

April 23, 2020

RE: Coronavirus Update

Dear Valued Business Partner,

Hercules OEM, a Diploma company has an important role to play in contributing to the global fight against COVID-19. We have organized our response around **Diploma Making a Difference** - **Our Colleagues**, **Our Customers** and **Our Communities**. Below we set out the initiatives that we are undertaking for these three important groups of stakeholders. We are incredibly proud of all our people at Hercules OEM for the work they are doing to look after each other, keep the business moving, and for going above and beyond to combat this terrible disease.

Our Colleagues

- All colleagues that can work from home are now working remotely.
- We have put new Health & Safety policies in place for all critical, on-site workers. This includes social distancing measures, split shifts, and regular deep cleans.
- We are providing additional support through Employee Assistance Programs.
- We are reviewing each business on a case by case basis to identify the appropriate workforce flexibility initiatives to protect the jobs and salaries of our colleagues.

Our Customers and Suppliers

Hercules OEM businesses supply *essential products* and *essential solutions* across a very broad range of end markets and segments. Deemed as essential, all our locations have remained open and operational during the crisis and we remain determined to support our customers and suppliers through these difficult times. We are actively managing our supply chain to ensure good levels of inventory and supply and remain fully committed to exceeding the expectations of our customer base.

Our Communities

Our top priority remains the health and safety of our employees, customers, and suppliers but we feel it is important to step up and make a difference in the communities we serve also.

- Hercules OEM is supplying multiple components for ventilation and intubation devices and for ultraviolet equipment used to disinfect airborne contaminants.
- VSP, a sister company, is helping one of their customers to cut face shields for medical personnel and has also supported the Military Sealift Command to expedite repairs that took place on the USNS Comfort while docked in the NY harbor.
- Two of our international sister companies, Kubo (Switzerland) and M Seals (UK), are supplying multiple seals and components to several key medical manufacturers and are supplying seals to manufacturers of ventilators.

Additionally, we have donated over 10,000 face masks to medical personnel around the world.

We understand and appreciate that our products are critical to your success and we will notify you if we anticipate any delays in supply or changes that could disrupt your normal business operations. We hope your organization and their families remain healthy and safe as we work through this unprecedented time together. Should you have any questions, please do not hesitate to contact your representative or Scott Rassett, VP of Sales.

Sincerely,

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