

**Balchem Corporation**  
*COVID-19 Action & Response Plan Update*

October 27, 2020

On October 6<sup>th</sup>, we announced the beginning of a new Phase 0.5 of our Phased Return to Offices. Since that time, we have received positive feedback that this approach has been helpful to employees, enabling them to utilize the offices for their specific needs while keeping density levels low. As we continue to monitor the COVID-19 situation, many parts of the world are experiencing an increase in positive cases with trends changing on a monthly or even weekly basis. Therefore, the decision has been made to remain in Phase 0.5 at least for the remainder of this year and into the early part of 2021. We will re-evaluate the situation in the first few months of 2021 for consideration of possibly moving into Phase 1 sometime in the second quarter.



Over the last few months, we have received an increasing number of requests for office access based on the various difficulties of working from home or the need to access files, special printers, and other tools in the offices. With Phase 0.5, we are recognizing this real need by opening the offices for employees who seek approval on a case by case basis. We will grant permission to a limited number of employees to ensure density levels stay below a maximum of one third capacity.

In anticipation of the limited re-opening, we implemented critical protection measures at our offices. These new protection measures include:

- Density limitations
- Temperature monitoring devices
- Daily health screenings conducted via smartphone app
- Face coverings, hand sanitizer and other cleaning supplies provided to all office employees
  - **Social distancing (> six feet) and face coverings are required in office hallways and other areas where social distancing cannot be maintained**
- Capacity limited in meeting/conference room and communal spaces

We are pleased to report that there are no other significant changes from our last update (10/6/2020) of the plan and we continue to be encouraged by the resilience of our dedicated employee teams as all of our manufacturing sites presently continue to operate uninterrupted, despite the global disruption that continues to be caused by this situation. We remain focused on steadfast adherence to preventative measures and guidance from external experts to ensure the safety and health of both our employees and our operations. There will undoubtedly be many more unique challenges ahead, but we are prepared to continue providing essential products to our valued customers across multiple critical industries.

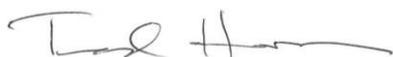
The following update to Balchem's *COVID-19 Action & Response Plan* is based upon our assessment of the most critical risk areas to protect our employees' health and safety and mitigate potential disruption at Balchem production facilities.

- 1. Balchem Travel, Office Employee and Site Visit Restrictions:** Balchem continues to restrict non-critical business travel (except for the limited resumption announced previously) and site visits by customers, auditors and suppliers. Our office personnel continue to work from home with minimal disruption.
- 2. Site Prevention Measures:** In early March, we began implementing COVID-19 prevention measures in alignment with WHO, CDC and OSHA guidance for all employees and visitors at our sites. The measures include requirements such as social distancing, enhanced cleaning protocols, illness notification procedures, and staggered shift schedules to further reduce density.
- 3. U.S. Operations; Inventory Stocks:** Our supply chain, including inbound supply of key raw materials and outbound delivery of finished products, is functioning normally. We will continue to strategically increase stocks of key raw and finished materials, staging additional inventories of key products for redundancy of distribution, and building safety stock levels at certain customer locations.
- 4. International Operations; Inventory Stocks:** Our Italy-based production facilities in Marano and Bertinoro, as well our Grimbergen, Belgium plant continue to operate and function uninterrupted at the present time. The transport of raw and finished materials continues throughout Europe at near normal levels. We continue to strategically increase stocks of key raw and finished materials, as well as staging additional inventories at other European locations for ease and redundancy of distribution. Our plant in Kuala Lumpur, Malaysia also continues to operate normally.
- 5. Continuity of Service and Support:** Our customer service teams continue to service orders and our order entry process is functioning normally. Each of our teams have the ability to continue supporting you virtually.

Balchem's corporate and local leadership continues to monitor this situation and remains committed to keeping you informed as conditions warrant any further updates.

Thank you for your continued understanding, trust, and loyalty as we push forward in this unprecedented time. If you have additional questions, please direct them to your Balchem account representative or customer service contacts.

Sincerely,



Ted Harris  
Chairman & CEO  
Balchem Corporation