

Balchem Corporation
COVID-19 Action & Response Plan

March 10, 2020

As global concerns surrounding the COVID-19 coronavirus outbreak continue to escalate, Balchem Corporation is taking increasing measures as we attempt to ensure an adequate supply of key products to our valued clients, while also ensuring the safety and security of our dedicated employee teams.

The following *COVID-19 Action & Response Plan* is based upon our assessment of the most critical risk areas to attempt to mitigate any potential production disruption at Balchem production facilities and lessen the possibility of supply disruptions to our customers. We continue to work with our trusted industry partners and relevant experts for further guidance. While we understand that it is impossible to eliminate all risk associated with the outbreak, we believe that it is essential for you to understand our present mitigation efforts. Below are the current elements of Balchem's *COVID-19 Action & Response Plan*.

- 1. Balchem Travel and Site Visit Restrictions:** Balchem has restricted all non-critical business travel, both domestic and international, to ensure the safety of our employees and customers and help contain the spread of the virus; this restriction does not impact commuter travel. Critical business travel will be determined in consultation with Balchem Senior Management. This business travel restriction applies to all Balchem employees. Balchem is also restricting site and facility visits by customers, auditors and suppliers that are not essential for ongoing business operations. Both the travel and site visit restrictions are in place until further notice.
- 2. U.S. Operations; Inventory Stocks:** Operations at U.S. based Balchem facilities currently continue uninterrupted. Further, we are increasing stocks of key raw and finished materials to minimize, where reasonably possible, supply disruption. Additional inventories of key products may be staged at other Balchem locations for ease and redundancy of distribution. We are also working with customers to build safety stock levels at customer locations able to hold additional volumes.
- 3. International Operations; Inventory Stocks:** As of March 9, 2020, Italian Officials have placed the entire country on "lockdown," implementing strict limitations on travel within, into and out of the country. Notwithstanding this lockdown, local Italian authorities have confirmed that operations at our two Italy-based production facilities in Marano and Bertinoro are considered "approved work-related activity" sites and will therefore continue to operate and function uninterrupted at the present time. The approved work-related needs should allow the transport of raw and finished materials to continue in and out of Italy. As in the U.S., we are increasing stocks of key raw and finished materials as well as staging additional inventories at other European locations for ease and redundancy of distribution. As the situation in Italy continues



to evolve at a rapid pace, Balchem will keep our customers informed of changes that impact our operations in the country. Our manufacturing sites in Grimbergen, Belgium and Kuala Lumpur, Malaysia are currently outside of the high-risk areas and are operating as normal at this time.

- 4. Continuity of Service and Support:** Our customer service teams will continue to service all orders and we do not presently anticipate any disruption to our order entry process. Please continue to place your orders as you have in the past. While sales and technical personnel will not be available for personal site visits to your location due to Balchem travel restrictions, our teams do have adequate equipment and connectivity to support you through digital video conferencing, webinars, and normal phone and email support.

Balchem's corporate and local leadership is monitoring this rapidly evolving situation and is committed to keeping our valued customers informed as conditions warrant any further updates. Please know that we are thinking of you and your families, friends, and colleagues, and we are committed to providing the support you need.

Thank you for your continued understanding and loyalty as we work through these challenging issues. If you have additional questions, please direct them to your Balchem account representative or customer service contacts.

Sincerely,

Ted Harris
Chairman and Chief Executive Officer
Balchem Corporation