

## Risk Factors Comparison 2025-02-13 to 2024-02-12 Form: 10-K

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

We operate globally in a rapidly changing economic, political and technological environment that ~~present~~ presents numerous risks. Our operations and financial results are subject to risks and uncertainties, including those described below, that could adversely affect our business, financial condition, results of operations, cash flows, our ability to successfully execute our strategy and the trading price of our common stock or debt. The following discussion identifies the most significant factors that may adversely affect the Company. This information should be read in conjunction with Management's Discussion and Analysis of Financial Conditions and Results of Operations ("MD & A") and the consolidated financial statements and related notes incorporated by reference into this report. The following discussion of risks is not all inclusive but is designed to highlight what we believe are important factors to consider, as these factors could cause our future results to differ from those in our forward- looking statements and from historical trends. Risks Related to Our Business Inflationary price pressures and uncertain availability of commodities, raw materials, utilities, labor or other inputs used by us and our suppliers, or instability in logistics and related costs, among other factors, could negatively impact our profitability Increases in the price of commodities, raw materials, utilities, labor or other inputs that we or our suppliers use in manufacturing and supplying products, components and parts, along with logistics and other related costs, may lead to higher production and shipping costs for our products, parts and components. Further, increasing global demand for, and uncertain supply of, such materials could disrupt our or our suppliers' ability to obtain such materials in a timely manner to meet our supply needs and / or could lead to increased costs. Any increase in the cost of inputs to our production could lead to higher costs for our products and could negatively impact our operating results, future profitability and ability to successfully deliver on our strategy. Increasing our prices to our customers may cause certain of our customers to push out, cancel or refrain from purchasing our products, which could materially adversely impact demand for our products, and thereby also negatively impact our operating results, future profitability and ability to successfully deliver on our strategy. Factors such as supply chain disruptions, manufacturing interruptions or delays, or the failure to accurately forecast customer demand, could affect our ability to meet customer demand, lead to higher costs, or result in excess or obsolete inventory; if we are unable to obtain the necessary equipment, raw and batch materials, natural resources, utilities and other essentials required in our products or processes, our business will be negatively impacted Corning's business relies on the timely supply of raw materials, precious metals, natural resources or utilities including energy and industrial water, equipment, parts and components, services and related products to meet the changing technical and volume requirements of its customers, which depends in part on the timely delivery of materials, equipment and services, from suppliers and contract manufacturers. Significant or sudden increases in demand for such materials, equipment and services, as well as delays in and unpredictability of shipments due to transportation interruptions, have resulted in, and may continue to result in, a shortage of materials, equipment and services needed to manufacture Corning's products. Such shortages have adversely impacted, and may continue to adversely impact, our suppliers' ability to meet our demand requirements and Corning's manufacturing operations and its ability to meet customer demand. Some key materials, equipment and services are subject to long lead- times or are available only from a single supplier or limited group of suppliers and we may not be able to find alternate sources in a timely manner. Volatility of demand for manufacturing equipment can increase capital, technical, operational and other risks for Corning and for companies throughout our supply chain, and may cause some suppliers to exit businesses, scale back or cease operations, which could impact our ability to meet customer demand and could have a material adverse effect on our business. Corning may also experience significant interruptions of its manufacturing operations, delays in its ability to deliver products or services, increased costs or customer order cancellations as a result of: • The failure or inability to accurately forecast demand and obtain sufficient quantities of materials, equipment and services on a cost- effective basis; • Volatility in the availability and cost of materials, equipment and services, including rising prices due to inflation or scarcity of availability; • Difficulties or delays in obtaining required import or export approvals; • Shipment delays due to transportation interruptions, labor strife or capacity constraints; • A worldwide shortage of semiconductor components or other issues; • Information technology or infrastructure failures, including those of a third- party supplier or service provider; and • Natural disasters, the impacts of climate change, or other events beyond Corning's control (such as earthquakes, utility interruptions, tsunamis, hurricanes, typhoons, floods, storms or extreme weather conditions, fires, regional economic downturns, regional or global health crisis events, geopolitical turmoil, increased trade restrictions between the U. S. and China and other countries, social unrest, political instability, terrorism, or acts of war) in locations where it or its customers or suppliers have manufacturing, research, engineering or other operations. Table of Contents Health crisis events, such as epidemics or pandemics, have adversely impacted, and may continue to impact, the economy and disrupt our operations and supply chains, which may have an adverse effect on our results of operations Health crisis events, including epidemics or pandemics, such as COVID- 19, have impacted and may further impact the economy and could have additional impacts on economic growth, supply chains, the proper functioning of financial and capital markets, foreign currency exchange rates and interest rates. Recently, the COVID- 19 pandemic resulted in authorities around the world implementing numerous unprecedented measures such as travel restrictions, quarantines, shelter in place orders, vaccine mandates and facility shutdowns. These measures have impacted our workforce, operations and supply chains, and those of our customers, contract manufacturers and suppliers, and may continue to have an impact particularly in the event of another significant global health crisis. There is considerable uncertainty regarding the duration, scope and severity of a health crisis event and the impacts on our business and the economy from the effects of such an event and response measures. Corning's Display Technologies segment generates a significant amount of the Company's profits and cash flow; any

significant decrease in display glass pricing, volume or market share could have a material and negative impact on our financial results. Corning's ability to generate profits and operating cash flow depends largely on **could be significantly impacted by** the profitability of our display glass business, which is subject to pricing pressure, exchange rate movements, industry competition, potential over- capacity, development of new technologies and operational and regulatory risks. If we are not able to achieve proportionate reductions in costs and / or increases in volume or price to offset the aforementioned factors, it could have a material adverse impact on our financial results. Because we have a concentrated customer base, future sales and cash flows could be negatively impacted by the actions or loss of one or more key customers. A relatively small number of end customers account for a high percentage of our net sales **in each of our business segments**. This concentration subjects us to a variety of risks including:

- The loss or insolvency of one or more of our key customers, could result in a substantial loss of sales and reduction in anticipated cash flows;
- Customers may possess substantial leverage in negotiating contractual obligations, including liability provisions; and
- Mergers and consolidations between customers could result in further concentration of the customer base.

The following table details the number of combined customers of our reportable segments that accounted for a large percentage of segment net sales, **not adjusted for constant currency**:

Segment	Number of combined end customers	% of total segment net sales in 2023	% of total segment net sales in 2024
Optical Technologies	467	46%	47%
Specialty Materials	243	24%	24%
Environmental Technologies	371	37%	37%
Life Sciences	242	24%	24%
Communications	227	22%	22%
Display Technologies	227	22%	22%

Events outside of Corning's control, or those of our contract manufacturers, could cause a disruption to our manufacturing operations and our ability to serve our customers, resulting in a negative impact to Corning's net sales, net income, asset values and liquidity. Disruption to our manufacturing operations, or those of our contract manufacturers, could significantly impact Corning's ability to supply its customers and could produce a near- term severe impact on our individual business units and the Company. Given the geographical concentration of certain of the Company's and our contract manufacturers' plants in Asia Pacific, the highly engineered nature of the facilities and the globally dispersed talent required to run these facilities, any event that adversely affects or restricts movement into or out of a specific geographic area where we, our contract manufacturers, suppliers, or customers have a presence, could adversely impact our results. Due to the specialized nature of our products and single- site manufacturing locations, in the event such a location experiences disruption, it may not be possible to find replacement capacity or substitute production from other facilities. We may experience difficulties in enforcing our intellectual property rights, which could result in loss of market share and decreased sales and profits, and we may be subject to claims of infringement of the intellectual property rights of others. We rely on patent and trade secret laws, copyright, trademark, confidentiality procedures, controls and contractual commitments to protect our intellectual property rights. Despite our efforts, these protections may be limited and we may encounter difficulties in protecting our intellectual property rights or obtaining rights to additional intellectual property necessary to permit us to continue or expand our businesses. We cannot provide assurance that the patents we hold or may obtain will provide meaningful protection against our competitors. Changes in or enforcement of laws concerning intellectual property may affect our ability to prevent or address the misappropriation of, or the unauthorized use of, our intellectual property, potentially resulting in loss of market share. Litigation may be necessary to enforce our intellectual property rights. Litigation is inherently uncertain and outcomes are unpredictable. If we cannot protect our intellectual property rights against unauthorized copying or use, or other misappropriation, we may not remain competitive. The intellectual property rights of others could inhibit our ability to introduce new products. Other companies hold patents on technologies used in our industries and are aggressively seeking to expand, enforce and license their patent portfolios. We periodically receive notices from, or have lawsuits filed against us, by third parties claiming infringement, misappropriation or other misuse of their intellectual property rights and / or breach of our agreements with them. These third parties often include entities that do not have the capabilities to design, manufacture, or distribute products or entities that acquire intellectual property, including patents, for the sole purpose of monetizing their acquired intellectual property through asserting claims of infringement and misuse. Such claims of infringement or misappropriation may result in loss of revenue, substantial costs, or lead to monetary damages or injunctive relief against us. Information technology dependency and cybersecurity vulnerabilities could lead to reduced revenue, liability claims, competitive or reputational harm, and result in material adverse effects on our operations and financial results. The Company is dependent on information technology systems and infrastructure ("IT systems") owned and operated by the Company or managed by third- party service providers, suppliers and contract manufacturers. IT systems enable us to conduct, monitor and / or protect our business, operations, systems, data and other assets. In the ordinary course of our business, we and our providers collect, process, transmit and store sensitive data, including intellectual property, our proprietary information and that of our customers, suppliers and business partners, as well as personally identifiable information. Intrusion into a supplier or contract manufacturer system not integrated with a Corning IT system could result in service disruption and / or loss of financial control. Our IT systems, and those of our providers, may be vulnerable to compromise or disruption due to human error or malfeasance, outdated applications, computer viruses or malware (e. g., ransomware), natural disasters, unauthorized access, cyber- attacks and other similar incidents and disruptions. Inadequate account security or organizational security practices may also result in unauthorized access. Increased work- from- home, at both the Company and our providers, presents additional operational risk. Companies that provide utilities, water, transportation, natural gas and other resources and services across our supply chain, are critical to our manufacturing operations and are vulnerable to cyber- attacks. From time to time, both we and certain of our providers, have been subject to cyberattacks and security incidents. **We Our security processes and initiatives may not be unable to capable of anticipate-anticipating, detect detecting, prevent preventing or remediate-remediating future-all attacks, particularly as attackers are becoming more sophisticated in their ability to circumvent controls and remove forensic evidence. The rapid development and increasing adoption of emerging technologies, such as artificial intelligence and machine learning, may further complicate our ability to anticipate and implement effective protective measures against cyber events.** Any significant disruption, breakdown, intrusion, interruption or corruption, data breach, or compromise to the accessibility, security or integrity of our or

our providers' IT systems, or the misappropriation or disclosure of any confidential, proprietary or personally identifiable information, could result in the loss of data or intellectual property, equipment or systems damage, downtime, safety related issues and could have a material adverse effect on our business, including by harming our competitive position and reputation, disrupting our manufacturing, reducing the value of our investment in research and development and other strategic initiatives, impairing our ability to access suppliers, contract manufacturers, customers and cloud- based services, subjecting us to litigation or regulatory investigations or fines, increasing the costs of compliance and remediation, or otherwise adversely affecting our business. We may be required to invest significant additional resources to comply with evolving cybersecurity regulations and to modify and enhance our IT systems, information security and controls, and to investigate and remediate any security vulnerabilities. Any losses, costs or liabilities may not be covered by, or may exceed the coverage limits of, any, or all, of our applicable insurance policies. We may not earn a positive return from our research, development and engineering investments. Developing our products through our innovation model of research and development is costly and often involves a long investment cycle. We make significant investments in research, development and engineering that may not earn an economic return. If our investments do not provide a pipeline of products or technologies that our customers demand or lower our manufacturing costs, or if our products or technologies become obsolete or disrupted by emerging technologies, it could negatively impact our revenue and operating margins for both near- and long- term. Our innovation model depends on our ability to attract and retain specialized expertise. Our innovation model requires us to employ highly specialized experts in glass science, ceramic science and optical physics to conduct our research and development and engineer our products and design our manufacturing facilities. The loss of the services of any member of our key research and development or engineering team without adequate replacement, or the inability to attract new qualified personnel, could have a material adverse effect on our operations and financial performance. We are subject to strict environmental regulations and regulatory changes that could result in fines or restrictions that interrupt our operations. Some of our manufacturing processes generate chemical waste, wastewater, other industrial waste or greenhouse gases, and we are subject to numerous laws and regulations relating to the use, storage, discharge and disposal of such substances. We have installed anti- pollution equipment for the treatment of chemical waste and wastewater at our facilities. We have taken steps to control and reduce the amount of greenhouse gases created by our manufacturing operations. However, we cannot provide assurance that environmental claims will not be brought against us or that government regulators will not take steps to adopt more stringent environmental standards. Any failure on our part to comply with any present or future environmental regulations could result in the assessment of damages or imposition of fines against us, or the suspension / cessation of production or operations. In addition, environmental regulations could require us to acquire costly equipment, incur other significant compliance expenses or limit or restrict production or operations and thus materially and negatively affect our financial condition and results of operations. Changes in regulations and the regulatory environment in the U. S. and the many other countries in which we operate, such as those resulting from the regulation and impact of climate change, CO2 abatement and emission reduction targets, may affect our businesses and results in adverse ways by, among other things, substantially increasing manufacturing costs, limiting availability of scarce resources, especially energy, or requiring limitations on production or sales of our products or those of our customers. General Risk Factors We may have additional tax liabilities. We are subject to income taxes in the U. S. and many foreign jurisdictions and are commonly audited by various tax authorities. There are many transactions and calculations where the ultimate tax treatment is uncertain. Judgment is required in determining our worldwide provision for income taxes. Although we believe our tax estimates are reasonable, the final determination of tax, assessments, audits and any related litigation could be materially different from our historical income tax provisions and accruals, or result in the forfeiture of funds deposited with the relevant government authorities. The results of an audit or litigation could have a material effect on our financial statements in the period or periods for which such a determination is made. The U. S., other countries and international organizations, such as Organisation for Economic Co- operation and Development, may change their laws or issue new international tax standards that may also impact our taxes. As a global company, we face many risks which could adversely impact our operations and financial results. We are a global company and derive a substantial portion of our revenue from, and have significant operations, outside of the U. S. Our international operations include manufacturing, assembly, sales, research and development, customer support and shared administrative service centers. Additionally, we rely on a global supply chain for key components and capabilities that are central to our ability to invent, make and sell products. Compliance with multiple legal and regulatory requirements increases our costs. We are subject to both U. S. laws and the local laws where we operate which, among other things, include data privacy requirements, employment and labor laws, tax laws, anti- competition regulations, prohibitions on payments to governmental officials, import and trade restrictions and export requirements. Non- compliance or violations could result in fines, criminal sanctions against us, our officers or employees, and prohibitions on the conduct of our business. Such violations could result in prohibitions on our ability to offer our products and services in one or more countries and could also materially damage our reputation, our brand, our international expansion efforts, our ability to attract and retain employees, our businesses and operating results. Our success depends, in part, on our ability to anticipate and manage these risks. Corning is exposed to risks associated with **a an uncertain, recessionary and inflationary global economy, including government fiscal and monetary policies**. Uncertain or adverse economic and business conditions, including uncertainties and volatility in the financial markets, national debt, fiscal or monetary concerns, availability of government incentives, inflation and rising interest rates in various regions, could materially adversely impact Corning' s operating results. Markets for our products depend largely on business and consumer spending and demand for network capacity, electronics and automotive products. Uncertain or adverse economic and recessionary business conditions, among other factors, that could result in decreases in consumer spending and demand, or cause us to pass on increased costs to our customers, may cause certain of our customers to push out, cancel or refrain from purchasing our products, which could materially adversely impact demand for our products and our operating results. Similarly, changes that result in sudden increases in consumer demand for electronic products have resulted in, and may

continue to result in, a shortage of parts and materials needed to manufacture our products or the products in which our products are used. Such shortages, as well as shipment delays due to transportation interruptions, have adversely impacted, and may continue to adversely impact, our ability to meet our demand requirements. Uncertain economic and industry conditions also make it more challenging for Corning to forecast its operating results, make business decisions and identify and prioritize the risks that may affect its businesses, sources and uses of cash, financial condition and results of operations. If Corning does not appropriately manage its business operations in response to changing economic and industry conditions, it could have a significant negative impact on its business performance and financial condition. Even during periods of economic uncertainty or lower revenues, Corning must continue to invest in research and development and maintain a global business infrastructure to compete effectively and support its customers, which can have a negative impact on its operating margins and earnings. We are also subject to a variety of other risks in managing a global organization, including those related to:

- The economic and political conditions in each country or region and relationships among countries;
- Complex regulatory requirements affecting international trade and investment, including anti-dumping laws, export controls, the Foreign Corrupt Practices Act and local laws prohibiting improper payments. Our operations may be adversely affected by changes in the substance or enforcement of these regulatory requirements, and by actual or alleged violations of them;
- Fluctuations in currency exchange rates, convertibility of currencies and restrictions involving the movement of funds between jurisdictions and countries;
- Governmental protectionist policies and sovereign and political risks that may adversely affect Corning's profitability and assets;
- **Adverse changes relating to government grants, tax credits or other government incentives;**
- Tariffs, trade duties and other trade barriers including anti-dumping and countervailing duties;
- Geographical concentration of our factories and operations, and regional shifts in our customer base;
- Health crisis events, including epidemic or pandemic concerns;
- Political unrest, geopolitical tensions, confiscation or expropriation of assets by foreign governments, terrorism and the potential for other hostilities;
- Difficulty in protecting intellectual property, sensitive commercial and operations data and information technology systems;
- Differing legal systems, including protection and treatment of intellectual property and patents;
- Complex, changing or competing tax regimes;
- Difficulty in collecting obligations owed to us;
- Natural disasters such as floods, earthquakes, tsunamis and windstorms; and
- Potential loss of utilities or other disruptions affecting manufacturing.

We have significant exposure to foreign currency movements. A large portion of our sales, profit and cash flows are transacted in non-U.S. dollar currencies, primarily the Japanese yen, South Korean won, New Taiwan dollar, **Mexican peso**, Chinese yuan and euro. The Company expects to continue to experience fluctuations in the U.S. dollar value of these activities if it is not possible, cost-effective or should we not elect to hedge certain currency exposure. Additionally, gains or losses may be experienced if the underlying exposure which has been hedged increases or decreases significantly. The ultimate realized gain or loss with respect to currency fluctuations will generally depend on the size and type of cross-currency exposure that we have, the changes in exchange rates associated with those exposures, whether we have entered into foreign currency contracts to offset these exposures and other factors. These factors could materially impact our results of operations, anticipated future results, financial position and cash flows. We may have significant exposure to counterparties of our related derivatives portfolio. We maintain a significant portfolio of over-the-counter derivatives to hedge our projected currency exposure. We are exposed to potential losses in the event of non-performance by our counterparties to these derivative contracts. Any failure of a counterparty to pay on such a contract when due could materially impact our results of operations, financial position and cash flows. Current or future litigation or regulatory investigations may harm our financial condition or results of operations. As a global technology and manufacturing company, we are engaged in various ~~litigations~~ **litigation** and regulatory matters. Litigation and regulatory proceedings may be uncertain, and adverse rulings could occur, resulting in significant liabilities, penalties or damages. Any such substantial legal liability or regulatory action could have a material adverse effect on our business, financial condition, cash flows and reputation. Our business is subject to various governmental regulations, and compliance with these regulations may cause us to incur significant expense. If we fail to maintain compliance with applicable regulations, we may be forced to cease the manufacture and distribution of certain products, and we could be subject to administrative proceedings and civil or criminal penalties. Our products and operations are also subject to regulation by U.S. and non-U.S. regulatory agencies, such as the U.S. Federal Trade Commission. From time to time, we may also be involved or required to participate in regulatory investigations or inquiries, into certain of our contracting and business practices, which may evolve into legal or other administrative proceedings. Growing public concern over concentration of economic power in corporations is likely to result in increased anti-competition legislation, regulation, administrative rule making and enforcement activity. Involvement in regulatory investigations or inquiries, can be costly, lengthy, complex and time consuming, diverting the attention and energies of our management and technical personnel. If any pending or future governmental investigations result in an unfavorable resolution, we could be required to cease the manufacture and sale of the subject products or technology, pay fines or disgorge profits or other payments and / or cease certain conduct and / or modify our contracting or business practices, which could have a material adverse effect on our business, financial condition and results of operations. We may be obligated to indemnify our current or former directors or employees, or former directors or employees of companies that we have acquired, in connection with regulatory investigations. These liabilities could be substantial and may include, among other things, the cost of government, law enforcement or regulatory investigations and civil or criminal fines and penalties. Our global operations are subject to extensive trade and anti-corruption laws and regulations. Due to the international scope of our operations, we are subject to a complex system of import- and export-related laws and regulations, including U.S. regulations issued by Customs and Border Protection, the Bureau of Industry and Security, the Office of Anti-boycott Compliance, the Directorate of Defense Trade Controls and the Office of Foreign Assets Control, as well as the counterparts of these agencies in other countries. Any alleged or actual violation by an employee or the Company may subject us to government scrutiny, investigation and civil and criminal penalties, and may limit our ability to import or export our products or to provide services outside the U.S. We cannot predict the nature, scope or effect of future regulatory requirements to which our operations might be subject to, based on the way

existing laws might be administered or interpreted. In addition, the U. S. Foreign Corrupt Practices Act and similar foreign anti-corruption laws generally prohibit companies and their intermediaries from making improper payments or providing anything of value to improperly influence foreign government officials to obtain or retain business or obtain an unfair advantage. Recent years have seen a substantial increase in the global enforcement of anti- corruption laws. Our continued operation and expansion outside the U. S., including in developing countries, could increase the risk of alleged violations. Violations of these laws may result in severe criminal or civil sanctions, could disrupt our business, and result in an adverse effect on our reputation, business and results of operations or financial condition. Moreover, several of our key customers are domiciled in areas of the world with laws, rules and business practices that may notably differ from those in the U. S., and we face the reputational and legal risk that our related partners may violate applicable laws, rules and business practices. International trade policies may negatively impact our ability to sell and manufacture our products outside of the U. S. Government policies on international trade and investment such as import quotas, tariffs and capital controls, whether adopted by individual governments or addressed by regional trade blocs, can affect the demand for our products and services, impact the competitive position of our products or prevent us, our equity affiliates or joint ventures, from being able to sell and manufacture products in certain countries. The implementation of more restrictive trade policies, such as higher tariffs or new barriers to entry, together with anti- dumping claims, duties, slowed regulatory approvals and other restrictions, in countries in which we import raw materials and components or sell large quantities of products and services could negatively impact our business, results of operations and financial condition. For example, a country' s adoption of nationalistic policies or retaliation by another government against such policies could have a negative impact on our results of operations. Further, these actions in conjunction with any trade tensions may restrict us from participating in a specific market or may prevent us from competing effectively.