

March 19, 2020

Subject: COVID-19 Update

Dear Valued Customer,

Being a trustworthy business partner is a top priority at Lydall. It is always our goal to provide you with a high quality, robust supply chain that is free of any unnecessary risk exposure.

During this time of uncertainty, we assure you we are doing the best we can to protect the health and safety of our employees while working hard to support our customers and minimize interruptions to our businesses.

We are pleased to report that to date, all Lydall Technical Nonwovens sites continue to operate, manufacture and deliver high-quality products for vital applications in healthcare, filtration, food refrigeration and several others that will support global recovery.

We hope you find this letter informative and helpful.

What We Have Done

Security of Supply

Lydall Technical Nonwovens has taken actions with our suppliers and developed contingency plans to ensure supply of our raw materials.

- We have direct communications regularly with our suppliers where we frequently discuss supply contingencies and get feedback on their raw material supply chain.
- We know the location of each supplier, and we actively monitor these areas daily.
- We also monitor the *Coronavirus disease 2019 (COVID-19) Situation Report* that is published by the World Health Organization. This daily report includes up-to-date data on the countries, territories and areas with reported laboratory-confirmed COVID-19 cases (new and total) and deaths (new and total). We cross-reference this data with our suppliers' locations.
- Any material concern or area of concern is immediately introduced to the Executive Leadership Team for consideration of alternative supply or an increase in safety stock.
- We have also increased stock of key consumables—facemasks, alcohol wipes, hand sanitizer and PPE—for our customer-essential workforce (i.e. operations, manufacturing).

What We Have Done ... continued

Our Work Force

Lydall Technical Nonwovens has also developed contingency plans for our customer-essential work force should we see absenteeism in the future.

- We monitor absenteeism at each facility daily and weekly.
- If absenteeism is modest and like what we experience every flu or vacation season, we will manage this as we always do—utilize other cross-trained operators or leverage the ability to shift schedules or provide overtime.
- If absenteeism becomes substantial at any of our facilities, we can implement overtime to increase safety stock or finished goods at that site. Additionally, many of our grades can be manufactured at alternative production sites with equivalent product performance. We know customer qualification may be necessary for this contingency plan, but this is a valid alternative we may need to leverage should absenteeism become a significant issue.

Crisis Preparedness

Like you, Lydall has taken numerous preventative actions in response to this ever-changing environment to do our part in minimizing the spread of the virus.

Lydall has assembled an **Emergency Preparedness Team** that will continuously assess the level of risk COVID-19 poses to Lydall, our employees and our business partners. This team:

- Meets daily to discuss the current risk environment driven by COVID-19
- Makes informed decisions in near-real-time on a global level
- Provides communication and guidance globally and supports our sites with questions or concerns
- Develops and implements policy modifications that are appropriate and responsive

In addition, Lydall has implemented the following:

- **Travel Ban:** Lydall has implemented a ban on all business travel to any location and by any form of transit.
- **No Onsite Visitors:** Lydall has placed a ban on all visits to Lydall sites to limit site access and employee exposure as much as possible.
- **Onsite Employee Monitoring:** We have processes in place to monitor our onsite, customer-essential employees and their 1st, 2nd and 3rd levels of possible exposure—with the goal to minimize their potential exposure as much as possible.
- **Enhanced Cleaning Onsite:** Lydall has ordered more frequent cleanings at all Lydall sites.

We hope these actions and contingency plans for our supply, work force and preparedness give you comfort and confidence that we are acting proactively and responsibly on your behalf.

What We Will Do

Not only do we share concerns for the health and well-being of our employees and our business partners, we also share concerns for the health of our business and the security of our supply chain network as evidenced in our contingency planning above.

In addition to this, we promise to:

- Immediately **alert your procurement personnel** about significant changes due to new local or federal mandates, resource availability, supply chain disruptions or other unforeseen factors due to COVID-19. This includes current orders, open Purchase Orders and forecasts.
- Continue to **analyze operations** and work with our suppliers to define and mitigate any potential disruptions.
- Continue to diligently monitor and **adhere to recommendations** from WHO, CDC, NIH and other global health agencies, as well as monitor and follow all requirements imposed by local governments.

What We Ask of You

Please communicate with us immediately as well—especially as you see any changes in your business.

Examples of changes could include:

- Issues with delivery access to your facility
- Increased demand for your customer who supplies the healthcare industry
- Decreased demand for your automotive customers
- Decreased demand if your customer is required to shut down for a period of time
- Increased demand due to lead time or supply concerns for you or your customers
- Issues with receiving shipments due to border restrictions
- Concerns relative to airfreight logistics

It is our sincere hope that all your employees and their families remain healthy and safe during this critical time.

As mentioned, being a trustworthy business partner is a top priority at Lydall. We hope this letter assures you that we are protecting the health and safety of our employees while working hard to support our customers and minimize interruptions to our businesses. Should you have any questions or concerns about this now or in the future, please contact your Lydall Technical Nonwovens Sales Representative.

Your Partners in Business,

Lydall Technical Nonwovens