

CHEP Canada Inc.

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Date: September 16th, 2021

Subject: CHEP Pallets Availability

As an integral part of the supply chain in these challenging times CHEP understands and takes seriously the importance of collaborating with our customers in these unprecedented times.

The Covid-19 pandemic has impacted everyone's lives and also how everyone operates as a business to ensure everyone gets the supplies they need at the right time.

Due to many customers experiencing pallet availability challenges within their supply chain, CHEP has been working nonstop with our retail partners to return all CHEP pallets and to have new solutions for our manufactures and Growers to have pallets back in to their network with as little interruption to your business as possible.

We are working on solutions to help our customers supply chain by collaborating with our partners and in turn help you:

- Reduced order lead time
- Have the ability to place orders directly on MyCHEP portal
- Reduce the need to hold higher inventory
- Reduce empty miles

If you are interested in working with CHEP on new supply chain solutions, please contact your dedicated CHEP representative or Simon Boucher (<u>Simon.boucher@chep.com</u>) with your CHEP account number and contact. If you are currently not a CHEP member please feel free to reach out so we can collaborate and find solutions.

CHEP is continuously working on ensuring we have as many pallets available as possible to fulfil the market needs. We work on a pooling basis to ensure that pallets come back home. Leakage from the pool causes an extreme costly impact on customers and CHEP when pallets are not being issued from our agreed partners and Service centers.

The supply chain costs and pallets costs become a burden to you and your customers. If you know of any activity outside of CHEP terms, please do contact us as we work to ensure we can service your needs efficiently and cost effectively.

We hope to hear from you soon, Stay Safe

