Risk Factors Comparison 2024-02-27 to 2023-02-24 Form: 10-K

Legend: New Text ~~Removed Text~~ Unchanged Text Moved Text Section

Among the factors that could have an impact on our ability to achieve operating results and meet our other goals are: Industry Risks: Pricing and volumes in our markets are sensitive to a number of industry specific and global issues and events including: • Competition and new agricultural technologies- Our business faces competition, which could affect our ability to maintain or raise prices, successfully enter certain markets or retain our market position. Competition for our business includes not only generic suppliers of the same pesticidal active ingredients but also alternative proprietary pesticide chemistries and crop protection technologies that are bred into or applied onto seeds. Increased generic presence in agricultural chemical markets has been driven by the number of significant product patents and product data protections that have expired in the last decade, and this trend is expected to continue. Also, there are changing competitive dynamics in the agrochemical industry as some of our competitors have consolidated, resulting in them having greater scale and diversity, as well as market reach. These competitive differences may not be overcome and may erode our business. Agriculture in many countries is changing and new technologies (e. g., precision pest prediction or application, data management) continue to emerge. At this time, the scope and potential impact of these technologies are largely unknown but could have the potential to disrupt our business. • ~~Climatic~~ **Climate** conditions- Our markets are affected by climatic conditions, both chronic and acute, which could adversely impact crop **yields,** pricing and pest infestations. For example, drought may reduce the need for fungicides, which could result in fewer sales and greater unsold inventories in the market, whereas excessive rain could lead to increased plant disease or weed growth requiring growers to purchase and use more pesticides. Drought and / or increased temperatures may change insect pest pressures, requiring growers to use more, less, or different insecticides. Natural disasters can impact production at our facilities in various parts of the world. The nature of these events makes them difficult to predict. • Geographic cyclicality- While our business is well balanced geographically, in any given calendar quarter a certain geography (ies) ~~will~~ **may** predominate **the demand for our products** in light of seasonal variations **typically associated with** ~~in the demand for our products given the nature of~~ the crop protection market and the geographic regions in which we operate. Unexpected market conditions in any such predominating geography ~~(ies)~~, such as adverse weather, pest pressures, or other risks described herein, may impact our business if occurring during a calendar quarter in which such geography ~~(ies)~~ is predominating. • Changing regulatory environment and public perception- Changes in the regulatory environment, particularly in the U. S., Brazil, China, India, Argentina and the European Union, could adversely impact our ability to continue producing and / or selling certain products in our domestic and foreign markets or could increase the cost of doing so. We are sensitive to regulatory risk given the need to obtain and maintain pesticide registrations in every country in which we sell our products. Moreover, we are required to comply with protocols or applicable regulatory requirements of biological products. Protocols and regulations may change, or regulatory agencies may determine that a biological product is not approvable. There is a risk that future regulatory requirements may lead to delays in development of biologicals or limit growth from biologicals. Many countries require re- registration of pesticides to meet new and more challenging requirements; while we defend our products vigorously, these re- registration processes may result in significant additional data costs, reduced number of permitted product uses, or potential product cancellation. Compliance with changing laws and regulations may involve significant costs or capital expenditures or require changes in business practice that could result in reduced profitability. In the European Union, the regulatory risk specifically includes the chemicals regulation known as REACH (Registration, Evaluation, and Authorization of Chemicals), which requires manufacturers to verify through a special registration system that their chemicals can be marketed safely. Changes to the regulatory environment may be influenced by non- government public pressure as a result of negative perception regarding the use of our crop protection products. Products reviewed by regulators and labeled safe for use may still be challenged by others which could lead to negative public perception or regulatory action. Competing products labeled safe for use were subject to lawsuits or claims, and a similar situation for our products could result in negative impacts. In addition, climate change may result in changes to the governmental policy around greenhouse gases, including emission caps, trade regulations and other mechanisms to promote reduction of carbon emissions. Depending on their nature and scope, this could subject our manufacturing operations and suppliers to significant additional costs or limits on operations and affect the sources and supply of energy. **In addition, corporate Environmental Social and Governance (" ESG ") commitments and shifting market pressures in response to climate regulation and consumer expectations may influence demand of crop protection products.** • Geographic presence outside of U. S.- We have a strong presence in Latin America, Europe and Asia, as well as in the U. S. We have continued to grow our geographic footprint particularly in Europe and key Asian countries such as India, which means that developments outside the U. S. will generally have a more significant effect on our operations than in the past. Our operations outside the U. S. are subject to special risks and restrictions, including: fluctuations in currency values; exchange control regulations; changes in local political or economic conditions; governmental pricing directives; import and trade restrictions or tariffs; import or export licensing requirements and trade policy; restrictions on the ability to repatriate funds; and other potentially detrimental domestic and foreign governmental practices or policies affecting U. S. companies doing business abroad. • Climate change and land use impacts- Climate change may impact markets in which we sell our products, where, for example, a prolonged drought may result in decreased demand for our products. The more gradual effects of persistent temperature change in geographies with significant agricultural lands may result in changes in lands suitable for agriculture or changes in the mix of crops suitable for cultivation and the pests that may be present in such geographies. These shifts in pests may become more rapid and persistent with rising temperatures and increasing GHG levels. For example, prolonged increase in average temperature may make northern lands suitable for growing crops not grown historically in such ~~climes~~ **climates** , leading growers to shift from crops such as wheat to soybean ~~and~~ **. It** may **also** result in new or different weed, plant disease or insect pressures **and** ~~on such crops –~~ such changes ~~would~~ **could** impact the mix of ~~pesticide~~ **crop protection** products growers would purchase **and** , ~~which~~ **depending on the local market and our product offering,** may be adverse for us ~~, depending on the local market and our product mix~~ . Growers may need **to implement regenerative practices and shift to** more climate-adaptive products as climate change impacts global crop yields and shifts harvestable regions and pest pressures. • Fluctuations in commodity prices- Our operating results could be significantly affected by the cost of commodities such as chemical raw material commodities, energy commodities, and harvested crop commodities. We may not be able to raise prices or improve productivity sufficiently to offset future increases in chemical raw material or energy commodity pricing. Accordingly, increases in such commodity prices may negatively affect our financial results. We use hedging strategies **, where available on reasonable terms,** to address energy and material commodity price risks ~~, where hedging strategies are available on reasonable terms~~ . However, we are unable to avoid the risk of medium- and long- term increases. Additionally, fluctuations in harvested crop commodity prices could negatively impact our customers' ability to sell their products at previously forecasted prices resulting in reduced customer liquidity. Inadequate customer liquidity could affect our customers’ abilities to pay for our products and, therefore, affect existing and future sales or our ability to collect on customer receivables. • Supply arrangements- Certain raw materials are critical to our production processes and our purchasing strategy and supply chain design are complex. We are closely monitoring raw material and supply chain costs. While we have made supply arrangements to meet planned operating requirements, an inability to obtain the critical raw materials or operate under contract manufacturing arrangements would adversely impact our ability to produce certain products and could lead to operational disruption and increase uncertainties around business performance. We source critical intermediates and finished products from a number of suppliers, largely outside of the U. S. and principally in China **and India** . An inability to obtain these products or execute under contract sourcing arrangements would adversely impact our ability to sell products. Our supply chain and business operations could be disrupted from the temporary closure of third- party supplier and manufacturer facilities, interruptions in product supply or restrictions on the export or shipment of our products. Any disruption of our suppliers and contract manufacturers could impact our sales and operating results. ~~We~~ **In recent years, we** have seen some logistics challenges, pointed supply chain shortages, and increased cost of goods due to ~~the~~ **disruptions in** energy ~~crisis~~ **markets (such as that caused by the Russian war on Ukraine)** and inflation. Operational Risks: • Global catastrophic events- A global catastrophic event (e. g., nuclear incident, pandemic, natural disaster) could endanger the lives and safety of our employees, limit market access, constrain supply and would require high levels of cross- functional coordination to maintain business continuity. If not properly managed, FMC could suffer substantial financial losses should the event negatively impact our operations or those of our customers. Global catastrophic events could also result in social, economic, and labor instability in the countries in which we or our customers and suppliers operate. These uncertainties could have a material adverse effect on our business and our results of operation and financial condition. A widespread health crisis could adversely affect the global economy, resulting in an economic downturn that could impact demand for our products. ~~The~~ **For example, the** COVID- 19 pandemic caused significant disruptions in the U. S. and global economies **and resulted in persistent** ~~. The extent to which COVID will continue to impact us will depend on future developments, many of which remain uncertain~~ **uncertainties throughout** ~~and cannot be predicted with confidence, including~~ the duration of the pandemic ~~, further actions to be taken to contain the pandemic or mitigate its impact, and the extent of the direct and indirect economic effects of the pandemic and containment measures, among others~~ . • Business disruptions- We produce products through a combination of owned facilities and contract manufacturers. We own and operate large- scale active ingredient manufacturing facilities in the U. S. (Mobile), Puerto Rico (Manati), China (Jinshan), Denmark (Ronland), and India (Panoli). Our operating results are dependent in part on the continued operation of these production facilities. Interruptions at these facilities may materially reduce the productivity of a particular manufacturing facility, or the profitability of our business as a whole. Although we take precautions to enhance the safety of our operations and minimize the risk of disruptions, our operations and those of our contract manufacturers are subject to hazards inherent in chemical manufacturing and the related storage and transportation of raw materials, products and ~~wastes~~ - **waste** . These potential hazards include explosions, fires, ~~severe weather and natural disasters,~~ mechanical failure, unscheduled downtimes, supplier disruptions, labor shortages or other labor difficulties, information technology systems outages, disruption in our supply chain or manufacturing and distribution operations, transportation interruptions, chemical spills, discharges or releases of toxic or hazardous substances or gases, shipment of contaminated or off- specification product to customers, storage tank leaks, other environmental risks, cyberattacks, or other sudden disruption in business operations beyond our control as a result of events such as acts of sabotage, terrorism or war, civil or political unrest, **severe weather and** natural disasters, large scale power outages and public health epidemics ~~/~~ **and** pandemics. Some of these hazards may cause severe damage to or destruction of property and equipment or personal injury and loss of life and may result in suspension of operations or the shutdown of affected facilities. • Climate change and physical risk to operation sites- The acute and chronic effects of climate change such as rising sea levels, drought, flooding, hurricanes, excessive heat and general volatility in seasonal temperatures could adversely affect our operations globally. Extreme weather events attributable to climate change may result in, among other things, physical damage to our property and equipment, increased resource scarcity, including water, and interruptions to our supply chain. **All of these items may have significant costs or capital expenditures.** • Litigation and environmental risks- Current reserves relating to our ongoing litigation and environmental liabilities may ultimately prove to be inadequate **, which may have a material adverse impact on our results of operations** . Products reviewed by regulators and labeled safe for use may still be challenged by others which could result in lawsuits or claims. • Hazardous materials- We manufacture and transport certain materials that are inherently hazardous due to their toxic or volatile nature. While we take precautions to handle and transport these materials in a safe manner, if they are mishandled or released into the environment, they could cause property damage or result in personal injury claims against us. •

Environmental compliance- We are subject to extensive federal, state, local, and foreign environmental and safety laws, regulations, directives, rules and ordinances concerning, among other things, emissions in the air, discharges to land and water, and the generation, handling, treatment, disposal and remediation of hazardous waste and other materials. We may face liability arising out of the normal course of business **or now discontinued operations** , including alleged personal injury or property damage due to exposure to chemicals or other hazardous substances at our current or former facilities or chemicals that we manufacture, handle or own. We take our environmental responsibilities very seriously, but there is a risk of environmental impact inherent in our manufacturing operations and transportation of chemicals. Any substantial liability for environmental damage could have a material adverse effect on our financial condition, results of operations and cash flows. ~~Technology~~ **Portfolio Management** Risks: **Portfolio Management Risks:** • Portfolio management risks- We continuously review our portfolio which includes the evaluation of potential business acquisitions that may strategically fit our business and strategic growth initiatives.If we are unable to successfully integrate and develop our acquired businesses,we could fail to achieve anticipated synergies **which would** ~~including~~ **include** expected cost savings and revenue growth.Failure to achieve these anticipated synergies could materially and adversely affect our financial results.In addition to strategic acquisitions we evaluate the diversity of our portfolio in light of our objectives and alignment with our growth strategy ~~,which~~ **.In implementing this strategy we** may ~~result~~ **not be successful** in **separating** ~~divestiture of~~ underperforming or non- strategic assets. **The** ~~In implementing this strategy,we may not be successful and the~~ gains or losses on the divestiture of,or lost operating income from,such assets **(e.g.,divesting)** may affect the Company' s earnings ~~and debt levels~~ .Moreover,we may incur asset impairment charges related to acquisitions or divestitures that **reduce** ~~negatively impact~~ earnings ~~and our financial position~~ . • Technological and new product discovery / development- Our ability to compete successfully depends in part upon our ability to maintain a superior technological capability and to continue to identify, develop and commercialize new and innovative, high value- added products for existing and future customers. Our investment in the discovery and development of new pesticidal active ingredients relies on discovery of new chemical molecules ~~or~~ **,** biological strains **or formulations** . Such discovery processes depend on our scientists being able to find new molecules ~~and~~ **,** strains **and formulations** , which are novel and outside of patents held by others, and such molecules / strains **/ formulations** being efficacious against target pests ~~, and~~ **. Our process also depends on** our ability to develop those molecules ~~and~~ **,** strains **and formulations** into new products without creating an undue risk to human health and the environment ~~, and then~~ **as well as** meeting applicable regulatory criteria. The timeline from active ingredient discovery through full development and product launch averages 8- 10 years depending on local regulatory requirements; the complexity and duration of developing new products create risks that product concepts may fail during development or, when launched, may not meet then- current market needs or competitive conditions. Portfolio Management Risks: • Portfolio management...... acquisitions or divestitures that reduce earnings. • Innovation and intellectual property- Our innovation efforts are protected by patents, trade secrets and other intellectual property rights that cover many of our current products, manufacturing processes, and product uses, as well as many aspects of our research and development activities supporting our new product pipeline. Trademarks protect valuable brands associated with our products. Patents and trademarks are granted by individual jurisdictions and the duration of our patents depends on their respective jurisdictions and payment of annuities. Our future performance will depend on our ability to address **expiration of** active ingredient composition of matter **patents. We address** patent expirations through effective enforcement of our patents that continue to cover key chemical intermediates and process patents, as well as portfolio life cycle management, particularly for our high value diamide insecticides (see" Diamide Growth Strategy" and" Patents, Trademarks and Licenses" in Item 1 for more details). If our innovation efforts fail to **result in** ~~continue to make~~ process improvements to reduce costs, such conditions could impede our competitive position. Some of our competitors may secure patents on production methods or uses of products that may limit our ability to compete cost- effectively. • Enforcement of intellectual property rights- The composition of matter patents on our Rynaxypyr ® active ingredient are expiring in several key countries. We have a broad estate of additional patents regarding the production of Rynaxypyr ® active ingredient, as well as trademark and data exclusivity protection in certain countries that extend well beyond **the scope of** the active ingredient composition of matter patents. (See" Diamide Growth Strategy" and" Patents, Trademarks and Licenses" in Item 1). We intend to strategically and vigorously enforce our patents and other forms of intellectual property and have done so already against several third parties. Other third parties may seek to enter markets with infringing products or may find alternative production methods that avoid infringement ~~or we~~ **. We** may not be successful in litigating to enforce our patents due to the risks inherent in any litigation. Patents involve complex factual and legal issues and, thus, the scope, validity or enforceability of any patent claims we have or may obtain cannot be clearly predicted. Patents may be challenged in the courts, as well as in various administrative proceedings before U. S. or foreign patent offices, and may be deemed unenforceable, invalidated or circumvented. We are currently and may in the future be a party to various lawsuits or administrative proceedings involving our patents. (See" Patents, Trademarks and Licenses" in Item 1). Such challenges can result in some or all of the claims of the asserted patent being invalidated or deemed unenforceable. ~~Two~~ **As noted in Item 1" Business," two** such ~~proceedings~~ **patents have been ruled invalid** in China **and** are currently on appeal ~~. (See" Patents, Trademarks and Licenses" in Item 1)~~ . In such circumstances, an adverse patent enforcement decision ~~which~~ could lead to the entry of competing chlorantraniliprole products in relevant markets **and** may **result in a** ~~materially~~ -- **material** ~~and adversely~~ -- **adverse** impact our financial results. • ERP ~~change~~ governance- **We operate** ~~In the fourth quarter of 2020, we completed the go- live~~ on a single global instance of SAP ~~S / 4 HANA. There are change management activities that may affect our ability to operationalize and monetize the investment made in the Enterprise Resource Planning (" ERP") system~~ . Unmanaged or poorly managed system and hardware changes across the enterprise may disrupt operations, introduce vulnerabilities, and result in increased maintenance ~~while decreasing user acceptance and adoption~~ . • Potential tax implications of FMC Lithium separation- We ~~have~~ received an opinion from outside counsel to the effect that the spin- off of FMC Lithium as a distribution to our stockholders, completed in March 2019, qualified as a non- taxable transaction for U. S. federal income tax purposes. The opinion is based on certain assumptions and representations as to factual matters from both FMC and FMC Lithium, as well as certain covenants by those parties. The opinion cannot be relied upon if any of the assumptions, representations or covenants is incorrect, incomplete or inaccurate or is violated in any material respect. The opinion of counsel is not binding upon the IRS or the courts and there is no assurance that the IRS or a court will not take a contrary position. It is possible that the IRS or a state or local taxing authority could take the position that **the** aforementioned transaction results in the recognition of significant taxable gain by FMC, in which case FMC may be subject to material tax liabilities. Financial Risks: • Foreign exchange rate risks- We are an international company operating in many countries around the world, and thus face foreign exchange rate risks in the normal course of ~~our~~ business. We are particularly sensitive to the **movements of the** Brazilian real, Chinese yuan, Indian rupee, Euro, Mexican peso and Argentine peso. While we engage in hedging and other strategies to mitigate ~~those~~ **these** risks, unexpected severe changes in foreign exchange may create risks that could materially and adversely affect our expected performance. • Uncertain tax rates- Our future effective tax rates may be materially impacted by numerous items such as: a future change in the composition of earnings from foreign and domestic tax jurisdictions, as earnings in foreign jurisdictions are typically taxed at different statutory rates than the U. S. federal statutory rate; accounting for uncertain tax positions; business combinations; expiration of statute of limitations or settlement of tax audits; changes in valuation allowance; changes in tax law; currency gains and losses; and decisions to repatriate certain future foreign earnings on which U. S. or foreign withholding taxes have not been previously accrued. • Uncertain recoverability of investments in long- lived assets- We have significant investments in long- lived assets and continually review the carrying value of these assets for recoverability in light of changing market conditions and alternative product sourcing opportunities. We may recognize future impairments of long- lived assets **,** which could adversely affect our results of operations. • Pension and postretirement plans- Our U. S. Qualified Plan has been fully funded for the last several years and as such, the primary investment strategy is a liability hedging approach with an objective of maintaining the funded status of the plan such that the funded status volatility is minimized and the likelihood that we will be required to make significant contributions to the plan is limited. The portfolio is comprised of 100 percent fixed income securities and cash. Our plan assets and obligation under our U. S. Qualified Plan is in excess of $ 1 billion. Additionally, obligations related to our pension and postretirement plans reflect certain assumptions. To the extent actual experience differs from these assumptions, our costs and funding obligations could increase or decrease significantly. While we provide other defined benefit, defined contribution and postretirement benefits to our employees and retirees, our risk is focused on our U. S. Qualified Plan given its size to our consolidated financial position. General Risk Factors: • Market access risk- Our results may be affected by changes in distribution channels, which could impact our ability to access the market. Consolidation of the value chain may limit FMC' s access in certain markets. Acquisition of retailers and wholesalers, particularly by competitors, could restrict FMC' s distribution footprint. Failure to adapt to similar trends in ~~Business~~ **business** to ~~Business~~ **business** and ~~Business~~ **business** to ~~Consumer~~ **consumer** could place FMC at a competitive disadvantage. • Compliance with laws and regulations- The global regulatory environment is becoming increasingly complex and requires more resources to effectively manage, which may increase the potential for misunderstanding or misapplication of regulatory standards. • Talent engagement and ethics / culture- The inability to recruit and retain key personnel, the unexpected loss of key personnel, or other external and internal factors and events could culminate in employee attrition and may adversely affect our operations. In addition, our future success depends in part on our ability to identify and develop talent to succeed senior management and other key members of the organization. We operate in markets where business ethics and local customs may differ from our company standards, increasing the risk of impropriety and regulatory enforcement. Significant effort will likely be required to ensure that the right mix of resources are trained, engaged and focused on achieving business objectives while adhering to our core values of safety, ethics and compliance. • Economic and geopolitical change- Our business has been and could continue to be adversely affected by economic and political changes in the markets where we compete including: trade restrictions, tariff increases or potential new tariffs, foreign ownership restrictions and economic embargoes imposed by the U. S. or any of the foreign countries in which we do business; changes in laws, taxation, and regulations and the interpretation and application of these laws, taxes, and regulations; restrictions imposed by the U. S. government or foreign governments through exchange controls or taxation policy; nationalization or expropriation of property, undeveloped property rights, and legal systems or political instability; other governmental actions; inflation rates and inflationary pressures leading to higher input costs, recessions; and other external factors over which we have no control. Continued inflationary pressures may negatively impact our revenue, gross and operating margins, and net income. For additional details, refer to the" Inflation" section of our Management' s Discussion and Analysis in Item 7. Economic and political conditions within the U. S. and foreign jurisdictions or strained relations between countries could result in fluctuations in demand, price volatility, loss of property, state sponsored cyberattacks, supply disruptions, or other disruptions. An open conflict or war across any region significant to our business could result in plant closures, employee displacement, and an inability to obtain key supplies and materials. In mid- April 2022, we announced the decision to discontinue our operations and business in Russia **, as a result of their invasion of Ukraine, which resulted in a charge to our results of operations related to noncash asset write offs** . Our values as a company did not allow us to operate and grow our business in Russia. The current military conflict between Russia and Ukraine could disrupt or otherwise adversely impact our operations in Ukraine; and related sanctions, export controls or other actions that may be initiated by nations including the U. S., the European Union or Russia (e. g., potential cyberattacks, disruption of energy flows, etc.) could adversely affect our business and / or our supply chain, business partners or customers in other countries beyond Ukraine. In Argentina, continued inflation and foreign exchange controls could adversely affect our business **. Losses may be incurred as a result of various government actions in the country such as the devaluation of the Argentine peso, changes in tax policies, and changes in capital controls / policies** . Realignment of change in regional economic arrangements could have an operational impact on our businesses. Our enforcement of intellectual property rights in jurisdictions outside of the United States may be impacted by geopolitical tensions between the United States and those other countries. In China, unpredictable enforcement of environmental regulations could result in unanticipated shutdowns in broad geographic areas, impacting our contract manufacturers and raw material suppliers. • Information technology security and data privacy risks- As with all enterprise information systems, our information technology systems and systems operated by our vendors and third parties could be penetrated by outside parties' intent on observing or gathering information, extracting information, corrupting information, deploying ransomware, or disrupting business processes. Remote and other work arrangements may leave the Company more vulnerable to a cyberattack. Our systems have in the past been, and likely will in the future be, subject to unauthorized access attempts. Implementing system updates or security patches in an untimely manner could leave our company exposed to security breaches. Unauthorized access to our networks or systems could disrupt our business operations and potentially result in failures or interruptions in our information systems, lockouts due to ransomware, or in the loss of assets and could have a material adverse effect on our business, financial condition or results of operations. We engage in response planning, simulations, trainings, tabletop exercises, and other efforts to mitigate risks associated with cybersecurity. Breaches of our security measures or the accidental loss, inadvertent disclosure, or unapproved dissemination of proprietary, sensitive, or confidential information about the Company, our employees, our vendors, or our customers, could result in litigation, violations of various data privacy regulations in some jurisdictions, and potentially result in a liability. We have not experienced a significant or material impact from these events to date and we may need to expend significant resources to maintain or continue to mature our protective and preventative measures to stay abreast of the ever- changing cybersecurity threat. We maintain a multifaceted cybersecurity program designed to identify, protect, detect, respond, and recover from a cybersecurity event ~~and recently completed~~ **. We ensure that the program is aligned with the National Institute of Standards** ~~an~~ **and** ~~independent~~ **Technology ("** NIST **")** Cybersecurity Framework ~~assessment which concluded we maintain a robust and mature cybersecurity program~~ . Additionally, we continually engage in response planning, simulations, trainings, tabletop exercises, and other efforts to mitigate risk and prepare for a rapid response to any cybersecurity events. While we have taken measures to assess the requirements of, and to comply with the rapidly growing cybersecurity and data privacy regulations in multiple jurisdictions, these measures may be challenged by authorities that regulate cybersecurity and data- related compliance. We could incur significant expense in facilitating and responding to investigations and if the measures we have taken prove to be inadequate, we could face fines or penalties. This could damage our reputation, or otherwise harm our business, financial condition, or results of operations. • Access to debt and capital markets- We rely on cash generated from operations and external financing to fund our growth and working capital needs. Limitations on access to external financing could adversely affect our operating results. Moreover, interest payments, dividends and the expansion of our business or other business opportunities may require significant amounts of capital. We believe that our cash from operations and available borrowings under our revolving credit facility will be sufficient to meet these needs in the foreseeable future. However, if we need external financing, our access to credit markets and pricing of our capital will be dependent upon maintaining sufficient credit ratings from credit rating agencies and the state of the capital markets generally. There can be no assurances that we would be able to obtain equity or debt financing on terms we deem acceptable, and it is possible that the cost of any financings could increase significantly, thereby increasing our expenses and decreasing our net income. If we are unable to generate sufficient cash flow or raise adequate external financing, including as a result of significant disruptions in the global credit markets, we could be forced to restrict our operations and growth opportunities, which could adversely affect our operating results. • Credit default risks- We may use our existing revolving credit facility to meet our cash needs, to the extent available. In the event of a default in this credit facility or any of our senior notes, we could be required to immediately repay all outstanding borrowings and make cash deposits as collateral for all obligations the facility supports, which we may not be able to do. Any default under any of our credit arrangements could cause a default under many of our other credit agreements and debt instruments. Without waivers from lenders party to those agreements, any such default could have a material adverse effect on our ability to continue to operate. • Exposure to global economic conditions- Deterioration in the global economy and worldwide credit and foreign exchange markets could adversely affect our business. A worsening of global or regional economic conditions or financial markets could adversely affect both our own and our customers' ability to meet the terms of sale or our suppliers' ability to perform all their commitments to us. A slowdown in economic growth in our international markets, or a deterioration of credit or foreign exchange markets could adversely affect customers, suppliers and our overall business there. Customers in weakened economies may be unable to purchase our products, or it could become more expensive for them to purchase imported products in their local currency, or sell their commodities at prevailing international prices, and we may be unable to collect receivables from such customers. **• Restructuring – On December 15, 2023, the Board of Directors authorized management to proceed with a global restructuring plan which is referred to as " Project Focus. " Project Focus is designed to right- size our cost base and optimize our footprint and organizational structure with a focus on driving significant cost improvement and productivity in light of the precipitous drop in demand across the crop protection industry in 2023. We cannot guarantee that the activities under the restructuring program will result in the desired efficiencies and estimated cost savings, if any. In addition, our failure to effectively manage organizational changes as part of the restructuring program may lead to increased attrition and harm our ability to attract and retain key talent. Failure to successfully execute and realize the expected synergies from the restructuring program could materially and adversely affect our expected performance. • Channel inventory behavior – The Company relies in many countries and in varying degrees on distribution channels to access the market and reach farmers or other end use customers. An abrupt and widespread shift in purchasing behaviors (e. g., the current inventory destocking phenomenon) by channel partners and end use customers has and may continue to negatively and materially impact the Company' s volumes across important markets, which has adversely affected and may continue to adversely affect our results of operations. Such adverse effects could include but not be limited to materially reduced volumes purchased by customers, resulting in not only reduced sales, but also the Company bearing higher volumes of unsold product inventory, excess raw materials, and correspondingly increased carrying**

costs.