

January 1, 2016

Sun Chemical's Disclosure regarding the California Transparency in Supply Chains Act (SB 657)

The California Transparency in Supply Chains Act of 2010 (CTSCA) was approved by the Governor of California on September 30, of 2010. The act begins by declaring that slavery and human trafficking are crimes under state, federal, and international law and requires that retailers and manufacturers doing business in the state of California disclose efforts to eradicate slavery and human trafficking from its direct supply chain to tangible goods offered for sale.

As a responsible corporate citizen, Sun Chemical seeks to ensure that quality and safety standards are maintained throughout our supply chain by well-treated, fairly compensated workers in accordance with all applicable laws. To that end, and in response to the CTSCA, Sun Chemical states:

1. Sun Chemical has published standards prohibiting our suppliers from engaging in slavery and human trafficking. In addition, Sun Chemical's terms and conditions on our purchase orders ask suppliers to represent and warrant that they do not and will not knowingly use any slave labor or engage in any human trafficking. Because of what we believe to be low risk in our supply chain, we do not currently audit our suppliers for compliance. However, Sun Chemical will consider more intense measures such as auditing or third party verification for any suppliers we determine that are of medium or high risk. If we suspect a supplier is involved in these activities, we will conduct an inquiry. If we find evidence of slavery and human trafficking at the supplier, we expect the supplier to take corrective action to resolve the issues within 90 days.
2. Sun Chemical asks our suppliers to verify in writing that they do not engage in slavery or human trafficking, and that the supplier requires at least the same degree of compliance certified in writing from all of its suppliers of materials used in goods sold to Sun Chemical.
3. In addition to requiring that suppliers renounce and abstain from human trafficking and slavery, we also ask that our suppliers comply with all applicable discrimination and labor laws.
4. Sun Chemical employees are required to attend training concerning issues surrounding slavery and human trafficking in the supply chain, including training for employees that work with our supply chain and contractors on the issues involved with slavery and human trafficking as well as identification of risk.