

EXTERNAL COMMUNICATIONS ON COVID-19 / 13th March 2020

Dear Customer,

As the supplier of a key ingredient to the mushroom industry we recognise that you may have concerns over the recent outbreak of Covid-19 and the potential impact this may have on your business. This is a communication from Sylvan to update you on our Business Continuity Plan (BCP) through which we aim to take all necessary precautions to ensure uninterrupted supply.

We have set up a dedicated Taskforce to coordinate the BCP for the duration of this crisis. This core group meets daily to discuss all issues that could potentially impact on our employees, our customers and our spawn supply chain.

Our priority is the health and wellbeing of our colleagues in Sylvan and we have taken measures that include but are not limited to the following:

- We regretfully cancel all grower and customer visits by our Crop Care and sales teams. If you require on-site support or a face to face meeting, please contact us by phone first and we can discuss which arrangements would be most appropriate.
- We adopt all protocols as instructed by local health authorities and WHO, have issued health and hygiene instructions to all our staff and provide them with necessary sanitary materials and support.
- We have put in place a plan for the continuity of leadership in the potential absence of key decision makers and we offer flexible working arrangements to all our colleagues where possible. We encourage all employees to stay at home at the first sight of mild symptoms.
- We have suspended all business travel and prohibit access of external visitors to any of our sites and distribution locations.

Sylvan has spawn plants in France, The Netherlands, Hungary, South Africa, North America (Pennsylvania and Nevada) and Australia as well as distribution centers in other locations such as Poland, Turkey and China. This gives us a level of comfort as the virus becomes more widespread throughout the world. We also have a dual supply of inoculum from our Research and Quality Testing facilities in France and the USA. However we are aware that, like all companies, also our supply chain could be vulnerable during this crisis. We are therefore taking resolute measures that include but are not limited to the following:



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- We have undertaken a raw material supply chain analysis and are taking measures to address critical supply points.
- We are adjusting stock levels of raw materials and finished goods where required and are examining all our lead-times to ensure we have maximum buffers and minimum response time to possible supply shocks.
- We are studying production re-allocation scenarios and alternative supply routes in the event of a forced temporary stoppage at one of our spawn plants or distribution centres.
- We are adopting stringent staff planning and backup measures inside our factories to ensure minimum impact of a possible Covid-19 case emerging among our staff.

It is our aim to ensure full business continuity while keeping our Sylvan team safe and healthy. We do need your help to achieve this goal; check if you have adequate safety stock, advise us timely of your orders and changes, etc. We will work to avoid specific product shortages, but we urge you to take note that significant changes to your regular spawn order pattern may prove difficult to accommodate during this crisis.

If you have any concerns, please contact your local Sylvan office or any of our Taskforce members (contacts below). We will continue to update you as we remain unwaveringly committed to supporting every single one of our customers and growers.

On behalf of all of us at Sylvan we thank you for continued trust and your cooperation.

Yours sincerely,

Monir Elzalaki

President Sylvan America & APAC

m: +1 775 450 2216
e: monir@sylvaninc.com

Iwan Brandsma

Managing Director Sylvan Europe & MEA

m: +353 87 263 5799
e: ibrandsma@sylvaninc.com



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