

Business Ethics and Fair Business Policy

Sovereign Chemical Company promotes and follows fair and ethical business practices and actions to ensure our customers and suppliers are free from business and personal ethical conflicts. High ethical standards ensure long term survivability of the business and the highest service to our community, employees, and business partners. Sovereign's policies reduce risk and exposure to litigation or fraud for our company, employees, and customers.

To our valued Employees:

Sovereign's success is based upon a safe ethical workplace that guides employees on appropriate business behaviors. The following policies must be enforced at all levels and any question or concern should be immediately reported directly to our president or anonymously via the instructions below. Any employee reporting a violation is protected from retaliation. Sovereign Chemical does not have publicly listed securities and is not subject to Foreign Corrupt Practices Act.

- Anti-Corruption and Bribery
 - Sovereign employees are prohibited from offering or providing money or items of value to employees of our customers. Offering these items can unethically influence a customer's employee in the procurement decision process. Gifts given by employees and received by employees is governed by our January 2023 Employee Manual on page 41 and is limited to \$50 in value and for special occasions. Expense Reimbursement for employees are also governed by our January 2023 Employee Manual on page 41 and requires management authorization.
 - Sovereign employees must not accept gifts, meals or entertainment if will or can be reasonably perceived to influence their decision as an employee acting in the best interest of the company or its customers.
- Anti-Trust and Anti-Competition
 - Sovereign employees are prohibited from discussing customer and market volumes or prices with competitors. Sovereign will compete in the market by adding value and providing services and not create monopolies nor closed markets forcing customers to pay higher prices.
- Conflicts of Interest
 - Sovereign employees are prohibited from working for our partners, our competitors, or in a competing entity during employment. Employee actions must represent the best outcomes for our customer and our company initiatives.
- Personal Allocation of Company Resources
 - Employees must report any action of another employee that directs company resources for personal financial benefit. This includes money laundering, inaccurate or inappropriate business expense, or theft of company money or resources.

- Intellectual Property Rights and Data Protection
 - Employees must safeguard any intellectual property of our customers and suppliers. Employees cannot discuss information about a customer with another customer without previous consent.
 - Any document or email containing customer or supplier intellectual property must be only stored securely on Sovereign servers. It cannot be transferred to personal equipment nor portable storage devices. Information stored must be password protected and protected by restricted user access.
 - Important intellectual property encompasses chemical formulations, manufacturing process, and personnel names and positions.
- Truthfulness in Marketing
 - Sovereign only provides accurate information about our products, capabilities and our services. All products adhere to our published specifications. Employees are required to provide accurate information to customers to ensure long term successful partnerships.

Reporting Violation or Concerns:

If you believe you have information that gives you reason to believe someone has acted or will act contrary to this policy, please promptly report the issue to our Chief Executive Officer, Sam DiPaola III at sd3@sovchem.net. This can be sent anonymously at <https://anonymousemail.me/>

Public access to this document can be found at www.sovchem.net/corporatesocialresponsibility/

Sincerely,

Samuel J. DiPaola III



Chief Executive Officer

Reviewed and Revised: December 2, 2025