

**LCBO Toronto RSC Update**  
Q&A for LCBO Trade Partners

**Q. Why are we working with a third party as opposed to opening a new LCBO operated facility?**

A. The LCBO is committed to improving service to our customers and as the marketplace continues to evolve it's imperative the LCBO remain nimble in order to meet the needs of the business and stakeholders. The new facility enables increased flexibility, scalability and agility which will allow the LCBO to effectively respond to seasonal operations, and an ever-changing marketplace.

Relocating distribution of our e-Commerce, Vintages Shop Online and Specialty Services operations through the new distribution centre allows us to put greater focus on our core business (servicing of the LCBO retail network and the wholesale channel including TBS and Grocery) through our existing distribution network.

**Q. Why was Trillium Supply Chain selected as the 3PL for the LCBO?**

A. Following the announced sale of LCBO Head Office property and the RFP to procure a service provider to set-up and operate a distribution centre, the LCBO has selected Trillium Supply Chain as our service provider.

Trillium Supply Chain is an affiliate company within the Supply Chain division of Deutsche Post DHL Group, a leader in supply chain solutions with significant experience in the logistics and warehousing of beverage alcohol in a regulated environment. Trillium Supply Chain leverages the larger organization's knowledge, experience and proven track record of successfully starting up new facilities and delivering on service levels.

**Q. Where will the new facility be located?**

A. The new facility is in Peel Region.

**Q. Why are you moving out of downtown Toronto? Peel Region is not as convenient as downtown Toronto.**

A. The new Peel Region facility is centrally located in Ontario and part of the GTA. The location is strategically located close to the import terminal with easy access to major highways.

We expect this new facility to offer improved customer service for our trade partners and agents. We will also be looking for your feedback and input as we determine elements of operations that help make sure you have the experience you are looking for through the new location.

This will mark new ways of working for both of us and we look forward to your support as we work together on a successful transition and to make sure we're meeting your needs as much as possible.

**Q: What will the facility offer us that isn't available today?**

A. You can expect more efficient, effective processes within the facility, based on best practices that Trillium will implement. More details about the facility and benefits to our partners will be available in the coming months.

We will be looking for your feedback and input as we determine elements of operations that help make sure you have the experience you are looking for through the new location.

**Q. Will trade partners have to work through both locations during the transition phase? Or can they continue to make all deliveries to the Toronto warehouse?**

**A.** Trade partners will be migrated to the new facility in phases. At this time, it is not expected that trade customers will have to work through both locations for product pick-up. More information will be available in the coming months. We will be looking for your feedback and input as we determine elements of operations that help make sure you have the experience you are looking for through the new location.

**Q. When is the Toronto RSC closing?**

**A.** At this time, we are on track to move to the new LCBO Head Office in 2021 and anticipate that the Toronto RSC will close by fall of 2021.