

March 26, 2020

Re: Mercury Systems, Inc., 2019 Novel Coronavirus (COVID-19) Response

Dear Valued Mercury Customer,

As part of our commitment to transparent and frequent communications, this letter is intended to provide the latest updates to our Coronavirus (COVID-19) response. We want to keep you apprised and up to date on the many steps Mercury has taken and continues to take in accordance with new information. Of particular relevance is the official designation of the defense industrial sector as essential to ensuring the security, health and safety of the United States. Specifically, as outlined by the Cybersecurity and Infrastructure Security Agency ([CISA](#)), Mercury is considered a critical infrastructure provider and to date has been approved to continue operations in all states where Mercury has sites. Based on this designation, and in recognition of the important mission-critical role Mercury plays within the aerospace and defense industry, senior leadership has confirmed that all of our U.S. sites will remain open.

Even before COVID-19 was declared a pandemic, we recognized the need to take advantage of early windows of opportunity, to commit to leading from the front, to develop plans to possibly prevent or at least minimize the impact of an incident to employees and the business, and to have continued decisive, proactive responses to a constantly developing situation that are in keeping with our purpose, our commitment to corporate stewardship as well as our culture and values.

Mercury continuously evaluates and assesses the impact of significant events that may affect the health and safety of our employees, as well as those that may impact our operations and ultimately you, our customer. As a result, we have:

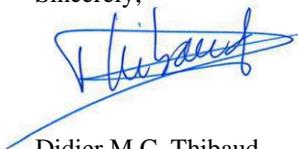
- Appointed a COVID-19 Response Committee which convenes daily;
- Held weekly interactive CEO-led Skype meetings with all managers + daily 'All Employee' continuity updates
- Asked all employees who are able to work from home to do so (>50% of employee population);
- Put in place segregation areas and other social distancing requirements at all of our facilities in adherence to recommended CDC guidelines;
- Instituted a policy of 120 hours additional sick leave for employees for Coronavirus-related circumstances;
- Placed a hold on all international and domestic travel and all non-critical on-site customer and supplier visits;
- Cancelled participation in all trade shows, conferences and speaking engagements for the next 90 days;
- Established a relief fund, starting at \$1M, to assist eligible Mercury employees experiencing unexpected financial burdens as a result of this crisis;
- Incorporated various levels of extended cleaning and deep cleaning protocols for all sites; and,
- Published multiple customer facing blogs and set up a dedicated customer [microsite](#) for maintaining up-to-date business continuity information. (Check back regularly for timely and pertinent updates.)

At Mercury, our focus remains on delivering critical technology to our customers. We have a strong balance sheet, are well capitalized, have zero debt, and have support from long-term shareholders. Currently, we are executing against our business continuity plans to ensure our employees remain productive, efficient, and connected, whether working on-site or from home.

As of the date of this letter, there have been no major disruptions to our supply chain or product deliveries. We are actively working with our critical supply base to assist with establishing proper defense industrial base designations in order to maintain continuous operations. We will communicate directly to customers impacted by any delivery delays and are investigating multiple options to minimize potential delays, including manufacturing in other Mercury facilities.

As local, state and federal government agencies enact measures to address this pandemic, we remain committed to keeping you, our valued customers, informed. Mercury appreciates your partnership and your continued confidence in us.

Sincerely,



Didier M.C. Thibaud
Executive Vice President & Chief Operating Officer