



FORCED AND CHILD LABOUR SUPPLY CHAIN REPORT

PART 1: INTRODUCTION

This report is prepared by Rapid Aid Corp. ("Rapid Aid") for the financial reporting year of 2024. Rapid Aid operates worldwide. This is its first report submission. Rapid Aid meets 2 of the 3 reporting requirements specified in Bill S-211 relating to revenue and assets.

As a manufacturer of hot and cold therapy products, Rapid Aid is committed to ensuring that its products are manufactured without forced and child labour within its supply chains. In compliance with Bill 2-11, *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, Rapid Aid has put in place measures to mitigate and prevent such risks throughout its operations.

PART 2: STRUCTURE, ACTIVITIES & SUPPLY CHAIN

Structure

Rapid Aid is a privately held company established in 1975. It has a head office and manufacturing facility in Mississauga, Ontario. Additionally, through wholly owned subsidiaries, it has manufacturing facilities in Dayang-Jiangsu, China and Hai Phong, Vietnam. Rapid Aid (and its wholly owned subsidiaries) have employees in each jurisdiction that it maintains an office or manufacturing facility.

Activities

Rapid Aid has several key divisions: (a) product development and innovation; (b) manufacturing; (c) logistics and distribution; and (d) sales and customer support. The executive team and senior management in each Rapid Aid Facility (including the wholly owned subsidiaries) are responsible for identifying risks to Rapid Aid's business, including those relating to Environmental, Social and Governance ("ESG") matters, including human rights matters, such as a modern slavery, and the implementation of appropriate systems to monitor and manage such risk.

Rapid Aid's facilities in Canada, China and Vietnam produce a wide range of hot and cold therapy products. In Canada, Rapid Aid employs 38 people in various roles, which can be grouped into finance (5 employees), IT (2 employees), Operations (13 employees), quality (2 employees) sales and marketing (7 employees) and the executive and support staff (8 employees). All Canadian staff receive onboarding training compliant with the *Employment Standards Act*, *Occupational Health and Safety Act*, *Accessibility for Ontarians with Disabilities Act*, *Ontario Human Rights Code*, and *Fighting Against Forced Labour and Child Labour in Supply Chains Act*. Where required, training is repeated on an annual basis.

Additionally, Rapid Aid has implemented all required signage and measures in compliance with the legislation.

In China, Rapid Aid employs 46 people in various roles, grouped into operations (18 employees), supply chain management (6 employees), executive and support staff (6 employees), quality and regulatory (9 employees), and engineering/project support (7 employees). All employees in China receive mandatory occupational health and safety training, human rights training, and are employed in accordance with the labour laws in China.





In Vietnam, Rapid Aid employs approximately 480 people in various roles, which can be grouped into operations (336 employees), quality assurance/control (30 employees), finance (7 employees), supply chain and logistics (10 employees), warehouse (25 employees), engineering and maintenance (56 employees), and senior management and support staff (16 employees). All employees in Vietnam receive mandatory occupational health and safety training, human rights training, and are employed in accordance with the labour laws in Vietnam.

In addition to complying with local laws in each jurisdiction that it operates, Rapid Aid also maintains a general Labour and Human Rights Policy, which incorporates the Ethical Trading Initiative Base Code, Universal Declaration of Human Rights, and United Nations Guiding Principles on Business and Human Rights.

The Labour and Human Rights Policy also sets minimum standards that are applicable to Rapid Aid and its subsidiaries. Amongst other things, these include a zero-tolerance policy for both child and forced labour.

Supply Chain

Rapid Aid has a complex network of third-party suppliers of raw material, carriers, and warehousing.

Approximately 71% of Rapid Aid Canada's vendors are in Canada and 29% are located in China. Rapid Aid's primary raw materials are roll-stock, pouch bags and chemicals. Rapid Aid considers its vendors in Canada to be low risk. Canada has very strict laws relating to forced and child labour.

Rapid Aid maintains control over selecting its suppliers in China and Vietnam. Rapid Aid is aware of the information regarding known cases of forced and child labour in these countries available from credible sources, including the U.S. Department of Labor. Rapid Aid vets its supplier to ensure that these suppliers do not use child or forced labour.

Rapid Aid offers integration stock and inventory management, with distribution capabilities across all continents. In addition to its own facilities, Rapid Aid stores and distributes its product at the following third-party logistics centers:

- The Shandex Group – Pickering, Ontario
- Total One Logistics – Mississauga, Ontario
- Transpro Freight Systems – Milton, Ontario
- AN Deringer – Buffalo NY.

Rapid Aid maintains agreements with all the above facilities adhering to mandatory compliance around labor laws.





PART 3: POLICIES & DUE DILIGENCE PROCESSES

Current Policies & Due Diligence in Supply Chain

In all jurisdictions in which it operates (either directly or through a wholly owned subsidiary), Rapid Aid maintains a Supplier Quality Agreement F.PUR.009, which relays its commitment around ethical labor. Each supplier is required to sign and date this document and attest to agreeing with the requirements contained therein. Amongst other things, Supplier Quality Agreement F.PUR.009 states:

"[supplier] shall be in compliance with and shall comply with all applicable laws, regulations, and ordinances. This includes but is not limited to child labor and forced labor. Forced labor or child labor is not permitted under this agreement. [Supplier] shall ensure that workers are paid wages under applicable law and ordinances of the country or state. [Supplier] shall maintain in effect all licenses, permissions, authorizations, consent, and permits."

Internal Compliance

Given the nature of Rapid Aid's operations, Rapid Aid is routinely (by contract) subject to various audits, including ethical audits by third parties, including its customers.

On an annual basis, Rapid Aid undergoes Sedex Members Ethical Trade Audit (SMETA) certification. Amongst other things, a SMETA audit reviews labour standards, health and safety, environment and business ethics. Auditors conduct site visits and meet with various staff from all departments. This third-party audit includes all of Rapid Aid and its wholly owned subsidiaries located in Vietnam and China.

Rapid Aid's latest SMETA certification was completed in 2024. Relevant to this report, the findings show that:

- Employees have a right to freely chose employment
- Employees have a right of association and collective bargaining
- Child labour was not used
- Employees earn wages above minimum standards that are assessed against market competitiveness.
- No discrimination is practiced
- No harsh or inhumane treatment.

The SMETA audit also included a review of training provided to employees. The audit discovered that employees are provided employee handbooks and policies that include policies and procedures to reduce the risk of forced labour, child labour, discrimination, harassment and abuse.

PART 4: REMEDIATION OF FORCED & CHILD LABOUR AS WELL AS REMEDIATION OF VULNERABLE FAMILY INCOME LOSS

Rapid Aid has not identified any supplier employing forced labour or child labour in its supply chain. As such, no remediation has been required.

PART 5: AWARENESS TRAINING





Rapid Aid will continue to provide training to all new and existing employees which includes information about employee rights and an employee's right to refuse work.

PART 6: AWARENESS EFFECTIVENESS

Before retaining a new vendor, Rapid Aid's management is tasked with assessing risks, including forced and child labour risks. Rapid Aid only does business with companies that share its commitment to ethical business practices.

ATTESTATION

In accordance with the requirements of the Fighting Against Forced Labor and Child Labor in Supply Chains Act (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.

This Report is approved by Rapid Aid's President & CEO

In my capacity as a CEO & President., and not in my personal capacity, I make this attestation in accordance with the requirements of the Act.

I have the authority to bind Rapid Aid Corp.

Date:

JUNE 17th, 2025

A blue ink handwritten signature of Jeff Whitely, written over a horizontal line.

Jeff Whitely

Chief Executive Officer

