

NETWORK® Update

CORONAVIRUS (COVID-19)

Valued Customers

We continue to monitor the evolving landscape of the COVID-19 outbreak and are committed to do all we can to meet the evolving needs of our customers. We balance this focus with an ongoing dedication to protect public health and the extended community that is the foundation of the NETWORK family. To that end, we share the following updates.

The State of the Supply Chain:

- Customers across industries have increased demand for product. High order volumes for infection prevention items like hand sanitizer, masks, and personal protective equipment have created a global shortage impacting all channels of distribution. Foodservice disposables have also been impacted as a result of increased activity in take-out food options for restaurants and grocery stores.
- Orders for healthcare facilities and first responder organizations have, and will continue to be prioritized. Needs at these facilities continue to increase and demand is expected to continue rising.
- Customers may experience a change in their normal delivery patterns.
- Lead times for product are being pushed well beyond normal. Any dates provided by suppliers are estimates and should not be perceived a guarantee. Additionally, inventory volumes do not guarantee product availability.
- Manufacturers are challenged in receiving raw materials and components from their partners which are necessary in the manufacturing process of their final product. This unexpected obstacle further impacts fill rates.
- Information sharing continues to be impacted during this time. We are committed to responding to your needs with the information available.

The State of our Staff:

NETWORK and our distributors continue to focus on operational continuity as this situation evolves. Of utmost concern is the safety and well-being of our staff, their families, and the extended community. Across the organization we are utilizing the public health guidance put forth by The Centers for Disease Control and Prevention and The World Health Organization. The recommendations of these organizations serve as our foundation for wellness and safety in the workplace.

- We have provided communication and education on hygiene practices aimed at reducing the spread of infection.
- We have implemented measures to reduce the risk of transmission—social distancing, work-from-home options, and enabling virtual meetings. Meeting size is limited to less than 10 participants.
- Employees who show symptoms of illness are restricted from the workplace.
- All distributors have been provided OSHA Guidance on Preparing Workplaces for COVID-19 and are employing the CDC's recommended strategies. For specific business continuity details by distributor, contact your local representative.

We continue to bring our best everyday in taking care of our customers and of one another. Thank you for your understanding and cooperation as we strive to support a healthy community.

Sincerely,

Kevin Rudd

