



Status: February 20, 2020

We are committed to keeping you informed of our efforts to ensure minimal disruption to our supply chain, as well as our commitment to the safety of our employees and our customers -- who remain our priority, as measures are taken to contain and treat COVID-19.

Dear Customer:

As a global life science business, we are committed to supplying our customers in all markets served and, as such, are actively monitoring our supply chain for potential impacts due to escalation in the outbreak of the Coronavirus disease (COVID-19) caused by the SARS-CoV-2 virus.

We are following the guidance outlined by the government of the People's Republic of China, which has implemented strict transportation restrictions that further limit logistics traffic to and from China. At this time, we have resumed operations at our China production facilities in Nantong and Wuxi; however, we are not yet operating at full capacity. We are working closely with local officials to support our employees and the continuation of production efforts. We are closely monitoring logistic routes and transportation options to fulfill our shipping requirements.

MilliporeSigma has mobilized a global task force to actively evaluate the overall supply chain of both our products and key raw material suppliers to mitigate any potential supply disruption. As our China suppliers also begin to resume operations, we are in contact with them to review open purchase orders and assess our safety stock levels. We will then determine options for alternative sources. Identified impact on orders will be communicated directly to customers through our Commercial Services team.

We are deploying all necessary resources and working alongside distribution partners and carriers to meet the urgent needs of our customers by supplying products supporting the detection of COVID-19, as well as products needed for the development of a vaccine.

Separately, our parent company, Merck KGaA, Darmstadt, Germany, is donating cash and research products to support the scientists in China in order to accelerate the research, virus diagnosis and testing efforts. In China, MilliporeSigma has donated relevant research products worth more than 550,000 RMB (approx. US\$79,000).

On behalf of MilliporeSigma, thank you for your patience as we work with our global colleagues and partners during this challenging time.



The life science business of Merck KGaA, Darmstadt, Germany operates as MilliporeSigma in the U.S. and Canada.

MilliporeSigma Q&A

General

How is MilliporeSigma supporting its customers in China?

MilliporeSigma is committed to the safety of our employees and customers in all markets it serves, and, as such, we are actively monitoring our supply chain for potential impact due to the escalation in the outbreak of the Coronavirus disease (COVID-19) caused by SARS-CoV-2.

Additionally, we are deploying all necessary resources and working alongside distribution partners and carriers to meet the urgent needs of our customers working on the virus by supplying products supporting the detection of COVID-19, as well as products for the development of a vaccine

Logistics & Materials

Do you have operations in China?

We have manufacturing sites in Nantong and Wuxi, China. Both facilities have resumed partial operations. The business is working with local authorities to ensure employees who are currently impacted by travel restrictions in the local regions can be at work.

What areas of the product portfolio do these sites support outside of China?

These facilities supply portions of the Research and Applied product portfolio outside of China.

How are you monitoring the impact of the logistics restrictions of key suppliers?

We are in contact with our key suppliers in China to review open purchase orders and assess safety stock levels. We will then determine options for alternative sources, if required. Any changes or impact on orders will be communicated directly to customers through our Commercial Services team.

Is there any impact on the transportation of material in/out of China?

The Global Distribution team is actively monitoring open channels in and out of China and have been successfully moving product where possible. As you may be aware, many air carriers that we typically use for freight are presently not flying to or from China. We have been leveraging shipment by ocean, however, due to drivers in China not being able to return to work, and road blockages, product delivery is limited at this time. In addition, customs clearance congestion at the ports is impacting cold chain deliveries.

What is the impact to your supply chain over the next three months, specific to finished products?

Given the dynamic nature of the situation, it is difficult to assess the longer term impact on specific items. Future impacts will be dictated by current inventories of raw materials, product demand, functionality of shipping channels, availability of alternative sources and human health. We are continuously assessing all aspects to understand and mitigate potential supply chain risks.

Is there risk of concern for transmission of COVID-19 via products coming from China?

We have received inquiries related to the safety of our products due to the outbreak of COVID-19. We have evaluated the situation, and we are aligned with the U.S. Center for Disease Control and Prevention (CDC), which concludes in its statement of February 15, 2020, "because of poor survivability of these coronaviruses on surfaces, there is likely very low risk of spread from products or packaging that are shipped over a period of days or weeks at ambient temperatures. Coronaviruses are generally thought to be spread most often by respiratory droplets. Currently there is no evidence to support transmission of COVID-19 associated with imported goods [...]."

Are customers who are receiving products from China, either within or outside of China, following any additional sanitation procedures?

We are not aware of any additional protocols for the handling of products shipped from or delivered within China. Customers should follow their internal protocol for receiving products.

