

Raw material and supply chain status update during the COVID-19 crisis; a perspective from Flint Group Packaging Inks.

1st April 2020

Dear Customer,

There is no doubt that we are living in unprecedented times; the situation is dynamic, changing daily and differing in its detail from region to region. It is now evident that this crisis will impact us all, both professionally and personally – our thoughts are with those who are unwell or caring for unwell relatives.

As a supplier of many thousands of products across Europe, we source a myriad of raw materials from a variety of locations worldwide. China & India are two important supply locations for our pigments and solvents, amongst many other raw materials. Whilst the situation in China has calmed in recent days, production has not returned to normal levels. In India, the situation is more severe; the 21 day nation-wide lockdown has halted the production of some essential pigment grades. Fortunately, we still have stock of these raw materials but the supply chain situation is looking increasingly volatile and it is unclear when conditions will return to normal. Delays and shortages of certain raw materials are regrettably inevitable, however we continue working to fulfill customer orders via our strong contingency plan.

In addition, global transportation options have become severely restricted due to the virus' spread. Availability of freight across all transportation modes has decreased and nation-state border closures are further extending delays. The global model for trade is being disrupted as countries turn inward to protect their citizens. With increasing global complexity, the situation from country to country can vary significantly.

We continue to work closely with our suppliers to secure raw material stocks and transportation options but the situation is unpredictable, changing daily. Wherever possible we will maintain normal service levels; in certain cases we respectfully request customers are adaptable, potentially accepting alternative products or shipment and volume adjustments. Our sales and technical teams will work closely with each customer toward a bespoke customer-by-customer solution.

Despite these challenges, health and safety at all our sites will never be compromised. Our sites are all undertaking strict hygiene precautions which include, but are not limited to, temperature checks of all personnel entering/leaving, social distancing and shift allocation changes. The number of employees able to safely operate our production equipment at any one time is not optimal and hence, throughput is lower. In summary, we are bearing significantly increased cost and complexity to maintain normal service levels.

We have established global, regional and local crisis management teams to manage our response as effectively as possible and we are actively collaborating with industry associations to ensure packaging is recognised as a critical infrastructure industry. Foods, beverages, pharmaceutical and medical products must continue to flow in order to fight the virus and it is our duty to support you, support society.

If you have any questions, please do not hesitate to contact our local Customer Service, Sales & Technical representatives who are ready to work closely with you to support your needs.

We apologise in advance for any delays which may appear during the COVID-19 crisis – we will do our utmost not to disappoint any of our customers.

Thank you for your support and understanding.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kim Melander', written in a cursive style.

Kim Melander

VP & GM Packaging Inks Europe
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