

## California Transparency in Supply Chains Act of 2010 Disclosure Statement

Drexel Chemical Company (“Drexel”) is an agricultural chemical manufacturing company that has been doing business since 1972. Wherever it does business around the world, Drexel is committed to conducting that business with honesty and integrity; treating all people with dignity and respect and complying with applicable laws, regulations and treaties. Drexel is also committed to protecting and promoting human rights globally. Drexel does not tolerate illegal child labor, forced labor, or any use of force or other forms of coercion, fraud, deception, abuse of power or other means to achieve control over another person for the purpose of exploitation. Drexel respects international principles of human rights including, but not limited to, those expressed in the UN Universal Declaration of Human Rights, the Trafficking Victims Protection Reauthorization Acts and the California Transparency in Supply Chains Act of 2010. These principles and commitments are embodied in the way Drexel does business. Drexel complies with the laws of every country in which it operates and expects those with whom it does business to do the same.

The California Transparency in Supply Chains Act of 2010 (the “Act”) requires certain retail sellers and manufacturers doing business in California to disclose their efforts to eradicate slavery and human trafficking from their direct supply chains. Compliance with the Act requires Drexel to disclose, to what extent, if any, it does the following:

- 1. Verification.** Drexel routinely assesses risk related to its supply chain. This assessment is based primarily upon supplier quality performance, the type of transaction, the specific commodity purchased, the geographic location of the source and other relevant business and legal criteria. Drexel follows the trade laws of the US and applicable laws of countries in which it operates, including the restrictions on export or doing business with certain people, companies or countries. Other than the foregoing, Drexel has no formal process for verification of product supply chains to evaluate and address risks of human trafficking and slavery.
- 2. Audits.** While Drexel has conducted routine audits of supplier’s compliance with the terms of the contract, or assessments of supplier performance, those assessment methodologies do not currently include intentional assessments of human trafficking and slavery.
- 3. Certifications.** Drexel contracts with suppliers and expects suppliers to comply with all laws. Other than this contractual obligation with suppliers, Drexel does not have a formal supplier certification process.
- 4. Internal Accountability.** Drexel employees are, under the terms of their employment, expected to follow all laws of the countries in which they operate and all of Drexel’s policies and workplace rules. Employees who violate laws or Drexel’s policies are subject to disciplinary action, up to and including discharge. Drexel reserves the right to terminate relationships with suppliers who fail to comply with law and/or whose contractual noncompliance is not addressed in a timely manner.
- 5. Training.** Drexel uses role modeling on a daily basis to train its employees in the standards of ethical behavior, policies, procedures and legal requirements that establish the manner in which it conducts business. Drexel does not currently have a formal training process for managers and employees on human trafficking and slavery, particularly with respect to mitigating risks within supply chains.