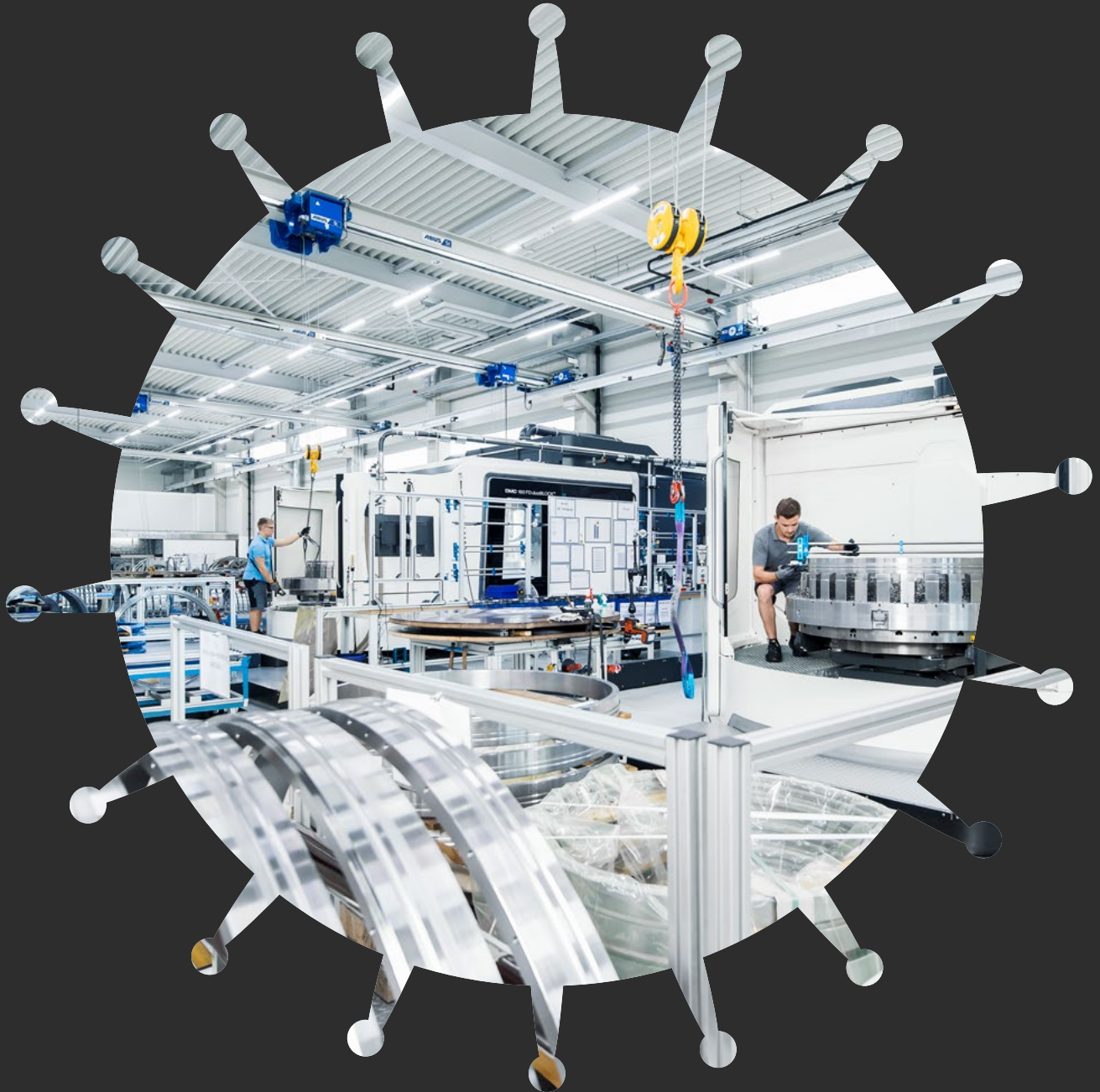




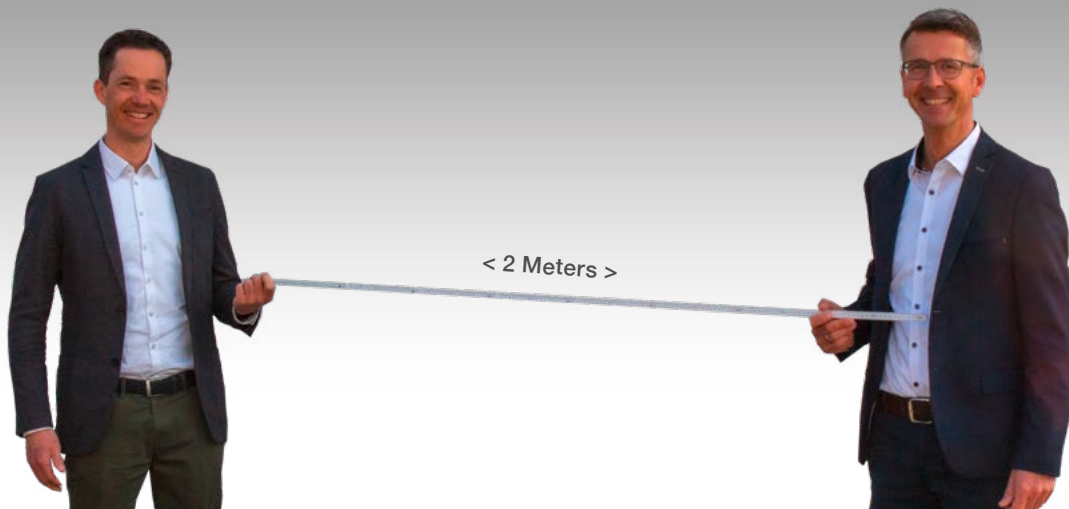
AROUND

The Magazine for all Franke
Employees and Representatives.
No. 01 | 2020



Franke: fit 4 Corona

How we currently work and what our customers expect from us.



Human character is revealed in the crisis. Helmut Schmidt

Dear Franke-Team,

Human character is revealed in the crisis. That applies to people and that applies to companies. We can already say one thing with conviction: if you take the corona crisis as evidence, the people at Franke show character. And so does the company itself.

We understand that it's all or nothing. *All* means: we avoid contacts, continue to fulfill our customers' wishes and secure jobs. The increased demand for components for medical technology shows that Franke is needed all over the world: we supply important components in the fight against the virus. *Nothing* means: the virus is spreading throughout the company and we cannot continue our work. Avoiding this to happen is our main job today.

„If you take the corona crisis as evidence, the people at Franke show character. And so does the company itself.“

Our investments and digitalization activities are now paying off. You remember: 2019 was the year of digitization. As a result, we can now work and communicate on a large scale without direct contact.

Stage 1 of our crisis management has kept us busy for the past few days. It was a matter of rushing through emergency plans. We have succeeded well. In **stage 2**, the measures and decisions regarding shift models, contact and hygiene regulations and for mobile work are now readjusted. **Stage 3** are then considerations of how to proceed in the medium term. It is clear that this crisis will not be over in 3 weeks. It is our task to check the measures initiated for our future work. We put our strategy, goals and projects to the test. In some places, completely new thinking has to be done, for example when it comes to addressing customers: trade fairs and print media are currently experiencing a decline, digital communication of content and services are booming.

Thank you for your active participation in the implementation of the measures. Thank you for reminding your colleagues of the rules in the crisis if necessary. Thanks to the shift workers who work under difficult conditions and thanks to the employees who work at home office. They are all strong characters. We are all Franke!

Stay healthy!

Yours sincerely,

Daniel Groz
General Manager

Sascha Eberhard
General Manager

Franke: fit 4 Corona:

Our Customers rely on us!

Franke has been a reliable partner in medical technology for many years. With innovations, quality and service, we have become the world market leader in CT bearings. Our customers all over the world rely on us - we must not disappoint this trust. Now it is time to supply the necessary number of bearings to meet the increased need for computer tomographs to combat the corona crisis. For our customers. And for many thousands of patients.

Planning is essential for a company's survival. We regularly prepare annual plans for the sale of our products together with our customers, representatives and partners. These estimates form the guideline for capacity planning, personnel planning and for material procurement. As a rule, our estimates are correct. But there are no rules at the moment, and no one could have predicted what was going to happen to the world. Everything seems to be turned upside down.

We feel it particularly in the medical sector. The corona crisis increases the demand for bearings and linear systems for medical and laboratory equipment. Our customers, many of whom are based in China, are currently increasing their orders and pushing for fast delivery. It even goes so far that big players offer to intervene for us with the federal government in order to be classified as a systemically important company and to be given preferential treatment. This could help us to get the CNC machines we urgently need faster.

In the area of CT bearings in particular, demand is skyrocketing. The x-ray of the lungs of sick people is essential for therapy. New manufacturers are entering the market to meet the needs (see example below) and the market leaders are coming up with new strategies. For example, SIEMENS delivers complete CT treatment rooms in containers that can

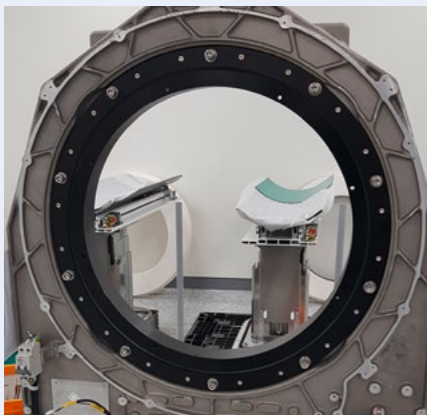
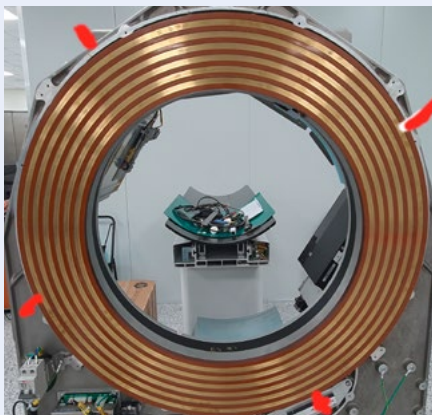
be easily placed in front of clinics or emergency shelters.



Foto SIEMENS Healthineers

We live in uncertain times. As little as we saw the development coming, we can estimate its duration. We know even less what will happen next. Certainly many needs for CT bearings are anticipated at the moment. The orders will go back sometime.

For the moment it is important to meet the requirements of the customers. And above all else: to stay healthy. As every one of us and as a company.



Necessity is the mother of invention: Because the capacities of the large manufacturers of computer tomographs have been exhausted, smaller providers are also involved. A Korean company that specializes in small CTs for pets (left) is now expanding its program to inquiries from the USA and has developed a human scanner almost overnight (middle). The bearing is produced by our representative Franke Korea (right). The example shows the current need for tomographs.

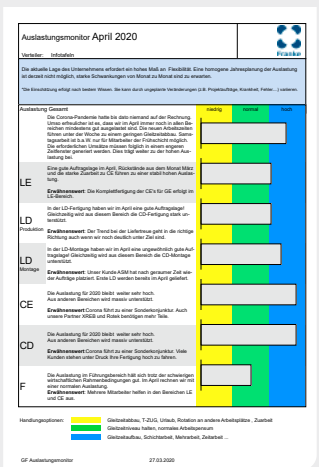
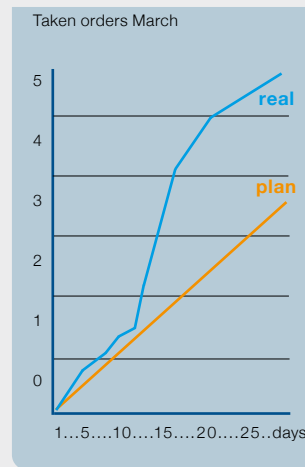
Flexibility in the crisis: We adapt to the conditions!

While most companies are already working short-time, Franke has more than enough to do. We are needed and our products are needed. This is a stroke of luck for all of us - we don't have to worry at the moment - the occupancy rate is good to very good in all areas.

However, the corona crisis is forcing us to change the way we work. Instead of meeting in the shop floor, it is suddenly about

distance and reduction of social contacts. We react to this with two rigorous and extremely effective measures: the strict separation of shifts in production and the reduction of the personnel present in the administration through mobile work.

We asked our colleagues how they were doing. You can read the result here and on the page next to it. Our brand values could not be better reflected: **we are flexible. We are Franke!**



Utilization is also good in linear guide production. Linear systems are used, for example, in patient couches, which are currently in increasing demand. Employees who are currently underutilized help out in other areas.

The outbreak of the crisis can be clearly seen in the taken orders. In the middle of the month we received more orders from medical technology. A workload monitor informs the workforce monthly about the expected employment in each shop floor.



Holger Baumann

Leaders of the production teams



Timo Bosch



Richard Schwab



Gabriele Di Nucci

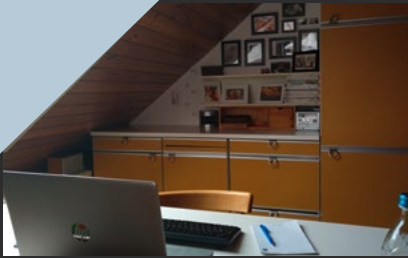
Leader of the works council



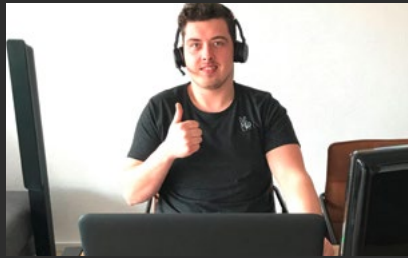
„The situation is a challenge for all of us, both privately and at work. Driving separate shifts prevents the risk of infection, but makes coordination between them more difficult. Fortunately, we have numerous digital systems to retrieve information. For the first time, shipping and warehousing are also integrated in the shift operation. This makes sense for the processes, but is difficult for everyone who is not used to shift work. But we have to go through this and therefore we all pull together.“

„The works council supports all measures taken to maintain operations. Above all, transparency and information are now in demand so that everyone understands what it is about. The works council is available if there is a need for clarification. We are convinced that we are on the right track and will quickly switch back to normal operation after the crisis. Unfortunately, no one can yet reliably say when the time will come. It is now a matter of maintaining discipline and being patient.“

Mobile working: My Home is my Office!



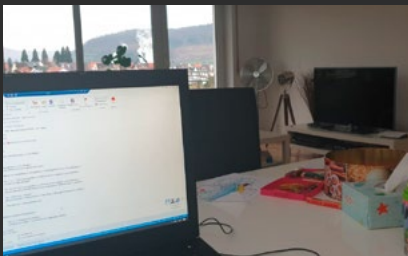
Doreen Grässle (Marketing): „A workplace under the roof offers the best conditions for mobile work and web meetings.“



Dominik Schneider (Engineering):
„Works great! I would not have thought that I could use my old Game-Boy headset again!“



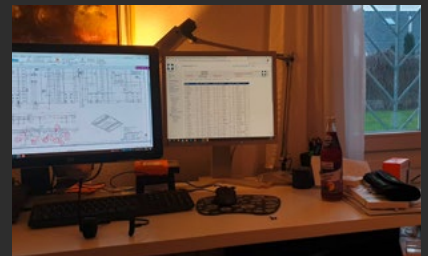
Philipp Engert (Technical sales):
„Working at home requires trust and discipline. I structure my day exactly as if I were in the office.“



Hakan Erkan (Engineering): „Children and home work are not always good. Then you retreat to the ergonomic ironing board in the bedroom.“



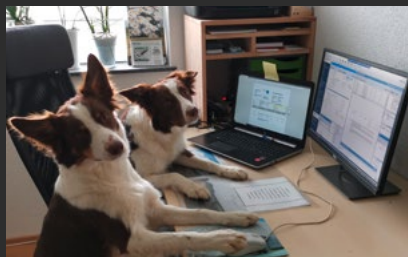
Petra Abele (Sales): „Since I have my own room at home for working, I am completely undisturbed there. Great that we reacted so quickly!“



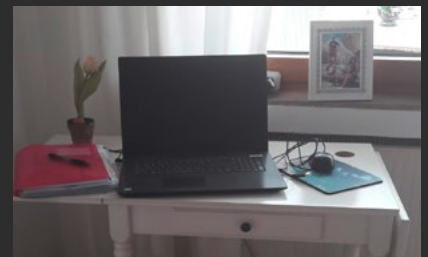
Philipp Kieweg (Engineering):
„I enjoy the view to the garden and should clean up my office again. :-) “



Michael Hauber (IT): „I am lucky that I can do a lot of tasks from home and that I have enough room to work comfortably.“



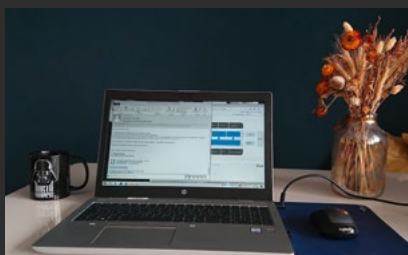
Nadine Heinzmann (Sales): „I am pleasantly surprised. Border collies are great working dogs. Or did I get something wrong?“



Andrea Haas (Sales): „It is going very well. I'm surprised at how quickly you can adjust yourself to a single screen instead of two at Franke.“



Sandra Eisele (Personell): „I get on well, but in the long run that wouldn't be the right thing for me. I like to have my colleagues around me.“



Thomas Hägele (Environment):
„Thanks to modern technology (high five to our IT) everything works fine! In addition we save energy & CO².“



Stephan Kuhn (Management):
„Technically everything is possible now. I can even attend the board meeting from home. Great!“

Communication in times of Corona: Digitally connected to the world

Corona brings a lot of confusion, not just the usual way of working within the company. Communication with representatives, customers and all external corporate communications are also turned upside down.

All planned trade fairs have been rescheduled, but in most cases they have been completely canceled. The campaigns created for this are no longer valid and must be replaced by new content. It is also important to consider replacing the lack of customer presence with new approaches.



The sales conference planned for March 26 with all representatives from Germany, Austria and Switzerland had to be canceled. A web meeting was held at short notice. Almost 20 participants followed the lectures from the areas of sales, marketing and advertising online. A successful event that should also be used to convey additional content.

Many of our customers' employees are in the home office, some companies are closed. Personal customer visits to coordinate projects are currently not possible. Online meetings are also increasingly used here.

It will be a communication challenge that will surely have long-term consequences. We have to think about putting even more resources into the digital presence without losing the personal connection - some examples already exist. Terms like webinar, virtual showroom, digital fair, chatbots, podcasts or similar should no longer be foreign words in the future.

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We asked our representations abroad how they are currently doing:



Roberto Pescaroma, Franke Italy: „It's like we were inside a bad thriller: countless people infected and thousands killed. All irrelevant companies are closed, including us. Thanks for the support from the Franke team!“



Ignacio Garcia, Franke Spain: „Spain was not prepared for the virus. Many people now work in the home office. This delays decisions. I am planning mailing campaigns for the time after Corona. All the best for you!“



Félix Houssay, Agora France: „We work at home. We are well organized and have adjusted our processes. Instead of at the coffee machine, we now meet on video to coordinate and discuss things. - And drink coffee together!“



Phil Worden, Franke Great Britain: „We continue to plan our marketing campaigns and renovate the office for the time after the crisis. We are still in good spirits that everything will soon be over. Everything good for you!“