

Phoenix Contact Subsidiaries
Att: General Manager

Chief Executive Officer
Chairman of the Executive Board
Frank Stührenberg

07 February 2020 HC

Coronavirus: Information on the current status in the Phoenix Contact Group

Dear Ladies and Gentlemen,

The number of people being infected with the Coronavirus is currently increasing in many parts of the world, China in particular. It is still too early to be able to predict all the effects this may have on supply chains. We are, however, confident that these effects will initially be limited to production downtimes in China, and restrictions in the flow of goods from and to China.

We are closely monitoring developments in China and will fully support the measures and actions issued or taken by the authorities.

We have already taken precautionary measures to help reduce the spread of this virus:

- There is currently a ban in place on any Phoenix Contact employee traveling to China.
- At the same time, employees in the Greater China region are currently banned from traveling to other countries on business.
- The Phoenix Contact facility in Nanjing has been closed due to the Chinese New Year celebrations, as is the case every year. In view of the current situation, we have extended the New Year holidays by one week for employees. The facility will therefore remain closed up to and including February 9, 2020 for the time being.

We manufacture part of our product portfolio at our Nanjing facility, predominantly for sale within China. The Phoenix Contact production network is global – we manufacture products at several locations in parallel. 90% of the added value is generated outside of China. This means that we are able to limit the effects of production downtimes in Nanjing.

Goods from China are still in transit via ocean freight routes. Effects caused by the downtimes in Nanjing, arising in other than individual cases, will first become noticeable towards the end of February. Our “Value Chain Management” task force is using this time to prepare measures and actions aimed at alleviating any potential bottlenecks.

Moreover, substituting products is also a suitable option to compensate for any bottlenecks. To this end, please contact your usual contact partners.

Personally liable partner:
Phoenix Contact Verwaltungs GmbH
Amtsgericht Lemgo HRB 5273
Kom. Ges. Amtsgericht Lemgo HRA 3746

Group Executive Board:
Frank Stührenberg (CEO)
Roland Bent
Prof. Dr. Gunther Olesch
Axel Wachholz

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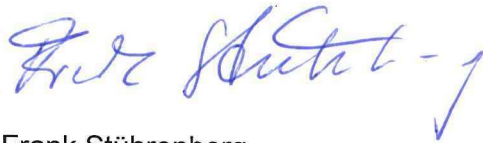
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As a precaution, we are currently building a website that will include the latest information on our activities and the option to deliver our goods.

Naturally, your usual contact partner is available to answer any additional questions that you may have.

Best regards



Frank Stührenberg
Chief Executive Officer