Acernis Medical Inc. Report for FY2025

This report is produced by Acernis Medical Inc., "Acernis" (DBA: AMT Surgical and Vantage Endoscopy) for the fiscal year ending September 30, 2025 (FY2025) and sets out the steps taken to prevent and reduce the risk that forced labour or child labour is used for the production and supply of goods Acernis imports into Canada for sale and distribution.

This single entity report is prepared by the corporation pursuant to Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act (Bill S-211). As a Canadian entity, Acernis meets thresholds for reporting obligations, but these obligations are limited to the Canadian requirements only and all references below reflect this obligation.

Steps Taken

In FY2025 Acernis continued with its efforts to enforce a Supplier Code documentation, which highlights and reinforces our standards, policies and procedures around various topics including supplier engagement and management, specific to human rights, labour laws and environmental responsibilities.

Presenting the Supplier Code is a good opportunity for constructive dialogue with our key suppliers to identify opportunities to improve social, environmental, or broader aspects of supply chain management.

Structure, Activities and Supply Chains

Acernis, a single entity, is incorporated under the laws of the province of Ontario.
Acernis' main facility has relocated from Kitchener, ON, to a larger facility in Mississauga, ON, combining office, warehouse, and service facilities under one roof, with additional warehouse space located in Edmonton, AB.

Acernis imports, distributes, and services medical equipment, instrumentation (collectively referred to as medical devices) and accessories, to Canadian hospitals and clinics. AMT is the leading supplier of surgical systems in Canada, with a focus on providing customers with surgical solutions that optimize patient safety, clinical performance, ease of use and cost-effectiveness. Vantage Endoscopy delivers best-in-class international medical technologies to suit the dynamic needs of the Canadian healthcare community, operating as a trusted and enduring partner with Canadian hospitals and clinics.

At the time of this initial reporting period (FY2025), Acernis employed 121 individuals across Canada within various operations, finance, sales, and service roles.

The medical devices and accessories Acernis provides are imported mainly from the following countries: Australia, China, Germany, South Korea, Switzerland, UK, and USA. Acernis also distributes products manufactured in Canada. Geographical representation of the products Acernis distributes is as follows: Germany 42%, USA 28%, China 23%, other 7%.

Policies and Due Diligence Processes

For FY2025, Acernis continued with the existing internal due diligence and initiated its external processes as described below.

Internal Due Diligence:

All employees must complete the review of and accompanying training as applicable for the following, providing an attestation of understanding and compliance.

The Acernis' Employee Handbook includes a section pertaining to the company's Code of Conduct and Code of Ethics, which highlights expectations, code of ethics and responsible business conduct, employment guidelines and a non-discrimination section. It addresses ethical conduct expected within the work environment, business practices and relationships with internal and external stakeholders.

The existing Antibribery and Corruption Policy requires good business practice conduct, for all business divisions, including but not limited to supplier and product sourcing. This training is mandatory for all employees and must be completed biannually.

The existing Whistleblowing Policy provides an avenue for employees to report any concerns of unethical behaviour, including forced or child labour. This is established through an independent third-party whistleblowing hotline, which allows employees to raise concerns confidentially, anonymously, and independently of the company in relation to any concerns noted. The Whistleblowing policy and posters must be displayed in every Acernis facility, so every employee is aware of the Whistleblowing process.

External Due Diligence:

Acernis' key suppliers were provided a more in-depth Supplier Code document and have acknowledged with signature that they have received and understood the Supplier Code and agree to comply with the standards of human rights, labour laws and environmental responsibilities outlined within it.

Assessing and Managing Potential Risk

Acernis intends to identify priority areas that require an initial assessment for risk management. Priority review may be applied to supply chains for products imported from certain geographic areas with known higher forced or child labour risks.

Remediation Measures

As Acernis has not completed an initial assessment of potential risk for forced or child labour, remediation measures are not applicable at this time.

To date, we are not aware of any risks and therefore no remediation measures have been taken.

Training

The existing training as mentioned above of the Employee Handbook; Code of Conduct and Code of Ethics expectations, along with the Antibribery and Corruption Policy and Whistleblowing Policy is provided upon initial hire, and re-training is biennially required there after. This training is mandatory.

Assessing Effectiveness

No actions have been taken yet to assess the effectiveness of existing measures in ensuring that forced labour and child labour are not being used in its business and supply chains.

Approval and Attestation

This Report was approved pursuant to subparagraph 11(4)(a) of the Act by Elena Lo Castro of Acernis Medical Inc.

In accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Act), and in particular section 11 thereof, I, the undersigned, attest that I have reviewed the information contained in this report for the entity listed above. 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 Acernis Medical Inc.

Per: Elena Lo Castro

Full Name: Elena Lo Castro

Title: Senior Vice President Lifesciences Diploma, Acernis Board Member

Date: 2026-05-29