

May 30, 2025

Cymax Supply Chain Compliance Annual Report for the 2024 Financial Year

1. Introduction

At Cymax Group Technologies Ltd. (“Cymax”), we are committed to acting ethically and with integrity in all of our business dealings and relationships, and to promote compliance with applicable laws and protect the dignity and rights of all people connected to our business.

This is Cymax’s second supply chain compliance annual report pursuant to Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (S.C. 2023, c. 9), made for the financial year commenced January 1, 2024 and ended December 31, 2024 (the “Reporting Year”). This report underlines Cymax’s commitment to preventing and mitigating risks of forced labour and child labour across its business and supply chain.

2. Structure, Activities and Supply Chains

Cymax is an e-commerce technology and logistics services platform which provides drop-shipping services for the furniture industry in Canada and the US. It currently employs 120 people in Canada and the US, and operates solely in these two countries. As a drop-ship business, Cymax: (a) provides an online platform where furniture retailers can directly access third-party online marketplaces (e.g., Amazon) and Cymax’s own direct-to-consumer online marketplaces (e.g., Home Square), (b) facilitates the processing of purchase orders and the logistics of the shipment of furniture between Canadian and American purchasers, retailers, and suppliers, and (c) coordinates the shipping of furniture products directly from suppliers’ warehouses to the customers’ addresses. In the Reporting Year, all of Cymax’s vendors and suppliers were based solely in Canada and the US.

To learn more about our business, please see <https://www.cymaxgroup.com>.

3. Risk Assessment

Within our operations, we have assessed our risk profile based on sector and industry risks as low. All of our workers are employed in Canada and the US, and we have fair and responsible employment practices in place to protect and promote workers’ rights.

That said, we recognise that risks of modern slavery may be present in our supply chain. While all of our vendors and suppliers were based in Canada and the US during the Reporting Year, we have reason to believe that the majority of them source their products from countries where forced labour laws are weaker or not well enforced (e.g., Asia, including China, Malaysia, Vietnam, and India). Like in the previous reporting year, we remain committed to better understanding underlying risks, and in the coming financial year, we will consider taking steps to scope out such risks, including mapping our supply chain and conducting risk assessments.

4. Policies and Due Diligence

Our Whistleblower Policy contained in our Team Member Handbook reflects our commitment to acting ethically and with integrity in all our business relationships and to enforcing effective systems and controls to prevent, among other things, illegal, fraudulent, dishonest, or unethical conduct or activity, including forced labour practices from taking place in our business and supply chain.

Cymax will continue to strengthen the processes it has in place to reduce risks related to forced labour and child labour within its operations and supply chains.

5. Contracts

In order to mitigate the risk of forced labour and child labour in our supply chain, in the Reporting Year, Cymax updated some of its standard form agreements to require our vendors and suppliers to represent and warrant their compliance with all applicable laws and regulations. We believe these changes in our standard form contracts will help Cymax reduce risks related to forced labour and child labour within its supply chains.

6. Training

Although Cymax does not presently offer formal training programs or materials specifically targeted at the prevention of forced labour and child labour in its supply chain, it is actively considering the development of appropriate resources to increase awareness of the issue among its employees.

7. Remediation Measures

In this reporting period, no instances of forced labour or child labour have been identified in Cymax's operations or supply chains, and, as such, no remediation measures have been necessary and no measures could have led to loss of income to the most vulnerable families.

8. Assessing Effectiveness

Cymax does not currently assess the effectiveness of our actions in preventing and reducing risks of forced labour and child labour in our operations and supply chain. As we explore and implement measures to prevent and mitigate such risks in our operations and supply chains, we will monitor and review performance to assess the effectiveness of any actions taken.

9. Approval of the Report

This report was approved pursuant to delegation of authority granted by the Board of Directors of Cymax Group Technologies Ltd. in accordance with subparagraph 11(4)(b)(ii) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* on May 30, 2025.

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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.

Cymax Group Technologies Ltd.

Signature: 

Name: Kaly Yeske

Title: VP, Finance

Date: May 30, 2025