

On January 1, 2012, the California Transparency in Supply Chains Act of 2010 went into effect in the State of California. The purpose of the Act is to eliminate slavery and human trafficking from product supply chains and requires certain companies in California to disclose the efforts they are taking to support the elimination of slavery and human trafficking from their supply chain. One of the requirements of the Act is to disclose efforts that are being taken to address the issue of forced or involuntary labor, human trafficking and child labor.

Sequa is a responsible corporate citizen and seeks to ensure that our supply chain maintains fair, safe and ethical standards for, and treatment of, all workers, in accordance with applicable laws, that may help produce the materials we use in our production processes.

Sequa has undertaken the following efforts to confirm the absence of forced or involuntary labor, human trafficking and child labor in our supply chain:

Supplier Assessments and Audits: Sequa self-engages in verification of its product supply chains to (1) evaluate and address risks of human trafficking and slavery and (2) confirm the supplier's adherence to Sequa's Code of Conduct applicable to its supply chain. Sequa also conducts random non-independent audits of suppliers to evaluate their compliance with company standards for the safe, fair and ethical treatment of workers to ensure our supply chain is free from human trafficking and slavery.

Supplier Agreements: Sequa's supply agreements and terms and conditions of purchase require suppliers to certify that materials incorporated into the product comply with the laws regarding slavery and human trafficking of the country or countries in which they are doing business.

Compliance: Sequa maintains internal accountability standards and procedures for employees, contractors or suppliers failing to meet company standards regarding slavery and human trafficking. If we have reason to believe that any supplier or contractor is not in compliance with our standards prohibiting forced, involuntary or child labor or human trafficking, such individual or company shall have an opportunity to immediately correct the non-compliance or be subject to elimination from Sequa's supply chain.

Training: Sequa provides company employees and management who have direct responsibility for supply chain management appropriate practices and processes as it relates to the Act's prohibition on human trafficking and slavery, particularly with respect to mitigating risks within the supply chain. We also offer both in person and web based training programs to our employees on Sequa's Code of Conduct and the challenges of operating in today's global business environment.