

# Ocado Retail Limited

## General Merchandise Supplier Manual

January 2022

# Overview

Welcome to the Ocado Grocery Supplier Manual. We strive to deliver excellent customer service and high quality products directly to the homes of our customers. All of our 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 our suppliers on the journey with us, looking at new, more efficient ways to deliver to our Customer Fulfilment Centres, which, we believe, will help not only us and our suppliers, but most importantly our customers as well.

The aim of this manual is to provide an effective and easily understandable working guide for supplying goods to all of the Ocado Customer Fulfilment Centres, and to highlight the factors which have the greatest impact on our operation. Our suppliers should familiarise themselves with this manual and ensure that all relevant parties in their organisation 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, all of our suppliers are expected to adhere to the contents of this manual. Any exceptions must be specifically agreed by us in writing and any failures to adhere to these contents may result in charges being raised where these have been outlined.

We're committed to engaging collaboratively with our suppliers to ensure our relationships are conducted fairly and lawfully, in line with the requirements of the Groceries Supply Code of Practice (GSCOP), which we have been subject to since 1st November 2018. We encourage all of our suppliers to raise any queries or give feedback directly to their named contact within the Buying Team or with the Senior Buying Manager for their category. If any of our suppliers wish to raise queries outside of the Buying Team or would like to have a conversation in confidence, please contact our Code Compliance Officer (CCO), Robert Skelton, by email at [gscop@ocadoetail.com](mailto:gscop@ocadoetail.com).

The Groceries Code Adjudicator is Mark White. He can be contacted by writing to Groceries Code Adjudicator, 7th Floor, The Cabot, 25 Cabot Square, London E14 4QZ, by phone, on 0207 215 6537 or by email at [Enquiries@GroceriesCode.gov.uk](mailto:Enquiries@GroceriesCode.gov.uk).

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

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## Contact Details & Addresses

### Ocado Head Office

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

Telephone: +44 (0)1707 228080

### Product Technical and Compliance

For complaints, specifications, back of pack changes, product recalls, withdrawals and other emergencies.

Email: [product.technical@ocadoretail.com](mailto:product.technical@ocadoretail.com) - Monday to Friday 9am - 5pm

Out of hours emergencies telephone: +44 (0)7919 013728

### Merchandise Planning

For delivery issues, purchase order queries, forecast orders, known shortages and other supply issues.

Merchandise Planning Team

Email: [nonfoodmerchandiseplanning@ocadoretail.com](mailto:nonfoodmerchandiseplanning@ocadoretail.com) - Monday to Friday

Email: [homeandlifestyle\\_merchandiseplanning@ocadoretail.com](mailto:homeandlifestyle_merchandiseplanning@ocadoretail.com) - Monday to Friday

Primary Network Team

Email: [primarynetwork@ocado.com](mailto:primarynetwork@ocado.com) - Monday to Friday

Supplier Performance Team

Email: [gmsupplierperformance@ocadoretail.com](mailto:gmsupplierperformance@ocadoretail.com) - Monday to Friday

### Accounts Payable

For all invoice queries, credit limits and payments.

Telephone: +44 (0)1707 227854

Email: [payables@ocadoretail.com](mailto:payables@ocadoretail.com) - Monday to Friday, 9am - 5pm

Manual invoices must be sent to Ocado Retail Ltd Accounts Payable at the Head Office address above.

# Ocado GMDCs (General Merchandise Distribution Centres)

For all delivery issues, please contact the Merchandise Planning Team. If you do deliver to a third party, please ensure you adhere to their site guidelines.

## **GMDC1 Welwyn Garden City**

Inbound Office, Ocado, GMDC1, Aquarius House, Bessemer Road, Welwyn Garden City, AL7 1HH

Email: [nonfoodmerchandiseplanning@ocadoretail.com](mailto:nonfoodmerchandiseplanning@ocadoretail.com)

## **GMDC 1 Magellan**

Inbound Office, Ocado GMDC 1 Magellan House,  
Bessemer Road, Welwyn Garden City, AL7 1HH

Email: [nonfoodmerchandiseplanning@ocadoretail.com](mailto:nonfoodmerchandiseplanning@ocadoretail.com)

## **GMDC2 Erith**

Inbound Office, Ocado, GMDC2, 1 Church Manorway, Erith, DA8 1PQ

Email: [nonfoodmerchandiseplanning@ocadoretail.com](mailto:nonfoodmerchandiseplanning@ocadoretail.com)

## Ocado Locations

GMDC is the home of our General Merchandise, all GM suppliers will be required to deliver to both sites



# Supplier & Product Set Up

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

Ocado reserves the right to pass on the cost and / or charge a fee for non-conformance onto the supplier. Please see Appendix C for further information on the Ocado charging policy.

## 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 Product Technical Team via [product.technical@ocadoretail.com](mailto: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 and, 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 the Ocado Product Technical Team to liaise directly with a technically competent person and set up a generic email address, e.g. [ocado@supplier.com](mailto:ocado@supplier.com), to facilitate communication, which will be checked frequently.

Suppliers are required to adhere to the Ocado Responsible Sourcing Code of Practice as outlined in Appendix A.

## Olive - The Ocado Supplier Portal

Olive is an online space for suppliers to communicate with Ocado.

Suppliers can use Olive for the following reasons:

- Review Purchase Orders (PO)
- Review delivery forecasts and order schedules
- Give Ocado advance warning of PO shortages

Suppliers will be granted access to this portal and login details will be communicated as part of the onboarding process. Suppliers will also be provided with further details on how to use Olive and the functionality that it offers. Please refer to the Olive manual for further details or contact [olive@ocado.com](mailto:olive@ocado.com) to request 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 the productDNA landing site at the address below to find out more:

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

Suppliers will be able to continue using Ocado's Olive portal to submit new lines for the foreseeable future, however, suppliers 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:

- A clear barcode must be displayed
- Product storage requirements (chilled, ambient or frozen)
- Packaging should be adequate to protect the contents throughout its transition from supplier to end user
- 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, and should be clearly legible
- All Ocado branded products should adhere to all relevant specifications as agreed with the Buying Manager, Ocado Product Technical and Compliance Team and the Ocado Own Brand Team or notified to the supplier

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

Ocado requests that any amendments to case sizes should 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.

The supplier must also complete the Ignitable and Immiscible (I&I) questionnaire on Olive for all new SKUs. For insurance compliance purposes, Ocado uses the I&I Questionnaire to assess fire risk associated with all products ranged on Ocado.com. Even if products do not pose an obvious or direct fire risk, the supplier must complete the questionnaire for all products they wish to range and must ensure the information provided is accurate. Where Ocado is unable to manage the fire risk associated with a product/s, Ocado reserves the right to reject said product/s.

## Weights and Measures

All new products must complete a process of weights and measures before being accepted into the GMDCs. Samples must be sent to:

Aquarius House, Bessemer Road, Welwyn Garden City, AL7 1HH.

Samples should include:

- A retail each (a selling unit) in final retail packaging
- A delivery case

In addition to this, all suppliers of M&S branded products must also send in two customer-ready samples to capture pack imagery. This will be for M&S branded products only, as other branded products will go through Brandbank. Photography samples must be sent to Apollo Court, 2 Bishop Square, Hatfield Business Park, Hatfield, Hertfordshire, AL10 9EX. For any queries please contact the relevant Ocado Buying Manager.

Please note, Ocado cannot receive a product into the GMDCs unless weights and measures have been carried out. We require samples to be sent before the first order. Ocado reserves the right to pass on the costs and/or charge a fee for non conformance onto the supplier. Please see Appendix C for further information on the Ocado charging policy.

## Labelling

Ocado relies on accurate and up to date back of pack information on the webshop to remain legal and to ensure Ocado customers know exactly what they are buying. It is therefore essential that suppliers notify the relevant Ocado Retail Buying Manager 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.

Ocado may have to delay intake of new stock or have to change the SKU number when a label change is in progress to ensure sell-out of the old stock and ensure changes to the webshop are made at an appropriate time.

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.

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 the Product Technical and Compliance Team (product.technical@ocadoretail.com).

## 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 GMDC, 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 and/or legal name
- Date codes - clearly visible and of good print quality in UK format eg: DD/MM/YYYY, MM/YYYY etc or where a month is written this must be in English; unclear or incorrect format date codes may lead to product rejection
- Product batch coding, where applicable
- Storage and handling requirements
- Name and address of the manufacturer
- Retail barcode

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

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](mailto: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 result in stock being sent to the non-conforming area and charges may be raised for storage of non-conforming stock. Barcodes should always be checked for scanning prior to a product's first arrival at Ocado and continually checked for quality and accuracy. Please see Appendix C for further information on the Ocado charging policy.

Ocado has 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 GMDCs.

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 has 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 GMDCs.

## **Images & Back of Pack**

At Ocado, images are used 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 and 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 and back of pack should be provided via Ocado's third party provider, which is currently Brandbank. Brandbank has 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

Email: [ocado@brandbank.com](mailto:ocado@brandbank.com)

Telephone: +44 (0)8453 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 and 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 the 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, i.e. 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. Ocado operates online only, therefore, a good back of pack is an opportunity to ensure products stand out to customers.

# Supplier Performance Management

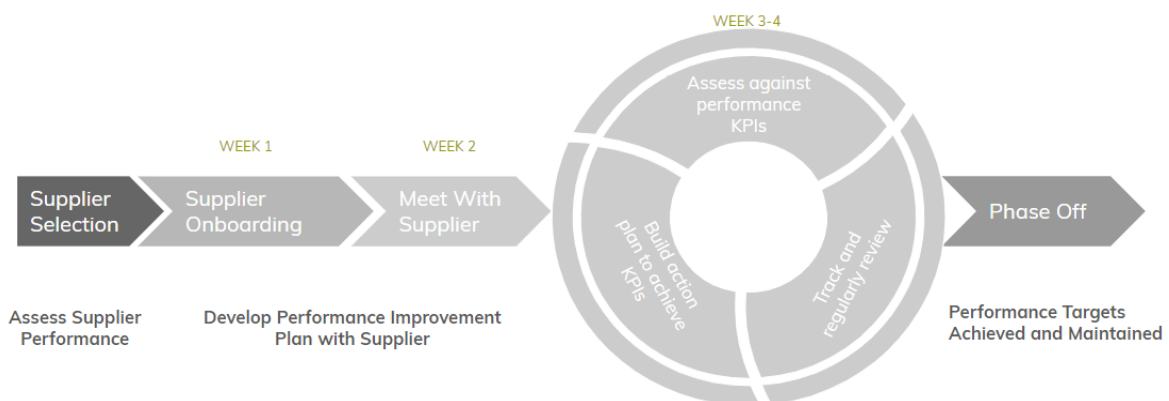
## Overview

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 GMDCs 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 GMDCs
- 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 [gmsupplierperformance@ocadoretail.com](mailto:gmsupplierperformance@ocadoretail.com).

# Purchase Orders

Purchase Orders (POs) are transmitted to suppliers using EDI, 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 Merchandise Planning team at the earliest opportunity via EDI, Olive, or by contacting the Merchandise Planner directly.

## Electronic Data Interchange (EDI)

All Ocado suppliers are expected to sign up to EDI, which is an industry standard and 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.

Ocado also expects 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 Ocado customers. As part of ASNs, suppliers are required to send Serial Shipping Container Code (SSCC) labels to identify the pallets that are delivered to our GMDCs.

For any questions on EDI or for further advice on how to set up EDI please email [sc\\_admin@ocado.com](mailto:sc_admin@ocado.com).

## 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 and 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 or GMDC, separate ASNs will be required for each delivery. In the event that the delivery to a CFC or GMDC 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 including:

- The number of pallets being delivered
- The products on each pallet
- The expiry date for each product

Detailed technical content of the message is identified in the Message Implementation Guide. This will be sent to suppliers during EDI set up. Please contact [asn@ocado.com](mailto:asn@ocado.com) with any questions.

As part of this process, Ocado asks that suppliers send SSCC labels to identify the pallets that are delivered to the CFCs/GMDCs. 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, as 80% of customer orders are sold in advance of the physical arrival of stock on site. Ocado reserves the right to recover costs from suppliers and / or charge a fee for any losses associated with shortages. Please see Appendix C for further information on the Ocado charging policy.

Ocado requires suppliers to deliver to all GMDCs. Deliveries must be made to the correct Ocado GMDC as indicated on the purchase order. Ocado does not have the capacity to transfer stock between GMDCs. If the PO is sent to the incorrect GMDC, 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 the allocated delivery slot. If suppliers arrive outside of their appointment time, Ocado has the right to reject the load if no prior warning has been given. On being aware of a late arrival to the GMDC for an appointment, suppliers should notify the GMDC 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 the delivery is more than 30 minutes late. Please see Appendix C for further information on the Ocado charging policy.

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 GMDCs. 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. Any supplier who is interested in learning more about the Ocado Primary Network can contact [primarynetwork@ocado.com](mailto:primarynetwork@ocado.com) to arrange a meeting with the consolidation team to find an efficient transport solution.

## Parcel Deliveries

Ocado does not accept courier deliveries into any of the GMDCs. All ambient parcel inventory should be delivered to Ocado's preferred ambient haulier who will accept all parcels on Ocado's behalf. These will be delivered daily on a consolidated load into all GMDCs. Ambient deliveries containing fewer than 10 cases and weighing less than 25KG qualify for the Ocado parcel service. Please note, Ocado does not accept chilled parcels.

Suppliers should use the below template to label the outside of each parcel for every PO to ensure that they are clearly identifiable.



Depot: CFC Hatfield1, CFC2 Dordon,  
CFC4 Erith or CFC6 Bristol (or GMDC Erith  
or GMDC Aquarius for GM deliveries)

PO: 1111111(7 digits)

Delivery into Ocado date: 11/06/2019

Number of Boxes: 1 of 3, 2 of 3 etc

Supplier PO delivery paperwork also needs to be included with every parcel. 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 GMDC. Please contact [consolidation@ocado.com](mailto:consolidation@ocado.com) with any queries.

The service allows up to 10 boxes per PO and the weight should not exceed 25kg, as this would be considered to be a non-parcel order and in this scenario suppliers should arrange to make direct deliveries into the GMDCs.

## Delivery Documentation

Suppliers must bring delivery documentation on every visit to Ocado's GMDCs. 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:



Example Brand Ltd, Unit 42, London Industrial Estate,  
London, E13 5HB  
01573 526210  
www.examplebrand.co.uk

## Delivery Note

**Delivery Address:**

Ocado CFC  
Danny Morson Way  
Birch Coppice Business Park  
Dordon  
North Warwickshire  
B78 1SE

**Invoice Address:**

Ocado Accounts Payable  
Apollo Court, 2 Bishop Square  
Hatfield Business Park  
Hatfield  
Herts  
AL10 9NE

**Date of Delivery: Thu 1/8/19 – 16.15pm****PO Number: 7689690**

Part No.	Qty Ordered	Packaging Type	Description	Qty Supplied
358226011	14	Carton	Example Box 1 (12) - 5060693150113	14
366626011	15	Carton	Example Box 2 (5) - 5060393150335	15
357228011	14	Carton	Example Box 3 (12) - 5060293150090	14
362630011	56	Carton	Example Box 4 (6) - 5069493150267	56
			Total Pallets	1

Sign \_\_\_\_\_  
Print \_\_\_\_\_  
Date \_\_\_\_\_



## Proof of Receipt

Due to the design of Ocado's GMDCs, 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 GMDC 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 Merchandise Planning team.

## 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. Ocado currently partners with IFCO Systems who specialises in packaging solutions, resulting in both time and cost saving benefits. For more detail about this please contact the Supplier Compliance Team ([suppliercompliance@ocado.com](mailto:suppliercompliance@ocado.com)) or the Ocado IFCO representative, John Sabey ([john.sabey@ocado.com](mailto:john.sabey@ocado.com)).

**Pallets** - covered in the below section.

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

## Pallets

It is now a legal requirement for all wood packaging material moving in between the EU and the UK to be compliant with International Standard for Phytosanitary Measures (ISPM 15).

Deliveries into Ocado GMDCs 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 does not exchange pallets with any suppliers
- Ocado does 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 the pallet provider
- Vehicles must be capable of unloading from the rear doors using dock-levelling equipment
- Vehicles must arrive within the time slot allocated & must adhere to the guidelines provided through the pallet provider

## Chep Pallet Account Numbers

Account Number	Account Name
100167378	Ocado Hatfield CFC 1
100761433	Ocado Dordon CFC 2
101025833	Ocado Andover CFC 3
101247221	Ocado Erith CFC 4
101486368	Ocado Purfleet CFC 5
101474356	Ocado Bristol CFC 6
101024292	Ocado Retail Ltd C/O Lineage Coleshill
101087048	Ocado Retail Ltd C/O Lineage Billsthorpe, Newark

## Delivery Presentation

### Load Dimensions

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

- Width - 1,000mm
- Length – 1,200mm
- Height - 1,650mm including the pallet, for chill product (this is the equivalent to 7 large IFCOs or 9 small IFCOs high)
- Height - 1,850mm including the pallet, for ambient and frozen product (this is the equivalent to 8 large IFCOs or 12 small IFCOs high)
- Weight - must not exceed 1,100kg

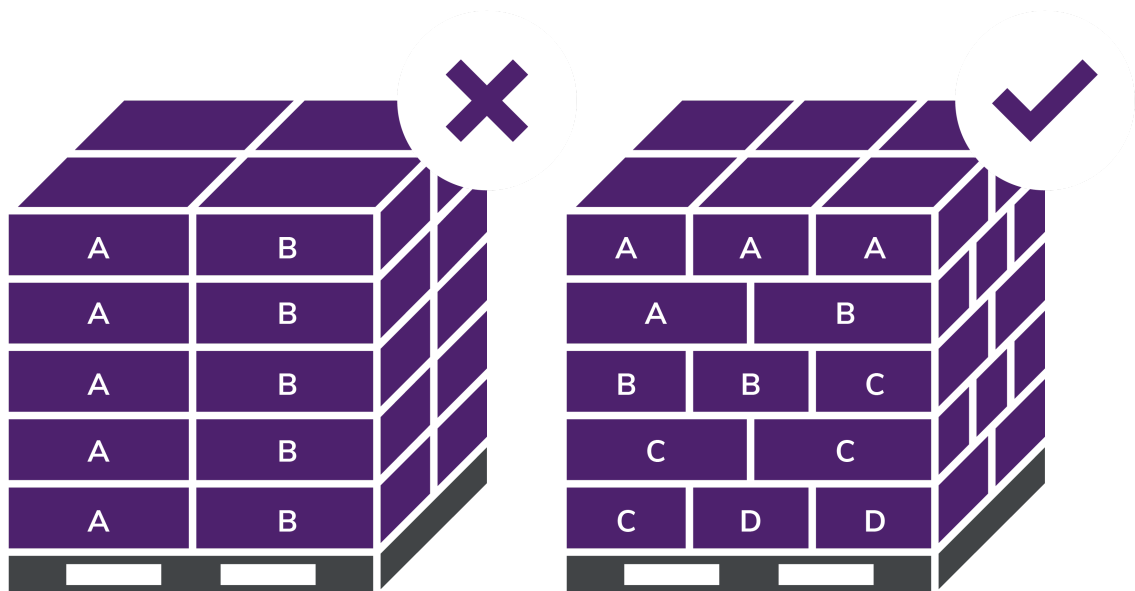
Overhanging goods are not permitted on pallet loads due to the Material Handling Equipment (MHE) used within Ocado. All goods must fit within the pallet dimensions, including any strapping

### Load Quality

All pallets should comply with the following conditions:

- Pallets must be in good condition and not damaged, 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 and cost recovery fees may apply, please see Appendix C for further information on the Ocado charging policy

Care should be taken in the stacking of products on the pallet. To ensure the most efficient receipt of goods in the Ocado GMDC, pallets must be layer stacked. Tower stacking compromises pallet stability and slows down receipt.



Products should be neatly presented with clear outer case labels.

Ocado does not accept double stacked pallets unless it has been agreed in advance as part of the onboarding process.



Examples of compliant and non-compliant pallet presentation:



Overhanging goods are not permitted on pallet loads.

## Mixed Pallets

Multiple products may be loaded onto one pallet, layer stacked and clearly differentiable. Where goods are layered, each layer must be of the same date code. Please discuss with the Ocado Merchandise Planning team when delivering in layers to understand the most appropriate method of division. Ocado discourages insert pallets between layers as this causes delays within the GMDCs.



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. Please note, Ocado does not accept mixed date codes or mixed skus within IFCO trays.

Ocado does not accept mixed temperature pallets. If a PO comprises chilled and ambient products, they must be sent in on separate pallets on appropriate vehicles.

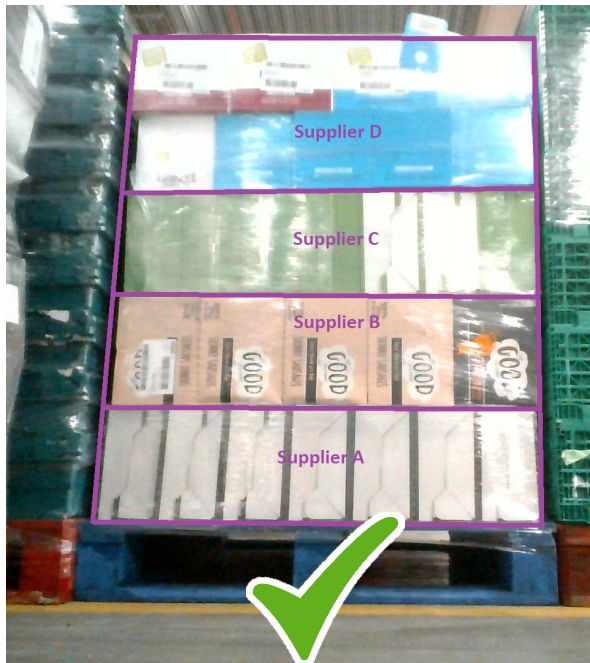
Ocado may charge a cost recovery fee if pallets have to be re-worked due to any non-conformance of the above. Please see Appendix C for further information on the Ocado charging policy.

## Consolidated Deliveries

Where stock is being consolidated by a third party, products from separate suppliers may be consolidated following these guidelines:

- Suppliers and POs must be grouped together
- Pallets with multiple suppliers must have clear outer labelling so that they are easily identifiable
- Consolidated pallets must be layer stacked; suppliers delivering quantities less than a full layer must deliver in fully enclosed boxes or IFCOs

It is the responsibility of the supplier to ensure that third party hauliers being used to deliver into one of Ocado's operational sites follow these guidelines. Goods delivered where hauliers have not followed these guidelines risk being rejected. Please see below for examples of correct and incorrect pallet builds.



For consolidated pallets, Ocado will conduct a single temperature check. Consolidated pallets will not be checked on an individual supplier basis; as such, any suppliers being delivered on a consolidated pallet, by a third party haulier, risk being rejected as a result of other suppliers on the pallet being out of temperature.



## Health and Safety

The health and safety of all persons on Ocado premises is of paramount importance. Procedures have been put in place to ensure risks are kept to a minimum. These procedures must be observed at all times. Health and safety site rules are documented below and will be available for drivers on site.

### Ocado Site Rules for Suppliers and Visitors

Ocado health and safety rules below **MUST** be followed at all times. Ocado operates 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. Drivers **MUST NOT** under any circumstances exceed this limit. Random checks are made and a Red Card system operates for excess speed
- Follow designated traffic flows and routes, abide by floor markings and any one way system
- Drivers must ensure that when leaving their vehicle, they keep to the pedestrian walkways and crossings - never walking 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 the tractor unit must go to forklift operators whilst pallets are loaded
- Drivers should manoeuvre on or off a loading bay on a Green Light.
- Any defective equipment must be reported to site management
- Hi-visibility clothing **MUST** be worn at all times on site. Drivers that leave their vehicle 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 health and safety is not compromised, visitors to sites **MUST** comply with their requests and directions at **ALL** times
- **ALL** Fire Alarms must be treated as real. Visitors to sites should ensure vehicles are parked safely, engines are switched off, and parking brakes applied. They should then proceed to the nearest assembly point as directed
- Right of way is to be given to pedestrians on safe walkways & crossings.
- Ocado operates a **NO** smoking policy, except in the designated area. Dedicated vaping areas are available
- Any injury or damage to vehicles occurring whilst on-site must be reported to a member of GMDC site management, before leaving the GMDC

- 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
- Drivers will not have access to tractor or trailer units whilst loading / unloading is in progress
- Visitors should be aware of shunting tugs and forklifts operating 24 hours 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, which will be treated by Ocado as a failed / late delivery. Please see Appendix C for further information on the Ocado charging policy.**

## **Staying safe during COVID-19 - Suppliers and Visitors**

These controls for keeping suppliers and visitors safe are in addition to the general site rules above.

Ocado confirms that we have complied with the government's guidance on managing the risk of COVID-19. Several controls and operational process changes are in place to ensure Suppliers & Visitors remain safe at our sites. These include:

### **COVID-19 Symptoms:**

If you exhibit any symptoms of Coronavirus or are in any way concerned that you may have been exposed to anyone who is either suspected, or confirmed to have Coronavirus, please do not attend our sites and follow the government's guidance.

The main symptoms of coronavirus (COVID-19) are:

- a high temperature – this means an individual feels hot to touch on the chest or back
- a new, continuous cough – this means coughing a lot for more than an hour, or 3 or more coughing episodes in 24 hours; if an individual usually have a cough, it may be worse than normal
- a loss or change to sense of smell or taste – this means an individual has noticed they cannot smell or taste anything, or things smell or taste different to normal

### **Face masks / face coverings:**

- Face masks / face coverings are mandatory when entering any part of Ocado buildings for example: the Inbound office

**Social distancing:**

- Ocado has restricted the number of people in the inbound office at any one time.
- Information signage is in place at each site. Visitors may be asked to wait in vehicles or outside the office. On these occasions, Ocado requests for visitors to be patient as these measures are in place to maintain social distancing, keeping people 2m plus apart
- Suppliers and visitors should maintain 2m plus distance from others when waiting outside of vehicles
- Signage and floor spacer markings should be observed

**Key surrender process:**

- Surrendered keys are cleaned with sanitiser before they are handed back
- Cough / sneeze screens have been introduced at the inbound office windows and social distancing markers are in place on the floors leading up to these

**Handwashing, Hygiene & Welfare:**

- Visitors should make use of the handwashing facilities at Ocado sites
- Welfare facilities and toilets are available for use
- Please use the hand sanitiser stations that are available within the Inbound offices
- Please use hand sanitiser after using the vending machine facilities
- Enhanced cleaning regimes are in place including increased frequency of cleaning for common contact points

**To raise any health and safety concerns at any of our sites, please speak to a member of the on-site management team. Thank you for your cooperation.**

# Arrival Procedure

## Arrival at Ocado Site

Upon arrival on-site suppliers should identify themselves via the security intercom for all GMDCs. 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 listed in this manual..

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. Please see Appendix C for further information on the Ocado charging policy.

## Arriving at Dock – GMDCs

Drivers should ensure that the dock is clear and the traffic light is green before reversing into their assigned dock. Next to the bay door is a key & paperwork chute with a chain & clip, which the driver must attach their ignition keys and delivery paperwork to. Once the keys and paperwork are connected to the clip, the driver must press the button by the chute to notify the Inbound team the vehicle is ready to be tipped.

In the yard there are facilities including a drivers' lounge, toilets and a smoking area. Drivers are not permitted to enter the main warehouse building, unless requested by a member of Ocado management.

## Temperature Control

Suppliers must ensure that 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.

# 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 delivery is accepted.
- 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 GMDC.

## 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 Merchandise Planning 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 GMDCs 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 does 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 (Erith GMDC/Welwyn GMDC) 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 GMDC 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 notification of the issue and stock must be collected within 72 hours from notification of receipt of the non-conforming goods. Ocado reserves the right to dispose of stock if suppliers do not respond or collect within 72 hours.

If it is believed that product may cause infestation\* or if it breaches food safety regulations, then photographic evidence will be provided and the product will be disposed of immediately in the correct manner and at the supplier's expense. Suppliers will be informed in advance of this action being taken. If dated, non-infested product has not been collected prior to it being past the use by or best before date the product will be disposed of at the supplier's expense. Please see Appendix C for further information on the Ocado charging policy.

\*infestation refers to both the observation of an actual pest / pests and / or significant product damage such as gnawing or droppings.

## 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. Following notification of non-conforming goods being received, suppliers have 72 hours to collect the goods; after this, Ocado reserves the right to dispose of the goods. Please see Appendix C for further information on the Ocado charging policy.

## 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 Merchandise Planning Team will be notified. Goods will be accepted or rejected at the discretion of the Merchandise Planning Team. If the stock is rejected, the supplier will be contacted to arrange collection or disposal and to discuss any requirements for re-delivery. Following notification of non-conforming goods being received, suppliers have 72 hours to collect the goods; after this, Ocado reserves the right to dispose of the goods. Ocado may charge a fee where products are delivered which do not conform to the pre-agreed specifications. Please see Appendix C for further information on the Ocado charging policy.

## **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 Merchandise Planning will be notified. Goods will be accepted or rejected at the discretion of the Merchandise Planning 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. Please see Appendix C for further information on the Ocado charging policy.

## **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

For any incident that has the potential to result in a withdrawal or recall, the supplier must inform [product.technical@ocadoretail.com](mailto:product.technical@ocadoretail.com) as soon as possible. If the supplier has product concerns which may result in a recall or withdrawal, these should be communicated in a timely manner as Ocado has the ability to place products on hold whilst conducting a full investigation. Ocado will require Food Standards Agency (FSA) approval to conduct a customer product recall for branded goods and will wait for a confirmation from the FSA before taking action.

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 via [product.technical@ocadoretail.com](mailto:product.technical@ocadoretail.com). Further contact should be made with Buying Managers and the Merchandise Planning 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
- Emergency supplier contact details to go back to in the event of further queries or escalation

Providing incorrect or incomplete information can result in a delay in the action being taken

Please note, due to the automated nature of our GMDCs, Ocado cannot sort through stock to look for batch codes. A withdrawal will impact all of an identified date code or affected PO.

Suppliers may be charged for the administration and costs of the recall or withdrawal. Please see Appendix C for further information on the Ocado charging policy

## **Customer Complaints and Authority Complaint Investigations**

Customer complaints are made to Ocado through the call centre, directly via the website and through the mobile app so they can be monitored accurately. As GDPR prohibits personal data being transferred to a supplier without customer consent, Ocado will ask for this before forwarding any personal details.

Depending on the specific complaint, the contact centre may ask the 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 2 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, where products are supplied otherwise than in accordance with the contract seek to recover the costs, damages or expenses Ocado incurs. Please see Appendix C for further information on the Ocado charging policy.

# Supplier Invoicing

## Payment

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

## Invoice Procedure

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

All invoices should be sent to Ocado via one of Ocado's EDI solutions; please contact the Accounts Payable Manager for more detail and to arrange for this to be set up. Statements should be sent to [payables@ocadoretail.com](mailto:payables@ocadoretail.com).

Any existing suppliers currently sending invoices via email or post should contact [jae.burgess@ocadoretail.com](mailto:jae.burgess@ocadoretail.com) (Jae Burgess, AP Manager) who will advise of the EDI options available.

From June 2022, Ocado will no longer process any invoices that are emailed or posted

# Appendix A - Ocado Retail Limited Responsible Sourcing Code of Practice (The 'Responsible Sourcing 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 and the UN Guiding Principles of Business and Human Rights.

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 is freely chosen**

- 1.1. There is no forced, bonded, or involuntary prison labour.
- 1.2. Workers are not required to lodge 'deposits' or their identity papers with their employer and are free to leave their employer after reasonable notice.

## **2. Freedom of association and the right to collective bargaining are respected**

- 2.1. Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- 2.2. The employer adopts an open attitude towards the activities of trade unions and their organisational activities.
- 2.3. Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- 2.4. 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**

- 3.1. A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall 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.
- 3.2. Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.
- 3.3. Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- 3.4. Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.
- 3.5. The company observing the code shall assign responsibility for health and safety to a senior management representative.

### **4. Child labour shall not be used**

- 4.1. There shall be no new recruitment of child labour.
- 4.2. Companies 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; 'child' and 'child labour' being defined in the appendices of the Ethical Trading Initiative Base Code.
- 4.3. Children and young persons under 18 shall not be employed at night or in hazardous conditions.
- 4.4. These policies and procedures shall conform to the provisions of the relevant ILO standards.

### **5. Living wages are paid**

- 5.1. Wages and benefits paid for a standard working week meet, at a minimum, national legal standards, or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.
- 5.2. All workers shall be provided with written and understandable Information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- 5.3. Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be



permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

## **6. Working hours are not excessive**

- 6.1. Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.
- 6.2. Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.\*
- 6.3. All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.
- 6.4. The total hours worked in any seven-day period shall not exceed 60 hours, except where covered by clause 6.5 below.
- 6.5. Working hours may exceed 60 hours in any seven-day period only in exceptional circumstances where all of the following are met:
  - 6.5.1. this is allowed by national law;
  - 6.5.2. this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
  - 6.5.3. appropriate safeguards are taken to protect the workers' health and safety; and
  - 6.5.4. the employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergen
  - 6.5.5. Workers shall be provided with at least one day off in every seven-day period or, where allowed by national law, two days off in every 14 day period.

## **7. No discrimination is practiced**

- 7.1. There is 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**

- 8.1. To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.
- 8.2. Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub- contracting, or homeworking arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

## **9. No harsh or inhumane treatment is allowed**

- 9.1. Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

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.

Suppliers 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.

Suppliers 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.)

Suppliers 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, we must abide by all relevant animal laws, such as those concerning hygiene and waste disposal.

## Appendix B - Ocado Supplier Transport Procedure

If a third party haulier is used to deliver goods to Ocado, below is a handy checklist to give them to ensure their deliveries are compliant.

- All delivery vehicles used for transportation must ensure the food safety, legality and quality of goods
- 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
- Vehicles used for transportation must be well maintained and in good hygienic condition
- Documented maintenance and hygiene procedures and records must be in place for all vehicles
- Procedures must be in place to minimise the risk of cross contamination (including taint) during transportation
- Where goods are susceptible to weather damage, vehicles must be unloaded / loaded in covered bays or materials suitably covered to protect the materials
- Chilled/frozen goods must be loaded and unloaded in temperature controlled bays, or ways of working must be such that temperature is not compromised
- Product is loaded or stacked on pallets in a manner that does not pose a risk to damage or safety in transit
- Procedures must be in place to ensure product is held under secure conditions during transport
- 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
- 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
- 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
- Designated traffic flows and routes must be followed, abiding 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
- Vehicle rear doors must be shut and secured when driving around the 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@ocadoetail.com](mailto:payables@ocadoetail.com)

For any queries about supplier delivery compliance or charges for delivery issues, please contact [nfscsupport@ocadoetail.com](mailto:nfscsupport@ocadoetail.com)

For any queries regarding quality issues and product withdrawals, please contact [product.technical@ocadoetail.com](mailto:product.technical@ocadoetail.com)  
For product withdrawals and recalls, please contact [product.technical@ocadoetail.com](mailto:product.technical@ocadoetail.com)

### Failure to Provide Samples

Failure to send samples in accordance with the requirements set out above (under weights and measures) prior to supplying Ocado, will result in a fee as set listed below.

### Customer Complaints (Supplier Recharging)

Customer complaints received by Ocado for quality failures (products unfit or unsuitable for human consumption) will be recharged back to suppliers.

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

1. A refund to Ocado of the retail price of the product
2. Other damages suffered by Ocado which are caused by a defective product (which Ocado will inform the supplier of before raising a charge)
3. A £5 administration charge for complaints made through the Webshop or App (customer processed), or a £10 administration charge for complaints made via telephone and processed by the Contact Centre.

### Product Recall & Withdrawals (Supplier Charging)

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, GMDC 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 GMDC checks. 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).

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 M&S 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 GMDC, Ocado will notify the supplier. If a response from the supplier has not been received following notification of non-conforming goods being received, Ocado reserves the right to dispose of the stock. Collection of non-conforming goods must be made within 72 hours of notification of the receipt of the non-conforming goods. It is up to the supplier to book a collection of the stock with the appropriate inbound office. Ocado will raise a fee to cover the labour used- see table below.

There will be no charge for M&S route C non conformance, however Ocado will dispose of the stock after 72 hours if it has not been collected.

Reason	Unit of Charge	Charge
<b>Delivery Quality</b>		
<b>Shortages</b>	per item	Ocado reserves the right to recover the costs of loss of profit
<b>Failed delivery / rejected loads charge relating to:</b> <ul style="list-style-type: none"> <li>- health and safety issue</li> <li>- non-conformance resulting in a rejected load</li> <li>- non-conformance with weights &amp; measures process</li> <li>- attempting delivery on an unsuitable vehicle resulting in a rejected load</li> </ul>	per pallet	£20 admin + £5 per pallet*
<b>Early / late delivery (+/- 30 mins)</b>	per pallet	£20 admin + £5 per pallet*
<b>Incorrect pallet presentation</b>	per pallet	£20
<b>Incorrect paperwork</b>	per delivery / per supplier	£20 admin
<b>Product charges</b>		
<b>Storage and collection charge relating to:</b> <ul style="list-style-type: none"> <li>- quality issues</li> <li>- product non-conformance</li> <li>- unwanted excess stock</li> <li>- defective products</li> <li>- incorrect products delivered</li> <li>- temperature issues</li> <li>- expiry date / life issues</li> </ul>	per pallet	£5 + cost price of the stock if already received by Ocado
<b>Recalls</b>	per event	£400 admin + £1 per item + cost price of product
<b>Withdrawal</b>	per event	£300 admin + £1 per item + cost price of product
<b>Customer quality complaints</b>	per refund	retail price of product + £10 admin for contact centre processing or £5 admin for customer Webshop or App processing

\*A fee may be waived by Ocado if the Supplier has provided reasonable advance notice of a failed delivery. The Merchandise Planning Team 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.

All admin charges are subject to VAT.



