

Impact of Coronavirus on product delivery from LANXESS Inorganic Pigments

February 04, 2020

LANXESS AG



www.lanxess.com

Dear customers and business partners,

we would like to use this letter to give you an update on the situation of the novel coronavirus and its related effects pertaining to LANXESS. We are taking our responsibility toward society, our employees and our business partners very seriously. Our thoughts are with the people who are most impacted by the outbreak of the novel virus.

The situation remains fluid and we are following it very closely. We closely monitor and act in accordance with the prevention and control actions of the Chinese central and local governments.

In the following we would like to inform you about the impact of the coronavirus on the product supply from LANXESS' production site in Ningbo, China. Please note, product supply from all of our other production sites outside of China are not affected. Should there be any current issues that you are facing or are aware of, please do not hesitate to revert immediately to your contact at LANXESS.

What impact will the coronavirus outbreak have on product deliveries from LANXESS' Ningbo site?

We are closely monitoring the situation of the novel coronavirus (2019-nCoV) and the developments in China so that we can adapt our measures to the new situation at short notice. Chinese authorities have asked local companies to extend the current national Chinese New Year holiday period by 10 days until February 10th in order to prevent spreading of the virus. An extension in time is possible, but at this point in time not foreseeable. Lanxess is working closely with the local authorities and fully follows their advices and recommendations.

At this point in time we are running the red synthesis at our Ningbo site on a limited basis and have paused the mixing and milling department. We expect to resume full production with our complete operating team on February 10 - depending on the advices and recommendations of the local authorities. However, it is still unclear what influence the coronavirus will have on public transport & logistics outside of our plant – which is not in our hand. This might affect the availability of truck drivers or other logistic restrictions of the Chinese government (ports, road transport etc.). As a consequence, we must be prepared that some deliveries will be delayed. For more details, you will be contacted by our local LANXESS sales representative.

Is there a possibility that goods from Ningbo are contaminated with the coronavirus?

According to our knowledge the virus can only survive in the environment for a short time. There is no evidence that a contamination via trade goods is possible. For this reason, goods from our Ningbo site can be processed without special treatment.

What care is being taken at your facility for safe keeping of your people & assets to avoid any long term damage?

At this point, no Lanxess employee at our Ningbo site has been affected. We already implemented various prevention and control actions: body temperature of each employee is checked before site entering, disinfection areas have been installed, employee travel history is being tracked, carefully, etc.

February 03, 2020

Subject

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