

## **California Nanotechnologies Inc.**

### **Bill S-211 Fight Against Forced Labour and Child Labour in Supply Chains Act**

#### **Corporate Statement**

##### **Structure, Activities and Supply Chain**

California Nanotechnologies Inc. ("Cal Nano" of the "Company") has one operating entity which is located in the state of California, USA. The Company is engaged in the manufacture of parts and components for a variety of customers, which are generally manufacturers located in the United States.

The Company primarily utilizes two processes to manufacture its products: cryomilling and spark plasma sintering. In both cases, raw materials used in the manufacturing process represent a small portion of the value of the finished products. The manufacturing processes rely primarily on the Company's capital equipment, proprietary know how and California-based staff.

Our three primary raw materials are liquid nitrogen, graphene and metal powders. The remaining raw materials are not of financial significance.

Our three primary raw materials are sourced from a small number of US-based suppliers, all of whom manufacture their products in the United States and none of whom have child labour involved in their operations.

##### **Risk Assessment**

We utilize very few physical raw materials and all raw materials where we incur a material expense are sourced from US sources.

We have sent a survey to all of our suppliers from whom we purchase over \$10,000 of material in a fiscal year. Our suppliers have confirmed that no child slavery exists in their operations.

Accordingly we see the risk of child slavery being involved in our supply chain as being very low.

##### **Remediation Measures**

We have taken no supply chain remediation measures because we are unaware of any issues which need remediation.

### **Assessing Effectiveness**

Given the limited nature of our supply chain and our good knowledge of its particulars, we believe that our effectiveness is high.

### **Remediation of Loss of Income**

Given that we have no evidence of child labour in our supply chain, we have made no efforts at remediation.

### **Training**

We have very few employees involved in procurement and we have ensured that all are aware of our policies and protocols regarding child labour/slavery.

### **Policies**

The Company's policy, which has been communicated to all procurement personnel, is to ensure that the Company and all suppliers of materiality (supplying raw materials to the Company with a value of over US\$10,000 per year) are screened to ensure that they are compliant with respect to the Fight Against Forced Labour and Child Labour in Supply Chains Act.

### **Board Approval**

This report was approved by the board of directors of the Company on May 24, 2024.

Attested to:



Roger Dent, Director