

## ANNUAL REPORT UNDER BILL S-211

### **CanadaBis Capital Inc. and its Subsidiaries**

For the Financial Year Ending July 31<sup>st</sup>, 2024

This report outlines CanadaBis Capital Inc.'s commitment to preventing forced labour and child labour within our operations and supply chains. For the financial year ending July 31, 2024, we have conducted a thorough assessment to ensure compliance with Canada's *Fighting Forced Labour and Child Labour in Supply Chains Act (S.C 2023)*.

#### **1. INTRODUCTION**

This report ("Report") is produced by CanadaBis Capital Inc ("CanadaBis Capital," "CanadaBis," or "the Company" or "our" or "we") for the financial year ending July 31, 2024 (the "Reporting Period"). This report constitutes the first report prepared by the company pursuant to Canada's new *Fighting Forced Labour and Child Labour in Supply Chains Act (S.C 2023)* (the "Act").

This is a joint report made under Section 11 of the Act on behalf of the company and its 100% owned subsidiaries: Stigma Pharmaceuticals Inc, 1998643 Alberta Ltd O/A Stigma Grow, Full Spectrum Labs Ltd. O/A Stigma Roots, 2103157 Alberta Ltd., and its 95% owned Goldstream Cannabis Inc. (collectively, the "Reporting Entities").

In this Report, unless otherwise stated, references to "CanadaBis Capital Inc.," "CanadaBis," "Stigma," "Stigma Grow," "the Company," "we," "us," "our," and similar expressions include the Reporting Entities. The following information is dated as of May 28, 2025.

The Company recognizes forced labour and child labour, as defined by Bill S-211, as serious crimes and violations of human rights. We are committed to adhering to the highest ethical standards, including the prevention and identification of such practices in our activities and supply chains. We will assess, prevent, and reduce the risks of forced labour and child labour in our operations and those of our suppliers. In compliance with Bill S-211, this annual report aims to increase transparency and accountability in our business practices, demonstrating our ongoing efforts to eliminate potential risk

#### **2. STRUCTURE, ACTIVITIES, AND SUPPLY CHAINS**

CanadaBis Capital Inc. is a publicly traded Canadian cannabis company established in 2014. The address of the Company's primary facility, Stigma Grow, is 255C Clearview Drive, Red Deer County, Alberta, T4E 3B6. The Company's common shares are listed on the TSX Venture Exchange (the "Exchange") under the symbol "CANB".

Stigma Grow, a subsidiary of CanadaBis Capital Inc., has focused on the cultivation, production, and development of high-quality cannabis products. To date, the Company has confirmed another record fiscal

year with significant growth in net revenue, gross profit, and earnings. Stigma Grow remains committed to growing its presence in the cannabis industry. The Company is currently producing cannabis products at its state-of-the-art facility in Alberta, Canada, with a focus on expanding its product offerings and market reach. As of May 7, 2024, we have expanded into the European Market with EU-GMP partners.

Our Company encompasses the procurement of goods and services required for the production and development of cannabis products, including but not limited to:

- Cultivation Equipment: such as grow lights and ventilation systems
- Nutrients and Fertilizers: Essential for the growth and health of cannabis plants
- Production Equipment: including machines and equipment required to produce cannabis products
- Packaging Materials: including child-resistant containers, labels, and tamper-evident seals
- Logistics and Transportation Services: To ensure timely delivery of raw materials and finished products
- Quality Control and Testing Services: For ensuring product safety and compliance with regulations
- Support Personnel: Such as technical experts for equipment

Work within the company is facilitated by employees supporting many functions, including but not limited to production, finance, marketing, quality assurance and control, human resources, and security.

### **3. POLICIES AND DUE DILIGENCE PROCESSES**

We are committed to maintaining the highest standards of ethical conduct in all aspects of our business. Canadabis Capital Inc. recognizes the prevention of forced labour and child labour as a critical corporate responsibility to uphold human rights. The company is dedicated to ensuring that our employees, contractors, and board of directors are deeply committed to achieving excellence and actively contribute to elevating company standards. We recognize, value, reward, and foster these contributions. We do not tolerate forced, bonded, or compulsory labour, human trafficking, or any other forms of slavery within our operations or supply chain. The company is committed to taking appropriate steps to ensure that all Stigma Grow employees and affiliates operate in an environment that protects their fundamental rights and freedoms.

The Company approaches preventing all kinds of slavery by developing procedures and policies that contribute to ensuring that slavery does not occur in our business or supply chain, and we expect the organizations with whom we do business to adopt and enforce policies to comply with the relevant legislation. Our company has taken the following steps to prevent and reduce the risk of forced labour or child labour in our business and supply chain:

- Conduct an initial assessment of our suppliers, third-party vendors, and our business to evaluate the risks of forced labour and/or child labour
- In 2020, adopted a Code of Conduct and Ethics (<sup>1</sup> Company General Rules/Code of Conduct)

Currently, all directors, officers, consultants and employees are expected to always behave ethically and professionally and thereby protect and promote the reputation and performance of the Company. All directors, officers, and consultants and employees are expected to:

- Act with honesty and integrity in all business dealings

- Prevent the use of forced labour or child labour in all internal and external activities both directly and indirectly
- Demonstrate professional behaviour and adherence to company policies
- Follow all applicable laws, regulations, and industry standards
- Encourage and practice ethical decision-making
- Communicate openly and transparently within the organization and with stakeholders
- Disclose and manage any potential conflicts of interest
- Support and respect the protection of fundamental human rights
- Refrain from engaging in or tolerating corrupt practices
- Ensure all documents are accurate, diligent, and professional
- Foster a work environment that is safe, inclusive, and free from discrimination or harassment

#### **4. FORCED LABOUR AND CHILD LABOUR**

Our Company recognizes that our greatest risks for forced, and child labour are linked with the following:

- International suppliers, especially in disadvantaged areas
- Third-party contractors such as security and cleaning work
- Presence of migrant labour
- Multiple tiers of suppliers increasing the complexity of the supply chain
- Sourcing of raw materials
- Presence of labour intermediaries
- Jurisdictional risks, including poverty, conflict, and enforcement of international human rights standards
- Grey market activities
- Unlicensed operations

Given that Stigma Grow operates within Canada and based on our thorough understanding of our current suppliers and contractors, we assess that the risks of forced labour and child labour within our business activities are minimal.

#### **5. REMEDIATION MEASURES**

The Company has assessed that its activities and supply chains do not carry a risk of forced labour or child labour being used, making the question of remediation not applicable to the Company.

#### **6. REMEDIATION OF LOSS OF INCOME**

The Company has assessed that its activities and supply chains do not carry a risk of forced labour or child labour being used. Therefore, the Company has undertaken no steps to eliminate forced labour or child labour risks, making this section not applicable to the Company.

#### **7. TRAINING**

The Company has assessed that its activities and supply chains do not carry a risk of forced labour or child labour being used. Therefore, the Company has not undertaken steps to eliminate forced labour or child labour risks, making this section not applicable to the Company.

**8. ASSESSING EFFECTIVENESS**

The Company has assessed that its activities and supply chains do not carry a risk of forced labour or child labour being used. Therefore, the Company has not undertaken steps to eliminate forced labour or child labour risks, making this section not applicable to the Company.

**9. APPROVAL**

This report was approved by the Company's Board of Directors on May 28, 2025 and has been submitted to the Minister of Public Safety and Emergency Preparedness in Canada. In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this Report for the Company. Based on my knowledge and having exercised reasonable diligence, I attest that the information in this Report is true, accurate, and complete in all material aspects for the purposes of the Act for the reporting year listed above.



T. McTavish,

I have the authority to bind CanadaBis Capital Inc.