

POLICY AGAINST HUMAN TRAFFICKING AND MODERN SLAVERY

This disclosure is designed to comply with the California Transparency in Supply Chains Act and the UK Modern Slavery Act 2015 and describes the actions taken by Specialty Coating Systems (SCS) to combat the potential for human trafficking and slavery in our supply chain.

SCS maintains four core values that we conduct business by: Respect, Integrity, Service and Excellence (RISE). We look for these same values in the suppliers we work with. To operate with Integrity, as an organization we strive to uphold the highest ethical standards by being truthful, responsible, and accountable for all activities and commitments undertaken.

It is therefore incumbent upon our organization to take affirmative steps to address the issue of human trafficking and slavery, both within our organization as well as with our subcontractors and suppliers. Key to these efforts is our internal policy on combating human trafficking along with the requirements listed in our General Supplier Requirements and Expectations. Outlined below is our approach to combating these issues within our supply chain as defined within our policies.

Within our General Supplier Requirements, SCS requires suppliers to have policies and practices to ensure compliance with all applicable laws in the countries which they do business. Suppliers are expected to be aware of the business practices of their own supply chain and ensure that they operate within the guidelines of this requirement. Suppliers are expected to comply with applicable local labor laws and employ only those individuals that meet minimum age requirements. It is SCS' policy not to purchase products, materials or services from any company employing personnel under the age of sixteen (16) on a full time or equivalent full time basis. Furthermore, SCS does not support the use of forced or involuntary labor and will not purchase products, material or services where forced labor is practiced. By accepting our purchase orders, suppliers are agreeing to comply with these terms, although they are not currently required to certify their compliance with the laws. Although our current supplier management practices do not include a means to evaluate and verify our supplier's compliance to these requirements, SCS is evaluating its current practices to determine if further efforts in this area are warranted.

SCS retains the right within our General Supplier terms to conduct inspections of processes at the supplier's facility by SCS personnel. Additionally, we reserve the right to enter supplier's premises, with advanced notice, for evaluation of processes and applicable records. While SCS does conduct audits of our key suppliers, we do not currently audit for compliance to human trafficking and slavery requirements. We are evaluating our current practices in this area to determine if further efforts are warranted.

SCS maintains a Business Code of Conduct that is included in our handbooks that instructs employees to be alert and sensitive to situations that could result in actions taken by any employee that might violate laws or the Code of Conduct. Employees who believe that any employee may have violated any laws have an obligation to report the matter to our Business Conduct Coordinator. The Code of Conduct states that there will be no actions taken against an employee as a reprisal for making a complaint or disclosing information in good faith. However, if a reporting employee was involved in improper activity,

such employee may be held accountable, taking into consideration the voluntary disclosure when determining appropriate discipline.

SCS has provided the Human Trafficking Policy to Human Resources and Purchasing personnel in the US for review and plans to expand this training to others within the organization, to provide further education on our role in combating human trafficking within our supply chain.

SCS is committed to our Core Values (Respect, Integrity, Service, Excellence) and, in keeping with these values, is dedicated to doing business in a legal and ethical manner. We will continue to evaluate our role in combating human trafficking and slavery in order to improve our efforts in addressing this important issue.

A handwritten signature in black ink, appearing to read "Tim Bender". The signature is stylized with a long horizontal line extending to the left and a large, looped "B" at the end.

Tim Bender, President & CEO
February 16, 2023