



AirBoss of America Corp. Forced Labour Statement 2024

The *Fighting Against Forced Labour and Child Labour in Supply Chains Act (2023)* (the “Act”) requires certain companies to issue a statement regarding the steps it has taken in the previous year to prevent and reduce the risk of forced labour and child labour in the production or importation of goods.

This document constitutes the AirBoss of America Corp. Modern Slavery Act Statement for the fiscal year ended December 31st, 2023. This statement is made on behalf of AirBoss of America Corp. and its relevant subsidiaries to whom the Act applies, including AirBoss Defense Group Ltd. (collectively, “AirBoss” or the “Company”).

1.0 Organization

AirBoss of America is a diversified developer, manufacturer and provider of survivability solutions, advanced custom rubber compounds and finished rubber products that are designed to outperform in the most challenging environments. Founded in 1989, the company operates through two divisions. AirBoss Rubber Solutions is a North American custom rubber compounder with 500 million turn pounds of annual capacity. AirBoss Manufactured Products is a supplier of anti-vibration and rubber-molded solutions to the North American automotive market and other sectors, and also a global supplier of personal and respiratory protective equipment and technology for the defense, healthcare, medical and first responder communities, through its AirBoss Defense operations. The Company’s shares trade on the TSX under the symbol BOS and on the OTCQX under the symbol ABSSF.

2.0 Risks of Modern Slavery in Operations and Supply Chain

The Company’s supply chain spans a variety of goods and services that are sourced from international, national, regional and local suppliers. The main suppliers to AirBoss include suppliers of natural and synthetic rubbers, chemicals, carbon black, steel, silicone, textiles and process oils.

Following a risk analysis of the Company’s supply chain, risks for modern slavery and child labour are mainly apparent in the supply chain of textiles and natural rubber. AirBoss procures natural rubber from various geographical regions, some of which have forced and/or child labour reports, specifically in countries such as Cote D’Ivoire and Vietnam. AirBoss does not procure natural rubber directly from growers or plantations, but rather works with natural rubber brokers who

are expected to adhere to all AirBoss policies, including the Company's Code of Conduct for Suppliers and Service Providers.

AirBoss manages modern slavery risk through a variety of policies, procedures, processes and third-party service providers. In its procurement processes, the Company monitors its key suppliers for adverse media references including any risks of modern slavery, engages in specific discussions with counterparties where appropriate, and ensures in its relevant contracting arrangements that adequate protections and safeguards are included. AirBoss suppliers are also asked to commit to the Company's Supplier Code (as defined below), which covers both the suppliers themselves as well as sub-suppliers or any affiliated or associated companies.

3.0 AirBoss Policies and Code of Conduct

3.1 Code of Business Conduct and Ethics

The AirBoss Code of Business Conduct and Ethics (the "Code of Conduct") represents the standards of conduct for every director, officer and employee of AirBoss of America Corp. and its subsidiaries. The Code of Conduct sets out all standards of behaviour that are expected from employees and contractors regarding conflicts of interest, anti-bribery and anti-corruption, fair dealings and compliance with laws, rules and regulations. The Code of Conduct is a roadmap to responsible corporate governance and proper business practice.

3.2 Code of Conduct for Suppliers and Service Providers

In 2022, AirBoss released an updated Code of Conduct for Suppliers and Service Providers (the "Supplier Code") as a standard upon which AirBoss bases its ethical behaviour in business, thus ensuring mutual respect, honesty and fairness in everyday dealings with suppliers, service providers and related business partners.

The Supplier Code defines the minimum sustainability requirements for all suppliers and focuses on a number of areas, including:

- Human Rights and Working Conditions
- Environmental Care and Awareness
- Responsible Sourcing of Raw Materials
- Business Integrity.

AirBoss requires compliance with the standards and rules set out in the Supplier Code through acceptance of purchase orders and in the Company's general terms and conditions.

3.3 Human Rights Policy

The AirBoss Human Rights Policy defines the Company's position on striving to ensure fair and ethical treatment of all individuals and respecting human rights. The Company is

committed to meeting its responsibility to respect internationally recognized human rights in-line with the United Nations Guiding Principles on Business and Human Rights.

The Company takes action to prevent the use of forced, bonded or indentured labour, involuntary prison labour, slavery or human trafficking, both in its workplace policies and conduct, and aims to eliminate such use in its supply chain through relevant contractual arrangements, due diligence with respect to high-risk suppliers, and training and education of its procurement personnel. AirBoss's policies prohibit all forms of modern slavery, including, but not limited to, threats, coercion or deception to exploit and undermine the freedoms of the individual.

4.0 Modern Slavery Training

Understanding and complying with the Code of Conduct is a requirement which AirBoss employees are expected to review and acknowledge annually. Acknowledgement of this policy is also a mandatory requirement in the onboarding process for all new employees, including employees involved in procurement and supply chain management.

In 2023, AirBoss launched a new online training platform for employees to easily access training on policies and more specific topics, such as Forced Labour. Training modules are being developed to provide awareness and compliance with modern slavery legislation.

5.0 Remediation Processes

The Code of Conduct requires all employees to report violations of laws, rules, regulations or any provisions of this code to their immediate supervisor, the local human resources function, the Corporate Vice President of Human Resources or to the Compliance Officer as soon as they become aware of such violations.

Any reports can also be made confidentially and anonymously in accordance with the AirBoss Whistleblower Policy via the Company's independent third party supplier.

AirBoss would not knowingly engage with any supplier who is in violation of fundamental human rights. The Company has not taken any remediation measures in response to any specific concerns at this time.

6.0 Assessing Effectiveness

AirBoss will continue to work with new and existing suppliers and relevant procurement personnel to assess the risks associated with modern slavery within the supply chain, recognizing that dealing with the risk of forced and child labour in supply chains requires an ongoing commitment of resources, awareness and time among all stakeholders. The Company's third-party verification sources and supplier assessment questionnaires aim to ensure compliance with applicable laws and regulations and ensure suppliers are adhering to ethical business practices through the Code of Conduct and the Supplier Code.

AirBoss will also continue to monitor key suppliers for adverse media screening to proactively identify any risks in our supply base and, where deemed necessary, will engage in further due diligence and/or contractual protections in respect of any specific areas of concern. If there are problems identified with a supplier regarding modern slavery, the Company will work with the supplier to develop corrective action plans with mutually agreed upon timelines. AirBoss reserves the right to terminate any business relationship with a supplier that violates the principles set forth in the Supplier Code.

7.0 Approval

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.



Gren Schoch

Co-Chief Executive Officer and Director

I have the authority to bind AirBoss of America Corp. and its relevant subsidiaries, including AirBoss Defense Group Ltd.