



HANOVER

March 26, 2020

Re: COVID-19
Implemented Temporary Measures

UFCW Local 1776 Keystone State
3031 A. Walton Road, Suite 201
Plymouth Meeting, PA 19462

Email: kdrew@UFCW1776.org

Dear Kevin:

The health and safety of our employees, our facilities and our customers are Hanover Foods Corporation's ("Hanover Foods") primary concern during these unprecedented times. However, the Company and its employees play a significant role in times of natural disasters and in times like this, as we face the novel (new) Coronavirus (COVID-19) pandemic. We must do our parts to keep America fed and healthy without adding to consumers' financial uncertainties and burdens. Hanover Foods facilities are fully staffed and fully operational.

Thank you for sharing information concerning some practices that other employers have taken due to COVID-19. I thought it appropriate to share with you the measures that Hanover Foods has taken. You already are aware of most, if not all, of these measures.

As COVID-19 began to unfold on the East Coast of the United States, Hanover Foods took prompt measures to address the quickly changing situation and social distancing recommendations and requirements. Hanover Foods encourages all employees who are sick to stay at home. Any employee presenting flu-like symptoms will be separated and sent home. Hanover Foods has not and, presently, does not intend to implement any Temporal Scans.

Recognizing that the sudden school closings may have created challenges for some of Hanover Foods' employees as they scramble to implement contingency care plans for their children, and that some employees may be impacted by COVID-19, Hanover Foods already has made the following accommodations (we had given UFCW Local 1776 Keystone State advance notice of these accommodations):

- **No Attendance Points from March 16, 2020 to April 3, 2020.** In order to accommodate employees that may have been impacted by COVID-19, **for verified absences due to COVID-19 including school closings, the Company has suspended the attendance point system at its production facilities from March 16, 2020 until April 3, 2020. For all reasons other than COVID-19, the plant point system is still in effect.**

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- **Absence Due to School Closings.** From March 16, 2020 until April 3, 2020, if an employee must be absent from work due to childcare issues related to the sudden and unexpected school closings, the employee must inform Human Resources of the absence as normally required. Hanover Foods Corporation **requires the employee apply unused vacation days to their absence. If the employee has no vacation days remaining, the employee may take unpaid leave. The Company will continue the employee's health care benefits, if the employee is covered by the Company's Healthcare Plan; the employee will be responsible for paying their portion of the premiums. We also will continue to cover the employer under our short-term disability policy.**
- **Absence Due to Illness:** If an employee is absent from work due to illness, the employee must inform Human Resources of the absence as normally required. **If the employee is absent from work more than 3 days, the employee will need a medical note stating that they are fit to return to work.** They were directed not to **return to work until they are free of fever for at least 24 hours without the use of fever-reducing or other symptom suppressing medicines.**
- **Disability and Family Medical Leave:** As with all extended illness and disability situations, employees were directed to contact Human Resources to assist them with navigating the process of obtaining Short-Term Disability and/or Family Medical Leave benefits.

Since the COVID-19 situation is still unfolding, Hanover Foods may extend the temporary suspension of attendance points beyond April 3, 2020, if appropriate. We likely will make this decision next week.

Also, as Federal, State and Local governments continued to roll out new social distancing recommendations and requirements attempting to slow and control the transmission of the novel Coronavirus (COVID-19), Hanover Foods too took additional cautionary measures. Hanover Foods has implemented the following additional cautionary social distancing measures:

- **Shipping –** Inbound drivers are asked to return and remain in their trucks upon announcing their arrival to our facilities. They are permitted to use bathrooms designated for their exclusive use.
- **Business Travel –** Hanover Foods temporarily has banned all business travel. Business will be exclusively conducted via telephone and video conferences.
- **Nonessential Visitors –** Hanover Foods has temporarily banned all nonessential visitors. We will continue to receive and send mail and accept those individuals and contractors with certain expertise and/or skills necessary to address operational matters.
- **Business Meetings –** Critical business meetings that require physical onsite presence to address significant business operations will continue. However, they will be conducted in a modified manner.

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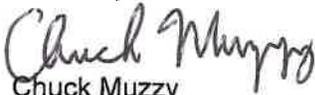
- Staggering Shifts – Hanover Foods is staggering its shifts in order to decrease the amount of interaction among employees.
- BioTech – Hanover Foods has delayed the implementation of new time and attendance equipment using fingerprint scanning.

Hanover Foods adheres to the stringent Food Safety Modernization Act cleaning protocols. Nevertheless, we have heightened our sanitation efforts in all our facilities due to COVID-19. Hanover Foods continues to follow Good Manufacturing Practices. On March 16, 2020, we hand delivered and posted the attached information concerning COVID-19 which includes good hygiene practices recommended by the Center for Disease Control (“CDC”), and the World Health Organization (“WHO”). It also includes excerpts from Good Manufacturing Practices addressing personal hygiene requirements. These policies and practices have not changed and must be followed.

In the event any employee is diagnosed with COVID-19 or directed to self-quarantine by a healthcare provider or asked to do so by Hanover Foods, the employee will not lose their seniority while they are unable to work. **If the employee is diagnosed with COVID-19, they would be eligible for short-term disability benefits.** If they have not been diagnosed with COVID-19, Hanover Foods Corporation **requires the employee apply unused vacation days to their absence. If the employee has no vacation days remaining, the employee may take unpaid leave.**

Hanover Foods continues to monitor updates from the CDC, the WHO, the U.S. Government and the various State governments and agencies. Hanover Foods will take additional cautionary measures as appropriate.

Sincerely,



Chuck Muzzy

Director of Human Resources

CORONAVIRUS (COVID-19)

According to the World Health Organization, the Coronavirus (COVID-19) is a new strain of a large family of viruses that cause respiratory illness. It was discovered in 2019. Common signs of infection may include respiratory symptoms, fever, dry cough, shortness of breath and breathing difficulties. COVID-19 more often causes shortness of breath and difficulty breathing – a sign that you should seek immediate medical attention.

Both the World Health Organization and the Centers for Disease Control and Prevention recommend practicing good personal hygiene to protect yourself and others:

- Clean your hands often:
 - Wash your hands often with soap and hot water for at least 20 seconds especially after you have been in a public place, or after blowing your nose, coughing or sneezing. This reduces germ count by up to 99%.
 - If soap and hot water are not readily available, use a hand sanitizer that contains at least 60% alcohol. Cover all surfaces of your hands and rub them together until they feel dry.
- Cover your mouth and nose with your elbow or tissue when you cough or sneeze.
- Avoid touching your eyes, nose and mouth if your hands aren't clean.
- Avoid close contact with anyone who is sick.
- Daily clean and disinfect surfaces you frequently touch (don't forget to clean your phones and computer keyboard).
- Stay home from work, school and public areas if you are sick.

Contact your primary care physician if you have any medical questions or concerns.

Good Manufacturing Practices and Personal Hygiene - Requirements. Among other things:

- **All employees must wash their hands thoroughly** before entering production areas, leaving the rest rooms, cafeteria or breakrooms. Employees must also wash hands after removing trash from work areas or completing any cleaning job. Hand sanitizing stations, while available throughout the production operation and should be used, are not a substitute for hand washing.
- **Any person (employees, visitors and contractors) affected by, or while a carrier of, a communicable disease will not be permitted to work in any food processing areas and must notify Supervisors and Human Resources immediately.**
- **Sanitary gloves provided by the Company must be worn whenever handling raw food products.** Gloves must remain clean and in a sanitary condition. Replace gloves when gloves become tattered. Gloves cannot be reused—once removed, replace with a new pair of clean gloves. The same rules apply to aprons and sleeve guards when provided.

The direction of Pennsylvania's Secretary of Health, Dr. Rachel Levine, **“Aside from practicing good health habits, we want you to practice good self-care to ensure your body is getting the proper nutrients from fruits, vegetables and getting enough sleep.”**

This summary is not medical advice. If you have medical questions or concerns, consult your primary care physician.



HANOVER

March 6, 2020

Dear Valued Customer,

Food Safety is Hanover Foods Corporation's ("Hanover Foods") core value and main focus. Hanover Foods is diligently monitoring reports and updates concerning the severity and spread of the Coronavirus Disease 2019 (COVID-19) worldwide. While the present threat to the United States is considered low, Hanover Foods is escalating its efforts to combat not only the spread of COVID-19 but also the spread of the garden variety flu and other infectious diseases. Below are just some of the measures Hanover Foods is taking as a company to minimize the spread of infectious diseases:

1. Reinforcing Good Manufacturing Practices specifically related to health and good hygiene by providing additional communications to our workforce and visitors concerning the same. All employees are required to maintain good personal hygiene, including, but not limited to, hand washing with soap and hot water and use of alcohol-based hand sanitizers. FYI. Washing hands for at least 15 to 30 seconds with soap and water reduces germ count by 99%.
2. Insisting upon good personal etiquette such as sneezing or coughing into a covered position such as into the elbow of a bent arm; and, encouraging our workforce to voluntarily stay at home or work from home (if possible) if they exhibit flu like or respiratory symptoms.
3. Encouraging telephone or other telecommunication conferences in lieu of business travel while COVID-19 is a concern.
4. Contacting our suppliers to understand the efforts they are making to combat the spread of COVID-19; the garden variety flu; and, other infectious diseases and requiring them to adopt similar precautionary measures.

Be assured that Hanover Foods is prepared to (and will) take additional precautionary measures to respond to any health-related threat should the need arise. Hanover Foods' goal continues to be to provide you, its customer, with high quality, safe food products. Hanover Foods facilities are fully staffed, fully operational, and able to meet any increase in demand that you may have for its products due to any impact that COVID-19 has on your business.

Thank you and best wishes for good health.

Sincerely,

Jeffrey A. Warehime, CEO

HUMAN RESOURCE NOTICE

Date: March 16, 2020

Re: Coronavirus (COVID-19)

From: Chuck Muzzy, Director of Human Resources.

Email: cmuzzy@hanoverfoods.com Direct Dial: 717-633-3923.

And

Connie Nonemaker, Employee Relations Manager

Email: cnonemaker@hanoverfoods.com; Direct Dial: 717-633-3908.

If you or a member of your immediate family have been exposed to the Coronavirus (COVID-19), immediately inform Human Resources.

No Attendance Points from March 16, 2020 to April 3, 2020. In order to accommodate employees that may have been impacted by COVID-19, **for verified absences due to COVID-19 including school closings, the Company is suspending the attendance point system at its production facilities from March 16, 2020 until April 3, 2020.** For all reasons other than COVID-19, your plant point system is still in effect.

Absence Due to School Closings. From March 16, 2020 until April 3, 2020, if you must be absent from work due to childcare issues related to the sudden and unexpected school closings, you must inform Human Resources of the absence as normally required. **The Company requires you to apply unused vacation days to your absence. If you have no vacation days remaining, you may take unpaid leave. The Company will continue your health care benefits, if you are covered by its Healthcare Plan; you will be responsible for paying your portion of the premiums.**

Absence Due to Illness: If you are absent from work due to illness, you must inform Human Resources of the absence as normally required. **If you are absent from work more than 3 days, you will need a medical note stating that you are fit to return to work. Please do not return to work until you are free of fever for at least 24 hours without the use of fever-reducing or other symptom suppressing medicines.**

Disability and Family Medical Leave: As with all extended illness and disability situations, please contact Human Resources to assist you with navigating the process of obtaining Salaried Continuation, Short-Term Disability, and/or Family Medical Leave benefits.

CORONAVIRUS (COVID-19)

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Both the World Health Organization and the Centers for Disease Control and Prevention recommend practicing good personal hygiene to protect yourself and others:

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 - Wash your hands often with soap and hot water for at least 20 seconds especially after you have been in a public place, or after blowing your nose, coughing or sneezing. This reduces germ count by up to 99%.
 - If soap and hot water are not readily available, use a hand sanitizer that contains at least 60% alcohol. Cover all surfaces of your hands and rub them together until they feel dry.
- Cover your mouth and nose with your elbow or tissue when you cough or sneeze.
- Avoid touching your eyes, nose and mouth if your hands are not clean.
- Avoid close contact with anyone who is sick.
- Daily clean and disinfect surfaces you frequently touch (don't forget to clean your phones and computer keyboard).
- Stay home from work, school and public areas if you are sick.

Contact your primary care physician if you have any medical questions or concerns.

Good Manufacturing Practices and Personal Hygiene - Requirements. Among other things:

- **All employees must wash their hands thoroughly** before entering production areas, leaving the rest rooms, cafeteria or breakrooms. Employees must also wash hands after removing trash from work areas or completing any cleaning job. Hand sanitizing stations, while available throughout the production operation and should be used, are not a substitute for hand washing.
- **Any person (employees, visitors and contractors) affected by, or while a carrier of, a communicable disease will not be permitted to work in any food processing areas and must notify Supervisors and Human Resources immediately.**
- **Sanitary gloves provided by the Company must be worn whenever handling raw food products.** Gloves must remain clean and in a sanitary condition. Replace gloves when gloves become tattered. Gloves cannot be reused—once removed, replace with a new pair of clean gloves. The same rules apply to aprons and sleeve guards when provided.

The direction of Pennsylvania's Secretary of Health, Dr. Rachel Levine, "**Aside from practicing good health habits, we want you to practice good self-care to ensure your body is getting the proper nutrients from fruits, vegetables and getting enough sleep.**"

This summary is not medical advice. If you have medical questions or concerns, consult your primary care physician.

MEMORANDUM FROM THE CEO

Date: March 16, 2020

To: Employees of Hanover Foods Corporation and its subsidiaries, Aunt Kitty's Foods, Inc.; Bickel's Snack Foods, Inc.; Spring Glen Fresh Foods, Inc.; and, The American Waffle Company, LLC

From: Jeffrey A. Warehime, CEO

RE: Business Continuity and Coronavirus (COVID-19)

The health and safety of our employees, our facilities and our customers are our primary concern during these unprecedented times. However, the Company plays a significant role in times of natural disasters and in times like this, as we face the novel (new) Coronavirus (COVID-19) pandemic. Supermarkets are among the essential businesses that must remain open. Store shelves must remain filled with good, nutritional food and other products. That can only happen if we keep our facilities open and fully operational. Our governments, customers and consumers rely on us to remain calm and vigilant in our commitment to produce and supply safe, quality foods and service. To quote Pennsylvania's Secretary of Health, Dr. Rachel Levine, **"Aside from practicing good health habits, we want you to practice good self-care to ensure your body is getting the proper nutrients from fruits, vegetables and getting enough sleep."** We must rise to the occasion and do our parts to keep America fed and healthy.

Late last week, several states, including, Pennsylvania, Maryland, and Delaware closed schools beginning Monday, March 16th through Friday March 27th. Similarly, several schools in New Jersey likewise have closed. Potentially, school closures could be extended beyond March 27th. These sudden school closures may have created challenges for some of our employees as they scramble to implement contingency care plans for their children. We also owe it to ourselves to stay healthy and not come to work when we are sick.

Therefore, **the Company is suspending the attendance point system at our production facilities effective immediately and through April 3rd**. Since the COVID-19 situation is still unfolding, the Company may extend the temporary suspension of attendance points beyond April 3, 2020 if appropriate. If so, you will be notified of the same. Please read the attached Human Resource Notice and contact your Human Resource Department with any questions.

Employees are encouraged to use telephone and video conferencing in lieu of business travel whenever possible. All business travel to countries that pose an unacceptable risk of harm, as determined by the Centers for Disease Control ("CDC") and the U.S. Government is prohibited. Furthermore, all business travel to large social gathering events (25 participates or more) such as large conferences and conventions are prohibited effective immediately until further notice.

Attached is information about COVID-19 gleaned from the World Health Organization and the CDC websites. **The recommended personal hygiene measures** are simple and squarely align with Good Manufacturing Practices. They **must be followed at all times**. Of course, our

summary here is not medical advice. Please contact your primary care physician if you have any medical questions or concerns.

Please know that the Company will continue to monitor announcements and precautionary measures taken by Federal, State and Local governments, and the business community to reduce the transmission of COVID-19. The Company will take additional precautionary measures as necessary.

Thank you for the significant role you play in providing safe, quality food products.

Best wishes for continued good health.