



MICROBIX BIOSYSTEMS INC.

MODERN SLAVERY REPORT 2024

DATED MAY 22, 2025

**Report on Fighting Against Forced Labour and Child Labour in Supply Chains
For the Financial Year Ended September 30, 2024**

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ABOUT THIS REPORT

Microbix Biosystems Inc. (“**Microbix**” or the “**Company**”) has prepared this Fighting Against Forced Labour and Child Labour in Supply Chains Report (the “**Report**”) in accordance with Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act (S.C. 2023)* (the “**Act**”) for the financial year ended September 30, 2024.¹ This is a single report made under Section 11 of the Act on behalf of Microbix. Microbix has one inactive subsidiary, Crucible Biotechnologies Inc.

This Report describes the steps taken by Microbix to assess and address risks with respect to forced labour and child labour (“**Modern Slavery Risks**”).² In this Report, unless otherwise stated, references to the “**Microbix**”, the “**Company**”, “**we**”, “**us**”, “**our**” and similar expressions include the Reporting Entities. Monetary amounts in this Report are expressed in Canadian dollars, unless otherwise stated.

Microbix is committed to operating with high ethical standards and compliance with all applicable laws, rules and regulations. This commitment includes adherence to the Company’s Code of Business Conduct and Ethics, Whistleblower Policy and Corporate Social Responsibility Policy all of which apply to our directors, officers and employees.

ABOUT OUR BUSINESS

Our Business

Microbix creates proprietary biological products for human health, entirely in Ontario. Microbix makes a wide range of critical ingredients and devices for the global diagnostics industry, notably antigens for immunoassays and its laboratory quality assessment products (QAPs™) that support clinical lab proficiency testing, enable assay development and validation, or help ensure the quality of clinical diagnostic workflows. Our antigens drive the antibody tests of approximately 100 diagnostics makers, while QAPs are sold to clinical lab accreditation organizations, diagnostics companies, and clinical labs. Microbix QAPs are now available in over 30 countries, supported by a network of international distributors. Microbix is ISO 9001 & 13485 accredited, U.S. FDA registered, Australian TGA registered, Health Canada establishment licensed, and provides CE marked products.

Microbix also applies its biological expertise and infrastructure to develop other proprietary products and technologies, most notably viral transport medium (DxTM™) to stabilize patient samples for lab-based molecular diagnostic testing and Kinlytic® urokinase, a biologic thrombolytic drug used to treat blood clots.

Structure

Microbix was amalgamated under the laws of the Province of Ontario by articles of amalgamation dated October 1, 1990. The predecessor companies of Microbix were Animal Health Laboratories Inc. a private corporation incorporated on October 3, 1978 under the laws of the Province of Ontario which changed its

¹ This Report has not been externally assured.

² Microbix has prepared this Report based on information available to it at the time of preparation. This Report contains forward-looking statements relating to Company’s policies and practices with respect to modern slavery risk management, including statements of current intention and expectation and statements of opinion. There can be no assurance that such statements will prove to be accurate, as Company’s actual results and future events could differ materially from those anticipated in this forward-looking information as a result of the factors discussed in the risk factors section in the Company’s Management Discussion & Analysis dated December 17, 2024, which is available at www.Microbix.com or on SEDAR+. Except as required by applicable laws or regulations, the Company does not undertake to publicly update or review any forward-looking statements.

name to Microbix Biosystems Inc. on May 4, 1984, and Autocrown Corporation Limited, a public company amalgamated under the laws of the Province of Ontario on April 27, 1980. The registered office and head office of the Company is located at 265 Watline Avenue, Mississauga, Ontario.

Microbix is an Ontario incorporated corporation and a reporting issuer in the provinces of Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island, Québec and Saskatchewan. The Company's common shares are listed for trading on the Toronto Stock Exchange (TSX:MBX) and on OTCQX (OTCQX:MBXBF)

As at September 30, 2024, Microbix had approximately 120 employees, almost all of whom are employed on a permanent basis. All of our employees are based in our offices in Mississauga, Ontario, Canada.

Governance

Microbix's Board of Directors oversees the Company's approach to risk management, which includes risks related to human rights. Each committee of the Board oversees risks within its functional area. Oversight of human rights risks, including Modern Slavery Risks, falls within the mandate of Human Resources and Governance Committee.

Overview of Our Supply Chain

The vast majority of Microbix's procurement activities occur through a central procurement function at our head office in Mississauga, Ontario, Canada. Microbix procures a range of goods and services to support our manufacturing, research and development, sales and other operating activities.

Our procurement is managed by our purchasing department which is responsible for procurement governance, with local oversight by Microbix's Senior Director of Operations, Chief Operating Officer and the Chief Financial Officer.

The majority of Microbix's supply chain activities take place within Canada. Microbix is engaged with approximately 50 direct suppliers globally, approximately 95% of which were based in North America.

When measured by value, Microbix's total procurement expenditure was largely within Canada (approximately 75%), much of which was spent supporting local businesses and service providers. The remaining expenditure occurred as follows: approximately 20% from the U.S. and 5% from the rest of the world.

Key goods and services procured included:

1. Quality-regulated life sciences consumable goods, such as chemicals and disposable vials, swabs, mylar pouches and labels.
2. Quality-regulated life science instruments, such as bioreactors, biosafety cabinets, and centrifuges.
3. Quality-regulated life science services such as for regulatory auditing and accreditation and for product sterilization or waste disposal.

Such suppliers are predominantly located in Canada and are typically well-recognized international life science suppliers.

POLICIES AND DUE DILIGENCE PROCESSES

Microbix has several policies, practices and processes which minimize the risk of forced labour and child labour instances in our supply chain. Microbix's policies set out our commitment to acting lawfully, ethically and responsibly and define the Company's expectations of quality control and acceptable business practices. In all our contracts, we require that our business partners and suppliers within our supply chain agree to comply with Microbix's standards and policies (including ISO9001 and ISO 13485). Significant Microbix contracts with customers and suppliers contain "Quality Agreement" provisions that provide explicit requirements.

Together, the following policies form a framework of standards required of our directors, officers, employees, contractors and suppliers to ensure human rights are respected, and to identify and appropriately address Modern Slavery Risks in our operations and supply chains:

- **Code of Business Conduct and Ethics** – requires directors, officers and employees of Microbix to act honestly, ethically and in compliance with all applicable laws and regulations in fulfilling their duties and responsibilities with a commitment to preserving the reputation of Microbix for integrity and excellence.
- **Whistleblower Policy and Procedures** – requires reporting of actual or suspected material violations of the Code of Conduct or material legal or regulatory obligations and protects reporters from reprisal.
- **Corporate Social Responsibility Policy** – requires Microbix and its employees and contractors to conduct business in a socially responsible and ethical manner including support of human rights.

The Company's Code of Business Conduct and Ethics requires compliance with all applicable laws and provides for a reporting mechanism to address violations or suspected violations of the Code with a commitment to investigate reported violations without retaliation against any person reporting in any good faith violations of the Code. The Company's Whistleblower Policy also contains investigation and no retaliation provisions. The Company's Corporate Social Responsibility Policy prohibits the Company and its employees from engaging in or being complicit in any activity that solicits or encourages human rights abuse.

In addition, Microbix's purchasing department adheres to a quality assurance program known as a Quality Management System which requires, among other things, a due diligence process for screening vendors and prospective vendors on an ongoing basis.

While Microbix recognizes limitations in fully investigating all activities and participants in our supply chain, Microbix actively reviews its suppliers for legal and regulatory compliance, as it is standard within its regulated industry. Microbix is committed to compliance, throughout its supply chain, with all legislation including the Act, in order to reduce Modern Slavery Risks in our supply chain. Microbix generally considers forced labour and child labour to be low risk within our supply chain due to it dealing with well-established and highly-regulated suppliers. The Company will evaluate additional due diligence measures including both policies and procedures to further minimize the risk of forced labour and child labour in our supply chain.

POTENTIAL MODERN SLAVERY SUPPLY CHAIN RISKS

Our Operations

The nature of our industry and location of our operations means that our workforce consists of skilled, qualified and experienced individuals located in Canada. In consideration of our skilled workforce and policies and procedures, Microbix considers the risk that our operations may cause or contribute to modern slavery or child labour to be relatively low.

Our Supply Chain

As the vast majority of our supply chain activity takes place within Canada with, approximately 90% of our suppliers based in North America, we consider the risks of modern slavery or child labour in our supply chain to be relatively low. Microbix remains committed to taking steps to identify and address potential forced labour and child labour in our supply chain. However, it may be difficult or impossible for Microbix to investigate the provenances of the end-products or raw materials of its suppliers; particularly with respect to those based outside of North America.

REMEDIATION MEASURES

As of the date of this Report, Microbix has not identified any instances or allegations of forced or child labour within its own work force or its supply chain. If Microbix determines that it has caused or contributed to any instances of modern slavery, Microbix intends to cooperate with the impacted parties to develop an approach to remediation that is tailored to the needs of the impacted parties. With no instances yet requiring remediation, Microbix's focus will be to prevent and mitigate potential instances.

Loss of Income

Microbix is not aware of any forced labour or child labour in its operations or supply chain or any instance above to reduce such risk resulted in loss of income for any vulnerable family or individual.

TRAINING

All Microbix directors, officers and employees are required to review, understand and adhere strictly to the Company's Code of Business Conduct and Ethics, Whistleblower Policy and Corporate Social Responsibility Policy. As guidelines with respect to compliance with the Act become clearer, Microbix intends to incorporate training regarding the awareness and prevention of modern slavery issues into its purchasing department employee training regime.

ASSESSING EFFECTIVENESS

As Microbix continues the development of its program to prevent Modern Slavery Risks in 2025, it will consider and implement measures to assess the effectiveness and cost of these processes.

OUR PLANS FOR 2025

Microbix is committed to continuous improvement in all aspects of our business operations, and this extends to our commitment to take meaningful steps to identify and combat Modern Slavery Risks and maintain a responsible and transparent supply chain.

In 2025, we intend to continue all current actions to address Modern Slavery risks in our business and supply chain. In addition, we are planning the following actions for 2025:

- Development of ongoing workforce training and awareness building, regarding these issues.
- Review of Microbix’s policies and procedures with respect to these issues.
- Screening of active vendors, including the use of a modern slavery questionnaire for all suppliers who are assessed to have a medium to high risk profile.
- Further education for our employees related to available reporting mechanisms.
- Incorporation of preventative clauses into new and renewing supplier agreements

APPROVAL AND ATTESTATION

This Report was approved by the Board of Directors of the Microbix on May __, 2025.

In my capacity as an officer and a director of Microbix and not in my personal capacity, I make this attestation in accordance with the requirements of the Act.

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 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.

I have authority to bind Microbix Biosystems Inc.

MICROBIX BIOSYSTEMS INC.

Per: 
Name: Jim Currie
Title: Chief Financial Officer

May __ , 2025

Forward-Looking Information

Certain statements contained in this Report constitute forward-looking information. Although the Company believes that the expectations reflected in the forward-looking information are reasonable based on the information available on the date such information is given made and processes used to prepare the information, such information is not a guarantee of future performance and no assurance can be given that the expectations will prove to be correct. Forward-looking information should not be unduly relied upon. Such information involves a variety of assumptions, known and unknown risks and uncertainties, and other factors, which may cause actual results, levels of activity, and achievements to differ materially from those anticipated by such forward-looking information. Actual results could differ materially from those anticipated in the forward-looking information as a result of a variety of risk factors, many of which are beyond the control of the Company. Due to the interdependencies and correlation of these risk factors, the impact of any one material assumption or risk on a forward-looking statement cannot be determined with certainty. For additional information about the principal risks the Company faces, see risks described in the

Company's Management's Discussion and Analysis for the year-ended September 30, 2024. The forward-looking information contained herein reflects the Company's expectations as of the date of this Report and is subject to change after such date. The Company disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by applicable securities legislation.