

Report on Forced Labor and Child Labor in Supply Chains

STRUCTURE AND ACTIVITIES OF REPORTING ENTITIES

This report is submitted jointly on behalf of SurfacePrep Intermediate Holdings, LLC ("SurfacePrep" or "we") and its subsidiary Surface Preparation Canada Holdings, Inc. ("SurfacePrep Canada"). SurfacePrep Canada maintains three additional subsidiary companies: Montreal Carbide Co. Ltd., Spectrum Abrasives Limited, and OCL Industrial Materials Ltd. (D/b/a Wesmat Supplies) which operate within the Canadian market. SurfacePrep maintains additional regional subsidiaries operating within the United States and the United Kingdom.

Headquartered in Byron Center, MI, USA, SurfacePrep has been a leading distributor of surface enhancement solutions since 1965. SurfacePrep is the largest national network of regional distributors of high-quality abrasive blasting media, specialty ceramics, and abrasive finishing equipment, spanning 50 facilities across the United States, Canada, and the United Kingdom. In addition to the distribution of surface enhancement solutions, SurfacePrep maintains production finishing capabilities at six locations to assist customers who outsource finishing activities. SurfacePrep employs approximately 649 total individuals across its subsidiaries, including four facilities located in Canada.

SurfacePrep's operations within the Canadian market primarily consist of the distribution of surface enhancement materials produced by global vendors, including the import of abrasive blasting media, specialty ceramics, finishing materials, and related equipment. SurfacePrep also maintains light manufacturing activities consisting of formulation of surface finishing and ceramic materials, including at its Montreal Carbide Co. facility in Canada.

GOVERNANCE AND SCOPE OF REPORT

This report is made pursuant to the Canada Fighting Against Forced Labour and Child Labour in Supply Chains Act ("Bill S-211" or "the Act") and covers the measures taken by SurfacePrep to prevent and mitigate forced and child labor risks in our operations and supply chains for the year ending December 31, 2024. As a distributor and light manufacturer of specialty surface enhancement solutions, SurfacePrep is engaged in multiple prescriptive activities under the Act: "importing goods" (raw materials and equipment) and "producing goods" (specialty materials and finishing activities).

SurfacePrep's Executive Leadership Team has formally reviewed and approved this statement, ensuring senior accountability for modern slavery and child labor risk management across its global procurement activities. SurfacePrep is committed to upholding human rights and responsible sourcing standards in alignment with global procurement frameworks, including the United Nations [Guiding Principles on Business and Human Rights](#) and the OECD [Guidelines for Responsible Business Conduct](#).

SUPPLY CHAIN OVERVIEW

As a distributor of surface finishing materials, SurfacePrep procures a complete selection of abrasive blasting, vibratory finishing, and specialty materials from a global network of suppliers. Primary material inputs include aluminum oxide, silicon carbide, garnet, glass beads, steel shot and grit, and specialty ceramics. SurfacePrep also sources an array of manufactured equipment to meet customer surface finishing needs, including an extensive selection of blasting equipment, replacement parts, accessories, and tooling.

Given the importance of comprehensive material and equipment availability to its customers, the SurfacePrep supply chain is critical to the company's operations. Notably, SurfacePrep maintains longstanding supplier partnerships with large, international vendors in developed nations, including a primary contingent of domestic vendors in the United States. During the 2024 reporting year, SurfacePrep overwhelmingly sourced products from the United States (~70% of 2024 procurement spend), with additional key vendors in China (~9%), and Canada (~9%). Additional procurement occurs, to a lesser extent, from other global geographies, including Austria, Slovenia, Hungary, Australia, Brazil, Japan, and Germany.

SUPPLY CHAIN FORCED AND CHILD LABOR RISKS

SurfacePrep sources components, materials, and services globally. We therefore recognize that our supply chain activities have a broad impact and that our responsibilities extend beyond our operations and into those of our suppliers. SurfacePrep is committed to conducting business ethically, responsibly, and in compliance with all applicable labor laws and international human rights standards, including the prohibition of child and forced labor. SurfacePrep does not knowingly engage with any suppliers that are associated with a risk of involvement in child or forced labor practices and has a zero-tolerance policy towards forced and child labor.

To date, SurfacePrep has not, to its knowledge, conducted business with any supplier known to have experienced an incident involving child or forced labor. Given the complex nature of mineral supply chains, including upstream exposure to unregulated and artisanal mining operations, SurfacePrep acknowledges that it may face exposure to forced and child labor within its product value chains that it is not currently aware of. While SurfacePrep has not performed exhaustive risk assessments of raw material supply chains, we recognize that our procurement from metals and minerals suppliers and our upstream sourcing of raw materials expose the company to potential forced and child labor risks within our supply chain.

SurfacePrep recognizes the heightened risks associated with certain geographic regions and raw materials and remains committed to ongoing due diligence. SurfacePrep will continue to monitor guidance issued by the U.S. Department of Labor and other relevant governmental authorities to remain informed of evolving risks related to products and countries of concern. In particular, SurfacePrep's supplier relationships in China and Brazil correspond to regions identified in the U.S. Department of Labor's 2024 [International Child Labor & Forced Labor Reports](#) as higher-risk for goods produced by vulnerable labor types. Specifically, SurfacePrep is aware of the present

risks of forced labor in the Xinjiang Autonomous Region in China, as regulated by the U.S. Uyghur Forced Labor Prevention Act (UFLPA).

SUPPLY CHAIN LABOR POLICIES AND TRAINING

SurfacePrep has aligned internal company policies with international labor and human rights standards, ensuring our statements and processes meet or exceed the expectations of Bill S-211 and related guidance across jurisdictions. SurfacePrep explicitly prohibits all forms of forced labor, child labor, and human trafficking, and details mandatory controls for suppliers and other third-party partners to mitigate related risks, which are incorporated by reference into supplier contracts and purchasing agreements.

During the reporting year, SurfacePrep maintained a global Supply Chain Policy that establishes clear standards prohibiting forced and child labor, in addition to requirements to adhere to globally recognized labor standards. SurfacePrep's Supply Chain Policy is distributed across all business partners and vendors within its supply chain during onboarding. Assessments are undertaken with regard to compliance with SurfacePrep standards as part of the vetting and due diligence process for new suppliers at onboarding. SurfacePrep conducted audits of key suppliers to assess ongoing compliance with the Supply Chain Policy and other relevant SurfacePrep standards in 2024, which are certified and tracked in its Supplier Evaluation Form.

In 2025, SurfacePrep expanded supply chain labor policies through the development of a standalone Forced and Child Labor Prevention Policy and an updated Supplier Code of Ethics. SurfacePrep's Forced and Child Labor Prevention Policy includes enhanced provisions to prevent forced and child labor, aligned with internationally recognized frameworks such as the International Labour Organization (ILO) standards and the United Nations Guiding Principles on Business and Human Rights. The Policy requires full compliance with all relevant laws related to human trafficking, child labor, and forced labor.

All SurfacePrep employees receive training covering company policies, including the Supplier Code of Ethics and Forced and Child Labor Prevention Policy. Employees receive training at onboarding and on a three-year basis thereafter. SurfacePrep also provides supplementary targeted training on awareness of its supply chain labor policies to employees with supply chain-related responsibilities, namely those involved in finance and procurement. Training includes a review of supply chain labor and human rights risks material to SurfacePrep's suppliers and value chain. SurfacePrep ensures that annual training updates are provided to all relevant personnel, capturing updates to company policies and supplier standards.

SUPPLY CHAIN DUE DILIGENCE AND RISK MITIGATION

SurfacePrep closely tracks evolving regulatory requirements in all jurisdictions where it operates. When new supply chain regulations arise, the company proactively communicates with suppliers in affected regions, requiring formal attestations of compliance. Additionally, SurfacePrep

monitors the U.S. Department of Labor's International Child Labor & Forced Labor Reports to identify potential exposure to high-risk geographies across its value chain.

Pursuant to its Forced and Child Labor Prevention Policy and Supplier Code of Ethics, all SurfacePrep suppliers are required to certify compliance with the policies and implement internal forced and child labor risk mitigation controls. Requirements include controls to prevent, detect, and remediate labor violations, maintenance of proper age verification and worker records, and reporting of any known or suspected labor violations. Suppliers are required to certify that no form of forced labor is utilized in connection with any purchase order, and requirements to mitigate the risk of forced and child labor are included in standard supplier terms and conditions in all contracts and purchase orders as a standard practice.

SurfacePrep suppliers are subject to ongoing audits and assessments by SurfacePrep and third-party partners, including mandatory annual audits of all key suppliers, which identify key risks and recommendations for ongoing risk management. SurfacePrep maintains a central database of supplier due diligence materials, including its Supplier Evaluation Form, which categorizes each supplier based on programmatic strengths, areas for improvement, and risk designation levels.

SUPPLY CHAIN RISK REMEDIATION MEASURES

If violations of SurfacePrep's Forced and Child Labor Prevention Policy or broader Supplier Code of Ethics are identified, SurfacePrep will work with the supplier to develop and implement a corrective action plan. Incidents of repeated non-compliance and violations of company labor standards, including prohibitions on forced and child labor, may result in contract termination and blacklisting from future business.

SurfacePrep acknowledges that efforts to mitigate the risk of forced and child labor may unintentionally result in adverse economic impacts on vulnerable populations, including the potential loss of income. However, SurfacePrep has not encountered any incidents to date that would necessitate the remediation of labor violations or adverse economic impacts, such as the loss of income for vulnerable groups within its supply chain.

SUPPLY CHAIN PROGRAMMATIC EVALUATION

To ensure effectiveness in combatting modern slavery, SurfacePrep maintains an accurate supplier database, including complete supplier due diligence evaluation forms and attestations of compliance with its Supply Chain Policy. SurfacePrep will ensure that action is taken in response to any reports of modern slavery in its supply chains. Any complaints made via the whistleblowing policy will be responded to in accordance with the policy. SurfacePrep conducts annual reviews of its supplier database and confirms its supplier list is up to date for the current financial year. As of the 2024 reporting year, there have been no reports that any of SurfacePrep's suppliers have been linked to forced and child labor activities.

As SurfacePrep's supply chain management program matures, the company intends to continue to develop and implement enhanced supply chain governance measures, which may include the development of quantitative performance metrics, codified assessment methodologies, and strengthened policies and procedures to ensure rigorous due diligence. SurfacePrep may, in the future, broaden the scope of its policies, audit frameworks, and other risk management practices to further mitigate labor and human rights risks within its value chain. Further efforts to enhance SurfacePrep's labor and human rights risk management posture will facilitate the company's capacity to detect, prevent, and remediate any instances of forced or child labor across its operations and supplier network.

APPROVAL AND ATTESTATION

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.

Signed,

Katie Yang
Chief Financial Officer
May 30, 2025



I have the authority to bind the reporting entities represented in this report: SurfacePrep Intermediate Holdings, LLC, SurfacePrep Holdings, Inc., Surface Preparation Canada Holdings, Inc., Montreal Carbide Co. Ltd., Spectrum Abrasives Limited, and OCL Industrial Materials Ltd.