

March 12, 2020

To our Valued Customers,

We write to provide an update regarding COVID-19 and our efforts to address this unprecedented situation.

First, thank you for your considerable patience. This is a very challenging time and we understand your concerns. Here's what we are seeing in the marketplace and what Henry Schein is doing to get more product into the hands of those who need it most – health care professionals.

As you know, much of the world's personal protective equipment (PPE) is manufactured in Asia, and we simply cannot get as much product as we would like. We are doing everything we can to procure product from existing sources and to find alternate sources of supply. To extend our inventory, we are distributing product as equitably as possible by rationing shipments of product to existing customers only. Regional variation in availability is also likely during this period. At this point in time, all our facilities are open except for two small locations.

Allocation systems by their nature are imperfect, and we are working intensely to refine our system to more equitably serve customers. In the meantime, we wanted to provide our outlook as of today for the products currently experiencing the tightest supply – masks, gloves, sanitizer, and gowns.

- **Masks:** Currently the most sought-after item, we anticipate elevated demand for months to come, although we expect that our supply chain is likely to begin to loosen in the weeks ahead. Even so, we expect shortages to persist.
- **Gloves:** Demand has surged in recent days. The supply chain for gloves is more stable than masks, and we don't expect the same degree of pressure.
- **Sanitizer:** Demand has increased during the last several weeks and we expect there may be disruptions, which is why we are currently rationing supply.
- **Gowns:** In the shortest supply because of a significant manufacturer's product recall before the COVID-19 outbreak.

We don't expect this shortage to materially change in the near term, and we may periodically run out of certain items in the weeks ahead. We are working with urgency to prevent this.

Among many other efforts, we are in direct and daily contact with the World Health Organization as part of Henry Schein's role as the private-sector lead of the Pandemic Supply Chain Network, a public-private partnership created in 2015 to improve the efficiency of the PPE supply chain. Through this network, we are advocating to ease the global supply chain so that product can begin to flow again.

We appreciate your patience and understanding, commit to providing frequent updates, and thank you again for your efforts to keep society healthy under these extraordinary circumstances.

Sincerely,

Stanley M. Bergman
Chairman of the Board and Chief Executive Officer