



Re: COVID-19 Update
April 15, 2020

MI and Milgard Team Members:

Consistent with my promise to keep you informed, I'm providing another update regarding the impact COVID-19 is having on the health of our team and our business.

In the past week, six members of our work family have tested positive for COVID-19, bringing the total to 12 among our 5,500+ team members. Through extensive social tracing and enhanced cleaning procedures we have been able to confirm our ability to provide a safe work environment for all of us.

To slow the spread of the virus, it is imperative that we all commit to follow these four simple steps:

- Stay home if you're feeling ill
- Wash your hands often (for 20 seconds or more)
- Maintain six feet distance between yourself and others where possible
- Cover your face when possible

While these steps can help keep us safe, they cannot reverse the broader economic consequences of the pandemic. In most locations, orders are down and because we have a "made-to-order" business model we are already seeing production demand changes. That downward trend is likely to continue – for how long we do not yet know. What we do know is that we are not losing market share, rather the market size is shrinking – which is being driven by consumers' lack of confidence related to the COVID-19 pandemic.

In response to this, we've frozen wages for all team members, and put a pause on hiring. In addition, layoffs and reduced hours have been implemented in some locations. These moves will likely be necessary elsewhere soon. I am working with the leadership team on other initiatives to help us navigate these uncomfortable times. You have my commitment to be fully transparent with you in regards to additional steps that we feel are necessary.

Be smart, stay safe and remain confident!

With respect,

A handwritten signature in black ink, appearing to read 'Matt DeSoto', is written over a horizontal line.

