

Frequently Asked Questions- Vendor Compliance Program

Q- When is a Purchase Order considered late?

- A- Arrival Date-A purchase order is considered on time if it is delivered within due date + one day.
- B- Appointment Time- A Purchase order is considered on time if it arrives within 30 minutes of the scheduled appointment time.

Q- What is the Fill Rate measurement?

- A- Each PO must be filled to at least 90% of ordered case quantity. Communication with the procurement team prior to delivery about fill rate issues does not relieve the 90% expectation and may still be subject to a fee.

Q- Are there exceptions allowed?

- A- Exceptions for fill rate and on time will be granted in extenuating circumstances including but not limited to natural disasters.

Q- What if there are no delivery appointments available in ONE Network for the Requested Arrival Date?

- A- ONE Network will track appointment availability. If delivery appointments were not available on the due date, no compliance fee will be imposed. The expectation is that you secure the next available delivery appointment. On time delivery to that appointment is still expected.

Q- Does this apply to FTL and LTL orders?

- A- Yes, the compliance program applies to both FTL and LTL orders. For additional information about our LTL Optimization program please contact LTL.Optimization@safeway.com

Q- Will there be a compliance fee if the buyer ordered with less than full leadtime?

- A- No compliance fee will be imposed if the buyer orders with less than Albertsons system leadtime. Lead time discrepancies should be communicated to the buyer.

Q- Will there be advanced notice before the compliance fee is imposed?

- A- Compliance will be reviewed daily by DC Operations and Procurement personnel but no advanced notice of fees will be given. A monthly scorecard with PO data, detailing compliance issues will be available upon request. Fees will be assessed at the end of each Albertsons fiscal period.

Q- Can an order accumulate multiple fees?

- A- Yes, compliance fees are based on each PO's adherence to program policies.

Q- Is there a dispute process?

A- Yes, there is a dispute process available. Email disputes to compliance.disputes@albertsons.com

The following info is required for all disputes:

- Full invoice # on the compliance deduction you are disputing (begins with COMPL)
- Reason for the dispute
- Supporting backup for the dispute.

The DCs have 30 days to review and respond to the dispute.

All disputes must be made within 180 days of the infraction. No disputes older than 180 days will be considered.

Q- Do published National Allocations count against fill rates?

A- Exceptions for fill rate will be granted in extenuating circumstances including but not limited to natural disasters.

Q- Are the compliance fees assessed to the carrier when it is a carrier issue?

A- All compliance fees are assessed to the supplier. The Vendor Compliance program will replace the existing Delivery Compliance program.

Q- If tracking to be late, can I cancel my appointment and re-schedule?

A- Yes, you can cancel or reschedule your delivery appointment up to four hours in advance of the scheduled appointment to avoid the no-show fee but will still be held accountable for all other compliance components. A cancellation or re-schedule with less than four hour notice will be treated like a no-show.

Q- Do your Distribution Centers require a delivery appointment for all PO's?

A- Yes, every PO must have a scheduled delivery appointment in ONE Network. For more information on One Network please refer to <https://bis.onenetwork.com/web/albertsons> and to sign up with One Network, go to www.onenetwork.com and click the "join now" button.

Q- Can you explain the manual appointment request fee?

A- If delivery appointment slots are available for the target date and one of those is not chosen, by submitting a manual request using the "Request Appointment" button a \$100 manual appointing fee will be charged. Manual appointment scheduling would also include emailing or calling for an appointment instead of scheduling through ONE Network.

Q- How is delay at origin calculated?

A- The compliance fee applies if our truck is held two hours or more past their scheduled pickup time.

Q- What is considered incomplete paperwork?

A- All deliveries should be accompanied by a bill of lading, manifest and/or invoice stating the PO number, quantity and description of each product, and a packing list attached to the shipment. Please refer to our Routing Guidelines for additional information.

<https://suppliers.safeway.com/pages/BecomeASupplier.htm?page=RoutingGuidelines.htm>

Q- What information will I receive on a compliance deduction remit to advice?

A- Under the INVOICE column on the remit to advice, there will be a 14 digit indicator starting with COMPL for compliance. The next 6 digits will indicate the PO number with a compliance violation followed by a two digit indicator of the violation. *ex. COMPL123456LF* See key below to translate the abbreviations.

Performance Metric	Description	Abbreviation Code	Fee
Low Fill	Fill Rate < 90%	LF	500
Late Due	Vendor delivered/destination pre-paid late > Due date + 1 day	LD	500
Origin Delay	Customer pick up/origin collect PO's delayed > 2 hours for loading or appt	OD	250
No Show	Missed appointment for scheduled shift	NS	250
Late Appt	> 30 minutes late for appointment	LA	250
No Appt	Carrier delivers to facility without a scheduled appointment in ONE Network	NA	250
Lumper	Unloading service not hired for unload of purchase order	NH	250
Product	Product shipped not on order or incorrect	BP	200
Docs	Purchase Order documentation does not meet requirements	BD	200
Defect Pallet	Defective, unsafe or invalid pallet type	DP	200
ABSAPPT	Appointment created using ONE Network manual appointment request when automated appointment slots were available	AB	100

Q- When should I schedule a purchase order delivery appointment in One Network?

A. All PO's should be scheduled within 24-48 hrs of receipt to ensure appointment options are available for the expected due date.

Q- What is the cutoff for making an appointment on-line?

A. Appointments can be scheduled up to 12hrs prior to the receiving shift.

Q- Can I request, cancel or reschedule my appointment within 12hrs prior to the receiving shift?

A. Yes, there is a manual appointment request capability within One Network.

Q- Do I need to be a One Network member to schedule appointments?

A. Yes, all appointments must be scheduled via the One Network system (excludes Collington and Lubbock DC's).

Q- How do I become a One Network member?

A. Visit www.onenetwork.com and click the "Join Now" button. After filling out the required fields, you will receive an email invitation to join One Network.

Q- Do I need to assign an appointment to all PO's?

A. Yes, One Network provides the ability to include multiple PO's on a single appointment.

Q- Where can I find additional documentation on scheduling within One Network?

A. <https://bis.onenetwork.com/web/albertsons/training;jsessionid=BCA0245F52C1EAF7BBB4C03128FA76B8>

Q- What types of pallets are considered acceptable pallets?

A. We accept CHEP, PECO, iGPS, or grade A 48" X 40" wooden pallets. All pallets must be in good working condition and not pose a threat to food or employee safety.

Q- Where can I get more information on acceptable pallet conditions?

B. Please review our Albertsons Companies pallet policy and minimum pallet specifications located on the supplier portal at <http://suppliers.safeway.com/pages/BecomeASupplier.htm?page=SupplyChain.htm>