Risk Factors Comparison 2024-02-21 to 2023-02-22 Form: 10-K

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The following discussion of" risk factors" identifies the material factors that may adversely affect our business, financial condition or results of operations. Potential investors should carefully consider these risks and the other information in this ~~2022~~ **2023** Annual Report when evaluating our business. This discussion is not all inclusive and additional risks that are currently unknown to us or that we currently consider to be immaterial may also impair our business operations and cause our future results to differ from our expectations. BUSINESS & OPERATIONAL RISKS We may be unable to compete successfully in the competitive markets in which we operate and, as a result, we may experience pricing pressure, fewer customer orders, reduced margins and the loss of market share. We may be unable to compete successfully in the competitive markets in which we operate. In these markets, we encounter competition from numerous and varied competitors in all areas of our businesses. Some of our competitors have longer operating histories, greater resources ~~and~~ **,** greater brand recognition ~~,~~ and a larger base of customers than we do. As a result, we may lose business, customers and market shares if we are unable to devote greater resources to the research and development, manufacturing, formulation, promotion, sale or support of our products, withstand adverse changes in economic conditions or prices of raw materials, and / or maintain competitive pricing. In addition, our competitors could enter into exclusive arrangements with our existing or potential customers or suppliers which could limit our ability to generate sales, acquire necessary raw materials and / or significantly increase costs. In addition, the markets in which we operate are driven by consumer preferences that are rapidly changing as well as frequent new product introductions and improvements. As a result, we must develop new products and services that offer distinct value to our customers in order to compete successfully. We seek to provide products tailored to the often- unique and evolving needs of our customers which require an ongoing level of innovation. Our inability to anticipate customers’ changing needs or adapt to emerging technological and business trends accurately, control research and development costs or execute our innovation strategy could adversely affect our ability to sustain our market positions and / or penetrate new markets. Consolidation of our competitors could also place us at a competitive disadvantage and reduce our profitability. We operate in industries which are fragmented on a global scale, but in which there has been a trend toward consolidation in recent years. Consolidations of our competitors may jeopardize the strength of our positions in one or more of our markets which could adversely affect our business, financial condition or results of operations as well as our growth potential. If we don' t successfully execute our go- to- market strategy, our business and financial performance may suffer. Our go- to- market strategy is focused on leveraging our existing portfolio of products and services as well as introducing new products and services to meet the demands of our customers in a continually changing technological landscape. To successfully execute this strategy, we must emphasize the aspects of our core business where demand remains strong, identify and capitalize on organic growth, and innovate by developing new products and services that will enable us to expand beyond our existing technology categories. Any failure to successfully execute this strategy, including any failure to invest sufficiently in strategic growth areas and support our research and development activities, could adversely affect our business, financial condition or results of operations. In addition, the process of developing new high- technology products or enhancing existing products is complex, costly and uncertain. After we develop a product, we must be able to manufacture appropriate volumes quickly while also managing costs and maintaining the high **-** quality level that our customers expect. Any delay in the development, forecast, production and / or marketing of a new product could result in us not being among the first to market which could further harm our competitive position. Meeting customer demand depends in part on our ability to obtain timely deliveries from our suppliers and contract manufacturers. **To** ~~Considering the recent supply chain-related challenges, we have increased our procurement efforts to~~ help ensure continuity of supply to our customers ~~. These~~ **, we have** ~~increases~~ **increased our procurement efforts** ~~in materials inventory and purchase commitments~~ to shorten lead times **. These increases in materials inventory and purchase commitments have resulted, and** could **continue to** result **,** in excess and **/ or** obsolete inventory charges if the demand for our products is ultimately less than our expectations. Our substantial international operations subject us to risks of doing business in foreign countries which could affect our business, financial condition or results of operations. Our products are manufactured, formulated, distributed and sold globally. In ~~2022~~ **2023** , approximately 75 % of our net sales were generated from non- U. S. operations. As a result, we face certain risks inherent in international trade which may reduce our sales and harm our business, including: • political uncertainties ~~and general instability~~ , war, terrorism and other instability risks and their impact on the global economy, market conditions and supply chain operations, including risks caused by the ~~COVID- 19 pandemic, the~~ ongoing ~~conflict~~ **war** between Russia and Ukraine ~~and~~ **,** the **Israel- Hamas conflict** ~~related sanctions imposed by the U. S.~~ and other **hostilities in** ~~countries, and~~ the ~~relationship~~ **Middle East and the increased tariffs and trade restrictions** between China and the U. S.; • changes in global or local economic conditions, including inflation, hyperinflation, fluctuations in interest rates and other increasing price levels in certain sectors, such as energy, impacting availability and cost of goods and services; • fluctuations in currency values and currency exchange rates for countries in, or with which, we conduct business; • **changes or uncertainty in international, national or local legal environments, including tax, data handling, privacy, intellectual property, consumer protection, environmental and antitrust laws; •** adverse tax consequences, including as a result of **changes in taxation and regulatory requirements,** transfer pricing practices involving our foreign operations, and additional withholding taxes or other taxes on foreign income; • foreign exchange controls or other currency restrictions and limitation on the movement of funds, potentially leading to the inability to readily repatriate earnings from foreign operations effectively; • **natural disasters, extreme weather events, regional or global health concerns, such as the COVID 19 pandemic; •** establishing and maintaining relationships with local distributors and OEMs; • governmental regulations **and / or sanctions** affecting the import and export of products, including global trade barriers, additional taxes, tariff increases, cash repatriation restrictions, retaliations and ~~potential~~ boycotts **between the U. S. and other countries, including Russia and China** ; • import and export control and licensing requirements; ~~• business cultures accepting of various levels of corruption; •~~ risk of non- compliance with the Foreign Corrupt Practices Act of 1977 **, U. S. export control and trade sanction laws** , SEC rules regarding conflict minerals sourcing and other similar **anti-corruption and international trade** laws or regulations in other jurisdictions; • ~~compliance with a variety of foreign laws and regulations, including unexpected changes in taxation and regulatory requirements; • uncertainties regarding the terms of applicable trade treaties between the United Kingdom and other countries following its withdrawal from the E. U.; •~~ greater difficulty in safeguarding intellectual property than in the U. S.; • difficulty in staffing and managing geographically diverse operations and **ensuring** ~~attempting to ensure~~ compliance with our policies and procedures; and • challenges in maintaining an effective internal control environment, including language and cultural differences, varying levels of GAAP expertise and internal control over financial reporting. ~~Any~~ **In addition, while progress has been made to contain the COVID- 19 pandemic, it remains a global challenge. The pandemic, and the responses** of **business and governments to the pandemic, have at times resulted in increased border controls or closures, increased transportation costs and increased security threats to our supply chain. Countries in which we operate, such as China, may continue to close borders, impose prolonged quarantines, and further restrict travel and other activities. If we are unable to successfully manage** these **and / or any of the** risks **listed above, we** could ~~impact our ability to manufacture, source, sell or export our products or repatriate profits. We could also~~ experience a loss of sales and profitability ~~from our international operations,~~ and / or **an** ~~a substantial~~ impairment or loss of assets, any of which could have a material adverse impact on our business, financial condition or results of operations. Failure to attract and retain key personnel, including our executive officers, or effectively manage succession could have an adverse impact on our business, financial condition or results of operations. Our business involves complex operations. As a result, our success depends to a significant degree on the skills, experience and efforts of our executive management and other key personnel as well as their ability to provide uninterrupted leadership and direction. In addition, due to the specialized and technical nature of our business, our future performance depends upon our ability to attract, develop and retain skilled employees, such as specialized research and development and sales and service personnel, in order to maintain our efficient production processes, drive innovation in our product offerings and maintain our deep customer relationships. The failure to attract and retain key personnel, or effectively manage succession, could have an adverse material impact on our business, financial condition or results of operations. In addition, we are highly dependent on the experience and track records of Sir Martin E. Franklin, our other Board members and our executive leadership team. If one or more of our executive officers or Board members were to cease to be employed by us or to serve as directors, or if we were unable to replace them in a timely manner, our business, financial condition, results of operations and / or stock price could be adversely affected. Our reliance on certain key customers, contract manufacturers and suppliers could adversely affect our overall sales and profitability. Although ~~we believe~~ our business is not materially dependent upon any single customer, the loss of one or more key customers may impair our results of operations for the affected earnings periods. In addition, there is limited available manufacturing capacity that meets our quality standards and regulatory requirements. If we are unable to arrange for sufficient production capacity among our suppliers or contract manufacturers, or if our suppliers or contract manufacturers encounter production, quality, financial or other difficulties (including due to the COVID- 19 pandemic ~~or~~ **,** labor or geopolitical disturbances **or natural disasters**), we may be unable to meet our customers' demands. Finally, we rely on independent distributors to distribute our products and to assist us with the marketing and sale of certain of our products. There can be no assurance that our distributors will focus adequate resources on selling our products to end users, or will be successful in selling our products, which could materially adversely affect our business and results of operations. We may not realize the anticipated benefits of acquisitions or divestitures which may adversely affect our existing businesses, reputation and financial condition. We have completed several acquisitions and divestitures and may in the future pursue additional opportunistic strategic transactions. Our ability to achieve the anticipated benefits of acquisitions or divestitures depends on many factors, including our ability to negotiate favorable terms, close such transactions in a timely and cost- effective manner and successfully integrate any businesses we acquire. With respect to acquisitions, we may be exposed to successor liability relating to actions taken before the acquisition date. The due diligence we conduct in connection with an acquisition, the controls and policies we implement and any contractual guarantees or indemnities that we receive from the sellers of acquired companies or assets may not be sufficient to protect us from, or compensate us for, actual liabilities. Acquisitions also involve compliance and reputational risks as well as risks relating to differing levels of management and internal control effectiveness, systems integration, impairment charges relating to recorded goodwill and intangible assets, significant accounting charges, completion fees and integration expenses. Sizable acquisitions may also require a material increase in funding to address capital expenditures, working capital requirements and employee retention. In addition to unanticipated delays, costs and other issues, divestitures may also expose us to liabilities or claims for indemnification for retained liabilities or indemnification obligations associated with the assets or businesses that we sell. The magnitude of any such liability or obligation may be difficult to quantify at the time of the transaction, as it was the case for certain liabilities retained in connection with the sale of our Agricultural Solutions business in 2019. We cannot predict the ultimate resolution of these matters, and there can be no assurance that any such resolution, which may take several years, will not adversely impact our financial position or results of operations. INDUSTRY RISKS Industry and consumer trends may cause significant fluctuations in our results of operations and have a material adverse effect on our financial condition. The specialty chemical industry is subject to constant and rapid technological change, product obsolescence, price erosion, evolving standards, finite product lifecycles, raw material price fluctuations, and changes in product supply and demand. For example, the mobile device market, particularly smartphones and tablets, is characterized by rapidly changing market conditions, frequent product introductions and intense competition based on features and price; all of which could impact our sale volumes and margins. In the automotive industry, demand for our products and services may be affected by technological advances, changing automotive OEM specifications and other factors beyond our control that impact production levels of our customers, such as interest rates, fuel prices, shifts in vehicle mix, consumer confidence, regulatory and legislative oversight requirements and trade agreements. In addition, technological changes in our customers' products or processes may make certain of our specialty chemicals unnecessary or obsolete. Customers also have found, and may continue to find, alternative materials or processes, which no longer require our products. All these factors, consumer trends and industry characteristics may impact the demand for our products which may cause significant fluctuations in our results of operations and adversely affect our financial condition and cash flow. Fluctuations in the supply and prices of raw materials and in other costs may negatively impact our business, financial condition or results of operations. The unavailability or increased prices of raw materials could have a material adverse impact on our business, financial condition or results of operations. We use a variety of specialty and commodity chemicals in our formulation processes, and such formulation operations depend upon obtaining adequate supplies of raw materials on a timely basis from numerous suppliers in various countries. We typically purchase our major raw materials under existing supply agreements or on an as- needed basis from outside sources. The availability and prices of raw materials may be subject to curtailment or change due to, among other things, the financial stability of our suppliers, new laws or regulations, protectionist nationalistic trade policies and practices, changes in exchange rates and worldwide price levels. In some cases, we are limited in our ability to purchase certain raw materials from other suppliers due to minimum purchase requirements contained in certain of our supply agreements. Our responsible sourcing practices could also affect the sourcing, pricing, and availability of certain conflict minerals we use in our products. If only a limited pool of our suppliers can demonstrate that they are compliant with the applicable rules, we may not be able to obtain the conflict minerals we need in sufficient quantities or at competitive prices. Further, if we are unable to price our products competitively to timely reflect volatility in prices of raw materials or if we do not accurately estimate the amount of raw materials needed for a specific geographic region, our margins could be adversely affected. In addition, if the costs of energy, shipping or transportation increase and we are unable to pass along those costs to our customers, our profit margins and working capital would be adversely impacted. Higher commodity and energy prices could result from volatility caused by market fluctuations, supply and demand, currency fluctuations, production and transportation disruptions, climate change and weather conditions and other world events. Passing along these costs to our customers by increasing our prices could result in long- term sales declines or loss of market share if our customers were to find alternative suppliers or choose to reformulate their consumer products to use fewer ingredients ~~,~~ which could in turn have an adverse long- term impact on our business, financial condition or results of operations. LEGAL & REGULATORY RISKS Intellectual Property If we are unable to protect our intellectual property rights, our business, financial condition or results of operations could be adversely affected. Protection of our proprietary processes, methods, formulations and other technology is important to our business. To protect our intellectual property rights, we generally rely on patent, trade secret, trademark and copyright laws of the U. S. and certain other countries in which our products are manufactured or sold as well as nondisclosure and confidentiality agreements. The laws of other countries may not protect our intellectual property rights to the same extent as the laws of the U. S. Failure to protect our existing intellectual property rights, domestically or internationally, may result in the loss of valuable technologies and our competitors offering similar products, potentially resulting in the loss of one or more competitive advances and decreased sales and / or market shares. Additionally, we rely in some cases upon unpatented proprietary manufacturing expertise, continuing technological innovation and other trade secrets to develop and maintain our competitive position. While we generally enter into confidentiality agreements with our employees and third- parties to protect our intellectual property, our confidentiality agreements could be breached and may not provide meaningful protection for, or adequate remedies to protect, our trade secrets or proprietary manufacturing expertise in the event of unauthorized use or disclosure of information. Further, protecting against the unauthorized use of our products, technology and other proprietary rights is difficult, time- consuming and expensive, and we cannot be certain that the steps we are taking will prevent or minimize the risks of such unauthorized use. Litigation may be necessary to enforce our intellectual property rights or to determine the validity and scope of the proprietary rights of others. Litigation of this type could also result in substantial costs and diversion of resources, which could significantly harm our results of operations and reputation. Additionally, we could face infringement claims from our competitors or others alleging our processes or products infringe on their rights. Any settlement or adverse judgment resulting from litigation could result in the payment of material damages and / or require us to change our processes, redesign a certain product partially or completely, stop producing it entirely, obtain a license to continue our use, or potentially be restricted in our use of certain aspects. Further, there is a risk that licensing opportunities may not be available to us on acceptable terms, if at all. Regardless of their merit, infringement claims can be time- consuming, divert the time and attention of our management and technical personnel, and result in material litigation costs. Finally, our exposure to risks associated with the use of intellectual property may increase as a result of acquisitions, as we would have an unavoidable lower level of visibility into the development process of any newly acquired technologies and the steps taken to safeguard against the risks of infringing the rights of third parties. Global Regulations Changes in our effective tax rate, tax cost and tax liabilities could adversely affect our financial condition, results of operations and liquidity. In ~~2022~~ **2023** , approximately 75 % of our net sales were generated outside of the U. S. Given the global nature of our business, a number of factors may increase our effective rate and tax cost, including: • the geographic mix of jurisdictions in which profits are earned and taxed; • the statutory tax rates and tax laws in the jurisdictions in which we conduct business; • the resolution of tax issues arising from tax examinations by various tax authorities; and • the valuation of our deferred tax assets and liabilities. Additionally, tax laws, regulations, and administrative practices in various jurisdictions may be subject to significant change, with or without notice, due to economic, political, and other conditions, and significant judgment is required in evaluating and estimating our provision and accruals for these taxes. **For example, several countries where we do business have announced plans to implement global minimum tax regimes based on the Organization for Economic Cooperation and Development' s Anti- Base Erosion and Profit**

Shifting Project. The final form of these global minimum tax regimes is uncertain but is expected to change various aspects of the existing international legal framework under which our global tax obligations are determined. While the ultimate impact of these changes is unknown, there can be no assurance that they will not materially and adversely affect our business, financial condition, results of operations and cash flows. Moreover, we are regularly examined by various tax authorities throughout the world **. The** ~~, and the~~ final resolution of tax audits and any related litigation may differ from our historical provisions and accruals resulting in additional tax liabilities, which may have an adverse impact on our tax provision, net income and cash flow ~~. Adverse developments in an audit or litigation could also materially and adversely affect us~~ . Although we believe our tax estimates and accruals are reasonable, there can be no assurance that **the tax authorities will agree and we may have to engage in litigation to achieve the results reflected in such estimates and accruals, which may be time- consuming and the costs incurred significant. There can be no assurance that we will be successful or that** any final determination **will not** ~~won' t be materially different than the treatment reflected in our historical income tax provisions, accruals and unrecognized tax benefits. Any such difference in treatment could~~ materially and adversely affect our business, financial condition, results of operations and cash flows. Chemical manufacturing is inherently hazardous and may result in accidents, which may disrupt our operations or expose us to significant losses or liabilities. The hazards associated with chemical manufacturing and the related storage and transportation of raw materials, products and wastes are inherent in our operations as our research and development, manufacturing, formulating and packaging activities involve the use of hazardous materials and the generation of hazardous waste. We cannot eliminate the risk of accidental contamination, discharge or injury resulting from those materials. Also, our suppliers or contract manufacturers may use and / or generate hazardous materials in connection with producing our products. We may be required to indemnify our suppliers, contract manufacturers or waste disposal contractors against damages and other liabilities arising out of the production, handling or storage of our products or raw materials or the disposal of related wastes. Potential risks include explosions and fires, chemical spills and other discharges or releases of toxic or hazardous substances or gases, or pipeline and storage tank leaks and ruptures. Those hazards may result in personal injury and loss of life, damage to property and contamination of the environment, all or any of which may result in a suspension of operations and the imposition of civil or criminal fines, penalties and other sanctions, cleanup costs, and claims by governmental entities or third- parties. As we are dependent on the continued operation of our production facilities (including third- party manufacturing on a tolling basis), the loss or shutdown of operations over an extended period could have a material adverse effect on our financial condition or results of operations. Because our operations currently use and generate, and have historically used and generated, hazardous materials and waste, we are subject to regulatory oversight and investigation, remediation, and monitoring obligations at our current and former Superfund sites, as well as third- party disposal sites, under federal laws and their state and local analogues, including the Resource Conservation and Recovery Act (RCRA), the Clean Water Act, the Clean Air Act, and the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and analogous foreign laws. We are also subject to ongoing obligations at active sites in the U. S. and are conducting closure activities pursuant to the RCRA and CERCLA at several of our sites in the U. S. The costs and liabilities associated with these obligations and activities may be substantial and, to the extent not covered by insurance, may materially impact our financial condition. Our products are subject to numerous, complex government regulations, and compliance with these regulations could require us to incur additional costs or to reformulate or discontinue certain of our products. Our products are subject to numerous, complex federal, state, local and foreign customs regulations, imports and international trade laws, export control, antitrust laws, environmental and chemicals manufacturing, global climate change, health and safety requirements and zoning and occupancy laws that regulate manufacturers generally or, more particularly, govern the importation, promotion and sale of our products, the operation of our production and warehouse facilities and our relationship with our customers, suppliers, employees and competitors. Our products and manufacturing processes are also subject to numerous regulations and ongoing reviews by certain governmental authorities. ~~Current governmental~~ **Governmental** , regulatory and societal demands for increasing levels of product safety, such as chemical composition, packaging and labeling, and environmental protection, such as the management, movement and disposal of hazardous substances, are resulting in increased pressure for more stringent regulatory control with respect to the chemical industry. ~~Recent~~ **Such** regulations include the European Union' s REACH (Registration, Evaluation, Authorization, and Restriction of Chemicals), which has been a continuing source of compliance obligations and restrictions on certain chemicals, REACH- like regimes, which have now been adopted in several other countries, **the E. U. Poison Center Notification (PCN)** and the U. S. Toxic Substances Control Act (TSCA) **. The TSCA** , **for example,** ~~as~~ **was** amended in June 2016 ~~, with~~ **to expand the authority of** the U. S. Environmental Protection Agency (EPA) ~~currently~~ **to** ~~evaluating~~ **evaluate** ~~additional~~ **and regulate new and existing** chemicals ~~for regulation under that amended law. Among the more significant changes were mandatory safety reviews of existing" high priority" chemicals~~ and **this** ~~regulatory actions to control any" unreasonable risks" identified as a result of such reviews. The EPA also must find no" unreasonable risk" associated with any new chemical before it can be fully commercialized. These new mandates~~ **mandate** ~~create~~ **creates** uncertainty about whether existing chemicals of importance to our business may be designated for restriction and whether any new chemical approval process may become more difficult and costly. U. S. regulations related to the use in our products of certain conflict minerals, and similar laws in other jurisdictions, such as the E. U. Conflict Minerals Regulation, also apply to us. All of these regulations and these types of changes in our regulatory environment, particularly in, but not limited to, the U. S., the E. U. and China, may require us to re- design our products or supply chain to ensure compliance with the applicable standards ~~. For~~ **or** ~~example, compliance with these regulations could require us to~~ use different types or sources of materials, which could have an adverse impact on the efficiency of our manufacturing process, the performance of our products, add greater testing lead- times for product introductions or other similar effects **. In** ~~, which in~~ turn **, these changes** could materially alter our market share and reputation, or otherwise have a material adverse effect on our business, financial condition and results of operations. In addition, we have incurred, are incurring and will incur in the future, costs and capital expenditures to comply with environmental, health and safety laws and regulations. For example, we have several product lines that rely on lead- based solder and many others that historically did so. Legal claims have been brought alleging harmful exposures or contamination as a result of lead- based solder, and it is possible that we may face additional claims in the future. We are also currently involved in various environmental investigations due to historic operations. Liability under some environmental laws relating to contaminated sites can be joint and several and imposed retroactively, regardless of fault or the legality of the activities that gave rise to the contamination. Some of our formulating and manufacturing facilities have an extended history of chemical formulating and manufacturing operations or other industrial activities, and contaminants have been detected at some of our sites and offsite disposal locations. Ultimate environmental costs and liabilities are difficult to predict and may significantly vary from current estimates. To the extent available, we maintain what we believe to be adequate insurance coverage. However, there can be no assurance that we won' t incur losses beyond the limits or outside the terms of such coverage, or that we will be able to maintain adequate insurance at rates we consider reasonable. In addition, the discovery of additional contaminants, the inability or failure of other liable parties to satisfy their obligations, the imposition of additional cleanup obligations, or the commencement of related third- party claims could result in additional material costs and negatively impact our financial condition or results of operations. Our offshore oil industry products are subject to the hazards inherent in the offshore oil production and drilling industry, and we may incur substantial liabilities or losses as a result of these hazards. In the offshore oil industry, we are subject to the hazards inherent in the offshore oil production and drilling industry. Our offshore business produces water- based hydraulic control fluids for major oil companies and drilling contractors to be used for potentially hazardous offshore deepwater production and drilling applications. Offshore deepwater oil production and drilling are subject to hazards that include blowouts, explosions, fires, collisions, capsizing, sinking and damage or loss to pipeline, subsea or other facilities from severe weather conditions. Those hazards could result in personal injury and loss of life, severe damage to, or destruction of, property and equipment, pollution or environmental damage and suspension of operations. A catastrophic occurrence at a location where our products are used may expose us to substantial liability for personal injury, wrongful death, product liability or commercial claims. To the extent available, we maintain insurance coverage that we believe is customary in ~~our~~ **this** industry. Such insurance does not, however, provide coverage for all liabilities, and there can be no assurance that our insurance coverage will be adequate to cover claims that may arise, or that we will be able to maintain adequate insurance at rates we consider reasonable. The occurrence of a significant offshore deepwater oil production or drilling event that results in liability to us that is not fully insured could have a material adverse effect on our financial condition or results of operations. Certain of our products may be subject to various export control regulations and exports may require a license from the U. S. Department of State or the U. S. Department of Commerce. As a global company, we are subject to various laws and regulations relating to the export of products, services and technology. In the U. S., these laws include, among others, the U. S. Export Administration Regulations (EAR), administered by the U. S. Department of Commerce' s Bureau of Industry and Security, and the International Traffic in Arms Regulations (ITAR), administered by the U. S. Department of State' s Directorate of Defense Trade Controls. Some of our products or technology may have military or strategic applications governed by the ITAR or represent so- called " dual use " items governed by the EAR. Although the majority of our relevant products are currently subject to automatic approval and do not require government licenses to be exported to certain jurisdictions or persons, this may change in the future if these laws and regulations are amended or if new laws or regulations are adopted. Any failure to comply with these laws and regulations could result in civil or criminal penalties, fines, investigations, adverse publicity and restrictions on our ability to export our products, any of which could result in a material adverse effect on our business, financial condition or results of operations. Failure to comply with anti- corruption laws could subject us to penalties and damage our reputation. Our international operations are subject to the U. S. Foreign Corrupt Practices Act of 1977, the United Kingdom Bribery Act 2010 and similar anti- bribery laws in other jurisdictions ~~,~~ which generally prohibit companies and their intermediaries from making improper payments for the purpose of obtaining or retaining business. Under these laws, companies may also be held liable for actions taken by third- parties acting on their behalf, such as strategic or local partners or representatives. Our policies mandate compliance with these anti- bribery laws, including the requirements to maintain accurate information and internal controls. However, in certain of the jurisdictions where we conduct business, we face a heightened risk for corruption, extortion, bribery, pay- offs, theft and other improper practices. There can be no assurance that our internal control policies and procedures will protect us from acts committed by our employees or agents. Failure by us or our intermediaries to comply with applicable anti- corruption laws may result in civil and / or criminal penalties or other sanctions, including disgorgement of profits and contract suspensions or cancellations, any of which could damage our reputation and have a material adverse effect on our business, financial condition or results of operations. Failure to comply with international trade restrictions and economic sanctions laws and regulations could adversely affect our business, financial condition or results of operations. We have operations, assets and / or generate sales in countries all over the world, including countries that are or may become the target of trade and economic restrictions from the U. S. and / or other countries, which we refer to collectively as " Economic Sanctions Laws. " Economic Sanctions Laws are complex and change with time as international relationships and confrontations between and among nations evolve. For example, the U. S. Department of the Treasury' s Office of Foreign Assets Control (OFAC) and the U. S. State Department ~~administer certain laws~~ **monitors trade restrictions** and ~~regulations that~~ **economic sanctions and** impose penalties upon U. S. persons and entities and, in some instances, non- U. S. entities, for conducting activities or transacting business with certain countries, **such as recently Russia and Belarus in the context of the Russia- Ukraine conflict as well as** governments, entities, or individuals subject to Economic Sanctions Laws. We have established policies and procedures to assist with our compliance with Economic Sanctions Laws, and we believe we do not unlawfully conduct business in any sanctioned countries. However, given the breadth of our international operations and the scope of our sales globally, including via third- party distributors over whom we may have limited or no control, coupled with the complexity and ever- changing nature of Economic Sanctions Laws driven by geopolitical events, there can be no assurance that our controls and procedures have prevented in the past or will prevent at all times in the future a violation of these laws. Failure to comply with Economic Sanctions Laws, or allegations of such failure, could lead to investigations and / or actions being taken against us which could materially and adversely affect our reputation and have a material adverse effect on our business, financial condition or results of operations. Changes in data privacy and data protection laws and regulations, or any failure to comply with such laws and regulations, could adversely impact our business. Our global business is subject to a wide variety of domestic and foreign laws and regulations designed to protect the privacy of customers, employees and other third parties, including, without limitation, the General Data Protection Regulation (GDPR) in the E. U. and the California Consumer Protection Act (CCPA) in the U. S. Additional states, as well as foreign jurisdictions, have enacted or are proposing similar data protection regimes, resulting in a rapidly evolving and uncertain governing landscape. Complying with these various laws and regulations is difficult and could require us to incur substantial costs or change our business practices in a manner adverse to our business. In addition, there can be no assurance that our controls and procedures enable us to be fully compliant. Any failure, or perceived failure, by us to comply with the GDPR, the CCPA or any other applicable regulatory requirements or orders, within the E. U., the U. S. or elsewhere, could result in proceedings or actions against us by governmental entities or individuals; subject us to significant fines, penalties, and / or judgments; require us to change our business practices; limit the offering of our products and services in certain countries; or otherwise adversely affect our business, as we would be at risk to lose both customers and sales, and incur substantial costs. FINANCIAL RISKS Our net sales and gross profit **vary** ~~have varied~~ depending on our product, customer and geographic mix for any given period which makes it difficult to forecast future operating results. Our net sales and gross profit vary among our products, customers and markets, and therefore may be different in future periods from historic or current periods. Overall gross profit margins in any given period are dependent in large part on the product, customer and geographic mix reflected in that period' s net sales. Market trends, competitive pressures, commoditization of products, increased component or shipping costs, regulatory conditions and other factors may also result in reductions in revenue or pressure on the gross profit margins in a given period. The varying nature of our product, customer and geographic mix between periods has historically materially impacted our net sales and gross profit between periods during certain recessionary times and may lead to difficulties in measuring the potential impact of market conditions, regulatory changes and / or other factors on our business. As a result, we may be challenged in our ability to forecast our future operating results. Unfavorable currency exchange rate fluctuations could adversely affect our results of operations. The reporting currency for our financial statements is the U. S. dollar. However, ~~in 2022,~~ **a large portion of our net sales (** approximately 75 % **in 2023)** ~~of our net sales~~ are ~~currently~~ generated from **our** non- U. S. operations, which means that we have net sales, substantial assets, liabilities and costs denominated in currencies other than the U. S. dollar. To prepare our Consolidated Financial Statements, we must translate those sales, assets, liabilities and expenses into U. S. dollars at then- applicable exchange rates. Consequently, increases and decreases in the value of the U. S. dollar versus other currencies will affect the amount of these items in our Consolidated Financial Statements, even if their value has not changed in their original currency. These translations could result in significant changes to our results of operations from period to period. Additionally, volatility in currency exchange rates may adversely impact our financial condition, cash flows and liquidity. There can be no assurance that the techniques we employ to mitigate the impact of exchange rate fluctuations, including foreign currency hedging activities, will be effective risk management strategies, and our financial condition or results of operations could be adversely impacted. Our Credit Agreement and other debt agreements contain restrictions that limit our flexibility in operating our business. Our Credit Agreement, the indenture governing our 3. 875 % USD Notes due 2028 and other debt agreements governing our outstanding debt contain restrictive clauses, which may limit our ~~activities and~~ operational and financial flexibility, including, among other things, our ability to grant liens, pay cash dividends, enter new lines of business, repurchase our shares of common stock, make certain investments and engage in certain merger, consolidation or asset sale transactions. In addition, our Credit Agreement contains customary remedies, including the right of the lenders to take action with respect to the collateral securing outstanding loans, that would apply should we default or otherwise be unable to satisfy our debt obligations. ~~These covenants~~ **To the extent an event of default occurs, we** may ~~restrict our flexibility in operating our business. We may also~~ not be able to borrow under the Credit Agreement ~~if an~~ **and therefore** ~~event of default under the terms of this agreement occurs. As a result~~ , ~~we~~ may **not** be ~~unable~~ -- **able** to pursue certain business initiatives or certain transactions that might otherwise be advantageous, meet extraordinary capital needs, finance future operations, plan for or react to market conditions, or otherwise take actions that we believe are in the best interest of our businesses ~~which~~ **. As a result** , ~~in turn, may adversely impact~~ our business prospects, financial condition or results of operations **may be adversely impacted** . In addition, our Credit Agreement requires that we meet certain financial ratios, including a first lien net leverage ratio based on net debt to EBITDA. EBITDA is a non- GAAP measure of liquidity defined in the Credit Agreement. Our ability to meet these financial covenants depends upon the future successful operating performance of our businesses. If we fail to comply with the Credit Agreement covenants, we would be in default under our term loan and revolving credit facilities and, unless we were to obtain waivers from our lenders, the maturity of our outstanding debt could be accelerated, which could adversely impact our results of operations, financial position and cash flows. We and our subsidiaries may incur significant additional indebtedness in the future, which would result in additional restrictions upon our business and impact our financial condition. Our Credit Agreement provides for senior secured credit facilities in an initial aggregate principal amount of $ 1. 53 billion, consisting of term loans B **- 2** of $ 1. 15 billion maturing in ~~2026~~ **2030** and a revolving facility of $ 375 million maturing in 2027. At December 31, ~~2022~~ **2023** , we had $ 1. ~~11~~ **15** billion outstanding under the term loans and full availability of our unused borrowing capacity of $ 369 million, net of letters of credit, under the revolving facility. We and our subsidiaries may incur significant additional indebtedness in the future. Although our Credit Agreement and the indenture governing our 3. 875 % USD Notes due 2028 contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of significant qualifications and exceptions, and indebtedness incurred in compliance with these restrictions could be substantial. In addition, subject to specified conditions, without the consent of the then- existing lenders, we may add certain incremental term loans or revolving credit facilities, or increase commitments under our revolving credit facility, by up to the sum of (x) the greater of (i) $ 460 million and (ii) 100 % of our consolidated EBITDA, less certain amounts of indebtedness, and (y) an unlimited amount of secured or unsecured incremental debt if, on a pro forma basis, our total first lien net leverage ratio does not exceed certain levels (as described in the Credit Agreement). Any significant indebtedness incurred by us or our subsidiaries could have the following material consequences: • require us to dedicate a substantial portion of our cash flows from operations to payments on our indebtedness, thereby reducing the availability of our cash flows to fund acquisitions, working capital, capital expenditures, dividends, research and development efforts and other general corporate purposes; • expose us to the risk of increased interest rates as certain of our borrowings include instruments with variable rates of interest; • increase our cost of borrowing; • increase our vulnerability to general adverse economic and industry conditions; • limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate; and • place us at a competitive disadvantage compared to less- leveraged competitors or competitors with comparable debt governed by more favorable terms. We may also enter into additional debt transactions or credit facilities, including equipment loans, working capital lines of credit, senior notes and other long- term debt, which may increase our indebtedness and result in additional restrictions upon our businesses. In addition, major debt rating agencies regularly evaluate our debt based on a number of factors, including our degree of leverage. There can be no assurance that we will be able to maintain our existing debt ratings, and failure to do so could adversely affect our cost of funds, liquidity and access to capital markets. Changes in interest rates and exchange rates would increase the cost of servicing our debt and impact our results of operations and financial condition. In order to mitigate our exposure to interest rate and foreign currency risks, we entered into **interest rate and cross- currency** swaps covering 100 % of our **outstanding** term loans, ~~consisting of interest rate and cross- currency swaps, which~~ effectively **converting** ~~converted our term~~ - **them from** ~~loans, as~~ U. S. dollar **denominated debt** obligations ~~,~~ into fixed- rate euro **- denominated** debt **through the term of the swap agreements** . ~~The~~ **As of December 31, 2023,** swaps relating to ~~our~~ **approximately** $ ~~400~~ **390** million **in notional value mature** ~~Add- on Term Loans expire~~ in January 2025 **and approximately** ~~while those relating to our initial~~ $ ~~750~~ **760** million ~~term loans expire~~ in ~~January~~ **December** ~~2024~~ **2028** . If we are unable to renew or elect not to replace these swaps, the cost of servicing our term loans may increase due to fluctuations in interest rates, currency values and / or currency exchange rates, which could reduce our profitability and cash flows and have a material adverse effect on our financial condition. Any future impairment of our tangible or intangible long- lived assets may materially affect our results of operations. As a result of our historical acquisitions, as of December 31, ~~2022~~ **2023** , we had approximately $ 3. 22 billion of intangible assets and goodwill. Under GAAP, we review our intangible assets and long- lived assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. ~~Additionally~~ **For example** , ~~goodwill is subject to~~ **considering Graphics Solutions' lower than expected results, we conducted an interim impairment test on this reporting unit in the third quarter of 2023 which resulted in** an impairment ~~test at least annually~~ **charge of $ 80** . **0 million. Other** ~~Indicators~~ **indicators that** ~~such as under- performance relative to historical or projected future operating results, changes in our strategy for our overall business or use of acquired assets, unexpected negative industry or economic trends, decreased market capitalization relative to net book values, prolonged decline in the value of our stock price, unanticipated competitive activities, change in consumer demand, loss of key personnel and acts by governments and courts~~ may signal that an asset has become impaired **include changes in our strategy for our overall business or use of acquired assets, unexpected negative industry or economic trends, decreased market capitalization relative to net book values, prolonged decline in the value of our stock price, unanticipated competitive activities, change in consumer demand, loss of key personnel and / or acts by governments and judicial courts** . To the extent any of our acquired assets do not perform as anticipated, ~~whether due to internal or external factors,~~ the value of such assets may be negatively affected ~~and~~ **. As a result,** we may be required to record impairment charges ~~. Our~~ **, which could be substantial and negatively impact our** results of operations and financial position **. GENERAL RISKS If we experience a significant disruption** in ~~future periods~~ **our information technology systems or if we fail to implement new systems and software successfully, our business operations and financial condition** could be ~~negatively~~ **adversely affected.** We depend on information technology systems throughout the Company to,among other functions,control our manufacturing processes,process orders and bill,collect and make payments,interact with customers and suppliers,manage inventory and otherwise conduct business.We also depend on these systems to respond to customer inquiries,implement our overall internal control processes ~~,~~ **and** maintain records of our property,plant and equipment ~~and record and pay amounts due to vendors and other creditors~~ .The failure of our information technology systems to perform as we anticipate,including as a result of significant network or power outages,could disrupt our business and result in transaction errors,processing inefficiencies and the loss of sales and customers.As we upgrade or change systems,we may also experience interruptions in service,loss of data or reduced functionality and **other unforeseen material issues,which could adversely** ~~impacted~~ -- **impact** ~~should~~ **our ability** to provide quotes,receive and fulfill customer orders and otherwise run our business in a timely manner. ~~In addition,if our new systems fail to provide accurate and increased visibility into pricing and cost structures,it may be difficult to improve or maximize our profit margins.~~ As a result,our results of operations could be adversely affected. ~~In addition,~~ **Material cybersecurity- related events may materially disrupt our operations and harm our reputation and results of operations.** ~~information~~ **Information** technology security threats,including security breaches,computer malware,cyber- attacks and other unauthorized access attempts are increasing,in both frequency and sophistication.Any such disruption,if successful,could result in data leaks or otherwise compromise confidential,proprietary and / or business critical information,cause a disruption in our operations or harm our reputation **and results of operations** .As previously announced,we have in **the past experienced a cyber intrusion and may in the** future ~~impairments of~~ **be subject to additional intrusion events. There can be no assurance that the controls and procedures that we put in place will be sufficient** ~~our~~ - **or** ~~long- lived assets~~ **adequate to protect us. Further** , ~~including intangible assets~~ **as cyber threats are continually evolving, we may be required to devote additional resources to modify or enhance** ~~or~~ **our**

~~goodwill~~ **systems in the future. Any breaches or compromises of data** , **and / or misappropriation of information resulting from such disruptions could result in violation of privacy and other laws, litigation, fines, negative publicity, loss of investor confidence, lost sales, business delays, indemnity obligations and / or material costs not covered by insurance, any of which could have a material adverse effect on** ~~occur~~ -- **our business, financial condition or results of operations** . ~~GENERAL RISKS~~ Corporate responsibility, specifically related to ESG matters, may impose additional costs and expose us to new risks. Increasing focus on ESG matters requires that we devote significant time and resources on ESG tracking and reporting, including the continuous monitoring of various and evolving standards and progress toward our published sustainability goals. Certain organizations, which provide corporate governance and other risk information to stockholders, have developed, and others may in the future develop, scores and ratings to evaluate companies based upon their ESG metrics and disclosures. Certain investors, particularly institutional investors, use these scores to benchmark companies and make investment and / or voting decisions. In ~~addition, in 2022 the SEC adopted new pay versus performance disclosure requirements and proposed expansive new disclosures related to certain climate- related matters, including greenhouse gas emission data with third- party attestation and climate- related financial statement metrics. In~~ this rapidly evolving ESG disclosure context, we may face reputational risk in the event we don' t successfully execute our ESG strategy and / or if our ESG disclosures do not meet the expected standards or requirements set by our constituencies. Further, as climate change and other global environmental concerns increase, changes in environmental and climate laws or regulations, in the U. S. and throughout the world, could lead to **multiple disparate standards, in the U. S. and in foreign countries in which we operate, that may change over time, which could result in significant revisions to our methodologies for reporting ESG data, previously reported ESG metrics, our current goals, reported progress in achieving such goals, or our ability to achieve such goals in the future. Evolving environmental and climate laws or regulations could also lead to** new or additional investment in product designs, incremental operating expenses and increased environmental expenditures in order to ensure compliance. We expect these ESG disclosure and regulatory trends to continue, and the ultimate cost related to reporting and, where required, compliance could be material ~~. The extent of the impact of the COVID- 19 pandemic on our results of operations and overall financial performance remains uncertain and subject to change. The COVID- 19 pandemic continues to have widespread, rapidly evolving, and unpredictable impacts on global society, economies, financial markets, and business practices. Even as efforts to contain the pandemic have made progress and some restrictions have relaxed, new variants of the virus are causing additional outbreaks. The extent to which this pandemic will continue to impact our business or our future results of operations, financial condition, expected cash flows and / or stock price is currently unknown and will depend on many factors outside of our control, including, without limitation, the duration and scope of the pandemic; the efficacy, availability of effective treatments and vaccines; the imposition of public safety measures; and the impact of COVID- 19 on economic activity and the global economy in general, including financial market instability, uncertainty and supply chain disruptions. These factors may adversely impact our business as well as our suppliers, vendors and consumers, who might defer decision making, delay orders or seek to renegotiate or terminate existing agreements. To the extent COVID- 19 adversely affects our business, financial condition and results of operations, it may also have the effect of exacerbating the other risks discussed in this " Risk Factors " section~~ . We have numerous equity instruments outstanding that could require the future issuance of additional shares of common stock, which issuance could result in significant dilution of ownership interests and have an adverse effect on our stock price. **Under** ~~In connection with the adoption of~~ our 2013 Plan, ~~which provides for the grant of equity- based awards, including RSUs and options,~~ 15, 500, 000 shares of **our** common stock were initially reserved ~~and made available~~ for issuance **in connection with the vesting of equity- based awards to be granted** to our officers, other employees and directors. **The** ~~We have granted, and continue to grant, under the 2013 Plan equity instruments that could require us to issue~~ **issuance of** additional shares **upon satisfaction** of ~~our common stock, which issuance~~ **the applicable vesting conditions of these grants** could result in a stockholder' s percentage ownership being diluted. Specifically, at December 31, ~~2022~~ **2023** , the following ~~instruments~~ **equity- based awards** were outstanding: • 3, ~~901~~ **872** , ~~630~~ **289** RSUs with each RSU representing a contingent right to receive one share of our common stock or, for performance- based RSUs, multiple shares depending upon the underlying performance metrics and our performance during the applicable performance period; and • ~~387~~ **384** , ~~790~~ **685** options which, once vested, are exercisable to purchase shares of our common stock, on a one- for- one basis, at any time at the option of the holder. We may also issue additional shares of our common stock **,** or other securities that are convertible into or exercisable for our common stock **,** in connection with future acquisitions, ~~future issuances of our securities~~ for capital raising purposes or for other business purposes ~~,~~ **;** which ~~issuance~~ **issuances** could also result in significant dilution of ownership interest. Volatility of our stock price could adversely affect us and our stockholders. Our stock price may experience substantial price volatility as a result of many factors, including, without limitation, coverage or sentiment in the media or the investment community; speculation; announcement of acquisitions or divestitures; quarterly financial results and comparisons to estimates by the investment community or financial outlook provided by us; issuance of additional debt or equity; changes in key personnel or business strategy; material litigation or governmental investigations; and expectations regarding capital allocation, including any future shares repurchases and / or any future dividend payments, or any determination to cease repurchasing stock or paying dividends. General or industry specific market conditions, stock market performance or macroeconomic and geopolitical factors unrelated to our performance may also affect the price of our stock. Further, in the past, market fluctuations and price declines in a company' s stock have led to securities class action litigation, which could have a substantial cost and divert management time and resources regardless of their outcome. Future issuances or sales of our common stock may depress the price of our common stock. We cannot predict the size of future issuances of our shares of common stock or the effect, if any, that future issuances or sales of our shares will have on the market price of our common stock. Sales of substantial amounts of our shares, including sales by our executive officers, directors or significant stockholders, and shares issued in connection with any acquisition, or the perception that such sales or issuance could occur, may adversely affect prevailing market prices for our common stock. Decline in the stock price of our common stock may also make it more difficult for us to finance acquisitions with shares of common stock and / or sell additional equity or equity- related securities in future offerings at a time and price we deem necessary or appropriate. We may issue preferred stock in the future, and the terms of the preferred stock may reduce the value of our common stock. Our Board of Directors is authorized to create and issue one or more series of preferred stock, and to determine the number of shares constituting the series as well as the designations, powers, preferences, rights, qualifications, limitations and restrictions of each series, including dividend rights, conversion or exchange rights, voting rights, redemption rights and terms and liquidation preferences, without stockholder approval. The creation and issuance of one or more series of preferred stock could affect the rights of our common stockholders or reduce the value of our common stock they hold. For example, our Board could, without stockholder approval, issue preferred stock with voting and other rights that could adversely affect the voting power of our common stockholders or have certain anti- takeover effects. There can be no assurance that we will continue to declare dividends. Future dividends are subject to declaration by our Board of Directors in its sole discretion. To the extent the Board determines to pay dividends on our common stock in the future, we will pay dividends at the times and in the amounts as the Board determines appropriate. The Board may, however, reduce or discontinue entirely the payment of such dividends at any time. Paying dividends will depend upon many factors, including our financial condition and results of operations, our available cash and current and anticipated cash needs, capital requirements and access to capital markets, covenants associated with our Credit Agreement, the indenture governing our 3. 875 % USD Notes due 2028 and / or other debt obligations, contractual, legal, tax and regulatory restrictions and other factors that the Board may deem relevant. Therefore, there can be no assurance that we will have the ability and / or sufficient funds to pay dividends or as to the amounts of these dividends, if any . If we experience a significant disruption......, financial condition or results of operations . If we fail to establish and maintain adequate internal controls over financial reporting, we may not be able to report our financial results in a timely and reliable manner, which could harm our business and adversely impact our stock price. We are required by the SEC to establish and maintain adequate internal control over financial reporting that provides reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements in accordance with GAAP. We are likewise required, on a quarterly basis, to evaluate the effectiveness of our internal controls and to disclose any material changes and material weaknesses in those internal controls. We have in the past experienced, and in the future may experience again, material weaknesses and potential problems in implementing and maintaining adequate internal controls as required by the SEC. If we fail to achieve and maintain the adequacy of our internal controls, we may not be able to conclude that we have effective internal control over financial reporting. If we cannot provide financial reports in a timely and reliable manner, or prevent fraud, our business and operating results could be harmed, investors could lose confidence in our reported financial information, and our stock price could drop significantly. We are dependent on cash flows from our operating subsidiaries to fund our debt obligations, capital expenditures and ongoing operations. We do not have any material assets or operations other than ownership of equity interests of our operating subsidiaries. Our operations are conducted almost entirely through our subsidiaries, and our ability to generate cash to meet our obligations or to pay dividends, if any, is highly dependent on the earnings of, and receipt of funds from, our subsidiaries through dividends or intercompany loans, in particular from MacDermid, Incorporated. As a result, we are dependent on the income generated by our subsidiaries, and to some degree on our ability to repatriate earnings from our foreign operations effectively, to meet our debt service obligations, expenses and operating cash requirements or to pay dividends or repurchase shares of our common stock. For example, the amount of dividends, if any, which may be paid to us by our subsidiaries depends on many factors, including our subsidiaries' results of operations and financial condition, limits on dividends or otherwise under applicable law and their constitutional documents, documents governing their indebtedness, and other factors which may be outside our control. If our subsidiaries are unable to generate sufficient cash flows or if we are unable to repatriate earnings effectively, or if we are unable to do so without incurring substantial costs, we may be unable to service our debt obligations, pay our expenses and / or meet our operating cash requirements or to make future dividend payments or shares repurchases, if any. Supply Chain and business disruptions, including those related to climate change, could have a material impact on our future sales and financial condition, and may not be covered by insurance. We believe our customers rely on our ability to timely deliver products of constant quality which are integral to their manufacturing processes and overall product performance. Our ability to meet these expectations relies on continuous access to multiple sources of raw materials and working closely with our suppliers and contract manufacturers to help ensure continuity of supply while maintaining high quality. Natural or human- induced disasters ~~including~~ , **such as** ~~but not limited to,~~ earthquakes ~~;~~ **,** tsunamis ~~;~~ **,** floods ~~;~~ **,** hurricanes, cyclones or typhoons ~~;~~ **,** fires **,** ~~; other extreme weather conditions;~~ power or water shortages ~~;~~ **,** telecommunications failures **,** ~~; materials scarcity and price volatility;~~ terrorist acts, civil unrest, conflicts or wars ~~;~~ **,** and epidemics, pandemics or other health crises **, such as the COVID 19 pandemic,** could seriously harm our operations as well as the operations of our customers and suppliers. The ~~occurrence~~ **negative impacts** of **any such** ~~one or more of these unexpected~~ events **on** ~~, in the U. S. or~~ **our business operations and demand for our offerings will depend on future developments and actions taken** in **response to such events which may be outside our control, highly uncertain, and cannot be predicted at this time. Among** other **impacts** ~~countries in which we operate~~ , **such events** could limit our ability to access the quantity and quality of raw materials we need and / or increase the price of these materials as worldwide supply and demand may be seriously impacted. In addition, extreme weather, natural disasters or other unexpected events could result in physical damage to, and closure of, one or more of our manufacturing or sale facilities, temporary or long- term disruption in our supply chain and / or disruption of our ability to deliver products and services to our customers and / or increase the risk of chemical spills, other discharges or releases of toxic or hazardous substances or pipeline ruptures, all of which could in turn adversely affect our operations, financial condition, reputation and / or stock price. Current or future insurance arrangements may not provide protection for costs that may arise from such events, particularly if **these** ~~such events~~ are catastrophic in nature or occur in combination. In addition, as climate change, low carbon and other ESG- related treaties, initiatives and programs are adopted and implemented throughout the world, there can be no assurance that future material capital expenditures or incremental operating expenses will not be required in order to ensure compliance. We believe climate change serves as a risk multiplier increasing both the frequency and severity of natural disasters that may affect our worldwide business operations. Further, the long- term effects of climate change on general economic conditions are unclear, and changes in the supply or demand of our products, or available sources of the raw materials we use in our manufacturing processes, may affect the availability or cost of our products. Any long- term disruption in our ability to **timely** deliver our products and services to our customers could have a material adverse effect on our business, results of operations and financial condition. We are governed by Delaware law, which has anti- takeover implications. We are governed by Delaware law, the application of which may have the effect of deterring hostile takeover attempts or a change in control. In particular, Section 203 of the Delaware General Corporation Law imposes certain restrictions on merger, business combinations and other transactions between us and holders of 15 % or more of our common stock. A Delaware corporation may opt out of that provision either with an express provision in its original certificate of incorporation or in an amendment to its certificate of incorporation or by- laws approved by its stockholders. We have not opted out of this provision. Section 203 could prohibit or delay mergers or other takeover or change in control attempts and, accordingly, may discourage attempts to acquire us, which may negatively affect our stock price.