

Suppliers Compliance Guide



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SPS COMMERCE

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Quick Reference to Changes and Updates

Document Version	Released	By	Changes
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Welcome and Guide Overview

At Pet Circle; we're a group of people striving to create a better world where every pet is healthy, happy and spends more quality time with their pet parents. So, every day we dig deep to do the best we can for every pet, breed and pet-parent need.

Pet Circle was founded as Paws for Life by Mike Frizell and James Edwards in 2011 with headquarters in Sydney CBD, New South Wales, Australia. In early 2014, the company rebranded into the current name.

Now we are Australia's largest online pet retailer, but still a bunch of pet lovers, we offer pet parents:

Better Range - the most complete and specialised online pet range in Australia, with over 10,000 products.

Better Experience - a trusted shopping and delivery experience, which is seamless, reliable and direct to your door. As well as our Best Price Guarantee.

Better Advice - free access to our in-house Pet Circle Vet Squad who offer genuine and impartial expert advice.

Purpose of this Guide

Pet Circle continues to make process improvements to increase efficiencies, accelerate growth and drive profitability - but most importantly, to do better for our shared customers. All of us at Pet Circle are committed to working alongside our Supplier partners to ensure processes and initiatives benefit both parties.

We have established these guidelines as a resource for understanding our business practices. These guidelines will help us all realise the benefits that result from an efficient and effective supply chain. Deviations from these instructions may cause delays resulting in additional and unnecessary expenses. We are invested in working with you to meet these requirements.

Please consult the most recent publication of these guidelines located at

<https://community.spscommerce.com/pet-circle-assortment-and-fulfillment-initiative-2022/>

These guidelines outline our key business process requirements for the supply chain transactions we exchange with our Supplier partners.

This information is confidential and should not be disseminated to third parties. Pet Circle trading partners may reproduce this manual for their internal use only.

As part of this focus, we have established new priorities of automating 98% of our business volume to drive:

- 1) Proactive order management.
- 2) Efficient distribution and inventory management.
- 3) Fast, accurate invoicing.
- 4) An exceptional customer experience.
- 5) Best-in-class supplier performance.

To achieve these priorities, we have established these guidelines as a resource for understanding our business practices. These guidelines will help us realise the benefits of a



transparent, collaborative and automated trading relationship. Deviations from these guidelines may cause delays in our joint goal of satisfying customer needs.

We are invested in working with you to meet these requirements. Please take the time to address these guidelines in detail. If you foresee any potential problems with adhering to these requirements or have any questions about the content of this guide, please contact Orders@petcircle.com.au.

All of us at Pet Circle are committed to working alongside our supplier partners to ensure that our processes and initiatives benefit both parties.

New Supplier Policies

All suppliers both existing and new will be required to provide the following information to be set up with Pet Circle.

Minimum Required Documents/Information

New suppliers will be required to provide the following information to be set up with Pet Circle:

- New supplier form
- Certificate of insurance
- ABN details
- Purchase agreement
- Remittance information
- Information automation requirements

Ethical Standards/Code of Conduct Policy

Pet Circle is required to comply with the Australian Modern Slavery Act 2018 (Cth). Pet Circle expects all of its suppliers and their supply chain partners to provide a workplace free from discrimination, harassment or any other form of abuse in accordance with applicable laws. PET CIRCLE has a zero-tolerance approach towards trafficking, forced labour and child labour.

Brand Usage Policy

New suppliers will be required to provide their:

- Logos and usage policies
- Applicable Registrations and trademarks



Key Contacts

- Business Management (Primary Contact) - Your assigned business manager.
- Buying staff - Orders@petcircle.com.au
- Accounts payable - accounts@petcircle.com.au
- Shipping and receiving - As per the applicable location, contact on the purchase order.

Information Automation Requirements

Supplier Benefits

To drive a mutually successful partnership, we must enable an automated exchange of information between our organizations centred around your product details (such as item attributes & SKU characteristics), the ongoing status of orders we place, movement of inventory and overall performance of the relationship. Our goal is to continually drive to 98% automation of the information related to SKUs, orders and shipments across our supply chain. Your participation in this initiative will enable:

Products into the hands of customers faster

These requirements allow shipments utilising automated technology to be processed first — moving through the DC more quickly, which ensures your products hit their end destinations at just the right time to meet peak demand and maximise your sales.

More ways to make more sales

These requirements open new opportunities. New products can get to store shelves more quickly. You can ship orders directly to customers. Your products can be sold online as part of Pet Circle e-commerce experience. And your product can be part of their omnichannel solution—for example, customers that shop online and pick up in-store.

Eliminate costly redundancies and inefficient processes

These requirements introduce greater efficiency throughout the process—allowing you to acknowledge an order immediately and Pet Circle to track it from P.O. to fulfilment. Imagine eliminating the time wasted with questions, calls, emails and faxes from Pet Circle about sub-optimal fill rates, split orders, late shipments, lack of fulfillment and invoice reconciliation.

Supplier Next Steps

To learn more about our information automation requirements, visit our dedicated supplier site here <https://community.spscommerce.com/pet-circle-assortment-and-fulfillment-initiative-2022/>. A named advisor from our partner, SPS Commerce, will follow up with you directly to walk you through the next steps of getting set up. If you have yet to hear from SPS Commerce or want to contact them directly, they can be reached at ClientServices.au@spscommerce.com



We have partnered with SPS Commerce to provide you with immediate capabilities to handle our business requirements, including electronic sharing of item information and processing of orders.

Product Information Automation

Our joint business success depends on the accuracy of product information. This information, a collection of critical attributes (like SKU, price and sizing), is essential to our ability to place accurate and timely orders with you. It also enables physical and digital storefront planning for optimal customer experience and drives efficient inventory management to increase speed-to-customer.

Pet Circle has partnered with SPS Commerce to streamline the complexity of handling and sharing product data. They offer a complete solution to easily store, update and share this information in an automated capacity that benefits all parties. Additionally, their solution is built to extend any current capabilities you leverage today.

Optimized Order Fulfillment (EDI)

In order to automate the delivery of information at each step in the order cycle, Pet Circle requires all suppliers to trade using Electronic Data Interchange (EDI). EDI is an efficient, secure and timely method of communicating business transactions. Pet Circle has partnered with SPS Commerce, allowing you to meet these requirements in the way that is most suitable for your business—whether you are new to EDI or experienced and have your own capabilities.

For those new to EDI or seeking to leverage SPS capabilities,

No further action is required at this time. A named advisor will be in touch with your team to discuss options.

For those looking to leverage existing capabilities,

SPS Commerce also validates content and business rules on Pet Circle behalf. Please monitor for any error messages from SPS Commerce. It is the supplier's responsibility to make corrections and reprocess any transactions rejected by SPS Commerce. If you have any questions regarding an error, please contact SPS Commerce. They will assist in identifying the cause of the error and any necessary steps to make the appropriate corrections.

If you have in-house EDI capabilities or have already partnered with a different third-party EDI provider, you may certify these existing capabilities for our EDI program through SPS Commerce. Please work with your named advisor at SPS for the next steps.

If a new EDI system is installed or any major changes are made to your current system, SPS Commerce must be contacted for re-certification of the trading partnership, ensuring that future transmissions continue to meet Pet Circle standards.

SPS Commerce hosts the most current specifications for each EDI document on our vendor site mentioned earlier in this document under "Supplier Next Steps".

Information Automation Requirements by Distribution Channel

Because our customers engage us in many ways, we require that suppliers can support our information automation requirements across multiple distribution channels. As applicable



channels can vary by supplier, we ask you to work with your assigned business manager on any specific questions related to your situation.

Warehouse/Store Fulfillment Program

- Purchase Order Message - ORDERS
- Purchase Order Response Message - ORDRSP
- Despatch Advice Message - DESADV
- Invoice Message – INVOIC
- Syntax & Service Report - CONTRL
- SSCC labels

Functional Acknowledgements/ Syntax & Service Report (CONTRL) are expected to be sent and received for all EDI transactions. It is your responsibility to verify receipt of Functional Acknowledgements/ Syntax & Service Report (CONTRL) for all documents transmitted. Contact SPS Commerce's Retail Services team if a CONTRL is not returned.

General Order Cycle Requirements

Purchase Order Information

Purchase Order Types

Pet Circle can send EDI Purchase Orders under several different configurations with varying attributes. It is important that suppliers understand each of these order types and are capable of processing them through their own internal systems. Precise details are articulated in the EDI specifications. In general, suppliers should be prepared to receive Purchase Orders with the following order types:

- **Ship to Warehouse/DC** – Product will ship directly to a warehouse/DC location for later disbursement to the final retail location.

Order Dates

Pet Circle communicates the following dates on each order:

- **Order date** – Date order was generated in the Pet Circle System
- **Earliest Delivery Date** – the earliest date when goods can be delivered to the Ship To location
- **Latest Delivery Date** – latest date when goods can be delivered to the Ship To location. In the absence of a Latest Delivery Date being sent the Earliest Delivery Date also represents the Latest Delivery Date.

The purchase order is considered late if the purchase order is not received at our warehouse on the requested delivery date.

Late orders cause out-of-stock situations that hurt our service levels. Early orders can cause interruptions in receiving when arriving with other scheduled orders. It is the supplier's responsibility to advise the Pet Circle of any anticipated changes in order fulfillment timing. By having advance notice of shipping or delivery delays, we will be able to accurately adjust our forecasts. Please see the section on Purchase Order Verification regarding further details on how to communicate discrepancies on a purchase order, including shipping dates.



Purchase Order Message Function Codes

Original, Replacement and Cancellation Purchase Orders will be sent via the same Purchase Order format.

- **Original**– an original order
- **Replacement** – a replacement of a previous Purchase Order message with the same Purchase Order number
- **Cancellation** – a cancellation of a previous Purchase Order message with the same Purchase Order number.

Order Lifecycle Management

Pet Circle will raise orders as and when required by the Pet Circle Replenishment Team. Pet Circle is unable to predetermine transmission times to suppliers. Purchase Orders will generally be sent as required. Daily checking of the EDI mailbox by the suppliers is required to process the orders in the shortest possible time. Follow these procedures when acknowledging, filling and shipping a Purchase Order:

- Purchase Orders must be validated to ensure that duplicate orders are not processed without prior approval from Pet Circle.
- The quantity line will show the ordered quantity. The default unit of measure is each.
- Price is the calculated gross price (excluding allowances or charges) of the ordered unit, exclusive of GST.
- Suppliers are expected to replace Pet Circle's original order with the Purchase Order replacement.
- Purchase Order Response is required for an 'original' or 'replace' Purchase Order but not required for a 'cancellation' Purchase Order.
- Suppliers are expected to maintain the on-hand inventory levels to ensure all purchase orders ship 100 percent complete by the requested date(s) listed in the purchase order.
- Quantities ordered, SKU information and pricing must match exactly prior to shipment against the final purchase order.
- Product substitutions are not allowed without prior approval from Pet Circle.
- Pet Circle reserves the right to return excess/overage, incorrect product or unauthorised substitutions to the supplier at the supplier's expense.
- An Advanced Ship Notice (ASN) is required prior to the shipment of a purchase order.

Purchase Order Verification

A Supplier must receive a valid purchase order from the Pet Circle Buying Team. Pet Circle has the ability to send EDI purchase orders (ORDERS). **Do not accept phone orders or verbal commitments.**

Verify the accuracy of all purchase order details, including earliest and latest delivery dates, cost, payment terms, etc. If inaccuracies exist and modifications are necessary, the supplier must send a Purchase Order response detailing the requested changes. **Increase in the price and quantities cannot be accepted.** Do not ship your merchandise until all discrepancies on the purchase order have been communicated. Pet Circle will evaluate the changes and may contact suppliers within two business days via email or phone if proposed changes are not accepted. The Supplier will assume the changes are accepted by Pet Circle unless contacted.



A Purchase Order Response message is required **within 1 business day** of the receipt of the Purchase Order.

A Purchase Order Response (ORDRSP) **must** be returned for all orders, verifying the accuracy and raising the discrepancy of the order.

Purchase Order Response Types

Pet Circle takes advantage of the following Purchase Order Response types. Please pay extra attention to the distinction made by including all details versus exception details only.

- All purchase orders transmitted via EDI must be acknowledged within **1 business day** of receipt.

Document Structure

While there are many possible options for the way in which the return data can be structured in a Purchase Order Response message, Pet Circle have determined that Suppliers must respond in the following ways

- **Accepted in Full** – the header status should indicate 'Full Acceptance'; all line items sent in Purchase Order must be sent back on the Purchase Order Response and must have the status of accepted without amendment.
- **Rejected in Full** - the header status should indicate 'Full Rejection'; all line items sent in Purchase Order must be sent back on the Purchase Order Response and must have status not accepted
- **Accepted with Changes** - the header status should indicate 'Change'; all line items sent on Purchase Order must be sent back on the Purchase Order Response and item level status must indicate if the line is accepted without amendment, not accepted, changed, added or substituted.

Below is a list of ways Pet Circle will accept Purchase order Response. Please review EDI specs for valid codes to be sent at the header level.

<i>Accepted without amendment</i> If this code is sent, all segments/elements sent on PO must be sent back on the PO Response
<i>Not accepted</i> If this code is sent, all segments/elements sent on PO must be sent back on the PO Response
<i>Change</i> If this code is sent, all segments/elements sent on PO must be sent back on the PO Response

Delivery Date Confirmation:

The Supplier must confirm a date when the goods will be delivered within the earliest and latest delivery dates transmitted in the Purchase Order.

Line Item Change Details

Pet Circle takes advantage of the following item level changes within the Purchase Order Response transaction set. Pet Circle expects the following change events to be communicated through EDI. Pet Circle also acknowledges that there are some occasions where items cannot be



filled per the PO instructions that are not accommodated by the following change codes; please contact the Pet Circle Buyer to communicate any additional required changes.

Item Accepted
Item Rejected
<i>Item Accepted with Change</i> If this code is sent, all change and unchanged information pertaining to an item is sent back I order response

Item Additions

The Supplier cannot add an item to the original Purchase Order.

Substitutions

The Supplier cannot substitute an item to the original Purchase Order.

Price changes

If the price is incorrect in the original Purchase Order, the Supplier will need to include the corrected price in the Purchase Order Response. The price can be reduced but cannot be increased. If accepted, a replacement order will be sent with the new price.

Quantities

The quantity for each item in the Purchase Order Response message cannot be greater than the original Purchase Order quantity.

Backorders

Backorder items must include the original quantity ordered, the quantity on backorder and the backorder delivery date. Prior approval from the Pet Circle Buyer is required before the backorders can be used by the Supplier.

- If a backorder is accepted, Pet Circle will reply with a Purchase Order replacement and the supplier is expected to return a Purchase Order Response accepted in full to close the order cycle. Deliveries and invoicing will be against any new Purchase Order.

If a backorder is rejected, Pet Circle would reply with a Purchase Order cancellation.

Split deliveries

Orders must NOT be split into multiple deliveries unless a supplier has prior authorisation from the Pet Circle Buying Team. When a Supplier splits an order item/s into multiple separate deliveries over different days, then the Original Order dates must stand. Split deliveries require an additional booking.

Rejection of a Response

If the Buyer rejects a Response message, the Supplier will be advised by email or phone and:

1. Directed regarding what needs to be fixed for resubmission,
2. Advised that the Order has been deleted and a new order will be created.



Packing and Labelling

Shipping

All shipments will be monitored for compliance with these instructions. Failure to comply with these instructions may result in a chargeback for handling costs.

Shipping Carton Specifications

All merchandise shipped to Pet Circle distribution centre(s) must be packaged in new corrugated cartons appropriate for product requirements. Punctures, tears, rips or damaged corners on the box will not be acceptable, and all flaps must be intact. All fragile products must be appropriately packaged to prevent breakage during normal shipping and handling.

Carton strength for each box should be able to withstand a six-foot drop test in order to avoid repacking or damages during transit. It is important to choose a box strength that is suitable for its contents.

Shipping Label

Serial Shipping Container Code (SSCC) barcoding is one among several automatic identification technologies available today. Through the use of SSCC barcodes, Pet Circle's aims to gain efficiencies that will increase profitability by increasing the speed and accuracy of product receipt. Pet Circle will be scanning barcodes during all of our processes to identify and verify the items we are working with.

Suppliers are required to provide shipping labels on cartons and pallets within the shipment. Label placement must follow Pet Circle Suppliers compliance requirements, and the SSCC carton ID represented in the GS1-UCC128 barcode number must be correctly provided in the supplier's Despatch Advice message.

When one item is split across multiple cartons (each carton containing a component of the same item, and the components are not sold individually), suppliers in such cases can shrink wrap all of the cartons onto one pallet and apply one SSCC label for the entire pallet.

A valid SSCC code requires GS1 assigned company prefix. Suppliers must contact GS1 Australia if they do not already have a company prefix to use in SSCC.

Please refer to the "Pet Circle SSCC label specification" document available at: <https://community.spscommerce.com/pet-circle-assortment-and-fulfillment-initiative-2022/>

Shipping Container Marking Requirements

Pet Circle supports the GS1-128 label at the case and pallet level. The level is dependent on the supplier's system capabilities in conjunction with the buying multiples and replenishment quantities. Use the following rules to determine the level of the GS1-128 label placement required:

Pallet Marking

If a fully-loaded single SKU pallet is being shipped, the SSCC/UCC128 container marking can be used at the pallet level. In this case, the pallet represents the master pack.

If cartons containing different SKUs are palletised for shipping, the SSCC/UCC128 container marking must correspond to the carton/pack level, and no pallet level marking will be used.



Carton/Pack Marking

Pet Circle requests the consolidation of eaches into master packs whenever possible.

Each master carton must contain only one SKU. Cartons with more than one SKU will be refused or reprocessed at the suppliers' expense. EXCEPTION: If the master carton for a single SKU container is smaller, it may be combined with other SKUs. All mixed cartons must be labelled as such.

Shipping Label Placement

Pallet

If the product meets the criteria for being marked at the pallet level, two GS1-128 labels should be printed and affixed to adjacent sides of the pallet in the upper right-hand corner approximately 1 inch from the top of the actual pallet.

Carton/Pack Marking

If the product marking criteria requires the product to be marked at the carton/pack level, a single GS1-128 label should be placed on the top side or the side of each carton. Carton labels should be visible when the cartons are stacked on a pallet if palletised for shipment.

Packing Requirements

Mixed cartons/small quantities of different SKUs can be packaged together in cartons. All mixed cartons must be labelled as such.

Pet Circle encourages the use of “environmentally friendly” packing materials whenever possible (recyclable and biodegradable). Materials for cushioning may consist of the following:

- **Bubble Packing** – This is a plastic wrap with bubbles for extra protection that can be used around corners and edges, especially to protect lightweight items.
- **Airbags** – these are used to fill spaces inside the box for the protection of lightweight items that do not have sharp corners or edges. Please note that extreme temperatures may impact the durability of airbags and diminish their ability to provide protection.
- **Peanuts** (Expanded Styrene) – Each small white piece is cornstarch based and is biodegradable, recyclable as well as static-free. They are used to fill spaces inside the box and provide 3 inches of cushioning around each item inside. Flat pieces of corrugated cardboard (the same type of material used for boxes but cut and joined together) can also be used between items and peanuts (recommended for lightweight items and not for narrow, dense or flat items as they shift to the bottom or edge of the carton during transit).
- **Engineered Foam** (expanded polystyrene, polyethylene, polypropylene, or copolymers) – this is another type of plastic that is designed to provide cushioning for a specific item. It instantly moulds to the shape of a product and expands to fill space in the box.
- **Spray in Foam** – This is polyurethane, which is a type of plastic, but in the form of foam. The foam moulds to the product inside the box and provides cushioning. It must be evenly distributed around the item(s). The density of the foam is chosen to provide adequate protection.
- **Corrugated Board** – this material isn't recommended for fragile items. It is used to create partitions, liners, pads or trays. It's the same type of material used for boxes, but it's cut and joined together.



- **Wrinkled Paper** is used to fill spaces for light to medium-weight items that are not fragile. It is best to use 4 inches of tightly crumpled paper around and between items. Do not use newspapers.
- **Paper Cushioning** – this is a multi-layered paper that produces cushioning for wrapping medium to large-sized items that are not fragile. This material also absorbs moisture and fills excess space.

Do not place unnecessary material on or around the cartons. It can cause damage to the carton or to sorting equipment. Please refrain from using the following when packing:

- No bands
- No straps (Do not strap items together even if they are box 1 and box 2 for the same SKU.)
- No metal
- No string

Packing Slips

All shipments must contain a packing list or invoice as well as a Consignment Note; otherwise, the delivery will not be accepted.

For bulk shipments, when wrapped pallets are shipped, the packing list(s) must be attached to the pallet in a pouch marked “Packing List Enclosed.” If loose cartons are shipped, the packing list(s) must be attached to the cartons in Airbagse manner.

Special Handling

- Temp control
- Serialized Product
- Hazmat
- White Glove
- Special Equipment (liftgate)
- Assembly/Installation

Claims

Pet Circle will make claims for quantities over-shipped without approval, or for units that were received damaged or deemed unsalable.

Return to Supplier Policy

Pet Circle will notify the supplier of any products requiring a return. Pet Circle’s policy states that any incorrect or oversupplied item will require a collection within 7 days; otherwise, it will be either disposed of or sent to a nominated charity.

Product How-To-Measure Guidelines

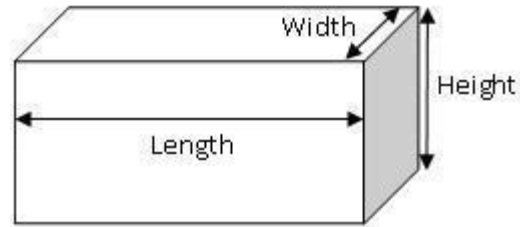
Product Packaging and Labelling Requirements / Floor Ready Requirements

This section outlines requirements for item ticketing, label formatting and product packaging. All merchandise must be received in a condition ready for immediate placement on the sales floor.



Measuring Boxes

The length is the longest side of the box, and height and width are used interchangeably.



Shipping & Routing

Pet Circle uses warehouse management technology to receive merchandise via the scanned receipt of goods in conjunction with data transmitted in the supplier's ASN (DESADV). Suppliers must make every effort to ensure that shipments are 100% accurate and include all requested data. The ASN should only contain the items and quantity being shipped in the individual shipment. Any product not shipped should not be included in the ASN.

One ASN is required for each delivery scheduled for each DC (i.e. ship-to location) included in the Purchase Order. In the case of split delivery, the supplier must send one ASN for each delivery.

One unique ASN number must represent each shipment. If multiple shipments belonging to different orders are going to the exact location on the same day, they will require separate ASN's.

Each delivery must correspond to a unique Carrier's Reference Number or Consignment note number (Con note number), which will be transmitted in the ASN.

The ASN message should always be sent before goods are physically delivered. Pet Circle will use the ASN data to prepare efficiently for the reception of the goods.

This will allow Pet Circle to:

- know when the items have been dispatched
- have the precise details of the consignment
- enable the control between ordered and dispatched goods.

Each unit delivered (pallet or carton) should be uniquely identified. In the Despatch Advice message, the products contained in each uniquely identified unit are described. When the goods are received, the physical shipment and the electronic message will be cross-checked. Discrepancies are immediately identified.

It is recommended to use a standard GS1 Serial Shipping Container Code structure to identify the units.

The shipment models supported are:

- SOPI (Shipment, Order, Pack/Carton, Item – used for loose cartons) format. In this format, the supplier indicated the Despatch Advice message contains the SSCC code (GS1 Shipping label) at the Carton level.



- SOTI (Shipment, Order, Tare/Pallet, Item – used for homogenous pallet, i.e. one item packed in cartons or loose items on pallet) format. In this format, the supplier indicated the Despatch Advice message contains the SSCC code (GS1 Shipping label) at the Pallet level.

Pet Circle requires that each product (SKU) has its own SSCC label for ease and efficiency of processing (each SSCC label contains a single product).

For Mixed pallets (different items), SSCC label is required on each Carton or each Pallet layer. Example: shipment of 12 cases of product1, 12 cases of product2 and 1 case of product3 will have 3 SSCC labels: 2 pallet SSCCs and 1 Carton SSCC.

When is an ASN required?

The **ASN message should always be sent on the departure of the delivery from the Supplier or 3rd Party Delivery Supplier.**

Any system issue that prevents the transmission of a timely ASN (DESADV) should be reported to Pet Circle immediately. If ASN (DESADV) data is not provided for a pallet, carton or shipment, the shipment may be refused.

Additions

Suppliers must not add additional line items that were not in the original or updated Purchase Order.

No Substitution in a Despatch Advice

Suppliers must not substitute for items ordered; however, we encourage the supplier to call and email the respective business manager and demand planner on available substitutes to be officially reordered on a formal P.O if required.

One Delivery, one Despatch Advice

Every delivery must have its own separate Despatch Advice.
A delivery can have multiple Purchase Orders, but each Purchase Order must have its own Despatch Advice.

One Despatch Advice, one Purchase Order

The Despatch Advice **MUST** reference the original Purchase Order number to which it refers. The Despatch Advice message should be triggered by the completion of the supplier's order assembly process.

The supplier will be considered the generator/sender of the Despatch Advice message, although a broker may send the Despatch Advice on behalf of the supplier.

Backorders

Pet Circle will only allow backorders in specific circumstances and with prior approval from the planning team.

Over-shipment

Quantity increases should be made on the Purchase Order Response and then only shipped with confirmation and approval from the buying team. Quantity increases of 10% or less to round to full pack or layer size are likely to be granted; however, approval is still required in each instance.



Validations

An accepted Despatch Advice number cannot be re-used by a supplier for a 12-month period. SSCCs cannot be re-used by a supplier within a 12-month period. Pet Circle will validate SSCC's sent on a Despatch Advice against SSCC's already receipted into Stock.

Shipping Methods

DC deliveries require Pallet Height not to exceed 1.2m - larger loads may double stack at this height. One pallet per product for bulk orders. Mixed items per pallet are allowed if delivery is less than 1 pallet.

Claims

All faulty/damaged goods or delivery shortages will have credit claims raised.

Appointment Scheduling

Appointment scheduling instructions if applicable

All DC deliveries must be booked a minimum 48 hours in advance. Please email or call your respective warehouse referenced on the purchase order to schedule a booking.

Financial & Accounts Payable

Invoice Transmission

The EDI invoice (INVOIC) is required by Pet Circle to eliminate redundant data entry as well as paper documents while promoting accuracy and timely payments. Pet Circle will support Credit Notes via EDI for adjustments and returns.

Pet Circle requires suppliers to provide electronic Invoices for all shipments sent against electronically created orders. Suppliers are to create one Invoice per single Purchase Order and Despatch Advice (delivery).

- An electronic invoice must be sent after the delivery of goods;
- An electronic invoice must be sent for each delivery and PO;

Invoicing Policies

A unique invoice must be sent for each shipment against a PO.

All products should be invoiced per the unit of measure found on the purchase order. Product ordered at the case, pre-pack or assortment level should also be invoiced per that same unit price.

Each shipment by Purchase Order must be invoiced with a unique invoice number. **Do not duplicate an invoice number.** Any corrections/revisions in the quantity and amount in the invoice sent should be supported by a credit/debit note.



Each invoice must contain a valid purchase order number. Any product being invoiced that does not correspond with a valid purchase order number cannot be processed via EDI.

Do not include quantities for a product not fulfilled/shipped. The invoice will be rejected if it contains any unshipped items.

Due Dates

Payment due dates are based on the date that the invoice is received at Pet Circle, not the invoice created date on EDI invoice (INVOIC). The invoice date should be the delivery date. **Invoices cannot be backdated.**

Payment Terms

Payment terms should align with the payment terms specified in the existing Trading Agreement between Supplier and Pet Circle.

Exception Handling

Pet Circle will implement some basic, standard validation rules after the receipt of an electronic invoice document. Pet Circle will contact the supplier if any electronic invoices fail to meet the validation rules.

Any corrections/revisions in the quantity and amount in the invoice sent should be supported by a credit/debit note.

The process of resolving matching issues between individual suppliers and Pet Circle will remain as they currently are for the existing paper process.

Accounts Payable Supplier Address

The Accounts Payable suppliers address is maintained using the address included on the supplier's current invoices. Changes due to mergers, acquisitions, company closings or any changes to the remittance address must be communicated in writing on company letterhead and signed by a Senior Officer of the company. The following information must be included in the letter:

- Company name/Bank account/ABN/account contact person details
- Old parent company name and new parent company name
- Pet Circle assigned supplier number(s)
- Previous company address and current company address
- Statement of what is taking place (i.e. merger, etc.)
- The effective date of change

The written notification for any changes in the above categories should be emailed to accounts@petcircle.com.au

Paper Invoicing

Suppliers should transmit electronic invoices (INVOIC) only. **Emailed invoices will not be accepted after moving to EDI communications except by written consent from Pet Circle.**



Supplier Compliance/ SLA

- EDI Adoption and exchange compliance - All Pet Circle suppliers are expected to send and receive all required EDI documents discussed earlier in this Supplier Guide, unless a specific exemption has been granted.

