



California Transparency in Supply Chains Act Statement

This statement provides information about supply chain transparency at Arxada and has been published in accordance with the California Transparency in Supply Chains Act (the "Act"). It sets out the steps that Arxada plans to continue taking to prevent modern slavery in its businesses and direct supply chains. Unless otherwise specified, all references to Arxada herein are references to Arxada globally, to the extent it is subject to the Act.

About Arxada:

Arxada is a global specialty chemicals business with a world-class offering in Consumer Microbial Control ('CMC'), Industrial Microbial Control ('IMC') and Specialty Products Solutions ('SPS'). Arxada provides a broad portfolio of differentiated products targeted at a range of end markets, supported by its leading regulatory capabilities, IP expertise and established track record in R&D.

Arxada's CMC business targets five end markets: Hygiene, Home and Personal Care, Wood Protection, Crop Protection, and Food, Beverage and Water, while IMC focuses on Paints and Coatings and Material Protection. Both businesses build on superior regulatory expertise, the broadest set of antimicrobial agents and the widest range of registrations in the world, which are critical to maintaining the integrity of their customers' products.

Arxada's unique SPS business provides complex, high-quality technologies and chemistries to customers across a range of industries within its three divisions: performance intermediates and chemicals, composite materials and the custom development and manufacturing organization. The two businesses work closely together to provide complementary expertise and deliver unique, innovative solutions to help customers protect their products from harmful microorganisms, improve health and safety and reduce their environmental footprints.

1. Verification Procedures

Suppliers that enter into Arxada's standard supply agreement agree to adhere to Arxada's Supplier Code of Conduct, which sets forth certain ethical and quality standards, including standards related to labor, health and safety, and the environment. Arxada's Supplier Code of Conduct embraces the principles behind the Act, including:

- Requiring that its suppliers act in a socially responsible and ethical way and that their business behavior be in compliance with all applicable international, national, and local laws and contractual terms, as well as with generally accepted standards in relation to child labor and safety.
- Prohibiting the use of forced or involuntary labor.
- Prohibiting the use of child labor below the age of 16 or the applicable minimum legal age, whichever is higher.
- Requiring work hours, minimum wages, and overtime hours to be paid to employees, as well as any fringe benefits, in compliance with applicable law.
- Prohibiting inhumane treatment or physical punishment of workers.

Arxada's Supplier Code of Conduct applies to both its suppliers and to any subcontractors or other third parties that a supplier may engage in the performance of its contractual obligations.

Currently, suppliers are instructed to implement internal measuring procedures, tools, and indicators required to guarantee adherence to the Arxada Supplier Code of Conduct principles. Suppliers are encouraged to report any violations by sending an e-mail to compliance@arxada.com or by using Arxada's ethics and compliance reporting hotline at www.convercent.com/report.



2. Audit

Per the Arxada Sourcing and Purchasing Policy, Arxada reserves the right to ask for a written confirmation of a supplier's compliance with the Supplier Code of Conduct and to audit its suppliers accordingly.

3. Certification

Suppliers that execute Arxada's supply agreements warrant that they will comply with Arxada's Supplier Code of Conduct, which, in addition to the principles outlined in Section 1 above, also states that Arxada follows the Principles of the United Nations Global Compact, the International Labour Organization's Forced Labour Standards, as well as the Pharmaceutical Industry Principles for Responsible Supply Chain Management. In the event that Arxada becomes aware of any actions or conditions not in compliance with its Supplier Code of Conduct, Arxada reserves the right to request corrective actions and the right to terminate any agreement with a non-compliant supplier unless its supplier agreement provides otherwise.

4. Internal Accountability

Arxada's internal Code of Conduct defines the professional standards Arxada aspires to in all of its activities and the standards it expects of its employees. In keeping with the fundamental Arxada values of openness, loyalty, fair dealing, integrity, mutual respect and honesty, Arxada sees the Code of Conduct as a key element of its relationships with employees and third parties.

The Arxada Code of Conduct includes a prohibition on discrimination, which states in part that "Arxada does not tolerate any discrimination, harassment or bullying on the basis of ethnicity, national origin, color, religion, sexual orientation, creed, age, sex, disability or any similar characteristic. Nor will Arxada engage in or support, directly or indirectly, child labor, or bonded or forced labor of any kind."

The Arxada Code of Conduct is issued as part of the terms of employment of all Arxada companies, and the Board of Directors insists on full compliance by all employees, regardless of their position. Moreover, Arxada's ethics and compliance hotline provides a mechanism for employees and others to report potential violations of the Code of Conduct, any Arxada policies or procedures (including those related to ethical sourcing), or applicable laws. Such reports may be made anonymously where allowable by law. Those found responsible for any violations may face disciplinary action, to include termination of employment.

5. Training

Arxada provides periodic training to all its employees regarding compliance with its Code of Conduct, which includes a prohibition on engaging in or supporting the use of forced labor. Arxada also provides additional training to its purchasing employees on the Supplier's Code of Conduct.