

Dear Valued Customer,

DELIVERY LEAD TIME CHANGES

Tasman Liquor is committed to providing an effective and reliable service to all our customers across the +50 suppliers' portfolios we offer enabling **1 ORDER, 1 RECEIPT & 1 PAYMENT**. We have adopted a continuous improvement mindset to assist in delivering on our commitments.

A review of our operations identified that the high case volume on Mon's and Tue's created extreme pressure on our staffing, warehousing and transport resources, resulting in inconsistent performance against our delivery commitment of "next day delivery". We note many suppliers moving to one delivery day a week which is NOT what we want to do, so we have re-engineered our operation to move to a delivery commitment of ***"delivery within 2 days"***. This approach will facilitate:

- Improved staff management and engagement delivering a better trained team and service to our customers
- Improved use of warehouse equipment and freight partner fleet resulting in better cost management, instead of simply passing increasing costs onto our customers

Moving to the ***"delivery within 2 days"*** model will enable us to pick and deliver Mon to Fri (barring some regional areas), adding an additional day to our picking cycle.

We understand staffing is also a challenge for your business, so to assist you to plan and receive your delivery, we have designed a communication process to send you notification which will facilitate one day's lead time for you to plan your order receiving arrangements. An example below demonstrates this process:

- Your order is placed and forms part of the Tasman order cut-off at 6am on a Tue
- Tasman will send an e-mail by 11am on Tue to confirm whether your order will be picked on Tue and delivered Wed **OR** whether your order will be picked Wed and delivered Thur.

In the example above, if your order is picked on Wed for Thur delivery you will receive a second e-mail on Wed morning reconfirming the order being picked on Wed for delivery Thur.

Our key transport partners TGE and MOVE, will also send out e-mail notifications when your consignment is picked up from the warehouse and once it is out on the truck for delivery.

Summary of Key Points:

- Delivery commitment changes to ***"delivery within 2 days"***
- E-mails sent confirming delivery day (i.e. delivery next day or day following) for you to plan your resources
- E-mails from carrier confirming order pick-up and when it's on the truck and out for delivery
- Orders picked/dispatched Mon through Fri offering an additional service day to our customers

We are all seeking to be more efficient, improve service quality and manage costs and we appreciate your collaboration with us to achieve the above, which is designed to benefit all stakeholders.

Your sincerely,

Phil Hughes
NATIONAL SALES MANAGER