

SUPPLIER UPDATE

February 22, 2021



Actionable Customer Insights Update

We are really excited about this transformational project and the journey to becoming more customer driven.

Our team is working hard to prepare our data for analysis by dunnhumby. As part of this we have decided to align product price families with Foodstuffs North Island. This will allow us to gain deeper insights and offer these to you via the new tools we will deploy later this year.

Over the next few weeks we will be contacting suppliers where we believe that some of your products should move to the same product price family as used by Foodstuffs North Island.

We'd appreciate your attention to these communications, as time is of the essence for this project.

Distribution chain update

On behalf of the procurement team, thanks to you and your teams for the all the hard work over the last 12 months. We are all still heavily affected by global shipping delays, equipment imbalance (mainly containers), industrial action at ports, Auckland port delays, and manufacturing issues.

Even in the face of all these disruptions the planning and communication from our supply partners has been excellent. Our stores continue to look well stocked and are well informed to be able to make decisions instore.

Service levels continue to be a struggle with recent results between 92% and 93%, which is well below what our stores have become accustomed to over recent years, where 97% and above had become the norm. We're looking forward to getting those levels back up when the supply chain finally stabilises.

As always, we value our partnerships - even more so over the last 12 months. As we head into another busy period with Easter fast approaching, please continue to keep up the communication with our procurement team on key out of stocks, as well as our promotions teams if they will be affected. If you are going to have limited supply, we'd appreciate you keeping Foodstuffs informed and to allocate our fair share.

Jeremy Dickinson

*Jeremy is our Wholesale Procurement
and Systems Manager.*

FOODSTUFFS
South Island

PAK'n SAVE

**OUR POLICY: NZ'S
LOWEST FOOD PRICES**

*Nathan Hay is our newest GM,
responsible for PAK'nSAVE operations*

It's been a busy couple of months behind the scenes, and we're excited to have two new members in the PAK'nSAVE team: Alesha MacKenzie, Promotions Coordinator (covering Shannen Coates maternity leave) and Beka Rothera as the Marketing and Promotions Coordinator. Separate communications will be sent outlining category responsibilities.

Our key focus in 2021 will remain *delivering New Zealand's lowest food prices*. Shop'nGO, which continues to see strong growth, and the introduction of Online Shopping will enhance customer experience throughout PAK'nSAVE stores in the South Island.

Our brief flirtation with Covid alert level 2 serves as a reminder to keep up with the QR code scanning and hand washing. In Level 1, our Foodies staff are required to use the tracer app every day when signing in. We ask that you do so when visiting us too.

Supplier Support

Welcome to another edition of frequently asked questions. Today's brief questions are:

How do I edit the Supplier Price Adjustment form once I have downloaded it?

The form is intentionally locked for editing so that it remains consistent between users. There are some fields that necessarily must not change between the eXchange form and what each Foodstuffs Article Master team must process

If you need to edit the content of the form, please go back and edit it on the eXchange before re-downloading the updated form.

What's this "Claims and Credits" section all about?

Currently this is used by Foodstuffs North Island only. We will start using this sometime this year. Basically it provides visibility of your outstanding claims.

We'll be asking for suppliers to help us pilot this system later in the year, so if you'd like to be one of the early adopters, please let us know by emailing us at suppliers@foodstuffs-si.co.nz or phone 0800 555 985.

Foodstuffs South Island's Big Day Out

On Saturday 13th Feb, Foodstuffs South Island held the annual staff picnic and fair. Hundreds attended with their families, from Papanui service centre, Trens Orbell Street and the Hornby DCs.

With fun fair rides, ponies and face painting, the event is especially geared for the kids, who had a blast all afternoon.

We'd really like to thank all the various suppliers who helped to make it a fantastic family fun fiesta!

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