



Report under the
Fighting Against Forced Labour and
Child Labour in Supply Chains Act

Fiscal Year 2024

Introduction

This report has been produced by Crescita Therapeutics Inc. (“Crescita”) pursuant to the requirements under Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”) for our fiscal year ended December 31, 2024 (the “Report”). The Report describes the steps taken to identify, reduce, and prevent the risk that forced labour or child labour is used in our operations and supply chains.

Structure, Activities & Supply Chains

Crescita is a publicly traded Canadian commercial dermatology company listed on the Toronto Stock Exchange, with in-house research and development and manufacturing capabilities.

We offer a portfolio of high-quality, science-based non-prescription skincare products and a commercial stage prescription product, primarily serving two subsets of the Canadian aesthetic market: aesthetic skincare and medical aesthetics.

We run our operations from our head office located in the Biotech City in Laval, Québec, including a 50,000 square foot production facility, where we develop and manufacture a range of topical products, including creams, liquids, gels, ointments, and serums to supply both our commercial skincare segment as well as to support customers’ requirements as a contract development and manufacturing organization (“CDMO”) of choice, operating under full “Current Good Manufacturing Practice” conditions. Formulations manufactured by or for Crescita include cosmetics, natural health products (“NHP”), and products with Health Canada-issued Drug Identification Numbers (“DIN”s).

Crescita’s supply chain mainly consists of raw material ingredients, packaging components and equipment used in our manufacturing facilities. Our imported products are primarily sourced from European-based suppliers who adhere to EU rules and legislation regarding human rights, forced labour and child labour. For example, we are the exclusive Canadian distributor for NCTF® BOOST 135HA anti-aging complex, and ART FILLER®, a collection of hyaluronic acid-based dermal fillers, which are both produced in and imported directly from France, in ISO certified facilities. Similarly, our lead prescription product, Pliaglis®, is produced by top-tier manufacturers in the United States and in Spain.

During this reporting year, over 90% of purchases made within our manufacturing and import supply chains were sourced from long-term suppliers in Canada, the United States, and Europe, while the remaining 10% of purchases were primarily from China, where we source many packaging materials and some raw materials.

Crescita's Commitment

Crescita is committed to uphold the principles of human rights within all elements of our operations, recognizing the intrinsic value and dignity of every individual involved in our operations and supply chains. We are committed to ensuring that our business practices, as well as those of our suppliers, are conducted with respect for human rights.

Our ongoing goal is to ensure that our imported and domestic products and supply chain materials are sourced and manufactured in a manner that is fully compliant and respectful of human rights. We comply with all Canadian employment, immigration, and human rights requirements in our domestic operations, and we primarily partner with long-term suppliers in the United States and Europe who have robust human rights compliance policies and practices.

We are committed to strengthening our compliance program related to forced labour and child labour by continuing to comply with applicable laws and regulations in our operations and by furthering the efforts started in the prior year. These efforts include: training employees to create awareness on such matters, improving the tracking and monitoring of supplier contracts, and enhancing our procurement process through the implementation of a vendor code of conduct.

Policies and Governance Practices

Before the coming into force of the new Act, Crescita did not have a formal compliance program with regards to forced labour and child labour. Following the second year of compliance under the legislation, we remain in the early stages of developing policies and due diligence processes in this area. We are committed to meeting all applicable governmental requirements regarding our activities. As we develop more fulsome policies and processes, we continue to rely on the fundamental guiding principles set forth in our [*Code of Conduct and Business Ethics*](#) (the "Code of Conduct").

Code of Conduct

Our *Code of Conduct and Business Ethics* highlights our expectations for our employees, partners and suppliers on a variety of issues. Our employees are expected to be familiar with the Code of Conduct, ensuring they will conduct themselves in an honest and ethical manner, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. The Code of Conduct further requires that Crescita personnel make every effort to become familiar with and comply with laws, rules and regulations affecting their activities, consequently, they have a personal responsibility to the standards and restrictions of applicable laws, rules and regulations.

Grievance Mechanisms and Whistleblowing

We have established dedicated channels to ensure that employees have a confidential and anonymous channel to voice their concerns. Employees are encouraged to immediately report any actual, possible, or suspected violation. We take all concerns seriously and are committed to addressing them promptly and fairly.

Reducing Risks of Forced Labour and Child Labour in our Supply Chains through Vetted Partnerships

To date, we have primarily reduced or eliminated human rights risk in our supply chain by partnering with established suppliers from Canada, the United States, and Europe, who have robust human rights compliance policies and programs. For example, you can view the compliance policies of Taro Pharmaceuticals Inc. and Industrial Farmacéutica Cantabria S.A., our U.S. and European manufacturers of Pliaglis here:

- [Taro Pharmaceuticals Code of Conduct](#)
- [Cantabria Labs Code of Conduct](#)

Assessing & Managing the Risk of Forced Labour or Child Labour

As noted above, we primarily partner with businesses that fully respect human rights requirements, including the reduction and elimination of forced labour and child labour within their own operations and supply chains.

In 2024, we initiated the development of a supplier database to enhance the tracking and monitoring of our supply chain. The database categorizes our suppliers by country and includes yearly purchase volumes, along with country-specific risk classifications from Walk Free's Global Slavery Index¹. Walk Free's flagship report, the Global Slavery Index ("GSI"), provides national estimates of the prevalence and vulnerability for modern slavery for 160 countries. Our analysis indicated that our key suppliers, located in Canada, the United States, and Europe, operate in countries with a low prevalence of forced labour and child labour, low vulnerability risk, and relatively strong governmental responses to these issues. As such, we consider the overall risk of forced labour or child labour occurring within our operations to be low.

As part of our preliminary risk assessment, we also reviewed available data on China, previously identified as being a potential high-risk country, using the GSI. This review provided greater insight into China's risk profile, which includes moderate prevalence and vulnerability, and relatively low governmental response. While we have not yet taken

¹ Walk Free, Global Slavery Index 2023, <https://www.walkfree.org/global-slavery-index/map/>

supplier-specific action for China. This assessment has shaped the next phase of our compliance planning, and particular attention will be given to Chinese suppliers in future due diligence and risk mitigation efforts.

Remediation Measures

As Crescita has not identified any instances of forced labour or child labour in our business activities or supply chains, we have not had to take any remediation measures.

Employee Training

In 2024, we launched a new mandatory ethics training program for employees and management through NAVEX, our third-party service provider in matters of governance and compliance. The program covers a variety of topics, including whistleblowing and handling ethical dilemmas.

In the second half of the year, we also worked with NAVEX to select a more specialized training program with expanded course curriculums including content on forced labour, child labour and human trafficking. These new courses are designed to equip our employees to recognize warning signs and report questionable matters or situations, and ultimately to drive an ethical and responsible culture committed to ending unjust practices. The compliance program with the new course contents will be launched in 2025.

Future Plans

Over the next year, we intend to carry out supply chain mapping activities and conduct a more detailed risk assessment. This is expected to include enhancing the supplier database established in 2024 by reviewing and documenting materials published by key Crescita suppliers relating to manufacturing and supply chain management, including commitments to human rights and legal compliance. We also plan to create a Vendor Code of Conduct that will require our suppliers to, among other things, comply with applicable employment standards, labour and human rights legislation.

Approval and Attestation

This Report was approved pursuant to subparagraph 11(4)(a) of the Act by the Board of Directors of Crescita Therapeutics Inc.

In accordance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, I attest I have reviewed the information contained herein.

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 respects for the purposes of the Act for the reporting year listed above.

I have the authority to bind Crescita Therapeutics Inc.

(signed) Serge Verreault

Full Name: Serge Verreault

Title: President and CEO and Director

Date: May 13, 2025