

March 17, 2020

To our Valued Valtris Customers,

In response to the outbreak of the novel coronavirus (COVID-19) and the recent characterization of the outbreak as a pandemic by the WHO, Valtris is actively monitoring the situation and taking additional measures to assure the health and safety of all our stakeholders as well as the continued supply of our products to our customers. We have activated our crisis management plan where company leadership is meeting frequently and continuously evaluating the potential consequences to our operations. Valtris is taking steps to minimize potential disruptions to our various supply chains and to reassure you, our global customers, that there is currently very limited impact on our ability to supply you with any of our product grades. We have business continuity plans in place including multiple sources of key raw materials, inventories of finished goods, and employee support options should constraints become apparent in the coming days/weeks. The situation is evolving very quickly and differently in various parts of the world and some industries are impacted in different patterns. We can only encourage you to share with your Valtris contact all relevant information on your business and the evolution of your requirements so that we can maintain the most adapted level of service.

So far, there have been no material shortages or supply interruptions in our operations at any of our 9 manufacturing sites located in the UK, Belgium, France, Netherlands, and the United States. Regarding our raw material purchase activities, taking into consideration current inventories of both raw materials and finished goods at our manufacturing sites, we do not see any reason for concern at this moment in time. As of this writing, the impact of the coronavirus outbreak to our operations has been limited to some logistics delays on export shipments, where marine carriers indicate they are facing many void sailings and expect further capacity drops around 50% to 70% in the upcoming weeks (March and April) globally. There could be some trucking delays in Europe as border control activities have increased this week, especially between Germany and France as well as some issues crossing into Italy.

In addition to strictly adhering to local government guidelines, we have implemented the following:

- Valtris has issued company-wide ban on air travel until further notice
- Practicing social distancing, as appropriate and to the greatest extent possible, where we are restricting group gatherings of employees and postponing or changing meetings to video/phone interactions
- All external meetings, including those with customers or suppliers, have been cancelled until further notice and replaced by telephone or web conferencing
- All attendance to events such as conferences, exhibitions, industry meetings and training courses have been cancelled or postponed
- We are enabling more personnel to have the capability and support to work from home where appropriate, should this decision be taken either by local government policies or by the Valtris leadership team
- We are working closely with all our suppliers, third party service providers and carriers to manage the current situation and avoid disruption to the supply of our products to our customers

We will keep you informed of any changes as developments warrant. Valtris' highest priority is the health and safety of all our constituents. We are working with relevant local and government authorities and other stakeholders to ensure the safety of our employees, contractors, visitors and nearby communities. Please contact your Valtris account representative if you have any questions. We thank you for your understanding and cooperation in these challenging times.