



Dear Associates,

Over the past two weeks we have faced significant changes in our business and even greater disruption in our personal lives. Through these unprecedented times, we are committed to keeping you updated on the impact that the COVID-19 pandemic is having on our customers and our business.

As you know, our customers have remained open and they are providing a critical service by offering community access to food through delivery, pick-up, and drive thru. We as a food distribution company play an important part in this service and you as an essential associate play a vital role in supplying the restaurants with the products they need. Although we are fortunate that our customers have remained open, you have witnessed firsthand the dramatic decrease in the cases we deliver to them. This rapid decline in their business has led to a nearly **40% decrease** in our entire AD business. We have never seen this level of case reduction and with the community and state restrictions in place for the next few weeks, we do not see this situation changing in the short term. We are all concerned with this sudden decline and are aware that you have many questions on what this means to our business.

In the past week as this situation evolved, we have focused on understanding the daily impact to our business while not making major changes to our operating plans and causing disruption to our customers and our associates. As we looked ahead it became obvious that normal operating plans were not sustainable. We have spent considerable time discussing what adjustments are needed to our daily operating plans and staffing requirements. With significantly less cases we have decided to offer the opportunity for associates to sign up for temporary voluntary unpaid time off. This structured approach will help to proactively match our staffing needs to the decreased case levels and provide our associates with more clarity on their work week. We are optimistic that we will have enough volunteers to meet our reduced staffing needs and hope that we do not need to initiate non-voluntary layoffs. There will be an opportunity for you to sign up for daily or full week voluntary layoff. Your Manager will be reviewing the specifics with you and answering any questions you may have on this process.

We will continue to monitor the impact of this pandemic to our business and will communicate any updates to you. This will include forecasted case trends, changes to our business, and the potential impact the federal stimulus package has on our business. In the spirit of keeping you informed we will be holding a company wide conference call this **Friday March 27th at 3pm**. This call will be led by Warren Anderson and myself and is open to all associates. You will have the ability to text questions anonymously before, during, and after the call. Details of the companywide call:

When: Friday, March 27th @ 3PM

Call Number: 1 - 844 - 474 - 0925 Participant code: 48846041

Text questions before, during, and after the call to: (234) 320 - 0652

Please take care of yourself and follow the recommended social distancing guidelines and the additional measures that we have put in place for all associates. Thank you for all that you do and if you have any questions please see your Manager or reach out to our HR Manager, Linsey Gray.

Sincerely,

Mike Boddy
Chief Operating Officer (COO)