

Balchem Corporation
COVID-19 Action & Response Plan Update

May 18, 2021

On April 6th, 2021, we announced that we were moving into Phase 1 of our Phased Return to Offices. Moving to Phase 1 has enabled us to begin utilizing our offices again while helping manage office density to no more than 1/3 capacity. The voluntary nature of this return phase provided the flexibility necessary to accommodate individual employee needs and local jurisdictional requirements.

We are thrilled to see many positive developments relative to the pandemic over the past several weeks, including an acceleration in vaccination rates and a significant decline in positive cases in many parts of the world. It is very encouraging to see that we are quickly moving closer to being together again in our offices and returning to other activities that have been restricted since the beginning of last year. Therefore, as of May 17th, 2021, we have advanced to the next phase in each aspect of our path to the new normal.

- 1) **Phased Resumption of Business Travel** - Moving forward to Phase 3, which will allow business segment/function VP's to approve domestic travel. International travel will continue to require CEO's approval.
- 2) **Phased Return to Offices** – Moving forward to Phase 2 which increases office density to 2/3 capacity
- 3) **Phased Site Visits by Third Parties** – Moving forward to Phase 2 which will allow business segment/function VP's to approve site visits
- 4) **Phased Easing of Workplace Protective Measures** – Moving forward to Phase 1 to selectively remove certain protective measures that are no longer essential

We will continue to monitor the situation over the coming weeks to determine if and when it is appropriate to proceed to the next phase(s) for any of the areas listed above.

A variety of protective measures will continue to remain in place at this time, including:

- Density limitations
- Temperature monitoring devices
- Daily health screenings conducted via GoCanvas smartphone app
- Face coverings, hand sanitizer and other cleaning supplies provided to all office employees
 - **Social distancing (> six feet) and masks are required in office hallways and other areas where social distancing cannot be maintained**
- Upgraded HVAC filtration systems in certain offices
- Office reconfigurations and/or density allocations to ensure appropriate social distancing
- Meeting/Conference room and communal spaces limited to 50% capacity (as long as social distancing can be maintained)

We are pleased to report that there are no other significant changes from our last update (4/6/2021) 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 locations have re-opened on a voluntary basis at 2/3 capacity.
- 2. Site Prevention Measures:** In early March 2020, 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