

17 March 2020

COVID-19 BUSINESS CONTINUITY PLAN

Dear Customer

At Consol we have been following a number of processes to protect our staff, manage risks in our supply chain and ensure continuity of supply to our customers. We look forward to working with all our customers, albeit in a slightly altered fashion going forward, to ensure our mutual operations can continue to operate normally. We do need to do this while taking every measure to stop the spread of the virus and limiting the impact on the country's health systems and the economy. We urge all our customers to engage with us in a collaborate effort to avoid any sudden or unannounced disruptions in demand, that may create disruption in the broader supply chain.

Site Management, Hygiene and Social Distancing

- We are continuously monitoring updates from the Department of Health and WHO as well as our global risk management services regarding COVID-19 related developments, be they health or travel advisories.
- We will continue to take heed of their advice and ensure our protocols meet or exceed their recommendations.
- Since mid-February Consol has focused on various educational initiatives and hygiene management at critical shared work areas.
- These processes continue to be ramped up and include availability of hand sanitisers at key entry and exit points, biometric scanners and additional cleaning at canteens, ablutions, and meeting rooms.
- Thermal screening and a protocol for dealing with positive tests is being rolled out across all our sites as we secure equipment and train staff to implement these procedures effectively.
- On site medical staff are providing additional screening and education for all our staff and managing any staff who present with symptoms according to protocol.
- This week we are greatly reducing face to face meetings internally.
- Your account manager will also be requesting we suspend all face to face meeting with customers while providing for video and audio conference alternatives that can be easily used by our partners.
- The same process applies to our suppliers.
- We are also this week compartmentalising our key sales, distribution and accounts staff into various separate locations, creating remote work solution and banning physical interactions between distinct group members to limit the spread across entire departments.
- Access to our production plants by our employees for non-essential purposes will be stopped and only production critical skills will be allowed on site to protect our production teams.
- Local and foreign contractors, customer and supplier visits to our production sites will be banned going forward.

Travel

- Travel has been restricted for several weeks to high risk areas and as of Monday the 16th of March 2020 will be limited to business critical requirements to protect our Pan Africa asset base.
- Recent international travellers from all regions are being screened and isolated accordingly.
- As at the 17th of March 2020 all screening and specific Covid-19 tests have been negative.
- Returnees from areas previously designated low risk will now also be screened and re-introduced into the business appropriately once cleared.
- We are currently completing a rebuild project requiring foreign contractors and are in the final phase of heat-up. Those contractors on site were screened or have been cleared and we will complete the project work without additional foreign resources.
- We have no major future projects or rebuilds planned in the next 6 months requiring foreign support.
- Staff who choose to travel privately need to declare this and will be subject to self-isolation and screening on their return.

Head Office

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Chief Executive Officer: M Arnold, **Chief Financial Officer:** K Nayager, **Chief Operating Officer:** P J Curnow, **Chairman:** B L MacRobert

Directors: Full list on website

Company Secretary: N Mukanya

Supply Chain

- Since early February our supply chain team has been evaluating and mitigating risk we may have in terms of materials sourced from Asia. We had very limited exposure in South Africa and are starting to see a normalisation in output from Chinese suppliers we do use across the continent.
- Our focus in recent weeks is our European supply base, largely spare parts for glass making machines and we are still being supplied as normal but are holding critical spares in country.
- Our team is also engaging with key local suppliers confirming they have suitable business continuity plans in place, monitoring their daily output and generally increasing our on-site stocks in a controlled sensible manner to provide for any short term supply disruptions without creating unnecessary pressure.
- We have engaged with our inbound and outbound logistics partners, ensuring we have their commitments to continuity processes and contingency plans. This will ensure the effective delivery of raw materials and finished products. Truck drivers entering our sites will be given limited access to deliver their products only and then be asked to leave site immediately.
- Finished good stocks are stored at a number of different locations further reducing risk of disruption.

Operations

- All our facilities aside from those under rebuild are in operation.
- Our current rebuild is nearing completion and no further projects are planned for the next 6 months.
- We have had no major instances of illness, COVID-19 or otherwise impacting manning as yet.
- Various contingency plans are in place to operate our facilities with reduced levels of staff members.
- On site stocks of raw materials, packaging and tools are at enhanced levels.
- Our contingency plans for power, water and liquid fuel disruptions are in place and are constantly reviewed.

In summary we have and will continue to monitor the situation and will endeavour to ensure continuous supply of your product range. We do not at this time foresee any immediate risk to supply we cannot mitigate but we will constantly monitor and notify you the customers if circumstances change.

If you have any questions or require additional information please get in contact with your key account manager.

Thank you,

Stephen van Eck
Senior Executive : Commercial SA

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