



## **The California Transparency in Supply Chains Act**

The California Transparency in Supply Chains Act of 2010 (hereinafter the “Act”) requires certain companies manufacturing or selling products in the State of California to disclose their efforts to eradicate forced labor and human trafficking from their direct supply chains for goods they offer for sale. SGI, a leading aggregates and mining company, fully supports the purpose and goals of the Act and opposes the use of child labor, slavery, or human trafficking in our business. We are continually exploring effective methods to ensure compliance with the Act and eliminate the presence of child labor, slavery, or human trafficking in our supply chain.

SGI makes the following voluntary disclosures:

- We do not use forced or involuntary labor, and we comply with all applicable child labor laws. We have adopted [a company policy](#) concerning our commitment to compliance with all applicable forced labor and child labor laws.
- Our supplier agreements, as well as the terms and conditions found in our standard purchase orders, require our suppliers to comply with all applicable laws. To further our efforts to ensure our suppliers are compliant, we have published a [Supplier Code of Conduct](#) that applies to our suppliers and sets forth our expectations regarding our specific commitments against the use of child labor, slavery, and human trafficking.
- We are continuing to examine potential processes that identify, prevent and mitigate the impact of child labor and forced labor in our supply chain. We maintain open lines of communication with our suppliers, managers, employees, investors, customers, and other stakeholders on a regular basis. Our expectations regarding their compliance with applicable laws are an important part of this communication. We are also considering how to properly provide training on our expectations regarding compliance with child labor, slavery and human trafficking laws, as well as measures we are taking to ensure monitoring of risks associated with the same, to our employees and managers with direct responsibility for our purchasing/supply chain.
- We maintain the right to periodically conduct risk assessments of our suppliers. We routinely assess suppliers for certain compliance risks as part of our day-to-day operations and regularly review our diligence processes to ensure that we are appropriately monitoring and addressing various risks including applicable child labor, slavery, and human trafficking laws.