

Dear Partner / Customer / Vendor / Supplier / Employee:

RE: UPDATE ON BREXIT – ADI GLOBAL DISTRIBUTION

As you know we are a global business trading directly in 5 continents, and in Europe we have a significant position held in over 14 countries (exporting to a further 80+), with the UK being our largest market. As a result of the UK's referendum in June 2016 voting to leave membership of the European Union (EU), ADI has been working to assess and mitigate the likely impacts of 'Brexit' on its customers and suppliers under a variety of potential outcomes. Given the continued uncertainty as to whether there will be a "hard" or revised negotiated "soft" Brexit, not aided by UK Parliament vote to reject the current Brexit deal, I wanted to contact you proactively to inform you of our existing and future plans around Brexit.

Our supply-chain and customer service position

We source product from more than 700 vendors globally, and in Europe we have 70 branch locations (28 of which are in the UK). We have calculated the impact of a range of possible outcomes of Brexit and adjusted our inventory holding based on different scenarios. By building buffer stock in both the UK and Europe, and having the right plans in place, we expect to maintain our levels of customer service as we move towards the current Brexit deadline and through any reasonably foreseeable transition arrangements.

We plan to stay close to any impacts foreseen by our supplier partners and customers. We will take all reasonable steps to minimize any adverse end-to-end impacts and to take advantage of any opportunities that arise.

In closing, whatever happens during the coming period, ADI's fundamental objective is to ensure that we offer continuity of service and supply to our customers, wherever they are.

If you have any further questions or concerns, we have a dedicated team looking at BREXIT on a weekly basis. We have set up the following contact links:

- A) Sales enquiries (UK Customers) Dave Tate
- B) Vendor enquiries (UK & International) Julie Hartley
- C) General enquiries and enquiries from outside UK Marius Liebenberg

With an email address of adi-emea-brexit@adiglobal.com

Your sincerely

Michael Lawrence

General Manager – UK & Ireland

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