

Annual Report

Fighting Against Forced Labour and Child Labour in Supply Chains Act (Bill S-211)

For the Financial Year Ended: December 31, 2025

Introduction

This report is published in accordance with the **Fighting Against Forced Labour and Child Labour in Supply Chains Act** (Bill S-211).

This report describes the approach and steps taken by Capital Health Holdings Inc. and its direct and indirect subsidiaries, Capital Health Partners Inc., Ontario Medical Supply Inc., Royal Drugs Inc., and Accellor Medical Inc. with their head office at 1100 Algoma Road, Ottawa, ON K1B 0A3; Royal Drugs Ltd. and Royal Drugs Pharmacy Ltd. with their head office at 2-2785 Skymark Avenue, Mississauga, ON L4W 4Y3; and Royal Drugs Vancouver Inc. with its head office at 1600925 West Georgia Street, Vancouver, BC V6C 3L2 (collectively, the Company”) to identify and prevent the risk of forced labour and child labour within its business operations and supply chains during the financial year commencing on January 1, 2025 and ending on December 31, 2025.

Organizational Structure

Ontario Medical Supply Inc. is a distributor of medical supplies, wholesaler of drug products and operates retail business that sells and rents medical supplies and equipment. Royal Drugs Inc., Royal Drugs Ltd., Royal Drugs Pharmacy Ltd., and Royal Drugs Vancouver Inc. operate pharmacies under College of Pharmacy across different provinces in Canada. Accellor Medical Inc. sells medical supplies and equipment.

Supply Chain

Our organization’s supply chain includes:

- Medical supplies and equipment
- Pharmaceuticals

Our organization partners with reputable manufacturers/suppliers that have policies in place to protect the vulnerable, no matter in which country they operate. Our manufacturing partners and third parties are expected to follow similar standards when employing their workforce and within their supply chain practices. Our Suppliers are located in Canada, US and internationally, including jurisdictions with varying labour-rights risk profiles.

Risks in supply chain:

Some of the items purchased from North American suppliers may originate further down the supply chain from other countries.

Policies and Governance Related to Forced Labour and Child Labour

Our organization has implemented policies that address human rights and ethical sourcing, including:

- Forced Labour and Child Labour Policy (Bill S-211 Policy)
- Recruitment, Selection and Onboarding Policy
- Supplier Management Policy
- Employee Principles Rules of Conduct Policy

These policies prohibit the use of forced labour, child labour, and human trafficking across our operations and supplier relationships.

Human Rights Statement

Our Company is an inclusive and equal opportunity employer committed to providing diversity and accommodations for employees or applicants upon request at any stage of the recruitment process in accordance with all applicable provincial legislations such as the Accessibility for Ontarians with Disabilities Act (AODA); Ontario Human Rights Code; Accessible BC Act (ABCA); BC Human Rights Code; and the Alberta Human Rights Act (AHRA). Our Company's commitment to respecting human rights across the organization is a core part of our fundamental principles.

Due Diligence Processes

Our organization applies a **risk-based due diligence approach**, which includes:

- Screening suppliers during onboarding
- Containing labour-rights expectations in contracts and purchase agreements.
- Periodic risk review of the suppliers, particularly those categorized as higher risk.

Measures Taken to Prevent and Mitigate Risks

Our organization has implemented the following measures:

- Supplier contracts and agreements include compliance with labour standards.
- Enhanced diligence for higher-risk suppliers
- Corrective action processes where potential risks are identified.
- Training and awareness of our team involved in related activities.

Remediation of Forced Labour or Child Labour

During the reporting period:

No remediation actions were required since our company has not identified any forced or child labour in our business activities or supply chain.

Training

Our organization has provided training to the relevant personnel, including:

- Supply chain team
- Human Resources team
- Management team/Hiring managers

The policy will be reviewed and updated to include any changes to the legislation, and the contracts/agreements will be updated to reflect the changes as required. Retraining will be provided to the employees on the updated policies through our learning management system.

Assessing Effectiveness

To assess the effectiveness of our efforts, our company performs:

- Periodic review of high-risk suppliers
- Training compliance of our team
- Review of any reported concerns or incidents

We have procedures in place to confirm training and compliance by our employees and new employees will be trained on the policies during the onboarding process.

Reporting Concerns

Employees, suppliers, and third parties may report concerns related to labour practices through email or the contact numbers listed on our website. Our organization will continue to develop opportunities by which anyone, including our employees, contractors and suppliers can raise their concerns, including those related to human rights. Our human rights reporting is accessible by email at hr@oms.ca.

All reports will be investigated confidentially and appropriately addressed.

Approval

This report is approved by the Chief Executive Officer of Ontario Medical Supply and Royal Drugs in accordance with the requirements of the Fighting Against Forced Labour and Child Labour in Supply Chains 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 the Company and its subsidiaries 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.

Signature:



Name: Yves Portelance

Title: Chief Executive Officer

Date: May 20, 2026