

February 2022

Dear Customer,

As we continue to experience historic market conditions with concerns over supply chain disruption, the labor shortage, and ongoing effects of the pandemic, we'd like to provide an update on how we're navigating these matters at MSC Industrial Supply Co.

Supply Chain Continuity: The industrial environment is showing improvement, but recovery continues to be impacted by unprecedented supply chain challenges. Like many companies, our suppliers are experiencing issues with material availability, container scarcity and port delays, increased demand for components and labor shortages. This is causing delays and longer lead times for finished goods, as well as significant volatility in costs.

To ensure continuity and delivery of the industrial supplies that you need most, we continue to partner with our 3,000-plus supplier partners to secure product and are making significant investments in inventory, just as we have done throughout the last 24 months.

We currently maintain robust inventory levels in our customer fulfillment centers and work daily with our suppliers to remain at the front of the line for their products. We continue to be well-positioned to support your needs with in-stock product offerings across most categories, even when availability is challenged elsewhere. We also have extensive sourcing capabilities for the hard-to-find products critical to your operations.

Continuous Improvement: While product availability is of the utmost importance, it's also critical to have a strong business partner who you can leverage to drive speed to market and overall profitability. MSC is at the ready to work side-by-side with you to optimize your operations and increase productivity with solutions and services that drive out costs. Our teams of specialists can conduct needs analyses to identify opportunities for our customers' continuous improvement without adding people or equipment.

Our Metalworking Specialists in the field and our in-house Metalworking Tech Team can support your machining applications and develop custom solutions to improve your indirect supply chain, address the labor shortage, and enhance cycle times. Contact them at 1.800.521.9520 or mscmwtechteam@mscdirect.com.

For assistance in ordering products or finding alternative product solutions, please contact our Customer Care team at 1.800.645.7270 or customercare@mscdirect.com.

We stand ready and able to help solve your mission-critical challenges and to ensure the continuity of your operations.

Sincerely,



Doug Jones
EVP & Chief Supply Chain Officer



Kim Shacklett
VP (interim), Sales & Customer Success