

Dear Honorable Minister,

Subject: Compliance Report for Bill S 211 (Year 2023)

We are writing to submit our compliance report for Bill S 211, which addresses the prevention and reduction of forced labor and child labor within our business operations and supply chains. As required by the legislation, this report outlines our efforts during the financial year (01 Jan 2023 – 31 Dec 2023) to combat these egregious practices.

1. Organization Overview:

- Structure, Activities, and Supply Chains: Coatings 85 provides surface finishing services on customer supplied product. The NAICS code for the facilities under Coatings 85 is 332810 – Coating, engraving, cold & heat treating and allied activities.
- Our processes are comprised of Pretreatment, cleaning, phosphating, e-coating and electroplating. With the primary focus on electroplating and e-coating, Coatings 85 supplies metal finishing services to the automotive industry and other industries as well.
- Our core suppliers are primarily registered Canadian companies with some of them US based and having manufacturing performed in the United States of America.
- In addition, Coatings 85 is ISO 9001:2015 & 14001:2015 certified and complies to all the requirements of these standards.

2. Policies and Due Diligence Processes:

- Our policies and due diligence processes related to forced labor and child labor are communicated to our suppliers through Supplier Manuals, electronic communication and surveys or questionnaires. An acknowledgement of receipt is required from the suppliers to confirm their knowledge and compliance commitment.
- In addition, Coatings 85 complies to all the Canadian laws and regulations related to the hiring processes.

3. Risk Assessment and Management:

- We have made all possible efforts to identify the parts of our business and supply chains that carry the risk of forced labor or child labor and have implemented measures to assess and manage these risks.
- Compliance requirements are communicated to its suppliers and responses are reviewed and assessed by Coatings 85.

4. Remediation Measures:

- No instances of forced labor or child labor were reported during this reporting cycle; therefore, no remedial measures were taken.

5. Measures to Remediate Loss of Income:

- No instances of forced labor or child labor were reported during this reporting cycle; therefore, no remedial measures were taken.

6. Employee Training:

- Our key employees receive training in recognizing and addressing forced labor and child labor issues.

7. Effectiveness Assessment:

- We assess the effectiveness of our measures to ensure that forced labor and child labor are not present in our business and supply chains.
- At this moment, no external / 3rd party verification is being done to assess effectiveness.

We are making this report publicly available, as mandated by the legislation. Additionally, if applicable, we will provide the information to our stakeholders in accordance with federal statutes.

We are committed to upholding the principles of human rights and ethical business practices, and we appreciate the opportunity to demonstrate our compliance with Bill S 211.

Should you require any further information or clarification, please do not hesitate to contact us.

Thank you for your attention to this matter.

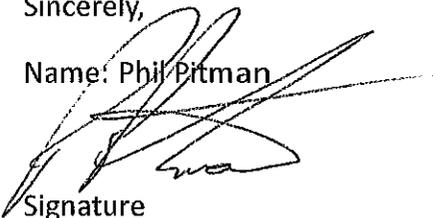
In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Sincerely,

Name: Phil Pitman

Title: Vice President - Sales/Marketing

Date: 30 May 2024



Signature

Coatings 85 Ltd.

CC: