

Thursday 19 March 2020, 1300 NZDT

HALLY LABELS COVID-19 UPDATE

Dear Valued Customers

Please find below the information you will need to gain assurance that we are doing all we can to ensure continuity of supply, on behalf of all of our stakeholders. Our primary message is that we are open, we are working at full capacity, and we are implementing all measures possible to ensure that we can continue to do so.

OUR READINESS

In the last week we stepped up our level of preparedness by a considerable level. We declared a state of emergency within our business and as such have implemented a number of extraordinary measures. We now have zero tolerance for sickness and have greatly increased levels of personal hygiene and workplace cleaning. Our staff are no longer travelling by air, and visits to our sites are restricted to essential ones only. We have plans in place should staff need to work from home, and our pandemic leave policies have been defined. Yesterday we spent time understanding the relief options available from the NZ government. It's a busy time.

MINIMISE ISOLATION RISK

Having four sites gives us options if one plant, or part of one plant, needs to be shut down. We have replica equipment across our network, and our ability to transfer work from one site to another is well tested. Our Hally plants in Auckland, Brisbane, Christchurch and Sydney have all implemented a stand down period between shifts. We have also limited access to shared areas including specific time slots in kitchens and lunchrooms for each department.

SUPPLY CHAIN

Our supply lines are all operating and, bar a handful of short and easily managed delays, we have had no interruptions. We have an extensive network of self-adhesive paper suppliers whose plants are globally spread giving us options should one plant or one country shut down manufacturing. We have increased our levels of other essential raw materials to cover any isolation period that our key suppliers may experience.

FINISHED GOODS LEVELS

We are asking those Hally customers with finished goods stockholding to review their levels. Some customers have already asked to hold more themselves, others have asked us to increase our holding. Either way, we are ready now to action your requests as you see fit.

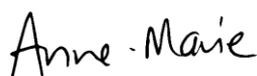
CREDIT POLICY

It is a very real risk that in the coming weeks some of our customers will need to close and may not be able to pay us. To protect our position, and knowing we are acting in the interests of all other clients, staff, shareholders and suppliers, we have therefore declared a tightening of our credit policy and are asking all customers to pay strictly within agreed terms. We're working hard at managing this with the utmost diplomacy – please call if you are concerned.

Our Sales and Customer Service teams are all available via phone, email and videoconference. Account Managers are also currently on hand for local in-person visits where deemed essential.

Do feel free to contact myself or one of the Hally team for further information. Thank you for your continued support of our business – it is greatly appreciated.

Kind regards

A handwritten signature in black ink that reads "Anne-Marie".

Anne-Marie Sutton
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