation No 1169/2011 (FIC)

Barcodes

General Requirements

Suppliers should ensure that all barcodes are set out in accordance with Bar Coding – Getting it Right – available from: GS1 UK, Hasilwood House, 60 Bishopsgate, London, EC2N 4AW, Tel: +44 (0)20 7092 3500, Email: support@gs1uk.org or downloadable from:

<https://www.gs1uk.org/support/how-to-guides/barcoding-getting-it-right>

Quality

Barcodes should:

- Be clearly visible
- Be ideally printed on all sides
- Be of good print quality in order to promote easy scanning
- Be readable in the environment in which the product will be stored, handled and distributed e.g. freezer
- Be printed to the largest appropriate magnification factor, subject to the overall constraints of pack size and design
- Be printed in black and white preferably, however colours will be accepted if they are suitable



for effective reading by scanners

Photocopied barcodes or those of otherwise poor quality may lead to product rejection.

Barcode information

Correct information must be detailed on the barcode. This must be SKU specific and must include the price in the case of catch weight products. Incorrect barcodes may lead to supplier cost recovery charges or product rejection. Barcodes should always be checked for scanning prior to a product's first arrival at Ocado and continually checked for quality and accuracy.

Ocado have the capability to process GS1-128 barcodes. If possible, please provide these on products, with the correct expiry date on, to improve the efficiency of the receiving process in the CFCs.

Images & Back of Pack

At Ocado we use images for the benefit of our online customers, so these are vital to the success of all suppliers trading with Ocado. Suppliers are required to inform Ocado of any proposed amendments to the packaging or back of pack data, including ingredients & allergens. Ocado will delay the launch of a new product until at least one image and comprehensive back of pack data have been provided and approved.

Images & back of pack should be provided via Ocado's third party provider, currently Brandbank.

Brandbank have been commissioned to manage and maintain the Ocado image and back of pack repository together with Ocado's marketing department:

Nielsen Brandbank, 35 Barnard Road, Bowthorpe, Norwich, NR5 9JB

ocado@brandbank.com

Tel: 08453 701980

In exceptional circumstances, and at the referral of the relevant Buying Manager, suppliers may be able to use the services of our Ocado in-house photographer who can provide a gold-sealed product sample. (Current costs are £100 per SKU for images & £50 per SKU for back of pack collation.)

Images & back of pack may be used for all marketing purposes through any medium, including but not limited to the internet, emails, Ocado publications, posters & billboards.



Image File Properties

Ocado requires image files with the following properties:

- JPEG format
- The largest dimension (either width or length) should be at least 1280 pixels
- Compression should be set to the highest quality
- The image should be named to include the Ocado SKU ID or product EAN code in order to be identified in our Ocado systems

Product Presentation

- The images must be square
- The product should fill the image field, up to a 5% margin at each side
- The image should be taken against a plain white background or manipulated to give the effect of a plain white background
- The main image should display the product as it will be delivered to customers (i.e. no additional props or garnishes)
- Lifestyle photos are not permitted for the main image, but are encouraged for secondary images
- Suppliers are asked to provide brand logo images for marketing purposes
- Suppliers are encouraged to consider how to exhibit and sell the product via the image e.g. by showing the product out of pack or at an angle
- Images should always be of a standard item, not a promotional pack
- The design should be as clean and simple as possible and legible on mobile devices
- One roundel per SKU can be provided meeting the following specifications: between 310px square and 396px square and placed 176px from the bottom, aligned bottom right to the product, image must be as large as possible and centrally positioned. The roundel should overlay the product image.

Image Manipulation

All images must have:

- Background cleaned up (any background colour digitally removed to ensure it is white)
- Blemishes digitally removed
- Durability codes (if any) digitally removed



- Health marks (if any) digitally removed from meat and fish product images
- Country of origin (if any) digitally removed

Back of Pack

Suppliers are strongly encouraged to write specific back of pack information for use online. Simply copying the text from the packaging frequently leads to a poor and confusing customer experience. Remember Ocado are online only so a good back of pack is your chance to make your products stand out to customers.

Supplier Performance Management

Overview

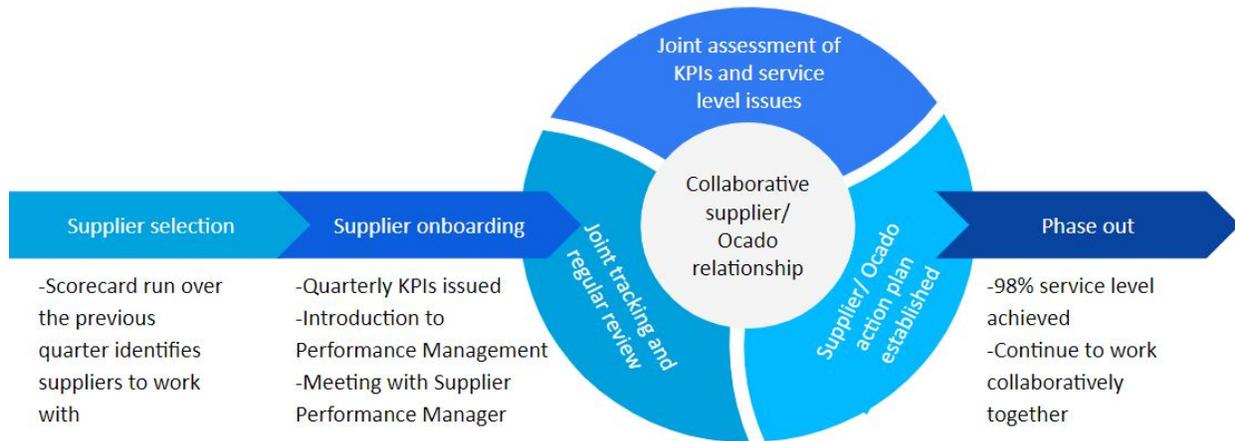
The performance of suppliers in various compliance areas will be monitored daily, and assessed by Ocado on a regular basis. We aim to work together with our suppliers in order to rectify any issues that may occur.

To ensure optimum efficiency in the CFCs and to maintain excellent customer service, we require suppliers to adhere to Ocado's expected service levels. These service levels will be agreed between the supplier and Ocado in a supplier performance agreement.

The impact of not delivering in adherence to Ocado's policy is as follows:

- Customer shortages and substitutions at cost to Ocado
- Additional cost of labour to receive product outside of agreed delivery slot
- Additional cost of re-working product where poor presentation has caused issues
- Delays in taking further scheduled deliveries into CFCs
- Increased receipt and putaway time, impacting customer shortages





Any suppliers who continually fall below the standards set out above will be escalated to Senior Management for review. If you are worried about your performance and would like to speak to a member of the team, please contact suppliercompliance@ocado.com

Purchase Orders

Electronic Data Interchange (EDI)

All Ocado suppliers are expected to sign up to EDI. EDI is an industry standard, it is the most efficient way for a supplier to not only receive their order but also invoice Ocado.

The main benefit is the reduction in time taken to pay invoices.

We also expect suppliers to send Advanced Shipping Notices (ASNs) via EDI for every delivery to Ocado. ASNs improve receipt accuracy, reduce invoice matching queries and provide a more accurate view of availability for the Ocado customers. As part of ASNs, our suppliers are required to send Serial Shipping Container Code (SSCC) labels to identify the pallets that are delivered to our CFCs.

If you need to set up EDI, or have any questions please email sc_admin@ocado.com.

Purchase Orders

Purchase Orders (POs) are transmitted to suppliers using EDI (Electronic Data Interchange) or email via Olive.

Suppliers are required to meet the delivery in full, on the due date and at the time specified on



the order. Shortfalls or changes to the PO must be communicated to the Ocado Supply Chain team at the earliest opportunity via EDI, Olive, or by contacting the Supply Chain Demand Manager directly.

Advanced Shipping Notice (ASN) and Serial Shipping Container Code (SSCC) Labels

An ASN is an EDI message detailing information about a pending delivery to an Ocado CFC or GMDC. An ASN must state the actual contents of a delivery. It must not be sent until the actual loading procedure has been completed and no later than twenty minutes after the delivery has been shipped. All products shipped from a supplier's warehouse to a CFC or GMDC with the same delivery date and time must be specified on the same ASN. If the supplier is shipping products to more than one CFC separate ASNs will be required for each delivery. In the event that the delivery to a CFC does not fit on one trailer / vehicle, the supplier will need to amend the ASN so that it relates only to the content of the trailer / vehicle on which it is being shipped.

The ASN will contain information about the contents of the delivery such as:

- How many pallets are being delivered
- What products are on each pallet
- What the expiry date is for each product

Detailed technical content of the message are identified in our Message Implementation Guide. This will be sent to you during EDI set up. If you have any questions please email asn@ocado.com

As part of this process, we ask that our suppliers send SSCC labels to identify the pallets that are delivered to our CFCs.. An SSCC label is a physical barcode attached to each pallet to identify what items are on it. The SSCC barcode is also sent within the ASN EDI message to enable Ocado to match it with the physical pallet.

Regarding the actual loading procedure, consolidators will continue to carry out their current level of checking of the supplier's delivery. In the event that the consolidator identifies a discrepancy in the shipment compared to the planned delivery, it is essential that these discrepancies are reconciled between the supplier and the consolidator at the point of collection. The results of this reconciliation must be incorporated into the ASN by the supplier before transmission.



Deliveries

The reliability and accuracy of inbound deliveries is **vital** to the success of Ocado, due to 80% of our customer orders being sold in advance of the physical arrival of stock on site. Ocado reserve the right to recover costs from supplier and/or charge a fee for any losses associated with the shortage. Please see appendix C.

We require suppliers to deliver to all Ocado CFCs. Deliveries must be made to the correct Ocado CFC as indicated on the purchase order. Ocado do not have the capacity to transfer stock between CFCs. If the PO is sent to the incorrect CFC, Ocado will deem this as a failed delivery.

Suppliers are expected to arrange their own transport to deliver to Ocado and are responsible for ensuring these providers adhere to the stipulations contained in this document. Special attention should be paid to vehicle constraints, health & safety guidelines and temperature control. Drivers should carry paperwork for all suppliers they are delivering on behalf of.

Early / Late Deliveries

Deliveries must arrive within 30 minutes either side of their delivery slot. If suppliers arrive outside of their appointment time, Ocado have the right to reject the load if no prior warning has been given. On being aware of a late arrival to the CFC for an appointment, suppliers should notify the CFC inbound team at the earliest opportunity.

It is critical that suppliers meet their appointment times, as warehouse resources, dock door availability and fulfilment of outbound orders all rely on suppliers arriving on time.

Ocado will charge a recovery fee if your delivery is more than 30 minutes late. The charges are set out in Appendix C.

The overall adherence to this policy will be monitored in the Supplier Performance Management Process. Ocado will work with a supplier to help resolve any issues resulting in late deliveries wherever possible before charges are raised. A fee will not be charged if deliveries are delayed due to traffic congestion as a result of unexpected road accidents or other incidents or severe weather conditions.



Transport Providers : The Ocado Primary Network

The Ocado Primary Network has been set up to help smooth the inbound process. We have created what we believe to be the most efficient and cost effective route into our CFCs. The Ocado Primary network will consider the geography of your production sites, the time stock is available for collection and the impact logistics has on a supplier. The Ocado Primary Network strives to get products from a supplier to Ocado customers in the fastest, most efficient route.

The Ocado Primary Network has a number of preferred hauliers we suggest suppliers to use. All suppliers should contact primarynetwork@ocado.com to arrange a meeting with the consolidation team to see how we can work together.

Parcel Deliveries

A delivery qualifying as a parcel delivery may contain multiple cases but **will not exceed 25KG and will be placed in 3 boxes or less.**

Ocado does not accept courier deliveries into any of our CFCs. All ambient parcel inventory should be delivered to our preferred ambient haulier who will be accepting all parcels on Ocado's behalf. These will be delivered daily on a consolidated load into all CFCs. Please use the below template to label the outside of each parcel for every PO so they are clearly identifiable. Your PO delivery paperwork also needs to be included with your parcels. Parcels will be accepted by the haulier between the hours of 9:00 and 16:00 Monday-Friday and parcels must be at the consolidator 24 hours (one working day) before they are due into the CFC. Please contact consolidation@ocado.com with any queries.

<p>Depot: CFC Hatfield1, CFC2 Dordon or CFC4 Erith (or GMDC Erith or GMDC Aquarius for GM deliveries)</p> <p>PO: 1111111(7 digits)</p> <p>Delivery into Ocado date: 11/06/2019</p> <p>Number of Boxes: 1 of 3, 2 of 3 etc</p>



If deliveries exceed 25KG in weight we would consider this to be a non-parcel order and ask suppliers to arrange to make direct deliveries into the CFCs. Ocado will charge for any deliveries that exceed the limit 25KG at a surcharge of £3 per box. This comprises a handling charge and all costs from the haulier to the CFC. This service will be invoiced quarterly and in the event that contracts cease between Ocado and the supplier the full amount is to be paid on delist. To ensure larger consignments are accepted through this service the supplier must attach an Ocado label specific to that supplier, this label should be attached to all boxes that fall outside the free parcel service, failure to do so will result in goods being rejected at the haulier.

Delivery Documentation

Suppliers must bring delivery documentation on every visit to Ocado's CFCs. Accurate and legible delivery notes will minimise vehicle delays and ease receipt query resolution. A vehicle may not be tipped if the correct paperwork is not presented, and a cost recovery fee may be raised (Appendix C). If delivering on a consolidated load, it is the supplier's responsibility to ensure the consolidator presents paperwork which adheres to Ocado's standards. Please note any delivery discrepancies should be communicated to Ocado before the time of delivery.

Delivery documentation **must** contain the following information:

- **Supplier name**
- **Customer name & delivery address (Ocado)**
- **Date & time of delivery**
- **Purchase order number**
- **Asset type & count (e.g. number of pallets or trays)**
- **Product descriptions & Ocado SKU codes**
- **Quantity of cases delivered**

Ocado may use delivery notes as a basis for payments. If this information is not accurate then this may slow down the payment process.



Example delivery note with required information:

PO Number: xxxxxxxx Delivery Date: 01/01/2018 Delivery Time: 20:00	Supplier Name: Ocado Haulier (if applicable): Ocado	Other supplier details: E.g. Delivery note number, Supplier reference number
Delivery Address: Ocado Hatfield, Hatfield Business Park, Gypsy Moth Avenue, Hatfield, Hertfordshire. AL10 9BD	Total number of pallets: 3	Special delivery instructions:

Product code		Product Description	Quantity Ordered (cases)	Quantity Despatched (cases)	BBE Date	Weight (Kg)	Comments
Supplier code	Ocado SKU						
10	123456011		1	1	31/12/2017	0.3	
500	654321011		2	1	31/12/2017	0.3	
60	121212011		1	1	31/12/2017	0.5	
85	343434011		5	4	31/12/2017	7.2	
450	565656011		6	6	31/12/2017	6.1	
Total:			15	13		14.4	

Proof of Receipt

Due to the design of Ocado’s CFCs, hauliers will be expected to wait while their delivery is being unloaded and not wait for a detailed proof of delivery. Drivers will, however, receive a stamp and signature on their paperwork, as an acknowledgement that the number of pallets received into the CFC corresponds with the driver paperwork or otherwise.

When the driver has departed, a detailed receipt and put-away operation will begin. It is vital at this stage that quantities match with purchase order details. These details are held on Ocado’s warehouse management system allowing the receipts to be automatically matched against expected volumes and date coding. Invoices will only be paid against these receipts. Any issues or problems immediately apparent with a purchase order will be communicated to the supplier by Ocado’s Supply Chain team and any necessary actions will be initiated.



Delivery Assets/ Equipment

Assets currently handled are as follows:

- IFCO trays – Suppliers are expected to communicate tray quantities through the current IFCO system and provide a tray count on their delivery paperwork. We currently partner with IFCO Systems who specialise in packaging solutions, resulting in both time and cost saving benefits. If you would like to know more about this please contact the Supplier Compliance team (suppliercompliance@ocado.com) or our Ocado IFCO representative, Callum Green, directly on 07741231951.
- Bread trays & wheels – empty trays and wheels will be exchanged with each delivery.
- DOLAVs – empty DOLAVs are collected and sent back through the consolidator network.
- Pallets – covered below

Use of any other equipment or assets must be agreed in writing with Ocado prior to its use in delivery.

Pallets

Deliveries into Ocado CFCs must be made on a wooden pallet, which conforms to the British Standard 2629,

- 1,000mm x 1,200mm
- Nine block construction
- Four way entry
- Full perimeter base
- Non-reversible

Ocado has three approved wooden pallet providers:

- GKN CHEP UK “blues”



- LPR “reds”



- IPP “browns”



Please note non-standard pallets will be rejected, e.g Euro, white and cardboard pallets.

Pallet Returns

All pallets are on a “one-way trip” basis.

- ✘ Ocado do not exchange pallets with any suppliers.
- ✘ Ocado do not issue Pallet Control Vouchers (PCVs).
- ✘ Ocado will not redeem PCVs.



Pallet Collections

Ocado supports the ability for suppliers to collect pallets through their pallet provider, however the following rules apply:

- Collection bookings must be made in advance through your pallet provider.
- Vehicles must be side loading (“curtain siders”).
- Vehicles must arrive within the time slot allocated & must adhere to the guidelines provided through your pallet provider.

Chep account numbers

Account number	Account name
100167378	Ocado Hatfield CFC 1
100761433	Ocado Dordon CFC 2
101247221	Ocado Erith CFC 4
101024292	Ocado Retail Ltd C/O Yearsley Coleshill
101087048	Ocado Retail Ltd C/O Yearsley Billsthorpe, Newark

Delivery Presentation

Load Dimensions

Due to the highly automated equipment used to receive and store pallets within Ocado’s CFCs, pallets must not exceed the following dimensions:

- Width – 1,000mm
- Length – 1,200mm
- Height – 1,650mm (including the pallet) for CHILL product
- Height – 1,850mm (including the pallet) for AMBIENT & FROZEN product
- Weight – must not exceed 1,100kg

Overhanging goods are not permitted on pallet loads due to the MHE used within Ocado. All goods must fit within the pallet dimensions, including any strapping.



Load Quality

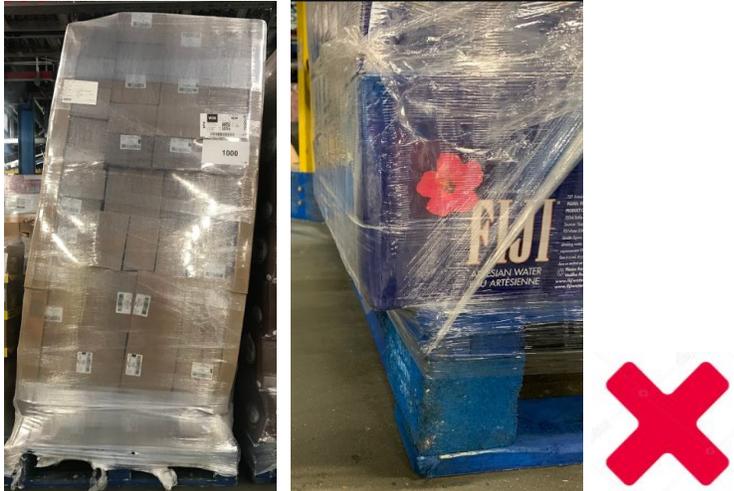
All pallets should comply with the following conditions:

- Pallets must be in good condition and not damaged in any way. Goods on damaged / splintered pallets may be rejected or re-worked at the supplier's cost.
- Outer packaging should provide security, stability and protection to deliveries, e.g. ventilated shrink-wrap, corner posts or nylon strapping, but this must not overhang or obstruct the pallet in any way.
- Palletised goods should be stacked evenly and balanced, to avoid damage in transit (e.g. heavier items to the bottom of the pallet).
- Should any cases, or the entire load, be damaged in transit, Ocado reserves the right to re-work or reject pallets at its discretion. Cost recovery fees may apply.

Care should be taken in the stacking of products on the pallet. To ensure the most efficient receipt of goods in the Ocado CFC, pallets should be layer stacked not tower stacked, and products should be neatly presented with clear outer case labels.

Examples of compliant and non-compliant pallet presentation:





Overhanging goods are not permitted on pallet loads.

PO Splitting

Ocado are continuously looking for inbound efficiencies. PO Splitting is a project, successfully run by Supply Chain Excellence, splitting suppliers' Purchase Orders by the Ocado asset they will be stored within. This project is only relevant in our Hatfield & Dordon sites; suppliers who have participated in the project so far have seen reduced turnaround times and reduced invoice queries.

Why do we PO Split?

Ocado CFCs have multiple storage assets; pallet, tote & tray. A non PO split supplier will send a mixed pallet into the CFC, which will be transported between the different asset decant stations, dependant on where the products will be stored. This is a manual and timely process. A PO split supplier's products will travel directly to the asset decant station they will be stored in, reducing the handling time in the CFC, reducing the time taken to be received and enabling quicker turnaround of the vehicle. We are targeting all suppliers; please contact your Demand Manager for further details.

Mixed Pallets

Multiple products may be loaded onto one pallet, layer stacked and clearly differentiable.



Where goods are layered, each distinct SKU can be separated by a cardboard layer and each layer must be of the same date code. Please discuss with the Ocado Supply Chain team when delivering in layers to understand the most appropriate method of division. Ocado does not want insert pallets between layers as this causes delays within our CFCs.



Mixed pallets should be clearly labelled and different date codes clearly identified. If outer cases of products are similar please seek a clear way to distinguish between the SKUs, this may be a coloured sticker, wrapping each SKU in thin paper/ plastic or stacking the pallet in a different order to reduce mixed-receiving.

Ocado may charge a fee, as set out in Appendix C if pallets have to be re-worked due to any non-conformance of the above.

Health & Safety

The health & safety of all persons on Ocado premises is of paramount importance to us. Procedures have been put in place to ensure risks are kept to a minimum. These procedures



must be observed at all times.

Health & Safety site rules are documented below and will be available for drivers on site.

Ocado Site Rules for Suppliers & Visitors

Ocado Health & Safety rules below MUST be followed at all times.

We operate a zero-tolerance approach to breaches of any Health and Safety rules.

- Trailer specification must be suitable for the loads being transported.
- All drivers must read the site safety signage and site safety rules.
- The site speed limit is 10mph. DO NOT under any circumstances exceed this limit. Random checks are made and Red Card system operated for excess speed.
- Follow designated traffic flows and routes, abide by floor markings and any one way system.
- When leaving your vehicle keep to the pedestrian walkways and crossings - never walk in the roadways or yard areas.
- Key Control processes are in place for delivering drivers - Keys must go to the Inbound office once parked on a bay; for pallet collections, keys of tractor unit must go to forklift operator whilst pallets are loaded.
- Only manoeuvre on or off a loading bay on a Green Light.
- Report any defective equipment to site management.
- Hi-visibility clothing MUST be worn at all times when you are not in your vehicle. Drivers with unsuitable hi-visibility clothing will be refused.
- Safety Boots are to be worn at ALL times on site. Drivers with unsuitable safety footwear will be refused.
- Trained Banksmen operate at some sites to ensure that your health and safety is not compromised, you MUST comply with their requests and directions at ALL times.
- ALL Fire Alarms must be treated as real. Ensure you park safely, switch off the engine and apply parking brakes. Proceed to the nearest assembly point as directed.
- Right of way to be given to pedestrians on safe walkways & crossings.
- NO smoking policy except in the designated area. Dedicated vaping areas available.
- Any injury or damage to vehicles occurring whilst on-site must be reported to a member of CFC site management, before leaving the CFC.
- Site warnings and safety signs must be obeyed at all times.
- Vehicles must leave site immediately after loading / unloading is complete - breaks should be taken off site.
- No driver access to tractor or trailer units whilst loading / unloading in progress.
- Be aware of shunting tugs and forklifts, 24 hour operations in the yard.



- All vehicles will be subject to checking or search at any time. In any case of theft or the suspicion of theft, the police will be called immediately.
- Welfare facilities are available in the Inbound office.
- All rubbish must be disposed of in the bins provided on site.

Failure to abide by site health and safety rules will result in loads being rejected, this will be treated by Ocado as a failed/late delivery. See appendix C for more details.

Arrival Procedure

Arrival at Ocado Site

Upon arrival on-site suppliers should identify themselves either directly at the gatehouse (Hatfield CFC) or via the security intercom (Dordon and Erith CFCs). Please be prepared to provide the following information:

- Purchase order reference number(s)
- Supplier name(s)
- Number of pallets / pallet lifts

If any discrepancies are found, for example incorrect PO numbers, vehicle format, quality of goods, early or late deliveries, drivers may be asked to wait in a holding area until the error is cleared with goods-in. The driver will then be directed to a door or refused entry. Please ensure that drivers are aware of the site safety procedures.

Deliveries arriving without any paperwork will need to have their booking verified and may be delayed while fax or email copies of paperwork can be sourced. Non-compliant and missing paperwork may result in cost recovery charges being raised.

Arriving at Dock – CFCs

Drivers should ensure that the dock is clear and the traffic light is green before reversing into their assigned dock.

Ensuring they have familiarized themselves with pedestrian movements and walkways, drivers should then report to the inbound office with delivery documentation and vehicle keys. The Ocado goods-in team will check the paperwork and keep hold of keys until the vehicle has been unloaded and is secure. Drivers will not be permitted into the main CFC building unless accompanied by a member of Ocado staff and by prior agreement.



Arriving at Yearsley Sites

For Yearsley arrival procedures, please contact:

Holmewood - holmewood.coldstore@yearsley.co.uk

Peterborough - Peterborough.coldstore@yearsley.co.uk

Belle Eau Park - BEP.coldstore@yearsley.co.uk

Temperature Control

Food suppliers must ensure that food products are kept within appropriate temperature ranges at all times, specifically:

- Prior to out-loading at the factory or warehouse
- During transit to Ocado
- During delivery to Ocado

Where a supplier is utilising Ocado transport, by the loading of that vehicle it is implied that the operating temperature of any refrigeration is acceptable.

Inbound Temperature Requirements

Ocado will store product as ambient, chill or frozen as appropriate. If suppliers cannot meet these inbound temperature requirements or have specific concerns regarding their product range, please contact the Ocado Product Technical and Compliance Team in advance of physical arrival to the CFC for a separate agreement.

- Chilled products (including prepared salads) 0°C - +5°C
- Frozen products at or below -18°C
- Unprepared produce (as agreed between Ocado Product Technical and Compliance Team and suppliers) 0-12°C.

Chilled products that have been previously frozen must be tempered in a controlled environment and be delivered to Ocado free from visible ice and at a temperature of between 0°C and 5°C.

Temperatures will be checked and documented at the point of delivery. Deliveries outside the temperatures specified above will be rejected. Destructive testing (using probes) may be undertaken to achieve accurate core temperature readings where necessary.

Our procedures are to monitor temperature of products at the point of delivery to Ocado and to maintain auditable control up to the point of delivery to the final customer. It is the responsibility of the supplier to ensure auditable temperature control up until point of receipt



at Ocado. Vehicles should be equipped with suitable logging equipment to track temperature throughout its transition from outload at the supplier to delivery at Ocado CFCs. Ocado should be able to access this information if required.

The Ocado Product Technical and Compliance Team may decide to accept the stock and to issue a concession if they deem this appropriate, however, should a supplier be issued with 3 consecutive concessions, any further issue will result in an outright rejection.

Suppliers may be charged a cost recovery fee for failing to meet product temperature requirements.

Vehicle Requirements

Vehicles delivering to any Ocado warehouse should arrive in a clean condition, as well as being mechanically sound and fit for their purpose.

Accepted and Expected:

- ✓ Vehicles must be clean and free from odours & debris.
- ✓ Vehicles must be of standard articulated height so as to fit into the unloading docks. Dock height is 1.25m.
- ✓ Vehicles must be capable of unloading from the rear doors using dock-levelling equipment.
- ✓ Tail-lift vehicles will only be accepted if the vehicle has an underslung tail-lift, or if the tail-lift can be lowered below the floor height of the vehicle whilst remaining vertical.
- ✓ Product temperatures in all temperature-controlled vehicles will be checked before unloading is authorised.
- ✓ Ocado must be able to access and audit temperature storage data relating to the time between dispatch from the supplier's premises and delivery to the Ocado CFC.

Not Accepted:

- ✗ Side tipping - It is not possible to unload from the side of the vehicles, e.g. by means of a "curtain sider".
- ✗ Refrigeration must not be switched off at any point during delivery, and vehicle doors must not be opened until authorised by Ocado personnel.
- ✗ Vehicles that are not capable of unloading from the rear doors using dock-levelling equipment.
- ✗ Vehicles must be free from pest/evidence of pest activity



Any issues or queries regarding vehicle sizes or dock heights must be checked with Ocado Supply Chain before deliveries are made. Please see the Temperature Control section for delivery temperature requirements. Any vehicles arriving that do not conform with the above requirements are subject to rejection by the CFCs and cost recovery charges where applicable.

Loading

Pallets must be loaded in the correct sequence on the delivery vehicle. If delivering to more than one warehouse, ensure that Ocado product is not obstructed. Ocado do not have enough space or time to unload other deliveries in order to get to the relevant pallets.

Pallets should be clearly marked for Ocado, referencing the specific site name (Hatfield CFC / Dordon CFC / Erith CFC) to avoid confusion when unloading.



Mechanical Handling Equipment

Delivery trailers must be able to carry the weight of the inbound MHE, which is used to transport assets from the delivery vehicle into the CFC in addition to the weight of the load.

Weight of the unloading equipment is as follows:

- Total truck weight – 1,700kg - Total load weight – 1,100kg - Combined weight – 2,800kg

Product Issues and Rejections

Issues may not become apparent until after the delivery vehicle has left the Ocado site.

Suppliers will be contacted to discuss resolution of issues, suppliers must acknowledge the collection within 2 working days and stock must be collected within 72 hours. Ocado reserves the right to dispose of stock if suppliers do not collect promptly.

If it is believed that product may cause infestation or it breaches food safety regulations, then the product will be disposed of in the correct manner and at the supplier's expense, please see Appendix C. Suppliers will be informed in advance of this action being taken. If dated product



has not been collected prior to it being past its use by or best before date then product will be disposed of at the supplier's expense, please see Appendix C.

Excess Goods

If any goods are delivered in excess of the quantity stated on the order, Ocado shall have the option to keep the excess goods and arrange for payment to the supplier in respect of them. Otherwise Ocado reserves the right to request for the supplier to collect the goods at the supplier's risk and cost. If goods have not been collected within 72 hours Ocado reserve the right to dispose of the stock. Please see Appendix C for further details.

Missing Items or Shortages

If any goods are missing and shortages have not been advised in advance of delivery, suppliers will be contacted to discuss the options. If re-delivery is required, this will be at the supplier's risk and expense and will be at a time acceptable to Ocado. Ocado will only pay for goods received. Ocado reserves the right to charge suppliers for the loss of profit where goods are not supplied, see appendix C.

Defective Items / Product Quality Faults

If defective items are discovered whilst unloading, the goods will be inspected and rejected where necessary, loaded back onto the trailer and the driver will be expected to take this stock away. If however the damaged goods are not discovered until the driver has left site, the stock will be put on hold and the supplier notified to arrange collection or disposal, both of which will be at the supplier's expense. If however, the defective goods could cause harm or contamination, these items will be disposed of in a controlled manner at the supplier's expense. Suppliers will always be notified in advance of this action.

Stock rejected for quality reasons should not be re-delivered to Ocado unless specifically agreed in writing by the Ocado Product Technical and Compliance Team..

Ocado may seek to recover costs for delivery of defective or poor quality goods, see appendix C.

Non-Conformance / Not Fit for Purpose

If goods are delivered with an incorrect barcode, short or incorrect date code (from those previously provided and agreed by Ocado) products will not be received into our warehouse management system and the Supply Chain team will be notified. Goods will be accepted or rejected at the discretion of the Supply Chain team. If the stock is rejected, the supplier will be



contacted to arrange collection or disposal and to discuss any requirements for re-delivery.

Ocado may charge a fee where products are delivered which do not conform to the pre-agreed specifications. The charges are set out in Appendix C.

Incorrect / Discontinued Product

If goods are delivered that were not ordered by Ocado or are not sold by Ocado, these products will be rejected and the Supply Chain team will be notified. Goods will be accepted or rejected at the discretion of the Supply Chain team. If the stock is rejected, the supplier will be contacted to arrange collection or disposal.

Ocado may charge a fee where products are delivered which do not conform to the pre-agreed specifications. The charges are set out in Appendix C.

Outside Temperature Range

It is the supplier's responsibility to ensure that stock is delivered in compliance of the temperature regime as set out in Temperature Control section below. If stock is rejected due to temperature non-conformity, suppliers should not re-attempt delivery of this product at any point in the future. Stock will be marked with a "Reject" stamp for this purpose.

Ocado may seek to recover costs for delivery of products not conforming to the pre-agreed specifications, please see Appendix C for further details.

Minimum and Maximum Acceptable Life

Ocado will agree a minimum acceptable life parameter with the supplier before the product's launch on the Ocado website. This minimum life value will be maintained within the warehouse Management System. Any product delivered with a 'display until' / 'use by' / 'best before' date shorter than this will be rejected. Product life information must be clearly displayed on the retail pack & outer case.

Individual cases should not contain mixed date coding. Multi-pack products must display the earliest date code on the outer packaging.

If a supplier sends multiple date codes of any product as part of the same delivery, this should be clearly indicated on the pallets or cases, and on the paperwork to avoid confusion at receipt.

Any changes to minimum life must be agreed in writing with Ocado before its physical arrival on site.

Due to the automated nature of our warehouses, to ensure correct stock rotation and guaranteed life to the customer we also require the maximum total product life from manufacture. Please be aware that the life is measured in the number of nights of life



remaining on the product.

Ocado may seek to recover costs for delivery of products not conforming to the pre-agreed specifications, please see Appendix C for further details.

Product Recall & Withdrawal

As soon as either party becomes aware of any issues requiring recall or withdrawal from sale, contact should be made. Suppliers should ensure they keep Ocado informed of their contacts responsible for product recalls. Contact should in the first instance be with the Ocado Food Technology team on product.technical@ocadoretail.com. Further contact should be made with Buying Managers and the Supply Chain team if they are impacted.

Suppliers should provide as much information as possible including:

- Name of product (Ocado SKU if known)
- Date code
- Batch number (where available)
- Details of the issue/ reason for recall/ withdrawal
- Delivery date of affected stock into Ocado (PO number if known)
- Affected quantity (if known)
- Supplier contact details (phone number and/or email address) for customers to contact them with their queries in the event of a recall

Suppliers may be charged for the administration and costs of the recall or withdrawal, see Appendix C.

Customer Complaints and Authority Complaint Investigations

Customer complaints are made to Ocado through the call centre, directly via our website and through our mobile app so can be monitored accurately.

As GDPR prohibits personal data being transferred to a supplier without customer consent we will ask for this before forwarding any personal details.

Depending on the specific complaint our contact centre may ask our customer to directly contact the brand owner. In this instance the branded supplier must handle the complaint in an appropriate and timely manner and within 20 days and communicate any actions taken to resolve the customer complaint with Ocado on request. Ocado reserves the right to act as an intermediary to resolve customer complaints that have not been adequately resolved by the



supplier and any costs associated with this will be paid by the supplier.

For complaints directly handled and investigated by Ocado, suppliers are expected to act upon this information and, if required, suppliers should provide a response in a timely manner and in any event within 20 working days.

Whilst investigating the complaint Ocado may request access to data relating to the production sign-off and quality inspection reports within the manufacturing process to satisfy themselves that this issue should not arise again.

Authority investigations such as Environmental Health complaints will be managed by Ocado Product Technical and Compliance Team and where required will be communicated to the supplier. Any investigations or other information required to handle the complaint must be provided in the requested time frame.

Ocado may charge a fee, as set out in Appendix C, and, where products are supplied otherwise than in accordance with the contract seek to recover the costs, damages or expenses Ocado incurs.

Supplier Invoicing

Payment

Settlement is in accordance with Ocado standard payment terms as agreed with the Ocado Buying Manager. Payments of account are controlled by Accounts Payable and any queries should be directed to them at payables@ocadoretail.com.

Invoice Procedure

- Ocado raise a purchase order (PO).
- PO is communicated to the supplier.
- Adjustments or issues are communicated via ASNs, Olive or directly to the Supply Chain team.
- Supplier delivers the goods.
- Invoice for goods is received from the supplier.

Invoices should be sent to Ocado via EDI unless previously agreed with Accounts Payable by exception. If you currently email or post your invoices please make contact with Jae Burgess (AP Manager) jae.burgess@ocadoretail.com to discuss future invoice options as we are phasing out the receipt of manual paper invoices for 2020. All other queries should be directed to your account handler and payables@ocadoretail.com, this is also where invoices should remain to be sent.



Appendix A - OCADO RETAIL LIMITED

RESPONSIBLE SOURCING CODE OF PRACTICE

(THE “CODE”)

Ocado Retail Limited is committed to respecting human rights, as outlined in the International Bill of Human Rights and the International Labour Organisation’s (ILO) conventions and recommendations, including those set out in the ILO’s Declaration on Fundamental Principles and Rights at Work. We aim to ensure that our goods and services are produced and conducted under responsible conditions; this means that they must be undertaken: lawfully and through ethical business practices; in safe and hygienic working conditions; and without exploitation of Workers and local communities.

“Workers” refers to any kind of worker including, but not limited to, temporary, contract, student, migrant, and direct employees.

This Code applies to Suppliers, their employees, agents, subcontractors and any other person involved in supplying Goods or Services to Ocado Retail. By contracting with us you are agreeing to follow this Code.

The Code requires, as a minimum, that:

1. Employment must be freely chosen.

- All work must be voluntary and there must be no use of forced, bonded or involuntary prison labour.
- Worker’s original identity and right-to-work documents must not be indefinitely held by their employer, or any related third party, for any reason other than appropriate administration processing and immediate return.
- Workers must not be required to pay recruitment fees or deposits for their employment to their employer or any third party agents, such as labour providers. If any such fees are found to have been paid by Workers, such fees must be repaid to the Worker.

2. Freedom of Association and the right to Collective Bargaining must be respected.



- Workers must have the right to join or form trade unions of their own choosing or where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

3. Working conditions are safe and hygienic.

- Adequate steps must be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- Workers must receive regular health and safety training appropriate for their work.
- Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage must be provided.
- If Workers are provided with accommodation by their employer, this must be clean, safe, and meet the basic needs of the Workers.

4. Child labour must not be used.

- A child is any person under 15 years of age, however where local minimum age law stipulates a higher age for work or compulsory schooling, the higher age will apply. If, local minimum age law is set at 14 years of age in accordance with developing country exceptions under ILO Convention No. 138, the lower will apply.
- Workers over the age of a child but under the age of 18 (known as “Young Workers”) must not be employed at night or in hazardous conditions.
- In the event child labour is discovered, suppliers shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.

5. Fair Wages are paid on time.

- Wages, benefits and wage deductions must comply with all relevant local and national laws and regulations.
- Deductions as a disciplinary measure should not be permitted and all disciplinary measures should be recorded.



6. Working hours must not be excessive.

- Working hours must comply with local and national laws, and benchmark industry standards, as appropriate.
- All overtime must be voluntary.

7. Discrimination must not be practised.

- There must be no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

8. Regular employment is provided.

- All workers must be provided with written and understandable information about their employment conditions.
- Regular employment relationship must not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor must any such obligations be avoided through the excessive use of fixed-term contracts of employment.

9. Harsh or inhumane treatment must not be allowed.

- Discipline in the form of physical abuse, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation must not be permitted.

We may terminate our relationship with individuals and organisations working on our behalf if they breach this Code or if they are suspected of or commit an infraction against the Code. Before we terminate our relationship, with the welfare and safety of local workers as a priority, we will give support and guidance to individuals or our suppliers to help them address coercive, abusive and exploitative work practices in their own business and supply chains.



Environmental Impact

Ocado encourages the use of environmentally friendly packaging and the incorporation of recyclable materials wherever possible. We are keen to minimise the environmental impact of using or disposing of transit packaging.

Ocado encourages the use of multi-trip containers to reduce the need for excessive cardboard packaging.

Animal Products Programme

All Suppliers must be socially responsible when using animal products.

You must only use leathers, skins and feathers that are by-products of the slaughter of an animal. Global standards agreed by the OIE (World Organisation for Animal Health) are set out in their practices for the protection of animals at the time of slaughter. The OIE also provides global guidelines for the stunning and slaughter of different species.

You must not use products from endangered species as specified by:

- CITES (Convention on International Trade in Endangered Species)
- IUCN (International Union for the Conservation of Nature)

In any products supplied to Ocado, the following must not be used in any measure:

- Pelts or real fur (with the exception of sheepskin, goatskin and cowhide)
- Karakul (also known as broadtail and astrakhan), or any skin products from aborted animals
- Leather taken while the animal was alive
- Feathers plucked from live animals (Feathers must only be purchased from licenced, certified organisations.)
- Wool resulting from the mulesing of sheep (You must ensure you can provide the necessary certification if required.)

You must keep to these conditions for the programme to work. This is a long-term programme that aims to make sure animals are treated in a humane and ethical way. Together, you and we must abide by all relevant animal laws, such as those concerning hygiene and waste disposal.



Appendix B - Ocado Supplier Transport Procedure

If you use a third party haulier to deliver your goods to Ocado, this is a handy checklist for you to give them to ensure their deliveries are compliant.

- 1.** All delivery vehicles used for transportation must ensure the food safety, legality and quality of goods.
- 2.** If a third party haulage contractor is used, all the requirements must be defined within a contract and effectively managed. This must include storage facilities where used as part of the contract. Haulage contractors must be formally approved by recognised schemes where required, and available for inspection and audit within a reasonable time scale.
- 3.** Vehicles used for transportation must be well maintained and in good hygienic condition.
- 4.** Documented maintenance and hygiene procedures and records must be in place for all vehicles.
- 5.** Procedures must be in place to minimise the risk of cross contamination (including taint) during transportation.
- 6.** Where goods are susceptible to weather damage, vehicles must be unloaded / loaded in covered bays or materials suitably covered to protect the materials.
- 7.** Chilled/frozen goods must be loaded and unloaded in temperature controlled bays, or ways of working must be such that temperature is not compromised.
- 8.** Product is loaded or stacked on pallets in a manner that does not pose a risk to damage or safety in transit.
- 9.** Procedures must be in place to ensure product is held under secure conditions during transport.
- 10.** Where temperature controlled transport is required, documented procedures must be in place to ensure the temperature requirements are met. Transport must be capable of maintaining product temperature within specification, even under maximum load.
- 11.** Temperature controlled transport must incorporate temperature data logging devices which can be inspected to confirm temperature conditions or a manual system must be in place to validate the correct operation of refrigerated equipment in a timely manner, and available for inspection and audit within a reasonable time scale.
- 12.** Procedures must be in place in case of breakdown of vehicle refrigeration. All incidences of



refrigeration equipment breakdown must be recorded and corrective actions documented.

- Follow designated traffic flows and routes, abide by floor markings and any one way systems
- When pedestrian on site keep to the pedestrian walkways and crossings – never walk in the roadways or yard areas
- Toilets and Welfare facilities are available at the inbound office
- All visiting drivers have a legal responsibility to report any accident or incident to the site management immediately
- Key Control for drivers delivering – keys to inbound office once parked on bay; for pallet collections, keys of tractor unit to fork lift operator whilst pallets are loaded
- No driver access to tractor or trailer units whilst loading / unloading in progress
- Be aware of shunting tugs and fork lift 24 hour operations in the yard
- Vehicles should leave site immediately once loading / unloading is complete – breaks should be taken off site.

Remember:

- Wear your PPE all of the time
- Report any defective equipment
- Report any accidents or incidents
- Always abide by the 10mph speed limit
- Only manoeuvre on a bay if the light is green



Appendix C - Ocado Charging Policy

Failure to Comply with Supplier Manual

In accordance with clause 5 of the Ocado Conditions of Purchase, Ocado is entitled to charge Suppliers a fee in relation to failure to comply with the standards set out in the supplier manual.

For all invoice queries in the first instance, please contact payables@ocadoretail.com

For any queries about supplier delivery compliance or charges for delivery issues, please contact suppliercompliance@ocado.com

For any queries regarding quality issues and product withdrawals, please contact product.technical@ocadoretail.com

Failure to Provide Samples

If you fail to send samples in accordance with the requirements set out above under weights and measures prior to supplying your products we will charge a fee as set out below.

Customer Complaints

Charges raised relating to customer complaints will be made up of the following elements:

- i. A refund to Ocado of the retail price of the product
- ii. Other damages suffered by Ocado which are caused by a defective product (which Ocado will inform the supplier of before raising a charge)
- iii. For all other issues: a £5 administration charge for complaints made through the Webshop or App, or a £10 administration charge for complaints made via telephone

Product Recall & Withdrawals

When products are recalled or withdrawn, Ocado shall be entitled to charge the supplier for the cost of the relevant products, as well as an administration fee as follows:

- £400 per recall to cover administrative expenses, CFC checks and contact centre interactions. In addition, the cost price of the stock plus a £1 per item charge for collating the damaged stock, storing it and disposing of the stock (or storing until collection).
- £300 per withdrawal to cover administrative expenses and CFC checks



These fees are to be applied regardless of whether the withdrawal or recall is instigated by the supplier themselves, or by the manufacturer (or where relevant by Waitrose or Ocado).

Incorrect Pallet Presentation & Paperwork

If products are supplied on poor quality pallets, are higher or heavier than the maximum acceptable, goods are not stable on the pallet or overhang the pallet in any way Ocado may need to re-stack these pallets therefore a fee per pallet will be raised against the Supplier to compensate for this labour. If a supplier does not provide the correct paperwork for a delivery, the delivery can be rejected and a charge may be raised - see table below.

Disposal of Stock, Pallet Storage and Collections

If there is an issue with stock and it needs to be collected by a supplier from an Ocado CFC Ocado will notify the supplier. Ocado will hold the stock for 72 hours and then dispose of the stock if it has not been collected. It is up to the supplier to book a collection of the stock with the appropriate inbound office. Ocado will raise a fee (see below) to cover the labour used.

Ocado Charges

Reason	Unit of charge	Charge
Delivery Quality		
Shortages		Ocado reserve the right to recover the costs of loss of profit
Failed Delivery/Rejected loads charge relating to; <ul style="list-style-type: none"> - H&S issue - Non conformance resulting in a rejected load - Non conformance with W&M process 	Per pallet	£20 admin +£5 per pallet*
Early/Late delivery (+/- 30 mins)	Per pallet	£20 admin + £5 per pallet
Incorrect Pallet presentation	Per pallet	£20



Incorrect Paperwork	Per delivery/ per supplier	£20
Product Charges		
Storage & collection charge relating to; <ul style="list-style-type: none"> - Quality issues - Product non conformance - Unwanted excess stock - Defective products - Incorrect products delivered - Temperature issues - Expiry date/Life issues 	Per Pallet	£5 (+Cost price of the stock if already received by Ocado)
Recalls	Per event	£400 +£1 per item (plus cost price of product)
Withdrawal	Per event	£300 +£1 per item (plus cost price of product)
Customer complaints - Quality	Per refund	£10 - Contact centre processed £5 - Customer processed

*A fee may be waived by Ocado if the Supplier has provided reasonable advance notice of a failed delivery. The CFC inbound office should be contacted in this circumstance.

If a supplier wishes to dispute a charge, the supplier must do so within 30 days of receiving notice of the charge.

