

Supplier Requirement Manual

Clifford Hallam Healthcare Pty Limited

Commercial in Confidence

Contents

| | |
|--|----|
| 1. Introduction..... | 4 |
| 1.1 Purpose | 4 |
| 1.2 Risks..... | 4 |
| 1.3 Key Contacts | 4 |
| 1.4 Branch Details | 5 |
| 1.5 New Vendor Form..... | 5 |
| 2. Trading Terms | 6 |
| 2.1. Ranging New products with CH2..... | 6 |
| 3. Product Administration | 7 |
| 3.1 Overview..... | 7 |
| 3.2 Requirements from Suppliers..... | 7 |
| 3.3 Product Builds | 8 |
| 4. Pricing Administration..... | 8 |
| 4.1 Pricing..... | 8 |
| 4.2 Supplier Pricing | 8 |
| 4.3 Rebates | 8 |
| 5. Product and Purchasing | 9 |
| 5.1 Overview..... | 9 |
| 5.2 Method of Purchasing..... | 9 |
| 5.2 Supplier Demand Requirements | 9 |
| 5.3 Category Management..... | 9 |
| 5.6 Short Dated Stock Policy..... | 10 |
| 5.7 Supplier out of stock notice | 10 |
| 6. Information Technology..... | 11 |
| 6.1 Overview..... | 11 |
| 6.2 Philosophy | 11 |
| 6.3 Supplier Side interoperability..... | 11 |
| 6.4 3PL / 4PL interoperability / Collaboration | 12 |
| 6.5 CH2 IT Contacts | 12 |
| 6.6 CH2 GLNS Used as Primary location Identifier | 12 |
| 7. Accounts Payable | 13 |
| 7.2 Invoice Delivery | 13 |
| 7.3 Sales and Returns | 13 |
| 8. Tenders | 14 |
| 8.2 Establishing a Tender Relationship with CH2 | 14 |
| 8.3 CH2 Tendering on Behalf of a Supplier..... | 14 |
| 8.4 CH2 Distributing for a Supplier | 14 |
| 8.5 Out of Stock Items and Substitutes | 15 |

| | |
|---------------------------------------|----|
| 8.6 National Product Catalogue..... | 15 |
| 9.1 Overview..... | 15 |
| 9.2 Phone, Fax & Email..... | 15 |
| | 16 |
| 10. Marketing..... | 17 |
| 10.1 Overview..... | 17 |
| 10.2 Requirements from Suppliers..... | 17 |
| 10.3 Opportunities..... | 17 |
| 11. Supply Chain..... | 18 |
| 11.1 Overview..... | 18 |
| 11.2 Deliveries..... | 18 |
| Appendix..... | 20 |
| 11.1 New Vendor Form..... | 20 |
| 11.3 Supplier Pricing Template..... | 21 |
| 11.4 Supplier Credit Form..... | 22 |
| 11.5 Demand Requirement Form..... | 23 |
| 11.6 Demand Sign Off Form..... | 23 |

1. Introduction

1.1 Purpose

The purpose of this document is to ensure that suppliers of stock to CH2 have all the information needed to meet the minimum mandatory standards and requirements set out by CH2. Therefore, we are providing the following information:

- CH2 contact details
- Warehouse details
- Trading terms
- Supply of stock
- Product creation
- Supplier pricing
- Effective and timely communication regarding changes to products (i.e. cost pricing)
- Procurement details
- IT capabilities
- Invoicing and payment
- Customer profiles
- Tender requirements (if applicable)

1.2 Risks

Failure to follow these guidelines means we cannot process your accounts for payment and consistent failure may result in termination of partnership with CH2.

1.3 Key Contacts

Table 1 Key Contacts

| Contact Name | Position | Email | Phone Number |
|----------------|------------------------------------|--|--------------|
| David Collins | Chief Executive Officer | david.collins@ch2.net.au | 0476 829 360 |
| Carmen Riley | Chief Operating Officer | carmen.riley@ch2.net.au | 0423 597 330 |
| Gabrielle Wark | Business Intelligence Manager | gabrielle.wark@ch2.net.au | 0475 964 820 |
| Nathan Miller | Medical Business Unit Manager | nathan.miller@ch2.net.au | 0448 313 439 |
| Paul Fratus | Primary Care Business Unit Manager | paul.fratus@ch2.net.au | 0404 812 525 |
| Pierre Wasseff | Pharmacy Business Unit Manager | pierre.wasseff@ch2.net.au | 0437 419 368 |

Table 2 Key Departments

| Key Departments | Primary Contact | Email | Phone Number |
|--------------------|--|-------------------------------|--------------|
| Product and Buying | Stella Han - Procurement Manager | stella.han@ch2.net.au | 0404 812 506 |
| Data Management | Priscilla Harris– Data & Pricing Manager | ch2.datamanagement@ch2.net.au | 03 9554 0522 |
| Rebates | Samantha Atwood- Rebates Manager | samantha.atwood@ch2.net.au | 03 9554 0524 |
| Tenders | Gabrielle Wark – Tenders Manager | tenders@ch2.net.au | 03 9554 0482 |
| IT | Brad Rixon – CIO | brad.rixon@ch2.net.au | 03 9554 0588 |
| Merchandising | Kate Wyatt – Senior Category Manager | kate.wyatt@ch2.net.au | 0481 917 045 |
| Pricing | Tayla Kennedy- Pricing Manager | tayla.kennedy@ch2.net.au | 03 9554 0551 |
| Marketing | Carly Tilley - Marketing Manager | carly.tilley@ch2.net.au | 0466 028 129 |

1.4 Branch Details



1.5 New Vendor Form

When any CH2 department (including but not limited to Procurement, Data Management or Sales) is notified of a new vendor who wishes to deal with CH2 the first step is to have the vendor complete our New Vendor Form.

The completed form is sent to our Accounts Payable Team who assesses and approves the new vendor set up an account in JDE.

The turnaround time is roughly 3-5 days if no problems arise. Once the new supplier account is created you will be notified of your CH2 Vendor Number and your items and pricing can be set up in the CH2 system.

Refer to Appendix 10.1 for New Vendor Form

2. Trading Terms

CH2 and the supplier agree that the supplier will supply products to CH2 in accordance with the Wholesale Agreement. The supplier will charge CH2 the prices listed in the most up to date price list and if the supplier wishes to change any prices they must give CH2 at least 30 days' notice in writing.

The cost of the delivery of all products, as delivered to CH2 including material, content, freight cost and insurance cover will be borne by the supplier. Unless otherwise agreed with the supplier in writing, products will be ordered by CH2 as it thinks fit and CH2 does not guarantee any minimum orders for products.

CH2 will provide the supplier the standard CH2 reporting package from time to time via the CH2 online supplier portal (gateway). Any additional business reporting required by the supplier during the term of the agreement will need to be agreed upon with CH2 and an additional fee may be applicable. The time duration and costs associated with setting up these reports will be on a price on application basis. CH2 encourages all suppliers to subscribe to CH2 gateway to obtain the best value possible out of CH2 data.

2.1. Ranging New products with CH2

New products must be submitted and agreed to by CH2.

| Channel | Requirement | Submissions to |
|----------------------------|--|--|
| PBS lines | CH2 will range PBS lines automatically. All PBS lines need to be submitted directly to Product Administration, however it is advisable that Commercial teams are informed of new lines and launches. | datamanagement@ch2.net.au |
| Medical Consumables | All Medical Consumable and Veterinary lines must be approved and sponsored by relevant business unit managers before ranging will occur. New lines should be submitted to relevant business manager for approval before being submitted to our Product Administration team. | See Relevant Business Unit Manager contact details |
| OTC Retail Pharmacy | All Retail Pharmacy ranging must be submitted to the relevant Category Manager. Submissions can be made via merchandising email or through direct contact with relevant Category Manager. | merchandising@ch2.net.au |

3. Product Administration

3.1 Overview

Product Administration are considered the gate keepers of product data. The team are available to assist between 8am – 5pm AEST Monday to Friday.

Data Management’s main duties include:

- Systems product data maintenance.
- CH2 cost pricing maintenance.
- Investigating and rectifying supplier invoice discrepancies.
- Assisting suppliers with pricing queries and pricing investigation.

Timeframes

Whilst the Product Administration team try to meet KPI targets for all supplier requests, response times may vary depending on the departmental workload and the number of items that may need to be adjusted or loaded.

We request that where possible Product Data is submitted with enough time to ensure all data is ready and checked before launch dates. For new products please remember our Procurement team also need time to get products ordered and into our warehouse.

| Activity | Customer KPI (target time) | Submit by |
|-----------------------------------|----------------------------|---------------------------------|
| New product build | 5 working days | 2 weeks before launch / go live |
| Data Cleanse / Data Update | 5 working days | 2 weeks before launch / go live |
| Price list implementation | 5 working days | 2 weeks before launch / go live |

3.2 Requirements from Suppliers

In order for the Product Admin team to complete the above tasks sufficiently and to meet business requirements, all suppliers must provide regular updates to any changes to their products such as: manufacturer code, description, unit of measure, GTINs, new products into the market, discontinuations, supplier transfers and price changes.

Adequate notice (2-4 weeks prior) is required for all CH2 purchase price changes, especially PBS-related changes. In addition to product-related changes, sufficient notice is required from all suppliers when there are changes to customer contract pricing or there is new customer contract price to be implemented. Suppliers can email our Product Administration team at datamanagement@ch2.net.au.

3.3 Product Builds

When submitting a new product for CH2 to stock, a Product Creation Form or NPSA must be completed in full and sent to our Product Administration team. Incomplete forms will prevent the product being built in our system and will therefore be sent back to the initiator for completion and resubmission.

Refer to Appendix 11.2 for Product Creation Form Template.

4. Pricing Administration

4.1 Pricing

- Implementing and maintaining customer, supplier and national contract pricing (including non-government tender agreements).
- Implementing and maintaining promotions, discounted customer deals and bonus stock.
- Various reporting such as Month Contracts Due to Expire Reports and reporting to senior management.
- Implement supplier price lists and maintaining changes during PBS rounds.

4.2 Supplier Pricing

At CH2 we honour contracts agreed upon by supplier and customer. A Wholesale Agreement between supplier and CH2 will be negotiated prior to CH2 honouring this pricing. Refer to Appendix 10.3 for Supplier Pricing Template.

When CH2 honours a contract between the supplier and a customer, the supplier must acknowledge and agree that CH2 may be obligated to sell certain products to customers at a sell price that is lower than the price paid by CH2. CH2 will then be entitled to a rebate claimed from the supplier per unit sold. This rebate contains two components and is calculated as follows:

- (i) the difference between the cost price and the sell price; plus
- (ii) a distribution fee, calculated on the sell price, which is agreed upon by the supplier and CH2. If the supplier does not agree to paying a distribution fee, CH2 will apply a mark-up and claim a fee from the customer.

This distribution fee is claimed monthly by CH2's rebates department. Detailed claims will be sent to the supplier at the beginning of every month for the previous month. The Contracts Due to Expire Report is sent out by Pricing administration to all suppliers. Appropriate deadline are listed on all emails and pricing administration require these deadlines to be met, to enable the team to make the necessary updates to customer contract pricing. To contact our pricing team email pricing@ch2.net.au

4.3 Rebates

For suppliers that have a rebate agreement set up with CH2: Monthly Rebate Reports are sent out during the first week of the month for the previous month. These reports are separated into the 7 CH2 branches.

All rebate related queries are to be sent to rebates@ch2.net.au.

5. Product and Purchasing

5.1 Overview

CH2's Product and Purchasing team is based in Melbourne and operates nationally. CH2 tries to work in collaboration with our Suppliers across product launches, demand and forecast management to ensure supply to our mutual customers in a timely fashion.

5.2 Method of Purchasing

For products CH2 is purchasing for resale are made by CH2 in the form of an electronic Purchase Order generated out of CH2's financial system, or via EDI. Should there be a request from anyone at CH2 to purchase goods without a purchase order document, it is in Suppliers best interest to request an official Purchase Order document from CH2. Without this document, Supplier should not provide products to CH2. CH2 can send purchase orders via EDI, email or fax. Electronic Data Interchange (EDI) is CH2's preferred means of transacting with all Suppliers for purchasing of stock. If your business is currently EDI enabled, CH2's preferred provider is Pacific Commerce.

www.pacificcommerce.com.au

Requirement – data to be confirmed, Pacific commerce co-ordinate communications/testing from CH2 Purchase order to Supplier receipt and acknowledgement sent back to CH2.

CH2's minimum data exchange required to transact electronically:

- Purchase Order Acknowledgement (POA)
- Detail of price discrepancy
- Detail of obsolescence

5.2 Supplier Demand Requirements

CH2 will add forecasting to products by branch at a Suppliers request on a SOR (Sale or Return) basis. Where the Supplier provides approval to return non-sold goods based on agreed volumes purchased over forecasted period (normally 3 months), CH2 will purchase a month of stock (based on forecast) at a time

Refer to Appendix 10.1 for PRF 0006 (Demand Request Form) and PRF 0008 (Demand Supplier Sign off Agreement) forms.

5.3 Category Management

The CH2 Category Management and Merchandising Team oversees ranging and maintaining of OTC and Retail products within CH2. The Category Management Team work together with Suppliers to ensure that we have a full and comprehensive range of products with the best prices and deals available to our fast-growing network of pharmacies. All suppliers with Retail and OTC products will be assigned a Category Manager from our Merchandising Team and this will be their main point of contact at CH2. Queries should be directed to the Category Manager and merchandising@ch2.net.au.

Ranging: In order to range a new product, a Supplier will need to follow the below process: A presentation is required to be sent to merchandising@ch2.net.au for all New Vendors; once established as a Supplier to CH2 please arrange a meeting with your Category Manager where you can present the new product brief. Samples of the product are required in conjunction with the presentation. Supplier's will need to advise which Groups (applicable to CH2) have ranged the new

product. Send the completed NPSA form, images of product, Parcel Buy Submission Form and Demand Form (SOR) to the Category Manager and merchandising@ch2.net.au

Note: For Indent lines we will range as per the above procedure, however we also require an allocation from the Group by store so that we can purchase to the exact allocation quantity and branch.

Minimum Order Quantity for Indent Lines is 1 or equal in multiples of the allocation received.

Catalogues, Seasonal Allocations & Promotions: The Merchandising Team also facilitate and manage Group Allocations and Catalogues ensuring that the process is as smooth and easy as possible for the Supplier across our pharmacy network. Please ensure all allocations and submissions are sent to merchandising@ch2.net.au

5.6 Short Dated Stock Policy

CH2 will not accept stock with product dating less than what is stipulated below. If stock is received out of these guidelines it will be returned for a full credit unless agreed otherwise, via signing a CH2 short dated letter.

| | Type of Product | Dating of Product |
|----------------|----------------------------------|-------------------|
| Ethical | Ethical Pharmacy products | > 9 months |
| | Flu Vaccine products | > 3 months |
| OTC - Pharmacy | OTC Pharmacy products | > 12 months |
| | OTC Medical products | > 12 months |
| Medical | Medical products | > 12 months |
| Nutritional | Baby formulas | > 6 months |
| | Dysphagia and nutrition products | > 6 months |

5.7 Supplier out of stock notice

CH2 requires all stock to be delivered within agreed lead time.

Supplier's are to advise CH2 immediately if any product is on back order upon receipt of purchase order and provide new ETA. CH2 will send overdue purchase order report (CR017) to suppliers on weekly basis, supplier is required to provide feedback to ch2.procurement@ch2.net.au within 48 hours to ensure good back order maintenance system. It is supplier's responsibility to advise CH2 at earliest possible time if there is foreseeable stock issue.

6. Information Technology

6.1 Overview

CH2 is committed to delivering exceptional technology experiences to our customers and suppliers, to achieve this we are utilising best of breed solutions aimed at delivering on our customer service promise. CH2 run Oracle's very popular product JD Edwards Enterprise 9.1 as its Enterprise Resource Planning (ERP) system on a MS SQL Server 2012 Database, and Oracle WebLogic Server. Additionally, we use Business Objects with Web Intelligence and Crystal Reports as our business intelligence layer. Our procurement team use GAINS for planning and procurement. Our warehouses operate the Radio Frequency DC Link program for inventory management and deliver Advanced Warehouse Management functionality through the Paperless Warehouse Management solution. Our customers have long enjoyed the benefits of the unique SOS system to check price and availability and now customers can enjoy the web-based ordering system CH2 Direct.

6.2 Philosophy

CH2 understands the value of quality data and CH2 are committed to implementing the GS1 system throughout our business and with our trading partners. The use of EANCOM / GS1XML standard messages, GTIN's for product identification, GLN's for location information and SSCC labels are paramount to our industry. CH2 are passionate supporters of these beliefs and believe the uplift in quality systems will result in improved patient safety. CH2 are constantly working with new partners to implement the NEHTA National Product Catalogue.

Data capture and data collaboration are in the forefront of knowledge networks and CH2 are pioneering the way in data collaboration with our reporting portals, we now provide over 50,000 reports to our trading partners each month.

Our aim is to be a great wholesaler that is easy to do business with. Providing the right product at the right time with the right price, every time.

6.3 Supplier Side interoperability

Our quest for improvements in supply chain management means that CH2 will partner with all major data/health exchanges to exchange purchase orders, purchase order acknowledgments, advanced shipping notices and receive deliveries with SSCC labels. We are also able to provide point-to-point direct connections through our Sterling Integrator platform.

What we ask of our supplier partners is to publish item data to the NPC, so that we can synchronise data using GTIN's as the primary item identifier. We also ask that a POR (by exception) is delivered back when we send a purchase order. That POR should always come from the supplier's ERP or WMS system.



Clifford Hallam Healthcare

6.4 3PL / 4PL interoperability / Collaboration

CH2 have established methods and processes that are flexible in meeting the challenging needs of organisations who wish to implement Third and Fourth Party Logistics solutions with us. Our solution offering includes segmented warehousing both physical and virtual, Lot processing methodology in accordance with partner requirements, and customised inventory, sales and replenishment reporting aimed at meeting our trading partners’ needs. The various offerings enable choice and flexibility, also enabling inventory to be held on consignment providing total pricing control to the supplier

Our commitment is to provide scalable and flexible 3PL and 4PL solutions to our trading partners through a standards-based technology approach based on GS1, Radio Frequency scanning technology and Advanced Warehouse Management solutions. Our 3PL/4PL teams are committed to delivering continuous improvements and can work with you to deliver flexibility and a customised solution that meets your needs within a standards approach framework.

6.5 CH2 IT Contacts

CIO Brad Rixon Brad.Rixon@ch2.net.au

Gateway Support / Reporting Inquiries 03 9554 0495 or IT.support@ch2.net.au

Images on CH2 Direct CH2.marketing@ch2.net.au

Data Management ch2.datamanagement@ch2.net.au

6.6 CH2 GLNS Used as Primary location Identifier

| | | | |
|---------------|--|---------------|-----|
| 9377778130996 | CH2 Company GLN | | |
| 9327309000007 | 17 Hudson Court | Keysborough | VIC |
| 9327309000052 | 13 Lampton Avenue | Derwent Park | TAS |
| 9327309000069 | Level 1, 5 Eucalyptus Place | Eastern Creek | NSW |
| 9327309000014 | 3 Balbu Close | Beresfield | NSW |
| 9327309000021 | Unit 1, 21-39 Produce Lane | Pooraka | SA |
| 9327309000038 | Unit 2 & 3, 14 Luke Street | Lytton | QLD |
| 9327309000076 | 10 Hugh Edwards Drive | Perth Airport | WA |
| 9377779497685 | Unit 1, 579 Woolcock Street, Mt Louisa | Townsville | QLD |

NPC GLN

9377779193488

7. Accounts Payable

7.1 Overview

The Accounts Payable Department consists of 5 Accounts Payable Officers and the Accounts Payable Manager. The Accounts Payable department can be contacted at ch2.accountspayable@ch2.net.au.

7.2 Invoice Delivery

Suppliers can send delivery documents with the stock to the warehouse and forward the invoices to the following email address, ap.automail@ch2.net.au. Please note this email address is purely for processing invoices and cannot respond to queries. The invoices need to be in PDF format and must include a valid CH2 purchase order number to ensure prompt processing.

Statements, queries and non-PO related invoices (direct branch costs) should be directed to the following email address ch2.accountspayable@ch2.net.au CH2 pays suppliers via EFT. Remittances are forwarded via fax. If the supplier has any outstanding invoices they should be emailed to the ap.automail@ch2.net.au for AP to action.

7.3 Sales and Returns

Subject to the Australian Consumer Law and the following terms, if the products that are delivered by the supplier to CH2:

- (i) Do not match the products ordered by CH2
- (ii) Are short supplied
- (iii) Are materially defective (including short expiry dates)

A member of CH2's receiving team will contact the supplier advising that they must arrange a time to pick up the stock that is being returned or claimed within 7 days upon stock received.

Regarding CH2 making a product claim, please refer to Appendix 10.4 Supplier Credit Form.

A product claim will be completed by CH2's Receiving team and will include the following mandatory information:

- (i) Supplier details
- (ii) Invoice information
- (iii) CH2 details
- (iv) Product information
- (v) Reason for return of product

8. Tenders

8.1 Overview

The Tenders Department can be contacted at tenders@ch2.net.au and the Tenders Officer will access this inbox between 8am and 5pm Monday to Friday.

8.2 Establishing a Tender Relationship with CH2

As a wholesaler, CH2 has the ability to participate in state government tenders by either distributing for a supplier or tendering on their behalf.

A distribution agreement between the supplier and CH2 will be arranged which is specific to the tender. CH2 do have master agreements that cover incumbent and future tenders; however, these tend to be for pharmaceutical related and not medical. The distribution fee or set mark-up will be negotiated and an additional fee may be applied for each tender.

8.3 CH2 Tendering on Behalf of a Supplier

CH2 will download, organise and submit the tender submission on behalf of the supplier. CH2 will be the tender holder. This means that all company information, insurance etc. required is the responsibility of CH2, not the supplier. CH2 will fill out the majority of the tender submission, with much less time being spent by the supplier.

When CH2 are notified of a tender that we are planning to submit on (All Pharmacy & Hand Hygiene as well as select other tenders), we will send the supplier a notification of the tender with all relevant documents and ask if they would like CH2 to submit on their behalf. If so, CH2 provide a list of all documents/information required, and once received we collate and submit.

After being awarded the tender, we notify the supplier and coordinate all future updates to the tender with the tender board. This means that the supplier only ever has to deal with CH2, we will take care of discussions with the health boards. We will also provide feedback from debriefs and communicate anything the supplier wishes to the tender boards.

8.4 CH2 Distributing for a Supplier

CH2 will distribute all awarded products at the tendered price, for the duration of the tender with any applicable extensions. CH2 will comply with the conditions of the tender, while the supplier remains the contract holder.

When we are notified of a tender that we are not planning to submit on but are able to comply with the delivery/invoicing conditions of the potential contract, we will send the supplier a notification of the tender with all relevant documents and ask if they would like us to be a nominated distributor. If so, we provide copies of all insurances, policies and state-based contact information that may be relevant to the supplier's submission. We also provide documentation confirming our acceptance of being a nominated distributor where required, as well as answer any additional questions the supplier may have regarding CH2's capabilities.

To be able to assist in the tender submission phase, we require the supplier to confirm with us that they wish to nominate us as a distributor. We will then send through a distribution agreement that outlines our agreement with the contract terms, and what we require from the supplier in terms of communication, data etc.

After award, as the supplier, not CH2, is the contract holder, we require the supplier to inform us of all awarded products and prices, as well as any changes over the life of the contract.

8.5 Out of Stock Items and Substitutes

The supplier will bear stock risk for all items tendered. This means that if the supplier is out of stock of any item on tender and CH2 are required to provide a substitute product, then all extra costs incurred by CH2 will be covered by supplier (this includes the difference in price between the tendered item and the substitute product).

8.6 National Product Catalogue

In order to fulfil distribution requirements should the tender be successful, the supplier must publish validated NPC data for the awarded products to CH2. CH2's Recipient GLN is 9377779193488. CH2's Publisher GLN to Health Boards is 9377778130996.

9. Customer Service

9.1 Overview

CH2 is made up of six business units, Hospital, Community Pharmacy, Primary Care, Vet, Aged and Community Care and Contract Logistics. Each business unit has its own team of Business Development Managers with a national presence to ensure we cover all our customer's needs. Also, CH2 has a specialised Customer Service team for each CH2 business unit. Our customer service teams are specifically product trained and regularly attend manufacturer in-services to ensure that they are at the forefront of product knowledge. As a supplier, if you would like to provide CH2 with product training please contact the Customer Service Manager.

CH2 also offer a direct to door solution for our community customers via our Community Care Division (Intouch) which tailors services and products to meet the needs of the rapidly expanding community healthcare sector. Intouch is highly experienced in the supply of medical consumable products direct to door across Australia as well as managing government funded services such as NDIS, CAPS, DVA RAP, CDC and Disability Care packages. Our team are able to provide the most current information on individual entitlement, streamlining your administration process and delivering to you cost effective solutions.

CH2 is able to offer a total solution, whilst providing specialised service and advice. We understand the different needs of clients and therefore are represented by experienced Business Development Managers (BDMs) with specialised Customer Service staff to provide dedicated support.

9.2 Phone, Fax & Email

Our office hours are 8:00am to 6:00pm Monday to Friday (AEST) with emergency contacts available after hours. Our Customer Service team understand the urgency around critical lines and open communication.

Hospital

Phone: 1300 720 274 Fax: 1300 364 008
Email: hospital@ch2.net.au
8am-6pm AEST | 8am-5pm WA Time

Aged Care

Phone: 1300 242 243 Fax: 1800 777 735
Email: agedcare@ch2.net.au
8am-6pm AEST

Primary Care

Phone: 1300 242 362 Fax: 1800 116 500
Email: primarycare@ch2.net.au
8am-6pm AEST

Intouch Direct

Phone: 1300 134 260 Fax: 1300 766 241
DVA RAP: 1800 382 727
Email: healthcare@intouchdirect.com.au

baremedical™

Phone: 1300 720 274 Fax: 1300 364 008
Email: hospital@ch2.net.au
8am-6pm AEST

Community Pharmacy

Phone: 1300 724 274 Fax: 1300 364 008
Email: pharmacy@ch2.net.au
8am-6pm AEST

10. Marketing

10.1 Overview

CH2 Marketing manage advertising, corporate and ecommerce websites for all CH2 divisions, along with promotional programs and sales driving activities. The team can assist suppliers with promotional activity to help drive sales and brand awareness amongst all customer groups.

10.2 Requirements from Suppliers

All activity is booked up to 6 months in advance. To ensure participation suppliers need to contact CH2 Marketing to determine available options and develop a program. Deadlines for scheduled activity are available in the CH2 Media Kit.

10.3 Opportunities

There are numerous opportunities for suppliers to participate in sales driving and awareness activities within CH2. These include:

Promotional Ebook – Aged Care, Primary Care, Veterinary, and Retail Pharmacy Divisions

Our sales promotional tool is integrated with promotional activity on our Ecommerce platform and can provide suppliers with an opportunity to drive sales, build brand awareness and launch new product lines. There are a variety of ways suppliers can participate including specials and discount promotions, paid advertising space and educational content. The new format ensures CH2 can be flexible to achieve individual supplier objectives.

Call Centre, Direct Mail and Targeted Promotions – Intouch Direct

Regular promotional campaigns occur through our at-home (direct to consumer) call centre. This includes targeted and personalised direct mail, inbound and out bounding call centre promotions. Suppliers can participate at varying levels to drive sales within our Intouch Direct customer segment.

Training and Education

There are numerous opportunities available for training and education including participating in the CH2 National Business conference held in June each year. Priority is given to suppliers who are participating in promotional activity and partnering with CH2 to grow market share.

Data, Images and Website

CH2's ecommerce platforms are the most common ordering mechanism for all customer groups. Up-to-date images, product descriptions and content are very important in ensuring sales growth. Suppliers can ensure this information is kept up to date by submitting images and information using the instructions provided at the following link <http://ch2.net.au/image-upload-links>.

11. Supply Chain

11.1 Overview

11.2 Deliveries

In order for CH2 to be able to process supplier deliveries efficiently we have a system in place where suppliers may need to book in a time with our receiving team at the appropriate warehouse. Note: If the supplier is delivering to Hobart or Newcastle a booking is not required.

Table 3 Supplier Deliveries Information

| State | Booking Required | Phone Number | Delivery Times | Additional Comments |
|-------|------------------|--------------|---|--|
| VIC | YES | 03 9554 0572 | 7:00 - 15:00 Monday - Thursday 7:00 - 12:00 Friday | 8 cartons or less do not require a booking |
| TAS | NO | 03 6275 0732 | 7:00 - 18:00 Monday - Friday | Supplier must call prior to delivery however a booking is not required |
| SYD | YES | 02 8883 8371 | 6:00 - 15:00 Monday - Friday | 8 cartons or less do not require a booking |
| NEWC | NO | 02 4914 0185 | 7:00 - 15:30 Monday - Friday | |
| SA | YES | 08 8407 0232 | 7:00 - 14:20 Monday - Friday | 8 cartons or less do not require a booking |
| QLD | YES | 07 3893 6914 | 5:00 - 13:30 Monday - Thursday 6:00 - 12:00 Friday | 8 cartons or less do not require a booking |
| WA | YES | 08 9441 0858 | 7:00 - 15:00 Monday - Friday | 1 pallet or less do not require a booking |
| TV | NO | 0466 024 102 | 6:00 – 15:00 Monday to Friday | |

When delivering a pallet, the supplier must make a booking for the above branches by calling the relevant Receiving team on the above phone number to set up a time to deliver the goods. However, if the supplier is delivering a maximum of 8 cartons a booking is not required (NOTE: if the 8 cartons are being delivered by a courier and the 8 cartons have been consolidated into a pallet with other deliveries then a booking is required).

Paperwork must be included with the delivery and must include CH2's purchase order (PO) number. If there is no paperwork or CH2 PO number, then the order will be rejected.

CH2 will not accept part of a consignment; all items that are being delivered must be accounted for in the paperwork.

OH&S

- All contractors on site are to report to the Receiving office prior to any unloading
- All contractors on site are to ensure that they are wearing the appropriate site-specific PPE at all times:
 - Steel cap safety shoes
 - High visibility vest



Clifford Hallam Healthcare

Please Note: failure to adhere to, and/or understand, these requirements, may result in a 'refusal to accept' any goods and/or containers on any given day.

CH2 accepts no monetary responsibility that these actions may incur and asks that all suppliers, and their respective freight providers, follow the above requirements at all times



Clifford Hallam Healthcare

Appendix

11.1 New Vendor Form

| | |
|--|--------------|
|  CLIFFORD HALLAM HEALTHCARE | FI_FORM_0001 |
| NEW VENDOR CREATION NON – STOCK | |

VENDOR MASTER FILE FORM

New Vendor Number

Vendor Name

Address

Suburb State Post Code

Phone Number Fax Number

Trading Terms

Reason for Creation:

Requested by:

Authorised by: (Dept Manager) Date:

To be sent to Accounts Payable Department or final authorization

Authorised by CFO: Date:

Copy of invoice with banking details attached YES NO



11.3 Supplier Pricing Template

Please complete the following information and send to ch2.datamanagement@ch2.net.au *

| CH2 Item Code | Manufacturer Item Code | Product Description | UOM | Customer | Price Start Date | Price Expiry Date | Contract Price | Rebate (Distribution) Fee % | Contract/Tender Code |
|---------------|------------------------|---------------------|-----|----------|------------------|-------------------|----------------|-----------------------------|----------------------|
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

* Price Start Date - CH2 require lead time of 5 working days to load data. In the event this has not been allowed for, please contact CH2 Data Management on (03) 9554 0450 for



CLIFFORD HALLAM HEALTHCARE

REQUEST FOR SUPPLIER CREDIT NOTE (Stock) - National Form - FF14

FAXED DATE:

Date: _____ Invoice No: _____

Supplier Name: _____ Supplier Contact: _____ Invoice Date: _____

State: _____ CH2 Branch: _____ CH2 Account No: _____

Fax No: _____ CH2 Order No: _____

| Description of Goods | Supplier Product No. | JDE Product Code | Credit Code | QTY | Invoice Price per Unit | CH2 Buy Price per Unit | Variance per Unit | \$Value Excl GST | \$Value Incl GST | \$GST | \$GST Inclusive | | |
|----------------------|----------------------|------------------|-------------|-----|------------------------|------------------------|-------------------|------------------|------------------|-------|-----------------|---|----|
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| TOTAL | | | | | | | | | | | \$ | - | \$ |

REMARKS: _____

Department making this request: _____

Contact: _____ Tel: _____ Fax: _____

CREDIT LEGEND

- GR: Goods Returned
- SS: Short Supplied
- OI: Ordered Incorrectly
- OC: Over Charge
- EX: Expired Stock
- SP: Special Price Quoted
- CP: Contract Pricing
- OS: Over Supplied
- DG: Damaged Goods
- UC: Under Charge
- IC: Incorrect Goods Supplied

*Any disputes in respect to this Request for Credit Note will not be recognised unless made within 7 Days of receipt of this notice.

11.5 Demand Requirement Form

| PRF 0006 07.12.V2 Customer / BDM / Supplier to complete | | | | | | | | | | | | | | CH2 procurement to complete | | | |
|---|---------------|-----------------|-------|--------------------------------|-------------------------------------|--|-----------------------------------|----------------|-------------------------|----------------|------------|---------------------|---------|-----------------------------|----------|-------|--|
| CH2 item code | Description 1 | 3rd item number | UOM 2 | CH2 Branch (select from above) | Requested demand QTY/ monthly usage | Department/who responsible - (select from above) | Business unit (select from above) | Contact Person | Customer/ Supplier Name | Account number | Start Date | 3 month review date | 04 cost | extended cost | supplier | buyer | |
| | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |

Please allow a minimum of 10 working days from agreement date before you see stock on order

11.6 Demand Sign Off Form

| | |
|--|--|
| PRF 0008 07.12.Y1 | |
| Today's Date: | |
| Effective Date: | |
| Supplier Name: | |
| Contact Name (name of person signing): | |
| Position/Title: | |
| Vendor No: (CH2 to complete) | |
| 3 month review date (from effective): | |

The supplier named above ("Supplier") requests Clifford Hallam Healthcare (CH2) to hold the products specified in the table below ("Stock") as per the terms set out in this document.

The Supplier acknowledges and agrees that:

- Stock will be initially acquired by CH2 at the initial agreed quantity specified on the table. Thereafter stock will be continually replenished by CH2 until the parties otherwise agree, at the levels necessary to meet actual demand, or such other stock level agreed by the parties in writing.
- A "purchase event" means any of the following events:
 - the Customer discontinues or terminates its use of CH2 as its principle supplier;
 - at 3 month review date the stock level held by CH2 exceeds 3 months actual demand (in keeping with CH2 excess and slow moving stock rules);
 - either party terminates these arrangements by 30 days written notice to the other.
- Should a Purchase Event (listed above in point 2) occur, the Supplier will arrange for all affected Stock to be collected from the applicable CH2 sites; at the Supplier's expense, provided that it has been acquired by CH2 in accordance with this agreement. Collection of such Stock must be made within 7 days of the relevant Purchase Event occurring. CH2 will require a reference number (a return authorisation) for each site affected.

Please allow a minimum of 10 working days from agreement date

| | |
|---|-------|
| Supplier representative signing on behalf | |
| (Please print Name) | |
| Signature(s): | Date: |
| CH2 Representative: | |
| (Please print) | |
| Signature: | Date: |