

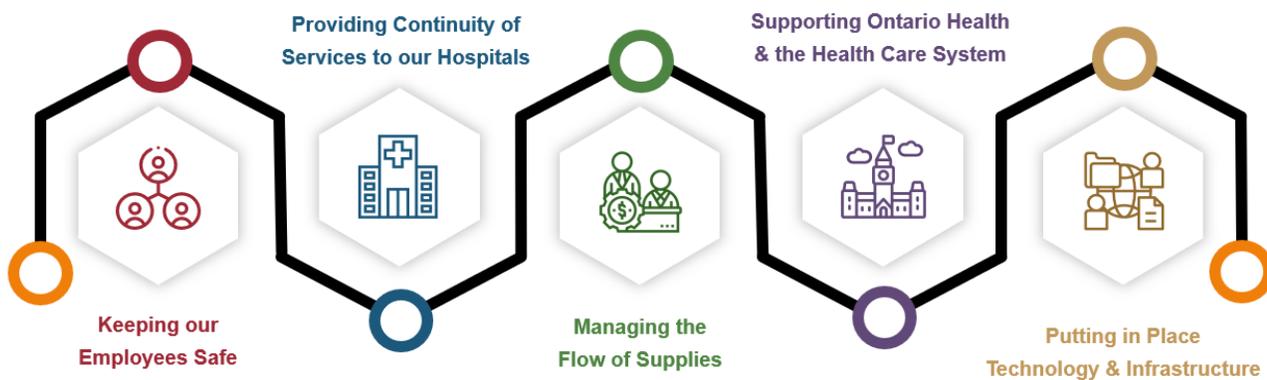
Supporting the Health Care System through Supply Chain Leadership

Executive Summary

With the situation changing daily, if not hourly, I felt it was worthwhile summarizing the various actions we have taken to date as an organization related to the COVID-19 Pandemic. We are trying to be as nimble and flexible as possible in adjusting our plans accordingly as things unfold.

Our Pandemic Committee has been active since January and includes Business Continuity Planning. This Committee meets daily and as needed to ensure an informed and coordinated approach both as an employer, and in the provision of our services to our hospitals.

Overall there are five key areas that we are focused on.



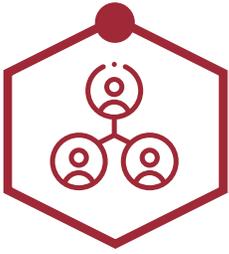
To date (see below for additional details):

1. We have put measures and protocols in place to ensure our employees are safe.
2. All of our services continue to operate.
3. We have successfully mobilized a remote workforce across all areas of our business.
4. We have facilitated several capital procurements for Ontario Health.

Our primary focus is to ensure much needed supplies continue to flow to our hospitals, and support Ontario Health in a number of areas. At this time many Personal Protective Equipment (PPE) products are under allocation, and there are product shortages across the health care system.

Finally, I want to acknowledge our dedicated employees for all their efforts under these unusual and challenging times.

David E. Yundt
President and CEO



Keeping our Employees Safe

Our Office Employees

- Employees located at Plexxus sites are working from home until April 6th or until further notice
- Accounts Payable has implemented dedicated skeleton shifts operating on site, with the ability to rotate teams if necessary
- We are sharing ongoing Ministry of Health (MOH) Communications around enhanced public health measures
- Employees are using alternative meeting methods with their stakeholders, e.g. conference calls, webinars or Skype and only visiting our hospitals as required
- Plexxus employees located on hospital sites are following hospital protocols and for the most part, are working from home.

Our Distribution Centre (DC) Employees

- Recognizing the critical nature of our DC in servicing our hospitals, all front office staff are working from home
- We continue to focus on the safety and protection of our DC employees
- A significant increase in cleaning to common areas, totes, and carts has been implemented
- Business Continuity measures are in place, including hiring and training of additional staff
- Weekend shifts have been implemented as required to adjust for increased volumes
- Restrictions and control measures around essential visitors (transport carriers, rush couriers) have been increased.



Providing Continuity of Services to our Hospitals

Purchasing and Accounts Payable

- Our Purchase Order Management team are able to effectively work from home
- Accounts Payable for customer hospitals have implemented dedicated on-site skeleton shifts with the ability to rotate teams if necessary.

Distribution Centre (DC) and In-Hospital Logistics

- The DC has worked with our in-hospital logistics teams to track all Personal Protective Equipment (PPE) requirements, and have increased inventory levels where possible
- PPE inventory levels are significantly constrained due to several factors including global demand and manufacturing issues in affected countries. These constrained inventory levels have necessitated suppliers to put PPE items on allocation with a best-case scenario of hospitals being provided inventory based on historical demand levels
- We are increasing inventory levels where possible on other key products based on our hospital requirements

Sourcing

- We are working closely with Plexxus colleagues, suppliers and customers to assist with product supply, substitutes and contractual requirements
- Recognizing hospital staff are focused on the pandemic, sourcing leads are contacting customers to discuss in-flight and pending sourcing initiatives to assess priority and urgency and where delays are required, implement risk mitigation actions.



Managing the Flow of Supplies

- Our In-Hospital Logistics teams are working with their hospitals to review PPE supplies and understand current, mid-term and long-term requirements
- Plexxus continues to hold daily meetings with its critical suppliers to ensure consistent flow of supplies and that we have the relevant information upon which to base informed allocation decisions
- The Ministry of Health (MOH) is increasing efforts to look at inventory on a more provincial level including consolidating supplies for assessment centres
- Many of these PPE supplies are on allocation and hospitals are receiving historical demand levels
- Our Sourcing team is working in parallel with suppliers to determine if there are any alternate products available.



Supporting Ontario Health & the Health Care System

Assessment Centers

- Ontario Health (OH) have advised that supplies required by Assessment Centres are to be provided by the Hospitals. Plexxus is providing support to a number of centres that are now operational and being planned

Provincial Supplies Management

- Plexxus is working closely with the MOH and OH to identify inventory levels and gaps
- Plexxus has supported OH to acquire some critical capital items and products through our contracts
- OH and Public Health Ontario are coordinating the distribution of swab kits to all hospitals requiring inventory. Plexxus has provided OH with contact details for our hospitals



Putting in Place Technology & Infrastructure

Plexxus IT has leveraged modern agile technology to meet rapidly changing business needs.

- We have leveraged our existing cloud solutions to pivot and enable 100% of employees to work remotely immediately
- SAP and Allscripts have enabled our hospital members and customers to access these systems remotely
- We have implemented heightened security awareness and monitoring for COVID-19 phishing campaigns
- Our IT operations continue to meet SLAs and our IT projects continue to progress