



March 16, 2020

Dear Valued Customers,

Espey Mfg. & Electronics Corp. (Espey) understands the growing concern surrounding coronavirus (COVID-19) across our communities. Our thoughts go out to all those impacted. We are working to ensure we can provide the products and services our customers require to maintain business continuity, with the utmost attention to keeping our customers and Espey team members safe.

As the coronavirus continues to spread, Espey is monitoring the virus and will assess the impact on its team members, its Customers, and its Supply Chain in real-time. We continue to follow restrictions and guidelines made from the Centers for Disease Control and Prevention on travel and shipping, and will continually assess the impact on our ability to receive material and meet our customer shipment requirements.

Espey has been taking precautionary measures to ensure our team members are protected, and business continuity is maintained. To that end, we have enacted the following steps:

- Employees are advised and encouraged to stay home if they are exhibiting ANY virus or flu-like symptoms. Espey's Human Resources Department will assess any confirmed cases of the virus within our local area and continue real-time updates daily.
- All work-related travel is suspended for Espey employees unless deemed mission-critical by our leadership, customers, or will support the need of the USG and the warfighters. Wherever possible, planned visits will be accommodated via virtual meetings.
- All Customer & Supplier site visits to Espey are suspended unless deemed mission-critical by our leadership, customers, or will support the need of the USG and the warfighters.
- All eligible Espey employees that can work remotely will do so effective 3/17/2020. Wherever possible, virtual meetings will be scheduled.
- All regularly scheduled meetings across Espey are suspended, and the organizer will reschedule those for virtual meetings.
- The entire facility will be clean and sanitized on a constant rotational basis throughout the day. Each Espey team member will be practicing extreme cleaning measures in real-time and as proactively as possible.

Espey Mfg. & Electronics Corp.

233 Ballston Avenue | Saratoga Springs, New York 12866
518.245.4400 | Fax: 518.245.4421
contact@espey.com | espey.com



Currently, we have not realized any immediate disruptions to our Customers or Supply Chain continuity. As the crisis continues and further restrictions are implemented, Espey will continue to assess the risk and communicate any impacts to our customers.

Potential risks could include:

1. Impacts on material lead times currently on order or to be placed on order caused by impacts to our supplier's workforce, dwindling domestic supply, or shipping restrictions.
2. Import/export capabilities. As ports are closed in the international community, imports to the United States from affected countries may be delayed. Such restrictions may limit our Supply Chain's ability to receive raw material and/or replenish their stock.

To mitigate potential future impacts within the supply chain, Espey's Procurement Department is working diligently to order potentially affected materials as early and as often as possible. Additionally, if Espey is unable to procure or source a specific material, Espey will work to immediately identify an alternate and seek expeditious approval from our customers.

Espey expects to remain open and be fully operational during our regularly scheduled business hours; 7 AM-5:30 PM Monday - Thursday. Team members who are working remotely can be contacted by the usual means of phone and email. If you have difficulty reaching your contact, please email sales@espey.com.

We will continue to monitor the Centers for Disease Control and Prevention, the World Health Organization, and other public health agencies to determine the safest course of action for our team members, customers, and suppliers.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick T. Enright", is written over a white background.

Patrick T. Enright
President & CEO