

At Orgill we are committed to serving our customers who are providing essential supplies and support to their communities during the COVID-19 pandemic. As we service these essential businesses, the health and safety of our employees, customers and vendors remain our highest priority.

Safety & Social Distancing Protocols

We have taken multiple steps to ensure safety while maintaining continuity in our operations. One of the first steps that we took was to quickly move into a work-from-home protocol for all of our employees whose positions would allow them to do so. This included most of our headquarters staff, customer service teams and any workers at our distribution centers who were able to manage their roles from home. Right now, roughly 85% of our workforce at the home office is working from home full time. We also asked that our sales representatives and field teams maintain contact with their customers but not engage in personal visits.

Although many of our employees are now currently and effectively working from their homes, much of the vital work we do to provide our customers with essential supplies cannot be done from a distance. This is why we have increased the safety protocols in our DCs, on the road and in customers' businesses. Our increased safety measures include cleaning and disinfecting work areas and adjusting our procedures to follow social distancing guidelines that protect both our employees and customers. Our new touchless POD system that is utilized when our drivers make store deliveries is a great example of this.

The stores we operate through the Central Network Retail Group (CNRG) also allow us to provide our customers with real-world, real-time feedback on how these brands in different areas of the country are handling in-store concerns, such as dealing with employee issues, cleaning protocols, operational issues and more.

Supply Chain

During the shutdowns and quarantine period, we are also prioritizing the protection and management of our supply chain so that we can continue to provide essential products and supplies to our customers' stores. While we are not immune to the challenges our vendors are experiencing, we have been monitoring this situation since the beginning of the year and have planned ahead by increasing order points on critical supplies and expediting shipments wherever possible.

As the situation has evolved, we do find that many manufacturers of critical products are beginning to allocate orders. As a result of the limited quantities available through these suppliers, we have put some of these products on allocation to our dealers. We feel trying to limit quantities available when necessary but deliver to the broadest number of dealers is the most equitable way that we can ensure access to critical items.

In areas where product demand is high, our merchandising teams have also been working diligently to find and source alternative suppliers who may have the capacity to meet our dealers' needs. This could mean finding an alternative product that might fulfill the same

purpose or even adding products that we did not formerly carry. Again, our primary goal is to help our customers successfully meet the needs of their communities.

When it comes to products specifically related to COVID-19 such as gloves, masks, etc., many suppliers are working to fulfill the needs of front-line health and safety organizations before shipping to other suppliers. We fully support and respect this decision and we also know that this is a challenge faced by all suppliers.

As it relates to orders out of Asia, our Worldwide Sourcing team is in regular contact with these suppliers to discuss any changes in the supply chain and it appears that all of these factories are now up and running.

Communications

During a time like this, we feel that open and frequent communications are a critical component to success. To respond to the need for heightened communications, we have made several changes both internally and externally to rise to these changing demands.

In early March, our management team began holding daily video conference meetings to ensure that we all remain up to date on any new developments or challenges. These daily meetings are similar to how we might typically react during any sort of natural disaster so that we are able to respond to developments quickly and in a concerted fashion.

We also moved to rapidly create a dedicated Orgill.com page for our customers to access the latest COVID-19 information and updates. Here we are providing our customers with an online resource for information about product availability, updates to any changes in supply chain and operational protocols—as well as providing them with general information about issues such as safety, in-store best practices and more.

Additionally, we feel we have a distinct communication advantage that comes through our vast team of sales representatives in the field. We communicate regularly with our retail sales professionals and they are keeping in constant contact with the customers they serve. This direct pipeline to our customers allows them to not only receive information but also ask questions and get feedback.

Finally, at Orgill we know that our success depends on the success of our retailers, and part of navigating this crisis is protecting the health of our customers' businesses by providing them with a range of business resources. We are collecting insights and best practices from many of the best retailers in the industry and sharing this information with our customers. Together we can navigate the changing landscape during the COVID-19 crisis.