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**THIS REPORT HAS BEEN PREPARED UNDER THE
CANADA'S FIGHTING AGAINST FORCED LABOUR AND
CHILD LABOUR IN SUPPLY CHAINS ACT**



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At the outset of this document, it is important to clarify that 'MIP' collectively refers to all four business units: MIP Inc, MIP USA Inc, Med-I-Pant UK Ltd, and MIP Europe GmbH. Any mention of 'MIP' herein encompasses these entities jointly.

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1. THE STEPS MIP HAS TAKEN DURING ITS PREVIOUS FINANCIAL YEAR TO PREVENT AND REDUCE THE RISK THAT FORCED LABOUR OR CHILD LABOUR IS USED AT ANY STEP OF GOODS IMPORTED INTO CANADA BY MIP

In the previous fiscal year, which commenced on January 1st, 2024, and concluded on December 31st, 2024, MIP undertook a series of proactive measures to reinforce its commitment to eliminating forced labor and child labor within its own operations and across the supply chain. These initiatives were guided by our unwavering dedication to upholding human rights standards and ethical business practices. Here is an overview of the steps taken:

No. 01 — Reviewing Modern Slavery Statement and CSR Statement

MIP conducted a comprehensive review of our Modern Slavery Statement and Corporate Social Responsibility (CSR) Statement to ensure alignment with evolving regulatory requirements and best practices in preventing forced labor and child labor. Updates were made to further strengthen our commitment to preventing these serious violations across all aspects of our operations and supply chain.

No. 02 — Conducting CSR Risk Assessment

MIP conducted a thorough CSR risk assessment of its supply chain, based on number of factors such as the country of origin of suppliers, product categories, business volume, stakeholder engagement, internal experience, and emerging regulatory requirements. These assessments directed our strategic decision-making process and enabled us to prioritize actions to address identified risks effectively.

No. 03 — Supplier Compliance Audits

MIP mandated third-party audits at supplier's locations to assess compliance with our Code of Conduct and CSR requirements, with a specific emphasis on forced labor and child labor risks. These audits were exclusively conducted through independent third-party assessments to ensure thoroughness and impartiality.

No. 04 — Strengthened Grievance Mechanism

We continued to uphold our Whistleblowing Policy as a vital tool for detecting and addressing instances of forced labor and child labor. Efforts were made to enhance awareness of the policy among employees, suppliers, and other stakeholders, ensuring that all potential concerns could be reported and addressed promptly and confidentially.

No. 05 — Continuous Monitoring and Evaluation

Continuous monitoring and evaluation mechanisms were employed to track the effectiveness of our initiatives in eliminating forced labor and child labor. Key performance indicators were established to measure progress and identify areas for improvement, enabling us to adapt and refine our strategies as needed.

In conclusion, MIP remains steadfast in its determination to eliminate forced labor and child labor from its organization and supply chain. The steps taken in the previous fiscal year reflect our proactive approach to addressing these critical issues and our ongoing efforts to uphold the highest standards of ethical business conduct and social responsibility. We recognize that fighting against forced labor and child labor requires sustained dedication and collaboration across all levels of our organization and supply chain, and we remain committed to working towards a world without these serious human rights violations.

2. MIP STRUCTURE, ACTIVITIES AND SUPPLY CHAIN

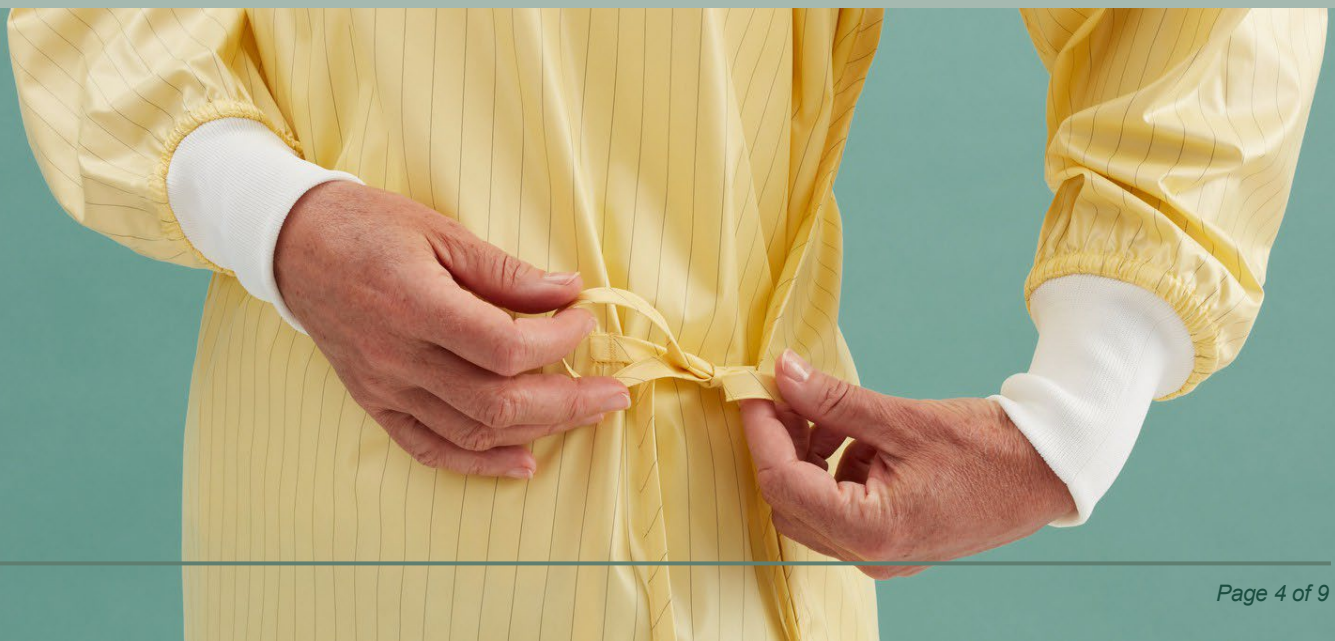
MIP (previously known as Med-I-Pant) was founded by Jerry Friedman in 1977 as the first manufacturer and supplier of adult reusable briefs designed to meet the needs of incontinent adults. In September 2013, MIP's ownership group expanded with an investment from Banyan Capital Partners. Today, MIP is owned by Senior Management in partnership with Banyan. Banyan's approach is to partner with management teams, combining their experience and expertise with extensive capital resources to help build and grow their portfolio companies.

In 2011, MIP extended its horizons in Europe by including MIP Europe GmbH into the MIP Family and in 2016, MIP acquired the UK based company Cromptons Healthcare Ltd, thus expanding MIP's UK presence and product portfolio.

Headquartered in Montreal, Canada, MIP operates internationally with strategically placed offices in key locations, including Med-I-Pant UK Ltd. (MIP UK) in Leighton Buzzard, United Kingdom; and MIP Europe GmbH in Hamburg, Germany, employing approximately 44, 20, and 15 staff members at each location, respectively.

MIP has therefore evolved into a global leader in the reusable healthcare textile industry, providing a broad range of products such as towels, bedding textiles (including sheets and pillows), bed pads, slider sheets for patient repositioning, laundry bags, carts, apparel for both patients and staff, kitchen linens, mattresses, and beyond. Leveraging a sophisticated global supply chain network, MIP predominantly sources its products from China, Europe, Pakistan, Bangladesh, and Cambodia. Additionally, MIP also buys certain products from local Canadian suppliers, showing our dedication to supporting the domestic businesses.

In Canada, MIP's operational activities primarily include importation of goods or sourcing from local suppliers, subsequently warehousing them in third-party facilities before distributing these goods to customers. MIP serves a wide range of customers which includes large and small laundries, distributors, hospitals, and long-term care facilities located in more than 27 countries around the world including Canada, United States of America, UK and many European countries such as Germany, France, Belgium, Switzerland, Austria, and Italy.



3. POLICIES AND DUE DILIGENCE PROCESSES IN RELATION TO FORCED LABOUR AND CHILD LABOUR



Our strategy for addressing and eliminating forced labor and child labor within our organization and across the supply chain is articulated in our **Modern Slavery Statement** which is available publicly on our website. Initially issued in November 2018 and with ongoing annual updates, it outlines our unwavering commitment to preventing the use of forced labor and child labor throughout all aspects of our operation and supply chain. Furthermore, it highlights our customized, risk-based due diligence process, meticulously designed to identify, and mitigate potential instances of forced labor and child labor.

Our utmost dedication to preventing forced labor, child labor and human trafficking is also articulated in our **Corporate Social Responsibility Statement**, demonstrating our steadfast commitment to upholding human rights standards in accordance with the United Nations Guiding Principles on Business and Human Rights (UNGPs). At MIP, we uphold a Corporate Social Responsibility Policy, outlining our obligations and establishing an internal framework essential for fulfilling our CSR commitments. It outlines the specific activities and responsibilities required to uphold MIP's CSR obligations comprehensively, ensuring alignment with ethical standards and fulfilling the expectations of our external stakeholders.

GRIEVANCE MECHANISM

MIP has implemented a **Whistleblowing Policy**, facilitating the anonymous reporting of any whistleblowing incidents by individuals, including employees, officers, directors, sales agents, suppliers, and customers. This policy is publicly accessible on our website and is provided to suppliers and employees during their onboarding process. This policy clearly states that any breach of MIP's CSR statement, including the incidents of forced labor or child labor, is considered to be a whistleblowing incident and should be reported accordingly. All the Whistleblowing incidents reported are subjected to a thorough investigation and are treated with utmost seriousness.

This Policy is administered by the Chair of the Company's Board of Directors, its Chief Executive Officer, and the Company's Human Resources Department, all of whom have been designated to receive submissions made under this Policy.

All the Whistleblower incidents may be reported via email at whistleblowing@mipinc.com.

4. THE PARTS OF MIP'S BUSINESS AND SUPPLY CHAIN THAT CARRY A RISK OF FORCED LABOUR OR CHILD LABOUR BEING USED AND STEPS TAKEN TO ASSESS AND MANAGE THAT RISK

MIP is dedicated to continually evaluating and enhancing our operational systems to identify and address risks within our supply chain, particularly those related to forced labor and child labor. We accomplish this by utilizing data from external sources and addressing supplier-specific risks through MIP's internal programs.

Our Corporate Social Responsibility (CSR) risk assessment extends throughout our tier-1 suppliers within our supply chain, conducted regularly on an annual basis. This internal CSR risk assessments conducted by MIP takes various factors as an input which includes (1) Country of Origin, (2) Category of product, (3) Business Volume, (4) Internal and External Stakeholder engagement, (5) Our experience on these topics and finally, (6) Emerging legislative and regulatory requirements. This systematic approach enables us to effectively identify evolving CSR risks and prioritize areas of action where our business can make the most impactful contributions towards positive and meaningful change.

In 2024, we took all the above-mentioned inputs into consideration while performing the CSR risk analysis of our suppliers. Using the findings from our risk assessment, we've set clear goals and objectives for our CSR program for the years 2025 to 2030, including:

No. 01 — Value chain expansion

Our objective is to implement due diligence practices across our value chain to identify, prevent, and mitigate forced labor and child labor, with a specific emphasis on our tier 2 suppliers, which have previously been excluded from our risk assessments.

No. 02 — Compliance with evolving expectations

Our aim is to excel in our CSR programs by adapting to the continuously changing external stakeholder expectations and ensuring compliance to the emerging regulatory requirements. If required, we will establish partnerships across the industry to drive a systematic change.

Mitigation of the identified risks



MIP uses a comprehensive approach to assess compliance with our CSR requirements and local regulations, utilizing both internal evaluations and external third-party audits. Most often, these assessments are conducted through independent third-party audits to evaluate supplier adherence to MIP's Code of Conduct and CSR requirements. These third-party audits comprehensively evaluate forced labor risks, including the employment of vulnerable worker groups such as foreign migrants, interns, and temporary workers. Additionally, they also focus on high-risk practices such as the use of child labor, the payment of recruitment fees and restrictions on freedom of movement.

Furthermore, MIP is committed in enhancing transparency and accountability by extending our efforts to map and address forced labor-related risks throughout our supply chain. Through ongoing engagement and collaboration with stakeholders at various levels, we are dedicated to fostering a supply chain that upholds the highest standards of ethical conduct and human rights.

5. MEASURES TAKEN TO REMEDIATE ANY FORCED LABOUR OR CHILD LABOUR

In the previous fiscal year, MIP thoroughly assessed its supply chain and did not find any instances of presence of forced labor or child labor.

However, MIP continuously seeks to improve our methods for evaluating working conditions in our supply chain by actively working with our suppliers and engaging with the industry experts. This collaborative approach underscores MIP's unwavering dedication to upholding the highest standards of ethical sourcing and social responsibility across our global operations.

We are fully equipped to address any instances of forced labor or child labor identified within our supply chain. If we are provided with evidence indicating the presence of a Forced Labour or a Child Labour by any of our suppliers, we will conduct a thorough investigations without any delay. In cases where improvements are necessary, we will engage with our suppliers, with the intention of a corrective action to cultivate accountability and rectify issues. Our focus would lie in identifying and addressing root cause of the incident to prevent any reoccurrence, thus ensuring the integrity of our supply chain, and upholding our commitment to ethical business practices. By working closely with the supplier, we would develop a remediation plan and if a supplier fails to implement the remediation measures, it will undergo thorough review and may face sanctions, up to and including termination of the business relationship.

6. MEASURES TAKEN TO REMEDIATE THE LOSS OF INCOME TO THE MOST VULNERABLE FAMILIES THAT RESULTS FROM ANY MEASURE TAKEN TO ELIMINATE THE USE OF FORCED LABOUR OR CHILD LABOUR IN MIP'S ACTIVITIES AND SUPPLY CHAIN

We have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chain.

7. THE TRAINING PROVIDED TO EMPLOYEES ON FORCED LABOUR AND CHILD LABOUR

MIP employees are trained on our company values and policies, including those related to human rights. MIP recognizes the importance of educating our employees on CSR requirements to ensure successful implementation of sustainability initiatives and our commitment lies in embedding the awareness about MIP's CSR program throughout our organization.

Whenever a new employee joins MIP, they undergo a mandatory training on ISO and Sustainability within the first three weeks of their employment. This training, developed internally by MIP, lasts approximately one hour, and is conducted by the quality and conformity department. Its primary objective is to familiarize new employees with the ISO standards implemented within our organization and MIP's sustainability initiatives. This training is mandatory for all new hires, regardless of their department.

During this training, employees receive an overview of MIP's Corporate Social Responsibility (CSR) obligations, emphasizing the importance of eliminating forced and child labor from our supply chain. Additionally, they are briefed on MIP's policies aimed at fulfilling its CSR obligations, as well as their rights as an employee at MIP. Moreover, the training underscores the significance of upholding human rights within our supply chain and provides guidance on reporting any suspicious activity or an incident which is not compliant with MIP's CSR requirements within the organization or across the supply chain. Furthermore, employees are encouraged to reach out to our Human Resources department at any time should they require further information regarding MIP's Corporate Social Responsibility initiatives.



8. HOW MIP ASSESSES THE EFFECTIVENESS IN ENSURING THAT FORCED LABOUR AND CHILD LABOUR ARE NOT BEING USED IN ITS BUSINESS AND SUPPLY CHAIN

MIP Relies on following factors to assess the effectiveness of steps taken to prevent the use of forced labor and child labor in its business and supply chain:

1

Annual Review of Policies and Procedures

All policies and procedures related to MIP's Corporate Social Responsibility (CSR) undergo annual review and updates. This includes our Modern Slavery Statement and CSR Statement, which are reviewed and approved by the board each year. These updates are made to align with evolving external stakeholder expectations and to ensure compliance with emerging regulatory requirements.

2

Tracking Incidents of Non-Compliance

MIP tracks incidents of non-compliance with its CSR requirements. These incidents include the reports from independent third-party audits, employees, the public, or law enforcement agencies, indicating the identification of modern slavery practices.

3

CSR Escalation Reports in case of Non-compliance:

If MIP is provided with evidence indicating the presence of a Forced Labour or a Child Labour by any of our suppliers, MIP promptly generates a CSR escalation report, which is then escalated to senior management. Following the implementation of remediation measures, these reports are periodically reviewed to assess the ongoing effectiveness of the measures before closure.

Through these activities, MIP measures the effectiveness of the steps taken to ensure that forced labour or child labour are not being used in its business and supply chain.

In accordance with the requirements of the Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for MIP. 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 2025.



Dean Johnson

CEO & President | MIP Inc.

26 May 2025

I have the authority to bind MIP