



COVID-19 RESPONSE PLAN: UPDATE 17

24 April 2020

The Government's decision to move the country to Alert Level 3 with effect from 11:59pm on Monday 27 April 2020, effectively means our field teams will be able to resume operations. This past week has resulted in significant planning across the business, to ensure that an orderly resumption of operations will occur. As indicated in the previous update, the move to Alert Level 3 means that the proposed shift to a 32 hour working week will not proceed.

Government action over the past month has required us to rapidly respond as the conditions and situations have changed. I think we've all responded well to the current crisis and would like to thank you all for the part you have played in our response. We're not quite out of the woods, but I do feel we're at the edge of the forest. Over the coming weeks, as we endeavour to return to normal (whatever normal might be) and work levels hopefully return to pre-COVID volumes, there will still be some challenges. It will take several months for us to recover from the financial impact of this crisis, but we do have a solid forward workload and secure contracts that will assist us with recovery.

As we have experienced, the current situation can change rapidly. It is therefore important that we are prepared for all possible futures that may lie ahead. In the unlikely event that the Government returns the country to Alert Level 4, we will need to take decisive action to ensure we do our utmost to protect jobs. Should a move back into Level 4 occur, Delta will most likely implement a 32 hour working week with minimal notice.

I would like to thank everyone who provided feedback during the consultation period. The majority of responses were positive and supportive of the proposed action. One alternative suggestion proposed a temporary reduction to our current KiwiSaver contributions. After careful consideration, we believed this option would not provide sufficient relief to our cash position and therefore was discounted from further consideration.

I understand that the current situation is difficult and a great deal of uncertainty still looms on our everyday lives. However, I hope you can find comfort in the fact that New Zealand has positioned itself in the best possible place, and at this stage we seem to be winning the fight against COVID-19.

Please continue to take care of yourself and be kind. I look forward to a time when this is behind us and we are back to our normal routine.

Regards

Mike Costelloe
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