

Dear Customer,

I hope that this finds you in good health, and keeping up your determination to overcome this dramatic stage in our lives.

Despite the continued spread of Covid-19 throughout the world, this seems to have decelerated in some western countries. The levels of growth nonetheless require that we continue to be extra vigilant in both our social and working lives. At Bonfiglioli, **People are our priority.** Therefore, any guidelines and regulations issued by recognized national and international institutions are strictly applied for the safety and health of our workers.

As you are aware, some of our activities have recently been subjected to even more restrictive government provisions that will limit our national production and marketing operations to the essential, hopefully for a short period.

Bonfiglioli will continue to do its best - whilst ensuring the highest safety standards for its employees, and in compliance with national orders and regulations - **to meet all its customers and more generally, stakeholders' requirements as closely as possible**, by extensively implementing **smart-working** and thanks to our distinctive **international network**.

Here is a summary of the main events occurring in the areas where Bonfiglioli's sites are located:

<u>Italy</u>. On Sunday 10 April 2020, with a new Ministerial Decree, the Italian Government extended the suspension of all non-essential production activities from 14 April to 3 May 2020. Our Italian plants in Calderara di Reno – Bologna, Forlì and the branch in Carpiano – Milan, will therefore guarantee the activities needed to support the production chain of specified essential sectors.

Our Rovereto production plant - Bonfiglioli Mechatronic Research - remains fully operational.

<u>Great Britain</u>. In accordance with national guidelines, Bonfiglioli UK in Warrington continues operations via smart-working, and its logistics and production organized on a shift basis, providing support to the sectors identified as being essential in terms of the British Government's legislation and recommendations.

<u>India</u>. The Indian Government has ordered production and commercial activities to close down throughout India up until 3 May 2020. To support certain essential sectors, **our plant in Chennai remains operational with a reduced workforce**, whereas the **plant in Pune remains closed until 3 May**.

<u>South Africa</u>. Our South African branch has obtained certification to provide partial production, logistics and service activities during the lockdown (expected to end on 30 April 2020), to support production sectors that have been identified as being essential.

<u>New Zealand</u>. The New Zealand Government has ordered a **4-week suspension of activities, starting 25** March 2020.

<u>Other production plants</u>. At this time, there are no other national provisions ordering the suspension of production, therefore our other production plants, including those in **Slovakia** (Bonfiglioli Slovakia), **Germany** (O&K Antriebstechnik and Bonfiglioli Vectron), **Vietnam** (Bonfiglioli Vietnam) and **China** (Bonfiglioli Drives Shanghai) **are working normally.**

Covid-19 is spreading rapidly in EUROPE, where, different measures have been adopted by various countries, which to some extent, have impacted on business routines. Our branches in **France and Spain are operating** on reduced shifts and workforces, while our branch in **Germany** is essentially operational.



With the exception of our branch in **Singapore** that is subject to lockdown until 3 May 2020, and **Turkey** that is partially operational, the **USA**, **Brazil**, **China** and **Australia** are currently working normally, but naturally always in compliance with the rules and recommendations of the relevant national health authorities.

Slowdowns caused by transport and the supply chains in general still remain factors that could impact significantly on normal business processes. This, combined with the resumption of industrial activity by certain Customers and Suppliers in the near future, has given us a strong incentive to revamp a production plan that has been compromised by events. In this regard, we would like to ask each of you to please contribute to the best of your abilities, with the mutual objective of a rapid recovery.

For any further specific request, please refer to your usual Bonfiglioli contact person.

Kindest regards Fausto Carboni CEO Bonfiglioli Group