

March 19, 2020

Dear partners,

We are writing to you with an update about KISCO's activities during the COVID-19 outbreak. Our key message is that **throughout this global pandemic, KISCO has remained open for business** and has continued to manufacture and distribute our products.

Our staff

For the past 3 weeks each of our team leaders have been **individually checking on the health and wellbeing of their colleagues every day**. We have done temperature screening of every employee each day. We have advised any staff who have any symptoms resembling a cold or flu to remain at home, without penalty. Staff have diligently followed government advice on washing hands, not touching their faces and minimising social contacts. We have spread lunch breaks to minimise exposure to crowds, some of our staff are working from home and we have made increased use of video conferencing. We have also implemented new company guidelines with respect to travel. To date, **all of our staff are safe and healthy**.

Our production

Manufacturing of our products has continued as normal. **All our factories across Korea have remained open at all times**. As we recently announced, we have finalised testing at our new factory in Iksan and remain on track to commence full-scale production there this month. We are extremely proud of our team there for **opening a new factory at a time when many parts of the world have closed down**.

Raw materials

Despite our diversified supply chain and our inventory planning **we are experiencing shortages of a number of key raw materials**, particularly across our dye and ink businesses. We are working very closely with our suppliers to **minimise the impact of this on our business**.

Shipping

Global travel restrictions have dramatically reduced shipping capacity to all countries. Where we have goods ready to ship **we have sought all available spaces to transport them**. However, even when we have found space, all shipments have been subject to increased inspections and delays. Shipping costs have also significantly increased to almost all destinations. In many cases we will need not be able to absorb these costs ourselves. **Our sales staff will discuss options with you**.

Korea

Despite experiencing an early surge in the number of reported cases of COVID-19, it is now apparent that **the Korean approach has been successful in slowing the spread of this disease**. [This report, from the BBC](#), highlights the success of Korea's approach. It comments that "the preventative measures being taken in South Korea have so far **involved no lockdowns, no roadblocks and no restriction on movement**."

Korea and KISCO are at work. We look forward to resuming business as usual as soon as possible.

